



**SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING **AGENDA**
Thursday, November 5, 2015
6:00 p.m.**

**COMMUNITY MEETING ROOM
177 First Street West, Sonoma, CA**

| AGENDA ITEM | RECOMMENDATION | |
|---|-------------------------------|---------------|
| MISSION STATEMENT <i>The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</i> | | |
| 1. CALL TO ORDER | <i>Nevins</i> | |
| 2. PUBLIC COMMENT SECTION <i>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.</i> | | |
| 3. CONSENT CALENDAR A. Board Retreat Minutes 10.15.15; Regular Board Minutes 10.13.15 B. FC Minutes 9.22.15; revised 8.25.15 C. QC Minutes 9.23.15 D. GC Minutes-no Minutes E. Policy & Procedure Approval F. MEC Credentialing Report 10.28.15 | <i>Nevins</i> | Action |
| 4. ACHD ADVOCACY CAPABILITIES Kelly Brooks, Partner, Hurst Brooks Espinosa and Ken Cohen, Executive Director, Association of California Healthcare Districts | <i>Kelly Brooks/Ken Cohen</i> | Inform |
| 5. FINANCIAL REPORT FOR SEPTEMBER 2015 | <i>Jensen</i> | Inform |
| 6. REPORT OF FINAL AUDIT 2016 | <i>Jensen</i> | Inform/Action |
| 7. ADMINISTRATIVE REPORT FOR OCTOBER 2015 | <i>Mather</i> | Inform |
| 8. OFFICER & COMMITTEE REPORTS | <i>Board</i> | Inform/Action |
| 9. BOARD COMMENTS | <i>Board</i> | Inform |
| 10. ADJOURN The next Regular Board meeting is December 3, 2015 | <i>Nevins</i> | |

3.

CONSENT CALENDAR



Healing Here at Home

**SONOMA VALLEY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
RETREAT MINUTES**
Thursday, October 15, 2015
9:00am—2:00pm

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 Dr. Chamberlin, Chief of Staff was in attendance for agenda items 4-7. | | <i>Nevins</i> |
| 2. PUBLIC COMMENT SECTION <i>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.</i> | | |
| 3. BOARD ASSESSMENT | 9:00am-10:30am | <i>Hirsch</i> |
| 4. FINANCIAL DISCUSSION Ken Jensen made a presentation to the board on the revenue and expense assumptions for the next three years. | 10:30am-12:00pm | <i>Jensen</i> |
| 5. LUNCH | 12:00-12:30pm | |
| 6. COMMUNITY PERCEPTION REPORT Bob Kenney presented the results of the recent opinion survey of Sonoma Valley Hospital. | 12:30-1:15pm | <i>Kenney</i> |
| 7. SWOT ANALYSIS Kelly Mather worked with the Board to update the overall strengths, weaknesses, opportunities and threats of Sonoma Valley Hospital. | 1:15-2:00pm | <i>Mather</i> |
| 8. ADJOURN The meeting was adjourned at 1:45 | | <i>Nevins</i> |



**SVHCD BOARD OF DIRECTORS
REGULAR MEETING **MINUTES****

Tuesday, October 13, 2015

5:00 p.m. Closed Session

6:00 p.m. Regular Session

BASEMENT CONFERENCE ROOM

Sonoma Valley Hospital, 347 Andrieux Street, Sonoma

| | RECOMMENDATION | |
|---|-----------------------------|--|
| MISSION STATEMENT The mission of SVHCD is to maintain, improve and restore the health of everyone in our community. | | |
| CALL TO ORDER Closed Session called to order at 5:00pm and Regular Session at 6:00pm. | <i>Nevins</i> | |
| PUBLIC COMMENT ON CLOSED SESSION | <i>Nevins</i> | |
| No public comment | | |
| CLOSED SESSION <u>Calif. Government Code § 31255</u> : Quality Dashboard Report for Hospital Quality Assurance <u>Calif. Government Code § 31255</u> : Public Employment - Executive Employment Agreement with Chief Executive Officer | <i>Nevins</i> | |
| REPORT OF CLOSED SESSION | <i>Nevins</i> | |
| No report of the Closed Session | | |
| PUBLIC COMMENT SECTION | | |
| No public comment | | |
| CONSENT CALENDAR | <i>Nevins</i> | Action |
| <ul style="list-style-type: none"> A. Regular Board Minutes 9.3.15 B. FC Minutes-no minutes C. QC Minutes 8.26.15* D. GC Minutes 7.28.15 E. Policy & Procedure Approval F. MEC Credentialing Report 9.23.15 | | MOTION to approve by Boerum and 2 nd by Hirsch. All in favor. *One revision, Dr. Sebastian was present in QC. |
| | | |
| CALIFORNIA HEALTHCARE FOUNDATION | <i>Dr. Sandra Hernandez</i> | Inform |
| Ms. Hernandez shared high-level observations on healthcare delivery systems, the Medi-Cal program and the probability of Medi-Cal capitation within 3 years; she also discussed some current CHCF projects and interests, such as working with IHA on payment reform, increasing the use of palliative care, and decreasing opiate use. She mentioned the need for community needs assessments, and commented that, in her view, the best way for small unaffiliated institutions to survive is to identify what they | | |

| | | |
|---|--------------------------------|---------------|
| do best and focus on that, but also to identify potential affiliations and partnerships. | | |
| REPORT OF THE CHIEF OF STAFF | <i>Dr. Chamberlin, MD, MBA</i> | Inform |
| The Executive Peer Review Committee has been formed by the SVH Medical Staff and its main purpose will be to measure and determine quality at Sonoma Valley Hospital. Hospital staff and physicians alike are welcome to refer cases or issues to the Committee for review and will be required to follow the procedure the Medical Staff will put into place. | | |
| QUALITY PERFORMANCE METRICS UPDATE | <i>Lovejoy</i> | Inform/Action |
| Quality Performance Metrics for CMS reporting years 2013 and 2014 place Sonoma Valley Hospital in the top quartile nationally on most quality measures. Ms. Lovejoy's report provided an update on CMS incentives, 2016 penalties and informed on additional performance measures that have recently been publicly reported. | | |
| FINANCIAL REPORT FOR AUGUST 2015 | <i>Jensen</i> | Inform |
| The first two months of the fiscal year were relatively on target with budgeted expectations. The actual loss of (\$229,180) from operations was \$94,412 better than budgeted loss of (\$323,592). Year-to date actual (YTD) loss was (\$404,959) compared to the budgeted loss of (\$531,679). After accounting for all activity, August net income was positive \$174,563 vs. the budgeted expectation of \$92,907. YTD the total net income was \$79,752 better than budget with YTD EBIDA of 7.6% being better than the budgeted 6.3%. After accounting for all operating revenue, the total operating revenue was \$61,222. | | |
| ADMINISTRATIVE REPORT FOR SEPT. 2015 | <i>Mather</i> | Inform |
| This past month the major focus for the Hospital has been the conversion to ICD-10. Another major focus is on days of cash on hand and over the next few months, cash flow will be monitored closely with an eye toward any slowdown in receivables. The patient satisfaction goals have increased and while a bit inconsistent, the July inpatient goal was achieved. Community Outreach goals were exceeded in September and October. | | |
| OFFICER & COMMITTEE REPORTS <ul style="list-style-type: none"> • South Lot Committee-no update | <i>Hohorst</i> | Inform/Action |
| | | |
| BOARD COMMENTS | <i>Board</i> | Inform |
| Mr. Boerum will present on ACHD Advocacy in November. | | |
| ADJOURN Meeting adjourned at 8:10pm | <i>Nevins</i> | |



**SONOMA VALLEY HEALTH CARE
DISTRICT
FINANCE COMMITTEE MEETING
MINUTES
Tuesday, SEPTEMBER 22, 2015
Schantz Conference Room**

| Present | Excused/Absent | Staff | Public |
|---|--|--|----------------|
| Phil Woodward Peter Hohorst Mary Smith Stephen Berezin Sharon Nevins Steve Barclay (by phone) Dick Fogg | Keith Chamberlin, MD, MBA S. Mishra, M.D. | Ken Jensen Jeannette Tarver Michelle Donaldson Gigi Betta | Sam McCandless |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW-UP |
|--------------------------------------|---|---|-----------------------------------|
| MISSION AND VISION STATEMENTS | <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community. The vision of SVHCD is that SVH will be a nationally recognized, compassionate place of healing known for excellence in clinical quality. We serve as the guide and indispensable link in our community's health care journey.</i> | | |
| 1. CALL TO ORDER | <i>Fogg</i> | | |
| | Meeting called to order at 5:00pm | | |
| 2. PUBLIC COMMENT SECTION | <i>Fogg</i> | | |
| | None | | |
| 3. CONSENT CALENDAR | <i>Fogg</i> | Action | |
| FC Meeting Minutes 8.25.15 | Mr. Barclay reported that there was an omission on this Agenda and that it should have included an update on fluoroscopy. Mr. Jensen will follow up | Minutes not approved. Bring revised Minutes forward to FC meeting | Mr. Jensen will follow up with an |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW-UP |
|---|---|--------------|--|
| | <p>with an update and send it to the Committee.</p> <p>8.25.15 Minutes were not approved. They will be revised as follows and brought back to the 10.27.15 meeting.</p> <p><u>Agenda Item 5, Capital Plan on 8.25.15 FC Minutes was revised as follows:</u></p> <p><i>Mr. Barclay moved approval of the Capital Plan and Mr. Hohorst seconded it. It was approved 6 to 1 with Mr. Woodward casting the no vote. Also, Mr. Jensen was asked to develop and present at a future meeting a three-year cash plan with alternatives for funding the capital plan and paying down the line of credit as well as a related risk assessment should the cash plan's anticipated funding streams not materialize.</i></p> <p><u>Agenda Item 8, Audit Status Update in 8.25.15 Minutes was amended as follows:</u> <i>The Finance Committee is invited to attend the Audit Committee meeting</i></p> | on 10.27.15. | update on fluoroscopy and email it to the Committee. |
| | | | |
| 1. ADMINISTRATIVE REPORT FOR AUGUST 2015 | <i>Nevins</i> | Inform | |
| | <p>Mr. Barclay asked for the deadline to add the Parcel Tax Renewal Measure to the ballot. Mr. Hohorst informed the Committee that the deadline is October 2016 and explained this is a Special Election and if the measure should not receive 2/3 vote in spring 2017, it can be added to the General Election in November 2017.</p> <p>Ms. Mather is currently chairing a CEO Committee comprised of Sharon Nevins, Peter Hohorst, Kelly Mather, Ken Jennings and Bob Kenney to gather and</p> | | |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW-UP |
|---|---|---------|-----------|
| | review perceptions in the community and to provide guidance on issues that may come up during a parcel tax campaign. This committee will not be responsible for raising funds for the Parcel Tax Campaign. The CEO Committee will be disbanded when the Board makes a decision on a renewal of the Parcel Tax in the fall of 2016. No salaried staff members will participate in the Parcel Tax Campaign. | | |
| 5. FINANCIAL REPORT FOR MONTH ENDING AUGUST 31, 2015 | <i>Jensen</i> | Inform | |
| | <p>Mr. Jensen was pleased to announce that actual financial performance for SVH for the first two months of the fiscal year was relatively on target with budgeted expectations. The actual loss of (\$229,180) from operations for August was \$94,412 better than the budgeted loss of (\$323,592). The year-to date actual loss from operations was (\$404,959) compared to the budgeted loss of (\$531,679). After accounting for all other activity, August net income was a positive \$174,563 vs. the budgeted expectation of \$92,907. Year-to-date the total net income was \$79,752 better than budget with a year to date EBIDA of 7.6% better than the budgeted 6.3%.</p> <p>ICD 10 Coding is mandated and goes live October 1, 2015. This coding is much more complicated than ICD 9 Codes and is expected to have a negative impact on cash in December and January. Management has planned on additional resources in order to mitigate impact. It appears that cash flow will be short around \$800,000 for the two month period. It is expected that the cash will eventually be</p> | | |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW-UP |
|---|---|---------------|--|
| | received. The hospital may need to access the line of credit to augment the temporary shortfall. | | |
| 6. DRAFT PLAN OF CASH SCENARIO | <i>Jensen</i> | Inform/Action | |
| | A full report on the Plan of Cash Scenario will be given at the next Finance Committee meeting after approval from Hospital management. | | |
| 7. AUDIT UPDATE | <i>Jensen</i> | Inform/Action | |
| | The final audit report will be presented at the Audit Committee meeting on October 27, 2015 at 4:00pm in the Schantz Conference Room at the Hospital. | | |
| 8. QUATERLY CAPITAL SPENDING UPDATE FOR MONTH ENDING JUNE 30, 2015 | <i>Jensen</i> | Inform/Action | |
| | | | |
| 9. ADJOURN | <i>Fogg</i> | | |
| | <u>Announcements:</u> The Regular October Board meeting has been changed to Oct 13, 2015 at 6:00pm in the Basement Conference Room at the Hospital. Sandra Hernandez is making a presentation on the challenges small hospitals face. Ms. Nevins requested that Mr. Jensen present the SCAN report next month. Meeting adjourned at 6:00pm | | Ms. Nevins requested that Mr. Jensen present the SCAN report next month. |



**SONOMA VALLEY HEALTH CARE
DISTRICT
FINANCE COMMITTEE MEETING
MINUTES**

**Tuesday, August 25, 2015
Schantz Conference Room**

| Present | Excused/Absent | Staff | Public |
|--|---|--|----------------|
| Phil Woodward Peter Hohorst Mary Smith Stephen Berezin Sharon Nevins S. Mishra, M.D. (by phone) Steve Barclay (by phone) | Keith Chamberlin M.D., MBA Dick Fogg | Kelly Mather Ken Jensen Jeannette Tarver Michelle Donaldson Gigi Betta | Sam McCandless |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW-UP |
|--------------------------------------|---|---|------------------|
| MISSION AND VISION STATEMENTS | <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community. The vision of SVHCD is that SVH will be a nationally recognized, compassionate place of healing known for excellence in clinical quality. We serve as the guide and indispensable link in our community's health care journey.</i> | | |
| 1. CALL TO ORDER | <i>Nevins</i> | | |
| | Meeting called to order at 5:00pm | | |
| 2. PUBLIC COMMENT SECTION | <i>Nevins</i> | | |
| | None | | |
| 3. CONSENT CALENDAR | <i>Nevins</i> | Action | |
| FC Meeting Minutes 7.28.15 | | MOTION by Woodward to approve <i>with correction</i> and 2 nd by Hohorst. All in favor. | |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW-UP |
|---|---|--|-----------|
| | | | |
| 4. ADMINISTRATIVE REPORT FOR JULY 2015 | <i>Mather</i> | Inform | |
| | FY 2015 was more positive than the prior year; moving the financial services back to SVH with a dedicated CFO was key to overall improvement; Hospital Leadership did an excellent job controlling expenses; Surgery has made significant operational and financial changes that helped the bottom line;; EBIDA is 3.8% or \$1,971,952; Medi-Cal is now at over 20% and our commercial payer mix has dropped from 24% to 20%.; the Emergency Department experienced a 20% increase over prior year, accounts payable is \$3M verses almost \$6M at the beginning of the fiscal year; and patient satisfaction was excellent in May with many domain scores above the 90 th percentile. | | |
| 5. CAPITAL PLAN | <i>Jensen/Mather</i> | Action | |
| | Mr. Barclay moved approval of the Capital Plan and Mr. Hohorst seconded it. It was approved 6 to 1 with Mr. Woodward casting the no vote. Also, Mr. Jensen was asked to develop and present at a future meeting a 3-year cash plan with alternatives for funding the capital plan and paying down the line of credit as well as a related risk assessment should the cash plan's anticipated funding streams not materialize. | MOTION by Barclay to approve the Capital Plan and 2 nd by Hohorst. | |
| 6. NURSE CALL STATION UPDATE | <i>Jensen</i> | Inform | |
| | The Nurse Call Station replacement equipment is in process of obtaining approvals and a temporary system is in place. | | |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW-UP |
|---|--|---------------|-----------|
| 7. FINANCIAL REPORT FOR MONTH ENDING JULY 31, 2015 | <i>Jensen</i> | Inform/Action | |
| | <p>There have been changes to Financial Report format and presentation as follows: the Statement of Revenue and Expenses is now in 2-page landscape format; instead of itemizing the variances in the narrative as line items, they included a separate summary with more detailed explanations; the cash forecast has been split into two sections; and there's a separate schedule for gross and net revenue by payer source.</p> <p>After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net income for July was \$42,569 vs. a budgeted net income of \$23,876. The total net income for July after all activity was \$202,834 vs. a budgeted net income of \$204,739.</p> | MOTION | |
| 8. AUDIT STATUS UPDATE | <i>Jensen</i> | | |
| | <p>SVHCD independent auditors are in the process of conducting their audit at the Hospital and everything is on target. Ms. Nevins will meet with the auditors this Friday, August 28, 2015.</p> <p>The final audit report will be presented to the Audit Committee on October 27, 2015 at 4:00pm in the Schantz Conference Room.</p> <p>The Finance Committee is invited to attend the Audit Committee meeting.</p> | | |
| 9. ADJOURN | <i>Nevins</i> | | |
| | Meeting adjourned at 5:55pm | | |



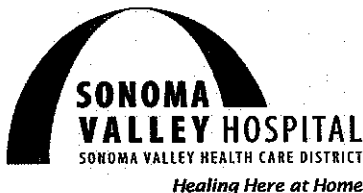
**SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE
REGULAR MEETING MINUTES
Wednesday, September 23, 2015
Schantz Conference Room**

| Committee Members Present | Committee Members Present cont. | Committee Members Excused | Admin Staff /Other |
|---|--|---|--|
| Jane Hirsch Carol Snyder Joshua Rymer M. Mainardi Kelsey Woodward Cathy Webber Ingrid Sheets Brian Sebastian, M.D. | | Susan Idell H. Eisenstark Keith Chamberlin, MD, MBA | Robert Cohen MD Leslie Lovejoy Mark Kobe Gigi Betta |

| AGENDA ITEM | DISCUSSION | ACTION | FOLLOW-UP |
|---|--|--|------------------|
| 1. CALL TO ORDER/ANNOUNCEMENTS | <i>Hirsch</i> | | |
| | The meeting was called to order 5:00pm | | |
| 2. PUBLIC COMMENT | <i>Hirsch</i> | | |
| | None | | |
| 3. CONSENT CALENDAR | <i>Hirsch</i> | Action | |
| <ul style="list-style-type: none"> QC Minutes, 8.26.15 | | MOTION by Rymer to approve and 2 nd by Mainardi. All in favor. | |

| | | | |
|---|---|--|--|
| 4. POLICES, ORDER SET & REVISION | <i>Lovejoy/Kobe</i> | Action | |
| 1) Access to Public Records Policy 2) Emergency Department Staffing Policy 3) Revised Alcohol Withdrawal Order Set 4) Revision to Medical Staff R&Rs | The Emergency Department Staffing Policy is to be revised and brought back to the next QC meeting for approval. | MOTION by Rymer to approve #1, 3, & 4 only and 2 nd by Mainardi. All in favor. | |

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|--|--|---|---|
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| 5. QUALITY REPORT SEPTEMBER 2015 | <i>Lovejoy</i> | Inform/Action | |
| | <p>The annual Performance Improvement Fair is 9.30.15 in the Basement Conference Room. Ms. Woodward and Ms. Sheets will be judging the 12 Clinical Projects and 10 Support Services projects. Attached to this report are the judging criteria and a list of topics to be presented.</p> <p>The Hospital had an unscheduled visit from the State for a federal complaint validation survey and all requirements to clear outstanding complaints may have been met.</p> <p>The Quality Department is working on a method to communicate Midas E-Notification data by department and event type to Leaders. The Quality Department has developed this process in response to AHRQ Culture of Safety results. Attached are the Good Catch Summary YTD and Policy & Procedure Feedback Template.</p> | MOTION by Mainardi to approve and 2 nd by Sheets. All in favor. | |
| 6. CLOSING COMMENTS | <i>Hirsch</i> | | |
| | | | . |
| 7. ADJOURN | <i>Hirsch</i> | | |
| | Meeting adjourned at 5:45pm | | |
| 8. UPON ADJOURNMENT OF REGULAR OPEN SESSION | <i>Hirsch</i> | | |
| | | | |
| 9. CLOSED SESSION | <i>Sebastian</i> | Action | |
| <u>Calif. Health & Safety Code § 32155</u> Medical Staff Credentialing & Peer Review Report | No Credentialing & Peer Review Report submitted. | | |
| 10. REPORT OF CLOSED SESSION | <i>Hirsch</i> | Inform/Action | |
| | | | |
| 11. ADJOURN | <i>Hirsch</i> | | |



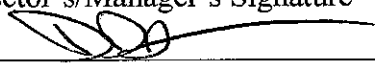
POLICY AND PROCEDURE Approvals Signature Page

Review and Approval Requirements

The SVH departmental/organizational policies and/or procedures on the attached list have been reviewed and approved by the following organizational leaders for meeting all of the following criteria. All of these policies and procedures are:

- Consistent with the Mission, Vision and Values of the Sonoma Valley Health Care District
- Consistent with all Board Policy, Hospital Policy and Hospital Procedures
- Meet all applicable law, regulation, and related accreditation standards
- Consistent with prevailing standards of care
- Consistent with evidence-based practice

We recommend their acceptance by the Quality Committee and that the Quality Committee forward them to the Sonoma Valley Health Care District Board with a recommendation to approve.


| | |
|---|---|
| Department: 7010-19 Emergency Department Staffing Plan-New Policy | |
| APPROVED BY: | DATE: 8-06-2015 |
| Director's/Manager's Signature  | Printed Name David Dunn, RN BSN |



Douglas S Campbell, MD
Chair ~~Medicine Committee~~

9/18/15


Date



Michael Brown, MD
Chair Surgery Committee

9/21/15

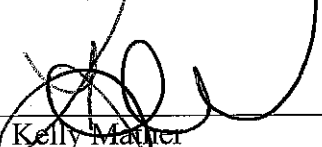
Date



Keith J. Chamberlin, MD MBA
President of Medical Staff

9/17/15

Date



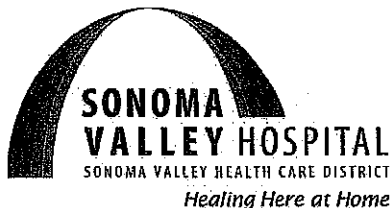
Kelly Mather
Chief Executive Officer

9/22/15

Date

Sharon Nevins
Chair, Board of Directors

Date



Policy Submission Summary Sheet

Title of Document: **Emergency Department Policy**

New Document or Revision written by: **Mark Kobe, RN MPA**

Date of Document: **8-06-15**

| | |
|---|--|
| Type: <input type="checkbox"/> Revision <input checked="" type="checkbox"/> New Policy | Regulatory: <input checked="" type="checkbox"/> CIHQ <input checked="" type="checkbox"/> CMS <input checked="" type="checkbox"/> CDPH <input type="checkbox"/> Other: |
| Organizational: <input checked="" type="checkbox"/> Clinical <input type="checkbox"/> Non-Clinical | <input checked="" type="checkbox"/> Departmental <input type="checkbox"/> Interdepartmental (list departments effected) |

Please briefly state changes to existing document/form or overview of new document/form here:
 (include reason for change(s) or new document/form)

7010-19 Emergency Department Staffing Plan- This policy defines the staffing patterns in the Emergency Department over a 24 hour, 7 days a week period. It further defines the expectations and role of the Relief/Triage nurse and their responsibilities for triaging, patient flow and oversight of the ED waiting room.

| Reviewed by: | Date | Approved (Y/N) | Comment |
|-----------------------------|------------|----------------|---------------------|
| Policy & Procedure Team | n/a | | |
| Surgery Committee | 9/02/2015 | Yes | Mark Kobe-presenter |
| Medicine Committee | 9/10/2015 | Yes | |
| P.I. or P. T. Committee | n/a | | |
| Medical Executive Committee | 9/17/2015 | Yes | Mark Kobe-presenter |
| Board Quality | 10/28/2015 | | |
| Board of Directors | 11/05/2015 | | |



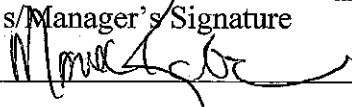
POLICY AND PROCEDURE Approvals Signature Page

Review and Approval Requirements

The SVH departmental/organizational policies and/or procedures on the attached list have been reviewed and approved by the following organizational leaders for meeting all of the following criteria. All of these policies and procedures are:

- Consistent with the Mission, Vision and Values of the Sonoma Valley Health Care District
- Consistent with all Board Policy, Hospital Policy and Hospital Procedures
- Meet all applicable law, regulation, and related accreditation standards
- Consistent with prevailing standards of care
- Consistent with evidence-based practice

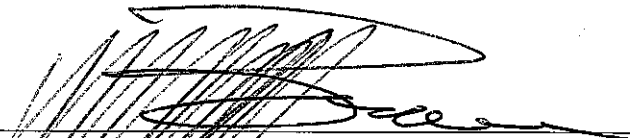
We recommend their acceptance by the Quality Committee and that the Quality Committee forward them to the Sonoma Valley Health Care District Board with a recommendation to approve.

| | |
|---|--|
| Organizational: Multiple Policies September 2015 List | |
| APPROVED BY: | DATE: 8-24-15 |
| Director's/Manager's Signature  | Printed Name Mark Kobe, RN MPA |



Douglas S Campbell, MD
Chair Medicine Committee

10/19/15
Date



Michael Brown, MD
Chair Surgery Committee

10-19-15
Date

out of town

Keith J. Chamberlin, MD MBA
President of Medical Staff

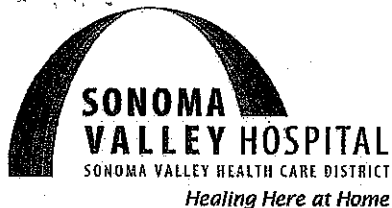
Date

Kelly Mather
Chief Executive Officer

Date

Sharon Nevins
Chair, Board of Directors

Date



Policy Submission Summary Sheet

Title of Document: **Organizational Policies**

New Document or Revision written by: **Multiple Policies**

Date of Document: **8-24-15**

| | |
|--|--|
| Type: <input checked="" type="checkbox"/> Revision <input checked="" type="checkbox"/> New Policy | Regulatory: <input checked="" type="checkbox"/> CIHQ <input checked="" type="checkbox"/> CMS <input checked="" type="checkbox"/> CDPH <input type="checkbox"/> Other: |
| Organizational: <input checked="" type="checkbox"/> Clinical <input checked="" type="checkbox"/> Non-Clinical | <input type="checkbox"/> Departmental <input type="checkbox"/> Interdepartmental (list departments effected) |

Please briefly state changes to existing document/form or overview of new document/form here:
 (include reason for change(s) or new document/form)

PC8610-302 Implanted Port Access and Management-Revised; was ICU department policy, added Reference & link to Lippincott.

PCLB8610-202c Nurse Blood Administration-Picking Up Blood from Lab & Blood Product/Patient ID-Revised; ED patients do not need signed Transfusion/Gann consent form, patients admitted from ED must have the signed consent form before blood products are released.

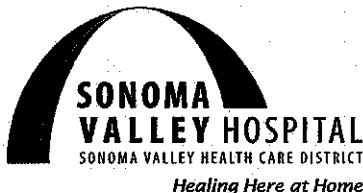
PCLB8610-160 Release of Products to Nursing-Revised; ED patients do not sign a signed Transfusion/Gann consent form.

PCLB8610-301 Self Referral Testing- Revised; revised; lab to notify ED physician of critical values only if no primary care physician is given.

QS8610-110 Audibility of Clinical Monitoring & Intervention Alarm- New policy, to assure clinical monitoring and intervention systems are activated and sufficiently audible to health care workers.

LD8610-412 IV Pumps-Storage and Distribution-Revised; to establish and standardize the workflow process in terms of storage and cleaning

| Reviewed by: | Date | Approved (Y/N) | Comment |
|-----------------------------|------------|-------------------|-------------------------------|
| Policy & Procedure Team | 8/19/2015 | Yes | |
| Surgery Committee | 9/02/2015 | Yes | Allan Sendaydiego; Mark Kobe |
| Medicine Committee | 9/10/2015 | No | No presenter, back in October |
| Medicine Committee | 10/08/2015 | NO YES | Mark & Lois to present |
| PI or PT Committee | n/a | | |
| Medical Executive Committee | 10/15/2015 | NO YES | |
| Quality Board | 10/28/2015 | | |
| Board of Directors | 11/05/2015 | | |



POLICY AND PROCEDURE
Approvals Signature Page


Review and Approval Requirements

The SVH departmental/organizational policies and/or procedures on the attached list have been reviewed and approved by the following organizational leaders for meeting all of the following criteria. All of these policies and procedures are:

- Consistent with the Mission, Vision and Values of the Sonoma Valley Health Care District
- Consistent with all Board Policy, Hospital Policy and Hospital Procedures
- Meet all applicable law, regulation, and related accreditation standards
- Consistent with prevailing standards of care
- Consistent with evidence-based practice

We recommend their acceptance by the Quality Committee and that the Quality Committee forward them to the Sonoma Valley Health Care District Board with a recommendation to approve.


| | |
|---|--|
| Departmental: 6071-194 Newborn Screening | |
| APPROVED BY: The Birthplace Manager | DATE: 10-02-15 |
| Director's/Manager's Signature | Printed Name Cynthia McAleer, RN |



Mark Kobe, RN MPA
Chief Nursing Officer

10-16-15

Date



Douglas S Campbell, MD
Chair Medicine Committee

10/19/15

Date

out of town

Keith J. Chamberlin, MD MBA
President of Medical Staff

Date

Kelly Mather
Chief Executive Officer

Date

Sharon Nevins
Chair, Board of Directors

Date



Policy Submission Summary Sheet

Title of Document: **Department Policy-The Birthplace**

New Document or Revision written by: **Cynthia McAleer, RN**

Date of Document: **10-02-2015**

| | | |
|---|--|---|
| Type: <input checked="" type="checkbox"/> X Revision <input type="checkbox"/> New Policy | Regulatory: <input checked="" type="checkbox"/> X CIHQ <input checked="" type="checkbox"/> X CMS | <input checked="" type="checkbox"/> X CDPH <input type="checkbox"/> Other: |
| Organizational: <input checked="" type="checkbox"/> X Clinical <input type="checkbox"/> Non-Clinical | <input checked="" type="checkbox"/> X Departmental <input type="checkbox"/> Interdepartmental (list departments effected) | |

Please briefly state changes to existing document/form or overview of new document/form here:
 (include reason for change(s) or new document/form)

6171-194- Newborn Screening-Revised; resubmission old policy with the following updates:

- State of California requires all newborns to have a Newborn Screening Test to detect inborn metabolic/genetic errors and/or disease.
- This revised policy addresses this requirement and,
- Describes the procedure to follow in meeting this requirement.

| Reviewed by: | Date | Approved (Y/N) | Comment |
|-----------------------------|------------|----------------|---------|
| Policy & Procedure Team | n/a | | |
| Surgery Committee | n/a | | |
| Medicine Committee | 10/08/2015 | YES | |
| P.I. or P. T. Committee | n/a | | |
| Medical Executive Committee | 10/15/2015 | YES | |
| Board Quality | 10/28/2015 | | |
| Board of Directors | 11/05/2015 | | |

5.

**FINANCIAL REPORT
SEPTEMBER 2015**



Healing Here at Home

To: SVH Finance Committee
From: Ken Jensen, CFO
Date: October 27, 2015
Subject: Financial Report for the Month Ending September 30, 2015

The financial performance for Sonoma Valley Hospital continues to be on target with budgeted expectations. The actual loss of (\$178,713) from operations for September was \$270,793 better than the budgeted loss of (\$449,506). The year-to-date actual loss from operations is (\$583,672) compared to the budgeted loss of (\$981,185). After accounting for all other activity, the September net income was a positive \$169,805 vs. the budgeted expected loss of (\$33,007). Year-to-date the total net income was \$282,564 better than budget with a year to date EBIDA of 7.7% being better than the budgeted 5.0%.

For September, **gross patient revenue** was \$20,681,696, better than budget by \$2,330,335. Inpatient revenue was over budget by \$1,811,801 due to higher than expected acute patient days and inpatient surgeries along with a higher case mix than expected. Outpatient revenue was under budget by (\$434,445) due to lower than budgeted volumes and the ER gross revenue was over budget by \$1,097,583. SNF was under budget by (\$86,322) and Home Health was under budget by (\$58,282) due to volume. Home Health has had difficulty in recruiting a physical therapist. The payer mix was relatively consistent with the budget. Medi-Cal was at 19.3% of gross revenue vs. a budget of 17.5% and Commercial was at 20.5% of gross revenue vs. a budget of 21.1%.

Deductions from revenue were worse than budget by (\$1,899,810) primarily due to the gross revenue being higher than budget. The deduction would have been higher but the hospital recorded an IGT payment of \$409,840, which offset the actual amount.

After accounting for all other operating revenue, the **total operating revenue** was \$413,636 better than budget.

Operating Expenses of \$4,930,982 were over budget by \$142,843. Expenses included \$245,904 for the IGT matching payment. The significant negative variances were: Supplies were over budget due to the increased volume. Other Expenses are over budget due to annual costs which are evenly spread on the budget. Most other costs were under or close to budgeted expectations.



After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net income for September was \$27,886 vs. a budgeted net loss of (\$217,544). The total net income for September after all activity was \$169,805 vs. a budgeted net loss of (\$33,007).

EBIDA for the month of September was 7.8% vs. the budgeted 2.4%.

Patient Volumes – September

| | ACTUAL | BUDGET | VARIANCE | PRIOR YEAR |
|--------------------|--------|--------|----------|------------|
| Acute Discharges | 92 | 87 | 5 | 87 |
| Newborn Discharges | 10 | 12 | -2 | 21 |
| Acute Patient Days | 376 | 319 | 57 | 291 |
| SNF Patient Days | 607 | 597 | 10 | 597 |
| Home Care Visits | 948 | 1,211 | -263 | 1,111 |
| OP Gross Revenue | 12,774 | 12,169 | 605 | 11,149 |
| Surgical Cases | 127 | 122 | 5 | 122 |

Overall Payer Mix – September

| | ACTUAL | BUDGET | VARIANCE | YTD ACTUAL | YTD BUDGET | VARIANCE |
|--------------|--------|--------|----------|------------|------------|----------|
| Medicare | 48.3% | 48.2% | 0.1% | 47.4% | 48.7% | -1.3% |
| Medi-Cal | 19.3% | 17.5% | 1.8% | 19.1% | 17.6% | 1.5% |
| Self Pay | 1.0% | 1.9% | -0.9% | 1.2% | 1.8% | -0.6% |
| Commercial | 20.5% | 21.1% | -0.6% | 20.7% | 20.7% | 0.0% |
| Managed MC | 5.8% | 4.8% | 1.0% | 5.9% | 4.8% | 1.1% |
| Workers Comp | 2.3% | 3.4% | -1.1% | 2.8% | 3.4% | -0.6% |
| Capitated | 2.8% | 3.1% | -0.3% | 2.9% | 3.0% | -0.1% |
| Total | 100.0% | 100.0% | | 100.0% | 100.0% | |

Cash Activity for September:

For the month of September the cash collection goal was \$3,437,115 and the Hospital collected \$3,085,355, or under the goal by \$351,760. The year-to-date cash goal is \$10,059,658 and the Hospital has collected \$10,274,795, or over the goal by \$215,137. The cash collection goal is based upon net hospital revenue from 90 days ago. Days of cash on hand are 18 days at September 30, 2015. Accounts Receivable increased from August, from 45.3 days to 49.4 days in September. Accounts Payable is up by \$289,773 from August and Accounts Payable days are at 48.0.

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 actual 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, 2015

ATTACHMENT A

September-15

| Gross Revenue: | Actual | Budget | Variance | % Variance |
|-----------------------|-------------------|-------------------|------------------|--------------|
| Medicare | 10,009,863 | 8,797,401 | 1,212,462 | 6.6% |
| Medi-Cal | 3,977,867 | 3,193,491 | 784,376 | 4.3% |
| Self Pay | 196,386 | 339,184 | -142,798 | -0.8% |
| Commercial | 4,269,617 | 3,944,644 | 370,903 | 2.0% |
| Medicare Managed Care | 1,189,290 | 881,412 | 307,878 | 1.7% |
| Worker's Comp. | 464,794 | 620,109 | -155,315 | -0.9% |
| Capitated | 573,878 | 575,120 | -1,242 | 0.0% |
| Total | 20,681,696 | 18,351,361 | 2,376,265 | 13.0% |

| Net Revenue: | Actual | Budget | Variance | % Variance |
|-----------------------|------------------|------------------|----------------|--------------|
| Medicare | 1,834,784 | 1,717,026 | 117,758 | 6.9% |
| Medi-Cal | 532,270 | 475,711 | 56,559 | 11.9% |
| Self Pay | 35,081 | 56,983 | (21,902) | -38.4% |
| Commercial | 1,496,422 | 1,450,278 | 46,144 | 3.2% |
| Medicare Managed Care | 173,065 | 153,205 | 19,860 | 13.0% |
| Worker's Comp. | 78,533 | 154,864 | (76,331) | -49.3% |
| Capitated | 23,521 | 19,674 | 3,847 | 19.6% |
| Prior Period Adj/IGT | 409,840 | 125,250 | 284,590 | 227.2% |
| Total | 4,583,516 | 4,152,991 | 430,525 | 10.4% |

| Percent of Net Revenue: | Actual | Budget | Variance | % Variance |
|-------------------------|---------------|---------------|-------------|-------------|
| Medicare | 40.0% | 41.3% | -1.3% | -3.2% |
| Medi-Cal | 11.6% | 11.5% | 0.2% | 1.4% |
| Self Pay | 0.8% | 1.4% | -0.6% | -44.2% |
| Commercial | 32.6% | 34.9% | -2.3% | -6.5% |
| Medicare Managed Care | 3.8% | 3.7% | 0.1% | 2.4% |
| Worker's Comp. | 1.7% | 3.7% | -2.0% | -54.1% |
| Capitated | 0.5% | 0.5% | 0.0% | 8.3% |
| Prior Period Adj/IGT | 8.9% | 3.0% | 5.9% | 196.5% |
| Total | 100.0% | 100.0% | 0.0% | 0.0% |

| Projected Collection Percentage: | Actual | Budget | Variance | % Variance |
|----------------------------------|--------|--------|----------|------------|
| Medicare | 18.3% | 19.5% | -1.2% | -6.1% |
| Medi-Cal | 13.4% | 14.9% | -1.5% | -10.2% |
| Self Pay | 17.9% | 16.8% | 1.1% | 6.3% |
| Commercial | 35.0% | 36.8% | -1.7% | -4.7% |
| Medicare Managed Care | 14.6% | 17.4% | -2.8% | -16.3% |
| Worker's Comp. | 16.9% | 25.0% | -8.1% | -32.3% |
| Capitated | 4.1% | 3.4% | 0.7% | 19.8% |
| Prior Period Adj/IGT | 2.0% | 0.7% | 1.3% | 190.3% |

YTD

| | Actual | Budget | Variance | % Variance |
|--|-------------------|-------------------|------------------|-------------|
| | 28,578,389 | 28,058,505 | 519,884 | 0.9% |
| | 11,519,764 | 10,118,478 | 1,401,286 | 2.4% |
| | 694,811 | 1,031,463 | (336,652) | -0.6% |
| | 12,591,530 | 12,176,840 | 596,380 | 1.0% |
| | 3,583,153 | 2,780,584 | 802,569 | 1.4% |
| | 1,708,318 | 1,957,604 | (249,286) | -0.4% |
| | 1,754,120 | 1,751,739 | 2,381 | 0.0% |
| | 60,430,085 | 57,875,213 | 2,736,562 | 4.8% |

YTD

| | Actual | Budget | Variance | % Variance |
|--|-------------------|-------------------|----------------|-------------|
| | 5,488,589 | 5,620,283 | (131,694) | -2.3% |
| | 1,673,040 | 1,511,689 | 161,351 | 10.7% |
| | 151,013 | 338,684 | (187,670) | -55.4% |
| | 4,282,631 | 4,268,580 | 14,052 | 0.3% |
| | 554,993 | 433,713 | 121,280 | 28.0% |
| | 384,701 | 469,978 | (85,276) | -18.1% |
| | 64,588 | 67,562 | (2,974) | -4.4% |
| | 766,794 | 375,750 | 391,044 | 104.1% |
| | 13,366,350 | 13,086,238 | 280,112 | 2.1% |

| | Actual | Budget | Variance | % Variance |
|--|---------------|---------------|-------------|-------------|
| | 41.1% | 42.9% | -1.9% | -4.4% |
| | 12.5% | 11.6% | 1.0% | 8.4% |
| | 1.1% | 2.6% | -1.5% | -56.3% |
| | 32.0% | 32.6% | -0.6% | -1.8% |
| | 4.2% | 3.3% | 0.8% | 25.3% |
| | 2.9% | 3.6% | -0.7% | -19.9% |
| | 0.5% | 0.5% | 0.0% | -6.4% |
| | 5.7% | 2.9% | 2.9% | 99.8% |
| | 100.0% | 100.0% | 0.0% | 0.0% |

| | Actual | Budget | Variance | % Variance |
|--|--------|--------|----------|------------|
| | 19.2% | 20.0% | -0.8% | -4.1% |
| | 14.5% | 14.9% | -0.4% | -2.8% |
| | 21.7% | 32.8% | -11.1% | -33.8% |
| | 34.0% | 35.1% | -1.0% | -3.0% |
| | 15.5% | 15.6% | -0.1% | -0.7% |
| | 22.5% | 24.0% | -1.5% | -6.2% |
| | 3.7% | 3.9% | -0.2% | -4.5% |
| | 1.3% | 0.6% | 0.6% | 95.4% |

Sonoma Valley Health Care District
Balance Sheet
As of September 30, 2015

ATTACHMENT C

| | | <u>Current Month</u> | <u>Prior Month</u> | <u>Prior Year</u> |
|--|-------------------------------------|----------------------|--------------------|-------------------|
| Assets | | | | |
| Current Assets: | | | | |
| 1 | Cash | \$ 2,684,836 | \$ 2,337,246 | \$ 2,182,182 |
| 2 | Trustee Funds | 1,302,578 | 3,021,372 | 953,138 |
| 3 | Net Patient Receivables | 8,192,931 | 7,491,117 | 7,140,398 |
| 4 | Allow Uncollect Accts | (765,241) | (670,887) | (639,759) |
| 5 | Net A/R | 7,427,690 | 6,820,230 | 6,500,639 |
| 6 | Other Accts/Notes Rec | 7,369,070 | 8,199,845 | 8,522,094 |
| 7 | 3rd Party Receivables, Net | 617,448 | 492,562 | 1,974,935 |
| 8 | Inventory | 840,056 | 848,309 | 758,803 |
| 9 | Prepaid Expenses | 757,259 | 736,862 | 570,564 |
| 10 | Total Current Assets | \$ 20,998,937 | \$ 22,456,426 | \$ 21,462,355 |
| 12 | Property, Plant & Equip, Net | \$ 54,275,240 | \$ 54,344,324 | \$ 56,247,706 |
| 13 | Specific Funds | 282,776 | 282,754 | 77,792 |
| 14 | Other Assets | 143,494 | 143,494 | 142,858 |
| 15 | Total Assets | \$ 75,700,447 | \$ 77,226,998 | \$ 77,930,711 |
| Liabilities & Fund Balances | | | | |
| Current Liabilities: | | | | |
| 16 | Accounts Payable | \$ 3,460,898 | \$ 3,171,125 | \$ 4,337,390 |
| 17 | Accrued Compensation | 4,624,324 | 4,412,862 | 4,083,949 |
| 18 | Interest Payable | 228,512 | 821,830 | 235,858 |
| 19 | Accrued Expenses | 1,363,575 | 1,173,221 | 3,005,235 |
| 20 | Advances From 3rd Parties | 1,504,676 | 1,593,706 | 400,235 |
| 21 | Deferred Tax Revenue | 4,434,997 | 4,927,774 | 4,643,008 |
| 22 | Current Maturities-LTD | 1,693,049 | 1,700,683 | 1,693,049 |
| 23 | Line of Credit - Union Bank | 5,923,734 | 5,923,734 | 5,698,734 |
| 24 | Other Liabilities | 379,887 | 290,576 | 144,243 |
| 25 | Total Current Liabilities | \$ 23,613,652 | \$ 24,015,511 | \$ 24,241,702 |
| 26 | Long Term Debt, net current portion | \$ 37,257,564 | \$ 38,552,061 | \$ 40,260,484 |
| 27 | Fund Balances: | | | |
| 28 | Unrestricted | \$ 12,675,807 | \$ 12,519,400 | \$ 12,080,095 |
| 29 | Restricted | 2,153,424 | 2,140,026 | 1,348,431 |
| 30 | Total Fund Balances | \$ 14,829,231 | \$ 14,659,426 | \$ 13,428,526 |
| 31 | Total Liabilities & Fund Balances | \$ 75,700,447 | \$ 77,226,998 | \$ 77,930,711 |

ATTACHMENT D

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended September 30, 2015

| Month | | | | | Volume Information | Year-To- Date | | | | YTD |
|-------------------------|-----------------|-----------------|-------------|-----------|---|-----------------|-----------------|-------------|------|-----------------|
| This Year | | Variance | | This Year | | Variance | | Prior Year | | |
| Actual | Budget | \$ | % | Actual | | Budget | \$ | | % | |
| | | | | | | | | | | |
| 1 | 92 | 87 | 5 | 6% | Acute Discharges | 276 | 281 | (5) | -2% | 296 |
| 2 | 607 | 597 | 10 | 2% | SNF Days | 1,860 | 1,935 | (75) | -4% | 1,935 |
| 3 | 948 | 1,211 | (263) | -22% | Home Care Visits | 2,846 | 3,669 | (823) | -22% | 3,366 |
| 4 | 12,774 | 12,169 | 605 | 5% | Gross O/P Revenue (000's) | \$ 38,225 | \$ 35,851 | 2,374 | 7% | \$ 32,774 |
| | | | | | | | | | | |
| Financial Results | | | | | | | | | | |
| Gross Patient Revenue | | | | | | | | | | |
| 5 | \$ 5,830,540 | \$ 4,018,739 | 1,811,801 | 45% | Inpatient | \$ 15,599,128 | \$ 14,737,907 | 861,221 | 6% | \$ 14,084,847 |
| 6 | 7,174,207 | 7,608,652 | (434,445) | -6% | Outpatient | 22,220,299 | 22,202,379 | 17,920 | 0% | 19,664,022 |
| 7 | 5,287,581 | 4,189,998 | 1,097,583 | 26% | Emergency | 15,217,706 | 12,806,290 | 2,411,416 | 19% | 12,075,681 |
| 8 | 2,076,978 | 2,163,300 | (86,322) | -4% | SNF | 6,460,952 | 7,005,820 | (544,868) | -8% | 6,852,469 |
| 9 | 312,390 | 370,672 | (58,282) | -16% | Home Care | 932,000 | 1,122,817 | (190,817) | -17% | 1,034,140 |
| 10 | \$ 20,681,696 | \$ 18,351,361 | 2,330,335 | 13% | Total Gross Patient Revenue | \$ 60,430,085 | \$ 57,875,213 | 2,554,872 | 4% | \$ 53,711,159 |
| | | | | | | | | | | |
| Deductions from Revenue | | | | | | | | | | |
| 11 | \$ (16,425,270) | \$ (14,213,042) | (2,212,228) | -16% | Contractual Discounts | \$ (47,501,872) | \$ (44,832,991) | (2,668,881) | -6% | \$ (41,593,645) |
| 12 | (20,000) | (89,314) | 69,314 | 78% | Bad Debt | (220,000) | (267,942) | 47,942 | 18% | (340,000) |
| 13 | (62,750) | (21,264) | (41,486) | -195% | Charity Care Provision | (108,657) | (63,792) | (44,865) | -70% | (70,000) |
| 14 | 409,840 | 125,250 | 284,590 | 0% | Prior Period Adj/Government Program Revenue | 766,794 | 375,750 | 391,044 | 0% | - |
| 15 | \$ (16,098,180) | \$ (14,198,370) | (1,899,810) | 13% | Total Deductions from Revenue | \$ (47,063,735) | \$ (44,788,975) | (2,274,760) | 5% | \$ (42,003,645) |
| 16 | \$ 4,583,516 | \$ 4,152,991 | 430,525 | 10% | Net Patient Service Revenue | \$ 13,366,350 | \$ 13,086,238 | 280,112 | 2% | \$ 11,707,514 |
| 17 | \$ 155,878 | \$ 171,184 | (15,306) | -9% | Risk contract revenue | \$ 467,898 | \$ 513,552 | (45,654) | -9% | \$ 703,017 |
| 18 | \$ 4,739,394 | \$ 4,324,175 | 415,219 | 10% | Net Hospital Revenue | \$ 13,834,248 | \$ 13,599,790 | 234,458 | 2% | \$ 12,410,531 |
| 19 | \$ 12,875 | \$ 14,458 | (1,583) | 11% | Other Op Rev & Electronic Health Records | \$ 94,523 | \$ 43,374 | 51,149 | 118% | \$ 319,370 |
| 20 | \$ 4,752,269 | \$ 4,338,633 | 413,636 | 10% | Total Operating Revenue | \$ 13,928,771 | \$ 13,643,164 | 285,607 | 2% | \$ 12,729,901 |
| | | | | | | | | | | |
| Operating Expenses | | | | | | | | | | |
| 21 | \$ 2,122,229 | \$ 2,113,035 | (9,194) | 0% | Salary and Wages and Agency Fees | \$ 6,440,090 | \$ 6,530,210 | 90,120 | 1% | \$ 6,042,715 |
| 22 | 793,474 | \$ 784,261 | (9,213) | -1% | Employee Benefits | 2,484,630 | 2,413,122 | (71,508) | -3% | 2,263,477 |
| 23 | \$ 2,915,703 | \$ 2,897,296 | (18,407) | -1% | Total People Cost | \$ 8,924,720 | \$ 8,943,332 | 18,612 | 0% | \$ 8,306,192 |
| 24 | \$ 328,482 | \$ 376,605 | 48,123 | 13% | Med and Prof Fees (excl Agency) | \$ 1,005,065 | \$ 1,063,733 | 58,668 | 6% | \$ 1,071,684 |
| 25 | 519,756 | 500,077 | (19,679) | -4% | Supplies | 1,460,923 | 1,554,610 | 93,687 | 6% | 1,613,980 |
| 26 | 271,299 | 352,170 | 80,871 | 23% | Purchased Services | 826,236 | 1,056,510 | 230,274 | 22% | 1,068,163 |
| 27 | 290,360 | 283,132 | (7,228) | -3% | Depreciation | 874,565 | 849,395 | (25,170) | -3% | 890,413 |
| 28 | 105,681 | 98,958 | (6,723) | -7% | Utilities | 302,700 | 296,874 | (5,826) | -2% | 325,030 |
| 29 | 25,050 | 20,834 | (4,216) | -20% | Insurance | 75,590 | 62,502 | (13,088) | -21% | 57,765 |
| 30 | 54,172 | 40,591 | (13,581) | -33% | Interest | 131,266 | 123,729 | (7,537) | -6% | 139,027 |
| 31 | 174,575 | 155,976 | (18,599) | -12% | Other | 543,352 | 486,164 | (57,188) | -12% | (249,019) |
| 32 | 245,904 | 62,500 | (183,404) | -293% | Matching Fees (Government Programs) | 368,026 | 187,500 | (180,526) | -96% | 645,940 |
| 33 | \$ 4,930,982 | \$ 4,788,139 | (142,843) | -3% | Operating expenses | \$ 14,512,443 | \$ 14,624,349 | 111,906 | 1% | \$ 13,869,175 |
| 34 | \$ (178,713) | \$ (449,506) | 270,793 | 60% | Operating Margin | \$ (583,672) | \$ (981,185) | 397,513 | 41% | \$ (1,139,274) |

ATTACHMENT D

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended September 30, 2015

| Month | | | | | Year-To- Date | | | | | YTD |
|-------------------------------|------------|--------------|----------|--------|---|------------|--------------|----------|-------|--------------|
| This Year | | Variance | | | This Year | | Variance | | | Prior Year |
| Actual | Budget | \$ | % | Actual | Budget | \$ | % | | | |
| | | | | | | | | | | |
| Non Operating Rev and Expense | | | | | | | | | | |
| 35 | \$ (5,901) | \$ 13,657 | (19,558) | -143% | Miscellaneous Revenue | \$ 6,481 | \$ 40,971 | (34,490) | -84% | \$ 68,666 |
| 36 | - | 5,805 | (5,805) | -100% | Donations | - | 17,415 | (17,415) | 100% | 27,063 |
| 37 | (37,500) | (37,500) | - | 0% | Physician Practice Support-Prima | (112,500) | (112,500) | - | 0% | (112,500) |
| 38 | 250,000 | 250,000 | - | 0% | Parcel Tax Assessment Rev | 751,954 | 750,000 | 1,954 | 0% | 750,000 |
| 39 | \$ 206,599 | \$ 231,962 | (25,363) | -11% | Total Non-Operating Rev/Exp | \$ 645,935 | \$ 695,886 | (49,951) | -7% | \$ 733,230 |
| | | | | | | | | | | |
| 40 | \$ 27,886 | \$ (217,544) | 245,430 | -113% | Net Income / (Loss) prior to Restricted Contributions | \$ 62,263 | \$ (285,299) | 347,562 | -122% | \$ (406,044) |
| | | | | | | | | | | |
| 41 | \$ 13,398 | \$ 35,183 | (21,785) | -62% | Capital Campaign Contribution | \$ 103,049 | \$ 105,549 | (2,500) | -2% | \$ 172,644 |
| 42 | \$ - | \$ 20,833 | (20,833) | 0% | Restricted Foundation Contributions | \$ - | \$ 62,499 | (62,499) | 100% | \$ - |
| 43 | \$ 41,284 | \$ (161,528) | 202,812 | -126% | Net Income / (Loss) w/ Restricted Contributions | \$ 165,312 | \$ (117,251) | 282,563 | -241% | \$ (233,401) |
| | | | | | | | | | | |
| 44 | 242,777 | 242,777 | - | 0% | GO Bond Tax Assessment Rev | 728,331 | 728,331 | - | 0% | 458,666 |
| 45 | (114,256) | (114,256) | - | 0% | GO Bond Interest | (346,441) | (346,442) | 1 | 0% | (417,369) |
| | | | | | | | | | | |
| 46 | \$ 169,805 | \$ (33,007) | 202,812 | -614% | Net Income/(Loss) w GO Bond Activity | \$ 547,202 | \$ 264,638 | 282,564 | 107% | \$ (192,103) |
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ADMINISTRATIVE
REPORT
OCTOBER 2015



To: Sonoma Valley Health Care District Board of Directors
From: Kelly Mather
Date: 10/29/15
Subject: Administrative Report

Summary

The first quarter of the fiscal year is complete and we are ahead of budget. The major focus for many of the team members this past month has been the conversion to ICD-10. While the impact has not been as concerning as expected, we are still watching the payments carefully. A Board retreat was held this month and the community perception survey, a three-year financial projection, and a review of our strengths, weaknesses, opportunities and threats was discussed. In addition, the annual audit for fiscal year 2015 was completed and reviewed by the Audit Committee. I'm pleased to say we had a clean audit and the most notable change from last year is that accounts payable is now under \$3 million versus \$5 million at the end of fiscal year 2014.

Dashboard and Trended Results

We met the inpatient goal in August. Emergency satisfaction is still not as high as usual. Great progress has been made on the VBP score and it is now at goal of 52 and we are 0.25 away from the 90th percentile again. The physician satisfaction survey is underway and we have over 40 responses, which is up from last year. I have attended the majority of the department staff meetings and rounded on these teams. We continue to improve transparency and trust. Leaders are doing an excellent job in making this a great place to work. Many community outreach activities were done in October. We have done 42 sponsored mammograms for Project Pink thus far.

Strategic Update

Physician Outreach: The nephrology group has signed a lease to be in the time share offices. In addition, an OB/GYN from Petaluma is helping Dr. Amara and is considering joining the time share offices.

Optimization of each Service Area: Home Care will be finished by December. The MAJOR project will be inpatient, which will start in January.

Time Share: Marketing of our many specialist options in Sonoma begins this winter.

Outpatient Services: Satellite Healthcare will likely begin construction in December and will be in the old Emergency Department.

Employer Direct Program: We will see our first patient from Oregon in November. This program will likely lead to 5 – 10 new inpatient surgeries per month.

Parcel Tax Renewal Vote in 2017: The committee has been formed and we have met with a great consultant who will help us decide the best strategy, length of time and amount to be on the ballot in March 2017.

Population Health: We begin the pilot on septicemia for the Community Care Network. Three Wellness University courses were offered this year with excellent results. There are over 100 Wellness Ambassadors now.

Community Opinion Survey: The summary results of the survey have been presented to the Board and leadership. They will be shared with our staff at the forums in November.

Philanthropy: The Foundation has raised \$350k toward the new 3D mammography unit. The project will cost \$550k. There are two requests from foundations going out for \$100k each in November.

SEPTEMBER DASHBOARD

| PILLAR | PERFORMANCE GOAL | METRIC | ACTUAL RESULT | GOAL LEVEL |
|---------------------------|-------------------------------------|--|---|---|
| Service Excellence | Highly satisfied Inpatients | Maintain at least 5 out of 9 HCAHPS domain results above the 70 th percentile | 5 out of 9 in August | >7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 <4 = 1 |
| Service Excellence | Highly satisfied Emergency Patients | Maintain at least 5 out of 7 ERCAPS domain results above the 70 th percentile | 3 out of 7 in August | 7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 3 = 1 |
| Quality | Excellent Clinical Outcomes | Value Based Purchasing Clinical Score at 50 or higher | 52.25 (80 TH percentile) | >55 = 5 (stretch) >52 = 4 >50 = 3 (Goal) >47 = 2 <40 = 1 |
| People | Highly Engaged and Satisfied Staff | Press Ganey percentile ranking of 75 th percentile or higher | 79.6% mean score at 91 st percentile | >80th = 5 (stretch) >77 th = 4 >75 th = 3 (Goal) >72 nd = 2 <70 th = 1 |
| Finance | Financial Viability | YTD EBIDA | 7.6% | >5% (stretch) >4.5% = 4 >4.0% (Goal) >3/5% = 2 <3.5% = 1 |
| | Efficiency and Financial Management | Meet FY 2016 Budgeted Expenses | \$14,512,443 (actual) \$14,624,349 (budget) | <2% = 5 (stretch) <1% = 4 <Budget = 3 (Goal) >1% = 2 >2% = 1 |
| Growth | Surgical Cases | Increase surgeries by 2% over prior year | 369 YTD FY2014 374 YTD FY2015 | >4% = 5 >3% = 4 >2% = 3 (Goal) |
| | Outpatient & Emergency Volumes | 2% increase (gross outpatient revenue over prior year) | \$38.2 mm YTD \$35.9 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 | 547.5 hours for 2 months | >1500 = 5 >1200 = 4 >1000 = 3 >750 = 2 >500 = 1 |



FY 2016 TRENDED RESULTS

| MEASUREMENT | Goal FY 2016 | Jul 2015 | Aug 2015 | Sep 2015 | Oct 2014 | Nov 2014 | Dec 2014 | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 | Jun 2015 |
|------------------------|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Inpatient Satisfaction | 6/9 | 5 | 5 | 5 | 6 | 4 | 5 | 3 | 6 | 7 | 4 | 7 | |
| Emergency Satisfaction | 5/7 | 2 | 3 | | | | | | | | | | |
| Value Based Purchasing | >50 | 52 | 52.2 | | | | | | | | 47 | 48 | 48 |
| Staff Satisfaction | >75th | 91 | 91 | 91 | 76 | 76 | 76 | 76 | 91 | 91 | 91 | 91 | 91 |
| FY YTD Turnover | <10% | 1.2 | 1.2 | 1.8 | 3.6 | 4.6 | 4.9 | 5.5 | 6.5 | 7.4 | 7.6 | 8 | 8.3 |
| YTD EBIDA | >4% | 8.2 | 7.6 | 7.7 | 7.3 | 6.5 | 6.7 | 6.9 | 6.2 | 5.4 | 4.7 | 4.2 | 3.8 |
| Net Operating Revenue | >4.5m | 4.48 | 4.6 | 4.7 | 4.7 | 4.0 | 4.1 | 4.4 | 4.6 | 4.1 | 4.1 | 4.1 | 4.5 |
| Expense Management | <4.8m | 4.7 | 4.8 | 4.9 | 4.6 | 4.4 | 4.3 | 4.6 | 5.0 | 4.7 | 4.8 | 4.6 | 5.1 |
| Net Income | >50k | 202 | 174 | 27.8 | 304 | 67 | -1 | 29 | -211 | -382 | -278 | 74 | 139 |
| Days Cash on Hand | >20 | 22 | 16 | 18 | 11 | 10 | 13 | 17 | 12 | 15 | 20 | 17 | 16 |
| A/R Days | <50 | 46 | 45 | 49 | 51 | 51 | 49 | 53 | 48 | 47 | 47 | 43 | 47 |
| Total FTE's | <315 | 313 | 310 | 312 | 304 | 303 | 300 | 299 | 303 | 310 | 304 | 307 | 309 |
| FTEs/AOB | <4.0 | 3.6 | 3.77 | 3.65 | 4.01 | 4.1 | 4.12 | 4.12 | 3.46 | 3.79 | 4.05 | 3.91 | 3.36 |
| Inpatient Discharges | >100 | 110 | 74 | 92 | 107 | 96 | 111 | 104 | 98 | 113 | 95 | 97 | 97 |
| Outpatient Revenue | >\$11m | 12.6 | 12.9 | 12.7 | 11.7 | 10.9 | 10.1 | 11.8 | 10.5 | 11.8 | 11.2 | 10.7 | 12.0 |
| Surgeries | >130 | 125 | 122 | 127 | 155 | 118 | 117 | 129 | 136 | 137 | 144 | 118 | 122 |
| Home Health | >1000 | 981 | 917 | 948 | 1319 | 1090 | 1103 | 1097 | 1109 | 1232 | 1154 | 963 | 1014 |
| Births | >15 | 16 | 15 | 11 | 13 | 16 | 18 | 11 | 11 | 16 | 7 | 11 | 24 |
| SNF days | >660 | 619 | 634 | 607 | 527 | 580 | 596 | 654 | 607 | 669 | 487 | 626 | 669 |
| MRI | >120 | 143 | 131 | 119 | 221 | 116 | 100 | 108 | 116 | 157 | 138 | 125 | 144 |
| Cardiology (Echos) | >65 | 66 | 62 | 63 | 67 | 66 | 67 | 62 | 56 | 67 | 61 | 63 | 66 |
| Laboratory | >12.5 | 12.1 | 12.2 | 11.5 | 13.0 | 11.5 | 11.4 | 12.5 | 11.5 | 12.1 | 12.3 | 11.9 | 12.3 |
| Radiology | >850 | 1036 | 1011 | 997 | 1047 | 856 | 890 | 1111 | 1053 | 1156 | 1030 | 1014 | 965 |
| Rehab | >2587 | 3014 | 2384 | 2773 | 3028 | 2634 | 3010 | 2478 | 2751 | 3113 | 3063 | 3008 | 2873 |
| CT | >300 | 384 | 552 | 343 | 368 | 295 | 316 | 392 | 309 | 347 | 302 | 357 | 335 |
| ER | >800 | 878 | 888 | 871 | 863 | 761 | 824 | 988 | 845 | 769 | 876 | 943 | 846 |
| Mammography | >475 | 462 | 439 | 367 | 605 | 462 | 339 | 487 | 444 | 466 | 497 | 476 | 453 |
| Ultrasound | >325 | 395 | 314 | 320 | 372 | 238 | 299 | 309 | 317 | 357 | 391 | 354 | 345 |
| Occupational Health | >650 | 733 | 728 | 646 | 739 | 602 | 648 | 653 | 588 | 679 | 687 | 573 | 660 |