



**SONOMA VALLEY HEALTH CARE DISTRICT
FINANCE COMMITTEE
REGULAR MEETING **AGENDA**
Tuesday, May 26, 2015, 5:00 p.m.**

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

TOLL FREE CALL-IN NUMBER: 866 228-9900 GUEST CODE: 294221		
AGENDA ITEM	RECOMMENDATION	
MISSION STATEMENT The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Fogg</i>	
2. PUBLIC COMMENT SECTION At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the 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>Fogg</i>	
3. CONSENT CALENDAR FC Meeting Minutes 4.28.15 FC-Board Joint Budget Meeting 5.12.15	<i>Fogg</i>	Action
4. SCAN UPDATE	<i>Jensen</i>	Inform
5. OPERATING BUDGET UPDATE	<i>Jensen</i>	Inform
6. INSURANCE REVIEW	<i>Jensen</i>	Inform
7. APRIL 2015 FINANCIALS	<i>Jensen</i>	Action
8. CEO BOARD REPORT MAY 2015	<i>Nevins</i>	Inform
9. ADJOURN Next meeting June 23, 2015	<i>Fogg</i>	

3.

CONSENT CALENDAR



**SONOMA VALLEY HEALTH CARE
DISTRICT
FINANCE COMMITTEE
MEETING MINUTES
Tuesday, April 28, 2015
Schantz Conference Room**

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

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION AND VISION STATEMENTS	<i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community. The vision of SVHCD is that SVH will be a nationally recognized, compassionate place of healing known for excellence in clinical quality. We serve as the guide and indispensable link in our community's health care journey.</i>		
1. CALL TO ORDER AND ANNOUNCEMENTS	<i>Fogg</i>		
	Meeting called to order at 5:00 p.m. A Joint Board/Finance Committee Budget Meeting is scheduled for Tuesday, May 12 at 5:00pm in the Basement Conference Room.		
2. PUBLIC COMMENT SECTION	<i>Fogg</i>		
	None		
3. CONSENT CALENDAR	<i>Fogg</i>		

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
<ul style="list-style-type: none"> FC Meeting Minutes, 1.27.15 (no quorum) and 3.24.15 		MOTION by Woodward to approve Minutes and 2 nd by Glago. All in favor.	
4. GROWTH OVERVIEW	<i>Donaldson</i>	Inform	
	Ms. Donaldson discussed the role of the Chief Revenue Officer (CRO) in Health Care and shared volume trends at SVH, lessons learned and next steps.		
5. CAPITAL SPENDING	<i>Tarver</i>	Inform	
	Ms. Tarver presented the FY2015 Capital Budget.		
6. SCAN UPDATE	<i>Jensen</i>	Inform	
	Mr. Jensen will bring back a more detailed SCAN report including payment data.		
7. OPERATING BUDGET STATUS	<i>Jensen</i>	Inform	
	The Operating Budget is in progress.		
8. AUDIT PLAN	<i>Tarver/Jensen</i>	Inform	
	Ms. Tarver distributed the Audit Schedule for FY 2014-15.		
9. MARCH 2015 FINANCIALS	<i>Jensen</i>	Inform	
	March activity was consistent with the experiences of the prior months. After accounting for all income and expenses, the net loss for March was (\$382,610) vs. a budgeted gain of \$27,392. The loss was offset by a Foundation Contribution of \$286,913 restricted for the purchase of ultrasound equipment. The total loss after		

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	all activity was (\$58,801) vs. a budgeted gain of \$123,627.		
10. CEO BOARD REPORT APRIL 2015	<i>Nevins/Mather</i>	Inform	
	<p>Ms. Mather is delighted to announce that after recent changes in Leadership, staff satisfaction scores are at all time highs. Staff participation was 77% and SVH came in at the 91st percentile.</p> <p>Ms. Mather shared that the Three-Year Rolling Plan FY2016-18 is in its final stages and will go to the May 7, 2015 Board meeting for approval.</p>		Send the FC the staff satisfaction report from the last Board Agenda Package (as a separate document)
11. ADJOURN/DISCUSSION	<i>Fogg</i>		
	<p>Ms. Nevins informed the Committee about an anonymous letter submitted to the editors at The Sonoma Sun and the Sonoma-Index Tribune. The letter alleges that SVH is being mismanaged. It is not known whether the letter will go to print.</p> <p>Meeting adjourned at 6:35pm</p>		



**SVHCD JOINT FINANCE COMMITTEE-
BOARD BUDGET MEETING**

MINUTES

Tuesday, May 12, 2015

Basement Conference Room

FC & Board Members Present	Excused/Absent	Staff	Public
Dick Fogg Sharon Nevins Phil Woodward Peter Hohorst Mary Smith Stephen Berezin Shari Glago Steve Barclay Jane Hirsch Joshua Rymer	Bill Boerum S. Mishra K. Chamberlin	Kelly Mather Ken Jensen Jeannette Tarver Sarah Dungan Gigi Betta	Sam McCandless

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION AND VISION STATEMENTS	<i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community. The vision of SVHCD is that SVH will be a nationally recognized, compassionate place of healing known for excellence in clinical quality. We serve as the guide and indispensable link in our community's health care journey.</i>		
1. CALL TO ORDER AND ANNOUNCEMENTS	<i>Fogg</i>		
	Meeting called to order at 5:00 p.m. Mr. Fogg announced that Shari Glago will be stepping down as member of the Finance Committee. Ms. Glago has served on the Committee for twelve years during which time she has made invaluable contributions to the Committee and Hospital.		
2. PUBLIC COMMENT SECTION	<i>Fogg</i>		

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	None		
3. BUDGET PROPOSAL FY 2015/16	<i>Jensen</i>		
	<p>Mr. Jensen presented the Operating Budget Proposal for FY2015-16. He distributed and shared additional information on the payer mix, new FTEs for Budget FY16, and the Intergovernmental Transfer Program (IGT).</p> <p>Mr. Barclay motioned to approve the proposed Operating Budget FY15/16 in its entirety. Any adjustments to the approved Budget will be brought to the next Finance Committee meeting on May 26, 2015.</p>	<p>MOTION by Barclay to approve Operating Budget and 2nd by Glago. All in favor.</p>	
11. ADJOURN/DISCUSSION	<i>Fogg</i>		
	Meeting adjourned at 6:40pm		

4.

SCAN REPORT

Open A/R for SCAN January - April 2015

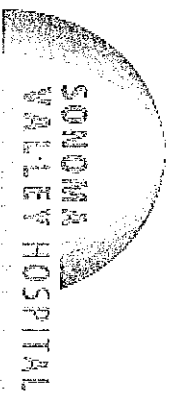
Health Plan Name	Total Charges	Total Payments	Total Adjustments	Balance	Total Count - Claims
SCAN	\$ 1,906,574.71	\$ 12,273.04	\$ 59,496.13	\$ 1,834,805.54	305

Department	Dept. Charges
Inpatient	\$ 463,218.74
Outpatient	\$ 254,451.54
Emergency Department	\$ 284,433.00
Ambulatory Care Unit	\$ 212,816.51
Rehabilitation Services	\$ 86,685.51
Special Procedures	\$ 82,590.94
Medical Short Stay	\$ 33,070.84
Skilled Nursing Facility	\$ 489,307.63
Total - Gross A/R	\$ 1,906,574.71

Payment has not been made due to some technical issues at St. Joseph's Health System. Issues are currently being resolved and payments will be forthcoming at approximately 30% of the gross A/R listed above.

6.

INSURANCE REVIEW



Healing Here at Home

2014 - 2015 Renewal - Schedule of Insurance Policies

Line of Coverage	Carrier Partner	Policy Period	Limits	Deductible	2013-2014 Premium	2014-2015 Premium
Professional & General Liability (Hospital)	BETA Healthcare Group	7/1/14-7/1/15	\$15,000,000	\$5,000	\$197,001	\$201,296
Professional & General Liability (ER Docs)	BETA Healthcare Group	7/1/14-7/1/15	\$1M/\$3M	\$5,000	\$38,470	\$39,409
Director & Officers Liability	BETA Healthcare Group	7/1/14-7/1/15	\$3,000,000	\$10,000	\$27,489	\$27,489
Employment Practices Liability	BETA Healthcare Group	7/1/14-7/1/15	Shared in 3M	\$10,000	Included in D&O	Included in D&O
Auto Hired/Non Owned	BETA Healthcare Group	7/1/14-7/1/15	\$6,000,000	\$250/\$500	\$1,688	\$1,688
Property Insurance	Alliant HARPP Program	7/1/14-7/1/15	\$125,000,000	\$25,000	\$51,856	\$51,030
Network Privacy/Security (Data Breach)	Alliant HARPP Program	7/1/14-7/1/15	\$2,000,000	\$25,000	Included in Property	Included in Property
Crime	CHIP	7/1/14-7/1/15	\$1,000,000	\$25,000	\$3,315	\$3,315
Fiduciary Liability	RI Insurance Co.	7/1/14-7/1/15	\$1,000,000	\$5,000	\$3,220	\$3,447
Workers' Compensation	Safety National	7/1/14-7/1/15	Statutory	\$500,000	\$83,575	\$86,526
Gross SVH Insurance Premium Total					\$406,614	\$414,200
Subtract BETA Renewal Dividend					\$58,433	\$55,760
Subtract BETA Special Dividend (August)					\$84,557	\$75,281
Subtract Valley Emergency Billing					\$38,470	39,404
Net SVH Insurance Premium Total					\$225,154	\$243,755

Billing - BETA PL/GL for both hospital and ED are billed monthly. All other insurance premiums are due within 30 days of policy inception.

JAMES & GABLE
INSURANCE BROKERS, INC.

7.

FINANCIALS



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: May 26, 2015
Subject: Financial Report for the Month Ending April 30, 2015

April activity was consistent with the experiences of prior months. Gross patient revenue was better than budget by \$699,390. However, there continues to be significant changes in payer mix compared with expectations. Medi-Cal was 19.7% (regular and managed care) of gross revenue vs. a budgeted 11.1%. Commercial insurance, which now includes the lower paying Covered California patients, was 21.3% vs. the 24.8% budgeted. Although short from budget, the 21.3% is an improvement over recent months. The contractual amount is offset by the Intergovernmental Transfer (IGT) program payment of \$454,284. After accounting for the IGT matching fee, the net gain from the IGT program is \$204,677. The resulting net revenue was over budget by \$1,344. The actual Net Hospital Revenue would have been unfavorable to budget by (\$452,940) without the IGT revenue.

Expenses were over budget by (\$397,663). The significant variances were salaries & wages (\$64,260), employee benefits (\$53,035), professional fees due to a true-up of the hospitalist costs (\$44,921), depreciation expense (\$35,728), and other expenses (\$255,972) which includes the IGT program payment of \$249,607.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for April was (\$417,237) vs. a budgeted loss of (\$76,980). The loss was offset by a Foundation Contribution of \$138,624 for the capital campaign. Furthermore, a statement of GO Bond activity was recently received. It indicated that SVH was under accruing for GO Bond income. The true-up will occur each month for the balance of the fiscal year. This month GO Bond income included an extra non-cash amount of \$340,693. The total net income for April after all activity was \$96,475 vs. a budgeted net income of \$19,255.

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

GROSS REVENUE was favorable to budget \$ 699,390
Inpatient revenue was favorable to budget by \$800,327 and
SNF was unfavorable by (\$934,057). Outpatient revenue was
better than budget by \$226,529 and ER revenue was above
budget by \$615,651. In addition to volume, the ER has experienced
a shift to higher levels of care that has contributed to the increased
revenues. Home Health was below budget with a variance of (9,060).

Deductions from revenue are unfavorable to budget \$ (678,607)
This is due to a significant change in payer mix this month compared to



budget. Overall, Medi-Cal was 19.7% of gross revenue vs. a budget of 11.1%. Although a slight improvement over the last few months, Commercial insurances accounted for 21.3% of gross revenue vs. a budget of 24.8%. This was offset by the accrual of the IGT Program revenue of \$454,284. The actual deductions before the IGT revenue were \$14,850,420, or unfavorable to budget by (\$1,132,891).

Risk Contract Revenue was under budget*	\$ (19,439)	
Other Revenue was under budget due to the true-up of the E.H.R. Revenue received in January.	<u>\$ (69,530)</u>	
Total Operating Revenue Variance		\$ (68,186)
Total Staffing costs were over budget Productive FTE's were 276 vs. a budget of 269. Total FTE's were over budget by (1.6). Additional patient days and increased patient acuity (case mix index) Caused the need for additional staff over budgeted FTE's. The Average hourly rate was above budget because most of The additional staff was higher paid nursing staff.	\$ (64,260)	
Employee benefits were over budget primarily due to a required increase in the accrual of the State Unemployment insurance reserve of (\$25,000)* and employee health insurance was over budget by (\$25,570)*.	\$ (53,035)	
Professional fees were over budget due to a true-up of hospitalists costs from FY 2013 per contract.	\$ (44,921)	
Depreciation costs were over budget due to the purchase of two ultrasound machines and the finalization of CIP accounts.*	\$ (35,728)	
Other expenses are over budget due to the IGT Program fee of \$249,607	\$ (255,971)	
All Other Operating Expenses were under budget	\$ 56,252	
Total Expense Variance		<u>\$ (397,663)</u>
Total Operating Margin Variance		\$ (465,849)
Non-Operating Income was favorable to budget due to recording the Western Health Advantage risk pool surplus	\$ 125,592	
Capital Campaign and Restricted Contributions was favorable to budget	<u>\$ 52,374</u>	
Net Variance		<u><u>\$ (287,883)</u></u>

*Variances will be corrected in the 2016 budget.



The net loss was (\$278,613) vs. a budgeted net income of \$9,270. After accounting for GO bond activity (which interest cost were better than budget by \$22,326) and the true-up of reserves held for GO Bond payments per BNY Bank statement recently received in the amount of \$340,693, the aggregated net income was \$96,475 vs. a budgeted net income of \$19,255.

Patient Volumes – April

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	95	84	11	94
Newborn Discharges	6	7	(1)	6
Acute Patient Days	378	310	68	303
SNF Patient Days	487	610	(123)	674
Home Care Visits	1,154	1,238	(84)	1,218
OP Gross Revenue	11,237	10,403	834	9,918
Surgical Cases	144	147	(3)	147

Overall Payer Mix – April

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	48.4%	50.1%	-1.7%	47.5%	50.3%	-2.8%
Medi-Cal	19.7%	11.1%	8.6%	18.4%	11.3%	7.1%
Self Pay	0.7%	3.4%	-2.7%	1.5%	3.4%	-1.9%
Commercial	21.3%	24.8%	-3.5%	20.9%	24.5%	-3.6%
Managed MCR	5.6%	4.3%	1.3%	5.6%	4.4%	1.2%
Workers Comp	2.2%	3.3%	-1.1%	3.2%	3.2%	0.0%
Capitated	2.1%	3.0%	-0.9%	2.9%	2.9%	0.0%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for April:

For the month of April the cash collection goal was \$3,673,672 and the Hospital collected \$3,420,659 or under the goal by (\$253,013). The Year to date cash goal is \$35,227,975 and the Hospital has collected \$35,023,221 or under the goal by (\$204,754). The cash collection goal is based upon net hospital revenue from 90 days ago. Days of cash on hand are 20 days at April 30, 2015. Accounts Receivable decreased from March, from 47.3 days to 46.6 days in April. Accounts Payable is down by \$403,011 from March. Accounts Payable days are at 43.3. Total Accounts Payable at the beginning of the fiscal year was \$5,893,464 and at the end of April Accounts Payable is \$3,305,748.

Year to Date:

The Hospital's YTD EBIDA is 4.7%. Our YTD expenses are over budget by (\$1,833,551). This amount includes \$120,000 of prior year expenses, the IGT program fees of \$823,013, and \$890,538 in operating expenses. Significant variances included in the \$890,538 are attributable to inaccurate forecasting in anesthesia, Prima, utilities, hospitalists, lab, and IT services.



Sonoma Valley Hospital Sonoma Valley Health Care District April 30, 2015 Financial Report

**Finance Committee
May 26, 2015**



Patient Volumes

Month of April 30, 2015

	Actual	Budget	Variance	Prior Year
Acute Discharges	95	84	11	94
Newborn Discharges	6	7	-1	6
Acute Patient Days	378	310	68	303
SNF Patient Days	487	610	-123	674
Home Care Visits	1,154	1,238	-84	1,218
OP Gross Revenue	11,237	10,403	833	9,918

Summary Statement of Revenues and Expenses Month of April 30, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
1Total Operating Revenue	\$ 4,105,525	\$ 4,173,711	\$ (68,186)	-2%	\$ 4,040,562
2Total Operating Expenses	\$ 4,875,120	\$ 4,477,457	\$ (397,663)	-9%	\$ 4,501,951
3Operating Margin	\$ (769,595)	\$ (303,746)	\$ (465,849)	-153%	\$ (461,389)
4NonOperating Rev/Exp	\$ 352,358	\$ 226,766	\$ 125,592	55%	\$ 184,243
5Net Income before Rest.Cont. & GO Bond	\$ (417,237)	\$ (76,980)	\$ (340,257)	442%	\$ (277,146)
6Restricted Contribution	\$ 138,624	\$ 86,250	\$ 52,374	61%	\$ 3,175
Net Income with Restricted 7Contributions	\$ (278,613)	\$ 9,270	\$ (287,883)	-3106%	\$ (273,971)
8Total GO Bond Rev/Exp	\$ 375,088	\$ 9,985	\$ 365,103	3657%	\$ 11,460
9Net Income with GO Bond	\$ 96,475	\$ 19,255	\$ 77,220	401%	\$ (262,511)
10EBIDA before Restricted Contributions	\$ (78,771)	\$ 280,897	\$ (359,668)		\$ 374,901
11EBIDA before Restricted Cont. %	-2%	7%	-9%		9%

Summary Statement of Revenues and Expenses Year to Date April 30, 2015 (10 months)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
1Total Operating Revenue	\$ 42,916,908	\$ 42,711,065	\$ 205,843	0%	\$ 42,291,017
2Total Operating Expenses	\$ 46,612,829	\$ 44,779,279	\$ (1,833,550)	-4%	\$ 45,435,208
3Operating Margin	\$ (3,695,921)	\$ (2,068,214)	\$ (1,627,707)	-79%	\$ (3,144,191)
4NonOperating Rev/Exp	\$ 2,401,229	\$ 2,267,660	\$ 133,569	6%	\$ 1,659,245
Net Income before Rest.Cont. & 5GO Bond	\$ (1,294,692)	\$ 199,446	\$ (1,494,138)	-749%	\$ (1,484,946)
6Restricted Contribution	\$ 1,142,895	\$ 862,500	\$ 280,395	33%	\$ 3,709,273
Net Income with Restricted 7Contributions	\$ (151,796)	\$ 1,061,946	\$ (1,213,742)	-114%	\$ 2,224,327
8Total GO Bond Rev/Exp	\$ 622,761	\$ 99,837	\$ 522,924	524%	\$ 1,007,352
9Net Income with GO Bond	\$ 470,965	\$ 1,161,783	\$ (690,818)	-59%	\$ 3,231,679
EBIDA before Restricted 10Contributions	\$ 2,019,652	\$ 3,778,216	\$ (1,758,564)		\$ 513,257
11EBIDA before Restricted Cont. %	5%	9%	-4%		1%

Operating Revenues

Month of April 30, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
REVENUE					
NET PATIENT REVENUE					
1 Acute Inpatient	\$ 1,013,223	\$ 1,279,262	\$ (266,039)	-21%	\$ 1,352,140
2 Skilled Nursing Facility	\$ 232,706	\$ 366,000	\$ (133,294)	-36%	\$ 427,085
3 Outpatient and Emergency	\$ 2,039,157	\$ 2,057,928	\$ (18,771)	-1%	\$ 1,765,690
4 HomeCare	\$ 279,747	\$ 295,190	\$ (15,443)	-5%	\$ 335,230
5 Community Benefit (Charity)	\$ (43,000)	\$ (24,466)	\$ (18,534)	-76%	\$ (30,000)
6 Bad Debt Expense	\$ (100,000)	\$ (163,106)	\$ 63,106	39%	\$ (150,000)
7 Prior Period Adjustment	\$ 409,758	\$ -	\$ 409,758	100%	\$ -
8 TOTAL NET PATIENT REVENUE	\$ 3,831,591	\$ 3,810,808	\$ 20,783	1%	\$ 3,700,145
RISK CONTRACTS					
9 Capitation Revenue	\$ 165,208	\$ 170,135	\$ (4,927)	-3%	\$ 170,949
10 Napa State Hospital Revenue	\$ 103,605	\$ 118,117	\$ (14,512)	-12%	\$ 85,750
11 TOTAL RISK CONTRACTS	\$ 268,813	\$ 288,252	\$ (19,439)	-7%	\$ 256,699
12 OTHER OP. REVENUE	\$ 5,121	\$ 74,651	\$ (69,530)	-93%	\$ 83,718
13 TOTAL HOSPITAL NET REVENUE	\$ 4,105,525	\$ 4,173,711	\$ (68,187)	-2%	\$ 4,040,563

Revenue Variances

- Total Operating Revenue was unfavorable to budget by (\$68,186).
- Overall inpatient volume was favorable to budget by 11 discharges and inpatient surgeries were under budget by (1), and had a payer mix with higher Medi-Cal and less Commercial than budgeted.
- Outpatient visits were over budget by 447 visits and outpatient surgeries were under budget by (2), and had a payer mix with higher Medi-Cal and less Commercial than budgeted.
- Emergency Room volume was over budget by 126 visits.
- Skilled Nursing Home volume was under budget by (123) days.
- Home Care was under budget by (84) visits.

Operating Expenses

Month of April 30, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
OPERATING EXPENSES					
1 Salary and Wages and Agency	\$ 2,066,983	\$ 2,002,723	\$ (64,260)	-3%	\$ 2,035,022
2 Employee Benefits	\$ 805,726	\$ 752,691	\$ (53,035)	-7%	\$ 722,496
3 Total People Cost	\$ 2,872,709	\$ 2,755,414	\$ (117,295)	-4%	\$ 2,757,518
4 Medical and Prof Fees (excl'd Agency)	\$ 359,907	\$ 314,986	\$ (44,921)	-14%	\$ 422,504
5 Supplies	\$ 474,267	\$ 468,251	\$ (6,016)	-1%	\$ 526,664
6 Purchased Services	\$ 320,865	\$ 326,261	\$ 5,396	2%	\$ 377,300
7 Depreciation	\$ 307,926	\$ 272,198	\$ (35,728)	-13%	\$ 146,361
8 Utilities	\$ 79,622	\$ 80,567	\$ 945	1%	\$ 91,216
9 Insurance	\$ 19,212	\$ 20,000	\$ 788	4%	\$ 18,888
10 Interest	\$ 30,540	\$ 85,679	\$ 55,139	64%	\$ 21,512
11 Other	\$ 410,072	\$ 154,101	\$ (255,971)	-166%	\$ 139,988
12 TOTAL OPERATING EXPENSE	\$ 4,875,120	\$ 4,477,457	\$ (397,663)	-9%	\$ 4,501,951

Expense Variances

Total operating expenses were over budget by (\$397,664)

- Total productivity FTE's were over budget by (7.5) and Salaries and Agency fees were over budget by (\$64,260) . Total FTE's were over budget by (1.6).
- Employee Benefits are over budget by (\$53,035) due to an increased accrual for state unemployment tax and a higher cost of employee health insurance than budgeted .
- Professional fees were over budget by (\$44,921) due to a true-up of hospitalists costs per contract.
- Depreciation is over budget by (\$35,728) due to the new ultrasound machine and the completion of projects.
- Other expenses are over budget by (\$255,971) due to the IGT participation fee of \$249,607

Non-Operating Revenue and Expenses

Month of April 30, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
NON OPERATING					
1Miscellaneous Revenue	\$ 139,858	\$ 933	\$ 138,925	14890%	\$ 2,194
2 Donations	\$ -	\$ 10,000	\$ (10,000)	0%	\$ -
Professional Center / Phys					
3Recruitment	\$ -	\$ -	\$ -	0%	\$ -
4 Physician Practice Support - Prima	\$ (37,500)	\$ (34,167)	\$ (3,333)	0%	\$ (55,451)
5 Tax Assessment Revenue-Parcel Tax	\$ 250,000	\$ 250,000	\$ -	0%	\$ 237,500
6 NON-OPERATING REV/EXP	\$ 352,358	\$ 226,766	\$ 125,592	55%	\$ 184,243
7Capital Campaign Contribution	\$ 138,624	\$ 86,250	\$ 52,374	61%	\$ 3,175
8Restricted Foundation Contribution	\$ -	\$ -	\$ -	0%	\$ -
9 Tax Assessment Revenue - GO Bond	\$ 493,018	\$ 150,241	\$ 342,777	228%	\$ 152,326
10 GO Bond Interest	\$ (117,930)	\$ (140,256)	\$ 22,326	-16%	\$ (140,866)
11TOTAL NON-OPERATING REV/EXP	<u>\$ 866,070</u>	<u>\$ 323,001</u>	<u>\$ 543,069</u>	<u>168%</u>	<u>\$ 198,878</u>

SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the month ended April, 2015

	CURRENT MONTH			YEAR-TO-DATE			
	Actual 04/30/15	Budget 04/30/15	Favorable (Unfavorable) Variance	Actual 04/30/15	Budget 04/30/15	Favorable (Unfavorable) Variance	Prior Year 04/30/14
Inpatient Utilization							
Discharges							
1 Acute	82	71	11	871	893	(22)	810
2 ICU	13	13	-	149	147	2	167
3 Total Discharges	95	84	11	1,020	1,040	(20)	977
4 Newborn	6	7	(1)	138	121	17	124
5 Total Discharges inc. Newborns	101	91	10	1,158	1,161	(3)	1,101
Patient Days:							
6 Acute	269	210	59	2,646	2,784	(138)	2,617
7 ICU	109	100	9	1,025	1,074	(49)	1,004
8 Total Patient Days	378	310	68	3,671	3,858	(187)	3,621
9 Newborn	16	14	2	257	229	28	237
10 Total Patient Days inc. Newborns	394	324	70	3,928	4,088	(160)	3,858
Average Length of Stay:							
11 Acute	3.3	3.0	0.3	3.0	3.1	(0.1)	3.2
12 ICU	8.4	7.7	0.7	6.9	7.3	(0.4)	6.0
13 Avg. Length of Stay	4.0	3.7	0.3	3.6	3.7	(0.1)	3.7
14 Newborn ALOS	2.7	1.9	0.8	1.9	1.9	0.0	1.9
Average Daily Census:							
15 Acute	9.0	7.0	2.0	8.7	9.2	(0.5)	8.6
16 ICU	3.6	3.3	0.3	3.4	3.5	(0.2)	3.3
17 Avg. Daily Census	12.6	10.3	2.3	12.1	12.7	(0.6)	11.9
18 Newborn	0.5	0.5	0	0.85	0.75	0.1	0.78
Long Term Care:							
19 SNF Patient Days	487	610	(123)	6,055	6,207	(152)	6,346
20 SNF Discharges	27	28	(1)	281	282	(1)	295
21 Average Daily Census	16.2	20.3	(4.1)	19.9	20.4	(0.5)	20.9
Other Utilization Statistics							
Emergency Room Statistics							
22 Total ER Visits	876	750	126	8,719	7,620	1,099	7,504
Outpatient Statistics:							
23 Total Outpatients Visits	5,175	4,728	447	47,285	42,840	4,445	42,769
24 IP Surgeries	33	34	(1)	315	330	(15)	330
25 OP Surgeries	111	113	(2)	1,010	1,000	10	1,000
26 Special Procedures	45	37	8	334	329	5	349
27 Home Health Visits	1,154	1,238	(84)	11,470	10,252	1,218	9,272
28 Adjusted Discharges	318	275	43	3,284	2,950	334	2,907
29 Adjusted Patient Days (Inc. SNF)	2,255	2,262	(7)	24,563	22,475	2,089	22,718
30 Adj. Avg. Daily Census (Inc. SNF)	75.2	75.4	(0.2)	80.8	73.9	6.9	74.7
31 Case Mix Index -Medicare	1.7099	1.4000	0.310	1.5125	1.4000	0.112	1.6292
32 Case Mix Index - All payers	1.4805	1.4000	0.081	1.4905	1.4000	0.090	1.5448
Labor Statistics							
33 FTE's - Worked	276	269	(7.5)	270	268	(1.8)	280
34 FTE's - Paid	304	303	(1.6)	304	302	(1.6)	313
35 Average Hourly Rate	39.71	38.68	(1.03)	38.58	38.11	(0.47)	36.91
36 Manhours / Adj. Pat Day	23.1	22.9	(0.2)	21.4	23.3	1.9	23.9
37 Manhours / Adj. Discharge	163.6	188.4	24.8	160.4	177.6	17.2	186.4
38 Benefits % of Salaries	24.5%	23.2%	-1.3%	23.9%	23.4%	-0.5%	22.5%
Non-Labor Statistics							
39 Supply Expense % Net Revenue	11.6%	11.4%	-0.1%	11.4%	11.3%	-0.1%	12.3%
40 Supply Exp. / Adj. Discharge	1,491	1,704	213	1,478	1,613	135	1,744
41 Total Expense / Adj. Discharge	15,815	16,803	988	14,685	15,655	970	16,005
Other Indicators							
42 Days Cash - Operating Funds	19.9						
43 Days in Net AR	46.6	50.0	(3.4)	48.4	50.0	(1.6)	49.6
44 Collections % of Net Revenue	93%			100%			103.1%
45 Days in Accounts Payable	43.3	60.0	(16.7)	43.3	60.0	(16.7)	61.0
46 % Net revenue to Gross revenue	22.5%	23.4%	-0.9%	23.1%	23.4%	-0.4%	24.3%
47 % Net AR to Gross AR	21.7%			21.7%			23.9%

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

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	\$ 2,973,579	\$ 2,177,242	\$ 1,793,052
2 Trustee Funds	1,825,643	1,825,643	762,010
3 Net Patient Receivables	6,852,498	7,061,014	8,028,724
4 Allow Uncollect Accts	(680,729)	(620,633)	(1,800,483)
5 Net A/R	6,171,769	6,440,382	6,228,241
6 Other Accts/Notes Rec	3,193,255	3,932,731	2,197,966
7 3rd Party Receivables, Net	938,297	1,587,264	1,725,610
8 Due Frm Restrict Funds	-	-	-
9 Inventory	755,552	748,486	766,137
10 Prepaid Expenses	820,866	888,146	1,221,350
11 Total Current Assets	\$ 16,678,961	\$ 17,599,894	\$ 14,694,366
12 Board Designated Assets	\$ -	\$ -	\$ 5,402
13 Property, Plant & Equip, Net	55,338,981	55,341,279	21,252,358
14 Hospital Renewal Program	-	-	31,801,877
15 Unexpended Hospital Renewal Funds	-	-	4,024,455
16 Investments	-	-	-
17 Specific Funds	101,455	403,430	(3,528,190)
18 Other Assets	143,321	143,164	428,023
19 Total Assets	\$ 72,262,718	\$ 73,487,766	\$ 68,678,291
Liabilities & Fund Balances			
Current Liabilities:			
20 Accounts Payable	\$ 3,305,748	\$ 3,708,759	\$ 5,005,757
21 Accrued Compensation	3,671,223	4,145,169	3,988,357
22 Interest Payable	353,787	235,858	428,011
23 Accrued Expenses	1,118,830	1,041,494	1,434,691
24 Advances From 3rd Parties	857,138	668,079	174,667
25 Deferred Tax Revenue	1,486,037	2,229,055	927,346
26 Current Maturities-LTD	1,604,735	1,658,687	911,205
27 Line of Credit - Union Bank	5,923,734	6,273,734	3,973,734
28 Other Liabilities	498,926	144,549	223,928
29 Total Current Liabilities	\$ 18,820,158	\$ 20,105,384	\$ 17,067,696
30 Long Term Debt, net current portion	\$ 39,350,966	\$ 39,387,264	\$ 37,616,900
Fund Balances:			
32 Unrestricted	\$ 12,050,153	\$ 12,092,301	\$ 12,865,708
33 Restricted	2,041,441	1,902,816	1,127,987
34 Total Fund Balances	\$ 14,091,594	\$ 13,995,117	\$ 13,993,695
35 Total Liabilities & Fund Balances	\$ 72,262,718	\$ 73,487,766	\$ 68,678,291

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

	Month				Year-To-Date				YTD	
	This Year		Variance		This Year		Variance			
	Actual	Budget	\$	%	Actual	Budget	\$	%	Prior Year	
Volume Information										
1 Acute Discharges	95	84	11	13%	1,020	1,040	(20)	-2%	977	
2 SNF Days	487	610	(123)	-20%	6,055	6,207	(152)	-2%	6,346	
3 Home Care Visits	1,154	1,238	(84)	-7%	11,470	10,252	1,218	12%	9,272	
4 Gross O/P Revenue (000's)	11,237	10,403	833	8%	\$ 110,983	\$ 98,910	12,073	12%	\$ 95,044	
Financial Results										
Gross Patient Revenue										
5 Inpatient	\$ 5,468,485	\$ 4,668,158	800,327	17%	\$ 52,673,217	\$ 55,122,170	(2,448,953)	-4%	\$ 50,181,640	
6 Outpatient	7,013,789	6,787,260	226,529	3%	66,623,168	63,621,274	3,001,894	5%	61,286,272	
7 Emergency	3,853,806	3,238,155	615,651	19%	40,817,536	32,147,571	8,669,965	27%	30,922,395	
8 SNF	1,522,718	2,456,775	(934,057)	-38%	20,305,534	25,014,849	(4,709,315)	-19%	24,056,457	
9 Home Care	368,929	377,989	(9,060)	-2%	3,542,385	3,141,065	401,320	13%	2,835,455	
10 Total Gross Patient Revenue	\$ 18,227,727	\$ 17,528,337	699,390	4%	\$ 183,961,841	\$ 179,046,929	4,914,912	3%	\$ 169,282,218	
Deductions from Revenue										
11 Contractual Discounts	\$ (14,662,894)	\$ (13,529,957)	(1,132,937)	-8%	\$ (144,475,990)	\$ (138,048,896)	(6,427,094)	-5%	\$ (131,000,650)	
12 Bad Debt	(100,000)	(163,106)	63,106	39%	(1,065,000)	(1,666,084)	601,084	36%	(1,958,255)	
13 Charity Care Provision	(43,000)	(24,466)	(18,534)	-76%	(204,100)	(249,914)	45,814	18%	(225,250)	
14 Prior Period Adjustments	409,758	-	409,758	0%	1,735,013	-	1,735,013	0%	2,107,929	
15 Total Deductions from Revenue	\$ (14,396,136)	\$ (13,717,529)	(678,607)	5%	\$ (144,010,077)	\$ (139,964,894)	(4,045,183)	3%	\$ (131,076,226)	
16 Net Patient Service Revenue	\$ 3,831,591	\$ 3,810,808	20,783	1%	\$ 39,951,764	\$ 39,082,035	869,729	2%	\$ 38,205,992	
17 Risk contract revenue	\$ 268,813	\$ 288,252	(19,439)	-7%	\$ 2,468,296	\$ 2,882,520	(414,224)	-14%	\$ 2,871,921	
18 Net Hospital Revenue	\$ 4,100,404	\$ 4,099,060	1,344	0%	\$ 42,420,060	\$ 41,964,555	455,505	1%	\$ 41,077,913	
19 Other Op Rev & Electronic Health Records	\$ 5,121	\$ 74,651	(69,530)	93%	\$ 496,848	\$ 746,510	(249,662)	-33%	\$ 1,213,105	
20 Total Operating Revenue	\$ 4,105,525	\$ 4,173,711	(68,186)	-2%	\$ 42,916,908	\$ 42,711,065	205,843	0%	\$ 42,291,017	
Operating Expenses										
21 Salary and Wages and Agency Fees	\$ 2,066,983	\$ 2,002,723	(64,260)	-3%	\$ 20,318,778	\$ 19,966,222	(352,556)	-2%	\$ 20,005,428	
22 Employee Benefits	805,726	752,691	(53,035)	-7%	7,816,289	7,583,842	(232,447)	-3%	7,329,822	
23 Total People Cost	\$ 2,872,709	\$ 2,755,414	(117,295)	-4%	\$ 28,135,067	\$ 27,550,064	(585,003)	-2%	\$ 27,335,250	
24 Med and Prof Fees (excl'd Agency)	\$ 359,907	\$ 314,986	(44,921)	-14%	\$ 3,522,925	\$ 3,216,771	(306,154)	-10%	\$ 4,316,397	
25 Supplies	474,267	468,251	(6,016)	-1%	4,854,657	4,757,689	(96,968)	-2%	5,071,177	
26 Purchased Services	320,865	326,261	5,396	2%	3,433,414	3,111,192	(322,222)	-10%	4,060,015	
27 Depreciation	307,926	272,198	(35,728)	-13%	2,895,606	2,721,980	(173,626)	-6%	1,678,072	
28 Utilities	79,622	80,567	945	1%	909,511	805,670	(103,841)	-13%	810,496	
29 Insurance	19,212	20,000	788	4%	192,550	200,000	7,450	4%	188,876	
30 Interest	30,540	85,679	55,139	64%	418,737	856,790	438,053	51%	320,131	
31 Other	410,072	154,101	(255,971)	-166%	2,250,361	1,559,123	(691,238)	-44%	1,654,794	
32 Operating expenses	\$ 4,875,120	\$ 4,477,457	(397,663)	-9%	\$ 46,612,829	\$ 44,779,279	(1,833,550)	-4%	\$ 45,435,208	
33 Operating Margin	\$ (769,595)	\$ (303,746)	(465,849)	-153%	\$ (3,695,921)	\$ (2,068,214)	(1,627,707)	-79%	\$ (3,144,191)	
Non Operating Rev and Expense										
34 Miscellaneous Revenue	\$ 139,858	\$ 933	138,925	14890%	\$ 227,642	\$ 9,330	218,312	*	\$ (140,590)	
35 Donations	-	10,000	(10,000)	-100%	48,587	100,000	(51,413)	51%	3,374	
36 Physician Practice Support-Prima	(37,500)	(34,167)	(3,333)	10%	(375,000)	(341,670)	(33,330)	10%	(577,174)	
37 Parcel Tax Assessment Rev	250,000	250,000	-	0%	2,500,000	2,500,000	-	0%	2,373,635	
38 Total Non-Operating Rev/Exp	\$ 352,358	\$ 226,766	125,592	55%	\$ 2,401,229	\$ 2,267,660	133,569	6%	\$ 1,659,245	
39 Net Income / (Loss) prior to Restricted Contributions	\$ (417,237)	\$ (76,980)	(340,257)	442%	\$ (1,294,692)	\$ 199,446	(1,494,138)	-749%	\$ (1,484,946)	
40 Capital Campaign Contribution	\$ 138,624	\$ 86,250	52,374	61%	\$ 747,406	\$ 862,500	(115,094)	-13%	\$ 3,709,273	
41 Restricted Foundation Contributions	\$ -	\$ -	\$ -	0%	\$ 395,489	\$ -	395,489	100%	\$ -	
42 Net Income / (Loss) w/ Restricted Contributions	\$ (278,613)	\$ 9,270	(287,883)	-3106%	\$ (151,796)	\$ 1,061,946	(1,213,742)	-114%	\$ 2,224,327	
43 GO Bond Tax Assessment Rev	493,018	150,241	342,777	228%	1,865,640	1,502,410	363,230	24%	1,523,257	
44 GO Bond Interest	(117,930)	(140,256)	22,326	-16%	(1,242,879)	(1,402,573)	159,694	-11%	(515,905)	
45 Net Income/(Loss) w GO Bond Activity	\$ 96,475	\$ 19,255	77,220	-401%	\$ 470,965	\$ 1,161,783	(690,818)	59%	\$ 3,231,679	
EBIDA	\$ (78,771)	\$ 280,897			\$ 2,019,652	\$ 3,778,216			\$ 513,257	
	-1.9%	6.7%			4.7%	8.8%			1.2%	

Sonoma Valley Hospital
Statistical Analysis
FY 2015

	ACTUAL	BUDGET
	Apr-15	Apr-15
Statistics		
Acute		
Acute Patient Days	378	310
Acute Discharges (w/o Newborns)	95	84
SNF Days	487	610
HHA Visits	1,154	1,238
Emergency Room Visits	876	750
Gross Outpatient Revenue (000's)	\$11,237	\$10,403
Equivalent Patient Days	2,255	2,262
Births	7	7
Surgical Cases - Inpatient	33	34
Surgical Cases - Outpatient	111	113
Total Surgical Cases	144	147
Medicare Case Mix Index	1.71	1.40
Income Statement		
Net Revenue (000's)	4,100	4,099
Operating Expenses (000's)	4,875	4,477
Net Income (000's)	96	19
Productivity		
Total Operating Expense Per Equivalent Patient Day	\$2,162	\$1,979
Productive FTEs	276	269
Non-Productive FTE's	28	34
Total FTEs	304	303
FTEs per Adjusted Occupied Bed	4.05	4.02
Balance Sheet		
Days of Expense In General Operating Cash	20	
Net Days of Revenue in AR	47	50

ACTUAL												
Mar-15	Feb-15	Jan-15	Dec-14	Nov-14	Oct-14	Sep-14	Aug-14	Jul-14	Jun-14	May-14	Apr-14	Mar-14
401	372	390	406	364	363	291	376	335	362	358	303	407
113	98	104	111	96	107	87	104	105	91	100	94	117
669	607	654	596	580	527	597	687	651	613	605	674	750
1,232	1,109	1,097	1,103	1,090	1,319	1,111	1,109	1,146	992	1,135	1,218	1,106
954	845	988	824	761	863	851	868	889	867	909	788	769
\$11,839	\$10,541	\$11,804	\$10,084	\$10,956	\$11,748	\$11,149	\$10,410	\$10,879	\$10,111	\$10,237	\$9,918	\$9,999
2,579	2,455	2,667	2,227	2,457	2,347	2,603	2,510	2,447	2,433	2,461	2,415	2,585
16	11	11	18	15	13	21	9	16	11	16	6	19
34	33	22	31	30	35	30	41	26	28	32	34	43
103	103	107	86	88	120	92	92	109	93	110	113	113
137	136	129	117	118	155	122	133	135	121	142	147	156
1.42	1.46	1.46	1.42	1.41	1.52	1.51	1.65	1.56	1.76	1.47	1.57	1.63
4,175	4,618	4,448	4,080	3,861	4,641	3,727	4,422	4,261	4,563	3,853	3,957	3,449
4,783	5,046	4,634	4,472	4,457	4,629	4,461	4,778	4,626	4,854	4,486	4,600	4,273
(59)	(104)	202	87	102	338	(289)	134	(37)	567	(240)	(360)	401
\$1,854	\$2,055	\$1,738	\$2,008	\$1,814	\$1,972	\$1,714	\$1,903	\$1,890	\$1,995	\$1,823	\$1,905	\$1,937
284	278	246	258	278	272	267	274	268	266	276	285	292
26	25	53	42	25	32	36	32	42	37	32	26	26
310	303	299	300	303	304	303	305	309	303	309	311	318
3.79	3.46	3.48	4.12	3.93	4.01	3.49	3.77	3.92	3.74	3.89	3.86	3.81
15	12	17	13	9	11	14	12	14	7	8	12	8
47	48	51	49	51	51	48	45	46	47	46	48	49

Sonoma Valley Hospital
Statement of Cash Forecast
FY 2015

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Forecast May	Forecast Jun	Forecast TOTAL
Sources													
1 Patient Payments Collected	4,172,973	4,067,228	4,171,850	3,918,828	3,736,152	3,698,080	3,670,606	3,434,793	4,315,265	3,725,278	4,188,570	3,827,022	46,926,645
2 Capitation Revenue	174,782	169,048	174,633	161,642	167,479	186,147	156,206	170,065	163,141	165,208	170,135	118,122	1,976,607
3 Napa State	200,000			400,000	200,000		600,000		200,000		118,117	170,139	1,888,256
4 Other Operating Revenue	11,703	121,430	92,554	1,678	70,434	15,339	106,207	69,036	68,800	52,434	15,965	15,965	641,545
5 Other Non-Operating Revenue	11,017	933	6,996	2,262	-	1,093	2,531		1,303	4,731	933	933	32,732
6 Unrestricted Contributions	7,063	10,000	-	-	128,142		230	-	1,728		10,000	10,000	167,163
7 Line of Credit		500,000						575,000		(350,000)	(225,000)		500,000
8 Restricted Donations					100,042	(100,042)							-
9 Loan/Lease Proceeds	41,110	105,811		(105,811)									41,110
10 Parcel Tax Revenue	78,743					1,649,029				1,157,853			2,885,625
Other:													-
11 LIHP *													-
12 AT&T Lease			57,000										57,000
13 PG&E		49,542											49,542
14 Electronic Health Record							548,594					80,000	628,594
15 RAC Settlement						316,756							316,756
16 IGT				1,049,453						1,043,598	454,284		2,547,335
17 IGT - Add'l *								603,729			320,613		924,342
Total Sources	4,697,391	5,023,992	4,503,034	5,428,052	4,402,248	5,766,402	5,084,374	4,852,623	4,750,237	5,799,102	5,053,617	4,222,181	59,583,253
Uses													
18 Operating Expenses	2,723,611	3,634,037	2,656,718	2,841,530	3,284,240	2,460,259	2,463,732	3,802,616	2,879,666	2,705,801	4,678,056	4,472,502	38,602,768
19 Salaries	1,298,774	1,269,094	1,338,174	1,928,284	1,306,744	1,329,374	1,295,566	1,352,362	1,335,152	1,957,107			14,410,631
Less Depreciation											(272,198)	(272,198)	(544,396)
20 Add Capital Lease Payments	218,307	86,999	76,452	228,509	126,571	150,653	214,722	89,935	97,192	90,250	135,739	199,446	1,714,774
21 Additional AP		330,993		910,919		1,330,174	128,054	378,608		249,607			3,328,355
22 Capital - Board Approved Spending		28,416		65,479								148,950	242,845
23 Napa State							295,532					600,000	895,532
Total Uses	4,240,692	5,349,539	4,071,344	5,974,722	4,717,555	5,270,460	4,397,606	5,623,521	4,312,010	5,002,765	4,541,597	5,148,700	58,650,510
Net Sources/Uses	456,699	(325,547)	431,690	(546,670)	(315,307)	495,942	686,769	(770,898)	438,227	796,337	512,020	(926,519)	
Cash and Equivalents at beginning of period	1,626,337	2,083,036	1,757,489	2,189,179	1,642,509	1,327,202	1,823,144	2,509,913	1,739,015	2,177,242	2,973,579	3,485,599	
Cash and Equivalents at end of period	2,083,036	1,757,489	2,189,179	1,642,509	1,327,202	1,823,144	2,509,913	1,739,015	2,177,242	2,973,579	3,485,599	2,559,080	YTD Cash Goal 2,007,768
													551,312

* These sources of income are not in the 2015 budget

note 1: In April 2015 the IGT was received for \$1,043,598, of which \$350k was paid back to the LOC and the remaining \$225k was used to participate in the next IGT and will be paid back in May

		As Of 4/30/15
Prior Year LOC - Operations		4,473,734
Current Year LOC - Operations		725,000
Total		5,198,734
Prior Year LOC - Project		500,000
Current Year LOC - Project		225,000
Total		725,000
Total LOC		5,923,734

Sonoma Valley Hospital
Long Term Cash Forecast
FY 2015

	July - Dec 2014	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Forecast May	Forecast Jun	Forecast July	Forecast Aug	Forecast Sept	Forecast Oct	Forecast Nov	Forecast Dec	Forecast TOTAL
Sources														
1 Patient Payments Collected	23,765,111	3,670,606	3,434,793	4,315,265	3,725,278	4,188,570	3,827,022	4,298,162	4,189,245	4,297,006	4,036,393	3,848,236	3,809,022	71,404,708
2 Capitation Revenue	1,033,731	156,206	170,065	163,141	165,208	170,135	118,122	170,135	170,135	170,135	170,135	170,135	170,135	2,997,418
3 Napa State	800,000	600,000	-	200,000		118,117	170,139	118,117	118,117	118,117	118,117	118,117	118,117	2,596,958
4 Other Operating Revenue	313,138	106,207	69,036	68,800	52,434	15,965	15,965	15,965	15,965	15,965	15,965	15,965	15,965	737,335
5 Other Non-Operating Revenue	22,301	2,531	-	1,303	4,731	933	933	933	933	933	933	933	933	38,330
6 Unrestricted Contributions	145,205	230	-	1,728		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	227,163
7 Line of Credit	500,000		575,000		(350,000)	(225,000)								500,000
8 Restricted Donations	-													-
9 Loan/Lease Proceeds	41,110													41,110
10 Parcel Tax Revenue	1,727,772				1,157,853			80,000					1,500,000	4,465,625
Other:	-													-
11 LIHP	-								623,000					623,000
12 AT&T Lease	57,000													57,000
13 PG&E	49,542													49,542
14 Electronic Health Record	-	548,594					80,000							628,594
15 RAC Settlement	316,756													316,756
16 IGT	1,049,453				1,043,598	454,284								2,547,335
17 IGT - AB915	-		603,729			320,613								924,342
Total Sources	29,821,118	5,084,374	4,852,623	4,750,237	5,799,102	5,053,617	4,222,181	4,693,312	5,127,395	4,612,156	4,351,543	4,163,386	5,624,172	88,155,216
Uses														
18 Operating Expenses	17,600,396	2,463,732	3,802,616	2,879,666	2,705,801	4,678,056	4,472,502	4,143,057	5,050,225	4,114,739	4,912,909	4,728,714	3,903,322	65,455,733
19 Salaries	8,470,444	1,295,566	1,352,362	1,335,152	1,957,107									14,410,631
Less Depreciation	-	-				(272,198)	(272,198)	(272,198)	(272,198)	(272,198)	(272,198)	(272,198)	(272,198)	(2,177,584)
20 Add Capital Lease Payments	887,490	214,722	89,935	97,192	90,250	135,739	199,446	218,307	86,999	76,452	228,509	126,571	150,653	2,602,265
21 Additional AP	2,572,086	128,054	378,608		249,607								1,500,000	4,828,355
22 Capital - Board Approved Spending	93,895	-					148,950			200,000			200,000	642,845
23 Napa State	-	295,532					600,000							895,532
Total Uses	29,624,311	4,397,606	5,623,521	4,312,010	5,002,765	4,541,597	5,148,700	4,089,166	4,865,026	4,118,993	4,869,220	4,583,086	5,481,777	86,657,777
Net Sources/Uses	196,807	686,769	(770,898)	438,227	796,337	512,020	(926,519)	604,147	262,369	493,163	(517,678)	(419,700)	142,395	
Cash and Equivalents at beginning of period	1,626,337	1,823,144	2,509,913	1,739,015	2,177,242	2,973,579	3,485,599	2,559,080	3,163,226	3,425,596	3,918,759	3,401,081	2,981,381	
Cash and Equivalents at end of period	1,823,144	2,509,913	1,739,015	2,177,242	2,973,579	3,485,599	2,559,080	3,163,226	3,425,596	3,918,759	3,401,081	2,981,381	3,123,776	YTD Cash Goal 2,007,768

1,116,008

* These sources of income are not in the 2015 budget

note 1: In April 2015 the IGT was received for \$1,043,598, of which \$350k was paid back to the LOC and the remaining \$225k was used to participate in the next IGT and will be paid back in May

note 2: This presumes the Hospital will not receive anymore IGT monies.

note 3: July through Decembers are not budgeted numbers, but a 3% increase from last FY actual.

8.

CEO BOARD
REPORT
MAY 2015



To: SVHCD Board of Directors
From: Kelly Mather
Date: 4/29/15
Subject: Administrative Report

Financial Summary

We are now 9 months into Fiscal Year 2015 and while we are still behind the budget, we have a positive EBIDA of \$2,098,423. March and April volumes have been very erratic at both high and low for many areas. We have a few supplemental payments coming in that should also help us end the year much better than last year.

Dashboard Results

The great news is that inpatient satisfaction is back up and we have met the goal for ten out of twelve months. Staff satisfaction action plans are underway and many have been celebrating their high staff engagement scores with their teams. We have also provided over 1200 hours of community service.

Strategic Update

As we move into following our new strategic plan, I wanted to review the results from 2015's plan:

- 1) Re-design a Small Community Hospital for Viability:
 - Implement and leverage the new cost accounting system to improve revenues
 - Increased high margin surgeries, outpatient and emergency revenues.
 - Negotiated better reimbursements with most health plans, especially Partnership.
 - Optimized the Skilled Nursing Facility for a direct margin.
 - Completed the expansion of home care to Marin County
 - We did not achieve the goals of increasing SNF referrals
- 2) Inspire Sonoma Employers to Offer Health Plans that use SVH & our affiliated Physicians:
 - Create and launched an Employer Wellness program
 - Promote partner health plans to employers
 - We decided not to take risk in capitation pools, but instead joined larger hospitals
- 3) Facility and Technology Improvements to be a State of the Art Hospital
 - Purchased several new pieces of imaging equipment
 - Refurbish the 3rd floor for Cancer Support Sonoma and Pelvic Health services
 - Completed stage 2 meaningful use
 - Physician Electronic Health Record connections
 - We did not have the funding to further enhance the I.T. infrastructure
 - We are not launching a capital campaign for the Outpatient Services Center
- 4) Build a Healing Hospital and A Healthier Community
 - Healing Hospital implementation and preview as a best practice to other hospitals
 - Implement Health Awareness Programs with Compass, Girltalk and Education classes
 - Offered Wellness University to Health Round Table partners
 - We did not expand the Wellness program to family members

MARCH DASHBOARD

PILLAR	PERFORMANCE GOAL	METRIC	ACTUAL RESULT	GOAL LEVEL
Service Excellence	Highly satisfied Inpatients	Maintain at least 5 out of 8 HCAHPS domain results above the 50 th percentile	6 out of 8 in February	>7 = 5 (stretch) 5 = 4 5 = 3 (Goal) 4 = 2 <4 = 1
Service Excellence	Highly satisfied Emergency Patients	Maintain a year to date average of at least 75 th percentile	81st (rolling three month average)	>85 th = 5 (stretch) >80 th = 4 >75 th = 3 (Goal) <75 th = 2 <70 th = 1
Quality	Excellent Clinical Outcomes	Value Based Purchasing Clinical Score at 68 or higher	52	>72 = 5 (stretch) >70 = 4 >68 = 3 (Goal) >66 = 2 <66 = 1
People	Highly Engaged and Satisfied Staff	Press Ganey percentile ranking of 75 th percentile or higher	79.6% mean score at 91st percentile	>80 th = 5 (stretch) >77 th = 4 >75 th = 3 (Goal) >72 nd = 2 <70 th = 1
Finance	Financial Viability	YTD EBIDA	5.4%	>10% (stretch) >9% = 4 >8% (Goal) >7% = 2 <7% = 1
	Efficiency and Financial Management	FY 2014 Budgeted Expenses (excluding IGT)	\$41,737,709 (actual) \$40,301,822 (budget)	<2% = 5 (stretch) <1% = 4 <Budget = 3 (Goal) >1% = 2 >2% = 1
Growth	Surgical Cases	Increase surgeries by 2% over prior year	1181 YTD FY2015 1183 YTD FY2014	>3% = 5 >2% = 4 >1% = 3 (Goal)
	Outpatient & Emergency Volumes	2% increase (gross outpatient revenue over prior year)	\$96.6 mm YTD \$82.6 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	1298 hours for 8 months	>1500 = 5 >1200 = 4 >1000 = 3 >750 = 2 >500 = 1



FY 2015 TRENDED RESULTS

MEASUREMENT	Goal FY 2015	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Apr 2014	May 2014	Jun 2014
Inpatient Satisfaction	5/8	5	6	5	6	4	5	3	6				
Emergency Satisfaction	>75 th	79	79	80	76	78	81	82	81				
Value Based Purchasing Clinical Score	>68	68	71	70	70.88	69	68	78	78	52			
Staff Satisfaction	>75 th	76	76	76	76	76	76	76	91	91			
FY YTD Turnover	<10%	1.6	1.9	2.6	3.6	4.6	4.9	5.5	6.5	7.4			
YTD EBIDA	>8%	7	7	4.9	7.3	6.5	6.7	6.9	6.2	5.4	9	4	3
Net Operating Revenue	>4.1m	4.26	4.6	3.8	4.7	4.0	4.1	4.4	4.6	4.1	3.9	3.9	4.9
Expense Management	<4.5m	4.6	4.7	4.4	4.6	4.4	4.3	4.6	5.0	4.7	4.4	4.4	4.8
Net Income	>75	-8	35	-381	304	67	-1	29	-211	-382	-360	-240	567
Days Cash on Hand	>15	14	12	14	11	10	13	17	12	15	17	8	7
A/R Days	<50	47	45	48	51	51	49	53	48	47	55	46	48
Total FTE's	<301	309	305	303	304	303	300	299	303	310	320	309	303
FTEs/AOB	<4.0	3.92	3.77	3.49	4.01	4.1	4.12	4.12	3.46	3.79	3.86	3.89	3.74
Inpatient Discharges	>100	105	104	87	107	96	111	104	98	113	94	100	91
Outpatient Revenue	>\$10m	10.8	10.4	11.1	11.7	10.9	10.1	11.8	10.5	11.8	9.91	10.2	10.1
Surgeries	>130	135	133	122	155	118	117	129	136	137	147	142	121
Home Health	>1000	1146	1109	1111	1319	1090	1103	1097	1109	1232	1218	1135	992
Births	>15	16	9	21	13	16	18	11	11	16	6	16	11
SNF days	>660	651	687	597	527	580	596	654	607	669	674	605	613
MRI	>120	132	139	143	221	116	100	108	116	157	103	118	124
Cardiology (Echos)	>70	49	53	62	67	66	67	62	56	67	62	61	57
Laboratory	>12.5	12.6	12.8	13.0	13.0	11.5	11.4	12.5	11.5	12.1	12.4	13.1	13.9
Radiology	>850	968	988	900	1047	856	890	1111	1053	1156	868	918	888
Rehab	>2587	3030	2859	2468	3028	2634	3010	2478	2751	3113	3394	2877	2945
CT	>300	376	345	323	368	295	316	392	309	347	301	332	335
ER	>800	889	868	851	863	761	824	988	845	769	788	909	716
Mammography	>475	414	417	433	605	462	339	487	444	466	404	519	429
Ultrasound	>325	348	361	367	372	238	299	309	317	357	424	497	339
Occupational Health	>575	656	678	758	739	602	648	653	588	679	595	600	618