



EL CENTRO REGIONAL MEDICAL CENTER
BOARD OF TRUSTEES – REGULAR MEETING

TUESDAY, JUNE 27, 2023
5:30 PM

MOB CONFERENCE ROOM 1&2
1271 ROSS AVENUE, EL CENTRO, CA

PRESIDENT: Tomas Oliva

MEMBERS: Sylvia Marroquin; Martha Cardenas-Singh; Edgard Garcia; Sonia Carter; Patty Maysent-CEO, UCSD Health; Christian Tomaszewski-M.D.-CMO, UCSD; Pablo Velez-CEO ECRMC

CLERK: Belen Gonzalez

ATTORNEY: Elizabeth Martyn, City Attorney

This is a public meeting. If you are attending in person, and there is an item on the agenda on which you wish to be heard, please come forward to the microphone. Address yourself to the president. You may be asked to complete a speaker slip; while persons wishing to address the Board are not required to identify themselves (Gov't. Code § 54953.3), this information assists the Board by ensuring that all persons wishing to address the Board are recognized and it assists the Board Executive Secretary in preparing the Board meeting minutes. The president reserves the right to place a time limit on each person asking to be heard. If you wish to address the board concerning any other matter within the board's jurisdiction, you may do so during the public comment portion of the agenda.

BOARD MEMBERS, STAFF AND THE PUBLIC MAY ATTEND VIA ZOOM.

To participate and make a public comment in person, via Zoom or telephone, please raise your hand, speak up and introduce yourself.

Join Zoom Meeting: <https://ecrmc.zoom.us/j/84416010708?pwd=cHBKL2hzU3BZZ25RTEJwOGINa3Rmdz09>

Optional dial-in number: (669) 444-9171

Meeting ID: 844 1601 0708 **Passcode:** 693518

Public comments via zoom are subject to the same time limits as those in person.

OPEN SESSION AGENDA

ROLL CALL:

PLEDGE OF ALLEGIANCE:

PUBLIC COMMENTS: Any member of the public wishing to address the Board concerning matters within its jurisdiction may do so at this time. Three minutes is allowed per speaker with a cumulative total of 15 minutes per group, which time may be extended by the President. Additional information regarding the format for public comments may be provided at the meeting.

BOARD MEMBER COMMENTS:

CONSENT AGENDA: (Item 1-7)

All items appearing here will be acted upon for approval by one motion, without discussion. Should any Board member or other person request that any item be considered separately, that item will be taken up at a time as determined by the President.

1. Review and Approval of Board of Trustees Minutes of Special Meeting of May 16, 2023
2. Review and Approval of Board of Trustees Minutes of Special Joint Meeting of May 25, 2023
3. Review and Approval of Board of Trustees Minutes of Regular Meeting of May 30, 2023.

4. Review and Approval of Triennial Policies:
 - a) Notice for Financial Assistance Policy
 - b) Collection Policy
 - c) Discount Policy
 - d) Financial Assistance Policy (Discount Payment Policy and Charity Care Policy)
5. Review and Approval of Annual Renewal Liability and Insurance Coverage
 - BETA Healthcare
 - Alliant
6. Review and Approval of Resolution No. ECRMC 23-03 allowing ECRMC to apply for the Distressed Hospital Loan Program.

RESOLUTION NO. **ECRMC 23-03** RESOLUTION OF THE BOARD OF TRUSTEES OF EL CENTRO REGIONAL MEDICAL CENTER AUTHORIZING EXECUTION AND DELIVERY OF A PROMISSORY NOTE, LOAN AND SECURITY AGREEMENT, AND CERTAIN ACTIONS IN CONNECTION THEREWITH FOR A LOAN UNDER THE DISTRESSED HOSPITAL LOAN PROGRAM

7. Review and Approval of Amendments to Medical Staff Bylaws

FINANCE and OPERATIONAL UPDATE

8. Presentation of Financial Statements for Month and Year-to-Date as of May 2023—**Informational**
9. Presentation of Current Weekly Cash Budget—**Informational**
10. Review and Approval of Designation of Applicant’s Agent Resolution for Non-State Agencies Cal OES 130.

CHIEF EXECUTIVE OFFICER UPDATE

11. Verbal Report from the CEO to the Board of Trustees—**Informational**
12. Manager Update—Patty Maysent—**Informational**

RECESS TO CLOSED SESSION:

- A. **HEARING/DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES.** The Hospital Board will recess to closed session pursuant to Government Code Section 37624.3 for a hearing and/or deliberations concerning reports of the ___ hospital medical audit committee, or X quality assurance committees, or X staff privileges.
- B. **LABOR NEGOTIATIONS.** The Hospital Board will recess to closed session pursuant to Government Code 54957.6 **Agency Negotiator:** Chief Executive Officer. **Employee organization:** Teamsters Union Local 542
- C. **TRADE SECRETS.** The Hospital Board will recess to closed session pursuant to Govt. Code Section 37606(b) for the purpose of discussion and/or deliberation of reports involving hospital trade secret(s) as defined in subdivision (d) of Section 3426.1 of the Civil Code and which is necessary, and would, if prematurely disclosed create a substantial probability of depriving the hospital of a substantial economic benefit:

<u>Discussion of:</u>	<u>Number of Items:</u>
<u>X</u> hospital service;	<u>3</u>
<u>X</u> program;	<u>1</u>
<u>X</u> hospital facility	<u>2</u>

D. CONFERENCE WITH LEGAL COUNSEL—The Hospital Board will recess to closed session pursuant to Government Code Section 54956.9(d)(4)

RECONVENE TO OPEN SESSION – BOARD PRESIDENT

ANNOUNCEMENT OF CLOSED SESSION ACTIONS, IF ANY – GENERAL COUNSEL

13. Approval of Report of Medical Executive Committee’s Credentials Recommendations Report for Appointments, Reappointments, Resignations and Other Credentialing/Privileging Actions of Medical Staff and/or AHP Staff (*Approved in Closed Session*)

ADJOURNMENT: Adjourn. (Time:) Subject to additions, deletions, or changes.



**El Centro Regional Medical Center
BOARD OF TRUSTEES – SPECIAL MINUTES
OPEN SESSION MINUTES**

CITY HALL, 1275 Main Street, El Centro, CA
Conference Room “A”

Teleconference Location: 9300 Campus Point Drive, San Diego, CA 92037

Zoom Meeting link: <https://ecrmc.zoom.us/j/86266437613?pwd=NGtkdDk1MGhPR2JVcFINQkMvanhPZz09>

Tuesday, May 16, 2023

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
ROLL CALL	<p>PRESENT: Oliva; Cardenas-Singh; Marroquin; Garcia; Carter; Tomaszewski; Chief Executive Officer Pablo Velez and Executive Board Secretary Belen Gonzalez</p> <p>Via Zoom: Outside General Counsel Hope Levy-Biehl; Maysent; Morita</p> <p>ALSO PRESENT: Interim City of El Centro Manager Cedric Ceseña; City of El Centro Attorney Elizabeth Martyn</p>	
CALL TO ORDER		The Board of Trustees convened in open session at 5:00 p.m. Board President Oliva called the meeting to order.
OPENING CEREMONY	The Pledge of Allegiance was recited in unison.	None
NOTICE OF MEETING	Notice of meeting was posted and mailed consistent with legal requirements.	None
PUBLIC COMMENTS	None	None
BOARD MEMBER COMMENTS	None	None

Special Meeting
May 16, 2023, 5:00 p.m.

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
<p>NEW BUSINESS—Discuss and Approve HVAC Project Authorization: RESOLUTION NO. ECRMC 23-01 OF THE BOARD OF TRUSTEES OF ECRMC AUTHORIZING THE EMERGENCY REPAIR OF THE HVAC UNIT FOR THE EMERGENCY ROOM</p>	<p><i>Pablo Velez</i>-A repair to the HVAC unit in the ER department was identified and required attention as soon as possible. Due to the emergent situation and with prior notification to the Board of Trustees the ER HVAC repair was completed.</p> <p>Requested approval of Resolution No. ECRMC 23-01.</p>	<p>MOTION: by Cardenas-Singh, seconded by Marroquin and carried to approve the HVAC Project Authorization: RESOLUTION NO. ECRMC 23-01 OF THE BOARD OF TRUSTEES OF ECRMC AUTHORIZING THE EMERGENCY REPAIR OF THE HVAC UNIT FOR THE EMERGENCY ROOM.</p>
<p>RECESS TO CLOSED SESSION</p>		<p>MOTION: by Cardenas-Singh, seconded by Marroquin and carried to recess to Closed Session at 5:05 p.m. for TRADE SECRETS and CONFERENCE WITH LEGAL COUNSEL</p> <p>All present in favor to recess to Closed Session. None opposed.</p>
<p>RECONVENE TO OPEN SESSION</p>		<p>The Board of Trustees reconvened to Open Session at 5:51 p.m.</p>
<p>ANNOUNCEMENT OF CLOSED SESSION ACTIONS</p>	<p>None</p>	<p>None</p>
<p>ADJOURNMENT</p>		<p>There being no further business, meeting was adjourned at approximately 5:52 p.m.</p>

BELEN GONZALEZ, BOARD EXECUTIVE SECRETARY

APPROVED BY

TOMAS OLIVA, PRESIDENT

Special Meeting
May 16, 2023, 5:00 p.m.



**El Centro Regional Medical Center
BOARD OF TRUSTEES – SPECIAL JOINT MEETING WITH
THE CITY COUNCIL OF THE CITY OF EL CENTRO MINUTES
OPEN SESSION MINUTES**

MOB CONFERENCE ROOMS 1 & 2
1271 Ross Avenue, El Centro, CA 92243

Teleconference Location: Jacobs Medical Center, Suite 1-620, 9300 Campus Point Dr., San Diego, Ca 92037

Zoom Meeting link: <https://ecrmc.zoom.us/j/86868345473?pwd=Y2JpQUlyemJLaCtTV2FPV3VoYURpdz09>

Thursday, May 25, 2023

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
ROLL CALL	<p>PRESENT: Oliva; Cardenas-Singh; Marroquin; Garcia; Carter; Maysent; Chief Executive Officer Pablo Velez and Executive Board Secretary Belen Gonzalez</p> <p>Via Zoom: Outside General Counsel Hope Levy-Biehl; Veronica Marsich, UCSD Legal Counsel</p> <p>ABSENT: Maysent; Tomaszewski</p> <p>ALSO PRESENT—City of El Centro Representation: Mayor Martha Cardenas-Singh; Mayor Pro Tem Sylvia Marroquin; City Council Edgard Garcia; City Council Sonia Carter; City Council Tomas Oliva; City Clerk Norma Wyles; Interim City of El Centro Manager Cedric Ceseña; City of El Centro Attorney Elizabeth Martyn;</p>	
CALL TO ORDER		The Board of Trustees convened in open session at 5:02 p.m. Board President Oliva called the meeting to order.
OPENING CEREMONY	The Pledge of Allegiance was recited in unison.	None

Special Joint Meeting
May 25, 2023, 5:00 p.m.

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
NOTICE OF MEETING	Notice of meeting was posted and mailed consistent with legal requirements.	None
PUBLIC COMMENTS	None	None
BOARD MEMBER COMMENTS	None	None
OLD BUSINESS: 1. Review and Approval of Extension of the Letter of Intent (LOI) between El Centro Regional Medical Center (ECRMC), the City of El Centro, and the University of California San Diego Health (UCSD) for Interim Management and Operations of the Hospital while an Operations and Administration Support Agreement is developed.	<p>A six (6) month extension of the Letter of Intent (LOI) between El Centro Regional Medical Center (ECRMC), the City of El Centro, and University of California San Diego Health (UCSD) for Interim Management and Operations of the Hospital while an Operations and Administrative Support Agreement is developed was discussed and approved between the City Council of the City of El Centro and El Centro Regional Medical Center Board Members.</p> <p>The City Council of the City of El Centro adopted Resolution No. 23-, and approved the extension of the Letter of Intent between ECRMC, City of El Centro, and UCSD. Subsequently, El Centro Regional Medical Center Board of Trustees made a motion to approve the extension of the letter of intent.</p>	<p>MOTION: by Marroquin, seconded by Carter and carried to approve the six (6) month extension to the Letter of Intent (LOI) between El Centro Regional Medical Center (ECRMC), the City of El Centro, and University of California San Diego Health (UCSD) for Interim Management and Operations of the Hospital while an Operations and Administrative Support Agreement is developed.</p> <p>Maysent and Tomaszewski absent; all other board members present in favor; none opposed.</p>
ADJOURNMENT		There being no further business, meeting was adjourned at approximately 5:10 p.m.

BELEN GONZALEZ, BOARD EXECUTIVE SECRETARY

APPROVED BY

TOMAS OLIVA, PRESIDENT

Special Joint Meeting
May 25, 2023, 5:00 p.m.



El Centro Regional Medical Center
BOARD OF TRUSTEES – REGULAR MINUTES
OPEN SESSION MINUTES
 MOB CONFERENCE ROOMS 1 & 2
 1271 Ross Avenue, El Centro, CA 92243

Zoom Meeting link: <https://ecrmc.zoom.us/j/81175459312?pwd=VSs4QnVoY2J4ZXNpamJUM2VYOWlvdz09>

Tuesday, May 30, 2023

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
ROLL CALL	<p>PRESENT: Oliva; Marroquin; Cardenas-Singh; Garcia; Carter; Maysent; Tomaszewski; Chief Executive Officer Pablo Velez and Executive Board Secretary Belen Gonzalez</p> <p>Via Zoom: Outside General Counsel Hope Levy-Biehl;</p> <p>ABSENT: Sunny Richley, M.D., Chief of Staff</p> <p>ALSO PRESENT: Interim City of El Centro Manager Cedric Ceseña</p>	
CALL TO ORDER		The Board of Trustees convened in open session at 5:30 p.m. Board President Oliva called the meeting to order.
OPENING CEREMONY	The Pledge of Allegiance was recited in unison.	None
NOTICE OF MEETING	Notice of meeting was posted and mailed consistent with legal requirements.	None

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
PUBLIC COMMENTS	<p><i>Flavio Grijalva Jr., Business Rep. for Teamsters Local Union 542</i></p> <p>Grijalva addressed the Board of Trustees with a recommendation to take consideration of the retroactivity for the per-diem nurses when discussing the union contract. Explained the position of the per-diem nurse regarding wages.</p>	None
BOARD MEMBER COMMENTS	None	None
<p>CONSENT AGENDA: (Items 1-3)</p> <p>Item 1. Review and Approval of Board of Trustees Minutes of Regular Meeting of April 24, 2023.</p> <p>Item 2. Review and Approval of Triennial Policy: ECRMC’s Holiday Pay and Work Schedules.</p> <p>Item 3. Review and Approval of the Triennial Policy: Moderate Sedation (Conscious Sedation).</p>	<p>Items 1 and 3 were acted upon for approval by one motion (or as to information reports, acknowledged receipt by the Board and directed to be appropriately filed) without discussion.</p> <p><i>Item 2. Review and Approval of Triennial Policy: ECRMC’s Holiday Pay and Work Schedules</i></p> <p>Pablo Velez clarified the changes done to the policy to include the Juneteenth (June 19) holiday.</p>	<p>MOTION: by Garcia, seconded by Cardenas-Singh and carried to approve the Consent Agenda Items 1 and 3.</p> <p>All present in favor; none opposed.</p> <p>MOTION: by Garcia, seconded by Carter and carried to approve Item 2. Review and Approval of Triennial Policy: ECRMC’s Holiday Pay and Work Schedules.</p> <p>All present in favor; none opposed.</p>
FINANCE and OPERATIONAL UPDATE—Informational	Tammy Morita provided an overview and summary of the Financial Statements for Month and Year-to-Date as of April 2023.	Informational

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
<p>Item 4. Presentation of Financial Statements for Month and Year-to-Date as of April 2023—Informational</p> <p>Item 5. Presentation of Current Weekly Cash Budget—Informational</p>	<p>The presentation included:</p> <ul style="list-style-type: none"> • Balance Sheet vs. Prior Month comparison • Operating Statement vs. Budget comparison • Monthly Cash Flow (Fiscal Year to Date) <p>A handout with the current weekly cash flow forecast was handed out to the Board of Trustees during the meeting.</p>	
<p>Item 6. Review and Approval of Resolution No. ECRMC 23-02 to open new account with First Foundation Bank</p> <p>RESOLUTION NO. ECRMC 23-02 OF THE BOARD OF TRUSTEES OF ECRMC AUTHORIZING THE OPENING OF NEW ACCOUNT WITH FIRST FOUNDATION BANK</p>	<p>Tammy Morita presented the RESOLUTION NO. ECRMC 23-02 OF THE BOARD OF TRUSTEES OF ECRMC AUTHORIZING THE OPENING OF NEW ACCOUNT WITH FIRST FOUNDATION BANK and explained the need to open a bank account with First Foundation bank for funds previously deposited into the Wells Fargo Account.</p>	<p>MOTION: by Maysent, seconded by Carter and carried to approve the RESOLUTION NO. ECRMC 23-02 OF THE BOARD OF TRUSTEES OF ECRMC AUTHORIZING THE OPENING OF NEW ACCOUNT WITH FIRST FOUNDATION BANK.</p> <p>All present in favor; none opposed.</p>
<p>Item 7. Review and Approval of Project Construction fees</p>	<p>Tammy Morita requested to release payment for construction project funding and explained the detailed expenses.</p> <p>Reimbursement of project costs: \$324,466.85</p>	<p>MOTION: by Maysent, seconded by Garcia and carried to approve Item 7. Review and Approval of Project Construction fees.</p> <p>All present in favor; none opposed.</p>

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
CHIEF EXECUTIVE OFFICER UPDATE		
Item 8. Verbal Report from the CEO to the Board of Trustees— Informational	Item to be discussed in Closed Session.	Informational
Item 9. Manager Update—Patty Maysent— Informational	Item to be discussed in Closed Session.	Informational
RECESS TO CLOSED SESSION		<p>MOTION: by Cardenas-Singh, seconded by Garcia and carried to recess to Closed Session at 5:54 p.m. for LABOR NEGOTIATIONS, HEARING/ DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES, TRADE SECRETS, and CONFERENCE WITH LEGAL COUNSEL.</p> <p>All present in favor to recess to Closed Session. None opposed.</p>
RECONVENE TO OPEN SESSION		The Board of Trustees reconvened to Open Session at 8:33 p.m.
ANNOUNCEMENT OF CLOSED SESSION ACTIONS		[B. HEARING/DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES— GOVERNMENT CODE SECTION 37624.3]

TOPIC	DISCUSSION/CONCLUSION	RECOMMENDATION/ACTION
		<p>MOTION: by Cardenas-Singh, seconded by Garcia and carried to approve the Report of Medical Executive Committee's Credentials Recommendations Report for Appointments, Reappointments, Resignations and Other Credentialing/Privileging Actions of Medical Staff and/or AHP Staff.</p> <p>All present in favor; none opposed</p>
ADJOURNMENT		<p>There being no further business, meeting was adjourned at approximately 8:34 p.m.</p>

BELEN GONZALEZ, BOARD EXECUTIVE SECRETARY

APPROVED BY

TOMAS OLIVA, PRESIDENT

TO: HOSPITAL BOARD MEMBERS
FROM: Tammy Morita, on behalf of ECRMC
DATE: June 27, 2023
MEETING: Board of Trustees



**SUBJECT: REVIEW AND APPROVAL OF THE FOLLOWING POLICIES:
NOTICES POLICY, COLLECTION POLICY, DISCOUNT
POLICY, AND FINANCIAL ASSISTANCE POLICY.**

BUDGET IMPACT:

- A. Does the action impact/affect financial resources? ___ Yes ___ No
Does not apply X
B. If yes, what is the impact amount?


BACKGROUND: Updates to our current patient financial policies to that they are consistent with the current laws and regulations. The existing Financial Assistance Policy had the Collection Policy and Discount Policy combined into one policy. To meet the regulatory requirements we are removing the Collection Policy and Discount Policy and making them their own policies. We are requesting that the board to approve the separation of these policies along with language updates to all three policies to meet the requirements of AB1020.

RECOMMENDATION: (1) Approve (2) Reject
ATTACHMENT(S):

- Notice for Financial Assistance Policy
- Collection Policy
- Discount Policy
- Financial Assistance Policy

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo V. V.

		Department: Patient Accounting	
		Document Owner/Author: Patient Accounting Manager	
		Category: Departmental	Approval Type: Triennial
Date Created 05/30/2023	Date Board Approved:	Date Last Review:	Date of Next Review: Triennial
Policy Name: Notice for Financial Assistance Policy			

1
2 **Click here for specific information on:**
3 [Review History](#)

4
5 **Purpose**

6
7 This Notice for Financial Assistance Policy (“Policy) provides the operational guidelines for the
8 notices required under California state law regarding financial assistance and El Centro Regional
9 Medical Center’s (“ECRMC’s”) Financial Assistance Policy.

10
11 **DEFINITIONS**

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13 **Charity Care** means that qualifying patients shall be relieved of their entire financial obligation
14 with the exception of a specified co-payment. Charity Care does not reduce the amount, if any,
15 that a third party may be required to pay for services provided to the patient.

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17 **Discounted Payment** means that qualifying patients shall be relieved of a portion of their
18 financial obligation to pay. Discounted Payment does not reduce the amount, if any, that a third
19 party may be required to pay for services provided to the patient.

20
21 **Financial Assistance** is the collective term used for Charity Care or Discounted Payment.

22
23 **Self-Pay Patient** is a patient who does not have third-party coverage from a health insurer,
24 health care service plan, Medicare, or Medicaid, and whose injury is not a compensable injury
25 for purposes of workers’ compensation, automobile insurance, or other insurance as determined
26 and documented by the hospital.

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28 **I. Required Notices**

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30 **A. Notice to Patient Required at Time of Service**

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32 ECRMC shall provide a conspicuous written notice (“Important Patient Information: Financial
33 Assistance Notification”) to all patients who receive care (whether emergency, inpatient, or
34 outpatient) from a ECRMC facility and may be billed for that care:

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1. At the time of service if the patient is conscious and able to receive written notice at that time; OR
2. If the patient is not able to receive notice at the time of service, the notice shall be provided during the discharge process. If the patient is not admitted, the written notice shall be provided when the patient leaves the facility; OR
3. If the patient leaves the facility without receiving the written notice, ECRMC shall mail the notice to the patient within 72 hours of providing services.

The notice shall include the following:

1. Information about the availability of ECRMC’s Financial Assistance Policy;
2. Information about eligibility for Financial Assistance;
3. Contact information (i.e., telephone number) for a hospital employee or office from which the person may obtain further information about ECRMC’s Financial Assistance Policy;
4. Internet address for the Health Consumer Alliance (<https://healthconsumer.org>);
5. A statement explaining that there are organizations that will help the patient understand the billing and payment process;
6. Information regarding Covered California and Medi-Cal presumptive eligibility, such as the Hospital Presumptive Eligibility Medi-Cal Application (DHCS 7022), if ECRMC participates in the presumptive eligibility program; and
7. Internet address for the hospital’s list of shoppable services, pursuant to Section 180.60 of Title 45 of the Code of Federal Regulations.

B. Estimate of Charges and Financial Assistance Application for Self-Pay Patients

For all Self-Pay Patients, ECRMC will provide the patient with:

1. A written estimate of the amount ECRMC will require the patient to pay for the health care services, procedures, and supplies that are reasonably expected to be provided to the patient by ECRMC, based upon an average length of stay and services provided for the patient’s diagnosis. ECRMC may provide this estimate during normal business office hours;
2. Information about its Financial Assistance Policy;
3. Contact information for a hospital employee or office from which the person may obtain further information about these policies;
4. A Financial Assistance application; and
5. Any other information required to be provided to a Self-Pay Patient in the form of a “good faith estimate” under 45 C.F.R. § 149.610.

This provision does not apply to a patient who receives emergency medical services.

C. Additional Notice to Patients Who Have Not Provided Proof of Health

81 **Coverage**

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83 If a patient has not provided proof of health coverage by a third party at the time care is provided
84 or by the time the patient is discharged, ECRMC’s first post-discharge bill will provide the
85 patient with a clear and conspicuous notice including the following information:
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- 87 1. A statement of charges for the services rendered by ECRMC;
- 88 2. A request that the patient inform the hospital if the patient has coverage for the
89 charges through health insurance, a healthcare service plan, a government-sponsored
90 healthcare program (e.g. Medicare or Medi-Cal), or other coverage;
- 91 3. A statement that, if the patient does not have health insurance coverage for the
92 charges, the patient may be eligible for (i) a government-sponsored healthcare
93 program, such as Medicare, Medicaid, or Children’s Health Insurance Program
94 (CHIP), (ii) coverage offered through Covered California Health Benefit Exchange,
95 (iii) coverage through other state- or county-funded health programs (e.g., California
96 Children’s Services program), or (iv) Financial Assistance from ECRMC under its
97 Financial Assistance Policy;
- 98 4. A statement indicating how patients may obtain applications for the programs listed
99 in (3) above and that the hospital will provide the applications. If the patient does not
100 indicate health care coverage or requests Financial Assistance, then the hospital shall
101 provide an application for the Medi-Cal program or other state- or county-funded
102 health coverage programs. This application shall be provided prior to discharge if the
103 patient has been admitted or to patients who received emergency or outpatient care;
- 104 5. A referral to a local consumer assistance center housed at legal services offices;
- 105 6. The following information about eligibility for financial assistance at ECRMC and
106 ECRMC’s Financial Assistance Application:
 - 107 a) A statement that, if the patient lacks or has inadequate insurance, and meets
108 ECRMC’s eligibility requirements, including low- and moderate-income
109 requirements, the patient may qualify for Financial Assistance; and
 - 110 b) The name and telephone number of a hospital employee or office where the patient
111 may obtain information about ECRMC’s Financial Assistance Policy and how to
112 apply for that assistance.
 - 113 c) A statement that, if a patient applies or has a pending application for another health
114 coverage program at the same time that he or she applies for Financial Assistance,
115 neither application shall preclude eligibility for the other program.
- 116 7. ECRMC’s website address regarding Financial Assistance.

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118 **D. Public Notice of Financial Assistance Policy**

119
120 Notice of ECRMC’s Financial Assistance Policy shall be clearly and conspicuously posted in
121 locations that are visible to the public, including, but not limited to, all of the following:
122

- 123 1. Emergency Department;
- 124 2. Billing Office;
- 125 3. Admissions Office;
- 126 4. Other outpatient settings, including observation units;

127 5. Prominently displayed on the hospital’s internet website, with a link to the policy
128 itself.

129

130 **E. Contact Information for Ancillary Services Provider**

131

132 Contact information for ancillary providers will be provided to the patient in the Important
133 Patient Information: Financial Assistance Notification and the Ancillary Services Provider
134 handout. These will be provided at the time of registration to every patient who presents to
135 ECRMC for services.

136

137 **II. Translations**

138

139 Written correspondence to the patient required in this Policy shall be in the language spoken by
140 the patient, consistent with Section 12693.30 of the Insurance Code, applicable state and federal
141 law, and this Policy.

142

143 All notices shall be translated into any non-English language spoken by a substantial number of
144 the public served by ECRMC. However, verbatim translations of any materials provided in
145 English is not required. Translated copies of the notices shall be printed and made available at
146 ECRMC.

147

148 At a minimum, ECRMC shall publish notices in English and Spanish and translate such notices
149 for patients or patient’s representatives who speak other languages.

150

151 For the purpose of this Policy, a “substantial number of non-English-speaking people,” as
152 defined under state law, are members of a group who either do not speak English, or who are
153 unable to effectively communicate in English because it is not their native language, and who
154 comprise 5 percent or more of the people served by ECRMC.

155

156 **III. Reporting of Financial Assistance Policy and Collection Policy**

157

158 ECRMC shall submit the copies of the following policies to the California Department of Health
159 Care Access and Information (“HCAI”), formerly the Office of Statewide Health Planning and
160 Development (“OSHPD”):

161

- 162 • Financial Assistance Policy (Discount Payment Policy and Charity Care Policy),
163 which includes the:
 - 164 ○ Discount Payment Policy;
 - 165 ○ Charity Care Policy;
 - 166 ○ Eligibility procedures for those policies;
 - 167 ○ Review process; and
 - 168 ○ Application for charity care or discounted payment programs
- 169 • Collection Policy, which includes the:
 - 170 ○ Collection Policy

171

172 ECRMC shall submit these documents as one electronic file in Microsoft Word (.doc). The

173 electronic file must clearly identify the hospital's discount payment policy, charity care policy,
174 eligibility procedures for those policies, and review process in separate, distinct sections of the
175 file. ECRMC shall submit its application form for charity care or discounted payment programs
176 to HCAI as one electronic file in one of the following file types: Microsoft Word (.doc), or
177 Portable Document Format (.pdf).

178
179 This information is due biennially (every two years) on January 1, or when a significant change
180 is made. If no significant change has been made by the hospital since the information was
181 previously provided, ECRMC shall notify HCAI of the lack of change instead of submitting the
182 information.

183
184 ECRMC shall submit the documents using the Office's internet System for Fair Price Hospital
185 Reporting located on the Office's web site at: <https://syfphr.hcai.ca.gov/>. ECRMC shall use a
186 web browser that supports a secure internet connection utilizing the Secure Hypertext Transfer
187 Protocol (HTTPS or https) and 128-bit cypher strength Secure Socket Layer (SSL) to utilize the
188 HCAI's System for Fair Price Hospital Reporting.


189
190 A patient shall not be denied financial assistance that would be available pursuant to the policy
191 published on the HCAI's internet website at the time of service.

192
193 **IV. Access To Policy and Related Documents**

194
195 Copies of the written notices provided to patients, a summary of the ECRMC Financial
196 Assistance Program policy and procedure, and application forms in English and in Spanish are
197 available on the ECRMC website. Upon request to ECRMC Financial Counselors, patient
198 families or representatives may obtain a complete copy of the Financial Assistance Policy.

199
200 ECRMC will maintain documentation sufficient to identify each patient who qualifies for
201 Financial Assistance, the Patient Family's Income, the method used to verify the Patient
202 Family's Income, the amount owed by the patient, and the person who approved or denied
203 granting Financial Assistance. All documentation will be retained within ECRMC's Business
204 Office for one calendar year. After which, the documents will be boxed and marked as "Charity
205 Documents" with appropriate dates, and then forwarded to long-term storage, where the records
206 will be retained for an additional six years before shredding.

207
208

		Department: Patient Accounting	
		Document Owner/Author: Patient Accounting Manager	
		Category: Departmental	Approval Type: Triennial
Date Created 05/30/2023	Date Board Approved:	Date Last Review:	Date of Next Review: Triennial
Policy Name: Collection Policy			

1
2 Click here for specific information on:
3 [Review History](#)

4
5 **Purpose**

6
7 This Collection Policy (“Policy”) outlines El Centro Regional Medical Center’s (“ECRMC”) operational guidelines defining standards and practices for the collection of debt from all patients, including those who qualify for financial assistance under the Financial Assistance Policy. Specifically, this Policy shall outline when and under whose authority patient debt is advanced for collection, whether the collection activity is conducted by ECRMC, an affiliate or subsidiary of ECRMC, or by an external collection agency.

13
14 **Policy Statement**

15
16 In its billing and collection activity, ECRMC shall treat patients and patient families or representatives with fairness, dignity, and respect.
17
18
19 ECRMC or its external collection agency shall not sell patient debt to any entities.

20
21 **DEFINITIONS**

22
23 **Charity Care** means that qualifying patients shall be relieved of their entire financial obligation with the exception of a specified co-payment. Charity Care does not reduce the amount, if any, that a third party may be required to pay for services provided to the patient.

24
25
26
27 **Discounted Payment** means that qualifying patients shall be relieved of a portion of their financial obligation to pay. Discounted Payment does not reduce the amount, if any, that a third party may be required to pay for services provided to the patient.

28
29
30
31 **Financial Assistance** is the collective term used for Charity Care or Discounted Payment.

32
33
34

35 **I. COLLECTION PROCEDURE**

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A. Authority to Advance Patient Account to Collections and Conduct Collection Activities

40 The Patient Financial Services Director shall be authorized to review and approve any accounts
41 to be advanced to collection and shall establish procedures to refer accounts to a designated
42 external collection agency.

43

44 An external collection agency shall conduct the collection activity. An external collection agency
45 shall not assign the responsibility to collect patient debt to any other entities except to:

46

- 47 • ECRMC;
- 48 • A tax-exempt organization that abolishes the patient debt by cancellation of
49 the indebtedness; or
- 50 • Another entity if the external collection agency is sold to or merged with that
51 entity.

52

B. Notice Prior to Assignment to Collections (“Assignment Notice”)

53

54 Before assigning a bill to collections, ECRMC shall send a patient a notice with all of the
55 following information:

56

- 57 (1) The date or dates of service of the bill that is being assigned to collections.
- 58 (2) The name of the entity the bill is being assigned.
- 59 (3) A statement informing the patient how to obtain an itemized hospital bill from ECRMC.
- 60 (4) The name and plan type of the health coverage for the patient on record with ECRMC at
61 the time of services or a statement that the ECRMC does not have that information.
- 62 (5) An application for ECRMC’s Financial Assistance.
- 63 (6) The date or dates the patient was originally sent a notice about applying for Financial
64 Assistance, the date or dates the patient was sent a Financial Assistance application, and,
65 if applicable, the date a decision on the application was made.

66

C. Assignment to Collections

67

68 ECRMC shall not send a patient account(s) to an external collection agency for the purposes of
69 commencing a civil action for nonpayment or take any action, including reporting adverse
70 information to a consumer credit reporting agency, that would result in an adverse consumer
71 credit report prior to 180 days after initial billing.

72

73 That time may be extended if any of the following occurs:

74

- 75 • The patient is appealing a coverage decision¹ until a final determination of that appeal is

76

77

¹ The patient must be appealing any of the following:

- (1) A grievance against a contracting health care service plan, as described in Chapter 2.2 (commencing with Section 1340) of Division 2, or against an insurer, as described in Chapter 1 (commencing with Section

- 78 made, and the patient makes a reasonable effort to communicate with ECRMC Patient
79 Financial Services regarding the progress of the appeal;
- 80 • The patient has a pending application² for the ECRMC Financial Assistance Program or a
81 government program;
 - 82 • The patient is attempting in good faith to qualify for eligibility for Financial Assistance;
 - 83 • The patient is attempting in good faith to settle an outstanding bill by negotiating a
84 reasonable payment plan;
 - 85 • The patient is making regular partial payments of a reasonable amount; or
 - 86 • The patient has an operative extended payment plan.

87
88 **D. Notice Prior to Commencing Collection Activities (“Collection Notice”)**
89

90 Prior to commencing collection activities against a patient, ECRMC shall require its external
91 collection agency to provide the patient with a clear and conspicuous written notice containing
92 both of the following:
93

- 94 (1) A plain language summary appearing substantially in the following form: “State and
95 federal law require debt collectors to treat you fairly and prohibit debt collectors from
96 making false statements or threats of violence, using obscene or profane language, and
97 making improper communications with third parties, including your employer. Except
98 under unusual circumstances, debt collectors may not contact you before 8:00 a.m. or
99 after 9:00 p.m. In general, a debt collector may not give information about your debt to
100 another person other than your attorney or spouse. A debt collector may contact another
101 person to confirm your location or to enforce a judgment. For more information about
102 debt collection activities, you may contact the Federal Trade Commission by telephone at
103 1-877-FTC-HELP (382-4357) or online at www.ftc.gov.”
- 104 (2) A statement that nonprofit credit counseling services may be available in the area.

105
106 The Collection Notice shall also accompany any document indicating that the commencement of
107 collection activities may occur.
108

109 **E. Determining Amount That Can Be Recovered from Patients Eligible for**
110 **Financial Assistance**
111

112 The amount ECRMC shall seek to recover from patients eligible for Financial Assistance shall
113 be adjusted based on the Financial Assistance granted pursuant to the Financial Assistance
114 Policy.
115

116 Information obtained for the purposes of determining eligibility for Financial Assistance shall

10110) of Part 2 of Division 2 of the Insurance Code.

- (2) An independent medical review, as described in Section 10145.3 or 10169 of the Insurance Code.
- (3) A fair hearing for a review of a Medi-Cal claim pursuant to Section 10950 of the Welfare and Institutions Code.
- (4) An appeal regarding Medicare coverage consistent with federal law and regulations.

² A “pending application” is defined as an application that has been fully completed, includes copies of the required documentation by the patient, and is submitted to the relevant public agency in the case of government programs or to ECRMC in the case of the ECRMC Financial Assistance Program.

117 not be used for collections activities.

118

119 ECRMC shall not use wage garnishments, body attachments, or liens on primary residences of
120 patients as a means of collecting unpaid patient bills. However, as described below, external
121 collection agencies may do so for certain patients as permitted under state law.

122

123 **F. External Collection Agencies' Compliance with ECRMC Collection Policies**

124

125 ECRMC shall utilize only external collection agencies that agree to comply, in a written
126 agreement, with applicable state and federal laws, ECRMC policies, and ECRMC debt collection
127 standards and practices, including ECRMC's definition and application of a reasonable payment
128 plan, as defined in this Policy.

129

130 For patients eligible for Financial Assistance, ECRMC shall also require external collection
131 agencies to agree in writing to the following:

132

- 133 • The collection agency may only attempt to collect the amount outstanding after
134 application of the Financial Assistance Policy and any discounts.
- 135 • The collection agency will comply with applicable state and federal debt collection
136 practices law, including but not limited to hospital collection practices set forth in
137 California Health and Safety Code Section 127425(a)-(j);
- 138 • The collection agency will not use a wage garnishment, except by court order, following
139 the procedure set out under state law, including California Health and Safety Code
140 Section 127425(h)(2)(A);
- 141 • The collection agency will not establish a lien on the patient's primary residence except
142 as permitted under state law, including California Health and Safety Code Section
143 127425(h)(2)(B).

144

145 Agreement to the above requirements does not preclude ECRMC or the external collection
146 agency from pursuing reimbursement and any enforcement remedy or remedies from third-party
147 liability settlements, tortfeasors, or other legally responsible parties.

148

149 **G. Return of Patient Accounts Back to ECRMC**

150

151 The external collection agency must have processes in place to identify patients who may qualify
152 for Financial Assistance, to communicate the availability and details of the Financial Assistance
153 program to these patients, and to refer patients who qualify and are seeking Financial Assistance
154 back to ECRMC.

155

156 The external collection agency shall have a monitoring process in place to catch any occurrences
157 where a patient account was referred to collections without the applicable Financial Assistance
158 applied to the patient balance and will notify ECRMC if that occurs. To that end, all external
159 collection agencies contracted with ECRMC to perform account follow-up and/or bad-debt
160 collection will utilize at least the following criteria to identify patients eligible for Financial
161 Assistance:

162

- 163 • Patient accounts must have no applicable insurance (including governmental coverage
164 programs or other third-party payers);
- 165 • The patient or patient’s representative must have a credit score rating within the lowest
166 25th percentile of credit scores for any credit evaluation method used;
- 167 • The patient or patient’s representative has not made a payment within 150 days of
168 assignment to the collection agency;
- 169 • The collection agency has determined that the patient/family representative is unable to
170 pay; and/or
- 171 • The patient or family representative does not have a valid Social Security Number and/or
172 an accurately stated residence address in order to determine a credit score.

173
174 All accounts returned from an external collection agency will be evaluated by ECRMC prior to
175 any re-classification within the hospital accounting system and records.

176
177 **II. EXTENDED PAYMENT PLANS FOR PATIENTS ELIGIBLE FOR FINANCIAL**
178 **ASSISTANCE**

179
180 **A. Eligibility of Extended Payment Plan**

181
182 When a patient is approved for a Discounted Payment, the patient may pay any or all outstanding
183 amounts due in one lump sum payment, or ECRMC shall offer an extended payment plan to
184 allow payment of the discounted price over time. Such extended payment plans shall be interest
185 free.

186
187 **B. Terms of Extended Payment Plan**

188
189 If the patient opts for an extended payment plan, ECRMC and the patient or patient’s
190 representative will negotiate the terms of such a payment plan that takes into consideration
191 relevant factors such as the patient’s family income, size of payment obligation, patient resources
192 and essential living expenses, and any other relevant factors brought to ECRMC’s attention.
193 Individual payment plans will be arranged based on the patient’s ability to effectively meet the
194 payment terms. As a general guideline, payment plans will be structured to last no longer than 12
195 months. ECRMC shall negotiate in good faith with the patient; however, there is no obligation to
196 accept the payment terms offered by the patient.

197
198 If ECRMC and the patient or patient’s representative cannot agree on the payment plan, ECRMC
199 shall determine the following to create a “reasonable payment plan”:

- 200
201 • Monthly payments are not more than 10 percent of a patient’s family income for a month,
202 excluding deductions for essential living expenses.
- 203 • For the purposes of this Policy, “essential living expenses” means expenses for any of the
204 following: rent or house payment and maintenance, food and household supplies, utilities
205 and telephone, clothing, medical and dental payments, insurance, school or child care,
206 child or spousal support, transportation, and auto expenses, including insurance, gas, and
207 repairs, installment payments, laundry and cleaning, and other extraordinary expenses.

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C. Declaring Extended Payment Plan Inoperative

An extended payment plan may be declared no longer operative after the patient’s failure to make all consecutive payments due during a 90-day period. Before declaring the extended payment plan no longer operative, ECRMC or its external collection agency shall make a reasonable attempt to contact the patient by phone and give notice in writing that the extended payment plan may become inoperative and that the patient has the opportunity to renegotiate the extended payment plan. The notice and telephone call to the patient may be made to the last known telephone number and address of the patient.

If requested by the patient, ECRMC or its external collection agency shall attempt to renegotiate the terms of the defaulted extended payment plan prior to the extended payment plan being declared inoperative.

ECRMC or its external collection agency shall not report adverse information to a consumer credit reporting agency or commence a civil action against the patient or responsible party for nonpayment prior to the time the extended payment plan is declared to be no longer operative.

After a payment plan is declared inoperative, the external collection agency may commence collection activities, provided that 180 days have passed since initial billing.

III. OVERPAYMENTS FOR PATIENTS RECEIVING FINANCIAL ASSISTANCE

ECRMC shall reimburse the patient any amount actually paid in excess of the amount due, including interest, after the application of Financial Assistance. Interest owed by ECRMC to the patient shall accrue at the rate of 10 percent per annum on the principal amount, beginning on the date payment by the patient is received by the hospital. However, except as otherwise required by law, ECRMC is not required to reimburse the patient or pay interest if the amount due is less than five dollars (\$5.00) as a result of the application for Financial Assistance. ECRMC shall refund the patient any amounts required by this provision within 30 days.

IV. TRANSLATION OF NOTICES


Written correspondence to the patient required in this Policy shall be in the language spoken by the patient, consistent with Section 12693.30 of the Insurance Code, applicable state and federal law, and this Policy.

All notices shall be translated into any non-English language spoken by a substantial number of the public served by ECRMC. However, verbatim translations of any materials provided in English is not required. Translated copies of the notices shall be printed and made available at ECRMC.

At a minimum, ECRMC shall provide notices in English and Spanish and translate such notices for patients or patient’s representatives who speak other languages.

255

256 For the purpose of this Policy, a “substantial number of non-English-speaking people,” as
257 defined under state law, are members of a group who either do not speak English, or who are
258 unable to effectively communicate in English because it is not their native language, and who
259 comprise 5 percent or more of the people served by ECRMC.

		Department: Patient Accounting	
		Document Owner/Author: Patient Accounting Manager	
		Category: Departmental	Approval Type: Triennial
Date Created 05/30/2023	Date Board Approved:	Date Last Review:	Date of Next Review: Triennial
Policy Name: Discount Policy			

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Purpose

This Discount Policy (“Policy”) provides the operational guidelines for additional discounts for patients not eligible under the Financial Assistance Policy.

SCOPE OF POLICY

This Policy is not for:

- Patients who are eligible pursuant to ECRMC’s Financial Assistance Policy.
- Patients with government benefits (including Medicare and Medicaid) to the extent that such non-covered benefits have a direct or indirect relationship to services reimbursable by any government program.

Discounts pursuant to this Policy are only available for medically necessary services provided under ECRMC’s general acute care hospital license.

The following services are excluded as ineligible for discounts under this Policy, except as required by law:

- Purchases from ECRMC’s retail operations, such as gift shops and cafeteria;
- Physician professional services that are not billed by ECRMC;
- Services that are not licensed hospital services are not covered by this Policy.

DEFINITIONS

Self-Pay Patient is a patient who does not have third-party coverage from a health insurer, health care service plan, Medicare, or Medicaid, and whose injury is not a compensable injury for purposes of workers’ compensation, automobile insurance, or other insurance as determined and documented by the hospital.

I. Self-Pay Patient Discounts

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A. Deposit Requirements of Certain Self-Pay Patients

All Self-Pay Patients not eligible for the ECRMC Financial Assistance Program must remit prior to the provision of scheduled, non-emergent services a deposit of thirty percent (30%) of the total amount of the estimated charges to be incurred during the encounter.

B. Prompt Pay Discount for Certain Self-Pay Patients

A Self-Pay Patient who is not eligible for Financial Assistance shall be provided a prompt pay discount. The prompt payment discount is equivalent to a thirty percent (30%) discount off of charges.

A patient who directs ECRMC to not share health information to available commercial/private third-party insurance, e.g., who directs ECRMC to not submit a claim to such available third-party insurance, may receive a prompt pay discount after executing an Acknowledgment of Self-Pay Status form or another form of similar effect.

The amount written off of the patient account because of the prompt pay discount may not be classified as bad debt.

C. Eligibility for Prompt Pay Discount

To qualify for a prompt pay discount, Self-Pay Patients must submit payment in full within thirty (30) days of the date the bill is submitted to the patient.

D. Changes in Insurance Status

The eligibility for the prompt payment discount shall be based on the patient's insured status at the time services are rendered and shall give consideration to any retroactive denial or granting of insurance. That is, if the patient is believed to be insured at the time services are rendered but is subsequently found to have been uninsured at that time, then the patient may be eligible for a prompt pay discount. Similarly, if the patient is believed to be uninsured at the time services are rendered but is subsequently found to have been insured at that time, then the patient is not eligible for a prompt pay discount. A discount will be reversed in these situations.

Patients who decline to disclose his/her/their insurance status will be provided a discount until the hospital can establish whether the patient does have coverage.

II. Obstetric Patients Cash Price for Eligible Patients

For all self-pay obstetric patients at the time of pre-admission or admission for walk-in patients, ECRMC may choose to cap a patient's liability to the average Medi-Cal reimbursement for two-day vaginal deliveries and three-day Cesarean Section deliveries, provided there are no complications with the delivery or the baby. Additional fees apply to patients that involve an

81 extended stay, NICU babies, twins, tubal ligations, and any other services outside the delivery of
82 the baby.

83

84 To be eligible for this cap, a \$500 deposit must be provided at the time of registration and full
85 payment must be made within 30 days of the date the bill is submitted to the patient. A deposit
86 will not be required if the patient is in active labor.

87

88 All walk-in patients will be first referred to the Financial Counselor unless the patient has either
89 pre-registered or has a pregnancy that is over twenty weeks.

90


91 This cap cannot be applied in conjunction with Financial Assistance, or any discounts described
92 in this Policy.

93

94 The eligibility for the cap shall be based on the patient's insured status at the time services are
95 rendered and shall give consideration to any retroactive denial or granting of insurance. That is,
96 if the patient is believed to be insured at the time services are rendered but is subsequently found
97 to have been uninsured at that time, then the patient may be eligible for the cap. Similarly, if the
98 patient is believed to be uninsured at the time services are rendered but is subsequently found to
99 have been insured at that time, then the patient is not eligible for the cap. The cap will be
100 reversed in these situations.

101

102 Patients who decline to disclose his/her/their insurance status will be provided the cap until the
103 hospital can establish whether the patient does have coverage.

		Department: Patient Accounting	
		Document Owner/Author: Patient Accounting Manager	
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Policy Name: Financial Assistance Policy (Discount Payment Policy and Charity Care Policy)			

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Purpose

This Financial Assistance Policy (“Policy”) defines the eligibility criteria for financial assistance at El Centro Regional Medical Center (“ECRMC”) and provides the operational guidelines for the ECRMC Financial Assistance Program. This Financial Assistance Policy includes ECRMC’s discount payment policy, charity care policy, eligibility procedures for those policies, and review process.

Policy Statement

ECRMC strives to ensure that the financial capacity of families who need healthcare services does not prevent them from seeking or receiving care. The Policy encompasses the charity care policy and the discount payment policy, which includes the process used by ECRMC to determine whether a patient is eligible for Charity Care or Discounted Payment (as defined in this Policy).

It is recognized that the need for financial assistance is a sensitive and deeply personal issue. Confidentiality of requests, information, and funding will be maintained for all who seek or receive financial assistance. The orientation of staff and selection of personnel who will implement this Policy should be guided by these values.

SCOPE OF POLICY

Financial assistance pursuant to this Policy is only available for services provided under ECRMC’s general acute care hospital license.

This includes:

- Emergency medical services provided in an emergency room setting;
- Services for a condition which, in the opinion of the treating physician or other health care professional, would lead to an adverse change in the health status of an

- 35 individual if not treated promptly; and
36 • Non-elective services provided in response to life-threatening or health-threatening
37 circumstances.

38
39 The following services are excluded as ineligible for Financial Assistance under this Policy,
40 except as required by law:

- 41 • Services that are not medically necessary, including without limitation elective
42 cosmetic surgery procedures and other elective procedures (e.g., cosmetic procedures,
43 infertility services, andrology services, sterilization, reversal of sterilization,
44 circumcision, certain eye surgeries, and routine vision exams).
- 45 • Services provided to a patient who has third-party coverage but the third-party
46 coverage denies a claim for the services on the ground they are not medically
47 necessary.
- 48 • Non-emergency services provided to patients who seek services at ECRMC despite
49 ECRMC not being in their third-party coverage's network, and payment for their
50 services is denied on that basis.
- 51 • Services provided to a patient who elects not to use their third-party coverage to pay
52 for the services.
- 53 • Medical equipment including without limitation eyeglasses, contact lenses, and
54 hearing aids.
- 55 • Purchases from ECRMC's retail operations, such as gift shops and cafeteria.
- 56 • Physician professional services that are not billed by ECRMC.
- 57 • Services that are not licensed hospital services.

58
59 **DEFINITIONS**

60
61 **Application Period** means the period of time when a patient may apply for Financial Assistance.
62 The Application Period begins on the patient's first date of service (for emergency services) or
63 the date that the patient first contacts ECRMC to schedule an appointment (all other services)
64 and ends 240 days from the date of the initial post-discharge bill for the service.

65
66 **Charity Care** means that qualifying patients shall be relieved of their entire financial obligation
67 with the exception of a specified co-payment. Charity Care does not reduce the amount, if any,
68 that a third party may be required to pay for services provided to the patient.

69
70 **Discounted Payment** means that qualifying patients shall be relieved of a portion of their
71 financial obligation to pay. Discounted Payment does not reduce the amount, if any, that a third
72 party may be required to pay for services provided to the patient.

73
74 **Federal Poverty Level ("FPL")** means the poverty guidelines updated periodically in the
75 Federal Register by the United States Department of Health and Human Services under authority
76 of subsection (2) of Section 9902 of Title 42 of the United States Code. Eligibility for Financial
77 Assistance shall be based on the FPL in effect at the time the patient submits the Application.

78
79 **Financial Assistance** is the collective term used for Charity Care or Discounted Payment.
80

81 **Financial Assistance Application (“Application”)** is the required application to determine
82 whether a patient is eligible for Financial Assistance. The Application shall include a Statement
83 of Financial Condition.

84
85 **Financially Qualified Patient** is a patient who qualifies for Financial Assistance. There are two
86 categories of a Financially Qualified Patient – (1) Financially Qualified Self-Pay Patient or
87 (2) Patient with High Medical Costs.

88
89 **Financially Qualified Self-Pay Patient** is a patient who:

- 90 1. Is a Self-Pay Patient (i.e., the patient does not have third-party coverage from a health
91 insurer, health care service plan, Medicare, or Medicaid, and whose injury is not a
92 compensable injury for purposes of workers’ compensation, automobile insurance, or
93 other insurance as determined and documented by the hospital).
- 94 2. Patient Family Income **does not exceed** four hundred percent (400%) of the FPL.

95
96 A Financially Qualified Self-Pay Patient may qualify for Charity Care or Discounted Payment
97 depending on Patient Family Income.

98
99 **Patient Family Income** is the income earned by the Patient’s Family before taxes minus
100 payments made for alimony and child support. Patient Family Income may be documented from
101 recent pay stubs or income tax returns. The Patient Family Income will be determined in
102 accordance with the Application. Proof of income may be used to annualize the Patient Family
103 Income, based on the current earning rates.

104
105 A **Patient’s Family** includes the patient and any of the following:

- 106
107 1. For patients 18 years of age and older: spouse, domestic partner, as defined in Section
108 297 of the California Family Code, and dependent children under 21 years of age,
109 whether living at home or not.
- 110 2. For patients under 18 years of age: parent, caretaker relatives, and other children under 21
111 years of age of the parent or caretaker relative.

112
113 **Patient with “High Medical Costs”** is a patient who:

- 114 1. Has third-party insurance or other coverage;
- 115 2. Has a Patient Family Income that **does not exceed** four hundred percent (400%) of the
116 FPL; and
- 117 3. Has either:
 - 118 a. Annual out-of-pocket costs incurred by the patient at ECRMC that exceed the
119 lesser of ten percent (10%) of the current Patient Family Income or Patient Family
120 Income in the prior 12 months.
 - 121 b. Annual out-of-pocket expenses incurred at ECRMC or other healthcare providers
122 that exceed ten percent (10%) of the Patient Family Income if the patient provides
123 documentation of the patient’s medical expenses paid by the patient or the
124 patient’s family in the prior 12 months.

125
126 Patients with “High Medical Costs” may qualify for a Discounted Payment.

127
128 **Self-Pay Patient** is a patient who does not have third-party coverage from a health insurer,
129 health care service plan, Medicare, or Medicaid, and whose injury is not a compensable injury
130 for purposes of workers' compensation, automobile insurance, or other insurance as determined
131 and documented by the hospital.

132
133 **FINANCIAL ASSISTANCE PROGRAM PROCEDURE**

134
135 **I. FINANCIAL ASSISTANCE ELIGIBILITY AND LEVEL OF FINANCIAL**
136 **ASSISTANCE**

137
138 **A. Eligibility for Charity Care**

139
140 To be eligible for Charity Care, a patient must meet all of the following qualifications:

- 141
142 1. Patient must be a Self-Pay Patient;
143 2. Patient Facility Income must be less than or equal to one hundred percent (100%) of the
144 FPL;
145 3. The patient must demonstrate they have applied for but were denied eligibility for
146 assistance from an applicable federal, state, or county health benefit program(s);
147 4. The service(s) provided must have been to treat an emergency medical condition;
148 5. The patient must be a United States citizen or a non-U.S. citizen with undocumented
149 status who resides in the United States.

150 Financially Qualified Self-Pay Patients who are eligible for Charity Care shall receive a write-off
151 of all amounts owed by such patient, provided that the patient shall remain responsible to pay a
152 co-payment according to the following schedule:

153

Hospital Service	Co-Payment
Emergency Care	\$50.00/visit
Inpatient Admission after receiving emergency care (ER Co-Pay Waived)	\$100.00/per day, not to exceed \$1,000

154
155 Other than the above co-payment schedule, which may be waived for deceased patients, ECRMC
156 shall not bill these patients for any additional amount. In no event shall the amount due from a
157 Financially Qualified Self-Pay Patient as provided above exceed the amount that ECRMC would
158 expect, in good faith, to receive for providing services from Medicare or Medi-Cal, whichever is
159 greater.

160
161 **B. Eligibility for Discounted Payment**

162
163 A Financially Qualified Patient who does not qualify for Charity Care under this Policy may be
164 eligible to pay a Discounted Payment, as follows:

- 165
166 1. For Financially Qualified Patients who do not qualify for Charity Care and have Patient
167 Family Income below four hundred percent (400%) of the FPL, the amount ECRMC

168 will seek to collect from the patient will be limited to the amount of payment ECRMC
169 would expect, in good faith, to receive for providing services from Medicare or Medi-
170 Cal, whichever is greater. If there is no established payment by Medicare or Medi-Cal,
171 ECRMC shall establish an appropriate Discounted Payment.
172
173

174 **C. Emergency Physician Fair Pricing Policy**

175
176 Any emergency department physician or surgeon who provides emergency medical services at
177 ECRMC is also required by law to provide discounts to Financially Qualified Self-Pay Patients
178 or Patients with High Medical Costs who are at or below four hundred percent (400%) of the
179 Federal Poverty Level. Patients who receive a bill from an emergency department physician or
180 surgeon should contact that physician's office and request financial assistance This statement
181 shall not be construed to impose any additional responsibilities upon ECRMC.
182

183 **II. DETERMINATION OF FINANCIAL ASSISTANCE ELIGIBILITY**

184 **A. Determination of Patient's Insurance Status**

185
186
187 At or before the time of admission to ECRMC, or as soon as possible thereafter, ECRMC shall
188 make all reasonable efforts to obtain from the patient or the patient's representative information
189 about whether private or public health insurance or sponsorship may fully or partially cover the
190 charges for care rendered by ECRMC, including but not limited to any of the following:
191

- 192 • Private health insurance, including coverage offered through the California Health
193 Benefit Exchange.
- 194 • Medi-Cal, California Children's Services, or other state-funded benefit programs
195 designed to provide health coverage.
- 196 • Medicare.
- 197 • Other coverage, including workers' compensation, automobile insurance, or other
198 insurance.

199
200 In some cases, such as emergency admissions, it may not be possible to establish the patient's
201 coverage status until after the patient is stabilized or discharged.
202

203 If the patient or the patient's representative does not indicate coverage by a third-party payor or
204 requests Financial Assistance, then ECRMC shall provide the patient with the notice that is
205 described in Sections 1.A and 1.C of the ECRMC Notice of Financial Assistance Policy.
206

207 **B. Application for Financial Assistance**

208
209 To determine a patient's eligibility for Financial Assistance, ECRMC will request that each
210 patient or patient's representative applying for Financial Assistance complete an Application,
211 including a Statement of Financial Condition. The ECRMC Patient Accounting Department may
212 assist with completing the Application.
213

214 i. Documentation of Income

215

216 For the purposes of determining eligibility for Financial Assistance that is a discount under
217 Section I.B of this Policy, documentation of Patient Family Income shall be limited to recent pay
218 stubs or income tax returns for the year prior to the date of admission (for inpatient services) or
219 service (for outpatient services).

220

221 For the purposes of determining eligibility for Financial Assistance that is Charity Care under
222 Section I.A of this Policy, a patient may document Patient Family Income by providing recent
223 pay stubs or income tax returns for the year prior to the date of admission (for inpatient services)
224 or service (for outpatient services). However, if the patient does not have any recent pay stubs or
225 income tax returns, eligibility for Charity Care may also be verified through any of the following
226 mechanisms:

227

- 228 • IRS Form W-2;
- 229 • Social Security income (IRS Form SSA-1099);
- 230 • Wage and Earnings Statement;
- 231 • Workers' Compensation or unemployment compensation determination letters;
- 232 • Other indicators of income;
- 233 • Documentation showing the patient's current participation or participation or
234 qualification within the preceding six months in a public benefits program, including
235 Social Security, Workers' Compensation, Unemployment Insurance Benefits, Medicaid,
236 County Indigent Health, TANF, Food Stamps, WIC, AFDC, or other similar indigence
237 related programs.

238

239 ii. Unavailable Documentation

240

241 When a patient is unable to provide the requested documentation to verify the Patient Family
242 Income, ECRMC may request a written explanation from the patient as to why the patient or
243 patient's representative is unable to obtain and/or provide documents. If provided, the
244 explanation shall be noted on the Application.

245

246 Additionally, ECRMC may, at its sole discretion, verify the Patient Family Income in either one
247 of the following two ways:

248

- 249 1. By having the patient or patient's representative sign the Application confirming the
250 accuracy of the income information provided; or
- 251 2. Through the written attestation of ECRMC personnel completing the Application that the
252 patient or patient's representative verbally verified ECRMC's calculation of income.

253

254 **C. Application Period to Apply for Financial Assistance**

255

256 i. Application Period

257

258 ECRMC shall provide the patient or patient's representative an adequate amount of time to apply
259 for Financial Assistance. All Applications for Financial Assistance must be submitted within the

260 Application Period. When a patient submits a complete Application during the Application
261 Period, ECRMC shall determine whether the patient is eligible for financial assistance.

262

263 ii. Incomplete Application or Missing Documentation

264

265 When a patient submits an incomplete Application, ECRMC shall notify the patient about how to
266 complete the Application and give the patient a reasonable opportunity to do so. If adequate
267 documents are not provided, ECRMC may contact the patient or the patient’s representative to
268 request additional information or documentation.

269

270 If the patient or the patient’s representative does not comply with the request within 14 calendar
271 days from the date of the request, or within another period of time as agreed upon between
272 ECRMC and the patient, such non-compliance may be grounds for denial of Financial
273 Assistance. If the requested documentation is later submitted, ECRMC may choose to re-review
274 all submitted documentation and reconsider the patient for Financial Assistance if the
275 extraordinary circumstances prevented the patient or the patient’s representative from providing
276 the additional documentation within 14 calendar days from the date of the request and they made
277 a reasonable effort to communicate the circumstances to ECRMC.

278

279 iii. Application Submitted After Application Period Ended

280

281 Eligibility for Discounted Payments or Charity Care may be determined at any time ECRMC is
282 in receipt of a completed Application. However, if the Application is submitted after the
283 Application Period is over, ECRMC may (1) deny Financial Assistance or (2) grant Financial
284 Assistance if it determines that the patient or their representative acted reasonably even though
285 the Application was not timely submitted.

286

287 iv. Responsibility of Patient to Provide All Necessary Information

288

289 When a patient or patient’s legal representative requests a Discounted Payment, Charity Care, or
290 other assistance in meeting their financial obligation to ECRMC, they shall make every
291 reasonable effort to provide ECRMC with (a) documentation of income and (b) if applicable,
292 health benefits coverage.

293

294 The patient or patient’s legal representative must also:

295

- 296 • Provide accurate and complete information in a timely manner so that ECRMC can
297 process the request for Financial Assistance;
- 298 • Provide timely follow-up for additional documents or information ECRMC requires for
299 the Financial Assistance application process;
- 300 • Provide full disclosure of the required information; and
- 301 • Satisfy any patient/guarantor payment obligation.

302

303 If the person requesting Charity Care or a Discounted Payment fails to provide information that
304 is reasonable and necessary for ECRMC to make a determination, such failure may result in a
305 denial of the Application.

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v. Inaccurate Information

ECRMC makes arrangements for Financial Assistance for qualified patients in good faith and relies on the fact that information presented by the patient or patient’s representative is complete and accurate.

Falsification of information may result in denial of the Application. If after a patient is granted Financial Assistance and ECRMC finds material provision(s) of the Application to be untrue, the Financial Assistance may be reversed.

When fraudulent or purposely inaccurate information has been provided by the patient or the patient’s representative, ECRMC reserves the right to bill retrospectively for all services to the extent permitted by law. In addition, ECRMC reserves the right to seek all remedies, including but not limited to civil and criminal damages from those patients or family representatives who have provided fraudulent or purposely inaccurate information in order to qualify for Financial Assistance, including those who accept financial assistance after an improvement in their financial circumstances which was not made known to ECRMC.

D. ECRMC’s Review Procedures for Determining Financial Assistance Eligibility

i. ECRMC’s Review of the Application

ECRMC personnel will complete a Financial Assistance Eligibility Determination Worksheet (“**Worksheet**”) and attach it to the patient’s Application, along with the copies of required documents. The Worksheet with the Application allows for the documentation of the administrative review and approval process utilized by ECRMC to grant financial assistance.

The ECRMC Patient Accounting Department (“PAD”) will review the Worksheet and Application for completeness and provide a recommendation to the Chief Financial Officer or his/her delegee within 15 days. The PAD Director must approve any revision to the Financial Assistance Eligibility Determination Worksheet.

ii. Approval for Financial Assistance

A financial assistance determination will be made only by approved hospital personnel according to the following levels of authority:

- Manager of Patient Accounting: Accounts less than \$2,500
- Chief Financial Officer: Accounts greater than \$2,500 and less than \$10,000
- Chief Executive Officer: Accounts greater than \$10,000

Each level requires the review, approval and signature of the person authorized to approve at that level prior to an application for a larger medical expense liability moving forward for approval by the additional designated authorized signers. For example, the Manager of Patient Accounting, Chief Financial Officer, and Chief Executive Officer will all need to approve any

352 Financial Assistance for an account that is greater than \$10,000.

353
354 For patient accounts meeting the Financial Assistance eligibility criteria, the Application may be
355 approved for services provided under ECRMC's general acute care hospital license. The
356 accounts will be recorded for the purposes of S10 reporting according to the date the Financial
357 Assistance adjustment was entered onto the account.

358
359 A patient shall not be denied Financial Assistance that would be available pursuant to the
360 ECRMC policy published on the California Department of Health Care Access and Information
361 ("HCAI") internet website at the time of service.

362
363 Additionally, if a patient applies or has a pending application for another health coverage
364 program at the same time that the patient applies for Financial Assistance, neither application
365 shall preclude eligibility for the other program.

366
367 a) Presumptive Eligibility

368
369 ECRMC reserves the discretion to utilize a Presumptive Eligibility Determination process to
370 provide Charity Care or discounted care for patients who are unable to complete the Application
371 or provide financial information or documentation, based on an objective, good faith
372 determination of financial need, taking into account the individual patient's circumstances, the
373 local cost of living, a patient's income, a patient's family size, and/or the scope and extent of a
374 patient's medical bills, based on reasonable methods to determine financial need.

375
376 In making a Presumptive Eligibility Determination, ECRMC shall take into account any
377 extenuating circumstances that would affect the good faith determination of the patient's
378 eligibility for Financial Assistance in the following ways:

- 379
380
- ECRMC may use reasonable methods for determining financial need, including, for
381 example, documented patient interviews or questionnaires.
 - ECRMC may also determine a patient's eligibility for Financial Assistance based upon
382 information other than that provided by the patient, such as qualification in other welfare-
383 based programs (including eligibility for Medicaid), homeless status, or based upon a
384 prior Financial Assistance eligibility determination.
 - Any account returned to ECRMC from a collection agency that has determined
386 the patient or patient's representative does not have the resources to pay the
387 patient's bill may be deemed eligible for Financial Assistance. Documentation of
388 the patient or family representative's inability to pay for services will be
389 maintained in the Financial Assistance documentation file.
 - ECRMC may also rely on the information included in publicly available databases and
392 information provided by third-party vendors who utilize publicly available databases to
393 make a good faith determination of whether a patient is entitled to Financial Assistance.
- 394

395 The Chief Financial Officer or his/her/their designees shall be authorized to approve patients for
396 presumptive eligibility for Financial Assistance and must ensure documentation of the basis upon
397 which presumptive eligibility was granted.

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E. ECRMC's Procedures for After Determination of Financial Assistance Eligibility

i. Written Notification of Determination of Financial Assistance

ECRMC shall notify the patient or the patient's representative of the determination in writing. The Financial Counselor shall coordinate the processing and mailing of these communications.

ii. Duration of Approval

If the Application is approved and the patient needs to return for care, the approval is applicable for all services covered under this Policy provided within six months after approval.

iii. Offer of Extended Payment Plan

When a patient is approved for Financial Assistance that is a Discounted Payment, the patient may pay any or all outstanding amounts due in one lump sum payment, or ECRMC shall offer an extended payment plan to allow payment of the discounted price over time. Such extended payment plans shall be interest-free. For further discussion on the terms of the extended payment plan, see ECRMC's Collection Policy.

iv. Changed Circumstances

If, at any time, information relevant to the eligibility of the patient changes, the patient may update the documentation related to income and provide ECRMC with the updated information. It is the patient's responsibility to notify ECRMC of the updated information.

ECRMC will consider the patient's changed circumstances in determining eligibility for Financial Assistance. ECRMC may reverse previously applied discounts if it learns of information that it believes supports a conclusion that information previously provided was inaccurate.

v. Appeals

In the event of a dispute regarding eligibility for Financial Assistance, patients have the right to appeal the decision. Patients must provide written appeals outlining the reasons they believe the determination was incorrect. Any dispute regarding eligibility, determination of financial assistance, or billing or collection should be directed to PAD within 60 days of the date of the determination.

PAD shall obtain all information regarding the dispute and forward it to the Chief Financial Officer or his/her designee for review. The Chief Financial Officer or his/her designee will decide the appeal based on whether the patient is eligible for Financial Assistance under this Policy, taking into account all of the information provided in the Application and the appeal. The Chief Financial Officer or his/her designee shall respond in writing to the patient or patient's

444 representative regarding the results of the review. If the Chief Financial Officer’s designee
445 denies the appeal, the patient or patient’s representative may appeal the determination to the
446 Chief Financial Officer whose determination will be final. All determinations shall be
447 communicated to the patient in writing.

448
449 **F. Medicare Cost Reporting and Charity Care for Medi-Cal/Medicaid Patients**

450
451 Financial Assistance shall be counted as charity allowances. As defined by the Medicare
452 Provider Reimbursement Manual 15-1, section 302.3, charity allowances are reductions in
453 charges made by the provider of services because of the indigence or medical indigence of the
454 patient.

455
456 As required under Medicare Provider Reimbursement Manual 15-1, section 328, all charges
457 related to services subject to Financial Assistance shall be recorded at the full amount charged to
458 all patients, and the allowances should be appropriately shown in a revenue reduction account.

459
460 The portion of Medicare patient accounts (a) for which the patient is financially responsible
461 (coinsurance and deductible amounts), (b) which is not covered by insurance or any other payer,
462 including Medi-Cal/Medicaid, and (c) which is not reimbursed by Medicare as a bad debt, may
463 be classified as Charity Care if:

- 464
465 1. The patient is a beneficiary under Medi-Cal/Medicaid or another program serving
466 the health care needs of low-income patients; or
467 2. The patient otherwise qualifies for financial assistance under the Financial
468 Assistance Policy and then only to the extent of the write-off provided for under
469 the Financial Assistance Policy.

470
471
472 i. Financial Assistance for Medi-Cal/Medicaid Patients and Other Government-
473 Sponsored Low-Income Assistance Programs

474
475 ECRMC deems those patients that are enrolled in government-sponsored low-income assistance
476 programs (e.g., Medi-Cal/Medicaid, California Children’s Services, and any other applicable
477 state or local low-income program) to be indigent. Therefore, such patients are eligible under the
478 Financial Assistance Policy when payment is not made by the governmental program or entity
479 administering the government program, such as a Medi-Cal Managed Care Plan.

480
481 Specifically, ECRMC may grant Charity Care to Medicaid-enrolled patients who receive non-
482 covered and denied services. Because Medicaid beneficiaries are not responsible for any form of
483 patient financial liability, all non-reimbursed patient account balances related to eligible services
484 under this Policy that are not covered, including all denials, by Medicaid (including Medi-Cal
485 and other out-of-state Medicaid programs), are eligible for full write-off as Charity Care. For
486 example, any charges for days or services that are written off (excluding billing timeliness,
487 medical records, missing invoices, or eligibility issues) as a result of a Medi-Cal denial (such as
488 TAR denial) are eligible for Charity Care.

489
490 Other examples of services for which Medicaid and Medi-Cal beneficiaries may receive Charity
491 Care include but are not limited to:

- 492 • Non-covered services provided to Medicaid beneficiaries with restricted
493 Medicaid (i.e., patients that may only have pregnancy or emergency benefits
494 but receive other hospital care);
- 495 • Medi-Cal-pending accounts;
- 496 • Medi-Cal or other indigent care program denials, including Treatment
497 Authorization Request (“TAR”) denials;
- 498 • Charges related to days exceeding a length-of-stay limit;
- 499 • Out-of-state Medicaid claims with “no payment”; and
- 500 • Line-item denials.

501
502 This does not include any Share of Cost (“SOC”) amounts, as SOC’s are determined by the state
503 to be an amount that the patient must pay before the patient is eligible for Medi-Cal/Medicaid.
504 However, after collection of the patient’s SOC portion, any other unpaid balance relating to a
505 Medi-Cal/Medicaid patient may be considered for Charity Care.

506
507 **G. Charity Care Reporting to HCAI**

508
509 ECRMC will report actual Charity Care provided in accordance with regulatory requirements of
510 the Department of Health Care Access and Information (“HCAI”) as contained in the
511 Accounting and Reporting Manual for Hospitals, Second Edition.¹

512
513 Charity Care as used by HCAI is the Financial Assistance offered by ECRMC in accordance
514 with its Financial Assistance Policy. As explained in HCAI’s Accounting and Reporting Manual
515 for Hospitals, section 1400, “the determination of what is classified as bad debt versus what is
516 considered charity care can be made by establishing whether or not the patient has the ability to
517 pay. The patient’s accounts receivable must be written off as bad debt if the patient has the
518 ability but is unwilling to pay off the account.”

519
520 To comply with regulations, ECRMC will maintain written documentation regarding its Charity
521 Care criteria. For individual patients, the hospital will maintain written documentation regarding
522 all Charity Care determinations. As required by HCAI, Charity Care provided to patients will be
523 recorded on the basis of actual charges for services rendered.

524
525 Charity Care shall be written off directly to Accounts Receivable, rather than to an allowance
526 account, as charity determinations are made. In other words, these accounts must be charged
527 with the differential between the amount, based on the hospital’s full established rates, of charity
528 patients’ bills for hospital services and the amount (if any) to be received from such patients in
529 payment for such services. This differential should be credited directly to the appropriate
530 Accounts Receivable account.

531

¹ See also HCAI, Hospital Technical Letter No. 34.

532 Charity Care reflects actual amounts written off during the reporting period and is not the
533 expected level of charity to be provided based on accrual estimates.

534

535 **H. Translation of Correspondences**

536

537 Written correspondence to the patient required in this Policy shall be in the language spoken by
538 the patient, consistent with Section 12693.30 of the Insurance Code, applicable state and federal
539 law, and this Policy.



TO: HOSPITAL BOARD MEMBERS
FROM: Tammy Morita, on behalf of El Centro Regional Medical Center
DATE: June 27, 2023
MEETING: Board of Trustees
SUBJECT: **ANNUAL RENEWAL OF INSURANCE & LIABILITY COVERAGE POLICIES**

BUDGET IMPACT: Does not Apply
A. Does the action impact/affect financial resources? Yes No
B. If yes, what is the impact amount: \$100,000 estimated annual cost savings

BACKGROUND: Each year, ECRMC conducts a review of existing insurance coverages and policies. ECRMC has worked with current agents to assess appropriate changes in coverages and request proposals for competitive rates. Current policies are to be renewed for the period of July 1, 2023 thru June 30, 2024.

DISCUSSION: The primary change in coverage reflects the cessation of obstetrics services during fiscal year 2023.

RECOMMENDATION: (1) Approve (2) Do not approve

ATTACHMENT(S):

- Proposal from Beta Healthcare Group for Auto Insurance, Directors & Officers Liability, and Healthcare Entity Liability which includes General Liability & Professional Liability
- Proposals from Alliant Insurance Services for Crime, Pollution Liability, Fiduciary Liability, and Storage Tank coverage

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo V. [Signature] 6/22/23



El Centro Regional Medical Center

Fiduciary Liability Insurance Proposal

Presented by Chris Tobin, ARM-P
Date Presented June 9, 2023

Alliant Insurance Services, Inc.
18100 Von Karman Avenue 10th Floor
Irvine, CA 92612
O 949 756 0271
F 619 699 0907

CA License No. 0C36861

www.alliant.com

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Company Profile

Alliant provides risk management, insurance, and consulting services to thousands of clients nationwide, delivering tailored products and services engineered to mitigate risk, improve performance, and promote long-term growth. Our core business includes property and casualty insurance services, middle-market brokerage, employee benefits, and underwriting, each staffed with dedicated industry specialists who understand the unique market dynamics facing their clients.

In addition to our 90-plus year legacy of service and results, Alliant is one of the industry's fastest-growing organizations. As America's 10th largest insurance brokerage, we have an active presence in every U.S. market and an extensive arsenal of best-in-class resources and intelligence that moves our clients forward in today's competitive market climate.

Alliant has a broad reach that covers a wide range of industries, including:

- Agriculture
- Aviation
- Construction
- Energy and Marine
- Environmental
- Healthcare
- Financial Institutions
- Law
- Public Entity
- Real Estate
- Tribal Nations
- And many more

Alliant Advantage

	Alliant	Competition
90 years of leadership in meeting the insurance needs of businesses and public entities across the US.	✓	
National presence with best-in-class resources and expertise.	✓	
Privately owned and operated.	✓	
Flat management structure with no bureaucracy, empowering senior leadership to take a hands-on approach to client service that expands the entire lifecycle of the relationship.	✓	
A full-service insurance agency that addresses all of your risk and insurance needs, including property, casualty, life, and health.	✓	
A diverse team of industry specialists who understand the unique needs of your business.	✓	
Considerable buying power through more than 40 insurance carriers, enabling for the delivery of the best coverage at the most competitive pricing	✓	
State-licensed support staff.	✓	
A full-service approach that includes risk management services to help identify hazards and present options.	✓	
Workers' compensation insurance claims management at no additional charge.	✓	

Your Service Team

Chris Tobin, ARM-P
Senior Vice President

ctobin@alliant.com

Phone: 949 660 8143

Miki Fujii
Account Manager Lead

mfujii@alliant.com

Phone: 949 660 5983

Elizabeth Gibbons
Account Manager

Elizabeth.Gibbons@alliant.com

Phone: 949 660 8164

Named Insured

El Centro Regional Medical Center

NAMED INSURED DISCLOSURE

- Name Insured(s) should match State of Incorporation filing. Inform Alliant if there is a difference or change
- The First Named Insured policy status granted includes certain rights and responsibilities. These responsibilities do not apply to other Named Insureds on the policy. Some examples for First Named Insured status include; (1) being designated to act on behalf of all insureds for making policy changes, (2) receiving of correspondence, (3) distributing claim proceeds, and (4) making premium payments
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act.

Premium Summary

Coverage	Expiring Premium*		Renewal Premium*	
Fiduciary Liability	\$	7,346.00	\$	7,526.00
TOTAL	\$	7,346.00	\$	7,526.00

*Includes TRIA premium.

Payment Terms

- Premium is due within 15 days of policy inception
- Agency Bill
- Payment Plan: Annual

Options

- None

Fiduciary Liability Coverage

	Present Coverage	Proposed Coverage
Insurance Company	Hudson Insurance Company	Hudson Insurance Company
A.M. Best Rating	A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of July 14, 2021	A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of June 23, 2022
Standard & Poor's Rating	Not Rated	Not Rated
California Status	Admitted	Admitted
Policy/Coverage Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Policy #	SFD31211044-04	TBD

Coverage Form	The Euclid Vanguard Package Policy – Claims-Made Form Form Number: ESM-VANGUARD-FID (04/2019)	Same as Present
Insured Plan	Employee Benefit Plans Sponsored Solely by the EI Centro Regional Medical Center	Same as Present
Prior or Pending Date	June 10, 2010	Same as Present
Continuity Date	None (Full Continuity)	Same as Present
Limits	\$ 1,000,000 Aggregate Limit of Liability for all Loss \$ 1,000,000 Each Claim	Same as Present

Fiduciary Liability Coverage - Continued

		Present Coverage	Proposed Coverage
Sub-Limits	\$ 1,000,000	Settlor Coverage	Same as Present
	\$ 250,000	Trustee Claims Expenses Coverage / Defense of Non-Fiduciary Claims	
	\$ 250,000	Voluntary Compliance Program Expenditures	
	\$ 250,000	Reinstatement of Voluntary Compliance Program Expenditures	
	\$ 1,000,000	HIPAA & HITECH Fines and Penalties	
	\$ 250,000	PPACA Fines and Penalties	
	\$ 250,000	ERISA Section 502(c) Civil Penalties	
	\$ 250,000	IRC Section 4975 Penalties	
	\$ 250,000	Coverage for Claims of Equitable Relief and Surcharges	
	\$ 1,000,000	Death Master File Penalties (Section 203 of the Budget Act of 2013)	
	\$ 100,000	Miscellaneous / Other Penalties	
	\$ 100,000	Benefit Overpayments	
	Retention	\$ 5,000	Indemnifiable Loss – Each Claim
\$ 0		Non-Indemnifiable Loss	

Fiduciary Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Defense Inside/Outside the Limit	Inside the Limit	Same as Present
Who has the Duty to Defend	Insurer	Same as Present
Endorsement & Exclusions (including but not limited to)	<ul style="list-style-type: none"> • Failure to collect Contributions Exclusion • Return of Contributions Exclusion • Bodily Injury, Mental Anguish, Emotional Distress, Sickness, Disease or Death and Property Damage Exclusion • Illegal Personal Profit Exclusion • Discrimination Except for Employee Benefit Law Exclusion • Known Prior Acts Exclusion • Workers Compensation, Unemployment Insurance, Social Security or Disability Benefits Laws Exclusion • Deliberate Fraudulent or Dishonest Acts Exclusion • Definition of Administration to include determining and calculating benefits • Policyholder Disclosure Notice of Terrorism Insurance Coverage • California Amendatory Endorsement • Euclid Enhancement Endorsement for the Alliant Government Fiduciary Liability Insurance Program • Excessive Fee Litigation Claims Endorsement (with Sub-Limits) 	Same as Present

Fiduciary Liability Coverage - Continued

Program Highlights

Present Coverage	Proposed Coverage
<ul style="list-style-type: none"> • Definition of Loss to include Punitive, Exemplary and Multiplied Damages (where insurable) • Definition of Insured Persons to include Employees of any Insured Plan • Non-Cancellable by Insurer other than for Non-Payment of Premium • Notice / Claim Reporting Provision – notice required after General Council, Risk Manager or Trustee first learns of claim • Wrongful Act definition includes administrative duties; counseling employees, participants, and beneficiaries; handling of records; failure to comply with privacy provisions of HIPAA • Defense cost coverage for performance of managed care services with respect to selection of medical or health service providers • Final Adjudication wording for conduct exclusions • Employee Benefit Law defined to acknowledge Public Entity Risks not subject to ERISA • No Hammer Clause • Severability of Exclusions • Priority of Payments provision • Severability of Application • Spousal Extension amended to include Domestic Partner • Broadened Definition of Administration • Extended Reporting Period (Discovery Period) available for one to six years 	<p>Same as Present</p>

Fiduciary Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Program Highlights – Continued	<ul style="list-style-type: none"> • Automatic Coverage for COBRA Violations • Interview Coverage by Enforcement (Govt) Unit • Retainer Fees & Expenses of Independent Fiduciary • Expanded ability of the policyholder to provide a notice of potential claim • Expanded Definition of Damages – includes fees for an Independent Fiduciary to validate any proposed settlement • Policy exclusions limited to indemnity only and with policyholder friendly prefatory language • Defense provided for Personal Profit and Fraud Exclusions and limited to final, non-appealable adjudication in the underlying action or insurer-initiated coverage action • Libel and slander exclusion deleted • Defense provided for claims of bodily injury • Definition of Claim expanded to include a formal investigative order of an administrative or regulatory proceeding • Definition of Claim expanded to include written request to toll or waive a statute of limitations applicable to covered wrongful acts 	See above
Total Cost Excluding TRIA	Not Applicable	Not Applicable

Fiduciary Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Total Cost Including TRIA	\$ 7,246.00 Policy Premium \$ 0.00 TRIA Premium \$ 100.00 Waiver of Recourse \$ 7,346.00 Total Cost	\$ 7,426.00 Policy Premium Included TRIA Premium \$ 100.00 Waiver of Recourse \$ 7,526.00 Total Cost
Minimum Earned Premium	Not Applicable	Not Applicable
Policy Auditable	Not Auditable	Same as Present
Extended Reporting Period	<ul style="list-style-type: none"> • One (1) Year for 100% of original premium • Two (2) Years for 175% of original premium • Three (3) Years for 200% of original premium • 72 months upon request and carrier approval 	Same as Present
Quote Valid Until	No Longer Applicable	June 29, 2023
Binding Conditions	No Longer Applicable	A written request to bind coverage

See Disclaimer Page for Important Notices and Acknowledgment

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com, and contact your Alliant service team should you have any questions.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Other Disclosures / Disclaimers - Continued

Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

Other Disclosures / Disclaimers - Continued

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a “blanket” additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

See Request to Bind Coverage page for acknowledgement of all disclaimers and disclosures.

Optional Coverages

The following represents a list of insurance coverages that may not be included in this proposal but are optional and may be available with further underwriting information. This list is not inclusive of all coverages and if you have questions contact your Alliant representative. If you would like addition quotes please check Yes/No across from the coverage below, sign and return.

Target Coverages

	Yes	No
CRIME		
Employee Dishonesty	<input type="checkbox"/>	<input type="checkbox"/>
Computer Fraud	<input type="checkbox"/>	<input type="checkbox"/>
Social Engineering	<input type="checkbox"/>	<input type="checkbox"/>
Increased Limits	<input type="checkbox"/>	<input type="checkbox"/>
CYBER RISK	<input type="checkbox"/>	<input type="checkbox"/>
FLOOD INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>
MANAGEMENT LIABILITY		
Directors & Officers Liability	<input type="checkbox"/>	<input type="checkbox"/>
Employment Practices Liability	<input type="checkbox"/>	<input type="checkbox"/>
UMBRELLA / EXCESS LIABILITY (Increased Liability Limits)	<input type="checkbox"/>	<input type="checkbox"/>
Selecting the "Reject All or Accept All" option will override any selections you have made above	<input type="checkbox"/> Reject All <input type="checkbox"/> Accept All for Consideration	

Signature of Authorized Insurance Representative

Date

Title

Printed / Typed Name

Optional Coverages – Continued

Other Coverage Options

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here which are unique to your organization.

- Business Income/Extra Expense
- Earthquake
- Employed Lawyers
- Employee Benefits Liability
- Equipment Breakdown
- Food Borne Illness
- Foreign Insurance
- Garagekeepers Liability
- Hired Auto Physical Damage
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Network Security / Privacy Liability and Internet Media Liability
- Non-Owned & Hired Automobile Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Professional Liability
- Property in Transit
- Property of Others (Clients, Employees, Other)
- Special Events Liability
- Spoilage
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers Compensation & Employers Liability
- Workplace Violence

Glossary of Insurance Terms

Below are links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/university-resources/insurance-glossary-free>

<https://consumers.ambest.com/content.aspx?rec=261613>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Request to Bind Coverage

El Centro Regional Medical Center

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Fiduciary Liability	<input type="checkbox"/>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature of Authorized Insured Representative

Date

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to the final carrier approval. The actual terms and conditions of the policy will prevail.



El Centro Regional Medical Center, Inc

Storage Tank Pollution Liability Insurance Proposal

Presented by Chris Tobin
Presented on May 24, 2023

Alliant Insurance Services, Inc.
18100 Von Karman Avenue 10th Floor
Irvine, CA 92612
O 949 756 0271
F 619 699 0907

CA License No. 0C36861

www.alliant.com

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Company Profile

Alliant provides risk management, insurance, and consulting services to thousands of clients nationwide, delivering tailored products and services engineered to mitigate risk, improve performance, and promote long-term growth. Our core business includes property and casualty insurance services, middle-market brokerage, employee benefits, and underwriting, each staffed with dedicated industry specialists who understand the unique market dynamics facing their clients.

In addition to our 90-plus year legacy of service and results, Alliant is one of the industry's fastest-growing organizations. As America's 10th largest insurance brokerage, we have an active presence in every U.S. market and an extensive arsenal of best-in-class resources and intelligence that moves our clients forward in today's competitive market climate.

Alliant has a broad reach that covers a wide range of industries, including:

- Agriculture
- Aviation
- Construction
- Energy and Marine
- Environmental
- Healthcare
- Financial Institutions
- Law
- Public Entity
- Real Estate
- Tribal Nations
- And many more

Alliant Advantages

	Alliant	Competition
90 years of leadership in meeting the insurance needs of businesses and public entities across the US.	✓	
National presence with best-in-class resources and expertise.	✓	
Privately owned and operated.	✓	
Flat management structure with no bureaucracy, empowering senior leadership to take a hands-on approach to client service that expands the entire lifecycle of the relationship.	✓	
A full-service insurance agency that addresses all of your risk and insurance needs, including property, casualty, life, and health.	✓	
A diverse team of industry specialists who understand the unique needs of your business.	✓	
Considerable buying power through more than 40 insurance carriers, enabling for the delivery of the best coverage at the most competitive pricing	✓	
State-licensed support staff.	✓	
A full-service approach that includes risk management services to help identify hazards and present options.	✓	
Workers' compensation insurance claims management at no additional charge.	✓	

Your Service Team

Chris Tobin
Senior Vice President

ctobin@alliant.com

Phone: 949 660 8143

Michael McIntosh, CISR
Account Manager - Lead - Environmental

mmcintosh@alliant.com

Phone: 949 660 8124

Miki Fujii
Account Manager Lead

mfujii@alliant.com

Phone: 949 660 5983

Named Insureds

El Centro Regional Medical Center, Inc

NAMED INSURED DISCLOSURE

- Name Insured(s) should match State of Incorporation filing. Inform Alliant if there is a difference or change
- The First Named Insured policy status granted includes certain rights and responsibilities. These responsibilities do not apply to other Named Insureds on the policy. Some examples for First Named Insured status include; (1) being designated to act on behalf of all insureds for making policy changes, (2) receiving of correspondence, (3) distributing claim proceeds, and (4) making premium payments
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act.

Schedule of Covered Storage Tanks

Insured Facility Name and Address	Tank ID No.	Install Date	Tank Size (gal.)	Tank Type (UST or AST)	Retro Date
El Centro RMC 1415 Ross Avenue El Centro, CA 92243	Underground Storage Tank 01	01/01/2000	12,000	UST	07/01/2012
	Underground Storage Tank 02	01/01/1998	5,000	UST	07/01/2012
	Day Tank 01	01/01/1998	50	AST	07/01/2012
	Generator Belly Tank 01	01/01/2016	1,260	AST	07/01/2019
	Generator Belly Tank 02	01/01/2016	1,260	AST	07/01/2019

Abbreviations:

Underground Storage Tank - UST

Above-Ground Storage Tank - AST

***NOTE: Site- and tank-specific policy. No coverage provided for locations/tanks not scheduled**

***Day Tanks are not covered unless scheduled**

Storage Tank Pollution Liability Coverage

Insurance Company	ACE American Insurance Company
A.M. Best Rating	A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 1, 2022
Standard & Poor's Rating	AA (Very Strong) as of January 27, 2023
California Status	Admitted
Policy/Coverage Term	July 1, 2023 to July 1, 2024
Policy #	G28323682 005

Retroactive Date: See Schedule of Covered Storage Tanks above

Coverage Form PF-31181 (10/10) TankSafe® Storage Tank Liability Insurance Policy
CLAIMS MADE AND REPORTED POLICY FORM

Coverages

Coverage A: Third-Party Claims and First Party Remediation Costs – Coverage for claims and remediation costs arising out of a storage tank incident, provided the claim is first made, or the Insured first discovers the storage tank incident, during the policy period. Any such claim must be reported to the Insurer, in writing, during the policy period. Any such discovery of a storage tank incident must be reported to the Insurer, in writing, during the policy period or an applicable extended reporting period. Coverage only applies to storage tank incidents that first commence on or after the retroactive date and before the end of the policy period.

Coverage B: Legal Defense Expenses – Coverage for legal defense expense necessarily incurred to respond to a claim pursuant to Coverage A, above, to which this insurance applies.

Loading and Unloading Coverage included

Covered Storage Tanks: See Schedule of Covered Storage Tanks

Storage Tank Pollution Liability Coverage - Continued

Limits:	<ul style="list-style-type: none"> \$ 1,000,000 Per Storage Tank Incident Limit of Liability (Claims and Remediation Costs) \$ 2,000,000 Aggregate Limit of Limit of Liability (Claims and Remediation Costs) for all Storage Tank Incidents \$ 1,000,000 Aggregate Limit of Limit of Liability for all Legal Defense Expense for all Storage Tank Incidents \$ 3,000,000 Total Policy Aggregate Limit of Liability for all Storage Tank Incidents
Deductible:	\$ 5,000 Per Storage Tank Incident
Defense Inside/Outside the Limits:	Inside the Limits
Who Has the Duty to Defend:	Insurer
Exclusions: (including but not limited to)	<ul style="list-style-type: none"> • Contractual Liability • Employers Liability • Fines and Penalties • First Party Property Damage, does not apply to remediation costs • Fraud or Misrepresentation • Known Conditions • Insured's Internal Expenses • Intentional Non-Compliance • Lead-Based Paint and Asbestos • Nuclear Hazard • Regulatory Compliance • Storage Tank Contents • War or Terrorism
Endorsements: (including but not limited to)	<ul style="list-style-type: none"> • AST Aggregate Sublimit of Liability: \$1,000,000 • UST Aggregate Sublimit of Liability: \$1,000,000 • Extended Reporting Period Scope Confirmation (First-Party Discovery) Endorsement • Financial Responsibility Condition • Loading and Unloading Coverage (Time Element Reporting – within 72 Hours) Endorsement • Other Insurance Amendatory Endorsement • Schedule of Covered Storage Tanks

Storage Tank Pollution Liability Coverage - Continued

Endorsements - Continued:
(including but not limited to)

- Trade or Economic Sanctions Endorsement
- California Changes - Cancellation And Nonrenewal
- Chubb Producer Compensation Practices & Policies
- U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders
- Terrorism Risk Insurance Act Endorsement
- Disclosure Pursuant to Terrorism Risk Insurance Act

Premium:

\$ **3,507.00** **With** Loading and Unloading Coverage

Other Insurance:

If other valid and collectible insurance is available to the "insured" covering a loss also covered by this Policy, the insurance afforded by this Policy shall apply as primary insurance.

Jurisdiction and Venue:

State of New York

Choice of Law:

State of New York

Terrorism Option:

Terrorism Risk Insurance Act Coverage included in premium above

Minimum Earned Premium:

0%

Notice of Claim or Storage Tank Incident:

Written notice of any claim or incident must be received, ASAP, but no more than 7 days after first became or should have become aware of said claim or incident, by:

a. Notice of Claim or Storage Tank Incident:

Chubb Environmental Claims Manager
Chubb USA Claims
P.O. Box 5103
Scranton, PA 18505-0510
Fax: (866) 635-5687

Storage Tank Pollution Liability Coverage - Continued

Notice of Claim or Storage Tank Incident: - Continued

First Notice Fax: (800) 951-4119

First Notice Email:

CasualtyRiskEnvironmentalFirstNotice@chubb.com

b. All Other Notices:

Environmental Underwriting Officer

Chubb Environmental

P.O. Box 1000

436 Walnut Street – WA 07A

Philadelphia, PA 19106

****Applicable to loading and unloading coverage, if purchased:** Written notice must be provided to the Insurer of any loading and unloading related storage tank incident **within seventy-two (72) hours** of the event during the policy period.

Quote Valid Until:

July 1, 2023

Extended Reporting Period:

- 180 Day Automatic Basic Extended Reporting Period
- 30 Month Optional Extended Reporting Period available for not more than 200% of full policy premium

Conditions:

- 60 days Cancellation (15 days for non-payment)
- Premium is due within 30 days of policy inception
- Written notice must be provided to the Insurer of any loading and unloading related storage tank incident within 72 hours of the event during the policy period

Binding Conditions

- Written Request to Bind Coverage, please sign request to bind/acknowledgement form on the last page of this proposal
- Signed ACE application and facility worksheet, PRIOR TO BINDING. Note: Changes to the application attached can change the terms on this proposal.

**CLAIMS REPORTING NOTICE
PLEASE NOTE THAT POLLUTION LIABILITY POLICIES CONTAIN EXTREMELY
STRICT CLAIM REPORTING PROCEDURES.**

Attached please find your policy specific claim reporting requirements - Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

See Disclaimer Page for Important Notices and Acknowledgement

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

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Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com, and contact your Alliant service team should you have any questions.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. *If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.*

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Other Disclosures / Disclaimers - Continued

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a “blanket” additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

See Request to Bind Coverage page for acknowledgment of all disclaimers and disclosures.

Flood Disclosure

Flooding is a serious threat to both personal and commercial clients. Flooding can happen anywhere, not just zone referred to as high-risk areas (Special Flood Hazard Area). Your Alliant team is ready to explain how it works and the associated costs.

Basic Facts

Congress created the NFIP in 1968 in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. The NFIP makes federally backed flood insurance available in communities that agree to adopt and enforce floodplain management ordinances to reduce future flood damage. The NFIP is self-supporting for the average historical loss year. This means that unless there is a widespread disaster, operating expenses and flood insurance claims are financed through premiums collected.

Commercial buildings or residential dwellings owned by commercial entities are considered commercial property. All others are residential dwellings

The [FEMA Summary for Commercial Property](#) and [FEMA Standard Summary of Coverage](#) provide information on the following:

- Types of Flood Insurance Coverage
- What is a Flood- “a General and temporary condition of partial or complete inundation of two or more acres of normally dry land area”...
- Deductibles – various options to meet your financial needs
- What is Covered and What is Not
- The valuation of the Property – Actual Cash Value or Replacement Cost

Additional Information

- Flood Zones-
 - <https://www.fema.gov/flood-zones>
- Excess Flood Insurance (contact your Producer for additional information)
 - Increased limits over the maximum flood limit provided by NFIP

FEMA Glossary of Flood Terms

<https://www.fema.gov/national-flood-insurance-program/definitions>

Please indicate your selection:

- I would like to receive a flood quote
 I do NOT wish to purchased flood insurance

Signature: _____

Date: _____

Name Printed / Typed: _____

Company Name: _____

Optional Coverages

The following represents a list of insurance coverages that may not be included in this proposal but are optional and may be available with further underwriting information. This list is not inclusive of all coverages and if you have questions contact your Alliant representative. If you would like addition quotes please check Yes/No across from the coverage below, sign and return.

Target Coverages

	Yes	No
CRIME		
Employee Dishonesty	<input type="checkbox"/>	<input type="checkbox"/>
Computer Fraud	<input type="checkbox"/>	<input type="checkbox"/>
Social Engineering	<input type="checkbox"/>	<input type="checkbox"/>
Increased Limits	<input type="checkbox"/>	<input type="checkbox"/>
CYBER RISK	<input type="checkbox"/>	<input type="checkbox"/>
FLOOD INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>
MANAGEMENT LIABILITY		
Directors & Officers Liability	<input type="checkbox"/>	<input type="checkbox"/>
Employment Practices Liability	<input type="checkbox"/>	<input type="checkbox"/>
Fiduciary Liability	<input type="checkbox"/>	<input type="checkbox"/>
UMBRELLA / EXCESS LIABILITY (Increased Liability Limits)	<input type="checkbox"/>	<input type="checkbox"/>
Selecting the "Reject All or Accept All" option will override any selections you have made above	<input type="checkbox"/> Reject All <input type="checkbox"/> Accept All for Consideration	

Signature of Authorized Insurance Representative

Date

Title

Printed / Typed Name

Optional Coverages – Continued

Other Coverage Options

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here which are unique to your organization.

- Business Income/Extra Expense
- Earthquake
- Employed Lawyers
- Employee Benefits Liability
- Equipment Breakdown
- Food Borne Illness
- Foreign Insurance
- Garagekeepers Liability
- Hired Auto Physical Damage
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Network Security / Privacy Liability and Internet Media Liability
- Non-Owned & Hired Automobile Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Professional Liability
- Property in Transit
- Property of Others (Clients, Employees, Other)
- Special Events Liability
- Spoilage
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers Compensation & Employers Liability
- Workplace Violence

Glossary of Insurance Terms

Below are links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/university-resources/insurance-glossary-free>

<https://consumers.ambest.com/content.aspx?rec=261613>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Request to Bind Coverage

El Centro Regional Medical Center, Inc

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Storage Tank Pollution Liability	<input type="checkbox"/>

**Did you know that Alliant works with premium financing companies?
Are you interested in financing your annual premium?**

Yes, please provide us with a financing quote. <input type="checkbox"/>	No, we do not wish to finance our premium. <input type="checkbox"/>
---	---

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature of Authorized Insured Representative	Date
Title	
Printed / Typed Name	

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.*

CHUBB®

Environmental Risk

IN THE EVENT OF AN

ENVIRONMENTAL EMERGENCY:

- 1) *Follow your company procedures for reporting and responding to an incident***
- 2) *Alert local emergency authorities, as appropriate***
- 3) *Report the incident to Chubb Environmental Risk at:***

888-310-9553

- 4) *Report the incident to Alliant***

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident. You will be contacted by a trained representative of ACE to discuss further response steps as soon as possible.

DO follow your company's detailed response plan

DO contact your management as well as appropriate authorities

DO ensure anyone who could come in contact with a spill or release is kept away

DO NOT ignore a potential spill or leak

DO NOT attempt to respond beyond your level of training or certification



El Centro Regional Medical Center



2023-2024

Alliant Property Insurance Program

HOSPITAL ALL RISK PROPERTY PROGRAM

Presented on June 15, 2023 by:

Chris M. Tobin, ARM-P
Senior Vice President

Miki M Fujii
Account Manager

Alliant Insurance Services, Inc. • 18100 Von Karman Avenue 10th Floor Irvine, CA 92612 •

PHONE (949) 756-0271 FAX (949) 756-2713 • www.alliant.com • License No.0C36861

July 1, 2023 – July 1, 2024

EXECUTIVE SUMMARY

Attached please find the annual renewal summary of the Hospital All Risk Property Program (HARPP) for the 7/1/2023 renewal. An overview of the most significant issues is discussed here.

The property market is proving very challenging as we approach the 7/1/2023 HARPP renewal. Weather related events are problematic to the insurance industry and the frequency and severity of these events has increased over the last few years. Recent weather events adversely impacting both the capacity and the pricing of direct carriers and reinsurers include:

- 2022 Hurricane Ian (estimated \$53B in insured losses – the second most costly hurricane in history);
- 2022 Winter Storm Elliott (impacted 42 states and insured damage estimates of \$5.4B);
- 2021 Winter Storm Uri (estimated \$15B in insured losses primarily in Texas and Oklahoma);
- 2021 Hurricane Ida (estimated \$40B in insured losses from Gulf Coast to Northeastern States – fourth most costly hurricane in history)
- U.S. Wildfires (Over \$10B in insured losses in 4 of last 5 years)

In addition, underwriters are concerned about valuation and ensuring that an insured's reported values properly and accurately reflect their exposure. HARPP closely monitors insured values for accuracy including application of a 7.5% trend factor for real and personal property. Due to the conditions described above, we expect insureds in the HARPP program to have rate increases at renewal. Generally, insureds that are loss free and/or non-Catastrophe (CAT) exposed will have lower than average rate increases while insureds that are loss challenged and/or CAT exposed will have higher than average rate increases.

For the 2023/24 renewal, Berkshire Hathaway Specialty Insurance (BHSI) will lead the first \$25,000,000 of the program. Maximum program limits are \$800,000,000 to \$1,000,000,000 and will be placed with worldwide markets rated at A.M. Best A- VII or higher. Insureds should note several key highlights for this year's renewal:

- Boiler & Machinery cover for participating insureds of the HARPP Boiler Program will be maintained with Hartford Steam Boiler (HSB), who will also continue to perform required jurisdictional inspections.
- Cyber (Privacy Liability) Coverage for both 1st and 3rd parties from the Beazley Syndicate at Lloyd's, A.M. Best Rated A XV, (for those eligible insureds) with coverage as outlined on the following proposal will be provided. Additional excess options are available, if requested for insureds with good security controls in place. The Cyber market has become extremely volatile in the past 2 years primarily due to a pronounced increase in ransomware claims and worldwide unrest. Due to the difficulty of even maintaining Cyber coverage for many public entities, we believe the Cyber coverage provided by HARPP represents one of the best values in the marketplace. **Please note claims reporting timeframe limitations for this coverage**
- Pollution Coverage for both 1st and 3rd parties from Ironshore Specialty Insurance Company, A.M. Best Rated A XV, (for those eligible insureds) with coverage as outlined on the following proposal will be provided. **Please note claims reporting timeframe limitations for this coverage**
- Vehicles/Contractor's Equipment – please note on the attached proposal whether the vehicle/contractors equipment valuation is Replacement Cost (new) or Actual Cash Value (ACV). If Replacement Cost (new) valuation is needed, the insured must submit a schedule of vehicles or a vehicle valuation reporting form (provided in the pre-renewal packet) and vehicles must be valued at today's Replacement Cost (new). If values are not reported at Replacement Cost (new), the vehicle/contractor's equipment valuation basis will be ACV

Alliant Business Services (ABS) continues to play a significant role not only in providing various types of loss control services, but also in providing appraisal services, business interruption values consultation, and infrared testing. Please see inserts for further details on ABS services provided. For the program, property valuations continue to be a key focus. As a reminder, it is underwriters' intent to have all buildings with a scheduled value of \$5,000,000 or more appraised once every seven to ten years. This service is included in the total program cost. Insureds may also choose to have lower valued buildings appraised. The cost to have all, or specific buildings appraised that are valued on an insureds schedule between \$25,000 and \$5,000,000 will be quoted at the time the request is made.

Please review important Disclosure and Loss Notification information included in your renewal materials. Your review and acknowledgement of these documents are required via your signature, once you authorize a request to bind coverage with your Alliant representative. Although this proposal is as complete as possible, the program is being negotiated up to the 7/1/23 effective date. We will endeavor to provide any known material changes prior to renewal.

HOSPITAL ALL RISK PROPERTY PROGRAM (HARPP)
July 1, 2023 – July 1, 2024
EXECUTIVE SUMMARY

The following table depicts key financial statistics relative to last year:

Year-over-Year Rate and Premium Comparison

<u>El Centro Regional Medical Center</u>	<u>2022-2023</u> (at 03/08/2023)	<u>2023-2024</u>	<u>Variance</u>
Total Insurable Values (TIV):	\$ 176,065,541	\$ 159,359,519	-9.48%
Earthquake TIV:	Not Applicable	Not Applicable	N/A
Earthquake Limit:	Not Covered	Not Covered	N/A
*Property Annual Cost:	\$ 289,964.34	\$ 344,515.50	18.81%
Cyber Liability Annual Cost:	\$ 11,628.02	\$ 11,387.98	-2.06%
Pollution Liability Annual Cost:	\$ 1,804.81	\$ 1,693.18	-6.18%
Total Account Rate (\$/100):	0.1723206	0.2243962	30.22%
**Total Annual Cost:	\$ 303,397.17	\$ 357,596.66	17.86%

*Property Annual Cost includes: all premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes

** Total Annual Cost includes the following: Property Annual Cost

The following pages are coverage items currently under review with the HARPP markets to be effective on July 1, 2023.

Thank you for your continued support of HARPP. We look forward to working with you this next year. Please let us know if you have any questions about your renewal.

HARPP SUMMARY OF PROPOSED CHANGES

BELOW IS A SUMMARY OF PROPOSED CHANGES FOR THE 2023-2024 POLICY PERIOD AS OF MAY 04, 2023

Coverage	2022-2023 Sub-limit / Deductible	2023-2024 Sub-limit / Deductible
Scheduled Landfill sub-limit	Not specified	\$5,000,000 Scheduled Landfills (as more fully defined in the policy); or 120% of values on on file with Alliant Insurance Services, Inc. whichever is less.
Personal Property Outside of USA	\$1,000,000 Personal Property Outside of the USA	\$1,000,000 Personal Property Outside of the USA (<u>including associated business interruption</u>)
Cyber Liability	Please refer to Proposal for Summary of Changes <i>if</i> coverage is purchased.	
Pollution Liability	Please refer to Proposal for Summary of Changes <i>if</i> coverage is purchased.	

Coverage	2022-2023 Master Policy Form	2023-2024 Master Policy Form
Policy Period	July 1, 2022 to July 1,2023	July 1, 2023 to July 1,2024
USA Form No.	18	19
Section I, E. 2 Sub-Limits of Liability		Scheduled Landfills; or 120% of values on file with Alliant Insurance Services, Inc. whichever is less.
Section I, E. 2 Sub-Limits of Liability	Personal Property outside the U.S.A.	Personal Property outside the U.S.A. (<u>including associated business interruption</u>)
Section II, B. 4. Off Premises Services Interruption	Last sentence: to an Insured Location. The coverage provided by this clause is sub-limited to USD as per Declaration Page.	Last sentence: to an Insured Location. The coverage provided by this clause is sub-limited to USD as per Declaration Page. <u>Coverage under this extension is subject to a 24-hour waiting period.</u>
Section II, B. 8. Debris Removal	This Policy also covers expenses incurred in the removal of debris of the property covered hereunder from the Insured Location that may be destroyed or damaged by a covered peril(s).	This Policy also covers expenses incurred in the removal of debris of the property covered hereunder from the Insured Location that may be destroyed or damaged by a covered peril(s).
Section II, B. 11. Increased Cost of Construction	See Policy	See Policy for details. Wording has been modified to provide clarity on intent.
Section II, B. 15. Transit	See Policy	See Policy for details. Wording has been modified to exclude Ocean Marine coverages.
Section II, D. 6	Library contents	Library contents value increased per 18.6% inflation value
Section II, D. 7	See Policy	See Policy for details. Wording has been modified for valuation on vehicles greater than 10 years of age to actual cash value.
Section IV, AF. Service of Suit Clause (USA) Applicable to Excess Carriers	See Policy	See Policy for details
Endorsement 1	1. Company means Lexington Insurance Company	1. Company means <u>any Insurance Company offering coverage under this policy.</u>

**ALL RISK COVERAGES
& SUB-LIMITS:
(continued)**

Per Bound TIV	\$10,000,000	Miscellaneous Unnamed Locations for Named Insureds with total insurable values greater than or equal to \$250,000,000 at time of binding or \$5,000,000 Miscellaneous Unnamed Locations for Named Insureds with total insurable values less than \$250,000,000 at time of binding excluding Earthquake coverage for Alaska and California locations. If Flood coverage is purchased for scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V. Vacant properties are sub-limited to \$2,500,000.
365 Days	Extended Period of Indemnity	
See Policy Provisions	\$50,000,000, or a Named Insured's Policy Limit of Liability if less than \$50,000,000, Automatic Acquisition for 120 days except:	<ul style="list-style-type: none"> - \$25,000,000 Automatic Acquisition for 90 days for new sub-member and/or entity of an existing Pools, JPA or Group; - \$25,000,000 Automatic Acquisition for 90 days for Vacant properties; - \$10,000,000 Automatic Acquisition for 120 days for Licensed Vehicles; - \$2,500,000 Automatic Acquisition for 60 days for additional property and/or interests in Tier 1 Wind Counties, Parishes and Independent Cities for the states of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Louisiana, Texas and/or situated anywhere within the states of Florida and Hawaii; - The peril of Earthquake is excluded for the states of Alaska and California; - If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.
\$	1,000,000	Unscheduled Landscaping, tees, sand traps, greens, athletic fields and artificial turf and further subject to \$25,000 / 25 gallon maximum per item for existing Named Insureds excluding Earthquake coverage for Alaska and California locations. If Flood coverage is purchased for scheduled locations, this extension includes Flood coverage for any location not situated in Flood Zones A or V.
\$	5,000,000	or 110% of the scheduled values, whichever is greater, for Scheduled Landscaping, tees, sand traps, greens, athletic fields and artificial turf and further subject to \$25,000 / 25 gallon maximum per item.
\$	5,000,000	or 120% of the scheduled values, whichever is less, for Scheduled Landfills (as more fully defined in the policy).
\$	50,000,000	Errors & Omissions - This extension does not increase any more specific limit stated elsewhere in this policy or Declarations.
\$	25,000,000	Course of Construction and Additions (including new) for projects with completed values not exceeding the sub-limit shown. Projects valued greater than \$15,000,000 require underwriting approval and a premium charge.

ALL RISK COVERAGES & SUB-LIMITS: (continued)	\$	500,000	Money & Securities for named perils only as referenced within the policy, however fraudulent impersonation, fraudulent instruction or similar events are excluded.
	\$	2,500,000	Unscheduled Fine Arts.
	\$	250,000	Accidental Contamination per occurrence and annual aggregate per Named Insured with \$500,000 annual aggregate for all Named Insureds per Declaration. Coverage shall not attach or become insurance upon any property which at the time of loss is more specifically described and covered under any other policy form until the liability of such other insurance has first been exhausted and shall then cover only the excess of value of such property over and above the amount payable under such other insurance, whether collectible or not.
	\$	750,000	Unscheduled infrastructure including but not limited to tunnels, bridges, dams, catwalks (except those not for public use), roadways, highways, streets, sidewalks, culverts, channels, levees, dikes, berms, embankments, landfills (as more fully defined in the policy), docks, piers, wharves, street lights, traffic signals, meters, roadway or highway fencing (including guardrails), and all similar property unless a specific value has been declared. Unscheduled infrastructure coverage is excluded for the peril of Earthquake and excluded for Federal Emergency Management Agency (FEMA) and/or Office of Emergency Services (OES) declared disasters, providing said declaration provides funding for repairs.
	\$	50,000,000	Increased Cost of Construction due to the enforcement of building codes/ ordinance or law (includes All Risk and Boiler & Machinery) except \$2,500,000 for vacant properties.
	\$	25,000,000	Transit - Physical Damage only.
	\$	2,500,000	Unscheduled Animals; not to exceed \$50,000 per Animal, per Occurrence.
	\$	2,500,000	Unscheduled Watercraft up to 27 feet.
		Included	Per Occurrence for Off Premises Vehicle Physical Damage.
	\$	25,000,000	Off Premises Services Interruption including Extra Expense resulting from a covered peril at non-owned/operated locations.
	\$	5,000,000	Per Occurrence Per Named Insured subject to an Annual Aggregate of \$10,000,000 for Earthquake Shock on Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts combined for all Named Insured(s) in this Declaration combined that do not purchase optional dedicated Earthquake Shock coverage, and/or where specific values for such items are not covered for optional dedicated Earthquake Shock coverage as part of the Named Insured's schedule of values held on file with Alliant Insurance Services, Inc..

ALL RISK COVERAGES & SUB-LIMITS: (continued)	\$	5,000,000	Per Occurrence Per Named Insured subject to an Annual Aggregate of \$10,000,000 for Flood on Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts combined for all Named Insured(s) in this Declaration combined that do not purchase optional dedicated Flood coverage, and/or where specific values for such items are not covered for optional dedicated Flood coverage as part of the Named Insured's schedule of values held on file with Alliant Insurance Services, Inc..
	\$	3,000,000	Contingent Business Interruption, Contingent Extra Expense, Contingent Rental Values and Contingent Tuition Income separately.
	\$	3,000,000	Tax Revenue Interruption – Per Policy Provisions. However, if specific values for such coverage have not been reported as part of the Named Insured's schedule of values held on file with Alliant Insurance Services, Inc., this sub-limit amount is limited to \$1,000,000 Per Occurrence – Per Policy Provisions.
	\$	500,000	Jewelry, Furs, Precious Metals and Precious Stones Separately.
	\$	1,000,000	Claims Preparation Expenses.
	\$	50,000,000	Expediting Expenses.
	\$	1,000,000	Personal Property Outside of the USA (including associated Business Interruption).

Not Covered Per Occurrence Per Declaration Upgrade to Green Coverage subject to the lesser of, the cost of upgrade, an additional 25% of the applicable limit of liability shown in the schedule of values or this sub limit.

Not Covered for Communicable Disease.

\$ 100,000 Per Occurrence while in Storage and In Transit coverage subject to \$10,000 Deductible for Unmanned Aircraft as more fully defined in the Policy. Not Covered while in Flight.

\$ 100,000 Per Occurrence with a \$1,000,000 Annual Aggregate per Declaration for Mold/Fungus Resultant Damage as more fully defined in the policy.

\$ 100,000,000 Ingress/Egress Per Occurrence, Per Named Insured for the actual loss sustained during the period of time not exceeding 30 days when, as a direct result of physical loss or damage caused by a covered peril(s) specified by this Policy and occurring at property located within a 10 mile radius of covered property, ingress to or egress from the covered property by this Policy is prevented.

\$ 100,000,000 Interruption By Civil Authority Per Occurrence, Per Named Insured for the actual loss sustained during the period of time not exceeding 30 days when, as a direct result of physical loss or damage caused by a covered peril(s) specified by this Policy and occurring at property located within a 10 mile radius of covered property, access to the covered property is specifically prohibited by order of a civil authority.

\$ 10,000,000 Electronic Data Processing Media.

VALUATION:

- Repair or Replacement Cost (RCV)
- Actual Loss Sustained for Time Element Coverages
- Contractor’s Equipment /Vehicles either Replacement Cost (RCV) or Actual Cash Value (ACV) as declared by each insured. If not declared, valuation will default to Actual Cash Value (ACV)

EXCLUSIONS (Including but not limited to):

- Seepage & Contamination
- Cost of Clean-up for Pollution
- Mold

Deductibles: If two or more deductible amounts provided in the Declaration Page apply for a single occurrence the total to be deducted shall not exceed the largest per occurrence deductible amount applicable. (The Deductible amounts set forth below apply Per Occurrence unless indicated otherwise).

“ALL RISK”

DEDUCTIBLE: \$ 25,000 Per Occurrence, which will apply in the event a more specific deductible is not applicable to a loss.

**DEDUCTIBLES FOR
SPECIFIC PERILS
AND COVERAGES:**

\$	250,000	Per Occurrence for Flood Zones A & V (inclusive of all 100 year exposures).
\$	100,000	All Flood Zones Per Occurrence excluding Flood Zones A & V.
	Not Applicable	for losses to locations in Tier 1 and/or 2 Counties and resulting from a Named Windstorm.
	Not Covered	Earthquake Shock: If the stated deductible is a flat dollar amount, the deductible will apply on a Per Occurrence basis, unless otherwise stated. If the stated deductible is on a percentage basis, the deductible will apply Per Occurrence on a Per Unit basis, as defined in the policy form, subject to the minimum deductible per occurrence.
\$	1,000	Per Occurrence for Specially Trained Animals.
\$	500,000	Unscheduled infrastructure including but not limited to tunnels, bridges, dams, catwalks (except those not for public use), roadways, highways, streets, sidewalks, culverts, channels, levees, dikes, berms, embankments, landfills (as more fully defined in the policy), docks, piers, wharves, street lights, traffic signals, meters, roadway or highway fencing (including guardrails), and all similar property unless a specific value has been declared. Unscheduled infrastructure coverage is excluded for the peril of Earthquake and excluded for Federal Emergency Management Agency (FEMA) and/or Office of Emergency Services (OES) declared disasters, providing said declaration provides funding for repairs.
\$	10,000	Per Vehicle or Item for Licensed Vehicles, Unlicensed Vehicles and Contractor's Equipment subject to \$100,000 Maximum Per Occurrence, Per Named Insured for the peril of Earthquake for Named Insured(s) who do not purchase dedicated Earthquake limits.
\$	50,000	Per Occurrence Per Named Insured for this Declaration for Fine Arts for the peril of Earthquake for Named Insured(s) who do not purchase dedicated Earthquake limits.
\$	10,000	Per Vehicle or Item for Licensed Vehicles, Unlicensed Vehicles and Contractor's Equipment subject to \$100,000 Maximum Per Occurrence, Per Named Insured for the peril of Flood for Named Insured(s) who do not purchase dedicated Flood limits.
\$	50,000	Per Occurrence Per Named Insured for this Declaration for Fine Arts for the peril of Flood for Named Insured(s) who do not purchase dedicated Flood limits.
	24 Hour	Waiting Period for Service Interruption for All Perils and Coverages.
	2.5%	of Annual Tax Revenue Value per Location for Tax Interruption.
	24 Hour	Waiting Period for Ingress/Egress
	24 Hour	Waiting Period for Civil Authority

\$ 25,000, Except \$50,000 for all police vehicles valued under \$250,000; \$100,000 for All Vehicles with RCV of \$250,000 to \$750,000; \$250,000 for All Vehicles with RCV in Excess of \$750,000 Per Occurrence for Off Premises Vehicle Physical Damage. If Off-Premises coverage is included/purchased, the stated deductible will apply to vehicle physical damage both on and off-premises on a Per Occurrence basis, unless otherwise stated. If Off-Premises coverage is not included, On-Premises/In-Yard coverage is subject to the All Risk (Basic) deductible.

Replacement Cost Vehicle Valuation Basis

\$ 25,000 Per Occurrence for Contractor's Equipment.

RC Contractor's Equipment Valuation Basis

SPECIAL TERMS AND CONDITIONS:

It is understood and agreed that notwithstanding anything contained herein to the contrary the following shall apply to this Policy:

The following stand-alone coverages are provided by the APIP program but are not covered in the Limit of Liability or the Sub-Limits of Liability above or attached to the Master Policy Form Wording. However, the coverage costs are included in the APIP Total Cost noted below. Carriers providing these coverages are included in the Schedule of Carriers.

\$ 100,000,000 Per Named Insured Per Occurrence subject to \$200,000,000 Annual Aggregate of Declarations 1-14, 18-30 and 32-35 combined as respects Property Damage, Business Interruption, Rental Income and Extra Expense Combined for Terrorism (Primary Layer).

\$ 25,000 Per Occurrence Deductible for Primary Terrorism.

\$ 600,000,000 Per Named Insured for Terrorism (Excess Layer) subject to;

\$ 1,100,000,000 Per Occurrence, All Named Insureds combined in Declarations 1-14, 18-21, 23-30 and 32-35 for Terrorism (Excess Layer) subject to;

\$ 1,400,000,000 Annual Aggregate shared by all Named Insureds combined in Declarations 1-14, 18-21, 23-30 and 32-35, as respects Property Damage, Business Interruption, Rental Income and Extra Expense combined for Terrorism (Excess Layer).

\$ 500,000 Per Occurrence Deductible for Excess Terrorism (Applies only if the Primary Terrorism Limit is exhausted).

Included Information Security & Privacy Insurance with Electronic Media Liability Coverage. See attached Cyber Coverage Summary for applicable Limits. (Cyber Liability) If, insured purchases such coverage.

TBD Per Named Insured, Per occurrence subject to an Annual Aggregate of Declarations 1-14, 18-30 and 32-35 as respects Personal and Real property for Cyber Attack Resultant Damage

Included - Healthcare Pollution Policy Pollution Liability Insurance Coverage. See attached Pollution Liability Insurance Coverage Document for applicable limits and deductibles. If, insured purchases such coverage. If, insured purchases such coverage.

TERMS & CONDITIONS:

Sub-limits, terms and conditions are subject to change.

25% Minimum Earned Premium and cancellations subject to 10% penalty

Except Cyber Liability Premium is calculated on a pro-rata basis, unless there is a claim in which case the premium is deemed fully earned. If, insured purchases such coverage.

Except Pollution Liability Premium is 100% Earned at Inception, unless there is a claim in which premium is deemed fully earned. If, insured purchases such coverage.

NOTICE OF CANCELLATION:

90 Days except 10 Days for non-payment of premium

OPTION 1	\$ 25,000 A/R Ded.
	Annual Cost*
Total Property Premium:	\$ 320,673.00
Excess Boiler:	\$ 2,238.00
Cyber Liability Premium:	\$ 11,037.00
Pollution Liability Premium:	\$ 1,641.00
ABS Fee:	\$ 3,240.00
SLT&F's (Estimate)	\$ 10,671.73
Broker Fee:	\$ 8,095.93
TOTAL COST †: (Including Taxes and Fees)	\$ 357,596.66

OPTIONAL QUOTE(S) All terms and conditions are the same as quoted above with the exception of the following:

OPTION 2	\$ 50,000 A/R Ded.
	Annual Cost*
Total Property Premium:	\$ 309,047.00
Excess Boiler:	\$ 2,238.00
Cyber Liability Premium:	\$ 11,037.00
Pollution Liability Premium:	\$ 1,641.00
ABS Fee:	\$ 3,089.00
SLT&F's (Estimate)	\$ 10,302.02
Broker Fee:	\$ 7,805.28
TOTAL COST †: (Including Taxes and Fees)	\$ 345,159.30

OPTION 3	\$ 100,000 A/R Ded.
	Annual Cost*
Total Property Premium:	\$ 298,003.00
Excess Boiler:	\$ 2,238.00
Cyber Liability Premium:	\$ 11,037.00
Pollution Liability Premium:	\$ 1,641.00
ABS Fee:	\$ 2,945.00
SLT&F's (Estimate)	\$ 9,950.83
Broker Fee:	\$ 7,529.18
TOTAL COST †: (Including Taxes and Fees)	\$ 333,344.01

*Premiums are based on valid selectable options and the TIV's above. Changes in TIV's will require a premium adjustment.

† TOTAL COST includes: premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes (excluding the Cyber Enhancement premium - should you have elected to purchase this coverage)

PRINT DATE: June 15, 2023

QUOTE VALID UNTIL: July 1, 2023

BROKER: **ALLIANT INSURANCE SERVICES, INC.**
License No. 0C36861
Chris M. Tobin, ARM-P
Senior Vice President

Miki M Fujii
Account Manager

NOTES:

- **Some coverage, limits, sub-limits, terms and conditions will change, as negotiations are ongoing. Changes will be documented and accompany the Binder Confirmation for July 1, 2023 bound terms. Changes include but are not limited to a \$5M limit for landfills (as defined in the policy), restriction of valuation on vehicles greater than 10 years of age to actual cash value and expanding coverage on personal property outside of the United States to include associated Business Interruption. Coverage outlined in this Proposal is subject to the terms and conditions being negotiated with the policy. To be finalized and presented at Program Inception. Note: In addition to program specific changes noted, there are general restrictions within the market that we will address during the renewal process. Potential market restrictions include but are not limited to Strike, Riot and Civil Commotion and valuation restrictions (i.e. margin clauses and/or occurrence limit of liability endorsements).**
- **For most members the All Risk limit is \$800,000,000 in the proposal. The All Risk limit is estimated to bind between \$500,000,000 and \$1,000,000,000. If your All Risk limits are less than \$500,000,000 they are not expected to change.**
- **The program expects to continue purchasing Cyber Resultant Physical Damage cover which is provided to members purchasing Terrorism within the program – limits to be determined. See expiring Policy No. B0180PF2209084 and B0180PF2209624 for current coverage details.**
- **This proposal is based on the current loss experience and is subject to change if this insured's loss ratio deteriorates further and/or if the markets suffer a catastrophic event**
- **Change in Total Insurable Values will result in adjustment in premium**
- **Each line of coverage is rated separately. Increases in TIV's on highly rated coverages such as Vehicles, CE, EQ or 100 year Flood Zones, etc. may increase the insured's average account rate.**
- **The flood zones provided on the Schedule of Values (SOVs) are for rating purposes only. The actual flood zone will be determined at the time of loss.**

**ALLIANT INSURANCE SERVICES, INC.
ALLIANT PROPERTY INSURANCE PROGRAM (APIP)
BOILER AND MACHINERY PROPOSAL**

PROGRAM: Hospital All Risk Property Program (HARPP)
NAMED INSURED: El Centro Regional Medical Center
POLICY PERIOD: July 1, 2023 to July 1, 2024
COMPANIES: See Attached List of Companies
TOTAL INSURED VALUES: \$ 159,359,519 as of June 15, 2023
STATUS/RATING: See Attached List of Companies

COVERAGES & LIMITS:

\$	100,000,000	Boiler Explosion and Machinery Breakdown, (for those Named Insureds that purchase this optional dedicated coverage) as respects Combined Property Damage and Business Interruption/Extra Expense (Including Bond Revenue Interest Payments where Values Reported and excluding Business Interruption for power generating facilities unless otherwise specified). Limit includes loss adjustment agreement and electronic computer or electronic data processing equipment with the following sub-limits:
	Included	Jurisdictional and Inspections.
\$	10,000,000	Per Occurrence for Service/Utility/Off Premises Power Interruption.
	Included	Per Occurrence for Consequential Damage/Perishable Goods/Spoilage.
\$	10,000,000	Per Occurrence for Electronic Data Processing Media and Data Restoration.
\$	2,000,000	Per Occurrence, Per Named Insured and in the Annual Aggregate per Declaration for Earthquake Resultant Damage for Named Insureds who purchase Dedicated Earthquake Coverage.
\$	10,000,000	Per Occurrence for Hazardous Substances / Pollutants / Decontamination.
	Included	Per Occurrence for Machine or Apparatus used for Research, Diagnosis, Medication, Surgical, Therapeutic, Dental or Pathological Purposes.

NEWLY ACQUIRED LOCATIONS:

\$ 25,000,000 Automatic Acquisition for Boiler & Machinery values at newly acquired locations. Values greater than \$25,000,000 or Power Generating Facilities must be reported within 120 days and must have prior underwriting approval prior to binding

VALUATION:

Repair or Replacement except Actual Loss sustained for all Time Element coverages

EXCLUSIONS

(Including but not limited to):

- Testing
- Explosion, except for steam or centrifugal explosion
- Explosion of gas or unconsumed fuel from furnace of the boiler

OBJECTS EXCLUDED:

(Including but not limited to):

- Insulating or refractory material
- Buried Vessels or Piping

NOTICE OF CANCELLATION:

90 days except 10 days for non-payment of premium

DEDUCTIBLES:

\$ 10,000	Except as shown for Specific Objects or Perils.
\$ 10,000	Electronic Data Processing Media.
\$ 10,000	Consequential Damage.
\$ 10,000	Objects over 200 hp, 1,000 KW/KVA/Amps or Boilers over 5,000 square feet of heating surface.
\$ 10,000	Objects over 350 hp, 2,500 KW/KVA/Amps or Boilers over 10,000 square feet of heating surface.
\$ 10,000	Objects over 500 hp, 5,000 KW/KVA/Amps or Boilers over 25,000 square feet of heating surface.
\$ 10,000	Objects over 750 hp, 10,000 KW/KVA/Amps or Boilers over 75,000 square feet of heating surface.
\$ 10,000	Objects over 25,000 hp, 25,000 KW/KVA/Amps or Boilers over 250,000 square feet of heating surface.
\$ 10 per foot / \$2,500 Minimum	Deep Water Wells.
24 Hour Waiting Period	Utility Interruption.
24 Hours	Business Interruption/Extra Expense Except as noted below.
30 Days	Business Interruption - Revenue Bond.
5 x 100% of Daily Value	Business Interruption - All objects over 750 hp or 10,000 KW/KVA/Amps or 10,000 square feet heating surface.
5 x 100% of Daily Value	Business interruption - All Objects at Waste Water Treatment Facilities and All Utilities.

Annual Cost	
COST:	Cost is included on Property Proposal
PRINT DATE:	June 15, 2023
PROPOSAL VALID UNTIL:	July 1, 2023
BROKER:	ALLIANT INSURANCE SERVICES, INC. License No. 0C36861 Chris M. Tobin, ARM-P Senior Vice President Miki M Fujii Account Manager

NOTES:

- *Some coverage, limits, sub-limits, terms and conditions will change, as negotiations are ongoing. Changes will be documented and accompany the Binder Confirmation for July 1, 2023 bound terms.*
- *This proposal is based on the current loss experience and is subject to change if this insured's loss ratio deteriorates further and/or if the markets suffer a catastrophic event*
- *Coverage outlined in this Proposal is subject to the terms and conditions being negotiated with the policy. To be finalized and presented at Program Inception.*
- *Change in Total Insurable Values will result in adjustment in premium*

Alliant Property Insurance Program
2023-2024 Policy Year
Schedule of Insurers (Proposed)

Company	A.M. Best's I.D. #	A.M. Best's Guide Rating	Standard and Poor's	State of California
Arch Specialty Insurance Company	012523	A+, Superior; Financial Size Category 15; \$2,000,000,000 to greater (As of 03/16/23)	A+ (As of 06/23/22)	Non-Admitted
Associated Industries Insurance Co. Inc. (Cyber)	011693	A-, Excellent; Financial Size Category 15; \$2,000,000,000 to greater (As of 08/31/22)	Not Rated (As of 05/02/23)	Non-Admitted
Chubb Bermuda Insurance Ltd.	086361	A++, Superior; Financial Size Category 15; \$2,000,000,000 or Greater (As of 12/01/22)	AA (As of 06/24/16)	Non-Admitted
Convex Insurance UK Limited	071499	A-, Excellent; Financial Size Category 15; \$2,000,000,000 or greater (As of 05/19/22)	A- (As of 05/29/20)	Non-Admitted
Endurance Worldwide Insurance Limited	083234	A+, Superior; Financial Size Category 15; \$2,000,000,000 or greater (As of 09/16/22)	A+ (As of 04/26/18)	Non-Admitted
Evanston Insurance Co.	003759	A, Excellent; Financial Size Category 15; \$2,000,000,000 or Greater (As of 09/30/22)	A (As of 07/27/17)	Non-Admitted
Fidelis Underwriting Limited	093764	A, Excellent; Financial Size Category 14; \$1,500,000,000 to \$2,000,000,000 (As of 02/03/23)	A- (As of 08/03/22)	Non-Admitted
Fortegra Specialty Insurance Company	020936	A-, Excellent; Financial Size Category 9; \$250,000,000 to \$500,000,000 (As of 11/17/22)	Not Rated (As of 05/02/23)	Non-Admitted
Harleysville Insurance Co. of New York	012051	A+, Superior; Financial Size Category 15; \$2,000,000,000 or greater (As of 12/01/22)	A+ (As of 04/23/13)	Non-Admitted
International General Insurance Co.	091476	A, Excellent; Financial Size Category 9; \$250,000,000 to \$500,000,000 (As of 11/30/22)	A- (As of 06/08/15)	Non-Admitted
Ironshore Specialty Insurance Company (Pollution)	013866	A, Excellent; Financial Size Category 15; \$2,000,000,000 or greater (As of 07/27/22)	A (As of 05/02/17)	Non-Admitted
Lancashire Insurance Company (UK) Ltd.	078390	A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 (As of 12/02/22)	A- (As of 02/28/18)	Non-Admitted
Landmark American Insurance Co.	012619	A++, Superior; Financial Size Category 14; \$1,500,000,000 to \$2,000,000,000 (As of 01/10/23)	AA+ (As of 10/19/22)	Non-Admitted

**Alliant Property Insurance Program
2023-2024 Policy Year
Schedule of Insurers (Proposed)**

Company	A.M. Best's I.D. #	A.M. Best's Guide Rating	Standard and Poor's	State of California
Lexington Insurance Company	002350	A, Excellent; Financial Size Category 15; \$2,000,000,000 or Greater (As of 12/16/22)	A+ (As of 03/29/22)	Non-Admitted
Liberty Surplus Insurance Corp. (Cyber)	012078	A, Excellent; Financial Size Category 15; \$2,000,000,000 or Greater (As of 07/27/22)	A (As of 07/17/14)	Non-Admitted
Lloyd's of London	085202	A, Excellent; Financial Size Category 15; \$2,000,000,000 or Greater (As of 07/15/22)	A+ (As of 06/14/19)	Non-Admitted
Munich Reinsurance Company	085770	A+, Superior; Financial Size Category 15; \$2,000,000,000 or Greater (As of 07/27/22)	AA- (As of 12/22/06)	Non-Admitted
National Fire and Marine Insurance Company (Berkshire)	002428	A++, Superior; Financial Size Category 15; \$2,000,000,000 or Greater (As of 02/03/23)	AA+ (As of 09/26/18)	Non-Admitted
National Union Fire Insurance Co.	002351	A, Excellent; Financial Size Category 15; \$2,000,000,000 or Greater (As of 12/16/22)	A+ (As of 03/29/22)	Admitted
PartnerRe Ireland Insurance Ltd.	088621	A+, Superior; Financial Size Category 15; \$2,000,000,000 or Greater (As of 05/24/22)	A+ (As of 10/29/21)	Non-Admitted
RSUI Indemnity Company	012603	A++, Superior; Financial Size Category 14; \$1,500,000,000 to \$2,000,000,000 (As of 01/10/23)	AA+ (As of 10/19/22)	Admitted
StarStone Specialty Insurance Company	011432	A-, Excellent; Financial Size Category 12; \$1,000,000,000 to \$1,250,000,000 (As of 08/04/22)	Not Rated (As of 05/02/23)	Non-Admitted
Westchester Surplus Lines Insurance Co.	004433	A++, Superior; Financial Size Category 15; \$2,000,000,000 or Greater (As of 12/01/22)	AA (As of 06/24/16)	Non-Admitted
Westport Insurance Corporation	000347	A+, Superior; Financial Size Category 15; \$2,000,000,000 or Greater (As of 08/18/22)	AA- (As of 05/07/20)	Admitted
XL Insurance America Inc.	002423	A+, Superior; Financial Size Category 15; \$2,000,000,000 or Greater (As of 11/09/22)	AA- (As of 11/19/18)	Admitted

**ALLIANT INSURANCE SERVICES, INC.
 ALLIANT PROPERTY INSURANCE PROGRAM (APIP)
 CYBER INSURANCE SUMMARY PROPOSAL**

TYPE OF COVERAGE: Information Security & Privacy Insurance with Electronic Media Liability Coverage

PROGRAM: Alliant Property Insurance Program (APIP) inclusive of Public Entity Property Insurance Program (PEPIP), and Hospital All Risk Property Program (HARPP)

NAMED INSURED: Which may include any member(s), entity(ies), agency(ies), organization(s), enterprise(s) and/or individual(s), attaching to each Declaration insured under the ALLIANT PROPERTY INSURANCE PROGRAM (APIP), inclusive of PUBLIC ENTITY PROPERTY INSURANCE PROGRAM (PEPIP) and HOSPITAL ALL RISK PROPERTY PROGRAM (HARPP) as their respective rights and interests may appear which now exist or which hereafter may be created or acquired and which are owned, financially controlled or actively managed by the herein named interest, all jointly, severally or in any combination of their interests, for account of whom it may concern (all hereinafter referred to as Member(s) / Entity(ies)).

DECLARATION: Various Declarations as on file with Insurer

POLICY PERIOD: July 1, 2023 to July 1, 2024

POLICY #: TBD

TERRITORY: WORLD-WIDE

RETROACTIVE DATE: HARPP
 For new insured's post renewal, the retro active date will be the date of addition July 1, 2009 for insured's endorsed onto the July 1, 2009/10 policy at a \$500,000 limit except not provide a "No Known Losses Letter" then the retro date is the date that 1, 2010 for \$1,500,000 excess \$500,000)

INSURER: Lloyd's of London - Beazley Syndicate:
 Syndicates 2623 - 623 - 100%

COVERAGES & LIMITS:	Ai.	\$	45,000,000	Annual Policy and Program Aggregate Limit of Liability (subject to policy exclusions) for all Insureds/Members combined (Aggregate for all coverages combined, including Claims Expenses), subject to the following limits and sub-limits as noted.
	Aii.	\$	40,000,000	JPA/Pool Annual Aggregate Limit of Liability , (subject to policy exclusions) for each JPA/Pool, <u>within</u> the Annual Policy and Program Aggregate Limit of Liability (Aggregate for all coverages combined, including Claim Expenses) subject to the following limits and sub-limits as noted

Aiii. \$ 2,000,000 **Insured/Member Annual Aggregate Limit of Liability** (subject to policy exclusions) for each Insured/Member, **within** the Annual Policy and Program Aggregate Limit of Liability **and** JPA/Pool Annual Aggregate Limit of Liability (Aggregate for all coverages combined, including Claim Expenses) subject to the following limits and sub-limits as noted.

BREACH RESPONSE

Breach Response Costs: \$ 500,000 **Aggregate Limit of Liability** for each Insured/Member (Limit is increased to \$1,000,000 if Beazley Nominated Services Providers are used)

FIRST PARTY LOSS

Business Interruption and Dependent Business Interruption Aggregate Sublimit \$ 750,000 **Aggregate Limit of Liability** for each Insured/Member

Business Interruption Loss Resulting from Security Breach: \$ 750,000 **Aggregate Limit of Liability** for each Insured/Member (Within the \$750,000 Business Interruption and Dependent Business Interruption Aggregate Sublimit)

Business Interruption Loss Resulting from System Failure: \$ 500,000 **Aggregate Limit of Liability** for each Insured/Member (Within the \$750,000 Business Interruption and Dependent Business Interruption Aggregate Sublimit)

Dependent Business Loss Resulting from Security Breach: \$ 750,000 **Aggregate Limit of Liability** for each Insured/Member (Within the \$750,000 Business Interruption and Dependent Business Interruption Aggregate Sublimit)

Dependent Business Loss Resulting from System Failure: \$ 100,000 **Aggregate Limit of Liability** for each Insured/Member (Within the \$750,000 Business Interruption and Dependent Business Interruption Aggregate Sublimit)

Cyber Extortion Loss: \$ 750,000 **Aggregate Limit of Liability** for each Insured/Member

Data Recovery Costs: \$ 750,000 **Aggregate Limit of Liability** for each Insured/Member

Data & Network Liability: \$ 2,000,000 **Aggregate Limit of Liability** for each Insured/Member for all Damages and Claims Expenses

Regulatory Defense & Penalties: \$ 2,000,000 **Aggregate Limit of Liability** for each Insured/Member

Payment Card Liabilities & Costs: \$ 2,000,000 **Aggregate Limit of Liability** for each Insured/Member

Media Liability: \$ 2,000,000 **Aggregate Limit of Liability** for each Insured/Member for all Damages and Claims Expenses

eCRIME

Fraudulent Instruction:	\$	75,000	Aggregate Limit of Liability for each Insured/Member
Funds Transfer Fraud:	\$	75,000	Aggregate Limit of Liability for each Insured/Member
Telephone Fraud:	\$	75,000	Aggregate Limit of Liability for each Insured/Member

CRIMINAL REWARD

Criminal Reward:	\$	25,000	Aggregate Limit of Liability for each Insured/Member
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**COVERAGE
ENDORSEMENT(S)**

Reputation Loss:	\$	100,000	Aggregate Limit of Liability for each Insured/Member
Claims Preparation Costs for Reputation Loss Claims Only:	\$	50,000	Aggregate Limit of Liability for each Insured/Member
Computer Hardware Replacement Costs:	\$	100,000	Aggregate Limit of Liability for each Insured/Member
Invoice Manipulation:	\$	100,000	Aggregate Limit of Liability for each Insured/Member
Cryptojacking:	\$	25,000	Aggregate Limit of Liability for each Insured/Member

RETENTION:	\$	TBD	CSU Auxiliary Organizations only
	\$	50,000	Per Claim for each Member/Insured with Total Insured Value (TIV) up to \$250,000,000 at the time of policy inception 8 Hour waiting period for Dependent/Business Interruption Loss
	\$	100,000	Per Claim for each Member/Insured with Total Insured Value (TIV) greater than \$250,000,000 and up to \$750,000,000 at the time of policy inception 8 Hour waiting period for Dependent/Business Interruption Loss
	\$	250,000	Per Claim for each Member/Insured with Total Insured Value (TIV) greater than \$750,000,000 at the time of policy inception 8 Hour waiting period for Dependent/Business Interruption Loss

NOTICES:

Policy coverage of this policy provides coverage on a claims made and reported basis; except as otherwise provided, coverage under noted coverage schedule applies only to claims first made against the Insured/Member and reported to underwriters during the policy period. Claims expenses shall reduce the applicable limit of liability and are subject to the applicable retention.

This is a shared limit policy among the Named Insureds. The per Insured/Member policy limits are on a per claim or incident for each Insured/Member basis, sub-limits listed are aggregated per Insured/Member and are within the total Insured/Member aggregate limit. In the event of a claim/incident with multiple Insureds/Members exhausting the program aggregate limit provided by the Insurer to Insureds/Members, payment to all Insureds/Members for the claim/incident will be determined by the Insurer. Where coverages are aggregated, sub-limit and limits apply to all Insureds/Members for the entire Policy Period unless specifically stated otherwise. The policy aggregate limit is not a per Insured/Member maximum limit.

EXTENDED REPORTING PERIOD:

For Named Insured - To be determined at the time of election (additional premium will apply)

SPECIFIC COVERAGE PROVISIONS:

A. Breach Response indemnifies the Insured/Member for Breach Response Costs incurred by the Insured/Member because of an actual or reasonably suspected Data Breach or Security Breach that the Insured first discovers during the Policy Period.

B. First Party Loss

Business Interruption Loss indemnifies the Insured/Member for a Business Interruption Loss sustained as a result of a Security Breach or System Failure that the Insured first discovers during the Policy Period.

Dependent Business Interruption Loss indemnifies the Insured/Member for a Dependent Business Interruption Loss sustained as a result of a Security Breach or a System Failure that the Insured first discover during the Policy Period.

Cyber Extortion Loss indemnifies the Insured/Member for a Cyber Extortion Loss incurred as a result of an Extortion Threat first made against the Insured/Member during the Policy Period.

Data Recovery Costs indemnifies the Insured/Member for Data Recovery Costs incurred as a direct result of a Security Breach or System Failure that the Insured first discovers during the Policy Period.

C. Liability

Data & Network Liability pays Damages and Claims Expenses, which the Insured is legally obligated to pay because of any Claim first made against any Insured during the Policy Period for a Data Breach, a Security Breach, the Insured's failure to disclose a Data Breach or Security Breach, or failure of the Insured to comply with the part of a Privacy Policy that specifically is related to disclosure, access or procedures related to Personally Identifiable Information.

Regulatory Defense & Penalties pays Penalties and Claims Expenses, which the Insured is legally obligated to pay because of a Regulatory Proceeding first made against any Insured during the Policy Period for a Data Breach or a Security Breach.

Payment Card Liabilities & Costs indemnifies the Insured/Member for PCI Fines, Expenses and Costs which it is legally obligated to pay because of a Claim first made against any Insured during the Policy Period.

Media Liability pays Damages and Claims Expenses, which the Insured is legally obligated to pay because of any Claim first made against any Insured during the Policy Period for electronic Media Liability.

D. eCrime indemnifies the Insured/Member for any direct financial loss sustained resulting from:

- *Fraudulent Instruction*
- *Funds Transfer Fraud*
- *Telephone Fraud*

That the Insured first discovers during the Policy Period.

E. Criminal Reward indemnifies the Insured/Member for Criminal Reward Funds.

**Coverage
Endorsement(s)**

Reputational Loss indemnifies the Insured Organization for Reputation Loss that the Insured Organization sustains solely as a result of an Adverse Media Event that occurs during the Policy Period, concerning: a Data Breach, Security Breach, or Extortion Threat that the Insured first discovers during the Policy Period

Computer Hardware Replacement Costs is part of the Extra Expense coverage. Extra Expense means reasonable and necessary expenses incurred by the Insured Organization during the Period of Restoration to minimize, reduce or avoid Income Loss, over and above those expenses the Insured Organization would have incurred had no Security Breach, System Failure, Dependent Security Breach or Dependent System Failure occurred; and includes reasonable and necessary expenses incurred by the Insured Organization to replace computers or any associated devices or equipment operated by, and either owned by or leased to, the Insured Organization that are unable to function as intended due to corruption or destruction of software or firmware directly resulting from a Security Breach

Invoice Manipulation indemnifies the Insured Organization for Direct Net Loss resulting directly from the Insured Organization's inability to collect Payment for any goods, products or services after such goods, products or services have been transferred to a third party, as a result of Invoice Manipulation that the Insured first discovers during the Policy Period. Invoice Manipulation means the release or

distribution of any fraudulent invoice or fraudulent payment instruction to a third party as a direct result of a Security Breach or a Data Breach.

Cryptojacking indemnifies the Insured Organization for any direct financial loss sustained resulting from Cryptojacking that the Insured first discovers during the Policy Period. Cryptojacking means the Unauthorized Access or Use of Computer Systems to mine for Digital Currency that directly results in additional costs incurred by the Insured Organization for electricity, natural gas, oil, or internet.

EXCLUSIONS:
(Including but not limited to)

Coverage does not apply to any claim or loss from:

- Bodily Injury or Property Damage
- Trade Practices and Antitrust
- Gathering or Distribution of Information
- Prior Known Acts & Prior Noticed Claims
- Racketeering, Benefit Plans, Employment Liability & Discrimination
- Sale or Ownership of Securities & Violation of Securities Laws
- Criminal, Intentional or Fraudulent Acts
- Patent, Software Copyright, Misappropriation of Information
- Governmental Actions
- Other Insureds & Related Enterprises
- Trading Losses, Loss of Money & Discounts
- Media-Related Exposures – Contractual liability or obligation
- Nuclear Incident
- Radioactive Contamination
- Sanctions Limitation
- War and Civil War
- Asbestos, Pollution and Contamination
- First Party Loss – with respects: 1. seizure, nationalization, confiscation, or destruction of property or data by order of any governmental or public authority; 2. costs or expenses incurred by the Insured to identify or remediate software program errors or vulnerabilities or update, replace, restore, assemble, reproduce, recollect or enhance data or Computer Systems to a level beyond that which existed prior to a Security Breach, System Failure, Dependent Security Breach, Dependent System Failure or Extortion Threat; 3. failure or malfunction of satellites or of power, utility, mechanical or telecommunications (including internet) infrastructure or services that are not under the Insured Organization’s direct operational control; or 4. fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, landslide, act of God or other physical event.

NOTICE OF CLAIM:

- **IMMEDIATE NOTICE** must be made to Beazley NY of all potential claims and circumstances (assistance, and cooperation clause applies)
- Claim notification under this policy is to:
 Beazley Group
 Attn: TMB Claims Group
 1270 Avenue of the Americas
 New York, NY 10020
bbr.claims@beazley.com

NOTICE OF CANCELLATION: 10 days for non-payment of premium

CYBER COST: Cost is included in Total Property Premium

OTHER SERVICES Unlimited Access to Beazley Breach Solutions website

BROKER: ALLIANT INSURANCE SERVICES, INC.

License No. 0C36861

NOTES:

- **Some coverage, limits, sub-limits, terms and conditions will change, as negotiations are ongoing. Changes will be documented and accompany the Binder Confirmation for July 1, 2023 bound terms. Coverage outlined in this Proposal is subject to the terms and conditions being negotiated with the policy. To be finalized and presented at Program Inception.**
- **This proposal is based on the current loss experience and is subject to change if this insured's loss ratio deteriorates further and/or if the markets suffer a catastrophic event.**
- **Change in Total Insurable Values and loss experience will result in adjustment in premium.**

SUMMARY OF CYBER INSURANCE CHANGES

THE FOLLOWING ITEMS ARE PROPOSED CHANGES FOR THE 2023-2024 POLICY TERM

Coverage	2022-2023	2023-2024 Proposed Changes	Status
Beazley Breach Response Endorsement	Coverage offered to new and existing Members – Underwriting required	Coverage offered to new and existing Members – Underwriting required	New Underwriting guidelines established, sent to retail team.
Retention Buy Down	Coverage not offered to new members.	Coverage is being offered to new and existing members; underwriting required	New Underwriting guidelines established, sent to retail team.
New members to APIP Cyber Core- Mid Term Transactions	Required underwriting for mid-term transactions	New this year; no underwriting, all members requesting core coverage are eligible.	New Underwriting guidelines established, sent to retail team.
Beazley Core Coverage	War and Civil War Exclusion MANU	New this year: War and Civil War Exclusion with Single Entity Impact Carve Back	
Beazley Core Coverage	First Party Loss Exclusions Amendatory Endorsement MANU	New this year: Expands and clarifies First Party Loss exclusions to include Financial and Digital/Internet Infrastructure	

**ALLIANT INSURANCE SERVICES, INC.
HOSPITAL ALL RISK PROPERTY PROGRAM (APIP)**

POLLUTION LIABILITY COVERAGE PROPOSAL

TYPE OF INSURANCE: Insurance Reinsurance

TYPE OF COVERAGE: Claims Made and Reported Pollution Liability

PROGRAM: **Hospital All Risk Property Program (HARPP)**

NAMED INSURED: Any member(s), entity(ies), agency(ies), organization(s), enterprise(s), and/or individual(s) insured as per Named Insured Schedule on file with Insurer, listed below.

POLICY PERIOD: July 1, 2023 to July 1, 2024

RETROACTIVE DATE: This coverage shall only apply if the Pollution Incident or Disinfection Event giving rise to the Claim, Loss, Business Interruption Expenses or Extra Expenses commenced, in its entirety, on or after July 1, 2015, or the date that the Insured first joined the Hospital All Risk Property Program (HARPP) for environmental or pollution insurance coverage, whichever is later.

- July 1, 2023 for Contractor's Pollution
- July 1, 2023 for Mold Matter

COMPANY: Ironshore Specialty Insurance Company

A.M. BEST INSURANCE RATING: A, Excellent, Financial Size Category XV (\$2 Billion or greater)
Effective July 27, 2022

STANDARD & POORS RATING: A (Strong) as of May 2, 2017

ADMITTED STATUS: Non-Admitted in all states.

COVERED PROPERTY: Per the following SOVs submitted and on file with carrier:

1. DEC 6 – SOVs
2. DEC 7 – SOVs
3. DEC 8 – SOVs
4. DEC 9 – SOVs
5. DEC 10 – SOVs

Covered locations include any real property owned, leased, rented, operated or occupied by the Insured at policy inception.

COVERAGES & LIMITS:	\$25,000,000	Policy Program Aggregate
	\$ 2,000,000	Per Pollution Incident
	\$ 2,000,000	Per Named Insured Aggregate
	\$ 2,000,000	Per JPA/Pool Aggregate
SUB-LIMITS:	\$ 250,000	Image Restoration Per Pollution Incident*
	\$ 250,000	Image Restoration Program Aggregate*
	\$ 250,000	Evacuation Expenses Per Pollution Incident*
	\$ 250,000	Evacuation Expenses Program Aggregate*
	\$ 250,000	Disinfection Event Expenses Per Pollution Incident*
	\$ 250,000	Disinfection Event Expenses Program Aggregate*
	\$ 1,000,000	Mold Matter Loss, Business Interruption and Extra Expense Program Aggregate*
	\$ 1,000,000	Legionella Program Aggregate*
	\$ 1,000,000	Sewer Backup and Overcharge Program Aggregate*
	\$ 1,000,000	Lead Program Aggregate*
	\$ 2,000,000	Contractors Pollution Per Pollution Incident*
	\$ 5,000,000	Contractors Pollution Program Aggregate*
	\$ 5,000,000	Wildfire Program Aggregate*
	\$ 100,000	Communicable Disease Loss of Income and Payroll Expenses Program Aggregate*

*Note: the above sub-limits payable under this coverage do not increase and are not in addition to the applicable limit of liability.

EXTENDED REPORTING PERIOD:

Automatic Extended Reporting Period

The Named Insured shall be entitled to an Automatic Extended Reporting Period for a period of ninety (90) days following the effective date of termination of this Policy for no additional premium. This automatic ERP does not apply if the insured has purchased other insurance to replace the insurance provided by this policy.

SPECIFIC COVERAGE PROVISIONS:

Coverage A – Third Party Claims for Bodily Injury, Property Damage or Remediation Expenses

To pay on behalf of the Insured, Loss that the Insured becomes legally obligated to pay as a result of Claims for Bodily Injury, Property Damage or Remediation Expenses directly resulting from a Pollution Incident, provided that the Claim is first made against the Insured and reported to the Company in writing during the Policy Period, or during the Extended Reporting Period if applicable.

Coverage B – First Party Remediation Expenses

To pay on behalf of the Insured, Remediation Expenses directly resulting from a Pollution Incident on, at or under a Covered Property, provided that:

1. The Pollution Incident is first discovered by the Insured during the Policy Period. Discovery of a Pollution Incident happens when a Responsible Insured first becomes aware of the Pollution Incident; and
2. The Insured reports the Pollution Incident to the Company, in writing, during the Policy Period; and
3. The Pollution Incident is promptly reported by the Insured to the appropriate governmental authority if and as required by Environmental Laws.

**SPECIFIC COVERAGE
PROVISIONS –
CONTINUED:**

Coverage C – Emergency Response Expenses

To pay on behalf of the Insured, Emergency Response Expenses incurred by or on behalf of the Insured in response to an imminent and substantial threat to human health or the environment resulting from a Pollution Incident on, at, under or migrating from a Covered Property or arising from Transportation that commences, in its entirety, during the Policy Period. The Emergency Response Expenses must: (i) be incurred within seven (7) days of the commencement of such Pollution Incident; and (ii) be reported to the Company within fourteen (14) days of such commencement. For this Coverage to apply, the Pollution Incident giving rise to the Emergency Response Expenses must be unexpected and unintended from the standpoint of the Insured.

Coverage D – Business Interruption

To pay the Insured's Business Interruption Expenses and Extra Expenses during the Period of Interruption that directly result from a Pollution Incident on, at or under a Covered Property. This Coverage shall apply only if the Pollution Incident giving rise to the Business Interruption Expenses or Extra Expenses is first discovered by the Insured and reported to the Company during the Policy Period, and such Pollution Incident results in Remediation Expenses covered under this Policy. Discovery of a Pollution Incident happens when a Responsible Insured first becomes aware of the Pollution Incident. Further, if the interruption results from a Pollution Incident and any other cause(s), the Company shall only pay that portion of Business Interruption Expenses and Extra Expenses solely attributable to the Pollution Incident. In the event of a Period of Interruption, it is a condition precedent to Coverage that the Named Insured notifies the Company of the interruption within thirty (30) days of its commencement and that the Named Insured resume normal operation of the business as soon as possible and use all reasonable efforts to mitigate any Business Interruption Expenses and Extra Expenses.

Coverage E – Disinfection Event Expenses

To pay on behalf of the Insured, Disinfection Expenses that directly result from a Disinfection Event at a Covered Property, provided that (i) the Disinfection Event commences, in its entirety, during the Policy Period; (ii) such Disinfection Expenses are incurred within thirty (30) days of the first discovery of such Disinfection Event by a Responsible Insured; and (iii) the Insured reports the Disinfection Event to the Company, in writing, during the Policy Period and within fourteen (14) days of a Responsible Insured's first discovery of such Disinfection Event.

Coverage F – Evacuation Expenses

To pay on behalf of the Insured, Evacuation Expenses that directly result from an Evacuation arising from a Pollution Incident which originated on or at a Covered Property. This Coverage shall apply provided that (i) the Pollution Incident giving rise to the Evacuation Expenses commences, in its entirety, during the Policy Period; (ii) such Pollution Incident is first discovered by the Insured and reported to the Company within thirty (30) days of its commencement; and (iii) results in Remediation Expenses covered under this Policy. Discovery of a Pollution Incident happens when a Responsible Insured first becomes aware of the Pollution Incident.

Coverage G – Image Restoration

To pay on behalf of the Insured, Image Restoration Expenses that directly result from an Image Restoration Event, provided that (i) the Pollution Incident giving rise to the Image Restoration Event is on, at, under or migrating from a Covered Property or results from Transportation or Waste Disposal Activities; (ii) the Pollution Incident giving rise to the Image Restoration Expenses commenced, in its entirety, during the Policy Period; (iii) such Image Restoration Expenses are incurred by the Insured within fourteen (14) days of the first newspaper or magazine publication or television news broadcast associated with the Pollution Incident giving rise to the Image Restoration Event; and (iv) the Pollution Incident giving rise to the Image Restoration Expenses is reported to the Company, in writing, during the Policy Period and within fourteen (14) days of a Responsible Insured's first discovery of such Image Restoration Event.

SPECIFIC COVERAGE PROVISIONS – CONTINUED:

Blanket Additional Insureds to the extent required by written contract prior to a loss, but solely with respect to the additional insured's liability from the named insureds ownership, operation, maintenance or use of covered property, and only if the additional insured is named in a suit as a co-defendant with the named insured, alleging the additional insured is liable on the basis described above. Further, the most we will pay on behalf of any such additional insured is the amount: i) required by such written contract; or ii) available under the applicable Limits of Liability shown in the Declarations, whichever is less. This shall not increase the applicable Limits of Liability shown in the Declarations.

Supplemental Coverage for Transportation is included. Transportation means the movement, which occurs beyond the Boundaries of a Covered Property, of Cargo by a Conveyance to or from a Covered Property by the Insured or a third-party carrier on behalf of the Insured from the time of movement from the point of origin until delivery to the final destination.

Transportation includes: (i) the carrier's loading and unloading of Cargo onto or from a Conveyance provided that the loading or unloading is performed by or on behalf of the Named Insured and beyond the Boundaries of a Covered Property; and (ii) Misdelivery.

Blanket Coverage included for Waste Disposal Activities. Waste Disposal Activities are defined as the processing, treatment or disposal, or the arranging for the processing, treatment or disposal, of waste at a non-owned disposal site, provided that such waste first originates from a covered property.

Supplemental coverage for Contractors Pollution is included. This coverage covers third-party claims arising out of Contractor's Pollution, provided the claim is first made and reported during the policy period. The Contractor's Pollution must have commenced on or after the retroactive date. Contractor's Pollution is defined as any operations within the capacity of a healthcare entity which are performed by or on behalf of the Insured outside of the physical boundaries of a Covered Property. Contractors Pollution does not include Transportation.

Supplemental Coverage for Communicable Disease Loss of Income and Payroll Expenses is included. This coverage covers the Insured's loss of income and payroll expense directly resulting from a Disinfection Event at a Covered Property that directly results in a governmental order requiring the suspension of operations at a Covered Property, but only if each of the following conditions are met:

1. Such governmental order specifically applies to the Covered Property by referencing the address of such Covered Property in the order;
2. Operations at the Covered Property would not be suspended by the governmental order in absence of a Disinfection Event at the Covered Property;
3. Such Disinfection Event is not associated in any way with a person known or reasonably suspected to be infected with a Communicable Disease that was invited or otherwise knowingly allowed on to a Covered Property;
4. The Insured undertakes all reasonable efforts to disinfect such Disinfection Event as soon as reasonably possible; and
5. The Disinfection Event is reported to the Company within fourteen (14) days of the discovery of such Disinfection Event by a Responsible Insured; and the suspension of operations is reported to the Company within fourteen (14) days of its commencement.

There shall be no coverage arising from a governmental order which requires the suspension of operations at a Covered Property unless: the Disinfection Event at such Covered Property was reported to the applicable local, state or federal health department or equivalent agency prior to such order; and such reporting resulted in the order to suspend operations.

COVID-19 is excluded from the above coverage.

**SPECIFIC COVERAGE
PROVISIONS –
CONTINUED:**

Automatic Acquisition – Coverage for mid-term transactions for values that are less than \$25,000,000 shall be added as a covered location, upon the closing date of such acquisition, or the effective date of such lease, management, rental or occupation right or obligation, respectively, for no additional premium. Notification of title or occupancy must be provided to Ironshore within 180 days. Coverage is for new conditions only.

Property valued at more than \$25,000,000 purchased, leased or otherwise acquired by the Insured needs to be reported to the Insurer within 180 days, and shall be added as a covered location upon the closing date of such acquisition subject to an additional premium of \$0.001 per \$100 of Total Insurable Values, pro-rated with a minimum premium of \$450. There will be no additional premium for any Covered Property with Total Insurable Values which are less than \$25,000,000.

Illicit Abandonment is included in the definition of pollution condition.

Mold matter is included in the definition of Pollutant. Mold matter is defined as mold, mildew and fungi, whether or not such microbial matter is living.

The insurance afforded by this Policy shall apply as excess to any other valid, collectible insurance, with the exception of any stand-alone insurance purchased by a named insured, or any tank fund.

Blanket Underground Storage Tank coverage included, with a deductible of \$750,000 for tanks less than 25 years old and \$1,000,000 for tanks more than 25 years old.

Note: Does not meet financial assurance requirements.

Loss covered pursuant to any state storage tank fund, state administered insurance program or restoration funding for any underground storage tank(s) whose owners qualify for reimbursement, or any self-insurance fund established for the purpose of funding clean-up costs for pollution conditions from any underground storage tank(s), shall be considered primary insurance, to which the coverage afforded pursuant to this policy shall apply in excess.

Under such primary insurance policy shall erode the \$750,000 (for underground storage tanks less than 25 years old) or \$1,000,000 (for underground storage tanks greater than 25 years old) per pollution condition deductible.

Wildfire is defined as any hostile fire, wildland fire, forest fire, brush fire, vegetation fire, grass fire, peat fire, bushfire, hill fire, desert fire, veldfire, escaped prescribed fire or escaped wildland fire.

Choice of counsel, with Insurer's approval, if entitled by law.

Natural resource damage included in definition of property damage.

**EXCLUSIONS
(including but not
limited to):**

Coverage does not apply to any claim or loss from:

- Asbestos and Lead –
 - Any asbestos, asbestos containing materials, lead or lead-containing materials, including but not limited to lead-based paint, in, on, at, within or applied to any building, utility, structure or building material; this does not apply to third-party claims for bodily injury or property damage, or for remediation of any soil, groundwater body, surface water body or sediment;
 - Any asbestos, asbestos containing materials, lead or lead-containing materials, other metals, including but not limited to copper, or metal containing materials in, on or applied to any water supply or collection equipment, system or infrastructure, including but not limited to water service lines; this does not apply to third-party claims for bodily injury or property damage, or for remediation of any groundwater body, surface water body or sediment;

This exclusion also does not apply to remediation expenses solely incurred for the remediation of asbestos, asbestos-containing materials or lead-based paint which has been inadvertently displaced (not including any displacement associated with demolition, renovation or abatement) by an accident which occurs, in its entirety, during the policy period, and is reported to the Insurer within thirty (30) days of commencement.

- Contractual Liability – This exclusion does not apply to liability that the Insured would have had in the absence of the contract or agreement or to liability assumed in an Insured Contract.
- Criminal Punishments
- Employer Liability - This exclusion applies whether the Insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of such Bodily Injury.
- Insured's Internal Expenses
- Insured's Non-Compliance
- Insured vs. Insured
- Material Change In Use - This exclusion shall not apply if the Insured submits prior written notice no less than thirty (30) days prior to such material change, and the Company approves such material change in an endorsement to this Policy issued within thirty (30) days of such notice.
- Non-Disclosure
- Prior Claims
- Products Liability
- Property Damage to Conveyances
- War
- Activity Use Limitation
- Workers Compensation, Unemployment, Social Security, Disability and Similar Laws
- Closure, Post-Closure and Reclamation Costs – Does not apply to claims for Bodily Injury or Property Damage
- Landfills and/or Recycling Material
- Oil and/or Gas Producing or Refining Facilities
- Odor
- Engineering Controls / Operation and Maintenance (O&M) Costs– Does not apply to claims for Bodily Injury or Property Damage
- Groundwater and Surface Water Monitoring Costs
- Known Pollution Incidents (known prior to July 1, 2021)
- COVID-19
- Limited Communicable Disease Exclusion – This exclusion does not apply to Legionella, Loss of Income or Payroll Expense, or to Disinfection Expenses, as long as such Disinfection Expenses are not incurred to disinfect any area utilized for medical treatment or any patient or resident room, and such Disinfection Expenses are not incurred to disinfect any area where Disinfection Expenses arising from the same, related or continuous Disinfection Event covered by this policy were previously incurred.

**EXCLUSIONS -
CONTINUED:
(Including but not
limited to):**

- Insured's Professional Services
- Known Injury or Damage (Covered Operations only)
- Conveyance (Covered Operations only)
- Business Interruption (Covered Operations Only)
- Damage to Property (Covered Operations Only)
- Waste Processing, Treatment or Disposal (Covered Operations Only)
- Damage to your Work (Covered Operations Only)
- Expected or Intended Injury or Damage (Covered Operations Only)
- Nuclear Material (Covered Operations Only)
- Acquired Properties (unless added by endorsement)
- Aircraft, Auto or Watercraft
- Divested Property
- Activity Use Limitation
- Airport
- Combined Sewer Overflow
- Commercial Ports
- Firing Ranges
- Impoundments
- Landfill
- Oil and/or Gas Operations – does not including fueling operations
- Any perfluoroalkyl or polyfluoroalkyl substance (PFAS), including but not limited to perfluoroalkyl acids (PFAAs), perfluorooctanoic acid (PFOA), perfluorooctane sulfonate (PFOS), perfluoroheptanoic acid (PFHpA), perfluorononanoic acid (PFNA), perfluorohexanesulfonic acid (PFHxS), GenX, C8, ADONA, perfluoroalkane sulfonyl fluoride (PASf), perfluorobutanesulfonic acid (PFBS), polytetrafluoroethylene (PTFE), perfluoropolyethers (PFPEs), fluoropolymers, perfluorononanoic acid, ammonium perfluorooctanoate, or any associated salts, acids, alcohols, precursor chemicals or related higher homologue chemicals. This also includes aqueous film forming foam (AFFF) containing PFAS (at any concentration) or any additives or component materials contained therein or degradation byproducts thereof.

DEDUCTIBLE:	\$ 50,000	Each Pollution Incident After July 1, 2021*
	\$ 500,000	Each Pollution Incident Prior to July 1, 2021*
SPECIFIC DEDUCTIBLES:	\$ 50,000	Evacuation Expenses*
	\$ 250,000	Disinfection Event Expenses*
	\$ 250,000	Image Restoration Expenses*
	\$ 250,000	Contractors Pollution*
	\$ 250,000	** Mold Matter (**or \$15,000 per room impacted, whichever is greater – a room is considered equal to 250 sq ft of floor space)*
	\$ 250,000	Legionella*
	\$ 250,000	Sewer Backup or Overcharge deductible*
	\$ 500,000	Lead deductible*
	\$ 1,000,000	Wildfire deductible*
	\$ 750,000	Underground Storage Tanks (less than 25 years old)*
	\$ 1,000,000	Underground Storage Tanks (more than 25 years old)*
	3 Days	Business Interruption Waiting Period

*Any payments for covered loss paid by other insurance shall also be applied against the deductible amount

CLAIMS REPORTING NOTICE

PLEASE NOTE THAT POLLUTION LIABILITY POLICIES CONTAIN EXTREMELY STRICT CLAIM REPORTING PROCEDURES. Below please find your policy specific claim reporting requirements - Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

THIS IS A CLAIMS MADE POLICY

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy’s requirements could result in a disclaimer of coverage by the insurer.

LOSS REPORTING REQUIREMENTS:

Written notice of any claim or pollution condition, within seven (7) days of discovery for pollution conditions requiring immediate emergency response. Concurrently, please send to:

1) Ironshore Environmental Claims CSO
 28 Liberty Street, 5th Floor
 New York, NY 10005 Office
 By phone via: 24 Hour Claims Phone Number (888) 292-0249
 FAX to: 646-826-6601
 Email: USClaims@ironshore.com

2) Akbar Sharif
 Alliant Insurance Services, Inc.
 1301 Dove Street, Suite 200
 Newport Beach, CA 92660
 949 260-5088
 949 756-2713 – fax
Akbar.Sharif@alliant.com

NOTICE OF CANCELLATION:

90 days except 10 days for non-payment of premium

REINSTATEMENT PROVISIONS:

Not Provided.

POLLUTION LIABILITY COST:

Cost is included in Total Property Premium
 100% Earned Premium at Inception

QUOTE VALID UNTIL:

July 1, 2023

BROKER:

ALLIANT INSURANCE SERVICES, INC.
License No. 0C36861

SUMMARY OF PROPOSED CHANGES

THE FOLLOWING ITEMS ARE PENDING CHANGES FOR THE 2023-2024 POLICY TERM

Coverage	2022-2023	2023-2024 Pending Changes
Pollution Liability Policy Term	July 1, 2022 to July 1, 2023	July 1, 2023 to July 1, 2024
Retroactive Date	<ul style="list-style-type: none"> • July 1, 2015 for Waste Disposal • July 1, 2022 for Contractor's Pollution • July 1, 2021 for Mold Matter <p>This coverage shall only apply if the Pollution Incident or Disinfection Event giving rise to the Claim, Loss, Business Interruption Expenses or Extra Expenses commenced, in its entirety, on or after July 1, 2015, or the date that the Insured first joined the Hospital All Risk Property Program (HARPP) for environmental or pollution insurance coverage, whichever is later.</p>	<p>This coverage shall only apply if the Pollution Incident or Disinfection Event giving rise to the Claim, Loss, Business Interruption Expenses or Extra Expenses commenced, in its entirety, on or after July 1, 2015, or the date that the Insured first joined the Hospital All Risk Property Program (HARPP) for environmental or pollution insurance coverage, whichever is later.</p> <ul style="list-style-type: none"> • July 1, 2023 for Contractor's Pollution • July 1, 2023 for Mold Matter
A.M. Best Insurance Rating	A, Excellent, Financial Category XV (\$2 Billion or greater) Effective June 29, 2021	A, Excellent, Financial Size Category XV (\$2 Billion or greater) Effective July 27, 2022
Covered Property	<p>Per the following SOVs submitted and on file with carrier:</p> <ol style="list-style-type: none"> 1. DEC 6 – SOVs 1. DEC 7 – SOVs 2. DEC 8 – SOVs 3. DEC 9 – SOVs 4. DEC 10 – SOVs 5. DEC 97 – SOVs – Excluding APIP members 	<p>Per the following SOVs submitted and on file with carrier:</p> <ol style="list-style-type: none"> 1. DEC 6 – SOVs 2. DEC 7 – SOVs 3. DEC 8 – SOVs 4. DEC 9 – SOVs 5. DEC 10 – SOVs
Sub-Limits	\$1,000,000 Restoration Costs Per Pollution Incident (Mold Matter Only)*	\$1,000,000 Mold Matter Loss, Business Interruption and Extra Expense Program Aggregate*
	\$1,000,000 Legionella Per Pollution Incident*	\$1,000,000 Legionella Program Aggregate*
	\$2,000,000 Sewer Backup or Overcharge Per Pollution Incident*	\$1,000,000 Sewer Backup and Overcharge Program Aggregate*
	\$2,000,000 Lead Program Aggregate*	\$1,000,000 Lead Program Aggregate*
	\$1,000,000 Wildfire Per Pollution Incident*	Deleted per pollution incident sublimit and replaced it with a \$1M Wildfire deductible.

SUMMARY OF PROPOSED CHANGES

THE FOLLOWING ITEMS ARE PENDING CHANGES FOR THE 2023-2024 POLICY TERM

Coverage	2022-2023	2023-2024 Pending Changes
Automatic Acquisition	<p>Automatic Acquisition – Coverage for mid-term transactions for values that are less than \$25,000,000 shall be added as a covered location, upon the closing date of such acquisition, or the effective date of such lease, management, rental or occupation right or obligation, respectively, for no additional premium. Notification of title or occupancy must be provided to Ironshore within 180 days. Coverage is for new conditions only.</p> <p>Property valued at more than \$25,000,000 purchased, leased or otherwise acquired by the Insured needs to be reported to the Insurer within 180 days, and shall be added as a covered location upon the closing date of such acquisition subject to an additional premium of \$0.0009930 per \$100 of Total Insurable Values, pro-rated with a minimum premium of \$425. There will be no additional premium for any Covered Property with Total Insurable Values which are less than \$25,000,000.</p>	<p>Automatic Acquisition – Coverage for mid-term transactions for values that are less than \$25,000,000 shall be added as a covered location, upon the closing date of such acquisition, or the effective date of such lease, management, rental or occupation right or obligation, respectively, for no additional premium. Notification of title or occupancy must be provided to Ironshore within 180 days. Coverage is for new conditions only.</p> <p>Property valued at more than \$25,000,000 purchased, leased or otherwise acquired by the Insured needs to be reported to the Insurer within 180 days, and shall be added as a covered location upon the closing date of such acquisition subject to an additional premium of \$0.001 per \$100 of Total Insurable Values, pro-rated with a minimum premium of \$450. There will be no additional premium for any Covered Property with Total Insurable Values which are less than \$25,000,000.</p>
Exclusions	Closure, Post-Closure and Reclamation Costs	Closure, Post-Closure and Reclamation Costs – Does not apply to claims for Bodily Injury or Property Damage
	Engineering Controls / Operation and Maintenance (O&M) Costs	Engineering Controls / Operation and Maintenance (O&M) Costs – Does not apply to claims for Bodily Injury or Property Damage
	<i>Not Previously Excluded</i>	Airport
	<i>Not Previously Excluded</i>	Combined Sewer Overflow
	<i>Not Previously Excluded</i>	Commercial Ports
	<i>Not Previously Excluded</i>	Firing Ranges
	<i>Not Previously Excluded</i>	Impoundments
	<i>Not Previously Excluded</i>	Landfill
	<i>Not Previously Excluded</i>	Oil and/or Gas Operations – does not including fueling operations
Specific Deductibles	<i>No Previous Specific Deductible</i>	\$1,000,000 Wildfire Deductible*
Quote Valid Until	July 1, 2022	July 1, 2023

SUMMARY OF PROPOSED CHANGES

THE FOLLOWING ITEMS ARE PENDING CHANGES FOR THE 2023-2024 POLICY TERM

NOTES:

- ***Some coverage, limits, sub-limits, terms and conditions will change, as negotiations are ongoing. Changes will be documented and accompany the Binder Confirmation for July 1, 2023 bound terms.***
- ***This proposal is based on the current loss experience and is subject to change if this insured's loss ratio deteriorates further and/or if the markets suffer a catastrophic event.***
- ***Change in Total Insurable Values will result in adjustment in premium***

ALLIANT PROPERTY INSURANCE PROGRAM

2023-2024

NAMED INSURED SCHEDULE

AS OF 06/15/2023

THE NAMED INSURED IS:

El Centro Regional Medical Center
1415 Ross Avenue
El Centro, CA 92243

Named Insured shall be deemed the sole agent of each and every Named Insured for the purpose of:

- (1) Giving notice of cancellation,
- (2) Giving instructions for changes in the Policy and accepting changes in this Policy
- (3) The payment of assessments / premiums or receipt of return assessments / premiums.

Member(s), entity(ies), agency(ies), organization(s), enterprise(s) and/or individual(s) for whom the Named Insured has extended coverage is as follows:

NAMED INSURED MEMBER(S)

El Centro Regional Medical Center

**HARPP PROPERTY SCHEDULE
 EL CENTRO REGIONAL MEDICAL CENTER**

Real Property Trend Factor: 7.50%

Personal Property Trend Factor: 7.50%

June 15, 2023

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
1		EL CENTRO REGIONAL MEDICAL CENTER HOSPITAL	138,560 SQ. FT. HOSPITAL	Class: A NON COMB STEEL FRAME	Yes	1955	2020	EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$59,333,328	\$20,875,012	\$50,157,469	\$130,365,809
				Notes: B & 1C into location 1 and change values for 2013 & 2014. 9/29/2021: Updated Sq.Feet to 138,560 & Real Property value to the total value of \$62,604,000 per appraisal report.								2023	\$63,783,328	\$22,260,638	\$24,804,115	\$110,848,081
ISO Code: 4		1415 WEST ROSS AVENUE EL CENTRO CA 92243	Pct. Sprnkl: 100													
		Stories: 2														
Lat: 32.781501		Lng. -115.568444														
				2014 - 2015 Per Barbara Martinez, combine locations 1A, 1 Alarms:												
4		OFFICES - OUTPATIENT REHABILITATION SERVICES 1415 WEST ROSS AVENUE	2,169 SQ. FT. PORTABLE OFFICES	Class: D ALL COMB (WOOD FRAME)	No	1975	2004	EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$287,148	\$202,603	\$0	\$489,751
				Notes: Alarms: FIRE ALARM - AUTOMATIC								2023	\$308,684	\$217,798	\$0	\$526,482
ISO Code: 1		EL CENTRO CA 92243-9585	Pct. Sprnkl: 0													
		Stories: 1														
Lat: 32.781501		Lng. -115.568444														
11		EL CENTRO REGIONAL MEDICAL CENTER (MOB) MOB	47,340 SQ. FT. MOB	Class: B ALL REINFORCED CONCRETE	Yes	2019	2020	EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$23,541,710	\$5,485,354	\$0	\$29,027,064
				Notes: Appraised by Maximus 2/29/04. To be demolished 04/2013 per 2013 Pre-renewal Packet. Per 2018-2019 signed SOV, building value is combined by Loc. 12 / 16 / 17 / 24 Per 2019-2020 signed SOV, updated COPE and value Per 2020-2021 signed SOV, updated Sq. Ft.								2023	\$24,740,960	\$5,874,422	\$0	\$30,615,382
ISO Code: 1		1271 WEST ROSS AVENUE EL CENTRO CA 92243	Pct. Sprnkl: 100													
		Stories: 2														
Lat: 32.781495		Lng. -115.5664														
				9/29/2021: Per appraisal report, updated square footage to 47,340 & Real Property												

HARPP PROPERTY SCHEDULE
EL CENTRO REGIONAL MEDICAL CENTER

Real Property Trend Factor: 7.50%

Personal Property Trend Factor: 7.50%

June 15, 2023

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
				value to \$15,990,000.												
				Appraised by Maximus 2/29/04.												
				To be demolished 04/2013 per												
				Alarms:												
13		FACILITIES SERVICES BUILDING 1295 POPLAR EL CENTRO CA 92243-4356	2,385 SQ. FT. Pct. Sprinkl: 0%	Class: CB CONCRETE BLOCK	No	1959		EQ: E Flood: X	No Yes	No Yes	No Yes	2022 2023	\$391,943 \$421,339	\$73,167 \$78,655	\$0 \$0	\$465,110 \$499,994
				Notes: Rent Notes:												
				Alarms:												
Lat: 32.780459		Lng. -115.567269														
14		1272 POPLAR EL CENTRO CA 92243-4357	0 SQ. FT. Pct. Sprinkl: 0%	Class: U UNKNOWN	No			EQ: E Flood:	No Yes	No Yes	No Yes	2022 2023	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
				Notes: Rent Notes:												
				Alarms:												
Lat: 32.780458		Lng. -115.566809														
18		1262 POPLAR DRIVE EL CENTRO CA 92243	0 SQ. FT. Pct. Sprinkl: 0%	Class: U UNKNOWN	No			EQ: E Flood:	No Yes	No Yes	No Yes	2022 2023	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
				Notes: Rent Notes:												
				Alarms:												
Lat: 32.780457		Lng. -115.566610														
19		WAREHOUSE 1415 WEST ROSS EL CENTRO CA 92243	2,400 SQ. FT. Pct. Sprinkl: 0%	Class: A NON COMB STEEL FRAME	No	2004		EQ: E Flood: X	No Yes	No Yes	No Yes	2022 2023	\$471,640 \$507,013	\$741,753 \$797,384	\$0 \$0	\$1,213,393 \$1,304,397
				Notes: Rent Notes:												
				Alarms:												
Lat: 32.781945		Lng. -115.656284														
21		INFORMATION SERVICES 1310 S. IMPERIAL AVE EL CENTRO CA 92243	2,592 SQ. FT. Pct. Sprinkl: 0%	Class: C MASONRY CONST/WOOD ROOF	No			EQ: E Flood: X	No Yes	No Yes	No Yes	2022 2023	\$0 \$0	\$1,382 \$1,486	\$90,000 \$90,000	\$91,382 \$91,486
				Notes: 4/15/16 per client added 1 Payment Processing Equipment, with value @ \$1,300 for Department: Wound Healing												
				Alarms:												
Lat: 32.780715		Lng. -115.569658														

HARPP PROPERTY SCHEDULE
EL CENTRO REGIONAL MEDICAL CENTER

Real Property Trend Factor: 7.50%

Personal Property Trend Factor: 7.50%

June 15, 2023

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
22		SINGLE FAMILY HOME 1258 POPLAR DRIVE EL CENTRO CA 92243	1,600 SQ. FT.	Class: D ALL COMB (WOOD FRAME) Notes: Latitude: 32.78059 / Longitude: -115.566501	No	1959		EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$283,576	\$0	\$0	\$283,576
		Stories: 1 Lat: 32.780459 Lng. -115.56688	Pct. Sprinkl: 0%	-115.566501 2-6-08 Add per Adam Cassius Alarms:				Rent Notes:				2023	\$304,844	\$0	\$0	\$304,844
23		CALEXICO CLINIC 495 BIRCH STE. A & B CALEXICO CA 92231	10,000 SQ. FT.	Class: D ALL COMB (WOOD FRAME) Notes: 4/15/16 per client added 2 Payment Processing Equipments, with value @ \$1,300 each for Department: Calexico Clinic / Calexico Outpatient Lab	Yes	2008		EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$0	\$754,845	\$0	\$754,845
		Stories: 1 Lat: 32.679167 Lng. -115.490768	Pct. Sprinkl: 100%	Alarms:				Rent Notes:				2023	\$0	\$802,892	\$0	\$802,892
25		VEHICLES 1415 ROSS AVE EL CENTRO CA 92243	0 SQ. FT.	Class: UNKNOWN Notes: Per 2020-2021 pre renewal returned packet: 8 Private Passengers = \$216,040 2 Light Trucks = \$63,012 4 Others = \$30,000 * 4 = \$120,000 Per 2021-2022 pre renewal returned packet: 8 Private Passengers = \$235,230.72 2 Light Trucks = \$68,608.96 4 Others = \$30,000 * 4 = \$120,000	No			EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$0	\$120,000	\$0	\$120,000
		Lat: 32.781501 Lng. -115.568444		Alarms:				Rent Notes:				2023	\$0	\$120,000	\$0	\$120,000

HARPP PROPERTY SCHEDULE
EL CENTRO REGIONAL MEDICAL CENTER

Real Property Trend Factor: 7.50%

Personal Property Trend Factor: 7.50%

June 15, 2023

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
26		BUSINESS SERVICES OFFICE 1250 W. MAIN STREET EL CENTRO CA 92243	5,714 SQ. FT.	Class: CB CONCRETE BLOCK	No			EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$0	\$0	\$0	\$0
		Lat: 32.79283 Lng. -115.56635	Pct. Sprinkl: 0	Notes: 4/15/16 per client added 4 Payment Processing Equipments, with value @ \$1,300 each for Department: Patient Accounting / Cashier / Central Admitting / Er Registration Alarms:								2023	\$0	\$0	\$0	\$0
27		RURAL HEALTH CLINIC 385 W. MAIN STREET EL CENTRO CA 92243	10,000 SQ. FT.	Class: A NON COMB STEEL FRAME	Yes	2011		EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$4,675,818	\$1,090,746	\$0	\$5,766,564
		Lat: 32.79282 Lng. -115.55232	Pct. Sprinkl: 100%	Notes: 4/15/16 per client added 1 Payment Processing Equipment, with value @ \$1,300 for Department: El Centro Clinic Alarms:								2023	\$5,026,504	\$1,172,552	\$0	\$6,199,056
28		IS POD. DATA/SERVERS 1415 ROSS AVENUE EL CENTRO CA 92243	780 SQ. FT.	Class: S ALL STEEL	Yes	2011		EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$1,168,955	\$5,333,205	\$0	\$6,502,160
		Lat: 32.781498 Lng. -115.56862	Pct. Sprinkl: 100%	Notes: June 2015 - Per renewal meeting with the insured, reduce contents value to \$5m. Alarms:								2023	\$1,256,627	\$5,733,195	\$0	\$6,989,822
29		VACANT LAND 1285 POPLAR AVENUE EL CENTRO CA 92243	0 SQ. FT.	Class: U UNKNOWN	No			EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$0	\$0	\$0	\$0
		Lat: 32.780459 Lng. -115.567069	Pct. Sprinkl: 0	Notes: This was Demo'd along with 1262 and 1272 Poplar Alarms:								2023	\$0	\$0	\$0	\$0

HARPP PROPERTY SCHEDULE
EL CENTRO REGIONAL MEDICAL CENTER

Real Property Trend Factor: 7.50%

Personal Property Trend Factor: 7.50%

June 15, 2023

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
32		STORAGE WAREHOUSE 2436 COMMERCIAL TRAIL IMPERIAL CA 92251	16,168 SQ. FT.	Class: A NON COMB STEEL FRAME Notes: Alarms:	Yes	2012		EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$0	\$10,892	\$0	\$10,892
		Lat: 32.829227 Lng. -115.577511 Geocode Notes: Precision: ZIP Code		Stories: 1 Pct. Sprnkl: 100%				Rent Notes:				2023	\$0	\$11,709	\$0	\$11,709
33		1600 S. IMPERIAL AVE. SUITE 17 EL CENTRO CA 92243-4242	2,435 SQ. FT.	Class: C3 CONCRETE BLOCK / NON-COMB ROOF Notes: Alarms:	No	1966		EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$0	\$59,938	\$0	\$59,938
		Lat: 32.778346 Lng. -115.56966		Stories: 1				Rent Notes:				2023	\$0	\$61,688	\$0	\$61,688
35		SINGLE FAMILY HOME 1204 POPLAR EL CENTRO CA 92243	1,800 SQ. FT.	Class: D ALL COMB (WOOD FRAME) Notes: Submitted by Barbara Martinez 3-31-15 Alarms:	No	1954		EQ: E Flood: X	No Yes	No Yes	No Yes	2022	\$221,321	\$0	\$0	\$221,321
		Lat: 32.780444 Lng. -115.565464		Pct. Sprnkl: 0%				Rent Notes:				2023	\$237,920	\$0	\$0	\$237,920
37		RESIDENTIAL HOME RESIDENTIAL HOME 1455 PEPPER DR EL CENTRO CA 92243	3,045 SQ. FT.	Class: D ALL COMB (WOOD FRAME) Notes: 4-16-18 Per Nidia, we recieved the add/delete form, confirmed there is a detached one bedroom apartment in the backyard with the same address. Alarms:	No	1962		EQ: E Flood:	No Yes	No Yes	No Yes	2022	\$375,910	\$0	\$0	\$375,910
		Lat: 32.779424 Lng. -115.568886		Stories: 1				Rent Notes:				2023	\$404,103	\$0	\$0	\$404,103
37 A		DETACHED ONE BEDROOM APARTMENT DETACHED ONE BEDROOM APARTMENT 1455 PEPPER DR EL CENTRO CA 92243	946 SQ. FT.	Class: D ALL COMB (WOOD FRAME) Notes: 4-16-18 Per Nidia, we recieved the add/delete form, confirmed there is a detached one bedroom apartment in the backyard with the same address. Alarms:	No	1980		EQ: E Flood:	No Yes	No Yes	No Yes	2022	\$112,826	\$0	\$0	\$112,826
		Lat: 32.779424 Lng. -115.568886		Stories: 1				Rent Notes:				2023	\$121,288	\$0	\$0	\$121,288

**HARPP PROPERTY SCHEDULE
 EL CENTRO REGIONAL MEDICAL CENTER**

Real Property Trend Factor: 7.50%

Personal Property Trend Factor: 7.50%

June 15, 2023

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals	
38		IMPERIAL VALLEY MALL 3451 S. DOGWOOD AVE., SUITE 100 EL CENTRO CA 92243	0 SQ. FT.	Class: UNKNOWN Notes: Alarms:	No			EQ: E Flood: Rent Notes:	No Yes	No Yes	No Yes	2022 2023	\$0 \$0	\$5,000 \$5,375	\$0 \$0	\$5,000 \$5,375	
Lat: 32.764491		Lng. -115.535083															
39		SINGLE FAMILY HOME RESIDENTIAL HOME 1039 S. IMPERIAL AVE EL CENTRO CA 92243	1,000 SQ. FT. Pct. Sprinkl: 0%	Class: D ALL COMB (WOOD FRAME) Notes: Alarms:	No			EQ: E Flood: X Rent Notes:	No Yes	No Yes	No Yes	2022 2023	\$200,000 \$215,000	\$0 \$0	\$0 \$0	\$200,000 \$215,000	
Lat: 32.783441		Lng. -115.569692															

	Year	Real Property	Personal Property	BI / Rents	Totals		Year	Real Property	Personal Property	BI / Rents	Totals
GRAND TOTALS:	2022	\$91,064,175	\$34,753,897	\$50,247,469	\$176,065,541	GRAND TOTALS:	2023	\$97,327,610	\$37,137,794	\$24,894,115	\$159,359,519
SPRINKLERED:	2022	\$88,719,811	\$33,550,054	\$50,157,469	\$172,427,334	SPRINKLERED:	2023	\$94,807,419	\$35,855,408	\$24,804,115	\$155,466,942
UNSPRINKLERED:	2022	\$2,344,364	\$1,203,843	\$90,000	\$3,638,207	UNSPRINKLERED:	2023	\$2,520,191	\$1,282,386	\$90,000	\$3,892,577
EARTHQUAKE:	2022	\$0	\$0	\$0	\$0	EARTHQUAKE:	2023	\$0	\$0	\$0	\$0
FLOOD:	2022	\$91,064,175	\$34,753,897	\$50,247,469	\$176,065,541	FLOOD:	2023	\$97,327,610	\$37,137,794	\$24,894,115	\$159,359,519

SIGNED / ACCEPTED BY: _____

DATE: _____

Disclosures / Disclaimers

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them via this www.AmBest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

New York Regulation 194 and General Broker Compensation Disclosure

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York and other States. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including

the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

Disclosures / Disclaimers Cont.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Declaration Limit Disclosure

Unless stated otherwise, coverage limits of liability and sub-limits of liability are shared across the Named Insured(s) designated in a single Declaration. Exceptions include:

- Terrorism coverage, if purchased by a specific Named Insured, is provided on a combined basis with a sub-limit of liability that is shared across Named Insureds covered under multiple relevant Declarations.
- Flood and Earthquake sub-limits of liability, if purchased by a specific Named Insured and except as indicated below, are dedicated by Named Insured and cannot be reduced by losses sustained by other Named Insureds.

If a single Occurrence causes direct physical loss or damage to property of multiple Named Insureds covered by the same Declaration (or all relevant Declarations as respects Terrorism coverage), it is possible that the applicable shared limit of liability or sub-limit of liability may be insufficient to fully indemnify the physical loss or damage as sustained by multiple Named Insureds.

In the event of a loss or accumulation of losses whereby the amount of loss exceeds the applicable shared limit of liability or sub-limit of liability, the recovery available will be allocated on a proportional basis among individual Named Insureds under the same Declaration (or all relevant Declarations as respects Terrorism coverage). This allocation applies until exhaustion of limits on a per Occurrence basis and on an Annual Aggregate basis (if applicable). If a Named Insured's claim reporting is delayed, such Named Insured's recovery may be reduced or eliminated.

Furthermore, any Annual Aggregate limit of liability or sub-limit that is shared across all Named Insureds covered under a particular Declaration (or all relevant Declarations as respects Terrorism coverage) may be reduced or exhausted by the prior payment of claims arising out of separate Occurrences in the same Policy Period. As a result, it is possible that there may be no remaining limit available to pay a specific Named Insured's claim under the Policy.

To the extent actually covered, the Annual Aggregate limits are as follows:

- Accidental Contamination
- Mold/Fungus Resultant Damage
- Terrorism
- Flood and Earthquake damage to Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts for Named Insured(s) that do not purchase optional dedicated Earthquake or Flood coverage

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com and contact your Alliant service team should you have any questions.

FATCA

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Disclosures / Disclaimers Cont.

NRRA

(Applicable if the insurance company is non-admitted)

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Mergers and/or acquisition and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Loss Notification Requirements:

Your policy will come with specific claim reporting requirements. Please make sure your organization understands these obligations and time limitations which are outlined in the attached Loss Notification documents. Contact your Alliant Service Team with any questions.

LOSS NOTIFICATION REQUIREMENT ALLIANT PROPERTY INSURANCE PROGRAM (APIP)

Claim notifications need to be sent to Robert Frey, Diana Walizada and Sandra Doig. In the event this is a *Cyber* loss please include item III contact, for a *Pollution* loss please include item IV contact in addition to Alliant Insurance Services contacts.

- I. During regular business hours (between 8:30 AM and 5:00 PM PST), First Notice of Claim should be reported to Alliant Insurance Services via telephone, fax, mail or e-mail to our San Francisco Office:

Robert A. Frey, RPA
Senior Vice President,
Regional Claims Director
Voice: (415) 403-1445
Email: rfrey@alliant.com

Diana L. Walizada, AIC, CPIW, RPA, AINS
Vice President, Claims Unit Manager

Voice: (415) 403-1453
Email: dwalizada@alliant.com

Address: Alliant Insurance Services, Inc.
560 Mission Street, 6th Floor
San Francisco CA 94105
Toll Free Voice: (877) 725-7695 Fax: (415) 403-1466

- II. Please be sure to include APIP's Claim Administrator as a CC on all Claims correspondence:

Sandra Doig
McLaren's Global Claims Services
Address: 18100 Von Karman Avenue, 10th Floor
Irvine, CA 92612
Voice: (949) 757-1413 Fax: (949) 757-1692
Email: sandra.doig@mclarens.com

- III. Cyber Liability Carrier Beazley NY needs to also be provided with Notice of Claim immediately (if purchased):

Address: Beazley Group
1270 Avenue of the America's, Suite 1200
New York, NY 10020
Fax: (546) 378-4039
Email: bbr.claims@beazley.com

Address: Elaine G. Tizon, V.P. CISR, E-mail: elaine.tizon@alliant.com
Donna Peterson, E-mail: donna.peterson@alliant.com
560 Mission Street, 6th Floor
San Francisco, CA 94105
Voice: (415) 403-1458 Fax: (415) 403-1466

- IV. Pollution Liability Carrier Ironshore Specialty Insurance Company (if purchased):

Address: Ironshore Environmental Claims CSO
28 Liberty Street, 5th Floor
New York, NY 10005
In emergency call: (888) 292-0249
Fax: (646) 826-6601
Email: USClaims@ironshore.com

Address: Akbar Sharif
Claims Advocate
18100 Von Karman Avenue, 10th Floor
Irvine, CA 92612
Voice: (949) 260-5088 Fax: (415) 403-1466
Email: akbar.sharif@alliant.com

Please include the Insured /JPA name along with the following information when reporting claims:

- Time, date and specific location of property damaged
- A description of the incident that caused the damage (such as fire, theft or water damage)
- Estimated amount of loss in dollars
- Contact person for claim including name, title, voice & fax numbers
- Complete and return the Property Loss Notice for processing.
- Mortgagee or Loss Payee name, address, and account number

APIP Claims Reporting Acknowledgement(s) Receipt Form

The Claims Reporting Forms are being included with your packet to ensure claims reporting procedures are known and available for future reference. Please review the information. We ask that you share these critical documents with all members of your team (and Pool Members and their staffs where applicable.)

We request that you review the items indicated as attached, then complete the bottom portion, sign and submit to your Alliant Insurance Services representative either by a scanned e-mail or mail to have it be included in your insurance records.

- APIP Property Claims Reporting
- Cyber Claims Reporting (*this is a claims made policy*) if coverage is purchased
- Pollution Liability Claims Reporting (*this is a claims made policy*) if coverage is purchased

Acknowledgement for Claims reporting procedures under Alliant Property Insurance Programs In effect: July 1, 2023 until further notice

I have read and been informed about these separate reporting requirements under the coverage parts that apply to our entity as indicated above and provided through APIP by Alliant.

Insured Entity Name: El Centro Regional Medical Center

X

Signature of Authorized Insured Representative

Title

Date

Print / Type Insured Representative Full Name:

Applicable in Arizona

For your protection, Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

Applicable in Arkansas, Delaware, District of Columbia, Kentucky, Louisiana, Maine, Michigan, New Jersey, New Mexico, New York, North Dakota, Pennsylvania, South Dakota, Tennessee, Texas, Virginia and West Virginia

Any person who knowingly and with intent to defraud any insurance company or another person, files a statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact, material thereto, commits a fraudulent insurance act, which is a crime, subject to criminal prosecution and [NY: substantial] civil penalties. In DC, LA, ME, TN and VA, insurance benefits may also be denied.

Applicable in California

For your protection, California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Applicable in Colorado

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in Florida and Idaho

Any person who Knowingly and with the intent to injure, Defraud, or Deceive any Insurance Company Files a Statement of Claim Containing any False, Incomplete or Misleading information is Guilty of a Felony.*

* In Florida - Third Degree Felony

Applicable in Hawaii

For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

Applicable in Indiana

A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

Applicable in Minnesota

A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

Applicable in Nevada

Pursuant to NRS 686A.291, any person who knowingly and willfully files a statement of claim that contains any false, incomplete or misleading information concerning a material fact is guilty of a felony.

Applicable in New Hampshire

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

Applicable in Ohio

Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Applicable in Oklahoma

WARNING: Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

IN THE EVENT OF A
PROPERTY LOSS:

- 1) *Follow your organization procedures for reporting and responding to an incident*
- 2) *Alert local emergency authorities, as appropriate*
- 3) *Report the incident to Alliant Insurance Services immediately at:*

877-725-7695

All property losses must be reported as soon as practicable upon knowledge within the risk management or finance division of the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

- 4) *Report the incident to McLarens Global Claims Services AND your Alliant representative*

PROPERTY FIRST NOTICE OF LOSS FORM

SEND TO: Alliant Insurance Services, Inc.
BY MAIL: 560 Mission Street, 6th Floor, San Francisco, CA 94105
BY FAX: (415) 403-1466
BY EMAIL: rfrey@alliant.com AND dwalizada@alliant.com
Carbon Copy APIP Claims Administrator: sandra.doig@mclarens.com and your Alliant representative

Today's Date: _____

Type of Claim: (check all that apply)

- Real Property Vehicles
 Personal Property Other

Insured's Name & Contact Information

Insured's Name: _____ Point of Contact: _____

Address: _____

Phone #: _____ Email Address: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims Point of Contact: Robert A. Frey & Diana L. Walizada

Address: 560 Mission Street, 6th Floor, San Francisco, CA 94105

Phone #: 877-725-7695

Fax #: 415-403-1466

Policy Information

Policy Number: _____ Policy Period: _____

Limits of Liability: _____ per _____ agg Self-Insured Retention/Deductible: _____

Loss Information

Date of Incident/Claim: _____ Location: _____

Description of Loss: _____

Please list all attached or enclosed documentation: (check if none provided) _____

Name of Person Completing This Form: _____

Signature: _____

Per the Master Policy Wording, Section IV General Conditions;

K. NOTICE OF LOSS

In the event of loss or damage insured against under this Policy, the Insured shall give notice thereof to ALLIANT INSURANCE SERVICES, INC., 560 Mission Street, 6th Floor, San Francisco, CA 94105. TEL NO. (877) 725-7695, FAX NO. (415) 403-1466 of such loss. Such notice is to be made as soon as practicable after the inception of loss.

IN THE EVENT OF A
CYBER LOSS:

- 1) *Follow your organizations procedures for reporting and responding to an incident*
- 2) *Alert authorities, as appropriate*
- 3) *Report the incident to Beazley Group immediately at:*

bbr.claims@beazley.com

(866)567-8570

All Cyber losses must be reported as soon as practicable upon knowledge by the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

- 4) *Report the incident to Alliant Claims Department and your Alliant representative*

SPECIAL NOTE REGARDING PRIVACY NOTIFICATION COSTS:

The policy provides a \$500,000 Aggregate Limit for Privacy Notification Costs. If you utilize a Beazley vendor, the limit is increased to \$1,000,000.

Please contact Beazley for a list of approved vendors.

CYBER FIRST NOTICE OF LOSS FORM

SEND TO: Beazley Group

BY MAIL: 1270 Avenue of the America's, Suite 1200, New York, NY 10020

BY FAX: (546) 378-4039

BY EMAIL: bbr.claims@beazley.com

CC Alliant Claims Department:

elaine.tizon@alliant.com, Donna.Peterson@alliant.com and your Alliant representative

Today's Date: _____

Insured's Name & Contact Information

Insured's Name: _____ Point of Contact: _____

Address: _____

Phone #: _____ Email Address: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services – Claims Point of Contact: Elaine Tizon

Address: 560 Mission Street, 6th Floor, San Francisco, CA 94105

Phone #: 877-725-7695 Fax #: 415-403-1466

Policy Information

Policy Number: _____ Policy Period: _____

Limits of Liability: _____ per _____ agg Self-Insured Retention/Deductible _____

Loss Information

Date of Incident/Claim: _____ Location: _____

Description of Loss: _____

Please list all attached or enclosed documentation: (check if none provided) _____

Name of Person Completing This Form: _____

Signature: _____

A. NOTICE OF CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

1. If any **Claim** is made against the **Insured**, the **Insured** shall, as soon as practicable upon knowledge by the **Insured**, forward to the Underwriters through persons named in Item 9.A. of the Declarations written notice of such **Claim** in the form of a telecopy, or express or certified mail together with every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative; provided that with regard to coverage provided under Insuring Agreements I.A. and I.C., all **Claims** made against any **Insured** must be reported no later than the end of the **Policy Period**, in accordance with the requirements of the **Optional Extension Period** (if applicable), or within thirty (30) days after the expiration date of the **Policy Period** in the case of **Claims** first made against the Insured during the last thirty (30) days of the **Policy Period**.
2. With respect to Insuring Agreement I.B. for a legal obligation to comply with a **Breach Notice Law** because of an incident (or reasonably suspected incident) described in Insuring Clause I.A.1 or I.A.2, such incident or reasonably suspected incident must be reported as soon as practicable during the **Policy Period** after discovery by the Insured. For such incidents or suspected incidents discovered by the **Insured** within 60 days prior to expiration of the Policy, such incident shall be reported as soon as practicable, but in no event later than 60 days after the end the **Policy Period**, provided; if this Policy is renewed by Underwriters and covered **Privacy Notification Costs** are incurred because of such incident or suspected incident reported during the 60 day post **Policy Period** reporting period, then any subsequent **Claim** arising out of such incident or suspected incident is deemed to have been made during the **Policy Period**.
3. With respect to Insuring Agreements I.A. and I.C., if during the **Policy Period**, the **Insured** first becomes aware of any circumstance that could reasonably be the basis for a **Claim** it may give written notice to Underwriters in the form of a telecopy, or express or certified mail through persons named in Item 9.A. of the Declarations as soon as practicable during the **Policy Period** of:
 - a. the specific details of the act, error, omission, or **Security Breach** that could reasonably be the basis for a **Claim**;
 - b. the injury or damage which may result or has resulted from the circumstance; and
 - c. the facts by which the **Insured** first became aware of the act, error, omission or **Security Breach**

Any subsequent **Claim** made against the **Insured** arising out of such circumstance which is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to the Underwriters.
4. A **Claim** or legal obligation under section X.A.1 or X.A.2 above shall be considered to be reported to the Underwriters when written notice is first received by Underwriters in the form of a telecopy, or express or certified mail or email through persons named in Item 9.A. of the Declarations of the **Claim** or legal obligation, or of an act, error, or omission, which could reasonably be expected to give rise to a **Claim** if provided in compliance with sub-paragraph X.A.3. above.

POLLUTION LIABILITY

IN THE EVENT OF AN

ENVIRONMENTAL EMERGENCY:

- 1) *Follow your organization procedures for reporting and responding to an incident*
- 2) *Alert local emergency authorities, as appropriate*
- 3) *Report the incident immediately at:*

888-292-0249

- 4) *Report the incident to Alliant*

Akbar Sharif
Claims Advocate
949-260-5088
415-403-1466 – fax
akbar.sharif@alliant.com

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

DO follow your organization's detailed response plan
DO contact your management as well as appropriate authorities
DO ensure anyone who could come in contact with a spill or release is kept away

DO NOT ignore a potential spill or leak
DO NOT attempt to respond beyond your level of training or certification

SEND TO: IRONSHORE ENVIRONMENTAL CLAIMS CSO
BY MAIL: 28 Liberty Street, 5th Floor, New York, NY 10005
BY FAX: (646) 826-6601
BY EMAIL: USClaims@ironshore.com
CC Alliant Insurance: akbar.sharif@alliant.com and your Alliant Representative

Today's Date: _____

Notice of: (check all that apply)

- Pollution Incident Potential Claim Other _____
 Third-Party Claim Litigation Initiated

Insured's Name & Contact Information

Company Name: _____ Point of Contact: _____

Address: _____

Phone #: _____ Email Address: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims Point of Contact: Akbar Sharif

Address: 18100 Von Karman Ave., 10th Floor, Irvine, CA 92612

Phone #: 949-260-5088

Policy Information

Policy Number: _____ Policy Period: _____

Limits of Liability: _____ per _____ agg. Self-Insured Retention/Deductible _____

Loss Information

Date of Incident/Claim: _____ Location: _____

Claimant Name/Address: _____

Description of Loss: _____

Please list all attached or enclosed documentation: (check if none provided) _____

Name of Person Completing This Form: _____ Signature: _____

ALLIANT INSURANCE SERVICES

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

June 15, 2023

Named Insured: **EI Centro Regional Medical Center**

We are required to send you this notice pursuant to federal legislation concerning terrorism insurance. The below is for TRIA coverage as issued by the United States of America and is not tied to or representative of the Terrorism coverage offered in our property insurance program.

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury--- in consultation with the Secretary of Homeland Security, and the Attorney General of the United States--- to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided below and does not include any charges for the portion of loss that may be covered by the federal government under the act.

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

COVERAGE OF "ACTS OF TERRORISM" AS DEFINED BY THE REAUTHORIZATION ACT WILL BE PROVIDED FOR THE PERIOD FROM THE EFFECTIVE DATE OF YOUR NEW OR RENEWAL POLICY THROUGH THE EARLIER OF THE POLICY EXPIRATION DATE OR DECEMBER 31, 2027. EFFECTIVE DECEMBER 31, 2027 THE TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT EXPIRES.

THE PREMIUM CHARGED FOR THIS COVERAGE CAN BE REQUESTED BELOW AND WILL NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

**SELECTION OR REJECTION OF THE TERRORISM RISK INSURANCE ACT, as AMENDED
(A.K.A.: TRIA, TRIEA, TRIPRA, TRIP OR TRIPA. We refer to these collectively as “TRIA”.)**

THIS COVERAGE IS OUTSIDE OF THE PROGRAM'S TERRORISM COVERAGES AND LIMITS. IT IS PROVIDED AND OVERSEEN BY THE U.S. GOVERNMENT.

THIS COVERAGE IS CONSIDERED RESTRICTIVE COMPARED TO THE APIP TERRORISM LIMITS AND COVERAGES AVAILABLE. THIS ACT DOES NOT FOLLOW OUR PROGRAM'S TERRORISM POLICIES.

HOWEVER IF YOU'D LIKE A QUOTE FOR TRIA COVERAGE, PLEASE CHECK THE “I AM INTERESTED” BOX. OTHERWISE, PLEASE CHECK THE “DECLINE” BOX. YOUR SIGNATURE FOR CONFIRMATION OF RECEIPT IS REQUIRED. ANY QUESTIONS PLEASE CALL YOUR ALLIANT SERVICE TEAM MEMBER.

	I am interested in receiving a quote for Terrorism Risk Insurance Act coverage as required by law to be offered under the last amended Act. Please provide me with a quote.
	I hereby decline to purchase Terrorism Risk Insurance Act coverage as required by law to be offered under the last amended Act.

Policyholder/applicant signature

Print Name

Date

El Centro Regional Medical Center

IMPORTANT NOTICE:

- 1. The insurance policy that you are applying to purchase is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website www.insurance.ca.gov. Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC’s internet website at www.naic.org. The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state’s department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website:
https://naic.org/state_web_map.htm.**
- 6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on the NAIC’s International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or “surplus line” broker to obtain more information about that insurer.**

7. California maintains a “List of Approved Surplus Line Insurers (LASLI).” Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm.

8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker’s fee charged for this insurance will be returned to you.

Date: _____
Insured: _____

D-1 (Effective January 1, 2020)

Binding Requirements Recap

Required no later than June 28, 2023:

- Signed and dated Request to Bind Coverage form (below)
- Signed and dated Surplus Lines forms as required by your state and attached to this proposal*
- Signed and dated APIP Claims Reporting Acknowledgement(s) Receipt Form
- Signed and dated Terrorism Risk Insurance ACT of 2002 as amended (a.k.a. TRIPRA 2015)

*- only required for coverage in the following states: AR, CA, CT, FL, KS, MA, MT, NE, NY, ND, OH, RI, WV, WY

Request to Bind Coverage

El Centro Regional Medical Center

We have reviewed the proposal and agree to the terms and conditions of the coverages presented.

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers, disclosures, and loss notification requirements including exposures used to develop insurance terms, contained within this proposal.

X

Signature of Authorized Insured Representative

Date

Title

Print / Type Insured Representative Full Name

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.*

INVOICE
Option 1 \$25,000 A/R Ded.



Alliant Insurance Services Inc.

NAMED INSURED: El Centro Regional Medical Center	INVOICE DATE: June 15, 2023 CUSTOMER NUMBER: ELCENTR-04 EFFECTIVE DATE: July 1, 2023
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INSURANCE CO: Various	INVOICE NUMBER: 10143033
POLICY NUMBER: PPROP2324	
Total Property Premium:	\$ 333,351.00
ABS Fee:	\$ 3,240.00
Estimated SLT&F's	\$ 10,671.73
Broker Fee:	\$ 8,095.93
ALL RISK PROPERTY SUBTOTAL	\$ 355,358.66

INSURANCE CO: Various	INVOICE NUMBER: 20143033
POLICY NUMBER: PBOILER2324	
EXCESS BOILER & MACHINERY SUBTOTAL	\$ 2,238.00

TOTAL DUE AT THIS TIME	\$ 357,596.66
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Total Due includes Premiums, Estimated Taxes and Fees where applicable. The Cyber Enhancement (BBR) premium, should you have elected to purchase this coverage, is not included as part of this invoice.

Please return a copy of the invoice with your payment. Premiums are due and payable upon receipt of this invoice but no later than July 20, 2023. If payment is not received by the due date, policies may be subject to cancellation.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Coverages, limits, sub-limits, terms and conditions could change. All changes will be advised prior to binding and accompany the Binder Confirmation for July 1, 2023 bound terms.

Important Notice of Remittance Payment Address Change

We have implemented lockbox deposit services with our Bank. Please use this new address to avoid delays in processing your payments.

Effective Immediately, please mail all future checks along with your remittance detail invoice to the following:

Standard Mail Remittance Address:

**Alliant Insurance Services, Inc. – Irvine Main
P.O. Box 8473
Pasadena, Ca 91109-8473**

Overnight/Courier Remittance Address:

**Alliant Insurance Services, Inc. – Lockbox # 8473 – Irvine Main
Comerica Bank
5th Floor
2321 Rosecrans Avenue
El Segundo, CA 90245**

ACH/WIRE PAYMENTS

**Comerica Bank
333 W. Santa Clara Street
San Jose, CA 95113
ABA/Routing Number: 121137522 SWIFT: MNBDUS33
Account Number: 1894398625**

ACH/Wire Reference: Include your ten-digit Client Account Number and Invoice Number (both can be found in the top right of this invoice) E-mail remittances to accountsreceivable@alliant.com.

Pay your Invoice via ACH using AlliantPay <https://billpay.alliant.com>



PUBLIC ENTITY

HOSPITAL ALL RISK PROPERTY PROGRAM (HARPP)



There is nothing simple about providing high levels of medical care, and the property exposures hospitals face is also quite complex. Alliant's **Hospital All Risk Property Program (HARPP)** is one of the largest joint purchase groups in the world. It is a powerful layer of protection hospitals can use to financially shield themselves from everything from critical machinery failure to environmental liability.

Powerful Protection Specifically For Hospitals

HARPP is a group purchase program, and because of its size, you get access to excellent coverage at competitive, stable rates. It is the most comprehensive solution a hospital can buy because it provides an extensive layer of protection against specific risks associated with the hospital industry.

This customizable program offers a broad insurance agreement and coverage that is not confined to a schedule. HARPP includes all property of every description of an insurable nature—both real and personal—of the insured. Coverage also includes property of others in the care, custody and control.

Additional components of HARPP include:

- Replacement cost for physical damage, including comprehensive and collision damage as an option for automobiles

- Automatic acquisition of new locations, which allows hospitals to grow without having to go through underwriting approval
- Blanket fine arts coverage (if scheduled)
- Course of construction coverage, including delay in start-up
- Property appraisals every five years for all buildings over \$5 million in total insurable value
- Boiler and machinery is included in the program and covers diagnostic equipment
- Access to Alliant's OASYS-Net proprietary software system
- No sub-limit for business interruption, including 365 extended period of indemnity
- Business interruption includes temporary and long-term housing for hospital resident patients

Exclusive Pricing & Price Controls

HARPP is a group purchasing program and because of this you have access to exceptional coverage, at competitive rates that stay stable even during insurance market volatility. Its benefits are based on the principals of an impressive total insurable value of over \$39 billion, large premium volume and spread of risk.

Hospital Boiler & Machinery

Accurately insuring critical components of hospital property must be done by specialists with adequate experience and technical savvy. HARPP partners with major boiler and machinery authorized inspection agencies for jurisdictional and consultative services. The program also provides board-certified engineering expertise in machinery, equipment, electronics, and HVAC through a nationwide network. HARPP has limits up to \$100 million, offering a wide range of services to manage your most serious exposures including:



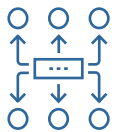
Loss prevention surveys



Infrared thermography



Industry and technical consultation



Key account service plan



Transformer oil/gas analysis



Boiler operation and maintenance training



Boiler and pressure vessel inspection services for non-code vessels

Environmental Liability

With inadequate protection, environmental liability can have devastating effects on the physical and financial infrastructure of a hospital. Pollution liability protection against the broad range of environmental risks facing modern healthcare facilities is a core component of HARPP. The program's single, comprehensive policy includes coverage for premises, covered operations, transportation, bodily injury/property damage from pollution conditions, pollution clean-up, and both above-ground storage tanks (ASTs) and underground storage tanks (USTs).

The Alliant Advantage

The Alliant public entity team is comprised of 150 professionals with targeted expertise servicing a broad range of public entities throughout the U.S. We ensure that our clients have access to time-tested expertise and powerful risk resources regardless of location.

For More Information, Contact:



Chris Tobin

Senior Vice President
949 660 8143
ctobin@alliant.com

ABOUT ALLIANT INSURANCE SERVICES

Alliant Insurance Services is the nation's leading specialty broker. In the face of increasing complexity, our approach is simple: hire the best people and invest extensively in the industries and clients we serve. We operate through national platforms to all specialties. We draw upon our resources from across the country, regardless of where the resource is located.



Risk Control and Safety Services

Helping public entities take a stand
against the unexpected





In the public sector, the possibility of an accident or loss always looms large. Unannounced and indiscriminate, these incidents can unleash a wave of lost productivity, damaged property, and significant legal and medical expenses that can impact your organization for years.

It's true, these incidents happen all the time. But do they have to?

Alliant works hand-in-hand with public entities across the nation, delivering meticulous analysis and actionable strategies that reduce costly accidents and losses. We'll leverage the full strength of our technological and intellectual resources to deliver sophisticated solutions that enhance safety, increase productivity, and reduce insurance costs.

▶ Power Through Prevention

Our mission is simple. We aim to prevent costly accidents and losses before they can play havoc with your organization. Underlying this commitment is an extensive infrastructure of people, ideas, and resources, all working together to protect your organization. When you work with Alliant, you unlock access to:

- A nationwide network of highly experienced consultants who understand the risks and regulatory climate of your particular market.
- Risk professionals averaging 15 years of experience with a range of certifications and credentials.
- Alliant's extensive library of educational materials, safety resources, and webinars.
- The power and resources of one of the nation's largest specialty insurance and risk management organizations.
- Time-tested methods and expertise that consistently yield lower loss ratios, and in turn, lower insurance costs.
- People who understand your business, its risks, and how they affect your long-term success.

▶ Get the "Big Picture" on Risk Control

We believe that effective risk control is not simply a series of tactics but a hub of interconnected strategies bound together by an ambitious, "big picture" perspective. To achieve this, we combine the following best-in-class services tailored for each of our clients.



Comprehensive Risk Assessment

- Loss analysis
- Operational assessment
- Stakeholder interviews
- Risk impact modeling
- Contract review
- Strategic planning



Implement Solutions

- Fire and life safety
- Casualty and workers' compensation
- Regulatory compliance
- Environmental
- Ergonomics and IH
- Fleet safety
- Behavioral safety



Critical Success Factors

- Personalize critical success factors
- Develop dashboard tools
- Align solutions with operational and risk goals
- Enterprise risk management



Monitor Results

- Monitor and adjust solutions
- Quantify value of outcomes
- Communicate success and improvement opportunities

▶ It's Your Choice. And It's an Important One.

Your charge is twofold: to protect your organization and secure its success. Working with a risk consultant can help you achieve both of these objectives, but you must choose the right partner for your organization. How to find the right fit? Make sure your consultant has:

- In-depth experience handling risks in your industry.
- The courage to tell you what you need to know, not what you want to hear.
- Vast resources at their disposal and the availability to handle the job when and how you need it.
- The support of a team of experts to assist in areas like regulatory citation, claims handling, and litigation.

These exemplify the Alliant approach to risk control and guide all of our actions as we seek to protect our clients from ever-shifting risks.

▶ Key Services

- **On-site hazard/risk assessments:** We perform an in-depth audit of your organization, identifying key areas of liability exposure, followed by detailed findings and recommendations.
- **Risk assessment:** We quantify your exposures by providing C.O.P.E. (construction, occupancy, protection, and exposure) along with natural catastrophe data, risk quality ratings, recommendations, and facility programs.
- **Ergonomics:** To help reduce workers' compensation costs, we provide engineering and administrative solutions that address core ergonomic issues; then we work with your team to build a self-sustaining risk improvement process through workplace studies, office evaluations, and ongoing training and education.
- **Loss estimates:** Our team can provide customized estimates that cover machinery, equipment, earthquake, wind, or flood in probable maximum loss (PML) and maximum feasible loss (MFL) formats.
- **Industrial hygiene:** Our consultants will anticipate, identify, evaluate, and recommend control strategies for chemical or biological hazards that may cause work-related illnesses.
- **Business interruption analysis and continuity planning:** We assist you in assessing the risk of a disaster on company operations and identifying its potential impact on your business, suppliers, and customers; and provide a disaster action plan.
- **Fleet safety analysis:** Our research-based transportation safety programs include full safety assessments, fleet training, accident investigation, and other regulatory audits.
- **Infrared and ultrasonic testing:** These important tests detect electrical problems and other critical loss exposures using highly sophisticated diagnostic technologies to prevent unscheduled maintenance, reduce operational interruptions, and improve energy usage.
- **General liability:** We help to prevent accidents, reduce injuries, and control insurance costs by pinpointing and mitigating risk to the public.
- **Risk management center:** This web-based risk reduction platform allows you to reduce risk and enable employee safety by creating an effective human resources and risk management program.
- **Training services:** Knowledge is power, and we offer a full range of educational resources customized for your organization. This includes a high-impact webinar series.
- **Fire system evaluation:** We analyze the adequacy of your system and then provide recommendations for ongoing maintenance and testing.

RISK CONTROL CONSULTING

Training Series for Alliant Clients 2023-24 Policy Year

Alliant's goal is aimed at educating our clients in property protection and occupational safety and health. Our new series is offered to all clients at no additional cost.

August 9, 2023	Workplace Violence:	An Interview with a Defense Specialist
September 13, 2023	Winter Preparation:	Preparing for Old Man Winter, What to Expect and How to Prevent Loss in the 2023 Season
October 11, 2023	Claim Preparation:	Post-loss Claim Recovery Success Stories
November 8, 2023	Post Water Intrusion:	Minimizing the Impact of a Water Damage Incident
December 13, 2023	Property Inspections:	101 – The Role Inspections Play in Preventing Loss and Minimizing Potential for Business Interruption
January 10, 2024	Fleet Management:	Managing and Controlling Fleet Loss Exposures
February 14, 2024	Cyber:	Are You Resilient Enough?
March 13, 2024	Fire Protection Impairment:	Reducing the Likelihood of Water-based Fire Protection System Failure
May 8, 2024	Wildfire:	Preparation and Response to Reduce Your Wildfire Loss Exposure
June 12, 2024	Warehouse Storage:	Most Vulnerable Risks You Need to Know

All training sessions are offered at no additional cost and will be held from 10am – 11am Pacific Standard Time. You may register for any of the topics by clicking on the link to be directed to the registration page. All presentations are recorded for on-demand playback (register to ensure you receive an e-mail with the link to the post-event recording).

QUESTIONS? CALL OR E-MAIL US: 888.737.4752/RISKCONTROL@ALLIANT.COM

Alliant Insurance Services
888 737 4752 | 18100 Von Karman, 10th Floor | Irvine, CA 92612 | www.alliant.com



▼ About Alliant Insurance Services

Alliant Insurance Services is one of the nation's leading and fastest growing distributors of diversified insurance products and services. In the face of increasing complexity, our approach is simple: bring on the best people and invest more deeply in the industries and clients we serve. We operate through a network of specialized national platforms and regional offices to offer a comprehensive portfolio of services to our clients. Our goal is to ensure that they get the most innovative products—and innovative thinking—in the industry.

alliant.com

Tim Leech, CSP, ARM

First Vice President
Risk Control Consulting
(949) 260-5008
TLeech@alliant.com

APPRAISAL SERVICES

After a property loss you don't need another unpleasant surprise



Suffering a property loss is bad enough without discovering the property was undervalued and you won't recover enough to replace or restore it. The reason for your dilemma: an inaccurate or poorly documented appraisal of the property that created a false sense of security that you were fully covered for the loss.

APPRAISAL SERVICES

If your assets are undervalued, or the values cannot be defended, the replacement costs paid by your insurance carrier will not adequately cover your losses. To ensure that commercial and public sector organizations do not face this kind of unpleasant surprise, Alliant Appraisal Services provides clients with accurate, fully documented appraisals they can trust.

Each property valuation is conducted by a licensed, experienced real estate appraiser who utilizes valuation techniques that conform to the federal reporting requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). To ensure accuracy, all appraisals are submitted for peer review.

CLIENT BENEFITS

Clients benefit from our appraisals in a variety of ways, including:

- Identifying inaccuracies in value based on occupancy or building characteristics
- Identifying inaccuracies in square footage, which impacts value
- Updating values to include building additions and renovations and to capture buildings not previously recorded
- Flagging demolished, relocated, or out-of-service structures, thereby reducing insured value
- Documenting and updating COPE (Construction, Occupancy, Protection, Exposures) data, which may help to lower premiums
- Collecting additional data as requested, including secondary earthquake characteristics and GPS coordinates

COMMERCIAL APPRAISALS

The depth and diversity of our commercial appraisal knowledge and experience set Alliant Appraisal Services apart from other consultants. Besides our own vast knowledge base, we are able to capitalize on our access to Alliant's vast nationwide appraisal and cost databases to meet specialized appraisal needs for nearly every type of commercial client.

In addition to appraising income-producing real property—including industrial, office, multifamily, and commercial—we have extensive expertise in appraising such unique assets as medical facilities, entertainment venues, hospitality sites, construction equipment, and power generation plants, to name only a few.

PUBLIC ENTITY APPRAISALS

Establishing accurate replacement values for such public sector assets as infrastructure, public facilities, and specialized equipment requires extensive knowledge of both the type of public entity and type of property. Among the unique public assets we appraise are water distribution systems, sewage treatment facilities, power generation plants, medical treatment facilities, school gymnasiums, fire-fighting equipment, communication towers, roadways, bridges, and many others.

REPORT FORMATS

Our appraisal reports can be customized to a client's particular requirements, ranging from a spreadsheet that summarizes key data to standalone reports for each asset. Clients can be confident that our appraisal reports will be consistent and supported by reliable market data.

ALLIANT INSURANCE SERVICES: THE PARTNER YOU DESERVE.

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant provides property and casualty, workers' compensation, employee benefits, surety, and financial products and services to more than 26,000 clients nationwide.

www.alliant.com

CONTACT

Lora Carlisle
Appraisal Manager
949 260 5033
LCarlisle@alliant.com

Alliant»Connect

The power of Alliant at your fingertips



Your business is a dynamic enterprise, moving with speed and agility to meet the ever-changing needs of your clients, employees, and industry. Decisions are made in real time and information must be accessed at a moment's notice. With AlliantConnect, convenience, security, and service are always at your fingertips and waiting for policy information is never part of the equation.

AlliantConnect is a customized online portal providing instant access to all of your insurance information. With its simple interface and intuitive design, you can manage your documents, access informational materials, stay up to date on policy changes, pay premiums, and interact with a service professional. Simply stated, it's a central hub where you can manage all aspects of your insurance policy.

AlliantConnect seamlessly melds the power of Alliant with the convenience of a secure online portal by empowering you to:

- **Access** all of your insurance information via a transparent and easy-to-use online interface
- **Manage** your documents, including certificates of insurance, in real time
- **Learn** through a comprehensive library of fact sheets, white papers, and presentations
- **Watch** training videos designed to help you better manage risk
- **Locate** a summary of your policy changes
- **Track** important dates and announcements
- **Pay** your premiums quickly and easily using an integrated payment component
- **Communicate** quickly and easily with your Alliant service team

PUT YOUR POLICY IN YOUR POCKET

With AlliantConnect Mobile, your policy follows you wherever business takes you. You enjoy 24/7 on-the-go-access to insurance information in a secure mobile platform through the following features:

- **One-click "Help" button** that will notify the entire service team if you experience an urgent issue
- **On-demand access** to policy documents, schedules, and endorsements
- **Offline access to documents** once they are downloaded
- **Contact information** of the entire service team

With AlliantConnect, you can rest assured that your information is stored in a secure location.



YOUR INFORMATION IS ALWAYS SECURE

With AlliantConnect, you can rest assured that all your information is secure, including payment transactions that are protected with the highest encryption levels possible. In addition, all data is secured to the appropriate account teams, our database and all backups are stored in a highly encrypted format, and all document changes are archived for audit history. As a company that insures clients against cyber risks, Alliant understands the importance of protecting client information in an online environment and how to maximize the security of your information.

REAL PEOPLE, ALWAYS WITHIN REACH

We believe that technology is only as successful as the people behind it. This is why we designed AlliantConnect not as a means of removing people from the process, but to bring them closer. In addition to accessing a service professional via the online portal, we also offer a toll-free helpline, where you will have direct access to the AlliantConnect support team. Simply give

us a call, let us know you are an AlliantConnect client, and we will be on the phone to help you get the most out of your account. AlliantConnect offers value and convenience by combining cutting-edge technology, optimum security, and personal service.

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www.alliant.com

CONTACT

Steve Sampiere
Chief Information Officer
619 849 3849
SSampiere@alliant.com



APIP - INSURANCE & FEMA CLAIM PREPARATION SERVICES

In a time of unprecedented frequency and scale of natural disasters, historic pandemics and cyber threats, it is more important than ever for **APIP Insureds** to be both knowledgeable and prepared to quickly and professionally quantify and present financial losses for reimbursement through all areas of potential recovery.

Imperium has extensive expertise in claim preparation services for many public entities, municipalities, K-12 schools, and hospitals in the U.S. Imperium offers a full continuum of claim preparation, forensic accounting, and risk management services that are designed specifically for APIP Insureds. These offerings coupled with decades of experience in handling both pre-loss risk management and post loss claims recoveries for public entities around the country for a variety of losses makes Imperium uniquely qualified to support your needs.

The APIP Policy Coverage for “Claim Preparation”

The APIP program provides \$1,000,000 in coverage for claim preparation services, following a covered loss. Therefore, the costs for Imperium services may be fully reimbursable up to this limit if applicable. These services are intended to support APIP policy holders in preparing, quantifying, and presenting claims to the Insurance Company(s) and their representatives.

Post-Loss

- **Insurance Claim Support** – Imperium's team has experience in supporting organizations following an insurable triggering event. Imperium's multi-disciplined team includes building consultants, forensic accountants, engineers, among others, who can support you in organizing, quantifying, and presenting your loss to the Insurer(s).
- **Builders Risk & Construction Issues** – Claim preparation takes not only expertise but also time and resources. Imperium helps alleviate the unplanned claim preparation burdens typically placed on a project team after a loss. We apply expertise in both construction project management and insurance claim preparation to help establish the status of the project at the time of a loss and then prepare the claim documentation required for financial recovery.

Pre-Loss

- **Business Interruption Value (BIV)** – Imperium's BIV Updates can be tailored to meet the needs of an organization's risk tolerance and help in decision making in setting coverage limits for annual policy premiums. When an insured sets their insurable values too high, they pay more in premiums for coverage they will never use. When BIV is too low, full financial recovery after a loss may not be achieved.

Other Services

- **FEMA Expertise**– In addition to insurance claims, our team has the knowledge and expertise to support eligible Applicants with their FEMA claims through the FEMA Public Assistance Program. Our team has extensive experience in project development, damage estimating, appeals, and project close-out.

- **Capital Project and Construction Claims Auditing** – public organizations often require an outside review of construction spending, adding stewardship to ongoing projects, or as part of a dispute avoidance and early claims resolution process. Imperium’s team of schedule, scope and cost experts design and implement audit plans for public projects and serve as on-call claims auditors to help facilitate successful completion to projects that experience changes.
- **Cyber risk quantification** - is a pre-loss valuation associated with specific threats such as a ransomware attack, business email compromise, and data exfiltration.
- **Litigation / Appraisals / Arbitration** – Imperium employs a broad range of testifying experts with considerable experience in quantifying economic damages. With decades of real-world experience, we achieve exceptional results in providing the technical and financial consultations required to resolve complex disputes across a broad range of industries.

Some Client Examples Include:

- Supporting various municipalities following winter storms in filing an insurance claim through the APIP program for unscheduled roads / cleanup inclusive of both internal and third-party expenses.
- Preparing a complex hurricane insurance claim with FEMA component for one of Florida's largest K-12 school systems.
- COVID-19 Cost Preparation and FEMA Claims Management for the largest public health care system in the United States.
- Preparing a complex Higher Education property and business interruption claim following a fire at a research building.
- Preparing the largest FEMA claim in history for a significant public housing authority in North America providing consulting services for the NFIP, insurance, and FEMA claims.

Prior to the commencement of an engagement, Imperium will provide a detailed scope of work and estimated costs for approval by the client for each of the services described above.

ABOUT IMPERIUM

Imperium Consulting Group, LLC, is a specialized advisory business that works with clients to better manage commercial risks and resolve complex claims and disputes. Our team of forensic accountants, project schedulers, engineers, cyber specialists, and other industry experts quantifies economic loss for risk management decision making as well as for recovery. Our services span pre-loss risk quantification and business interruption modeling, project auditing, litigation support, and expert witness services. We are retained by public and private organizations to help navigate claims under commercial and government contract forms, as well as recoveries under FEMA. Our experts also specialize in measuring loss under policies such as property and business interruption, builders’ risk, subcontractor default insurance, cyber, fidelity, M&A, environmental, among others. For more information about Imperium’s resiliency solutions, please visit www.imperiumCG.com



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May 18, 2023

Lenin Valdes
Associate Administrator, Finance
El Centro Regional Medical Center
1415 Ross Avenue
El Centro, CA 92243

Alamo, CA
925-838-6070

Glendale, CA
818-242-0123

Granite Bay, CA
916-266-6100

San Diego, CA
858-675-7400

Mailing Address:
P.O. Box 619084
Roseville, CA 95661

800-838-4111

www.betahg.com
A PUBLIC ENTITY

**RE: El Centro Regional Medical Center
July 1, 2023 BETA Risk Management Authority Liability Renewal Quotes**

Dear Mr. Valdes:

Attached to this email please find a renewal quote and coverage summary for the liability line(s) of coverage that BETA Risk Management Authority is proposing to renew at the above referenced entity on July 1, 2023.

BETA Healthcare Group's (BETA) Underwriting Staff has carefully reviewed your organization's liability renewal information and has made every effort to quote a contribution that balances the program's shared costs with the exposures and claims experience of each member. Similar to past renewals, BETA's underwriters will outline the specific details of each member's renewal in the email that accompanies this letter. If you have any questions regarding the renewal quote(s) or would like to consider additional limit or deductible options, please do not hesitate to contact your underwriter or me.

When you are ready to bind coverage, please email your underwriter. Invoices and coverage documents will be forwarded after receipt of binding confirmation.

Thank you very much for your continued support of BETA Healthcare Group.

Sincerely,

A handwritten signature in black ink that reads "Michele D. Reager". The signature is written in a cursive, flowing style.

Michele D. Reager, CPCU
Vice President of Underwriting

Attachments



RENEWAL QUOTE FOR

El Centro Regional Medical Center

Date May 18, 2023



BETA Healthcare Group

• Our Expertise, Your Peace of Mind

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

• Why BETA?

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

Healthcare Entity Comprehensive Liability Renewal Quote

May 18, 2023

Named Member: El Centro Regional Medical Center

COVERAGE INFORMATION AND RENEWAL QUOTE TERMS

<i>Issuing Company</i>	BETA Risk Management Authority (BETA _{ARMA}); A.M. Best Company rating: A (Excellent); FSC IX
<i>Coverage</i>	Healthcare Entity Comprehensive Liability, <i>coverage includes:</i> <ul style="list-style-type: none">• Professional Liability (claims made and reported)• General Liability (occurrence)<ul style="list-style-type: none">• Bodily Injury and Property Damage• Personal Injury and Advertising Injury Liability• Employee Benefit Administration Liability• Fire and Water Damage Legal Liability sub-limit• Asbestos Liability sub-limit (claims made and reported)• Pollution Liability sub-limit (claims made and reported)
<i>Form</i>	HCL (07/2021)
<i>Effective Date</i>	July 01, 2023
<i>Retroactive Date</i>	July 01, 2004 (applicable to professional liability coverage only)
<i>Contract Period</i>	July 01, 2023 at 12:01 a.m. to July 01, 2024 at 12:01 a.m.

Risk Management Resource Fund (RMRF) 2023/2024 estimate: \$11,318

Each contract period, BETA Healthcare Group (BETA) provides our hospitals, healthcare facilities and participating medical groups 1% of the named member's annual contribution for the primary limits of liability (up to \$5 million) for qualified risk management education expenses. The RMRF is subject to various minimums and maximums depending on the facility or organization and is a "use it or lose it" reimbursement program offered to members to supplement the costs associated with their risk management programs. The RMRF is provided to BETA_{ARMA} members in addition to our many complimentary risk management services and other reimbursement programs. The above estimate will be impacted by a renewal deductible change or a reduction in limits below the primary \$5 million.

Peer Review Network (PRN)

BETA's PRN is a voluntary program designed to assist member hospitals with medical staff peer review. If a member has a need to conduct external reviews, BETA will pay up to \$2,500 for all reviews during the contract period to compensate outside reviewers for their time.

BETA HEART Risk Management Credit: 2%

BETA's most recent risk management offering is a holistic approach to reducing harm in healthcare. BETA HEART® (healing, empathy, accountability, resolution and trust) is a coordinated effort designed to guide member healthcare organizations in implementing a reliable and sustainable culture of safety grounded in a philosophy of transparency. BETA HEART is a multi-year program that is an interactive and collaborative process that supports the organization, its' staff and patients. It is comprised of the following domains:

- Culture measurement and debrief
- Rapid Event Response and Analysis domain*
- Communication domain applying empathic communication skills and deployment of the Communication Resource team
- Care for the Caregiver program
- Early resolution process

Each of the five domains that are successfully implemented qualifies for a 2% primary contribution credit up to 10% annually. If your organization participated in BETA HEART and successfully completed the requirements for a given domain, the credits received will be indicated above. Credit amounts will be impacted by a renewal deductible change. Organizations that did not participate or did not fully meet requirements will have "N/A" stated above.

*Validating in the Rapid Event Response and Analysis (RERA) domain prompts an amendment to the coverage contract which offers the member organization a HEART SIR structure.

Healthcare Entity Comprehensive Liability Renewal Quote

OB Risk Management Initiative Credit: N/A

BETA is continuing its risk management efforts to reduce the frequency and severity of obstetrical claims by offering evidence-based performance improvement strategies to participating BETA_{RMA} member OB departments. If a member demonstrated 100% compliance with all elements of the OB initiative criteria during the current contract year (Tier I), a 2% rate credit on the primary contributions will be awarded at the next renewal. In addition, a member can earn up to a 4% credit for successful completion of two of the options set forth in Tier II of the initiative. Members must achieve all elements of Tier I in order to qualify for Tier II credits. Credit amounts will be impacted by a renewal deductible change. If your hospital participated in the OB initiative (Quest for Zero: OB) and successfully completed all requirements, confirmed through a validation survey, the credit received will be indicated above. Hospitals that did not participate or did not implement all requirements will have "N/A" stated above.

ED Risk Management Initiative Credit: N/A

BETA continues to focus its efforts on improving reliability and reducing risk in our member's emergency departments. If 100% of all ED physicians, PAs, NPs and nurses covered by BETA_{RMA} completed the required on-line courses for Tier I, a 2% rate credit on the primary ED contributions will be awarded. In addition, a member can earn up to a 4% credit for successful completion of two of the options set forth in Tier II of the initiative. The minimum ED contribution credit is \$5,000 for Tier I or Tier I and Tier II combined. Members must achieve all elements of Tier I in order to qualify for Tier II credits. If your organization participated in the ED initiative (Quest for Zero: ED and successfully completed all requirements, confirmed through a validation survey, the credit will be awarded at the next renewal. Credit amounts will be impacted by a renewal deductible change. If your organization participated in the ED initiative and successfully completed all requirements, the credit received will be indicated above. Organizations that did not participate or did not implement all requirements will have "N/A" stated above.

Emergency Medicine Education Fund

This fund provides up to \$500 per physician, advanced practice provider or for nurse leadership in annual tuition reimbursement for a number of emergency medicine seminars or courses aimed at improving patient safety in the emergency department. Please inquire about the courses that meet the education and reimbursement criteria of this program.

Annual Liability Dividend: \$161,564

The July 1, 2023 HCL renewal marks the 31st consecutive year that BETA_{RMA} has returned dividends to its membership. The above referenced dividend amount is based on each liability member's contribution to the financial performance of BETA_{RMA}'s liability lines of coverage dating back to when the member first joined the program. Years of membership and claims results relative to paid primary contributions determine the percentage allocation that each member receives from the annual dividend pool. If a member does not receive a dividend as noted by "N/A" above, that means the member's loss ratio (incurred claims costs/contributions) is too high to qualify for this year's dividend or the member is new to BETA_{RMA} and is not eligible to receive a dividend this year.

Dividend Installments: The 2023 dividends listed above will be paid in two installments on October 1, 2023 and on April 1, 2024. For the Annual Dividend, each installment is contingent upon the named member renewing all expiring lines of liability coverage with BETA_{RMA} on July 1, 2023 and maintaining each coverage contract at the time a dividend payment is made.

2023 Annual Renewal Contribution

Primary Contribution (up to \$5M Limits)	\$1,214,542
Contribution for Limits in Excess of Primary	\$141,457
Total Annual Contribution:	\$1,355,999
Annual Dividend	\$161,564
Annual Contribution Less Annual Dividend	\$1,194,435

Contribution Remittance

Annual Contribution Due	\$1,355,999
Monthly Installment Contribution Due	\$112,999.92

Monthly Contribution are due on 7/1/2023 and are late if received after 7/15/2023

Healthcare Entity Comprehensive Liability Renewal Quote

Liability Limits \$26 million per occurrence and \$30 million aggregate

- \$1 million per occurrence and \$3 million aggregate sub-limit per covered physician subject to the entity's \$26 million per occurrence and \$30 million aggregate limits

All defense expenses are paid outside of the per occurrence limits
All sub-limits are subject to the per occurrence and aggregate limits

Deductible \$5,000 Indemnity & Expense

El Centro Regional Medical Center	
2023 Annual Contribution Due	\$1,355,999.00
Monthly Installment Contribution Due	\$112,999.92

Exposures	Estimated Census for 7/1/2023 to 7/1/2024
1 Acute Care Beds	19,057.00
2 Emergency Visits	18,520.00
3 Non-Urgent ER Visits	17,962.00
4 Outpatient Visits	214,627.00
5 Surgeries: Outpatient	5,038.00
6 Surgeries: Inpatient	1,140.00
7 Physicians Group 2A	0.05
8 Physicians Group 3	3.50
9 Physicians Group 4	0.10
10 Physician Assistant (Non-ER)	6.38
11 Nurse Practitioner (Non-ER)	15.20
12 Nurse Midwives	1.00

BETA_{RMA} reserves the right to re-rate based on a material change in projected exposures

Directors, Officers And Trustees Liability Renewal Quote

May 18, 2023

Named Member: El Centro Regional Medical Center

COVERAGE INFORMATION AND RENEWAL QUOTE TERMS

<i>Issuing Company</i>	BETA Risk Management Authority (BETA _{RMA}); A.M. Best Company rating: A (Excellent); FSC IX
<i>Coverage</i>	Directors, Officers and Trustees Liability, coverage includes: <ul style="list-style-type: none">• Entity coverage• Duty to defend• Employment practices liability• Anti-trust coverage at full limits
<i>Form</i>	D&O (07/2021)
<i>Type</i>	Claims Made and Reported
<i>Effective Date</i>	July 01, 2023
<i>Retroactive Date</i>	October 01, 1996
<i>Contract Period</i>	July 01, 2023 at 12:01 a.m. to July 01, 2024 at 12:01 a.m.
<i>Liability Limits</i>	\$5 million per occurrence and \$5 million aggregate <i>Defense expenses are paid within the limits of liability</i>
<i>Indemnity and Defense Deductible</i>	Deductibles applicable to Section 2 Coverages Coverage (A): \$0 each Claim Coverage (B): \$100,000 each Claim including Defense Expenses Coverage (C): \$100,000 each Claim including Defense Expenses Coverage (D): \$250,000 each Claim including Defense Expenses Coverage (E): \$0 each Claim
<i>Annual Contribution</i>	BETA _{RMA} reserves the right to rerate based on a material change in projected exposures \$251,075

Auto Liability and Physical Damage Renewal Quote

May 18, 2023

Named Member: El Centro Regional Medical Center

COVERAGE INFORMATION AND RENEWAL QUOTE TERMS

<i>Issuing Company</i>	BETA Risk Management Authority (BETA _{RMA}); A.M. Best Company rating: A (Excellent); FSC IX	
<i>Coverage</i>	Automobile Liability & Physical Damage, coverage includes:	
	<ul style="list-style-type: none"> • Bodily Injury and Property Damage Liability • Uninsured/Underinsured Motorist Coverage sub-limit - \$1 million per accident • Hired/Non-Owned Auto Liability • Medical payment - \$5,000 per accident • Collision Coverage - fair market value • Comprehensive Coverage - fair market value 	
<i>Form</i>	Auto (07/2021)	
<i>Type</i>	Occurrence	
<i>Effective Date</i>	July 01, 2023	
<i>Contract Period</i>	July 01, 2023 at 12:01 a.m. to July 01, 2024 at 12:01 a.m.	
<i>Liability Limits</i>	\$5 million per Accident - Combined Single Limit	
	<ul style="list-style-type: none"> • Bodily Injury and Property Damage Liability • Hired/Non-Owned Auto Liability • \$1 million Sub-limit Uninsured/Underinsured Motorist Coverage 	
<i>Deductible</i>	Physical Damage - \$250 Comprehensive and \$500 Collision Liability - \$0 Auto Liability	
<i>Vehicles by Type</i>	Total Vehicles:	10
	Private Passenger Vehicles (including non-patient-transport vans)	10
	<small>Vehicle Types: Ambulance/Large Bus; Heavy Vehicle/Small Bus; Medical Vehicle/Motor Home; Non-Operational Vehicle; Patient Transport (excluding ambulances); Private Passenger Vehicle (including non-patient-transport vans); Tractor Trailer; Trailer Towed by Vehicle</small>	
<i>Annual Contribution</i>	BETA _{RMA} reserves the right to rerate based on a material change in projected exposures \$20,077	



TO: HOSPITAL BOARD MEMBERS

FROM: Tammy Morita, on behalf of El Centro Regional Medical Center

DATE: June 27, 2023

MEETING: Board of Trustees

SUBJECT: DISTRESSED HOSPITAL LOAN PROGRAM APPLICATION

BUDGET IMPACT: ___ Does not Apply
 A. Does the action impact/affect financial resources? X Yes ___ No
 B. If yes, what is the impact amount: To be determined

BACKGROUND: On May 15, 2023, the Distressed Hospital Loan Program (Program) was established through the approval of urgency legislation, Chapter 6, Statutes of 2023 (Assembly Bill 112). The Department of Health Care Access and Information (HCAI) and the California Health Facilities Financing Authority (CHFFA) will jointly implement the new Program to make interest-free loans for working capital needs to not-for-profit and public hospitals in significant financial distress.

DISCUSSION: In order to be considered for a loan under the first funding round, a complete application must be submitted to CHFFA by July 31, 2023. If a hospital would like the Department of HCAI to conduct a preliminary review of a hospital's eligibility and determine eligibility prior to the hospital spending resources on developing a Turnaround Plan, an applicant must submit its application with all items, except the Turnaround Plan by June 30, 2023. Propose to submit an application for preliminary review of eligibility.

RECOMMENDATION: (1) Approve (2) Do not approve

ATTACHMENT(S):

- **RESOLUTION NO. ECRMC 23-03** Resolution of the Board of Trustees of El Centro Regional Medical Center Authorizing Execution and Delivery of A Promissory Note, Loan and Security Agreement, and Certain Actions in Connection Therewith for a Loan Under the Distressed Hospital Loan Program

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo Valdez

RESOLUTION NO. ECRMC 23-03
RESOLUTION OF THE BOARD OF TRUSTEES OF EL CENTRO REGIONAL
MEDICAL CENTER AUTHORIZING EXECUTION AND
DELIVERY OF A PROMISSORY NOTE, LOAN AND SECURITY AGREEMENT,
AND CERTAIN ACTIONS IN CONNECTION THEREWITH FOR A LOAN UNDER
THE DISTRESSED HOSPITAL LOAN PROGRAM

Distressed Hospital Loan Program

WHEREAS, **El Centro Regional Medical Center** (the “Borrower”) is a public hospital, as defined in Section 129381 of the Health and Safety Code;

WHEREAS, Borrower does not belong to an integrated health care system with more than two separately licensed hospital facilities.

WHEREAS, Borrower has determined that it is in its best interest to borrow an aggregate amount not to exceed \$40,000,000.00 from the California Health Facilities Financing Authority (the “Lender”) under the Distressed Hospital Loan Program, with that loan to be funded with the proceeds in the Distressed Hospital Loan Program Fund; and

WHEREAS, the Borrower intends to use the loan in order to prevent the closure of the hospital;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Borrower as follows:

Section 1. The Board of Directors of Borrower hereby approves the submission of an application for a loan from the Distressed Hospital Loan Program.

Section 2. **DAVID MOMBERG, CHIEF FINANCIAL OFFICER** and **PABLO VELEZ, CHIEF EXECUTIVE OFFICER** (each an “Authorized Officer”) are hereby authorized and directed, for and on behalf of the Borrower, to do any and all things and to execute and deliver any and all documents that the Authorized Officers deem necessary or advisable to consummate the borrowing of moneys from the Lender and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 3. The proposed form of Loan and Security Agreement (the “Agreement”), which contains the terms of the loan, is hereby approved. The loan shall be in a principal amount not to exceed **\$40,000,000.00**, shall not bear interest, and shall mature 72 months from the date of the executed Loan and Security Agreement between the Borrower and the Lender. Each Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Agreement in substantially that form, which includes the Loan Funds Disbursement Certification, as well as the redirection of up to twenty percent (20%) of Medi-Cal reimbursements (checkwrite payments) to Lender in the event of default in accordance with Health and Safety Code section 129384, with those changes therein as the

Authorized Officers may require or approve, that approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Promissory Note (the “Note”) as evidence of the Borrower's obligation to repay the loan is hereby approved. The Authorized Officers are hereby authorized and directed, for and on behalf of the Borrower, to execute the Note in substantially said form, with those changes therein as the Authorized Officers may require or approve, that approval to be conclusively evidenced by the execution and delivery thereof.

PASSED AND ADOPTED at a regular meeting of the Board of Trustees of El Centro Regional Medical Center held on the 27th day of June, 2023.

EL CENTRO REGIONAL MEDICAL CENTER

By: _____
Tomas Oliva, President

ATTEST:

By: _____
Sylvia Marroquin, Vice-President

APPROVED:

By: _____
Cedric Cesena, Interim City Treasurer

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL) ss
CITY OF EL CENTRO)

SECRETARY'S CERTIFICATE

I, Belen Gonzalez, Board Executive Secretary of El Centro Regional Medical Center, El Centro, California, do hereby certify that the foregoing is a full, true and correct copy of **Resolution No. ECRMC 23-03** duly adopted at a regular meeting of the El Centro Regional Medical Center Board of Trustees Meeting, held on the 27th day of June, 2023, which meeting all of the members of said Board of Trustees had due notice and at which the required quorum was present and voting and the required majority approved said resolution by the following vote at said meeting:

AYES:

NOES:

ABSENT:

ABSTAINED:

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that said resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and is now in full force and effect.

By: _____
Belen Gonzalez, Board Executive Secretary

Date: _____



TO: HOSPITAL BOARD MEMBERS
FROM: Sunny Richley, M.D., Chief of staff
DATE: June 27, 2023
MEETING: Board of Trustees
SUBJECT: AMENDMENTS TO MEDICAL STAFF BYLAWS

BUDGET IMPACT: X Does not Apply
 A. Does the action impact/affect financial resources? Yes No
 B. If yes, what is the impact amount: _____

BACKGROUND: The proposed amendments to the Medical Staff Bylaws were Approved by the organized medical staff voting members, on June 13, 2023, and are now presented for consideration and approval by the Board of Trustees.

DISCUSSION: Following review of proposed Medical Staff Bylaw amendments, vote was taken by written ballot, and by majority vote, all were approved.

RECOMMENDATION: (1) Approve (2) Do not approve

ATTACHMENT(S):
 • Detailed amendments approved by the Medical Staff.

Approved for agenda, Chief Executive Officer

Date and Signature: Pablo V. [Signature]

11.12 BIOETHICS COMMITTEE

11.12-1 Composition

The bioethics committee shall consist of a minimum of three (3) physicians, includes the Committee Chairman, appointed by the Chief of Staff and approved by the Medical Executive Committee. Consultation committee shall include and such other staff members as Physician-of-record, all consultants on case being referred for discussion. ~~or chief of staff may deem appropriate for specific duties and/or consultations.~~ It may ~~shall also~~ include CEO, CMO, representatives from nursing, quality improvement, case management, social services. Attendance may include, as needed, lay representatives from clergy, ethicists, attorney. ~~representative from the Board of Trustees, although a majority shall be physician members of the medical staff.~~

11.12-2 Duties

The bioethics committee shall serve primarily as an advisory committee, providing ethics consultations. Committee shall participate in development of guidelines for consideration of cases having bioethical implications; development and implementation of procedures for the review of such cases; development and/or review of institutional policies, procedures regarding care and treatment of such cases. Conduct periodic review of policies, protocols, procedures, pertaining to clinical ethics such as Advanced Directives, Withholding and Withdrawing Life-Sustaining Treatments, Informed Consent, and Organ Procurement.

The Bioethics committee will consider any bioethical issue that directly relates to the care and/or treatment of patients. Its role does not extend to issues which, while may be ethical in nature, are not directly related to patient care. The Committee Chairman shall have the authority to resolve conflicts as to whether an issue is bioethical in nature and requires consultation.

The committee shall perform concurrent and/or retrospective review of cases for the evaluation of bioethical policies; consultation with concerned parties to facilitate communication and aid conflict resolution; and education of the hospital staff on issues in clinical ethics.

11.12-3 Recommendations

Any recommendation resulting from a consultation is advisory and intended to enhance decision making, and in no way replace the patient, family, physician relationship. Recommendations from the consultation will be discussed with the attending physician by the Chairman, or designee. The basic concepts of the medical ethics that are considered by committee members in making a recommendation include:

- Autonomy. Respect for an individual's right to self-determination as well as creating conditions necessary for autonomous choice, including disclosure of medical condition, privacy, confidentiality and respect for individual values
- Beneficence. Consideration to the best way to promote the patient's welfare with the care team's obligation to benefit the patient and to prevent and remove harm.
- Non-maleficence. Consideration of "doing-no-harm", that needless harm or injury is not created for the patient either through commission or omission.
- Justice. The fair allocation of scarce resources.
- Dignity. The patient and the treatment team have the right to dignity.
- Truthfulness and honesty. The concept of informed consent.

11.12-4 Consultations

When needed, the bioethics committee can act as a resource and give assistance to those charged with decision-making in situations where there is disagreement among the patient, family, guardian, staff, physician, concerning appropriate patient care issues. The goals of a consultation are:

- To promote the patient's right's rights, autonomy, and self-determination in the context of medical decisions;
- To promote shared decision making between patient, family, guardian, and their clinicians;

- (c) To promote the awareness of ethical issues among health professionals and provide an avenue for care providers, patients, and significant others;
- (d) To promote fair policies and procedures that maximize the likelihood of achieving good patient-centered outcomes;
- (e) To protect the integrity of the institution in its respect for the quality and value of human life.
- (f) When a Consultation is needed includes, but not limited to, the following situations:
 - Concerns about the competency of a patient;
 - Lack of Advance Directives, Living Will, or Health Care Power of Attorney, when a patient is unable to make important or life-sustaining medical decisions, due to incompetence or medical condition;
 - When there is family disagreement over life-sustaining treatments of a patient;
 - When there is patient/family/guardian disagreement over the medical care/treatment of a patient;
 - In cases where the patient/family/guardian are demanding extreme or inappropriate medical interventions;
 - When more help is needed in assisting family and clinical team with decisions;
 - When concerns about maintaining patient dignity and comfort are not being resolved;
 - When there is conflict regarding end-of-life decisions;
 - Questions concerning brain death, severe coma, persistent vegetative state;
 - In cases where issues of futility arise in conflict with patient, family, guardian wishes;
 - In difficult cases involving withholding or withdrawing treatment;
 - When family religious or cultural practices and beliefs are in opposition or conflict;
 - Major issue related to obtaining or failure to obtain appropriate consent;
 - In cases involving organ donation after cardiac death.

11.12-5 Documentation of Consultation

The Chair or designee shall document in the patient's medical record a minimum of following:

- Source of the referral
- Ethical issues addressed, assessments, analysis
- Justification supporting recommendations
- Closing, resolution achieved or additional meeting needed.

11.12-6 Meetings

Bioethics Consultation. The committee recognizes that often a consultation request is prompted by an emergency or immediate need by caregivers to resolve a bioethical question or dilemma.

Committee consultation access will be available within 24 hours or as soon as possible.

- During normal business hours consultation access may be requested through the medical staff services office (x7202). Staff will facilitate scheduling of meeting, within 24 hours.
- During weekends and holidays, access will be by direct conversation between requesting physician and Bioethics Committee Chairman. Requesting physician will contact the Chairman directly to discuss specifics of case. Following discussion, the Chairman has the authority to make a recommendation, or may refer case for Consultation, the next normal business day.

Bioethics Committee. Shall meet as often as necessary at the call of its chair. It shall maintain a record of its activities and report to the Medical Executive Committee.

11.3 MEDICAL EXECUTIVE COMMITTEE

11.3-1 Composition

The majority of voting Medical Executive Committee members are fully licensed doctors of medicine or osteopathy actively practicing in the hospital, and shall include other practitioners and any other individuals as determined by the organized medical staff.

All members of the organized medical staff, of any discipline or specialty, are eligible for membership on the medical executive committee.

The committee consists of:

- (a) the officers of the medical staff;
- (b) the department chairs
- (c) Contracted medical directors. Shall be appointed to serve in a non-voting or voting capacity, at the discretion of the Medical Executive Committee,
- (d) two members-at-large. Shall be nominated and appointed by the Medical Executive Committee, at the first committee meeting of the year (odd years). Qualified nominees shall have previous experience in committee/department chairmanship, previous MEC membership, continuous Active status and involvement in medical staff functions.
- (e) Ex-officio members of the MEC shall include the Past Chief of Staff, Chief Executive Officer, Chief Medical Officer and Vice Chief Medical Officer of Quality.

The Chief Nursing Officer and Director Quality/Risk Management shall be invited guest, as well as others who may be invited, as needed.

A Medical Executive Committee member can be removed from the committee only if the medical staff acts to remove that member from the position held as an officer, in the same manner as provided in Section 9.1-6 for the recall of officers, or, in the case of department chair, if the department acts to remove the member from the department chair as provided in Section 10.6-4.



May 2023 Financial Report

June 15, 2023

To: Finance Committee

From: Tammy Morita, on behalf of ECRMC

The following package contains:

- Balance Sheet vs. Prior Month comparison
- Operating Statement vs. Prior Month comparison
- Monthly Cash Flow (Fiscal Year to Date)

Balance Sheet:

- a) Cash balance decreases mainly due to the lower third-party programs received (\$2.4MM), coupled with higher expenses (\$670k)
- b) Our Third party net receivables increased since lower funding was received during the month (\$2.3MM).
- c) Restricted capital building fund decreased due to bond funding received during the month (\$1.05MM) partially offset by generated interest (\$22k).
- d) Property plant and equipment decreased due to month depreciation (\$714k) partially offset by "Construction-in-progress" additions (\$149k)
- e) Days in A/R decreased to 52.09 from 54.10 days. The goal is 50 days.
- f) Accounts payable days are fairly stable, 69.05 vs. 68.89 days from previous month.
- g) Current Ratio decreased to 0.98 vs. 1.00 previous month.

Income Statement – Current Month Actual vs Prior Month:

- a) Our Inpatient Revenue is 5% lower than previous month driven by lower average daily census (40.4 vs. 47.4 previous month)
- b) Outpatient Revenues is 12% higher than previous month driven by higher ER visits (1,013), higher RHC visits (562) and higher Oncology Center visits and procedures (138 visits and 145 procedures)
- c) Charity and Bad debt expense is reported at \$720K (our monthly average is \$1.1 million so far this FY 2023).
- d) Salary expenses increased mainly driven by higher ER, RHC and Oncology volumes (\$100k) coupled with one additional day in the month (\$170k average daily salary expense).
- e) Medical Professional fees increased mainly due to higher Oncology volume.
- f) Non-Medical Prof Fee expense increased due to higher attorney fees (\$95k paid in May).
- g) Food expenses are higher related to hospital week held in May.
- h) Lease/rental expenses increased due to maintenance expense true-up associated with the Imperial Valley Mall HVAC; retroactive to January 2021.
- i) Utilities expense increased \$28k vs. previous month mainly due to higher electricity consumption (\$22k).

Definitions:

- **EBIDA** - Earnings Before Interest, Depreciation, and Amortization.
- **Contribution Margin** – Total Revenue minus Expenses (excluding functional areas of IT, Finance, HR, and management assessments/restructuring costs).
- **EBIDA Margin** – $EBIDA / \text{Total Revenue}$.
- **Operating Expenses Per Day** – Total Expenses less Depreciation divided by Days.
- **Operating Revenue Per Day** – $\text{Operating Income} / \text{Days}$.
- **Days Cash on Hand** – $\text{Cash} / \text{Operating Expenses per Day}$.
- **Days Revenue in A/R** – $\text{Accounts Receivable} / \text{Operating Revenue per Day}$.
- **Current Ratio** – $\text{Current Assets} / \text{Current Liabilities}$.
- **Equity Financing Ratio** – $\text{Total Capital} / \text{Total Debt}$.

ECRMC BALANCE SHEET COMPARED TO PRIOR MONTH

	May 31, 2023	April 30, 2023	Variance (\$)	Variance (%)
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 9,715,349	\$ 12,821,570	\$ (3,106,221)	-24%
Net Patient Accounts Receivable	16,057,875	16,156,828	(98,953)	-1%
Other Receivables	131,558	125,471	6,086	5%
Due from Third-Party Payors	10,846,574	8,489,915	2,356,659	28%
Inventories	3,396,185	3,417,718	(21,533)	-1%
Prepaid Expenses & Other	3,930,482	4,056,267	(125,785)	-3%
Total Current Assets	44,078,022	45,067,769	(989,747)	-2%
Assets Limited as to Use				
Restricted Building Capital Fund	1,113,465	2,150,442	(1,036,977)	-48%
Funds Held by Trustee for Debt Service	12,932,917	12,295,829	637,087	5%
Restricted Programs	11,497	11,497	-	0%
Total Assets Limited as to Use	14,057,879	14,457,768	(399,890)	-3%
Property, Plant, and Equipment: Net	140,103,727	140,668,689	(564,962)	0%
Other Assets	262,595	262,595	-	0%
Total Assets	198,502,223	200,456,822	(1,954,598)	-1%
Deferred Outflows of Resources				
Deferred Outflows of Resources - Pension	3,624,826	4,050,911	(426,085)	-11%
Total Deferred Outflows of Resources	3,624,826	4,050,911	(426,085)	-11%
Total Assets and Deferred Outflows of Resources	\$ 202,127,050	\$ 204,507,733	\$ (2,380,683)	-1%
Liabilities				
Current Liabilities:				
Current Portion of Bonds	1,275,833	1,280,417	(4,583)	0%
Current Portion of Capital Lease Obligations	1,733,364	1,625,354	108,011	7%
Accounts Payable and Accrued Expenses	23,317,250	23,262,367	54,884	0%
Accrued Compensation and Benefits	7,929,243	7,980,300	(51,057)	-1%
Due to Third-Party Payors	10,815,454	10,894,604	(79,150)	-1%
Total Current Liabilities	45,071,145	45,043,041	28,104	0%
Long-Term Bond Payable, Less Current Portion	112,699,798	112,776,899	(77,101)	0%
Capital Lease Obligations, Less Current Portion	4,026,368	4,466,664	(440,296)	-10%
Net Pension Liability	39,119,000	39,119,000	-	0%
Total Liabilities	200,916,311	201,405,604	(489,293)	0%
Deferred Inflows of Resources				
Deferred Inflows of Resources - Pension	7,448,200	7,448,200	-	0%
Total Deferred Inflows of Resources	7,448,200	7,448,200	-	0%
Net Position				
Restricted Fund Balance	17,238	17,238	-	0%
Fund Balance	(6,254,700)	(4,363,310)	(1,891,390)	43%
Total Net Position	(6,237,461)	(4,346,071)	(1,891,390)	44%
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 202,127,050	\$ 204,507,733	\$ (2,380,683)	-1%
Days Cash on Hand	20.26	26.99		
Days Revenue in A/R	52.09	54.10		
Days in A/P	69.05	68.89		
Current Ratio	0.98	1.00		
Debt Service Coverage Ratio	(1.93)	(1.92)		

STATEMENTS OF OPERATIONS COMPARISON TO BUDGET

MTD May 31, 2023	MTD April 30, 2023	Month-to Month Variance	% Variance Favorable/ (Unfavorable)		YTD May 31, 2023	YTD May 31, 2022	Year-over Year Variance	% Variance Favorable/ (Unfavorable)
				OPERATING REVENUE				
\$ 13,058,645	\$ 13,744,718	\$ (686,073)	-4.99%	IP Revenue	\$ 183,792,894	\$ 270,647,956	\$ (86,855,062)	-32.09%
47,086,888	42,110,131	4,976,757	11.82%	O/P Revenue	478,029,420	458,632,809	19,396,611	4.23%
60,145,533	55,854,849	4,290,684	7.68%	Gross Patient Revenues	661,822,314	729,280,765	(67,458,451)	-9.25%
414,230	516,613	(102,383)	-19.82%	Other Operating Revenue	4,510,016	5,117,395	(607,379)	-11.87%
60,559,763	56,371,462	4,188,301	7.43%	Total Operating Revenue	666,332,330	734,398,160	(68,065,830)	-9.27%
				Contractuals				
10,585,538	11,317,562	732,024	6.47%	IP Contractuals	143,513,374	207,152,264	63,638,890	30.72%
38,179,102	34,282,071	(3,897,032)	-11.37%	OP Contractuals	390,058,498	372,643,008	(17,415,490)	-4.67%
512,650	467,910	(44,739)	-9.56%	Charity	7,760,258	4,214,073	(3,546,185)	-84.15%
210,205	201,879	(8,326)	-4.12%	Provision for Bad Debts	3,990,398	5,545,239	1,554,841	28.04%
(2,165,468)	(2,719,594)	(554,126)	-20.38%	Other Third Party Programs	(17,326,007)	(12,430,692)	4,895,316	39.38%
(279,334)	(912,379)	(633,045)	-69.38%	M/Cal Disproportionate Share	(2,918,435)	(2,005,148)	913,287	45.55%
47,042,693	42,637,449	(4,405,244)	-10.33%	Total Deductions	525,078,086	575,118,745	50,040,659	8.70%
13,517,070	13,734,013	(216,943)	-1.58%	Total Net Revenues	141,254,244	159,279,415	(18,025,171)	-11.32%
				EXPENSES				
5,098,702	4,726,402	(372,300)	-7.88%	Salaries & Wages	58,260,576	58,490,870	230,294	0.39%
166,795	227,343	60,548	26.63%	Registry	8,537,188	15,773,715	7,236,527	45.88%
2,407,306	2,262,672	(144,634)	-6.39%	Employee Benefits	16,203,586	14,552,105	(1,651,481)	-11.35%
426,085	426,085	0	0.00%	Employee Benefits - Pension GASB 68	3,788,915	(525,856)	(4,314,771)	820.52%
1,293,390	1,223,459	(69,931)	-5.72%	Professional Fees - Medical	15,204,402	15,436,213	231,812	1.50%
352,939	314,274	(38,665)	-12.30%	Professional Fees - Non-Med	3,566,823	2,492,218	(1,074,605)	-43.12%
2,371,018	2,358,782	(12,236)	-0.52%	Supplies - Medical	25,307,128	27,824,747	2,517,619	9.05%
163,826	148,512	(15,313)	-10.31%	Supplies - Non-Medical	2,056,909	2,433,418	376,509	15.47%
84,344	67,785	(16,559)	-24.43%	Food	919,331	896,049	(23,282)	-2.60%
668,229	712,006	43,777	6.15%	Repairs and Maintenance	7,775,286	7,462,760	(312,527)	-4.19%
561,686	596,449	34,763	5.83%	Other Fees	7,216,160	8,084,973	868,813	10.75%
89,562	63,342	(26,221)	-41.40%	Lease and Rental	771,664	1,261,967	490,303	38.85%
184,886	156,491	(28,395)	-18.15%	Utilities	2,086,511	1,982,189	(104,322)	-5.26%
714,139	704,525	(9,613)	-1.36%	Depreciation and Amortization	7,642,406	7,588,445	(53,961)	-0.71%
185,954	186,364	411	0.22%	Insurance	2,259,993	2,429,784	169,791	6.99%
94,300	75,805	(18,495)	-24.40%	Other Expenses	1,434,527	2,666,630	1,232,102	46.20%
14,863,160	14,250,296	(612,863)	-4.30%	Total Operating Expenses	163,031,405	168,850,228	5,818,823	3.45%
(1,346,090)	(516,283)	(829,807)	160.73%	Operating Income	(21,777,161)	(9,570,813)	(12,206,348)	127.54%
-10.0%	-3.8%			Operating Margin %	-15.4%	-6.0%		
				Non-Operating Revenue and Expenses				
30,677	31,350	(673)	-2.15%	Investment Income	483,787	(1,845,842)	2,329,629	-126.21%
23,683	13,649	10,033	73.51%	Grants and Contributions Revenue	636,565	999,642	(363,076)	-36.32%
18,036	750	17,286	2304.80%	Non Operating Revenue/(Expense)	1,140,236	2,375,230	(1,234,994)	-51.99%
(617,695)	(620,553)	2,858	0.46%	Interest Expense	(6,842,428)	(6,765,940)	(76,488)	-1.13%
(545,300)	(574,804)	29,504	5.13%	Total Non-Operating Rev. and Expenses	(4,581,840)	(5,236,910)	655,070	12.51%
\$ (1,891,390)	\$ (1,091,087)	\$ (800,303)	-73.35%	(Deficit)/Excess Rev. Over Exp.	\$ (26,359,001)	\$ (14,807,723)	\$ (11,551,278)	-78.01%
-14.0%	-7.9%			(Deficit)/Excess Rev. Over Exp. %	-18.7%	-9.3%		
(133,471)	660,076	(793,547)	-120.22%	EBIDA	(8,085,251)	(979,194)	(7,106,058)	725.71%
-1.0%	4.8%			EBIDA %	-5.7%	-0.6%		

**EI Centro Regional Medical Center
Monthly Cash Flow**

Unaudited

	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	May 2023	Year-to-Date 2023
<i>Cash Flow From Operating Activities</i>												
Net Income/(Loss)	\$ 156,662	\$ (2,197,317)	\$ (4,027,726)	\$ (3,660,849)	\$ (3,764,219)	\$ (2,893,234)	\$ (3,787,152)	\$ (1,840,895)	\$ (1,361,794)	\$ (1,091,087)	\$ (1,891,390)	\$ (26,359,001)
<i>Adjustments to reconcile net income to net cash:</i>												
Add: Depreciation	713,569	700,147	673,369	689,612	664,873	686,394	498,399	943,829	653,550	704,525	714,139	\$ 7,642,406
Capital Lease Interest	14,782	14,777	14,225	13,682	13,141	15,010	14,804	31,948	15,493	15,841	15,268	\$ 178,972
Bond Interest	592,686	592,686	592,686	592,686	592,686	592,686	592,686	592,686	592,686	592,686	592,686	\$ 6,519,543
Accounts Receivable	(2,682,761)	(979,897)	(120,054)	529,302	1,769,695	(828,416)	3,757,456	1,017,432	1,492,438	(117,567)	98,953	\$ 3,936,582
Other Receivables	(9,724)	(12,725)	21,125	(9,193)	10,500	97	(87,187)	43,230	54,863	(7,102)	(6,086)	\$ (2,202)
Inventory	(32,807)	(34,588)	(30,322)	52,561	11,247	(7,239)	26,216	32,888	(4,673)	(2,168)	21,533	\$ 32,649
Prepaid Expenses/Other Assets	(1,217,325)	63,881	103,606	(55,641)	458,711	2,039,336	247,822	(1,203,637)	139,833	(542,329)	125,785	\$ 160,044
Accounts Payable and Accrued Expenses	362,817	1,320,217	1,499,005	3,282,337	1,014,647	1,690,818	1,086,288	313,284	(3,132,539)	(90,523)	(458,990)	\$ 6,887,360
Accrued Compensation and Benefits	654,732	(1,203,861)	(520,172)	590,450	403,831	626,689	(51,938)	198,961	(1,805,451)	1,328,765	(211,554)	\$ 10,451
Third-Party Liabilities	(2,543,212)	(2,855,401)	(2,949,857)	(2,150,584)	(1,272,922)	5,473,990	(1,212,664)	8,482,591	(1,735,518)	(1,814,892)	(2,435,809)	\$ (5,014,278)
Net Pension Obligation	80,248	72,658	705,071	601,231	285,660	48,379	513,897	513,897	342,752	787,196	426,085	\$ 4,377,074
Net Cash From Operating Activities	\$ (3,910,334)	\$ (4,519,423)	\$ (4,039,043)	\$ 475,593	\$ 187,850	\$ 7,444,510	\$ 1,598,627	\$ 9,126,215	\$ (4,748,359)	\$ (236,655)	\$ (3,009,381)	\$ (1,630,400)
<i>Cash Flow From Investing Activities</i>												
Fixed Assets - Gross	\$ (416,524)	\$ (715,671)	\$ (1,002,075)	\$ (867,113)	\$ (773,857)	\$ (631,785)	\$ (199,850)	\$ (1,097,486)	\$ (419,816)	\$ (1,116,285)	\$ (149,177)	\$ (7,389,639)
Intangible Assets - Gross	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Assets	5,159,432	(67,804)	(189,066)	192,514	(653,990)	(658,057)	3,610,540	(653,131)	4,142	(658,937)	399,890	\$ 6,485,534
Net Cash From Investing Activities	\$ 4,742,908	\$ (783,475)	\$ (1,191,140)	\$ (674,599)	\$ (1,427,848)	\$ (1,289,842)	\$ 3,410,690	\$ (1,750,617)	\$ (415,674)	\$ (1,775,221)	\$ 250,713	\$ (904,106)
<i>Cash Flow From Financing Activities</i>												
Bond Payable	\$ (4,632,656)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,431,219)	\$ -	\$ -	\$ -	\$ -	\$ (8,063,875)
Capital Leases	(199,835)	(289,175.18)	(282,800)	(372,230)	(96,424)	116,743	(348,043)	290,559	(362,740)	(333,950)	(347,553)	\$ (2,225,449)
Notes Payable	-	-	-	-	-	-	-	-	-	-	-	\$ -
Net Cash From Financing Activities	\$ (4,832,491)	\$ (289,175)	\$ (282,800)	\$ (372,230)	\$ (96,424)	\$ 116,743	\$ (3,779,262)	\$ 290,559	\$ (362,740)	\$ (333,950)	\$ (347,553)	\$ (10,289,324)
Total Change In FY 2023 Cash	\$ (3,999,917)	\$ (5,592,074)	\$ (5,512,984)	\$ (571,236)	\$ (1,336,422)	\$ 6,271,411	\$ 1,230,055	\$ 7,666,157	\$ (5,526,774)	\$ (2,345,827)	\$ (3,106,221)	\$ (12,823,830)
Cash & Cash Equivalents, Beginning Balance	22,539,180	18,539,263	12,947,188	7,434,205	6,862,968	5,526,547	11,797,958	13,028,013	20,694,170	15,167,397	12,821,570	22,539,180
Cash & Cash Equivalents, Ending Balance	\$ 18,539,263	\$ 12,947,189	\$ 7,434,205	\$ 6,862,968	\$ 5,526,547	\$ 11,797,958	\$ 13,028,013	\$ 20,694,170	\$ 15,167,397	\$ 12,821,570	\$ 9,715,349	\$ 9,715,350



TO: HOSPITAL BOARD MEMBERS

FROM: Tammy Morita, on behalf of ECRMC

DATE: June 27, 2023

MEETING: Board of Trustees

SUBJECT: DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES CAL OES 130

BUDGET IMPACT: Does not Apply
A. Does the action impact/affect financial resources? Yes No
B. If yes, what is the impact amount: _____

BACKGROUND: With the recent change in financial management and executive leadership, we have a need to update the designated agent on behalf of the Hospital. An update in registration with the California Governor's Office of Emergency Services (Cal OES) is necessary for the purpose of obtaining federal financial assistance for any existing or future grant program.

DISCUSSION: For a more detailed description, please reference the attached Form OES-FPD-130 (Rev. 10-2022)

RECOMMENDATION: (1) Approve (2) Do not approve

ATTACHMENT(S):

- Form OES-FPD-130 (Rev. 10-2022) DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES

Approved for agenda, Chief Executive Officer

Date and Signature: _____

Pablo V. [Signature]



Cal OES ID No: _____

DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES

BE IT RESOLVED BY THE _____ OF THE _____
 (Governing Body) (Name of Applicant)

THAT _____, OR
 (Title of Authorized Agent)

_____, OR
 (Title of Authorized Agent)

 (Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the _____,
 (Name of Applicant)

a public entity established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining federal financial assistance for any existing or future grant program, including, but not limited to any of the following:

- **Federally declared Disaster (DR), Fire Mitigation Assistance Grant (FMAG), California State Only Disaster (CDAA), Immediate Services Program (ISP), Hazard Mitigation Grant Program (HMGP), Building Resilient Infrastructure and Communities (BRIC), Legislative Pre-Disaster Mitigation Program (LPDM),** under
- Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.
- **Flood Mitigation Assistance Program (FMA),** under Section 1366 of the National Flood Insurance Act of 1968.
- **National Earthquake Hazards Reduction Program (NEHRP)** 42 U.S. Code 7704 (b) ((2) (A) (ix) and 42 U.S. Code 7704 (b) (2) (B) National Earthquake Hazards Reduction Program, and also The Consolidated Appropriations Act, 2018, Div. F, Department of Homeland Security Appropriations Act, 2018, Pub. L. No. 115-141
- **California Early Earthquake Warning (CEEW)** under CA Gov Code – Gov, Title 2, Div. 1, Chapter 7, Article 5, Sections 8587.8, 8587.11, 8587.12

That the _____, a public entity established under the
 (Name of Applicant)

laws of the State of California, hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.



Please check the appropriate box below

- This is a universal resolution and is effective for all open and future disasters/grants declared up to three (3) years following the date of approval.
- This is a disaster/grant specific resolution and is effective for only disaster/grant number(s): _____

Passed and approved this ___ day of _____, 20__

 (Name and Title of Governing Body Representative)

 (Name and Title of Governing Body Representative)

 (Name and Title of Governing Body Representative)

CERTIFICATION

I, _____, duly appointed and _____ of
 (Name) (Title)

_____, do hereby certify that the above is a true and
 (Name of Applicant)

correct copy of a resolution passed and approved by the _____
 (Governing Body)

of the _____ on the _____ day of _____, 20__.
 (Name of Applicant)

 (Signature)

 (Title)



Cal OES Form 130 Instructions

A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted resolution is older than three (3) years from the last date of approval, is invalid, or has not been submitted.

When completing the Cal OES Form 130, Applicants should fill in the blanks on pages 1 and 2. The blanks are to be filled in as follows:

Resolution Section:

Governing Body: This is the group responsible for appointing and approving the Authorized Agents.

Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

Name of Applicant: The public entity established under the laws of the State of California.

Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

Authorized Agent: These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the California Governor's Office of Emergency Services regarding grants for which they have applied. There are two ways of completing this section:

1. **Titles Only:** The titles of the Authorized Agents should be entered here, not their names. This allows the document to remain valid if an Authorized Agent leaves the position and is replaced by another individual. If "Titles Only" is the chosen method, this document must be accompanied by either a cover letter naming the Authorized Agents by name and title, or the Cal OES AA Names document. The supporting document can be completed by any authorized person within the Agency (e.g., administrative assistant, the Authorized Agent, secretary to the Director). It does not require the Governing Body's signature.
2. **Names and Titles:** If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document, or their title changes.



Checking Universal or Disaster-Specific Box: A Universal resolution is effective for all past disasters and for those declared up to three (3) years following the date of approval. Upon expiration it is no longer effective for new disasters, but it remains in effect for disasters declared prior to expiration. It remains effective until the disaster goes through closeout unless it is superseded by a newer resolution.

Governing Body Representative: These are the names and titles of the approving Board Members.

Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents. A minimum of three (3) approving board members must be listed. If less than three are present, meeting minutes must be attached in order to verify a quorum was met.

Certification Section:

Name and Title: This is the individual in attendance who recorded the creation and approval of this resolution.

Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member. If a person holds two positions (such as City Manager and Secretary to the Board) and the City Manager is to be listed as an Authorized Agent, then that person could sign the document as Secretary to the Board (not City Manager) to eliminate "Self-Certification."