

**DESERT HEALTHCARE DISTRICT  
HOSPITAL GOVERNANCE AND OVERSIGHT COMMITTEE  
MEETING MINUTES  
March 14, 2018**

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Meeting of the Hospital Governance and Oversight Committee of the Desert Healthcare District was held in the Desert Healthcare District Conference Room, 2<sup>nd</sup> Floor, Palm Springs, CA

Attendance:

Members

Carole Rogers, RN, Vice-President/Chair  
Les Zendle, MD, President

Absent

Staff

Herb K. Schultz, CEO  
Lisa Houston, COO  
Chris Christensen, CFO  
Mary Pannoni, Accounting/Admin Support  
Andrea S. Hayles, Clerk to the Board

Legal Counsel

Jeff Scott

Guests

Mitch Blumberg, Chair, Governing Board of Directors, Desert Regional Medical Center  
Laura Bruce, RN, Desert Regional Medical Center, Palm Springs Resident  
Regina Epp, RN, Desert Regional Medical Center  
Linda Evans, Chief Strategy Officer, Desert Regional Medical Center, Tenet  
Michele Finney, CEO, Desert Regional Medical Center  
Caroline Hughes, RN, Desert Regional Medical Center  
Ezra Kaufman, District Resident  
Christine Langenwalter, MSN, RNC, CENP, Director of Clinical Quality Improvement and Education Services  
Keven Porter, RN, BSN, MS, Regional Vice President, Hospital Association of Southern California  
Lori Ruggiero, RN, Desert Regional Medical Center  
Stephanie Salters, District Resident

**CALL TO ORDER**

The meeting was called to order at 10:04 a.m. by Chair Rogers

Chair Rogers invited all in attendance to introduce themselves.

## **APPROVAL OF AGENDA**

Chair Rogers requested an addition to the agenda before the adjournment.

**It was moved and seconded (President Zendle and Chair Rogers) to approve the changes to the Agenda. Motion passed unanimously.**

## **APPROVAL OF MINUTES**

Minutes of the January 19, 2018 Meeting

Chair Rogers requested an additional agenda item for Directors Comments as item VIII.

## **PUBLIC COMMENTS**

Ezra Kaufman, District Resident, explained that his public comments from the January 19, 2018 meeting were not reflected appropriately, and requested the precise language word for word. Chair Rogers inquired with District Resident Stephanie Salters if her public comments were adequate. Ms. Salters has not had a chance to read the public comments in its entirety.

**It was moved and seconded (President Zendle and Chair Rogers) to table the Minutes until the April Meeting. Motion passed unanimously.**

## **OLD BUSINESS**

None

## **NEW BUSINESS**

DRMC – American Disabilities Act (ADA) Compliance/Air Quality Report

Chris Christensen, CFO, described the Desert Regional Medical Center American Disabilities Act (ADA) Compliance and Air Quality Reports based on CBRE, which was provided and discussed at the February 27, Board Meeting.

President Zendle inquired if the Joint Commission Accreditation, Healthcare Certification (JACHO) or other accreditations require air quality reporting. Michele Finney, CEO, DRMC, stated that when there are major events with water remediation, testing is performed throughout the process.

The Committee requested that when a significant event has occurred at DRMC that necessitates an air quality report, that the report is forwarded to the Hospital Governance and Oversight Committee within 30-days.

Hospital Compare – Five Star Rating System

Herb K. Schultz, CEO, provided a presentation of the Hospital Compare – Five Star Rating System. Mr. Schultz explained the aspect of Hospital Compare, information that can be obtained about hospitals, and the overall ratings.

Vice-President Rogers inquired about how the data is collected. Mr. Schultz explained that there is survey data such as for patient satisfaction overseen by contractors that contract with Medicaid and Medi-Cal Services.

Christine Langenwaller, MSN, RNC, CENP, Director of Clinical Quality Improvement and Education Services, DRMC, gave a presentation on Hospital Quality Star Ratings on Compliance launched publicly in 2016. Ms. Langenwaller provided percentages of the star rating based on the measures categories. The changes effective in December 2017 were outlined, including the star rating methodology, and new reporting threshold sequence. Mortality, readmission from 2013 -2016 was detailed with some categories better than the national average. Process improvements with extensive mortality review process were described. Safety of Care 2016 – 2017 was explained with higher expectancy measures than others, including process improvements. Ms. Langenwaller explained the Patient Experience from 2016-2017 and process improvement. Efficient use of medical imaging and effectiveness of care – flu vaccines were no different from the National Rate – same for Timeliness of Care.

President Zendle inquired on trauma patients and CMS economics with Ms. Langenwaller explaining that those items are not considered in the star rating. President Zendle also asked if there are areas for JFK Memorial that scored differently and if we can examine why JFK scored differently. Ms. Finney explained that there are areas where JFK will perform better, but the majority of the patients are received from transfer from varying institutions DRMC receives transfers from various facilities such as Mexico, Hemet, and Redlands. President Zendle clarified that he is referring to scoring at JFK that may be better in some areas than DRMC further explaining that a certain percentage of nursing home patients are Medi-cal, and DRMC accepts Medi-Cal, then DRMC most likely receives a significant number of those patients as opposed to other hospitals in the Valley. Ms. Langenwaller stated that she would examine the data.

Ms. Finney stated that some of the data items are scheduled to commence and cautioned that there are 2,300 employees and another 1,000 physician employees that will take significant time to sustain and implement at a consistent level of adoption to train staff over time.

Chair Rogers inquired if DRMC measures patient acuity. Ms. Finney and Ms. Langenwaller explained that acuity is not compared hospital to hospital. Nursing acuity is based on an acuity system and acuity model which is a staffing issue.

#### **PUBLIC COMMENT**

Laura Bruce, RN, Palm Springs Resident, explained that one portion of Ms. Langenwaller's presentation is missing the cleanliness of the environment, which affects several factors

including the HHI's that the nurses receive the appropriate education. Cleanliness of the environment is a high factor since the rooms in the Emergency Department are not cleaned quickly enough to move the patients, which affects patient satisfaction and the infection rates based on cleanliness with a multitude of patients. As a nurse working at DRMC, Ms. Bruce is concerned where there is there enough staffing because there are not enough housekeepers to clean the rooms efficiently enough, which also affects the elements of the patient satisfaction score. Ms. Bruce inquired if the Rapid Transfer Agreements (RTA) for stroke patients to treat the patient and send the patient back to their hospital for care, but the patients are at DRMC much longer than the allotted time that places the patient more at risk for infection. Ms. Bruce inquired if DRMC is following through on the RTA's.

Ms. Finney explained that Ms. Bruce is correct in describing the RTA which states that the institution sends the patients to DRMC and agrees to take back the patient; however, the determination is placed on the attending physician, but the majority of the time the physician wants to retain the patient through the end of care. The cleanliness rating of DRMC is 10 points behind the national average on patient satisfaction and an additional 7 FTE's placed on the housekeeping contract in the past year. Progress is currently being made to address all the matters.

President Zendle explained that it has been on the radar of the DRMC Governing Board.

Stephanie Salter, RN, inquired if Christine Langenwalter, Director of Clinical Quality Improvement and Education Services is an RN. Ms. Langenwalter's credentials are MSN, RNC, CENP. Mrs. Salter explained that the acuity is a legal function determined by the nurse. Often patients with the same infections are monitored by the same nurse, which is unacceptable, and she is unsure if the hospital is continuing this practice. Many issues can be resolved with the hiring of a monitor technician every unit to ensure the technician can oversee the unit. Ms. Langenwalter's presentation did not include sentinel deaths in one case that was related to the lack of vetting RN's to take care of the patients. Accepting an RN without vetting their skills similar to one nurse that incorrectly pulled a central line that resulted in a patient's death. There should be proven written skills of the people that care for the patients. It is not pleasing to discuss that patients are difficult. California is a highly educated state, patients read more and understand more about their care, which does not make them difficult – it makes the patients part of the care. An emergency room patient with C. Diff. is one of the most inexpensive and first line matters when someone is ill to obtain a urinalysis, especially for women with a UTI that can be corrected upon arrival. If nurses are unable to get a stool sample from a patient with diarrhea and C. Diff., Mrs. Salter would gladly train staff. Mrs. Salter inquired on why the lab draws at Desert Regional Medical Center are twice as expensive than at Eisenhower?

Ezra Kauffman, District Resident, explained that the discussion was apologist – it is the methodology or the patient's problem, but the issue is the business model. The hospital receives approximately \$80M in revenue each year for the last two years and can utilize \$60M

or \$20M on patient safety for patient satisfaction. Mr. Kaufman expressed concerns about cleanliness due to specific terms with the contractor. The environment is not low resource it is a high resource environment. Tenet's business model is the same throughout the country. All the hospitals only receive 2.29 stars on average with the national average at 3.15. Mr. Kaufman stated that at Tenet presentation to investors earlier in the year, Tenet CEO, local management team, leadership, and medical staff would receive direct visits to the 1 star rated hospitals in the Valley. Mr. Kaufman inquired if the Tenet CEO could visit the Hospital Governance and Oversight Committee meeting and provide a presentation on his commitment to patient quality and safety during his Coachella Valley visit.

Chair Rogers received a call stating that pediatric patients are being diverted to the High Desert due to concerns about the Pediatric ward. Caroline Hughes, RN, Desert Regional Medical Center stated that she was informed that the ER pediatric admissions were diverted to High Desert or JFK to open the pediatric beds to adult patients. Adult patients are currently utilizing the pediatric beds as of 7 a.m., but she is unsure if the adult patients are still in that location.

President Zandle explained that there is a fine line between analysis and apologist and if we are researching, you have to analyze the numbers appropriately for the result. Mr. Zandle thanked Christine for her presentation and stated that the hospital Governing Board is concerned about that the ratings and wants to see improvements. Health insurers are also being measured not merely the patients.

**ADJOURNED**

The Committee adjourned at 11:14 a.m.

ATTEST:

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Carole Rogers, RN, Chair/Vice-President Hospital Governance and Oversight  
Committee  
Desert Healthcare District Board of Director



Date: March 27, 2018

To: Board of Directors

Subject: American Disabilities Act (ADA) Compliance and Air Quality Report - DRMC.

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**Staff Recommendation:** Informational item.

**Background:**

- At the February 27, 2018 Board of Directors meeting, Staff was directed to request ADA Compliance and Air Quality Reports from DRMC.
- DRMC has provided the most recent ADA Compliance report.
- DRMC has also provided an Air Quality Report for a specific water intrusion incident. The reports are completed on a per incident basis.
- The reports are included for your review.

**Fiscal Impact:**

None

# Post Compliance Accessibility Report

***Desert Regional Medical Center***  
*1150 N Indian Canyon Dr, Palm Springs, CA 92262*

Date: November 7, 2014  
Report No. VMTNT615-2039<sup>14</sup>

Prepared for Marko and Magolnick Attorneys at Law  
By ADAAG Consulting Services, LLC



**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF FLORIDA**

Case No. 98-3004-CIV-GOLD/SIMONTON

ACCESS NOW, INC., a not-for-profit Florida corporation, LINDA DIEDEL, MADELEINE FERGUSON, EDWARD RESNICK, MARGARITA GRAU, JULIO GRAU, and JOHN MCMILLAN, for themselves and all others similarly situated,

Plaintiffs,

v.

AMH CGH, INC., a California corporation, et al.

Defendants.

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**VERIFICATION OF ERIC CONTRERAS REGARDING  
DESERT REGIONAL MEDICAL CENTER**

I, Eric Contreras, state as follows:

1. ADAAG Consulting Services, LLC ("ACS"), 1385 Coral Way, Miami, Florida, 33145, (305) 285-7373, is a consulting firm specializing in healthcare accessibility. I have worked for ACS for over ten years as a consultant in the healthcare accessibility industry.

2. In *Access Now, Inc., et al, v. AMH GCH*, Case No., 98-3004-CIV-GOLD/SIMONTON, ACS was retained by the Plaintiffs to perform a phase II post compliance accessibility inspection of Desert Regional Medical Center and to advise regarding the Defendant's "*substantial compliance*" with the corresponding Consent Decree and the Facility Modification Plan.

3. ACS conducted a Phase II Post Compliance Accessibility Inspection of Desert Regional Medical Center February 19-20, 2014. This inspection involved a

physical survey measuring and photographing work in place in the areas contemplated by the Decree and the Plan to verify compliance. Areas that no longer contain the primary function are not surveyed, and alternative areas that have been renovated are inspected. New issues are not documented unless they are present in the relocated and/or renovated areas or were directly created as a result from the renovations/mitigation.

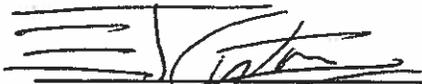
4. The barriers encountered in the locations addressed in the Consent Decree and Facility Modification Plan were evaluated for compliance, with exceptions only for dimensional tolerances, equivalent facilitation, acceptable deviations, and work that cannot meet the federal requirements, but is usable and acceptable, for barriers mitigated within the existing footprint, due to structural infeasibility, and/or due to plumbing code limitations.

5. Based on the outcome of an evaluation that meets 97.2% completion, ACS has determined that the Desert Regional Medical Center is in **SUBSTANTIAL COMPLIANCE** with the corresponding Consent Decree and the Facility Modification Plan for the original facility.

#### VERIFICATION

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 6, 2014. See 28 U.S.C. § 1746

  
Eric Contreras



July 23, 2015

**Post Remediation Verification Inspection Report**

**Attn:**

Desert Regional Medical Center  
Jeff Patterson  
Chief of Operations  
1150 North Indian Canyon Drive  
Palm Springs, CA 92263  
Tel. (760) 323-6778  
Fax (760) 323-6330

**Subject Property:**

Desert Regional Medical Center  
1150 North Indian Canyon Drive  
Palm Springs, CA 92262

**RE:** Mold Post Test in Second Floor, Room 3202, Room 3203, Room 3204, Room 3205, Room 3206, Room 3224, Room 3225, Room 3226, Room 3227, Room 3228, Room 3229, Room 3230, Room 3231, Room 3232, Room 3233, Nurse's Station, Nurse's Office, Nurse's Locker Room, Staff Lounge, Biohazardous Waste Storage Room, North Corridor, South Corridor, West Corridor

**INTRODUCTION**

This report presents the analytical results and assessment of the post abatement/remediation non-viable mycological testing performed on the subject property listed above by ENVIROCHECK, INC., and recommendations for the most efficient remediation strategies if necessary. The sampling methods and remediation recommendations are based in part to the American Industrial Hygiene Association *Field Guide for the Determination of Biological Contaminants in Environmental Samples*, the American Conference of Governmental Industrial Hygienists handbook on *Bioaerosols Assessment and Control*, the *Institute of Inspection, Cleaning, and Restoration Certification (IICRC) Standard and Reference Guide for Professional Mold Remediation S520*, the *Indoor Environmental Standards Organization (IESO) Standards of Practice for the Assessment of Indoor Environmental Quality, Volume 1: Mold Sampling; Assessment of Mold Contamination (2002)*, and *EPA Recommendations of Mold Remediation in Schools and Commercial Buildings*. \*Please read entire report prior to initiating any action.

## **BACKGROUND INFORMATION**

The above subject property experienced reported water related damage. On July 22, 2015 ENVIROCHECK, INC. was requested to conduct a post remediation verification inspection and evaluation to provide post abatement/remediation validation for further restoration and/or abatement activities. ENVIROCHECK, INC. did not conduct an initial mycological investigation or applicable sampling and did not provide the original scope of work for remediation, which therefore limits this post remediation verification inspection and evaluation to only visual observations and collective laboratory data from the samples collected and not on the background history or any other contributing factors of the original or alleged loss.

## **SAMPLING METHODS**

### **NON-VIABLE AIR SAMPLES (Total Airborne Fungal Spore Counts)**

Air sampling generally indicates the total (e.g. living and dead) fungal spores that are present in the ambient air in a referenced room or area. Air sampling is also used to reveal information concerning airborne spore diffusion, total airborne spore counts, and/or if cross contamination of fungal spores is occurring between two separate areas. The collection of air samples is attained, in accordance with the commonly accepted protocol published by the AIHA (American Industrial Hygiene Association), by connecting spore trap cassettes, e.g. Zefon Analytical Accessories Air-O-Cells, M2 Multi-Mold cassettes, etc. to a high volume pump, which draws in approximately 75-150 (e.g. five minutes or ten minutes) total liters of air. The cassettes are submitted to an appropriate laboratory for analysis, which includes total and individual fungal enumeration of spores, quantitation, and genus identification where possible. Also included, total number of pollen grains and visual quantitation of particulate matter. Results are presented in spores per cubic meter.

## **INVESTIGATION**

- On July 23, 2015, ENVIROCHECK, INC., as contracted by Desert Regional Medical Center, performed an on-site post remediation verification inspection located at the subject property listed above.
- At the time of the investigation, a proper containment regulating the remediated work areas of the second floor, room 3202, room 3203, room 3204, room 3205, room 3206, room 3224, room 3225, room 3226, room 3227, room 3228, room 3229, room 3230, room 3231, room 3232, room 3233, nurse's station, nurse's office, nurse's locker room, staff lounge, biohazardous waste storage room, north corridor, south corridor, west corridor. Air filtration devices were not operating on-site. The appropriate critical barriers were properly sealed with the exception of the light fixtures.
- Contents were present inside the containment (with the exception of the north, south and west corridors) at the time of the inspection, which were not covered with polyethylene sheeting.

- The moisture contents of the accessible building materials were measured with a Delmhorst BD-2100 Moisture Meter and the approximate readings are presented in Table 1 below. The BD-2100 Moisture Meter has three different moisture content scales for measurement; wood, gypsum (or drywall), and relative (plaster/concrete). According to the manufacturer specifications, the following numerical ranges are provided as a general guideline towards interpreting the measured values. *Moisture content values that may be of concern are bolded in Table 1 below.*

| Substrate        | Relatively Dry, Normal | Moist or Damp | Excessive Moisture, Wet |
|------------------|------------------------|---------------|-------------------------|
| Wood             | 6% - 15%               | 15% - 17%     | > 17%                   |
| Gypsum/Drywall   | 0.0% - 0.5%            | 0.5% - 1.0%   | > 1.0%                  |
| Plaster/Concrete | 0.0% - 85%             | 85% - 95%     | > 95%                   |

**Table 1.**

| <u>Location</u>                                | <u>Substrate</u> | <u>Moisture Content (%)</u> |
|--|------------------|-----------------------------|
| <b>Nurse's Station</b><br>-Walls<br>-Cabinetry | Drywall<br>Wood  | 0.1-0.3<br>6.2-7.1          |
| <b>Nurse's Office</b><br>-Walls                | Drywall          | 0.0-0.3                     |
| <b>Nurse's Locker Room</b><br>-Walls           | Drywall          | 0.1-0.3                     |
| <b>Staff Lounge</b><br>-Walls                  | Drywall          | 0.1-0.4                     |
| <b>South Corridor</b><br>-Walls                | Drywall          | 0.1-0.4                     |
| <b>West Corridor</b><br>-Walls                 | Drywall          | 0.0-0.3                     |
| <b>North Corridor</b><br>-Walls                | Drywall          | 0.1-0.3                     |
| <b>Room 3202</b><br>-Walls<br>-Cabinetry       | Drywall<br>Wood  | 0.0-0.3<br>6.1-7.5          |
| <b>Room 3203</b><br>-Walls<br>-Cabinetry       | Drywall<br>Wood  | 0.0-0.4<br>6.0-7.0          |
| <b>Room 3204</b><br>-Walls<br>-Cabinetry       | Drywall<br>Wood  | 0.1-0.3<br>6.4-7.1          |
| <b>Room 3205</b><br>-Walls<br>-Cabinetry       | Drywall<br>Wood  | 0.1-0.3<br>6.0-6.9          |
| <b>Room 3206</b><br>-Walls                     | Drywall          | 0.0-0.3                     |

|  |         |         |
|--|---------|---------|
| -Cabinetry                             | Wood    | 6.1-7.2 |
| <b>Room 3224</b>                       |         |         |
| -Walls                                 | Drywall | 0.1-0.4 |
| -Cabinetry                             | Wood    | 6.5-7.7 |
| <b>Room 3225</b>                       |         |         |
| -Walls                                 | Drywall | 0.1-0.4 |
| -Cabinetry                             | Wood    | 6.0-7.7 |
| <b>Room 3226</b>                       |         |         |
| -Walls                                 | Drywall | 0.0-0.3 |
| -Cabinetry                             | Wood    | 6.2-7.8 |
| <b>Room 3227</b>                       |         |         |
| -Walls                                 | Drywall | 0.1-0.3 |
| -Cabinetry                             | Wood    | 6.1-7.9 |
| <b>Room 3228</b>                       |         |         |
| -Walls                                 | Drywall | 0.0-0.3 |
| -Cabinetry                             | Wood    | 6.5-7.8 |
| <b>Room 3229</b>                       |         |         |
| -Walls                                 | Drywall | 0.1-0.3 |
| -Cabinetry                             | Wood    | 6.0-7.5 |
| <b>Room 3230</b>                       |         |         |
| -Walls                                 | Drywall | 0.1-0.3 |
| -Cabinetry                             | Wood    | 6.0-7.0 |
| <b>Room 3231</b>                       |         |         |
| -Walls                                 | Drywall | 0.1-0.4 |
| -Cabinetry                             | Wood    | 6.8-7.1 |
| <b>Room 3232</b>                       |         |         |
| -Walls                                 | Drywall | 0.0-0.4 |
| -Cabinetry                             | Wood    | 6.8-7.1 |
| <b>Room 3233</b>                       |         |         |
| -Walls                                 | Drywall | 0.0-0.3 |
| -Cabinetry                             | Wood    | 6.0-8.1 |
| <b>Biohazardous Waste Storage Room</b> |         |         |
| -Walls                                 | Drywall | 0.1-0.3 |

- Preliminary measurements of relative humidity (RH) and temperature were also collected from the inspected areas. Measurements were obtained using a TRACEABLE Humidity / Temperature Pen Thermal Hygrometer. According to the ASHRAE (American Society of Heating, Refrigeration, and Air Conditioning Engineers) Standard 62-2001, *Ventilation for Acceptable Indoor Air Quality*, "Relative humidity in habitable spaces preferably should be maintained between 30% and 60% relative humidity..." The approximate measurements are presented below in Table 2.

Table 2.

| <u>Location</u>                    | <u>Relative Humidity (RH)</u> | <u>Temperature</u> |
|------------------------------------|-------------------------------|--------------------|
|                                    | %                             |                    |
| Nurse's Station Inside Containment | 34.1                          | 69.1°F             |
| Room 3202 Inside Containment       | 33.4                          | 69.2°F             |
| Room 3205 Inside Containment       | 33.7                          | 68.9°F             |
| West Corridor Inside Containment   | 33.5                          | 68.5°F             |
| Room 3224 Inside Containment       | 34.5                          | 69.7°F             |
| Room 3229 Inside Containment       | 33.9                          | 69.0°F             |
| Corridor Outside Containment       | 39.2                          | 73.0°F             |
| Outdoors                           | 45.2                          | 79.2°F             |

**VISUAL OBSERVATIONS:**

- **Nurse's Station:** The vinyl floor tile was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Nurse's Office:** The carpet flooring was intact. The affected drywall walls were reportedly removed and replaced.
- **Nurse's Locker Room:** The vinyl floor tile was intact. The affected drywall walls were reportedly removed and replaced.
- **Staff Lounge:** The vinyl floor tile was intact. The affected drywall walls were reportedly removed and replaced.
- **South Corridor:** The vinyl floor tile was intact. The affected drywall walls were reportedly removed and replaced.
- **West Corridor:** The vinyl floor tile was intact. The affected drywall walls were reportedly removed and replaced.
- **North Corridor:** The vinyl floor tile was intact. The affected drywall walls were reportedly removed and replaced.
- **Room 3202:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3203:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3204:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3205:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.

- **Room 3206:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3224:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3225:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3226:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3227:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3228:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3229:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3230:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3231:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3232:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Room 3233:** The vinyl sheet floor was intact. The affected drywall walls were reportedly removed and replaced. The lower and upper cabinets were intact.
- **Biohazardous Waste Storage Room:** The vinyl floor tile was intact. The affected drywall walls were reportedly removed and replaced.

#### **VISUAL EVALUATION:**

- Upon visual inspection, there was no obvious visible suspect mold growth or black staining observed in the accessible areas, as well as no distinct musty odors detected. All work areas appeared to be completely vacuumed, as dust and debris was not observed on the floor and/or horizontal surfaces.
- Non-viable air sampling was conducted in the work area containment of the nurse's station, nurse's office, nurse's locker room, staff lounge, room 3202, room 3203, room 3204, room 3205, room 3206, room 3224, room 3225, room 3226, room 3227, room 3228, room 3229, room 3230, room 3231, room 3232, room 3233, biohazardous waste storage room, south corridor, west corridor, north

corridor, outside of the containment in the corridor (control), and outdoors (control 1 & 2). The control samples were used as background negative controls for comparative analysis.

*(No obvious adverse weather or outdoor conditions were noted at the time of the inspection.)*

## PRINCIPAL FINDINGS

(SEE ATTACHED LABORATORY RESULTS FOR EXACT LEVELS AND GENUS)

### **POST REMEDIATION VERIFICATION RESULT**

- The work areas consisting of the nurse's station, nurse's office, nurse's locker room, staff lounge, room 3202, room 3203, room 3204, room 3205, room 3206, room 3224, room 3225, room 3226, room 3227, room 3228, room 3229, room 3230, room 3231, room 3232, room 3233, south corridor, west corridor, north corridor, and biohazardous waste storage room have **"PASSED"** the post remediation verification relating to the original reported water loss.

(Note: This post remediation verification excludes all other locations within or outside of the

## RECOMMENDATIONS

- The building owner should sustain a routine schedule of maintenance for the air handling system, HVAC system, furnace, or etc. including but not limited to the cleaning of the air ducts and the replacing of air filters. Appropriate cleaning of the HVAC system should be performed in accordance with the National Air Duct Cleaners Association's (NADCA) *ACR 2006 Standard: Assessment, Cleaning, and Restoration of HVAC Systems*.
- ENVIROCHECK, INC. recommends a six-month (6) re-inspection or sooner if visible mold appears, water intrusion reoccurs, or irregular health symptoms that can be associated to mold or fungi exposure surface or worsen.

## LIMITATIONS

The findings set forth in this assessment are strictly limited to the time, date and scope of the verification. Regulatory standards for microbial presence do not currently exist and therefore the results and conclusions of this investigation are based on analytical testing, field observations, and in reference to the American Industrial Hygiene Association *Field Guide for the Determination of Biological Contaminants in Environmental Samples*, the American Conference of Governmental Industrial Hygienists handbook on *Bioaerosols Assessment and Control*, the *Institute of Inspection, Cleaning, and Restoration Certification (IICRC) Standard and Reference Guide for Professional Mold Remediation S520*, the *Indoor Environmental Standards Organization (IESO) Standards of Practice for the Assessment of Indoor Environmental Quality, Volume 1: Mold Sampling; Assessment of Mold Contamination (2002)*, and *EPA Recommendations of Mold Remediation in Schools and Commercial Buildings*, and not on any procedures beyond the scope of the agreed upon work. The term "passed" does not imply that all fungal spores or fungal residue have been completely removed. According to EPA recommendations, complete sterilization is not only virtually unobtainable, it is even undesirable. The term "passed" implies that the fungal spore levels detected inside the containment are roughly similar or lower to the fungal spore levels found outdoors. ENVIROCHECK, INC. does not guarantee that all fungi will be removed or that re-growth will not occur. Mold and Fungi are naturally occurring in all environments and there are no published regulations regarding the exposure, removal, or assessment of fungi.

It should be fully understood that this post remediation verification and inspection is limited to the sampled areas of the subject property and/or areas that are related to the original and/or reported water loss only. Due to its dynamic nature, mold and fungi growth and/or amplification can be present in hidden and/or unknown areas within the subject property. Unless all past and/or present water intrusion/incursion incidents throughout the history of the subject property and/or any conditions that may contribute to mold growth/amplification be disclosed to ENVIROCHECK, INC. it would be impossible to identify or detect these areas. ENVIROCHECK, INC. cannot be held responsible if the client, current property owner, and/or future property owner(s) discover such areas. This investigation/assessment and sampling protocol specifically excludes the identification and detection of wood decay type fungi, including but not limited to *Poria incrassata*, due to the unpredictable nature and general lack of spore production that would be typically detected in environmental fungal samples.

**SIGNATURE PAGE**

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J. David Escalante  
Industrial Hygiene Technician  
NIOSH 582 Certified  
State of California Division of Occupational Safety and Health (DOSH) CSST #13-5145  
State of California Department of Public Health Lead-Related Construction Certificate #25539  
Certified Water Damage Restoration Technician, IICRC # 213100



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Vinh Q. Pham, B.S.  
Senior Industrial Hygienist  
Certified Microbial Consultant, (CMC), American Council for Accredited Certification (ACAC)  
Certified Indoor Environmentalist (CIEC) #01676, American Council for Accredited Certification (ACAC)  
State of California Division of Occupational Safety and Health (DOSH) CAC #03-3356  
State of California Department of Public Health Lead-Related Construction Certificate #21745  
Certified Water Damage Restoration Technician, IICRC # 72811



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Jill Samaniego, M.S. CIH # 3850  
Certified Industrial Hygienist



Date: March 27, 2018

To: Board of Directors

Subject: Seismic ASCE 41 Evaluation of DRMC – Service Agreement for Simpson, Gumpertz & Heger - not to exceed \$312,000

---

**Staff Recommendation:** Consideration to approve the Service Agreement for Simpson, Gumpertz & Heger, not to exceed \$312,000.

**Background:**

- As part of Priority #1 of the District’s 3-year Strategic Plan -- “New Providers, Facilities, Programs and Services -- the Board has directed Staff to obtain Seismic assessments of Desert Regional Medical Center to better understand the financial implications of the seismic retrofit needs required by 2030.
- The District engaged CBRE to perform a high level Seismic and PML Assessment, which was presented at the January 19, 2018 Board of Directors meeting.
- The high level assessment provided an estimated cost for structural and non-structural elements at \$60,000,000 (which could be higher or lower).
- CBRE recommended an ASCE 41 Evaluation be performed to obtain a more solid estimate, providing information on the upper level of potential construction costs
- The ASCE 41 Evaluation is performed by an engineering firm with expertise in seismic assessments.
- Staff requested a proposal from the Simpson, Gumpertz & Heger (SGH) engineering firm to complete an ASCE 41 Evaluation.
- The duration of the assessment is expected to be 6-8 months.
- Staff recommends approval of the service agreement for SGH.

**Fiscal Impact:**

\$312,000 – Not included in the FY18 annual budget.



20 March 2018  
(Revised 23 March 2018)

Mr. Chris Christensen  
Chief Financial Officer  
Desert Healthcare District  
1140 N. Indian Canyon Drive  
Palm Springs, California 92262

Re: Proposal for Seismic Evaluation Services, Desert Regional Medical Center,  
Palm Springs, CA

Dear Mr. Christensen:

Simpson Gumpertz & Heger Inc. (SGH) is pleased to submit this proposal to the Desert Healthcare District to assist the District in understanding its options to bring the Desert Regional Medical Center into SB-1953 compliance.

## BACKGROUND

The Desert Healthcare District (DHD) is a local governmental agency that owns Desert Regional Medical Center (DRMC) in Palm Springs, California. As part of Priority #1 of the District's three-year strategic plan, "New Providers, Facilities, Programs and Services", the District engaged the services of CBRE to complete a high level Seismic assessment of the DRMC. To gain a more detailed understanding of necessary work associated with becoming fully compliant with the Alquist Hospital Seismic Safety Act (AHSSA, aka SB 1953), the District Board desires to engage SGH to perform engineering services necessary to support the development of reasonably accurate construction cost estimates to obtain seismic compliance by 1 January 2030 for the DRMC. The engineering services include completing preliminary structural/seismic evaluations (aka SPC 4D/ASCE 41 seismic evaluations) of three existing hospital buildings.

The DRMC comprises 20 independent buildings with approximately 600,000 sq ft of occupiable space. Many of the 20 buildings were designed and constructed under a permit led by the California State Office of Statewide Health Planning and Development (OSHPD), which typically minimizes the need for seismic retrofit construction, but still requires engineering consulting to confirm compliance with nonstructural bracing regulations. DHD requests a structural seismic evaluation of the Main Hospital & Additions, North Wing and East Tower in context with SPC 4D as defined in Title 24, Part 1, Chapter 6; California Administrative Code (CAC) and California Building Code (CBC). DHD also requests a nonstructural seismic evaluation of all 20 buildings to confirm compliance or determine necessary remediation to comply with the AHSSA.

## BASIS OF PROPOSAL

The following serves as the basis for this proposal:

- E-mail and telephone correspondence with Jason Lind (CBRE) from 9 February 2018 to 19 March 2018.

- Seismic and PML Assessment report on the Desert Regional Medical Center by CBRE, dated 28 December 2017.
- Building information for Desert Regional Medical Center, on OSHPD public website.
- Meeting with you and Herb Schultz on 12 March 2018.
- Telephone conversation with Scott Adan (CBRE) on 16 March 2018.

## **PROJECT SCOPE AND GENERAL SCOPE OF SERVICES**

Bringing the DRMC into compliance with the AHSSA will be a lengthy and complex process that will take many years. DHD will want to review multiple options including seismic strengthening of buildings and their nonstructural components, conversion of the use of some buildings to non-licensed facilities, e.g., Immediate Care facilities, replacement of buildings with new construction, or a combination of these options. We outline below, a multi-phased approach to assist DHD in understanding these options and their likely costs. If DHD decides to proceed beyond Phase 1, a series of consulting assignments are necessary to bring any of the 20 DRMC buildings into compliance with the AHSSA. In addition to consulting services, we can provide design services to develop construction documents necessary to implement selected options, but a detailed description of those services, as well as consulting services beyond Phase 1 is not included in this proposal.

### **Phase 0, Duration: 6 – 8 weeks**

**Objective:** Define scope of work, schedule and fee for Phase 1. Improve knowledge of both structural and nonstructural deficiencies related to full compliance on 1 January 2030. Produce presentation materials and written documentation of our findings.

1. Gather construction documents associated with all buildings at DRMC.
  - a. Retrieve and review drawings from site archives.
  - b. Allowance to retrieve and review documents from OSHPD Sacramento.
2. Evaluate the potential effort to perform a full structural seismic evaluation (SPC 4D) of three buildings: Main Hospital & Additions, North Wing, East Tower.
3. Perform a high-level evaluation of buildings rated NPC 2, designed after 1995, with OSHPD approved/stamped drawings.
4. Perform a high-level evaluation of buildings rated NPC 2, designed between 1983 and 1995 with OSHPD approved/stamped drawings.
5. Perform a high-level evaluation of buildings rated NPC 2, designed between 1973 and 1983 with OSA/SSS approved/stamped drawings.
6. Identification of buildings designed before 1973 or without approved drawings as described above.
7. Review drawing list and drawings (if possible) for remodel or addition projects permitted under OSHPD/OSA-SSS after 1973.

8. Develop estimates of potential construction cost and design fee using \$/sf estimates, adjusted for inflation and regional limitations, based on past experience with California healthcare providers developing similar capital plans.
9. Develop a PowerPoint deck of findings and recommendations for all 20 buildings at the DRMC, for use in presentation to the DHD Board.
10. Develop a letter report summarizing the Phase 0 effort.
11. Attend up to three meetings to present findings to DHD Board and other entities as requested.

**Phase 1: Initial target duration is 3 – 5 months (TBD after completion of Phase 0)**

**Objective:** Develop actionable structural retrofit strategies for three SPC 2 buildings. Develop rough order of magnitude costs and execution strategy for construction projects that will bring all 20 buildings into compliance with the AHSSA.

1. Perform deficiency only Structural Seismic Evaluation using ASCE 41-17, Damage Control performance level, linear elastic analysis method using USGS based seismic design factors for:
  - a. Main Hospital & Additions
  - b. North Wing
  - c. East Tower
2. Work with a contractor (TBD and contracted with DHD independent of this assignment) to develop a conceptual cost estimate for seismic retrofit construction indicated by results of the SPC 4D evaluations proposed in Item 1 above.
3. Identify and describe or illustrate scopes of work and estimated fee for developing nonstructural evaluation reports and construction documents for buildings that are rated NPC 2, but require only fire sprinkler bracing to achieve NPC 4/NPC 4D (based on Phase 0 results).
4. Identify and describe or illustrate scopes of work and estimated fee for developing nonstructural evaluation reports and construction documents for buildings that are rated NPC 2 and were designed between 1973 and 1983, with construction documents that show details of equipment/systems bracing and anchorage (based on Phase 0 results).
5. Identify and describe or illustrate scopes of work and estimated fee for developing nonstructural evaluation reports and construction documents for buildings that are rated NPC 2 and designed before 1973 (based on Phase 0 results).
6. Work with a contractor (TBD and contracted with DHD independent of this assignment) to develop a representative cost model and strategy for executing archetypical construction activities associated with the identified scopes of work for each building as described in the construction document scopes of work.
7. Develop presentation materials for DHD.

8. Attend up to 5 meetings with DHD Board and other designees.

### REIMBURSABLE EXPENSES

SGH will bill direct expenses at actual cost plus 10%. Direct expenses include out-of-pocket expenses, such as subconsultants, travel, outside services, and charges for the use of SGH field and laboratory equipment, reproduction facilities, etc. Our proposed compensation includes an estimate of reimbursable expenses as described above.

### COMPENSATION

Our proposed fixed fees for Phase 0 is identified below. The fee shown for all other phases is an estimated range that will be refined upon completion of the scope of work in the preceding phase. The current estimated range is predicated on maintaining General Acute Care function in all 20 buildings and maintaining their identification with OSHPD 1. It is our experience that work completed as part of Phase 2 will likely reveal strategies that could significantly reduce scopes of work, professional fees and construction costs; in some cases by up to 75%.

| Project | Fee                     |
|---------|-------------------------|
| Phase 0 | \$62,000                |
| Phase 1 | \$150,000 to \$250,000* |

\* These are rough order of magnitude ranges of cost. More accurate estimates for this phase can be developed upon completion of Phase 0.

Additional services beyond those listed herein will be computed on an hourly basis in accordance with attached Fee Schedule and Payment Terms.

### INFORMATION TO BE FURNISHED BY OTHERS

**Geotechnical Reports:** Written report including foundation design recommendations applicable to the medical center. SGH will be entitled to rely on the accuracy and completeness of a reasonably current OSHPD approved report (within 10 years).

**Site Description:** Written description of site conditions, including topographic, boundary and utility surveys, existing structures, etc.

- Construction documents for the original construction of all buildings, including architectural, structural, mechanical, electrical and plumbing drawings.
- Construction documents for any remodel or addition projects that modify or alter interior space, exterior conditions or built space on the medical center. Construction documents should include architectural, structural, mechanical, electrical and plumbing drawings.
- Special environmental conditions and loads.

**GENERAL PROVISIONS**

This proposal is valid for 60 days. Our proposed agreement consists of this proposal and the enclosed Contract Provisions and Fee Schedule and Payment Terms. If acceptable, please sign and return one copy of this letter.

We look forward to working with you on this project.

Sincerely yours,  
SIMPSON GUMPERTZ & HEGER INC.



Kevin S. Moore, S.E.  
Senior Principal  
CA License No. 4528

Accepted: DESERT HEALTHCARE  
DISTRICT

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

KSM/jdi (03232018/SF18-0000329r2-KSM) 0101C18 CP-2-CA

Encls.

**SIMPSON GUMPERTZ & HEGER INC.  
FEE SCHEDULE AND PAYMENT TERMS**

| <u>Personnel Category</u>    | <u>Hourly Billing Rate</u> |
|------------------------------|----------------------------|
| Senior Principal             | \$330                      |
| Principal                    | \$310                      |
| Associate Principal          | \$290                      |
| Staff Consultant             | \$245 – \$290              |
| Geotechnical Consultant      | \$235                      |
| Senior Project Manager       | \$250 – \$290              |
| Senior Project Supervisor    | \$215 – \$255              |
| Senior Staff II              | \$200 – \$225              |
| Senior Staff I               | \$160 – \$190              |
| Staff IV                     | \$220 – \$230              |
| Staff III                    | \$190                      |
| Staff II                     | \$145 – \$155              |
| Staff I                      | \$135                      |
| Technical Aide               | \$80                       |
| Senior Laboratory Technician | \$125 – \$155              |
| Laboratory Technician        | \$115                      |
| Senior Graphics Specialist   | \$230                      |
| Graphics Specialist II       | \$165                      |
| Graphics Specialist          | \$120                      |
| Senior Project Drafter       | \$160                      |
| Senior Drafter               | \$135                      |
| Drafter                      | \$110                      |
| Non-Technical                | \$95 – \$110               |

Rates are in US dollars. Individuals performing services are billed at the applicable rate(s) stated above. Where ranges of hourly rates are shown for a single title they reflect the varying rates of the particular individuals with that title. SGH will provide specific hourly rates for individuals assigned to the project if requested. An annual rate adjustment, based upon salary increases, will apply on 1 January each year.

Invoices will be submitted showing labor (hours worked) by labor category and total expenses.

1. **CONTRACT** – These Contract Provisions and the accompanying Proposal and Fee Schedule constitute the entire Agreement of the parties, and supersede all prior negotiations, agreements, and understandings with respect to the subject matter of this Agreement. These Contract Provisions shall take precedence over any inconsistency or contradictory provisions contained in any proposal, contract, purchase order, requisition, notice to proceed, or like document. The parties may only amend this Agreement by a written document duly executed by both parties.
2. **RIGHT OF ENTRY** – When entry to property is required by the work, the Client agrees to obtain legal right-of-entry on the property.
3. **DOCUMENTS** – All reports, notes, drawings, specifications, data, calculations, and other documents prepared by SGH are instruments of SGH's service that shall remain SGH's property. The Client agrees not to use SGH-generated documents for marketing purposes or for projects other than the project for which the documents were prepared by SGH without SGH's prior written permission.

Any reuse or disbursement to third parties without such express written permission or project-specific adaptation by SGH will be at the Client's sole risk and without liability to SGH or its subsidiaries, independent professional associates, subconsultants, and subcontractors. Accordingly, the Client shall, to the fullest extent permitted by law, defend, indemnify, and hold harmless SGH from and against any and all costs, expenses, fees, losses, claims, demands, liabilities, suits, actions, and damages whatsoever arising out of or resulting from such unauthorized reuse or disbursement. Any release or project-specific adaptation by SGH will entitle SGH to further compensation at rates to be agreed upon by the Client and SGH.

4. **DISPOSAL OF SAMPLES** – SGH will discard samples upon completion of the work covered under this Agreement, unless the Client instructs otherwise in writing.
5. **HAZARDOUS MATERIALS** – The scope of SGH's services for this Agreement does not include any responsibility for detection, remediation, accidental release, or services relating to waste, oil, asbestos, lead, or other hazardous materials, as defined by Federal, State, and local laws or regulations.
6. **CONSTRUCTION SERVICES** – When construction-phase services are included in the Agreement, SGH will provide personnel to evaluate whether construction is in general accordance with the construction contract, but not to perform detailed observations or inspections of the work.

SGH is not a guarantor or insurer of the contractor's work; the contractor is solely responsible for the accuracy and adequacy of construction and for all other activities performed by the contractor, including the means and methods of construction; supervision of personnel and construction; control of machinery; false work, scaffolding, and other temporary construction aids; safety in, on, and about the job site; and compliance with OSHA and all other applicable regulations. SGH's evaluation of the contractor's performance will not include review or observation of the adequacy of the contractor's safety measures or of safety conditions on the project site nor of Contractor's means or methods of construction.

7. **STANDARD OF CARE** – SGH and its subsidiaries, independent professional associates, subconsultants, and subcontractors will exercise that degree of care and skill ordinarily practiced under similar circumstances by engineers and architects providing similar services. The Client agrees that services provided by SGH will be rendered without any warranty, express or implied.

SGH shall exercise usual and customary professional care in its efforts to comply with codes, regulations, laws rules, ordinances, and such other requirements in effect as of the date of execution of this Agreement.

The Client agrees that SGH has been engaged to provide technical professional services only, and that SGH does not owe a fiduciary responsibility to the Client.

8. **OPINION OF PROBABLE COSTS** – When required as part of our work, SGH will furnish opinions of probable cost but does not guarantee the accuracy of such estimates. Opinions of probable cost, financial evaluations, feasibility studies, economic analyses of alternate solutions, and utilitarian considerations of operations and maintenance costs prepared by SGH hereunder will be made on the basis of SGH's experience and qualifications and will represent SGH's judgment as an experienced and qualified design professional. SGH does not have control over the cost of labor, material, equipment, or services furnished by others or over market conditions or contractors' methods of determining prices or performing the work.
9. **SUSPENSION OF WORK** – The Client may, at any time, by written notice, suspend further work by SGH. The Client shall remain liable for, and shall promptly pay SGH for all services rendered to the date of suspension of services plus suspension charges. Suspension charges shall include the cost of assembling documents, personnel and equipment rescheduling or reassignment, and commitments made to others on the Client's behalf. If after ninety (90) days the Client resumes SGH's work on the Project, SGH and the Client shall renegotiate SGH's fee.

If payment of invoices by the Client is not maintained current, SGH may, upon written notice to the Client, suspend further work until payments are brought current. The Client agrees to indemnify and hold SGH harmless from any claim or liability resulting from such suspension.

10. **TERMINATION** – The Client or SGH may terminate this Agreement for cause, except only the Client may terminate for convenience. The party initiating termination shall so notify the other party. The Client shall compensate SGH for services performed prior to termination and for prior authorized commitments made by SGH on the Client's behalf.
11. **CHANGES OR DELAYS** – Unless the accompanying Proposal provides otherwise, the proposed fees constitute SGH's estimate to perform the services required to complete the Project. Required services often are not fully definable in the initial planning; accordingly, developments may dictate a change in the scope of services to be performed. Where this occurs, changes in the Agreement shall be negotiated and an equitable adjustment shall be made. In addition, costs and schedule commitments shall be subject to renegotiation for unreasonable delays caused by the Client's failure to provide specified facilities, direction, or information.

12. **FORCE MAJEURE** – SGH will not be liable to the Client for delays in performing its Services or for direct or indirect costs resulting from such delays that may result from labor strikes, riots, war, acts of governmental authorities, extraordinary weather conditions or other natural catastrophes, or any other cause beyond the reasonable control or contemplation of either party.

13. **LIABILITY** – SGH will furnish appropriate insurance certificates for general and professional liability upon request. The Client agrees that SGH's total liability to the Client and the total liability to the Client of SGH's principals, officers, agents, and employees, for any and all injuries, claims, losses, expenses, or damages whatsoever, including attorney's fees, arising out of or in any way related to the Project or this Contract from any cause or causes, including, but not limited to, SGH's negligence, errors, omissions, strict liability, breach of contract, or breach of warranty shall not exceed SGH's total fee under this Agreement or \$50,000, whichever is greater. In no event shall SGH be liable to Client for any indirect, incidental, special or consequential damages whatsoever (including but not limited to lost profits or interruption of business) arising out of or related to the services provided under the Agreement.

14. **CONFLICTS OF INTEREST** – This assignment may presently or in the future involve parties with potentially adverse interests to those of SGH's existing or future clients ("Affected Parties" or "Affected Party"). Prior to SGH's acceptance of this assignment, SGH will make reasonable attempts to identify any Affected Parties based on information SGH has in its possession from the Client and any Affected Parties and SGH's search of its project and proposal databases. To the extent that SGH identifies a relationship with an Affected Party, SGH will inform the Client as to the identity of such parties. Client agrees to allow SGH to release to any Affected Parties the fact of SGH's engagement by the Client and any other information required to evaluate any potential conflict.

SGH's ability to inform the Client of a relationship with an Affected Party is limited by the thoroughness and accuracy of the information provided to SGH by the Client and any Affected Parties, and by SGH's limitations in reasonably and diligently discovering all relationships with Affected Parties. Regardless of SGH's relationship with an Affected Party, and, provided such relationship with an Affected Party does not arise from SGH's willful disregard of a relationship with the Affected Party, SGH shall be entitled to payment for all services rendered to the date of discovery or notice, whichever occurs first, of a relationship between SGH and an Affected Party. SGH does not guarantee that a relationship between the Client and an Affected Party, which may be perceived by the Client as a conflict, will not arise during the course of an assignment or thereafter. SGH disclaims responsibility for such occurrences and to the fullest extent permitted by law, the Client agrees to waive any claim against SGH arising out of any such actual or potential conflict-related occurrences. Subsequent to the date of this Agreement, SGH will not be in a position to guaranty that it can advise the Client of any future Affected Parties or perceived or actual conflict circumstances that may arise, but will endeavor to notify Client of such situations.

15. **INDEMNIFICATION** – SGH shall, subject to the limitation of liability contained in Section 13, indemnify (but not defend) the Client for any loss or damage caused solely by the professional negligence of SGH in performance of the services under this Agreement.

**16. MISCELLANEOUS**

**Governing Law:** The laws of the state in which the Project is located shall govern the validity and interpretation of this Agreement.

**Invalid Terms:** If any of these Contract Provisions shall be finally determined to be invalid or unenforceable in whole or in part, the remaining provisions hereof shall remain in full force and effect and be binding upon the parties. The parties agree to reform the contract between them to replace any such invalid or unenforceable provision with a valid and enforceable provision that comes as close as possible to the intention of the stricken provision.

**SGH Reliance:** Unless otherwise specifically indicated in writing, SGH shall be entitled to rely, without liability, on the accuracy and completeness of information provided by the Client, the Client's consultants and contractors, and information from public records, without the need for independent verification.

**Copyright Infringement Indemnification:** To the fullest extent permitted by law, the Client agrees to defend, indemnify, and hold harmless SGH from any and all claims, damages, suits, causes of action, liabilities or costs, including reasonable attorneys' fees and costs of defense, arising out of or in any way connected with SGH's use of documents or designs prepared by the Client's consultants, that may be asserted against or incurred by SGH.

**Certifications:** SGH shall not be required to sign any documents, no matter by whom requested, that would result in SGH's having to certify, guaranty, or warrant the existence of conditions that SGH cannot ascertain.

**Payment:** Invoices will be submitted periodically, and are due and payable upon receipt. Unpaid balances shall be subject to an additional charge at the rate of 1-1/2% per month from the date of invoice if the unpaid balance is not paid within thirty (30) days. The Client shall reimburse SGH for all attorney's fees and costs related to collection of overdue payments.

**Litigation:** All costs and labor associated with compliance with any subpoena or other official request for documents, for testimony in a court of law (other than in connection with expert witness services), or for any other purpose relating to work performed by SGH, in connection with work performed for the Client, shall be paid by the Client as a direct expense (actual cost plus 10%).

**Taxes:** Client shall, in addition to the other amounts payable under this Agreement, pay, on a timely basis, all sales, use, value added or other taxes, federal, state or otherwise, however designated (hereinafter "Taxes"), which are levied or imposed by reason of the transactions contemplated by this Agreement or any of the Services, except for taxes on SGH's net income. Client shall promptly pay SGH for any Taxes actually paid by SGH on behalf of Client, or which are required to be collected or paid by SGH. SGH may bill Client separately for such Taxes.



Date: March 27, 2018

To: Board of Directors

Subject: Hospital Appraisal – Service Agreement – VMG health – not to exceed \$86,000, plus expenses.

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**Staff Recommendation:** Consideration to approve the Service Agreement for VMG Health, not to exceed \$86,000, plus expenses.

**Background:**

- As part of Priority #1 of the District’s 3-year Strategic Plan -- “New Providers, Facilities, Programs and Services -- the Board believes it is important for the District to understand the value of its major asset, Desert Regional Medical Center.
- No evaluation has been undertaken of the facility since the original lease transaction with Tenet in 1997, so no real understanding of the value of the hospital exists today.
- Through the guidance of Kaufman Hall, the District desires to engage VMG Health, a nationally recognized healthcare valuation firm to complete an appraisal of DRMC.
- Duration of the assessment is expected to be 1 month.
- Staff recommends approval of the service agreement for VGM Health.

**Fiscal Impact:**

\$86,000 – Plus expenses – Not included in the FY18 annual budget.

# DESERT HEALTHCARE DISTRICT

Proposal to Provide Valuation and Consulting Services

March 20, 2018

Page 300 of 412



20 March 2018

Herb K. Schultz  
Chief Executive Officer  
Desert Healthcare District & Desert  
Healthcare Foundation  
1140 N. Indian Canyon Dr.  
Palm Springs, California 92262

**DESERT HEALTHCARE DISTRICT**  
Proposal to Provide Valuation & Consulting Services

Dear Mr. Schultz:

VMG Health is pleased to present this formal proposal to provide our services to Desert Healthcare District & Desert Healthcare Foundation. We look forward to working with you and your teams on this important assignment.

With VMG Health, you can be assured that you will receive the highest level of independence, responsiveness, technical expertise, and quality service that you require, expect and deserve. Please feel free to contact me directly at +1 972 616 7808 or [Colin.McDermott@VMGHealth.com](mailto:Colin.McDermott@VMGHealth.com) if you have questions, comments and/or require additional information.

Sincerely,



Colin McDermott, CFA, CPA/ABV  
Managing Director

# FORMAL PROPOSAL

FOR VALUATION & CONSULTING SERVICES



SIMPLIFYING FMV COMPLEXITY

# PROPOSAL FOR VALUATION SERVICES

## PROPOSAL OVERVIEW



We are pleased to propose our valuation services to Desert Healthcare District (the “District” or the “Client”), located in Palm Springs, California. VMG understands the following:

- The District leased Desert Regional Medical Center (the “Hospital”) to Tenet Healthcare System (“Tenet” or the “Lessee”) in 1997 for a 30 year term.
- The Lessee prepaid the 30 year rent at the inception of the lease.
- The facility will require seismic upgrades by 2030.

The District is evaluating its strategic options in regards to the Hospital, given pending seismic upgrade requirements and desires to understand the current market value of the Hospital.

## SIMPLIFYING FMV COMPLEXITY

## PROPOSAL FOR VALUATION SERVICES



## PROPOSAL OVERVIEW (cont.)

The District has requested that VMG perform the following:

- **Phase I Analysis:** Entails gathering data and developing an understanding of the current lease agreement between the District and Tenet and review of the original transaction terms which incurred in 1997 in order to develop the scope of the current fair market value (“FMV”) analysis; and
- **Phase II Analysis:** An independent FMV analysis of the Hospital as of the current date. VMG will perform an analysis based on the scope determined in Phase I.

In the event that VMG is engaged in this matter, our analysis should be used solely for the purposes stated above. The results of our study or advice should not be used, in whole or in part, for any other purpose or distributed to third parties, other than the Internal Revenue Service, the Office of Inspector General, the Securities and Exchange Commission or other regulatory authorities, without the express written consent of VMG.

Our valuation analysis does **not** constitute a fairness opinion or investment advice in that we will not conduct all of the steps necessary to issue such an opinion.

## VALUATION METHODOLOGY

The standard of value utilized for this engagement will be fair market value. *Fair market value* is defined as the price, expressed in terms of cash equivalents, at which a property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm’s length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.

To conduct this study and present our recommendation, we will follow the methodology outlined in the IRS Revenue Ruling 59 60. This was a landmark ruling by the Internal Revenue Service that provides general guidelines for valuation and calls for examination of the following elements. Please note that in valuing specific intangible assets of businesses, similar methodologies are employed.

## SIMPLIFYING FMV COMPLEXITY

# PROPOSAL FOR VALUATION SERVICES



### VALUATION METHODOLOGY (cont.)

- The nature of the business and the history of the enterprise from its inception;
- The economic outlook in general and the condition and outlook of the specific industry in particular;
- The book value of the stock and the financial condition of the enterprise;
- The earning capacity of the enterprise;
- The dividend-paying capacity of the enterprise;
- Whether or not the enterprise has goodwill or other intangible value;
- Prior sales of the stock and the size of the block of stock to be valued; and
- The market price of stock of corporations engaged in the same or a similar line of business, having their stocks actively traded on an exchange or over-the-counter market.

### TYPICAL SCOPE & PROCEDURES – BUSINESS ENTERPRISE

Being cognizant of the general guidelines set forth in Revenue Ruling 59-60, our investigation and analysis will be conducted as follows:

1. **Investigation.** We will conduct interviews with key management concerning past, present, and prospective operating results of the Hospital and its impact on the value of the Hospital to a hypothetical third-party investor. Steps include:
  - Develop an understanding of the strategic position of the Hospital in the local market
  - Evaluate historical financial results and statistics
2. **Analysis.** We will analyze the historical operating and financial data in order to gain an understanding of the operations of the Hospital. This will allow us to determine the underlying dynamic factors pertinent to the projected operations. Steps include, but are not limited to:
  - Analyze historical operational results and statistics
    - Payor and service mix
    - Managed care relations
    - Federal and State reimbursement trends

## SIMPLIFYING FMV COMPLEXITY

# PROPOSAL FOR VALUATION SERVICES



### TYPICAL SCOPE & PROCEDURES – BUSINESS ENTERPRISE (cont.)

- Prepare prospective operational and financial analysis
  - Volume
  - Revenue
  - Staffing
  - Cost projections
  - Capital expenditure requirements
  - Working capital requirements
- Evaluate service area demographics
- Evaluate competitive factors
- Prospective site visits and/or interviews with key personnel

- 3. Valuation.** We will estimate the fair market value of the business enterprise according to the appropriate valuation methodology: the cost approach, the market comparison approach, and/or the income approach. Briefly, the cost approach identifies the cost to recreate a business or asset, the market comparison approach computes value by examining the purchase price of similar companies or assets in a free and open market, and the income approach projects a future income stream attributable to a business or asset and then discounts those earnings back to present value.

We will consider all three (3) valuation approaches in our analysis and will rely upon the most appropriate method or methods in forming our value estimate. Steps include:

- Estimate of value range based upon income approach, market approach, and/or cost approach
- Review preliminary analysis with appropriate party
- Incorporate management commentary where appropriate
- Provide final estimation of fair market value

- 4. Documentation.** In addition to generating a full report that will outline our investigation and findings, we will accumulate and maintain in our files the requisite source data supporting our recommendation of fair market values for the Hospital.

## SIMPLIFYING FMV COMPLEXITY

## PROPOSAL FOR VALUATION SERVICES

**VALUATION OF PERSONAL PROPERTY**

For the valuation of the Hospital's personal property, we anticipate relying on the detailed fixed asset records maintained by the Hospital, which should be consistent with the disclosures detailed on the Hospital's balance sheet.

We expect the fixed asset records to include the following data elements:

- Asset Number
- Location
- Description (Manufacturer, Model where available)
- Historical Acquisition Cost
- Historical Acquisition Date
- Net Book Value

Once we have received the detailed fixed asset record, our process will include the following steps:

- 1. Investigation:** Review the detailed fixed asset record to confirm the information provided includes historical cost information and confirm with the Hospital's personnel on the reconciliation of the record to the balance sheet. Should we identify any significant deficiencies in the listings, we will discuss with you the impact they may have on the valuation as well as any options to resolve such deficiencies. VMG Health will not perform a physical inspection of the personal property.
- 2. Valuation:** We anticipate performing a cost and sales comparison approach to estimate the Fair Market Value of the personal property assets. Our cost approach will include both direct and indirect methods to estimate the replacement cost new. The direct will rely on identifying the current replacement cost new of specific assets that are available in the new equipment market. The indirect approach will apply equipment specific cost indices to the historical cost to estimate the replacement cost new.

## SIMPLIFYING FMV COMPLEXITY

## PROPOSAL FOR VALUATION SERVICES

**VALUATION OF PERSONAL PROPERTY (cont.)**

After determining the replacement cost new of the subject assets, we will then apply depreciation/obsolescence related to physical, functional and economic obsolescence, where appropriate.

In addition to our cost approach analysis, we will also perform a limited sales comparison analysis to confirm our conclusions, as well as identify any economic obsolescence inherent in the assets. Research will include identifying current buying and asking prices available in the used secondary market.

***If the fixed asset record for the Hospital does not provide sufficient detail to confirm our cost approach conclusions with comparable sales data, a revision in scope and fee quote may be required to support conclusions.***

- 3. Documentation:** We will provide necessary and sufficient documentation of our valuation procedures and conclusions to allow the District's auditors to review our Fair Market Value estimates in accordance with the appropriate audit guidelines. We will provide detailed supporting information including comparable information used to support our value conclusions and address any questions or comments before finalizing our analysis and report for the Assets. Additionally we will provide the District an excel copy of the detailed fixed asset record with the Fair Market Value on an asset by asset basis.

## SIMPLIFYING FMV COMPLEXITY

## PROPOSAL FOR VALUATION SERVICES

**SCOPE & PROCEDURES – REAL ESTATE VALUATION**

The analyses will consider the physical aspects of the properties, which are apparent to an inspection, and an assessment of their competitive position in the local market. The assignment will be prepared in conformance with the requirements of the Code of Ethics of the Appraisal Institute (“AI”) and Uniform Standards of Professional Appraisal Practice (“USPAP”). The properties to be valued include the hospital and medical office building associated with the Desert Regional Medical Center.

Our anticipated approach for the real property analysis will include the following procedures:

- 1. Site Inspection:** Will be conducted.
- 2. Valuation Analysis:** We anticipate performing cost and sales comparison approaches to estimate the value of the selected owned real property. We anticipate considering all relevant approaches to value the selected real property.
- 3. Documentation:** We will provide necessary and sufficient documentation of our valuation procedures and conclusions to allow the District and its advisors to review our Fair Market Value estimates. We will provide detailed supporting information including cost and comparable information used to support our value conclusions and address any questions or comments before finalizing our analysis and report for the real property assets. We will convey the results of our investigation in the Appraisal Report. This report format is defined in the Uniform Standards of Professional Appraisal Practice. As such, it presents summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers' opinion(s) of Fair Market Value of the Fee Simple Estate for the real estate identified within this analysis. Supporting documentation concerning the data, reasoning and analyses is retained in the appraisers' files. This report format will summarize all of the information used to develop the opinion(s) of value.

## SIMPLIFYING FMV COMPLEXITY

## PROPOSAL FOR VALUATION SERVICES

**OUT OF SCOPE**

As previously stated, VMG will provide an analysis on the operations at the defined level of value consistent with the fair market value standard. The following services are not included; however, they are available upon request:

- Financial advisory services
- Valuation of any management services arrangements
- Fairness opinion
- Due diligence or quality of earnings analyses
- Any other services not specifically defined in this engagement letter

**STAFFING**

This engagement will be managed from our Dallas office. In addition to the personnel listed below, VMG would dedicate additional staff as needed.

***Business Valuation Team***

- ◆ Colin McDermott, CFA, CPA/ABV – Managing Director
- ◆ David LaMonte, CFA – Manager
- ◆ Irina Zlotnikova – Senior Analyst

***Personal Property Valuation Team***

- ◆ Nick Shannon, ASA – Director
- ◆ Carlos Flores Rodriguez – Manager

***Real Estate Valuation Team***

- ◆ Frank Fehribach, MAI, MRICS – Director
- ◆ Analysts - TBD

# PROPOSAL FOR VALUATION SERVICES

## STAFFING, FEES & TIMING

### TIMING.

VMG typically requires six weeks from the receipt of all requested data for issuance of a draft valuation opinion.

### PROFESSIONAL FEES

Professional fees by for this project are summarized in the chart below:

| Professional Activity Description           | Fee Estimate                               |
|---|--|
| <b>Phase I Analysis</b>                     | <b>Hourly*</b>                             |
| <b>Phase II Analysis</b>                    | <b>Scope to be determined from Phase I</b> |
| Anticipated Typical Scope:                  | Fees not to exceed**                       |
| FMV of Business Enterprise                  | \$40,000                                   |
| Valuation of Real Estate (Main Campus Only) | \$16,000                                   |
| Valuation of Personal Property              | \$12,000                                   |

*\* Phase I Analysis is not to exceed \$18,000 in professional fees without a written approval from the District. This fee estimate assumes approximately 40 hours of professional time at the managing director hourly rate.*

*\*\*Anticipated typical scope fee is not expected to exceed \$68,000, or approximately 200 hours of work.*

Ultimately, the findings of Phase I will determine the analysis performed during Phase II. VMG will need to first complete Phase I analysis and define the scope of the work for Phase II in order to determine the appropriate next steps required to move to Phase II. The scope of Phase II is not anticipated to exceed approximately 200 hours of work by VMG professionals. To the extent that complications arise during Phase II that were unidentified during the Phase I scope or Phase I changes the scope of the project, the fee quotes stated above could change assuming the anticipated typical scope. VMG will notify the Client in advance, and will either issue an amended engagement letter or bill hourly. Any additional services performed, if requested, that are not related to the above services are considered to be beyond the scope of this engagement and will be billed at our standard hourly rates, stated below, or be performed pursuant to a separate engagement letter. Our final invoice will include a \$350 administrative fee. All reasonable out-of-pocket expenses related to business travel (if applicable) will be charged at cost. The invoice will be issued upon our distribution of a draft deliverable. Once all balances are paid in full, a final opinion will be distributed.

Payment is due upon receipt of our invoice. Payments greater than 31 days outstanding are subject to 2% monthly penalty fees and 5% will be added to all credit card payments.

| Professional Level | Hourly Rate |
|--------------------|-------------|
| Managing Director  | \$470       |
| Director           | \$420       |
| Manager            | \$365       |
| Senior Analyst     | \$315       |
| Analyst            | \$260       |

## SIMPLIFYING FMV COMPLEXITY

## PROPOSAL FOR VALUATION SERVICES

**CONCLUSION**

The obligation of VMG is solely a corporate obligation, and no officer, principal, director, employee, agent, shareholder, or controlling person shall be subjected to any personal liability whatsoever to any person or entity, nor will any such claim be asserted by or on behalf of any other party to this agreement or any person relying on the opinion.

We plan to initiate work on this assignment soon after your acceptance of this proposal, which may be done through a signature or acknowledgement via email. The projected timeframe to complete the project will be approximately four weeks following the receipt of all requested and pertinent data in a usable format.

If the engagement as described in this proposal letter conforms to your understanding and desires, please indicate your acceptance of our services by returning an executed copy of this document to Colin McDermott at the following address:

VMG Health, LLC  
Chateau Plaza  
2515 McKinney Avenue, Suite 1500  
Dallas, Texas 75201 United States

Should you have any questions about this valuation assignment, please feel free to call my office at +1 972 616 7808 or via e-mail at [Colin.McDermott@VMGHealth.com](mailto:Colin.McDermott@VMGHealth.com).

Respectfully submitted,



Colin McDermott, CFA, CPA/ABV  
Managing Director  
VMG Health, LLC

SIMPLIFYING FMV COMPLEXITY

# PROPOSAL FOR VALUATION SERVICES



## AUTHORIZATION BLOCK

Approved and Accepted by:

By:

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Desert Healthcare District / Date

## Billing Contact Information

Name:

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Company:

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Email:

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Phone:

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Address:

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City, State, Zip:

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## SIMPLIFYING FMV COMPLEXITY

# PROPOSAL FOR VALUATION SERVICES



## TERMS AND CONDITIONS

VMG's services are provided in accordance with the following terms and conditions:

- We will rely on facts provided by the client or obtained from independent third parties including any accountants, published sources, and commercial databases. We accept this information without further verification. We issue no warranty or other form of assurance regarding the accuracy of such information. Our value recommendations assume this information is materially true and correct.
- Certain matters are outside the purview of our expertise. As a result, our value recommendations assume that: (1) the parties comply fully with all federal, state, and local laws and ordinances; (2) funding for pensions and health care liabilities, if any, is adequate; and (3) there are no undisclosed factors that might render the agreements/assets/equity that are the subject of our services materially more or less valuable. Any statements by us about the above issues are based on the client's or the subject's representations. The client is responsible for independent investigation of these matters, and its own determination of their impact on the recommended value(s).
- We will not make a specific compliance survey or analysis of any asset, property, or business interest to determine whether it is subject to, or in compliance with, the Americans with Disabilities Act of 1990, and the analyses, advice, recommendations, opinions, or conclusions contained in our work product do not consider the effect, if any, of noncompliance with such law.
- Nothing contained in our work product shall be construed as investment, legal, or tax advice. Our work product is intended only for the use of the client and only for the purpose described within the engagement letter. All other uses of our work product are unauthorized and prohibited. Our work product may not be distributed, either in whole or part, to any party not our client, and mere possession of the report does not convey a right of reliance.
- We will not examine the historical, interim, or prospective financial statements provided to us according to generally accepted auditing standards. Consequently, we express no opinion thereof. While we perform the financial analysis for this engagement, this analysis does not include an audit according to generally accepted auditing standards for any data provided to us by client, on client's behalf or third party. We do not opine on the validity or accuracy of such information or the standards used to arrive at the data provided to us.
- The client acknowledges that it is bound by the Health Information Portability and Accountability Act (HIPAA) and shall de-identify all data provided to us to remove all individually identifiable health information in accordance with the HIPAA Privacy Rule as VMG Health does not require any such data to perform any duties contemplated under this agreement. To the extent applicable, the client shall also ensure that the subject, or any entity providing data to VMG Health for this engagement on behalf of the client, provides only de-identified data to us.
- We do not provide assurance on the achievability of any forecasted results contained in our work product because events and circumstances frequently do not occur as expected, differences between actual and expected results may be material, and achievement of the forecasted results is dependent upon the actions, plans, and assumptions of others.

## SIMPLIFYING FMV COMPLEXITY

# PROPOSAL FOR VALUATION SERVICES



## TERMS AND CONDITIONS (cont.)

VMG's services are provided in accordance with the following terms and conditions:

- Any estimates of future performance described in our work product pertain to a specific valuation method. This method matches performance scenarios with their associated risk rates as a means of quantifying the value parameters. Use of either the future performance scenarios or the discount rate(s) separately or outside the valuation context is unauthorized and prohibited. Actual operating results may vary materially from those described.
- Our obligation pursuant to our engagement is solely a corporate obligation, and no officer, principal, director, employee, agent, shareholder, or controlling person shall be subjected to any personal liability whatsoever by any person or entity, nor will any such claim be asserted by or on behalf of any other party to this engagement or any person relying on our work product. The extent of any liability arising out of our work product shall be limited to the fees paid pursuant to our engagement.
- Our fees include only the preparation of our work product as of a specific date. All other services, including updates of value for any other date, preparation and testimony in court or before governmental agencies, or meetings about our work product after its delivery, will be provided at additional cost.
- In conducting its engagements, VMG Health does not inquire into the applicability of, and has assumed the compliance by all parties with, all federal, state, and local statutes, laws, ordinances, rules and regulations applicable to the healthcare industry, generally, the parties to the transaction specifically, or the legal structure of either the parties involved or the transaction itself, including without limitation the Stark Law, the Anti-Kickback Statute, the Medicare and Medicaid Patient and Program Protection Act (the "Safe Harbors"), the False Claims Act, the Civil Money Penalties Law, HIPAA, any other federal laws related thereto, any amendments thereto, any state laws of similar scope and focus, any regulations promulgated there under, any common law interpretations or obligations related thereto, any interpretations thereof by any courts at the federal, state, or local level, and any regulations promulgated by any federal or state agency, including, without limitation regulations promulgated by the United States Department of Health and Human Services, the Healthcare Financing Agency, the Centers for Medicare and Medicaid Services, the Inspector General, and any predecessor or successor agency.
- Our opinion assumes negotiations were at arm's length and that the contracting entity has determined: the duties being requested under the arrangement are necessary and not superfluous, the services required under the agreement are required based on operational needs and/or community need, the arrangement is the best fiscal option absent any consideration of referrals, the assumptions contained herein are accurate and appropriate to the best of their knowledge and the negotiations were at arm's length.
- Our compensation is provided purely for the services provided, and is not, in any way, based on achieving any targeted or preferred number.
- If for any reason VMG is required by law, regardless of the party who initiates the requirement, is initiated by to produce information, testify, prepare testimony, provide addition analysis, or do any work subsequent to the delivery of our work product, will be paid by the client listed in this engagement letter. We will comply with law and remain independent our testimony and production of work product. We will invoice the client listed in this engagement letter for time and out of pocket expenses associated with these requirements. Our fees will be based upon our current hourly rates for each individual that is required to prepare testimony and provide testimony along with those who assist in providing the testimony and work product utilized. We will not engage any third parties as part of this process without consent from the undersigned client.

# ABOUT VMG HEALTH

THE RECOGNIZED LEADER IN FINANCIAL VALUATION AND  
ADVISORY FOR HEALTHCARE TRANSACTIONS



# Our Mission

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*VMG Health strives to be a trusted advisor by providing thought leadership and valuation solutions to the healthcare industry. We seek to provide this expertise through our core values of integrity, depth of knowledge and responsiveness while providing outstanding opportunities for our professionals.*

**20+**  
YEARS

**120+**  
PROFESSIONALS

**25,000+**  
HEALTHCARE VALUATIONS

## SIMPLIFYING FMV COMPLEXITY

# VMG HEALTH CREDENTIALS AND ASSOCIATIONS



### PROFESSIONAL CREDENTIALS

- ◆ The CFA Institute: Chartered Financial Analyst (“CFA”)
- ◆ AICPA Certified Public Accountant (“CPA”)
- ◆ Accredited in Business Valuation (“ABV”)
- ◆ Accredited Senior Appraiser (“ASA”)
- ◆ Certified Valuation Analyst (“CVA”)
- ◆ Member, Appraisal Institute Real Estate Appraisers (“MAI”)



### ASSOCIATION MEMBERSHIPS

- ◆ American Bar Association Health Law Section (ABA)
- ◆ American Health Lawyers Association (AHLA)
- ◆ Ambulatory Surgery Center Association (ASCA)
- ◆ Healthcare Financial Management Association (HFMA)
- ◆ Physician Hospitals of America (PHA)
- ◆ Radiology Business Management Association (RBMA)
- ◆ Medical Group Management Association (MGMA)



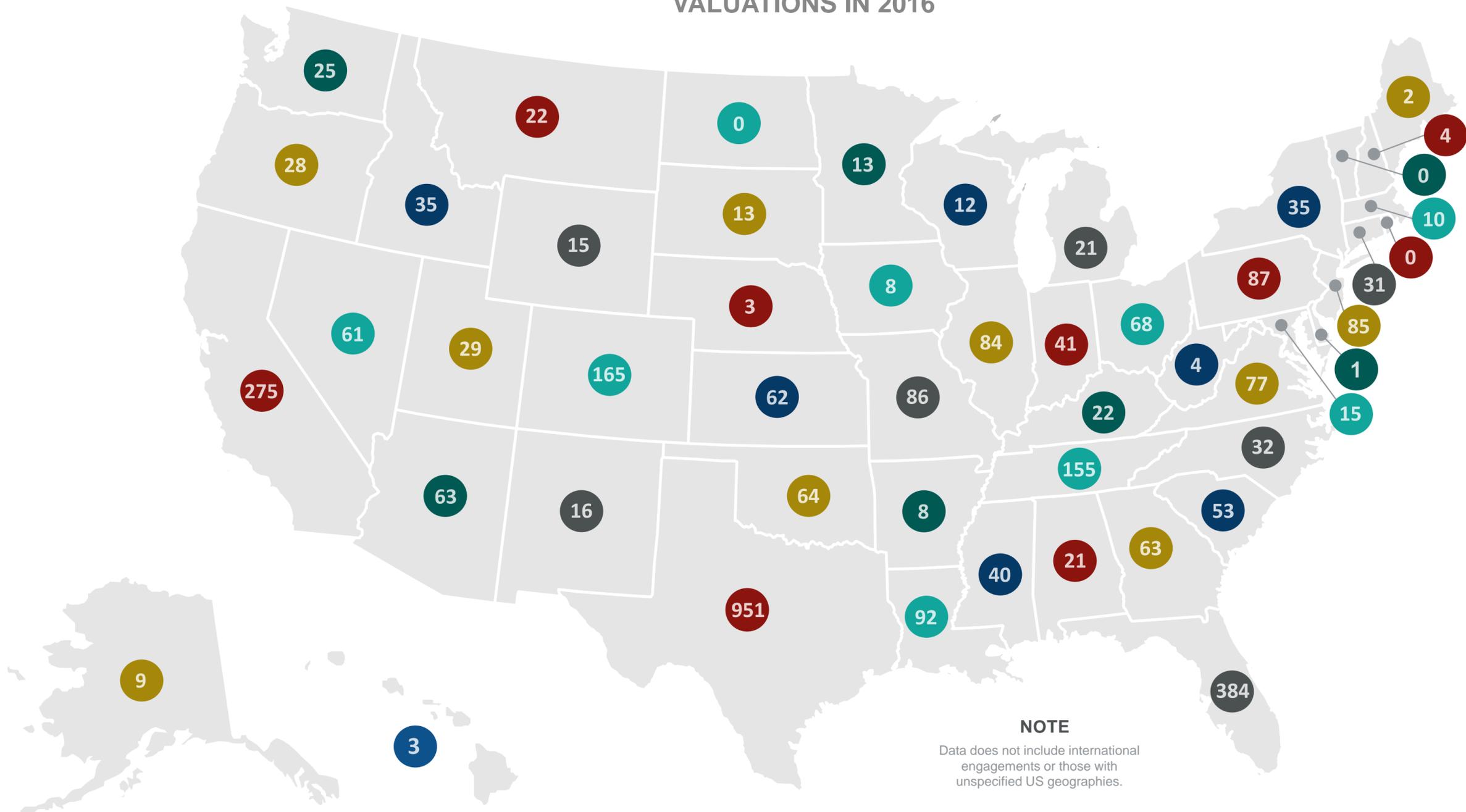


SIMPLIFYING FMV COMPLEXITY

# 2016 VALUATIONS BY US STATE



**3,300+**  
VALUATIONS IN 2016



**NOTE**

Data does not include international engagements or those with unspecified US geographies.

## SIMPLIFYING FMV COMPLEXITY

# REPRESENTATIVE CLIENTS



|                                     |                                    |  |
|-------------------------------------|------------------------------------|--|
| Adventist Health System             | Health Management Associates       | Ohio Health                              |
| Adventist Health/West               | Henry Ford Health System           | Orlando Health                           |
| Advocate Health Care                | Hospital Corporation of America    | PeaceHealth                              |
| Allina Hospitals & Clinics          | Hospital Sisters Health System     | Piedmont Healthcare                      |
| Ascension Health                    | Inova Health System                | Providence Health & Services             |
| Banner Health                       | Intermountain Health Care          | Saint Joseph Health                      |
| Baptist Healthcare System           | John Muir Health                   | Scripps Health                           |
| Baptist Memorial Health Care        | Legacy Health System               | Sentara Healthcare                       |
| Barnabas Health                     | Lehigh Valley Hospital             | Sisters of Charity of Leavenworth        |
| BayCare Health System               | LifePoint Hospitals                | SSM Health Care                          |
| Baylor Scott & White                | MedStar Health                     | Stanford Hospital and Clinics            |
| BJC HealthCare                      | Memorial Hermann                   | Sutter Health                            |
| Bon Secours                         | MemorialCare                       | Tenet Health Care                        |
| Carolinas HealthCare System         | Mercy                              | Texas Health Resources                   |
| Catholic Health Initiatives         | MultiCare Health System            | The Methodist Hospital System            |
| Catholic Health Partners            | North Shore-LIJ Health System      | UnityPoint Health                        |
| CHRISTUS Health                     | NorthShore University HealthSystem | University Hospitals Health Systems      |
| Community Health Systems, Inc.      | Northwest Memorial HealthCare      | University of Pennsylvania Health System |
| Dignity Health                      | Norton Healthcare                  | University of Pittsburgh Medical Center  |
| Franciscan Alliance                 | Novant Health                      | Vanguard Health Systems                  |
| Franciscan Missionaries of Our Lady | Ochsner Health System              | Wake Forest Baptist Health               |

## SIMPLIFYING FMV COMPLEXITY

# LIST OF RECENT SIMILAR ENGAGEMENTS



### **BAYLOR HEALTH CARE SYSTEM / SCOTT & WHITE HEALTH**

VMG Health was engaged by Baylor Health Care System (BHCS) to provide consulting services to BHCS and its Board of Trustees (the Board) as it evaluated the potential merger with Scott & White Health (SWH). VMG reviewed both BHCS' and SWH's long-term financial plan, highlighted and identified significant issues and or differences that may impact either organization when standardizing financial and accounting policies, provided financial and analytical support, due-diligence assistance, "pressure tested" synergy assumptions, and developed written materials to be reviewed by BHCS Board.

### **TEXAS HEALTH RESOURCES / UT SOUTHWESTERN**

VMG Health was engaged by Texas Health Resources and UT Southwestern to provide a relative contribution analysis for the systems' operations under a contemplated Joint Operating Agreement. Analysis included providing opinions on relative values of each operating entity to establish a FMV split of an agreed upon measure of earnings, as well as assistance in preparation of forecasts related to administrative and PSA agreements and expected expenses.

### **OSCHNER HEALTH SYSTEM**

VMG Health was engaged to provide consulting services to Oschner Health System (Oschner) to provide preliminary due diligence related to a potential strategic partnership. VMG provided background on the Target and addressed key areas for consideration by Oschner management including development of a "normalized" earnings before interest, taxes, depreciation, and amortization (EBITDA) run-rate, provided a review historical and projected infrastructure capital needs, evaluated the Target's operations and compared to industry standard benchmarks, reviewed sources of subsidy local funding, and evaluated potential opportunities which could be achieved by Oschner.

### **TENET / JOHN MUIR / SAN RAMON REGIONAL MEDICAL CENTER**

VMG Health was engaged to render a fairness opinion related to the creation of a joint venture partnership between Tenet's San Ramon Regional Medical Center and John Muir Health. Through this partnership, John Muir was to invest \$100 million to acquire a 49% ownership interest in San Ramon Regional Medical Center.

### **HOUSTON METHODIST / CHRISTUS HEALTH**

VMG Health provided valuation advisory services and pro forma analysis related to the potential joint venture between two CHRISTUS Health hospitals and The Methodist Health System. CHRISTUS St. Catherine Hospital in Katy, Texas, and CHRISTUS St. John Hospital in Nassau Bay, Texas.

**Note: over the past 3 years, VMG Health has completed 300+ business enterprise valuations of acute care hospitals across the United States**

## SIMPLIFYING FMV COMPLEXITY

# COUNTY HOSPITALS



VMG Health has experience providing county owned and safety net hospitals with a variety of valuation services. Having performed over 80 engagements in the last four years.

The following is a sample list of recent County Owned and Safety Net Hospitals with which VMG Health has worked:

- |  |  |
|--|--|
| Angleton Danbury Hospital District (TX)  | Kaweah Delta Health Care District (CA)     |
| Burleson County Hospital District (TX)   | Metrocrest Hospital Authority (TX)         |
| Citrus County Hospital Board (FL)        | Morrow County Hospital (OH)                |
| Comanche County Hospital District (TX)   | Nacogdoches County Hospital District (TX)  |
| Dallas Central Appraisal District (TX)   | Parkland Hospital & Health System (TX)     |
| Denton Central Appraisal District (TX)   | Portage County Board of Commissioners (OH) |
| Desert View Regional Medical Center (NV) | Starr County Memorial Hospital (TX)        |
| Eden Township Healthcare District (CA)   | Sunnyside Community Hospital (WA)          |
| Grady Health (GA)                        | Tarrant Appraisal District (TX)            |
| Goodall-Witcher Hospital Authority (TX)  | The Chester County Hospital (PA)           |
| Harris County Appraisal District (TX)    | Travis Central Appraisal District (TX)     |
| Henry County Medical Center (TN)         | White County Medical Center (AR)           |

SIMPLIFYING FMV COMPLEXITY

# VMG HEALTH OVERVIEW



## FAST FACTS

**73** BUSINESS VALUATION PROFESSIONALS

**28** COMPENSATION VALUATION PROFESSIONALS

**12** REAL ESTATE APPRAISERS

**8** CAPITAL ASSET APPRAISERS

**3,332** VALUATION ENGAGEMENTS IN 2016



## VMG HEALTH ADVANTAGE

*With 120+ dedicated healthcare valuation professionals, VMG Health helps large, complex health systems aggregate valuation and transaction advisory activities resulting in operational time efficiencies and volume pricing economies (cost-saving synergies) that can be reallocated to more valuable, mission-fulfilling endeavors.*

## SIMPLIFYING FMV COMPLEXITY

# FLEXIBLE FP&A



## FAST FACTS

- 73** CORPORATE FINANCE PROFESSIONALS
- 10** CHARTERED FINANCIAL ANALYST (CFA CHARTERHOLDERS)
- 6** CERTIFIED PUBLIC ACCOUNTANTS (CPAs)
- 13** CERTIFIED VALUATION ANALYSTS (CVAs)
- 1,356** BUSINESS ENTERPRISE VALUATIONS IN 2016

## VMG HEALTH ADVANTAGE

*With 60+ new healthcare valuation engagements every week, if there are emerging trends, shifts in the macro economy, real and/or perceived changes in the regulatory environment, that could be (or are) impacting value, we are likely dealing with it, real-time, on a live engagement, in every healthcare industry vertical, in all geographies.*

## OVERVIEW

When evaluating an investment, divestment and/or other strategic option, the professionals at VMG Health provide pre-transaction and decision-support services to assist an organization in achieving successful outcomes.

Specific strategic financial advisory related services include, but are not limited to, the following;

- ◆ **Buy-side Advisory** that include advising strategic and financial buyers on mergers, acquisitions and joint ventures.
- ◆ **Sell-side Advisory** that include advising sellers on the sale or divestiture of all or part of a business.
- ◆ **Fairness Opinions** that incorporate thorough financial analyses along with consideration of industry and market conditions.
- ◆ **Quality of Earnings Analyses** that focus on EBITDA, normalized to exclude nonrecurring items and costs and other relevant data points for strategic and financial buyers.
- ◆ **Transaction or Operational Analyses** that include analyses of synergies and strategic integration assessments.
- ◆ **Market and Industry Research** that includes thorough analyses in support of strategic planning and decision making.
- ◆ **Shareholder Advisory** that includes assistance related to shareholder objectives and understanding of current market valuation.
- ◆ **Financial Modeling and Consultative Valuation** in support of business plan development, strategic investment decisions or other financial objectives.
- ◆ **Financing Alternatives Analyses** that includes review and recommendations of financing alternatives related to the dynamics of a particular transaction.

## SIMPLIFYING FMV COMPLEXITY

# BUSINESS ENTERPRISE VALUATION (BEV)



## FAST FACTS

- 73** BUSINESS VALUATION PROFESSIONALS
- 10** CHARTERED FINANCIAL ANALYSTS (CFA CHARTERHOLDERS)
- 6** CERTIFIED PUBLIC ACCOUNTANTS (CPAs)
- 13** CERTIFIED VALUATION ANALYSTS (CVAs)
- 1,356** BUSINESS ENTERPRISE VALUATIONS IN 2016

## VMG HEALTH ADVANTAGE

*VMG Health's unique combination of valuation and healthcare expertise sets us apart, allowing us to perform **1,300+ healthcare business enterprise valuations** last year throughout the United States and abroad.*

## OVERVIEW

We assist our healthcare provider clients with various pre and post transaction valuation services including issuing fair market value opinions, fairness opinions, and valuations for financial reporting purposes.

VMG Health has the organizational might to support the largest, most complex, healthcare provider organizations with their FMV requirements; and the structural agility to accommodate centralized, regional and/or local FMV management procedures.

VMG Health has published numerous articles on healthcare business valuation and the transaction advisory process.

Business Enterprise Valuations include, but are not limited to, the following:

- ◆ Hospitals and Health Systems
- ◆ Ambulatory Surgery Centers
- ◆ Short Stay/Rehab/Surgical Hospitals
- ◆ Diagnostic Imaging Centers
- ◆ Radiation Therapy Centers
- ◆ Clinical and Research Laboratories
- ◆ Post-Acute Care
- ◆ Home Healthcare
- ◆ Rehabilitation Centers
- ◆ Physician Practices
- ◆ Health Plans
- ◆ Urgent Care Centers

## SIMPLIFYING FMV COMPLEXITY

# FINANCIAL REPORTING VALUATION



## FAST FACTS

**73** BUSINESS VALUATION PROFESSIONALS  
(10 CFAs, 6 CPAs, 13 CVAs)

**12** REAL ESTATE APPRAISERS (8 MAIs)

**8** CAPITAL ASSET APPRAISERS (2 ASAs)

**100s** OF FAIR VALUE ENGAGEMENTS

 **HEALTHCARE ONLY FOCUS**

## VMG HEALTH ADVANTAGE

*Our Financial Reporting Valuation Practice manages multi-disciplinary (business enterprise, intangible asset, real property and personal property) valuation “work streams” benefiting clients by having **all assets and liabilities assessed in a coordinated manner, through one provider.***

## OVERVIEW

VMG Health has a **MULTI-DISCIPLINED TEAM** focused on issues relating to financial reporting standards (ASC 805, ASC 350, ASC 360, ASC 958).

VMG Health operates in a **FULLY-INDEPENDENT** manner, free from any real and/or perceived conflicts of interest on all valuation advisory issues and Fair Value matters.

We have developed a consistent track record of receiving **“MATERIALLY CORRECT”** outcomes from reviews of our work product by public accounting firm valuation professionals.

Select ASC 958/805 engagements include, but are not limited to, the following:

- ◆ Radiation Therapy Services, Inc.’s acquisition of (7) target companies (all reviewed by **Deloitte**)
- ◆ Acquisition of MedSolutions Holdings by CareCare National, LLC (reviewed by **Deloitte** and **RSM**)
- ◆ Affiliation of Platte Valley Medical Center with SCL Health System. (reviewed by **EY**)
- ◆ Acquisition of Wilson N. Jones by Texas Health Resources and LHP Hospital Group, Inc. (reviewed by **EY**)
- ◆ Merger of Providence Health & Services and St. Joseph Health (reviewed by **KPMG**)
- ◆ Creation of UVA-Novant Health Joint Operating Company by Novant Health and University of Virginia Health System (reviewed by **PwC**)

## SIMPLIFYING FMV COMPLEXITY

# PROFESSIONAL SERVICES AGREEMENTS (PSA)



## FAST FACTS

- 
**28** COMPENSATION VALUATION PROFESSIONALS
- 
**1** CHARTERED FINANCIAL ANALYST  
(CFA CHARTERHOLDER)
- 
**13** CERTIFIED VALUATION ANALYSTS (CVAs)
- 
**1,244** COMPENSATION FMV ENGAGEMENTS IN 2016
- 
**FMV TOOLS™ COMPENSATION CALCULATION**

## VMG HEALTH ADVANTAGE

*The Professional Services Agreements (PSA) Practice conducts **1,000+** standard full FMV opinions per year and is routinely published on topics related compensation arrangement valuation through organizations such as the American Health Lawyers Association, the American Bar Association, the Health Care Compliance Association, and the Healthcare Financial Management Association.*

## OVERVIEW

To ensure compliance with regulatory guidelines, including federal and state anti-kickback statutes, every organization must ensure that physician relationships are established at fair market value.

VMG Health's approach for valuing these services is based on our healthcare valuation expertise and is further supported throughout the healthcare valuation industry.

The priority is that our work product adheres to the highest level of quality and consistency in order to maintain defensible documentation for our clients.

The PSA Division provides multiple types of compensation valuation that include, but are not limited to, the following:

- ◆ Physician Compensation Calculation Tools (FMV Tools™)
- ◆ On-Call Agreements
- ◆ Medical Directorships
- ◆ Pay-For-Performance Arrangements & Quality Initiatives
- ◆ Employment & Independent Contractor Arrangements
- ◆ Management Agreements
- ◆ Co-Management Agreements
- ◆ Income Guarantee Arrangements
- ◆ Physician Recruitment

## SIMPLIFYING FMV COMPLEXITY

# FMV TOOLS™ COMPENSATION CALCULATION



## FAST FACTS



YEARS OF EXPERIENCE APPLIED



CLINICAL SERVICES FMV



MEDICAL DIRECTORSHIPS FMV



ON-CALL COVERAGE FMV



TELEMEDICINE FMV

## VMG HEALTH ADVANTAGE

*VMG Health has applied over 20 years of experience in healthcare valuation and has considered nine national surveys in creating FMV Tools™. These Tools allow health systems to **quickly establish compensation levels for employed and contracted physicians** in various roles based on systematic and unbiased guidelines.*

## OVERVIEW

FMV Tools™ License includes a Market Data Table and FMV Reference Report which outlines the data and methodologies for FMV Opinions requested.

**MARKET DATA TABLE** - presents an instantly accessible excel-based table with market data for clinical, medical director and on-call services.

**EXPEDITED FMV OPINIONS** – formal opinion tailored to an agreement outlining pertinent value drivers.

**Discounted Pricing on all PSA valuation services** (P4P, subsidies, telemedicine, co-management, full scope FMVs, etc.)

## KEY BENEFITS

- ◆ Provides leadership with valuable data to internally assess lower risk deals
- ◆ Utilizes multiple, objective surveys as suggested by previous Stark law guidance
- ◆ Establishes compensation documentation support for compliance purposes
- ◆ Expedited Opinions rely on the Fair Market Value standard without considering the value of referrals
- ◆ Expedited Opinions rely upon a robust valuation approach for each indication of value

SIMPLIFYING FMV COMPLEXITY

# REAL ESTATE VALUATION

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## FAST FACTS

- 12** REAL ESTATE APPRAISERS
- 7** MAIs (APPRAISAL INSTITUTE DESIGNATION)
- 130+** YEARS OF EXPERIENCE (COLLECTIVE)
- 282** REAL ESTATE ENGAGEMENTS IN 2016
-  **HEALTHCARE ONLY FOCUS**

## VMG HEALTH ADVANTAGE

*VMG Health's real estate practice includes **12 experienced real estate appraisers (7 MAIs) who focus entirely on healthcare real estate valuation assignments.***

## OVERVIEW

The Real Estate Valuation Practice at VMG Health was established to provide expert real estate valuation and consulting services to healthcare facility owners, operators, managers, lenders, tenants, and advisors.

The special nature of healthcare real estate assets requires a firm with an in-depth understanding of the business, financial, and legal environment in which our clients work.

The real estate professionals at VMG Health are appraisal experts who are focused on the unique characteristics of the healthcare field.

They are experienced in serving a wide variety of property types throughout the United States that include, but are not limited to:

- ◆ Acute Care Hospitals
- ◆ Specialty Hospitals
- ◆ Rehab Hospitals
- ◆ Ambulatory Care Centers
- ◆ Surgery Centers
- ◆ Emergency Departments
- ◆ Cancer Centers
- ◆ Urgent Care Centers
- ◆ Imaging Centers
- ◆ Dialysis Centers
- ◆ Medical Office Buildings
- ◆ Assisted Living Facilities
- ◆ Skilled Nursing Facilities
- ◆ Independent Living Facilities

## SIMPLIFYING FMV COMPLEXITY

# CAPITAL ASSET VALUATION



## FAST FACTS

- 
**8** CAPITAL ASSET APPRAISERS
- 
**2** ACCREDITED SENIOR APPRAISERS (ASAs)
- 
**30+** YEARS OF EXPERIENCE (COLLECTIVE)
- 
**432** CAPITAL ASSET ENGAGEMENTS IN 2016
- 
**HEALTHCARE ONLY FOCUS**

## OVERVIEW

VMG Health's Capital Asset Valuation Practice, with over 30 years of experience, has a detailed understanding of major moveable equipment and the market dynamics that can value, and provide expert asset valuation and consulting services designed to address the issues that healthcare organizations face in an ever-changing environment.

Our nationwide network of healthcare clients relies upon our capital asset valuation professionals to assist with:

- ◆ Fair Market Value Opinions
- ◆ Financial Reporting
- ◆ Lease Transaction Valuation
- ◆ Time Share Valuation
- ◆ Property Tax Valuation
- ◆ Property Records Management (Fixed Asset Inventory)
- ◆ Insurable Replacement Cost New Valuation
- ◆ Dispute Resolution

## VMG HEALTH ADVANTAGE

*VMG Health's Capital Asset Valuation Practice includes **8** experienced personal property appraisers (2 ASAs) who focus entirely on healthcare capital asset valuation assignments.*

# PROFESSIONAL BIOS



## SIMPLIFYING FMV COMPLEXITY

# FINANCIAL REPORTING VALUATION LEAD



### MORE ABOUT COLIN

Colin McDermott, CFA, CPA/ABV is a managing director with VMG Health and is based in the Dallas office. Colin leads a team of professionals performing fair market value studies, fairness opinions, fair value analyses used for financial reporting, financial advisory services and management consulting. Colin has particular valuation experience with health plans, hospitals systems, ambulatory surgery centers, pharmacies, imaging centers, laboratories, home health and hospice agencies, and physician groups.

Additionally, Colin often serves as a trusted financial advisor to clients and provides strategic advisory services as they contemplate a transaction. In this capacity, his experience includes financial advisory on behalf of buyer or seller, preliminary due diligence and support for evaluating transaction opportunities, merger or acquisition financial integration, divestiture planning and feasibility or research studies.

Colin frequently presents at industry conferences and publishes on health care and valuation specific issues and is a contributor to VMG Health's blog and healthcare valuation insights. Colin serves on the planning committee for the AICPA Healthcare Industry Conference.

Prior to joining VMG Health, Colin was Director in the Forensic and Litigation Consulting Group of FTI Consulting, Inc. and was an associate in KPMG's Forensic and Litigation Consulting Group. In those roles, Colin provided valuation and advisory services to firms in various industries, including healthcare, manufacturing, energy, and telecommunications.

Mr. McDermott received a Bachelor of Business Administration in Accounting and a Master of Science in Finance from Texas A&M University. Mr. McDermott is a licensed Certified Public Accountant (CPA) in the state of Texas and holds the Chartered Financial Analyst (CFA) designation. Mr. McDermott is currently a member of the following organizations:

- ◆ CFA Institute
- ◆ CFA Society of Dallas-Fort Worth
- ◆ The American Health Lawyers Association
- ◆ American Institute of Certified Public Accountants

## COLIN MCDERMOTT, CFA, CPA/ABV

MANAGING DIRECTOR

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## SIMPLIFYING FMV COMPLEXITY

# REAL ESTATE VALUATION LEAD



## FRANK FEHRIBACH, MAI, MRICS

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### MORE ABOUT FRANK

Mr. Fehribach has substantial experience in valuing healthcare-related properties including acute care, surgical, behavioral and rehab hospitals, surgery centers, imaging centers, cancer centers, medical office buildings, and other real-estate related facilities. Mr. Fehribach's experience includes valuations in the context of Stark compliance, fair value analysis (ASC 805, ASC 360) for financial reporting, fair market value analysis for sale/leaseback transactions, fairness opinions, rental rate analyses, collateral valuations for financing transactions, and valuations for insurance purposes. His clients include for-profit and not-for-profit health systems, real estate investment trusts (REIT), other publicly owned and privately held healthcare entities and various law firms.

In addition to healthcare valuations, Mr. Fehribach has performed valuations for various types of businesses including high-tech manufacturing entities during his 25+ year career. Mr. Fehribach has provided opinions of value under various premises including for exchange in the open market, for forced liquidation, in use assuming economic viability of the associated business entity and as a going concern. Mr. Fehribach has served on foreign assignments including activities in Mexico, Canada, Europe, Asia and South America.

### COURT EXPERIENCE

Mr. Fehribach has testified as an expert witness for property tax and condemnation purposes.

### PROFESSIONAL AFFILIATIONS/ASSOCIATION MEMBERSHIPS

- ◆ MAI Designation, Appraisal Institute
- ◆ Member of Royal Institution of Chartered Surveyors
- ◆ State Certified General Real Estate Appraiser – Arizona, Arkansas, California, Colorado, Georgia, Illinois, Kentucky, Michigan, New York, Pennsylvania, Washington and Texas

**SIMPLIFYING FMV COMPLEXITY****HEALTHCARE CAPITAL ASSET VALUATION LEAD****NICK SHANNON, ASA**

DIRECTOR

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Suite 1500  
Dallas, Texas 75201  
United States**MORE ABOUT NICK**

Nick Shannon is a director with VMG Health in the Capital Asset Services Division. Mr. Shannon has extensive experience providing tangible asset valuation services and consulting for tax and financial reporting requirements including purchase price allocation and goodwill impairment, mergers and acquisitions, corporate conversions, fresh start accounting, and other purposes. Mr. Shannon has served clients across many different industries including healthcare and life sciences, consumer and industrial manufacturing, aerospace and defense, oil and gas, semiconductor manufacturing, and others.

Healthcare clients served by Mr. Shannon have included valuation engagements for hospitals, physician practices, ambulatory surgery centers, catheterization laboratories, and imaging centers. In addition, Mr. Shannon has performed valuation engagements for life sciences clients including pharmaceutical companies, manufacturers of certified reference standards and materials, and biomanufacturing testing companies.

Prior to joining VMG Health, Mr. Shannon was a manager for Deloitte Financial Advisory Services in the Engineering, Construction and Consulting Group responsible for managing and performing tangible asset valuation engagements and collaborating on domestic and international projects across various audit, tax, consulting, and valuation service lines. Prior to joining Deloitte, Mr. Shannon was an associate for American Appraisal in the Industrial Valuation Group responsible for performing tangible asset valuation engagements for the energy and chemical industries in support of financial reporting and property tax purposes.

Mr. Shannon graduated with a Bachelor of Science in Industrial Distribution from the college of engineering at Texas A&M University. Mr. Shannon is an Accredited Senior Appraiser (ASA) with the American Society of Appraisers.

# WE VALUE HEALTHCARE

DISCOVER THE VMG HEALTH ADVANTAGE





Date: March 27, 2018

To: Board of Directors

Subject: Addendum to Consulting Service Agreement for Kaufman Hall,  
not to exceed \$225,000 plus expenses.

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**Staff Recommendation:** Consideration to approve the addendum to the service agreement for Kaufman Hall, not to exceed \$225,000, plus expenses.

**Background:**

- As part of Priority #1 of the District's 3-year Strategic Plan -- "New Providers, Facilities, Programs and Services --the Board engaged the services of Kaufman Hall to:
  - Assist the Board in developing scenarios and evaluating options considering the potential expansion of the District, the scale and scope of the hospital post 2030, the potential cost of compliance with SB 1953, and the possible funding for such costs.
  - To develop and maintain a roadmap with appropriate milestones to guide and structure Board discussions.
  
- To date, substantial work has been performed in working with the District's Ad Hoc Committee for New Providers, Facilities, Programs and Services, the Board of Directors, and Staff
  
- The original service agreement expired February 28, 2018.
  
- To navigate through the complexities of issues before the Board, additional time and guidance is required.
  
- The District desires to continue with the services of Kaufman Hall.
  
- Duration of the additional work – April 1, 2018 – June 30, 2018.
  
- Staff recommends approval of the addendum for Kaufman Hall.

**Fiscal Impact:**

\$225,000, plus expenses – Not included in the FY18 annual budget.

Cost to Date of original service agreement - \$547,380.

# KaufmanHall

March 22, 2018

Mr. Herb K. Schultz  
Chief Executive Officer  
Mr. Chris Christensen  
Chief Financial Officer  
Desert Healthcare District & Desert Healthcare Foundation  
1140 N. Indian Canyon Drive  
Palm Springs, California 92262

Dear Herb and Chris:

Kaufman, Hall & Associates, LLC (“Kaufman Hall”) is pleased to present this addendum (the “Addendum”) to extend our current engagement under the Consulting Services Agreement dated August 9, 2017 (the “Agreement”) with Desert Healthcare District (the “District”) to allow us to support the District with the evaluation of its strategic options in light of its most recent strategic plan (the “Client Project”). This Addendum is governed by the terms and conditions of the Agreement. To the extent that any terms of this Addendum conflict with the terms of the Agreement, the terms of the Addendum shall govern. All other terms and conditions of the Agreement remain in full force and effect.

As we have discussed, our scope of services under the Agreement extended through February 2018. This Addendum will commence on April 1, 2018, and will continue until June 30, 2018, as further described in the ‘Timing and Fees’ section below.

## TIMING AND FEES

Professional fees associated with this engagement will be billed \$75,000 per month, commencing in the beginning of April 2018, and will cover all Kaufman Hall activities under this scope. The District may terminate our engagement at any time, with pro-rated portion of our professional fees due and payable up to the date of notice of termination (the “Notification Date”). Kaufman Hall will be entitled to reimbursement of expenses through the Notification Date. Any extension of Kaufman Hall’s involvement beyond June 2018 shall be subject to mutually agreeable terms between the District and Kaufman Hall.

## AUTHORIZATION

We appreciate the opportunity to continue to support the Desert Healthcare District. Your signature below will indicate your agreement with this Addendum. Please sign and return via email or by fax to (847) 965-3511.

Sincerely,  
KAUFMAN, HALL & ASSOCIATES, LLC

*Kaufman, Hall & Associates, LLC*

/sd

cc: Patrick Smyth  
Ken Kaufman

This Addendum is accepted.  
DESERT HEALTHCARE DISTRICT

\_\_\_\_\_  
Authorizing Signature / Date

\_\_\_\_\_  
Printed Name / Title

# DISTRICT/FOUNDATION POLICY

## Engagement of the Community, Public and Subject Matter Experts

### PURPOSE

- 1.1 This Community Engagement policy outlines the importance of engaging with the community and the principles that define the District/Foundation's commitment and approach to interaction with the community, public and subject matter experts.
- 1.2 This Community Engagement policy is to ensure that key stakeholders across the Coachella Valley have a voice to influence the development of policies and strategies that will affect their lives and inform the way in which District/Foundation services are planned and implemented.
- 1.3 The District/Foundation is committed to engaging with stakeholders and communities and this policy provides the strategic direction to ensure quality interaction and consistent engagement across the spectrum of services our organization provides.

### SCOPE

- 2.1 This policy applies to all District/ Foundation employees, management, Board Members, contractors, consultants, interns, and volunteers, residents and service providers.

### DEFINITION

- 3.1 Community engagement is defined as the range of opportunities for public involvement in decision-making, relationship-building and community strengthening. Community engagement is achieved when the community is a part of – and *feels a part of* – a project, process, or relationship.
- 3.2 Community engagement deepens the innovative, silo-busting partnerships that are signatures of successful programs by connecting the concerns of communities to the decisions that allocate funding – local and regional public investment dollars. Engagement brings meaning and relevance to sustainability goals across a broad spectrum of players; and it encourages local innovations in sustainable development through creative problem solving.

### STANDARDS

- 4.1 Community engagement encompasses a more comprehensive approach, creating practices and institutionalized mechanisms that share the power and decision-making control in marginalized communities, groups, subject matter experts and all other stakeholders. When utilized for the purposes

of increasing community empowerment and problem solving, community engagement is guided by specific key principles.

## **KEY POLICY PRINCIPLES FOR ENGAGEMENT**

Following the District/Foundation’s culture of commitment to the community, these key policy tenets reflect this and help the organization move to action effectively.

- Honor the wisdom, voice, and experience of residents and partners.
- Treat participants with integrity and respect.
- Be transparent about motives and power dynamics.

## **MEETING ELEMENTS**

Engagement meetings will be designed to adhere to specific elements:

- Include all those that represent the group(s) affected.
- Educate with District/Foundation information and/or information the organization has gathered and assure the District/Foundation is educated by those attended who can share their lived experience.
- Listen to those with lived experience to ensure understanding of key subject information and areas where the District/Foundation can learn from.
- Assure the District/Foundation is seeking out and meeting with the experts in the field to learn from and understand what their needs are for continued and future success.
- Work in partnership and co-create a plan/ budget/ focused subject priority.
- Build-in evaluative measures to assure for as-needed course corrections.
- Report out to Board of Directors and/or request approvals as necessary.
- The culture needs to be, the community feels heard and knows we will move into action.
- Utilize information gathered and leverage resources, both financially and with District and partner personnel.
- Provide meeting materials and/or verbally communicated information in the necessary languages to ensure communication is effective to attendees.
- As a follow-up to said meetings, disperse the information via District/Foundation communication vehicles so the general public and others have an opportunity to contribute.
- Meetings within the District/Foundation service area will maintain a baseline structure with the understanding that what is done in one community may not work in others; each is unique with its own circumstances and the District/Foundation will work to always honor the communities and members that live there.

## **RESPONSIBILITY**

It is the responsibility of District/Foundation management to enforce all organizational policies and Board of Directors to oversee implementation.



Date: March 27, 2018

To: Board of Directors

RE: Priority #2 Behavioral Health Initiative

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Staff recommendation:

Consideration to approve Collective Fund of \$2 million for a Behavioral Health Initiative.

Background:

The concept of the collective fund/initiative was presented at the February 27, 2018, Board meeting, accompanied by two proposed short-term programs and the idea of a collective fund/impact model for Community Health Focus Area#2: Primary Care and Behavioral Health Access – with a focus on Behavioral Health. This concept was promoted by the very fact that currently, in the Coachella Valley and Riverside County numerous efforts are being made to understand the current services being provided and to identify gaps in services and challenges being faced by the residents to access these services, alongside the lack of Behavioral Health Workforce to meet the current and future demands of our community. This opportunity allows for the District Board to move in a fashion similar to the Homelessness Initiative, (approved June 27, 2017) to further their leadership role and to create an environment that will nurture these efforts to a more structured and aligned effort to formalize a long-term strategy.

Through the development of a Collective Initiative, supported by an Integrated Behavioral Health Strategic Plan, the Board will then identify key Programs of Interest. The Programs of Interest will guide the direction of the Collective Fund to support not only the DHCD/F strategic plan, but also compliment that plan of the Collective Impact Initiative.

We will also look to fund the proposed short-term programs as presented here to create an opportunity for immediate action that not only meets our Community Health Focus Area: Primary Care and Behavioral Health Access, but also with a nexus to Strategic Plan Priority #1 New Providers, Facilities, Programs and, Services.

Potential Fiscal Impact: \$2,000,000 (out of the fiscal year 17-18 unspent budgeted allocated grant funds) depending on approval of various recommendations.

NARRATIVE:

In summer of 2017, the Board of Directors took the strong position of leading an innovated, collaborative approach that would create an environment to bring together elected leaders, business leaders, community leaders, and residents from across the Coachella Valley to effectively reduce the impact of homelessness.

From the proven success of the Homelessness initiative, the Staff is now proposing to the District Board, a second opportunity to establish another collective fund to meet the Board's number 2 Community Health Focus Area, Behavioral Health.

The recommendations being proposed for consideration are in response to the approved 3-year Strategic Plan and the identified priority to the much-needed synchronized focus on Behavioral Health. The need for collaboration and coordination of programs, services, and efforts; to understand the systems and its short and long-term challenges, alongside the opportunity to identify and align funding of public and philanthropic resources, is necessary to move forward in an efficient and effective manner.

First step – The creation of a universal Strategic Plan with a community Vision.

The outline of the strategy would be as follows.

1. Overview of the Coachella Valley in relation to Behavioral Health – supported by all current needs assessments, Market Studies and HARC data
2. Identified Network of Providers – Social Network Analysis
3. Evidence-Based and Evidence-Informed Practices
4. Needs Assessment – supported by all current needs assessments, Market Studies and HARC data.
  - a. Process
    - i. Key Stakeholder Interviews – current and past
    - ii. Focus Groups – current and past
    - iii. Data Analysis – current HARC / Riverside County- SHAPE / Premier/ KaufmanHall
    - iv. Overview of the Data – compilation from all current sources with focus on BH
    - v. Service Utilization
    - vi. Prevention and Early Intervention Services
    - vii. Crisis Support
    - viii. Substance Use Services
    - ix. Housing and Homelessness
    - x. Child Welfare

- xi. Workforce
5. Overall Strengths, Challenges, Opportunities and Barriers
6. Creation of a Funders Forum - Presentation of Initial Plan
7. Recommendation of a Comprehensive Integrated Behavioral Health Strategic Plan:
  - a. Leadership
  - b. Community Engagement: Outreach, Prevention, Early Intervention, and Natural Supports
  - c. Workforce development

### **UCR Health Street Medicine Program Medical Mobile Clinic**

**Background:** In an effort to provide a safe and confidential clinic space for their patients (vulnerable and homeless populations), staff and UCR Health (School of Medicine) are finalizing the details regarding the development and cost analysis of a medical mobile clinic.

The designated medical mobile clinic will provide space to offer confidential care, the technology to work cohesively with professionals at a distance (Tele-psych), and the mobility to expand UCR Health's services to vulnerable populations and new areas that have limited access to care (i.e. Desert Highland Gateway neighborhood, the Dream Homes in Cathedral City, Senior centers; parks; homeless encampments, and others)

**What:** Here is what this mobile health clinic program is going to offer and will be brought to the April board meeting for consideration (final operational details):

- Primary care services & outpatient procedures
- Preventive care screening & chronic care/health maintenance services
- Tele-psych to be set up and utilized on an ongoing and consistent basis
- A robust weekly rotation schedule at location sites to provide primary and behavioral health care services
- Workforce development through residency programs of Family Practice, Psychiatry, and Pharmacy
- Capability to utilize the mobile unit when NOT being used in the community as an overflow site at the existing clinic at Las Palmas Medical Plaza for family medicine residency training and telemedicine mental health appointments
- A dedicated staff person – a medical assistant – whose role will be to align operational staff and volunteer support, provide clinical support during operating hours, coordinate all aspects of pre/post-delivery of care, and serve as a resource for patients that need access to additional services (in-bed CVHIP). In addition, the MA will implement and manage a data collection initiative

**Why:** Connecting residents to behavioral health and primary care resources; reducing the barriers to transportation; supporting regional homelessness efforts and workforce development

**Lead Partners:**

- City of Palm Springs Mental Health Housing Crisis Teams
- Riverside University Health System Care Clinics
- Path of Life Ministries
- CVAG Homelessness Committee
- FQHCs
- Volunteers in Medicine
- Riverside County Continuum of Care Outreach teams

**Ancillary Partners:**

- CBOs
- First responders
- School districts
- Faith-based organizations

**To be finalized:**

- Key collaborative partnerships that will be aligned with an MOU and/or Letter of Commitment/Letters of Support
- Opportunities for leveraged funding and naming opportunities

**Desert Hot Springs High School Prevention and Awareness Pilot Program**

**Background:** The platform created by the DHCD/ Foundations investment in the 10 year Desert Hot Springs place-based initiative includes such programs as the Alliance for Healthier Generation – Wellness Council; SafeHouse of the Desert’s “What’s Up” App; and HealthCorps Coordinators. Staff has identified that although overall there is very limited access of behavioral health programs and resources, the limitation grows exponentially when considering the national data of students under the age of 19 and indicates that the rates of suicide, substance abuse and bullying have increased at a rapid rate.

**What:** The Desert Hot Springs High School Prevention and Awareness Pilot Program is a training curriculum that will be offered at the DHS High School to the students enrolled in the school’s Public Safety Academy – via One Future CV Program – and supplemented by alternative student groups to encourage the opportunity for increased peer- to- peer behavioral health education and awareness.

The Program will promote and increase behavioral health resiliency of the students through the training of fellow students based on evidence-based models. The focus will be to reduce stigma and increase access associated with obtaining behavioral health services. The training will increase understanding of behavioral health issues and the ability to identify warning signs / symptoms of potential problems and provide / create connections to non-threatening resources and services.

The curriculum will focus on depression/ substance abuse/ bullying / suicide and the reduction of self-harm (safe dating).

The final design of the curriculum will be led by Jewish Family Services of the Desert and One future CV, who have a proven history of successful program creation, and supported by summer internships from Health Career Connections. The program is planned to roll out in the beginning of the 2018-19 School Year.

This curriculum will be also supplemented by adding opportunities to present to the student population in both small and large groups via already imbedded programs in the high school such as, the NEOP program, “Building Assets and Removing Road Blocks” program and the “Success 101” for incoming freshmen.

**Why:** the program meets two current key community /statistically identified needs; Behavioral health awareness and access to resources, and the development of a future Behavioral Health workforce. Additionally, stressors such as school shooting and cyber-bullying are two of the emerging health topics of concern and conversation within this targeted population.

**Lead Partners:** One Future CV, Jewish Family Services of the Desert, House of Hope, Desert Hot Springs HS, Palm Springs Unified School District, UCR School of Public Policy, DHS School Wellness Council, NEOP program and Success 101 program.

**To be finalized:**

- Key collaborative partnerships that will be aligned with an MOU and/or Letter of Commitment/Letters of Support
- Opportunities for leveraged funding



Date: March 27, 2018  
To: Board of Directors  
Subject: Draft proposed Strategic Plan Implementation

**Milestone:** Successful Implementation of the Strategic Plan

1. **Progress Measure:** Comprehensive Implementation Plan – Draft list of priorities and projected flow of process.
2. **Progress Measure:** Board Approval of implementation for New Resources and Philanthropy Structure

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**Staff recommendation:**

Discussion and input of the Draft Comprehensive Implementation Plan with list of priorities and projected flow process and the initiatives and Grant Program Structure. Staff presented Power Point.

**Background:**

On June 27, 2017, the Board of Directors approved and adopted the new Three-year strategic plan. This plan has a focus on the greater social determinants of health and not solely health care (e.g., housing and homelessness, transportation, education). The Strategic Plan outlines three key priorities which will advance a One Coachella Valley perspective and approach to community health by transforming the role, reach, and impact of the Desert Healthcare District/Foundation.

The proposed structure of implementation has taken into consideration the following key items:

1. Transparency
2. Current Infrastructure/capacity building
3. Staff workflow and allocation of resources driven by the Boards Priorities
4. Short term Goals and focus areas: i.e. Expansion – LAFCO Approval - to Vote - to expansion
5. Proactive Culture in all operations

Included in the package:

1. Proposed Strategic Plan Implementation (Aligned with the Board adopted Priorities – Milestones – Progress Measures)
2. Proposed Initiative and Grant Program Structure: (Strategy 2.1, 3.1, 3.2 and 3.7)
  - a. Scoring Structure and Software comparison
3. cvHIP 2.0 (Healthify Platform) (Strategy 2.2, 3.5 and 3.7)
4. Communications and Marketing Plan (Strategy 2.2, 2.3, 3.5, 3.6 and 3.7)

## Proposed Strategic Plan Implementation

Milestone: Successful Implementation of Strategic Plan

Progress measure: Comprehensive Implementation Plan

Draft list of priorities and projected flow of process

**Purpose:** The strategic plan priorities will advance a One Coachella Valley perspective and approach to community health by transforming the role, reach and impact of the Desert Healthcare District/Foundation.

To create an environment and to honor the Board of Directors Goals from the approved three-year Strategic Plan adopted in Summer 2017. Our Mission: To achieve optimal health at all stages of life for all District residents; we must consider the way we support services and providers both in the past and into the future through leveraging of resources, responding to community needs through community engagement and the identifying of measurable outcomes to set baseline data to assure we are creating meaningful impact in our Community.

### Background:

On June 27, 2017 the Board of Directors approved and adopted the new Three-year strategic plan.

This plan has a focus on the greater social determinants of health and not solely health care (e.g., housing and homelessness, transportation, education). The Strategic Plan outlines three key priorities which will advance a One Coachella Valley perspective and approach to community health by transforming the role, reach, and impact of the Desert Healthcare District/Foundation.

### Planning and Implementation:

Strategic Implementation Plan - All dates have been developed through the CEO's Goals and Milestone Plan of Action accepted by the Board on February 27, 2018 – See Attached

The breakdown is the deeper dive into the work that the staff will carry out to ensure we meet the goals of the strategic plan and the milestones for the next 18 months with a long-term focus on enhancing the capacity of the District/Foundation to meet the vision of the board. "Connecting Coachella Valley Residents to Health and Wellness Services and Programs through Resources and Philanthropy, Health Facilities, Information, and Community Education, and Public Policy."

Overarching Infrastructure:

1. Create an infrastructure that enhances delivery and supports Strategic Plan Implementation
  - a. Philanthropy Structure - Proactive RFP rolling 4-month strategy that targets critical community health needs with meaningful impact with expanded reach.

- b. Update Software - support RFP/ Reporting/ Scoring/ Data/ Community Awareness and Connection to resources and enable ultimate capacity of limited staffing.
- c. Update of all Policy and Procedures to enhance daily operations, accreditation from our District associations/ SOP- to support visibility and transparency and be recognized as the community health leader.
- d. Staff Development - internal and external training, knowledge and implementation of SOP's; to increase work efficiency, transparency, and accountability.
- e. Marketing and Communications Plan to build brand awareness increase visibility in the Coachella Valley for funded services and programs, supported by Grantees and Partners - Driven by the focus of becoming an information source to all community members of the Coachella Valley regarding Health and Wellness. - Resident Linkage to Services/ District/Foundation visibility, transparency and accountability.
- f. Targeted Community Health Initiatives: Build-out Collective Initiatives/Fund and further funding to support the expansion into the East Valley – Create a database and intimate understanding of large outside foundation funders, their areas of focus and opportunities for funding partnerships. Expand staff's knowledge of state and federal funding opportunities to support work in initiatives through leveraged funding.
- g. Budget process to ensure resources are available for strategic plan goal obtainment.

**PRIORITY 1: New Providers, Facilities, Programs, and Services** -- providing Coachella Valley residents with an extensive roadmap of current gaps and needs in health-related programs and services. This information and public feedback will be used to guide planning for the future to meet resident needs.

Staff will support the Contract services of KaufmanHall to fulfill Contractual Scope of Work

Staff will support the Board of Directors as they review the KH proposed alternatives that are aligned with the strategic vision for the District.

**1. Articulate the Strategic Vision and Associated Implications** – Kaufman Hall will work with the Core Group to articulate the established strategic vision for the District and to identify the facility, service, and program opportunities that are aligned with the strategic vision. The facilities, services, and programs may cross a wide array of purposes – from primary care to diabetes and other chronic disease programs to behavioral health.

- **Articulate the Vision** – Kaufman Hall will review and consider relevant strategic planning materials, including, but not limited to, the District's current strategic plan, the Premier Market Analysis, Polling Survey Results, and the Plan of Services. During this step, we will facilitate a conference call discussion with the Core Group to review data received and reach a shared understanding of the strategic vision and its implications for the District's positioning in the expanded market.

- **Identify Facility, Service, and Program Opportunities** – Building on the strategic vision, Kaufman Hall will inventory the current facilities, programs, and services supported by the District, leverage the existing analyses, and conduct additional analyses, as appropriate, to identify the array of appropriate facilities, programs, and services for consideration by the District.

**2. Profile and Assess the Program and Service Opportunities** – Once the array of facility, service and program opportunities that are aligned with the strategic vision are identified, Kaufman Hall will profile them with respect to key parameters, including the magnitude of the opportunity.

- **Identify Key Parameters** – Kaufman Hall will examine key parameters such as facility requirements, size of population affected, access points, capability requirements, role of existing assets in providing or supporting delivery of the programs and services, and size of the program – e.g., facility requirements, physician requirements, staffing, patient visits, etc.
- **Assess Gaps in Capabilities and Capacity** – Kaufman Hall will assess the degree to which the facilities, programs, and services are “off the shelf” with existing resources or require further investment and development.
- **Assess Alignment of Current Assets with Opportunities** – To the degree information is available, Kaufman Hall will assess the current footprint of existing assets and their strategic plans, facility plans, competitive position and capabilities in the context of the District’s strategic vision and ability to serve the expanded District geography.

### **3. Develop and Rank Facility, Program, and Service Scenarios**

- **Prioritize Key Services and Programs** – Kaufman Hall will work with the Core Group to develop criteria to prioritize the various facilities, services, and programs that the District currently offers or could potentially offer. The criteria would assess alignment with the vision, magnitude of impact on the community, leveragability of existing capabilities, ease of execution, probability of achieving goals, and level of investment.
- **Develop High-Level Financial Projections** – Kaufman Hall will develop high-level revenue, expense, and capital investment projections for the high-priority facilities, services, and programs.
- **Develop Two or Three Facility, Service, and Program Scenarios** – Kaufman Hall will develop two or three scenarios that examine the integrated performance of a selection of high-priority facilities, services, and programs. At least one of the scenarios will be for a set of programs and services that address the District’s strategic vision and can be provided with no change in the District’s current Foundation and investment strategy.
- **Identify the Preferred Scenario** – Kaufman Hall will work with the Core Group to assess the scenarios and identify the preferred approach. The preferred scenario will be further developed to articulate its alignment with the District’s existing strategic plan and provide a basis for its refinement.

**PRIORITY 2: One Coachella Valley** – strengthening community health outcomes through the implementation of a successful expansion of the current District boundaries to include the East Valley to enhance and broaden community funding, consider the health needs of all residents, and effectively engage residents in the entire Coachella Valley.

- a. Working in support of the CEO to implement an “Expansion Action Plan” to reach into the community to create awareness of the District/Foundation and support of the expansion through education and outreach. ( In English and Spanish language)
- b. Allocate staff for face-to-face time with key stakeholders and CBO’s
- c. Community Forums - informational opportunities following the community engagement policy and procedures to obtain community feedback
- d. Marketing and Communications plan (East Valley) component
- e. Work with current and past grantees who serve both sides of the valley and get video and testimonies on the importance of a One Coachella Valley
- f. Once the redistricting has been completed to the identified seven districts – plan to carry out an evaluation of community health needs

**Priority #3: Community Health and Wellness** – Demonstrably improving community health in the Coachella Valley through leveraging District/Foundation activities, investments, and providing major philanthropic funding for community-based, provider, and academic organizations, as well as local governments

- a. Taking the information under each area and create a working Matrix of providers and services; identify cross service partners and potential for future growth of collaborative opportunities.
  - b. Work with our data partners at UCR and HARC to establish baseline data: Determine short, mid and long-term measurements to guide RFP process –identifying community health indicators and methodology of qualitative and quantitative reporting.
  - c. Work with Community stakeholders and service providers to identify ways and means to move Data/ Health indicators in a positive direction through partnerships and collaborations.
  - d. Fund grant requests in an organized structural format that supports our Strategic plan and identified impactful outcomes.
- a. Systematic approach to Monitor Data, Research and analysis of both Policy and collective efforts reported out to the Board and to the community: residents, service providers, stakeholders.
  - b. Presentations from Grantees during grant cycle to reveal programs that are working and others that are being faced with challenges with the encouragement of innovative programming.
  - c. Build-out CVHip 2.0 to support all three Priorities - Brand awareness/ Community Access to services - Awareness / One Coachella Valley.

- d. Create the culture of “Theory of Action” to enforce continuous improvement - cycle back into the following year - Ties to the PDSA - Plan- Do - Study-Act-Repeat - This process creates a simpler continuous improvement process. It will require leadership skill building to manage the challenges of collaborative work and a drive to Results-based leadership. This is a process that has been proven to be beneficial to create change in communities of long term history of health disparities. E.g. Reference Material

<https://www.strivetogether.org/library/building-culture-continuous-improvement-takes-collaboration-knowledge-tools/>

<https://innovations.ahrq.gov/qualitytools/plan-do-study-act-pdsa-cycle>

<http://www.aecf.org/blog/whats-the-5-2-2-of-results-based-leadership-development/>

- a. Creation and Implementation of Policies and Procedures to ensure successful and continuous community, public and subject matter expert engagement.
- b. Platform and process to report back to the Board of Directors information captured from key activities.
- c. Platform and process to report back to all attendees of meetings, with Board approved action items or responses.

DRAFT



Date: March 27, 2018  
To: Board of Directors  
Subject: Draft Initiative and Grant program Structure

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**Staff recommendation:**

Discussion and Input of the Draft Initiative and Grant program Structure, supported by the scoring structure and software platform requirements.

**Background:**

Under the approved Strategic Plan – Strategy 3.1 Philanthropy Infrastructure. Develop the District/Foundation organizational structure, approach and capability to implement focused investment and philanthropy strategies that target critical community health needs.

The proposed structure for Initiative and Grant Program structure has taken into consideration the following key items:

1. Transparency
2. Capacity building
3. Staff workflow and allocation of resources
4. Proactive Culture

Package includes:

Proposed Initiative and Grant Program Structure: Meets the following (Strategy 2.1, 3.1, 3.2 and 3.7)

- a. Scoring Structure
- b. Software comparison \*

**Fiscal Impact:**

Current Software used by the Grants team is the GIFTS – Desktop version. This copy of the software will expire as of December 2018 and will no longer be supported by Blackbaud. Current annual licensing cost is \$13,938.09 – Upgrade to the Online version will be \$16,400 annually and a one-time fee of \$5,000 for implementation and set-up. Staff has confirmed, if conversion made prior to the year end, we will be credited, on a pro-rated basis, a refund from current year's annual payment.

## Proposed Initiatives and Grant Programs Structure

### Staff Recommendation:

To enable the staff to meet the strategic goals, outlined in the approved three-year strategic plan adopted Summer 2017, it will be required to develop a structure that is predictable but also has some flexibility. It needs to be proactive, transparent, and driven by community and subject matter experts, producing tangible and measurable results. Flexible to allow for opportunity funding and development/growth of initiatives.

Initiatives defined: an introductory act or step; leading action: readiness and ability in initiating action; enterprise: the ability to assess and initiate things independently

The proactive structure meets these requirements of the three-year strategic plan and was influenced by the successful approach taken last year on the Homeless Initiative funding. It is recommended that the process be phased in over a 6-month period to allow for past structure and new structure to be fully vetted out and the staff time to support Expansion work with community outreach and education.

1. Preliminary Implementation commencement July 2018 with full implementation by January 1, 2019.
2. Assumes expansion of the East Valley effective December 1, 2019.
3. Draft timeline attached for presentation purpose is based on full implementation.

### Background:

This is supported by the Board clearly setting the direction and the staff's responsibility to implement with the approval of the final Strategic Plan July 2017 and the 4 Community Health Focus Areas.

The importance of Developing and approving protocols and procedures for approving/declining grants: supported by the convening of CBO's, stakeholders, providers and subject matter experts (Never will a subject matter expert be a grantee), and appropriate community members when access to lived experience and community input is required to inform decisions, is determined through the strategic planning process and with the creation of the COO position.

- Make every effort to know and understand the needs, challenges and opportunities of communities in the Coachella Valley
- Identify the District/Foundation is most critical health needs and explore every possible way, in addition to grants programs to meet them
- Expand outreach efforts and actively solicit proposals from a greater number of nonprofit organizations, providers and others in the Coachella Valley
- Identify initiatives that respond to unmet healthcare needs in the Coachella Valley
- Formulate outcome measures that assess the impact of funded programs/projects
- Alignment of grants with our four community health focus areas

## Purpose:

This document is to set the grant program framework and proposed workflow.

Staff agree, to ensure our efforts in Grant making are proactive, effective and assist our community partners in creating measurable change, sustaining current efforts and seeking innovative ways to improve the Health and Wellness of the Coachella Valley; we need a structure that is predictable, transparent, creates opportunity for engagement of non-profit and service providers, and guides the work of the District/Foundation.

The proposed structure is an accountable and predictable platform that would allow 4-month timeframes to focus on each of the first 3 community focus areas/initiatives that are all envisioned as separate but interrelated (Homelessness, Primary Care and Behavioral Health Access; and Healthy Eating, Active Living). This proposed structure will also allow time for board engagement both in the grantmaking process and maintain vigilance over how the grant funds are being invested by reviewing and receiving updates presented from the grantees and staff throughout the year. This will give the Directors the knowledge and awareness of current community issues, successful programs, outcome measurements and the foresight for all future strategic plan development.

Staff recommends the 4<sup>th</sup> area of “Quality, Safety, Accountability and Transparency” to be a standalone initiative that runs throughout the year until fiscal year 19-20, at which time it will be revisited. Due to the high-level vision of this initiative that covers, quality health services and programs with clear accountability, it was determined this process will allow for more affective grant making and the staff’s ability to work further on building out proactive initiatives.

## Programs Benefits Considered:

Meeting the needs of our service providers, this plan will allow better planning and growth in partnerships and collaborative initiatives:

1. Predictability of Grant programs Open dates – this allows for better cash flow planning for CBO’s and DHCD/F
2. Community Engagement – this will allow like-kind services to convene and identify ways to work together with a common goal
3. Process for staff to Identify measurements and approved by the Board
4. Opportunity to be forthcoming of success and challenges of community programs
5. Build out and the stabilization of successful programs
6. Transparency via a new grant scoring system and application

The benefits to the Board of Directors

1. Board will be presented on a regular basis the proposed Program Grants to be considered for funding.

2. The Program grants will have a scoring structure and an allocation formula based on scoring – Board will have the flexibility to expand past the allocated funds for each initiative – driven by grant application scoring, alongside data and outcomes.
3. Allows the Board of Directors the opportunity to focus on Key initiatives on a Quarterly basis rather than a multiple presentation of requests with the potential of very different outcomes.

#### The benefits to Staff and Operations

1. Staff time to focus on Key Initiatives per quarter. This would allow for research, community engagement, planning, implementation, creation of RFP. Then review and to staff recommendation.
2. Engages like kind service providers and allows for co-development of initiatives to move identified Data Goals.
3. Creates opportunity for existing partnership growth and the creation of partnerships with self-identified joint programs by CBO’s supported/driven by scoring system.
4. Allows Staff to identify leverage funding opportunities from outside sources to support key programs funded by the District.
5. Creates an environment of PDSA – Plan, Do, Study, Act – Repeat. This creates accountability and the potential for higher impact from CBO services.

#### Initiative Funding Allocation Example:

##### Illustrative Purpose Only - Not staff recommendation of funds– used to demonstrate scoring structure

Health Focus Areas: This is to assist with budgeting purposes and the creation of an equitable divide of funds to support all services. Staff believe this is reflective of the concept of “Wrap Around Services” and shows the inter-relations of each initiative: i.e. Homeless person needs access to Healthcare and Food. Based on minimum of 3.5Million – 4 Million identified funds to be allocated towards grants and \$300K for East Valley Expansion. \* This does not include funds received on a collective basis to support collective initiatives. **This is only an example for Next Fiscal Year 19-20**

1. Homelessness: 700,000 -1,000,000
2. Primary Care and Behavioral health Access: 700,000-1,000,000
3. Healthy Eating, Active Living: 700,000
4. Quality, Safety, Accountability and Transparency: 700,000-1,000,000 - This will include all mini-grants to the total of \$100,000 ( 20min-grants at \$5,000) Staff have identified that there needs to be a small portion of funds allocated to general health or emergency support of programs that have been identified as foundation pieces to community wellbeing. It will allow for opportunities that present themselves outside of the current focus areas.
5. East Valley Funds – Priority 1 is to hold community forums to identify resident’s perceived priorities. This information will also be used to identify potential further leveraged funding sources.

### Review Process for the first 3 Initiatives:

Currently, the process is to receive a LOI and after a Staff review, they would then invite a full grant request. The new process will move the District to a RFP environment, that supports the strategic plan and identified data measurements driven by community engagement.

Grants will be reviewed through the guidance of a scoring system to create a competitive bid process. (Attached Appendix. A)

- Scoring system will be based on Strategic alignment to DHCD identified measurable outcomes:
  - o Strategic plans of the organization
  - o Fiscal strength
  - o Collaboration of partnering agencies
  - o Program strengths

Process:

In a 4-month time frame from RFP to Grant presentation to the board for approval.

- a. Each RFP will be based on the strategic goals of the DHCD/F and from input from community engagement performed at the beginning of each cycle – this will be an opportunity for each CBO, service providers and stakeholders to come around the table to discuss current work and desired future work – the intent is to play as the lead convener that encourages future growth of partnerships, effectiveness of programs and shared success to help improve others along the way.
- b. RFP will go out a week later to all nonprofits and the staff will be available the following two weeks to support inquiries from CBO's - It will also be the job of the District to help encourage partnerships and growth of programs. This will help to create alignment of services.
- c. Mid-way of the 2<sup>nd</sup> month, grants will be due. The staff will take the next 10 days to review and score. – When grants come in with specialized services, staff will work with identified community specialists (these are people who will not be accessing grants during this process) to assist in the grant scoring process.
- d. Scoring will then be used to place all grants on a matrix and a formula will be used to allocate percentage of funds identified for this grant program segment. There will be a minimum allocation and there will be a process for all grants of equivalent scores.
- e. At one Board meeting at the end of the 3<sup>rd</sup> month, Staff will go through a process to present each grant to the board for final approval.
  1. Grantees will be present at the board meeting to answer all questions from the Directors, but there will be no formal presentations.
  2. Instead, Staff believes it is more beneficial for the grantees (staff will identify) to come at the semi-annual report time frame for a report out to the board. This will then prepare the board to assist in identifying future direction of the next round of program grants.

This process will take 6 months to integrate into our system. - Staff believes that the grantees in this 6-month process will be presented based on an identified period of future funding. – i.e. 9 months to as long as 18 months.

This new structure will require the Board and Staff to be clear and in agreement of desired measurable outcomes based on Strategic Plan – it would also be the staff’s recommendation that the goals not be change for at least 2 years but ideally 4 – 5.

#### 4<sup>th</sup> Initiative - Quality, Safety, Accountability and Transparency: **Starting July 1, 2019**

The delayed starting date will give staff time to report out to the Board on the Proposed Grant Program structure as described above. Each of these “Buckets” Quality, Safety, Accountability and Transparency, are complex. Staff work is continuing to determine where to focus Grant Program funding while working on Initiatives 1, 2, and 3. Board will then be presented with a staff recommendation to proceed forward as deemed in the best interest of the District/Foundation.

#### **EXAMPLE ONLY:**

Staff recommends this 4th initiative would not work with an RFP process, but rather a LOI and formal Grant request. This is supported by the following list of reasons;

1. This Initiative is more difficult to place pre-determined quantifiable goals
2. The focus of this Initiative is vast and could be used to encompass an enormous scope of work
3. We believe this Initiative allows the Board of Directors to be flexible with a portion of funding and will allow for programs that are innovative and support the Mission and Vision of the DHCD/F

#### Process:

- a. Process will move from an open enrollment, each fiscal year, with a LOI to the DHCD/F
- b. LOI after review from the Staff – determined if the request fits into one of the other 3 Strategic plan Initiatives; which would then cause staff to guide applicant to the above structure/timeframe. If the LOI fits into the 4<sup>th</sup> Initiative, Staff will present to the Board with recommendations for further review and decision to move forward, or not, to a grant request.
- c. Grant request will be vetted, scored as above and presented to the Board for final approval.

#### Mini Grants

Staff recommends the continuation of \$5,000 mini grants to remain status quo.



## Application Scoring Rubric



| Category                                   | Excellent   | Good  | Average  | Poor  |
|--|---|---|--|---|
| <b>Executive Summary</b><br>(20 points)    | <p>The applicant <b>includes and effectively describes</b> the project's mission and vision, the specific population the project will serve, the expected benefits to the community, the support for applicant's project in the community with proposed methods, approaches and strategies are realistic, reasonable, effective, outcome-oriented.</p> <p><i>(16 – 20 points)</i></p>         | <p>The applicant <b>includes and describes</b> the project's mission and vision, the population the project will serve, the expected benefits to the community, the support for applicant's project in the community with proposed methods, approaches and strategies are realistic, reasonable, effective, outcome-oriented.</p> <p><i>(11 – 15 points)</i></p>        | <p>The applicant <b>includes and somewhat describes</b> the project's mission and vision, the general population the project will serve, the expected benefits to the community, the support for applicant's project in the community with proposed methods, approaches and strategies are realistic, reasonable, effective, outcome-oriented.</p> <p><i>(6 – 10 points)</i></p> | <p>The applicant <b>vaguely describes</b> the project's mission and vision, the general population the project will serve, the expected benefits to the community, the support for applicant's project in the community with proposed methods, approaches and strategies are realistic, reasonable, effective, outcome-oriented.</p> <p><i>(0 – 5 points)</i></p> |
| <b>Need &amp; Alignment</b><br>(15 points) | <p>The applicant <b>explicitly defines a specific need</b> for the project within the identified community and <b>effectively describes</b> the alignment of that need to one of the Four Community Focus Areas of the District/Foundation's Strategic Plan by using convincing data, case studies, interviews, focus group results, media attention, etc.</p> <p><i>(12 – 15 points)</i></p> | <p>The applicant <b>identifies</b> a general need within the identified community for the project and <b>describes</b> the alignment of that need to one of the Four Community Focus Areas of the District/Foundation's Strategic Plan by using convincing data, case studies, interviews, focus group results, media attention, etc.</p> <p><i>(8 – 11 points)</i></p> | <p>The applicant <b>somewhat describes</b> a need for the project that is generally aligned to one of the Four Community Focus Areas of the District/Foundation's Strategic Plan by using convincing data, case studies, interviews, focus group results, media attention, etc.</p> <p><i>(4 – 7 points)</i></p>   | <p>The applicant <b>vaguely describes</b> a need for the project that may be loosely aligned to one of the Four Community Focus Areas of the District/Foundation's Strategic Plan by using convincing data, case studies, interviews, focus group results, media attention, etc.</p> <p><i>(0 – 3 points)</i></p>   |

| Category  | Excellent   | Good  | Average  | Poor  |
|---|---|---|--|---|
| <p><b>Goals</b><br/>(15 points)</p>   | <p>The applicant has provided at least two SMART goals with an evaluation plan that is <b>fully developed</b>. The SMART goals are specific, measurable, ambitious, realistic, and time-bound, and the evaluation plan will <b>accurately</b> measure the project's effectiveness.</p> <p><i>(12 – 15 points)</i></p>   | <p>The applicant has provided at least two SMART goals with an evaluation plan that demonstrates <b>some development</b>. The SMART goals are <b>mostly</b> specific, measurable, ambitious, realistic, and time-bound, and the evaluation plan will measure <b>some aspects</b> of the project's effectiveness.</p> <p><i>(8 – 11 points)</i></p>  | <p>The applicant has provided at least two SMART goals and an evaluation plan. The SMART goals are <b>somewhat</b> specific, measurable, ambitious, realistic, and time-bound, and the evaluation plan will <b>somewhat</b> measure the project's effectiveness.</p> <p><i>(4 – 7 points)</i></p>  | <p>The applicant has provided two goals and an evaluation plan. The goals are <b>not</b> specific, measurable, ambitious, realistic, and timebound, and the evaluation plan will weakly measure the project's effectiveness, OR the section is missing either a second goal or discussion of the evaluation plan.</p> <p><i>(0 – 3 points)</i></p>  |
| <p><b>Applicant Capacity and Infrastructure for Success</b><br/>(15 points)</p> | <p>The applicant includes concrete examples that <b>strongly demonstrate</b> that the human resource allocation to this project is appropriate (internal staff expertise, use of external consultants, advisory committee, etc).</p> <p>The <b>applicant strongly demonstrates</b> credibility for this kind of work (strength, name recognition, a history or track record of achievements, related mission and letters of support)</p> <p><i>(12 – 15 points)</i></p> | <p>The applicant includes concrete examples that <b>demonstrate</b> that the human resource allocation to this project is appropriate (internal staff expertise, use of external consultants, advisory committee, etc.).</p> <p>The <b>applicant demonstrates</b> credibility for this kind of work (strength, name recognition, a history or track record of achievements, related mission and letters of support)</p> <p><i>(8 – 11 points)</i></p> | <p>The applicant includes examples that <b>somewhat demonstrate</b> the human resource allocation to this project is appropriate (internal staff expertise, use of external consultants, advisory committee, etc.).</p> <p>The <b>applicant somewhat demonstrates</b> credibility for this kind of work (strength, name recognition, a history or track record of achievements, related mission and letters of support)</p> <p><i>(4 – 7 points)</i></p> | <p>The applicant includes examples that <b>do not demonstrate</b> the human resource allocation to this project is appropriate (internal staff expertise, use of external consultants, advisory committee, etc.).</p> <p>The applicant <b>does not demonstrate</b> credibility for this kind of work (strength, name recognition, a history or track record of achievements, related mission and letters of support)</p> <p><i>(0 – 3 points)</i></p> |

| Category                                       | Excellent   | Good  | Average  | Poor   |
|--|---|---|--|--|
| <b>Sustainability</b><br>( 10 Points)          | <p>The applicant <b>strongly demonstrates that it</b> has a current strategic plan and/or business plan with measurable outcomes supported by the Board and total Board engagement. The proposed program is <b>identified within</b> the strategic plan.</p> <p><i>(9-10 points)</i></p>  | <p>The applicant <b>demonstrates</b> that it has a current strategic plan and/or business plan with measurable outcomes supported by the Board and total Board engagement. Applicant has clearly identified that the program is <b>supported by</b> the strategic plan</p> <p><i>(6-8 points)</i></p>   | <p>The applicant <b>somewhat demonstrates</b> that it has a strategic plan and/or business plan. Applicant has <b>somewhat identified</b> that the program is <b>tied to</b> the strategic plan.</p> <p><i>(3 – 5 points)</i></p>  | <p>The applicant has <b>no</b> strategic plan and/or business plan. The program reflects the applicant’s mission.</p> <p><i>(0-2 points)</i></p>   |
| <b>Proposed Evaluation Plan</b><br>(20 points) | <p>The applicant describes a <b>specific detailed plan of action for</b> evaluation, that includes both qualitative and quantitative assessment of the project that is well-defined with data reporting mechanisms that are clear and transparent. The plan of action is <b>strongly aligned</b> with the project’s mission and goals as listed in the Executive Summary and Goals sections.</p> <p><i>(16 – 20 points)</i></p> | <p>The applicant describes a <b>detailed</b> plan of action for evaluation that includes both qualitative and quantitative assessment of the project that is well-defined with data reporting mechanisms that are clear and transparent. The plan of action is <b>aligned</b> with the project’s mission and goals as listed in the Executive Summary and Goals.</p> <p><i>(11 – 15 points)</i></p> | <p>The applicant describes a <b>reasonable</b> plan of action that can be completed during the grant period, involves <b>some</b> identified partners appropriately, and <b>might</b> make the project a reality. The plan of action is <b>somewhat aligned</b> with the project’s mission and goals as listed in the Executive Summary and Goals.</p> <p><i>(6 – 10 points)</i></p> | <p>The applicant <b>vaguely</b> describes a plan of action OR the plan of action is <b>unreasonable</b> or <b>unlikely</b> to make the project a reality. The plan of action <b>is not aligned</b> with the Executive Summary or Goals.</p> <p><i>(0 – 5 points)</i></p> |

| Category   | Excellent   | Good  | Average   | Poor  |
|--|---|---|---|---|
| <p><b>Budget</b><br/>(15 points)</p>                             | <p>The budget is <b>specific</b> and <b>reasonable</b>, and all items <b>strongly align</b> with the described project. The budget <b>strongly demonstrates</b> financial clarity/value and tells the same story as the proposal narrative. There are no unexplained amounts. The overall value of the project (the relationship of benefits and/or participants to costs) is <b>high</b>. Additional leveraged funding sources and in-kind services are included.</p> <p><i>(12 – 15 points)</i></p> | <p>The budget is <b>mostly specific</b> and <b>reasonable</b>, and the items <b>align</b> with the described project. The budget <b>demonstrates</b> financial clarity/value and tells the same story as the proposal narrative. There are no unexplained amounts. The overall value of the project (the relationship of benefits and/or participants to costs) is <b>medium</b>. And/or additional funding sources and/or in-kind services are included.</p> <p><i>(8 – 11 points)</i></p> | <p>The budget is <b>somewhat specific</b> and <b>reasonable</b>, and the items are <b>somewhat aligned</b> with the described project. The budget <b>demonstrates</b> financial clarity. There are no unexplained amounts. The overall value of the project (the relationship of benefits and/or participants to costs) is <b>low</b>.</p> <p><i>(4 – 7 points)</i></p>                                       | <p>The budget is <b>not specific</b> and/or <b>reasonable</b>, and the items listed <b>do not align</b> with the described project. The budget does not clearly tell the same story as the proposal narrative.</p> <p><i>(0 – 3 points)</i></p>   |
| <p><b>Fiduciary Compliance and Stability</b><br/>(10 Points)</p> | <p>The applicant <b>strongly demonstrates</b> a financial history that shows a continuous cycle of fiduciary responsibility of the board through audited financials produced in a timely fashion, positive cash flow at the end of each fiscal year, asset ratio meets required debt load, source of funds for operations and programs are coming from multiple sources and the board reviews financials on a regular basis.</p> <p><i>(9 – 10 points)</i></p>  | <p>The applicant <b>demonstrates</b> a financial history that shows a continuous cycle of fiduciary responsibility of the board through audited financials produced in a timely fashion, asset ratio meets required debt load, source of funds for operations and programs are coming from multiple sources and the board reviews financials on a regular basis.</p> <p><i>(6 – 8 points)</i></p>   | <p><b>The applicant demonstrates</b> a financial history that shows a continuous cycle of fiduciary responsibility of the board through audited financials produced. A positive cash flow at the end of each fiscal year is not consistent. Source of funds for operations and programs are coming from limited sources and the board reviews financials on a regular basis.</p> <p><i>(3 – 5 points)</i></p> | <p><b>The applicant demonstrates</b> a financial history through audited financials. A positive cash flow at the end of each fiscal year is <b>not</b> consistent. Source of funds for operations and programs are coming from little or no alternative resources.</p> <p><i>(0 – 2 points)</i></p> |

|   |   |   |  |   |
|---|---|---|--|---|
| <p><b>Key Partners/<br/>Collective<br/>Impact/Collaboration</b><br/>(10 points)</p> | <p>The applicant <b>strongly demonstrates</b> solid partnerships and collaborative approach with letters of commitment or an MOU that includes a scope of work.</p> <p><i>(9 – 10 points)</i></p> | <p>The applicant <b>demonstrates</b> partnerships and collaborative approach with letters of commitment.</p> <p><i>(6 – 8 points)</i></p> | <p>The applicant <b>demonstrates</b> partnerships but has not included any letters of commitment.</p> <p><i>(3 – 5 points)</i></p> | <p>The applicant <b>does not demonstrate</b> any partnerships.</p> <p><i>(0 – 2 points)</i></p> |
|---|---|---|--|---|

*Comments/ Notes:*

Total Score : \_\_\_\_\_ / 130 = \_\_\_\_\_ %  
 Excellent: 82% - 100% - Fully Funded    Good: 56% - 81% - Partial Funding  
 Average: 29% - 55% - Depending on Funding Allocation and Board Decision  
 Poor: 0% - 28% - Decline

## Grants Management Software Comparison

| Software   | Pros   | Cons   | Fees  |
|--|--|--|---|
| <b>CMS 360<br/>by Smart<br/>Simple</b>                               | <ul style="list-style-type: none"> <li>• User-friendly, online system that is accessible 24/7</li> <li>• Ability to track and report on all data and grantees.</li> <li>• Use workflow capabilities to streamline operations.</li> <li>• Support for review and compliance processes.</li> <li>• Ability to manage multiple programs in a single system.</li> <li>• Personalized portals are designed to quickly present the data needed by all stakeholder groups.</li> <li>• Ability to configure all aspects of the system internally.</li> <li>• Grantees will have their own reporting portal.</li> </ul> | <ul style="list-style-type: none"> <li>• Will need to redo all current forms used in IGAM at an additional fee.</li> <li>• Cannot get a realistic migration fee until system is inspected.</li> <li>• Fees increase on number of licensed users.</li> <li>• Annual increase of fees at 3%-5% each year.</li> </ul> | <p>Annual investment of <b>\$11,160.00</b></p> <p>Which includes:</p> <ul style="list-style-type: none"> <li>• 3- High Core Users (Donna, Alejandro and GA)</li> <li>• 2- Low Core Users (Lisa and Chris)</li> <li>• 300- Casual users (Grantees, grant applicants, grant reviewers, etc..)</li> </ul> <p>Additional Costs: <b>\$10,000 (approx.)</b> one time fee for implementation, set-up, training, and migration of current system.</p> |
| <b><u>Current provider:</u></b><br><br><b>GIFTS by<br/>Blackbaud</b> | <ul style="list-style-type: none"> <li>• User-friendly, online system that is accessible 24/7</li> <li>• Familiarity of the system, terminology, and forms.</li> <li>• Ability to track and report on all data and grantees</li> <li>• Can migrate all current forms in GIFTS to the cloud-based system.</li> <li>• Develop objectives benchmarks based on DHCD/F Community Focus Areas.</li> <li>• Personalized portals are designed to quickly present the data needed by all stakeholder groups.</li> </ul>   |  | <p>Annual investment of <b>\$16,400.00</b></p> <p>Which includes:</p> <ul style="list-style-type: none"> <li>• 3-Universal User Licenses</li> <li>• 3- View Only User Licenses</li> <li>• Unlimited online applications/reporting: Grantee portal</li> <li>• Outcomes measurement/tracking</li> <li>• Custom field generation</li> <li>• Grant reviewer portal: unlimited users</li> </ul>  |

## Grants Management Software Comparison

|   |  |   |  |
|---|--|---|--|
|   | <ul style="list-style-type: none"> <li>• Grantees will have their own reporting portal.</li> <li>• Option for grant readers/key stakeholders to have their own portal and provide feedback.</li> <li>• Visually-rich data analytics and dashboards.</li> <li>• Live-chat assistance</li> <li>• Fixed annual fees, can only increase with added licensed users.</li> <li>• Option to add a finance and fundraising management tool.</li> <li>• Only a \$2,500 increase based on our current contract with GIFTS.</li> </ul>   |   | <p>Additional Costs <b>\$5,000</b> one time fee for implementation, set-up, training and migration of current system</p> <p><b><u>Current costs: \$13,938.09</u></b><br/>Which only includes GIFTS maintenance &amp; support, IGAM subscription, and transaction-based billing.</p>  |
| <p style="text-align: center;"><b>Giving Data</b></p> | <ul style="list-style-type: none"> <li>• User-friendly, online system that is accessible 24/7</li> <li>• Ability to track and report on all data and grantees.</li> <li>• Grantee portal</li> <li>• Reports on impact assessment</li> <li>• Personalization of software to suit the DHCD/F needs.</li> <li>• Can be integrated into Microsoft office</li> <li>• Planning tool to create scenarios for future funding areas.</li> <li>• Budget tracking and forecasting</li> <li>• Visually-rich data analytics and dashboards</li> <li>• Compatibility to Office 365</li> <li>• Custom reports</li> <li>• Data imports from applications and reports</li> <li>• Grant monitoring and outcomes</li> </ul> | <ul style="list-style-type: none"> <li>• Will need to redo all current forms used in IGAM at an additional fee.</li> <li>• Very limited features</li> </ul> | <p>Annual investment of <b>\$9,600.00</b></p> <p>Which includes:</p> <ul style="list-style-type: none"> <li>• Up to 5 user licenses</li> <li>• Help desk support</li> <li>• Grantee portal</li> </ul> <p>Additional Costs: <b>\$5,000</b> one time fee for implementation, set-up, training and migration of current system.</p> <p>Customization of software outside of the proposal will be at <b>\$240.00/hr.</b></p> |



# MARCH 27, 2018 BOARD PRESENTATION – INITIATIVES AND PROGRAMS GRANT STRUCTURE

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*Connecting Coachella  
Valley residents to health  
and wellness services  
and programs through  
resources and philanthropy,  
health facilities, information  
and community education,  
and public policy.*

Lisa Houston, COO

March 27, 2018

# STRATEGIC PLAN IMPLEMENTATION

## **Strategy 3.1 Philanthropy Infrastructure**

Develop the District/ Foundation organizational structure, approach and capability to implement focused investment and philanthropy strategies that target critical community health needs.

## **Strategy 3.2 Targeted Community Health Initiatives**

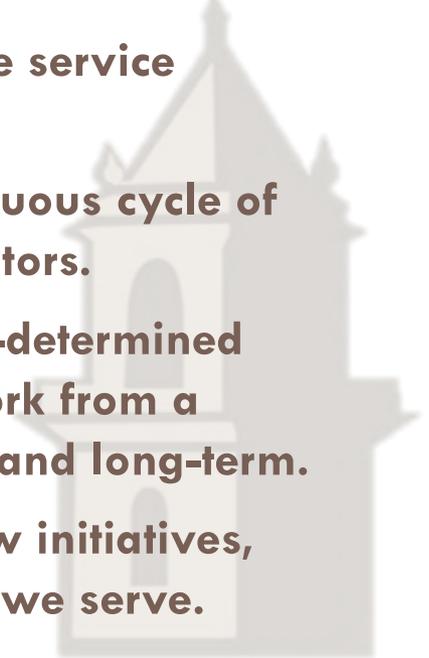
Implement funding initiative to meaningfully impact selected Community Health Focus Areas

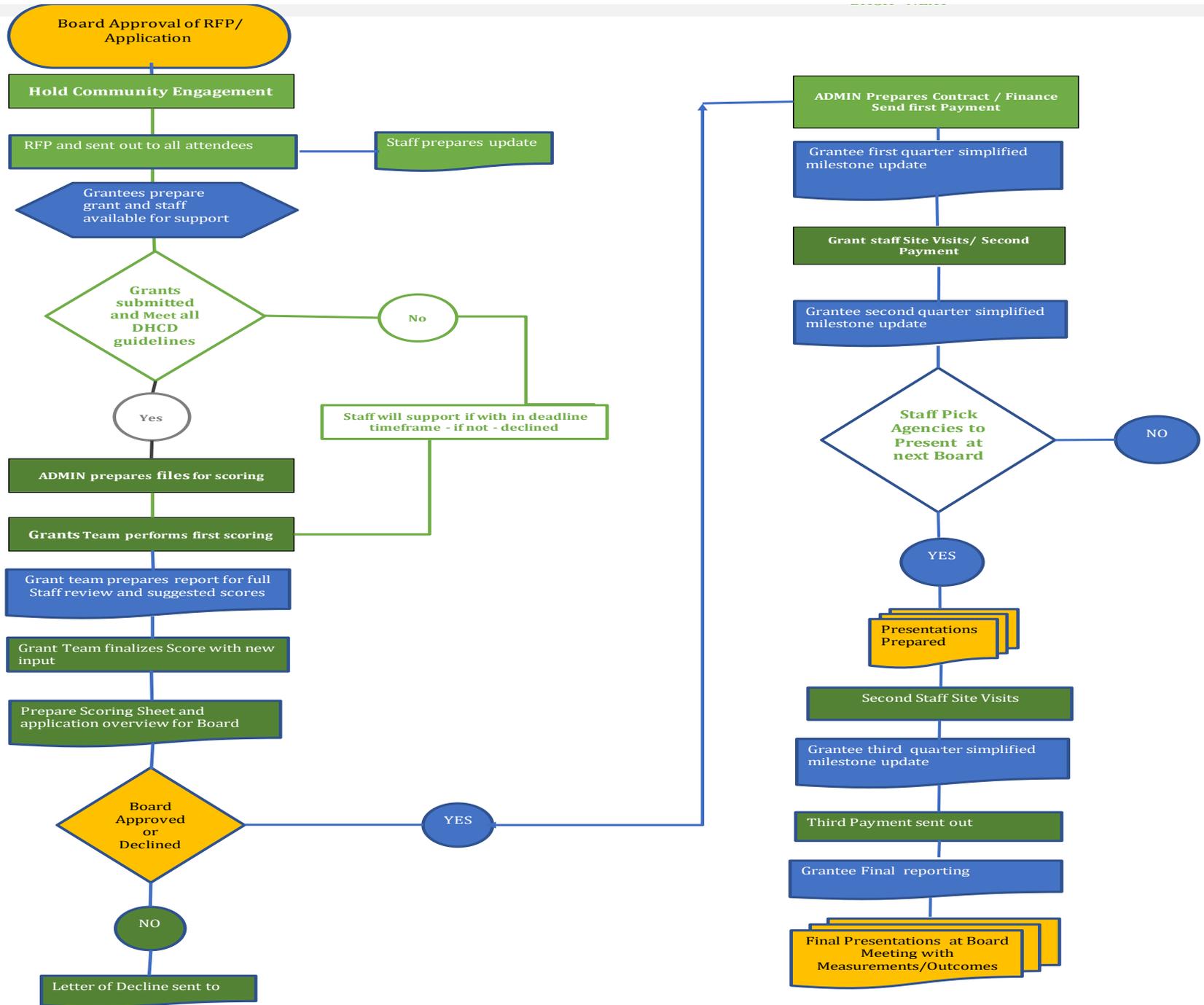
## **Strategy 3.7 Program and Service Collaboration**

Develop partnerships with other health and social service providers that leverage and build on existing initiative that are underway in the community to build programs and services addressing the prioritized Community health Focus Areas.

# THE GOALS OF THE STRUCTURE:

- **Foreseeable Structure** – allows for allocation of Staff time, capacity building and opportunity for innovation.
- **Proactive** – brings together multiple service providers working towards a common goal of identified District/Foundation Strategic Plan Outcomes.
- **Transparent** – to the Board of Directors, the public and the service providers we support.
- **Driven by community and subject matter experts** – continuous cycle of current information being presented to the Board of Directors.
- **Produce tangible and measurable results** – driven by pre-determined Board approved measurable outcomes – the ability to work from a baseline of data and show progress over short, medium and long-term.
- **Flexible to allow for growth** – Opportunity to identify new initiatives, awareness building of current needs of the communities we serve.





# Focus Timing of Structure/Initiatives

| <b>Initiative #1 Homelessness – Grant Cycle</b> | <b>Initiative #2 Access to Primary and Behavioral Health – Grant Cycle</b> | <b>Initiative #3 Access to Healthy Eating and Active Living – Grant Cycle</b> |
|---|--|---|
| Start Date – 01/2019                            | Start Date – 04/2019   | Start Date - 08/2019  |
| End Date - 05/2020                              | End Date -09/2020  | End Date – 01/2021  |
| Community Engagement 01/19                      | Community Engagement 04/19   | Community Engagement 08/19  |
| Board Approval of Grants – 03/19                | Board Approval of Grants 07/19   | Board Approval of Grants 11/19  |
| Mid-year Presentation 11/19                     | Mid-year Presentations 02/20   | Mid-year Presentations 07/20  |
| Final Presentation 05/20                        | Final Presentations 02/20  | Final Presentations 01/21   |
| Repeat cycle 01/2020                            | Repeat cycle 04/2020   | Repeat cycle 08/20  |

# Purpose of Grant Scoring

- Transparency of the process to our grantees
- District's/ Foundation's Fiduciary responsibility of tax payers dollars by investing in service providers who are financially sound and in alignment with the 4 Community Health Focus Areas of the District
- Supports Strategic Plan via.
  - ▣ Collaboration
  - ▣ Measurable Outcomes
  - ▣ Leverage of funds

# INITIATIVES AND GRANT PROGRAM WORKFLOW – EXAMPLE ONLY \$700K

| Grantee       | Score | %   | Grant Request Amount | Recommended | Comments  |
|---------------|-------|-----|----------------------|-------------|---|
| ABC           | 125   | 96% | \$128,000            | \$128,000   | Example of a score over 82% would receive full funding requested  |
| 123           | 124   | 95% | \$56,000             | \$56,000    |   |
| UYT           | 113   | 87% | \$107,000            | \$107,000   |   |
| 456           | 102   | 78% | \$78,000             | \$64,851    | Example of scores below 82% would be funded on a weighted average |
| HJK           | 102   | 78% | \$135,000            | \$122,242   |   |
| 789           | 98    | 75% | \$142,000            | \$118,061   |   |
| BNM           | 95    | 73% | \$42,000             | \$34,919    |   |
| 901           | 92    | 71% | \$95,000             | \$78,985    |   |
| OMG           | 32    | 24% | \$22,00              | \$0         | Example Decline   |
| <b>Totals</b> |       |     | \$783,000            | \$700,000   |   |

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Excellent = 82% - 100%  
 Good = 56% - 81%  
 Average = 29% - 55%  
 Poor = 0% - 28%

Proposed Full Funding  
 Proposed Partial Funding  
 Depending on Funding Allocation and Board Decision  
**Decline**

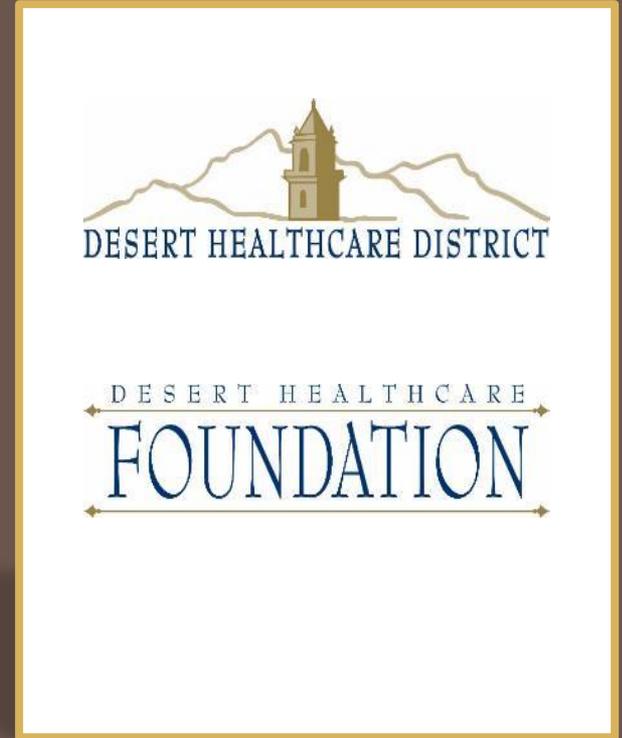
This is for example purposes only and based on potential allocation towards each initiative.

# GRANT SOFTWARE FOUNDATIONAL

- **User-friendly online system for our grantees**
- **Data analytics and reporting capabilities**
- **Maximize Staff time for effective and efficient program operations**
- **Customized reporting and search engine capabilities for access to history and current grants**
- **Online support services for both grantees and DHCD/F**



# Discussion and Input





Date: March 27, 2018  
To: Board of Directors  
Subject: CVHIP 2.0

---

**Staff Recommendation:**

Discussion and input on the CVHIP 2.0 platform and additional features – presented by staff prepared powerpoint.

**Background:**

The Coachella Valley Health Info Place (CVHIP) an online directory of health and wellness resources specific to the Coachella Valley, was created for the Desert Healthcare District/Foundation in 2015. Purple Binder the creator of CVHIP 1.0 has recently partnered with Healthify, which brings additional resources and features to the current platform. This partnership between PurpleBinder and Healthify improves and builds upon the capability and features of CVHIP 1.0.

**Discussion:**

Driven and guided by our organizational vision to connect Coachella Valley residents to health and wellness services and programs, staff reached out to the Healthify team for a presentation. The presentation highlighted the different and enhanced features available.

Those features included:

- Analytic data and feedback that can guide philanthropic efforts in all four of our Community Health Focus Areas.
- Capacity to have a “real time” assessment of the health needs and gaps of key demographic groups and/or areas.
- Build capacity and a more efficient case management tool for local community-based organizations and healthcare service providers.
- Improved capacity to monitor and track referrals with email alerts on the outcome of the referral (Closing the loop).
- Assist ER discharge counselors with a tool to align and connect discharged patients with services and programs.
- Give First Responders and other responders like the Palm Springs Mental Health Housing Crisis Teams with a resource to connect community members with services and programs.



A poll online of 36 community-based organizations, who were presented with the enhanced features of CVHIP 2.0 overwhelmingly liked the ability to:

- Refer clients/participants and track the outcome of a referral with email update alerts.
- Ability to change and update their own organization profile.
- Classify, organize, and track clients/participants based on their needs.

Overall, Staff and those community-based organizations presented with the new capabilities of CVHIP 2.0 were impressed with the enhanced features and can see this being a very valuable tool for community-based organizations, healthcare providers, local governments, academic institutions, first responders and service providers.

**Fiscal Impact:** The fiscal impact of CVHIP for the 1<sup>st</sup> year of implementation is \$112,000.00. The on-going yearly costs will be \$92,000.00. Currently, the CVHIP 1.0 operational and website maintenance is \$43,000.00 annually.

COACHELLA VALLEY HEALTH INFO PLACE

CV  
HIP.  
COM

2.0



# Transition



# Key Users & Funders



**BlueCross  
BlueShield**

# Why the Transition and Upgrade?

- Provide **community-based organizations, healthcare providers, local governments and academic institutions, first responders and service providers** with a valuable tool to connect their clients/participants to health and wellness resources.
- Enhanced analytics can provide insight into the emerging health and wellness trends of the entire Coachella Valley.
- Capacity to have a “real time” assessment of the health needs and gaps of key demographic groups and/or areas.
- Improved capacity to monitor and track referrals with email alerts on the outcome of the referral.
- Build capacity and a more efficient case management tool for local community-based organizations and healthcare providers.
- Analytic data and feedback can guide philanthropic efforts in all four of our Community Health Focus Areas.
- Ability for organizations listed on CVHIP to update and make changes to their own profile.

# Current vs New Platform

|                            | CVHIP 2.0 | CVHIP 1.0 |
|----------------------------|-----------|-----------|
| Resource/Search Platform   | Available | Available |
| Screening Platform         | Available | N/A       |
| Care Plan Features         | Available | N/A       |
| Coordination Platform      | Available | Limited   |
| Robust Analytics Platform  | Available | Limited   |
| API + EHR Support          | Available | Limited   |
| Enterprise Client Services | Available | N/A       |

Application Programming Interface + Electronic Health Record



# Connecting Coachella Valley Residents to Programs and Resources



## 1. Help with Finding Services

With Healthify Search and a public facing site, we can help DHF improve access to social service information. Staff will be able to login and community members will be able to maintain usage of the current public site. To improve the workflow, we will deploy an SSO integration and support with EHR integrations in the future.

## 2. Coordinate with Community Partners

With Healthify Coordinate we will support DHF set up a CBO coordination network to close to loop on referrals. We recommend starting with a set of 15 deeply integrated partners in 2018.

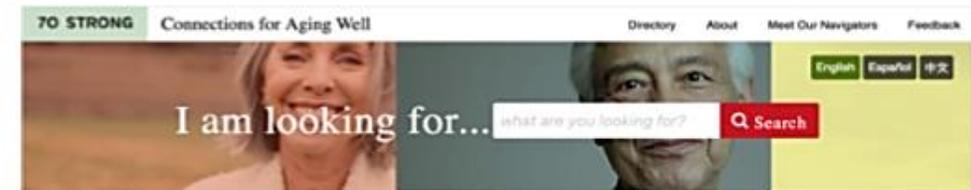
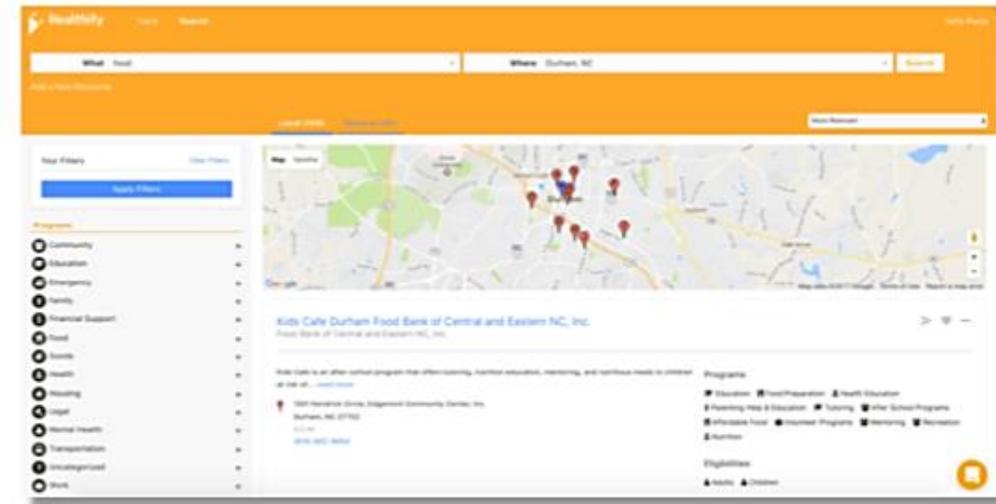
## 3. Report on Results

DHF is interested in tracking success overtime in the community. With Healthify Insights DHF will be able to measure searches, referral success, and resource density.

# Searching for Programs and Resources

Healthify Search is essential in finding community organizations, social services, and government benefits. Users can search, filter, edit and share using this platform. In addition, we will support with a public facing site in Q3 to allow for community members to search as well!

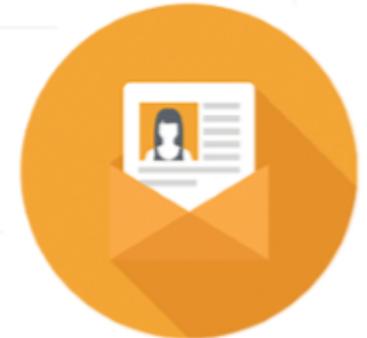
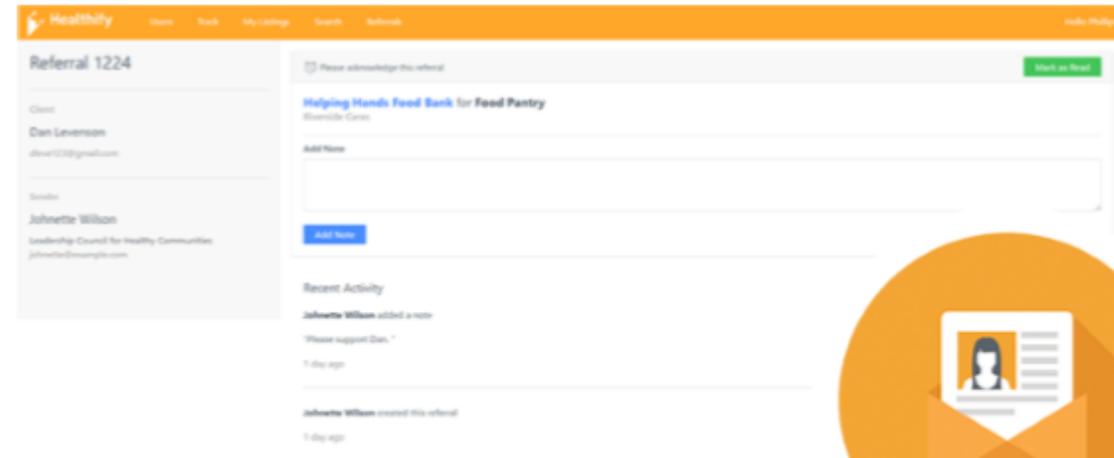
Our Client Services team and Resource Network team will support with data validation, training, and long-term user engagement.



# Creating a Referral Network

Healthify Coordinate allows organizations to “close-the-loop” in a network comprised of key partners. Our Client Services team will work with your organization to build a network of community based organizations and deploy a product to coordinate referrals electronically. We will support with items like:

- CBO communication strategy and messaging
- CBO staff onboarding
- CBO legal agreement management
- CBO evaluation/readiness reports
- CBO stakeholder meetings



### CLIENT FOLLOW UP

Receive updates of on referrals and share feedback with providers.

### IDENTIFY NEEDS

Screening tool helps you identify individual social needs.



### COORDINATE WITH SERVICE PROVIDERS

Send timely referrals to in-network services, enabling them to coordinate with client directly.

### SEARCH FOR SERVICES

Find valuable, updated, and verified social services and support.

### BUILD A CARE PLAN

Build, save, and and securely share care plans with clients.

### Helping Other People Through Empowerment HOPE



2828 Loch Raven Road  
Baltimore, MD 21218  
[Directions to this Site](#)

Updated 11 days ago.

(410) 327-5830

No email

<http://www.hopebaltimore.com/>

#### Hours

|               |                  |
|---------------|------------------|
| Mon, Wed, Fri | 8:30AM to 9:00PM |
| Tue, Thu, Sat | 8:30AM to 5:00PM |

[Report this resource](#)

Overview

### Helping Other People Through Empowerment

**Client \***

Manik Bhat (01/03/1990)

**Resource Programs**

Congregate Meals Clothing

**Select Language**

English

Download PDF     Send text to client

**SUBMIT REFERRAL ✓**

Simplified method to create a referral and specify which programs are needed by the client to CBO's in the network.

Can print a PDF or send the appointment info to the client via text.



# Kenya Lewis

[Back](#) [Edit](#)

## Personal Details

**Client ID:**

**Phone Numbers:**  
18315178179 Other

**Accepts texts:** Yes

**Email Address:** healthify.demo.notifications+kenyalewis@gmail.com

**Address:**  
151 West 26 st fl 10, New York City, NY 10001

## Demographics

**Gender:** Female

**Date of Birth:** 10/10/2000

**Populations:** Uninsured

**Interventions:** Mental Health

Customizable field to include barriers to access and other pertinent info.

## Relationships

### Assigned Team Members

Carrie Underwood

### Caregivers

[Shanda Lewis](#) - Family (06/10/1981)  
Sister

Unassign

Tracking of previous and current referrals and status of each one.

[Create Caregiver](#) [Assign Caregiver](#)

## Referrals

|                      | ↕ Referral ID | ↕ Issued Date | ↕ Program                  | ↕ Referred To                        | ↕ Referred From | ↕ Status  |
|----------------------|---------------|---------------|----------------------------|--------------------------------------|-----------------|-----------|
| <a href="#">View</a> | 5799          | Feb 20, 2018  | St. Alexander's Food First | 📍 St. Alexander's Community Services | Ruby Health     | Canceled  |
| <a href="#">View</a> | 5798          | Feb 20, 2018  | St. Alexander's Food First | 📍 St. Alexander's Community Services | Ruby Health     | Completed |



Social Risk Level

- Low Risk
- Medium Risk
- High Risk

Team Member

- Manik Bhat
- Eric Conner
- Bill Friedman
- Paula Smith

Populations

- Homeless
- End-stage Renal Disease
- Food Insecure
- Substance Dependent
- Diabetic
- Mobility Impaired
- Hypertension
- COPD
- Heart Disease

Interventions

- Health Education
- Diet Management
- Home Visits
- Housing Placement
- Chronic Disease Management
- Neglect Intervention
- Shelter Placement Assistance
- Caregiver Support
- ED Utilization Reduction
- Home Care
- Behavioral Health Intervention

CBO's can determine and customize the Social Risk Level based on their internal criteria.

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|        |                  | Date of Birth | Team Member                             | Last Screen Date  |
|--------|------------------|---------------|---|-------------------|
|        |                  | 04/21/1979    | Eric Conner                             | March 28, 2017    |
| High   | Alarcon, Laura   | 06/20/1992    | Eric Conner                             | March 15, 2017    |
| High   | Alvarez, Emanuel | 03/14/1990    | Paula Smith                             | March 02, 2017    |
| High   | Austin, Steven   | 03/14/1979    | None Assigned                           | March 29, 2017    |
| Medium | Bartell, Ardith  | 08/12/1960    | Manik Bhat                              | March 02, 2017    |
| Low    | Beier, Candice   | 09/18/1978    | Eric Conner                             | March 03, 2017    |
| Medium | Bell, Candice    | 10/21/1974    | Manik Bhat                              | January 26, 2017  |
| Medium | Bell, Janice     | 01/02/1907    | None Assigned                           | October 03, 2016  |
| Medium | Bell, Maria      | 10/21/1966    | Manik Bhat                              | January 12, 2017  |
| Low    | Bhat, Manik      | 01/03/1990    | Eric Conner                             | March 27, 2017    |
| Low    | Bhat, Rohit      | 01/03/1988    | Eric Conner                             | February 28, 2017 |
| High   | Bing, Jackie     | 01/01/1907    | Paula Smith                             | March 20, 2017    |
| Medium | C, Olivia        | 02/02/1907    | None Assigned                           | February 24, 2017 |
| High   | Castro, Joshua   | 05/07/1922    | Manik Bhat                              | March 28, 2017    |
| High   | Cat, Jill        | 05/01/1912    | Eric Conner, Bill Friedman, Paula Smith | March 27, 2017    |

1 2 3 4 5 ... Next Last

DHCD/F and the CBO's can customize the target populations and interventions.

# Enhanced Analytics

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Data is essential to seeing the important role social determinants play in community health. Healthify's analytics platform tracks performance allowing DHF to see community needs and referral success. Our Client Services team will work with you to understand key metrics and goals in the community.



# Pricing

| Product                                | No. of Units/Users   | Annual Price per Unit | One Time Fees |
|--|--|-----------------------|---------------|
| Public Facing Site                     | 1  | \$43,000              |               |
| Healthify Search                       | 100  | xxx                   |               |
| Healthify Coordinate                   | 50   | xxxx                  |               |
| Client Services CBO onboarding         | 15 CBO's   | -                     | \$20,000      |
| Healthify Insights (Reporting)         | 1  | Included              |               |
| SAML SSO                               | 1  | Included              |               |
| Client Services Team                   | 1  | Included              |               |
| <b>Discount</b>                        | 5%for 2+ yr agreement, 1% if paid upfront, and 3% if signed by 4/30/2018 |                       |               |
| <b>1<sup>st</sup> year grand total</b> | <b>\$112,000</b>   |                       |               |
| <b>Yearly on-going fees</b>            | <b>\$92,000</b>  |                       |               |

DHCD/F staff will be trained to provide the CBO onboarding beyond the initial 15 CBO's.

# Implementation Timeline

- **Search:** Deployed in early May 2018\*
- **SSO (Single sign-on):** Deployed in early May 2018\*
- **Public Site:** Deployed in September 2018\*
- **Coordinate:** 15 partners onboarded by September 2018\*\*

\* This timeline is dependent on BOD approval in April 2018.

\*\* This timeline is dependent on if DHF already has some identified community partners to coordinate in a network.



Date: March 27, 2018

To: Board of Directors

Subject: Draft Communications and Marketing Plan

**Milestone:** Successful Implementation of public relations program highlighting the work of the District and Foundation.

**Progress Measure:** Finalize plan of action for community and marketing;

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### **Summary**

Discussion and Input of Draft Communications and Marketing Plan for the Desert Healthcare District/Foundation that will be used by the incoming Director of Communications & Marketing to meet both Priorities, Milestones, and Progress measures.

### **Background**

The Plan provides communications and marketing guidance for the organization, staff and Board of Directors. It creates the baseline objectives, strategies, tactics and timeline. The Plan, which is built upon Strategy 3.6, was created on specific communication principles such as “Tell Our Story” and “Enhanced Collaboration with Partner and Stakeholder Agencies” among several others. It looks at the challenges of and opportunities for the District/Foundation via a Communications Situational Analysis; identifies primary target audiences; outlines a specific Plan of Action with three over-arching objectives encompassing Visibility and Transparency; provides context for evaluation and measurement of the proposed communications; and imparts the strategies and tactics in a comprehensive timeline.

Upon approval of the Plan and with implementation, further input will be sought from Staff and Board of Directors as communications and marketing elements are undertaken.

### **Fiscal Impact**

No fiscal impact.



Desert Healthcare District/Foundation

# **Communications and Marketing Plan**

*Implementing One Coachella Valley*

FINAL DRAFT March 19, 2018

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## Statement of Purpose

The Board of Directors of Desert Healthcare District and Desert Healthcare Foundation believe that excellent communication is critical for meeting our mission and vision. We want to become proactive and strategic communicators and foster an environment where residents and stakeholders are informed and involved in their health and wellness.

The District/Foundation created a new position – Director of Communications & Marketing – to improve organization communications. The plan examines the communication methods (and lack thereof) that the District/Foundation currently uses and will augment these methods to improve communication. Efforts to build communication are an on-going process that needs to continually be revisited as District/Foundation goals are achieved and situations change.

This Communications and Marketing Plan will show how effective communications can help:

- Achieve District/Foundation Strategic Plan priorities
- Engage effectively with residents and stakeholders
- Strengthen the understanding of what the District/Foundation is and does by raising visibility
- Ensure that residents across the Coachella Valley are aware of programs and services
- Position the organization as a leader in health and wellness information in the region
- Change perceptions if and where necessary

## Methodology

The Board of Directors adopted its Strategic Plan in June 2017 with specific priorities, strategies and tactics.

Upon joining the District/Foundation, the Director of Communications & Marketing reviewed the District/Foundation's messaging components, challenges and opportunities. This included review of the input received via stakeholder, community and board member input for the development of the Strategic Plan. Focus group feedback, which informed the creation of the District's polling questions, was considered to help guide the creation of this Communications and Marketing Plan.

Collaboration with the Chief Operating Officer was purposeful in drafting the Communications and Marketing Plan; guidance and review with the Chief Executive Officer was vital in the drafting and finalization. The approved Communications and Marketing Plan will provide guidance and direction for the organization, staff and Board of Directors. Upon approval and with implementation, input will be sought from staff and Board of Directors for creating our values and value statements, which will be the drivers of our new messaging.

The Plan identifies key initiatives for the District/Foundation, such as the *One Coachella Valley* expansion, among others. Where appropriate, the Plan also details specific implementation strategies, tactics, timelines and measurement methods.

The Communications and Marketing Plan will position the District/Foundation for success in visibility, messaging and outreach efforts, including becoming the recognized and trusted source of health and wellness information.

# District/Foundation Mission, Vision, and Strategic Plan Priorities

The pillars of an effective organization are the foundation for the direction of a Communications and Marketing Plan. The District/Foundation in June 2017 adopted a three-year Strategic Plan, upon which is the basis for this proposed Communications and Marketing Plan.

## **Mission**

To achieve optimal health at all stages of life for all District residents.

## **Vision**

Connecting Coachella Valley residents to health and wellness services and programs through philanthropy and resources, health facilities, information and community education, and public policy.

## **Strategic Plan Priorities**

- 1) New Providers, Facilities, Programs and Services
- 2) One Coachella Valley
- 3) Community Health and Wellness

### *SP1 – New Providers, Facilities, Programs and Services*

This over-arching priority is one of the principles of the District/Foundation's existence. Our organization focuses on providing facility, provider and service initiatives that are directed toward the health needs of the community to significantly influence outcomes.

### *SP2 - One Coachella Valley*

The *One Coachella Valley* approach that the District/Foundation is undertaking, which is a part of our proposed expansion to provide health and wellness programs and services to the entire Coachella Valley population, is a key Strategic Plan priority. Through Assembly Bill 2414 and the LAFCO process, the District/Foundation is undergoing a transformation that will more than double our service territory and constituents served. The LAFCO application was submitted in January 2017 with a Public Hearing slated for spring 2018. AB 2414 will be an initiative on ballot in late fall 2018. Full expansion funding continues to be a focus moving forward and a challenge. All of these important factors and milestones will need specific messaging as the year progresses.

### *SP3 – Community Health and Wellness*

The District/Foundation will work to demonstrably improve community health in the Coachella Valley by leveraging investments and activities.

*SP Community Health Focus Areas:* These four areas will serve as the focus for new initiatives, funding and other investments over the three years of the Strategic Plan: Homelessness; Primary Care and Behavioral Health Access; Healthy Eating, Active Living; and Quality, Safety, Accountability and Transparency.

# Communication Principles to Guide the Organization

The Plan was created with these guiding principles in mind.

- **Tell Our Story**

The District/Foundation has a great story, one that will only get better over the next many months of 2018 and beyond. We must create and begin to tell our own story rather than staying below the surface of things. The organization should utilize opportunities to relay our message to our audiences with a current emphasis on expansion.

- **Be Proactive in Our Communication**

The organization must increase visibility; take a positive and proactive approach to communications and marketing efforts; maintain open lines of communication with constituents and stakeholders; and enhance existing relationships with the press.

- **Enhanced Collaboration with Partners and Stakeholder Organizations**

This Plan emphasizes educating residents with information to help them to not only be informed on health and wellness programs and services, but also to guide them to these services. It will be important to continue to build relationships with local leaders. Equally as important is our partnerships with other Coachella Valley, regional, state and national entities to support the health of the Valley; these collaborative initiatives are important and must also be messaged. The two-way flow of information enhances the principle of community problem-solving; gathering information and receiving feedback is as important as providing information.

- **Established as *the* Coachella Valley Health and Wellness Expert for New Providers, Facilities, Programs, and Services**

Building upon the work that the District/Foundation has accomplished, adding two analysts in the community health arenas will help establish our organization as the go-to source for health information, data and resources in the Coachella Valley. This will be an important element in our brand enhancement.

- **A Communication Program Built on Strong Themes, Organizational Pillars**

A communication program built on strong and consistent themes is more efficient than one with scattered messages. Communication should reinforce and reflect our mission, vision and Strategic Plan and target issues of the healthcare needs in the Coachella Valley, as established by the Board of Directors and executive management. The organizational pillars are the key values the District/Foundation is built on – those must be identified and memorialized, as well as communicated, to staff and the Board of Directors.

- **Communication is Built into the Organizational Structure & Processes**

This communication system allows Desert/Foundation to communicate timely, accurate, and useful information to residents and stakeholders. It includes a robust commitment to presenting a consistent and focused message. All team members are important in the communications process.

## Assessment of Current Communication

Currently, Desert/Foundation uses a variety of methods to present our story. As the organization has not had a Communications and Marketing Plan nor staff member to manage the work, the current communication methods are limited in scope and need either major overhauls or creation altogether. Over the years, work has been accomplished by staff (and with the assistance from consultants) to create communication and marketing efforts where possible as noted in these bulleted items. These efforts are not sufficient to reach our organizational goals as defined in the Strategic Plan including, but not limited, to the expansion of the organization.

- **Website at [www.dhcd.org](http://www.dhcd.org)**  
The website provides important information for all audiences: residents, stakeholders, board of directors, media, grantee organizations, area visitors, etc. It needs immediate updating and a complete overhaul in the near-term. Updating must include elements to obtain website compliance accreditation.  
*WEBSITE DAILY VISITS: 5 with spikes to 50*
- **News Releases**  
Desert/Foundation had been utilizing a consultant to create news releases and distribute to local media on an as-needed basis to keep them informed of current information and news.  
*NEWS RELEASES DISTRIBUTED IN 2017 (3); 2016 (5); 2015 (4); 2014 (7); 2013 (5)*
- **Social Media**  
Desert/Foundation had been utilizing a consultant to create social media posts on a month-ahead basis; the posts feature basic health information.  
*FB FOLLOWERS: 605; POSTS REACH 30 ON AVERAGE*
- **Town Hall Meetings, Forums, Hearings, Meetings**  
Desert/Foundation held public-invitation Town Hall Meetings in 2017 as part of the expansion/One Coachella Valley. These meetings were successful in encouraging two-way communication with attendees through question and answer formats. Additionally, extensive public engagement occurred over the last two-plus years.  
*NUMBER OF ATTENDEES: April 2017 – 58; May 2017 – 41*
- **Brochure 2008**  
A professionally produced collateral document was created for the District/Foundation in 2008.
- **Annual Report 2015**  
A professionally produced collateral document was created for the District/Foundation in 2015.
- **Strategic Plan 2017**  
The rigorous, six-month long process that helped inform the development of the Strategic Plan included interviews with stakeholders and board members, feedback from the community at meetings and polling efforts for West and East Valley residents. Currently on the website only.

# Communications Situational Analysis:

## Challenges...

- Long-time void in communications and marketing work for the organization.
- Need for a communications strategy to tie-in with the District/Foundation's new Strategic Plan to support the direction of the organization and help fulfill the strategic priorities established by the Board of Directors.
- Messaging could be confusing to residents with critical District/Foundation work occurring simultaneously. This includes initiatives such as organization branding, expansion to *One Coachella Valley*, passage of AB 2414, LAFCO process and funding source challenges, and DRMC facility seismic compliance.
- District/Foundation lacks visibility and clear identity, which is reflected in the website, social media, organizational documents; they have no cohesive style.
- Correcting inaccurate perceptions about the District/Foundation, such as hospital ownership, funding sources, intent of organization's creation in the 1940s.
- A need exists for a stronger community voice in health and wellness in the Coachella Valley.

## ...and Opportunities

- Defining communications goals and strategies by the new Director of Communications & Marketing in concert with the COO and CEO.
- Strengthening and positioning the District/Foundation as *the* expert for data, information, advocacy and resources on Coachella Valley health and wellness.
- Identifying key messages to create a District/Foundation voice that relates to the mission, vision and Strategic Plan Priorities.
- Branding the District/Foundation to include the essence of the organization, a promise to all residents with an emphasis on segmented marketing for uniquely different communities within the territory.
- Fostering and promoting transparency of the District/Foundation's activities such as Board Meetings, grant awards, and financials.
- Building upon the District/Foundation Grant Program with specific requirements of grantees that will garner visibility such as planned check presentations, testimonials, joint news releases and social media posts with imagery and video.
- Enhancing communications by connecting and exposing all Coachella Valley residents to cvHIP and *One Coachella Valley* expansion via marketing, community forums, advertising and educational campaigns.
- Strengthening brand knowledge with community members, CBOs, chambers of commerce, civic groups, government officials, and legislative offices.
- Creating documents, such as a Style Guide, and collateral templates that will streamline communications and organizational efforts while conveying our voice, our story.

## Primary Target Audiences

The identified primary target audiences are the groups of people with whom the District/Foundation needs to regularly communicate with on a variety of topics and issues.

- Residents within current service area
- Residents in potential expansion area
- Grantee organizations
- Stakeholders
  - All government officials
  - Community groups and organizations
  - Local and regional organizations and agencies
  - Nonprofit organizations
  - Educational community
  - Service providers
  - Hospitals
  - Clinics
  - Other funders
  - Media

# Plan of Action:

## *Over-arching Objectives*

### *Objectives, Strategies, Tactics and Timelines*

## OVER-ARCHING OBJECTIVE I

### Create Effective and Brilliant Communications Executed with Consistency

#### 1) OBJECTIVE

##### *Enhancement of District/Foundation identity, image, brand.*

###### Strategies and Tactics

The organization's brand, the essence of who we are, our organizational identity, needs to be defined by developing our promise to residents and stakeholders. Once more fully developed, the District/Foundation's brand will be incorporated across all messaging.

- (a) Create new tagline that best represents the District/Foundation's mission, vision and promise to residents.
- (b) Identify values, value statements, key messages.
- (c) Define images and brand color palette to be used.
- (d) Ensure messaging reflects the Strategic Plan priorities and speaks with one voice – create a Style Guide.

#### 2) OBJECTIVE

##### *Achieve greater effectiveness of communications and visibility with more community involvement.*

###### Strategies and Tactics

- (a) Proactive interaction and relationship development with stakeholders, partners and grantees to drive visibility. (On-going)
- (b) Require written testimonials and/or videos from grantee agencies (or their clients) to support District/Foundation; as grants are awarded, this element will be a part of the agreement. (Apr 1 and on-going)
- (c) Increased community exposure through staff-identified opportunities (grant program, etc.) with other organizations and events. (On-going)
- (d) Host more health and wellness forums in addition to those needed for expansion; assure Spanish-translation is provided. (On-going)
- (e) Increase CEO and Board of Directors exposure in community forums, events and media coverage opportunities. Community exposure will be enhanced also through utilizing nametags and clothing with organization brand. (On-going)
- (f) Assure that all key staff and Board of Directors are versed in the District/Foundation messages and story; District/Foundation communications/media policy must also be adhered to. Training for speaking, presenting, media interaction for select staff and board of directors; new board member and incoming board president orientations. (On-going)

### 3) OBJECTIVE

#### ***Provide consistent and professional communication and marketing.***

##### **Strategies and Tactics**

- (a) Provide engaging, accurate, timely and useful public information regarding all new initiatives and programs. (On-going)
- (b) Invest in training tools to provide guidance in communications and media skills. (On-going)
- (c) Assure information, such as news releases, is approved by CEO; FYI to the Board of Directors; then released to the public
- (d) Translate all pertinent documents and information to Spanish, as well as all messaging platforms; secure professional Spanish translation services.
- (e) Create Standard Operating Procedures for all communications, marketing, and media work as well as additional organizational matters; externally, SOPs need to be created for a variety of District/Foundation projects and initiatives.
- (f) Develop templates for District/Foundation document such as Letterhead, board documents, memos, news releases, etc.
- (g) Increase effectiveness of all internal communication between staff and the board. (On-going)

### 4) OBJECTIVE

#### ***Increase visibility and effectiveness via collateral.***

##### **Strategies and Tactics**

Strategically purposing collateral to support brand development is paramount in this communications process; all must include Spanish translation. Additionally, the use of infographics will be helpful in the organization's messaging efforts to target audiences.

- (a) Expansion Fact Sheet
- (b) Strategic Plan Booklet
- (c) E-newsletter
- (d) Ad Buys – online, print, radio/TV, outdoor
- (e) District/Foundation Brochure
- (f) Organization premiums/giveaway items that build brand awareness
- (g) Annual Report

### 5) OBJECTIVE

#### ***Create look and feel of District/Foundation – initiatives, projects, story***

##### **Strategies and Tactics**

- (a) Contract with a photographer to shoot images for use on website, social media, collateral.
- (b) Contract with graphic artist for collateral and other messaging needs.
- (c) Create District/Foundation video for use in community presentations, website and social media.

6) OBJECTIVE

***Understand public opinion on important issues by providing avenues for two-way communication.***

**Strategies and Tactics**

- (a) Surveys and opportunities for open discussion made available at community forums, events, board meetings.
- (b) Website feedback option; sign up for District/Foundation news.
- (c) Create a resident survey (baseline and then every two years); focus on unaided brand awareness and expansion polling for first survey.
- (d) Timely responsiveness to resident/public comments and feedback. (On-going)

7) OBJECTIVE

***Increase media interaction and earned media opportunities to aid organization visibility.***

**Strategies and Tactics**

- (a) Identify targeted media outlets and publications. (Mar 1)
- (b) Identify newsworthy information; provide process for news release distribution; generate as-needed with a minimum of one per month. (On-going)
- (c) Build and maintain rapport with reporters; contact proactively and on a regular basis via email and phone; request in-person meetings monthly. (On-going)
- (d) Target media outlets; see Appendix. (On-going)
- (e) Target media outlets that are designed for the Spanish-speaking demographic; see Appendix. (On-going)
- (f) Submit articles for trade, chamber publications (ACHD, CSDA, Modern Healthcare). (Once a month)
- (g) Plan and schedule meetings to convey District/Foundation initiatives to local media editorial boards. (Target April 2018 for expansion topic)
- (h) Strategically submit initiative-driven editorials. (On-going)
- (i) Submit Public Service Announcements (PSAs) to radio, print, television. (On-going)
- (j) Begin using the cities/served City TV Channel Scrolling Bulletin Boards to promote District/Foundation news. Request time on public, educational, and governmental (PEG) programming channels. (On-going)

## OVER-ARCHING OBJECTIVE II

### Invest in Long-Term Communications Vehicles

#### 1) OBJECTIVE

***Utilize marketing vehicles to tell the story of the District/Foundation.***

##### Strategies and Tactics

- (a) Enhance website.
  - a. Identify areas of the current website that need updates, review and update content; incorporate key messaging; enhance look with updated logo and defined brand colors and images. Maintaining the website with the most current messages is critical to overall communications success.
  - b. Spanish-translation of site or key messaging.
  - c. Enhance website's mobile platform capability
  - d. Longer-term plan will be to overhaul the website completely.
- (b) Increase effectiveness of social media presence.
  - a. Incorporate Strategic Plan priorities and collaborative projects into social media posts to reach key target audiences; provide messaging in Spanish, consider posts in Spanish or consider adding a Spanish District/Foundation Facebook page. (On-going)
  - b. Add additional social media platforms; consider Instagram.
- (c) Capture organization history.
  - a. Identify assistance to create a District History Book; write and publish. (Mar 2019)

#### 2) OBJECTIVE

***Ensure the District/Foundation is prepared on the communications front for a crisis.***

##### Strategies and Tactics

- (a) Develop SOP for crisis communications messaging that defines roles and responsibilities.
- (b) Develop Crisis Communications Plan.

## OVER-ARCHING OBJECTIVE III

### Advance Strategic Priorities via Education and Outreach Campaigns

#### 1) OBJECTIVE

***Assure residents are connected to and informed about regarding providers, facilities, programs and services via cvHIP.***

##### Strategies and Tactics

- (a) Create a campaign to inform residents and stakeholders.
- (b) Provide direction and manage contract with O'Bayley PR.
- (c) Tentative target launch pilot campaign April 2018.
- (d) Launch Phase II in late summer 2018 after evaluation of pilot.
- (e) Report out on measurement of campaign and interaction with platform, as well as effectiveness with platform agencies

**Timeline:** Pilot complete by June 30; Phase II complete by end of 2018.

#### 2) OBJECTIVE

***Assure residents are informed regarding expansion/One Coachella Valley.***

(High-level overview of a campaign that may be guided by a campaign consultant and staff-driven // see separate Communications Plan; potential for East, West and unified campaign/package.)

##### Strategies and Tactics

**Before a measure qualifies for the ballot, we can work on these elements:**

- Interpreting and applying the public opinion research and advising on such issues as timing of the election.
- What kind of balloting method to use.
- Effective themes and messages to use in describing the measure to the community.
- Areas where the public may need more information.
- Polling to understand key messaging that will be supported by the community.
- Create messaging: consider all demographics including literacy rates.
- Determine outreach, marketing, advertising tactics/vehicles.
- Create necessary collateral.
- Communications planning.
- Informational direct mail program.
- Creating an informational speakers' bureau.
- Host Town Halls and forums for public education and input.
- Briefings with government officials and staff.
- Presentations to stakeholder groups.
- Interpreting "tracking poll" data after outreach to re-assess community support for measure.
- Coordination with other government officials.

**Timeline:** Target start in March 2018

## Strategies and Tactics

### **AUGUST 10: After a measure qualifies for the ballot, activity will focus on:**

- Taking a position on a ballot measure in an open and public meeting where all perspectives may be shared. (District/Foundation should adopt a resolution in support of the measure and seek supporting resolution from all cities served and other related organizations in the current and proposed expansion area.)
- Preparing staff reports and other analyses to assist decision-makers in determining the impact of the measure and what position to take.
- Responding to inquiries about ballot measures in ways that provide a fair presentation of facts about the measure and the agency's view of the merits of a ballot measure.
- Accepting invitation to present the District's views before organizations interested in the ballot measure's effects.
- Directors and employees can work on the campaign during their personal time; personal funds and/or pay for and attend a fundraiser during personal times.
- The District can provide a public forum in which proponents and opponents for a ballot measure are given equal time to present their views.

**Timeline:** Target start after August 10, 2018.

# Evaluation and Measurement of Results

*Utilize benchmarks and measurement tools.*

- Conduct resident satisfaction survey to measure unaided brand awareness; initial baseline with follow-up every two years.
- Conduct media content analysis; message traction via media coverage; and earned media status. To track media coverage the District/Foundation may wish to contract with outside services due to limited staff resources.
- Track impressions on ads and campaigns.
- Utilize analytics for website and social media – site visits, page views, number of followers, likes, shares, etc.
- Create benchmarks and milestones for agency outreach efforts such as participation in board meetings, town halls, forums and events, and increased touch-points for staff and board member interaction with grantee organizations, community-based organizations, provider organizations/businesses, city offices, civic groups, legislative offices, and other stakeholders.

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# APPENDIX

## Media in the Coachella Valley

### Target newspapers, TV, radio, online

#### Print Media Outlets

Desert Sun  
Coachella Valley Independent  
Coachella Valley Weekly  
Coachella Valley Patch  
La Prensa Hispana (Spanish-language)  
El Informador Del Valley (Spanish-language)  
Desert Health News  
Desert Charities News  
Desert Public Record  
The Press-Enterprise  
Tidbits

#### TV Media Outlets

KESQ-TV, News Channel 3 CBS Local 2, KDFX-TV/KUNA-TV and KCWQ CW 5  
KMIR and KPSE (Entravision)  
KLPS-LP Channel 19 (Independent)

#### Radio Media Outlets including Spanish-language Outlets

Telemundo (part of KESQ)  
Univision (Entravision / part of KMIR)  
La Poderosa (96.7FM)  
Radio Jose (94.7FM)  
KKUU  
KUNA  
KLOB  
KPLM  
KPST  
KDES  
KNWZ  
KPSI  
KGX

#### Trade Publications

ACHD, CSDA

# TIMELINE

| <b>OVER-ARCHING OBJECTIVE I: Create effective and brilliant communications executed with consistency</b>        |              |                   |                          |
|---|--------------|-------------------|--------------------------|
| <b>OBJECTIVES, STRATEGIES AND TACTICS</b>   | <b>Staff</b> | <b>START DATE</b> | <b>TARGET COMPLETION</b> |
| <b>1. Enhancement of identity, image, brand</b>   |              |                   |                          |
| a) Create new tagline   |              |                   |                          |
| b) Identify values, value statements and key messages   |              |                   |                          |
| c) Define images and color palette for D/F brand  |              |                   |                          |
| d) Create a Style Guide   |              |                   |                          |
| <b>2. Achieve greater effectiveness of agency communications and visibility with more community involvement</b> |              |                   |                          |
| a) Proactive interaction with stakeholders, partners and grantees to drive visibility                           |              |                   |                          |
| b) Require written testimonials and/or videos from grantee orgs (or clients of the orgs)                        |              |                   |                          |
| c) Increased community exposure through staff-identified opps with other orgs/events                            |              |                   |                          |
| d) Host more health/wellness forums in addition to those needed for expansion                                   |              |                   |                          |
| e) Increase CEO, COO and BoD exposure in community forums, events and media coverage opportunities              |              |                   |                          |
| c) Assure that all key staff and Board of Directors are versed in the District/Foundation messages and story    |              |                   |                          |
| <b>3. Provide consistent and professional communication and marketing</b>                                       |              |                   |                          |
| a) Provide accurate, timely, and useful public information regarding all new initiatives and ongoing programs   |              |                   |                          |
| b) Invest in training tools to provide guidance in communications and media skills                              |              |                   |                          |
| c) Assure information (news releases, etc.) is approved by CEO; FYI to BoD and then released to public/media    |              |                   |                          |
| d) Translate all docs to Spanish  |              |                   |                          |
| e) Create SOPs for communications/messaging   |              |                   |                          |
| f) Develop templates for ongoing messaging items to streamline currently complicated procedures and policies    |              |                   |                          |
| g) Increase effectiveness of all internal communication with staff and the Board of Directors                   |              |                   |                          |

|   |  |  |  |
|---|--|--|--|
| <b>4. Increase agency visibility and effectiveness via collateral and communication strategies</b>          |  |  |  |
| a) Expansion Fact Sheet   |  |  |  |
| b) Strategic Plan booklet   |  |  |  |
| c) E-newsletter   |  |  |  |
| d) Advertising (May-July)   |  |  |  |
| e) District/Foundation brochure   |  |  |  |
| f) Organization premiums/giveaways  |  |  |  |
| g) Annual Report (with FY financials)   |  |  |  |
| <b>5. Create look and feel of D/F - initiatives, projects, story</b>  |  |  |  |
| a) Contract with photographer   |  |  |  |
| b) Contract with graphic artist   |  |  |  |
| c) Create D/F video "Our Story"   |  |  |  |
| <b>6. Understand public opinion on important issues by providing avenues for two-way communication</b>      |  |  |  |
| a) Surveys and opps for discussion made available at forums, events, board mtgs                             |  |  |  |
| b) Website feedback option  |  |  |  |
| c) Create a resident survey (unaided brand awareness/expansion) bi-annual                                   |  |  |  |
| d) Timely responsiveness to resident/public comments  |  |  |  |
| <b>7) Increase media interaction and earned media opps to aid organization visibility.</b>                  |  |  |  |
| a) Identify targeted media outlets  |  |  |  |
| b) Identify newsworthy info; provide process for NR distribution; generate as-needed with min/one per month |  |  |  |
| c) Build and maintain rapport with reporters  |  |  |  |
| d) Target media outlets   |  |  |  |
| e) Target media outlets (Spanish demographics)  |  |  |  |
| f) Submit articles for trade, chamber pubs  |  |  |  |
| f) Plan and schedule mtgs with editorial boards   |  |  |  |
| h) Submit editorials  |  |  |  |
| i) Submit PSAs to local radio   |  |  |  |
| j) Begin using City TV Channel Scrolling Bulletin Boards  |  |  |  |

**OVER-ARCHING OBJECTIVE II:  
Invest in long-term communication vehicles**

| OBJECTIVE, STRATEGIES AND TACTICS | Staff | START DATE | TARGET COMPLETION |
|-----------------------------------|-------|------------|-------------------|
|-----------------------------------|-------|------------|-------------------|

***1. Utilize marketing vehicles to tell the story of the D/F***

|  |  |  |  |
|--|--|--|--|
| a) Enhance website   |  |  |  |
| a. Identify updates, update messaging, etc   |  |  |  |
| b. Spanish-translation of site/key messaging   |  |  |  |
| c. Enhance website's mobile platform capability  |  |  |  |
| d. Longer-term plan - overhaul website   |  |  |  |
| b) Increase effectiveness of social media presence; consider adding another platform (Instagram)         |  |  |  |
| a. Incorporate strategic plan priorities/collaborative projects into posts; provide messaging in Spanish |  |  |  |
| b. Add additional social media platforms; consider adding a Spanish FB page                              |  |  |  |
| c) Capture organization history  |  |  |  |
| a. Identify assistance to create History Book  |  |  |  |

***2. Ensure that the D/F is prepared on the communications front during a crisis***

|   |  |  |  |
|---|--|--|--|
| a) Develop SOP for crisis communications messaging that defines roles/resp. |  |  |  |
| b) Create Crisis Communications Plan  |  |  |  |



**OVER-ARCHING OBJECTIVE III:  
Advance strategic priorities via education and outreach campaigns**

| OBJECTIVE, STRATEGIES AND TACTICS   | Staff | START DATE | TARGET COMPLETION |
|---|-------|------------|-------------------|
| <b>1. Assure residents are informed regarding health providers, facilities, programs and services //cvHIP</b>   |       |            |                   |
| a) Create a marketing campaign to inform residents/stakeholders   |       | 22-Jan     | 11-May            |
| b) Provide direction and manage contract with consultant  |       | 15-Jan     |                   |
| c) Launch pilot campaign: Target Date - April 2018  |       | 16-Apr     | 15-May            |
| d) Launch Phase II campaign: Target Date - Aug 2018   |       |            |                   |
| e) Report out on measurement of campaign and interaction with platform, as well as effectiveness with platform agencies   |       |            |                   |
| <b>2. Assure residents are informed on D/F expansion, One Coachella Valley</b>  |       |            |                   |
| Create education and outreach campaign to inform residents and stakeholders about the expansion, One Coachella Valley, LAFCO process, etc. BEFORE THE MEASURE QUALIFIES FOR THE BALLOT: |       | 1-Apr      | 9-Aug             |
| Interpreting and applying the public opinion research and advising on such issues as timing of the election.  |       |            |                   |
| What kind of balloting method to use.   |       |            |                   |
| Effective themes and messages to use in describing the measure to the community   |       |            |                   |
| Areas where the public may need more information.   |       |            |                   |
| Polling/understand key messaging supported by community.  |       |            |                   |
| Determine outreach, marketing, advertising tactics/vehicles.  |       |            |                   |
| Create necessary collateral.  |       |            |                   |
| Communications planning.  |       |            |                   |
| Informational direct mail program.  |       |            |                   |
| Creating an informational speakers' bureau.   |       |            |                   |
| Host Town Halls and forums for public education and input.  |       |            |                   |
| Briefings with government officials and staff.  |       |            |                   |
| Presentations to stakeholder groups.  |       |            |                   |
| Interpreting "tracking poll" data after outreach to re-assess community support for measure.  |       |            |                   |
| Coordination with other government officials.   |       |            |                   |

|   |  |        |       |
|---|--|--------|-------|
| Create education and outreach campaign to inform residents and stakeholders about the expansion, One Coachella Valley, LAFCO process, etc. AFTER THE MEASURE QUALIFIES FOR THE BALLOT: Aug. 10  |  | 10-Aug | 6-Nov |
| Taking a position on a ballot measure in an open and public meeting where all perspectives may be shared. (D/F should adopt a resolution in support of the measure and seek supporting resolution from all cities served and other related organizations in the current and proposed expansion area.) |  |        |       |
| Preparing staff reports and other analyses to assist decision-makers in determining the impact of the measure and what position to take.  |  |        |       |
| Responding to inquiries about ballot measures in ways that provide a fair presentation of facts about the measure and the agency's view of the merits of a ballot measure.  |  |        |       |
| Accepting invitation to present the District's views before organizations interested in the ballot measure's effects.   |  |        |       |
| Directors and employees can work on the campaign during their personal time; personal funds and/or pay for and attend a fundraiser during personal times.   |  |        |       |
| The District can provide a public forum in which proponents and opponents for a ballot measure are given equal time to present their views.   |  |        |       |

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