



**SONOMA VALLEY HEALTH CARE DISTRICT  
FINANCE COMMITTEE  
REGULAR MEETING **AGENDA**  
Tuesday, April 26, 5:00 p.m.**

**Location: Schantz Conference Room  
Sonoma Valley Hospital – 347 Andrieux St., Sonoma CA 95476**

<b>TOLL FREE CALL-IN NUMBER: 866 228-9900 GUEST CODE: 294221</b>		
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 <a href="mailto:ebetta@svh.com">ebetta@svh.com</a> or (707) 935.5004 at least 48 hours prior to the meeting.		
<b>AGENDA ITEM</b>	<b>RECOMMENDATION</b>	
<b>MISSION STATEMENT</b> The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.		
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Nevins</i>	
<b>2. PUBLIC COMMENT SECTION</b> 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 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 for Committee consideration.	<i>Nevins</i>	
<b>3. CONSENT CALENDAR</b> • FC Minutes 03.22.16	<i>Nevins</i>	Action
<b>4. 3<sup>RD</sup> QUARTER CAPITAL SPENDING</b>	<i>Jensen</i>	Inform/Action
<b>5. 9-MONTH FINANCIAL REVIEW</b>	<i>Jensen</i>	Inform/Action
<b>6. SOUTH LOT UPDATE</b>	<i>Jensen</i>	Inform/Action
<b>7. 1206 B UPDATE</b>	<i>Jensen</i>	Inform/Action
<b>8. 2017 BUDGET STATUS REVIEW</b>	<i>Jensen</i>	Inform/Action
<b>9. PRE-AUDIT PLANNING</b>	<i>Jensen</i>	Inform/Action



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<b>AGENDA ITEM</b>	<b>RECOMMENDATION</b>	
<b>10. FINANCE REPORT FOR MONTH ENDING MARCH 31, 2016</b>	<i>Jensen</i>	Inform
<b>11. ADMINISTRATIVE REPORT MARCH 2016</b>	<i>Nevins or Mather</i>	Inform
<b>12. ADJOURN</b> Next meeting May 24, 2016	<i>Nevins</i>	

3.

CONSENT



**SONOMA VALLEY HEALTH CARE  
DISTRICT  
FINANCE COMMITTEE MEETING  
MINUTES  
TUESDAY, March 22, 2016  
Schantz Conference Room**

Present	Excused/Absent	Staff	Public
Sharon Nevins, Chair Peter Hohorst Mary Smith Susan Porth S. Mishra, M.D. <i>(by phone)</i>	Dick Fogg Stephen Berezin Steve Barclay Keith Chamberlin, M.D.	Kelly Mather Ken Jensen Gigi Betta Jeannette Tarver	Sam McCandless

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
<b>MISSION &amp; VISION STATEMENT</b>	<i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community. The vision of SVHCD is that SVH will be a nationally recognized, compassionate place of healing known for excellence in clinical quality. We serve as the guide and indispensable link in our community's health care journey.</i>		
<b>1. CALL TO ORDER</b>	<i>Nevins</i>		
	Meeting called to order at 5:00pm		
<b>2. PUBLIC COMMENT SECTION</b>	<i>Nevins</i>		
	No public comment.		
<b>3. CONSENT CALENDAR</b>	<i>Nevins</i>	Action	
	<ul style="list-style-type: none"> <li>FC Minutes 2.23.16</li> </ul>	<b>MOTION</b> by Hohorst to approve and second by Smith. All in favor.	

<b>AGENDA ITEM</b>	<b>DISCUSSION</b>	<b>ACTIONS</b>	<b>FOLLOW-UP</b>
<b>4. MID-YEAR AUDIT REVIEW</b>	<i>Jensen</i>	Inform/Action	
	<p>Mr. Jensen presented the mid-year audit review submitted by Armanino LLC. The following were the three findings:</p> <ul style="list-style-type: none"> <li>As of 12.31.15, Medicare appears to be over reserved which is consistent with the over reserve noted on the 6.30.15 Medicare net patient A/R. MANAGEMENT AGREED IT MIGHT BE OVER RESERVED BY \$236K DUE TO STAFF CLAIMING ABOUT THE SAME AMOUNT FOR UNDER SNF TRANSFER PAYMENTS. IF THE AMOUNT IS THE SAME AT YEAR END, AN ADJUSTMENT WILL BE MADE.</li> <li>As of 12.31.15, self-pay could potentially be under reserved. Reserve percentage decreased from 6.30.16 and gross AR balance increased significantly. The 2-month collection percentage at 12.31.15 is only 27% compared to the 43% that was noted as of 8.31.15 on the 6.30.15 AR balance. STAFF AGREED WITH THE FINDINGS BUT NOTED THAT AS OF APRIL 2015, SELF PAY FOLLOW-UP WAS REFERRED OUT TO A VENDOR AND THE A/R WENT UP FROM THERE. IT HAS BEEN PULLED BACK AND IT IS BELIEVED THAT WHAT WOULD HAVE BEEN COLLECTABLE STILL IS. IF NO CHANGE BY YEAR END, AN ADJUSTMENT WILL BE MADE.</li> <li>The 2-month collection percentage on the 12.31.15 net patient AR balance is 76% compared to the 2-month collection percentage on the 6.30.15 net patient AR (cash collections through 8.31.15) of 87%. This See 2<sup>nd</sup> item above.</li> </ul>		Bring mid-year audit review to Board meeting under Committee Reports
<b>5. 1206B CLINIC BUDGET</b>	<i>Jensen</i>	Inform/Action	
	The 1206b discussion was removed from the agenda. Ms. Nevins will keep the Finance Committee updated on its progress and plans.		
<b>6. 2017 BUDGET STATUS REVIEW</b>	<i>Jensen</i>	Inform/Action	

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	The first round of budget meetings is complete and on schedule. Next weeks' budget meetings will be with the Hospital Directors. Mr. Hohorst requested a higher allowance for FICA taxes for the fiscal year. It was noted that as of now to obtain a 4.0 EBIDA, \$1m in revenue or cost savings will need to be found.		
<b>7. FINANCE REPORT FEB. 2016</b>	<i>Jensen</i>	Inform/Action	
	After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for February was (\$147,369) vs. a budgeted net loss of (\$265,764). The total net income for February after all activity was \$38,646 vs. a budgeted net loss of (\$81,227). EBIDA for the month of February was 4.4% vs. the budgeted 1.3%.		
<b>8. ADMINISTRATIVE REPORT FEBRUARY 2016</b>	<i>Nevins</i>	Inform	
	The years to date results are at budget with a few positive financial variances. SVH has increased revenue and maintain expenses and the additions of many new specialists are resulting in increased surgeries and outpatient services.  The inpatient and emergency satisfaction goals were exceeded in December and the Hospital is back in the 90 <sup>th</sup> percentile on Value Based Purchasing. The staff satisfaction survey exceeded its goal with 86% participation. Results of survey will be shared with Hospital staff and then the Board.  This year's primary focus is on four departments: Nutritional Services, the Birth Place, the Wellness program and the Rewards and Recognition Team.		Ms. Mather asked to correct January dashboard column, it should be 2016, under trended results.
	Meeting adjourned at 5:40pm		

4.

## CAPITAL SPENDING

FY 2015 Carry Overs

Dept #	Department	DESCRIPTION	Remaining Approved Budget	Spent to Date	Remaining Balance
8450	Engineering	Fire System	120,000	14,338	105,662
8450	Engineering	Nurse Call System	100,000	100,000	0
			220,000	114,338	105,662

FY 2016 Budget Requests:

Dept #	Department	DESCRIPTION	ESTIMATED AMOUNT	SPENT TO DATE	REMAINING BALANCE
8450	Engineering	Fire System	18,000		18,000
8450	Engineering	Nurse Call System	150,000	136,846	* 13,154
7660	MRI	1.5 8 Channel Knee Coil	16,968		16,968
7660	MRI	1.5 8 CHANNEL NEUROVASCULAR ARRAY	25,200		25,200
7670	Ultrasound	OB GYN Stretcher	6,473		6,473
8340	Dietary	Computrition Diet Office system. This will enable us to implement Room Service for the acute patients, and to get nutritional analysis of menu items	72,198	56,338	15,860
8340	Dietary	Boilerless Convection Steamer	7,180	8,146	(966)
6171	OB	2 Wireless Fetal Monitors	50,000	22,754	27,246
6171	OB	2 Infant Warmers	45,000	41,465	3,535
6171	OB	Carts	8,000	3,399	4,601
7630	Radiology	OR Table	10,000	6,296	-
7420	Surgery	Camera (eye microscope)	113,655	44,350	7,687
7420	Surgery	Eye Tray	5,513		5,513
7420	Surgery	Mini C-Arm	71,038		71,038
7420	Surgery	Colonoscope	24,250		24,250
7420	Surgery	Cautery Machine	6,027		6,027
8450	Engineering	EAH #1- Nurses Station air handler, SNF - replacement	270,000		270,000
8450	Engineering	EAH #2 - Patient room air handler, SNF - replacement	135,000		135,000
8450	Engineering	SNF chilled water pipes	750,000		750,000
8450	Engineering	Install Automatic doors by Cardio Pulmonary	25,000		25,000
8450	Engineering	Automatic door at PT-Hwy 12	25,000		25,000
8450	Engineering	SPC-4D Classification	50,000		50,000
8450	Engineering	Sewer pumps replacement in the basement	100,000		100,000
8480	Information Systems	Desktop computers/laptops/datalux all-in-one: Estimated annual refresh for computers that are more than 5 years old	50,000		50,000
8480	Information Systems	Multiple printers (Zebra, Inkjet, Laser, Dymo) & Handheld Scanners: Estimated annul refresh of printers more than 5 years old	16,000		16,000
8480	Information Systems	Kronos System Upgrade professional services from v5 to v7	15,570		15,570
8480	Information Systems	FormFast Phase II (expand use of signature pads) 14 desktop locations: Occ Health, Outpatient PT, Imaging, ER, Caridio & Admitting; includes additional server license and HL7 Interface	18,148		18,148
8480	Information Systems	CareBook SVH Implementation (Grant)	-		-
8480	Information Systems	Hospital Wireless Network Replacement	7,000		7,000
8480	Information Systems	VMWare license for 3 blade servers	9,000		9,000
8480	Information Systems	Fiber pull from new wing 1st floor to MPOE to WW basement MPOE	10,000		10,000
8480	Information Systems	Cisco POE Switches (3560) 3 @ \$4000 each	12,000		12,000
8510	Accounting	AP paperless system	70,000		70,000
	Various	Contingency	100,000		67,219
		Ultra Sound (Direct Connect)		14,681	
		Replace Spring Pumps in Basement		9,100	
		Wyse D90D7 Thin Clients (45@ \$200)		9,000	

\* Foundations Goal to raise money for these items.

\* Celtic Lease #2

2,292,218	352,375	1,874,521
2,512,218	466,713	1,980,184

Year 1 (Fiscal Year 2016)

Patient Care	Plant/ Building	Information Technology	Year 2 (FY 2017)	Year 3 (FY 2018)
	18,000			
	150,000			
16,968			25,200	
6,473				
72,198				
7,180				
50,000	*			
45,000	*			
8,000	*			
10,000				
113,655				
5,513				
			71,038	
				24,250
				6,027
			270,000	
			135,000	
			325,000	425,000
	25,000			
	25,000			
			50,000	
			100,000	
		50,000		
		16,000		
			15,570	
		18,148		
		7,000		
		9,000		
		10,000		
		12,000		
		70,000		
		100,000		

334,986	218,000	292,148	991,808	455,277
845,134				

Construction In Progress (CIP)	CIP Committed	Spent Prior to Date	Remaining Balance	
E H R Implementation	6,315,356	5,294,527	1,020,829	MedOne Leases
NPC2	12,800	14,412	(1,612)	Operations
Lobby Upgrade	198,000	53,572	144,428	Operations
Phase 2 Feasibility	40,000	24,785	15,215	Operations
Nuclear Med Heat Pump	58,733	44,177	14,556	Celtic lease
ER Communication	25,596	10,853	14,742	Operations
Time Share	67,532	46,411	21,121	Operations
Flouroscopy	802,981	41,005	761,976	GE Loan
7,520,998	5,529,742	1,991,255		



5.

## 9-MONTH FINANCIAL REVIEW

**Sonoma Valley Hospital**  
**YTD Operating Projection**

<b>Financial Results</b>	<b>Actual as of Mar 2016</b>	<b>Approved 3 month Budget</b>	<b>Total</b>	<b>Original Budget</b>	<b>Projection vs Budget</b>
<b>Gross Patient Revenue</b>					
Inpatient	48,949,796	14,989,050	63,938,846	61,894,962	2,043,884
Outpatient	64,821,669	19,933,044	84,754,713	81,933,424	2,821,289
Emergency	46,631,496	12,733,431	59,364,927	50,477,579	8,887,348
SNF	19,390,786	6,908,586	26,299,372	27,697,642	(1,398,270)
Home Care	2,798,157	1,115,622	3,913,779	4,441,777	(527,998)
<b>Total Gross Patient Revenue</b>	<b>182,591,904</b>	<b>55,679,733</b>	<b>238,271,637</b>	<b>226,445,384</b>	<b>11,826,253</b>
<b>Deductions from Revenue</b>					
Contractual Discounts	(143,997,137)	(43,342,878)	(187,340,015)	(177,199,423)	(10,140,592)
Bad Debt	(690,000)	(267,934)	(957,934)	(1,071,760)	113,826
Charity Care Provision	(257,066)	(63,806)	(320,872)	(255,182)	(65,690)
Prior Period Adj/Government Program Revenue	1,916,055	375,000	2,291,055	2,430,000	(138,945)
<b>Total Deductions from Revenue</b>	<b>(143,028,148)</b>	<b>(43,299,618)</b>	<b>(186,327,766)</b>	<b>(176,096,365)</b>	<b>(10,231,401)</b>
<b>Net Patient Service Revenue</b>	<b>39,563,756</b>	<b>12,380,115</b>	<b>51,943,871</b>	<b>50,349,019</b>	<b>1,594,852</b>
Risk contract revenue	1,303,242	793,846	2,097,088	3,175,372	(1,078,284)
Net Hospital Revenue	40,866,998	13,173,961	54,040,959	53,524,391	516,568
Other Op Rev & Electronic Health Records	209,472	43,360	252,832	173,482	79,350
<b>Total Operating Revenue</b>	<b>41,076,470</b>	<b>13,217,321</b>	<b>54,293,791</b>	<b>53,697,873</b>	<b>595,918</b>
<b>Operating Expenses</b>					
Salary and Wages and Agency Fees	19,940,882	6,647,991	26,588,873	26,454,002	(134,871)
Employee Benefits	7,611,573	2,351,263	9,962,836	9,525,052	(437,784)
Total People Cost	27,552,455	8,999,254	36,551,709	35,979,054	(572,655)
Med and Prof Fees (excl'd Agency)	3,256,074	1,054,829	4,310,903	4,243,195	(67,708)
Supplies	4,581,036	1,400,424	5,981,460	5,854,822	(126,638)
Purchased Services	2,439,467	1,056,496	3,495,963	4,226,026	730,063
Depreciation	2,606,873	849,395	3,456,268	3,397,579	(58,689)
Utilities	843,436	296,873	1,140,309	1,187,495	47,186
Insurance	227,272	62,494	289,766	250,000	(39,766)
Interest	491,097	112,651	603,748	470,955	(132,793)
Other	1,457,985	467,918	1,925,903	1,889,505	(36,398)
Matching Fees (Government Programs)	368,026	187,500	555,526	750,000	194,474
<b>Operating expenses</b>	<b>43,823,721</b>	<b>14,487,834</b>	<b>58,311,555</b>	<b>58,248,631</b>	<b>(62,924)</b>
<b>Operating Margin</b>	<b>(2,747,251)</b>	<b>(1,270,514)</b>	<b>(4,017,765)</b>	<b>(4,550,758)</b>	<b>532,994</b>

10.

FINANCIAL REPORT  
ENDING  
MARCH 31, 2016



*Healing Here at Home*

**To:** SVH Finance Committee  
**From:** Ken Jensen, CFO  
**Date:** April 26, 2016  
**Subject:** Financial Report for the Month Ending March 31, 2016

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For the month of March cash collections for patient accounts were \$4,155,402, the highest the hospital has collected to date. As for the YTD EBIDA the Hospital is at 5.6% vs. the budgeted 4.2%. We are anticipating ending the fiscal year on budget with a 4% EBIDA.

Historically, the month of March experiences higher inpatient volume and therefore we budgeted inpatient volume accordingly. Instead the hospital experienced higher outpatient volume, primarily in the Emergency department. The Operating Margin for the hospital was a loss of (\$468,843), unfavorable to budget by (\$210,896). The year-to-date actual loss from operations is (\$2,747,251) which is favorable to the expected year-to-date loss of (\$3,280,244). After accounting for all other activity, the net loss for March was (\$131,602) vs. the budgeted net income of \$158,552. The March EBIDA was 2.0% vs. a budgeted 6.0%. Year-to-date, the total net income is \$432,575 better than budget.

**Gross patient revenue** for March was \$21,897,803, \$916,232 better than expected. Inpatient gross revenue was under budget by (\$747,354) due to patient days being under budgeted expectations by (24) days and inpatient surgeries being unfavorable to budget by (12) cases. Outpatient revenue was over budget by \$827,241 due to a higher than budgeted volume for outpatient visits and procedures. The Emergency Room gross revenue is over budget by \$1,771,819 due to the consistent increase in volume. SNF was under expectations by (\$860,332) due to lower than projected volume. Home Health is under budgeted expectations due to purposely reducing services provided to Marin patients (\$75,142).

**Deductions from revenue** were unfavorable to budgeted expectations by (\$1,293,869) primarily due to the ER gross revenue being over budgeted expectations by \$1.77M, with a higher payer mix of Medicare, Medicare Managed care, and Medi-Cal. Medicare Managed care accounts continue to increase and were at 10.1% of gross revenue on budgeted expectations on 4.7% and Medi-Cal accounts were at 20.0% of gross revenue on budgeted expectations 18.0%.

After accounting for all other operating revenue, the **total operating revenue** was unfavorable to budget by (\$424,138).



**Operating Expenses** of \$4,968,153 were under budget by \$213,241 primarily due to lower inpatient volume than budgeted. The significant negative variances were: Employee Benefits (\$96,282), physician and professional fees (\$71,345), and interest expense (27,438). PTO was over budget in March by (\$77,277) due to paid sick leave for per diem employees that were not budgeted and an increased use of PTO in March primarily in Med-Surg, OB, SNF, and Home Health. Employee benefits are over budget by (\$19,005) due to an increase in the cost of health benefits due to an increase in participation from open enrollment. Physician fees are over budget by (\$121,074) due to an increase in physician contracts (\$61,074) and an additional fee for physician recruitment (\$60,000). Physician fees were offset by a positive variance for Professional fees of \$49,729. Interest expense is over budgeted expectations due to the true up of the Celtic lease.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for March was (\$260,640) vs. a budgeted net loss of (\$25,985). The total net loss for March after all activity was (\$131,602) vs. a budgeted net income of \$158,552.

EBIDA for the month of March was 2.0% vs. the budgeted 6.0%.

#### Patient Volumes – March

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	99	130	-31	113
Newborn Discharges	18	14	4	16
Acute Patient Days	426	450	-24	401
SNF Patient Days	580	750	-170	669
Home Care Visits	879	1,206	-327	1,232
OP Gross Revenue	\$14,266	\$11,649	\$2,617	\$11,839
Surgical Cases	141	156	-15	137

#### Overall Payer Mix – March

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	42.9%	49.8%	-6.9%	46.5%	49.1%	-2.6%
Medicare Mgd Care	10.1%	4.7%	5.4%	8.1%	4.8%	3.3%
Medi-Cal	20.0%	18.0%	2.0%	19.3%	17.7%	1.6%
Self Pay	0.4%	1.6%	-1.2%	0.9%	1.8%	-0.9%
Commercial	20.8%	19.9%	0.9%	19.9%	20.4%	-0.5%
Workers Comp	4.1%	3.1%	1.0%	2.9%	3.3%	-0.4%
Capitated	1.7%	2.9%	-1.2%	2.4%	2.9%	-0.5%
Total	100.0%	100.0%		100.0%	100.0%	

**Cash Activity for March:**

For the month of March the cash collection goal was \$3,311,138 and the Hospital collected \$4,155,402, or over the goal by \$844,264. The year-to-date cash goal is \$30,733,960 and the Hospital has collected \$31,706,162 or over the goal by \$972,202. The cash collection goal is based upon net hospital revenue from 90 days ago. Days of cash on hand are 10 days at March 31, 2016. Accounts Receivable decreased from February, from 52.0 days to 49.7 days in March. Accounts Payable has increased by \$84,259 from February and Accounts Payable days are at 48.2.

**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 March 31, 2016**

ATTACHMENT A

**March-16**

<b>Gross Revenue:</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	9,390,581	10,395,695	-1,005,114	-9.7%
Medi-Cal	4,378,110	3,751,811	626,299	16.7%
Self Pay	84,811	342,501	-257,690	-75.2%
Commercial	4,554,680	4,251,281	303,399	7.1%
Medicare Managed Care	2,203,971	989,198	1,214,773	122.8%
Worker's Comp.	904,999	647,181	257,818	39.8%
Capitated	380,651	603,904	-223,253	-37.0%
<b>Total</b>	<b>21,897,803</b>	<b>20,981,571</b>	<b>916,232</b>	

**YTD**

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
	84,822,939	83,811,692	1,011,247	1.2%
	35,115,455	30,203,729	4,911,726	16.3%
	1,612,408	3,023,714	-1,411,306	-46.7%
	36,452,556	35,659,365	793,191	2.2%
	14,724,327	8,261,558	6,462,769	78.2%
	5,358,479	5,570,390	-211,911	-3.8%
	4,505,740	5,076,073	-570,333	-11.2%
	<b>182,591,904</b>	<b>171,606,521</b>	<b>10,985,383</b>	

<b>Net Revenue:</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	1,407,648	1,764,248	-356,600	-20.2%
Medi-Cal	579,662	561,271	18,391	3.3%
Self Pay	49,370	212,351	-162,981	-76.8%
Commercial	1,667,013	1,751,528	-84,515	-4.8%
Medicare Managed Care	325,526	146,105	179,422	122.8%
Worker's Comp.	202,991	152,476	50,515	33.1%
Capitated	14,731	24,579	-9,848	-40.1%
Prior Period Adj/IGT	113,228	125,250	-12,022	-9.6%
<b>Total</b>	<b>4,360,169</b>	<b>4,737,806</b>	<b>(377,637)</b>	<b>-8.0%</b>

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
	14,980,834	15,767,723	-786,889	-5.0%
	5,119,503	4,682,708	436,795	9.3%
	528,939	1,134,979	-606,040	-53.4%
	13,532,712	13,267,400	265,312	2.0%
	2,118,166	1,293,526	824,640	63.8%
	1,206,853	1,351,699	-144,846	-10.7%
	160,694	184,989	-24,295	-13.1%
	1,916,055	1,126,750	789,305	70.1%
	<b>39,563,756</b>	<b>38,809,774</b>	<b>753,982</b>	<b>1.9%</b>

<b>Percent of Net Revenue:</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	32.3%	37.3%	-5.0%	-13.4%
Medi-Cal	13.3%	11.8%	1.5%	12.7%
Self Pay	1.1%	4.5%	-3.4%	-75.6%
Commercial	38.2%	37.0%	1.2%	3.2%
Medicare Managed Care	7.5%	3.1%	4.4%	141.9%
Worker's Comp.	4.7%	3.2%	1.5%	46.9%
Capitated	0.3%	0.5%	-0.2%	-40.0%
Prior Period Adj/IGT	2.6%	2.6%	0.0%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
	37.9%	40.6%	-2.8%	-6.9%
	12.9%	12.1%	0.8%	6.6%
	1.3%	2.9%	-1.6%	-55.2%
	34.2%	34.2%	0.0%	0.0%
	5.4%	3.3%	2.1%	63.6%
	3.1%	3.5%	-0.4%	-11.4%
	0.4%	0.5%	-0.1%	-20.0%
	4.8%	2.9%	2.0%	69.0%
	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>

<b>Projected Collection Percentage:</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	15.0%	17.0%	-2.0%	-11.7%
Medi-Cal	13.2%	15.0%	-1.7%	-11.5%
Self Pay	58.2%	62.0%	-3.8%	-6.1%
Commercial	36.6%	41.2%	-4.6%	-11.2%
Medicare Managed Care	14.8%	14.8%	0.0%	0.0%
Worker's Comp.	22.4%	23.6%	-1.1%	-4.8%
Capitated	3.9%	4.1%	-0.2%	-4.9%
Prior Period Adj/IGT	0.5%	0.6%	-0.1%	-13.4%

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
	17.7%	18.8%	-1.2%	-6.1%
	14.6%	15.5%	-0.9%	-6.0%
	32.8%	37.5%	-4.7%	-12.6%
	37.1%	37.2%	-0.1%	-0.2%
	14.4%	15.7%	-1.3%	-8.1%
	22.5%	24.3%	-1.7%	-7.2%
	3.6%	3.6%	-0.1%	-2.1%
	1.0%	0.7%	0.4%	59.8%

**SONOMA VALLEY HOSPITAL**  
**OPERATING INDICATORS**  
**For the Period Ended March 31, 2016**

**ATTACHMENT B**

CURRENT MONTH				YEAR-TO-DATE			YTD	
	Actual 03/31/16	Budget 03/31/16	Favorable (Unfavorable) Variance		Actual 03/31/16	Budget 03/31/16	Favorable (Unfavorable) Variance	Prior Year 03/31/15
Inpatient Utilization								
Discharges								
1	87	116	(29)	Acute	760	798	(38)	789
2	12	13	(1)	ICU	131	130	1	136
3	99	130	(31)	Total Discharges	891	928	(37)	925
4	18	14	4	Newborn	130	126	4	132
5	117	143	(26)	Total Discharges inc. Newborns	1,021	1,055	(34)	1,057
Patient Days:								
6	325	360	(35)	Acute	2,403	2,475	(72)	2,377
7	101	90	11	ICU	861	870	(9)	920
8	426	450	(24)	Total Patient Days	3,264	3,345	(81)	3,297
9	34	26	8	Newborn	263	240	23	241
10	460	476	(16)	Total Patient Days inc. Newborns	3,527	3,585	(58)	3,538
Average Length of Stay:								
				Acute				
11	3.7	3.1	0.6	Acute	3.2	3.1	0.1	3.0
12	8.4	6.7	1.7	ICU	6.6	6.7	(0.1)	6.8
13	4.3	3.5	0.8	Avg. Length of Stay	3.7	3.6	0.1	3.6
14	1.9	1.9	(0.0)	Newborn ALOS	2.0	1.9	(0.1)	1.8
Average Daily Census:								
				Acute				
15	10.5	11.6	(1.1)	Acute	8.7	9.0	(0.3)	8.6
16	3.3	2.9	0.4	ICU	3.1	3.2	(0.0)	3.3
17	13.7	14.5	(0.8)	Avg. Daily Census	11.9	12.2	(0.3)	12.0
18	1.1	0.8	0.3	Newborn	0.96	0.87	0.1	0.88
Long Term Care:								
				SNF Patient Days				
19	580	750	(170)	SNF Patient Days	5,679	5,683	(4)	5,568
20	27	34	(7)	SNF Discharges	239	258	(19)	254
21	18.7	24.2	(5.5)	Average Daily Census	20.7	20.7	(0.0)	20.2
Other Utilization Statistics								
Emergency Room Statistics								
22	945	865	80	Total ER Visits	7,889	7,115	774	7,843
Outpatient Statistics:								
23	5,172	4,729	443	Total Outpatients Visits	43,023	43,182	(159)	42,110
24	31	43	(12)	IP Surgeries	274	284	(10)	282
25	110	113	(3)	OP Surgeries	873	901	(28)	899
26	36	33	3	Special Procedures	295	291	4	289
27	879	1,206	(327)	Home Health Visits	8,498	10,866	(2,368)	10,316
			-	Home Health Patients	0	0	-	
28	362	370	(8)	Adjusted Discharges	3,014	2,995	19	2,966
29	2,886	2,713	174	Adjusted Patient Days (Inc. SNF)	23,870	22,810	1,060	22,318
30	93.1	87.5	5.6	Adj. Avg. Daily Census (Inc. SNF)	86.8	82.9	3.9	81.2
31	1.4801	1.4000	0.080	Case Mix Index -Medicare	1.5117	1.4000	0.112	1.4906
32	1.3950	1.4000	(0.005)	Case Mix Index - All payers	1.4136	1.4000	0.014	1.4916
Labor Statistics								
33	293	301	8.4	FTE's - Worked	284	283	(0.8)	269
34	326	335	9.2	FTE's - Paid	319	317	(1.8)	304
35	41.59	41.28	(0.30)	Average Hourly Rate	39.90	39.85	(0.05)	38.31
36	19.9	21.8	1.9	Manhours / Adj. Pat Day	20.9	21.8	0.9	21.3
37	159.1	159.9	0.7	Manhours / Adj. Discharge	165.8	165.9	0.1	160.6
38	21.4%	20.4%	-1.0%	Benefits % of Salaries	22.7%	22.5%	-0.2%	23.8%
Non-Labor Statistics								
39	10.2%	11.6%	1.4%	Supply Expense % Net Revenue	11.2%	11.0%	-0.2%	11.4%
40	1,263	1,537	274	Supply Exp. / Adj. Discharge	1,520	1,487	(32)	1,477
41	14,162	14,415	253	Total Expense / Adj. Discharge	14,992	15,069	76	14,564
Other Indicators								
42	10.0			Days Cash - Operating Funds				
43	49.7	50.0	(0.3)	Days in Net AR	49.5	50.0	(0.5)	49.8
44	125%			Collections % of Net Revenue	103%			101.4%
45	48.2	60.0	(11.8)	Days in Accounts Payable	48.2	60.0	(11.8)	60.5
46	20.5%	23.5%	-3.0%	% Net revenue to Gross revenue	22.4%	23.6%	-1.2%	23.1%
47	25.4%			% Net AR to Gross AR	25.4%			22.9%



**Sonoma Valley Health Care District**  
**Balance Sheet**  
**As of March 31, 2016**

**ATTACHMENT C**

		<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<b>Assets</b>				
Current Assets:				
1	Cash	\$ 1,544,645	\$ 1,842,966	\$ 2,177,242
2	Trustee Funds	2,286,037	2,970,872	1,825,643
3	Net Patient Receivables	8,150,659	8,556,938	7,061,014
4	Allow Uncollect Accts	(718,232)	(632,008)	(620,633)
5	Net A/R	7,432,427	7,924,930	6,440,382
6	Other Accts/Notes Rec	3,875,906	4,509,697	3,932,731
7	3rd Party Receivables, Net	875,069	727,100	1,587,264
8	Inventory	915,675	908,797	748,486
9	Prepaid Expenses	845,029	732,717	888,146
10	Total Current Assets	\$ 17,774,788	\$ 19,617,079	\$ 17,599,894
12	Property, Plant & Equip, Net	\$ 52,968,535	\$ 52,897,846	\$ 55,341,279
13	Specific Funds	439,199	439,163	403,430
14	Other Assets	143,918	143,691	143,164
15	Total Assets	\$ 71,326,440	\$ 73,097,779	\$ 73,487,766
<b>Liabilities &amp; Fund Balances</b>				
Current Liabilities:				
16	Accounts Payable	\$ 3,430,271	\$ 3,346,012	\$ 3,708,759
17	Accrued Compensation	4,211,103	4,565,618	4,145,169
18	Interest Payable	228,513	799,793	235,858
19	Accrued Expenses	1,483,266	1,334,648	1,041,494
20	Advances From 3rd Parties	186,530	867,474	668,079
21	Deferred Tax Revenue	1,478,332	1,971,110	2,229,055
22	Current Maturities-LTD	1,658,687	1,709,727	1,658,687
23	Line of Credit - Union Bank	5,923,734	5,923,734	5,698,734
24	Other Liabilities	158,932	145,077	719,549
25	Total Current Liabilities	\$ 18,759,368	\$ 20,663,193	\$ 20,105,384
26	Long Term Debt, net current portion	\$ 36,887,816	\$ 36,623,727	\$ 39,387,264
27	Fund Balances:			
28	Unrestricted	\$ 12,566,598	\$ 12,698,717	\$ 12,092,301
29	Restricted	3,112,659	3,112,142	1,902,816
30	Total Fund Balances	\$ 15,679,257	\$ 15,810,859	\$ 13,995,117
31	Total Liabilities & Fund Balances	\$ 71,326,440	\$ 73,097,779	\$ 73,487,766

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
Comparative Results  
For the Period Ended March 31, 2016**

ATTACHMENT D

	Month					Year-To- Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	\$	%		Actual	Budget	\$	%	Prior Year
					Volume Information					
1	99	130	(31)	-24%	Acute Discharges	891	929	(38)	-4%	925
2	580	750	(170)	-23%	SNF Days	5,679	5,683	(4)	0%	5,568
3	879	1,206	(327)	-27%	Home Care Visits	8,498	10,866	(2,368)	-22%	10,316
4	14,266	11,649	2,617	22%	Gross O/P Revenue (000's)	\$ 114,001	\$ 103,071	10,930	11%	\$ 99,747
					Financial Results					
					Gross Patient Revenue					
5	\$ 5,651,245	\$ 6,398,599	(747,354)	-12%	Inpatient	\$ 48,949,796	\$ 46,905,912	2,043,884	4%	\$ 47,204,732
6	7,958,766	7,131,525	827,241	12%	Outpatient	64,821,669	62,841,250	1,980,419	3%	59,609,379
7	6,013,171	4,241,352	1,771,819	42%	Emergency	46,631,496	37,744,148	8,887,348	24%	36,963,730
8	1,980,590	2,840,922	(860,332)	-30%	SNF	19,390,786	20,789,056	(1,398,270)	-7%	18,782,816
9	294,031	369,173	(75,142)	-20%	Home Care	2,798,157	3,326,155	(527,998)	-16%	3,173,456
10	\$ 21,897,803	\$ 20,981,571	916,232	4%	Total Gross Patient Revenue	\$ 182,591,904	\$ 171,606,521	10,985,383	6%	\$ 165,734,114
					Deductions from Revenue					
11	\$ (17,509,162)	\$ (16,258,437)	(1,250,725)	-8%	Contractual Discounts	\$ (143,997,137)	\$ (132,928,795)	(11,068,342)	-8%	\$ (129,813,096)
12	(100,000)	(89,314)	(10,686)	-12%	Bad Debt	(690,000)	(803,826)	113,826	14%	(965,000)
13	(41,700)	(21,264)	(20,436)	-96%	Charity Care Provision	(257,066)	(191,376)	(65,690)	-34%	(161,100)
14	113,228	125,250	(12,022)	-10%	Prior Period Adj/Government Program Revenue	1,916,055	1,127,250	788,805	0%	1,325,255
15	\$ (17,537,634)	\$ (16,243,765)	(1,293,869)	8%	Total Deductions from Revenue	\$ (143,028,148)	\$ (132,796,747)	(10,231,401)	8%	\$ (129,613,941)
16	\$ 4,360,169	\$ 4,737,806	(377,637)	-8%	Net Patient Service Revenue	\$ 39,563,756	\$ 38,809,774	753,982	2%	\$ 36,120,173
17	\$ 123,448	\$ 171,184	(47,736)	-28%	Risk contract revenue	\$ 1,303,242	\$ 1,540,656	(237,414)	-15%	\$ 2,199,483
18	\$ 4,483,617	\$ 4,908,990	(425,373)	-9%	Net Hospital Revenue	\$ 40,866,998	\$ 40,350,430	516,568	1%	\$ 38,319,656
19	\$ 15,693	\$ 14,458	1,235	9%	Other Op Rev & Electronic Health Records	\$ 209,472	\$ 130,122	79,350	61%	\$ 491,728
20	\$ 4,499,310	\$ 4,923,448	(424,138)	-9%	Total Operating Revenue	\$ 41,076,470	\$ 40,480,552	595,918	1%	\$ 38,811,384
					Operating Expenses					
21	\$ 2,392,429	\$ 2,441,728	49,299	2%	Salary and Wages and Agency Fees	\$ 19,940,882	\$ 19,806,011	(134,871)	-1%	\$ 18,251,795
22	885,590	789,308	(96,282)	-12%	Employee Benefits	7,611,573	7,173,789	(437,784)	-6%	7,010,563
23	\$ 3,278,019	\$ 3,231,036	(46,983)	-1%	Total People Cost	\$ 27,552,455	\$ 26,979,800	(572,655)	-2%	\$ 25,262,358
24	\$ 442,950	\$ 371,606	(71,345)	-19%	Med and Prof Fees (excl Agency)	\$ 3,256,074	\$ 3,188,365	(67,709)	-2%	\$ 3,163,018
25	456,513	568,563	112,050	20%	Supplies	4,581,036	4,454,397	(126,639)	-3%	4,380,390
26	187,199	352,170	164,971	47%	Purchased Services	2,439,467	3,169,530	730,063	23%	3,112,549
27	285,715	283,132	(2,583)	-1%	Depreciation	2,606,873	2,548,184	(58,689)	-2%	2,587,680
28	84,889	98,958	14,069	14%	Utilities	843,436	890,622	47,186	5%	829,889
29	25,266	20,834	(4,432)	-21%	Insurance	227,272	187,506	(39,766)	-21%	173,338
30	64,107	36,669	(27,438)	-75%	Interest	491,097	358,304	(132,793)	-37%	388,197
31	143,495	155,927	12,432	8%	Other	1,457,985	1,421,588	(36,397)	-3%	1,194,349
32	0	62,500	62,500	100%	Matching Fees (Government Programs)	368,026	562,500	194,474	35%	645,940
33	\$ 4,968,153	\$ 5,181,394	213,241	4%	Operating expenses	\$ 43,823,721	\$ 43,760,796	(62,925)	0%	\$ 41,737,709
34	\$ (468,843)	\$ (257,947)	(210,896)	-82%	Operating Margin	\$ (2,747,251)	\$ (3,280,244)	532,993	16%	\$ (2,926,326)

## ATTACHMENT D

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
Comparative Results  
For the Period Ended March 31, 2016**

	Month				
	This Year		Variance		
	Actual	Budget	\$		%
35	\$ (15,881)	\$ 13,657	(29,538)		-216%
36	11,584	5,805	5,779		100%
37	(37,500)	(37,500)	-		0%
38	250,000	250,000	-		0%
39	<b>\$ 208,203</b>	<b>\$ 231,962</b>	<b>(23,759)</b>		<b>-10%</b>
40	<b>\$ (260,640)</b>	<b>\$ (25,985)</b>	<b>(234,655)</b>		<b>903%</b>
41	\$ 517	\$ 35,183	(34,666)		-99%
42	\$ -	\$ 20,833	(20,833)		0%
43	<b>\$ (260,123)</b>	<b>\$ 30,031</b>	<b>(290,154)</b>		<b>-966%</b>
44	242,777	242,777	-		0%
45	(114,256)	(114,256)	-		0%
46	<b>\$ (131,602)</b>	<b>\$ 158,552</b>	<b>(290,154)</b>		<b>-183%</b>
	\$ 89,182	\$ 293,816			
	2.0%	6.0%			

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

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

GO Bond Tax Assessment Rev
GO Bond Interest

**Net Income/(Loss) w GO Bond Activity**

**EBIDA - Not including Restricted Contributions**

	Year-To- Date					YTD
	This Year		Variance			Prior Year
	Actual	Budget	\$		%	
	\$ 3,065	\$ 122,913	(119,848)		-98%	\$ 87,783
	11,584	52,245	(40,661)		78%	48,587
	(337,500)	(337,500)	-		0%	(337,500)
	2,251,954	2,250,000	1,954		0%	2,250,000
	<b>\$ 1,929,103</b>	<b>\$ 2,087,658</b>	<b>(158,555)</b>		<b>-8%</b>	<b>\$ 2,048,871</b>
	<b>\$ (818,148)</b>	<b>\$ (1,192,586)</b>	<b>374,438</b>		<b>-31%</b>	<b>\$ (877,455)</b>
	\$ 612,284	\$ 316,647	295,637		93%	\$ 608,782
	\$ 450,000	\$ 687,501	(237,501)		100%	\$ -
	<b>\$ 244,136</b>	<b>\$ (188,438)</b>	<b>432,574</b>		<b>-230%</b>	<b>\$ (268,673)</b>
	2,184,993	2,184,993	-		0%	1,372,622
	(1,031,977)	(1,031,978)	1		0%	(1,124,949)
	<b>\$ 1,397,152</b>	<b>\$ 964,577</b>	<b>432,575</b>		<b>45%</b>	<b>\$ (20,999)</b>
	\$ 2,279,822	\$ 1,713,902				\$ 2,098,423
	5.6%	4.2%				5.4%

**Sonoma Valley Health Care District**  
**Statement of Revenue and Expenses Variance Analysis**  
**For the Period Ended March 31, 2016**

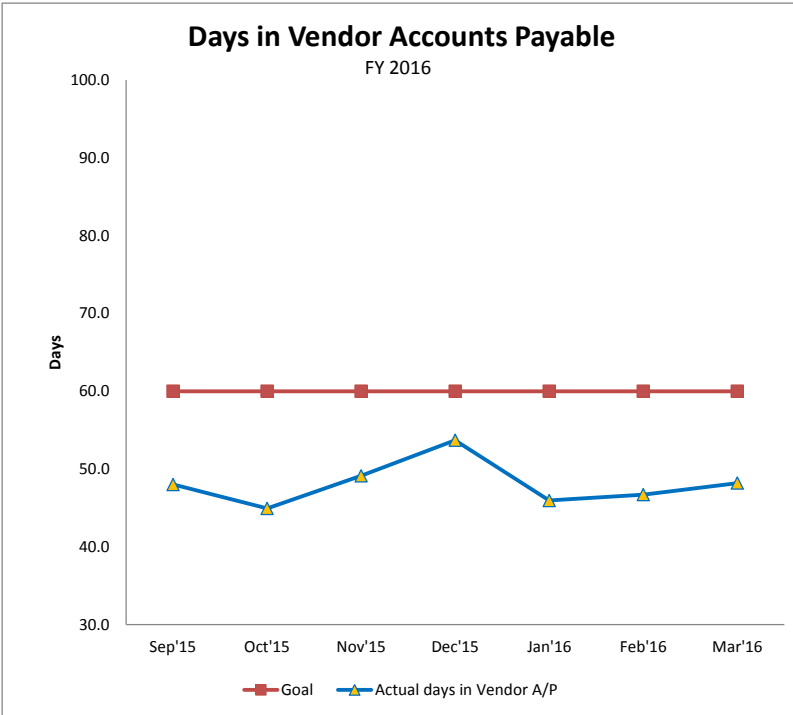
	YTD	MONTH	
Description	Variance	Variance	
<b>Volume Information</b>			
1 Acute Discharges	(38)	(31)	
2 SNF Days	(4)	(170)	
3 Home Care Visits	(2,368)	(327)	
4 Gross O/P Revenue (000's)	10,930	2,617	
<b>Financial Results</b>			
<b>Gross Patient Revenue</b>			
5 Inpatient	2,043,884	(747,354)	Acute patient days were under budget by (24) days and inpatient surgeries were under budget by (12) cases.
6 Outpatient	1,980,419	827,241	Outpatient visits were over budget by 443 visits and outpatient surgeries were at budget.
7 Emergency	8,887,348	1,771,819	ER visits were over budget by 80 visits and had a higher than expected case mix (higher acuity).
8 SNF	(1,398,270)	(860,332)	SNF patient days were under budget by (170) days.
9 Home Care	(527,998)	(75,142)	Home Care visits were under budget by (327) visits.
10 <b>Total Gross Patient Revenue</b>	<b>10,985,383</b>	<b>916,232</b>	
<b>Deductions from Revenue</b>			
11 Contractual Discounts	(11,068,342)	(1,250,725)	The unfavorable variance is primarily due to the ER gross revenue being over budgeted expectations by \$1.77M. Furthermore, Medicare insurance was 42.9% of gross revenue vs. 49.8% budgeted and Medi-Cal was 20.0% of gross revenue vs. 18.0% budgeted.
12 Bad Debt	113,826	(10,686)	
13 Charity Care Provision	(65,690)	(20,436)	
14 Prior Period Adj/Government Program Revenue	788,805	(12,022)	
15 <b>Total Deductions from Revenue</b>	<b>(10,231,401)</b>	<b>(1,293,869)</b>	
16 <b>Net Patient Service Revenue</b>	<b>753,982</b>	<b>(377,637)</b>	
<b>Risk contract revenue</b>	<b>(237,414)</b>	<b>(47,736)</b>	Blue Shield capitation received was under budget.
18 <b>Net Hospital Revenue</b>	<b>516,568</b>	<b>(425,373)</b>	
19 Other Op Rev & Electronic Health Records	79,350	1,235	
20 <b>Total Operating Revenue</b>	<b>595,918</b>	<b>(424,138)</b>	
<b>Operating Expenses</b>			
21 Salary and Wages and Agency Fees	(134,871)	49,299	Salaries & wages are under budget by \$108,328 due to lower than projected IP volume, and agency costs over budget (\$59,029).
22 Employee Benefits	(437,784)	(96,282)	PTO was over budget in March by (\$77,277) due to unbudgeted paid sick leave for per diem employees and an increase in use over budgeted expectations. Employee benefits are over budget by (\$19,005) due to an increase in the cost of health benefits due to increased participation during open enrollment.
23 <b>Total People Cost</b>	<b>(572,655)</b>	<b>(46,983)</b>	
24 Med and Prof Fees (excl Agency)	(67,709)	(71,345)	Physician fees are over budget by (\$121,074) due to an increase in physician contracts (\$61,074) and an additional fee for physician recruitment (\$60,000). Physician fees were offset by a positive variance for Professional fees of \$49,729.
25 Supplies	(126,639)	112,050	Supplies are under budget due to lower than projected inpatient volume in March.
26 Purchased Services	730,063	164,971	Budgeted Services not used during March.
27 Depreciation	(58,689)	(2,583)	
28 Utilities	47,186	14,069	
29 Insurance	(39,766)	(4,432)	Insurance premiums increased over budgeted expectations.
30 Interest	(132,793)	(27,438)	Variance due to the true up of the Celtic financing lease - true up being spread over 6 months.
31 Other	(36,397)	12,432	
32 Matching Fees (Government Programs)	194,474	62,500	There were no matching fees in March. This expense is offset from the revenue above from line 14.
33 <b>Operating expenses</b>	<b>(62,925)</b>	<b>213,241</b>	
34 <b>Operating Margin</b>	<b>532,993</b>	<b>(210,896)</b>	
<b>Non Operating Rev and Expense</b>			
35 Miscellaneous Revenue	(119,848)	(29,538)	
36 Donations	(40,661)	5,779	Received donations from the Foundation for reimbursement of minor equipment purchased for Physical Therapy and Wound Care.

**Sonoma Valley Health Care District**  
**Statement of Revenue and Expenses Variance Analysis**  
**For the Period Ended March 31, 2016**

ATTACHMENT E

	YTD	MONTH	
	Variance	Variance	
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			

Physician Practice Support-Prima	-	-	
Parcel Tax Assessment Rev	1,954	-	
<b>Total Non-Operating Rev/Exp</b>	<b>(158,555)</b>	<b>(23,759)</b>	
		-	
<b>Net Income / (Loss) prior to Restricted Contributions</b>	<b>374,438</b>	<b>(234,655)</b>	
		-	
Capital Campaign Contribution	295,637	(34,666)	Capital campaign donations received from the Foundation were under budgeted expectations.
Restricted Foundation Contributions	(237,501)	(20,833)	There were no restricted donations in March.
<b>Net Income / (Loss) w/ Restricted Contributions</b>	<b>432,574</b>	<b>(290,154)</b>	
GO Bond Tax Assessment Rev	-	-	
GO Bond Interest	1	-	
<b>Net Income/(Loss) w GO Bond Activity</b>	<b>432,575</b>	<b>(290,154)</b>	

[illegible][illegible]

**Sonoma Valley Hospital**  
Statistical Analysis  
FY 2016

ATTACHMENT G

Statistics	ACTUAL	BUDGET
	Mar-16	Mar-16
<b>Acute</b>		
Acute Patient Days	426	450
Acute Discharges (w/o Newborns)	99	130
<b>SNF Days</b>	580	750
<b>HHA Visits</b>	879	1,206
<b>Emergency Room Visits</b>	945	865
<b>Gross Outpatient Revenue (000's)</b>	\$14,266	\$11,649
<b>Equivalent Patient Days</b>	2,886	2,713
<b>Births</b>	17	14
<b>Surgical Cases - Inpatient</b>	31	43
<b>Surgical Cases - Outpatient</b>	110	113
<b>Total Surgical Cases</b>	141	156
<b>Medicare Case Mix Index</b>	1.48	1.40
<b>Income Statement</b>		
Net Revenue (000's)	4,484	4,909
Operating Expenses (000's)	\$4,968	\$5,181
Net Income (000's)	(132)	159
<b>Productivity</b>		
Total Operating Expense Per Equivalent Patient Day	\$1,721	\$1,910
Productive FTEs	293	301
Non-Productive FTE's	33	34
Total FTEs	326	335
FTEs per Adjusted Occupied Bed	3.50	3.83
<b>Balance Sheet</b>		
Days of Expense In General Operating Cash	10	
Net Days of Revenue in AR	50	50

ACTUAL												
Feb-16	Jan-16	Dec-15	Nov-15	Oct-15	Sep-15	Aug-15	Jul-15	Jun-15	May-15	Apr-15	Mar-15	Feb-15
417	404	351	316	325	376	297	352	357	373	378	401	372
101	124	109	85	97	92	74	110	97	97	95	113	98
671	710	648	544	666	607	634	619	669	626	487	669	607
889	933	915	1,088	948	948	917	981	1,014	963	1,154	1,232	1,109
919	864	863	841	820	871	888	878	846	943	876	954	845
\$12,049	\$12,184	\$12,274	\$11,900	\$13,103	\$12,774	\$12,910	\$12,639	\$12,065	\$10,719	\$11,237	\$11,839	\$10,541
2,628	2,771	2,614	2,384	2,691	2,565	2,679	2,651	2,757	2,432	2,255	2,579	2,455
9	17	21	14	11	11	15	15	24	11	7	16	11
34	26	32	24	36	36	26	29	35	33	33	34	33
93	98	104	90	95	91	96	96	87	85	111	103	103
127	124	136	114	131	127	122	125	122	118	144	137	136
1.50	1.41	1.35	1.69	1.53	1.69	1.52	1.44	1.76	1.69	1.71	1.42	1.46
4,614	4,522	4,729	4,029	4,655	4,739	4,612	4,483	4,564	4,137	4,100	4,175	4,618
\$4,987	\$4,932	4,829	4,665	4,931	4,931	4,863	4,718	5,103	4,698	4,875	4,783	5,046
39	19	575	245	104	170	149	203	139	74	96	(59)	(104)
\$1,898	\$1,780	\$1,847	\$2,022	\$1,832	\$1,922	\$1,815	\$1,780	\$1,851	\$1,932	\$2,162	\$1,854	\$2,055
296	271	277	292	299	280	273	277	273	278	276	284	278
28	48	41	30	28	32	37	36	36	29	28	26	25
324	319	317	322	327	312	310	313	309	307	304	310	303
3.58	3.57	3.77	4.05	3.77	3.65	3.58	3.66	3.36	3.91	4.05	3.79	3.46
12	14	21	9	13	18	16	22	16	17	20	15	12
52	53	51	53	47	49	45	46	47	43	47	47	48

Sonoma Valley Hospital  
Cash Forecast  
FY 2016

ATTACHMENT H

	Actual July - Nov	Actual Dec	Actual Jan	Actual Feb	Actual Mar	Forecast Apr	Forecast May	Forecast Jun	Forecast Jul	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Forecast TOTAL
<b>Hospital Operating Sources</b>															
1 Patient Payments Collected	20,187,564	3,961,779	3,603,555	4,085,613	4,791,244	3,818,699	4,549,338	3,991,672	4,273,644	3,960,600	3,928,857	4,412,104	3,915,173	4,021,206	73,501,049
2 Capitation Revenue	771,960	148,240	129,971	129,623	123,448										1,303,242
3 Napa State				210,198	412,573	93,430	93,430	93,430	35,000	35,000	35,000	35,000	35,000	35,000	1,113,061
4 Other Operating Revenue	146,387	20,950	22,412	45,740	34,129	14,458	14,458	14,458	62,250	15,411	11,738	17,936	39,052	20,950	480,330
5 Other Non-Operating Revenue	152,199	46,513	53,555	35,986	27,278	13,657	13,657	13,657	8,340	23,819	27,860	44,332	47,848	46,513	555,214
6 Unrestricted Contributions					16,045	5,000	5,000	5,000	500	500	500	500	500	500	34,045
7 Line of Credit															-
Sub-Total Hospital Sources	21,258,110	4,177,482	3,809,493	4,507,161	5,404,718	3,945,244	4,675,883	4,118,217	4,379,735	4,035,330	4,003,955	4,509,872	4,037,572	4,124,169	76,986,941
<b>Hospital Uses of Cash</b>															
8 Operating Expenses	23,021,771	3,922,568	5,624,996	4,530,885	4,931,488	4,588,664	4,480,933	4,635,725	4,621,060	4,537,752	4,906,515	4,619,403	4,252,701	4,205,700	82,880,159
9 Less Depreciation						(283,132)	(283,132)	(283,132)	(283,132)	(283,132)	(283,132)	(283,132)	(283,132)	(283,132)	(2,548,188)
10 Add Capital Lease Payments	785,145	180,181	65,514	189,093	225,377	50,250	176,289	52,045	173,809	52,154	129,806	53,230	176,146	140,181	2,449,220
11 Additional AP						750,000								750,000	1,500,000
12 Capital - Board Approved Spending	74,140	37,519	-	23,425	100,431										235,515
13 Napa State				210,198	445,743										655,941
Total Hospital Uses	23,881,056	4,140,268	5,690,510	4,953,601	5,703,039	5,105,782	4,374,090	4,404,638	4,511,737	4,306,774	4,753,189	4,389,501	4,145,715	4,812,749	85,172,647
Net Hospital Sources/Uses of Cash	(2,622,946)	37,214	(1,881,017)	(446,440)	(298,321)	(1,160,538)	301,793	(286,421)	(132,002)	(271,444)	(749,234)	120,371	(108,143)	(688,580)	(8,185,707)
<b>Non-Hospital Sources</b>															
14 Restricted/Capital Donations Donations	424,916			211,762											636,678
15 Electronic Health Records	85,361														85,361
16 Parcel Tax Revenue	123,335	1,673,328				1,250,000			120,000					1,500,000	4,666,662
17 Other:															-
18 LIHP	623,866														623,866
19 IGT	696,305					450,000				250,000		450,000			1,846,305
20 IGT - AB915 (Net)			850,228			296,805									1,147,033
Sub-Total Non-Hospital Sources	1,953,783	1,673,328	850,228	211,762	-	1,546,805	450,000	-	120,000	250,000	-	450,000	-	1,500,000	9,005,906
<b>Non-Hospital Uses of Cash</b>															
21 Matching Fees	368,026								125,000		225,000				718,026
Sub-Total Non-Hospital Uses of Cash	368,026	-	-	-	-	-	-	-	125,000	-	225,000	-	-	-	718,026
Net Non-Hospital Sources/Uses of Cash	1,585,757	1,673,328	850,228	211,762	-	1,546,805	450,000	-	(5,000)	250,000	(225,000)	450,000	-	1,500,000	8,287,880
Net Sources/Uses	(1,037,189)	1,710,542	(1,030,789)	(234,678)	(298,321)	386,267	751,793	(286,421)	(137,002)	(21,444)	(974,234)	570,371	(108,143)	811,420	102,173
Cash and Equivalents at beginning of period	2,435,080	1,397,891	3,108,433	2,077,644	1,842,966	1,544,645	1,930,913	2,682,706	2,396,285	2,259,283	2,237,839	1,263,605	1,833,975	1,725,833	
Cash and Equivalents at end of period	1,397,891	3,108,433	2,077,644	1,842,966	1,544,645	1,930,913	2,682,706	2,396,285	2,259,283	2,237,839	1,263,605	1,833,975	1,725,833	2,537,253	
															YTD Cash Goal
															\$ 1,596,285
															Available Cash
															\$ 800,000
															Note #1

Note #1 - \$800,000 reserved for board approved capital during FY 2016.



11.

ADMINISTRATION  
BOARD REPORT  
APRIL 2016



**To:** SVHCD Board of Directors  
**From:** Kelly Mather  
**Date:** 3/23/16  
**Subject:** Administrative Report

### Summary

We continue to hold steady and are ahead of the FY 2016 budget with four months left. However cash on hand is still a major concern at only 12 days. The revenue cycle team is doing an outstanding job and collections are going well. We had a mid-year review from our auditors and the results show we are on track with our financial estimates. In February, the volumes were up and the Medicare Case Mix was also higher than usual. The staff always step it up this time of year. The higher number of FTE's is due to the higher volumes. The Emergency department had 139 more visits than expected with a much higher acuity as well. The major reason the expenses are higher than expected is due to the increase in cost with many physician agreements this year.

### Dashboard and Trended Results

The inpatient and emergency satisfaction results continue to be inconsistent. The Value Based Purchasing score continues to be at the 90<sup>th</sup> percentile. The staff satisfaction results are in and we will be presenting them to leadership on April 6<sup>th</sup> at our Leadership Development Institute. The results will also be shared at the staff forums in April and with the board in May. The EBIDA continues to be tracking ahead of our budget goal and we have also met our first goal for community hours for the year.

### Strategic Update

The new three year rolling strategic plan for FY 2017 is almost complete. Our committee meets the first week of April and then we will take this for board approval in May.

Strategic Priorities	Update	Completion Date
1206b Clinic	The budget will be complete in April	We should start this in May
Recruit another General Surgeon	Dr. Sawyer has signed a lease and will be in our time share	He should get started in June
Staff Compensation	Quarterly parity increases are set. We have a few positions that were over 15% behind market. A new compensation plan is being developed for FY 2017 budget.	This increase will happen in April
South Lot	We have found several options for financing. Meeting with the committee in May to make a recommendation	Board recommendation is planned for June
Physician Time Share Offices	The second time share is almost ready. The first one is now full.	Opening April 4
Cancer Support Sonoma	We are in the process of making this a service line of the hospital due to regulations.	We hope to get answers from the state soon

## FEBRUARY DASHBOARD

PILLAR	PERFORMANCE GOAL	METRIC	ACTUAL RESULT	GOAL LEVEL
<b>Service Excellence</b>	Highly satisfied Inpatients	Maintain at least 5 out of 9 HCAHPS domain results above the 70 <sup>th</sup> percentile	3 out of 9 in January	>7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 <b>&lt;4=1</b>
<b>Service Excellence</b>	Highly satisfied Emergency Patients	Maintain at least 5 out of 7 ERCAPS domain results above the 70 <sup>th</sup> percentile	1 out of 7 in January	7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 <b>3 = 1</b>
<b>Quality</b>	Excellent Clinical Outcomes	Value Based Purchasing Clinical Score at 50 or higher	53.5 (90 <sup>TH</sup> percentile)	>55 = 5 (stretch) <b>&gt;52 = 4</b> >50 = 3 (Goal) >47 = 2 <40 = 1
<b>People</b>	Highly Engaged and Satisfied Staff	Press Ganey percentile ranking of 75 <sup>th</sup> percentile or higher	79.6% mean score at 91st percentile	<b>&gt;80<sup>th</sup> = 5 (stretch)</b> >77 <sup>th</sup> =4 >75 <sup>th</sup> =3 (Goal) >72 <sup>nd</sup> =2 <70 <sup>th</sup> =1
<b>Finance</b>	Financial Viability	YTD EBIDA	6%	<b>&gt;5% (stretch)</b> >4.5%=4 >4.0% (Goal) >3/5%=2 <3.5%=1
	Efficiency and Financial Management	Meet FY 2016 Budgeted Expenses	\$38,855,568 (actual) \$38,579,402 (budget)	<2% = 5 (stretch) <1% = 4 <Budget=3 (Goal) <b>&gt;1% = 2</b> >2% = 1
<b>Growth</b>	Surgical Cases	Increase surgeries by 2% over prior year	1019 YTD FY2016 981 YTD FY2015	>2% = 5 <b>&gt;1% = 3</b> < 1% = 2
	Outpatient & Emergency Volumes	2% increase (gross outpatient revenue over prior year)	\$160 mm YTD \$145 mm prior year	<b>&gt;5% = 5 (stretch)</b> >3% = 4 >2% = 3 (Goal) <2% = 2
<b>Community</b>	Community Benefit Hours	Hours of time spent on community benefit activities per year	1111 hours for 7 months	>1500 = 5 >1200 = 4 <b>&gt;1000 = 3</b> >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 2015	Apr 2015	May 2015	Jun 2015
Inpatient Satisfaction	6/9	5	5	2	6	7	8	3					
Emergency Satisfaction	5/7	2	3	4	5	5	6	1					
Value Based Purchasing	>50	52	52.2	53.5	52.5	53	53.5				47	48	48
Staff Satisfaction	>75th	91	91	91	91	91	91	91	91	91	91	91	91
FY YTD Turnover	<10%	1.2	1.2	1.8	2.8	3.4	4.6	5.2	6.1	7.4	7.6	8	8.3
YTD EBIDA	>4%	8.2	7.6	7.7	7.3	5.7	6.6	6.2	6	5.4	4.7	4.2	3.8
Net Operating Revenue	>4.5m	4.48	4.6	4.7	4.7	4.1	4.7	4.5	4.6	4.1	4.1	4.1	4.5
Expense Management	<4.8m	4.7	4.8	4.9	4.9	4.6	4.8	4.9	4.9	4.7	4.8	4.6	5.1
Net Income	>50k	202	174	27.8	104	244	575	19	203	-382	-278	74	139
Days Cash on Hand	>20	22	16	18	13	9	21	14	12	15	20	17	16
A/R Days	<50	46	45	49	47	53	51	53	52	47	47	43	47
Total FTE's	<315	313	310	312	327	322	317	319	324	310	304	307	309
FTEs/AOB	<4.0	3.6	3.77	3.65	3.77	4.1	3.77	3.57	3.58	3.79	4.05	3.91	3.36
Inpatient Discharges	>100	110	74	92	97	85	109	124	101	113	95	97	97
Outpatient Revenue	>\$12m	12.6	12.9	12.7	13.1	11.9	12.2	12.1	12.1	11.8	11.2	10.7	12.0
Surgeries	>130	125	122	127	131	114	136	124	127	137	144	118	122
Home Health	>1000	981	917	948	948	1088	915	933	889	1232	1154	963	1014
Births	>15	16	15	11	11	14	24	17	9	16	7	11	24
SNF days	>660	619	634	607	666	544	648	710	671	669	487	626	669
MRI	>120	143	131	119	132	109	113	102	119	157	138	125	144
Cardiology (Echos)	>65	66	62	63	77	41	50	46	60	67	61	63	66
Laboratory	>12.5	12.1	12.2	11.5	11.7	11.6	11.4	11.9	12.1	12.1	12.3	11.9	12.3
Radiology	>850	1036	1011	997	1018	875	907	904	961	1156	1030	1014	965
Rehab	>2587	3014	2384	2773	2886	2297	3003	2815	2708	3113	3063	3008	2873
CT	>300	384	352	343	336	381	323	379	352	347	302	357	335
ER	>800	878	888	871	820	841	863	864	919	769	876	943	846
Mammography	>475	462	439	367	543	406	492	446	437	466	497	476	453
Ultrasound	>325	395	314	320	353	246	290	296	304	357	391	354	345
Occupational Health	>650	733	728	646	871	681	683	600	597	679	687	573	660