



**SONOMA VALLEY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING AGENDA
Thursday, June 4, 2015
6:00 p.m. Regular Session**

COMMUNITY MEETING ROOM
177 FIRST STREET WEST, SONOMA

AGENDA ITEM	RECOMMENDATION	
MISSION STATEMENT <i>The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
1. CALL TO ORDER	<i>Hirsch</i>	
2. PUBLIC COMMENT SECTION <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration. At all times please use the microphone.</i>		
3. CONSENT CALENDAR A. Regular Board Minutes 5.7.15 B. FC Minutes 4.28.15 C. FC-Board Joint Budget 5.12.15 D. QC Minutes 4.22.15 E. GC-no minutes F. Policy & Procedure Approval G. MEC Credentialing Report 5.27.15	<i>Hirsch</i>	Action
4. UPDATE ON COMMUNITY BENEFIT PROGRAM	<i>Kruse de la Rosa</i>	Inform
5. REVISED CEO INCENTIVE COMPENSATION GOALS	<i>Hirsch</i>	Action
6. UPDATE ON STATEMENT OF REVENUE AND EXPENSES FY 2016	<i>Jensen</i>	Inform/Action
7. FINANCIAL REPORT FOR MAY 2015	<i>Jensen</i>	Inform
8. ADMINISTRATIVE REPORT FOR JUNE 2015	<i>Mather</i>	Inform
9. OFFICER & COMMITTEE REPORTS A. <u>Chair Report</u> <ul style="list-style-type: none"> CEO Incentive Compensation AdHoc Committee Appointments 	<i>Committee Chairs</i>	Inform/Action

10. BOARD COMMENTS	<i>Board Members</i>	Inform/Discuss
11. ADJOURN Next Regular Board meeting is July 2, 2015	<i>Hirsch</i>	

3.

CONSENT CALENDAR



**SVHCD BOARD OF DIRECTORS
REGULAR MEETING MINUTES**

Thursday, May 7, 2015

Closed Session 5:00 p.m.

Regular Session 6:00 p.m.

**COMMUNITY MEETING ROOM
177 FIRST STREET WEST, SONOMA, CA**

	RECOMMENDATION	
MISSION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>		
1. CALL TO ORDER/ANNOUNCEMENTS Closed Session called to order at 5:00pm Bill Boerum was excused from both the Closed and Regular Sessions.	Nevins	
2. PUBLIC COMMENT ON CLOSED SESSION None	Nevins	
3. CLOSED SESSION <u>Calif. Government Code § 54957</u> Performance Evaluation regarding Chief Executive Officer <u>Calif. Government Code § 37606 and Health & Safety Code § 32106</u> Report Involving Trade Secret regarding Business Strategy	Nevins	
4. REPORT OF CLOSED SESSION Regular Session called to order at 6:00pm There were no decisions to report from Closed Session.	Nevins	
5. PUBLIC COMMENT SECTION <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended to keep comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. At all times please use the microphone.</i>	Nevins	
6. CONSENT CALENDAR	Nevins	Action

<p>A. Regular Board Minutes 4.2.15</p> <p>B. FC Minutes 4.28.15</p> <p>C. QC Minutes 4.22.15</p> <p>D. Three Year Rolling Strategic Plan FY2016-18</p> <p>E. Policy & Procedures</p> <p>F. SB483 and AB850 Letters</p> <p>G. MEC Credentialing Report, 4.22.15</p>		MOTION to approve Consent Calendar by Hohorst and 2 nd by Nevins. All in favor.
7. MARIN AFFILIATION AGREEMENT	<i>Domanico</i>	Inform/Action
The affiliation between SVH and MGH continues to be mutually beneficial one and Mr. Domanico proposed renewing the Agreement for one more year. The final Agreement will be brought back to the Board for approval.		.
8. ADVANCED DIRECTIVES	<i>Cohen</i>	Inform
Dr. Cohen talked about the importance of advanced care planning. The Hospital's goal is to have 90% of the Community well versed in advanced directive opportunities. In addition to the <i>Advanced Health Care Directive</i> , there is also the <i>Physician Orders for Life Sustaining Treatment</i> (POLST). Both are available online.		
9. FINANCIAL REPORT FOR MARCH 2015	<i>Jensen</i>	Inform
March activity was consistent with the experiences of the prior months. After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, 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 all activity was (\$58,801) vs. a budgeted gain of \$123,627.		
10. ADMINISTRATIVE REPORT FOR MAY 2015	<i>Mather</i>	Inform
<p>Ms. Mather introduced Dave Pier and announced that he has accepted the full-time position of Executive Director of the SVH Foundation. The Foundation goals for this year include raising \$750K in donations. Further expansion of the Foundation is underway with focus on sustainable growth.</p> <p>Ms. Mather shared the CEO Administrative Report for May 2015 touching on financials, dashboard results, trended results and a strategic plan update.</p>		
11. OFFICER & COMMITTEE REPORTS	<i>Committee Chairs</i>	Inform/Action
<p>A. Chair Report</p> <ul style="list-style-type: none"> Ms. Nevins presented the revised 2015 Board Calendared Items and Educational Topics and will add two additional items to the former. 		MOTION to approve Public Records Policy by Hohorst and 2 nd by Hirsch. All in favor.

<p>B. Quality Committee</p> <ul style="list-style-type: none"> • Ms. Hirsch presented the Annual Review QA/PI Program. <p>C. Governance Committee</p> <ul style="list-style-type: none"> • Mr. Hohorst shared his thoughts on and impressions of ACHD Legislative Days. • The Public Records Policy was presented for approval. All in favor. 		
12. BOARD COMMENTS	<i>Board Members</i>	Inform
<p>Tickets to the 10th Annual Celebration of Women on Thursday, May 21st are <u>sold out</u>! For more information on all other Hospital events, go to: http://www.svh.com/calendar/</p> <p>Medicare surveys patients about their experiences during a recent hospital stay. Hospitals are ranked from 1 - 5 based on the survey results. Sonoma Valley Hospital was recently ranked 4 out of 5, a ranking higher than any of the surrounding hospitals</p>		
<p>13. ADJOURN</p> <p>Meeting adjourned at 7:15pm</p>	<i>Nevins</i>	



**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 status report of 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		

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	purchase of ultrasound equipment. The total loss after 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 a 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. STATEMENT OF REVENUE AND EXPENSE FY 2016	<i>Jensen</i>		
	<p>Mr. Jensen presented the budgeted <i>Statement of Revenue and Expense FY 2016</i>. 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 budgeted <i>Statement of Revenue and Expense FY 2016</i>. Any adjustments to the Statement will be brought to the next Finance Committee meeting on May 26, 2015.</p>	<p>MOTION by Barclay to approve <i>Statement of Revenue & Expense</i> and 2nd by Glago. All in favor.</p>	
4. ADJOURN/DISCUSSION	<i>Fogg</i>		
	Meeting adjourned at 6:40pm		

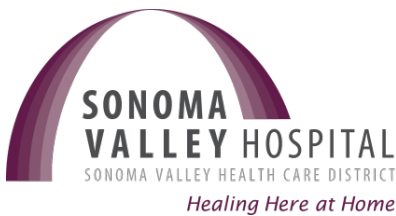


**SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE
REGULAR MEETING MINUTES
Wednesday, April 22, 2015
Schantz Conference Room**

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

AGENDA ITEM	DISCUSSION	ACTION	FOLLOW-UP
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Hirsch</i>		
	Meeting called to order at 5:05pm Ms. Hirsch shared that the Advanced Directives seminars given at Vintage House last week were very successful. They were well attending and the feedback was positive. Due to popular demand, more seminars are planned in future.		
2. PUBLIC COMMENT	<i>Hirsch</i>		
	None		
3. CONSENT CALENDAR	<i>Hirsch</i>	Action	
<ul style="list-style-type: none"> QC Minutes, 3.25.15 Annual Review QA/PI Program 		MOTION by Rymer to approve Consent and 2 nd by Idell. All in favor.	
4. ANNUAL HOME CARE REPORT	<i>Lee</i>	Inform/Action	
	Ms. Lee presented <i>Healing at Home Annual Evaluation 2014</i> . Topics included management, staff and performance improvement assessments, department visit activity, patient satisfaction surveys, primary patient diagnoses and goals. Ms. Lee distributed the <i>Quality Assurance & Performance Improvement Plan 2015-16</i> .		

AGENDA ITEM	DISCUSSION	ACTION	FOLLOW-UP
5. PATIENT CARE SERVICES REPORT	<i>Kobe/Lovejoy</i>	Inform/Action	
	Mr. Kobe and Ms. Lovejoy share their report on <i>Nursing Services at Sonoma Valley Hospital</i> . Most significantly, the improvements implemented after the 2012 Strategic Planning Session were presented in detail. They also shared their plans for future improvements and developments 2015-16. Mr. Kobe will present on HCAHPS next month and will incorporate the Committees' areas of interest.		Board Clerk to email QC asking for feedback on HCAHPS survey.
6. QUALITY REPORT FOR APRIL 2015	<i>Lovejoy</i>	Inform/Action	.
	Ms. Lovejoy presented the Quality Report for April covering priorities for the month, risk management, budget development and departmental functions.		
7. CLOSINGCOMMENTS	<i>Hirsch</i>		
			.
8. ADJOURN	<i>Hirsch</i>		
	Regular Session adjourned at 6:09 pm.		
9. UPON ADJOURNMENTOF REGULAR OPEN SESSION	<i>Hirsch</i>		
10. CLOSED SESSION	<i>Amara</i>	Action	
<u>Calif. Health & Safety Code § 32155</u> • Medical Staff Credentialing/Peer Review Rpt.			
11. REPORT OF CLOSED SESSION	<i>Hirsch</i>	Inform/Action	
12. ADJOURN	<i>Hirsch</i> Closed Session adjourned at 6:12 pm.		



Policy Submission Summary Sheet

Title of Document: **Organizational Policies**
 Revision written by: **Mark Kobe/Bonnie Bernhardt**
 Date of Document: **5-1-2015**

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

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

PC8610-115 Code Blue and Broselow Emergency Resuscitation Cart Maintenance:

1. Policy revised to identify locations and standardized contents of Pediatric Emergency Resuscitation Carts and supplies.
2. Pediatric Drug tray revised to delete Digoxin and Dopamine.
3. Drawer 3 of Adult Crash Cart formerly assigned to contain NG supplies, now contains Pediatric Medication Resuscitation Tray. NG supplies eliminated from crash carts.

Reviewed by:	Date	Approved (Y/N)	Comment
Policy & Procedure Team	3/24/2015	Yes	
Surgery Committee	5/06/2015		
Medicine Committee	5/14/2015		
Medical Exec Committee	5/21/2015		
Board of Directors	6/04/2015		



POLICY AND PROCEDURE Approvals Signature Page

Review and Approval Requirements

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

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

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

Departmental: Rehabilitation Therapy Department Policies	
APPROVED BY:	DATE: 4/09/2015
Director's/Manager's Signature	Printed Name Dawn Kuwahara RN

Michael Brown, MD
Chair Surgery Committee

Date

Douglas S Campbell, MD
Chair Medicine Committee

Date

D. Paul Amara, MD
President of Medical Staff

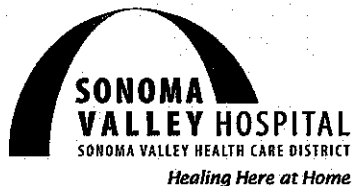
Date

Kelly Mather
Chief Executive Officer

Date

Sharon Nevins
Chair, Board of Directors

Date



Policy Submission Summary Sheet

Title of Document: **Rehabilitation Department**

New document or revision written by: **Dawn Kuwahara RN**

Type X Revision <input type="checkbox"/> New Policy	Regulatory <input type="checkbox"/> CMS <input type="checkbox"/> CDPH (formerly DHS) X CIHQ <input type="checkbox"/> Other:																				
<input type="checkbox"/> Organizational: Clinical/Non-clinical <i>(circle which type)</i>	X Departmental <input type="checkbox"/> Interdepartmental <i>(List departments effected)</i>																				
Please <u>briefly</u> state changes to existing document/form or overview of new document/form here: <i>(include reason for change(s) or new document/form)</i>																					
<p>All of the policies below have been reviewed and to current standard.</p> <ul style="list-style-type: none"> 7770-100 Cancellation Policy 7770-101 Clinical Competency 7770-103 Cold Pack Usage 7770-105 Contested Decision to Discontinue Skilled Rehab Services 7770-107 Collection of Co-Payment 7770-109 Department Staffing Plan 7770-111 Discharge Criteria 7770-112 Downtime Scheduling Procedures 7770-113 Fluidotherapy Usage 7770-115 Frequently Used Terminology and Abbreviations 7770-117 Gaits Belts, Use and Cleaning of 7770-119 Hot Pack/Heating Pad Usage 7770-121 Hoyer Lift 7770-123 Ice Massage 7770-125 Initial Evaluation 7770-127 Iontophoresis 7770-129 MD Notification 7770-131 Paraffin Use 7770-133 Patient Education 7770-135 Phonophoresis 7770-137 Transcutaneous Electrical Nerve Stimulation 7770-139 Ultrasound 																					
<table border="1"> <thead> <tr> <th>Reviewed By</th> <th>Date</th> <th>Approved (Y/N)</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>Surgery Committee</td> <td>5/06/2015</td> <td></td> <td></td> </tr> <tr> <td>Medicine Committee</td> <td>5/14/2015</td> <td></td> <td></td> </tr> <tr> <td>Medical Executive Committee</td> <td>5/21/2015</td> <td></td> <td></td> </tr> <tr> <td>Board of Directors</td> <td>6/04/2015</td> <td></td> <td></td> </tr> </tbody> </table>		Reviewed By	Date	Approved (Y/N)	Comment	Surgery Committee	5/06/2015			Medicine Committee	5/14/2015			Medical Executive Committee	5/21/2015			Board of Directors	6/04/2015		
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POLICY AND PROCEDURE Approvals Signature Page

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

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

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

Departmental/Organizational: PC8610-209 Standardized Procedure for Medical Screening Examination for the Obstetrical Patient Performed by RN-New Policy	
APPROVED BY: Mark Kobe RN	DATE: 5/05/2015
Director's/Manager's Signature	Printed Name Cynthia McAleer, RN Manager

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

Date

Douglas S Campbell, MD
Chair Medicine Committee

Date

Michael Brown, MD
Chair Surgery Committee

Date

D. Paul Amara, MD
President of Medical Staff

Date

Sharon Nevins
Chair, Board of Directors

Date



Policy Submission Summary Sheet

Title of Document: **Organizational Policy New**

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

Date of Document: **5/04/2015**

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

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

PC8610-209 Standardized Procedure for Medical Screening Examination for the Obstetrical Patient Performed by RN-
 new policy

- Emtala requires all persons presenting to the hospital to have a MSE performed by a doctor or a qualified medical person (QMP).
- This standardized procedure is created in order to meet the legal requirements for the provision of MSEs for the obstetric patient,
- Details the process for perinatal nursing staff to become QMPs and
- Provides a standardized process for OB RNs for performing a MSE of the pregnant patient.

Reviewed by:	Date	Approved (Y/N)	Comment
Surgery Committee	05/06/2015		
Medicine Committee	5/14/2015		
Medical Executive Committee	5/21/2015		
Board of Directors	6/04/2015		



Policy Submission Summary Sheet

Title of Document: **Pharmacy Department**

New document or revision written by: **Chris Kutza, Director**

Type X Revision	Regulatory <input type="checkbox"/> CMS <input checked="" type="checkbox"/> CDPH (formerly DHS) <input type="checkbox"/> TJC (formerly JCHAO) <input type="checkbox"/> Other:																								
X Organizational	X Departmental <input type="checkbox"/> Interdepartmental <i>(List departments effected)</i>																								
<p>Please <u>briefly</u> state changes to existing document/form or overview of new document/form here: (include reason for change(s) or new document/form)</p> <p>MM8390-148 Dispensing of Medication—Reviewed & Updated</p>																									
<table border="1"> <thead> <tr> <th>Reviewed By</th> <th>Date</th> <th>Approved (Y/N)</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>Performance Improvement Committee</td> <td>2/26/2015</td> <td>yes</td> <td></td> </tr> <tr> <td>Medical Executive Committee</td> <td>5/21/2015</td> <td></td> <td></td> </tr> <tr> <td>Board of Directors</td> <td>6/04/2015</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Reviewed By	Date	Approved (Y/N)	Comment	Performance Improvement Committee	2/26/2015	yes		Medical Executive Committee	5/21/2015			Board of Directors	6/04/2015										
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Medical Executive Committee	5/21/2015																								
Board of Directors	6/04/2015																								



Policy Submission Summary Sheet

Title of Document: **Pharmacy Department**

New document or revision written by: **Chris Kutza, Director**



SUBJECT: Dispensing of Medication

POLICY #MM8610-148

PAGE 1 OF 3

DEPARTMENT: Organizational

EFFECTIVE: 08/2014

APPROVED BY: Director of Pharmacy

REVISED: 02/2015

Purpose:

To ensure that compounding, packaging, distributing, and dispensing of medications, including record keeping, is in compliance with applicable laws and regulations, licensure and professional standards of pharmacy practice.

Policy:

The Director of Pharmacy Services is responsible for ensuring that compounding, packaging, distributing, and dispensing of medications, including record keeping, is consistent with federal and state laws, rules, and regulations as well as all applicable law or regulation governing professional licensure and operation of pharmacies and professional standards of pharmacy practice.

Procedure:

Individuals Authorized to Prepare, Dispense, Transfer Medications, and Make Labeling Changes

- Medication preparation and dispensing is restricted to a licensed pharmacist or to a designee under the supervision of a pharmacist.
- Medication preparation and dispensing by non-pharmacists is authorized in the following circumstances:
 - A licensed independent practitioner (LIP) (or authorized prescriber in accordance with state regulatory requirements) controls the ordering, dispensing, and administration of the medication, such as in the operating room, endoscopy suite, emergency room, and labor and delivery.
 - Emergent situations when time does not permit a pharmacist's prospective review of medication orders, urgent situations when patient harm could result from delay in administration of a medication, or when a patient experiences a sudden change in clinical status (such as new onset nausea).
- A licensed pharmacist must supervise and monitor all medication preparation by non-pharmacist personnel.
- Only a pharmacist, or authorized pharmacy personnel under the supervision of a pharmacist, may fill and label containers from which medications are to be distributed or dispensed, make labeling changes, or transfer medications to different containers.
- Licensed pharmacy technicians may restock and seal emergency medication supplies used throughout the facility.



SUBJECT: Dispensing of Medication

POLICY #MM8610-148

DEPARTMENT: Organizational

PAGE 2 OF 3

EFFECTIVE: 08/2014

APPROVED BY: Director of Pharmacy

REVISED: 02/2015

Amounts to Dispense

- The amount dispensed is sufficient to meet patient needs and to minimize the potential for diversion.

Dispensing in Ready-To-Administer Forms

Medications are dispensed in the most ready-to-administer forms available to the extent that it is both practical and safe.

Labeling

Medication labeling meets the specifications of the hospital's labeling policy.

Verifying Order Filling Accuracy

A pharmacist performs a final check after the order has been filled or refilled. This check verifies that the order was prepared, filled and labeled accurately. The pharmacist verifies the following:

- Patient's name
- Medication name
- Medication dosage form
- Medication dose
- Medication route
- Medication is in date
- Preparation and compounding procedure is correct

Time Frames for Medication Dispensing

Medications are dispensed within the time frames defined to meet patient needs whenever possible:

- Stat medications are dispensed within 15 minutes of receiving the order.
- Now medications are dispensed within 30 minutes of receiving the order.
- Routine medications are dispensed as soon as possible after receiving the order, but no longer than 2 hours.

Delivery of Medications to Patient Care Areas

- The pharmacy ensures that medications are delivered to patient care areas and are available for administration at the scheduled times.
- Whenever feasible, medications will be dispensed via an Automated Dispensing Cabinet (i.e. Pyxis Medstation)



SUBJECT: Dispensing of Medication

POLICY #MM8610-148

PAGE 3 OF 3

DEPARTMENT: Organizational

EFFECTIVE: 08/2014

APPROVED BY: Director of Pharmacy

REVISED: 02/2015

- If the pharmacy is unable to provide a medication prior to the scheduled administration time, the pharmacy will inform the nurse responsible for the area and/or the nurse responsible for the patient.
- Pharmacy personnel verify that the medications are delivered to the appropriate unit and that the medications are stored in the appropriate secure area.
- When delivering medications to a patient specific cassette/drawer, pharmacy personnel reconcile the patient's name or other identifier information on the medication bag with information on the patient cassette/drawer.

Reference:

- Centers for Medicare and Medicaid Services (CMS) CoP §482.25(b)(1)
- CA B&PC Section 4115(i)(1)&(2)
- CCR, Title 22 Section 70263(f)(2)
- Policy MM8610-132 Labeling of Medications
- Policy MM8610-117 Sterile Compounding
- Policy MM8610-137 Compounding Drug Products
- Policy MM8610-147 Pyxis Medstation, Management and Use of

5.

REVISED CEO
INCENTIVE
COMPENSATION
GOALS FY 2015



MEETING DATE: June 4, 2015

PREPARED BY: Jane Hirsch

AGENDA ITEM TITLE: Revision of Goal Level section of FY 2015 CEO Performance Goals

RECOMMENDATION:

That the Revision of Goal Level section of FY 2015 CEO Goals be approved

BACKGROUND:

The CEO Performance Goals, with corresponding objectives, measurement metric and five goal levels are identified and set following the annual CEO performance review. This FY, two of the six goals relate to Service Excellence (High Patient Satisfaction) in the Inpatient areas and the Emergency Department. The Goal Levels were set to reflect successful achievement (>50th percentile) of the HCAHPS questions on the patient satisfaction surveys, but the goal levels selected were unclear when compared to the metric. This revision clearly links the goal levels to the metric.

The Board reviews performance against these goals on a quarterly basis during the fiscal year, and it has become increasingly evident that it would increase clarity if the Goal Levels were aligned with the Metric.

CONSEQUENCES OF NEGATIVE ACTION/ALTERNATIVE ACTIONS:

Without appropriate alignment of the metric and the achievement of the goal levels, it will be difficult to determine if these two goals are met, and at what level of achievement.

FINANCIAL IMPACT:

None

ATTACHMENT:

Revised FY 2015 CEO Goals



**ORIGINAL
OCT, 2015**

FY 2015 CEO GOALS

Level 3: 66.7% Salary Incentive Compensation
 Level 4: 86.7% Salary Incentive Compensation
 Level 5: 100% Salary Incentive Compensation

PERFORMANCE GOAL	OBJECTIVE	METRIC	ACTUAL RESULT FY 2014	GOAL LEVEL
Service Excellence 3.0% of annual salary	High In-Patient Satisfaction	5 out of 8 HCAHPS questions above 50 th percentile for 6 of 12 months		>7 out of 8 = 5 >6 out of 8 = 4 >5 out of 8 = 3 (Goal) >2 out of 8 = 2 <2 out of 8 = 1
Service Excellence 1.5% of annual salary	High Emergency Department Satisfaction	4 out of 7 HCAHPS questions above 50 th percentile for 6 of 12 months		>7 out of 7 >5 out of 7 >4 out of 7 (Goal) >3 out of 7 <2 out of 7
Quality 3.0% of annual salary	Excellent Patient Outcomes	Value Based Purchasing Score		> 72 = 5 > 70 = 4 > 68 = 3 (Goal) > 66 = 2 < 66 = 1
People 1.5% of annual salary	Highly Engaged and Satisfied Staff	Picker percentile ranking of current mean score		>80 th = 5 >77 th =4 >75 th =3 (Goal) >70 th =2 <65 th =1
Finance 9.5% of annual salary	Financial Viability	Achieve Earnings, Before Interest, Depreciation and Amortization (EBIDA) before restricted donations and GO Bond income & expense		> \$4.4 million = 5 > \$3.9 million = 4 > \$3.5 million = 3 (Goal)
Healthy Community 1.5% of annual salary	Employer Wellness Programs	Enroll at least 50 lives		100 lives=5 75 lives=4 50 lives=3 (Goal) 25 lives=2 10 lives=1



REVISED
May, 2015

FY 2015 CEO GOALS

Levels 1 & 2: 0 Salary Incentive Compensation
 Level 3: 66.7% Salary Incentive Compensation
 Level 4: 86.7% Salary Incentive Compensation
 Level 5: 100% Salary Incentive Compensation

PERFORMANCE GOAL	OBJECTIVE	METRIC	ACTUAL RESULT FY 2015	GOAL LEVEL
Service Excellence 3.0% of annual salary	High In-Patient Satisfaction	5 out of 8 HCAHPS questions above 50 th percentile for at least 6 of 12 months		>10 of 12 months= 5 8 of 12 months = 4 6 of 12 months = 3 4 of 12 months = 2 <4 of 12 months = 1
Service Excellence 1.5% of annual salary	High Emergency Department Satisfaction	4 out of 7 HCAHPS questions above 50 th percentile for at least 6 of 12 months		10 of 12 months =5 8 of 12 months=4 6 of 12 months= 3 3 of 12 months = 2 <3 of 12 months = 1
Quality 3.0% of annual salary	Excellent Patient Outcomes	Value Based Purchasing Score		> 72 = 5 > 70 =4 > 68 =3 > 66 = 2 < 66 = 1
People 1.5% of annual salary	Highly Engaged and Satisfied Staff	Press Ganey percentile ranking of current mean score		>80 th = 5 >77 th =4 >75 th =3 >70 th =2 <65 th =1
Finance 9.5% of annual salary	Financial Viability	Achieve Earnings, Before Interest, Depreciation and Amortization (EBIDA) before restricted donations and GO Bond income & expense		> \$4.4 million = 5 > \$3.9 million = 4 > \$3.5 million = 3 > \$1 million = 2 < \$1 million = 1
Healthy Community 1.5% of annual salary	Employer Wellness Programs	Enroll at least 50 lives		100 lives=5 75 lives=4 50 lives=3 25 lives=2 10 lives=1

Note: Level 1 reflects a result that is worse than the prior year. Level 2 reflects a result that is the same as the prior year. Levels 3 – 5 reflect goals that are better than the prior year.

7.

FINANCIAL REPORT
MAY 2015



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%

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
31	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%	

8.

ADMINISTRATIVE
REPORT
JUNE 2015



To: SVHCD Board of Directors
From: Kelly Mather
Date: 5/22/15
Subject: Administrative Report

Financial Summary

We are now 10 months into Fiscal Year 2015 and while we are still behind the budget, we have a positive EBIDA of \$2,019,652. The optimization projects have succeeded. For example, Surgery did meet their budgeted expense goal in April after starting the year off being \$700k over budget. In addition, the Skilled Nursing Facility has made many positive changes and now has a positive direct margin.

Dashboard Results

The great news is that inpatient satisfaction continues to improve and we have met the goal for ten out of twelve months. We will raise that goal for the next fiscal year. Staff satisfaction action plans are underway and we have our staff forums scheduled for the first week of June to share our results and the actions recommended. As you can see, we have met our **stretch goal** and provided over 1500 hours of community service. SVH is now actively involved in our community and the perception is very good. One example is the success of the Active Aging Series that was organized by Celia Kruse de la Rosa and Dawn Kuwahara with Vintage House. The feedback and attendance has been incredible.

Strategic Update

Our new strategic plan is complete and actions toward meeting these goals have started.

- 1) We will continue to provide the highest levels of safety and quality health care to Sonoma Valley patients. We have set the goals even higher for next year. We want to stay above the 90th percentile on staff satisfaction, increase all of the patient satisfaction domains to above the 50th and some above the 75th percentile, continue to be above the 75th percentile in Emergency satisfaction and continue to receive national recognition for our quality, safety and outcomes.
- 2) In these challenging times, we must continue to improve the hospital financial stability. We know that the physician's success means our success and we are working much closer with our physicians to reduce out-migration. We are leading some creative new projects such as a time share office for specialists and a partnership with a Dialysis company. Now that phase 1 is complete, we are considering our options for the new master hospital campus including the south lot and possibly other properties.
- 3) Regulations and payment models are rapidly changing and SVH must not only be prepared for these changes, but ensure we are not left behind. The ICD-10 conversion and meeting meaningful use stage 3 will be major projects for FY 2016. In addition, we should have some new partnerships by January of 2016 with the health plans and other hospitals.
- 4) The role of the hospital in the future is to support the community's health. SVH is ahead of most hospitals in this area and will continue to lead several population health strategies. This year we plan to have a formal community opinion survey and learn more about what is needed for the future. Several new innovative programs such as the Community Care Network to help patients after their discharge from the hospital and the Disease Reversal Program should be launched by the end of this fiscal year. In addition, the Employer Wellness, Advanced Directive Education and Wellness University will be expanded to reach and improve health for more people this year.

APRIL 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	7 out of 8 in March	>7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 <4 = 1
Service Excellence	Highly satisfied Emergency Patients	Maintain a year to date average of at least 75 th percentile	84th (rolling three month average)	>85th = 5 (stretch) >80th = 4 >75th = 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) >77th = 4 >75th = 3 (Goal) >72nd = 2 <70 th = 1
Finance	Financial Viability	YTD EBIDA	4.7%	>10% (stretch) >9% = 4 >8% (Goal) >7% = 2 <7% = 1
	Efficiency and Financial Management	Meet FY 2015 Budgeted Expenses	\$46.612,829 (actual) \$44,779,279 (budget)	<2% = 5 (stretch) <1% = 4 <Budget = 3 (Goal) >1% = 2 >2% = 1
Growth	Surgical Cases	Increase surgeries by 2% over prior year	1325 YTD FY2015 1330 YTD FY2014	>3% = 5 >2% = 4 >1% = 3 (Goal)
	Outpatient & Emergency Volumes	2% increase (gross outpatient revenue over prior year)	\$107.4 mm YTD \$92.2 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	1509.5 hours for 10 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 2015	May 2014	Jun 2014
Inpatient Satisfaction	5/8	5	6	5	6	4	5	3	6	7			
Emergency Satisfaction	>75 th	79	79	80	76	78	81	82	81	84			
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	91	91	91
FY YTD Turnover	<10%	1.6	1.9	2.6	3.6	4.6	4.9	5.5	6.5	7.4	7.6		
YTD EBIDA	>8%	7	7	4.9	7.3	6.5	6.7	6.9	6.2	5.4	4.7	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	4.1	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	4.8	4.4	4.8
Net Income	>75	-8	35	-381	304	67	-1	29	-211	-382	-278	-240	567
Days Cash on Hand	>15	14	12	14	11	10	13	17	12	15	20	8	7
A/R Days	<50	47	45	48	51	51	49	53	48	47	47	46	48
Total FTE's	<301	309	305	303	304	303	300	299	303	310	304	309	303
FTEs/AOB	<4.0	3.92	3.77	3.49	4.01	4.1	4.12	4.12	3.46	3.79	4.05	3.89	3.74
Inpatient Discharges	>100	105	104	87	107	96	111	104	98	113	95	100	91
Outpatient Revenue	>\$10m	10.8	10.4	11.1	11.7	10.9	10.1	11.8	10.5	11.8	11.2	10.2	10.1
Surgeries	>130	135	133	122	155	118	117	129	136	137	144	142	121
Home Health	>1000	1146	1109	1111	1319	1090	1103	1097	1109	1232	1154	1135	992
Births	>15	16	9	21	13	16	18	11	11	16	7	16	11
SNF days	>660	651	687	597	527	580	596	654	607	669	487	605	613
MRI	>120	132	139	143	221	116	100	108	116	157	138	118	124
Cardiology (Echos)	>70	49	53	62	67	66	67	62	56	67	61	61	57
Laboratory	>12.5	12.6	12.8	13.0	13.0	11.5	11.4	12.5	11.5	12.1	12.3	13.1	13.9
Radiology	>850	968	988	900	1047	856	890	1111	1053	1156	1030	918	888
Rehab	>2587	3030	2859	2468	3028	2634	3010	2478	2751	3113	3063	2877	2945
CT	>300	376	345	323	368	295	316	392	309	347	302	332	335
ER	>800	889	868	851	863	761	824	988	845	769	876	909	716
Mammography	>475	414	417	433	605	462	339	487	444	466	497	519	429
Ultrasound	>325	348	361	367	372	238	299	309	317	357	391	497	339
Occupational Health	>575	656	678	758	739	602	648	653	588	679	687	600	618