Statement of Deficiencies	**(X1) Provider/Supplier/CLIA Identification Number**	**(X3) Date Survey Completed**
	55C0001059	02/01/2019
Name of Provider or Supplier	**Street Address, City, State**	
Fort Sutter Surgery Center, A Ca Limited Partnership	2801 K Street, Suite 525, Sacramento, CA	

For information on the provider's plan to correct this deficiency, please contact the provider or the state survey agency.

(X4) ID Prefix Tag	**Summary Statement of Deficiencies** (Each deficiency should be preceded by full regulatory or LSC identifying information)
Q0041	CONTRACT SERVICES CFR(s): 416.41(a) When services are provided through a contract with an outside resource, the ASC must assure that these services are provided in a safe and effective manner. This STANDARD is not met as evidenced by: Based on interview and document review, the Ambulatory Surgery Center (ASC) failed to seek and/or validate current health quality and safety certifications for 7 of 8 outside vendors reviewed, in order to ensure the vendors were qualified to perform patient care services in accordance with medical staff rules and regulations. The ASC failed to integrate contracted services into the Quality Assessment and Performance Improvement Program with objective measures of performance for 8 of 8 vendors reviewed, in order to present a valid annual evaluation of each vendor in accordance with governing body bylaws. These failures put patients at risk for surgical care to be performed by unqualified persons or systems, or in an unsafe environment. Findings: In a collaborative review of 8 selected vendor contracts with Administrator 1 (who

managed all ASC contracts) on 2/1/19 at 3 p.m., expired certificates for state and federal Clinical Laboratory Improvement Amendments (CLIA), as well as an expired accreditation certificate for College of American Pathologists (CAP), were attached to Vendor 1's (pathology lab vendor) contract materials. The certificates were more than 8 years expired. Administrator 1 stated that he did not routinely collect or update certifications or legal registrations to validate that vendors maintained their qualifications and legitimacy when preparing the evaluation of vendor services for the Governing Body. Of the 8 vendors reviewed, only 1 (Pharmacy Consultant) had evidence of current state licensure to show the vendor's qualifications.

In a collaborative review of a document titled, "Quality Improvement Annual Review, Contractor Service Evaluation Report 2018" on 2/1/19 at 3 p.m., Administrator 1 stated that evaluations for the 36 vendors listed on the report were presented to the Governing Body at their 2018 3rd quarter meeting. The report listed numerical compliance levels for each vendor. Administrator 1 could not present data to support the "compliance of threshold" numbers listed on the report for the 8 vendors reviewed in depth, nor for any others. Administrator 1 indicated that the performance numbers were not based on objective quality measures that matched the terms in each vendor's contract, nor did was any other data collected to verify that each vendor was meeting its obligations. The performance numbers were largely based on perception or estimate of performance, and whether complaints or problems occurred over the previous year, and not data-driven.

Review of the Governing Body Bylaws, adopted 12/7/17, documented under Section 1.02 that the Governing Body was responsible for operation and performance of the ASC. Section 1.05 outlined the Governing Body's goals and objectives to include (j) Ensuring that the quality of care was evaluated, identified problems were appropriately and timely addressed, and (n) approving and ensuring compliance of all major service contracts or arrangements affecting patient care. The responsibilities of the Administrator were described in Section 4.03 (e) to include, "ensure that contracted services agreements specifically provide that the contracted service providers will comply with applicable regulations and standards as if the services were provided directly by the Facility."

Review of the Medical Staff Rules and Regulations, approved 1/22/19, under Section III-B-5-c directed, "Tissue and specimens removed during a procedure must be sent to an approved laboratory (as an example: CAP accredited and CLIA licensed) for analysis." Per Administrator 1 above, the ordering physicians relied on the results of a laboratories to make subsequent patient care decisions, and the laboratories were not verified to be trusted and reliable, currently licensed and accredited, putting patients at risk for delayed, erroneous or unnecessary treatments.