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

BOARD OF DIRECTORS' MEETING
AGENDA
THURSDAY, JULY 6, 2017
CLOSED SESSION 4:30 P.M.
REGULAR SESSION 6:00 P.M.

COMMUNITY MEETING ROOM
177 First St. W., Sonoma, CA

In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact District Clerk Stacey Finn at (707) 935.5004 at least 48 hours prior to the meeting.	**RECOMMENDATION**	
AGENDA ITEM		
MISSION STATEMENT The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.		
1. CALL TO ORDER	*Hirsch*	
2. PUBLIC COMMENT ON CLOSED SESSION	*Hirsch*	
3. CLOSED SESSION • Government Code Section 54956.8 Conference with Real Property Negotiators regarding South Lot Property. Negotiators: Kelly Mather, Ken Jensen. Parties: DeNova Homes, Caymus Builders, and Kler Architects. Negotiations: price and terms of development of property. • Government Code Section 54956.9 (d)(3): Conference Regarding Potential Litigation	*Hirsch*	Action
4. REPORT ON CLOSED SESSIONS FROM 6.26.17 & 7.6.17	*Hirsch*	Action
5. PUBLIC COMMENT	*Hirsch*	
6. CONSENT CALENDAR *(page 3-23)* A. Board Minutes 06.1.17 B. Board South Lot Study Session Minutes 06.22.17 C. Board/Finance Budget Minutes 06.27.17 D. Finance Committee Minutes 05.23.17 E. Quality Committee Minutes 05.24.17 F. Executed Policies and Procedures G. Medical Staff Credentialing Report	*Hirsch*	Action
7. CHIEF OF MEDICAL STAFF REPORT *(pages 24-25)*	*Chamberlin/ Sebastian*	Inform
8. MAMMOGRAPHY PROJECT PROPOSALS	*Drummond*	Action
9. SOUTH LOT *(pages 26-30)* Responses to Questions Posed at January Board Meeting Keep or Sale Vote	*Board* *Hohorst* *Board*	Action

10. FINANCIAL REPORT MONTH END MAY 2017 *(pages 31-46)*	*Jensen*	Inform
11. ADMINISTRATIVE REPORT JULY *(pages 47-51)*	*Mather*	Inform
12. COMMITTEE REPORTS	*Board Members*	Inform/Action
13. BOARD COMMENTS	*Board Members*	Inform
14. ADJOURN	*Hirsch*	

6.

CONSENT

BOARD OF DIRECTORS' MEETING
MINUTES
THURSDAY, JUNE 1, 2017
REGULAR SESSION 6:00 P.M.

COMMUNITY MEETING ROOM
175 First Street West Sonoma CA

	RECOMMENDATION	
MISSION STATEMENT *The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.*		
1. CALL TO ORDER The meeting was called to order at 6 p.m.	*Hirsch*	
2. PUBLIC COMMENT SECTION	*Hirsch*	
Rhea Brigman resident of Boyes Hot Springs –"I'm here to talk about Measure E and concerns with the current budget and how it is handled by the CEO and the salaries of 8 Chief Executive positions; which is twice as many as Marin General. The CEO's bonus alone is more than I make in a fiscal year. I think regarding this measure, regardless if it passes or fails, that it is something that needs to be looked at. And the fact that employees have twelve thousand dollar car allowances when I am asked to pay an additional $250. I am a preschool teacher; I am responsible for 50 children's lives each day. That is more than the average of the hospital, according to public records. I think it's outrageous that I am asked to pay more money when there is spending going on, for example paying for limousines to take employees to conferences and things like that. I encourage you all to take a closer look at your budget and the 8 Executive positions that exist and their current compensation, as it exists now. Because I feel that it is an unfair financial burden for people like me who live in the area to pay an additional $250." Ms. Hirsch reminded Ms. Brigman that the Brown Act precludes the Board members from making any comments on her statement, but they will take the comments into consideration.		
3. CONSENT CALENDAR A. Board Minutes 05.04.17 B. FC Minutes 04.25.17 C. QC Minutes 04.26.17 D. Governance Committee Minutes 05.23.17 E. Executed Policies and Procedures F. Medical Staff Credentialing Report	*Hirsch*	Action
		MOTION: by Boerum and 2nd by Nevins to approve. All in favor.
4. CANOPY HEALTH UPDATE	*Criste*	Inform
Canopy Health is a Bay Area wide alliance of hospitals and medical groups working towards broadening access and improvement of care to patients. It is a fully licensed health plan that sells through an insurance company. Mr. Criste said that the commitment from the plan is to transparency,		

access, quality and service. The goal is to push for open enrollment in the fall for 01.01.2018.		
5. ANNUAL HUMAN RESOURCES REPORT 2016	*McKissock*	Inform
Ms. McKissock presented the annual 2016 Human Resources report. She reported that the annual employee engagement had our highest participation rate of 90%. She said that our turnover rates have prompted the Human Resources team to complete a Performance Improvement project in 2016 that demonstrated cost of turnover. As a continuation of this PI project, in 2017 HR will implement an exit interview project to help understand the reasons behind our turnover rates. After a regional analysis salary ranges were adjusted. This will be an ongoing review. Ms. McKissock reported that the benefit plan was successfully negotiated to a reduced premium. The Worker's Compensation cost of claims in 2016 remains lower than prior years. The education goals continue driving and supporting safe and high-quality patient care. The Wellness program has seen growth with participation and improved overall wellness. Ms. McKissock reported that the goals and initiatives for 2017 are to continue to look at turnover data, implementation of the workplace violence prevention program, manage benefits costs, as well as leadership development.		
6. FINANCIAL REPORT MONTH END APRIL 30, 2017	*Jensen*	Inform/Action
Mr. Jensen presented the financial report of April. Gross patient revenue for April was $861,641 better than expected. Total operating revenue was favorable to budget by $319,985. Cash on hand was 10.7 days, with Accounts Receivable increasing from March, from 44.2 days to 46.9 days in April. Accounts Payable increased by $166,288 from March and Accounts Payable days are at 38.2. Total net income for April was $538,529 favorable to budget with a year to date EBIDA of 3.0% vs. the budgeted 3.3%		
7. ADMINISTRATIVE REPORT JUNE 2017	*Mather*	Inform
Ms. Mather reports that the Celebration of Women was a great success and that we exceeded our fundraising goals. The "Rate My Hospital" service will start in July for outpatients. We are the first hospital in California to use this service. The outpatient surgery satisfaction, a mandatory report, will begin in October. Surgery volume remained much higher at 13% over the prior year, with the rest of the volumes a bit lower than expected. Ms. Mather presented the new dashboard. Board to email Ms. Mather with recommendations for updating the dashboard presentation. Agreement by the Board members that the previously-presented dashboard will be included in the Finance Committee packet.		
10. COMMITTEE REPORTS		
A. Northern California Health Care Authority (JPA) meeting report	*Boerum*	Inform/Action

Mr. Boerum reported that a webinar to review the draft of state regulations on medical cannabis took place 5.31.17.		
11. BOARD COMMENTS	*All*	Inform/Discussion
Mr. Hohorst reported that as of yesterday 7,300 absentee ballots were received. The expectation is that there will be a greater turnout than the last election. There will be a post election celebration on June 6th, 8:00pm at Saddles. Ms. Hirsch brought up that the January Board meeting is the 4th. Due to the proximity to the holidays, should this be changed? Reminder that the south lot study session is June 22nd at 5pm and the budget study session is June 27th at 5pm in the Hospital Basement. There will be no call in capability for the budget study session.		
12. ADJOURN The meeting adjourned at 7:30p.m.	*Hirsch*	

BOARD OF DIRECTORS' SPECIAL STUDY SESSION
SOUTH LOT PROPSALS
MINUTES
THURSDAY, JUNE 22, 2017
Study Session 6:00 p.m.

SONOMA VALLEY HOSPITAL BASEMENT CONF ROOM
347 Andrieux St Sonoma, CA 95476

	RECOMMENDATION	
MISSION STATEMENT *The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.*		
1. CALL TO ORDER The meeting was called to order at 5:04 p.m.	*Hirsch*	
Public comment is only to be made on agenda topics – 15 minutes post presentation has been allotted.		
Ms. Hirsch reviewed the guidelines for the special session. She reported that the meeting will be broadcast on SVTV27 on Saturday, June 24th at 6pm and Sunday, June 25th 3pm as well as on YouTube.		
2. SOUTH LOT PRESENTATIONS		Inform
DeNova Builders **Multiple housing unit proposal of 20 units**	*Trent Sanson*	
PUBLIC COMMENT		
Mr. Boerum asked if Mr. Sanson has previously had any contact with Hospital Administration or any of the Board members regarding the South lot. Mr. Sanson initially said he had not, but corrected that to he had emailed administration "some years back" about being excited about the opportunity to be involved. Ms. Mather said that Administration did not respond to that email. Ms. Hirsch asked about the time frame of acceptance of the proposal as stated in paperwork, which was by June 30. Mr. Sanson said that wording may be stricken from the record as it is generic wording used in all of their proposals. He said that the time frame can be negotiated to what is appropriate for the situation. Mr. Rymer asked Mr. Sanson to describe the price per unit. Mr. Sanson said that they are doing price projections based on the community. They have estimated that the cost will be in the mid eight hundred to nine hundred thousand. Mr. Rymer asked for education on what high and low income is and what it is based on. Mr. Sanson said that it is based on household size and a complicated calculation of income. Mr. Boerum asked if the Board could be provided with a table for affordable housing. Mr. Sanson agreed to send that to the Board. Ms. Nevins asked for clarification surrounding parking. Mr. Sanson said that there will be driveways as well as some street parking.		

Ms. Hirsch asked about the potential time line for the project. Mr. Sanson said that if they advance to the next stage they could better estimate the time frame with specifics.		
Kler Architects **Proposal for the development of 29 units of housing, covered parking, landscaping, swimming pool, fitness center and clubhouse.**	*Kler & McDevitt*	
PUBLIC COMMENT		
Ms. Nevins asked Mr. McDevitt if they have implemented a community project similar to the current proposal before. Mr. McDevitt said that they have but it has been about 10 years because they are primarily focused on commercial property. But they will employee many consultants and investors to guide them through this. Ms. Nevins asked if they see this high density living as a trend. Mr. McDevitt said that high density living has been going on in the bay area for quite a while. Mr. Rymer stated that prior presentation talked about units per acre, and the Kler presentation is much different. Mr. Kler explained about how they used the city's density bonus to maximize the usage of the land. Mr. Rymer then asked, "what is the density bonus?" Mr. Kler responded that a density bonus is that the units are priced so that a person working at a certain level can afford to buy them. They are often used to get more workforce housing in. Mr. Rymer asked if the affordable housing is in addition to the work force housing. Mr. Kler said that it is the same, just a different name. He said that there are three tiers with low income housing and workforce housing being two of those. Mr. Rymer said that the design looks like the housing is along the perimeter and then asked if the center is accessible and open. Mr. Kler said that you will be able to drive in, but that a home owners association may decide to put in a gate. Mr. Rymer asked if there is any location for the community, like green space or how does the rest of the community interact with this new entity. Mr. Kler said that he feels as if they will interact just fine. There is access from all sides and that you can meander through it at all times. Mr. Boerum asked if the residents could form a community association and block themselves off. Mr. Kler said that the home owner's association is to assist with maintenance and upkeep not to keep people out. Mr. Kler also said that the surrounding neighbors would be able to buy passes for the pool and clubhouse for a nominal fee, which could help to offset HOA dues. Mr. Rymer asked if the affordable housing decrement in pricing is the same as workforce housing. Mr. Kler said that it is a little bit different for each tier. Mr. McDevitt said that there is green space to buffer the street. Ms. Mather asked how long it might take for the building permit assurance. McDevitt said approx. 9 – 12 months. Mr. Kler said that he thinks they can get to the planning commission earlier than that in its current form because they have already done 6 months of work on this.		

Mr. Routhier asked," Does the project work if you lose the third story?" Mr. Kler said that it works, it just doesn't work as well. It is possible, just not as viable.		
CAYMUS BUILDERS **Proposal for 17 single family homes with detached garages and rental units above the garages, focused on middle working class home ownership. Caymus would lease these units for two years.**	*Routhier*	
PUBLIC COMMENT		
Ms. Hirsch asked for clarification on the relationship of the secondary unit to the main unit. Mr. Routhier said that the secondary units would be a separate lease from the main. Mr. Boerum asked how the 34 leases are converted to sales. Is it written into the lease for options to buy? What are the constraints on the lessee to buy the units? Mr. Routhier said that the parcel is sold, not the specific units. The model is not to keep the homes as leases. The idea is to turn the leases into homes sales. The purchase of the parcel includes the secondary unit with the lease of that unit. Mr. Rymer asked about the pricing on the leases and the sale prices. Mr. Routhier said that the four bedroom units will lease for the low three thousand and the two bedroom units in the back will lease for twelve hundred. The deed restricted three bed two bath units will be approximately twenty-two hundred. Mr. Rymer asked about the lease to buy arrangement. Mr. Routhier said that there is a lock in price and then it appreciates. Ms. Nevins asked about parking on the streets. Mr. Routhier said that part of the proposal includes widening the streets and yes there will be street parking. With the elimination of the driveways it maximizes the street parking. Kler Architects asked about the alley ending in white space-- is that the hospital parking? It is, but it should not affect the hospital parking. Kler architects then asked if that would require a variance. Mr. Routhier indicated that with the current proposal it would not require a variance. Karin Skoogland, resident on Blue Wing Drive made the following statement. "I live on Blue Wing Drive and I'm not really comfortable making this statement but I feel that it is important that I share the experience that our neighborhood has had with Caymus Capital. This is the first release project that most of you have heard of. He gave me a great segue when he said that they were having some troubles in our neighborhood because we are unwilling to hear compelling arguments that oppose our views. Well, I would turn that around and say that Caymus Capital has a real inability to listen to, to work with, to compromise, to understand the point of view of the residents who live in that neighborhood. For a year and a half I was the president of our neighborhood association which represents over 200 homes in this		

area. There is a lot that goes on in our neighborhood. There are some grandfathered, small business operations in the neighborhood. Our understanding is that the zoning was to revert back to all residential. So the problem we have had from the beginning is that we are all in favor of housing. We need housing and we do not want a hotel, we do not want a restaurant, we do not want a sundries shop. Ed referred to this as a small boutique inn, this is the kind of back and forth that has gone on, it's not, it's a 30 room hotel. We are the ones who obfuscate their plan rather than that they are not willing to listen to voices of over one thousand who have signed our petition, who would like residential development not commercial development. I speak for my board and for a very large Protect Sonoma committee that has been formed to work on this project and defeat it in its present form. Honestly we have found them very difficult to deal with. We have found them untruthful, they are oppositional, and you can't trust what they say. And I really feel that partnering with Caymus would be very unpopular in this community. Thank you very much." Ms. Perry Ellis, a Sonoma resident in the Montclair subdivision asked "What if some of the leasers have a party, where are their guests parking? I don't see any extra parking. It seems that there needs to be a parking area for extra people." Caymus Capital responded that with this model they have maximized parking availability with no driveway cut outs, therefore adding street parking. Ms. Ellis said that removing some of the buildings and adding guest parking seemed more feasible. Mr. Rymer asked if they were expecting or anticipating access to the hospital parking lot after hours for residents. Caymus Capital said that they were not contemplating that.		
NORMAN GILROY – Do not sell the south lot. Retain and develop it ourselves, with a Hospital Green, housing units and a community building	*Gilroy*	
PUBLIC COMMENTS		
Val Robichaud asked if all of the models would be rentals. Mr. Gilroy said that they could be rentals or separate lots. They would remain in the ownership of the hospital and be rented out to hospital employees. Mr. Rymer asked if the advantage is that you could put more density on that lot. Can you do that other ways, like sell to the land to developers and lease it back. Could they then in fact get back the benefit of that size? Mr. Gilroy said he supposed if you were really crafty, yes. Mr. Rymer said you have a lot of good ideas here that we could incorporate into what we ask the developer's in addition. Maybe there is a way to get the benefits. Mr. Gilroy said absolutely if they the developers are so inclined to do so. But most developers are in the business of building and r–sell, selling being where the profit lies. The land at its cost and profit is not		

the issue. The end product package that you are cutting down on by continuing to own it and then passing that benefit down to hospital employees. Mr. Rymer asked how much benefit there is from the financing vs the eventual rental reduction. Is there enough savings in the way that this is financed to bring meaningful reductions in rent? Mr. Gilroy said that he is not sure about that, but that the tax exempt bond financing on the previous project was about 2%, it has gone up since then. That's the first place we go, is to talk to bond advisors and ask them these questions. He said that he would be happy to be a part of those meetings. Mr. Rymer said that his worry is that there is a lot to learn and understand and develop before we can even make a decision. Mr. Gilroy answered that, "you hire a design build team. People that know all of this stuff." This would be the development team you would have.		
BOARD COMMENTS		
Mr. Boerum said, "this has been an embarrassing and uncomfortable presentation to listen to and to read about. We should have solicited as a board ideas such as Norman has presented many months ago. I think there was a feeling that we weren't in a position to stipulate anything in an RFP. Now we are facing making a decision on a lot of complex things that have been presented to us. I think it is unfortunate as to where we are. I think like Norman said, there was no stipulation to encourage or require in any way ask proponents to say anything about health care. I don't know what the name of this board is except for the healthcare district. Twice in the meeting when we discussed the RFP both of the suggestions I made were voted down. So we put out an RFP that had no stipulations and requirements except pay us the money as fast as possible. I think this is a very unfortunate circumstance that we are in. I applaud the creativity and the ingenuity of the residential developers, we will see where that goes. I think that the vision and suggestions that Norman has made, this district really has to consider. And it's unfortunate that we seem to be in the interest of selling as soon as possible. I guess something else about the Nelson loan. We can easily find one or two people in this community to pay that loan off, apart from having the type of project that Norman is suggesting. I really feel embarrassed by this proceeding. I also ask the counsel, who is here, who I have a great deal of admiration for, and we have worked together in other circumstances very collaboratively. It was disappointing, but not surprising, that the next step in this process is a closed session. Here we won this election, I was a supporter. There were a lot of criticisms and I think that we are dismissing them, concerned about the process etc, and I read your message (to Colin Coffey) to the board. But I would like for you to articulate, in public, why you feel that the closed session, and I can make some assumptions. That the closed session because of price negotiations, looking at various things and it needs to be confidential vis a vis the various proposals that have been made. So we are in a dilemma of how we are supposed to discuss this. I don't like the idea that again where this board really has not had any public discussion on the south lot. We have from some people. But we have not talked about what		

our individual interests are, and we have had proposals. So Colin if you would, outline why this closed session is necessary. Because I see already that people are seeing this as more of the same closed meetings. Mr. Coffey responded, “It isn’t necessary that you have closed sessions. There is no legal requirement. The Board is allowed, as you know, for closed sessions to be available for real estate discussions about the financial price of a purchase or an acquisition. The negotiation of price and the terms that go along with price. The legislation specifically allows it because it’s understood that there are competitive reasons to protect the taxpayers and the agency from having to openly negotiate the sale. You do have available to you as a Board a real estate specific purchase price, negotiation specific, closed session and at some point like most public agencies you would want to utilize that closed session under The Brown Act. You also have the ability to discuss policy issues in open session and make decisions involving policy issues. Do we sell or not sell, that is a policy issue. That discussion of that policy is appropriate for an open session, and an open session vote when you are ready to do that. There isn’t any dictation of holding just closed sessions and it’s all a matter of timing. Mr. Boerum said that he did not understand why there was such a rush to a closed session. My expectation for the next Board meeting was that we would have the kind of policy discussion that you mentioned, that I think that we should have. Because the real issue is whether to keep or sell. Maybe others don’t agree, but I have no idea. No one has said anything. I would hope that the Chair would reconsider the immediate need for a closed session and the next regular Board meeting really address the issue on whether we want to keep this land or not. Ms. Hirsch said that from the beginning the Board talked about the fact that they will bring this whole issue back to the public before any decision is made. But that the Board deserves the opportunity to talk about the financial implications and the real estate negotiations of this process. No decisions will be made during the closed session, it is simply to review and discuss the financial implications and real estate negotiations. We can have an agenda item for the July Board meeting, but she felt as if the Board would not be ready to make any decisions at that point. Mr. Gilroy said that he understood why the financial information was redacted for the public forum but asked if there will be a time when it will be made public prior to making a decision. Or does that only surface after a decision is made? Mr. Coffey responded that eventually all of the un-redacted proposals will become public record, When negotiations are completed, because there isn’t a competitive purpose to retaining the confidentiality of the financials. It’s very progressive of this District to just redact. A lot of agencies just will not make the proposals public at all, and will just put summaries up on the screen. So what you did, of just redacting the financial information is a pretty progressive thing to do for the District. The ultimate decision that you make, including financials, would be reviewed and discussed in a public session, in which you are able to conclude the purchase. Mr. Gilroy asked if the purchase price is not public until the negotiations are final. Mr. Coffey responded that there is no compulsion to do all of it in closed session. You do in closed session what is necessary to		

preserve the advantages the agency has from the process it has created. It is hard to say that there is a fixed way to do that. It is possible that multiple offers are made public before the final decision is made on one of them. This isn't a process that is driven by price, it is a lot of public policy involved in this decision. It's a balance between the two concepts having some competitive purpose to the confidentiality while acknowledging that there is strong public policy concerns. Ms. Mather asked Mr. Boerum why he thought that the finding the two million dollars to pay back the loan will be easy to find in this community considering all of the fundraising and the priorities we have here. Mr. Boerum stated that a lot of people have stepped up and it could be a combination of several people or one person, and that we did find one person to loan us the money. He acknowledged Ms. Mather in finding that one person. But given the wealth in this community he is confident it is possible. Ms. Mather disagreed with this idea. Ms. Hirsch restated that all financial information must still be kept confidential by the board members until they have an opportunity to discuss them in closed session.		
ADJOURN 7:35pm	*Hirsch*	

BOARD OF DIRECTORS' BUDGETMEETING
MINUTES
TUESDAY, JUNE 27, 2017
STUDY SESSION 5:00 P.M.

SONOMA VALLEY HOSPITAL BASEMENT CONF ROOM
347 Andrieux St Sonoma, CA 95476

	RECOMMENDATION	
MISSION STATEMENT *The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.*		
1. CALL TO ORDER The meeting was called to order at 5:00 p.m.	*Hirsch*	
2. PUBLIC COMMENT SECTION	*Hirsch*	
Marilyn Kelly, former Superintendent of the school district spoke about the recent parcel tax election. "I have a couple suggestions, because I was a supporter of the parcel tax. But I ran into some headwinds. A couple of things that I thought about that would be a thought for the hospital Board or hospital is in small steps start to educate the community with respect to specific expenses that it does incur. One of the things that I was impressed with is, when I went to the website all of the information was right there. Not everybody looks at the website. One of the things that we did when I was at the school district was to educate the community about what the school district needed, in small steps so people could be brought along. Because we have five years to generate some support over time, I think that is very important. There are several people that voted yes who are on the fence for the next one. My other thought along with that is, what the hospital is doing with budget, obviously. How are you looking forward so that perhaps we don't need a parcel tax in five years? I don't really understand or am knowledgeable about the budget. But I think it would be interesting for the community to learn what percentage of your budget is related to different aspects of services provided. Because then people would be brought along and not focused on just the negative. I got really frustrated with people who only looked at the administrative salaries. I think that that is a reality that we have as a hospital. It doesn't mean we have to be defensive about it. We have to fit it into a context. So my suggestion as you move along in adopting a budget is educating the public, in small steps, about what it means. So even though some people may never be convinced, I think there are a lot more that would be convinced."		
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3. FISCAL YEAR 2018 BUDGET	*Board*	Inform/Action
After an introduction by Ms. Nevins, Ms. Mather presented an overview of financial issues by department, including revenue and volume growth, including areas where there will be budgetary savings (for example, Home Care relocating to the hospital, saving on rent.) Mr. Jensen then presented the proposed fiscal year 2018 budget. The budget was developed based on 12 months, for the period March 2016		**MOTION:** by Rymer to approve the budget, 2nd by Boerum .All in favor

through February 2017, adjusted for annualized expenses. The budget maintains the current level of services and volumes for most Hospital departments with additional volume and revenue projected for surgical services and the 1206b clinic. After discussion regarding clarifications and explanations of budget items, Mr. Jensen and Ms. Mather agreed to present the previously-presented requested revenue break out by department and administrative salaries by position at the next Board meeting. After the budget presentation the following public comments were made: Marilyn Kelly said, "There was a lot of very important information shared with this presentation tonight. I am thinking about how that can be broken down and presented. I think what Joshua said, I am not so sure you are ever going to be in the black because of the costs and what's going on federally. Like you Mr. Rymer, whether we would still exist. It becomes a value to our community to have a hospital for most people. For the critics, who knows? But I think that we need to educate them about some of the information shared tonight. Like a power point, on certain elements presented tonight. How you do that I don't know. People read the paper, there is social media, power point, whatever. There is stuff here that you need to share with us. If I wasn't here tonight, I wouldn't be able to say to my friends "this is what I heard". I don't think you do enough of that. It needs to not be just on the website. The website is great." Community attendee Steve Best said, "I would like to second that. I am here just as a citizen. I didn't have a good positive reaction to a lot of the information before the election. I did vote yes, however I think there was a lot information that came out on the negative side. Sitting here reading this, it's good. But even some of your information regarding what the Chief Development Officer is doing here you have paying five hundred thousand, or allocating in the budget and that you're expecting a million eight out of that. That's incredibly positive information. And we don't have a clue. I'm in the same boat you are, I live in a community where there were a lot of people who were not happy with a lot the information that came out. It was encouraging to come to this. I have a pretty good financial background and I think a lot of this is good presentation. I really think the word has to get out more of what good things are being done by this hospital."		
12. ADJOURN The meeting adjourned at.5:59pm.	*Hirsch*	

SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, MAY 23, 2017
Schantz Conference Room

Present	Excused	Staff	Public
Peter Hohorst John Perez Sharon Nevins Dr. Chamberlain via phone Dr. Mishra via phone Susan Porth via phone	Steve Berezin	Ken Jensen Jeanette Tarver Kelly Mather Sara Dawn Kuwuhara	

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT *The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.*			
1. CALL TO ORDER/ANNOUNCEMENTS	*Nevins*		
	5:00pm		
2. PUBLIC COMMENT SECTION	*Nevins*		
	No public comments		
3. CONSENT CALENDAR FC Minutes 04.25.17	*Nevins*	Action	
		MOTION by Hohorst to approve, 2nd by Perez. All in favor.	
4. ADMINISTRATIVE REPORT	*Mather*	Inform	
	Ms. Mather reported that the review of the pain management service line is complete and a decision should be made by next month. Ms. Mather reported that Dr. Sebastian will take		

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	over as Chief of Staff duties in July. Our new credentialing program in the Medical Staff office will resolve previous time frame issues.		
5. FINANCIAL REPORT FOR MONTH ENDING APRIL 30, 2017	*Jensen*		
	Mr. Jensen presented the financial report for April. Gross patient revenue was $861,641 better than expected. Total operating revenue was favorable to budget by $319,985. Operating expenses were unfavorable to budget by $312,714. This was due to an increase in contract wages, supply cost of implants, physician and professional fees. Mr. Jensen states that year-to-date operating expenses are $583,395 over budgeted expectations but the Inter Governmental Transfer (IGT) and Prime Grant program fees were not budgeted in FY 2017. Without the matching fees, year-to-date expenses are better than budget by $238,966. After accounting for all other activity, the April net loss was $24,385 vs. the budgeted net loss of $31,262 with a monthly EBIDA of 3.7% vs. a budgeted 3.0%. Year-to-date the total net income is $538,529 favorable to budget with a year to date EBIDA of 3.0% vs. the budgeted 3.3%. Mr. Jensen reported that the cash collected in April exceeded the goal by $112,024. Days of cash at hand were 10.7. Accounts Receivable increased to 46.9 days and Accounts Payable increased by $166,288 from March and was at 38.2 days. Mr. Jensen reported that there are no significant changes to the cash requirements for the month		

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	of April. Mr. Jensen said that we are accruing revenue with Prime but they are not paying all of it this fiscal year. They are paying 25% of 40%. When we submit the status report in September we will get the rest of the payment.		
6. CAPITAL CASH REQUIREMENTS	*Jensen*	Inform	
	Reviewed new reporting format.		
7. REVIEW OF CURRENT DEBT	*Jensen*	Inform	
	Mr. Jensen reported that there are no significant changes to the current debt.		
8. BUDGET REVIEW 2017/2018	*Jensen*	Inform/Action	
	Mr. Jensen presented the 2017/2018 proposed budget. There was a lengthy discussion regarding current and future budget state, as well the formatting of how the budget reads and is presented. The committee recommends approval of the 2017/2018 budget by the Board at the June 1, 2017 meeting.	**MOTION** by Hohorst to approve a recommendation to the Board and 2cd by Chamberlain. All in favor.	
9. ADJOURN	*Nevins*		
	Meeting adjourned at 6:23 pm Next meeting, 6.27.17 at 4:00pm, will be a combined Finance/Board meeting.		

+

SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE
May 24, 2017, 5:00 PM
MINUTES
Schantz Conference Room

Members Present	Members Present cont.	Excused	Public/Staff
Jane Hirsch Michael Mainardi, MD Ingrid Sheets Kelsey Woodward Howard Eisenstark, MD Joshua Rymer		Susan Idell Carol Snyder Brian Sebastian MD Cathy Webber(?)	Leslie Lovejoy Mark Kobe Melissa Evans Deborah Bishop Cynthia Lawder, MD James DeMartini, MD

AGENDA ITEM	DISCUSSION	ACTION
1. CALL TO ORDER/ANNOUNCEMENTS	*Hirsch*	
	Meeting called to order at p.m.	
2. PUBLIC COMMENT	*Hirsch*	
	No public comment.	
3. CONSENT CALENDAR	*Hirsch*	Action
• QC Minutes, 04.26.17		**MOTION:** by to approve, 2nd by. All in favor
4. POLICY & PROCEDURES	*Lovejoy*	Action
		MOTION: by to approve, 2nd by All in favor.
5. HEALING AT HOME DEPARTMENT ANNUAL REPORT	*Lee*	Inform
6. QUALITY REPORT MAY 2017	*Lovejoy*	Inform
7. ANNUAL PERFORMANCE IMPROVEMENT PROGRAM REVIEW	*Lovejoy*	Inform
9. UPON ADJOURNMENT OF REGULAR SESSION	*Hirsch*	

AGENDA ITEM	DISCUSSION	ACTION
	Regular session adjourned at p.m.	
10. CLOSED SESSION • Calif. Health & Safety Code § 32155 Medical Staff Credentialing & Peer Review Report	*Hirsch/Lovejoy*	Action
11. REPORT OF CLOSED SESSION	*Hirsch*	Inform/Action
	The Medical Staff Credentialing was unanimously approved.	
12. ADJORN	*Hirsch*	
	Meeting adjourned at p.m.	

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

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.

Douglas S. Campbell, MD Chair Medicine Committee	5/11/17 Date
Cynthia Lawder, MD Medical Director, Emergency Department	5/18/17 Date
Keith J. Chamberlin, MD MBA President of Medical Staff	5/18/17 Date
Kelly Mather Chief Executive Officer	5/18/17 Date
Jane Hirsch Chair, Board of Directors	Date

Reviewed by:	Date	Approved (Y/N)	Comment
Medicine Committee	5/11/2017		
Medical Exec. Committee	5/18/2017		
Quality Committee	~~5/24/2017~~ 6/28/17		
Board of Directors	~~6/01/2017~~ 7/06/17		

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

Policy Submission Summary Sheet

Mark Kobe, Chief Nursing Officer		Deborah Bishop, Director of ED and ICU	
Signature:	DATE: 5.9.17	Signature: D Bishop	DATE: 5/11/17

DEPARTMENTAL

NEW LG

~~PC7010-20 Nursing Orders~~
refers to new EDNUR Protocols by ~~Dr. Lawder~~

REVIEWED/NO CHANGES

PC7010-06 Intraosseous Infusion
PC7010-10 ED Log
PC7010-13 Criteria for PES Admission
PC7010-18 Critical Care Transport
QA7010-09 E-notification in the ED

REVISED

PC7010-01 Emergency Initial Assessment Triage
Added statement that EMTALA, COBRA, and HIPAA laws will be followed

PC7010-02 Patient Valuables in ED
Added verbiage regarding proper documentation

PC7010-03 Admission to the Hospital from the ED
Separated the admission of telemetry and ICU patients, adding that telemetry patients can be transported to floor without monitor if an MD order states that this can be safely accomplished

DC7010-04 Discharge from ED
Included ESI 4 or 5 with length of stay less than an hour

PC7010-05 Telephone Advice
Added verbiage to signs/symptoms, when to call 911, when in doubt, come to ED

PC7010-07 COBRA Transfers
Added verbiage in regards to belongings

PC7010-08 Legal Blood Draws
Added urine

PC7010-11 Laboratory Studies Follow-up
Changed to ED Tech or RN. RN to Check EHR.

PC7010-12 Capnography – EtCO2 Monitoring

Procedural to Moderate, added verbiage regarding narcotic naïve patients

PC7010-14 Chest Pain Non-Traumatic

Clarified guidelines/role

PC7010-19 ED Staffing Plan

Added ED Techs, New Daily Responsibilities. Added that no drinks without lids are allowed at nursing work stations.

7.

MEDICAL CHIEF OF STAFF REPORT

June 30, 2017

Chief of Staff(departing) report:

The last 2 years have been very successful for the medical staff.

In general, the Medical Staff was more participatory in hospital issues. In particular, Peer Review took a major step forward, with the formation of EPIC – Executive Performance Improvement Committee.

This committee was designed for multi-disciplinary cases, with the participation of a variety of specialties who participated in a particularly challenging case. The cases and discussions at EPIC were very educational, informative and resulted in true care improvement.

Peer review in general improved, with hearty discussions at both surgery and medicine committees.

Physician participation in regulatory compliance was elevated as the medical staff better understood what was required of them on a daily basis.

The Joint "Powers" committee was reinvigorated, with the help of board member Jane Hirsch. This committee met at least quarterly and consisted of 2 board members, the Chief of Staff, the Vice-Chief and the CEO. These meetings proved very fruitful and allowed the 3 arms of hospital control (the board, the medical staff and administration [CEO]) to better understand each other and the common goals to move forward.

The MEC strongly supported the parcel tax, and we believe our front page picture in the IT was clearly the deciding factor in the parcel tax success…

On a personal note I would like to thank the board for their support these last 2 years. We really did make inroads into medical staff interest in dealing with the many issues the hospital faced. Sonoma Valley Hospital can only move forward and succeed in this harsh medico-economic environment if all 3 arms are pulling in the same direction. I believe we accomplished that. Thank you.

Keith J. Chamberlin, MD MBA
Chief of Staff
Sonoma Valley Hospital

9.

SOUTH LOT

PETER HOHORST

4636 Grove Street, Sonoma CA 95476, 707 938-4646

June 27, 2017

At the January 4, 2017 Board meeting Norman Gilroy presented a letter address to the Board that contained 10 questions concerning the "Letter to Bidders and Draft RFP for the Sale of a Portion of the South Lot. At the time I assured Norman that I would provide him with answers prior to the Board voting on whether or not to sell or retain the property in question. Below are my answers.

" **1. What serious thought has been given to alternatives for the South Lot that would allow the District to retain title to all, or a designated portion, of the land for the long term future?**

Use of the South Lot as a solar farm was one of many initiatives pursued during the 2009-2012 design period for the Bond Project. The high cost of the power connection between the South Lot and the Hospital and the low purchase price offered by PG&E for surplus power generated made the concept uneconomical.

During 2012 the Hospital and Parkpoint Health Club worked with Doyle Weissman on a project to develop the south end of the South Lot. The major components of the project were a 31,250 square foot Medical Office Building and a 21,250 square foot fitness center. You participated in all the meetings during the development and review of this project before it was presented at a Planning Commission study session in November of that year.

The project received a very strong push back from the neighborhood as being "overbuilt" for the residential neighborhood and was withdrawn from consideration.

The cost analysis of the project revealed that the relatively small size of the property and the high estimated cost to complete both Hayes and 4th Streets made the cost per square foot for the medical office building significantly higher than the cost per square foot to lease comparable office space in Sonoma. Subsequent to that time the Hospital has leased space on Napa Street for medical office use.

The high square foot cost for the Weissman project was consistent with the high cost per square foot that resulted from our attempts (also with Weissman) to redevelop the medical office buildings on the Perkins site.

"2. Is it good policy in principle, or even appropriate, for the Board to consider selling off publically-owned real-property assets to cover short term operating deficits?"

The short answer is no, but that is not the issue in this case. The proper question is: Can the value of this asset be put to better use by investing the money in medical assets that are needed to further the mission of the District? The Hospital currently has a list of capital projects that total $2.5 million, and although the Hospital will have a positive cash flow from operations in FY 2016-2017 and

is budgeted for a positive cash flow in FY 2017-2018 the cash flow will fund only a small portion the capital list.

"3. The first responsibility of a Health Care District is to enhance health-care related services for the people of its constituency – in this case the people of the Sonoma Valley. How does selling this property off to highest bidder, with no strings attached and with the likely use being construction of market-price housing, accomplish that?"

The answer to question 2 answers this question also. But in addition, the construction of market-price housing (and the required affordable housing) will make it possible for about 30 additional families to reside in Sonoma where a housing shortage is widely acknowledged.

"4. What priority is the Board giving in its decision to the needs of future Boards and administrations of the hospital when the time comes, as it inevitably will, for additional construction on the hospital site (e.g. upgrading to meet 2030 State earthquake laws, upgrading to meet changing market trends and technologies, upgrading an aging bed-wing to remain competitive in the healthcare marketplace in the North Bay area, etc.)? Without the South Lot, where will the District place the staging areas and contractors yards that will inevitably be needed during construction?"

The expectation that there will be a future need for construction and upgrades at the hospital is well documented. It was even predicted in the long-range plan prepared by the architects as part of the package for the new ER-OR building when it was approved. That plan projected that the present West Wing would be inadequate by 2030, both competitively and seismically, for use as the primary acute-care bed-wing for the hospital, and it recommended construction of a limited-size (30 beds?) replacement bed-wing to be located on the present parking lot to the west of the new building (the new, and adjacent ER-OR wing is of a standard to allow its use indefinitely under current State of California regulations). However, that relocation, and the construction process associated with it, would permanently displace a significant portion of the parking to the west of the present buildings, and would require some realignment and new improvements on Fourth Street between Bettencourt and Andrieux. As far as I know, those expectations for new construction the future remain in place – and in fact a "spokeswoman" for the hospital is even quoted in the January 1, 2017 edition of the Press Democrat as saying that "the hospital's West Wing, which is also rated SPC-2 … will be upgraded to an SPC-4 building by 2030".

The 2011 assessment by the architects which projected a future need for construction and upgrades to the West Wing are no longer valid.

- The inpatient stays continue to get shorter, having dropped by 30% since 2011.
- The acute care 2nd floor of the West Wing was renovated in 2012 with proceeds from the Capital Fund Drive.

- The requirements of the SPC-4 D earthquake code which took effect on January 1, 2017 removed the need to replace the West Wing for seismic reason. Some retrofitting will be necessary prior to 2030, but the cost will be in the $2 to $3 million range.
- Replacement of the Central Wing with a new structure is also no longer being consideration, because of the extremely high cost that would be involved.

Consequently, significant staging of material will not be required.

"5. When was the formal decision made to proceed with requesting offers for the purchase of the property?"

The formal decision to issue an RFP was made at the February 2, 2017 Board meeting.

"**6. Price, and the assumption that a profit is to be made, seems to be a significant driving force in the rush to sell the South Lot. Yet a significant factor that enabled the District to acquire the South Lot at an advantageous price was that the District's stated interest in the acquiring the property had the effect of driving other buyers away. Now, in moving to sell off the parcel for profit only weeks after it finally acquired it at that advantageous price, could the District be subject to criticism for its perceived tactics in the real estate market?"**

The District is always subject to criticism. The timing of the purchase the property was driven by the terms of the option to purchase the property contained in the land lease agreement with North Valley Bank. The price was $250,000 lower prior to August 29, 2016.

During the seven years (2009-2016) that the Hospital leased the property it served, as intended, for temporary parking and construction staging during the New Wing construction.

When the City Planning Commission required an 81 space parking lot under the New Wing use permit, the South Lot provided the needed land and made it mandatory for the Hospital to purchase the property to keep from losing the parking lot.

As mentioned above, although some options to use the undeveloped "3 acres" of the South lot were considered, none of the options offered a suitable return on investment for the time and money that would be required. The South Lot remains a non performing asset and as such the Board could also be criticized for spending $100,000 per year in interest for an asset that was not being used.

7**. Is the District even allowed to offer the South Lot property for sale without first declaring it "surplus", as is required of other Districts and public agencies like the Schools?**

The Health and Safety Code that governs most of the activities of the Health Care District does not have a provision that requires a Health Care District to declare a property as "surplus" before selling it.

8. **The draft RFP makes the point that the District has to sell the property at "fair market value", but why is it that the appraisal of the property that defines fair market value, and that was completed only a few months ago, is not a part of the notice to potential bidders?**

The appraisal of the property is a matter of public record. It would have been available to any potential bidder if it was a significant factor in determining their offer.

9. If a "sale" is to be the solution, what provisions will the Board make to disqualify as bidders any individuals and companies who have acted as inside advisors to the hospital in the process of making the decision to offer the property for sale?

While the Hospital met with several potential developers to learn of their interest in the development of the South Lot, the only individuals who acted as "inside advisors" were the members of the CEO's South Lot Committee. None of these individuals are involved with the three developers who submitted proposals.

10. What are the factors that are causing such a rush to sell the property only weeks after it was purchased by the District? Why is there such urgency to sell?

As mentioned above, the undeveloped portion of the South Lot is a non performing asset. Like any business with a non performing asset, if the asset can be sold and the money reinvested in assets that will better serve the business, in this case the underfunded capital needs of the Hospital, then it is prudent for the business to sell the asset and reinvest the proceeds.

11. If such factors exist, have they been discussed with the Finance Committee and, as financial experts, do the members of the committee have suggestions for solutions?

The sale of the South Lot has not been a Finance Committee agenda item since it was purchased in August 2016.

12. What assurance does the District have that any excess proceeds from a sale of real property purchased with GO Bond money could in fact be used for operating expenses, as is apparently planned?

The "apparently planned" assumption in this question is unsubstantiated. As mentioned above FY 2016-2017 has a positive cash flow from operations and the budget for FY 2017-2018 is projected to have a positive cash flow. The proceeds from the sale of the South Lot are therefore not needed for operating expenses. They will be used to either pay down debt or to fund capital purchases.

10.

FINANCIAL REPORT
MONTH END MAY 2017

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

To: **SVH Finance Committee**
From: **Ken Jensen, CFO**
Date: **June 27, 2017**
Subject: **Financial Report for the Month Ending May 31, 2017**

The actual loss of ($329,718) from operations for May was $3,487 favorable to the budgeted loss of ($333,205). The year-to date actual loss from operations is ($4,317,299) compared to the expected loss of ($4,079,028) and is unfavorable by ($238,271). After accounting for all other activity; the May net income was $16,147 vs. the budgeted net income of $15,025 with a monthly EBIDA of 4.1% vs. a budgeted 3.9%. Year-to-date the total net income is $539,651 favorable to budget with a year to date EBIDA of 3.1% vs. the budgeted 3.3%.

Gross patient revenue for May was $24,133,752, $2,583,937 better than expected. Inpatient gross revenue was over budget by $237,429. Inpatient days were over budget by 13 days but inpatient surgeries were under budgeted expectations by (11) cases and there was a higher than average case mix for May. Outpatient revenue was over budget by $732,086. Outpatient visits were over budgeted expectations by 208 visits and outpatient surgeries were over budget by 46 cases. The Emergency Room gross revenue is over budget by $1,733,743; with ER visits over budget by 101 visits. SNF gross charges were under budgeted expectations by ($153,000) and SNF patient days were under budget by (67) days. Home Health was over budget by $33,679 with visits over budget by 66 visits.

Deductions from revenue were unfavorable to budgeted expectations by (1,946,887). The unfavorable variance is due to the favorable variance in May's gross charges. The revenue deductions were offset by the accrual of the Rate Range IGT of $382,354, Prime grant of $125,000, and a prior year Medi-Cal adjustment of $18,499. Without the accrual of the additional government funding, the revenue deductions would be unfavorable to budget by ($2,472,740).

After accounting for all other operating revenue, the **total operating revenue** was favorable to budget by $600,304.

Operating Expenses of $5,678,017 were unfavorable to budget by ($596,817). ($210,084) of the variance is due to the matching fee for the Rate Range IGT in which the hospital will receive $382,354 in June or July. Without the matching fee of $210,084, the unfavorable expense variable would be ($386,733).

Salaries and wages are over budget by ($71,785) with ($60,244) of that being agency fees in clinical departments due to the increased volume. Employee benefits are over budget by ($58,845) due to PTO being over budget by ($37,048) and employee health benefits being over budgeted expectations by ($21,797). Supplies are over budget in May primarily in surgery, ($175,147), due to the cost of implants being over budget by ($150,568). Other departments over budget in supplies are Lab ($18,521), Dietary ($8,887) and IT ($11,607) for the purchase of desktop computers. Purchased services are over budget by ($43,061) primarily due to an additional invoice for outsourced repairs and maintenance costs from December 2016 through March 2017 ($42,688). Interest expense is over budget in May due to the unbudgeted interest expense related to the south lot loan and the fluoroscopy project.

Year-to-date operating expenses are ($1,180,212) over budgeted expectations. However, the Inter Governmental Transfer (IGT) and Prime Grant program fees of $1,032,445 were not budgeted in FY 2017. Without the matching fees, year-to-date expenses are unfavorable to budget by only ($147,767).

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for May was ($121,913) vs. a budgeted net loss of ($142,316). The total net income for May after all activity was $16,147 vs. a budgeted net income of $15,025.

EBIDA for the month of May was 4.1% vs. the budgeted 3.9%.

Patient Volumes – May

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	**100**	**97**	**3**	**85**
Newborn Discharges	**8**	**11**	**-3**	**13**
Acute Patient Days	**388**	**375**	**13**	**386**
SNF Patient Days	**559**	**626**	**-67**	**529**
Home Care Visits	**966**	**900**	**66**	**844**
OP/ER/HHA Gross Rev.	**$15,523**	**$13,021**	**$2,502**	**$13,827**
Surgical Cases	**173**	**138**	**35**	**123**

Gross Revenue Overall Payer Mix – May

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	**42.1%**	**47.3%**	**-5.2%**	**44.5%**	**47.1%**	**-2.6%**
Medicare Mgd Care	**12.4%**	**7.3%**	**5.1%**	**11.4%**	**7.2%**	**4.2%**
Medi-Cal	**19.1%**	**19.0%**	**0.1%**	**17.8%**	**19.0%**	**-1.2%**
Self Pay	**2.3%**	**1.2%**	**1.1%**	**1.4%**	**1.2%**	**0.2%**
Commercial	**19.1%**	**19.9%**	**-0.8%**	**20.3%**	**20.0%**	**0.3%**
Workers Comp	**3.2%**	**2.7%**	**0.5%**	**2.7%**	**2.8%**	**-0.1%**
Capitated	**1.8%**	**2.6%**	**-0.8%**	**1.9%**	**2.7%**	**-0.8%**
Total	**100.0%**	**100.0%**		**100.0%**	**100.0%**	

Cash Activity for May:

For the month of May the cash collection goal was $4,399,548 and the Hospital collected $4,488,136 or over the goal by $88,588. The year-to-date cash collection goal was $39,229,043 and the hospital has collected $41,754,342, or over goal by $2,525,299. Days of cash on hand are 18.5 days at May 31, 2017. Accounts Receivable decreased from April, from 46.9 days to 44.4 days in May. Accounts Payable increased by $590,498 from April and Accounts Payable days are at 45.2.

ATTACHMENTS:

-Attachment A is the Payer Mix Analysis which includes the projected collection percentage by payer.
-Attachment B is the Operating Indicators Report
-Attachment C is the Balance Sheet
-Attachment D (two pages) is the Statement of Revenue and Expense. The first page breaks out the hospital operations and page two includes all other activity.
-Attachment E is the Variance Analysis. The line number tie to the Statement of Revenue and Expense line numbers and explains any significant variances.
-Attachment F are the graphs for Revenue and Accounts Payable.
-Attachment G is the Statistical Analysis
-Attachment H (2 pages) is the Cash Forecast

Sonoma Valley Hospital
Payer Mix for the month of May 31, 2017

ATTACHMENT A

	May-17				YTD			
Gross Revenue:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	10,153,631	10,166,209	-12,578	-0.1%	107,651,532	109,308,256	-1,656,724	-1.5%
Medicare Managed Care	3,003,088	1,566,098	1,436,990	91.8%	27,663,797	16,705,374	10,958,423	65.6%
Medi-Cal	4,605,696	4,077,509	528,187	13.0%	42,779,517	43,981,966	-1,202,449	-2.7%
Self Pay	552,094	250,158	301,936	120.7%	3,627,734	2,698,006	929,728	34.5%
Commercial & Other Government	4,615,566	4,331,425	284,141	6.6%	49,451,615	46,865,877	2,585,738	5.5%
Worker's Comp.	764,549	590,184	174,365	29.5%	6,538,716	6,550,391	-11,675	-0.2%
Capitated	439,128	568,232	-129,104	-22.7%	4,710,648	6,201,614	-1,490,966	-24.0%
Total	**24,133,752**	**21,549,815**	**2,583,937**		**242,423,559**	**232,311,484**	**10,112,075**	

Net Revenue:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	1,525,937	1,626,186	-100,249	-6.2%	17,044,655	18,535,317	-1,490,662	-8.0%
Medicare Managed Care	423,361	226,064	197,297	87.3%	3,918,365	2,531,151	1,387,214	54.8%
Medi-Cal	672,760	580,279	92,481	15.9%	6,011,115	6,513,061	-501,946	-7.7%
Self Pay	331,256	150,095	181,161	120.7%	1,574,960	1,136,760	438,200	38.5%
Commercial & Other Government	1,572,445	1,840,825	-268,380	-14.6%	17,373,543	18,814,809	-1,441,266	-7.7%
Worker's Comp.	158,109	125,999	32,110	25.5%	1,480,865	1,485,723	-4,858	-0.3%
Capitated	13,701	18,425	-4,724	-25.6%	149,227	213,049	-63,822	-30.0%
Prior Period Adj/IGT	507,354	-	507,354	*	2,851,980	-	2,851,980	*
Total	**5,204,923**	**4,567,873**	**637,050**	**13.9%**	**50,404,710**	**49,229,870**	**1,174,840**	**2.4%**

Percent of Net Revenue:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	29.3%	35.6%	-6.3%	-17.7%	33.8%	37.7%	-4.0%	-10.6%
Medicare Managed Care	8.1%	4.9%	3.2%	65.3%	7.8%	5.1%	2.7%	52.9%
Medi-Cal	12.9%	12.7%	0.2%	1.6%	11.9%	13.2%	-1.3%	-9.8%
Self Pay	6.4%	3.3%	3.1%	93.9%	3.1%	2.3%	0.8%	34.8%
Commercial & Other Government	30.3%	40.3%	-10.0%	-24.8%	34.5%	38.3%	-3.8%	-9.9%
Worker's Comp.	3.0%	2.8%	0.2%	7.1%	2.9%	3.0%	-0.1%	-3.3%
Capitated	0.3%	0.4%	-0.1%	-25.0%	0.3%	0.4%	-0.1%	-25.0%
Prior Period Adj/IGT	9.7%	0.0%	9.7%	*	5.7%	0.0%	5.8%	*
Total	**100.0%**	**100.0%**	**0.0%**	**0.0%**	**100.0%**	**100.0%**	**0.0%**	**0.0%**

Projected Collection Percentage:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	15.0%	16.0%	-1.0%	-6.3%	15.8%	17.0%	-1.2%	-7.1%
Medicare Managed Care	14.1%	14.4%	-0.3%	-2.1%	14.2%	15.2%	-1.0%	-6.6%
Medi-Cal	14.6%	14.2%	0.4%	2.8%	14.1%	14.8%	-0.7%	-4.7%
Self Pay	60.0%	60.0%	0.0%	0.0%	43.4%	42.1%	1.3%	3.1%
Commercial & Other Government	34.1%	42.5%	-8.4%	-19.8%	35.1%	40.1%	-5.0%	-12.5%
Worker's Comp.	20.7%	21.3%	-0.6%	-2.8%	22.6%	22.7%	-0.1%	-0.4%
Capitated	3.1%	3.2%	-0.1%	-3.1%	3.2%	3.4%	-0.2%	-5.9%
Prior Period Adj/IGT	2.1%	0.0%	2.1%	*	1.2%	0.0%	1.2%	*

SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended May 31, 2017

ATTACHMENT B

	CURRENT MONTH				YEAR-TO-DATE			YTD
	Actual 05/31/17	Budget 05/31/17	Favorable (Unfavorable) Variance		Actual 05/31/17	Budget 05/31/17	Favorable (Unfavorable) Variance	Prior Year 05/31/16
				Inpatient Utilization				
				Discharges				
1	85	78	7	Acute	995	920	75	916
2	15	19	(4)	ICU	126	174	(48)	157
3	100	97	3	Total Discharges	1,121	1,094	27	1,073
4	8	11	(3)	Newborn	124	147	(23)	159
5	108	108	-	Total Discharges inc. Newborns	1,245	1,241	4	1,232
				Patient Days:				
6	291	272	19	Acute	3,355	2,911	444	3,019
7	97	103	(6)	ICU	1,079	1,065	14	1,040
8	388	375	13	Total Patient Days	4,434	3,976	458	4,059
9	17	21	(4)	Newborn	236	296	(60)	321
10	405	396	9	Total Patient Days inc. Newborns	4,670	4,272	398	4,380
				Average Length of Stay:				
11	3.4	3.5	(0.1)	Acute	3.4	3.2	0.2	3.3
12	6.5	5.4	1.0	ICU	8.6	6.1	2.4	6.6
13	3.9	3.9	0.0	Avg. Length of Stay	4.0	3.6	0.3	3.8
14	2.1	1.9	0.2	Newborn ALOS	1.9	2.0	0.1	2.0
				Average Daily Census:				
15	9.4	8.8	0.6	Acute	10.0	8.7	1.3	9.0
16	3.1	3.3	(0.2)	ICU	3.2	3.2	0.0	3.1
17	12.5	12.1	0.4	Avg. Daily Census	13.2	11.9	1.4	12.1
18	0.5	0.7	(0.1)	Newborn	0.70	0.88	(0.2)	0.96
				Long Term Care:				
19	559	626	(67)	SNF Patient Days	6,095	6,817	(722)	6,786
20	36	26	10	SNF Discharges	329	303	26	299
21	18.0	20.2	(2.2)	Average Daily Census	18.2	20.3	(2.2)	20.3
				Other Utilization Statistics				
				Emergency Room Statistics				
22	1,069	968	101	Total ER Visits	10,181	9,731	450	9,741
				Outpatient Statistics:				
23	4,964	4,756	208	Total Outpatients Visits	50,710	52,874	(2,164)	52,365
24	30	41	(11)	IP Surgeries	408	425	(17)	336
25	143	97	46	OP Surgeries	1,171	1,217	(46)	1,052
26	58	26	32	Special Procedures	477	352	125	367
27	966	900	66	Home Health Visits	10,177	10,453	(276)	10,341
28	381	311	70	Adjusted Discharges	3,749	3,629	119	3,674
29	2,654	2,529	124	Adjusted Patient Days (Inc. SNF)	27,175	28,057	(883)	29,051
30	85.6	81.6	4.0	Adj. Avg. Daily Census (Inc. SNF)	81.1	83.8	(2.6)	86.7
31	1.6892	1.4000	0.289	Case Mix Index -Medicare	1.6480	1.4000	0.248	1.5279
32	1.6254	1.4000	0.225	Case Mix Index - All payers	1.5675	1.4000	0.168	1.4188
				Labor Statistics				
33	291	284	(6.7)	FTE's - Worked	283	287	4.0	286
34	319	317	(2.3)	FTE's - Paid	318	320	1.9	321
35	42.93	41.97	(0.96)	Average Hourly Rate	40.85	41.16	0.31	40.35
36	21.3	22.1	0.9	Manhours / Adj. Pat Day	22.3	21.8	(0.6)	21.1
37	148.1	180.2	32.2	Manhours / Adj. Discharge	161.9	168.2	6.3	166.6
38	22.3%	21.9%	-0.4%	Benefits % of Salaries	23.1%	22.3%	-0.8%	22.6%
				Non-Labor Statistics				
39	14.4%	11.2%	-3.2%	Supply Expense % Net Revenue	12.7%	11.5%	-1.2%	11.5%
40	1,996	1,708	(288)	Supply Exp. / Adj. Discharge	1,751	1,612	(139)	1,559
41	15,284	16,825	1,541	Total Expense / Adj. Discharge	15,502	15,686	184	15,219
				Other Indicators				
42	18.5			Days Cash - Operating Funds				
43	44.4	50.0	(5.6)	Days in Net AR	49.1	50.0	(0.9)	52.2
44	102%			Collections % of Net Revenue	107%			101.5%
45	45.2	55.0	(9.8)	Days in Accounts Payable	45.2	55.0	(9.8)	26.8
46	21.9%	21.9%	0.0%	% Net revenue to Gross revenue	21.4%	21.9%	-0.5%	22.3%
47	21.6%			% Net AR to Gross AR	21.6%			25.5%

Sonoma Valley Health Care District

ATTACHMENT C

Balance Sheet

As of May 31, 2017

		Current Month	Prior Month	Prior Year
	Assets			
	Current Assets:			
1	Cash	$ 2,951,248	$ 1,740,420	$ 1,321,389
2	Trustee Funds	3,962,198	2,700,895	3,420,173
3	Net Patient Receivables	8,930,499	8,908,441	9,071,851
4	Allow Uncollect Accts	(1,412,630)	(1,277,292)	(846,016)
5	Net A/R	7,517,869	7,631,149	8,225,835
6	Other Accts/Notes Rec	(37,582)	2,436,706	1,701,170
7	3rd Party Receivables, Net	1,510,169	1,088,987	829,488
8	Inventory	828,042	816,225	863,982
9	Prepaid Expenses	810,003	838,596	863,885
10	Total Current Assets	$ 17,541,947	$ 17,252,978	$ 17,225,922
12	Property,Plant & Equip, Net	$ 53,317,990	$ 53,480,478	$ 52,471,517
13	Specific Funds	918,635	698,847	382,926
14	Other Assets	-	-	144,202
15	Total Assets	$ 71,778,572	$ 71,432,303	$ 70,224,567
	Liabilities & Fund Balances			
	Current Liabilities:			
16	Accounts Payable	$ 3,450,471	$ 2,859,973	$ 3,751,935
17	Accrued Compensation	4,274,878	3,989,727	4,406,177
18	Interest Payable	441,063	330,797	457,025
19	Accrued Expenses	1,466,823	1,426,019	1,436,546
20	Advances From 3rd Parties	160,112	126,800	130,760
21	Deferred Tax Revenue	496,909	993,817	492,777
22	Current Maturities-LTD	1,296,874	1,291,901	1,550,434
23	Line of Credit - Union Bank	6,973,734	6,973,734	5,923,734
24	Other Liabilities	1,386	1,386	159,216
25	Total Current Liabilities	$ 18,562,250	$ 17,994,154	$ 18,308,604
26	Long Term Debt, net current portion	$ 37,239,907	$ 37,477,881	$ 36,739,350
27	Fund Balances:			
28	Unrestricted	$ 12,172,504	$ 12,157,774	$ 12,207,370
29	Restricted	3,803,912	3,802,495	2,969,243
30	Total Fund Balances	$ 15,976,415	$ 15,960,268	$ 15,176,613
31	Total Liabilities & Fund Balances	$ 71,778,572	$ 71,432,303	$ 70,224,567

ATTACHMENT D

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended May 31, 2017

	Month					Year-To- Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	$	%		Actual	Budget	$	%	Prior Year
					Volume Information					
1	100	97	3	3%	Acute Discharges	1,121	1,094	27	2%	1,073
2	559	626	(67)	-11%	SNF Days	6,095	6,817	(722)	-11%	6,786
3	966	900	66	7%	Home Care Visits	10,177	10,453	(276)	-3%	10,341
4	15,523	13,021	2,502	19%	Gross O/P Revenue (000's)	$ 148,360	$ 142,926	5,434	4%	$ 140,370
					Financial Results					
					Gross Patient Revenue					
5	$ 6,594,651	$ 6,357,222	237,429	4%	Inpatient	$ 72,534,650	$ 65,844,781	6,689,869	10%	$ 60,361,411
6	8,092,228	7,360,142	732,086	10%	Outpatient	77,721,749	83,429,283	(5,707,534)	-7%	78,544,274
7	7,088,218	5,354,475	1,733,743	32%	Emergency	67,298,923	55,943,759	11,355,164	20%	58,689,366
8	2,018,638	2,171,638	(153,000)	-7%	SNF	21,302,265	23,540,415	(2,238,150)	-10%	23,246,297
9	340,017	306,338	33,679	11%	Home Care	3,565,972	3,553,246	12,726	0%	3,401,049
10	**$ 24,133,752**	**$ 21,549,815**	**2,583,937**	**12%**	**Total Gross Patient Revenue**	**$ 242,423,559**	**$ 232,311,484**	**10,112,075**	**4%**	**$ 224,242,397**
					Deductions from Revenue					
11	$ (19,144,932)	$ (16,879,723)	(2,265,209)	-13%	Contractual Discounts	$ (192,948,826)	$ (181,957,205)	(10,991,621)	-6%	$ (176,609,539)
12	(300,000)	(66,250)	(233,750)	-353%	Bad Debt	(1,615,000)	(728,750)	(886,250)	*	(990,000)
13	(9,750)	(35,969)	26,219	73%	Charity Care Provision	(333,043)	(395,659)	62,616	16%	(288,356)
14	525,853	-	525,853	*	Prior Period Adj/Government Program Revenue	2,878,020	-	2,878,020	*	2,049,121
15	**$ (18,928,829)**	**$ (16,981,942)**	**(1,946,887)**	**11%**	**Total Deductions from Revenue**	**$ (192,018,849)**	**$ (183,081,614)**	**(8,937,235)**	**5%**	**$ (175,838,774)**
16	**$ 5,204,923**	**$ 4,567,873**	**637,050**	**14%**	**Net Patient Service Revenue**	**$ 50,404,710**	**$ 49,229,870**	**1,174,840**	**2%**	**$ 48,403,623**
17	$ 125,518	$ 155,771	(30,253)	-19%	Risk contract revenue	$ 1,424,750	$ 1,713,481	(288,731)	-17%	$ 1,554,526
18	$ 5,330,441	$ 4,723,644	606,797	13%	Net Hospital Revenue	$ 51,829,460	$ 50,943,351	886,109	2%	$ 49,958,149
19	$ 17,858	$ 24,351	(6,493)	**-27%**	Other Op Rev & Electronic Health Records	$ 323,693	$ 267,861	55,832	21%	$ 530,298
20	**$ 5,348,299**	**$ 4,747,995**	**600,304**	**13%**	**Total Operating Revenue**	**$ 52,153,153**	**$ 51,211,212**	**941,941**	**2%**	**$ 50,488,447**
					Operating Expenses					
21	$ 2,422,433	$ 2,350,648	(71,785)	-3%	Salary and Wages and Agency Fees	$ 24,794,840	$ 25,135,472	340,632	1%	$ 24,691,311
22	899,564	$ 840,719	(58,845)	-7%	Employee Benefits	9,735,340	9,317,182	(418,158)	-4%	9,358,017
23	$ 3,321,997	$ 3,191,367	(130,630)	-4%	Total People Cost	$ 34,530,180	$ 34,452,654	(77,526)	0%	$ 34,049,328
24	$ 356,695	$ 396,757	40,062	10%	Med and Prof Fees (excld Agency)	$ 4,255,099	$ 4,327,334	72,235	2%	$ 3,974,114
25	760,531	530,686	(229,845)	-43%	Supplies	6,563,590	5,850,496	(713,094)	-12%	5,725,644
26	394,448	351,387	(43,061)	-12%	Purchased Services	3,569,006	3,808,511	239,505	6%	3,171,103
27	284,636	293,214	8,578	3%	Depreciation	3,100,581	3,225,354	124,773	4%	3,176,235
28	118,632	100,684	(17,948)	-18%	Utilities	1,089,403	1,100,543	11,140	1%	1,024,177
29	29,292	33,417	4,125	12%	Insurance	325,155	367,334	42,179	11%	277,804
30	55,158	33,585	(21,573)	-64%	Interest	491,662	381,083	(110,579)	-29%	620,077
31	146,544	150,103	3,559	2%	Other	1,513,331	1,776,931	263,600	15%	1,846,750
32	210,084	-	(210,084)	*	Matching Fees (Government Programs)	1,032,445	-	(1,032,445)	*	368,026
33	**$ 5,678,017**	**$ 5,081,200**	**(596,817)**	**-12%**	**Operating expenses**	**$ 56,470,452**	**$ 55,290,240**	**(1,180,212)**	**-2%**	**$ 54,233,258**
34	**$ (329,718)**	**$ (333,205)**	**3,487**	**1%**	**Operating Margin**	**$ (4,317,299)**	**$ (4,079,028)**	**(238,271)**	**-6%**	**$ (3,744,811)**

ATTACHMENT D

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended May 31, 2017

	Month					Year-To- Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	$	%		Actual	Budget	$	%	Prior Year
					Non Operating Rev and Expense					
35	$ (7,130)	$ (21,611)	14,481	-67%	Miscellaneous Revenue/(Expenses)	$ (100,322)	$ (215,119)	114,797	*	$ (87,734)
36	2,435	-	2,435	0%	Donations	101,351	-	101,351	0%	58,674
37	(37,500)	(37,500)	-	0%	Physician Practice Support-Prima	(412,500)	(412,500)	-	0%	(412,500)
38	250,000	250,000	-	0%	Parcel Tax Assessment Rev	2,750,378	2,750,000	378	0%	2,751,954
39	**$ 207,805**	**$ 190,889**	**16,916**	**9%**	**Total Non-Operating Rev/Exp**	**$ 2,338,907**	**$ 2,122,381**	**216,526**	**10%**	**$ 2,310,394**
40	**$ (121,913)**	**$ (142,316)**	**20,403**	**-14%**	**Net Income / (Loss) prior to Restricted Contributions**	**$ (1,978,392)**	**$ (1,956,647)**	**(21,745)**	**1%**	**$ (1,434,417)**
41	$ 1,417	$ 20,698	(19,281)	-93%	Capital Campaign Contribution	$ 206,150	$ 227,678	(21,528)	-9%	$ 468,868
42	$ -	$ -	-	0%	Restricted Foundation Contributions	$ 582,924	$ -	582,924	100%	$ -
43	**$ (120,496)**	**$ (121,618)**	**1,122**	**-1%**	**Net Income / (Loss) w/ Restricted Contributions**	**$ (1,189,319)**	**$ (1,728,969)**	**539,650**	**-31%**	**$ (965,549)**
44	246,909	246,909	-	0%	GO Bond Tax Assessment Rev	2,715,999	2,715,999	-	0%	2,670,547
45	(110,266)	(110,266)	-	0%	GO Bond Interest	(1,228,569)	(1,228,570)	1	0%	(1,260,489)
46	**$ 16,147**	**$ 15,025**	**1,122**	**7%**	**Net Income/(Loss) w GO Bond Activity**	**$ 298,111**	**$ (241,540)**	**539,651**	**-223%**	**$ 444,509**
	$ 217,881	$ 184,483			**EBIDA - Not including Restricted Contributions**	$ 1,613,851	$ 1,649,790			$ 2,361,895
	4.1%	3.9%				3.1%	3.3%			4.7%
	$ 162,723	$ 150,898			**EBDA - Not including Restricted Contributions**	$ 1,122,189	$ 1,268,707			
	3.0%	3.2%				2.2%	2.5%			

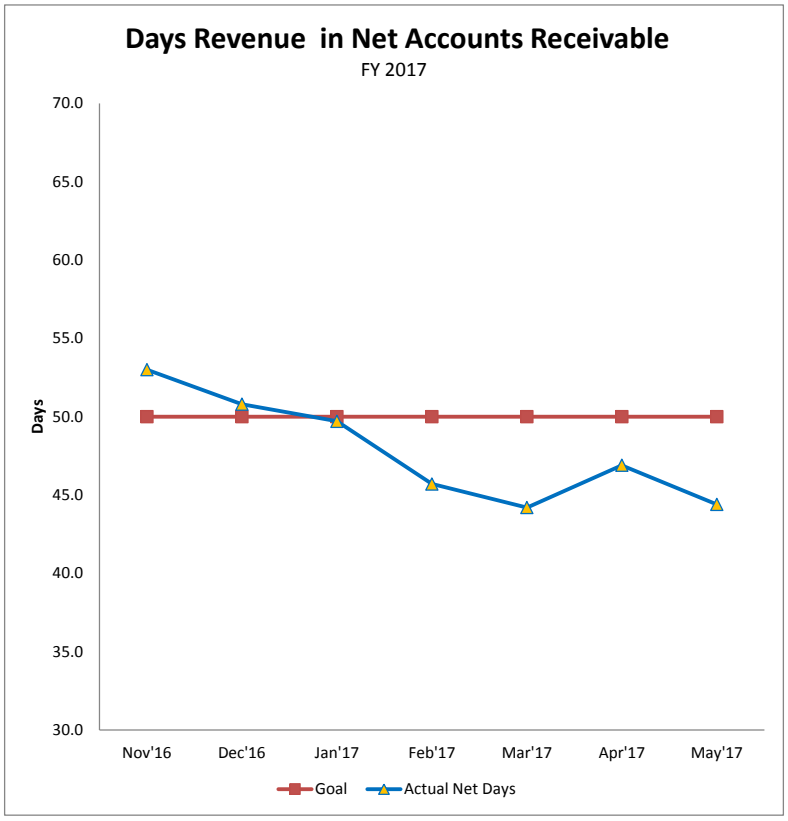
Sonoma Valley Health Care District **ATTACHMENT E**
Statement of Revenue and Expenses Variance Analysis
For the Period Ended May 31, 2017

		YTD	MONTH	
	Description	**Variance**	**Variance**	
	Volume Information			
1	Acute Discharges	27	3	
2	SNF Days	(722)	(67)	
3	Home Care Visits	(276)	66	
4	Gross O/P Revenue (000's)	5,434	2,502	
	Financial Results			
	Gross Patient Revenue			
5	Inpatient	6,689,869	237,429	Inpatient days were above budgeted expectations by 13 days.
6	Outpatient	(5,707,534)	732,086	Outpatient visits are 4,964 vs. budgeted expectations of 4,756 visits and outpatient surgeries are 143 vs. budgeted expectations 97.
7	Emergency	11,355,164	1,733,743	ER visits are 1,069 vs. budgeted visits of 968.
8	SNF	(2,238,150)	(153,000)	SNF patient days are 559 vs. budgeted expected days of 626.
9	Home Care	12,726	33,679	HHA visits are 966 vs. budgeted expectations of 900.
10	**Total Gross Patient Revenue**	**10,112,075**	**2,583,937**	
	Deductions from Revenue			
11	Contractual Discounts	(10,991,621)	(2,265,209)	
12	Bad Debt	(886,250)	(233,750)	
13	Charity Care Provision	62,616	26,219	
14	Prior Period Adj/Government Program Revenue	2,878,020	525,853	Accrual for Rate Range IGT $382,354, Prime grant $125,000 and a prior year Medi-Cal adjustment of $18,499.
15	**Total Deductions from Revenue**	**(8,937,235)**	**(1,946,887)**	
16	**Net Patient Service Revenue**	**1,174,840**	**637,050**	
17	Risk contract revenue	(288,731)	(30,253)	Blue Shield capitation received was under budget.
18	Net Hospital Revenue	**886,109**	**606,797**	
19	Other Op Rev & Electronic Health Records	55,832	(6,493)	
20	**Total Operating Revenue**	**941,941**	**600,304**	
	Operating Expenses			
21	Salary and Wages and Agency Fees	340,632	(71,785)	Salaries and Wages are over budget by ($11,541) and the Agency fees are over budget by ($60,244) due to the higher volume in the clinical departments.
22	Employee Benefits	(418,158)	(58,845)	Employee benefits are over budgeted expectations due to PTO ($37,048) and employee benefit costs ($21,797).
23	Total People Cost	**(77,526)**	**(130,630)**	
24	Med and Prof Fees (excld Agency)	72,235	40,062	
25	Supplies	(713,094)	(229,845)	Supplies are over budget in the primarily in the surgery department by ($175,148) due to surgical implants ($150,568) and Medical supplies ($24,580).
26	Purchased Services	239,505	(43,061)	Purchased services are over budgeted expectations primarily due to an additional invoice for outsourced R&M covering December 2016 to March 2017 ($42,688)
27	Depreciation	124,773	8,578	
28	Utilities	11,140	(17,948)	Utilities are over budgeted expectations for May but are under budgeted expections for YTD FY 2017.
29	Insurance	42,179	4,125	
30	Interest	(110,579)	(21,573)	Interest on the South lot loan and the flouroscopy project were not budgeted for FY 2017.
31	Other	263,600	3,559	
32	Matching Fees (Government Programs)	(1,032,445)	(210,084)	Rate Range IGT matching fee.
33	**Operating expenses**	**(1,180,212)**	**(596,817)**	
34	**Operating Margin**	**(238,271)**	**3,487**	
	Non Operating Rev and Expense			
35	Miscellaneous Revenue	114,797	14,481	
36	Donations	101,351	2,435	Foundation grants received for employee education.
37	Physician Practice Support-Prima	-	-	
38	Parcel Tax Assessment Rev	378	-	
39	**Total Non-Operating Rev/Exp**	**216,526**	**16,916**	
			-	
40	**Net Income / (Loss) prior to Restricted Contributions**	**(21,745)**	**20,403**	

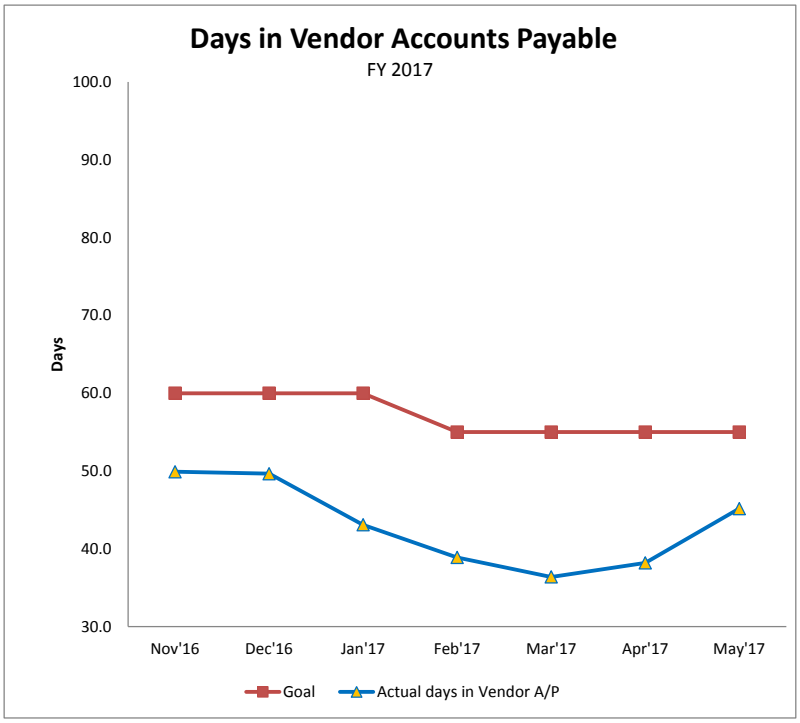
Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended May 31, 2017

ATTACHMENT E

	Description	YTD Variance	MONTH Variance	
			-	
41	Capital Campaign Contribution	(21,528)	(19,281)	Capital campaign donations received from the Foundation in May were under budgeted expectations.
42	Restricted Foundation Contributions	582,924	-	
43	**Net Income / (Loss) w/ Restricted Contributions**	**539,650**	**1,122**	
44	GO Bond Tax Assessment Rev	-	-	
45	GO Bond Interest	**1**	-	
46	**Net Income/(Loss) w GO Bond Activity**	**539,651**	**1,122**	



Days in A/R	Nov'16	Dec'16	Jan'17	Feb'17	Mar'17	Apr'17	May'17
Actual days in A/R	53.0	50.8	49.7	45.7	44.2	46.9	44.4
Goal	50.0	50.0	50.0	50.0	50.0	50.0	50.0



Days in A/P	Nov'16	Dec'16	Jan'17	Feb'17	Mar'17	Apr'17	May'17
Actual days in Vendor A/P	49.9	49.7	43.1	38.9	36.4	38.2	45.2
Goal	60.0	60.0	60.0	55.0	55.0	55.0	55.0

Sonoma Valley Hospital
Statistical Analysis
FY 2017

ATTACHMENT G

	ACTUAL	BUDGET	ACTUAL												
	May-17	May-17	Apr-17	Mar-17	Feb-17	Jan-17	Dec-16	Nov-16	Oct-16	Sep-16	Aug-16	Jul-16	Jun-16	May-16	Apr-16
Statistics															
Acute															
Acute Patient Days	388	375	368	415	415	465	355	396	402	407	437	386	334	386	409
Acute Discharges (w/o Newborns)	100	97	89	119	97	119	100	95	99	95	105	103	95	85	97
SNF Days	559	626	512	572	607	592	500	446	512	624	608	563	526	529	578
HHA Visits	966	900	934	849	922	877	919	938	880	1,042	890	960	942	844	999
Emergency Room Visits	1,069	968	921	941	851	1,000	942	850	852	897	918	940	907	940	912
Gross Outpatient Revenue (000's)	$15,523	$13,021	$13,168	$15,098	$12,189	$13,500	$12,935	$13,147	$13,347	$13,512	$13,336	$12,605	$13,465	$13,827	$12,542
Equivalent Patient Days	2,654	2,529	2,227	2,537	2,553	2,618	2,382	2,202	2,380	2,707	2,581	2,322	2,381	2,545	2,636
Births	7	11	11	12	12	11	9	8	9	14	17	14	14	13	17
Surgical Cases - Inpatient	30	41	47	40	26	38	28	38	42	37	39	43	31	36	26
Surgical Cases - Outpatient	143	97	124	149	101	110	98	123	84	81	85	73	93	87	92
Total Surgical Cases	173	138	171	189	127	148	126	161	126	118	124	116	124	123	118
Total Special Procedures	58	26	44	36	41	28	40	32	29	49	63	57	61	30	42
Medicare Case Mix Index	1.69	1.40	1.64	1.45	1.52	1.47	1.59	1.79	1.59	1.97	1.58	1.84	1.64	1.73	1.47
Income Statement															
Net Revenue (000's)	$5,330	$4,724	4,924	5,283	4,266	$4,528	$3,588	$4,452	$4,727	$4,406	$4,919	$5,172	$4,980	$4,610	$4,481
Operating Expenses (000's)	$5,678	$5,081	$5,308	$5,395	$4,803	$5,026	$4,713	$5,047	$4,912	$4,807	$5,310	$5,472	$5,450	$5,267	$5,143
Net Income (000's)	$16	$15	-24	304	308	($108)	($600)	($65)	$337	($6)	($23)	$59	($133)	($403)	($99)
Productivity															
Total Operating Expense Per Equivalent Patient Day	$2,139	$2,009	$2,383	$2,127	$1,881	$1,920	$1,979	$2,292	$2,064	$1,776	$2,057	$2,356	$2,289	$2,069	$1,951
Productive FTEs	291	284	285	294	294	280	253	289	280	283	286	278	287	300	292
Non-Productive FTE's	28	33	28	28	28	36	56	30	36	36	35	42	37	32	32
Total FTEs	319	317	313	322	322	316	309	319	316	319	321	320	324	332	324
FTEs per Adjusted Occupied Bed	3.73	3.89	4.22	3.93	3.54	3.74	4.03	4.35	4.11	3.54	3.86	4.28	4.08	4.16	3.70
Balance Sheet															
Days of Expense In General Operating Cash	19		11	16	27	20	25	10	11	6	15	11	9	9	13
Net Days of Revenue in AR	44	50	47	44	46	50	51	53	50	50	50	55	57	55	50

Sonoma Valley Hospital
Cash Forecast
FY 2017

ATTACHMENT H

		Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Budgeted Sources Forecast Jun	Forecast TOTAL
	Hospital Operating Sources													
1	Patient Payments Collected	4,375,192	4,731,348	3,928,129	4,155,005	3,905,768	4,342,807	4,110,672	4,603,390	4,630,430	3,918,173	4,826,603	4,290,879	51,818,396
2	Capitation Revenue	127,594	124,410	126,315	133,982	132,267	134,940	131,281	128,777	129,394	130,272	125,517	125,000	1,549,749
3	Napa State	2,326	49,264	12,455	-	78,395	11,460	84		64,824	41,351			260,159
4	Other Operating Revenue	39,800	21,422	28,846	30,148	24,397	20,356	77,478	46,006	82,316	48,433	65,714	24,351	509,268
5	Other Non-Operating Revenue	20,788	46,700	32,026	71,410	72,181	77,749	55,550	48,045	57,015	10,687	49,538	19,617	561,307
6	Unrestricted Contributions	1,549	11,560	13,093	39,995	799		16,968	5,312	19,842	2,907			112,025
7	Line of Credit	190,000	(190,000)		812,500	287,300		(851,142)						248,658
	Sub-Total Hospital Sources	**4,757,249**	**4,794,704**	**4,140,864**	**5,243,040**	**4,501,108**	**4,587,312**	**3,540,891**	**4,831,530**	**4,983,821**	**4,151,823**	**5,067,372**	**4,459,847**	**55,059,562**
	Hospital Uses of Cash													
8	Operating Expenses	4,578,560	4,139,921	5,611,993	4,675,722	4,283,113	4,524,239	4,696,532	4,846,020	6,578,663	4,765,207	4,613,422	5,091,321	58,404,713
9	Less Depreciation												(293,217)	(293,217)
10	Add Capital Lease Payments	49,245	173,774	36,968	40,319	172,462	34,339	38,355	173,920	63,444	62,097	233,001		1,077,924
11	Additional Liabilities		400,000				350,000	700,000					500,000	1,950,000
12	Capital - Board Approved Spending	60,776	43,811	62,997	155,782	7,836	25,626	151,646	89,244	139,796	70,670	122,149		930,333
13	Napa State													-
	Total Hospital Uses	**4,688,581**	**4,757,506**	**5,711,958**	**4,871,823**	**4,463,411**	**4,934,204**	**5,586,533**	**5,109,184**	**6,781,903**	**4,897,974**	**4,968,572**	**5,298,104**	**62,069,753**
	Net Hospital Sources/Uses of Cash	**68,668**	**37,198**	**(1,571,094)**	**371,217**	**37,697**	**(346,892)**	**(2,045,642)**	**(277,654)**	**(1,798,082)**	**(746,151)**	**98,800**	**(838,257)**	**(7,010,190)**
	Non-Hospital Sources													
14	Restricted Cash/Capital Donations	3,167	141,475	42,379	118,737	69,984	167	1,029,121	481,238	26,470	167	1,417		1,914,322
15	Electronic Health Records						43,689				1,960			45,649
16	Parcel Tax Revenue	179,365					1,626,181					1,170,694		2,976,240
17	Advancement - Foundation		400,000				(400,000)							-
18	Advancement - South Lot		263,453											263,453
19	Other:													-
20	IGT				343,950		1,506,344	205,630					598,717	2,654,641
21	IGT - AB915 (Net)								903,363					903,363
22	PRIME	375,000			1,125,000							150,000		1,650,000
	Sub-Total Non-Hospital Sources	**557,532**	**804,928**	**42,379**	**1,587,687**	**69,984**	**2,776,381**	**1,234,751**	**1,384,601**	**26,470**	**2,127**	**1,322,111**	**598,717**	**10,407,668**
	Non-Hospital Uses of Cash													
23	Matching Fees	187,575	188,984		1,120,982	287,323					75,000	210,084		2,069,948
	Sub-Total Non-Hospital Uses of Cash	187,575	188,984	-	1,120,982	287,323	-	-	-	-	75,000	210,084	-	2,069,948
	Net Non-Hospital Sources/Uses of Cash	**369,957**	**615,944**	**42,379**	**466,705**	**(217,339)**	**2,776,381**	**1,234,751**	**1,384,601**	**26,470**	**(72,873)**	**1,112,027**	**598,717**	**8,337,720**
	Net Sources/Uses	**438,625**	**653,142**	**(1,528,715)**	**837,922**	**(179,642)**	**2,429,489**	**(810,891)**	**1,106,947**	**(1,771,612)**	**(819,024)**	**1,210,828**	**(239,540)**	
	Cash and Equivalents at beginning of period	1,384,178	1,822,803	2,475,945	947,230	1,785,152	1,605,510	4,034,999	3,224,109	4,331,056	2,559,444	1,740,420	2,951,248	
	Cash and Equivalents at end of period	**1,822,803**	**2,475,945**	**947,230**	**1,785,152**	**1,605,510**	**4,034,999**	**3,224,109**	**4,331,056**	**2,559,444**	**1,740,420**	**2,951,248**	**2,711,708**	

(a) Net IGT is $431,347

Sonoma Valley Hospital
Cash Forecast
FY 2017

ATTACHMENT H

		Actual July - Dec	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Budgeted Sources Forecast Jun	Forecast TOTAL
	Hospital Operating Sources								
1	Patient Payments Collected	25,438,249	4,110,672	4,603,390	4,630,430	3,918,173	4,826,603	4,290,879	51,818,396
2	Capitation Revenue	779,508	131,281	128,777	129,394	130,272	125,517	125,000	1,549,749
3	Napa State	153,900	84		64,824	41,351	-		260,159
4	Other Operating Revenue	164,969	77,478	46,006	82,316	48,433	65,714	24,351	509,268
5	Other Non-Operating Revenue	320,855	55,550	48,045	57,015	10,687	49,538	19,617	561,307
6	Unrestricted Contributions	66,996	16,968	5,312	19,842	2,907	-		112,025
7	Line of Credit	1,099,800	(851,142)						248,658
	Sub-Total Hospital Sources	**28,024,277**	**3,540,891**	**4,831,530**	**4,983,821**	**4,151,823**	**5,067,372**	**4,459,847**	**55,059,562**
	Hospital Uses of Cash								
8	Operating Expenses	27,813,548	4,696,532	4,846,020	6,578,663	4,765,207	4,613,422	5,091,321	58,404,713
9	Less Depreciation	-						(293,217)	(293,217)
10	Add Capital Lease Payments	507,107	38,355	173,920	63,444	62,097	233,001		1,077,924
11	Additional Liabilities	750,000	700,000					500,000	1,950,000
12	Capital - Board Approved Spending	356,828	151,646	89,244	139,796	70,670	122,149		930,333
13	Napa State	-							-
	Total Hospital Uses	**29,427,483**	**5,586,533**	**5,109,184**	**6,781,903**	**4,897,974**	**4,968,572**	**5,298,104**	**62,069,753**
	Net Hospital Sources/Uses of Cash	**(1,403,206)**	**(2,045,642)**	**(277,654)**	**(1,798,082)**	**(746,151)**	**98,800**	**(838,257)**	**(7,010,190)**
	Non-Hospital Sources								
14	Restricted Cash/Capital Donations	375,909	1,029,121	481,238	26,470	167	1,417		1,914,322
15	Electronic Health Records	43,689				1,960			45,649
16	Parcel Tax Revenue	1,805,546					1,170,694		2,976,240
17	Advancement - Foundation	-							-
18	Advancement - South Lot	263,453							263,453
19	Other:	-							-
20	IGT	1,850,294	205,630		-			598,717	2,654,641
21	IGT - AB915 (Net)	-		903,363					903,363
22	PRIME	1,500,000					150,000		1,650,000
	Sub-Total Non-Hospital Sources	**5,838,891**	**1,234,751**	**1,384,601**	**26,470**	**2,127**	**1,322,111**	**598,717**	**10,407,668**
	Non-Hospital Uses of Cash								
23	Matching Fees	1,784,864				75,000	210,084	-	2,069,948
	Sub-Total Non-Hospital Uses of Cash	1,784,864	-	-	-	75,000	210,084	-	2,069,948
	Net Non-Hospital Sources/Uses of Cash	**4,054,027**	**1,234,751**	**1,384,601**	**26,470**	**(72,873)**	**1,112,027**	**598,717**	**8,337,720**
	Net Sources/Uses	**2,650,821**	**(810,891)**	**1,106,947**	**(1,771,612)**	**(819,024)**	**1,210,828**	**(239,540)**	
	Cash and Equivalents at beginning of period	1,384,178	4,034,999	3,224,109	4,331,056	2,559,444	1,740,420	2,951,248	
	Cash and Equivalents at end of period	**4,034,999**	**3,224,109**	**4,331,056**	**2,559,444**	**1,740,420**	**2,951,248**	**2,711,708**	

Sonoma Valley Health Care District
Statement of Operating Revenue

		Approved FY18 Budget		
	Financial Results			
	Patient Revenue	**Gross Revenue**	**Contractual Discounts**	**Net Revenue**
1	Inpatient	$ 81,132,914	$ (60,156,401)	$ 20,976,513
2	Outpatient	91,038,571	(76,351,209)	14,687,362
3	Emergency	74,245,550	(61,646,785)	12,598,765
4	SNF	24,420,238	(20,145,935)	4,274,303
5	Home Care	3,808,985	(818,875)	2,990,110
6	Total Patient Revenue	$ 274,646,258	$ (219,119,205)	$ 55,527,053
	Other Deductions from Revenue			
7	Bad Debt			(1,032,060)
8	Charity Care Provision			(271,283)
9	Prior Period Adjustments & Prime Grant			2,809,343
10	Total Other Deductions from Revenue			$ 1,506,000
11	Net Patient Service Revenue			$ 57,033,053
12	Risk contract revenue			$ 1,791,393
13	Net Hospital Revenue			$ 58,824,446
14	Other Operating Revenue			$ 225,880
15	Total Operating Revenue			$ 59,050,326

11.

ADMINISTRATIVE REPORT

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

To: **SVHCD Board of Directors**
From: **Kelly Mather**
Date: **6/28/17**
Subject: **Administrative Report**

Summary

Our FY 2018 budget was approved. This projects a $4.6 million operating loss which is the same as the average we have seen in the last five years. Thank goodness Measure E passed and we were able to include the parcel tax revenue in this budget. The experience over the last six months with the two parcel tax campaigns has been enlightening. We are stepping up our communications with our community and we are addressing the misinformation and unfortunate assumptions that some have about the hospital. I am attaching the leadership salaries and comparisons to show how we make salary decisions. We are at the mid-point, even with executives who have over 25 years of experience in their roles.

Dashboard and Trended Results

The patient satisfaction results are improving again. Staff satisfaction action plans are now complete. We are very close to meeting budget for the year. Expenses are higher than expected due to the cost of the implants. Our finance team did an excellent job in forecasting our budget in these very tumultuous times. Surgery volume remains much higher at 17% over the prior year the rest of the volumes have increased since the first part of the year, especially in outpatient. We have also done a great job in community outreach this year through partnerships with other organizations such as Vintage House and La Luz.

Strategic Update from FY 2017 Strategic Plan:

Strategic Priorities	Update
Satisfaction	The scores continue to improve very slowly but we set the goals a bit too high this year. The room cleanliness score is excellent!
Quality & Safety	I have attached my proposed new performance scorecard which has a great deal more measurements of quality.
Physician Alignment	We have learned a great deal with the 1206b clinics this year. This was a very new service for SVH. Pain management continues to grow and we have a new physiatrist, Dr. Lee, who joined Summit Pain Alliance.
Revenue Growth	Our success this year has been in growing surgery, especially general surgery and orthopedics. The prison contracts have contributed to that increase.
Technology Upgrades	The Paragon 14 upgrade is underway and this is significant. Most all of our resources will be dedicated to this project for the summer and fall. It is very difficult with our small staff and limited resources to stay current.
Financial Stability	Cash on hand is much better than last year at this time. The foundation hosted a nice event with donors who have given over $25,000 to the hospital over the years whereby they met 14 of our new physicians.
Community Health	We led the Integrative Health Fair at Pharmaca and participated in Hit the Road Jack and the Springs Festival this month. Wellness U is scheduled for July.

MAY 2017

PILLAR	PERFORMANCE GOAL	METRIC	ACTUAL RESULT	GOAL LEVEL
Service Excellence	Highly satisfied Inpatients	Rolling 12 month average of at least 5 out of 9 HCAHPS domain results above the 70th percentile	2 out of 9 through April	>7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 <4=1
Service Excellence	Highly satisfied Emergency Patients	Rolling 12 month average of at least 4 out of 7 ERCAPS domain results above the 70th percentile	2 out of 7 through April	6 = 5 (stretch) 5 = 4 4 = 3 (Goal) 3 = 2 2 = 1
Quality	Excellent Clinical Outcomes	Value Based Purchasing Safety Score at 75% or higher	77%	>85 = 5 (stretch) >80 =4 >75 =3 (Goal) >70=2 <70 =1
People	Highly Engaged and Satisfied Staff	Press Ganey percentile ranking of 75th percentile or higher	4.24/5 or the 85% mean score and 74th percentile	>80th = 5 (stretch) >77th=4 >75th=3 (Goal) >72nd=2 <70th =1
Finance	Financial Viability	YTD EBIDA	3.1%	>4% (stretch) >3.5%=4 >3.0% (Goal) >2.5%=2 <2.5%=1
	Efficiency and Financial Management	Meet FY 2017 Budgeted Expenses (excluding IGT)	$55,438,007 (actual) $55,290,240 (budget)	<2% =5 (stretch) <1% = 4 <Budget=3 (Goal) >1% =2 >2% = 1
Growth	Surgical Cases	Increase surgeries by 2% over prior year	1559 YTD FY2017 1352 YTD FY2016	>2% = 5 >1% = 3 < 1% = 2
	Outpatient & Emergency Volumes	2% increase (gross outpatient revenue over prior year)	$148 mm YTD $140 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	1246.5 hours for 11 months	>1500 = 5 >1200 = 4 >1000 = 3 >750 = 2 >500 = 1

Performance Dashboard

Patient Experience	Current Performance	FY 2018 Goal	Prior Year/National Benchmark
Would Recommend Hospital	53rd percentile	> 60th percentile	50th percentile
Inpatient Overall Rating	55th percentile	>60th percentile	50th percentile
Home Health	91%	> 90%	> 80%
Outpatient Services	Starting 7/1/2017	% Rate My Hospital	n/a
Outpatient Surgery	Starting 10/1/17	> 60th percentile	50th percentile
Quality & Safety	**YTD Performance**	**FY 2018 Goal**	**Benchmark**
Hospital Acquired Infections	5 of 6 <benchmark	5 of 6 <benchmark	6 of 6 < benchmark
30 Day All- Cause Readmissions	9.40%	< 10 %	< 18.5%
Serious Safety Events	0	0	0
Overall Surgical Site Infection Rate	0.43%	0.50%	n/a
Hand Hygeine	98%	>90%	>80%
Falls	2.1	< 2.3	2.3
Pressure Ulcers	3.3	<3.7	3.7
Injuries to Staff	6	< 10	17
Adverse Drug Events with Harm	0	0	0
C Section rate	10.80%	<20%	< 20%
Wound Care time to heal	22 days	< 30 days	< 31 days
Repeat Analysis in Radiology	3.25%	< 5%	< 5%
Reportable HIPPA Privacy Events	3	0	0
SNF Star Rating	4	4	3
Hospital Star Rating	4	4	3
Our People	**YTD Performance**	**FY 2018 Goal**	**Benchmark**
Press Ganey Engagement Survey	74th percentile	75th percentile	50th percentile
Wellness Ambassadors	216	250	> 200
Turnover	8.40%	< 10%	< 15%
Financial Stability	**YTD Performance**	**FY 2018 Goal**	**Benchmark**
EBDA	3.10%	2.89%	3%
FTE's/AOB	3.73	4	5.3
Days Cash on Hand	19	20	30
Days in Accounts Receivable	48	49	50
Length of Stay		3.85	4.03
Cost per Medicare Beneficiary	$18,430	<$20,000	$20,473
Funds raised by SVHF	$1,476,937	$4,483,950	$1 million
Strategic Growth	**YTD Performance**	**FY 2018 Goal**	**Benchmark**
Inpatient Discharges		1193	1225
Outpatient Visits		168,799	168,624
Emergency Visits		11,022	11,000
Surgeries		1,800	1,680
Births		132 or 11 per month	120
Home Health Visits		11,053	11,400
Community Benefit Hours		1200	1200

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

FY 2017 TRENDED RESULTS

MEASUREMENT	Goal FY 2017	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2016
Inpatient Satisfaction	5/9	0	0	1	2	3	3	2	3	2	6		
Emergency Satisfaction	4/7	1	1	1	1	2	3	2	3	3	7		
VBP Safety score	>75	77.5	77.5	67	67	67	67	77	77	77	77		
Staff Satisfaction	>75th	84	84	84	84	84	84	84	74	74	74	74	84
FY YTD Turnover	<10%	.9	1.5	1.8	3.6	4.2	4.8	5.6	6.3	7.2	7.7	8.4	10
YTD EBIDA	>3%	4.5	3.8	4.2	5.2	4.4	1.5	2.2	2	3	3	3.1	4.4
Operating Revenue	>5m	5.1	5.0	4.5	4.7	4.5	3.7	4.5	4.3	5.3	4.9	5.3	4.9
Expense Management	<5m	4.9	5.1	4.8	4.9	5.0	4.7	5.0	4.8	5.4	5.3	5.6	5.4
Net Income	>50k	59	-23	94	336	-270	-599	-107	307	304	-24	16	-132
Days Cash on Hand	>20	11	15	6	11	10	25	20	27	16	11	19	9
A/R Days	<50	55	50	50	50	53	51	50	46	44	47	44	57
Total FTE's	<315	320	321	319	316	319	309	316	322	322	313	319	324
FTEs/AOB	<4.0	4.28	3.86	3.54	4.11	4.35	4.03	3.74	3.54	3.93	4.22	3.73	4.08
Inpatient Discharges	>100	103	105	95	99	95	100	119	97	119	89	100	95
Outpatient Revenue	>$13m	12.6	13.3	13.5	13.3	13.1	12.9	13.5	12.2	15.1	13.1	15.5	13.5
Surgeries	>130	116	124	118	126	161	126	148	127	189	171	173	124
Home Health	>950	960	890	1042	880	938	919	877	922	849	934	966	942
Births	>12	14	17	14	9	8	9	11	12	12	11	7	14
SNF days	>600	563	608	624	512	446	500	592	607	572	512	559	526
MRI	>120	105	97	104	140	118	130	115	107	137	121	116	120
Cardiology (Echos)	>50	41	53	66	60	51	51	55	69	89	70	70	68
Laboratory	>12	11.2	12.2	11.4	12.6	12.1	12.0	12.5	11.5	13.9	12.1	13.6	11.8
Radiology	>850	902	944	1001	898	870	934	1012	981	1159	963	1142	1000
Rehab	>2700	2618	3008	3136	2575	2286	2117	2530	2161	3020	2748	2983	2948
CT	>300	365	327	412	367	306	340	341	323	398	385	407	348
ER	>900	940	918	897	852	850	942	1000	851	941	921	1069	907
Mammography	>425	400	475	421	434	435	399	171	215	246	191	214	420
Ultrasound	>300	281	310	288	288	290	271	253	284	334	213	279	255
Occupational Health	>650	602	724	741	797	636	601	484	568	611	631	607	651
Wound Care	>200	221	312	253	226	199	225	228	238	348	239	203	264

Job Title	Department Name	Job Code	FTE	Yrs. Exp	Annual Salary *	No. Calif. 50th Percentile	Urban/Suburban 50th Percentile	50th Percentile 300-800 EE	50th Percentile Annual Bonus
Chief Executive Officer	Administration	4001	1.0	25+	$ 350,085	$ 335,120	$ 369,000	$ 332,000	$ 102,160
Chief Financial Officer	Administration	4003	0.8	40+	$ 212,193	$ 237,500	$ 242,300	$ 220,000	$ 40,650
Chief Information Officer	Information Systems	4004	1.0	16	$ 157,602	$ 199,510	$ 247,230	$ 199,510	$ -
Chief Nursing Officer	Nursing Admin	4006	1.0	30+	$ 225,846	$ 215,300	$ 216,300	$ 190,940	$ 53,560
Chief Revenue Officer (Business Dev)	Administration	4008	1.0	8	$ 212,160	$ 205,980	$ 206,000	$ 197,500	$ -
Chief Medical Officer/CMIO	Administration	4011	0.5	40+	$ 158,309	$ 312,110	$ 325,750	$ 319,290	$ 47,140
Chief Ancillary Officer (Professional Svs)	Administration	4013	1.0	12	$ 169,749	$ 204,650	$ 205,000	$ 169,890	$ -
Chief Quality Officer	Quality & Resource Management	4017	0.8	30+	$ 166,816	$ 171,460	$ 171,460	$ 157,000	$ -
					$ 1,652,760	**$ 1,881,630**	**$ 1,983,040**	**$ 1,786,130**	

Job Title	Department Name	Job Code	FTE	Yrs Exp	Annual Salary	No. Calif. 50th Percentile	Bay Area Region 50th Percentile	50th Percentile 300-800 EE	50th Percentile Annual Bonus
Controller	Accounting	2101	1.0	15	$ 131,123	$ 145,930	$ 165,000	$ 135,780	$ 12,540.00
Director of Patient Financial Services	Patient Accounting	2109	1.0	25+	$ 131,144	N/A	N/A	$ 145,620	$ -
Director of Materials Management	Materials Management	2206	0.9	25	$ 114,286	$ 110,370	$ 140,310	$ 104,540	$ 9,320.00
Director of Quality & Risk Management	Quality & Resource Management	2212	1.0	6	$ 125,008	$ 158,020	$ 177,480	$ 147,620	$ -
Director of Information Systems	Information Systems	2224	1.0	28+	$ 135,075	$ 131,140	N/A	N/A	$ -
Director of Facilities	Plant Operations	2225	1.0	26	$ 137,530	$ 158,160	$ 207,630	N/A	$ -
Director of Human Resources	Human Resources	4005	1.0	20+	$ 158,246	$ 178,990	$ 198,120	$ 177,590	$ 29,660.00
Director of ED/ICU	Emergency	2407	1.0	18	$ 165,506	$ 170,990	$ 177,000	$ 133,590	$ 23,820.00
Director of Healing at Home	Healing at Home	2504	1.0	23	$ 168,979	$ 172,320	$ 174,100	$ 136,690	$ -
Director of SNF	Skilled Nursing Facility	2601	1.0	33	$ 159,099	N/A	N/A	$ 129,880	$ -

NOTES OF IMPORTANCE:

* Base Annual Salary; The CEO is eligible for an annual bonus up to 20% of base salary this is significantly less than most hospitals which average 35%

- No other executives besides the CEO receive a bonus, bonuses for management are typical at many other hospitals.
- The CEO also does the COO role. Many hospitals above $50 million in net revenue have a COO.
- The CFO does not work full time because we have determined SVH does not need this position full time.
- The CIO and the Information Services team are under resourced due to affordability and must be very hands on which is not typical at most hospitals
- The CNO oversees unit managers and performs house supervision. SVH has a very flat nursing structure.
- The CRO was previously Director of Surgery and is a Registered Nurse. She still has a strong role in surgery.
- The CMO role was reduced to part time and he also serves as the Chief Medical Information Officer.
- The Chief Ancillary Officer is responsible for most of the outpatient services and manages many people who are providing direct patient care. This is a very flat structure
- The Chief Quality Officer is responsible for several departments and also serves as the medical staff coordinator since we recently eliminated that position
- The Director of Patient Financial Services oversees both Patient Accounting & Admitting - a dual role not utilized much in No. Calif. Statewide 50th percentile is $158,900.
- Director of SNF as a distinct part of the hospital is common in Southern Calif., but not in No. Calif. Statewide 50th percentile is $153,230.
  (Southern California typically pays less than Northern California)