



BOARD OF DIRECTORS' MEETING

AGENDA

THURSDAY, AUGUST 4, 2016

CLOSED SESSION 5:00 P.M.

REGULAR SESSION 6:00 P.M.

COMMUNITY MEETING ROOM

177 First Street West, Sonoma, CA

<p>In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact District Clerk, Gigi Betta at (707) 935.5004/5 at least 48 hours prior to the meeting.</p>	RECOMMENDATION	
AGENDA ITEM		
<p>MISSION STATEMENT The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</p>		
<p>1. CALL TO ORDER</p>	Hirsch	
<p>2. PUBLIC COMMENT ON CLOSED SESSION</p>	Hirsch	
<p>3. CLOSED SESSION <u>Calif. Government Code & Health and Safety Code § 32106-</u> Trade secrets regarding business strategy</p>	Hirsch	
<p>4. REPORT OF CLOSED SESSION</p>	Hirsch	Action
<p>5. PUBLIC COMMENT SECTION</p>	Hirsch	
<p>6. CONSENT CALENDAR A. Board Minutes 6.2.16 B. FC Minutes 6.28.16 C. QC Minutes 6.22.16 D. Policy & Procedures E. MEC Credentialing Report 7.21.16</p>	Hirsch	Action
<p>7. HOSPICE BY THE BAY PRESENTATION</p>	Kitty Whitaker, RN, MS CEO, Hospice By The Bay	Inform
<p>8. CHIEF OF STAFF REPORT</p>	Chamberlin	Inform
<p>9 MCKESSON EHR REMOTE HOSTING CONTRACT</p>	Sendaydiego	Inform/ Action
<p>10. FINANCIAL REPORT MONTH ENDING JUNE 30, 2016</p>	Jensen	Inform
<p>11. ADMINISTRATIVE REPORT FOR JULY 2016</p>	Mather	Inform

12. COMMITTEE REPORTS <ul style="list-style-type: none"> • Proposed revision SVHCD Conflict of Interest Code • Proposed revision SVHCD District By-law 	Hohorst	Action
13. BOARD COMMENTS	Board Members	Inform
13. ADJOURN	Hirsch	

6.

CONSENT



**SVHCD BOARD OF DIRECTORS
REGULAR MEETING
MINUTES
Thursday, July 7, 2016
Regular Session 6pm**

COMMUNITY MEETING ROOM
177 First Street West, Sonoma

	RECOMMENDATION	
MISSION STATEMENT The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.		
1. CALL TO ORDER Meeting called to order at 6:00pm	Jane Hirsch	
2. PUBLIC COMMENT SECTION At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration. At all times please use the microphone.	<i>Hirsch</i>	
No public comment.		
3. CONSENT CALENDAR	<i>Hirsch</i>	Action
A. Regular Board Minutes 6.2.16 B. FC Minutes 5.24.16 C. Board-FC Study Session 5.24.16 D. GC Minutes 5.24.16 E. QC Minutes 5.25.16 F. POLICY Lab Multiple April 2016 G. POLICY Patient Safety and Grievance May 2016 H. MEC Credentialing Report 6.22.16		MOTION by Boerum and 2 nd by Hohorst. Nevins abstained and remaining in favor.
4. ANNUAL PATIENT CARE SERVICE REPORT	<i>Kobe</i>	Inform
5. RESOLUTION NO. 328 ORDERING AN ELECTION FOR OPEN BOARD POSITIONS, NOVEMBER 2016	<i>Hirsch</i>	Action
All Board Directors voted in favor of an Election for Open Board Positions in November 2016 by way of a roll call vote. There were 5 ayes, 0 no, 0 abstain, and 0 absent.		MOTION to approve by roll call vote. All in favor.
6. CEO OBJECTIVES FY 2017	<i>Hohorst/Rymer</i>	Action
Mr. Rymer and Mr. Hohorst proposed the Board approve the CEO Objectives for FY 2017. The 2017 Objectives are similar to the previous year and are measurable by metrics. Mr. Boerum suggests the Board address maximizing utilization and		MOTION to approve by Rymer and 2 nd by Boerum. All in favor.

<p>efficiencies. Ms. Hirsch agreed indicating that metrics and measurements need to be established.</p> <p>Mr. Boerum proposed that the Board compare SVH CEO salary incentives and bonus objectives with other district hospitals.</p>		
7. CAPITAL PLAN	<i>Jensen</i>	Inform
Mr. Jensen presented the Capital Plan for fiscal year 2017. The financial support from the SVH Foundation of \$516,700 will primarily be used for surgical needs over the next several months		
8. PURCHASE OF SOUTH LOT UPDATE	<i>Jensen</i>	Inform
The attorney for the family extending the loan on the South Lot is accepting of the legal opinion that a lien on the property is enforceable. Escrow is underway with an estimated close date of August 15, 2016.		
9. FINANCIAL REPORT MONTH ENDING MAY 31, 2016	<i>Jensen</i>	Inform
After accounting for all income and expenses, not including Restricted Contributions and GO bond activity, the net loss for May was (\$388,346) vs. a budgeted net loss of (\$146,667). The total net loss for May after all activity was (\$403,408) vs. a budgeted net income of \$37,869. EBIDA for the month of May was -0.8% vs. the budgeted 3.8%. 12% of the Hospital's \$400K claim is expected from the Palm Drive bankruptcy.		
10. ADMINISTRATIVE REPORT FOR MAY 2016	<i>Mather</i>	Inform
Cash on hand has been a major issue this past month and the Hospital has made expense reductions in order to improve the situation. The 2017 Rolling Strategic Plan and the FY 2016 Budget have been approved by the Board. The inpatient and emergency satisfaction results continue to be inconsistent but the trend over the last 5 years shows improvement every year. We should meet our EBIDA goal for FY 2016, which is very positive. We have already met the community hours goal but still have one more month of outreach.		
11. COMMITTEE REPORTS	<i>Hohorst</i>	
The final revision of the Policy Governing Bidding for Facilities Projects was approved by the Board. Mr. Hohorst and Kimberly Drummond, Facilities Manager will compose a declaration for the State.		Action MOTION to approve by Boerum and 2 nd by Nevins. All in favor
12. LAFCO ELECTION OF SPECIAL DISTRICT REPRESENTATIVE CLASS II	<i>Hirsch</i>	Action
The Board voted for Rich Holmer as the Special District Representative Class II, term of office ending 2018.		MOTION to approve by Hirsch and 2 nd by Boerum. All in favor

13. BOARD COMMENTS	<i>Board Members</i>	Inform
No Board comments.		
14. ADJOURN Meeting adjourned at 7:40pm The next Regular Board meeting is August 4, 2016	Hirsch	



**SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, June 28, 2016
Schantz Conference Room**

Present	Excused	Staff	Public
Sharon Nevins, Chair Peter Hohorst Susan Porth Dick Fogg Stephen Berezin Steve Barclay S. Mishra, MD (by phone) Keith Chamberlin, MD (by phone)	Mary Smith	Ken Jensen Gigi Betta Jeannette Tarver	Sam McCandless

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>			
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Fogg</i>		
	Meeting called to order at 5:00p.m. Ms. Nevins announced that Finance Committee member Mary Smith has resigned to allow her more time for travel and family. Ms. Smith's commitment to the Sonoma Valley Hospital Board Finance Committee over the past five years has been exemplary and much appreciated.		
2. PUBLIC COMMENT SECTION	<i>Fogg</i>		
	No public comment.		
3. CONSENT CALENDAR	<i>Nevins</i>	Action	
FC Minutes 05.24.16		MOTION by Barclay to approve	

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
		Consent and 2 nd by Hohorst. All in favor.	
4. PURCHASE OF SOUTH LOT UPDATE	<i>Jensen</i>	Inform	
	The attorney of the family that is making the loan on the South Lot is accepting of the legal opinion that a lien on the property is enforceable and escrow is underway.		
5. INSURANCE REVIEW	<i>Jensen</i>	Inform	
	Mr. Jensen presented the 2016–2017 Insurance Renewals and Schedule of Policies. Next year’s increase in the cost of premiums has been covered in the budget for next fiscal year.		
6. CASH POSITION	<i>Jensen</i>	Inform	
	The Hospital’s cash on hand stands at nine days. Management has implemented initiatives to reduce cash need by \$200,000 per month for the next two months. \$800,000 has been drawn from line of credit.		
7. CAPITAL PLAN	<i>Jensen</i>	Inform	
	Mr. Jensen presented the Capital Plan for fiscal year 2017. The financial support from the SVH Foundation of \$516,700 will primarily be used for surgical needs over the next several months. Mr. Jensen noted that the USDA offers low interest loans designed for small hospitals in small communities for other capital needs.		
8. PARCEL TAX COMMITTEE ASSUMPTIONS	<i>Jensen</i>	Inform	

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	The Parcel Tax Committee is developing an organization which will include a fundraising arm.		
9. FINANCE REPORT FOR MONTH ENDING MAY 31, 2016	<i>Jensen</i>	Inform	
	<p>After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for May was (\$388,346) vs. a budgeted net loss of (\$146,667). The total net loss for May after all activity was (\$403,408) vs. a budgeted net income of \$37,869. EBIDA for the month of May was - 0.8% vs. the budgeted 3.8%.</p> <p>If can't improve cash in next two months, more permanent adjustments will have to be made. Permanent adjustments will be made in September is cash position has not improved. Mr. Barclay suggests direct overhead reductions as opposed to targeting smaller expenses. Dr. Mishra reminded the Committee that Kaiser rates are more attractive to the City of Sonoma employees and that SVH is losing their business. To win them back, SVH would have to extend the City more competitive rates.</p>		
10. ADMINISTRATIVE REPORT MAY2016	<i>Nevins</i>	Inform	
	<p>Service Excellence is under goal on the Dashboard and Dr. Chamberlin asked for more detail.</p> <p>It was pointed out that Wound Care is missing all data on Trended Results Report.</p>		
11. ADJOURN	<i>Nevins</i>		
Next meeting July, 26, 2016	Adjourned at 6:20pm		



**SONOMA VALLEY HEALTH CARE DISTRICT
 GOVERNANCE COMMITTEE MEETING
 MINUTES
 TUESDAY, June 28, 2016
 8:30AM**

**ADMINISTRATION CONFERENCE ROOM
 347 ANDRIEUX STREET, SONOMA, CA 95476**

AGENDA ITEM	RECOMMENDATION	
In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a District meeting, please contact the District Clerk, Gigi Betta at ebetta@svh.com or (707) 935.5004 at least 48 hours prior to the meeting.		
MISSION STATEMENT <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Hohorst</i>	
2. PUBLIC COMMENT SECTION At this time, members of the public may comment on any item not appearing on the agenda. It is recommended you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Committee at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up.	<i>Hohorst</i>	
3. CONSENT CALENDAR Minutes from 5.24.16	<i>Hohorst</i>	Action MOTION to approve by Hohorst. All in favor.
4. REVISED POLICY GOVERNING BIDDING FOR FACILITY CONTRACTS	<i>Hohorst</i>	Action MOTION to approve by Hohorst. All in favor.
5. REVIEW OF DISTRICT BY-LAWS	<i>Hohorst</i>	Inform
6. ADJOURN	<i>Hohorst</i>	

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**SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE**

MINUTES

Wednesday, June 22, 2016

Schantz Conference Room

Members Present	Members Present cont.	Excused	Public/Staff
Jane Hirsch Michael Mainardi, MD Kelsey Woodward Susan Idell Carol Snyder	Brian Sebastian, MD Howard Eisenstark, MD	Ingrid Sheets Joshua Rymer Cathy Webber Keith Chamberlin, MD	Leslie Lovejoy Mark Kobe Gigi Betta Dennis Verducci, MD Shelly Oberlin Robbie Cohen, MD

AGENDA ITEM	DISCUSSION	ACTION
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Hirsch</i>	
	The meeting was called to order at 5:00pm	
2. PUBLIC COMMENT	<i>Hirsch</i>	
3. CONSENT CALENDAR	<i>Hirsch</i>	Action
QC Minutes, 5.25.16		MOTION by Eisenstark to approve Minutes and 2 nd by Idell. All in favor.
4. SOUND PHYSICIANS JOINT OPERATING COMMITTEE	<i>Verducci</i>	Inform
	Dr. Verducci reviewed the Sound Physicians Joint Operating Committee presentation from May 2016 covering dashboards, volume census, quality objectives and CPOE orders.	
5. PATIENT CARE SERVICES REPORT	<i>Kobe</i>	Inform
	Mr. Kobe presented the Annual Patient Care Services Report 2016 including education and certification, competency, experience of care, and challenges.	
6. POLICY & PROCEDURES		
<ul style="list-style-type: none"> ✓ Lab Multiple Policies April 2016 ✓ Patient Safety and Grievance Policies May 2016 	<i>Lovejoy</i>	Action MOTION by Eisenstark to approve

AGENDA ITEM	DISCUSSION	ACTION
		policies and 2 nd by Mainardi. All in favor.
7. QUALITY REPORT JUNE 2016	<i>Lovejoy</i>	Inform/Action
	Ms. Lovejoy announced that SVH is the recipient of the Prime Grant funded by the Centers for Medicare and Medicaid Services over a five-year period totaling over \$6,900,000. The grant's primary goal is to improve the patient experience during transitions of care. Ms. Lovejoy will track the performance and compliance metrics and share results at future Quality Committee meetings.	Inform/Action MOTION by Mainardi to approve the Quality Report and 2 nd by Idell. All in favor.

8. CLOSING COMMENTS	<i>Hirsch</i>	
9. ADJOURN	<i>Hirsch</i>	
10. UPON ADJOURNMENT OF REGULAR SESSION	<i>Hirsch</i>	
11. CLOSED SESSION: <ul style="list-style-type: none"> ✓ <u>Calif. Health & Safety Code § 32155</u> Medical Staff Credentialing & Peer Review Report ✓ CIHQ Patient Grievance Discussion 	<i>Sebastian</i>	Action
12. REPORT OF CLOSED SESSION	<i>Hirsch</i>	Inform/Action
13. ADJOURN	<i>Hirsch</i>	
	Meeting adjourned at 6:35pm	



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: Information Systems Department IM8480-07 Information Systems Cyber Attack Response – New Policy	
APPROVED BY: Director of Information Systems	DATE: 4-19-16
Director's/Manager's Signature 	Printed Name Beverly Seyfert

Brian Sebastian, MD
 Chair, P.I. & P.T. Committees

6/23/16
 Date

Leslie Lovejoy, RN
 Chief Quality & Nursing Officer

6/23/16
 Date

Keith J. Chamberlin, MD MBA
 President of Medical Staff

7/21/16
 Date

Kelly Mather
 Chief Executive Officer

7/21/16
 Date

 Jane Hirsch
 Chair, Board of Directors

 Date



Policy Submission Summary Sheet

Title of Document: **Information System Department Policy**

New Document or Revision written by: **Beverly Seyfert**

Date of Document: **4-19-16**

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

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

IM8480-07 Information Systems Cyber Attack Response— **New Policy** to ensure a swift and effective response to an actual or perceived cyber attack. To safeguard the hospital's key clinical and business systems and data.

Reviewed by:	Date	Approved (Y/N)	Comment
Policy & Procedure Team	4/19/2016	Yes	
Surgery Committee	n/a		
Medicine Committee	n/a		
P.I. Committee	4/28/2016	No	No quorum
P.I. Committee	6/23/2016	yes	Beverly to present
Medical Executive Committee	7/20/16	yes	
Board Quality	7/28/2016	ly	
Board of Directors	8/04/2016		



SUBJECT: Information Systems CyberAttack Response

POLICY # IM8480-07

DEPARTMENT: Information Systems

PAGE: 1 OF 2

EFFECTIVE: 04/16

APPROVED BY: CIO

REVIEW/REVISED:

Purpose:

To ensure a swift and effective response to an actual or perceived cyber attack. To safeguard the hospital's key clinical and business systems and data.

Policy:

This policy describes the steps to be taken if a cyber attack appears to be taking place. This may occur at any time in or outside of business hours. If the attack begins outside of business hours, the IS On-call tech will probably be the first to be notified. If the attack begins during business hours, the Help Desk will probably receive the call. Regardless, a rapid response will be critical to managing and mitigating the attack.

Key thoughts:

Since time will be critical, the IS tech notified (either at the Help Desk or on-call after hours) will need to move quickly to determine the threat and respond. There may not be time to involve senior IS management in decision-making. The IS tech will have **full authority** to have the Nursing Supervisor call a Code Triage, move the clinical departments to downtime, and deal with the threat.

Procedure:

1. IS is notified (through a call to the Help Desk or a page to the IS On-call tech).

During Business Hours:

1. The tech receiving the report notifies everyone currently in the IS department
2. The tech receiving the call may turn over primary response to another tech who is more qualified, if applicable.
3. The people in the department will divide up and perform the following tasks **in sync**:

Investigation / Remediation team

1. Confirm (through remote access / other methods) that an attack appears to be occurring.
2. Remove the affected workstation from the network (have it shut off, remotely shut it off, etc)
3. Disconnect the following devices in order from the network:
 - a. SVH-FP01

SUBJECT: Information Systems CyberAttack Response

POLICY # IM8480-07

DEPARTMENT: Information Systems

PAGE: 2 OF 2

EFFECTIVE: 04/16

APPROVED BY: CIO

REVIEW/REVISED:

- b. SVH-FP02
- c. Unitrends backup system
- d. SVH-HISDB-LIVE
- e. Others?

Communication Team:

1. Notify the Nursing Supervisor to call a Code Triage and move all clinical departments to downtime.
2. Notify the CIO and Director of Information Services.
 - a. CIO will alert Senior Administrative Leadership. If she/he isn't available, the Director of Information Services will notify Senior Administrative Leadership.
3. Notify the Help Desk (internal – may need to brief afternoon support staff)
4. Install a laptop in the Schantz conference room for use by Incident Command staff.

After Business Hours:

1. The tech receiving the call confirms (through remote access / other methods) that an attack appears to be occurring.
2. Remove the affected workstation from the network (have it shut off, remotely shut it off, etc)
3. Notify the Nursing Supervisor to call a Code Triage and move all clinical departments to downtime.
4. Disconnect the following devices in order from the network:
 - a. SVH-FP01
 - b. SVH-FP02
 - c. Unitrends backup system
 - d. SVH-HISDB-LIVE
 - e. Others?
5. Notify the CIO and Director of Information Services.



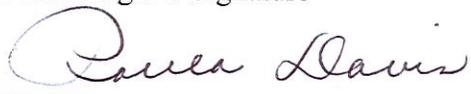
POLICY AND PROCEDURE
Approvals Signature Page

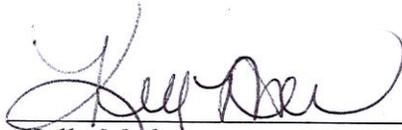
Review and Approval Requirements

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:

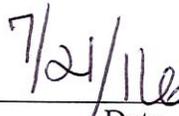
- Consistent with the Mission, Vision and Values of the Sonoma Valley Health Care District
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- Consistent with evidence-based practice

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

Departmental of Human Resources	
APPROVED BY: Director of Human Resources	DATE: 6-21-16
Director's/Manager's Signature 	Printed Name Paula Davis



Kelly Mather
Chief Executive Officer



Date

Jane Hirsch
Chair, Board of Directors

Date



Policy Submission Summary Sheet

Title of Document: **Organizational Policies**

New Document or Revision written by: **Paula Davis**

Date of Document: **6-21-16**

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

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

HR8610-143 Receiving of Gifts and Gratuities- New policy

HR8610-122 Time and Attendance Records (Kronos)- Revised; exempt employees required to record PTO hours as an electronic entry

Reviewed by:	Date	Approved (Y/N)	Comment
Policy & Procedure Team	6/21/2016	Yes	
Surgery Committee	n/a		
Medicine Committee	n/a		
P.I. or P. T. Committee	n/a		
Medical Executive Committee	7/21/2016	yes	
Board Quality	7/27/16	yes	
Board of Directors	8/04/2016		



SUBJECT: Receiving of Gifts & Gratuities

POLICY #HR8610-143

PAGE 1 OF 1

DEPARTMENT: Organization

EFFECTIVE: 7/16

APPROVED BY: Director of Human Resources

REVISED:

Purpose:

To define how employees of Sonoma Valley Hospital respond to patients and/or family members who wish to thank staff with gifts for their service.

Policy:

- The solicitation of gifts, money and/or gratuity is prohibited.
- Staff shall discourage personal gifts by families or patients to employees but rather encourage grateful patient donations to the Hospital through the Hospital Foundation.
- Careful consideration by management should be given by reviewing the frequency and manner of employees receiving gifts from patients.

Procedure:

1. Families and friends of patients shall be encouraged to make contributions to Sonoma Valley Hospital through the Sonoma Valley Hospital Foundation. They should be provided with information on how to make a donation as a grateful patient.
2. If a family member insists on giving a personal gift to an employee, a token gift with a dollar value of less than \$15.00 may be accepted. Examples of appropriate personal gifts would be a book, a small plant or a box of chocolates. The acceptance of a small gift would, in these instances, respect the person's wish to express his or her appreciation.
3. Acceptance of personal gratuities larger than stated above shall be a supervisory issue to be discussed. The gift, if monetary, could be used as a lunch for the department with mention of an individual's high performance as a role model as an incentive to strive for a higher standard. Otherwise, the monetary gift should be given as a donation to the Hospital through the Hospital Foundation.



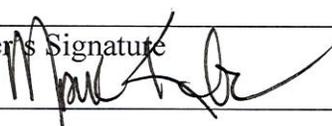
Policy and Procedure - Approvals Signature Page

Review and Approval Requirements

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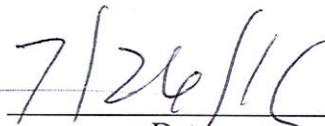
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- Consistent with all Board Policy, Hospital Policy and Hospital Procedures
- Meet all applicable law, regulation, and related accreditation standards
- Consistent with prevailing standards of care
- Consistent with evidence-based practice

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

Organizational: Multiple Policies July List 2016	
APPROVED BY:	DATE: 6-24-16
Director's/Manager's Signature 	Printed Name Mark Kobe, RN MPA



 Michael Brown, MD
 Chair Surgery Committee



 Date



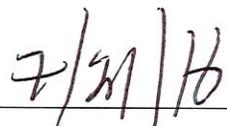
 Douglas S Campbell, MD
 Chair Medicine Committee



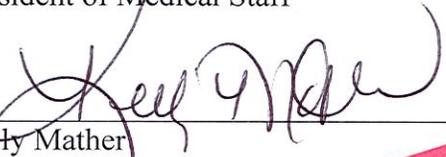
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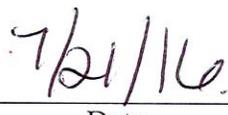
 Keith J. Chamberlin, MD MBA
 President of Medical Staff



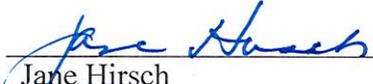
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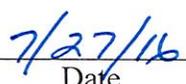
 Kelly Mather
 Chief Executive Officer



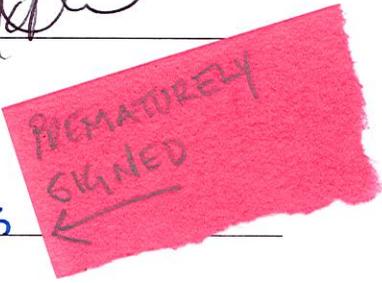
 Date



 Jane Hirsch
 Chair, Board of Directors



 Date

SIGNATURELY SIGNED


PC8610-156 PICC (Peripherally Inserted Central Catheter) Line Insertion-Reviewed; minor changes, added CIHQ and CMS reference

QS8610-124 Rapid Response Team - Unexpected Clinical Deterioration-Revised; added operator announcement response, updated response Team criteria for call, replaced TJC reference with CMS and CIHQ reference.

PR8610-121 Bioethical Issues-Reviewed; no changes, added CIHQ reference

PR8610-177 Disclosure of Adverse Events or Unanticipated Outcomes-Revised; removed TJC language (sentinel events) and added CIHQ section reference

DEPARTMENT POLICIES:

8340-174 Guest Trays- New policy

MS8710-103 Physician Suspension (Medical Records)- Revised; Deleted: Notification to the Medical Board of California: Physician suspension(s) that remain in effect for a period in excess of 14 days and/or 30 days accumulative in a 12 month period is reported to the Medical Board.
Replaced with: Notification to the Medical Executive Committee: HIM provides, on a monthly basis, a rolling 12 month summary report of suspensions days. Physician suspension(s) that remain in effect for a period in excess of 14 days and/or 30 days accumulative in a 12 month period is acted upon by the Medical Executive Committee."

Reviewed by:	Date	Approved (Y/N)	Comment
Policy & Procedure Team	6/21/2016	Yes	
Surgery Committee	7/06/2016	yes	
Medicine Committee	7/14/2016	yes	
P.I. or P. T. Committee	n/a		
Medical Executive Committee	7/21/2016	yes	
Board Quality	7/27/2016	yes	
Board of Directors	8/04/2016		



Policy Submission Summary Sheet

Title of Document: **Organizational/Department Policies**

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

Date of Document: **6-21-16**

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

ORGANIZATIONAL POLICIES:

CE8610-147 Hostage/Active Shooter, Code Silver -New policy

GL8610-107 Adverse Events and Unanticipated Outcomes Reporting -Revised; minor changes in wording to include 'Unanticipated Outcomes'

GL8610-124 Clinical Practice Guidelines-Reviewed; remove JCAHO reference, replaced with CIHQ

GL8610-137 Conflict of Interest-Revised; moved to Leadership chapter of CIHQ; removed TJC language

GL8610-129 Code of Ethics -Revised; moved to Leadership chapter of CIHQ; removed TJC language

IC8610-117 Construction or Renovation Projects, Infection Control for-Revised; Clause added with the requirement that upon issuance of Infection Control Permit, the Director of Facilities will send the Chief Quality Officer OSHPD approved plans, maps, scope, duration and patient care mitigations. The CQO will send a notification letter to CDPH with the project plans and details at least 10 days prior to the start of construction

NS8610-102 Acuity Ratio and Staffing Plan-Nursing-Revised; acuity categories are assigned 4 interval times daily; ED can be placed on call; replaced TJC reference with CMS

NS8610-108 Nursing Staffing: Floating and Call-off-Revised; minor changes, replaced TJC reference with CIHQ reference

NS8610-110 Orientation and Evaluation of Registry Personnel-Revised; replaced TJC reference with CIHQ reference

NS8610-112 Plan for the Provision of Nursing Care-Revised; minor changes, replaced TJC reference with CIHQ reference

NS8610-114 Scheduling of Staff, Nursing Department-Revised; minor changes, replaced TJC reference with CIHQ reference

NS8610-116 Use of Registry Personnel-Revised; minor changes, replaced TJC reference with CIHQ reference

NS8610-118 Weekend Coverage-Nursing Department-Revised; minor changes, replaced TJC reference with CIHQ reference



SUBJECT: Code Silver – Hostage / Active Shooter

POLICY # CE8610-147

DEPARTMENT: Organizational

PAGE 1 OF 3

EFFECTIVE:

APPROVED BY: Safety Officer

REVIEW/REVISED:

Purpose:

To ensure a safe and secure environment for patients, visitors, and staff. To define actions and responsibilities during a Hostage / Active Shooter event (Code Silver).

Policy:

It is the policy of SVH to maintain the safety of all patients, visitors, and staff. To provide staff training on the proper response and recovery procedures for Hostage / Active Shooter events. An active shooter is defined as an individual who is actively engaged in killing or attempting to kill people in the hospital or on the hospital campus. In most cases active shooters use a firearm(s) and display no pattern or method for selection of their victims. In some cases active shooters use other weapons and/or improvised explosive devices to cause additional victims and act as an impediment to police and emergency responders.

Procedure:

In any Hostage / Active Shooter incident staff, visitors, and patients should Remember “Run, Hide, Fight”.

1. At the outset of an incident, staff should call 5555 and report “Code Silver” and the area the perpetrator is currently. All staff will avoid the area indicated. After calling a “Code Silver” the Operator will call 911 and notify law enforcement of the incident. Operator will then contact the Administrator on Duty or Nursing Supervisor who will be ready to open the Incident Command Center when the code is cleared by Law Enforcement and command is transferred back to the Hospital. Follow the HICS command structure as appropriate. Incident Commander will direct staff to update Image Trend Costal Valley EMS system to show EOC is open, and to place the hospital on diversion.
2. Take stock of the surroundings in your work area and plan an escape route. Encourage all people in the area to evacuate too. Staff in patient care areas will evacuate any patient able to ambulate on their own. Patients unable to be evacuated should be in an area that can be closed off i.e.; patient room, bathroom or closet. Find a place to hide that provides cover and limits visual detection. Search the area for objects that can be used as weapons i.e.; fire extinguisher, IV pole, sharp objects, etc.
3. Only if the perpetrator enters your area, subdue the assailant if possible. Defend yourself with the weapons at hand by any means necessary.
4. Stay concealed and quiet until you hear the code cleared or you are instructed by law enforcement to evacuate.

Run

1. If it is safe to do so, the first course of action is to run. Run out of the facility or away from the area under attack and move as far away as possible until you are in a safe location.
2. Leave personal belongings behind.



SUBJECT: Code Silver – Hostage / Active Shooter

POLICY # CE8610-147

DEPARTMENT: Organizational

PAGE 2 OF 3

EFFECTIVE:

APPROVED BY: Safety Officer

REVIEW/REVISED:

3. Visualize possible escape routes, including physically accessible routes for patients, visitor, or staff with disabilities and others with access and functional needs.
4. Avoid elevators
5. Take others with you but do not stay behind because others will not go.
6. Follow instructions given from Law Enforcement when they are on the scene.

Hide

1. Hide in as safe a place as possible where the walls might be thicker and have fewer windows.
2. Lock the doors if door locks are available
3. Barricade the doors with heavy furniture or wedge items under the door.
4. Close and lock windows and close blinds or cover windows
5. Turn off lights
6. Silence all electronic devices
7. Remain silent
8. Look for other avenues of escape
9. Identify any weapons in the area
10. When safe to do so, use signals to silently communicate with first responders i.e.; thumbs up, thumbs down, pointing etc.
11. Hide along the wall closest to the exit but out of view from the hallway.

Fight

1. If neither running nor hiding is a safe option, as a last resort and when confronted by the shooter, adults in immediate danger should consider trying to disrupt or incapacitate the shooter by using aggressive force with items in their environment, such as fire extinguishers, chairs, etc.

Law Enforcement

1. Law enforcement will assume Incident Commander Role when they are on the scene. The initial responders will only search for the perpetrator, and will not provide help to victims. A second team will begin the process of clearing the hospital of any other perpetrators. As each area is cleared, an office will be left to provide security. Law enforcement will determine when the incident can be cleared.
2. All staff, visitors, and patients will follow instructions from Law Enforcement until command is transferred back to the Hospital Incident Commander.

Incident Command

1. Incident Commander will assign command staff based on injuries, fatalities', and staff trauma. Follow HICS protocols.



SUBJECT: Code Silver – Hostage / Active Shooter

POLICY # CE8610-147

DEPARTMENT: Organizational

PAGE 3 OF 3

EFFECTIVE:

APPROVED BY: Safety Officer

REVIEW/REVISED:

Reference:

Blair, J. Pete, Martaindale, M. Hunter, and terry Nichols. "active Shooter Events 2000-2012. FBI Law Enforcement bulletin, January 2014

California Hospital Association: "Incorporating Active Shooter Incident planning into Healthcare Facilities Emergency Operations Plans".

Blair, J. Pete, et al. *Active Shooter Events and Response*. Boca Raton, FL: CRC Press, Taylor & Francis Group,LLC. 2013



SUBJECT: Guest Trays

POLICY # 8340-174

PAGE: 1

DEPARTMENT: Food & Nutritional Services

EFFECTIVE: 5/16

APPROVED BY: Food & Nutritional Services Manager

REVIEW/REVISED:

Purpose:

To allow patients to share 1 meal, per day, with family or friends during their stay

Policy:

The Food and Nutritional Services Department offers patient's guests 1 meal per day at the meal of their choosing, Breakfast, Lunch, or Dinner.

Procedure:

Guest tray requests must be made 30 minutes before the next schedule meal. Requests can be made by calling the Diet Office at ext 5285. Guests are able to purchase additional trays for \$5.00 ea by coming to the Nutrition Services Department 30 minutes before the meal the tray is being requested for.

Reference:

Employee Information Guide

8.

CHIEF OF STAFF REPORT



Meeting: SVH District Board of Directors

Date: August 4, 2016

Prepared by: Keith Chamberlin, MD, MBA

Agenda Item: Chief of Staff Report

I. Created Executive Performance Improvement Committee

Steps:

- a. Possible deviation of acceptable patient care
- b. Quality Reporting/Review
 - i. Medicine Committee Chair review
 1. Medicine Committee Peer Review, or
 - ii. Surgery Committee Chair review
 1. Surgery Committee Peer Review
- c. Medical Executive Committee (EPIC)

II. Addressing timely physician documentation

- a. Monitoring system at MEC
- b. Daily stakeholder notifications
- c. Cases are held until reinstatement

III. Creating a Policy on Pediatric Surgery Guidelines

IV. Medical Staff dues increase

V. Restructuring the Medical Provider Onboarding Process

- a. Team members: MEC, CMO, CQO, Medical Staff Coordinator and Hospital Liaison

VI. Reenergized the Quarterly Joint Conference Committee

- a. Committee members: Chief of Staff, Vice Chief of Staff, District Board Chair, CMO, and CEO

9.

**McKESSON OUTSOURCING
PROPOSAL**



To: SVH District Board
Meeting Date: August 4, 2016
Prepared by: Fe Sendaydiego, CIO and Ken Jensen, CFO
Agenda Item: Contract to Outsource/Host IT Operations (Excludes Staff)

RECOMMENDATION:

Management recommends that the hospital executes a five year contract with McKesson Corporation to host the hardware and manage the IT programs at an offsite location thus eliminating the need to purchase periodic updates for both hardware and system programs at a cost of \$70,229 monthly (\$842,748 per year) based upon anticipated volume.

CURRENT SITUATION:

The Hospital currently operates its IT programs in-house on servers owned by the Hospital. As system programs require periodic updates, which the Hospital must purchase as it can afford. When updates are scheduled at certain times the hardware must also be updated. Most of our systems are McKesson products and for the most significant set of programs (PARAGON & HPF) we are two versions behind and will soon not be supported. Also, to update to the current version of PARAGON & HPF systems, all of the Hospital owned servers will have to be replaced at a significant cost. Of concern, the current systems do not have a remote backup site, staff's limited knowledge of the new hardware, insufficient staff availability to focus on intrusion detection related to cyber security and business facing initiatives that could bring operational efficiencies by improving use of existing systems.

BACKGROUND:

As noted, the McKesson programs are two years behind the current version and will require updating for both the software and related hardware. In addition, if the electronic health record is not updated to the current version by mid-2017, Medicare will reduce its total reimbursement by \$200,000 per year until updated. After an intense evaluation, it was determined that to update everything and maintain operations in house, the first year would require \$1,579,000 in cash for the upgrades and first year operations. Years two through four would require an additional \$2,934,000 for a total five year cost of \$4,513,000 not accounting for any finance costs. McKesson has offered to host all systems in a bundled price of \$842,748 per year for five years for a total cost of \$4,213,740.

ADVANTAGES OF OUTSOURCING THE IT HOSTING:

- Fortune 500 world-class system backup, recovery and security solution via McKesson
- More depth and breadth of knowledge and experience in resources and hospital staff backup
- First year cash savings of \$736,252
- Total five year savings of \$299,260
- Hospital does not lose the \$200,000 reduction in Medicare reimbursement
- All McKesson programs are updated on a regular basis
- Servers are updated as required; Application "fixes" are faster
- All references were positive

10.

FINANCIAL REPORT
ENDING JULY 31, 2016

Petalum



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: August 4, 2016
Subject: Financial Report for the Month Ending June 30, 2016

June's Operating Margin for the hospital had a loss of (\$459,974), which is unfavorable to budget by (\$33,671). After accounting for all other activity, June's net loss was (\$132,927) vs. a budgeted net loss of (\$9,795). EBIDA for June was 1.1% vs. a budgeted 2.9%.

The Hospital implemented a 6% price increase primarily in outpatient services and it went into effect May 1, 2016. The price increase is not reflected in the budget for FY 2016.

Gross patient revenue for June was \$21,107,897, \$2,514,601 better than expected. Inpatient gross revenue was over budget by \$509,485, patient days were under budgeted expectations by (6) days but inpatient surgeries were over budget by 3 cases. The month of June had a higher than average Medicare case mix which means there was a higher level of acuity for inpatient services. Outpatient revenue was over budget by \$939,350. Outpatient visits were under budgeted expectations by (338) visits and outpatient surgeries were at budget at 93 cases. The positive variance in outpatient revenue is also due to the price increase implemented in May. The Emergency Room gross revenue is over budget by \$1,314,785 due to the consistent increase in volume and the price increase. SNF was under budgeted expectations by (\$248,503) due to lower than projected volume and Home Health is close to budgeted expectations with a variance of (\$516).

Deductions from revenue were unfavorable to budgeted expectations by (\$1,868,423) primarily due to gross revenue being over budget mainly in the ER with a high volume of Medicare and Medi-Cal patients. For the month of June Medi-Cal accounts accounted for 18.9% of gross revenue vs. a budgeted 17.6%. At June 30th the hospital accrued for the FY 14-15 Intergovernmental Transfer Program (IGT) of \$680,465, the net amount to the hospital after the matching fee is estimated at \$390,665 and the CMS Prime Grant with a net amount of \$187,500. Without the accrual of the government program funding, the deductions from revenue would be unfavorable to budget by (\$2,613,553).

After accounting for all other operating revenue, the **total operating revenue** was favorable to budget by \$597,611.

Operating Expenses of \$5,450,000 were over budget by (631,282). The IGT matching fee accounts for (\$227,300) of the operating expense variance. The other significant negative variances were: Salaries,



Wages, and Agency fees (\$68,271), Employee Benefits (\$162,374), physician and professional fees (\$59,473), supplies (70,993), and other expenses (49,806). Salaries and wages were under budget by \$34,973 but the cost of agency fees were over by (\$103,244) due to department vacancies and an increase in employees out on disability. PTO was over budget in June by (\$67,037) due to paid sick leave for per diem employees that were not budgeted, an increase in employees out on disability, an increased use of PTO over budgeted expectations, and employee benefits are over budget primarily due to the year-end true-up of accrued payroll taxes and pension costs (\$95,338). Physician fees are over budget by (\$81,600) due to an increase in physician contracts and an additional accrual at 6/30/16 for expected Prima losses but was offset by a positive variance for Professional fees of \$22,130. Supplies are over budget (\$70,993) due to minor equipment budgeted for FY 2016 and purchased in June (\$10,548), year-to-date Minor Equipment is at budget. Patient chargeable supplies are over budget (\$28,539) due to an increase in volume in the ER and IP surgeries but is offset by general supplies being under budget by \$19,390. There was also a true-up of the hospital's inventory based on year-end counts (\$51,296). Other expenses are over budget due to offsite rent adjustment for previous years (\$11,511), budgeted travel and education costs (\$6,181)(year-to-date travel and education costs are under budget by \$43,431), and an increase in hospital advertising for community events, the 2016 Wellness supplement, and the annual community report (\$19,881).

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for June was (\$264,615) vs. a budgeted net loss of (\$194,334). The total net loss for June after all activity was (\$132,927) vs. a budgeted net loss of (\$9,795).

EBIDA for the month of June was 1.1% vs. the budgeted 2.9%.

Patient Volumes – June

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	95	101	-6	97
Newborn Discharges	13	12	1	24
Acute Patient Days	334	363	-29	357
SNF Patient Days	526	613	-87	669
Home Care Visits	942	1,080	-138	1,014
OP Gross Revenue	\$13,465	\$11,147	\$2,318	\$12,065
Surgical Cases	124	121	3	122

Overall Payer Mix – June

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	40.8%	49.4%	-8.6%	46.2%	49.2%	-3.0%
Medicare Mgd Care	11.5%	5.0%	6.5%	8.5%	4.9%	3.6%
Medi-Cal	18.9%	17.6%	1.3%	19.2%	17.6%	1.6%
Self Pay	1.6%	1.9%	-0.3%	0.9%	1.8%	-0.9%
Commercial	21.5%	20.3%	1.2%	19.8%	20.4%	-0.6%
Workers Comp	3.3%	2.9%	0.4%	3.0%	3.1%	-0.1%
Capitated	2.4%	2.9%	-0.5%	2.4%	3.0%	-0.6%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for June:

For the month of June the cash collection goal was \$3,644,344 and the Hospital collected \$3,496,555, or under the goal by (\$147,789). The cause of not making the goal is that MediCal withheld payments for the month of June; the payments were subsequently received in July. The year-to-date cash goal is \$41,589,913 and the Hospital has collected \$41,996,883 or over the goal by \$406,970. Days of cash on hand are 9 days at June 30, 2016. Cash was expected to be \$1 million higher due to a pledge that was not received before the end of the fiscal year. Accounts Receivable increased from May, from 54.6 days to 57.3 days in June again due primarily to Medi-Cal withholding payments for the month. Accounts Payable increased by \$38,348 from May and Accounts Payable days are at 51.1.

Year End June 30, 2016:

After accounting for all activity, the Fiscal Year ended with a net income of \$761,582 vs. a budgeted net of \$943,567. EBIDA ended up at \$2,418,527 or 4.4% vs. budgeted at \$2,101,327, or 4.0%. Accounts Payable at year end was \$3,790,283 vs. \$3,085,034 at the end of last fiscal year. Cash at June 30, 2016 was \$1,384,178 vs. \$2,435,080 at June 30, 2015. Again, SVH expected a pledge payment of \$1 million before fiscal year end that was not received.

At fiscal year June 30, 2016 the gross patient revenue is over budget by \$17,783,745 with the ER gross revenue over budget by \$13,850,603. The fiscal year-end June 30, 2016 revenue deductions were unfavorable to budget by (\$15,997,340) which includes a variance of \$1,416,501 for prior year adjustments (IGT, cost report settlements, and Prime Grant), without the prior year adjustments the variance would be (\$17,413,841). This is primarily due to significant positive variance in ER gross revenue and payer mix. Medi-Cal was 19.2% (regular and managed care) of gross revenue vs. a budgeted 17.6%. At fiscal year end June 30, 2016 expenses are over budget by (\$1,434,626). The significant expense variances at fiscal year-end are; salaries and wages (495,849), employee benefits (\$779,746), physician and professional fees (\$162,010), and supplies (\$401,148). At year-end salaries and wages were under budget by \$187,203 but agency fees were over budget by (\$683,053) due to department vacancies and an increase in employees out on disability. We are anticipating a reduction in registry costs for fiscal year 2017. PTO has been over budget during the year (\$547,123) due to increased employees out on disability, unbudgeted paid sick leave for per diem employees (this went

into effect July 1, 2015), and an increase in use over budgeted expectations overall. Employee benefits were over year-end budget by (\$232,622) due to an increase in the cost of health benefits and due to an increase in participation from open enrollment and pension costs. Physician fees were over budget for the fiscal year by (\$446,043) due to an increase in contracted costs for ER doctors, hospitalists, and support for Prima. The hospital also renegotiated the contract with our outside radiology group beginning in January 2016 that included additional compensation that was not included in the budget. The physician fees were offset by a positive variance in professional fees of \$284,034. Supplies at fiscal year-end were over budget due to the increased volume in the Emergency Room and unexpected need for drugs that are excluded from the capitation rate.

ATTACHMENTS:

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



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

ATTACHMENT A

June-16

YTD

Gross Revenue:	Actual	Budget	Variance	% Variance
Medicare	8,599,468	9,135,343	-535,875	-5.9%
Medi-Cal	3,985,062	3,249,780	735,282	22.6%
Self Pay	322,022	340,938	-18,916	-5.5%
Commercial	4,569,154	3,856,634	712,520	18.5%
Medicare Managed Care	2,423,176	918,776	1,504,400	163.7%
Worker's Comp.	701,455	545,408	156,047	28.6%
Capitated	507,561	546,417	-38,856	-7.1%
Total	21,107,898	18,593,296	2,514,602	

	Actual	Budget	Variance	% Variance
	113,125,793	111,300,793	1,825,000	1.6%
	46,939,794	39,953,691	6,986,103	17.5%
	2,227,345	4,036,242	-1,808,897	-44.8%
	48,818,486	47,297,086	1,521,400	3.2%
	20,954,742	10,985,163	9,969,579	90.8%
	7,326,609	7,272,849	53,760	0.7%
	5,957,526	6,720,725	-763,199	-11.4%
Total	245,350,295	227,566,549	17,783,745	

Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	1,302,274	1,658,268	-355,994	-21.5%
Medi-Cal	509,676	507,800	1,876	0.4%
Self Pay	120,085	129,182	-9,097	-7.0%
Commercial	1,579,507	1,484,840	94,667	6.4%
Medicare Managed Care	302,864	150,711	152,153	101.0%
Worker's Comp.	152,679	128,504	24,175	18.8%
Capitated	15,501	22,233	-6,732	-30.3%
Prior Period Adj/IGT	870,380	125,250	745,130	594.9%
Total	4,852,966	4,206,788	646,178	15.4%

	Actual	Budget	Variance	% Variance
	19,711,544	20,719,969	-1,008,425	-4.9%
	6,772,970	6,187,431	585,539	9.5%
	824,773	1,667,115	-842,342	-50.5%
	18,242,629	17,668,880	573,749	3.2%
	2,935,290	1,719,564	1,215,726	70.7%
	1,644,118	1,752,817	-108,699	-6.2%
	205,764	251,908	-46,144	-18.3%
	2,919,501	1,502,500	1,417,001	94.3%
Total	53,256,589	51,470,184	1,786,405	3.5%

Percent of Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	26.8%	39.3%	-12.5%	-31.8%
Medi-Cal	10.5%	12.1%	-1.6%	-13.2%
Self Pay	2.6%	3.1%	-0.5%	-16.1%
Commercial	32.5%	35.3%	-2.8%	-7.9%
Medicare Managed Care	6.2%	3.6%	2.6%	72.2%
Worker's Comp.	3.2%	3.1%	0.1%	3.2%
Capitated	0.3%	0.5%	-0.2%	-40.0%
Prior Period Adj/IGT	17.9%	3.0%	14.9%	496.7%
Total	100.0%	100.0%	0.0%	0.0%

	Actual	Budget	Variance	% Variance
	37.0%	40.4%	-3.4%	-8.4%
	12.7%	12.0%	0.7%	5.8%
	1.5%	3.2%	-1.7%	-53.1%
	34.3%	34.3%	0.0%	0.0%
	5.5%	3.3%	2.2%	66.7%
	3.1%	3.4%	-0.3%	-8.8%
	0.4%	0.5%	-0.1%	-20.0%
	5.5%	2.9%	2.6%	89.7%
Total	100.0%	100.0%	0.0%	0.0%

Projected Collection Percentage:	Actual	Budget	Variance	% Variance
Medicare	15.1%	18.2%	-3.1%	-17.0%
Medi-Cal	12.8%	15.6%	-2.8%	-17.9%
Self Pay	37.3%	37.9%	-0.6%	-1.6%
Commercial	34.6%	38.5%	-3.9%	-10.1%
Medicare Managed Care	12.5%	16.4%	-3.9%	-23.8%
Worker's Comp.	21.8%	23.6%	-1.8%	-7.6%
Capitated	3.1%	4.1%	-1.0%	-24.4%
Prior Period Adj/IGT	4.1%	0.7%	3.4%	485.7%

	Actual	Budget	Variance	% Variance
	17.4%	18.6%	-1.2%	-6.5%
	14.4%	15.5%	-1.1%	-7.1%
	37.0%	41.3%	-4.3%	-10.4%
	37.4%	37.4%	0.0%	0.0%
	14.0%	15.7%	-1.7%	-10.8%
	22.4%	24.1%	-1.7%	-7.1%
	3.5%	3.7%	-0.2%	-5.4%
	1.2%	0.7%	0.5%	71.4%

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

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>	
Assets				
Current Assets:				
1	Cash	\$ 1,384,178	\$ 1,321,389	\$ 2,435,080
2	Trustee Funds	3,420,699	3,420,173	3,021,372
3	Net Patient Receivables	9,179,396	9,071,851	7,204,545
4	Allow Uncollect Accts	(925,573)	(846,016)	(535,554)
5	Net A/R	8,253,823	8,225,835	6,668,991
6	Other Accts/Notes Rec	7,307,541	1,701,170	8,154,790
7	3rd Party Receivables, Net	1,272,923	829,488	718,680
8	Inventory	815,081	863,982	835,426
9	Prepaid Expenses	868,820	863,885	670,890
10	Total Current Assets	\$ 23,323,065	\$ 17,225,922	\$ 22,505,228
12	Property, Plant & Equip, Net	\$ 52,373,496	\$ 52,471,517	\$ 54,858,315
13	Specific Funds	445,396	382,926	239,529
14	Other Assets	144,202	144,202	143,321
15	Total Assets	\$ 76,286,159	\$ 70,224,567	\$ 77,746,393
Liabilities & Fund Balances				
Current Liabilities:				
16	Accounts Payable	\$ 3,790,283	\$ 3,751,935	\$ 3,085,034
17	Accrued Compensation	4,639,280	4,406,177	3,897,082
18	Interest Payable	571,281	457,025	589,645
19	Accrued Expenses	1,019,096	1,436,546	1,200,345
20	Advances From 3rd Parties	135,883	130,760	1,702,194
21	Deferred Tax Revenue	5,962,904	492,777	5,913,329
22	Current Maturities-LTD	1,496,385	1,550,434	1,496,385
23	Line of Credit - Union Bank	6,723,734	5,923,734	5,698,734
24	Other Liabilities	159,216	159,216	836,724
25	Total Current Liabilities	\$ 24,498,062	\$ 18,308,604	\$ 24,419,472
26	Long Term Debt, net current portion	\$ 36,744,412	\$ 36,739,350	\$ 39,087,923
Fund Balances:				
28	Unrestricted	\$ 12,071,276	\$ 12,207,370	\$ 12,188,623
29	Restricted	2,972,410	2,969,243	2,050,375
30	Total Fund Balances	\$ 15,043,685	\$ 15,176,613	\$ 14,238,998
31	Total Liabilities & Fund Balances	\$ 76,286,159	\$ 70,224,567	\$ 77,746,393

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

ATTACHMENT D

	Month					Year-To- Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
1	95	101	(6)	-6%							
2	526	613	(87)	-14%							
3	942	1,080	(138)	-13%							
4	13,465	11,147	2,318	21%							
					Volume Information						
					Acute Discharges	1,168	1,213	(45)	-4%	1,214	
					SNF Days	7,312	7,575	(263)	-3%	7,350	
					Home Care Visits	11,283	14,511	(3,228)	-22%	13,447	
					Gross O/P Revenue (000's)	\$ 153,835	\$ 136,853	16,982	12%	\$ 133,767	
					Financial Results						
					Gross Patient Revenue						
5	\$ 5,626,455	\$ 5,116,970	509,485	10%	Inpatient	\$ 65,987,866	\$ 61,894,962	4,092,904	7%	\$ 63,018,325	
6	7,524,180	6,584,830	939,350	14%	Outpatient	86,068,454	83,054,589	3,013,865	4%	80,162,097	
7	5,638,816	4,324,031	1,314,785	30%	Emergency	64,328,182	50,477,579	13,850,603	27%	49,445,264	
8	1,987,586	2,236,089	(248,503)	-11%	SNF	25,233,883	27,697,642	(2,463,759)	-9%	24,585,733	
9	330,860	331,376	(516)	0%	Home Care	3,731,909	4,441,777	(709,868)	-16%	4,160,036	
10	\$ 21,107,897	\$ 18,593,296	2,514,601	14%	Total Gross Patient Revenue	\$ 245,350,294	\$ 227,566,549	17,783,745	8%	\$ 221,371,456	
					Deductions from Revenue						
11	\$ (16,865,311)	\$ (14,401,174)	(2,464,137)	-17%	Contractual Discounts	\$ (193,474,850)	\$ (176,272,423)	(17,202,427)	-10%	\$ (174,116,445)	
12	(250,000)	(89,306)	(160,694)	-180%	Bad Debt	(1,240,000)	(1,071,760)	(168,240)	-16%	(1,175,000)	
13	(10,000)	(21,278)	11,278	53%	Charity Care Provision	(298,356)	(255,182)	(43,174)	-17%	(310,100)	
14	870,380	125,250	745,130	*	Prior Period Adj/Government Program Revenue	2,919,501	1,503,000	1,416,501	0%	2,358,879	
15	\$ (16,254,931)	\$ (14,386,508)	(1,868,423)	13%	Total Deductions from Revenue	\$ (192,093,705)	\$ (176,096,365)	(15,997,340)	9%	\$ (173,242,666)	
16	\$ 4,852,966	\$ 4,206,788	646,178	15%	Net Patient Service Revenue	\$ 53,256,589	\$ 51,470,184	1,786,405	3%	\$ 48,128,790	
17	\$ 127,104	\$ 171,183	(44,079)	-26%	Risk contract revenue	\$ 1,681,630	\$ 2,054,207	(372,577)	-18%	\$ 2,991,896	
18	\$ 4,980,070	\$ 4,377,971	602,099	14%	Net Hospital Revenue	\$ 54,938,219	\$ 53,524,391	1,413,828	3%	\$ 51,120,686	
19	\$ 9,956	\$ 14,444	(4,488)	-31%	Other Op Rev & Electronic Health Records	\$ 540,254	\$ 173,482	366,772	211%	\$ 438,824	
20	\$ 4,990,026	\$ 4,392,415	597,611	14%	Total Operating Revenue	\$ 55,478,473	\$ 53,697,873	1,780,600	3%	\$ 51,559,510	
					Operating Expenses						
21	\$ 2,258,540	\$ 2,190,269	(68,271)	-3%	Salary and Wages and Agency Fees	\$ 26,949,851	\$ 26,454,002	(495,849)	-2%	\$ 24,596,986	
22	946,781	784,407	(162,374)	-21%	Employee Benefits	10,304,798	9,525,052	(779,746)	-8%	9,472,238	
23	\$ 3,205,321	\$ 2,974,676	(230,645)	-8%	Total People Cost	\$ 37,254,649	\$ 35,979,054	(1,275,595)	-4%	\$ 34,069,224	
24	\$ 431,090	\$ 371,617	(59,473)	-16%	Med and Prof Fees (excl Agency)	\$ 4,405,204	\$ 4,243,194	(162,010)	-4%	\$ 4,386,266	
25	530,326	459,333	(70,993)	-15%	Supplies	6,255,970	5,854,822	(401,148)	-7%	5,708,494	
26	347,551	352,156	4,605	1%	Purchased Services	3,518,654	4,226,026	707,372	17%	4,232,618	
27	284,962	283,132	(1,830)	-1%	Depreciation	3,461,197	3,397,579	(63,618)	-2%	3,508,397	
28	94,318	98,957	4,639	5%	Utilities	1,118,495	1,187,495	69,000	6%	1,077,820	
29	25,266	20,826	(4,440)	-21%	Insurance	303,070	250,000	(53,070)	-21%	231,060	
30	36,285	40,245	3,960	10%	Interest	656,362	470,955	(185,407)	-39%	510,538	
31	205,081	155,275	(49,806)	-32%	Other	2,051,831	1,889,506	(162,325)	-9%	2,043,563	
32	289,800	62,500	(227,300)	-364%	Matching Fees (Government Programs)	657,826	750,000	92,174	12%	645,940	
33	\$ 5,450,000	\$ 4,818,718	(631,282)	-13%	Operating expenses	\$ 59,683,258	\$ 58,248,632	(1,434,626)	-2%	\$ 56,413,920	
34	\$ (459,974)	\$ (426,303)	(33,671)	-8%	Operating Margin	\$ (4,204,785)	\$ (4,550,759)	345,974	8%	\$ (4,854,410)	
					Non Operating Rev and Expense						
35	\$ (12,671)	\$ 13,657	(26,328)	-193%	Miscellaneous Revenue	\$ (100,405)	\$ 163,884	(264,289)	*	\$ 280,577	

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

	Month					Year-To- Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
36	29,967	5,812	24,155	416%	Donations	88,641	69,667	18,974	-27%	48,587	
37	(37,500)	(37,500)	-	0%	Physician Practice Support-Prima	(450,000)	(450,000)	-	0%	(450,000)	
38	215,563	250,000	(34,437)	-14%	Parcel Tax Assessment Rev	2,967,517	3,000,000	(32,483)	-1%	2,928,263	
39	\$ 195,359	\$ 231,969	(36,610)	-16%	Total Non-Operating Rev/Exp	\$ 2,505,753	\$ 2,783,551	(277,798)	-10%	\$ 2,807,427	
40	\$ (264,615)	\$ (194,334)	(70,281)	36%	Net Income / (Loss) prior to Restricted Contributions	\$ (1,699,032)	\$ (1,767,208)	68,176	-4%	\$ (2,046,983)	
41	\$ 3,167	\$ 35,181	(32,014)	-91%	Capital Campaign Contribution	\$ 472,035	\$ 422,194	49,841	12%	\$ 756,340	
42	\$ -	\$ 20,833	(20,833)	0%	Restricted Foundation Contributions	\$ 450,000	\$ 750,000	(300,000)	100%	\$ -	
43	\$ (261,448)	\$ (138,320)	(123,128)	89%	Net Income / (Loss) w/ Restricted Contributions	\$ (776,997)	\$ (595,014)	(181,983)	31%	\$ (1,290,643)	
44	242,777	242,782	(5)	0%	GO Bond Tax Assessment Rev	2,913,324	2,913,329	(5)	0%	3,058,443	
45	(114,256)	(114,257)	1	0%	GO Bond Interest	(1,374,745)	(1,374,748)	3	0%	(1,478,739)	
46	\$ (132,927)	\$ (9,795)	(123,132)	1257%	Net Income/(Loss) w GO Bond Activity	\$ 761,582	\$ 943,567	(181,985)	-19%	\$ 289,061	
	\$ 56,632	\$ 129,044			EBIDA - Not including Restricted Contributions	\$ 2,418,527	\$ 2,101,327			\$ 1,971,952	
	1.1%	2.9%				4.4%	4.0%			3.8%	

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

ATTACHMENT E

	YTD	MONTH	
Description	Variance	Variance	
Volume Information			
1 Acute Discharges	(45)	(6)	
2 SNF Days	(263)	(87)	
3 Home Care Visits	(3,228)	(138)	
4 Gross O/P Revenue (000's)	16,982	2,318	
Financial Results			
Gross Patient Revenue			
5 Inpatient	4,092,904	509,485	Patient days were under budgeted expectations by (6) days and Inpatient surgeries were over budget by 3 cases.
6 Outpatient	3,013,865	939,350	Outpatient visits were under budget by (338) visits and outpatient surgeries were on budget with 93 cases. The variance is partially due to the price increase that went into effect May 1st.
7 Emergency	13,850,603	1,314,785	ER visits were over budget by 131 visits and the hospital implemented a charge increase on May 1st.
8 SNF	(2,463,759)	(248,503)	SNF patient days were under budget by (87) days.
9 Home Care	(709,868)	(516)	Home Care visits were under budget by (138) visits.
10 Total Gross Patient Revenue	17,783,745	2,514,601	Gross revenue includes the 6% rate increase that was effective May 1st.
Deductions from Revenue			
11 Contractual Discounts	(17,202,427)	(2,464,137)	The unfavorable variance is primarily due to the ER gross revenue being over budgeted expectations by \$1.3M with a high payer mix of Medicare- Managed Care and Medi-cal with reimbursement rates of 8.53% and 4.07% respectively.
12 Bad Debt	(168,240)	(160,694)	
13 Charity Care Provision	(43,174)	11,278	
14 Prior Period Adj/Government Program Revenue	1,416,501	745,130	Accrual of Prime Grant for January 2016 to June 2016 with a net amount of \$187,500 and accrual of FY 14-15 IGT of \$680,465 (matching fee in line 32, net proceeds is \$390,665).
15 Total Deductions from Revenue	(15,997,340)	(1,868,423)	
16 Net Patient Service Revenue	1,786,405	646,178	
17 Risk contract revenue	(372,577)	(44,079)	Blue Shield capitation received was under budget.
18 Net Hospital Revenue	1,413,828	602,099	
19 Other Op Rev & Electronic Health Records	366,772	(4,488)	
20 Total Operating Revenue	1,780,600	597,611	
Operating Expenses			
21 Salary and Wages and Agency Fees	(495,849)	(68,271)	Salaries and wages are under budget by \$34,973 and the agency fees are over budget by (\$103,244) due to department vacancies and an increased employees out on disability.
22 Employee Benefits	(779,746)	(162,374)	PTO was over budget in June by (\$67,037) due to unbudgeted paid sick leave for per diem employees, an increase in employees out on disability, and an increase in use over budgeted expectations and employee benefits are over budget by (\$95,338) due to year-end true up of payroll taxes and pension.
23 Total People Cost	(1,275,595)	(230,645)	
24 Med and Prof Fees (excl Agency)	(132,010)	(29,473)	Physician fees are over budget by (\$81,600) due to an increase in physician contracts and an additional Prima accrual at 6/30/16 for expected losses but were offset by a positive variance for Professional fees of \$22,130.
25 Supplies	(401,148)	(70,993)	Supplies are over budget due to minor equipment budgeted for FY 2016 and purchased in June (\$10,548), year-to-date Minor Equipment is at budget. Patient chargeable supplies are over budget (\$28,539) due to an increase in volume in the ER and IP surgeries but is offset by general supplies being under budget by \$19,390. There was also a true-up in the hospital's inventory based on year-end counts (\$51,296).
26 Purchased Services	707,372	4,605	
27 Depreciation	(63,618)	(1,830)	
28 Utilities	69,000	4,639	
29 Insurance	(53,070)	(4,440)	Insurance premiums increased over budgeted expectations.
30 Interest	(185,407)	3,960	
31 Other	(162,325)	(49,806)	Other expenses are over budget due to education and travel costs that were budgeted for FY 2016 and utilized in June (\$6,181), (year-to-date travel and education is under budget by \$43,431) and advertising costs of (\$19,881).
32 Matching Fees (Government Programs)	92,174	(227,300)	Accrued IGT matching fee of \$289,800. This expense is offset from the revenue above from line 14.
33 Operating expenses	(1,404,626)	(601,282)	

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

ATTACHMENT E

	YTD	MONTH	
Description	Variance	Variance	
34 Operating Margin	375,974	(3,671)	
Non Operating Rev and Expense			
35 Miscellaneous Revenue	(264,289)	(26,328)	Timeshare costs not budgeted in FY 2016.
36 Donations	18,974	24,155	Received Foundation donations in June for equipment purchased.
37 Physician Practice Support-Prima	(30,000)	(30,000)	
38 Parcel Tax Assessment Rev	(32,483)	(34,437)	
39 Total Non-Operating Rev/Exp	(307,798)	(66,610)	
		-	
40 Net Income / (Loss) prior to Restricted Contributions	68,176	(70,281)	
		-	
41 Capital Campaign Contribution	49,841	(32,014)	Capital campaign donations received from the Foundation were under budgeted expectations.
42 Restricted Foundation Contributions	(300,000)	(20,833)	There were no restricted donations in June.
43 Net Income / (Loss) w/ Restricted Contributions	(181,983)	(123,128)	
44 GO Bond Tax Assessment Rev	(5)	(5)	
45 GO Bond Interest	3	1	
46 Net Income/(Loss) w GO Bond Activity	(181,985)	(123,132)	

11.

**ADMINISTRATIVE REPORT
AUGUST 2016**



To: SVHCD Board of Directors
From: Kelly Mather
Date: 7/28/16
Subject: Administrative Report

Summary

We met the majority of the goals for Fiscal Year 2016, including the financial EBIDA goal. However, expenses have been reduced due to cash flow concerns.

Dashboard and Trended Results

The inpatient and emergency satisfaction results continue to be inconsistent, but we met the goal for May. We ended 2015 at the 90th percentile for the Value Based Purchasing score quality measure. A few members of the administrative team are meeting next week to develop an organization wide quality goal. I have been attending staff meetings to check on satisfaction and discuss any concerns by department. The conversations about salaries seem to have gone well. We met the EBIDA goal for FY 2016, which is very positive. However, expenses have been running much higher than budgeted due to many medical leave of absences and increased physician costs. We also exceeded our community hours goal for the year.

Strategic Update:

Strategic Priorities	Update
Quality	The new Leapfrog survey has been received and a new letter grade will come out in September. This survey is very time consuming. Many area hospitals chose not to report this time.
Timeshare Offices	Dr. Pope, a pain management specialist, will start seeing patients in September at the 1 st street West time share. Dr. Azari, pain management specialist, will be at the Napa Street office.
1206(b) Clinics	We have two physicians who will start in these clinics this fall. One General Surgeon and one Pain Management physician.
Parcel Tax Renewal plan	We are sharing the plan with the board this month. The vote will be in March, 2017 by mail.
South Lot	We have begun the purchase of the property due to a loan from one of our major donors. Decisions for use of the land will be discussed once the property is ours.
Physician Alignment	Prima (1206I) has added a nurse practitioner and continues and is recruiting a PCP.
Electronic Health Record	A major upgrade is needed and we are recommending we use remote hosting with McKesson. There will still be a capital outlay, but it will be much less with this solution.
Population Health	The Care Transitions program is now underway with the PRIME grant. We expect the first payment on July 29 th .



JUNE DASHBOARD

PILLAR	PERFORMANCE GOAL	METRIC	ACTUAL RESULT	GOAL LEVEL
Service Excellence	Highly satisfied Inpatients	Maintain at least 5 out of 9 HCAHPS domain results above the 70 th percentile	5 out of 9 in May	>7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 <4=1
Service Excellence	Highly satisfied Emergency Patients	Maintain at least 5 out of 7 ERCAPS domain results above the 70 th percentile	2 out of 7 in May	7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 3 = 1
Quality	Excellent Clinical Outcomes	Value Based Purchasing Clinical Score at 50 or higher	53.5 (90 TH percentile for CY 2015)	>55 = 5 (stretch) >52 = 4 >50 = 3 (Goal) >47=2 <40 = 1
People	Highly Engaged and Satisfied Staff	Press Ganey percentile ranking of 75 th percentile or higher	4.33/5 or the 84 th percentile	>80 th = 5 (stretch) >77th=4 >75th=3 (Goal) >72nd=2 <70 th =1
Finance	Financial Viability	YTD EBIDA	4.4%	>5% (stretch) >4.5%=4 >4.0% (Goal) >3/5%=2 <3.5%=1
	Efficiency and Financial Management	Meet FY 2016 Budgeted Expenses	\$59,683,258 (actual) \$58,248,632 (budget)	<2% = 5 (stretch) <1% = 4 <Budget=3 (Goal) >1% = 2 >2% = 1
Growth	Surgical Cases	Increase surgeries by 2% over prior year	1525 YTD FY2016 1502 YTD FY2015	>2% = 5 >1% = 3 < 1% = 2
	Outpatient & Emergency Volumes	2% increase (gross outpatient revenue over prior year)	\$154 mm YTD \$138 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	1831.5 hours for 12 months	>1500 = 5 >1200 = 4 >1000 = 3 >750 = 2 >500 = 1



FY 2016 TRENDED RESULTS

MEASUREMENT	Goal FY 2016	Jul 2015	Aug 2015	Sep 2015	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2015
Inpatient Satisfaction	6/9	5	5	2	6	7	8	3	4	1	1	5	
Emergency Satisfaction	5/7	2	3	4	5	5	6	1	2	6	4	2	
Value Based Purchasing	>50	52	52.2	53.5	52.5	53	53.5	n/a	n/a	n/a	n/a	n/a	n/a
Staff Satisfaction	>75th	91	91	91	91	91	91	91	91	84	84	84	84
FY YTD Turnover	<10%	1.2	1.2	1.8	2.8	3.4	4.6	5.2	6.1	6.7	7.9	8.8	10
YTD EBIDA	>4%	8.2	7.6	7.7	7.3	5.7	6.6	6.2	6	5.6	5.2	4.7	4.4
Net Patient Revenue	>4.5m	4.48	4.6	4.7	4.7	4.1	4.7	4.5	4.6	4.5	4.3	4.6	4.9
Expense Management	<4.8m	4.7	4.8	4.9	4.9	4.6	4.8	4.9	4.9	4.9	5.1	5.2	5.4
Net Income	>50k	202	174	27.8	104	244	575	19	203	-131	-99	-403	-132
Days Cash on Hand	>20	22	16	18	13	9	21	14	12	12	13	9	9
A/R Days	<50	46	45	49	47	53	51	53	52	50	50	55	57
Total FTE's	<315	313	310	312	327	322	317	319	324	326	324	332	324
FTEs/AOB	<4.0	3.6	3.77	3.65	3.77	4.1	3.77	3.57	3.58	3.5	3.7	4.16	4.08
Inpatient Discharges	>100	110	74	92	97	85	109	124	101	99	97	85	95
Outpatient Revenue	>\$12m	12.6	12.9	12.7	13.1	11.9	12.2	12.1	12.1	14.2	12.5	13.8	13.5
Surgeries	>130	125	122	127	131	114	136	124	127	141	118	123	124
Home Health	>1000	981	917	948	948	1088	915	933	889	879	999	844	942
Births	>15	16	15	11	11	14	24	17	9	17	17	13	14
SNF days	>660	619	634	607	666	544	648	710	671	580	578	529	526
MRI	>120	143	131	119	132	109	113	102	119	127	105	122	120
Cardiology (Echos)	>65	66	62	63	77	41	50	46	60	67	61	52	68
Laboratory	>12.5	12.1	12.2	11.5	11.7	11.6	11.4	11.9	12.1	12.4	12.0	11.9	11.8
Radiology	>850	1036	1011	997	1018	875	907	904	961	1010	963	926	1000
Rehab	>2587	3014	2384	2773	2886	2297	3003	2815	2708	2979	2780	2782	2948
CT	>300	384	352	343	336	381	323	379	352	398	333	373	348
ER	>800	878	888	871	820	841	863	864	919	945	912	940	907
Mammography	>475	462	439	367	543	406	492	446	437	432	384	457	420
Ultrasound	>325	395	314	320	353	246	290	296	304	317	325	285	255
Occupational Health	>650	733	728	646	871	681	683	600	597	757	663	679	651
Wound Care										222	276	235	264

12.

**BOARD GOVERNANCE
COMMITTEE POLICIES**



To: SVHCD Board of Directors
Meeting Date: August 4, 2016
Prepared by: Peter Hohorst
Agenda Item Title: Conflict of Interest Policy

Recommendation, Background and Reasoning:

The Political Reform Act requires every local government agency to review its conflict of interest code biennially. **No later than October 1, 2016** each agency must submit the enclosed biennial notice to the office of the County Board of Supervisors indicating whether or not an amendment is necessary. As required the policy has been reviewed by the HR department and corrections made for organizational changes made since the last revision. The Governance Committee has reviewed the revised document and recommends that the revised Conflict of Interest Policy be approved. After approval, the Governance Committee directs that the Board Clerk notify the County Board of Supervisors that the review has been completed and forward a copy of the revised policy.

Consequences of Negative Action/Alternative Actions:

If these steps are not taken the Sonoma Valley Health Care District will not be in compliance with the Political Reform Act.

Financial Impact:

None if approved.

Selection Process and Contract History

Conflict of Interest Policy last changed November 1, 2012

Attachments:

- Revised Conflict of Interest Policy
- 2016 Biennial Notice – Conflict of Interest Code Update



CONFLICT OF INTEREST CODE AND APPENDIX #P-2012.11.01

(Incorporated here by Reference
is 2 Cal. Code of Regs. 18730)

Adopted by the SVHCD Board of Directors November 1, 2012

The Political Reform Act (California Government code Sections 81000, et seq.) requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The California Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730, hereinafter “Regulation”) which contains the terms of a standard Conflict of Interest Code which can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments in the Political Reform Act. The Regulation further provides that incorporation of its terms by reference along with the designation of employees and the formulation of disclosure categories in an Appendix (Appendix A and B attached hereto) shall constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87307.

Therefore, the terms of the Regulation and any amendments to it, duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference. The Regulation and the attached Appendix designating officials and employees and establishing disclosure categories constitute the Conflict of Interest Code of the Sonoma Valley Healthcare District, doing business as Sonoma Valley Hospital.

Designated officials and employees and any person who manages the District’s investments shall file statements of economic interests (Form 700) with the District. Such

officers covered by this Code who are also public officials specified in Section 87200 of the Government Code, including those who manage public investments, shall file Form 700s pursuant to that Government Code provision as long as the categories of disclosure are the same or broader than those under this Code. The Form 700s will be available for public inspection and reproduction. (California Government Code Section 81008). Upon receipt of the statements of all designated officials and employees, the District shall make and retain a copy and forward the original of these statements to the County Clerk for the County of Sonoma.

Secretary, SVHCD Board of Directors

Dated

SONOMA VALLEY HEALTH CARE DISTRICT
CONFLICT OF INTEREST CODE

Appendix “A”

<u>Designated Positions</u>	<u>Disclosure Category</u>
Member of the Board of Directors	1
President and Chief Executive Officer	1
Chief Financial Officer	2
Controller	2
Chief Nursing Officer	2
Director of Public Relations	2
Chief Human Resources Officer	2
Chief Revenue Officer	2
Chief Ancillary Officer	2
Director of Materials Management	2
Director of Facilities	3
Nutritional Services Manager	3
Consultants	*

*Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The chief executive officer may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant’s duties and based upon that description, a statement of the extent of disclosure requirements. The chief executive officer’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

SONOMA VALLEY HEALTH CARE DISTRICT

CONFLICT OF INTEREST CODE

Appendix “B”

Disclosure Categories

General Rule

The District has adopted Section 18730 of Title 2 of the California Code of Regulations, as it may hereinafter be revised, as the District’s standing Conflict of Interest Code provisions, supplemented by this Appendix and its preamble. An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee or officer by virtue of the his or her position. Form 700 provides guidelines on what are “reportable” interests within each category and the corresponding disclosure schedule in Form 700, i.e., Schedules A-1, A-2, B, C, D, E, F.

Designated Employees in Category #1 Must Report:

- A. Investments in any business entity which (a) has an interest in real property within the area on the map attached hereto and designated Exhibit “C” (“Designated Area”); (b) does business with Sonoma Valley Health Care District (“District”), or has done business with the District at any time during the two years prior to the time any statement or other action is required under this code; or (c) engages in the

following businesses:

1. Ambulance service
2. Banks, Savings and Loan
3. Collection agencies
4. Communications equipment
5. Computer hardware or software
6. Construction or building materials
7. Construction companies
8. Data processing consultants
9. Dietetic, kitchen or equipment consultants

10. Dietetic or kitchen supplies, equipment, including food and food products
11. Educational and training supplies, equipment or material
12. Employment agencies
13. Engineering services
14. Equipment consultants
15. Equipment or fixture manufacturers
16. Health care equipment or instruments
17. Health care facilities
18. Health care materials or supplies
19. Health facilities or services
20. Housekeeping or linen supplies or equipment
21. Housekeeping service agencies
22. Insurance companies
23. Laboratory supplies or equipment
24. Landscaping consultants or companies
25. Laundries
26. Medical laboratories
27. Medical records supplies or equipment
28. Motor vehicles and specialty vehicles and parts
29. Nursing service supplies, equipment or material
30. Office equipment or supplies
31. Petroleum products
32. Pharmaceutical supplies or equipment
33. Physical therapy supplies or equipment
34. Plant, building, grounds supplies or equipment
35. Printing and distribution
36. Public relations or advertising
37. Publications
38. Radiology supplies or equipment
39. Real property
40. Respiratory therapy supplies or equipment
41. Safety equipment
42. Safety instruction material
43. Social services agencies
44. Structural, mechanical, electrical, etc., engineering firms
45. Temporary help agencies
46. Testing laboratories or services
47. Utilities

B. Income from any business entity described in subparagraph A.

C. Status as a director, officer, partner, trustee, employee or holder of a position of management in any business entity described in subparagraph A.

- D. Each interest in real property located in the Designated Area.

Designated Employees in Category #2 must report:

- A. Investments in any business entity which does business with the District or has done business with the District at any time during the two years prior to the time any statement or other action is required under this code.
- B. Income from any business entity described in subparagraph A.
- C. Status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity described in subparagraph A.

Designated Employees in Category #3 must report:

- A. Investments in any business entity which, within the last two years, has supplied or in the future foreseeably may supply building maintenance materials, gardening materials, or other materials for use in the maintenance and report of the physical plant of the hospital.
- B. Income from any business entity described in subparagraph A.
- C. Status as a director officer, partner, trustee, employee, or holder of a position of management in any business entity described in subparagraph A.

Designated Employees in Category #4 must report:

- A. Investments in any business entity which engages in the business of supplying food or other culinary supplies which may be used in hospitals.
- B. Income from any business entity described in subparagraph A.
- C. Status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity described in subparagraph A.



Sonoma County Board of Supervisors
575 Administration Drive, Room 100A
Santa Rosa, CA 95403
Phone: 565.2241

DATE: July 1, 2016

DEPARTMENT: Sonoma County Agencies, Special Districts, Boards and Commissions

FROM: Darin Bartow, Form 700 Filing Clerk, Sonoma County Board of Supervisors

RE: 2016 Biennial Notice – Conflict of Interest Code Update

The Political Reform Act requires every local government agency to review its conflict of interest code biennially. **No later than October 1, 2016** each agency must submit the enclosed biennial notice to the office of the County Board of Supervisors indicating whether or not an amendment is necessary. The notice should be mailed to:

County of Sonoma Board of Supervisors
Attn: Darin Bartow
575 Administration Drive, Room 100A
Santa Rosa, CA 95403

If amendments to an agency's conflict of interest code are needed, the amended code should be approved by the agency's board of directors or commissioners prior to being forwarded to the Board of Supervisors for approval within **90 days of the biennial notice due date (December 30, 2016)**. The County Board of Supervisors is the code reviewing body for county agencies and other government agencies solely within the county. An agency's amended code is not effective until it has been approved by the Board of Supervisors. Once the amended code is approved the agency will receive notice of the effective date of approval.

To learn more, the Fair Political Practices Commission (FPPC) offers free trainings available online at www.fppc.ca.gov. In addition, resources are available online on elements of a conflict of interest code. For questions, please contact the FPPC's advice line at (866) 275-3772.



Date: August 4, 2016

Meeting: SVHCD Board of Directors

Prepared by: Peter Hohorst

Agenda Item Title: Sonoma Valley Health Care District Bylaws Revision

Recommendation: Background and Reasoning:

The Bylaws of the Sonoma Valley Health Care District require a review of its Bylaws every two years during the even numbered year. This review has been conducted by the Governance Committee. Two changes are recommended:

1. The Bylaws stipulate that the Board **shall** form a service organization to be known as “The Sonoma Valley Hospital Auxiliary” whose Bylaws are subject to approval by the Board. As the Auxiliary has been disbanded as a functioning organization this requirement should be removed.
2. The Bylaws refer in many places to a Procedures Manual. In practice the procedures manual has been replaced by the Policies that have been approved and are posted on the District website. The reference to a Procedures Manual should be removed from the Bylaws.

Consequences of Negative Action/Alternative Actions:

The Bylaws will not be adhered to

Financial Impact:

None

Attachments:

Recommended Changes to the District Bylaws



Date: August 4, 2016
To: SVHCD Board of Directors
From: Peter Hohorst
Re: Recommended Changes to District By-Laws.

Article I Preamble

These District Bylaws are adopted by the Sonoma Valley Health Care District (the District) Board of Directors (the Board) pursuant to and consistent with Division 23 of the Health and Safety Code of the State of California, known as “The Local Health Care District Law.” These District Bylaws are established to further enable the Board to faithfully exercise its powers and fiduciary duties in accordance with applicable law. **The Board-approved Policy and Procedures Manual shall be used to assist further in implementing the responsibilities of the Board.**

Eliminate the reference to a Procedures Manual, so the sentence should read:

The Board-approved Policies shall be used to assist further in implementing the responsibilities of the Board.

Article II The Board as a Legal Entity

The name of the District shall be the Sonoma Valley Health Care District (the District).

The principal office for transacting business and maintaining records of the Sonoma Valley Health Care District shall be the Sonoma Valley Hospital (the Hospital), located at 347 Andrieux Street, Sonoma, California 95476. The district also maintains a Web site at <http://www.svh.com/healthcare-district-information/>.

Delete the last part of the web site address. It is superfluous.

Section 1. Powers

The Board shall have accountability and authority for those powers set forth in the Local Health Care District Law of California [California Health and Safety Code (H&S) 32,000] that are necessary for fulfilling its mission. These shall include, but are not limited to the following abilities to:

- a. Form a medical staff to be known as “The Medical Staff of Sonoma Valley Hospital”; such medical staff shall be self-governing, subject to the District Board’s final approval of members and their privileges, hospital rules for quality of patient health and safety, indemnification of practice, and Medical Staff Bylaws [California Health and Safety Code (H&S) 32128, 32129].

- b. Form a service organization to be known as “The Sonoma Valley Hospital Auxiliary” whose bylaws are subject to approval by the Board.

Delete item b., The Auxiliary has been closed down.

Section 2. District Bylaws as Basis of Authority

- a. Amendment

These District Bylaws shall be reviewed biannually at the beginning of even numbered years. They may be changed by an affirmative vote of at least three Board members at a regularly scheduled board meeting.

- b. Relationship to Other Bylaws

The Bylaws of the Sonoma Valley Health Care District Medical Staff (the Medical Staff) are understood to be a subset of the District Bylaws with respect to their relationship with the District. Any action or procedure that is required, allowed, or prohibited in the Medical Staff Bylaws will also be required, allowed, or prohibited in the District Bylaws. The District Board and the Medical Staff shall consult on any proposed changes in either document that may affect both groups. Changes in the Medical Staff Bylaws shall be approved by the District Board; changes in District Bylaws that may affect the Medical Staff require corresponding revision of the Medical Staff Bylaws. **The same relationship exists between the District Bylaws and the Bylaws of the Sonoma Valley Hospital Auxiliary (the Auxiliary).**

In any case where there is a conflict between either the Medical Staff **or Auxiliary** with the District Bylaws, the District Bylaws shall be controlling.

Delete the references to the Auxiliary.

Article III Board of Directors

- b. Fiduciary Responsibilities

Board members have fiduciary responsibilities to the District. Those living in the District trust the Board to act on their behalf.

- (1) The duty of care requires that Board members act toward the District with the same watchfulness, attention, caution, and prudence that a reasonable person in the circumstances would. The duty of loyalty requires that Board members not place their personal interests above those of the District.
- (2) Board members shall comply with the District’s Conflict of Interest Code as detailed in **the Board Policy and Procedures Manual.**

Change to: *the Board Policies*

Section 4. Committees

The Board may create committees in order to facilitate its business and to ensure access to expertise and citizen input. All committees shall be advisory to the Board and have no authority to make decisions or take actions on behalf of the Board unless specifically delegated by the Board. A committee is created or disbanded by majority vote of the Board.

a. Types of Committees

- (1) Standing Committees assist the Board by gathering information, evaluating proposals and policies, and make recommendations regarding key and continuous or regularly recurring functions of the District. The duties and responsibilities for the Board Standing Committees are contained in **the Board Policy and Procedures manual**. The Board standing committees shall be:

Change to: *the Board Policies*

Revisions to District By-laws approved at Governance Committee on 7.26.16