



BOARD OF DIRECTORS' MEETING

AGENDA

THURSDAY, NOVEMBER 3, 2016

CLOSED SESSION 4:30 P.M.

REGULAR SESSION 6:00 P.M.

CHANGE IN LOCATION: BASEMENT CONFERENCE ROOM

347 Andrieux Street, Sonoma CA

In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact District Clerk, Gigi Betta at (707) 935.5004/5 at least 48 hours prior to the meeting.		RECOMMENDATION
AGENDA ITEM		
MISSION STATEMENT The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.		
1. CALL TO ORDER	Hirsch	
2. PUBLIC COMMENT ON CLOSED SESSION	Hirsch	
3. CLOSED SESSION <u>Calif. Government Code & Health and Safety Code § 54947</u> Performance Evaluation Regarding Chief Executive Officer	Hirsch	
4. REPORT OF CLOSED SESSION	Hirsch	Action
5. PUBLIC COMMENT SECTION	Hirsch	
6. CONSENT CALENDAR A. Board Minutes 10.6.16 B. Board Retreat Minutes 10.17.16 C. FC Minutes 10.25.16 D. QC Minutes No Minutes E. GC Minutes 7.26.16	Hirsch	Action
7. REPORT ON BOARD RETREAT, OCTOBER 17, 2016	Hirsch	Inform
8. FAMILY CARE GIVING PRESENTATION	Jennie Chin Hansen, RN, MSN	Inform
9. OUTPATIENT DIAGNOSTIC CENTER REPORT	Kuwahara	Inform/Action
10. SURGERY CAPACITY AND UTILIZATION REPORT	Kobe	Inform

11. FINANCIAL REPORT MONTH ENDING AUG. 31, 2016	Jensen	Inform
12. ADMINISTRATIVE REPORT FOR SEPTEMBER 2016	Mather	Inform
13. RESOLUTION No. 333 HONORING DICK FOGG	Hirsch	Inform
14. COMMITTEE REPORTS Governance Committee <ul style="list-style-type: none"> • Resolution No. 332 Facilities Contracting Policy 	Hohorst	Action
15. BOARD COMMENTS	Board Members	Inform
16. ADJOURN	Hirsch	

6.

CONSENT



BOARD OF DIRECTORS' MEETING

MINUTES

THURSDAY, OCTOBER 6, 2016

CLOSED SESSION 5:00 P.M.

REGULAR SESSION 6:00 P.M.

	RECOMMENDATION	
MISSION STATEMENT The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.		
1. CALL TO ORDER Meeting called to order at 6:00pm	Hirsch	
1. PUBLIC COMMENT ON CLOSED SESSION No public comment.	Hirsch	
3. CLOSED SESSION <u>Calif. Government Code & Health and Safety Code § 32106-</u> Trade secrets regarding business strategy	Hirsch	
4. REPORT OF CLOSED SESSION No report on the Closed Session	Hirsch	
5. PUBLIC COMMENT SECTION In attendance were Keith Chamberlin, M.D., Chief of Medical Staff, Finance Committee member, Steve Berezin and community members Norman Gilroy, Lorrie Hohorst, Christine Curry, Bill & Laurie Freideman and Bill Hoban.	Hirsch	
6. CONSENT CALENDAR A. Regular Board Minutes 9.01.16 B. Special Board Minutes 9.12.16 C. FC Minutes 8.23.16 D. QC Minutes 8.24.16 E. Policy & Procedures F. MEC Credentialing Report 9.28.16	Hirsch	Action
7. GROWTH REPORT Mr. Boerum requested detailed reports on service lines and surgical capacity including capacity of beds, hours per week in surgery and minutes per surgical procedure.	Donaldson	Inform
8. SPECIAL BOARD SESSION RE 851/853 FOURTH ST. W., SONOMA There will be a Special Board meeting on Thursday, October 27, 2016 at 6:00pm in the Hospital's Basement Conference Room. The public is encouraged to attend, make suggestions or comments.	Hirsch	Action
9. PARCEL TAX RESOLUTION No. 331	Jensen	Action

<p>Comments on proposal of Parcel Tax Resolution No. 331:</p> <p><u>Bill Boerum</u> Mr. Boerum cautioned the Hospital to be more sensitive to the level of taxes proposed. He expressed disappointment that the Board did not receive a recommendation from Administration with justification for the parcel tax increase prior to bringing Res. No. 331 forward. Mr. Boerum moved that Res. No. 331 be tabled and brought forward to the November 3, 2016 meeting. There was no 2nd on his motion. After further discussion, Ms. Nevins motioned for approval of Res. No. 331 and there was a 2nd by Mr. Rymer. All were in favor. Mr. Boerum felt that the \$10,000 consultant fee, used for gaining public reaction to a parcel tax increase, should have been disclosed to the Board and the public. <u>Lorrie Hohorst It's Lorrie, if that's not clear.</u> Ms. Hohorst has had firsthand experience working on many tax measures for SVH in the past and knows the Community considers the Hospital a jewel. This proposed parcel tax succeeds at explaining the challenges the Hospital faces and does so in a thoughtful way. Ms. Hohorst suggests that the Board act together as a single body and pass this Resolution. <u>Norman Gilroy</u> Mr. Gilroy, although he feels that Mr. Boerum's concerns will be addressed by the parcel tax committee, has no doubt that the Community considers SVH to provide essential services. The service it provides is worth the proposed increase in parcel tax. <u>Bill Friedeman</u> Mr. Friedeman commended the Hospital on the services it provides. After he and his wife relocated from Chicago, they were delighted to find such excellent medical treatment provided by SVH. Based on personal experience at SVH, Mr. and Mrs. Friedeman strongly endorse a parcel tax increase and don't believe there is an alternative.</p>		<p>MOTION by Nevins to approve parcel tax and 2nd by Hohorst. All in favor.</p>
<p>10. FINANCIAL REPORT MONTH ENDING 8.31.16</p>	<p>Jensen</p>	<p>Inform</p>
<p>Mr. Boerum requested that the full Financial Report be included in the Board Agenda package. There will be further discussion about his request.</p>		
<p>11. ADMINISTRATIVE REPORT FOR SEPTEMBER 2016</p>	<p>Mather</p>	<p>Inform</p>
<p>Expense reduction continues and is making a positive impact on the financial position. Several managers are taking furlough days. The Patient Satisfaction report exceeded expectations in the month of July 2016. A total compensation letter is going out to all Hospital staff.</p>		

While the Hospital cannot compete with nursing salaries in the greater Bay Area, the retention of nurses is essential and a high priority. The volumes in Occupational Health and Inpatient services are up. Ms. Nevins requested that Ms. Mather make note of any new service lines and FTE count on future Trended Results report.		
12. BOARD COMMENTS	Board Members	Inform
Mr. Boerum and Ms Hirsch attended the CHA Innovation seminar last month with Ms. Mather and commented on the value and utility of the sessions attended.		
13. ADJOURN On October 26, 2016 Rory Jaffe, MD, MBA will give a presentation on <i>Simple Ways to Improve Event Response, Casual Analysis and Risk Mitigation</i> . The presentation will take place at 5:00pm in the SVH Basement Conference Room and light refreshments will be served. Meeting adjourned at 7:35pm.	Hirsch	



**SONOMA VALLEY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
RETREAT MINUTES**
Monday, October 17, 2016
9:15am—1:45pm

GEORGE RANCH CLUBHOUSE
3200 White Alder, Sonoma, CA

AGENDA ITEM		RECOMMENDATION
MISSION STATEMENT <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
1. CALL TO ORDER Meeting called to order at 9:15am		<i>Hirsch</i>
2. PUBLIC COMMENT SECTION At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration. At all times please use the microphone.		
No public comment		
STRATEGIC PLAN OVERVIEW Ms. Mather and Board reviewed and discussed the strategic priorities that were set in the 2017 Three-Year Rolling Strategic Plan. Specific information was discussed about recent physician recruitments, in terms of enhanced service and revenue, and Ms. Mather provided encouraging information about increased utilization of evidence-based medicine and other innovative best practices.		<i>Hirsch/Inform</i>
LUNCH		
BOARD ANNUAL ASSESSMENT AND DISCUSSION Ms. Hirsch led a discussion of Board responses to the Annual Assessment, with active participation from all Board members regarding areas that are going well, and areas where continued work and/or information would enhance our activities.		<i>Hirsch/Inform</i>
ADJOURN Meeting adjourned at 1:45pm		<i>Hirsch</i>



SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, October 25, 2016
Schantz Conference Room

Present	Excused	Staff	Public
Sharon Nevins Peter Hohorst Stephen Berezin Susan Porth (by phone) S. Mishra, MD (by phone)	Steve Barclay Keith Chamberlin	Ken Jensen Gigi Betta Jeannette Tarver Kelly Mather Sarah Dungan	Sam McCandless

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>			
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Nevins</i>		
	Meeting called to order at 5:00pm		
2. PUBLIC COMMENT SECTION	<i>Hohorst</i>		
	No public comment.		
3. CONSENT CALENDAR FC Minutes 9.27.16	<i>Nevins</i>	Action	
		MOTION by Hohorst to approve and 2 nd by Berezin. All in favor	
4. FINANCE REPORT FOR MONTH ENDING 9.30.16	<i>Jensen</i>	Inform/Action	

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	<p>Ms. Mather gave an update for the month of October 2016. Many staff has been on furlough since July 2016. Furlough will discontinue at the end of October 2016. There are two staff members on disability and there have been two terminations. Some of the nursing staff is requesting increases in salary.</p> <p>After accounting for all income and expenses but not including Restricted Contributions and GO bond activity, the net loss for September was (\$80,958) vs. a budgeted net loss of (\$94,121). The total net income for September after all activity was \$94,074 vs. a budgeted net income of \$59,230.</p> <p>Ms. Nevins requested that in next month's financial package the <i>percentage of total cash collections vs. overall payor mix</i> be included.</p>		
5. 1 st QUARTER CAPITAL SPENDING FY 2017	<i>Tarver</i>	Inform/Action	
	Ms. Tarver presented an update of the Capital Plan for 2017. It falls into three categories: requests supported by the Hospital's Foundation, requests covered by operating expenses and construction in progress.		
6. 1 st QUARTER FINANCE REVIEW-9 MONTH PROJECTION	<i>Jensen</i>	Inform/Action	
	Mr. Jensen presented the annualized financial projection for 2017. Appears on target.		
7. ANNOUNCEMENTS/ADJOURNMENT	<i>Nevins</i>	Inform	

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	Meeting adjourned 5:50pm		



**SONOMA VALLEY HEALTH CARE DISTRICT
GOVERNANCE COMMITTEE MEETING**

MINUTES

TUESDAY, July 26, 2016

8:30AM

ADMINISTRATION CONFERENCE ROOM
347 ANDRIEUX STREET, SONOMA, CA 95476

AGENDA ITEM	RECOMMENDATION	
In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a District meeting, please contact the District Clerk, Gigi Betta at ebetta@svh.com or (707) 935.5004 at least 48 hours prior to the meeting.		
MISSION STATEMENT <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
1. CALL TO ORDER/ANNOUNCEMENTS Meeting called to order at 8:30am	<i>Hohorst</i>	
2. PUBLIC COMMENT SECTION At this time, members of the public may comment on any item not appearing on the agenda. It is recommended you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Committee at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up.	<i>Hohorst</i>	
3. CONSENT CALENDAR Minutes from 6.28.16	<i>Hohorst</i>	Action MOTION to approve by Mr. Boerum and 2 nd by Mr. Hohorst. All in favor.
4. REVIEW OF DISTRICT BY-LAWS District By-laws will be brought forward to the Board for approval on August 4, 2016	<i>Hohorst</i>	Action MOTION to approve by Mr. Boerum and 2 nd by Mr. Hohorst. All in favor.
5. 2016 BIENNIAL REVIEW CONFLICT OF INTEREST CODE District By-laws will be brought forward to the Board for approval on August 4, 2016	<i>Hohorst</i>	Action MOTION to approve by Mr. Boerum and 2 nd by Mr. Hohorst. All in favor.
6. ADJOURN Meeting adjourned at 8:40am The next meeting is August, 23 2016.	<i>Hohorst</i>	

8.

FAMILY CARE GIVING

JENNIE CHIN HANSEN

Jennie Chin Hansen is senior strategic advisor and immediate past CEO of the American Geriatrics Society the largest interprofessional membership organization of geriatricians, nurse practitioners and other health professionals committed to the care of older adults with care complexity. In May, 2010, she completed her two year term as president of the 38 million member AARP during the heated period before the passage of the ACA. Prior service includes nearly 25 years with On Lok, Inc., a nonprofit family of organizations providing integrated, globally financed and comprehensive medical and community-based services for frail older people in San Francisco. On Lok's groundbreaking global payment, integrated and coordinated service delivery system became the prototype for the 1997 federal law that incorporated the Program of All Inclusive Care to the Elderly (PACE) into the Medicare and Medicaid programs. PACE operates in over 32 states. In 2011, Hansen completed her term as a federal commissioner of the Medicare Payment Advisory Commission (MedPAC).

She has been recognized as a Picker Institute honoree for Person Centered Care and served as a national advisor to AARP in its Caregiving initiatives. She has recently been engaged in start ups in the Bay Area related to caregiving and quality of care.

She currently serves as a board member of the SCAN Foundation, Institute for Healthcare Improvement (IHI), the Dignity Health System, The SCAN HealthPlan and most recently The Altarum Institute. She also serves on the National Quality Forum and National Committee on Quality Assurance relative to quality measures. Additionally she is the co-chair of the national Veteran's Administration Advisory Committee on Gerontology and Geriatrics. In 2015 she was one of the 50 PBS Next Avenue National Influencers in Aging. She has been awarded multiple national and academic honors and is a nursing graduate of Boston College and the University of California, San Francisco.

9.

OUTPATIENT DIAGNOSTIC CENTER

The **NEW** Outpatient Diagnostic Center

TODAY'S TOPICS

- ❑ Who Are We
- ❑ Volumes
- ❑ History
- ❑ Current Space
- ❑ Construction Phases
- ❑ Reimbursement/Cost Savings
- ❑ Estimated Timeframe and Costs

Who Are We

- Medical Imaging
- Cardiopulmonary
- 40 Technicians and support staff



X-RAY



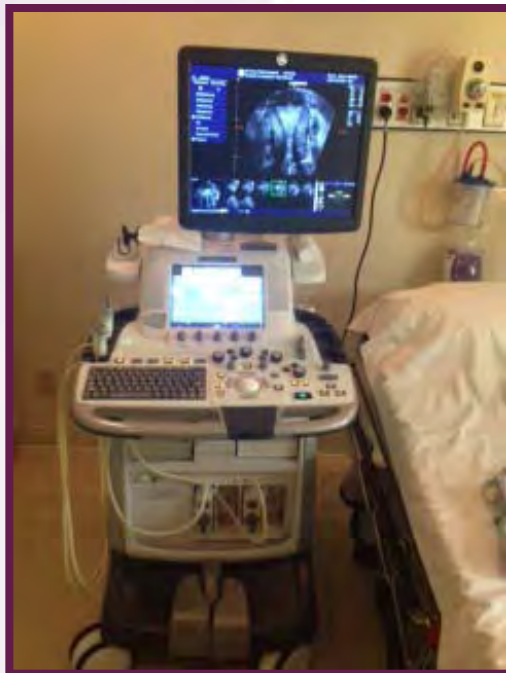
MAMMO



CT



ULTRASOUND



**Medical
Imaging**

MRI



NUC MED

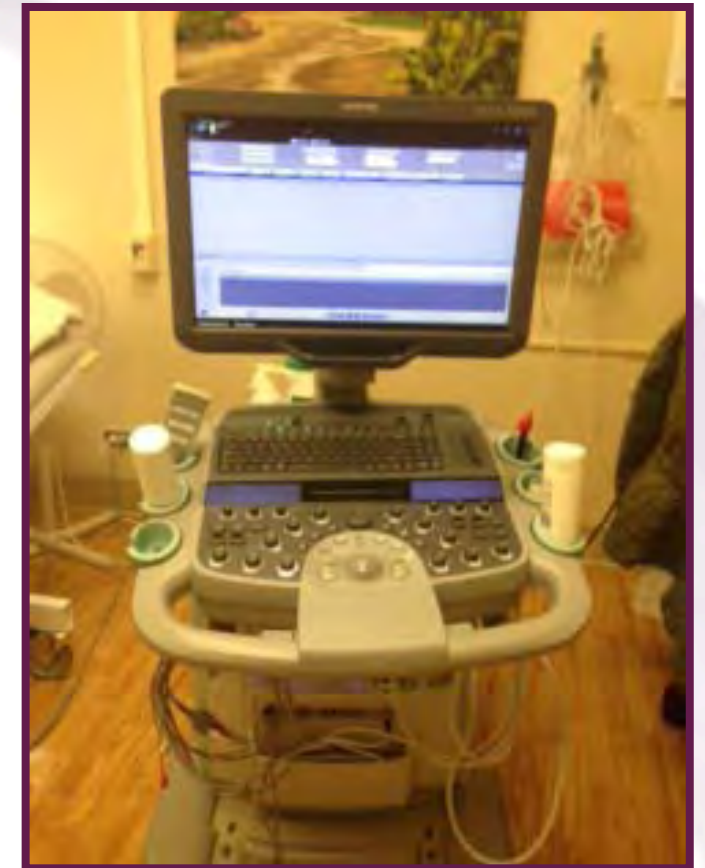


Medical Imaging Volumes

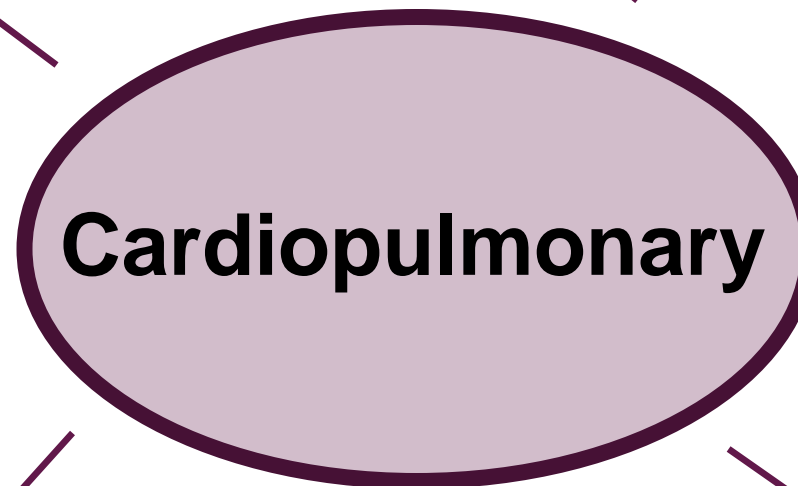
Type	2012	2013	2014	2015	2016	2017 ann.
Radiology	12,094	10,454	10,721	12,014	11,610	11,388
MRI	1,312	1,197	1,333	1,640	1,423	1,224
CT	3,901	3,669	3,922	4,106	4,344	4,416
Ultrasound	4,047	3,730	4,283	4,050	3,720	3,516
Nuc Med	1,136	932	757	241	290	240
Mammo	6,185	5,846	5,817	5,498	5,285	5,184



PFT



Echo



Cardiopulmonary



EKG



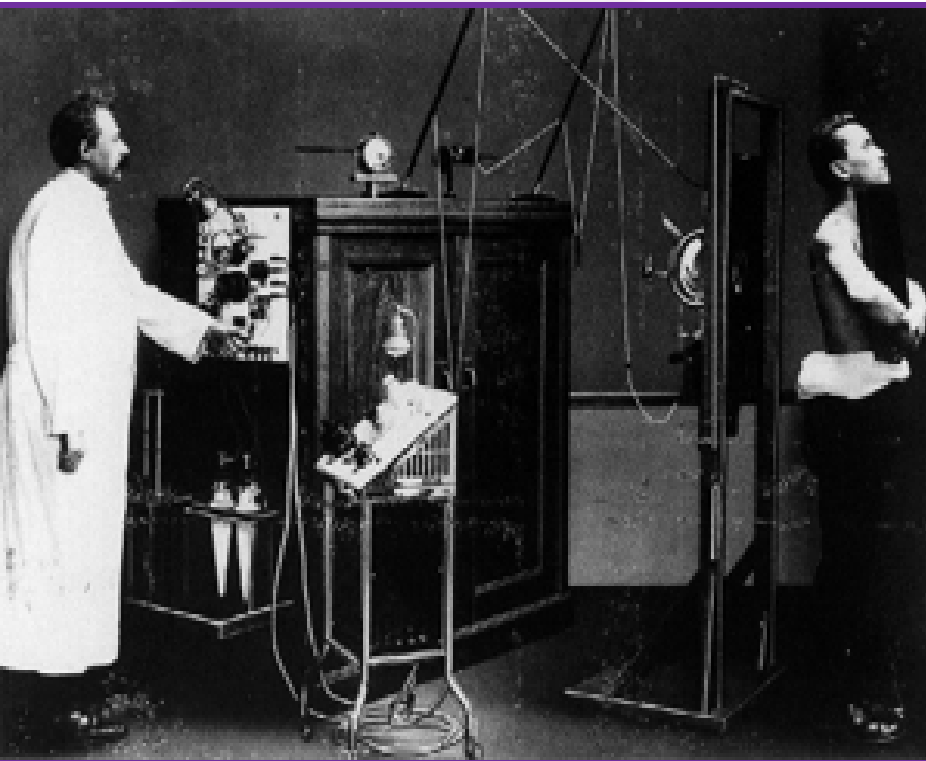
RT

Cardiopulmonary Volumes

Type	2012	2013	2014	2015	2016	2017 ann.
Echo	961	882	917	993	948	848
PFT	611	501	450	522	497	327
EKG	2,766	2,579	2,709	1,614	1,550	1,708
RT	18,999	20,969	13,129	13,338	14,143	13,576

History

1900's



1950's



Today



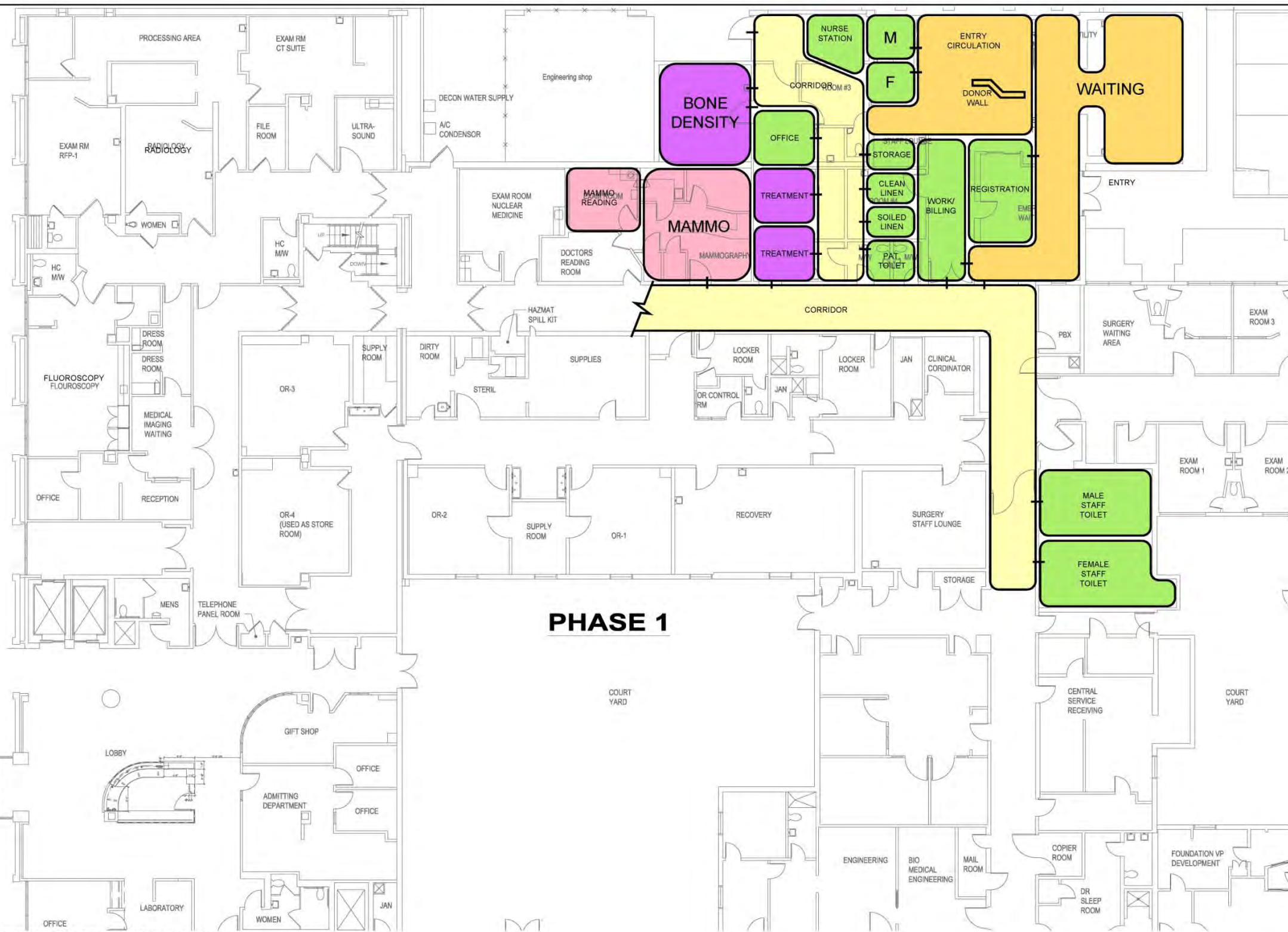
Current Space

- Patient flow is poorly designed
- Inefficient work area
- Waiting room is insufficient
- MRI in trailer
- Mammography offsite
- Cardiopulmonary in rear of hospital



Phase I

- Mammography
- Male/Female Staff Bathrooms and lockers
- Wound Care
- Mammography Reading Room
- Bone Density
- Registration and Waiting Room



OUTPATIENT DIAGNOSTIC CENTER PROPOSED SPACE ALLOCATION

SCALE: 1/8" = 1'-0"

LEGEND

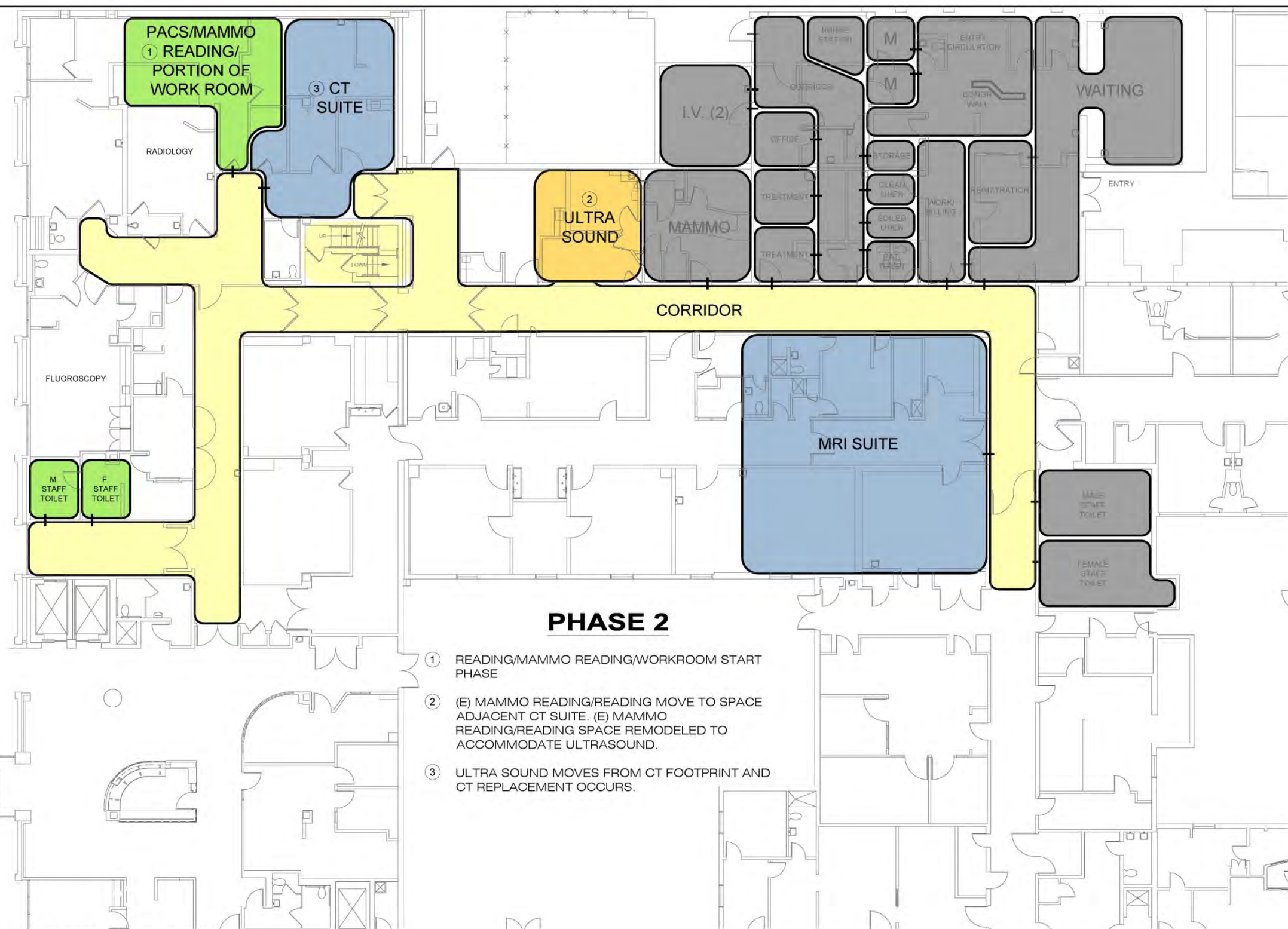
---	CONTROL DOOR
---	ROOM ENTRY

10.24.2016

PHASE 1

Phase II

- MRI Suite inside
- Move Reading Rooms
- Ultrasound
- Enlarge CT suite

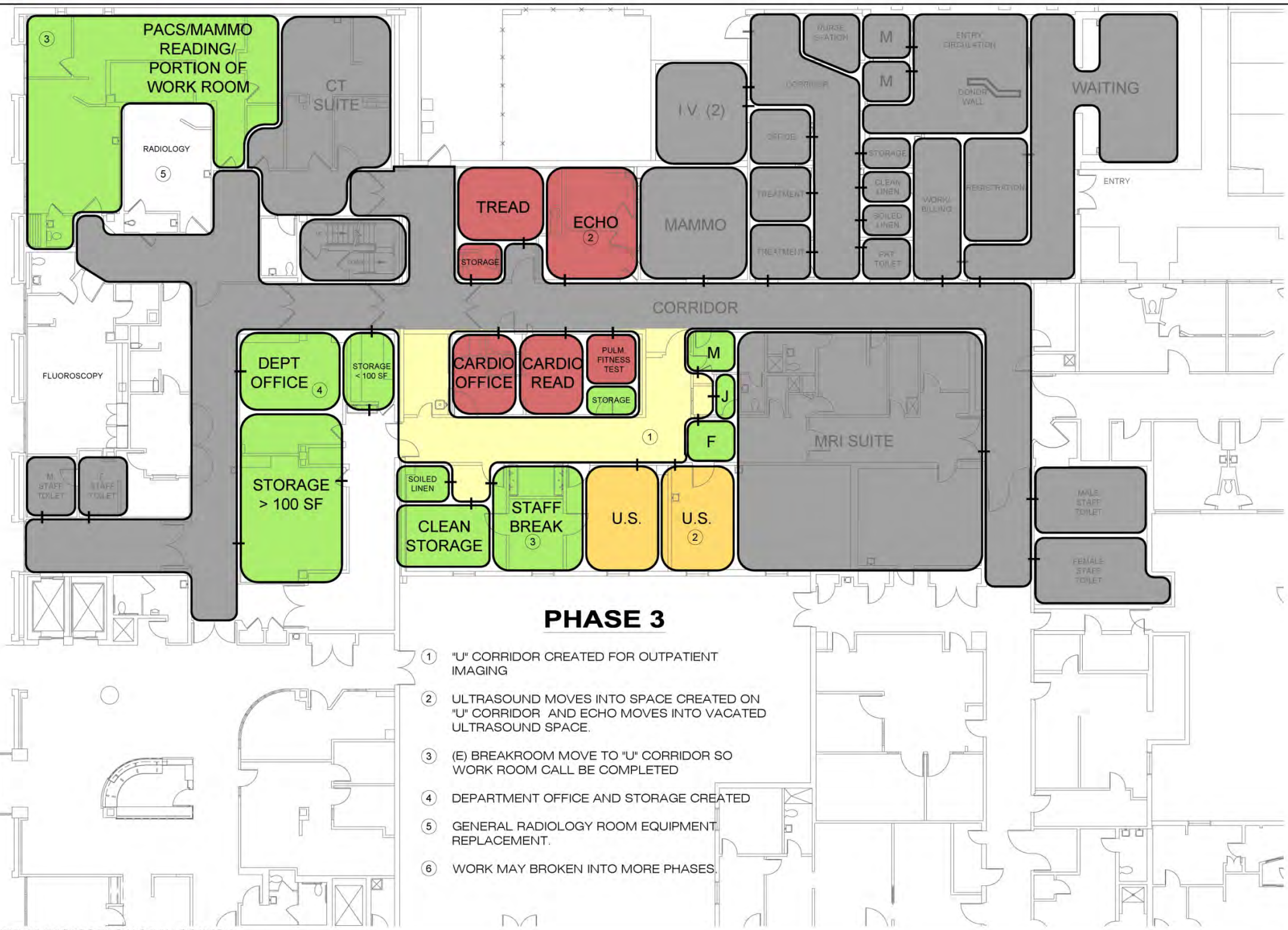


OUTPATIENT DIAGNOSTIC CENTER PROPOSED SPACE ALLOCATION

SCALE: 1/8" = 1'-0"

Phase III

- U Corridor created
- Ultrasounds move
- New Tech work area
- Break room moved
- Director Office
- Storage
- Move Cardiopulmonary Department



OUTPATIENT DIAGNOSTIC CENTER PROPOSED SPACE ALLOCATION
SCALE: 1/8" = 1'-0"

Reimbursement

- Reimbursement
 - Current trends

2015	2016
\$5.8 MIL	\$5.3 MIL

- Anticipated Growth 10%

Cost Savings

- Discontinue Perkins Lease
- Staff Reduction
- Efficiency Modeling

Estimated Timeframe and Costs

- Phase 1 – 2017
- Phase 2 – 2018
- Phase 3 – by 2020
- Total Project Cost ~\$10-12 million
- Funds will be raised through Foundation
- No anticipated capital costs to SVH

Questions?

10.

SURGERY CAPACITY AND UTILIZATION

Sonoma Valley Hospital

SURGICAL CAPACITY ANALYSIS 2016



Surgical Department Structure

- Departments
 - Surgery
 - Recovery
 - Special Procedures
 - ACU
 - Central Sterile
- Developed as State of the Art Surgery Center Model
- 15 FTEs
 - RN
 - Scrub tech
 - sterile processing
 - EVS
- Anesthesia coverage 24 hrs 7 days a week
- 3 Suites open from 7am-5pm Monday-Friday
- On-Call hours 5pm-7am Monday-Friday, 7am-7pm Saturday-Sunday

Surgery Statistics FY 2016

Statistics	Normal Hours	After Hours	Total
Cases	1775	212	1987
Hours	6630	280	6910

Average case time admit to discharge 3.5 hours

Average cases per week is 38

Analysis by Specialty

Top volume Surgeons /Specialties	Surgical Volume FY 2016	Direct margin	Average Direct margin per case
3 Orthopedic Surgeons	640	\$780,000	\$1200
1 General Surgeon	293	\$690,000	\$2400
1 OBGYN	138	\$120,000	\$900
2 Pain Management Physician	214	\$200,000	\$900
2 Ophthalmologist	236	\$100,000	\$500

Capacity vs. Utilization

- **Capacity** is the total amount that can be contained or produced. If SVH had the surgical volume and we were committed to providing resources to staff these suites 16 hours/day 5 days/wk our capacity could be increased.
- **Utilization** defines our capacity within the confines of our resources (Current surgical case load and the labor to assist that load)

Utilization Review

FY 2016

Hours per week	3 Suites	Current cases per week (FY 2016)	Annualized Capacity hours*	Current Utilization hours
50	150 hours	38	7800	6630

Current Utilization is 85%

*3 suites, 10 hrs/day, 3.5 hrs/case

*150hr/wk x 52 wks

$6630/7800=0.85$

Expanding Utilization

Scenario	Additional hours per year	Additional cases per year	Additional reimbursement	*Direct Margin
Additional 4 hours per day	1040	297	\$1.2M	\$450,000
Additional 8 hours per day	2080	594	\$2.4M	\$830,000

*Direct Margin includes all operational costs of additional cases

Conclusions

- SVH meets the safe utilization standard for coverage according to AORN (Association of preoperative Registered Nurses)
- Additional Surgical Specialties may create the need for future additional coverage
- Expansion of current labor structure would result in additional direct margins
- Additional revenue would offset variance of additional labor costs
- SVH realizes need for Anesthesia coverage for additional expansion as well as OB

11.

FINANCIAL REPORT
MONTH ENDING
SEPTEMBER 30, 2016



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: October 25, 2016
Subject: Financial Report for the Month Ending September 30, 2016

The actual loss of (\$278,640) from operations for September was \$6,129 favorable to the budgeted loss of (\$284,769). The year-to date actual loss from operations is (\$911,217) compared to the expected loss of (\$933,447). After accounting for all other activity, the September net income was \$94,074 vs. the budgeted net income of \$59,230 with a monthly EBIDA of 5.1% vs. a budgeted 5.0%. Year-to-date the total net income was 13,482 favorable to budget with a year to date EBIDA of 4.2% vs. the budgeted 4.7%.

Gross patient revenue for September was \$21,830,415, \$961,317 more than expected. Inpatient gross revenue was under budget by (\$97,856). Inpatient days were over budgeted expectations by 39 days and inpatient surgeries were under budget by 8 cases. Outpatient revenue was under budget by (\$82,423). Outpatient visits were over budgeted expectations by 264 visits and outpatient surgeries were under budget by (22) cases. The Emergency Room gross revenue is over budget by \$1,193,681 due to the continued volume increase. SNF was under budgeted expectations by (\$113,372). The SNF patient days were over budget by 17 days but the patients were at a lower level of acuity. Home Health was over budgeted expectations with a positive variance of \$61,287 with visits over budgeted expectations by 158.

Deductions from revenue were unfavorable to budgeted expectations by (\$1,000,872) due to the favorable variance in the ER gross revenue and a payer mix with higher self-pay and Medicare Managed care than budgeted. The revenue deductions were offset by the accrual for the CMS Prime Grant with a net amount of \$125,000 for September. Without the accrual of the CMS Prime Grant, the deductions from revenue would be unfavorable to budget by (\$1,125,872).

After accounting for all other operating revenue, the **total operating revenue** was unfavorable to budget by (\$71,301).

Operating Expenses of \$4,806,602 were favorable to budget by \$77,430. Salaries and wages were under budget by \$55,542 and agency fees over budgeted expectations by (\$9,923) which is an improvement over prior months. Supplies are over budget in September by (\$60,505) primarily due to the cost of implants being (\$57,481) over budgeted expectations. The costs of surgical implants are normally



recovered with the insurance reimbursements. Utilities are over budget by (\$11,297) due to PG&E increasing third party gas delivery charges.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for September was (\$80,958) vs. a budgeted net loss of (\$94,121). The total net income for September after all activity was \$94,074 vs. a budgeted net income of \$59,230.

EBIDA for the month of September was 5.1% vs. the budgeted 5.0%.

Patient Volumes – September

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	95	92	3	92
Newborn Discharges	14	10	4	11
Acute Patient Days	407	368	39	376
SNF Patient Days	624	607	17	607
Home Care Visits	1,042	884	158	948
OP Gross Revenue	\$13,512	\$12,347	\$1,165	\$12,774
Surgical Cases	118	148	-30	127

Overall Payer Mix – September

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	48.6%	47.8%	0.8%	47.5%	46.9%	0.6%
Medicare Mgd Care	9.1%	7.3%	1.8%	8.9%	7.3%	1.6%
Medi-Cal	17.2%	18.9%	-1.7%	17.0%	19.0%	-2.0%
Self Pay	2.1%	1.2%	0.9%	2.2%	1.2%	1.0%
Commercial	18.6%	19.6%	-1.0%	19.5%	20.1%	-0.6%
Workers Comp	2.4%	2.6%	-0.2%	2.6%	2.8%	-0.2%
Capitated	2.0%	2.6%	-0.6%	2.3%	2.7%	-0.4%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for September:

For the month of September the cash collection goal was \$3,271,216 and the Hospital collected \$3,543,870, or over the goal by \$272,654. The year-to-date cash collection goal was \$10,300,807 and the hospital has collected \$11,431,483, or over goal by \$1,130,676. Days of cash on hand are 5.7 days at September 30, 2016. Accounts Receivable increased from August, from 50.3 days to 50.4 days in September. Accounts Payable decreased by \$42,635 from August and Accounts Payable days are at 55.1.

ATTACHMENTS:

- Attachment A is the Payer Mix Analysis which includes the projected collection percentage by payer.
- Attachment B is the Operating Indicators Report
- Attachment C is the Balance Sheet
- Attachment D (two pages) is the Statement of Revenue and Expense. The first page breaks out the hospital operations and page two includes all other activity.
- Attachment E is the Variance Analysis. The line number tie to the Statement of Revenue and Expense line numbers and explains any significant variances.
- Attachment F are the graphs for Revenue and Accounts Payable.
- Attachment G is the Statistical Analysis
- Attachment H is the Cash Forecast



Sonoma Valley Hospital
Net Revenue by Payer for the month of September 30, 2016

ATTACHMENT A

September-16

Gross Revenue:	Actual	Budget	Variance	% Variance
Medicare	10,612,736	9,972,037	640,699	6.4%
Medicare Managed Care	1,990,018	1,524,454	465,564	30.5%
Medi-Cal	3,754,830	3,940,851	-186,021	-4.7%
Self Pay	450,908	240,888	210,020	87.2%
Commercial & Other Government	4,065,691	4,080,787	-15,096	-0.4%
Worker's Comp.	520,863	556,593	-35,730	-6.4%
Capitated	435,369	553,488	-118,119	-21.3%
Total	21,830,415	20,869,098	961,317	

YTD

	Actual	Budget	Variance	% Variance
	31,120,335	29,805,339	1,314,996	4.4%
	5,831,700	4,590,577	1,241,123	27.0%
	11,137,718	12,094,415	-956,697	-7.9%
	1,437,793	749,307	688,486	91.9%
	12,886,252	12,764,158	122,094	1.0%
	1,708,969	1,804,834	-95,865	-5.3%
	1,539,649	1,703,194	-163,545	-9.6%
	65,662,416	63,511,824	2,150,592	

Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	1,845,409	1,736,887	108,522	6.2%
Medicare Managed Care	278,603	256,695	21,908	8.5%
Medi-Cal	525,676	576,077	-50,401	-8.7%
Self Pay	144,291	90,663	53,628	59.2%
Commercial & Other Government	1,337,612	1,622,045	-284,433	-17.5%
Worker's Comp.	108,340	118,827	-10,487	-8.8%
Capitated	14,655	17,947	-3,292	-18.3%
Prior Period Adj/IGT	125,000	-	125,000	*
Total	4,379,586	4,419,141	(39,555)	-0.9%

	Actual	Budget	Variance	% Variance
	5,021,297	5,069,706	-48,409	-1.0%
	776,646	733,950	42,696	5.8%
	1,470,922	1,833,843	-362,921	-19.8%
	539,426	297,676	241,750	81.2%
	4,363,920	5,053,230	-689,310	-13.6%
	376,888	405,346	-28,458	-7.0%
	46,695	55,212	-8,517	-15.4%
	1,622,597	-	1,622,597	*
	14,218,391	13,448,963	769,428	5.7%

Percent of Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	42.1%	39.3%	2.8%	7.1%
Medicare Managed Care	6.4%	5.8%	0.6%	10.3%
Medi-Cal	12.0%	13.0%	-1.0%	-7.7%
Self Pay	3.3%	2.1%	1.2%	57.1%
Commercial & Other Government	30.5%	36.7%	-6.2%	-16.9%
Worker's Comp.	2.5%	2.7%	-0.2%	-7.4%
Capitated	0.3%	0.4%	-0.1%	-25.0%
Prior Period Adj/IGT	2.9%	0.0%	2.9%	*
Total	100.0%	100.0%	0.0%	0.0%

	Actual	Budget	Variance	% Variance
	35.3%	37.7%	-2.5%	-6.6%
	5.5%	5.5%	0.0%	0.0%
	10.3%	13.6%	-3.3%	-24.3%
	3.8%	2.2%	1.6%	72.7%
	30.7%	37.6%	-6.9%	-18.4%
	2.7%	3.0%	-0.3%	-10.0%
	0.3%	0.4%	-0.1%	-25.0%
	11.4%	0.0%	11.5%	*
	100.0%	100.0%	0.0%	0.0%

Projected Collection Percentage:	Actual	Budget	Variance	% Variance
Medicare	17.4%	17.4%	0.0%	0.0%
Medicare Managed Care	14.0%	16.8%	-2.8%	-16.7%
Medi-Cal	14.0%	14.6%	-0.6%	-4.1%
Self Pay	32.0%	37.6%	-5.6%	-14.9%
Commercial & Other Government	32.9%	39.7%	-6.8%	-17.1%
Worker's Comp.	20.8%	21.3%	-0.5%	-2.3%
Capitated	3.4%	3.2%	0.2%	6.3%
Prior Period Adj/IGT	0.6%	0.0%	0.6%	*

	Actual	Budget	Variance	% Variance
	16.1%	17.0%	-0.9%	-5.1%
	13.3%	16.0%	-2.7%	-16.8%
	13.2%	15.2%	-2.0%	-13.1%
	37.5%	39.7%	-2.2%	-5.5%
	33.9%	39.6%	-5.7%	-14.5%
	22.1%	22.5%	-0.4%	-2.0%
	3.0%	3.2%	-0.2%	-5.2%
	2.5%	0.0%	2.5%	*

SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended September 30, 2016

ATTACHMENT B

CURRENT MONTH					YEAR-TO-DATE			YTD
	Actual 09/30/16	Budget 09/30/16	Favorable (Unfavorable) Variance		Actual 09/30/16	Budget 09/30/16	Favorable (Unfavorable) Variance	Prior Year 09/30/15
Inpatient Utilization								
Discharges								
1	85	75	10	Acute	262	230	32	230
2	10	17	(7)	ICU	41	46	(5)	46
3	95	92	3	Total Discharges	303	276	27	276
4	14	10	4	Newborn	44	39	5	39
5	109	102	7	Total Discharges inc. Newborns	347	315	32	315
Patient Days:								
6	303	258	45	Acute	937	730	207	721
7	104	110	(6)	ICU	293	304	(11)	304
8	407	368	39	Total Patient Days	1,230	1,034	196	1,025
9	29	27	2	Newborn	80	79	1	79
10	436	395	41	Total Patient Days inc. Newborns	1,310	1,113	197	1,104
Average Length of Stay:								
11	3.6	3.4	0.1	Acute	3.6	3.2	0.4	3.1
12	10.4	6.5	3.9	ICU	7.1	6.6	0.5	6.6
13	4.3	4.0	0.3	Avg. Length of Stay	4.1	3.7	0.3	3.7
14	2.1	2.7	(0.6)	Newborn ALOS	1.8	2.0	0.2	2.0
Average Daily Census:								
15	10.1	8.6	1.5	Acute	10.2	7.9	2.3	7.8
16	3.5	3.7	(0.2)	ICU	3.2	3.3	(0.1)	3.3
17	13.6	12.3	1.3	Avg. Daily Census	13.4	11.2	2.1	11.1
18	1.0	0.9	0.1	Newborn	0.87	0.86	0.0	0.86
Long Term Care:								
19	624	607	17	SNF Patient Days	1,795	1,860	(65)	1,860
20	27	24	3	SNF Discharges	85	78	7	78
21	20.8	20.2	0.6	Average Daily Census	19.5	20.2	(0.7)	20.2
Other Utilization Statistics								
Emergency Room Statistics								
22	897	871	26	Total ER Visits	2,755	2,637	118	2,637
Outpatient Statistics:								
23	4,896	4,632	264	Total Outpatients Visits	13,936	14,483	(547)	14,483
24	37	45	(8)	IP Surgeries	119	113	6	91
25	81	103	(22)	OP Surgeries	239	321	(82)	283
26	49	37	12	Special Procedures	169	100	69	100
27	1,042	884	158	Home Health Visits	2,892	2,658	234	2,846
28	320	284	36	Adjusted Discharges	974	945	30	967
29	2,707	2,388	320	Adjusted Patient Days (Inc. SNF)	7,610	7,728	(118)	7,895
30	90.2	79.6	10.7	Adj. Avg. Daily Census (Inc. SNF)	82.7	84.0	(1.3)	85.8
31	1.9720	1.4000	0.572	Case Mix Index -Medicare	1.7972	1.4000	0.397	1.5491
32	1.5310	1.4000	0.131	Case Mix Index - All payers	1.5651	1.4000	0.165	1.4368
Labor Statistics								
33	283	285	2.2	FTE's - Worked	282	284	1.9	277
34	319	318	(1.2)	FTE's - Paid	320	317	(3.4)	311
35	39.48	40.48	0.99	Average Hourly Rate	39.73	40.62	0.88	39.44
36	20.2	22.8	2.6	Manhours / Adj. Pat Day	22.1	21.5	(0.6)	20.7
37	170.5	191.5	21.0	Manhours / Adj. Discharge	172.4	175.9	3.5	168.9
38	23.3%	23.1%	-0.2%	Benefits % of Salaries	23.3%	22.7%	-0.6%	22.8%
Non-Labor Statistics								
39	12.9%	11.1%	-1.8%	Supply Expense % Net Revenue	11.8%	11.4%	-0.4%	10.6%
40	1,781	1,795	14	Supply Exp. / Adj. Discharge	1,755	1,677	(78)	1,511
41	15,478	17,728	2,250	Total Expense / Adj. Discharge	16,471	16,283	(187)	15,480
Other Indicators								
42	5.7			Days Cash - Operating Funds				
43	50.4	50.0	0.4	Days in Net AR	51.8	50.0	1.8	49.1
44	108%			Collections % of Net Revenue	111%			102.1%
45	55.1	55.0	0.1	Days in Accounts Payable	55.1	55.0	0.1	17.2
46	20.2%	21.9%	-1.7%	% Net revenue to Gross revenue	22.1%	21.9%	0.2%	22.9%
47	25.0%			% Net AR to Gross AR	25.0%			25.2%

Sonoma Valley Health Care District
Balance Sheet
As of September 30, 2016

ATTACHMENT C

		<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets				
Current Assets:				
1	Cash	\$ 947,230	\$ 2,475,945	\$ 2,684,836
2	Trustee Funds	1,690,214	1,690,214	1,302,578
3	Net Patient Receivables	8,599,231	8,353,550	8,192,931
4	Allow Uncollect Accts	(1,054,458)	(990,919)	(765,241)
5	Net A/R	7,544,773	7,362,631	7,427,690
6	Other Accts/Notes Rec	6,978,947	7,001,727	7,369,070
7	3rd Party Receivables, Net	2,498,653	2,218,767	617,448
8	Inventory	797,076	809,980	840,056
9	Prepaid Expenses	906,026	918,528	757,259
10	Total Current Assets	\$ 21,362,919	\$ 22,477,792	\$ 20,998,937
12	Property, Plant & Equip, Net	\$ 53,566,209	\$ 53,622,408	\$ 54,275,240
13	Specific Funds	486,088	486,049	282,776
14	Other Assets	144,537	144,537	143,494
15	Total Assets	\$ 75,559,753	\$ 76,730,787	\$ 75,700,447
Liabilities & Fund Balances				
Current Liabilities:				
16	Accounts Payable	\$ 4,053,256	\$ 4,095,891	\$ 3,460,898
17	Accrued Compensation	3,656,295	4,552,198	4,624,324
18	Interest Payable	220,532	110,266	228,512
19	Accrued Expenses	1,290,486	1,182,187	1,363,575
20	Advances From 3rd Parties	171,054	138,923	1,504,676
21	Deferred Tax Revenue	4,472,178	4,969,087	4,434,997
22	Current Maturities-LTD	1,693,049	1,700,683	1,693,049
23	Line of Credit - Union Bank	-	6,723,734	5,923,734
24	Other Liabilities	7,269,657	559,551	379,887
25	Total Current Liabilities	\$ 22,826,507	\$ 24,032,520	\$ 23,613,652
26	Long Term Debt, net current portion	\$ 36,925,354	\$ 36,965,373	\$ 37,257,564
27	Fund Balances:			
28	Unrestricted	\$ 12,735,598	\$ 12,683,903	\$ 12,675,807
29	Restricted	3,072,295	3,048,992	2,153,424
30	Total Fund Balances	\$ 15,807,892	\$ 15,732,894	\$ 14,829,231
31	Total Liabilities & Fund Balances	\$ 75,559,753	\$ 76,730,787	\$ 75,700,447

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended September 30, 2016**

ATTACHMENT D

Month					Year-To- Date					YTD
This Year		Variance			This Year		Variance			
Actual	Budget	\$	%		Actual	Budget	\$	%	Prior Year	
					Volume Information					
1	95	92	3	3%	Acute Discharges	303	276	27	10%	276
2	624	607	17	3%	SNF Days	1,795	1,860	(65)	-3%	1,860
3	1,042	884	158	18%	Home Care Visits	2,892	2,658	234	9%	2,846
4	13,512	12,347	1,165	9%	Gross O/P Revenue (000's)	\$ 39,453	\$ 39,661	(208)	-1%	\$ 38,225
					Financial Results					
					Gross Patient Revenue					
5	\$ 6,222,105	\$ 6,319,961	(97,856)	-2%	Inpatient	\$ 19,842,663	\$ 17,230,673	2,611,990	15%	\$ 15,599,128
6	6,914,504	6,996,927	(82,423)	-1%	Outpatient	19,956,484	23,150,975	(3,194,491)	-14%	22,220,299
7	6,242,583	5,048,902	1,193,681	24%	Emergency	18,604,561	15,605,412	2,999,149	19%	15,217,706
8	2,088,910	2,202,282	(113,372)	-5%	SNF	6,256,344	6,619,691	(363,347)	-5%	6,460,952
9	362,313	301,026	61,287	20%	Home Care	1,002,364	905,073	97,291	11%	932,000
10	\$ 21,830,415	\$ 20,869,098	961,317	5%	Total Gross Patient Revenue	\$ 65,662,416	\$ 63,511,824	2,150,592	3%	\$ 60,430,085
					Deductions from Revenue					
11	\$ (17,459,329)	\$ (16,347,738)	(1,111,591)	-7%	Contractual Discounts	\$ (52,613,192)	\$ (49,756,204)	(2,856,988)	-6%	\$ (47,501,872)
12	(100,000)	(66,250)	(33,750)	-51%	Bad Debt	(350,000)	(198,750)	(151,250)	-76%	(220,000)
13	(16,500)	(35,969)	19,469	54%	Charity Care Provision	(103,430)	(107,907)	4,477	4%	(108,657)
14	125,000	-	125,000	*	Prior Period Adj/Government Program Revenue	1,622,597	-	1,622,597	*	766,794
15	\$ (17,450,829)	\$ (16,449,957)	(1,000,872)	6%	Total Deductions from Revenue	\$ (51,444,025)	\$ (50,062,861)	(1,381,164)	3%	\$ (47,063,735)
					Net Patient Service Revenue					
16	\$ 4,379,586	\$ 4,419,141	(39,555)	-1%		\$ 14,218,391	\$ 13,448,963	769,428	6%	\$ 13,366,350
					Risk contract revenue					
17	\$ 126,315	\$ 155,771	(29,456)	-19%		\$ 378,319	\$ 467,313	(88,994)	-19%	\$ 467,898
18	\$ 4,505,901	\$ 4,574,912	(69,011)	-2%	Net Hospital Revenue	\$ 14,596,710	\$ 13,916,276	680,434	5%	\$ 13,834,248
					Other Op Rev & Electronic Health Records					
19	\$ 22,061	\$ 24,351	(2,290)	-9%		\$ 80,408	\$ 73,053	7,355	10%	\$ 94,523
20	\$ 4,527,962	\$ 4,599,263	(71,301)	-2%	Total Operating Revenue	\$ 14,677,118	\$ 13,989,329	687,789	5%	\$ 13,928,771
					Operating Expenses					
21	\$ 2,156,151	\$ 2,201,770	45,619	2%	Salary and Wages and Agency Fees	\$ 6,672,461	\$ 6,748,157	75,696	1%	\$ 6,440,090
22	849,429	827,260	(22,169)	-3%	Employee Benefits	2,616,028	2,528,744	(87,284)	-3%	2,484,630
23	\$ 3,005,580	\$ 3,029,030	23,450	1%	Total People Cost	\$ 9,288,489	\$ 9,276,901	(11,588)	0%	\$ 8,924,720
24	\$ 382,609	\$ 384,576	1,967	1%	Med and Prof Fees (excl Agency)	\$ 1,149,288	\$ 1,153,728	4,440	0%	\$ 1,005,065
25	570,391	509,886	(60,505)	-12%	Supplies	1,710,279	1,584,540	(125,739)	-8%	1,460,923
26	305,071	347,650	42,579	12%	Purchased Services	927,070	1,023,476	96,406	9%	826,236
27	276,150	293,214	17,064	6%	Depreciation	833,283	879,642	46,359	5%	874,565
28	109,654	98,357	(11,297)	-11%	Utilities	329,398	295,071	(34,327)	-12%	302,700
29	29,292	33,333	4,041	12%	Insurance	87,876	99,999	12,123	12%	75,590
30	34,514	32,201	(2,313)	-7%	Interest	99,651	99,137	(514)	-1%	131,266
31	93,341	155,785	62,444	40%	Other	415,640	510,282	94,642	19%	543,352
32	-	-	-	*	Matching Fees (Government Programs)	747,361	-	(747,361)	*	368,026
33	\$ 4,806,602	\$ 4,884,032	77,430	2%	Operating expenses	\$ 15,588,335	\$ 14,922,776	(665,559)	-4%	\$ 14,512,443
					Operating Margin					
34	\$ (278,640)	\$ (284,769)	6,129	2%		\$ (911,217)	\$ (933,447)	22,230	2%	\$ (583,672)

ATTACHMENT D

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended September 30, 2016**

	Month				
	This Year		Variance		
	Actual	Budget	\$		%
35	\$ (27,911)	\$ (21,852)	(6,059)		28%
36	13,093	-	13,093		0%
37	(37,500)	(37,500)	-		0%
38	250,000	250,000	-		0%
39	\$ 197,682	\$ 190,648	7,034		4%
40	\$ (80,958)	\$ (94,121)	13,163		-14%
41	\$ 168	\$ 20,698	(20,530)		-99%
42	\$ 42,211	\$ -	42,211		0%
43	\$ (38,579)	\$ (73,423)	34,844		-47%
44	246,909	246,909	-		0%
45	(114,256)	(114,256)	-		0%
46	\$ 94,074	\$ 59,230	34,844		59%
	\$ 229,706	\$ 231,294			
	5.1%	5.0%			

Non Operating Rev and Expense
Miscellaneous Revenue/(Expenses)
Donations
Physician Practice Support-Prima
Parcel Tax Assessment Rev
Total Non-Operating Rev/Exp
Net Income / (Loss) prior to Restricted Contributions

Capital Campaign Contribution
Restricted Foundation Contributions
Net Income / (Loss) w/ Restricted Contributions

GO Bond Tax Assessment Rev
GO Bond Interest

Net Income/(Loss) w GO Bond Activity

EBIDA - Not including Restricted Contributions

	Year-To-Date					YTD
	This Year		Variance			Prior Year
	Actual	Budget	\$		%	
	\$ (61,908)	\$ (44,326)	(17,582)		*	\$ 6,481
	13,093	-	13,093		0%	0
	(112,500)	(112,500)	-		0%	(112,500)
	750,378	750,000	378		0%	751,954
	\$ 589,063	\$ 593,174	(4,111)		-1%	\$ 645,935
	\$ (322,154)	\$ (340,273)	18,119		-5%	\$ 62,263
	\$ 10,585	\$ 62,094	(51,509)		-83%	\$ 103,049
	\$ 46,871	\$ -	46,871		100%	\$ -
	\$ (264,698)	\$ (278,179)	13,481		-5%	\$ 165,312
	740,727	740,727	-		0%	728,331
	(346,441)	(346,442)	1		0%	(346,441)
	\$ 129,588	\$ 116,106	13,482		12%	\$ 547,202
	\$ 610,780	\$ 638,506				\$ 1,068,094
	4.2%	4.7%				7.7%

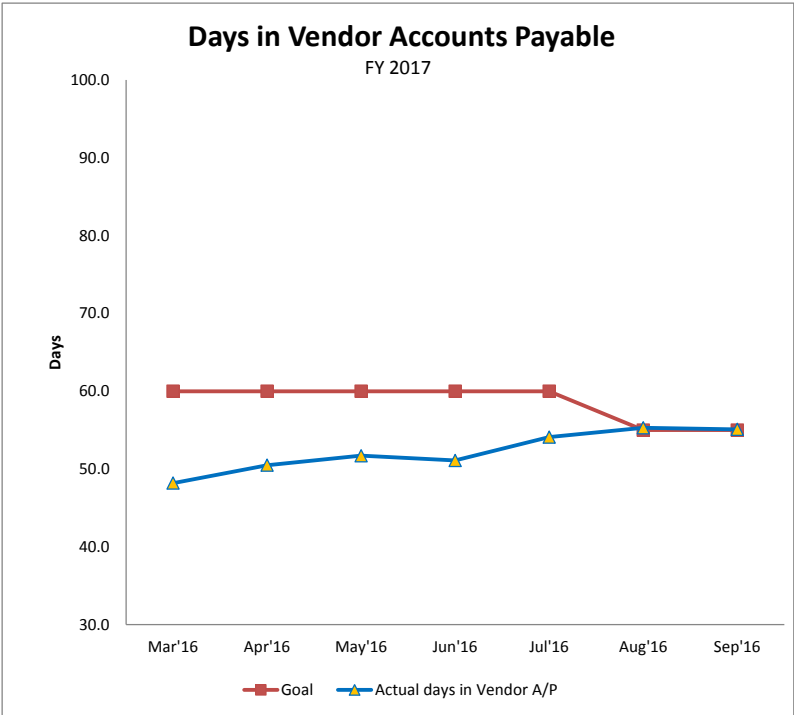
Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended September 30, 2016

ATTACHMENT E

	YTD	MONTH	
Description	Variance	Variance	
Volume Information			
1 Acute Discharges	27	3	
2 SNF Days	(65)	17	
3 Home Care Visits	234	158	
4 Gross O/P Revenue (000's)	(208)	1,165	
Financial Results			
Gross Patient Revenue			
5 Inpatient	2,611,990	(97,856)	Patient Days are 407 vs. budgeted expectations of 368 and inpatient surgeries are 37 vs. budgeted expectations of 45.
6 Outpatient	(3,194,491)	(82,423)	Outpatient surgeries are 81 vs. budgeted expectations 103.
7 Emergency	2,999,149	1,193,681	ER visits are 897 vs. budgeted visits of 871
8 SNF	(363,347)	(113,372)	SNF patient days are 624 vs. budgeted expected days of 607.
9 Home Care	97,291	61,287	HHA visits are 1,042 vs. budgeted expectations of 884.
10 Total Gross Patient Revenue	2,150,592	961,317	
Deductions from Revenue			
11 Contractual Discounts	(2,856,988)	(1,111,591)	
12 Bad Debt	(151,250)	(33,750)	
13 Charity Care Provision	4,477	19,469	
14 Prior Period Adj/Government Program Revenue	1,622,597	125,000	Accrual of Prime Grant for September with a net amount of \$125,000.
15 Total Deductions from Revenue	(1,381,164)	(1,000,872)	
16 Net Patient Service Revenue	769,428	(39,555)	
17 Risk contract revenue	(88,994)	(29,456)	Blue Shield capitation received was under budget.
18 Net Hospital Revenue	680,434	(69,011)	
19 Other Op Rev & Electronic Health Records	7,355	(2,290)	
20 Total Operating Revenue	687,789	(71,301)	
Operating Expenses			
21 Salary and Wages and Agency Fees	75,696	45,619	Salaries and Wages were under budget by \$55,542 and agency fees were over budget by (\$9,923).
22 Employee Benefits	(87,284)	(22,169)	PTO was over budget by (\$24,161) and Employee benefits were under by \$1,992.
23 Total People Cost	(11,588)	23,450	
24 Med and Prof Fees (excl Agency)	4,440	1,967	
25 Supplies	(125,739)	(60,505)	Supplies are over budget due to implant costs being over budget by (\$57,481), these costs are normally recovered with insurance reimbursements.
26 Purchased Services	96,406	42,579	Budgeted services not used in September.
27 Depreciation	46,359	17,064	
28 Utilities	(34,327)	(11,297)	PG&E uses a 3rd party for gas and the cost has increased for the hospital.
29 Insurance	12,123	4,041	
30 Interest	(514)	(2,313)	
31 Other	94,642	62,444	Budgeted other costs not used in September.
32 Matching Fees (Government Programs)	(747,361)	-	
33 Operating expenses	(665,559)	77,430	
34 Operating Margin	22,230	6,129	
Non Operating Rev and Expense			
35 Miscellaneous Revenue	(17,582)	(6,059)	The medical offices timshare cost centers are close to budget with the expenses incurred but all of the rents have not been received from the physicians (\$7,253).
36 Donations	13,093	13,093	
37 Physician Practice Support-Prima	-	-	
38 Parcel Tax Assessment Rev	378	-	

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended September 30, 2016

	YTD	MONTH	
	Variance	Variance	
39			
40			
41			
42			
43			
44			
45			
46			

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Sonoma Valley Hospital
Statistical Analysis
FY 2017

ATTACHMENT G

Statistics	ACTUAL	BUDGET
	Sep-16	Sep-16
Acute		
Acute Patient Days	407	368
Acute Discharges (w/o Newborns)	95	92
SNF Days	624	607
HHA Visits	1,042	884
Emergency Room Visits	897	871
Gross Outpatient Revenue (000's)	\$13,512	\$12,347
Equivalent Patient Days	2,707	2,388
Births	14	12
Surgical Cases - Inpatient	37	45
Surgical Cases - Outpatient	81	103
Total Surgical Cases	118	148
Medicare Case Mix Index	1.97	1.40
Income Statement		
Net Revenue (000's)	4,406	4,575
Operating Expenses (000's)	\$4,807	\$4,884
Net Income (000's)	(6)	59
Productivity		
Total Operating Expense Per Equivalent Patient Day	\$1,776	\$2,045
Productive FTEs	283	285
Non-Productive FTE's	36	33
Total FTEs	319	318
FTEs per Adjusted Occupied Bed	3.54	4.00
Balance Sheet		
Days of Expense In General Operating Cash	6	
Net Days of Revenue in AR	50	50

ACTUAL													
Aug-16	Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	Jan-16	Dec-15	Nov-15	Oct-15	Sep-15	Aug-15	
437	386	334	386	409	426	417	404	351	316	325	376	297	
105	103	95	85	97	99	101	124	109	85	97	92	74	
608	563	526	529	578	580	671	710	648	544	666	607	634	
890	960	942	844	999	879	889	933	915	1,088	948	948	917	
918	940	907	940	912	945	919	864	863	841	820	871	888	
\$13,336	\$12,605	\$13,465	\$13,827	\$12,542	\$14,266	\$12,049	\$12,184	\$12,274	\$11,900	\$13,103	\$12,774	\$12,910	
2,581	2,322	2,381	2,545	2,636	2,886	2,628	2,771	2,614	2,384	2,691	2,565	2,679	
17	14	14	13	17	17	9	17	21	14	11	11	15	
39	43	31	36	26	31	34	26	32	24	36	36	26	
85	73	93	87	92	110	93	98	104	90	95	91	96	
124	116	124	123	118	141	127	124	136	114	131	127	122	
1.58	1.84	1.64	1.73	1.47	1.48	1.50	1.41	1.35	1.69	1.53	1.69	1.52	
4,919	5,172	4,980	4,610	4,481	4,484	4,614	4,522	4,729	4,029	4,655	4,739	4,612	
\$5,310	\$5,472	\$5,450	\$5,267	\$5,143	\$4,968	\$4,987	\$4,932	4,829	4,665	4,931	4,931	4,863	
(23)	59	(133)	(403)	(99)	(132)	39	19	575	245	104	170	149	
\$2,057	\$2,356	\$2,289	\$2,069	\$1,951	\$1,721	\$1,898	\$1,780	\$1,847	\$2,022	\$1,832	\$1,922	\$1,815	
286	278	287	300	292	293	296	271	277	292	299	280	273	
35	42	37	32	32	33	28	48	41	30	28	32	37	
321	320	324	332	324	326	324	319	317	322	327	312	310	
3.86	4.28	4.08	4.16	3.70	3.50	3.58	3.57	3.77	4.05	3.77	3.65	3.58	
15	11	9	9	13	10	12	14	21	9	13	18	16	
50	55	57	55	50	50	52	53	51	53	47	49	45	

Sonoma Valley Hospital
Cash Forecast
FY 2017

ATTACHMENT H

	Actual July	Actual Aug	Actual Sept	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	Forecast TOTAL
Hospital Operating Sources													
1 Patient Payments Collected	4,375,192	4,731,348	3,928,129	4,518,202	4,069,834	4,354,329	4,423,155	4,363,605	4,946,805	4,418,111	4,550,874	4,510,595	53,190,179
2 Capitation Revenue	127,594	124,410	126,315	155,771	155,771	155,771	155,771	155,771	155,771	155,771	155,771	155,766	1,780,253
3 Napa State	2,326	49,264	12,455										64,045
4 Other Operating Revenue	39,800	21,422	28,846	24,351	24,351	24,351	24,351	24,351	24,351	24,351	24,351	24,351	309,226
5 Other Non-Operating Revenue	20,788	46,700	32,026	19,609	19,609	19,609	19,609	19,609	19,609	19,609	19,609	19,617	276,003
6 Unrestricted Contributions	1,549	11,560	13,093										26,202
7 Line of Credit	190,000	(190,000)		1,661,305	(1,411,305)								250,000
Sub-Total Hospital Sources	4,757,249	4,794,704	4,140,864	6,379,238	2,858,260	4,554,060	4,622,886	4,563,336	5,146,536	4,617,842	4,750,605	4,710,329	55,895,909
Hospital Uses of Cash													
8 Operating Expenses	4,578,560	4,139,921	5,611,993	4,812,570	4,615,678	4,789,159	4,889,975	4,671,846	5,017,010	4,749,098	4,835,696	4,850,152	57,561,658
9 Less Depreciation				(293,214)	(293,214)	(293,214)	(293,214)	(293,214)	(293,214)	(293,214)	(293,214)	(293,217)	(2,638,929)
10 Add Capital Lease Payments	49,245	173,774	36,968										259,987
11 Additional AP		400,000			2,000,000	1,000,000	500,000	500,000	500,000	1,500,000		500,000	6,900,000
12 Capital - Board Approved Spending	60,776	43,811	62,997										167,584
13 Napa State													-
Total Hospital Uses	4,688,581	4,757,506	5,711,958	4,519,356	6,322,464	5,495,945	5,096,761	4,878,632	5,223,796	5,955,884	4,542,482	5,056,935	62,250,300
Net Hospital Sources/Uses of Cash	68,668	37,198	(1,571,094)	1,859,882	(3,464,204)	(941,885)	(473,875)	(315,296)	(77,260)	(1,338,042)	208,123	(346,606)	(6,354,391)
Non-Hospital Sources													
14 Restricted Cash/Capital Donations Donations	3,167	141,475	42,379		1,000,000								1,187,021
15 Electronic Health Records													-
16 Parcel Tax Revenue	179,365					1,600,000			1,400,000				3,179,365
17 Advancement - Foundation		400,000			(400,000)								-
18 Advancement - South Lot		263,453											263,453
19 Other:													-
20 IGT				343,950	1,283,647			300,000					1,927,597
21 IGT - AB915 (Net)								900,000					900,000
22 PRIME	375,000				1,126,000								1,501,000
Sub-Total Non-Hospital Sources	557,532	804,928	42,379	343,950	3,009,647	1,600,000	-	1,200,000	-	1,400,000	-	-	8,958,436
Non-Hospital Uses of Cash													
23 Matching Fees	187,575	188,984		1,411,305									1,787,864
Sub-Total Non-Hospital Uses of Cash	187,575	188,984	-	1,411,305	-	-	-	-	-	-	-	-	1,787,864
Net Non-Hospital Sources/Uses of Cash	369,957	615,944	42,379	(1,067,355)	3,009,647	1,600,000	-	1,200,000	-	1,400,000	-	-	7,170,572
Net Sources/Uses													
	438,625	653,142	(1,528,715)	792,527	(454,557)	658,115	(473,875)	884,704	(77,260)	61,958	208,123	(346,606)	
Cash and Equivalents at beginning of period	1,384,178	1,822,803	2,475,945	947,230	1,739,757	1,285,200	1,943,315	1,469,440	2,354,144	2,276,884	2,338,842	2,546,965	
Cash and Equivalents at end of period	1,822,803	2,475,945	947,230	1,739,757	1,285,200	1,943,315	1,469,440	2,354,144	2,276,884	2,338,842	2,546,965	2,200,359	

12.

**ADMINISTRATIVE REPORT
SEPTEMBER 2016**



To: SVHCD Board of Directors
From: Kelly Mather
Date: 11/3/16
Subject: Administrative Report

Summary

In reviewing the progress on the Strategic Plan for FY 2017, we have completed many of our planned initiatives. The physician satisfaction survey will go out next week. Now that the south lot has been purchased, discussions are underway on the best use this asset. The SVHF has agreed to fundraise for the Outpatient Diagnostic Center in the old ER and Surgery area. The PRIME grant for care transitions (helping patients' transition from the hospital) reporting for 2016 is complete. Three Wellness University™ courses were offered this year to improve the health of the community.

Dashboard and Trended Results

We have changed to a rolling 12 month average for patient satisfaction this year. The goal to be over the 70th percentile is still a stretch but we are consistently above average or the 50th percentile in most domains. Employee forums for November are scheduled. The main concern this year is about salaries even though we have raised them significantly each year. The staff satisfaction survey will go out in early January. The new physicians and surgeons are now actively practicing in Sonoma and outpatient volumes are now above last year.

Strategic Update:

Strategic Priorities	Update
Evidence Based Medicine	Several evidence based projects are underway for inpatient including how we treat patients with Sepsis. The medical directors are also staying current with emerging trends and implementing them in their departments.
Culture of Safety	Tonight we have a presentation from the head of CHPSO (California Hospital Patient Safety Organization) to assess and learn the best practices in hospital safety. This was put on by our Board Quality Committee.
1206(b) Clinic	The clinic opened in September and now has two physicians seeing patients. We will consider adding a primary care physician in the future.
Increase Volumes	Bariatric surgery has doubled over the last year. We have been actively marketing the new MRI coils. We are also doing more aggressive and focused marketing to increase the SNF referrals including discussing a possible partnership with Kaiser.
Parcel Tax Renewal	The vote will be in March 7, 2017. The committee has been formed and will start the campaign in December.
Physician Alignment	Prima (1206I) has added a nurse practitioner and an Internist, who will begin practice December, 2016. SCAN is marketing right now. St. Joseph's is starting their own physician network for SCAN patients.
Electronic Health Record	The upgrades will be complete by May of 2017. We are deciding whether or not Athena (our current EHR for the clinics) will work for Occupational Health and Rehab.
Population Health	The Care Transitions program is now underway with the PRIME grant. We have completed the reporting.

SEPTEMBER DASHBOARD

PILLAR	PERFORMANCE GOAL	METRIC	ACTUAL RESULT	GOAL LEVEL
Service Excellence	Highly satisfied Inpatients	Rolling 12 month average of at least 5 out of 9 HCAHPS domain results above the 70 th percentile	2 out of 9 through July	>7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 <4=1
Service Excellence	Highly satisfied Emergency Patients	Rolling 12 month average of at least 4 out of 7 ERCAPS domain results above the 70 th percentile	2 out of 7 through June	6 = 5 (stretch) 5 = 4 4 = 3 (Goal) 3 = 2 2 = 1
Quality	Excellent Clinical Outcomes	Value Based Purchasing Safety Score at 75% or higher	67%	>85 = 5 (stretch) >80 = 4 >75 = 3 (Goal) >70 = 2 <70 = 1
People	Highly Engaged and Satisfied Staff	Press Ganey percentile ranking of 75 th percentile or higher	4.33/5 or the 84 th percentile	>80th = 5 (stretch) >77 th =4 >75 th =3 (Goal) >72 nd =2 <70 th = 1
Finance	Financial Viability	YTD EBIDA	4.2%	>4% (stretch) >3.5%=4 >3.0% (Goal) >2.5%=2 <2.5%=1
	Efficiency and Financial Management	Meet FY 2017 Budgeted Expenses (excluding IGT)	\$14,840,974 (actual) \$14,922,766 (budget)	<2% = 5 (stretch) <1% = 4 <Budget=3 (Goal) >1% = 2 >2% = 1
Growth	Surgical Cases	Increase surgeries by 2% over prior year	358 YTD FY2017 369 YTD FY2016	>2% = 5 >1% = 3 < 1% = 2
	Outpatient & Emergency Volumes	2% increase (gross outpatient revenue over prior year)	\$39.6 mm YTD \$38.4 mm prior year	>5% = 5 (stretch) >3% = 4 >2% = 3 (Goal) <2% = 2
Community	Community Benefit Hours	Hours of time spent on community benefit activities per year	359 hours for 3 months	>1500 = 5 >1200 = 4 >1000 = 3 >750 = 2 >500 = 1



FY 2016-2017 TRENDED RESULTS

MEASUREMENT	Goal FY 2017	Jul 2016	Aug 2016	Sep 2016	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016
Inpatient Satisfaction	5/9	0	0	2	6	7	8	3	4	1	1	5	5
Emergency Satisfaction	4/7	1	1	2	5	5	6	1	2	6	4	2	4
VBP Safety score	>75	77.5	77.5	67	52.5	53	53.5	n/a	n/a	n/a	n/a	n/a	n/a
Staff Satisfaction	>75th	84	84	84	91	91	91	91	91	84	84	84	84
FY YTD Turnover	<10%	.9	1.5	1.8	2.8	3.4	4.6	5.2	6.1	6.7	7.9	8.8	10
YTD EBIDA	>3%	4.5	3.8	4.2	7.3	5.7	6.6	6.2	6	5.6	5.2	4.7	4.4
Operating Revenue	>5m	5.1	5.0	4.5	4.7	4.1	4.7	4.5	4.6	4.5	4.3	4.6	4.9
Expense Management	<5m	4.9	5.1	4.8	4.9	4.6	4.8	4.9	4.9	4.9	5.1	5.2	5.4
Net Income	>50k	59	-23	94	104	244	575	19	203	-131	-99	-403	-132
Days Cash on Hand	>20	11	15	6	13	9	21	14	12	12	13	9	9
A/R Days	<50	55	50	50	47	53	51	53	52	50	50	55	57
Total FTE's	<315	320	321	319	327	322	317	319	324	326	324	332	324
FTEs/AOB	<4.0	4.28	3.86	3.54	3.77	4.1	3.77	3.57	3.58	3.5	3.7	4.16	4.08
Inpatient Discharges	>100	103	105	95	97	85	109	124	101	99	97	85	95
Outpatient Revenue	>\$13m	12.6	13.3	13.5	13.1	11.9	12.2	12.1	12.1	14.2	12.5	13.8	13.5
Surgeries	>130	116	124	118	131	114	136	124	127	141	118	123	124
Home Health	>950	960	890	1042	948	1088	915	933	889	879	999	844	942
Births	>15	14	17	14	11	14	24	17	9	17	17	13	14
SNF days	>600	563	608	624	666	544	648	710	671	580	578	529	526
MRI	>100	105	97	104	132	109	113	102	119	127	105	122	120
Cardiology (Echos)	>50	41	53	66	77	41	50	46	60	67	61	52	68
Laboratory	>11.5	11.2	12.2	11.4	11.7	11.6	11.4	11.9	12.1	12.4	12.0	11.9	11.8
Radiology	>850	902	944	1001	1018	875	907	904	961	1010	963	926	1000
Rehab	>3000	2618	3008	3136	2886	2297	3003	2815	2708	2979	2780	2782	2948
CT	>350	365	327	412	336	381	323	379	352	398	333	373	348
ER	>900	940	918	897	820	841	863	864	919	945	912	940	907
Mammography	>425	400	475	421	543	406	492	446	437	432	384	457	420
Ultrasound	>300	281	310	288	353	246	290	296	304	317	325	285	255
Occupational Health	>650	602	724	741	871	681	683	600	597	757	663	679	651
Wound Care	>200	221	312	253	248	246	297	228	232	222	276	235	264

13.

RESOLUTION No. 333
HONORING DICK FOGG



**SONOMA VALLEY HEALTH CARE DISTRICT BOARD OF DIRECTORS
RESOLUTION No. 333**

HONORING RETIRING FINANCE COMMITTEE CHAIR, RICHARD FOGG

Whereas, Dick Fogg, alias “the Foggster,” who communicates on the internet as Sonomafogg, has rendered extraordinary service to the Sonoma Valley Hospital; and

Whereas, Dick has served as the Chair of the Hospital’s Finance Committee for the past eight Years; and

Whereas, Dick has served as the Chair of the Strategic Planning Committee during the turbulent period prior to the passage of the GO Bond measure in 2008; and

Whereas, Dick is a Commissioner and Public Board member of the Partnership Health Plan of California Commission; and

Whereas, Dick has served as the Chair and is the Co-Chair of the Partnership Health Plan of California Commission and a member of both the Strategic Planning and Finance Committees; and

Whereas, Dick has been an invaluable resource on all things Medi-Cal; and

Whereas, Dick, in his spare time, is a Planning Commissioner for the First District; and

Whereas, Dick has served as a member of the Sonoma Valley Citizens Advisory Committee since 1997; and

Whereas, Dick is remembered by old friends as the worst Hockey Goalie in the history of the NCAA.

NOW THEREFORE BE IT RESOLVED,

That his colleagues and admirers, salute Dick Fogg’s leadership, thank him for his outstanding service to the Hospital, the District, and the Community and wish him well in all future endeavors, personal and professional.

PASSED AND ADOPTED on November 3, 2016, by the following vote:

AYES: 5	ABSENT: 0
NOES: 0	ABSTAIN: 0

Jane Hirsch, Chair _____

14.

RESOLUTION No. 332
FACILITIES CONTRACTING
POLICY



Meeting Date: November 3, 2016
Prepared by: Peter Hohorst
Agenda Item Title: RESOLUTION No. 332 ADOPTION OF FACILITIES CONTRACTING POLICY

Recommendations:

That the Board approves a Resolution to Implement the Policy and Procedures Governing Bidding for Facilities Projects

Background:

The Policy and Procedures Governing Bidding for Facilities Projects that was approved at the July Board meeting will not take effect until the Hospital notifies the Secretary of State of its intention to adopt the California Uniform Construction Cost Accounting system. The delay in sending the notification to the Secretary of State was necessary to allow the facilities staff sufficient time to develop a list of reliable contractors that will be asked to bid on facilities projects. Without this list new facility projects could not be started.

The policy relies on Sections 22000 to 22050 of the California Civil Code (California Uniform Construction Cost Accounting) which permits higher dollar limits before formal bidding is required and also has reasonable provisions for delegating authority to the CEO for awarding contracts after informal bidding and for awarding contracts in cases of emergency. Both of these options are not available in other sections of the Health and Safety Code or the California Civil Code.

Despite its name, no accounting changes are required to conform to the California Uniform Construction Cost Accounting rules. The “accounting” changes apply only to the determination of bidding requirements.

In general, the policy’s procedures for formal bidding are not changed, but the formal bidding procedures are not required for Facility Projects which cost less than \$175,000. For projects which cost less than \$175,000 the Policy requires:

- The CEO to maintain and update yearly a list of reliable contractors based on objective criteria.
- The CEO to use this list to solicit bids, but does not require notices in trade journals and other publications, thereby simplifying the process.

The Policy has been reviewed and approved by legal counsel.

Consequences of Negative Action/Alternative Actions:

Without an approved policy the District Board must approve all contracts for facility projects and to solicit formal bids for all contracts over \$25,000.

Financial Impact:

The simplified procedures should reduce administrative costs for handling facility projects.

Attachment: Resolution for Adoption of Facilities Contracting Policy



RESOLUTION No. 332

RESOLUTION FOR ADOPTION OF FACILITIES CONTRACTING POLICY

WHEREAS, the Board of Directors (the “Board”) of the Sonoma Valley Health Care District (the “District”) desires to adopt a written policy to clarify its facilities contracting policy;

WHEREAS, the Board desires that under Public Contract Code Section 22030 that the District become subject to the Uniform Public Construction Cost Accounting Act, codified at Public Contract Code §§ 22000 to 22050, to facilitate the District’s public contracting processes.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF SONOMA VALLEY HEALTH CARE DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Adoption of Contracting Policy. The District adopts as its facilities contracting policy the “Policy and Procedures Governing Bidding for Facility Projects,” attached hereto as Exhibit A.

Section 2. Election Under UPCCA. The Board hereby elects under Public Contract Code § 22030 to become subject to the Uniform Public Construction Cost Accounting Act (the “Act”), codified at Public Contract Code §§ 22000 to 22050, and the uniform construction cost accounting procedures adopted by the California Uniform Construction Cost Accounting Commission established under that act, as they may each from time to time be amended, and directs that the CEO of the District notify the State Controller forthwith of this election.

Section 3. Recitals. All of the recitals herein are true and correct. To the extent that the recitals relate to findings and determinations of the Board, the Board declares such findings or determinations to be made thereby.

Section 4. General Authority. The Chair, the Secretary, the Chief Executive Officer and the Chief Financial Officer, and their respective designees, are each hereby authorized, empowered and directed in the name and on behalf of the District to take any and all steps which they or any of them might deem necessary or appropriate in order to give effect to this resolution.

Section 5. Effective Date. This resolution shall take effect immediately on and after its adoption.

* * * * *

PASSED AND ADOPTED this 3rd day of November 2016 by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Jane Hirsch
Chair, Board of Directors
Sonoma Valley Health Care District

ATTEST:

Peter Hohorst
1st Vice Chair, Board of Directors
Sonoma Valley Health Care District

* * * * *