

Healing Here at Home

**SONOMA VALLEY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING AGENDA**

Thursday, April 2, 2015

5:00 p. m. Closed Session

6:00 p.m. Regular Session

COMMUNITY MEETING ROOM

177 FIRST STREET WEST, SONOMA

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 ON CLOSED SESSION	<i>Nevins</i>	
3. CLOSED SESSION <u>Calif. Government Code § 54957</u> –Public Employment– Executive Employment Agreement with CEO	<i>Nevins</i>	
4. REPORT OF CLOSED SESSION	<i>Nevins</i>	
5. 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>		
6. CONSENT CALENDAR A. Regular Board Minutes 3.5.15 B. FC Minutes 2.26.15 C. QC Minutes 2.25.15 D. Policy & Procedure Approval: Nutritional E. MEC Credentialing Report, 3.25.15	<i>Nevins</i>	Action
7. QUARTERLY GROWTH OVERVIEW AND YTD SUMMARY	<i>Donaldson</i>	Inform
8. MARKETING ANNUAL REPORT	<i>Kenney</i>	Inform
9. DRAFT FY 2016-2018 ROLLING THREE YEAR STRATEGIC PLAN	<i>Mather</i>	Inform
10. FINANCIAL REPORT FOR JANUARY 2015	<i>Jensen</i>	Inform
11. ADMINISTRATIVE REPORT FOR APRIL 2015	<i>Mather</i>	Inform
12. 2015 STAFF SATISFACTION REPORT	<i>Mather</i>	Inform

13. OFFICER & COMMITTEE REPORTS A. Chair Report B. Quality Committee C. Finance Committee D. Governance Committee <ul style="list-style-type: none"> • Policy Governing Access to Public Records 	<i>Committee Chairs</i>	Inform/Action
14. BOARD COMMENTS	<i>Board Members</i>	Inform/Discuss
15. ADJOURN Next Regular Board meeting is May 7, 2015	<i>Nevins</i>	

6.

CONSENT CALENDAR



SVHCD BOARD OF DIRECTORS
REGULAR MEETING MINUTES
 Thursday, March 5, 2015
 6:00 p.m. Regular Session
 COMMUNITY MEETING ROOM
 177 FIRST STREET WEST, SONOMA, CA

	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 Meeting called at 6:00pm	Nevins	
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 to keep 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 is invited to make comments at the time the item comes up for Board consideration. At all times please use the microphone.</i>	Nevins	
3. CONSENT CALENDAR A. Regular Board Minutes 2.5.15 B. FC Minutes 1.27.15 C. FC 2015 Work Plan D. QC Minutes 1.28.15 E. Policy & Procedure Approval F. MEC Credentialing Report, 2.25.15	Nevins	MOTION to approve Consent Calendar by Hohorst and 2 nd by Hirsch. All in favor.
4. FLUOROSCOPY REPLACEMENT REQUEST Ms. Kuwahara presented the current fluoroscopy situation to the Board including some background, assessment and recommendation. Ms. Kuwahara recommended further research, data collection and retaining an architect to obtain estimates on the build out.	Kuwahara	Inform/Action
5. HR ANNUAL REPORT Ms. Davis gave the annual report for the human resources department and touched on Hospital statistics, staff requirements, and satisfaction, workers' compensation, compensation and benefits and education.	Davis	Inform

6. AUDITOR SELECTION 2015	<i>Nevins/Jensen</i>	Inform
The Audit Committee recommended that the Hospital retain Armanino LLP, an auditing firm as the Hospital's auditor from 2015-2018. Ms. Mather will execute a three year engagement letter.		MOTION to approve auditing firm Armanino LLP by Hirsch and 2 nd by Boerum. All in favor.
7. FINANCIAL REPORT FOR JANUARY 2015	<i>Jensen</i>	Inform
The month of January had, after accounting for all income and expenses but not including GO bonds, net income under budget by (\$26,633). Net Hospital Revenue was short of expectations by (\$46,479). Expenses were favorable to budget by \$54,195. Mr. Hohorst praised Jeannette Tarver, SVH Controller for her commitment to closing the February books in a record 8 days.		
8. FY 2016 BUDGET ASSUMPTIONS	<i>Jensen</i>	Inform/Action
Mr. Jensen presented fiscal year 2016 Budget Assumptions and will These assumptions will be applied to the actual experience though January 2015. Other adjustments will be made as necessary to reflect the trends in health care going forward. Assumptions serve as a baseline for reaching decisions and may suggest that there is not parity in all positions.		
9. ADMINISTRATIVE REPORT FOR MARCH 2015	<i>Mather</i>	Inform
Ms. Mather's report included the January 2015 Dashboard, FY 2015 trended results, a financial summary for the month, patient satisfaction surveys, growth rates in surgery, and the financial success of the new wing one year after grand opening.		
10. OFFICER & COMMITTEE REPORTS	<i>Committee Chairs</i>	Inform/Action
A. Chair Report-no report B. Quality Committee: 2014 Dashboard (Q4) C. Governance Committee: <ul style="list-style-type: none"> • ACHD Transparency Application status (Hohorst). One more policy needs to be written to complete the application process. • Northern California Health Care Authority (JPA)/Boerum • Association of California Health Care Districts (ACHD)/Boerum 		
11. SOUTH LOT USE	<i>Boerum</i>	Inform
Mr. Boerum presented some ideas and possibilities for the use of the south lot. Ms. Mather will assemble a South Lot Sub Committee to discuss these and other options.		
12. BOARD COMMENTS	<i>Board Members</i>	Inform
The Board gave a report of the Report out on Scottsdale Conference by both Ms. Hirsch and Mr. Boerum.		

13. ADJOURN

Meeting adjourned at 8:20pm

The next Regular Board meeting is scheduled for April 2, 2015

Nevins



**SONOMA VALLEY HEALTH CARE DISTRICT
FINANCE COMMITTEE
MEETING MINUTES
Thursday, February 26, 2015
Schantz Conference Room**

Voting Members Present	Members Excused/Absent	Staff	Public
Sharon Nevins Phil Woodward S. Mishra, MD Peter Hohorst	Dick Fogg Shari Glago Mary Smith Steve Barclay Stephen Berezin Keith Chamberlin	Kelly Mather Dawn Kuwahara Jessica Spring Ken Jensen Jeannette Tarver Michelle Donaldson Gigi Betta	Sam McCandless

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION AND VISION STATEMENTS	<i>The mission of the SVHCD is to maintain, improve and restore the health of everyone in our community. The vision of the 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 members' health care journey.</i>		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Hohorst</i>		
	Meeting called to order at 5:04pm. No quorum present.		
2. PUBLIC COMMENT SECTION	<i>Hohorst</i>		
	None.		
3. CONSENT CALENDAR	<i>Hohorst</i>		
<ul style="list-style-type: none"> FC Meeting Minutes, 1.6.15 	No quorum, bring Consent forward to March 2015.	Action	No quorum. Bring Minutes forward to March 2015.
4. FLUOROSCOPY REPLACEMENT	<i>Kuwahara</i>	Inform	
	Ms. Kuwahara presented a request to purchase a new GE		The FC asked Ms.

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	Precision 500D Digital Fluoroscopy unit. Mr. Jensen recommends the financing option over leasing and will prepare a cost/benefit analysis. Fees for an architect are not included in the financing/leasing options. Mr. Hohorst will look into competitive bidding requirements, if any.		Kuwahara to revise the request stressing the emergency of the situation and include cost/benefit.
5. FINAL 2015 WORK PLAN	<i>Jensen</i>	Action	
	Mr. Jensen presented the updated version of the Work Plan calling attention to the fact that the Work Plan dates have been coordinated with Board meeting dates.		Ms. Tarver will make minor revisions for the Board meeting on 3.5.15.
6. 2016 BUDGET ASSUMPTIONS	<i>Jensen</i>	Inform/Discuss	
	The Assumptions presented will be applied to the actual experience though January 2015. Other adjustments will be made as necessary to reflect the trends in health care going forward.		Mr. Ken will continue to make revisions and update both the FC and Board.
7. AUDITOR FY2015	<i>Jensen</i>	Inform	
	Mr. Jensen gave some background on past auditors used by the Hospital as well as the present firm, Moss Adams. Mr. Jensen has approached Armanino LLP and received a very competitive bid. The Mr. Jensen and the FC recommend Armanino LLP to the Audit Committee and the Board of Directors.		Bring forward to both AC and Board agendas on 3.5.15.
8. JANUARY 2015 FINANCIALS	<i>Jensen</i>	Inform	
	The month of January had, after accounting for all income and expenses but not including GO bonds, net income under budget by (\$26,633). Net Hospital Revenue was short of expectations by (\$46,479). Expenses were favorable to budget by \$54,195.		Ms. Betta will email Mr. Woodward the CEO Report for March 2015.

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
9. CEO BOARD REPORT FOR FEBRUARY 2015	<i>Nevins</i>	Inform	
	Ms. Mather spoke to her more recent report for March 2015 which included a financial summary, satisfaction results, quality, safety and strategic updates, January 2015 Dashboard and FY15 trended results.		
10. ADJOURN/DISCUSSION	<i>Hohorst</i>		
	Meeting Adjourned at 6:35pm		



**SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE
REGULAR MEETING **MINUTES**
Wednesday, February 25, 2015
Schantz Conference Room**

Committee Members Present	Committee Members Present cont.	Committee Members Excused	Admin Staff /Other
Jane Hirsch Carol Snyder Susan Idell Kelsey Woodward Cathy Webber	M. Mainardi H. Eisenstark Ingrid Sheets Paul Amara MD	Joshua Rymer	Leslie Lovejoy Robert Cohen, MD Gigi Betta Melissa Evans

AGENDA ITEM	DISCUSSION	ACTION	FOLLOW-UP
1. CALL TO ORDER	<i>Hirsch</i>		
	Meeting called to order at 5:00 PM		
2. PUBLIC COMMENT	<i>Hirsch</i>		
	None		
3. CONSENT CALENDAR	<i>Hirsch</i>	Action	
<ul style="list-style-type: none"> Quality Committee Minutes, 1.28.15 Scheduling Surgical Service Policy 		MOTION by Eisenstark to approve Consent <i>as amended</i> and 2 nd by Mainardi. All in favor.	
4. SNF ANNUAL REPORT	<i>Evans</i>	Inform	
	Ms. Evans presented a comprehensive 2014 Annual Quality Report for SVH's Skilled Nursing Facility. It was very well received by the Committee and there was much discussion.		
5. QUALITY REPORT FOR JAN. 2015	<i>Lovejoy</i>	Inform/Action	
	Ms. Lovejoy's Quality Report for February included Nurse Leaders Retreat, Performance Evaluations, Leadership Education schedule and new Surgical Services schedule. Ms. Lovejoy confirmed that Mr. Kobe will be assuming her responsibilities as Chief Nursing Office as of July 1, 2015.		

AGENDA ITEM	DISCUSSION	ACTION	FOLLOW-UP
6. FINAL 2014 QC DASHBOARD	<i>Lovejoy</i>	Inform/Action	
	<p>Ms. Lovejoy presented the Final 2014 QC Dashboard. Ms. Hirsch asked Ms. Lovejoy for the Small Hospital benchmark numbers for her presentation of same to the Board on 3.5.15.</p> <p><u>Draft QC Scorecard 2014:</u> Ms. Lovejoy handed out the draft 2014 QC Scorecard composed by the Dashboard Subcommittee at their first meeting earlier this month. Ms. Lovejoy will incorporate suggestions from Ms. Hirsch and will bring back the final version of the Scorecard to the QC in May 2015.</p>	MOTION by Eisenstark to approve Dashboard and 2 nd by Mainardi. All in favor.	Ms. Lovejoy will present the final version of the Scorecard to the QC in May 2015.
7. 2015 QA/QI PRIORITIZATION GRID	<i>Lovejoy</i>	Discuss	
	The Quality Assessment/Performance Review Project Prioritization and Approval Grid were presented by Ms. Lovejoy.		
7. CLOSING COMMENTS/ANNOUNCEMENTS	<i>Hirsch</i>		
			.
8. ADJOURN	<i>Hirsch</i>		
	6:10pm		
9. UPON ADJOURNMENT OF REGULAR OPEN SESSION	<i>Hirsch</i>		
10. CLOSED SESSION	<i>Amara</i>	Action	
<u>Calif. Health & Safety Code § 32155</u> • Medical Staff Credentialing/Peer Review Rpt.			
11. REPORT OF CLOSED SESSION	<i>Hirsch</i>		
12. ADJOURN	<i>Hirsch</i> 6:12pm		



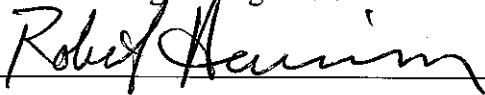
POLICY AND PROCEDURE Approvals Signature Page

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: Nutritional Services	
APPROVED BY:	DATE: 2-20-15
Director's/Manager's Signature 	Printed Name Robert Harrison, CDM, CFPP

Leslie Lovejoy, RN, PH.D.
Chief Nursing Officer

Date

D. Paul Amara, MD
President of Medical Staff

Date

Robert Cohen, MD
Chief Medical Officer

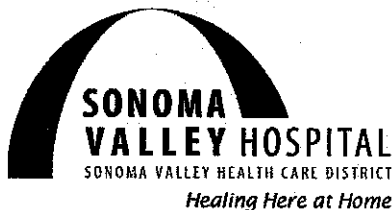
Date

Kelly Mather
Chief Executive Officer

Date

Sharon Nevins
Chair, Board of Directors

Date



Policy Submission Summary Sheet

Title of Document: **Nutritional Services Department**

New Document or Revision written by: **Robert Harrison, CDM, CFPP**

Date of Document: **2-20-15**

Type: <input checked="" type="checkbox"/> Revision <input type="checkbox"/> New Policy	Regulatory: <input type="checkbox"/> CIHQ <input type="checkbox"/> CMS <input type="checkbox"/> CDPH <input type="checkbox"/> Other:
Organizational: <input 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)

8340-100 Accountability ; Reviewed
 8340-101 Accreditation and Regulatory Agencies ; Reviewed
 8340-102 Conduct ; Reviewed
 8340-103 Confidentiality ; Reviewed
 8340-104 Defrosting Meat ; Reviewed
 8340-105 Dress Code and Personal Hygiene ; Reviewed
 8340-106 Drug-Nutrient Interactions ; Updated drug-nutrient interaction educations that RD is responsible for providing
 Drug-Nutrient Interactions Attachment A ; Worked with pharmacy to update information and presentation of drug-nutrient interaction brochure
 8340-107 Equipment Care and Cleaning ; Reviewed
 8340-108 Fluid Restriction/Allowance ; Changed fluid amounts provided by kitchen for all patients on a fluid restriction to provide nursing more fluid flexibility. Added automatic RD consult for all fluid restriction orders.
 8340-109 Food & Nutrition Disaster Plan ; Revised Increased number served to 250. Increased available food from 72 hours to 96 hours
 Department Map-Attachment A ; Created 7/14/14
 Therapeutic Diet Substitutions-Attachment B ; Reviewed
 Disaster Plan Menu-Attachment C ; Revised to exclusively ready to eat foods
 8340-110 Food Preparation and Service ; Reviewed
 8340-111 Food Safety, Hand Washing and Sanitation Standards ; Revised Safe Temperature zone from 140 to 135 degrees
 8340-112 Food Storage Procedures ; Reviewed
 8340-113 Hours of Operation ; Reviewed
 8340-114 Hours of Service Cafeteria ; Reviewed
 8340-115 Mission Statement ; Reviewed
 8340-116 Mops, Proper Use of ; Reviewed
 Organizational Chart, Departmental ; Revised New personnel
 8340-117 Personnel Inservice and Continuing Education ; Reviewed
 8340-118 Personnel Orientation ; Reviewed
 8340-119 Personnel Staff Competencies ; Reviewed
 8340-120 Personnel Staff Performance ; Reviewed
 8340-121 Portion Control ; Reviewed
 8340-122 Position Description ; Reviewed
 8340-123 Production Sheets ; Reviewed
 8340-124 Professional Credentials & Associations ; Reviewed
 8340-125 QAPI Program: Policies and Procedures ; Reviewed

8340-126 Receiving of Food & Supplies ; Reviewed

8340-127 Record Retention ; Reviewed

8340-128 Scheduling ; Reviewed

8340-129 Scope of Service ; Reviewed

8340-130 Special Functions (Catering) Costs ; Reviewed

8340-131 Special Functions (Catering) Requests ; Reviewed

Special Functions & Catering Request Form ; Reviewed

8340-132 Standardized Recipes ; Reviewed

8340-133 Temperature Maintenance of Prepared Foods ; Revised Safe Temperature zone from 140 to 135 degrees

8340-134 Warewashing ; Reviewed

Reviewed by:	Date	Approved (Y/N)	Comment
Robert Harrison, Director	2/20/2015		
Surgery Committee	03/04/2015		
Medicine Committee	03/12/2015		
Medical Executive Committee	03/19/2015		
Board of Directors	04/02/2015		

7.

QUARTERLY
GROWTH OVERVIEW
AND YTD SUMMARY

Sonoma Valley Hospital

Growth Overview

2014-2015

**We now know where the
money is...**

Accomplishments

Emergency Room- Increase of 18% more visits than last year

Surgery- Increase of 4% (78 cases) since the opening of the new center

SNF- Moved from a loss of -\$350,000 to a positive direct margin of \$375,000

OB- Through cost accounting and showing positive direct margin before DSH

Outpatient- Up over 15% from last year and changes in Physician behaviors

Home Health- Reduction of expenses realized move from -2% margin to 8%

Lessons Learned

Services

- Learning: Emphasis on volumes not always best indicator of growing services; not all growth is profitable
- Services reviewed in light of reform challenges, identified opportunities

Margins

- Learning: As the decline in reimbursement continues there will be added pressure on margins
- Developed plan which uses margins as best indicator of performance versus volumes
- Able to now identify growth opportunities

Physicians

- Learning: Need closer working relationship with providers; this was hampering efforts to influence out-migration, referrals
- Access new market data to understand behaviors and opportunities
- Developed an approach to enhance engagement and collaboration

Revenue Trend FY 15

Revenue	2011	2012	2013	2014	2015 annualized
Pt Revenue	\$45,020,820	\$47,178,367	\$47,007,060	\$50,575,675	\$48,213,136
O/P Revenue	\$77,855,724	\$94,836,940	\$102,623,825	\$115,392,062	\$127,659,874
Other Revenue	\$4,160,865	\$4,037,988	\$3,888,785	\$3,263,456	\$4,200,846

- Closely Monitoring payer mix such as Medi-Cal expansion
- Contract review and enhancement
- Engagement of Directors and Physician Leaders in reduction of inefficiencies

12 Month Rolling Margins

Date	SNF	Rehab	Surgery	Home Health	Outpatient Diagnostics	OB
July 13-June 14	8%	62%	39%	-8%	64%	-5%
Aug 13-July 14	1%	60%	43%	-1%	50%	-13%
Sept 13-Aug 14	2%	59%	41%	-2%	64%	-13%
Oct 13-Aug 14	2%	60%	39%	0%	65%	-6%
Nov 13-Oct 14	2%	61%	38%	9%	65%	6%
Dec 13-Nov 14	8%	63%	34%	8%	63%	-2%

SNF-Now that processes are completed, move to increase volumes

Rehab/Outpatient - Low overhead & increased volumes=increased margins

Home Health- Increased volumes does not increase margin

Surgery-Margin will increase with increased volumes, watch closely

Reversing Declining Trends

	September	October	November	December	January	February
Professional Services	3499	4062	3466	3390	3428	3576
Ancillary Services	15,470	15,888	13,819	13,665	15,230	14,147
Surgery (inc. Endo)	146	179	145	150	167	175
Home Health	1111	1328	1093	1104	1097	1109
Skilled Nursing	597	527	580	596	654	607

Professional Services- Continuing to increase in profit margin and volumes

Ancillary-Total inpatient/decline moving towards higher margin

Surgery-Noticeable increase over last 6 months

Home Health-Held at current visits for more sustainability

Skilled Nursing-Hardwired new processes and delivery for increased profit

Deeper Look into Outpatient Ancillary

	High margin services	Low margin services
Outpatient Physical therapy	↑	
Occ Health, Wound Care	↑	
CT, MRI, Radiology	↑	
Lab/Nuc Med		↓

- Higher margin tests are increasing, lower margin tests are decreasing
- Radiology, CT and MRI are up by 1500 tests
- Echo, PFT, EKG, Mammo and US are flat
- Hand therapy is decreased by 500 visits (staffing)
- Lab is down by 5000 tests (decrease in inpatient/utilization)
- Nuc Med is down 40% or 400 tests (equipment)

Goals and Next Steps

Goal: Increase FY 15 over FY 14 of \$1.0 M

Currently= \$822,000

Next Steps:

- Completion of SNF cost Accounting project
- Continuation of Home Health 12 month cost accounting project
- Start of OB cost accounting project April 2015 with end date of Dec 2015
- Start of Inpatient cost accounting project January 2016
- Start of outpatient cost accounting project TBD
- Services: Deeper dive into margins per procedure and benchmarked
- Focused growth on high margin services

QUESTIONS

Quarterly Growth Report

Growth review of Sonoma Valley Hospital

The past year has seen concerted effort to identify revenue growth opportunities and obstacles using Cost Accounting tools and CMA data. This report reviews trends, wins, opportunities, lessons learned during this period and concludes with a discussion of current quarter and future report highlights.

Year-to-Date Revenue Trend

Revenue	2011	2012	2013	2014	2015 annualized
Net Patient Revenue	\$45,020,820	\$47,178,367	\$47,007,060	\$50,575,675	\$48,213,136
O/P Revenue	\$77,855,724	\$94,836,940	\$102,623,825	\$115,392,062	\$127,659,874
Other Revenue	\$4,160,865	\$4,037,988	\$3,888,785	\$3,263,456	\$4,200,846

As we appreciate the increases in outpatient and other revenue sources we also must understand the issue of Medi-Cal expansion and impact this has on our bottom line. As our percentage of Medi-Cal payer mix increases we are staying ahead of the curve by working closely with Partnership in contract reviews, monitoring margins in areas that are most affected (such as Emergency room) and population health programs. We are also performing marginal transition programs to enhance revenue from other sources and reduce inefficiencies.

Accomplishments FY 15 YTD over FY 14

Emergency Department

The Emergency Department has realized an 18% increase over last year as a result of quality, patient satisfaction and marketing. This has assisted in slowing the downward trend in inpatient volumes. Due to the fixed labor cost and no significant increases in other operational cost this service unit has resulted in a direct margin of 47% or \$2.4 Million per year.

Surgery

From the move into the new Surgery Center in February 2014, the operating room has realized a 4% increase in surgeries equating to 78 procedures over 12 months. Utilization is measured by our average monthly case load which has increased from 156 to 163 cases per month YTD. This increases our total margin \$120,000/yr. Although utilization has increased, our Surgery Center has capacity for growth. We are currently running 3 rooms Monday-Thursday 8 hours a day for one shift only. In addition utilization we are also closely monitoring margins and reimbursement per case which is reflected in increased efficiency and physician engagement. At this time, the total margin for outpatient surgery only is \$1.1 million, the combined inpatient and outpatient margin is being analyzed.

SNF

March 2014 began our 12 month cost accounting SNF Performance Improvement project. We realized the need to completely change the model of this department when the margin was found to be averaging -11% or -\$350,000. Through completion of this project and detailed work with a team consisting of Pharmacy, Business Office, Admitting, Therapy, Physicians, and Case Management we have met our goal of an 8-10% margin or \$375,000-\$400,000 in direct margin dollars.

OB

The complexity of reimbursement structure makes it difficult to understand the true margin of a service. Through the newly developed cost accounting system, we took this issue on and created an easy way to identify all downstream revenue attached to a service line. Completing this task over the last 12 months, we now realized we are close to breakeven and even realizing a total margin of \$65,000 prior to DSH funds.

Home Health

Similar to the findings in our SNF, Home Health was also realized to be a negative margin of -2% or loss of \$50,000 annually. As we are into our 2nd month of this project we are focused on IT integration, clinical, labor and other resource utilization as well as detailed contract review. From the start of this project, we have been able to move the margin from the -2% to 8% reflecting \$263,000 in direct reimbursement. This quick win makes our goal of a 20% margin very attainable.

Continued Accomplishments...how did we arrive where we are?

Services

- Learning: Emphasis on volumes not always best indicator of growing services; not all growth is profitable
- All services reviewed in light of reform challenges and identified opportunities such as regional

Margins

- Learning: As the decline in reimbursement continues there will be increased pressure on margins
- Developed plan which uses margins as best indicator of performance versus volumes; introduced cost accounting system to manage margins
- Able to now identify growth opportunities

Physicians

- Learning: Need closer working relationship with physicians and providers; this was hampering efforts to influence out-migration and referrals
- Access new market data to understand behaviors and opportunities based on margins, not just volumes
- Developed an approach to enhance communications and engagement, develop collaborative partnership

Margins 6 Month Dashboard

Date	SNF	Rehab	Surgery	Home Health	Outpatient Diagnostics	OB
July 13-June 14	8%	62%	39%	-8%	64%	-5%
Aug 13-July 14	1%	60%	43%	-1%	50%	-13%
Sept 13-Aug 14	2%	59%	41%	-2%	64%	-13%
Oct 13-Aug 14	2%	60%	39%	0%	65%	-6%
Nov 13-Oct 14	2%	61%	38%	9%	65%	6%
Dec 13-Nov 14	5%	63%	34%	8%	63%	-2%

Volume Dashboard

6 month trending FY 14-FY 15

	September	October	November	December	January	February
Professional	3499	4062	3466	3390	3428	3576
Ancillary	15,470	15,888	13,819	13,665	15,230	14,147
Surgery (inc. Endo)	146	179	145	150	167	175
Home Health	1111	1328	1093	1104	1097	1109
Skilled Nursing	597	527	580	596	654	607

Volume Dashboard

3 Year Trending Volume Review

	FY 2013	FY 2014	FY 15 annualized
Professional	37,775	43,109	44,566
Ancillary	177,940	181,175	178,424
Surgery	1913	1992	1960
Home Health	12,077	11,410	13,645
Skilled Nursing	7624	7614	7348

The chart below combines both the realized margins in dollars with the volumes to demonstrate where our organization stands FY 14 over current annualized FY 15 (as of February 2015) per service area. What we have found over the past year is we are now able to focus on the areas that produce the highest margin, and not just trending volumes.

Goals and Next Steps

Projected Direct Margin increase FY 2015 ann. Over FY 2014

	Increase in UOS	*Direct Margin per UOS	Total FY 15 annualized Over FY 14
Professional	1,457	\$200/UOS	\$291,400
Ancillary (inpatient/outpatient)	-2,751	Inpatient not reimbursable	N/A
*Outpatient Diagnostics (billable)	3817	\$151	\$576,367
Surgery	-72	\$1,400 (outpt)	(\$100,800)
Home Health	2235	\$35/UOS	\$56,000
Skilled Nursing	-257	\$21/UOS	(\$1300)
Total			\$821,667
Goal			\$ 1,000,000

*Outpatient Diagnostic data used comparatively from April 13-March 14 vs. Nov 13-Dec 14

Next Steps

The July 2015 Growth Overview report will consist of a complete summary of our accomplishments, goals and planning for FY 16. In continuing with our department analysis for marginal transition below is a recommended timeline:

- Completion of SNF cost Accounting project (close May 2015)
- Continuation of Home Health 12 month cost accounting project (started February 2015)
- Start of OB cost accounting project April 2015 with end date of Dec 2015
- Start of Inpatient cost accounting project January 2016
- Start of outpatient cost accounting project TBD
- Services: Deeper dive into margins per procedure and benchmarked against best practices
- Focused growth on high margin services i.e. care coordination plan for Orthopedics

Other Trends, Insights & Conclusions

Surgery

Several high profit areas of Surgery are showing an increase such as Pain Management, Ortho, OBGyn and Urology over the past 3 months. With new advanced tools, we can now focus on the higher margin areas such as Orthopedics and Pain management drilling into a granular level to enhance their profitability even higher.

Orthopedics: FY 14 vs. FY 15 ann. flat but noticing upward trend by 20 cases over last 6 months

Pain management: Increased by 50 cases FY 14 over FY 15, continuing to trend up

Urology: Decreased 10 cases FY 14 over FY 15 ann. but showing increased volumes over past 3 months

ObGyn: Increased 13 cases, continuing to see improvement

General: Decreased by 50 cases from FY 14 due to partial retirement of Veluz/Mariano

Ophthalmology: Decreased by 47 cases due to volumes in Nov, Dec 2014 but has rebounded in Jan-Mar 2015

Podiatry /Vascular: Down by >20 cases combined

Ancillary and Professional Services

The reduction in volumes in this department is a direct result of performance improvement plans in SNF and acute inpatient to reduce the overutilization of non-billable tests. As health care continues to move towards bundled payments, several of these areas will be cost centers versus revenue providers.

OP PT, Occ Health and Wound Care: Increased by 2000 visits total, continuing to show very strong margins

Hand therapy: Decreased by 500 visits, staffing issue being resolved

MRI: Up over 300 visits, outpatient volumes continuing to increase

Lab: Down by 5000 tests due to SNF and acute reduced utilization on inpatient

Radiology and CT: Increase by 1200 tests

Nuc Med: Down 40% or 400 tests, equipment issues in process

Mammo, US, Echo, PFT, EKG: Showing no significant volume increase

Skilled Nursing

Fiscal year volumes are lower than last year due to the restructuring of this service unit. During the Performance Improvement Project, we were not actively growing this unit. Now that the performance project is coming to a close and we are realizing a positive margin, we are prepared to expand and increase volumes in this department.

Home Health

Home Health volumes are continuing to increase significantly FY 14 over FY 15 annualized. Similar to SNF, Home Health is currently in the process of a deep dive into the operations and efficiency of this department. We are in the 2nd month of this performance project and have increased from -8% to 8% margin. We recommend sustaining this current volume/margin until after the project is completed.

8.

ANNUAL MARKETING REPORT

Sonoma Valley Hospital Marketing & Communications Report

April 2015

Goals

Reputation

- Continue to strengthen perception that SVH plays indispensable role in health of Sonoma Valley

Services

- Support services with greatest growth and revenue potential
- Support regional expansion

Marketing is Conversation

- **Engage community in conversations with and about its hospital**
- New wing opening reset the conversation
- Conversation is now about continued growth and stability – quality of service, financial turnaround, expanded services, awards and recognition, community health

Who We Talk To

All Sonoma Valley Residents, with emphasis on:

- Seniors
- Women
- Hispanics
- Employers

North Bay Residents

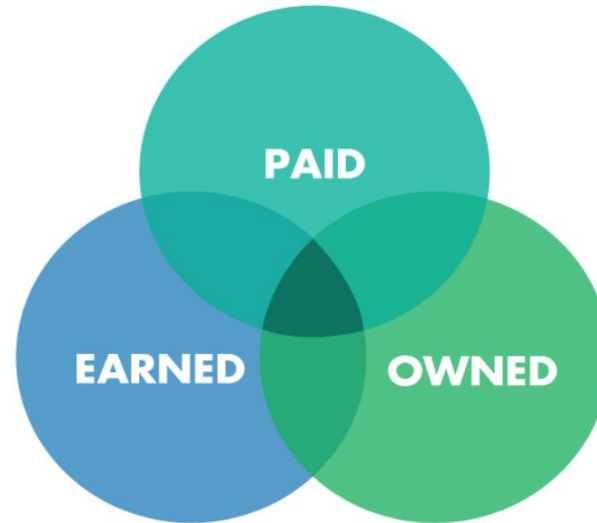
- Regional services

Stakeholders

- PCPs, Specialists
- Prima, Meritage
- Hospital Staff
- Community Leaders
- Community Health Partners
- Donors and Philanthropists



Where Conversations Occur



Paid	Owned	Earned
Traditional <ul style="list-style-type: none">• <i>Advertising</i>• <i>Events</i>• <i>Sponsorships</i> Digital <ul style="list-style-type: none">• <i>Paid Search</i>• <i>Display</i>	Website, blog In-Hospital communications Collateral Social media (Facebook, Twitter)	Traditional media (Feature articles and news, broadcast) Awards & recognition Social media Community outreach

Conversation Starters



Consumer Reports
SVH Strategic Plan
Practice Greenhealth
SNF Silver Award

SCAN Introduction
CMS Recognition
High Quality Scores
Germ-Zapping Robot

ED Anniversary
Economic Impact Study
Binational Health Fair
GirlTalk Programs

Social Media Momentum

SVH Facebook Page

775 'Likes' (+34%)*

80% women

+38% Reach/post*

Twitter

372 Followers (+112%)*

53% Male; 47% Female

25 tweets/month

SVH Website

+25% Traffic*

Average 262/day

64% New visitors

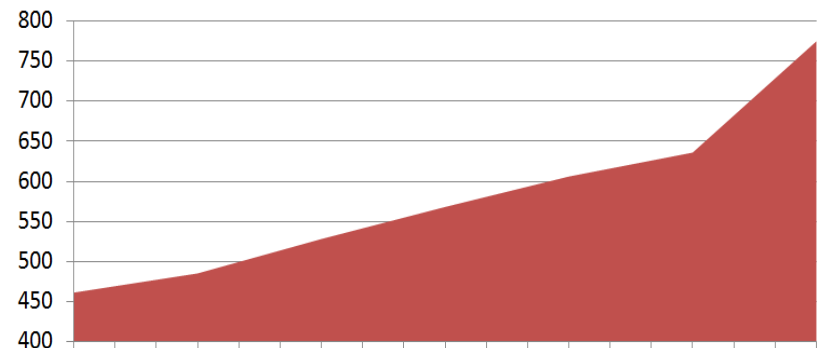
36% Returning visitors

+24% Engagement

(Visitors staying longer)

*Since 4/1/14

Facebook 'Likes'
Sept 13 – Mar 15



Selective Paid Media

- Monthly Advertorials
- Targeted Advertising
- Google AdWords Test

- Fall 2014 (8 weeks)
- 17,000 impressions
- 94 clicks



Sonoma doctors

Google Search

I'm Feeling Lucky



Hospital's New Wing Marks First Anniversary

February marks the first anniversary of wonderful staff, the mid-Sonoma Valley Hospital's new Emergency. The new Emergency

What's Happening at SONOMA VALLEY HOSPITAL

February 2015 • svh.com



Healthy Heart Classes Offered During February

If you visit Sonoma Valley Hospital in February 6, expect to see us. Hospital will be participating in "National Wear Red Day," an annual effort held each February 6 is sponsored by the American Heart Association as part of "American Heart Month" to educate women about the risk of heart disease and stroke, and encourage heart healthy practices for everyone.

According to Dawn Kawahara, SVH Director of Ancillary Services, the American Heart Association reminds people that heart disease remains the number one cause of death in this nation, ahead of even cancer. And one in three women die from heart disease and stroke each year.

"We want to raise awareness that heart disease is not just a male issue," Kawahara said. "It's a serious problem for women, but with education and lifestyle changes, it can usually be prevented." She said that women can learn more at www.heartdisease.com

Women's Health Services

at SONOMA VALLEY HOSPITAL

Sonoma Valley Hospital offers a wide range of health care services to women in our community.

SVH WOMEN'S HEALTH CENTER
246 Perkins St, Sonoma, 707.935.5215

- Digital Mammography
- Bone Density Testing (Dexa or DXA)
- Health Education Outreach
- Women's Resource Room
 - Biofeedback Analysis
 - Health Assessments
 - Computers for Online Resources
 - Bilingual Self-Help Lending Library

PELVIC HEALTH
SVH Hand and Physical Therapy Center
19312 Sonoma Hwy, Sonoma, 707.935.5345

- Pelvic Health Physical Therapy
- Urodynamics
- GYN Surgery
- Incontinence Testing and Treatment

SURGERY AND PROCEDURES
Navigator Nurse, 707.935.5378

- Urology
- GYN
- Breast Surgery
- Bariatric Surgery

THE BIRTHPLACE at SVH
347 Andrieux Street, Sonoma, 707.935.5000
An intimate birthing center offering private rooms with attentive, personalized service. Tours provided upon request. For information, call 707.935.5301 or svh.com. The Birthplace also offers Childbirth Preparation



GIRLTALK™
A special program just for Sonoma Valley women with guest speakers who share info and insights on timely health topics. To learn upcoming discussions contact the Community Coordinator at 707.935.5257

PROJECT PINK™
No cost mammograms for uninsured and under-insured women in the Sonoma Valley. Offered each May and October through a special grant from the Sonoma Valley Hospital Foundation. For more information, call 707.935.5257



SKILLED HOME HEALTH CARE in Marin and Sonoma

HEALING AT HOME™, the home health care service of Sonoma Valley Hospital, offers its nationally-recognized program throughout Marin and Sonoma Counties, providing skilled, medically-necessary and personalized care to home-bound patients under physician orders.

Our professional team includes:

- Registered nurses
- Physical, occupational and speech therapists
- Social workers
- Certified home health aides



For more information, contact us at (707) 935-5135
8:30 am – 5:00 pm, 7 days a week
or email: healingathome@svh.com



Community Engagement

■ Community Groups

- Rotary, Kiwanis, Lions
- Chamber of Commerce
- La Luz
- Women's Club
- Vintage House
- Springs Alliance
- Council on Aging

■ Programs & Events

- Binational Health Fair
- Chamber events
- School programs
- IHN events
- Compass



Communicating Directly

■ Increased Internal Communications

- Regular staff emails
- New staff newsletter
- Frequent board communications

■ Patients & Visitors

- Information in waiting rooms
- Main lobby signage
- Patient handbook



Improving Patient Experience

Collateral With Spanish Translations

- Personal Medication Cards
 - Surgical Wellness
 - Patient Information Guide
 - Electronic Health Record
 - Medication and Food Interaction Guide
 - Health Rack Cards
- (Translation coming)
- (Translation coming)



What's Coming

- Expanded KSVY presence
- Patient Testimonials
- Website Refresh
- Expanded GirlTalk
- Expanded Social Media presence
- Community Wellness/Education outreach

Growth & Marketing

	Growth	Marketing
Growth Planning <ul style="list-style-type: none">• Data Analysis (Volume and Margins)	<input checked="" type="checkbox"/>	
Physician Communications <ul style="list-style-type: none">• Outmigration	<input checked="" type="checkbox"/>	
Marketing Strategies <ul style="list-style-type: none">• Priorities + Opportunities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Marketing Communications <ul style="list-style-type: none">• Events• PR• Social Media• Collateral• Advertising• Web		<input checked="" type="checkbox"/>

Supporting Growth

Objective

Increase revenue by increasing volume and/or improving margins

Strategies

Primary:

- Reduce outmigration
- Expand services offered
- Expand services regionally

Secondary:

- Increase use of ancillary services
- Build patient engagement with SVH

Primary Areas	
Emergency	Core service; feeds other services
Orthopedics	Developing new, comprehensive approach using CMA information
Secondary Areas	
Healthy Aging	Cardiology, Ophthalmology, Urology, Rehab, Home Health, Imagery, Nutrition
Women's Health	Radiology; Pelvic Health & Urology; DXA, OB/GYN; Wellness Education
Outpatient Services	Wound Care, Employer Services
Emerging Areas	ENT, Urology, Pain Management
SNF	
Home Health	

Women's Health

- Engage women through education; highlight SVH services

Women's Health

- Expanded Services
 - Pelvic Health, Urology
- Screenings, Education



- 475+ (+47%)
- Quarterly since 2/14
- Expand in 2015

PROJECT PINK
SONOMA VALLEY HOSPITAL FOUNDATION

Women's Health Services

at Sonoma Valley Hospital



PELVIC HEALTH
SVH Hand and Physical Therapy Center
19312 Sonoma Hwy, Sonoma, 707.935.5345

- Pelvic Health Physical Therapy
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Sonoma Valley Hospital offers a wide range of health care services to women in our community. Please contact these programs or departments for more information, or visit our website at svh.com.



SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home
707.935.5000 • svh.com • f t

Obstetrics

- **Increased emphasis**
- **+13 cases**
- **Approaches:**
 - Advertorials, social media
 - Pre- and post-childbirth classes
 - CHC partnership
 - Messages:
 - Personalized, caring service
 - Classes for new moms
 - "High Performing Hospital" (CHART)
 - Low C-Section rate



Sonoma Valley Hospital added 2 new photos.

Posted by CK Works (71) · June 20, 2014 · Edited ·

Tuesday, July 1 - The Birthplace's Information Table will be at Tuesday's Farmer's Market at the Sonoma Plaza on July 1st. They will be located on the West-side of the flagpole in front of the Historic City Hall building that faces Broadway. Bring your families, strollers, and stop by and visit with us to either learn more about The Birthplace OR share your Birthplace Story. Birthplace staff at the table will be - Sue and Pauline.

Share this post!



1,154 people reached

Unlike · Comment · Share · 16 C

Sonoma Valley Hospital
Childbirth Preparation
Education Class



This class will provide an overview of labor and childbirth for pregnant women and their partners. The class consists of four two-hour sessions, held weekly over four consecutive weeks.

Discussion topics will include understanding the stages and process of labor and delivery; strategies for coping with labor including breathing and relaxation; partner support techniques; and medication options. We will also review variations in labor, including Cesarean section birth. Finally, we will explore immediate postpartum care for mother and baby, and the transition to home.

The Childbirth Preparation Class is designed for couples who enjoy in-class instruction and interacting and learning with other expectant parents.

Please bring to all classes: four pillows, a blanket, water, and a snack. Also, wear clothing that is comfortable and easy to move in.

2015 Sessions:
May 5, 12, 19, & 26
Sept 8, 15, 22, & 29
Tuesdays, 6 pm-8pm

Space is limited

Visite el Birthplace
En el HOSPITAL de SONOMA



"Yo adoré mi experiencia y planifico dar a luz allí en el futuro." Jumea

Usted está invitada a hacer un recorrido del Birthplace (Maternidad) donde nuestra acogedora habitación de parto y nuestro personal comprometido le proporcionará una experiencia memorable para usted y su familia.

Ofrecemos una atención cortés y personalizada en un ambiente seguro, tranquilo y acogedor para la familia. Sentamos orgullo de nuestros bajos índices de cesáreas, de nuestros altos índices de mujeres que dan a luz en el parto y de nuestros excelentes resultados de pacientes satisfechos. Estamos comprometidos a ayudarlo a llevar a cabo el plan de parto que usted se imagina.

Venga a conocer a nuestro equipo de experimentadas enfermeras, obstetras altamente especializadas y conozca más acerca del Birthplace del Hospital de Sonoma Valley. Nosotros pensamos que usted estará completamente feliz que sea.

Para programar su visita y conocer más acerca del Birthplace,
Por Favor llame al
707.935.5301




Healthy Aging

- **Balance Classes**
- **Gentle Yoga Classes**
- **Active Aging Lectures**
 - Four lectures in May
 - With Vintage House
- **Aches and Pains**
 - Lecture & screening
 - 83 in 2014
 - 51 in Q1 2015

Achieving Better Balance

Winter 2014 Active Aging Series
at Sonoma Valley Hospital



FREE LECTURE SERIES


Have you turned
because you we
fa
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Learn
Learn ho
Janua
in th

For more information or to RS
Dawn Kuwahara, RN at 707.935.5469

Gentle Yoga Is Back!


STARTING OCTOBER 15, 2014


Gentle, restorative yoga techniques for increased flexibility, resulting in better ease of movement and less pain.




1st and 3rd Wednesdays
11 am - 11:50 am
Space is limited, small class size

With Linda Ingles,
Physical Therapy Assistant and Yoga Instructor
for more information, contact: Dawn Kuwahara at 707.935.5469



CLASS LOCATION:
Hospital Rehab Gym, Room C-1200
347 Andrieux Street • Sonoma, CA 95476
707.935.5000 • www.svh.com • 



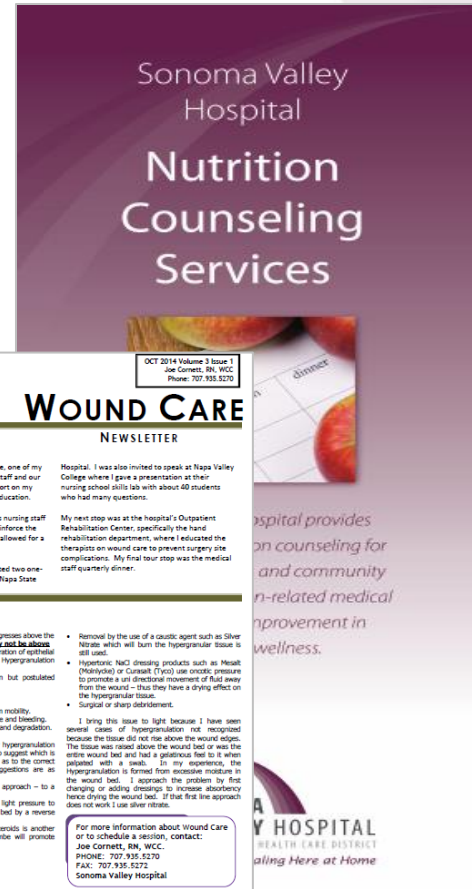
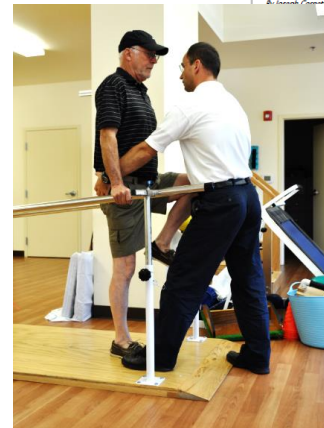
New Orthopedic Pathway

- **Using CMA insights to realign Orthopedic Service Line**
 - Replace narrow focus on total joints
 - Create Orthopedic Care Continuum
 - Pre-Acute: education, radiology, rehab, pain management
 - Acute: surgical procedures
 - Post-Acute: prevention, Home Health, SNF, Nutrition
 - Increase physician alignment and engagement

Outpatient Services

■ Support growth through community education, events and collateral

- Diagnostics
- Nutritional Services
- Wound Care
- Occupational Health
- Rehab/PT



Expanded SVH Access

- **SCAN Introduction**
 - A quarter of all county enrollments
 - Continue throughout year
- **Western Health Advantage**
 - Work with them throughout year
- **Employer Outreach**
 - Direct mail during enrollment
 - Contact through OCC Health, Wellness
- **Chamber of Commerce**
 - Member communications

The Health Care Services Your Employees Need
Conveniently Available Here in Sonoma

Sonoma Valley Hospital offers employers a full range of health care services in newly expanded and modernized facilities that include a state-of-the-art Emergency Department and Surgery Center

Access to **Medical-Surgical Specialists** including orthopedics, bariatric, urology, spine and ENT

Comprehensive **W Program** offering density testing and

Complete **Rehab** including physical and speech therapy

Coordination through **Group** with primary including family and OB/GYN



Specialty Pulmonary and Cardiac Testing including stress tests, pulmonary functions and echocardiograms

Diagnostic Imaging Services including CT scanning, ultrasound, general radiography, fluoroscopy, nuclear medicine and MRI

Diagnostic Testing and Laboratory Services available six days per week

Wellness Programs supporting a

Questions about your Medicare options for 2015?
We can help.



Let us take the guess work out of this year's Medicare Open Enrollment.

We understand how overwhelming Medicare choices and benefit changes can be. Come to

SONOMA
Sonoma Valley Hospital
347 Andrieux Street
Sonoma, CA 95476

Monday November 17, 2014
1 pm - 2 pm
(Basement Conference Room)

Monday December 1, 2014
1 pm - 2 pm
(Administrative Conference Room)

The health plan that gives you access to Sonoma Valley Hospital
CHOOSE WESTERN HEALTH ADVANTAGE >

LAST DAY TO ENROLL March 31
Act now. Don't miss out on affordable, quality health care.
advantage > you

¿Necesita cobertura médica? Podemos ayudarle | 888.563.2250



Western Health Advantage

A HEALTH PLAN THAT KEEPS YOU CLOSE TO HOME

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home

9.

DRAFT
FY 2016-18
ROLLING 3-YEAR
STRATEGIC PLAN

Sonoma Valley Hospital

DRAFT 2016 – 2018 Three-Year Rolling Strategic Plan

Executive Summary

Sonoma Valley Hospital (“SVH”) has made great progress over the last few years toward becoming a model for the modern community hospital, one well prepared to succeed in the health care environment that is emerging. By all objective measures, SVH now demonstrates performance that is commensurate with or outperforms hospitals across the country. . To continue this trajectory, SVH will focus on improving the health of our community and delivering the highest quality of care to patients. We also will continue to improve financial results in a dynamic and challenging market.

Patients and the industry have begun to recognize the extraordinary level of ***safety and quality of service*** that SVH provides. Feedback from patients through ongoing surveys confirms that SVH physicians and staff provide responsive, responsible and thoughtful care to those served. SVH is the preferred choice among Sonoma Valley residents for Emergency Services, Diagnostics, Rehabilitation, Skilled Nursing, Home Health Care and Occupational Health. The Hospital has been recognized as one of the top 15 hospitals for safety in the country, quite an achievement for a small community hospital. On all measures of effectiveness, including safety and quality of health care delivered, SVH is a leading provider and scores well above industry averages, frequently ranking among the top 25 percent of hospitals in the nation.

SVH has made great progress in recent years toward ***financial stability*** by reducing costs, paying down debt, upgrading the physical plant, improving technology, and growing service lines. SVH’s new Emergency Department is a tremendous success, reporting increases in both volumes and excellent patient satisfaction. However, the type of insurance used by our patients is changing rapidly and has presented new challenges. The expansion of Medi-Cal has increased the volume of clients using the Emergency Department at very low reimbursement rates. Over the coming years, SVH must continue to identify and grow higher-margin services, review and adjust pricing, expand market share where possible – all while continuing to streamline services and maintaining a high level of quality and staff satisfaction.

The implementation of the Affordable Care Act, expansion of Medi-CAL, the secular decline in in-patient services, changes in payment or reimbursement models and levels, and increased regulations have all come together to create a volatile environment for hospitals and other health care providers. While no one knows exactly what the final ***health care regulations and payment models*** will be, SVH has been proactive in being ready by focusing on improving fundamentals: high patient safety and satisfaction, excellent quality outcomes such as reduced patient re-admissions, excellent staff and physician satisfaction, increased efficiencies, increased market share and

revenues, and creating a modern and welcoming facility. That work will continue and will position SVH well no matter what shape changes to health care regulation and payment models may take.

A *healthy community* is a top priority for SVH and is critical for the Hospital's future. Industry incentives increasingly will be geared toward population health, continuing to emphasize disease prevention while adjusting to the shift away from inpatient care. SVH will continue to work closely with our excellent and efficient physicians to improve the health of our community. SVH also will continue to be a leader in developing and supporting community-wide programs that address awareness and early detection, keeping healthy people healthy, and leading healing for life.

While a great deal has been accomplished in recent years in upgrading the facility, including the addition of a state-of-the-art Emergency Department and Surgery Center, the Hospital continues to see volumes shift from inpatient to outpatient services. Sonoma Valley residents deserve a more efficient, easy-to-access and modern outpatient center in the future. In addition, SVH must continue to invest in the latest technology in order to continue to maintain high quality of care.

Strategic Priorities 2015-2017

- 1) **CONTINUE TO PROVIDE THE HIGHEST LEVELS OF SAFETY AND QUALITY HEALTH CARE TO SONOMA VALLEY HOSPITAL PATIENTS:** Transparency is now the norm in health care and SVH has excellent quality outcomes by most every measure. However, all hospitals are improving their results and therefore we will continue to improve our service excellence scores to above the 75th percentile, continue to meet or exceed national safety and quality measures, and continue to receive the Center for Medicare Services bonus payment due to an excellent Value Based Purchasing score. In addition, we will continue to maintain our staff satisfaction in the top decile, or above the 90th percentile.
- 2) **IMPROVE HOSPITAL FINANCIAL STABILITY:** SVH is a small hospital in a small community and therefore must have a laser focus on financial management and efficiency. With our new financial leaders and systems, we will enhance our reimbursement, collections and operational efficiency, improve our volumes through physician loyalty, and further increase our market share in several areas including surgery, outpatient diagnostics, rehabilitation and home health. In addition, we will begin to discuss continuation of the parcel tax which is due for renewal at the end of 2017.

- 3) **ANTICIPATE AND PREPARE FOR CONTINUED CHANGES IN HEALTH CARE REGULATIONS AND PAYMENT MODELS:** SVH currently uses many different types of payment systems and the incentives are competing with one another. Throughout the next year, we will evaluate each system and determine the best model for our organization. This includes working even more closely with our physician network and several large hospital partners which have leverage with health plans or with organizations which have many patient lives in our area.
- 4) **SUPPORT SONOMA VALLEY IN BECOMING A HEALTHY COMMUNITY:** Implementation of the Healing Hospital™ model whereby the Hospital focuses on having a “culture of health,” encourages staff to serve as health role models and patients to participate in their healing create a healthy community, is underway. SVH will lead population health in three ways: implement “Healthy Kids are Contagious™” initiatives, create health awareness and “Keep Healthy People Healthy,” and help those with chronic disease “Lead Healing for Life.”

The Future

While great progress has been made, challenges remain. The focus on and outstanding results in safety and quality outcomes, and patient, physician and staff satisfaction will continue. New and sustainable sources of revenue are being developed to replace diminishing income from traditional inpatient services. Efficiency will continue to be the key to our future. New models and sources of revenue must be identified such as regional expansion of selected services (e.g., Home Health), expanded outpatient services, and increased market share of inpatient procedures. In addition, continued increases in philanthropic support and the parcel tax revenue for capital expenditures will ensure our Hospital's success.

Sonoma Valley Hospital is uniquely positioned to succeed in the continually evolving landscape that is health care today. The old hospital model, in which the economics of health care was largely based on serving those who are acutely ill, is no longer viable. The ‘Future’ is a hospital economic model growing from the need to serve the entire community as a place of healing, with a culture of safety and quality and excellent efficiency and financial stewardship. In proactively addressing these priorities, SVH is at the forefront in reimagining the role of the modern community hospital in the 21st century.

Environment Assessment: Trends in Hospital Health Care

Most hospitals in the United States are in the process of transitioning to a different business model. Health reform and increasing government mandates are reducing the utilization of hospital inpatient care in the health care delivery system, and hospitals must move from the model of providing inpatient and outpatient care into a team approach that coordinates care for defined populations. SVH is using our new decision support system to monitor and determine the best approach to these changes. While the role of primary care, acute hospital in smaller communities is still in question, and the new model is not yet formed, we are finding our way. Sonoma Valley Hospital is now breaking even on Medicare and is growing outpatient services, which is the first step to ensure our future.

Tighter integration of providers and hospital networks is required to deliver comprehensive and coordinated care to defined populations, including wellness/prevention, episodic care, management of chronic conditions, mental/behavioral health, and appropriate end-of-life care. This will be critical to ensure sustainable delivery systems, and payment will move toward capitation arrangements based on the wellness, outcomes and the health status of individuals. SVH is unique in that it offers almost the entire continuum of care including Skilled Nursing, Home Health Care and Outpatient Rehabilitation.

The implementation of the Affordable Care Act has stimulated a wide variety of changes: a decrease in the number of uninsured; restrictions on access to some physicians and hospitals (narrow networks); higher out-of-pocket costs for patients who selected certain options; and an increase in the numbers of individuals covered by Medi-Cal. In 2014, SVH experienced an increase in Medi-Cal patients from 11% to 18%. As traditional commercial insurance continues to decrease, hospitals must continue to address the cost structure in order to adjust to the lower reimbursement from government payers.

Finally, there is an increased emphasis, including transparency and public scrutiny, on quality, patient safety, and outcomes, as well as advances in information technology, electronic health records, and telemedicine. While positive and necessary, these contribute to rising health care expenditures and must be managed appropriately.

Human behavior (consumer-driven care based on increased involvement and responsibility for their health care and decision-making) and the aging of the population are becoming greater drivers of health care policy. This latter factor is important in the Sonoma Valley where a quarter of the population is over 65.

Evolving From	To
MD/HOSPITAL PARALLEL	MD/HOSPITAL COLLABORATION
HOSPITAL CENTRIC	INTEGRATED MANNER
DISEASE/EPISODIC CARE	CONTINUUM OF CARE
PAY FOR PROCEDURES	PAY FOR VALUE
FEE FOR SERVICE	CASE RATES/CAPITATION
INDIVIDUAL ILLNESS CARE	POPULATION /MAINTAIN HEALTH
SILO	SYSTEM

SVH Situation Analysis

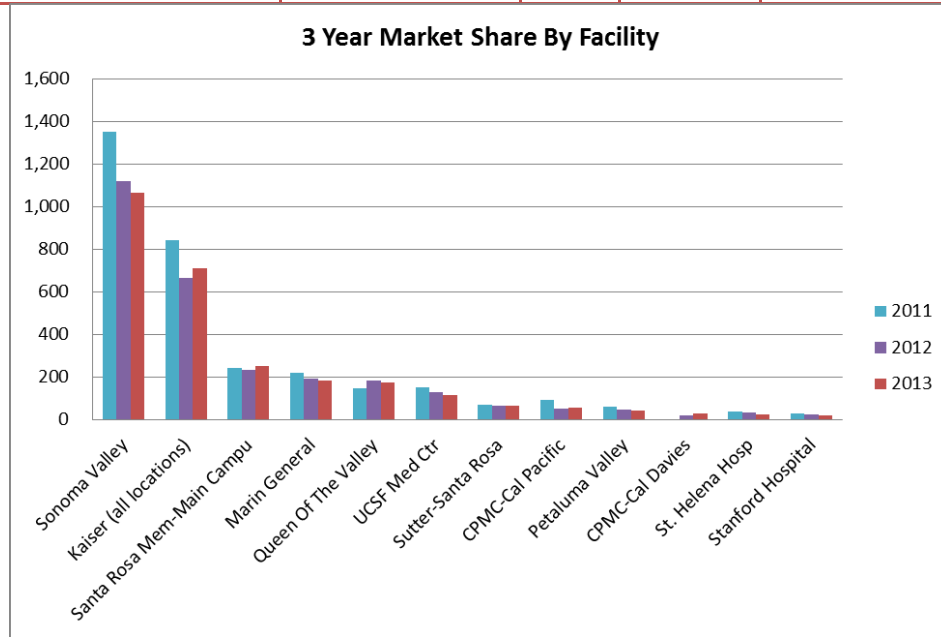
- SVH serves a very small community. The primary service area is the 95476 zip code which includes the city of Sonoma. The secondary service area extends north and includes Glen Ellen, Boyes Hot Springs, Vineburg & El Verano.. This area lines up with the SVHCD boundary and has a population of approximately 42,000 residents.
- SVH's service areas has a disproportionate share of 50+ residents and is under-represented in younger age categories. Seniors make up a significant portion of the primary and secondary service area, representing one out of every four residents.. This is significantly higher than the national average of 14%.
- Consistent with industry trends, SVH is experiencing an increase in Medi-Cal patients as a percent of total volumes. Due to the very low reimbursement for these patients, this is placing great pressure on margins.
- SVH's service area has a large and fast growing Latino population. By 2016, more than 32% of the Valley's population will be Hispanic. Latinos are expected to make up over 50% of California's population by 2050, and that benchmark could be reached in the SVH service area before that time.
- The nationwide patient satisfaction survey system monitored by the Center for Medicare Services uses eight domains to compare hospitals in service excellence. SVH ranks above the 50th percentile in 5 out of 8 of those domains, and often ranks above the 75th percentile. This means the patients rating SVH are happier with our care than with most other hospitals in the nation.
- The inpatient admissions for SVH went from 1,658 in 2010 to 1,168 in FY 2014 due to regulatory changes on how to qualify a patient for admission. This dramatic decrease had a major impact on revenue. The inpatient admissions for FY 2015 seem to have stabilized and are now projected to be over 1,200.
- There are 10 major service areas at SVH. The highest volume/highest margin areas are Outpatient Diagnostics (radiology, lab & cardiopulmonary), Emergency, Outpatient Surgery and Rehabilitation. Our low volume, high margin service is Inpatient Acute Services. Contributing low margin, high volume services include Occupational Health, Special Procedures and Home Health. Although Obstetrics and the Skilled Nursing Facility have low volumes and low margins, the efficiency has improved greatly in FY 2015, and we receive offsetting special supplemental payments because we offer these two services. Every service area has at least a positive direct margin now.
- The Hospital is still mainly known and valued by the community for our Emergency Services with over 80% market share.
- The Hospital has a good share of the market in Radiology, Laboratory, Outpatient Rehabilitation, Home Health Care, Inpatient Rehabilitation/Skilled Nursing Facility, Medicine and Gynecology. Orthopedics has increased over the past two years. There is still a great opportunity to increase market share in inpatient services and outpatient surgery.
- We continue to monitor Primary Care for demand in Sonoma Valley. We now have physicians covering most every specialty including new physicians in ENT, Urology, Orthopedic Spine Surgery and Pain Management. If there is a need for more providers in FY 2015, a mid level practitioner will be considered to join Prima Medical Foundation.

Competitive Assessment

SVH's continued improvement in operational strategy is critical, but it is not a substitute for strategically responding to competition. Many hospitals continue to make the strategic error of becoming more similar to their competition, rather than creating differentiation.

The SVH strategy is to move from a broad strategy to a focused effort. This means moving away from a narrow approach to service lines in order to capture the full continuum of care. Additionally, we are developing a regional strategy in certain services to reduce dependence on the local market. This is important to our future because of our competitive marketplace. SVH sits among 12 hospitals within a 50 mile radius, including three Kaiser facilities.

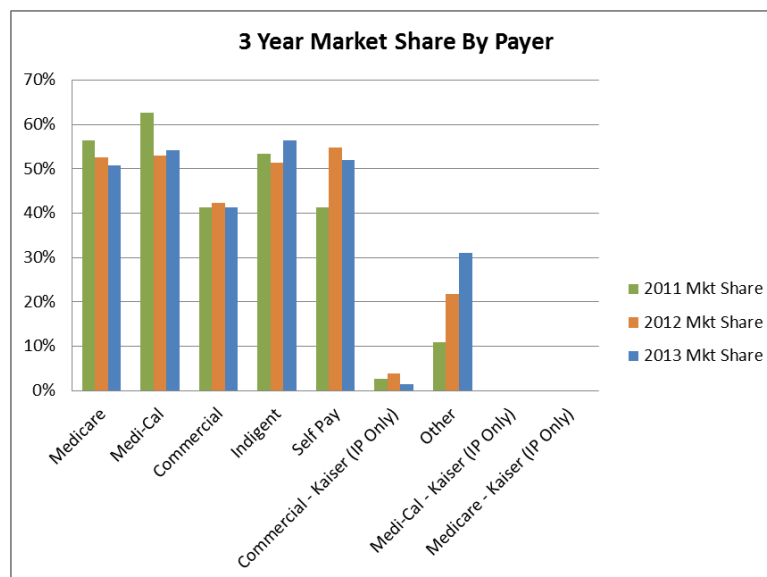
Facility	City	State	Total Beds	Distance from Sonoma
<i>SONOMA VALLEY HOSPITAL</i>	<i>SONOMA</i>	<i>CA</i>	73	
PETALUMA VALLEY HOSPITAL	PETALUMA	CA	80	14 mi West
QUEEN OF THE VALLEY MEDICAL CENTER	NAPA	CA	181	17 mi East
KAISER HOSPITAL ST ROSA	SANTA ROSA	CA	173	23 mi Northwest
KAISER FND HOSPITAL SAN RAFAEL	SAN RAFAEL	CA	116	25 mi South
SANTA ROSA MEMORIAL HOSPITAL	SANTA ROSA	CA	256	21 mi Northwest
MARIN GENERAL HOSPITAL	GREENBRAE	CA	218	30 mi South
NOVATO HOSPITAL (SUTTER)	NOVATO	CA	47	20 mi Southwest
UCSF MEDICAL CENTER	SAN FRANCISCO	CA	660	43 mi South
KAISER HOSPITAL SAN FRANCISCO	SAN FRANCISCO	CA	236	43 mi South
HEALDSBURG HOSPITAL	HEALDSBURG	CA	25	35 mi Northwest
SUTTER MEDICAL CENTER SANTA ROSA	SANTA ROSA	CA	120	44 mi Northwest



Sonoma Valley Hospital Inpatient Market Position

Contractual shifting and reduction in governmental reimbursement, accompanied by a shift from inpatient to outpatient services, has resulted in a significant decline in inpatient volumes for all hospitals. In our service area, hospital admissions dropped from 3,436 to 2,871, a decrease of 16.4%. Sonoma Valley hospital has 49.3% market share excluding Kaiser, and 37.1% market share including Kaiser hospitals. There are 1,096 inpatient admissions which go to other area hospitals with the first being Santa Rosa Memorial, followed by Marin General Hospital, then Queen of the Valley Medical Center, and finally UCSF Medical Center. SVH is now partnering with these hospitals on health plan and physician alignment.

SVH market share by payer is still relatively high for all payers at above 50%, except for commercial insurance which is 40%. This data is the most recent available and reflects calendar year 2013, therefore the effect of the Affordable Care Act is not visible yet.



Note: We plan take out Kaiser on this graph for the final plan

Implementation Plan for the Strategic Priorities

CONTINUE TO PROVIDE THE HIGHEST LEVELS OF SAFETY AND QUALITY HEALTH CARE TO SONOMA VALLEY HOSPITAL PATIENTS

	QTR 1	QTR 2	QTR 3	QTR 4	FY 2017	FY 2018
Maintain Staff Satisfaction above 90 th percentile Healthy Culture initiatives	X	X	X	X	X	X
Improve Inpatient satisfaction above 50th percentile with hardwiring & verification	X	X	X	X	X	X
Maintain Emergency patient satisfaction above 75 th percentile according to the new HCAHPS	X	X	X	X	X	X
Increase physician engagement through maintaining satisfaction, quality outcome & utilization alignment	X	X	X	X	X	X
Continue to receive national recognition and awards for excellent quality and quality	X	X	X	X	X	X

IMPROVE HOSPITAL FINANCIAL STABILITY

	QTR 1	QTR 2	QTR 3	QTR 4	FY 2017	FY 2018
Review physician outreach & loyalty to increase volumes through CO initiatives	X	X	X	X	X	X
Maximize savings and margins with performance improvement processes	X	X	X	X	X	X
Expand Home Health & SNF referrals through regional outreach			X	X	X	X
Review and adjust pricing to attract more patients	X					
Expand Wound Care, Occupational Health and Rehab services		X				
Increase Orthopedic and General Surgery volumes using CMA approach			X			
Implement a timeshare office for specialists in Sonoma	X					

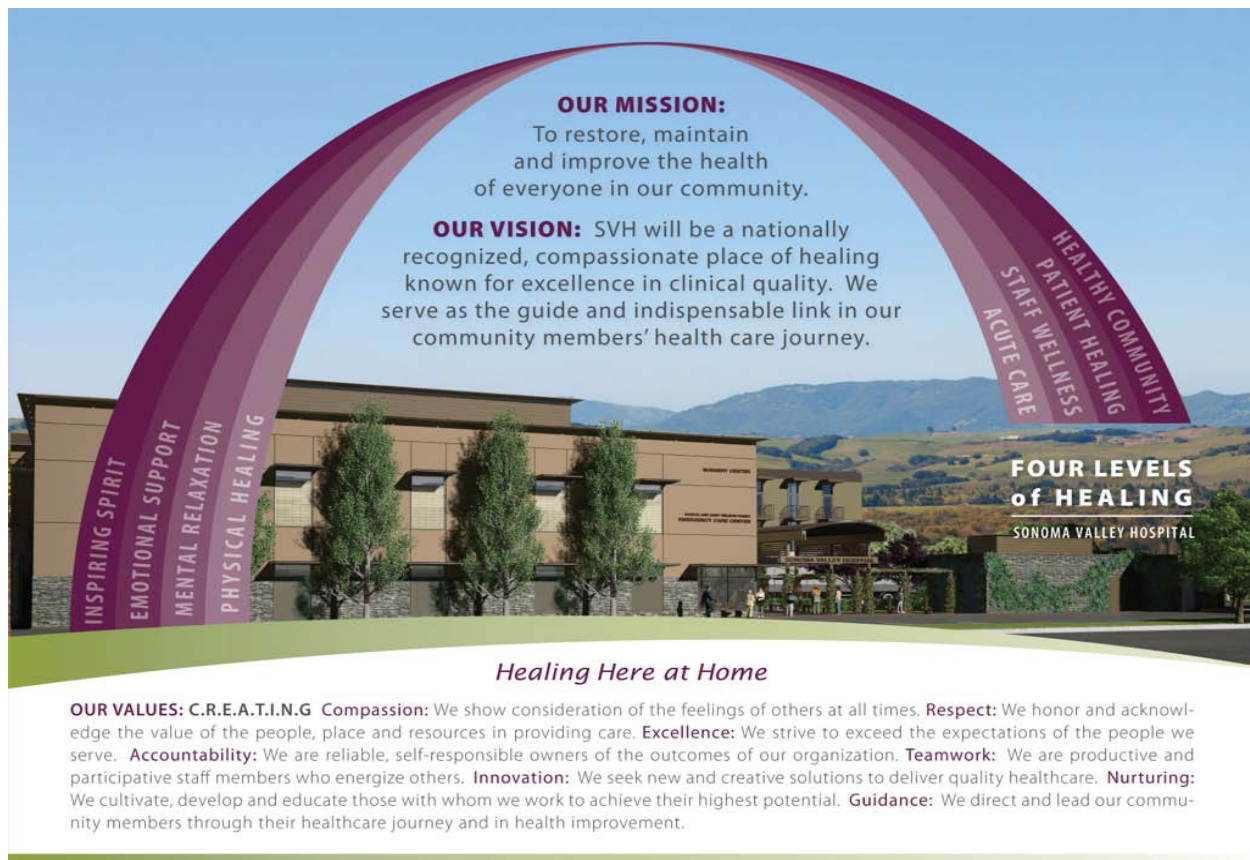
Consider options for a new Outpatient Service Center			X	X	X	X
Begin the discussion of the parcel tax renewal for vote in 2017			X	X	X	X
Consider new options for the South Lot	X	X				

ANTICIPATE AND PREPARE FOR CONTINUED CHANGES IN HEALTH CARE REGULATIONS AND PAYMENT MODELS

	QTR 1	QTR 2	QTR 3	QTR 4	FY 2017	FY 2018
Continue to improve Medicare margins and ensure we are ready for regulatory changes	X	X				
Improve the reimbursement and partnership with Medi-Cal providers	X					
Review options to partner with large hospital systems and health plans	X	X	X	X	X	X
Work with physicians to increase alignment and consider new models of integration	X	X				
Study capitation versus other reimbursement options through modeling		X	X			

SUPPORT SONOMA VALLEY IN BECOMING A HEALTHY COMMUNITY

	QTR 1	QTR 2	QTR 3	QTR 4	FY 2017	FY 2018
Continue Population and Community Health Awareness & Education Initiatives	X	X	X	X	X	X
Complete the Employer Wellness Program Pilot project		X				
Begin Community Care Network for high risk patients		X	X	X		
Implement a Disease Reversal Program			X	X		
Offer Wellness University to the community and complete the Healing Hospital Implementation	X		X		X	X



Sonoma Valley Hospital has become an example of “The New Community Hospital” and we will use its smaller size to nimbly adapt to the new healthcare environment by:

- *Creating new business model that closes the gap on decreasing revenues*
- *Aligning with physicians, other hospitals and health plans in the new model*
- *Strategically broadening services offered (especially on the continuum of care)*
- *Continuously improving quality of care in a safe environment*
- *Creating an even closer relationship with community with a focus on maintaining health*
- *Role modeling a “Culture of Health” for all organizations*

10.

FINANCIAL REPORT
FEBRUARY 2015



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: March 24, 2015
Subject: Financial Report for the Month Ending February 28, 2015

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the month of February's net loss was (\$211,936) on a budgeted net loss of (\$42,885). Net Hospital Revenue was favorable to budget by \$595,380 primarily due to the reduction in contractual expenses from the Intergovernmental Transfer (IGT) program payment of \$1,043,598, which includes our payment for the matching money of \$573,406. The net gain from the IGT program is \$470,192. The actual Net Hospital Revenue would have been unfavorable to budget by (\$448,218) without the IGT revenue. Expenses were unfavorable to budget by (\$679,256) with most of this variance attributed to the IGT Program matching money of \$573,406. Actual Expense variance would have been unfavorable to budget by (\$105,850) without the IGT fee, see summary below for variance explanations.

Below is a summary of significant variances for the month of February:

GROSS REVENUE was better than budget by \$ 413,419
Inpatient revenue was unfavorable to budget by (\$275,964) and
SNF was unfavorable by (\$659,456). Outpatient revenue was
better than budget by \$626,370 and ER revenue was above
budget by \$684,783. Home Health had a positive budget
variance of \$37,686.

Deductions from revenue are favorable to budget due to the \$ 262,648
accrual of the IGT Program revenue of \$1,043,598. The actual
deductions before the IGT revenue are \$14,167,250, or unfavorable to
budget by (\$780,950). This unfavorable variance is due to inpatient volumes
and changes in payer mix with lower Medicare and Commercial
and higher MediCal volumes for both I/P and O/P.
As a percentage of totals, Medi-Cal was 15.4% vs. a budget of 11.4%.
Commercial patients represented 20.6% of revenue vs. an expected 24.2%.
February's revenue deductions also reflect prior months variances on account
payments and additional reserves held for accounts dated over 180 days.

Risk Contract Revenue was under budget \$ (80,687)
This is due to zero inpatients from Napa State Hospital in February

Other Revenue was under budget \$ (72,119)
due to the true-up of the E.H.R. Revenue received in January.

Total Operating Revenue Variance \$ 523,261



Total Staffing costs were over budget Productive FTE's were 278 vs. a budget of 285. Total FTE's were under budget by 20. This variance is due to the average hourly rate being over budget by (\$3.27) indicating use of higher paid clinical staff due to volume.	\$ (37,494)	
Employee benefits were over budget due to a true-up of the dental insurance premium of (\$18,500) and a required increase in the accrual of the State Unemployment insurance reserve of (\$25,000).	\$ (54,136)	
Professional fees were over budget Physician fees were over budget by (\$10,560). Other professional fees were unfavorable to budget by (\$8,680) due to legal fees for employment matters.	\$ (19,240)	
Purchased Services were over budget due to finalizing CIP accounts for uncapitalized costs (\$20,448) and a true up in IT for the Microsoft licensing costs (\$23,840).	\$ (56,974)	
Other Expenses are over budget due to the IGT program fee of \$573,406.	\$ (555,396)	
All Other Operating Expenses were under budget	\$ 43,984	
Total Expense Variance		<u>\$ (679,256)</u>
Total Operating Margin Variance		\$ (155,995)
Non-Operating Income was unfavorable to budget	\$ (13,056)	
Capital Campaign and Restricted Contributions was unfavorable to budget	<u>\$ (13,166)</u>	
Net Variance		<u><u>\$ (182,217)</u></u>

The net loss was (\$138,852) vs. a budgeted net income of \$43,365. After accounting for GO bond activity (which interest cost were better than budget by \$22,326) the aggregated net loss was (\$104,456) vs. a budgeted net income of \$53,350.



Patient Volumes – February

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	98	101	-3	79
Newborn Discharges	11	12	-1	14
Acute Patient Days	372	374	-2	300
SNF Patient Days	607	637	-30	641
Home Care Visits	1,109	1,000	109	872
OP Gross Revenue	\$10,541	\$9,192	\$1,349	\$8,604
Surgical Cases	136	121	15	121

Overall Payer Mix – February

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	47.3%	50.9%	-3.6%	47.1%	50.3%	-3.2%
Medi-Cal	15.4%	11.4%	4.0%	18.2%	11.3%	6.9%
Self Pay	1.1%	3.3%	-2.2%	1.6%	3.4%	-1.8%
Commercial	20.6%	24.2%	-3.6%	21.2%	24.5%	-3.3%
Managed MC	9.0%	4.3%	4.7%	5.4%	4.4%	1.0%
Workers Comp	3.0%	3.1%	-0.1%	3.4%	3.2%	0.2%
Capitated	3.6%	2.8%	0.8%	3.1%	2.9%	0.2%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for February:

For the month of February the cash collection goal was \$3,338,784 and the Hospital collected \$3,189,984 or under the goal by (\$148,800). The Year to date cash goal is \$28,304,477 and the Hospital has collected \$27,902,955 or under the goal by (\$401,522). The cash collection goal is based upon net hospital revenue from 90 days ago. Days of cash on hand are 12 days at February 28, 2015. Accounts Receivable decreased from January, from 51.2 days up to 50.2 days in February. Accounts Payable is down by \$619,336 from January due to the Hospital's efforts to decrease expenses and collect on patient accounts. Accounts Payable days are at 42.9. Total Accounts Payable at the beginning of the fiscal year was \$5,893,464 and at the end of February Accounts Payable is \$3,258,421.

In the month of February, the hospital participated in the Intergovernmental Transfer Program and paid out a total of \$573,406, this consists of a state administration fee of \$51,607 and the federal matching fee of \$521,799. The hospital will receive a payment from the state in the amount of \$1,043,598 expected in March; this program provides a net payout of \$470,192.

Year to Date:

The Hospital's YTD EBIDA is commensurate with other hospitals at 6.2%. Our YTD expenses are over budget by (\$1,341,390). This amount includes \$120,000 of prior year expenses, the IGT program fee of \$573,406, and \$648,000 in operating expenses. Significant variances included in the \$648,000 are attributable to inaccurate forecasting in anesthesia, Prima, utilities, hospitalists, lab, and IT services.



Most of the operating expense variances were recognized in the first four months of the fiscal year. The Hospital has continued to control costs by better management of staffing and other operating costs.



Sonoma Valley Hospital Sonoma Valley Health Care District February 28, 2015 Financial Report

**Finance Committee
March 24, 2015**



Patient Volumes

Month of February 28, 2015

	Actual	Budget	Variance	Prior Year
Acute Discharges	98	101	-3	79
Newborn Discharges	11	12	-1	14
Acute Patient Days	372	374	-2	300
SNF Patient Days	607	637	-30	641
Home Care Visits	1,109	1,000	109	872
OP Gross Revenue	\$10,541	\$9,192	\$1,349	\$8,604

Summary Statement of Revenues and Expenses Month of February 28, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
1Total Operating Revenue	\$ 4,620,120	\$ 4,096,859	\$ 523,261	13%	\$ 3,592,491
2Total Operating Expenses	\$ 5,045,766	\$ 4,366,510	\$ (679,256)	-16%	\$ 4,272,974
3Operating Margin	\$ (425,646)	\$ (269,651)	\$ (155,995)	-58%	\$ (680,483)
4NonOperating Rev/Exp	\$ 213,710	\$ 226,766	\$ (13,056)	-6%	\$ 184,326
5Net Income before Rest.Cont. & GO Bond	\$ (211,936)	\$ (42,885)	\$ (169,051)	394%	\$ (496,157)
6Restricted Contribution	\$ 73,084	\$ 86,250	\$ (13,166)	-15%	\$ 377,732
Net Income with Restricted 7Contributions	\$ (138,852)	\$ 43,365	\$ (182,217)	-420%	\$ (118,425)
8Total GO Bond Rev/Exp	\$ 34,396	\$ 9,985	\$ 24,411	244%	\$ 116,243
9Net Income with GO Bond	\$ (104,456)	\$ 53,350	\$ (157,806)	-296%	\$ (2,182)
10EBIDA before Restricted Contributions	\$ 104,470	\$ 314,992	\$ (210,522)		\$ 107,114
11EBIDA before Restricted Cont. %	2%	8%	-6%		3%

Summary Statement of Revenues and Expenses Year to Date February 28, 2015 (8 months)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
1Total Operating Revenue	\$ 34,627,044	\$ 34,048,563	\$ 578,481	2%	\$ 32,703,224
2Total Operating Expenses	\$ 36,955,047	\$ 35,613,657	\$ (1,341,390)	-4%	\$ 35,927,297
3Operating Margin	\$ (2,328,004)	\$ (1,565,094)	\$ (762,910)	-49%	\$ (3,224,074)
4NonOperating Rev/Exp	\$ 1,833,159	\$ 1,814,128	\$ 19,031	1%	\$ 1,743,446
Net Income before Rest.Cont. & 5GO Bond	\$ (494,845)	\$ 249,034	\$ (743,879)	-299%	\$ (1,480,628)
6Restricted Contribution	\$ 714,858	\$ 690,000	\$ 24,858	4%	\$ 3,649,681
Net Income with Restricted 7Contributions	\$ 220,013	\$ 939,034	\$ (719,021)	-77%	\$ 2,169,053
8Total GO Bond Rev/Exp	\$ 213,277	\$ 79,867	\$ 133,410	167%	\$ 924,067
9Net Income with GO Bond	\$ 433,291	\$ 1,018,901	\$ (585,610)	-57%	\$ 3,093,120
EBIDA before Restricted 10Contributions	\$ 2,162,139	\$ 3,112,050	\$ (949,911)		\$ 2,198
11EBIDA before Restricted Cont. %	6%	9%	-3%		0%

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

		Month				Year-To-Date				YTD
		This Year		Variance		This Year		Variance		Prior Year
		Actual	Budget	\$	%	Actual	Budget	\$	%	
Volume Information										
1	Acute Discharges	98	101	(3)	-3%	812	843	(31)	-4%	766
2	SNF Days	607	637	(30)	-5%	4,899	4,886	13	0%	4,922
3	Home Care Visits	1,109	1,000	109	11%	9,084	7,854	1,230	16%	6,948
4	Gross O/P Revenue (000's)	10,541	9,192	1,349	15%	\$ 87,907	\$ 78,464	9,444	12%	\$ 75,127
Financial Results										
Gross Patient Revenue										
5	Inpatient	\$ 5,066,330	\$ 5,342,294	(275,964)	-5%	\$ 40,981,838	\$ 44,478,258	(3,496,420)	-8%	\$ 40,333,799
6	Outpatient	6,555,038	5,928,668	626,370	11%	52,214,140	50,331,025	1,883,115	4%	48,041,725
7	Emergency	3,641,921	2,957,138	684,783	23%	32,892,442	25,724,074	7,168,368	28%	24,947,434
8	SNF	1,926,159	2,585,615	(659,456)	-26%	16,610,652	19,778,387	(3,167,735)	-16%	19,073,351
9	Home Care	344,227	306,541	37,686	12%	2,800,564	2,408,503	392,061	16%	2,137,387
10	Total Gross Patient Revenue	\$ 17,533,675	\$ 17,120,256	413,419	2%	\$ 145,499,637	\$ 142,720,247	2,779,390	2%	\$ 134,533,695
Deductions from Revenue										
11	Contractual Discounts	\$ (14,020,750)	\$ (13,203,095)	(817,655)	-6%	\$ (113,662,701)	\$ (110,047,645)	(3,615,056)	-3%	\$ (104,196,643)
12	Bad Debt	(125,000)	(159,309)	34,309	22%	(865,000)	(1,328,054)	463,054	35%	(1,578,255)
13	Charity Care Provision	(21,500)	(23,896)	2,396	10%	(155,100)	(199,209)	44,109	22%	(192,750)
14	Prior Period Adjustments	1,043,598	-	1,043,598	0%	1,325,255	-	1,325,255	0%	807,929
15	Total Deductions from Revenue	\$ (13,123,652)	\$ (13,386,300)	262,648	-2%	\$ (113,357,546)	\$ (111,574,908)	(1,782,638)	2%	\$ (105,159,719)
16	Net Patient Service Revenue	\$ 4,410,023	\$ 3,733,956	676,067	18%	\$ 32,142,091	\$ 31,145,339	996,752	3%	\$ 29,373,976
17	Risk contract revenue	\$ 207,565	\$ 288,252	(80,687)	-28%	\$ 2,002,257	\$ 2,306,016	(303,759)	-13%	\$ 2,283,120
18	Net Hospital Revenue	\$ 4,617,588	\$ 4,022,208	595,380	15%	\$ 34,144,348	\$ 33,451,355	692,993	2%	\$ 31,657,096
19	Other Op Rev & Electronic Health Records	\$ 2,532	\$ 74,651	(72,119)	97%	\$ 482,696	\$ 597,208	(114,512)	-19%	\$ 1,046,128
20	Total Operating Revenue	\$ 4,620,120	\$ 4,096,859	523,261	13%	\$ 34,627,044	\$ 34,048,563	578,481	2%	\$ 32,703,224
Operating Expenses										
21	Salary and Wages and Agency Fees	\$ 1,978,844	\$ 1,941,350	(37,494)	-2%	\$ 16,037,556	\$ 15,804,284	(233,272)	-1%	\$ 15,791,734
22	Employee Benefits	779,638	725,502	(54,136)	-7%	6,203,628	6,064,871	(138,757)	-2%	5,846,390
23	Total People Cost	\$ 2,758,482	\$ 2,666,852	(91,630)	-3%	\$ 22,241,184	\$ 21,869,155	(372,029)	-2%	\$ 21,638,124
24	Med and Prof Fees (excl'd Agency)	\$ 334,226	\$ 314,986	(19,240)	-6%	\$ 2,809,325	\$ 2,569,362	(239,963)	-9%	\$ 3,473,094
25	Supplies	451,716	451,314	(402)	0%	3,923,500	3,793,803	(129,697)	-3%	3,980,918
26	Purchased Services	383,187	326,213	(56,974)	-17%	2,714,719	2,457,929	(256,790)	-10%	3,177,017
27	Depreciation	281,337	272,198	(9,139)	-3%	2,305,384	2,177,584	(127,800)	-6%	1,283,247
28	Utilities	78,397	80,567	2,170	3%	753,705	644,536	(109,169)	-17%	629,560
29	Insurance	19,255	20,000	745	4%	154,040	160,000	5,960	4%	151,100
30	Interest	35,069	85,679	50,610	59%	351,599	685,432	333,833	49%	199,578
31	Other	704,097	148,701	(555,396)	-373%	1,701,590	1,255,856	(445,734)	-35%	1,394,659
32	Operating expenses	\$ 5,045,766	\$ 4,366,510	(679,256)	-16%	\$ 36,955,047	\$ 35,613,657	(1,341,390)	-4%	\$ 35,927,297
33	Operating Margin	\$ (425,646)	\$ (269,651)	(155,995)	-58%	\$ (2,328,004)	\$ (1,565,094)	(762,910)	-49%	\$ (3,224,074)
Non Operating Rev and Expense										
34	Miscellaneous Revenue	\$ 1,210	\$ 933	277	30%	\$ 86,299	\$ 7,464	78,835	*	\$ 306,711
35	Donations	-	10,000	(10,000)	-100%	46,859	80,000	(33,141)	41%	2,015
36	Physician Practice Support-Prima	(37,500)	(34,167)	(3,333)	10%	(300,000)	(273,336)	(26,664)	10%	(464,890)
37	Parcel Tax Assessment Rev	250,000	250,000	-	0%	2,000,000	2,000,000	-	0%	1,899,610
38	Total Non-Operating Rev/Exp	\$ 213,710	\$ 226,766	(13,056)	-6%	\$ 1,833,159	\$ 1,814,128	19,031	1%	\$ 1,743,446
39	Net Income / (Loss) prior to Restricted Contributions	\$ (211,936)	\$ (42,885)	(169,051)	394%	\$ (494,845)	\$ 249,034	(743,879)	-299%	\$ (1,480,628)
40	Capital Campaign Contribution	\$ 73,084	\$ 86,250	(13,166)	-15%	\$ 606,282	\$ 690,000	(83,718)	-12%	\$ 3,649,681
41	Restricted Foundation Contributions	\$ -	\$ -	-	0%	\$ 108,576	\$ -	108,576	100%	\$ -
42	Net Income / (Loss) w/ Restricted Contributions	\$ (138,852)	\$ 43,365	(182,217)	-420%	\$ 220,013	\$ 939,034	(719,021)	-77%	\$ 2,169,053
43	GO Bond Tax Assessment Rev	152,326	150,241	2,085	1%	1,220,296	1,201,928	18,368	2%	1,218,605
44	GO Bond Interest	(117,930)	(140,256)	22,326	-16%	(1,007,019)	(1,122,061)	115,042	-10%	(294,538)
45	Net Income/(Loss) w GO Bond Activity	\$ (104,456)	\$ 53,350	(157,806)	296%	\$ 433,291	\$ 1,018,901	(585,610)	57%	\$ 3,093,120
EBIDA		\$ 104,470	\$ 314,992			\$ 2,162,139	\$ 3,112,050			\$ 2,198
		2.3%	7.7%			6.2%	9.1%			0.0%

Sonoma Valley Health Care District
Balance Sheet
As of February 28, 2015

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	\$ 1,739,015	\$ 2,509,913	\$ 1,226,962
2 Trustee Funds	1,825,643	2,533,185	762,010
3 Net Patient Receivables	7,344,678	7,573,521	7,341,202
4 Allow Uncollect Accts	(599,908)	(628,733)	(1,701,827)
5 Net A/R	6,744,770	6,944,788	5,639,376
6 Other Accts/Notes Rec	3,991,709	4,072,447	4,264,952
7 3rd Party Receivables, Net	1,593,172	1,033,286	539,077
8 Due Frm Restrict Funds	-	-	-
9 Inventory	747,898	717,266	766,416
10 Prepaid Expenses	870,127	866,148	1,191,341
11 Total Current Assets	\$ 17,512,333	\$ 18,677,033	\$ 14,390,134
12 Board Designated Assets	\$ -	\$ -	\$ 5,399
13 Property, Plant & Equip, Net	55,611,181	55,383,289	20,836,466
14 Hospital Renewal Program	-	-	31,801,877
15 Unexpended Hospital Renewal Funds	-	-	4,024,455
16 Investments	-	-	-
17 Specific Funds	43,942	420,163	(2,956,060)
18 Other Assets	143,164	143,164	431,217
19 Total Assets	\$ 73,310,619	\$ 74,623,648	\$ 68,533,489
Liabilities & Fund Balances			
Current Liabilities:			
20 Accounts Payable	\$ 3,258,421	\$ 3,877,757	\$ 4,876,954
21 Accrued Compensation	3,808,448	3,815,994	3,578,417
22 Interest Payable	117,929	707,574	142,670
23 Accrued Expenses	1,377,813	1,401,006	1,066,552
24 Advances From 3rd Parties	501,283	552,876	307,502
25 Deferred Tax Revenue	2,631,380	3,033,706	1,706,997
26 Current Maturities-LTD	1,709,727	1,708,979	909,807
27 Line of Credit - Union Bank	6,273,734	5,698,734	3,973,734
28 Other Liabilities	144,549	144,549	223,806
29 Total Current Liabilities	\$ 19,823,284	\$ 20,941,175	\$ 16,786,440
30 Long Term Debt, net current portion	\$ 39,433,416	\$ 39,524,098	\$ 37,794,002
Fund Balances:			
32 Unrestricted	\$ 12,440,516	\$ 12,618,056	\$ 12,884,652
33 Restricted	1,613,403	1,540,319	1,068,395
34 Total Fund Balances	\$ 14,053,919	\$ 14,158,375	\$ 13,953,048
35 Total Liabilities & Fund Balances	\$ 73,310,619	\$ 74,623,648	\$ 68,533,489

11.

ADMINISTRATIVE
REPORT
APRIL 2015



To: SVHCD Board of Directors
From: Kelly Mather
Date: 3/26/15
Subject: Administrative Report

Financial Summary

We are now 8 months into Fiscal Year 2015 and while we are still behind the budget, we have a positive EBIDA of \$2,162,139. Productivity continues to be positive as the staff has done an excellent job of flexing up without adding much in staffing costs during these busy times. Surgeries, Emergency visits, Home Care and Outpatient Revenue are all favorable to budget and higher than the prior year. Our efforts are paying off as days in accounts payable is now down to 42 which is better than goal of 60 days at \$3,258,421 down from \$4,876,954 last year. Accounts receivable is back to goal at 50 days, but we continue to work on cash collections. We've been very careful about spending capital this year so that we could improve our cash flow. But, thanks to our wonderful donors, we were able to purchase two new ultrasound machines.

Dashboard Results

The great news is that staff satisfaction survey participation was excellent again for 2015 at 77% and we came in at the **91st percentile**. This means our staff are more satisfied than 91% of the hospitals in the nation who use Press Ganey. These excellent results are due to our incredible staff engagement, teamwork and great leaders who have a passion in making SVH a great place to work. A few areas for continued improvement are offering educational opportunities and staff feeling safe to express concerns and/or feeling they are asked their opinion and have influence decisions. We continue to improve in staff satisfaction with pay, benefits and staffing. As also demonstrated by the February dashboard, we are back to the usual inpatient satisfaction scores and reviewed the percentage of surveys returned to find that we have a very good response rate of 28.8% for inpatient satisfaction and 22.8% for Emergency satisfaction. The rolling average is 5 out of 8 above the 50th percentile.

Strategic Update

We are in the final stages of completing Fiscal Year 2016 rolling strategic plan. The major focus is:

- a. Continuing to excel at our mission of providing excellent patient care through offering high quality, having a culture of safety, focusing on service excellence for all patients and maintaining high staff satisfaction.
- b. Improve hospital margins for financial stability
- c. Anticipate and prepare for continued changes in healthcare regulations and payment models through physician alignment and partnering larger hospital systems and health plans
- d. Support Sonoma Valley in becoming a healthy community

Our community health education and outreach has succeeded with excellent attendance at the aches & pains seminars from our Rehab team, selling out Girl Talk and having a great turnout for the talks on the importance of advance directives with Vintage House. In addition, we have over 50 participants in our Employer Wellness program from the Sonoma Valley Community Health Center and the Boys & Girls Club.

FEBRUARY DASHBOARD

PILLAR	PERFORMANCE GOAL	METRIC	ACTUAL RESULT	GOAL LEVEL
Service Excellence	Highly satisfied Inpatients	Maintain at least 5 out of 8 HCAHPS domain results above the 50 th percentile	5 out of 8 (Nov) Rolling 3 month average = 5 out of 8	>7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 <4 = 1
Service Excellence	Highly satisfied Emergency Patients	Maintain a year to date average of at least 75 th percentile	83rd (rolling three month average)	>85 th = 5 (stretch) >80 th = 4 >75 th = 3 (Goal) <75 th = 2 <70 th = 1
Quality	Excellent Clinical Outcomes	Value Based Purchasing Clinical Score at 68 or higher	78	>72 = 5 (stretch) >70 = 4 >68 = 3 (Goal) >66 = 2 <66 = 1
People	Highly Engaged and Satisfied Staff	Press Ganey percentile ranking of 75 th percentile or higher	2013 76% mean score at 77 th percentile	>80 th = 5 (stretch) >77 th = 4 >75 th = 3 (Goal) >72 nd = 2 <70 th = 1
Finance	Financial Viability	YTD EBIDA	6%	>10% (stretch) >9% = 4 >8% (Goal) >7% = 2 <7% = 1
	Efficiency and Financial Management	FY 2014 Budgeted Expenses (excluding IGT)	\$36,381,641 (actual) \$35,613,657 (budget)	<2% = 5 (stretch) <1% = 4 <Budget = 3 (Goal) >1% = 2 >2% = 1
Growth	Surgical Cases	Increase surgeries by 2% over prior year	1044 YTD FY2015 1027 YTD FY2014	>3% = 5 >2% = 4 >1% = 3 (Goal)
	Outpatient & Emergency Volumes	2% increase (gross outpatient revenue over prior year)	\$85.1 mm YTD \$76.1 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	1175 hours for 8 months	>1500 = 5 >1200 = 4 >1000 = 3 >750 = 2 >500 = 1



FY 2015 TRENDED RESULTS

MEASUREMENT	Goal FY 2015	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2014	Apr 2014	May 2014	Jun 2014
Inpatient Satisfaction	5/8	5	6	5	6	4	5	3	5				
Emergency Satisfaction	>75 th	79	79	80	76	78	81	82	83				
Value Based Purchasing Clinical Score	>68	68	71	70	70.88	69	68	78	78				
Staff Satisfaction	>75th	76	76	76	76	76	76	76	91				
FY YTD Turnover	<10%	1.6	1.9	2.6	3.6	4.6	4.9	5.5	6.5				
YTD EBIDA	>8%	7	7	4.9	7.3	6.5	6.7	6.9	6.2	6	9	4	3
Net Operating Revenue	>4.1m	4.26	4.6	3.8	4.7	4.0	4.1	4.4	4.6	5.54	3.9	3.9	4.9
Expense Management	<4.5m	4.6	4.7	4.4	4.6	4.4	4.3	4.6	5.0	5.0	4.4	4.4	4.8
Net Income	>75	-8	35	-381	304	67	-1	29	-211	401	-360	-240	567
Days Cash on Hand	>15	14	12	14	11	10	13	17	12	11	17	8	7
A/R Days	<50	47	45	48	51	51	49	53	48	51	55	46	48
Total FTE's	<301	309	305	303	304	303	300	299	303	318	320	309	303
FTEs/AOB	<4.0	3.92	3.77	3.49	4.01	4.1	4.12	4.12	3.46	3.81	3.86	3.89	3.74
Inpatient Discharges	>100	105	104	87	107	96	111	104	98	117	94	100	91
Outpatient Revenue	>\$10m	10.8	10.4	11.1	11.7	10.9	10.1	11.8	10.5	9.99	9.91	10.2	10.1
Surgeries	>130	135	133	122	155	118	117	129	136	156	147	142	121
Home Health	>1000	1146	1109	1111	1319	1090	1103	1097	1109	1106	1218	1135	992
Births	>15	16	9	21	13	16	18	11	11	19	6	16	11
SNF days	>660	651	687	597	527	580	596	654	607	750	674	605	613
MRI	>120	132	139	143	221	116	100	108	116	122	103	118	124
Cardiology (Echos)	>70	49	53	62	67	66	67	62	56	55	62	61	57
Laboratory	>12.5	12.6	12.8	13.0	13.0	11.5	11.4	12.5	11.5	13.3	12.4	13.1	13.9
Radiology	>850	968	988	900	1047	856	890	1111	1053	851	868	918	888
Rehab	>2587	3030	2859	2468	3028	2634	3010	2478	2751	2903	3394	2877	2945
CT	>300	376	345	323	368	295	316	392	309	334	301	332	335
ER	>800	889	868	851	863	761	824	988	845	769	788	909	716
Mammography	>475	414	417	433	605	462	339	487	444	447	404	519	429
Ultrasound	>325	348	361	367	372	238	299	309	317	438	424	497	339
Occupational Health	>575	656	678	758	739	602	648	653	588	534	595	600	618

12.

STAFF SATISFACTION REPORT

Sonoma Valley Hospital 2015 Employee Partnership Survey Executive Overview

Marla Wadsworth, PhD, MA
Employee & Physician Engagement Services



Agenda

- Overview of Employee Partnership Philosophy
- Project details and survey instrument
- Results summary
 - ✓ Partnership, Engagement, & Satisfaction
 - ✓ Question Performance
 - ✓ Strengths/Opportunities
- Recommendations and next steps

Partnership™



Employee Satisfaction

“what do I get?”

1. **Systems and Leadership:** job security, input on decision making, information, pay
2. **Resources:** physical environment, equipment, staffing
3. **Teamwork:** respect, coordination
4. **Direct Management:** feedback, coaching, trust, communication, recognition

Employee Engagement

“what do I give?”

5. **Our Organization:** quality of care, perception of org, dedication to org, values of org
6. **Our Work:** focus, work ethic, interaction, commitment
7. **My Work:** job fit, fulfillment, development, overall satisfaction

Summary of Results

Year	Participation	Partnership	Percentile Rank
2015	77%	79.6	91 st
2014	76%	76.0	77 th
2013	81%	77.0	80 th

High Performing Items	Low Performing Items
<ul style="list-style-type: none"> • Manager sets good example of service • Employees provide high quality service • Leaders communicate major developments 	<ul style="list-style-type: none"> • Our benefits program fits my needs • Highly regarded in the community • Will try to find a place for me

Top Opportunity Themes	Items with Greatest Change
<ul style="list-style-type: none"> • Opportunities to influence policies/decisions • Leaders listen to employees • Work grouped asked for opinions 	<ul style="list-style-type: none"> • Satisfied with the manner in which direct manager handles complaints ↑ • Easy to talk to direct manager ↑ • Direct manager recognizes good work ↑

Question Rating & Mean Score Conversions

RESOURCES	Strongly Agree	Tend to Agree	Tend to Disagree	Strongly Disagree
1. There is adequate staffing in my work group.....	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. I have the equipment I need to do my job well.....	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. Physical conditions (light, heat, space, appearance) in my area are good	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

% Favorable {
■ Strongly agree = 100
■ Tend to agree = 66.67

% Unfavorable {
■ Tend to disagree = 33.33
■ Strongly disagree = 0

Overall Scores

Partnership™

“Satisfaction + Engagement”

Mean = 79.6 (+3.6)

Percentile = 91st (from 77th)

Satisfaction

“what do I get?”

Mean = 77.3 (+4.5)

Percentile = 92nd (from 76th)

Engagement

“what do I give?”

Mean = 82.6 (+2.3)

Percentile = 89th (from 77th)

Overall Partnership by Job

	n	Mean	Change in Mean	2015 Percentile Rank	2014 Percentile Rank
Fiscal/Admin Svc	24	87.2	+12.0	81 st	29 th
Service worker	25	78.5	+10.8	87 th	44 th
Clinical Professionals	81	81.2	+3.2	80 th	67 th
Registered Nurse	80	77.1	+3.1	78 th	61 st
Technicians	33	81.3	+2.7	86 th	77 th
Nursing (LPN,CNA)	14	80.4	+1.6	94 th	87 th
Maintenance	7	78.7	-0.9	64 th	69 th
Office/Clerical	49	78.0	-1.0	67 th	73 rd

Satisfaction Principles

Satisfaction: Systems and Leadership

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
February 2015	318	72.0 * ▲	83.7%	88th ▲	77th	87th	72.8
March 2014	330	68.5 ▼	79.2%	77th ▲	67th	66th	74.7

Satisfaction: Resources

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
February 2015	319	72.3 * ▲	85.6%	81st ▲	69th	91st	75.2
March 2014	330	69.0 ▼	78.5%	61st ▼	48th	64th	77.0

Satisfaction: Teamwork

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
February 2015	318	83.6 ** ▲	95.4%	97th ▲	97th	99th	79.8
March 2014	328	79.2 ▼	92.0%	84th ▼	73rd	84th	81.0

Satisfaction: Direct Management

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
February 2015	319	81.7 ** ▲	92.7%	96th ▲	92nd	98th	78.8
March 2014	330	74.6 ▼	84.0%	70th ▼	41st	70th	79.9

Engagement Principles

Engagement: Our Organization

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
February 2015	320	84.2 ▲	94.6%	86th ▲	73rd	76th	85.6
March 2014	330	81.9 ▲	92.9%	73rd ▲	56th	50th	86.6

Engagement: Our Work

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
February 2015	319	81.3 * ▲	93.9%	93rd ▲	89th	95th	80.3
March 2014	330	78.4 ▲	91.5%	79th ▲	61st	73rd	81.2

Engagement: My Work

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
February 2015	318	83.1 ▲	92.8%	88th ▲	80th	83rd	83.3
March 2014	330	80.7 ▲	91.0%	74th ▲	57th	74th	84.4

Highest Scoring Questions

Question	Mean	Question	Percentile Rank
My work is meaningful	90.2	Direct manager sets a good example of customer service	99 th
I plan to be working here in one year	89.1	Employees provide high quality service	98 th
Employees provide high quality service	88.3	Leaders communicate major developments	97 th
Organization is respectful of differences such as gender, etc.	88.2	Treat with dignity and respect	97 th
Feeling of accomplishment	87.1	Direct manager communicates effectively	97 th
Direct manager sets a good example of customer service	86.5	Easy to talk to direct manager about things that go wrong	97 th
I would recommend as a great place to work	86.4	Direct manager recognizes my good work	97 th

Lowest Scoring Questions

Question	Mean	Question	Percentile Rank
Compared to other HC organizations pay is fair	62.7	Our benefits program fits my needs	46 th
Adequate staffing in work group	64.2	Highly regarded in the community	56 th
Asked opinions before decisions are made	65.8	Will try to find a place for me	59 th
Opportunities to influence policies and decisions	67.3	Compared to other HC organizations pay is fair	63 rd
Our benefits program fits my needs	67.5	Given opportunities for ongoing education	65 th

Greatest Improvement (by mean score)

Question	Mean	Change in Mean	Percentile Rank	Section
Satisfied with the manner in which direct manager handles complaints	79.4**	+8.9	95 th	Custom
Easy to talk to direct manager	84.5**	+8.2	97 th	Direct Management
Direct manager recognizes good work	84.3**	+8.2	97 th	Direct Management
Direct manager can be trusted	83.0**	+7.7	95 th	Direct Management
Direct manager communicates effectively	82.2**	+7.5	97 th	Direct Management
Asked opinions before decisions are made	65.8**	+7.5	89 th	Systems and Leadership

*This mean score is significantly different from the previous mean score at the $p < .05$ level.

** This mean score is significantly different from the previous mean score at the $p < .01$ level

Greatest Decline (by mean score)

Question	Mean	Change in Mean	Percentile Rank	Section
Employees express concerns about our work	77.7	-0.9	70 th	Our Work
Given opportunities for ongoing education	70.4	-0.7	65 th	My Work

*This mean score is significantly different from the previous mean score at the $p < .05$ level.

** This mean score is significantly different from the previous mean score at the $p < .01$ level

Quadrant Analysis

DETACHED

Sat: **HIGH** Eng: **LOW**

National Average: **3.7%**

DEDICATED

Sat: **HIGH** Eng: **HIGH**

National Average: **47.2%**

2014 = 3%



2014 = 64%

2014 = 12%

2014 = 21%

DISTANCED

Sat: **LOW** Eng: **LOW**

National Average: **32.7%**

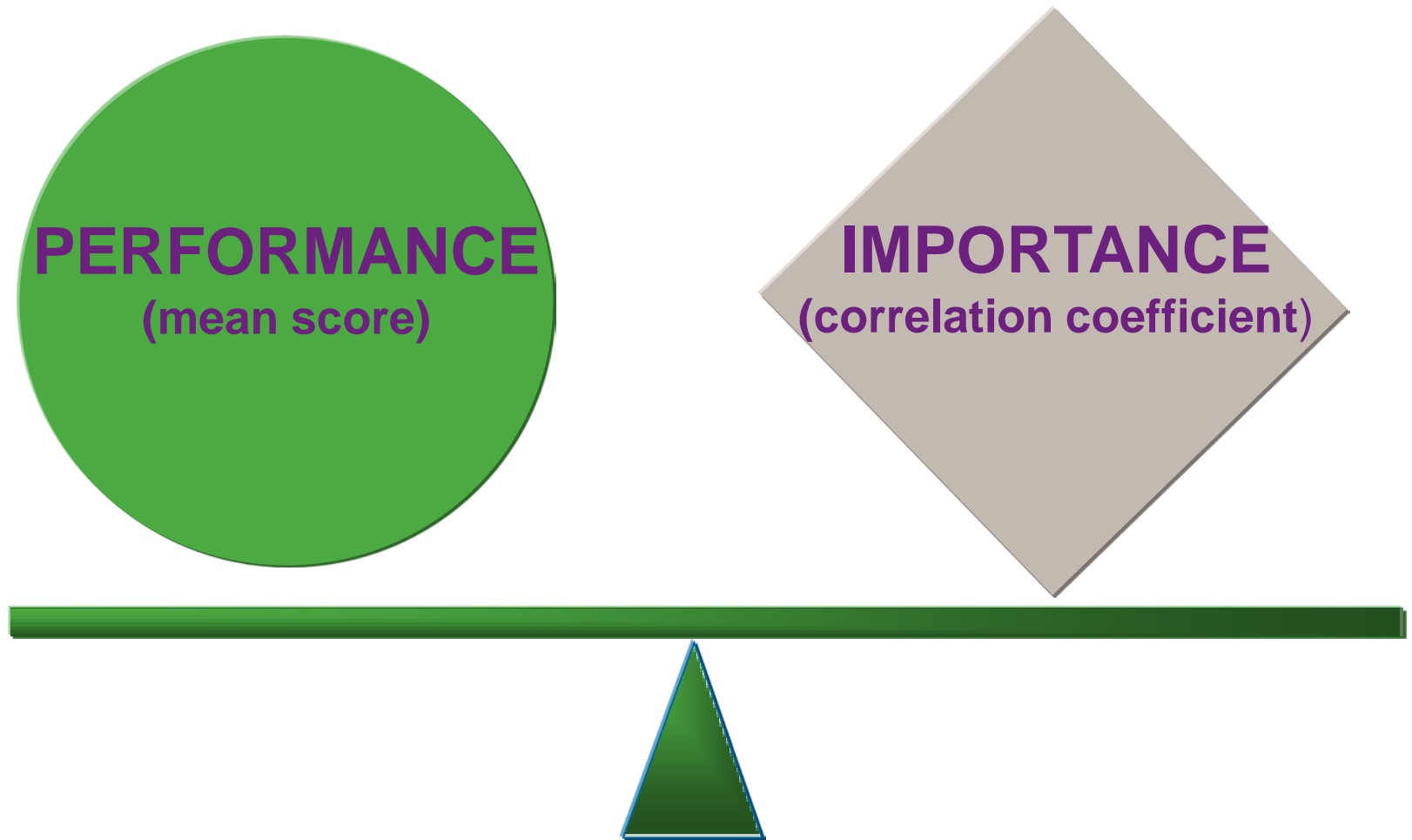
DISCONTENTED

Sat: **LOW** Eng: **HIGH**

National Average: **16.8%**

The "National Facility Level Average Quadrant Analysis" represents the average facility. Due to the manner in which the quadrant averages are determined, the total of the four quadrants may not sum to 100%.

Strength/Opportunity Index: Helping You Prioritize



CRAFTING A BALANCE

Strengths to Celebrate

Rank	Last Rank	Section	Strength
1	2	My Work	My work is meaningful.
2	8	Custom Section	This organization is respectful of differences such as gender, race, religion, age, etc.
3	5	My Work	My work gives me a feeling of accomplishment.
4	3	My Work	My work makes good use of my skills and abilities.
5		Our Work	Employees in my work group do everything they can to make this organization successful.
6		Direct Management	My direct manager can be trusted.
7	1	Custom Section	My direct manager sets a good example of customer service.
8		Our Organization	I believe the quality of care here is excellent.
9		Direct Management	My direct manager recognizes my good work.
10		Direct Management	My direct manager recognizes my ideas or suggestions for improvement.

Movement off Top Strengths:

- The values of this organization are evident in our everyday practices.
- Members of my work group treat one another with dignity and respect.
- There is good coordination of effort in my work group.
- Employees in my work group report a strong sense of connection to their work.
- My work provides me with an opportunity to be creative and innovative.

Top Opportunities to Improve

Rank	Last Rank	Section	Opportunity
1		Systems and Leadership	I have opportunities to influence policies and decisions that affect my work.
2	1	Systems and Leadership	Leaders really listen to employees.
3	4	Systems and Leadership	My work group is asked for opinions before decisions are made.
4		My Work	My work provides me an opportunity to be creative and innovative.
5	7	Systems and Leadership	Excellent performance is recognized here.
6	3	Direct Management	My direct manager provides coaching to help me achieve my goals.
7		Teamwork	There is good coordination of effort in my work group.
8		Our Organization	The values of this organization are evident in our everyday practices.
9	8	Direct Management	My last performance review helped me improve.
10	2	Custom Section	I am satisfied with the manner in which my direct manager handles complaints, grievances, and problems.

Movement off Top Opportunities:

- My direct manager recognizes my ideas or suggestions for improvement.
- My direct manager communicates effectively.
- My direct manager recognizes my good work.
- My direct manager can be trusted.

Summary & Recommendations

Recommendations

- Celebrate significant **improvements** from 2014!
 - ✓ Top Decile performance
 - ✓ 43 of 45 items showed improvement
- Respond to concerns regarding pay/benefits and staffing levels. Communicate how staffing levels are determined.
- Review comments for any “quick fixes” (equipment issues, cleanliness, IT issues, etc.). Immediately communicate changes made as a result of employee feedback.
- Address low scoring work groups that have not improved over multiple survey cycles.

Opportunities & Recommendations

- Continue to enhance opportunities for **staff input** and **collaborative decision-making**
 - ✓ Evaluate decision-making and delegation tendencies among managers
 - ✓ Evaluate opportunities/processes for staff input
- Continue to develop **managers**
 - ✓ **Coaching:** develop employees to help them achieve their goals
 - Use **performance review** as coaching for improvement opportunity – provide feedback and update goals
 - ✓ **Conflict Management:** constructively handle complaints, grievances, and problems
- Continue to improve **relationships** between physicians and staff
 - ✓ Improve communication with physicians – ensure accuracy, timeliness and completeness
 - ✓ Encourage staff to be sure that they have fully understood a physician's directions and instructions

Proposed Timeline

Action	Tentative Dates
Communication of Organization-Wide Results	March 26 th
Manager Workshops: Results & Training	March 26 th
Managers Communicate Dept/Workgroup Results & Choose Opportunities	April & May
Action Plans Completed – Posted on Department Communication Boards and Reviewed with Admin Leaders	June
Implement Plans – Managers Conduct Feedback Sessions with Individual Workgroups; Monitor Progress	Quarterly

Appendix

Survey Instrument



EMPLOYEE PARTNERSHIP SURVEY

Progress  0% 100%

DIRECT MANAGEMENT

Please rate the person you report to on a day-to-day basis.

	Strongly Agree	Tend To Agree	Tend To Disagree	Strongly Disagree
1) My last performance review helped me improve.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2) My direct manager provides coaching to help me achieve my goals.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3) My direct manager recognizes my ideas or suggestions for improvement.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4) My direct manager communicates effectively.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5) My direct manager can be trusted.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6) It is easy to talk to my direct manager about things that go wrong on my job.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7) My direct manager recognizes my good work.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
8) My direct manager sets a good example of customer service.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Number of Questions

Standard	39
Custom	6
Demographic	3
Open-ended	2

Leadership defined: Please rate the leadership at your organization.

Direct Management defined:
Please rate the person you report to on a day to day basis.

Project Review

- **Data Collection**
 - January 26, 2015 – February 20, 2015
- **Response Rates**
 - **Sonoma Valley Hospital = 77%**
 - Press Ganey Average = 65%

- **Your Peer Comparison**

	<u>N of Facilities</u>	<u>N of Employees</u>
All Facility DB	858	390,005
FTE's 251-500	76	43,678
AHA Region 9	28	33,554

This report displays the results of your Employee Partnership survey. It can be used to understand your employees' perceptions of the workplace and improve partnership with them.

Included in this report are the survey results for your organization's overall Partnership Score, Partnership Principles and priorities. It is important to remember that the information and scores presented in this report are best viewed as a starting point for creating stronger Employee Partnerships and improving your organization's overall performance.

77% of the facility participated in the survey.

Your facility's overall Partnership Score is 79.6.

Compared to your last report, your overall Partnership Score has improved by 3.6.

Compared to other facilities in the Press Ganey database, you are in the **91st** percentile. That means that your facility has a higher level of partnership than **91%** of the facilities in our national database.

There are **858** facilities with a total of **390,005** employees in the All Facility DB peer comparison.

There are **76** facilities with a total of **43,678** employees in the FTE's 251-500 peer comparison.

There are **28** facilities with a total of **33,554** employees in the AHA Region 9 peer comparison.

Overall Performance

Your Overall Performance is displayed as an Overall Partnership Score, an Overall Satisfaction Score, and an Overall Engagement Score. Use these scores as high-level summaries of the current status of your Employee Partnership. The data provided below for each standard question on the survey includes: the number of respondents (n), your current level of performance (Mean Score), the amount of change in performance from your last survey (Mean Change), the percentage of each question's ratings that were marked "Strongly Agree" and "Agree" (% Favorable), how your current level of performance compares with the National All Facility Database (National Rank), and how it compares with your Comparison Groups (Peer Rank). The table also includes the mean score that represents the 90th percentile in the National All Facility Database.

Overall Partnership Scores

This is your Overall Partnership Score, a combination of employees' Overall Satisfaction and Overall Engagement. It is the highest-level "picture" of your workforce, including overall mean score as well as comparative data.

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ₁	Peer Group Rank ₂	National 90th Mean
February 2015	320	79.6 **	91.0%	91st	82nd	87th	79.2
March 2014	330	76.0	86.8%	77th	61st	74th	80.0
February 2013	347	77.0 *	87.2%	80th	85th	95th	79.2

Overall Satisfaction Scores

This is your Overall Satisfaction Score. This score summarizes responses to questions that drive employee satisfaction—their baseline needs.

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ₁	Peer Group Rank ₂	National 90th Mean
February 2015	320	77.3 **	88.3%	92nd	85th	98th	76.3
March 2014	330	72.8	82.1%	76th	58th	75th	77.5
February 2013	347	75.0 **	83.8%	85th	90th	97th	76.4

Overall Engagement Scores

This is your Overall Engagement Score. This score summarizes responses to questions that drive employee engagement—what they give back.

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ₁	Peer Group Rank ₂	National 90th Mean
February 2015	320	82.6 *	93.8%	89th	78th	86th	82.7
March 2014	330	80.3	91.9%	77th	61st	70th	83.8
February 2013	347	79.7	90.7%	68th	72nd	89th	83.1

*This mean score is significantly different from the previous mean score at the $p < .05$ level.

**This mean score is significantly different from the previous mean score at the $p < .01$ level.

¹ Your peer group is FTE's 251-500

² Your peer group is AHA Region 9

Partnership Principles™: Satisfaction Scores

Systems and Leadership, Resources, Teamwork and Direct Management are the sections on your survey that measure employee satisfaction. Only standard questions are included in the section score calculations.

Satisfaction: Systems and Leadership

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ¹	Peer Group Rank ²	National 90th Mean
February 2015	318	72.0 *	83.7%	88th	77th	87th	72.8
March 2014	330	68.5	79.2%	77th	67th	66th	74.7

Satisfaction: Resources

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ¹	Peer Group Rank ²	National 90th Mean
February 2015	319	72.3 *	85.6%	81st	69th	91st	75.2
March 2014	330	69.0	78.5%	61st	48th	64th	77.0

Satisfaction: Teamwork

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ¹	Peer Group Rank ²	National 90th Mean
February 2015	318	83.6 **	95.4%	97th	97th	99th	79.8
March 2014	328	79.2	92.0%	84th	73rd	84th	81.0

Satisfaction: Direct Management

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ¹	Peer Group Rank ²	National 90th Mean
February 2015	319	81.7 **	92.7%	96th	92nd	98th	78.8
March 2014	330	74.6	84.0%	70th	41st	70th	79.9

Partnership Principles™: Engagement Scores

Our Organization, Our Work and My Work are the sections on your survey that measure employee engagement. Only standard questions are included in the section score calculations.

Engagement: Our Organization

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ¹	Peer Group Rank ²	National 90th Mean
February 2015	320	84.2	94.6%	86th	73rd	76th	85.6
March 2014	330	81.9	92.9%	73rd	56th	50th	86.6

Engagement: Our Work

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ¹	Peer Group Rank ²	National 90th Mean
February 2015	319	81.3 *	93.9%	93rd	89th	95th	80.3
March 2014	330	78.4	91.5%	79th	61st	73rd	81.2

Engagement: My Work

Period	n	Mean Score	%Favorable	National Rank	Peer Group Rank ¹	Peer Group Rank ²	National 90th Mean
February 2015	318	83.1	92.8%	88th	80th	83rd	83.3
March 2014	330	80.7	91.0%	74th	57th	74th	84.4

*This mean score is significantly different from the previous mean score at the $p < .05$ level.

**This mean score is significantly different from the previous mean score at the $p < .01$ level.

¹ Your peer group is FTE's 251-500

² Your peer group is AHA Region 9

Satisfaction Question Scores

This section lists detailed information about your individual standard question scores that measure employee satisfaction; each standard question is listed in the order it appears on your survey. To ensure confidentiality, data for questions are only provided when the questions are answered by three or more respondents. Statistically significant changes in mean score from the previous report period are marked with asterisks (* or **), and the amount of change is listed.

		n	Mean Score	Mean Change	% Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
Systems and Leadership	My work group is asked for opinions before decisions are made.	315	65.8**	+7.5	75.2%	89th	77th	87th	66.4
	I have opportunities to influence policies and decisions that affect my work.	315	67.3 *	+5.1	75.8%	88th	77th	87th	68.6
	Excellent performance is recognized here.	314	75.2	+3.1	87.5%	90th	81st	93rd	74.8
	Leaders do a good job of communicating major developments.	317	82.0**	+4.7	95.2%	97th	97th	99th	78.1
	Leaders really listen to employees.	318	72.6 *	+3.8	87.7%	90th	81st	90th	72.6
	Leaders do a good job of planning for the future.	317	79.2	+3.3	93.0%	94th	92nd	98th	76.1
	Compared to other healthcare organizations my pay is fair.	315	62.7	+2	72.0%	63rd	52nd	38th	71.1
	As long as I perform well, this organization will try to find a place for me.	315	71.9	+0.3	83.1%	59th	48th	54th	79.7
Resources	I have the equipment I need to do my job well.	317	73.9	+2	88.6%	73rd	56th	78th	78.6
	Physical conditions (light, heat, space, appearance) in my area are good.	318	79.5	+3.7	93.3%	86th	84th	99th	80.5
	There is adequate staffing in my work group.	316	64.2 *	+4.6	75.0%	79th	68th	81st	68.9
Teamwork	There is good coordination of effort in my work group.	317	82.9**	+4.9	95.5%	96th	92nd	97th	79.8
	Members of my work group treat one another with dignity and respect.	318	84.4 *	+3.9	95.2%	97th	98th	99th	80.0
Direct Management	My last performance review helped me improve.	315	77.3**	+5.5	93.3%	89th	77th	92nd	77.7
	My direct manager communicates effectively.	318	82.2**	+7.5	91.8%	97th	97th	99th	78.1
	My direct manager provides coaching to help me achieve my goals.	317	78.2**	+5.5	91.1%	91st	77th	96th	77.6
	My direct manager can be trusted.	317	83.0**	+7.7	93.3%	95th	93rd	98th	80.7
	It is easy to talk to my direct manager about things that go wrong on my job.	317	84.5**	+8.2	94.0%	97th	97th	99th	80.2
	My direct manager recognizes my ideas or suggestions for improvement.	317	82.5**	+6.8	92.1%	96th	93rd	99th	79.0
	My direct manager recognizes my good work.	318	84.3**	+8.2	93.3%	97th	94th	98th	81.0

*This mean score is significantly different from the previous mean score at the p < .05 level.

**This mean score is significantly different from the previous mean score at the p < .01 level.

1 Your peer group is FTE's 251-500

2 Your peer group is AHA Region 9

Engagement Question Scores

This section lists detailed information about your individual standard question scores that measure employee engagement; each standard question is listed in the order it appears on your survey. To ensure confidentiality, data for questions are only provided when the questions are answered by three or more respondents. Statistically significant changes in mean score from the previous report period are marked with asterisks (* or **), and the amount of change is listed.

		n	Mean Score	Mean Change	% Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
Our Organization	I believe the quality of care here is excellent.	318	85.7	+2.2	96.2%	87th	71st	78th	86.5
	I would recommend this organization to a friend as a great place to work.	317	86.4 *	+4.2	95.5%	94th	93rd	93rd	84.2
	I think this organization is highly regarded in the community.	314	76.3	+1.1	87.8%	56th	37th	38th	86.5
	The values of this organization are evident in our everyday practices.	317	83.8 *	+3.6	96.2%	87th	77th	85th	84.8
	I would recommend the healthcare services provided here to my friends and relatives.	317	85.8	+2.7	94.6%	84th	66th	61st	87.8
	Overall, I am satisfied with this organization.	315	85.5	+3	96.1%	92nd	92nd	92nd	84.1
	I plan to be working for this organization one year from now.	316	89.1	+2.1	95.8%	94th	85th	86th	87.9
Our Work	Employees in my work group are fully attentive to the needs of others.	315	82.5 *	+3.3	96.1%	93rd	89th	96th	81.1
	Employees in my work group do everything they can to make this organization successful.	315	85.1 **	+4.4	97.7%	96th	93rd	96th	82.2
	Employees in my work group regularly express their concerns and suggestions about our work.	317	77.7	-0.9	91.4%	70th	48th	71st	81.3
	Employees in my work group report a strong sense of connection to their work.	314	84.2 *	+3.6	97.4%	95th	90th	97th	81.0
	Employees who work here are seldom distracted from their work.	314	70.5	+3.4	82.1%	87th	75th	87th	71.9
	Our employees do everything they can to provide high quality service.	317	88.3 **	+4	98.4%	98th	94th	98th	84.5
My Work	Overall, I am satisfied with my job.	317	85.8 *	+3.9	97.7%	95th	93rd	96th	84.0
	My work provides me an opportunity to be creative and innovative.	315	79.8	+3.4	87.9%	89th	81st	86th	80.1
	My work makes good use of my skills and abilities.	318	85.7	+2.8	96.5%	91st	87th	95th	85.6
	My work gives me a feeling of accomplishment.	316	87.1	+2.9	97.7%	92nd	90th	94th	86.3
	I am given opportunities for ongoing education and professional development.	313	70.4	-0.7	77.6%	65th	37th	50th	77.5
	My work is meaningful.	315	90.2	+2.7	99.3%	91st	90th	95th	89.7

*This mean score is significantly different from the previous mean score at the p < .05 level.

**This mean score is significantly different from the previous mean score at the p < .01 level.

1 Your peer group is FTE's 251-500

2 Your peer group is AHA Region 9

Custom Questions Scores

Data on the custom questions added to your survey is displayed below. If seven or more hospitals in the database are asking the same custom question, comparative data is provided.

		n	Mean Score	Mean Change	% Favorable	National Rank	Peer Group Rank1	Peer Group Rank2	National 90th Mean
	I am satisfied with the manner in which my direct manager handles complaints, grievances, and problems.	314	79.4 **	+8.9	88.8%	95th	95th	N<7	78.5
	My direct manager sets a good example of customer service.	318	86.5 **	+5.2	95.9%	99th	N<7	99th	83.2
	Our benefits program fits my needs.	310	67.5	+3.6	80.6%	46th	41st	29th	79.7
	Employees are treated with respect by the physicians.	313	76.5	+1.9	92.0%	84th	N<7	72nd	78.5
	This organization is respectful of differences such as gender, race, religion, age, etc.	314	88.2	+0.9	97.1%	74th	71st	N<7	89.6
	Employees are held accountable for their actions.	314	76.3	+3	85.9%	85th	91st	84th	77.6

**This mean score is significantly different from the previous mean score at the p < .01 level.

1 Your peer group is FTE's 251-500

2 Your peer group is AHA Region 9

Strengths and Opportunities

Celebrate your strengths and let your opportunities guide your partnership improvement efforts.

STRENGTHS

The Strength index lists the items on the survey that you are performing well on. The items appearing in your Strength Index are those questions that have a relatively high mean score and a relatively high correlation to Overall Partnership.

Rank	Last Rank	Section	Strength
1	2	My Work	My work is meaningful.
2	8	Custom Section	This organization is respectful of differences such as gender, race, religion, age, etc.
3	5	My Work	My work gives me a feeling of accomplishment.
4	3	My Work	My work makes good use of my skills and abilities.
5		Our Work	Employees in my work group do everything they can to make this organization successful.
6		Direct Management	My direct manager can be trusted.
7	1	Custom Section	My direct manager sets a good example of customer service.
8		Our Organization	I believe the quality of care here is excellent.
9		Direct Management	My direct manager recognizes my good work.
10		Direct Management	My direct manager recognizes my ideas or suggestions for improvement.

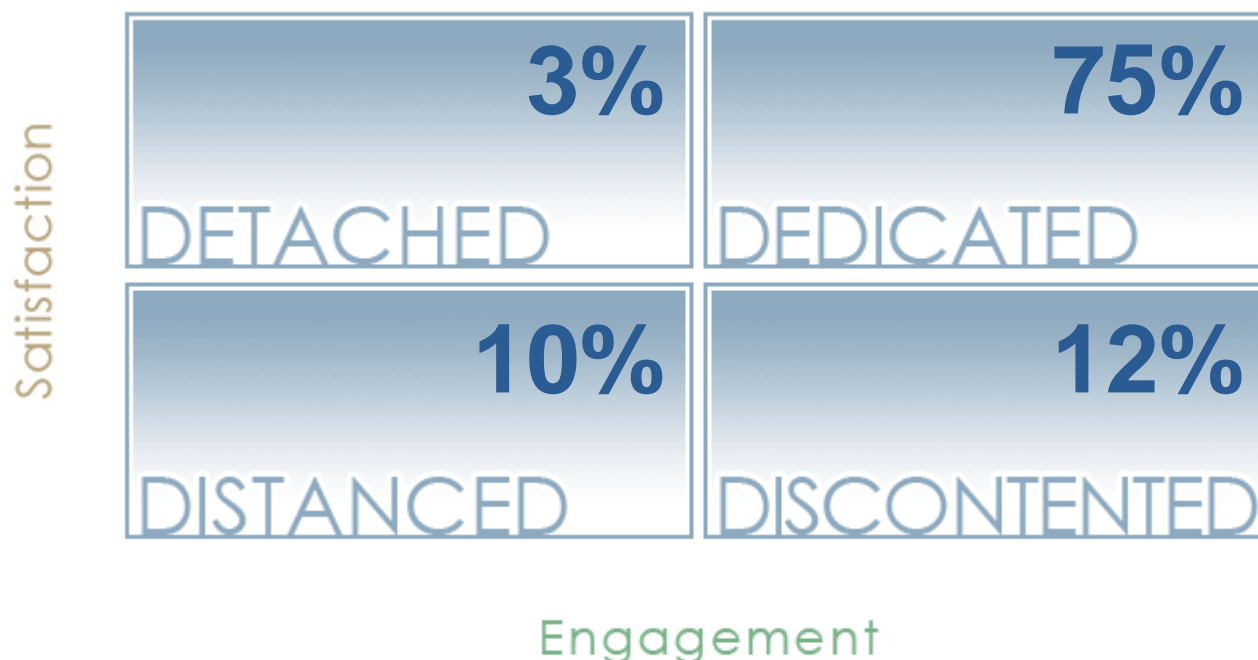
OPPORTUNITIES

The Opportunity index lists the items on the survey that have the greatest opportunity for improvement. Those items appearing in your Opportunity Index are questions that have a relatively low mean score, and a relatively high correlation to Overall Partnership.

Rank	Last Rank	Section	Opportunity
1		Systems and Leadership	I have opportunities to influence policies and decisions that affect my work.
2	1	Systems and Leadership	Leaders really listen to employees.
3	4	Systems and Leadership	My work group is asked for opinions before decisions are made.
4		My Work	My work provides me an opportunity to be creative and innovative.
5	7	Systems and Leadership	Excellent performance is recognized here.
6	3	Direct Management	My direct manager provides coaching to help me achieve my goals.
7		Teamwork	There is good coordination of effort in my work group.
8		Our Organization	The values of this organization are evident in our everyday practices.
9	8	Direct Management	My last performance review helped me improve.
10	2	Custom Section	I am satisfied with the manner in which my direct manager handles complaints, grievances, and problems.

Employee Partnership

Employees can fall within high or low levels of satisfaction and engagement. This model provides a snapshot of the types of employees and level of partnerships within your organization. This information will help you understand the percentage of employees that have the potential to move into the Dedicated quadrant. The more employees in the Dedicated quadrant, the more positive outcomes for your organization.



Detached

Employees who are only getting their basic requirements met, who are not encouraged to feel a sense of meaning or connection with their employer, are Detached. These employees feel the organization is meeting their needs, such as pay, but are insecure and unable to see the meaning or purpose of their work.

Dedicated

In contrast, Dedicated employees feel that the organization is providing what they need and also feel connected to their work and the organization because they feel supported and respected by their employer. They find a sense of meaning in their job, are willing to volunteer, and participate in improvement efforts. These employees seek out ways to improve their performance, the quality of care patients receive, and their organizations. These employees are true partners with their organizations, and are the people who give all they have to contribute to its success.

Distanced

The least desired situation is to have a majority of your workforce in the Distanced quadrant. These employees feel both dissatisfied and disengaged and typically will either exit the organization voluntarily or create turmoil for the rest of the workforce.

Discontented

Employees who feel emotionally vested with the organization but feel that their basic needs are not being met are considered Discontented. Because these employees are emotionally tied to their employers, they may be empowered to participate in changing and shaping the organization, but may feel their pay is unfair or that their supervisor cannot be trusted for example.

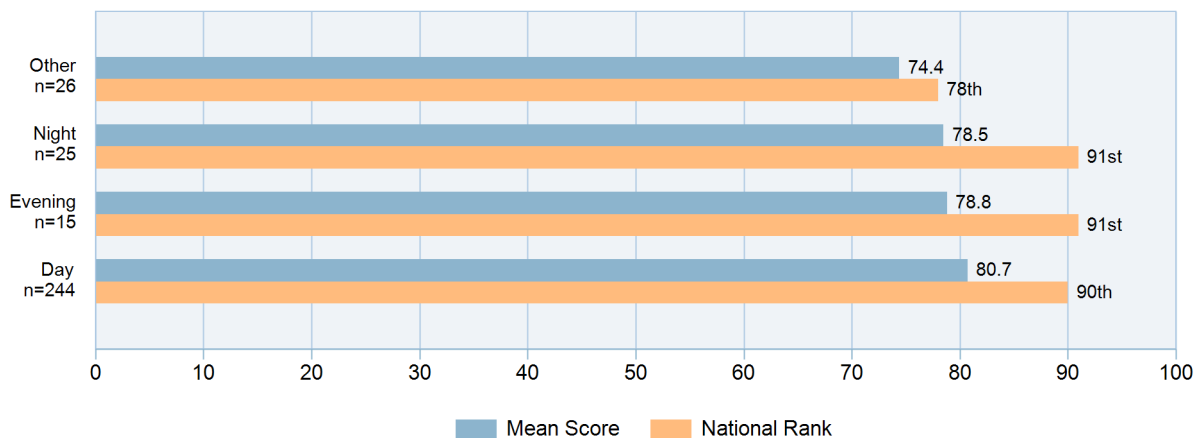
*Percentages may not total 100% due to rounding.

Demographic Analysis

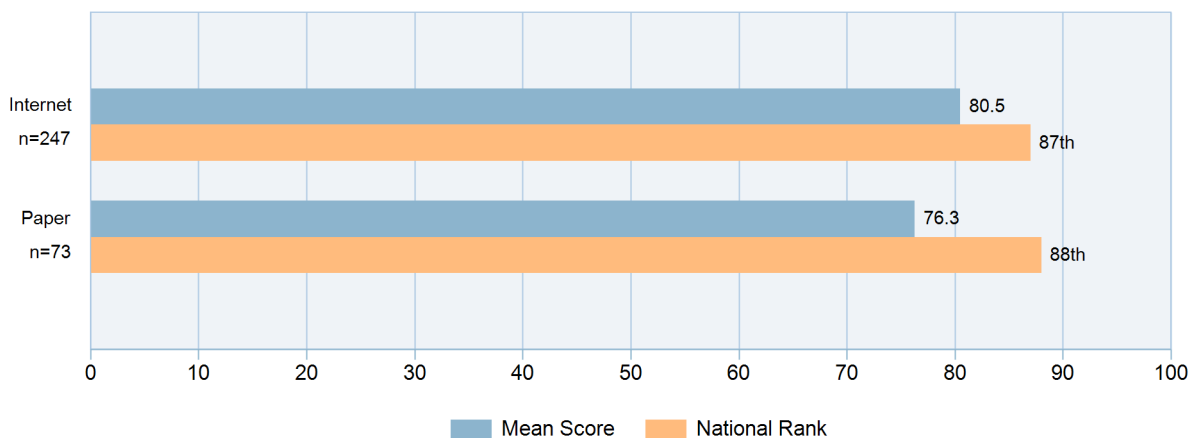
This section provides demographic information about the individuals who responded to your survey for the current report period. The information comes from the “General Questions” section of your survey or from your data uploads.

Understanding your employee demographic breakdown is a valuable tool. Demographic analysis can be used to identify characteristics in your work population, to further understand your employees, and to identify trends and potential key areas of opportunities.

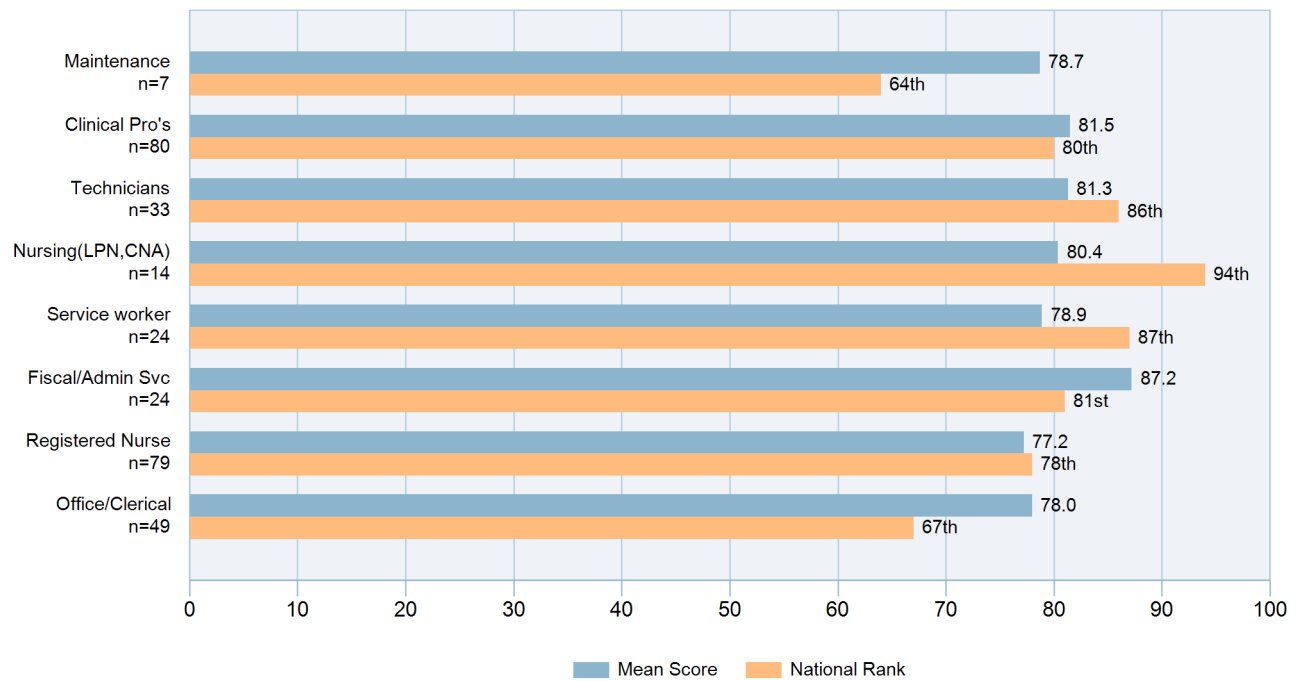
My shift is



Mode



Which best describes your job?



Workgroup Comparisons

This page provides you with a high-level comparison of your overall partnership score, national rank, and participation rate for each level of reporting within your organization. Workgroup metrics are ordered by mean score and then alphabetically.

Name	n	Mean Score	National Rank	Participation Rate
Sonoma Valley Hospital	320	79.6 **	91st	76.9%
Materials Management	4	97.5 *	99th	100.0%
Direct Report to Paula Davis	3	93.1	97th	100.0%
Direct Report to Kelly Mather	11	91.4	91st	100.0%
Quality & Resource Management	7	91.1	97th	77.8%
Direct Report to Dawn Kuwahara	4	86.5	88th	100.0%
Medical Imaging	19	85.0	85th	76.0%
Rehab Services	16	83.8	81st	72.7%
Skilled Nursing Facility	24	81.3	82nd	72.7%
Cardiopulmonary	8	81.2	74th	72.7%
Patient Accounting	9	81.2	66th	100.0%
Direct Report to Leslie Lovejoy	6	80.9	80th	100.0%
Accounting	3	80.4	63rd	100.0%
Healing at Home	33	80.0	78th	91.7%
Pharmacy	12	79.8	70th	85.7%
Nutritional Services	14	79.6	73rd	70.0%
Environmental Services	15	78.6 **	70th	93.8%
Information Systems	4	78.3	56th	80.0%
Laboratory	21	78.3	65th	72.4%
Medical Records	3	76.9	52nd	60.0%
Direct Report to Ken Jensen	4	75.5	47th	100.0%
Emergency	14	75.4	61st	66.7%
Birth Center	7	74.6 *	59th	70.0%
Outpatient Physical Therapy	5	74.6	52nd	62.5%
Med/Surg	12	74.5	58th	40.0%
ICU	7	74.1	57th	53.8%
Admitting	12	73.5	51st	80.0%
Surgery	20	73.3 *	54th	80.0%
Plant Operations	5	70.0	41st	100.0%
Nursing Admin	8	67.8	32nd	80.0%
Administration	n<3	n<3	N/A	100.0%
Direct Report to Cynthia Denton	n<3	n<3	N/A	100.0%
Direct Report to Fe Sendaydiego	n<3	n<3	N/A	100.0%
Direct Report to Kimberly Drummond	n<3	n<3	N/A	100.0%
Direct Report to Mark Kobe	n<3	n<3	N/A	100.0%

Name	n	Mean Score	National Rank	Participation Rate
Foundation	n<3	n<3	N/A	100.0%
Human Resources	n<3	n<3	N/A	100.0%

*This mean score is significantly different from the previous mean score at the $p < .05$ level.

**This mean score is significantly different from the previous mean score at the $p < .01$ level.

Participation rates of 0% are not included in the above table.

13.

COMMITTEE REPORTS



Meeting Date: April 2, 2015
Prepared by: Peter Hohorst
Agenda Item Title: POLICY GOVERNING ACCESS TO PUBLIC RECORDS

Recommendations:

That the Policy Governing Access to Public Records be approved

Background:

Requests for public records are made infrequently and because they are infrequent each time a request is made appropriate response to the request requires considerable time to ensure that the request is handled correctly and in compliance with the Public Disclosure Law. This policy provides guideline to follow that will simplify the task of complying with the request. The policy was derived from a policy in use by the Antelope Valley Healthcare District and has been reviewed by counsel.

Consequences of Negative Action/Alternative Actions:

Without the guidelines provided by this policy the task of complying with requests for public records will not be handled efficiently and may not be handled correctly.

Financial Impact:

Low

Attachment:

Copy of Policy Governing Access to Public Records



POLICY GOVERNING ACCESS TO PUBLIC RECORDS

It is the policy of the Sonoma Valley Health Care District to encourage public participation in the governing process and to provide reasonable accessibility to all public records except those documents that are exempt from disclosure by express provisions of law or considered confidential or privileged under the law.

The following guidelines shall govern the accessibility for inspection and copying of public records of the Sonoma Valley Health Care District. These guidelines are to be administered by the Chief Executive Officer of the District.

Reference, State of California, Government Code, Chapter 3.5 of Division 7, Section 6250, et. Seq. (The Public Records Act).

I. Purpose of Guidelines

The purpose of these guideline is to serve as general rules to be followed by those persons charged with administration of the procedures concerning Inspection and Copying of Public Records of the Sonoma Valley Health Care District ("the District"). Certain requirements of law must be observed relating to disclosure of records and to the protection of the confidentiality of records. These guidelines set forth the general rules contained in such laws.

II. Definitions

- "Person" includes any natural person, corporation, partnership, firm or association.
- "Public Record" includes any writing containing information relating to the conduct of the business of the District prepared, owned, used or retained by the District regardless of physical form or characteristics.
- "Writing" means handwriting, typewriting, printing, electronic communications, copying, photographing, and every other means of recording upon any form of communication or representation, including letters, words, pictures, sounds or symbols or combination thereof, and all papers, maps, magnetic or paper tapes, email, photographic films and prints, and other documents.

"Request for Public Record" refers to any written or verbal request.

III. Questions of Interpretation

In case of any questions as to the accessibility of the records of the District under these guidelines, records should not be made accessible to the public until such question has

been determined by the Chief Executive Officer of the Hospital. The decision of such officer is final unless overruled by the Board of Directors.

The District shall justify the withholding of any record by demonstrating that the record requested and withheld is exempt under paragraph IX of these guidelines or, that on the facts of the particular case, the public interest served by not making the record public outweighs the public interest served by the disclosure of such record.

In the case of any denial of an Application for Inspection or Copying of Records, the District shall notify the applicant of the decision to deny the application for records and shall set forth the names and positions of each person responsible for the denial of the request.

IV. Following Procedures for Inspection and Copying

The procedures referred to shall be followed in all of their specifics at all times. Records of inspections shall be accurately maintained.

V. Responding to Request for Public Records

Upon a determination as to whether the requested records are public records, a letter shall be sent to the individual requesting the public records. Each letter shall include the following information:

- The date the request for public records was made.
- The date that the records will be made available, or in the case the requested records will not be made available for inspection or copying, the reasons therefore.
- If the copies of the records are requested, the response to the request shall include an invoice stating the total fee for such copies, and informing the individual that the copies will be made available once the fee has been deposited with the Administration of the Hospital.

VI Recording Requests for Public Records

A file shall be kept in the Administration offices containing all information relating to request for public records received by the District.

The first page of each request file shall be a log of all actions relating to the request for public records. The log for each request shall include:

- The name of the individual
- The date the request was received
- The date a response to the request was sent
- The action taken in response to the request

Upon receipt of a request for public records, the request shall be date stamped and filed in the Public Records Act Request file.

When a response to a request for public records is sent, a copy of the response and all attachments shall be copied and filed in the request file. Each response shall be stamped with the date it was sent.

VII Records Subject to Inspection Only with Authorization

All public records of the District are subject to inspection pursuant to these guidelines except as follows:

- Records set forth hereinafter as records subject to inspection only with authorization;
- Records NOT SUBJECT TO INSPECTION (unless by Court order); or
- Records which may be withheld by exercise of discretion.

If the District discloses a public record which is otherwise exempt from disclosure under the California Public Records Act, the disclosure shall constitute a waiver of the exemption otherwise applicable to such record.

VIII Records Subject to Inspection Only with Authorization

Any records relating to patients of the Hospital (including but not limited to the patient's records of admission and discharge, medical treatment, diagnosis and other care and services) shall only be made available for inspection and/or copying under the following conditions:

- Upon presentation of a written authorization therefore signed by an adult patient, by the guardian or conservator of his/her person or estate, or, in the case of a minor, by a parent or guardian of such minor, or by the personal representative or an heir of a deceased patient, and then only upon the presentation of the same by such person above named or an attorney at law representing such person.
- Where records relating to a minor patient are sought by a representative, and the minor is authorized by law to consent to medical treatment, or the District determines that access to the information would have a detrimental effect on the patient-provider relationship or the minor's physical or psychological well-being, the District shall not permit inspection of such records, absent a court order.
- Except when requested by a licensed physician, surgeon, or psychologist designated by request of the patient, the District may decline to permit inspection of mental health records sought by a patient or representative, if the District determines that access to records by the patient poses a substantial risk of significant adverse or detrimental consequences to the patient. The District must place a written record of the reason for refusal within the mental health records requested, including a description of the specific adverse or detrimental consequences, and a statement that refusal was made pursuant to Health and Safety Code Section 1975(b)(2).
- Upon presentation of a written order therefore issued by a Court of the State of California or the United States of America (see reference to Subpoena Duces Tecum hereinafter), which specifically commands the District disclose specified records.
- Upon subpoena, when permitted under Section XII below:

IX. Records Not Subject to Inspection (Unless by Court Order)

The flowing records of the District are not subject to inspection by any person without a written order issued by a Court of the State of California or of the United States of America (see reference to Subpoena Duces Tecum hereinafter):

- Records of the proceedings or other records of an organized committee of medical or medical-dental staffs in the Hospital having the responsibility of evaluation and improvement of the quality of care rendered in the Hospital.
- Records pertaining to pending litigation to which the District is a party, or to claims made pursuant to Division 3.6 commencing with Section 810 of Title 1 of the Government Code of California, until such litigation or claim has been finally adjudicated or otherwise settled.
- Personnel, medical or similar files of non-patients, the disclosure of which would constitute an unwarranted invasion of personal privacy of the individual or individuals concerned.
- Records of complaints to or investigation conducted by, or investigatory or security files compiled by, the District for correctional, law enforcement or licensing purposes.
- Test questions, scoring keys, and other examination data used to administer a licensing examination, examination for employment or academic examination.
- The contents of real estate appraisals, engineering or feasibility estimate and evaluation made for or by the District relative to the acquisition of property, or to prospective public supply and construction contract, until such time as all the property has been acquired or all of the contract agreement obtained.
- Records the disclosure of which is exempted or prohibited pursuant to provisions of federal or state law, including, but not limited to, provisions of the Evidence Code of California relating to privilege. (Privileges conditionally provide for all communications between lawyer and client, physician and patient, and psychotherapist and patient).
- Preliminary drafts, notes, or inter-district, intra-district or other memoranda, between districts, departments of the District, and/or other agencies, which are not retained by the District in the ordinary course of business, provided that the public interest in withholding such records outweighs the public interest in disclosure.
- Statements of personal worth or personal financial data required by any licensing agency and filed by an applicant with the licensing agency to establish his or her personal qualifications for the license, certificate or permit applied for.
- Records relating to any contract, or amendment thereof, for inpatient services governed by Articles 2.6, 2.8 and 2.91 of Chapter 7 of Division 9 of the Welfare and Institutions Code, pertaining to Medi-Cal provider contracting. However except for the portion of the contract containing rates of payment, the record shall be open to inspection within one year after the contract is fully executed. Rate of payment portions shall be open to inspection within three years after the contract is fully

executed. Records relating to contracts for inpatient services shall be disclosed to the Board Audit Committee on request.

- Records relating to any contract with insurers or nonprofit hospital services plans for inpatient or outpatient services for alternative rates pursuant to Sections 10133 or 11512 of the Insurance Code. However, the record shall be open to inspection within one year after the contract is fully executed.
- Records relating to any contract, or amendment thereof, with the Major Risk Medi-Cal Insurance Program for health coverage pursuant to Division 2, parts 6/3 and 6/5, and Part 2, Chapter 14 of the Insurance Code. However, except for the portion of the contract containing rates of payment, the record shall be open to inspection within one year after the contract is fully executed. Rate of payment portions shall be open to inspection within three years after the contract is fully executed. Records relating to contracts for inpatient services shall be disclosed to the Board Audit Committee upon request.
- Confidential documents relating to trade secrets of the District. Trade secrets are of unique value to the District, are important to the functioning of present or future District plans and are considered to be confidential documents.
- Records in the custody of or maintained by legal counsel to the District.
- Records of state agencies related to activities governed by Articles 2.6, 2.8, and 2.91 of Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code, pertaining to Medi-Cal provider contracting, which reveal the special negotiator's deliberative process, discussions, communications, or any other portion of the negotiations with providers of healthcare services, impressions, opinions, recommendations, meeting minutes, research, work product, theories, or state or which provide instruction, advise or training to employees.
- A final accreditation report of the Joint Commission or other accrediting agency which has been transmitted to the State Department of Health Services pursuant to Subdivision (b) of Section 1282 of the Health and Safety Code.
- Computer software developed by the District is entitled to copyright protection and need not be disclosed as a public record.
- Any other records of the District that are not required to be disclosed pursuant to the California Public Records Act or other applicable statute as such statutes may be amended from time to time.

X. Records Submitted to Agencies Which are Exempted From Disclosure by the Health Care District

In addition to the limitations upon disclosure of public records otherwise set forth in these guidelines, the District is not required to disclose public records, or permit the inspection of public records pertaining to financial or utilization data other than such financial and

utilization data as is filed with the California Health Facilities Commission and/or the Office of Statewide Health Planning and Development. It is sufficient compliance with the law to permit inspection of financial and utilization information reported to the Office of if Statewide health Planning and Development pursuant to Division 1, Part 1.8 of the California Health and Safety Code. In case of doubt, the District will consult with the District legal counsel before acting.

XI. Discretionary Withholding of Records

In addition to the limitation upon disclosure of records set forth in these guideline, the District may, in its discretion, withhold inspection of any record or writing when the District determines that the facts of the particular case the public interest served by not making the record public clearly outweighs the public interest served by disclosure of the record. Such discretion shall be exercised by the District by and through the Chief Operating Officer whose decision shall be final unless overruled by the Board of Directors.

XII. Compliance with Subpoena Duces Tecum

While a Subpoena Duces Tecum (a notice to appear and to bring records, or to produce records without appearance) is issued by a court, it is not an order of the court declaring that the particular records are subject to disclosure. Such records may still be subject to protection against disclosure by reason of the existence of a privilege or other legal reason. Therefore, receipt of such a subpoena does not permit disclosure of records in and of itself and the following rules shall be followed:

- Subpoena in Action where District is a party:
Immediately consult with legal counsel representing the District as to the proper response.
- Subpoena in other actions:
If the records sought to be discovered (which are ordered to be produced) fall within one of the categories in Paragraphs VII, VIII or IX above, consult with the District's counsel prior to responding to the subpoena.
- If only a portion of the records may be disclosed or inspected:
If only a portion of any requested records may be disclosed or inspected, the disclosable portions shall be segregated from the non-disclosable portions, and the segregated non-disclosable portions shall be withheld unless, and until, a court orders their productions.