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

**BOARD OF DIRECTORS' MEETING**
**AGENDA**
**THURSDAY, SEPTEMBER 7, 2017**
**CLOSED SESSION 5:00 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**<br>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**<br>• Government Code Section 54956.8<br>Conference with Real Property Negotiators regarding the South Lot property. | *Hirsch* | Action |
| **4. REPORT ON CLOSED SESSION** | *Hirsch* | Inform |
| **5. PUBLIC COMMENT** | *Hirsch* | Inform |
| **6. CONSENT CALENDAR**<br>A. Board Minutes 08.03.17<br>B. Quality Committee Minutes 08.23.17<br>C. Governance Committee Minutes 08.22.17<br>D. Executed Policies and Procedures<br>E. Medical Staff Credentialing Report *Pages 3-30* | *Hirsch* | Action |
| **7. SOUTH LOT DISCUSSION** | *Hirsch* | Inform/Action |
| **8. RESOLUTION No. 335 ADOPTION AND IMPLEMENTATION OF DESIGN BUILD CONSTRUCTION PROCESS FOR THE OUTPATIENT DIAGNOSTIC CENTER** *Pages 31-40* | *Coss/Peluso* | Inform/Action |
| **9. BUSINESS DEVELOPMENT, MARKETING & COMMUNITY RELATIONS PRESENTATION** *Pages 41-75* | *Donaldson/Kenney/ Kruse De La Rosa* | Inform |
| **10. RESOLUTION No. 336 SETTING THE GO BOND TAX RATE 2017-2018** *Pages 76-80* | *Jensen* | Inform/Action |
| **11. RESOLUTION No. 337 ISSUANCE OF BONDS TO REFUND THE OUTSTANDING GENERAL OBLIGATION BONDS** *Pages 81-85* | *Jensen* | Inform/Action |

| | | |
|---|---|---|
| **12. RESOLUTION No. 338 AUTHORIZING THE ISSUANCE OF A TAX & REVENUE ANTICIPATION NOTE** *Pages 86-94* | *Jensen* | Inform/Action |
| **13. FINANCIAL REPORT MONTH ENDING JULY 30, 2017** *Pages 95-108* | *Jensen* | Inform |
| **14. ADMINISTRATIVE REPORT SEPTEMBER 2017** *Pages 109-112* | *Mather* | Inform |
| **15. COMMITTEE REPORTS**<br>• Governance Committee<br>Travel & Reimbursement Policy Changes<br>SVH Affiliation Agreements<br>• CEO Objectives for FY2018 *Pages 113-123* | <br><br>*Hohorst*<br>*Hohorst*<br>*Hohorst/Rymer* | Inform/Action |
| **16. BOARD COMMENTS**<br>• SVH Oppose Letters for AB1250 *Pages 124-128* | *Board Members* | Inform |
| **17. ADJOURN** | *Hirsch* | |

# 6.

# CONSENT CALENDAR

BOARD OF DIRECTORS' MEETING
**MINUTES**
THURSDAY, AUGUST 3, 2017
CLOSED SESSION 5:00 P.M.
REGULAR SESSION 6:00 P.M.

**COMMUNITY MEETING ROOM**
175 First Street West Sonoma CA

| | **RECOMMENDATION** | |
|---|---|---|
| **MISSION STATEMENT**<br>*The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.* | | |
| **1. CALL TO ORDER**<br>The meeting was called to order at 6:02 p.m. | *Hirsch* | |
| **2. PUBLIC COMMENT ON CLOSED SESSION** | *Hirsch* | |
| No comment | | |
| **3. CLOSED SESSION** | *Hirsch* | |
| **4. REPORT ON CLOSED SESSON** | | Inform |
| Ms. Hirsch reported that the closed session was a discussion regarding the South Lot and the additional information gathered from the developers. More information and discussion will follow during the South Lot agenda item. | | |
| **5. PUBLIC COMMENT** | *Hirsch* | |
| **6. CONSENT CALENDAR** | *Hirsch* | Inform/Action |
| | | **MOTION:** by Rymer 2nd by Nevins to approve with stated change. All in favor |
| **7. FINANCE COMMITTEE CANDIATE KEITH HUGHES** | *Nevins* | Action |
| The recommendation from the finance committee is to appoint Mr. Hughes to the committee. Ms. Nevins gave a brief overview of Mr. Hughes qualifications. | | **MOTION:** by Nevins 2nd by Hohorst to approve Mr. Hughes appointment to the Finance Committee. All in favor |

| | | |
|---|---|---|
| **8. MANAGEMENT COMPENSATION** | *Glassner* | Inform |
| Mr. Glassner CEO of Veritas, Executive Compensation Consultant, LLC, gave a report of his review of the Sonoma Valley Hospital Executive salaries.<br>His data showed that in comparison to peer group data, base salary for the CEO appears to be competitive, just above median or within the third quartile. However, both the CEO and other executives appear to be below the range of competitive practices relative to published survey data. He said overall, the SVH total compensation program has produced many desired results, though compensation levels may not have kept up with the Organization's recent growth. In response to this, Veritas recommends that SVH continue to structure the compensation program to promote a pay-for-performance environment and continue to compensate jobs according to job content, individual seasoning and experience, and individual performance, with strong consideration of external market levels.<br>Mr. Boerum requested a clarification for the record regarding the CRO position. He confirmed with Ms. Mather that the only cost to the hospital incurs is her salary. The Hospital does not pay for her travel or expenses.<br>PUBLIC COMMENT:<br>Mr. Douglas Ghiselin requested that this full report be published on the hospital website. | | |
| **9. SOUTH LOT DISCUSSION** | *Hirsch* | Inform/Action |
| Ms. Hirsch reports that the proposals and additional information was reviewed.<br>PUBLIC COMMENT:<br>Kimberly Blattner restated her husbands, Simon Blattner, interest in purchasing the south lot for development of a workforce housing via a philanthropic "Blended Value" project. She reviewed their current blended value project in San Francisco.<br>Josette Brose Eichar– Ms. Eichar presented her thoughts on the Boards sensitivity to public perception with their decision on the South Lot. She expressed that selling to a developer who will create workforce housing will help quiet the critics.<br>Norman Gilroy- Mr. Gilroy stated that the fourth proposal was to do it ourselves. This was an opportunity for the community to be involved. He backs Mr. Blattner's proposal and the previous speaker's sentiment because of the benefit to the community as a whole.<br>Mr. Boerum made a motion to accept the DeNova homes proposal. Mr. Rymer said that given the proposals that we saw, it is better that we go forward with two and discuss those.<br>Mr. Boerum accepts the Mr. Rymer amendment of the motion to discuss two proposals | | **MOTION:** by Boerum, 2nd Rymer to move forward with negotiations with DeNova Homes and Caymus Corp. All in favor.<br>Add hoc committee comprised of hospital staff, legal counsel, Board members Mr. Rymer and Ms. Nevins<br>**MOTION**: by Boerum 2nd by Hirsch. All in favor |

| | | |
|---|---|---|
| **10. ADMINISTRATIVE REPORT AUGUST** | *Mather* | Inform |
| Ms. Mather reported that we met budget for the second year in a row, a very big accomplishment. EHR is on its way, remote hosting is up and now we are doing the upgrades. The company that owns the EHR has been bought, as of today, by All Scripts. We are looking into this further, but still moving forward with the project.<br>New breast surgeon will be coming on board this fall. In addition to that is we are opening a women's service line. We are also looking at additional technology to support the breast surgeon and discussion support with the Foundation.<br>We had 2700 people attend hospital events last year. Exceeding the goal by 30 percent.<br>Mammography project is underway with projected completion in 90 days.<br>Ms. Mather reviewed the current patient satisfaction. We are doing better in the last couple of months, meeting higher goals. She reported the overall quality measures. These will be revised for next month's presentation.<br>Rate my hospital has been started. It is a texting service in our out pt services. The results have been overall positive. We are calling the lower rating people for follow up. | | |
| **11. FINANCIAL REPORT MONTH END JUNE 30, 2017** | *Jensen* | Inform |
| Mr. Jensen reported the month end financial report for June 30, 2017.<br>After accounting for all other activity; the June net income was $689,970 vs. the budgeted net loss of $39,977 with a monthly EBIDA of 8.5% vs a budgeted 2.8%. The fiscal year-end total net income is $1,269,598 favorable to budget with a year-end EBIDA of 3.6% vs. the budgeted 3.3%. Gross patient revenue for June was $23,651,284, $2,291,683 better than expected. In patient gross revenue was over budget by $545,700. Outpatient revenue was over budget by $938,106. Deductions from revenue were unfavorable to budget expectations by $1,760,204. Without the additional government funding, the revenue deductions would be unfavorable to budget by $2,240,510.<br>Total operating revenue was favorable to budget by $498,275. Operating expenses of $5,249,718 were unfavorable to budget by $153,339.<br>The total net income for June after all activity was $689,970 vs a budgeted net loss of $39,977. The cash collection goal for June was $4,056,583 and the Hospital collected $3,916,143. The year-to-date cash goal is $43,285,626 and the Hospital has collected $45,670,485. Days of cash on hand as of June 30, 2017 were 19.8 days. Accounts Receivable increased from May, from | | |

| | | |
|---|---|---|
| 44.5 days to 45.3 days in June. Accounts Payable increased by $75,208 from May and Accounts Payable days are at 45.8.<br>Mr. Jensen also reported on the fiscal year-end financial data. After accounting for all activity, the Fiscal Year ended with a net income of $988,081 vs. a budgeted net loss of ($281,517). EBIDA ended at $2,054,261 or 3.6% vs. budgeted at $1,782,779, or 3.3%. Accounts Payable at year end was $3,525,679 vs. $3,790,283 at the end of last fiscal year. Cash at June 30, 2017 was $3,166,281 vs. $1,384,178 at June 30, 2016. The gross patient revenue was over budget by $12,403,758 with the inpatient gross revenue over budget by $7,235,569 and the ER gross revenue over budget by $12,802,192. The fiscal year-end June 30, 2017 revenue deductions were unfavorable to budget by ($10,697,439) which is primarily due to the significant positive variance in IP and ER gross revenue. Expenses were over budget by ($1,333,551). Year-end interest expense were over budgeted expectations ($122,917) due to the unbudgeted interest expense related to the south lot loan and the fluoroscopy project. | | |
| **12. BOARD REPORTS** | *Board Members* | Inform |
| Ms. Hirsch reported out about the Hospital Leadership Summit that several of the Board members attended.<br>Mr. Boerum reported that the JPA group met to start work on the conduit issuer. | | |
| **13. BOARD COMMENTS** | *Hirsch/Board Members* | |
| Ms. Hirsch reported that it is time to form the committee to handle Ms. Mathers' annual performance evaluation.<br><br>Ms. Hirsch also reported to the Board that is time to schedule the annual Board Retreat. | | **MOTION:** by Hirsch to nominate Mr. Rymer and Mr. Hohorst to do the performance review. 2nd by Boerum. All in favor. |
| **14. ADJOURN 7:40pm** | | |

# SONOMA VALLEY HEALTH CARE DISTRICT
# GOVERNANCE COMMITTEE MEETING
# MINUTES
## TUESDAY, August 22, 2017
## 8:30AM

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

| AGENDA ITEM | RECOMMENDATION | |
|---|---|---|
| In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a District meeting, please contact the District Clerk, Stacy Finn at sfinn@svh.com or (707) 935.5004 at least 48 hours prior to the meeting. | | |
| **MISSION STATEMENT**<br>*The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.* | | |
| **1. CALL TO ORDER/ANNOUNCEMENTS** | *Hohorst* | |
| **2. PUBLIC COMMENT SECTION**<br>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Committee at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up. | *Hohorst* | |
| No public comment | | |
| **3. REVIEW OF ORIENTATION MANUAL** | *Hohorst* | Inform |
| A draft of Sonoma Valley District Affiliations was discussed and approved for inclusion in the Orientation Reference Guide. It will be posted on the SVH web site. This will be an information item for the 9/7/17 Board agenda. | | |
| **4. REVIEW OF TRAVEL & REIMBURSEMENT POLICY** | *Hohorst* | Inform |
| A draft of a revision of the Travel and Reimbursement Policy that changes the maximum allowance for meals for Board members traveling out of town for 24 hours or more was discussed and approved with a recommendation to the Board for approval. | | |
| **5. ADJOURN** | *Hohorst* | |
| Meeting adjourned at 0845am. | | |

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# SONOMA VALLEY HEALTH CARE DISTRICT
# QUALITY COMMITTEE
## July 26, 2017, 5:00 PM
## MINUTES
### Schantz Conference Room

| Members Present | Members Present cont. | Excused | Public/Staff |
|---|---|---|---|
| Michael Mainardi, MD<br>Kelsey Woodward<br>Joshua Rymer<br>Ingrid Sheets<br>Carol Snyder<br>Cathy Webber | | Susan Idell<br>Jane Hirsch<br>Howard Eisenstark, MD<br>Brian Sebastian MD | Leslie Lovejoy<br>Mark Kobe<br>Emma Snyder |

| AGENDA ITEM | DISCUSSION | ACTION |
|---|---|---|
| **1. CALL TO ORDER/ANNOUNCEMENTS** | *Rymer* | |
| | Meeting called to order at 4:59p.m. | |
| **2. PUBLIC COMMENT** | *Rymer* | |
| | None | |
| **3. CONSENT CALENDAR** | *Rymer* | Action |
| • QC Minutes, 05.24.17 | | **MOTION:** by Minardi to approve, 2nd by Sheets All in favor |
| **4. POLICY & PROCEDURES** | *Lovejoy* | Action |
| | | **MOTION:** by Minardi to approve, 2nd by Snyder. All in favor. |
| **5. ANCILLARY SERVICES ANNUAL REPORT** | *Kuwahara* | Inform |
| | Ms. Kuwahara presented the Ancillary Services Annual Report. She presented an overview of who and what the ancillary services are.<br>Staff satisfaction scores – roll up report is 4.28 out of 5. 86% with 93% participation. Direct reports 4.5 out of 5. 90% engagement with 100% participation.<br>Ms. Kuwahara gave an overview on the community benefit that ancillary services participates in. Things such as: back to school fair, balance classes, binational health fair, gentle yoga class, heart health, ostomy education, Parkinson's support | Have Lynn report entire engagement survey next year. |

| AGENDA ITEM | DISCUSSION | ACTION |
|---|---|---|
| | group, Remind program. She also presented a rollup for fiscal year 2016. Gross revenue was up due to annual pricing increase, total expenses were up due to annual salary increases, agency costs, professional fees, pharmacy costs and purchased services, OP UOS down due to possible leakage. The committee suggests the net revenue be presented.<br>Quality indicators, goals, results and analysis plan was reviewed and discussed for the last year. Ms. Kuwahara spoke on the great improvements in Medication Bar Code compliance and RUG levels in the last year.<br>Performance Improvement projects in 2016- In patient PT did early mobilization in the ICU will be continued in 2017. Outpatient PT and Hand Therapy Treatment worked on strategies to maximize outcomes and reimbursement, will be continued in 2017.<br>New projects in 2017– Cardiopulmonary – efficient scheduling of outpatient testing. Medical Imaging – Head CT/MRI results within 30 minutes of arrival for strokes.<br>Future plans- Electronic Health Record for wound care, occupation health and outpatient rehab implemented this year. 3D Mammo project to bring the technology back into the hospital will begin next week.<br>We serve as a clinical rotation site for multiple colleges. | |
| **6. QUALITY REPORT JUNE 017** | *Lovejoy* | Inform/Action |
| | Ms. Lovejoy reported that the Prime grant data abstraction and gathering will be complete by the September meeting.<br>Ms. Lovejoy reviewed the action planning for CIHQ survey She will bring back the report in September.<br>Ms. Lovejoy reviewed the medical staff projects that are ongoing, which include moving closer to having an all-electronic credentialing and privileging process. She also announced a cocktail | **MOTION:** by Webber to approve, 2nd by Rymer. All in favor. |

| AGENDA ITEM | DISCUSSION | ACTION |
|---|---|---|
| | reception for Dr. Veluz and Dr. Mariano on August 10th. She also reviewed the current medical staff election results for the various departments. | |
| **7. BOARD QUALITY DASHBOARD** | *Lovejoy* | Inform |
| | Ms. Lovejoy presented the Quality dashboard. A lengthy review and discussion ensued regarding the findings. The committee found opportunities for clarification on some of the presented data, Ms. Lovejoy agreed to follow up this.<br>In reference to the clinical process of care core measures the committee expressed concerns regarding the some of the Emergency Department metrics, particularly the long average length of time between arrival and discharge. These metrics have not been close to meeting the benchmarks for at least the last year. They discussed the options of how to address these issues and follow up with them. | **MOTION**: Rymer recommends that a performance improvement project be under taken to understand what is causing the longer than benchmarked time from door to discharge in the ED. With a follow up back to the committee on whether and how to get them to the benchmark.<br>2nd by Minardi.<br>**MOTION:** by Minardi to approve Ms. Lovejoy taking the committee recommendation to the Board of Directors, 2nd by Woodward. All in favor |
| **8. PATIENT CARE SERVICES DASHBOARD** | *Kobe* | Inform |
| | Deferred to next month | |
| **9. UPON ADJOURNMENT OF REGULAR SESSION** | *Rymer* | |
| | Regular session adjourned at 6:36 p.m. | |
| **10. CLOSED SESSION**<br>• Calif. Health & Safety Code § 32155 Medical Staff Credentialing & Peer Review Report | *Rymer/Lovejoy* | Action |
| **11. REPORT OF CLOSED SESSION** | *Rymer* | Inform/Action |
| | | **MOTION**: by Minardi to approve 2nd by Rymer. All in favor |
| **12. ADJOURN** | *Rymer* | |
| | Meeting adjourned at 6:39 p.m. | |

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**Policy and Procedure - Approvals Signature Page**
**NS7010-07**

## 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.

**Administrative Approvals**

Cynthia Lawder, M.D. | Medical Director, Emergency Department — Date: 8/29/17

Kelly Mather | Chief Executive Officer — Date: 8/30/17

**Committee Approvals**

**Policy & Procedure Team—February 21st, 2017**

Leslie Lovejoy | Chief Quality Officer — Date: 2/21/17

**Medicine Committee—July 13th, 2017**

Douglas S. Campbell, MD | Chair, Medicine Committee — Date: 8/17/17

**Medical Executive Committee—July 20th, 2017**

~~Keith J. Chamberlin, MD MBA~~ Brian Sebastian MD | President of Medical Staff — Date: 8/1/17

**Board Quality Committee—July 26th, 2017**

Jane Hirsch | Chair, Board Quality Committee — Date: 8/23/17

**Board of Directors—August 3rd, 2017**

Jane Hirsch | Chair, Board of Directors — Date:

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## Policy Submission Summary Sheet

| Deborah Bishop, ED & ICU Clinical Director | | Mark Kobe, Chief Nursing Officer | |
|---|---|---|---|
| Signature: D Bishop | DATE: 6/9/17 | Signature: M Kobe | DATE: 6/9/17 |

**DEPARTMENTAL**

**NEW**
NS7010-~~20~~ Emergency Department Nursing Protocols

SONOMA VALLEY HOSPITAL
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| | |
|---|---|
| SUBJECT: Emergency Department Nursing Protocols | POLICY # NS7010-07 |
| | PAGE 1 OF 2 |
| DEPARTMENT: Emergency Department | EFFECTIVE: 1/01/2017 |
| APPROVED BY: | REVISED: |

**Purpose:**

A. To provide a pathway of timely, coordinated care for patients with specific symptoms, determined through assessment by an RN that correspond to a specific Nursing Protocol delegated by a medical provider to reduce delays in medical treatment and care.

B. To provide a set of Nursing Protocols that the Hospital Emergency Department Registered Nurse (RN) can initiate to address urgent/emergent medical condition (s)of patients presenting to the Emergency Department.

C. To provide direction to the Hospital Emergency Department RN to address injuries and /or medical problems ranging from critical and life threatening to minor and self limiting and establishing a layer of safety for patients presenting to the Emergency Department while determining appropriate treatment in a timely manner.

**Policy:**

These Emergency Department Nursing Protocols have been approved by the Medical Executive Committee whom has chosen to utilize any or all of these Nursing Protocols. These Nursing Protocols are not intended to replace more detailed department specific, clinically based emergency response order sets such as Code Blue protocols.

Definitions:

A. Standing Order: Nursing Protocol

B. Nursing Protocol: An order approved by the applicable Medical Executive Committee that may be executed prior to an individual provider order. Nursing Protocols are limited to a subset of orders in regards to a patient condition or circumstances that are necessary for timely and efficient care.

**Procedure:**

A. The Registered Nurse (RN) will initiate orders off the Emergency Nursing Protocol set if the patient assessment findings warrant the Nursing Protocol intervention within their scope of competency and within the resources of the applicable Emergency Department.

| SUBJECT: Emergency Department Nursing Protocols | POLICY # NS7010-07 |
|---|---|
| | PAGE 2 OF 2 |
| DEPARTMENT: Emergency Department | EFFECTIVE: 1/01/2017 |
| APPROVED BY: | REVISED: |

1. The Nursing Protocol sets are complaint specific and were developed to be within the critical thinking skill set of a bedside Emergency Department RN.

2. The RN may only alter the Nursing Protocol after a patient and complaint specific discussion with the Physician on duty. The alterations and discussion must be documented in the patient's medical record.

3. A Nursing Protocol set does not need to be implemented in its entirety. The RN should implement applicable section(s) of the Nursing Protocol set based on patient assessment and established criteria.

4. More than one Nursing Protocol set may be used for a patient as appropriate per patient need and RN assessment.

B. The RN will consult with an on-duty ED physician/provider if clarification is needed in initiating a Nursing Protocol.

C. The RN is accountable and responsible for the delegation of any intervention in the Nursing Protocol set.

D. The RN must document assessment findings, interventions, and outcomes per this policy.

E. Emergency Department Nursing Protocols must be entered into the patient's medical record and authenticated by the responsible provider for the patient according to the facility/department specific order authentication process.

F. The Nursing Protocol sets may be added to, changed, or deleted as the Medical Executive Committee deems necessary.

**Reference:**
Centers for Medicare & Medicaid Services, Conditions of Participation Section 482.23© (2).
Banner Health Policy Title: Emergency Department Standing Orders Version 11914.6 May 23, 2013.

## ABDOMINAL PAIN

- Orthostatic Vital Signs if indicated
- Obtain urine specimen for U/A and Urine Pregnancy
- Saline Lock, IV Normal Saline if Orthostatic – consult MD for fluid management
- Draw blood for CBC, , CMP, Lipase,
- If known gall stones, consult MD about gall bladder ultrasound order

## ALLERGIC REACTION WITH SEVERE RESPIRATORY DISTRESS

- Pulse Oximetry
- $O_2$ @ 6-8 L by mask or 2-4 L by nasal cannula to maintain an $SpO_2$ of > 92%
- Cardiac Monitor
- IV Large Bore with normal saline TKO
- *Aerosol Albuterol treatment*
- *Benadryl 50 mg IV in adult*
- *Solumedrol 125 mg IVP*
- *Famotidine 20 mg IV or equivalent*
- Epinephrine (1:1000 IM), consult MD prior to activating order for dose

## ALTERED MENTAL STATUS WITH HISTORY OF HEAD TRAUMA

- $O_2$ @ 6-8 L by mask or 2-4 L by nasal cannula to maintain an $SpO_2$ of > 92%
- Pulse Oximetry
- Cervical spine precautions
- Cardiac Monitor
- Saline lock
- Neurologic assessment including Glasgow Coma Score (GCS) and pupillary checks
- Draw blood for laboratory tests;, CMP, CBC, PT and PTT
- Bedside finger-stick blood glucose
- Maintain C-spine until cleared by MD or PA/NP
- *Head CT,*
- *Cross table Portable C-Spine, consult MD prior to activating order*
- 12-Lead EKG if pulse irregular, arrhythmias present, or history/meds indicate cardiac history
- Survey for other concomitant injuries

## ALTERED MENTAL STATUS WITHOUT HISTORY OF TRAUMA

- Pulse Oximetry

- $O_2$ @ 6-8 L by mask or 2-4 L by nasal cannula to maintain an $SpO_2$ of > 92%
- Cardiac Monitor
- 12-Lead EKG
- IV of normal saline TKO or saline lock
- Neurologic assessment
- Draw blood for laboratory tests;, CMP, CBC, PT, PTT and additional tube for other lab studies to be determined by ED MD
- Bedside finger-stick glucose
- Urine drug screen
- *Dextrose 50% -50 cc IVP if hypoglycemic (Blood Sugar less than 60)*
- *Naloxone 2 mg IVP if respiratory rate less than 10/min*
- *Flumazenil O.2 mg over 15 seconds IV, speak to MD prior to activating order.*

**BURNS, 1ST & 2ND DEGREE <20% BODY SURFACE**

- Remove non-adherent clothing
- Cover burns with cool saline-soaked towels, followed by a dry sterile dressing.
- IV Normal Saline or Saline Lock
- *Consider analgesics*

**CHEST PAIN, ACUTE - SUSPECT CARDIAC IN ORIGIN STEMI Reported by EMS**

- 
- Activate ED Chest Pain Orders in Triage; ESI 1
- Document Risk Factor and Pain Assessment
- 12-Lead EKG within 5 minutes of arrival, to be shown to ED attending physician immediately
- Immediate bed placement
- $O_2$ @ 6-8 L by Mask or 2-4 L by Nasal Cannula to maintain an $SpO_2$ of > 92%
- Pulse Oximetry
- Cardiac monitor
- IV normal saline or saline lock
- Draw blood for laboratory tests; CBC, CMP, cardiac enzymes, P.T, PTT, Troponin
- Hold additional tube of blood for other lab to be decided by ED MD
- ED Physician @ bedside within 12 minutes of arrival; determine need for Interventional Cardiology, Cardiac Catheterization
- Code STEMI activation
- Portable Chest x-ray
- Sublingual NTG 0.4 mg q5-10 min x 3 (contraindicated if BP systolic <90 mmHg) if active chest pain
- ASA 324mg chew p.o. or rectal suppository if unable to take p.o. (Determine if taken at home or in field with paramedics within past 24 hours.)
- Morphine Sulfate 2 mg IVP, if chest pain not relieved with Ntg

**CHEST PAIN - NOT CARDIAC SUSPECT** (i.e., pleuritic, or associated with chest wall pain / tenderness)

- 12-Lead EKG
- Cardiac Monitor
- Pulse Oximetry
- $O_2$ @ 6 L by mask or 2-4 L by nasal cannula
- Two-view Chest X-ray (if not pregnant)
- Consider Pneumonia CMS Core Measure, CBC,CMP,blood cultures X 2, urine C+S
- quantitative D-Dimer, draw and hold for MD order

**GI BLEED - UPPER AND LOWER**

- Orthostatic Vital Signs if indicated
- Pulse Oximetry
- $O_2$ @ 6-8 L by mask or 2-4 L by nasal cannula to maintain an $SpO_2$ of > 92%
- Two (2) Large Bore IV's with Normal Saline if orthostatic and symptomatic, Saline Lock if normotensive
- Cardiac monitor
- Draw blood for laboratory tests; CBC, CMP, PT, PTT, Type and Screen
- Stool or Gastric Contents for Occult Blood
- 12 Lead EKG
- *NG Tube*, MD order
- CK and Troponin, draw and hold for MD order

**HYPERTENSIVE CRISES: (HTN WITH CP, SOB, HA or AMS)**

- Pulse oximetry
- $O_2$ @ 6-8L by mask or 2-4 L by nasal cannula to maintain an $SpO_2$ of > 92%
- Cardiac Monitor
- IV NS TKO or saline lock
- Neurologic assessment baseline
- 12 Lead EKG
- CMP, CBC, *PT, PTT, CK, Troponin* - Hold additional blood tube for additional tests
- Urine for UA
- Portable Chest X-ray
  - *Non-contrast CT head, consult MD prior to activating order*

**HYPOTENSION - UNKNOWN CAUSE**

- Orthostatic Vital Signs if indicated
- Pulse oximetry
- $O_2$ @ 6-8L mask or 2-4 L by nasal cannula to maintain an $SpO_2$ of > 92%
- Monitor
- Large bore IV with Normal Saline , WO
- 12 Lead EKG
- CBC, CMP. CK, Troponin, PT, PTT and hold tube for further labs.
- UA
- Portable chest x-ray
- Blood cultures X 2

**HYPOTHERMIA**

- Pulse oximetry
- $O_2$ @ 6-8L by mask to maintain an $SpO_2$ of > 92% (warm aerosol if available)
- Cardiac Monitor
- Saline Lock
- If temp is <92.0 Fahrenheit, institute warming measures, i.e., blankets, warming light or fluid warmer for IV fluids ,continuous temp probe
- 12 Lead EKG

**NEUROLOGICAL DEFICIT, FOCAL, WITHOUT HISTORY OF TRAUMA (*If known acute onset is within 4.5 hours, Activate Code Stroke Alert and follow protocol)***

- Confirm time of onset, document last known well on triage
- Pulse oximetry
- $O_2$ @ 6-8 L by mask or 2-4 L by nasal cannula to maintain an $SpO_2$ of > 92%
- IV normal saline TKO or saline lock
- Cardiac monitor
- 12 Lead EKG
- Neurologic Assessment;
- CBC, CMP, PT, PTT, platelets. Additional tube for lab studies to be decided by MD
- Urine drug screen
- Bedside finger-stick blood sugar
- *STAT Head CT* without contrast,
- *CTA, consult for MD prior to activating order*

**ORTHOPEDIC CASES** **(keep listed xrays already in place)**

- Order x-rays for obvious extremity fracture.
- For mechanism suggesting other possible fracture, discuss with MD
- Splint/Immobilize, Ice Pack
- Analgesics: Pain scale dosing for >13yrs old only: Consult MD prior to activating
  - 1-3 Tylenol 1gm PO
  - 4-6 Norco 5/325mg PO
  - 7-10 Norco 10/325mg PO
- Pediatric dosing, MD to enter analgesic order.
- NPO for pre-procedure/surgery candidates, MD to enter IV analgesic order.

**OVERDOSE, KNOWN, ADULT, OF NON-CAUSTIC, NONHYDROCARBON SUBSTANCE, PATIENT CONSCIOUS AND A GAG REFLEX IS PRESENT**

- Pulse Oximetry
- $O_2$ @ 6-8L via mask or 2-4 L by nasal cannula to maintain an $SpO_2$ of > 92%
- Cardiac Monitor
- IV of N/S TKO or saline lock
- Obtain bottles of agents possibly ingested (If possible)
- CBC, , CMP, Drug Tox including Acetaminophen and Salicylates and additional tube for studies to be determined by MD
- 12 Lead EKG
- Urine for Drug Screen, IN/OUT Cath if necessary
- *Activated Charcoal 1 gm/kg po or NG (if within one hour of ingestion, Charcoal with Sorbitol), consult with MD prior to activating order.*

**OVERDOSE, KNOWN SUBSTANCE, UNCONSCIOUS ADULT,**

- Maintain patent airway
- Pulse Oximetry
- $O_2$ @ 6-8 L by Mask or 2-4 L by Nasal Cannula to maintain an $SpO_2$ of > 92%
- Cardiac monitor
- IV NS TKO
- CBC, CMP, Drug tox including Acetaminophen and Salicylates and additional tubes to be determined by ~~ED~~ MD
- Bedside Finger stick Glucose
- Obtain specimen for UA and urine drug screen:IN/OUT Cath UA, if necessary
- Activated Charcoal 1 gm/kg po or NG (if within one hour of ingestion).
- Naloxone 2 mg IVP for respiratory rate < 10/minute, pin point pupils
- Flumazenil 0.2 mg IVP over 15 seconds, consult MD prior to activating order

**PEDIATRIC FEVER**

- Weigh patient in kilograms only
- Give antipyretic in standard dose by weight for temp >101.0 F
- Acetaminophen 15 mg/kg p.o. **or** *15 mg/Kg per rectum if not able to tolerate p.o.* ***or***
- Ibuprofen 10 mg/kg p.o if last dose of Tylenol was given within 4 hours
    - ***Do not administer Ibuprofen if vomiting or less than 2 months of age; do not administer Acetaminophen and Ibuprofen in combination unless specifically ordered by ED physician***
- Sip clear liquids as tolerated (5cc q 5 min initial introduction)
- Recheck temperature in 1 hour and upon patient discharge
- *Sepsis Work-up, consult MD prior to activatingt*
- *Caution: If C/O Abdominal Pain consider keeping NPO*

**PEDIATRIC TEMP > 100.4 in child < 60 DAYS of age**

- If temp >100.4 classify as ESI level 2 : Notify MD
- Blood Culture x1, CBC, CMP
- Cath UA
- If lethargic, bedside finger-stick glucose
- 0-2 if pulse ox less than 93% •
- Antibiotics within three hours of arrival, obtain MD order
- Chest x-ray, obtain MD order

**ADULT PNEUMONIA CMS Core Measure**

- If congestion, cough, shortness of breath, adventitious breath sounds and/or chest pain associated with fever >100.0 (orally) or a pulse oximetry in Triage < 95%
- Classify as ESI level 2
- STAT 2-view Chest x-ray and indicate CMS Core Measure on "comments" of computer radiology order
- Pulse oximetry
- $O_2$ @ 6-8 L via mask or 2-4 L by nasal cannula to maintain an $SPO_2$ of >92% Blood Cultures x 2 prior to IV start
- Draw blood for CBC, CMP, CK, Troponin, BNP and additional tube for other labs
- Antibiotics within three hours of arrival, obtain MD order
- Cardiac Monitor
- 12-Lead EKG

- IV NS TKO
- *ABG on room air if pulse oximetry < 93% or RR>22*
- UA with C & S
- Document Pneumococcal and Influenza Vaccination Status

**RESPIRATORY DISTRESS**

- Pulse Oximetry
- $O_2$ @ 6-8L via mask or 2-4 L by nasal cannula to maintain an $SPO_2$ sat of > 92
- Cardiac monitor
- IV NS TKO or saline lock
- 12-Lead EKG
- Weigh patient if possible
- *ABG on room air if pulse oximetry < 92 or RR >22*
- Chest X-Ray (2-view preferred)
- Draw blood for laboratory tests; CBC, CMP, CK , Troponin, BNP PT, PTT
- quantitative D-Dimer, draw and hold
- Digoxin level, if on Digoxin prior to admission•
- Begin accurate I & O sheet

**RESPIRATORY DISTRESS WITH HISTORY OF CHRONIC LUNG DISEASE**

- $O_2$ @ 2 L/M by cannula
- Pulse Oximetry
- IV NS TKO or saline lock
- Cardiac monitor
- 12 Lead EKG
- ABG's
- Draw blood for laboratory tests; CMP, CBC, and additional tubes for tests to be determined by MD
- Portable Chest X-ray (2-view preferred)
- Duoneb via HHN (*Hand Held Nebulizer Treatment)*
- *Albuterol 2.5 mg x 2 via HHN, (Hand Held Nebulizer Treatment), if no improvement*
- *Consult ED MD before using high flow oxygen*

**SEIZURE – ADULT**

- Safety measures for seizure patients (side rails, pads, low position of gurney)
- Maintain patent airway; suction on at bedside
- Pulse oximetry
- $O_2$ @ 6-8L via mask or 2-4 L by nasal cannula to maintain an $SPO_2$ of >92%
- Cardiac monitor
- IV of normal saline TKO

- Draw blood for laboratory tests; CBC, CMP, PT, PTT and an additional tubes for tests to be determined by ~~ED~~ MD
- Order medication levels if anticonvulsants prescribed for patient
- Bedside finger-stick glucose
- Dextrose 50% - 50 cc IVP if glucose less than 60
- Naloxone 2 mg IVP if respiratory rate less than 10, pinpoint pupils
- Ativan 2mg IVP, if actively seizing.

**SYNCOPE**

- Orthostatic Vital Signs if indicated
- Pulse Oximetry
- $O_2$ @ 6-8 L via mask or 2-4 L via nasal cannula to maintain an $SPO_2$ of >92%
- Cardiac monitor
- IV Normal Saline TKO or saline lock
- 12 Lead EKG
- CBC, , CMP, CK, Troponin, and additional tube for lab studies to be decided
- Bedside finger-stick glucose
- UA, In/Out Cath, if necessary
- Urine drug screen if indicated

**TRAUMA**

- Maintain patent airway
- Assess for life-threatening concomitant injuries, MD to bedside
- C-spine Precautions as indicated by mechanism
- Pulse oximetry
- $O_2$ @ 6-8 L via mask or 2-4 L via nasal cannula to maintain an $SPO_2$ of >92%
- Cardiac monitor
- Neurologic assessment /GCS
- Insert two large bore IV's - NS, infuse wide open if hypotensive (less than 90mm Hg systolic)
- CBC, , CMP, Type and Cross match, PT, PTT, and additional tube for studies to be decided by ~~ED~~ MD
- Urine for Urine Drug Screen and UA
- Cross table lateral C-spine as indicated
- Chest x-ray, for obvious pathology
- Prepare for immediate transfer, if indicated.

**UNCONSCIOUS ADULT, UNKNOWN CAUSE**

- GCS
- Maintain patent airway
- Pulse Oximetry

- $O_2$ @ 6-8 L via mask or 2-4 L via nasal cannula to maintain an $SPO_2$ of >92%
- Cardiac monitor
- 12 Lead EKG
- IV normal saline TKO or saline lock
- CMP, CBC, CK, , and additional tubes for tests to be determined by MD
- Bedside finger-stick Glucose
- C-spine precautions as indicated by mechanism
  - Cross table C-spine, as indicated
  - *Dextrose 50% - 50 cc IVP if blood sugar less than 60*
  - *Naloxone 2 mg IVP if respiratory rate less than 10/min, pinpoint pupils*
  -

**URINARY TRACT INFECTION – for complaint of dysuria, no fever or back pain**

- Urine for UA and C & S
- Urine Pregnancy

**URINARY TRACT INFECTION – with fever and/or back pain**

- Urine for UA and C & S
- Urine Pregnancy
- Draw blood for CBC, CMP, blood cultures X 2
- Tylenol 1gm PO, if febrile >100.0

**VAGINAL BLEEDING**

- IV NS or saline lock
- CBC, HCG, and additional tubes for tests to be determined by MD
- In & Out cath for UA and Urine Preg, if pregnancy possible
- Type & Rh, quantitative B, HCG, if pregnant

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**Policy and Procedure - Approvals Signature Page**
**IC8610-110, IC8610-114, IC8610-116, IC8610-128, IC8750-125**

## 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.

**August 23rd, 2017—Board Quality Committee**

Jane Hirsch
Chair, Board of Directors

Date

**Hospital CEO**

Kelly Mather
Chief Executive Officer

8/23/17
Date

**September 7th, 2017—Board of Directors**

Jane Hirsch
Chair, Board of Directors

Date

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## Policy Submission Summary Sheet

| MANAGER | | SENIOR LEVEL MANAGER | |
|---|---|---|---|
| Name: Kathy Mathews | | Name: Leslie Lovejoy | |
| Title: Infection Control Coordinator | | Title: Chief Quality Officer | |
| Signature: Kathy Mathews | DATE: 8/16/17 | Signature: Leslie Lovejoy | DATE: 8/17/17 |

**ORGANIZATIONAL**

**IC8610-110 Blood and Body Fluid Spill Policy and Procedure**
Reviewed; minor changes

**IC8610-114 Contact Isolation Precautions**
Revised; Multi-drug resistant gram negative organisms that are resistant to three or more categories of antibiotics including 3rd generation cephlasporins, the quinolones Ciprofloxacin, moxifloxacin, levofloxacin, and the aminoglycosides gentamicin or tobramycin. Contact the Infection Preventionist for assistance; the lab informs the nursing unit when MDRO organisms are identified and flags the EMR to indicate that Contact Isolation is required.

**IC8610-116 Contact Plus Enteric Precautions**
Revised; change in that 3 loose stools within a 24 hour period with unknown etiology will now trigger testing and isolation to reduce the risk of transmission of C. difficile in patient care areas.

- Patients with 3 loose bowel movements within a 24 hour period shall have a stool sample tested for C. difficile toxin.
- The nurse will inform the physician of the patient's condition and request C. difficile toxin test and Contact Plus Enteric isolation orders.
- The patient will be placed in Contact Plus Enteric isolation in a private room.
- A positive C. difficile laboratory finding is a critical lab value. The laboratory will contact the ordering unit with the lab result as soon as it is final.
- The nurse caring for the patient will inform the physician of the positive result. In the event the patient has been discharged, e.g, Emergency Department, designated Emergency Department personnel will contact the patient's primary care physician. If no primary care physician is listed in the electronic medical record, the patient will be contacted, informed of the laboratory results and instructed to seek follow up medical care.
- Isolation may be discontinued following Clostridium difficile or viral gastroenteritis when the patient's diarrhea is resolved plus 48 hours
- Patient's room needs to be terminally cleaned before isolation precautions can be discontinued even if patient is not being discharged.
- The isolation sign remains affixed to the patient's door until Environmental Services completes the terminal clean with bleach solution, changes the curtains and performs Xenex UV disinfection with the robot.
- EVS will hand off the isolation sign to the nurse once the terminal clean has been completed.

**IC8610-128 Equipment Cleaning Policy**; Revised; added Alternate Schedules cleaning equipment and room areas in Patient areas

**DEPARTMENTAL**

**IC8750-125 Post-Discharge Surgical Site Infection Surveillance**
Reviewed; minor changes

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**Policy and Procedure - Approvals Signature Page**
**GL8610-142, QS8610-126, GL8610-160, PR8610-110, QS8610-114, QS8610-104, PC8610-360, PC8610-104,LB7500-64**

## 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.

**June 20th, 2017—Policy & Procedure Team**

Leslie Lovejoy — 5/16/17
Leslie Lovejoy — Date
Chief Quality Officer

**July 13th, 2017—Medicine Committee**

8/21/17
Douglas S. Campbell, MD — Date
Chair Medicine Committee

**July 20th, 2017—Med Exec Committee**

8/11/17
~~Keith J. Chamberlin, MD MBA~~ Brian Sebastian MD — Date
President of Medical Staff

**July 26th, 2017—Board Quality Committee**

Jane Hirsch — Date
Chair, Board of Directors

**Hospital CEO**

8/30/17
Kelly Mather — Date
Chief Executive Officer

**August 3rd, 2017—Board of Directors**

Jane Hirsch — Date
Chair, Board of Directors

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## Policy Submission Summary Sheet

| Mark Kobe, Chief Nursing Officer | |
|---|---|
| Signature: | DATE: 7-07 |

**ORGANIZATIONAL**

**REVIEWED/NO CHANGES**

QS8610-126 Patient Resuscitation Code Status
GL8610-160 Plan for Patient Family Education

**REVISIONS**

GL8610-142 Customer Relations
Customer Relations: deleted verbiage re; paper documentation and departmental distribution. Added CIHQ reference

**RETIRE**

PR8610-110 Do Not Resuscitate
Substance included in QS8610-126 Patient Resuscitation Code Status
QS8610-114 Education Patient and Family
Substance included in GL8610-160 Plan for Patient Family Education

| Mark Kobe, Chief Nursing Officer | | Bonnie Bernhardy, Education Coordinator | |
|---|---|---|---|
| Signature: | DATE: 7-6-7 | Signature: Bonnie Bernhardy | DATE: 7/6/17 |

**ORGANIZATIONAL**

**REVISED**

QS8610-104 Code Blue-Broselow Carts and Emergency Medications

1. Benzacaine ointment has been removed from the inventory of the Intubation tray, Drawer 4. Clinicians no longer use the product to assist endotracheal intubation and the product frequently expires, necessitating restocking of the tray.
2. Language added to monthly checks of cart clarifying Broselow Bag examination for expired product.
3. P&T committee has approved the elimination of Verapamil from the crash cart medication tray contents list since it is no longer an ACLS drug for cardiac arrest

1. Addition of suction equipment to Drawer # 6 in the Adult Crash Carts as listed below (pg. 7)
2. Removal of O2 cannulas from Drawer # 6 in the Adult Crash Carts (pg. 7)

Drawer 6 Ambu Bag/Suction Supplies/Arm Boards (added to title of drawer)

| | |
|---|---|
| 1 Adult Ambu bag | 1-Yankauer Suction Tube |
| 1 Pediatric Ambu bag | 2-14 Fr. Suction Catheters |
| 1 Large Adult Arm Board | 1-Suction Canister (1500 ml) |
| 1 Small Adult Arm board | 1-Suction Canister Tubing (6 Ft.) |
| 1 Oxygen tubing Ext Set/connector | 1-Suction Canister Liner (1500 ml) |

3. Corrected spelling of intraosseous (pg. 8, 9, 10 & 11)

4. Corrected spelling of cricothyrotomy (pg. 10)
5. Removed the word "unit" and replaced it with "tray" to describe Crash Cart replacement trays (pg. 3)
6. Imaging and Cardio have a Crash Cart and Broselow Bag
   - Added "clinical personnel" for Crash Carts and Broselow Bag monthly checks (pg. 1)
   - Added "clinical personnel" to notify nursing supervisors or pharmacy to replace used Crash Cart trays or Broselow Bag supplies (pg. 3)
7. Removed the word "discharge" and replaced it with "SHOCK" to describe the shock button (pg. 2)
8. Added "except in the ED and SCU" to list which Crash Cart have a Broselow Bag instead of a Broselow Cart (pg. 2)
9. Changed "Birth Center" to "Birthplace" (pg. 3)

PC8610-360 Care of Patients Under Legal Restriction

Appendix B is used to educate new hire clinical staff. Additional safety practices for staff caring for a patient under legal restriction are listed below:

- Remove items brought into a patient's room that are no longer needed
- Be aware of surrounds and escape route
- Don't turn back to the patient
- Don't discuss patient info within earshot of patient to avoid anticipating routines
- Bring extra staff into room to assist if uncomfortable
- When ordering food, Order "Safety Tray". When patient finished eating, remove all tray items from room
- If patient expires, treat as coroner's case
- If conflict arises between staff and peace officer, notify nsg. supervisor or manager
- Orient peace officer with forensic staff information sheet
- Peace officer stays with patient during transfers, procedures and in the OR
- Peace officer can deny/limit visitors and phone calls. If visitors present, peace officer will inspect purses, bags, etc. For drugs, weapons
- Forensic restraints are the responsibility of the peace officer and exempt from our restraint policy

Competency revised with these additions

| Melissa Evans, SNF Director of Nursing | |
|---|---|
| Signature: MEvans | DATE: 7/6/17 |

**ORGANIZATIONAL**

**REVISIONS**

PC8610-104 Admission Guidelines for Transfers to SVH SNF from Outside Facilities

Amended to reflect hiring an Intake Coordinator to assist with referrals.

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| Lois Valenzuela, Laboratory Manager | | Dawn Kuwahara, Chief Ancillary Services Officer | |
|---|---|---|---|
| Signature: Lois Valenzuela | DATE: 7/6/2017 | Signature: D Kuwahara | DATE: 7.6.17 |
| Frederick Kretzschmar, M.D., Medical Director, Surgical Pathology Services Department | | | |
| Signature: F. Kretzschmar MD | DATE: 7-6-17 | | |

**DEPARTMENTAL**

**REVISIONS**

LB7500-64 Results Reporting
Revised Hematocrit and Hemoglobin
Critical Laboratory Values
Changes Approved P&P Team 5/16/17
Updated policy to reflect what we do now:
PRIMARY CARE PHYSICIAN NOT AVAILABLE:
REMOVED—Call Hospitalist and Call the Chief Medical Officer

# 8.

# RESOLUTION No. 335 ADOPTION AND IMPLEMENTATION OF DESIGN BUILD CONSTRUCTION PROCESS FOR THE OUTPATIENT DIAGNOSTIC CENTER

# Outpatient Diagnostic Center

## Sonoma Valley Health Care District Board of Directors

## September 7, 2017

# Agenda



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# Design Build

- Sonoma Valley Healthcare District with approval of its governing board may procure design build contracts for public works projects in excess of one million dollars.
- Sonoma Valley Healthcare District Board shall develop a conflict of interest policy to apply towards design build contracts.

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# Request for Qualifications

- The Sonoma Valley Healthcare District shall prepare and issue a Request for Qualifications ("RFQ") to prequalify the design build entities whose proposals shall be evaluated for final selection. RFQ to include:
  - Scope
  - Expected Cost Range
  - Methodology to Evaluate Proposals
  - Process for Final Selection of Design Build Entity
  - Standard Template – RFQ Application
  - Evidence that members of the design build team have completed or demonstrated experience, competency, capability to complete projects of similar size, scope, and complexity.

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# Request for Proposals

- The Sonoma Valley Healthcare District shall prepare and issue a Request for Proposals ("RFP") that invites prequalified entities to submit competitive sealed proposals for final selection. RFP to include:
  - Scope documents
  - Estimated Cost Range
  - Methodology used to Evaluate Proposals (Best Value or Low Bid)
    - Best Value will be the methodology we use

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# Project Components

- CT – Room Expansion + Equipment Upgrade (Does Kelly want descriptions?)
- MRI – Modular Unit @ old ED Ambulance Drop Off
- Ultrasound – Build New Room for Upgraded Equipment
- Nuclear Medicine – Renovate Existing Space + Equipment Upgrade
- Restrooms – As Required by Code
- Breakrooms – As Required by Code
- Cardiopulmonary – Relocate Department
- Outpatient Entrance / Waiting Area / Parking Lot - Renovation
- Seismic Retrofit – As Determined by SPC-4D Study
- East Wing Entrance / Café Entrance - Renovation

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# Questions

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**To:** SVHCD Board of Directors

**Meeting Date:** September 7, 2018

**Prepared by:** Kelly Mather

**Agenda Item Title:** Resolution 335 Adoption and implementation of design build construction process for the outpatient diagnostic center.

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**Recommendation:**
The board approves the resolution to do a request for qualifications (RFQ) for the Outpatient Diagnostic Center project.

**Background:**
Within the next few years, the CT Scanner and the MRI will need to be replaced. Currently, the MRI is in a trailer and patients must walk outside for their tests. The rest of the imaging department is not efficient and must be expanded to meet the current codes. We are excited to upgrade our CT technology to the latest version. Finally, the waiting room is too small. Our plan is to replace this very expensive imaging equipment with the latest technology, improve patient efficiency and create a new outpatient entrance that will also include Cardiopulmonary thereby decreasing the duplication of support staff.

The Sonoma Valley Hospital Foundation has agreed to do a capital campaign for this center. As they raise the funds, we will move forward with the project. We do anticipate that they will raise enough for us to begin the design phase of the project at the time we select the partner from the RFP process in early 2018. Since it takes at least 12 months to get a design approved by OSHPD, it is prudent to begin the design now so that we can hopefully begin construction in 2019.

With the recommended design build process, we start with an RFQ to ensure any potential partners have the qualifications to do the construction project. Once we have identified potential partners who meet the qualifications, we will then do an RFP to find the best partner to do the design and construction.

**Consequences of Negative Action/Alternative Actions:**

If we postpone beginning the process for this project, especially the replacement of the CT Scanner and MRI, we may end up with an emergency situation due to the age of the equipment which will increase costs and affect patient care

**Financial Impact:**

The SVHF has agreed to raise the funds for the project and has also agreed to fund the consultants**.**

**Attachments:**
Resolution #355 and a sample application for General Contractor Qualification (RFQ)

**SONOMA VALLEY HEALTH CARE DISTRICT**
**BOARD OF DIRECTORS**

**RESOLUTION NO. 335**

ADOPTION AND IMPLEMENTATION OF DESIGN/BUILD CONSTRUCTION PROCESS FOR THE OUTPATIENT DIAGNOSITC CENTER

**WHEREAS**, the Board of Directors (the "Governing Board") of the Sonoma Valley Health Care District (the "District") previously directed staff to prepare a plan to renovate the Outpatient Services space at the Sonoma Valley Hospital (the "Hospital"); and

**WHEREAS**, after planning and design work by District staff and its consultants, the District identified a preferred plan consisting of an Outpatient Diagnostic Center (the "Project"); and

**WHEREAS**, the District staff and its consultants have prepared a Request for Qualifications ("RFQ") identifying the basic scope, concept drawings and needs of the Project, the expected cost range, and other information deemed necessary to inform interested parties of the public works contracting opportunity; and

**WHEREAS**, California Health and Safety Code section 32132.5 authorizes the District, upon approval of the Governing Board, to use the Design-Build method of project delivery when contracting for the construction of a building and improvements directly related to a hospital or health facility building at Sonoma Valley Hospital; and

**WHEREAS**, the Governing Board finds that use of the Design-Build delivery method for public works will likely (1) reduce comparable costs of the Project, (2) expedite completion of the Project, and (3) provide features and benefits unavailable through the traditional Design-Bid-Build process; and

**NOW, THEREFORE, BE IT RESOLVED**, That the Board of Directors hereby declares its intention to use the Design-Build procedure described in Chapter 4 (commencing with Section 22160) of Part 3 of Division 2 of the Public Contract Code to assign contracts for the renovation of the Outpatient Services space (the Project) at Sonoma Valley Hospital.

**APPROVED, PASSED AND ADOPTED**, by the Board of Directors of the Sonoma Health Care District, Sonoma County, State of California, on September 7, 2017, by the following vote, to wit:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

_____
Jane Hirsch, RN, MS, Board Chair
SONOMA VALLEY HEALTH CARE DISTRICT

ATTEST:

_____
Bill Boerum, Board Secretary
SONOMA VALLEY HEALTH CARE DISTRICT

# 9.
# BUSINESS DEVELOPMENT, MARKETING & COMMUNITY RELATIONS PRESENTATION

# Marketing & Community Outreach Report

September 2017

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# Agenda

- **Goals**
  - Reputation Discussion
- **Marketing**
  - FY17 Highlights
  - New and Expanded Initiatives
- **Community Outreach**
  - Website and Social Media
  - Community Events, Partnerships
  - Community Benefit

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# Our Goals

- **Growth** Increase use of SVH services in Sonoma Valley and the North Bay
  - Increase revenues in key service lines such as bariatrics
  - Support all services
  - Market services outside of Sonoma Valley
  - Inform community of new physicians and services

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- **Engagement** Strengthen community connection through education, partnerships, communications and outreach
  - Facilitate community interaction for physicians
  - Support Foundation efforts to engage donors
  - Increase outreach to Latino community
  - Expand relationships with community partners

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- **Reputation** Communicate why Sonoma Valley residents should have confidence in their hospital
  - Explain why we have a great hospital
  - Communicate quality standards and high level of patient satisfaction (testimonials, RateMyHospital)
  - Address concerns raised by parcel tax vote

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# What Is "Reputation?"

- Fortune's "Most Admired Companies" reflect:
  - Ability to attract and retain good people
  - Management quality
  - Social responsibility
  - Innovation
  - Product or service quality
  - Wise use of corporate assets
  - Financial soundness
  - Long-term investment value
  - Global competitiveness

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# SVH's Reputation Is Solid

## 2015 Survey

91% Important to community health

77% Favorable perception of Hospital

67% Say something positive when asked

## 2016 Survey

80% Patients satisfied with quality of care

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# But There Are Concerns

- Main concern is financial health and fiscal management
- It's important we address these concerns and we are taking steps to do so

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# Our 6-Month Plan

## Jun-Aug

- ✓Address issues raised, clarify misinformation
- •Step up communications, including social media
- •Update messaging
- •Use compensation study
- •Involve stakeholders
- •Reassert transparency
  - Board Chair report
  - CEO blog
  - Open meetings

## Sept-Nov

- ✓Community meetings
- ✓Continue communications (News releases, blogs)
- ✓Board involvement
- ✓Annual report
- ✓Community survey in 2018

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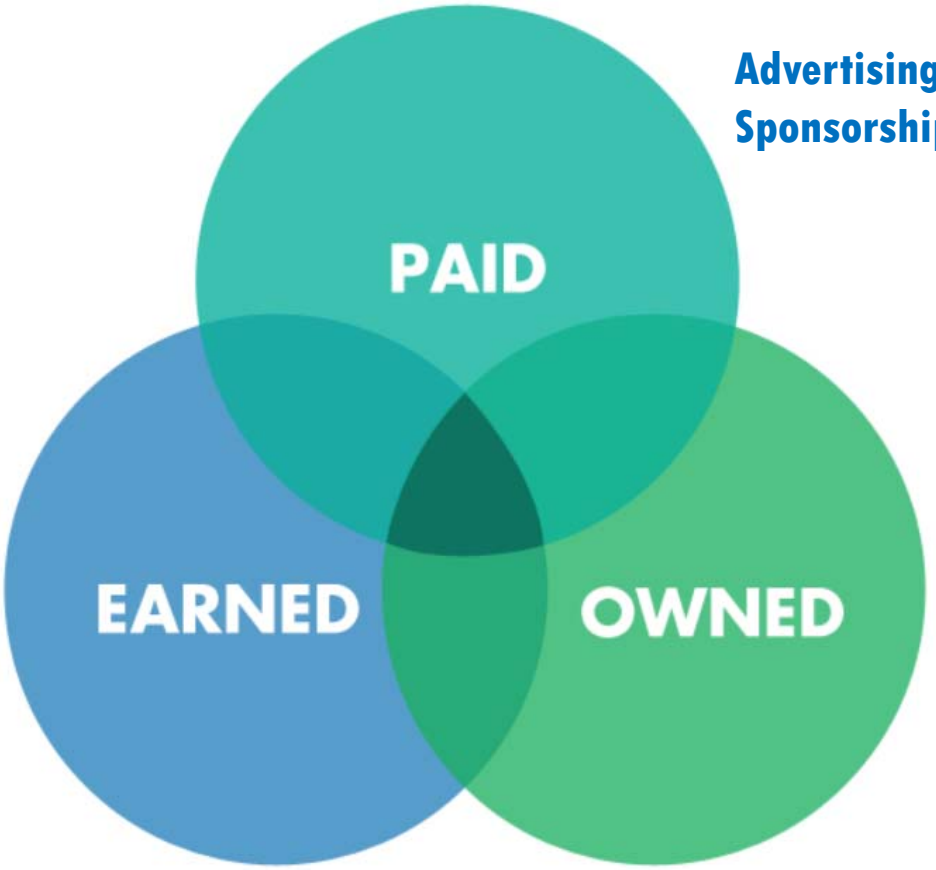
# Our Audiences

- **Sonoma Valley residents**
- **SVH stakeholders**
  - Physicians  Hospital Staff
  - Community Leaders  Donors
  - Community  Health Partners
- **North Bay residents**
- **North Bay referring physicians**

# Our Marketing Toolkit

Advertising,
Sponsorships




News, Articles,
Social Media,
Recognition

Website, Blogs,
Collateral, Events

**Use Marketing and Communications Dollars Wisely**

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Expanded
Regional Approach
Bariatric Surgery
Orthopedic Surgery
Home Health
Occupational Health
Wound Care
Calistoga
Angwin
Norton
Deer Park
Spanish Flat
Winters
Larkfield-Wikiup
Fulton
St Helena
Santa Rosa
Roseland
Oakville
Kenwood
Atlas
Allenda
Occidental
Sebastopol
Bucktown
Oak Knoll
Vacaville
Rohnert Park
Valley Ford
Boyes Hot Springs
Union
Penngrove
Sonoma
Napa
Imola
Mankas Corner
Dillon Beach
Green Valley
Fairfield
Petaluma
Nicks Cove
American Canyon
Marshall
Grizzly Island Wildlife Area
Point Reyes National Seashore
Vallejo
Olema
Suisun Bay
Benicia
San Rafael
El Sobrante
Concord
San Pablo
Pleasant Hill
Larkspur
Richmond


# Regional Approach To Bariatric Surgery

- Leveraged opportunity in North Bay
- Increased referrals through direct mail to physicians in 5 counties
- Developed new collateral for physician and health clinic referrers, and patients (English and Spanish)


# Regional Approach To Bariatric Surgery

## Results:

**+21% growth in bariatric surgeries worth $374,000**

**Increased referrals from physicians and health centers outside Sonoma Valley**

# Bariatrics Digital Advertising

- 6-week Fall online advertising test
- Facebook and Google AdWords
- Sonoma and No Marin, Southern Napa and SW Solano counties
- Target women 25-55
- Ads link to landing page offering information on weight loss surgery
- Measurement: Key words, landing page traffic, seminar sign ups, conversions

# Spotlight On Services

## "You have most of what you need here in Sonoma Valley"

- **Continuous focus on our excellent ED**
- **Highlight new / expanded services, timeshares**
  - General Surgery, Pain Management, Ophthalmology, Urology, ENT, Colorectal Surgery, Nephrology
- **Remind community of established services**
  - Joint Replacement, Rehab/PT, Radiology, Lab, SNF, Home Health, OB/GYN, Wound Care

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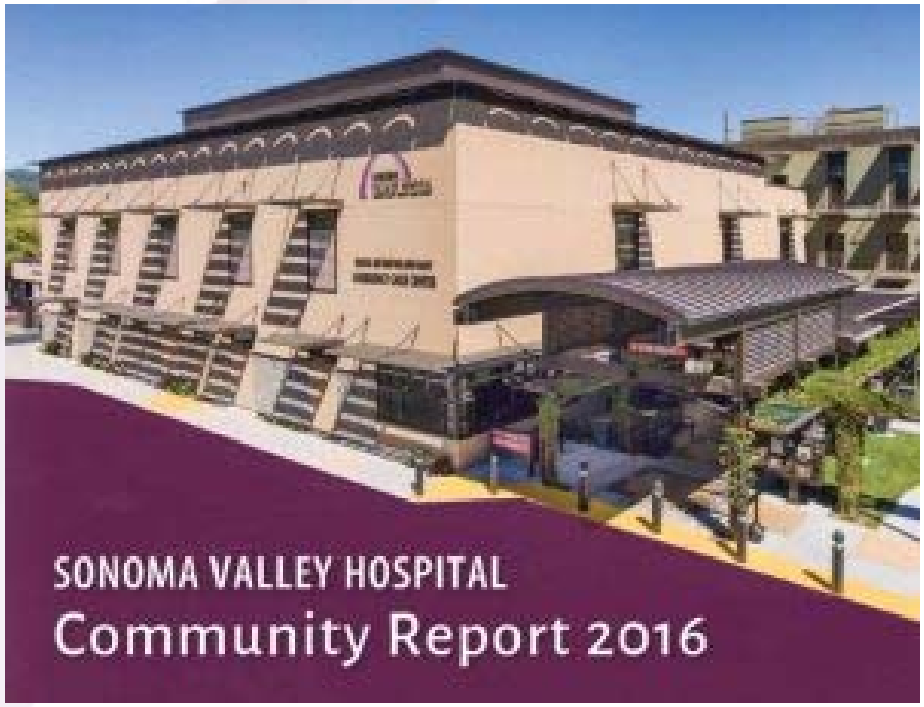
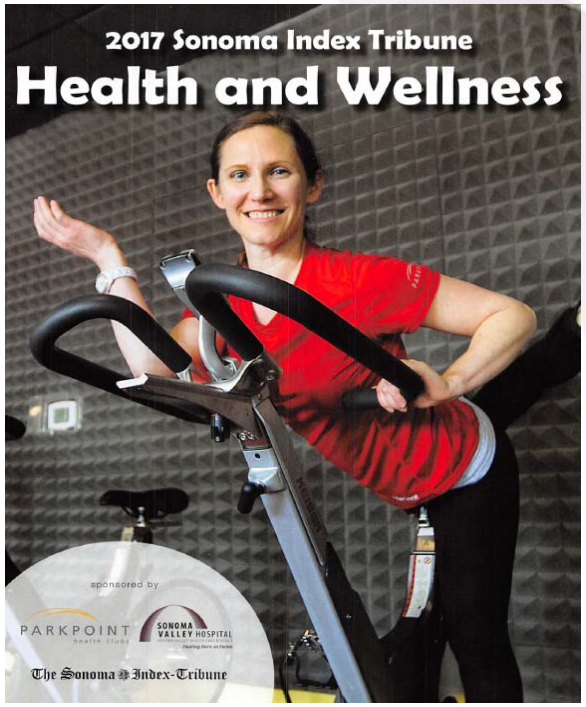
# Spotlight On Services

- **Communicate in English and Spanish through newspaper articles, ads, social media, local radio, events, collateral**




# Annual Report (Dec)

# Health & Wellness Supplement (April)

## Each distributed to 7,000 homes

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# Services Growth

- **Support business development; increased revenue of $1.87 million**

**Increasing volumes in:**

- **Total surgeries**
- **Pain Management**
- **Outpatient services**
- **Emergency Visits**

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# Introduce New Physicians and Surgeons

**GirlTalk**
**Active Aging (Vintage House)**
**Educational Events (Heart Health Month)**
**KSVY Radio Talk Shows**
**Conversations With A Doctor**

**Dr. Kidd at GirlTalk**

# FY 2018

- Introduce expanded Women's Health Services
- Expand bariatrics initiative (regionally and to men)
- Test digital advertising
- Launch "Conversation With Doctor" series
- Continue to expand services regionally
- Introduce new physicians

POST-BARIATRIC SURGERY

Support Group

To help you stay focused and healthy during your post-operative weight-loss journey, Sonoma Valley Hospital and Prima Medical Group offer a support group for their bariatric patients.

The support group will:

- Discuss the possibilities and challenges associated with diet, nutrition and lifestyle that accompany weight-loss surgery
- Provide a safe environment in which every-one can participate, share, ask questions and find support
- Hear from speakers who discuss relevant topics and provide further education
- Learn how to interact with the world in your new body

When: 3rd Tuesday of each month 6:00 pm – 7:00 pm

Where: Sonoma Valley Hospital Schantz Conference Room

Cost: No-cost to participate

*For more information contact:*

Rosalina Gutierrez (707) 938-3870, Ext. 1

Patricia Copass

About the Facilitator Patricia Copass, Group Facilitator

Over the past 25 years, Patricia has been facilitating support groups and promoting open communication among individuals, families, organizations and corporations. As a facilitator she offers tools and methods that assist participants in meeting and achieving results in an environment that is safe and confidential. As a recipient of bariatric surgery herself, she knows from experience how important a support group can be to achieving lasting weight loss and improved health.

347 Andrieux Street • Sonoma, CA 95476 • svh.com

PRIMA MEDICAL GROUP

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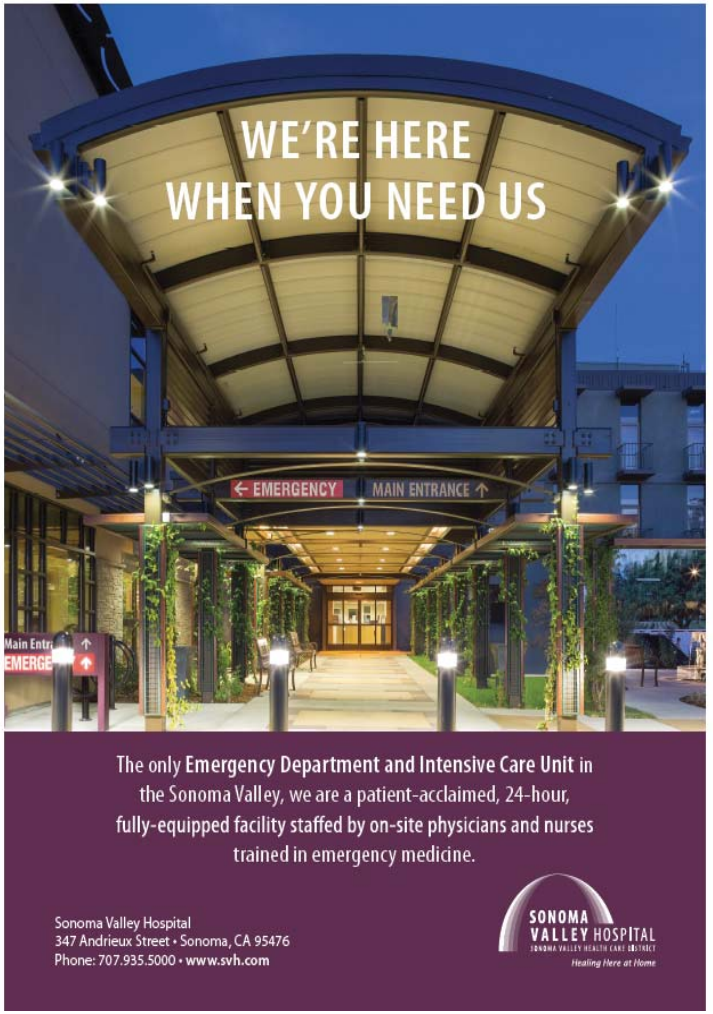
# Reputation & Engagement

## We are Sonoma Valley's hospital, committed to the health of our community

- Quality Care
- Patient-centered Values
- Human Touch
- 24/7 Responsiveness

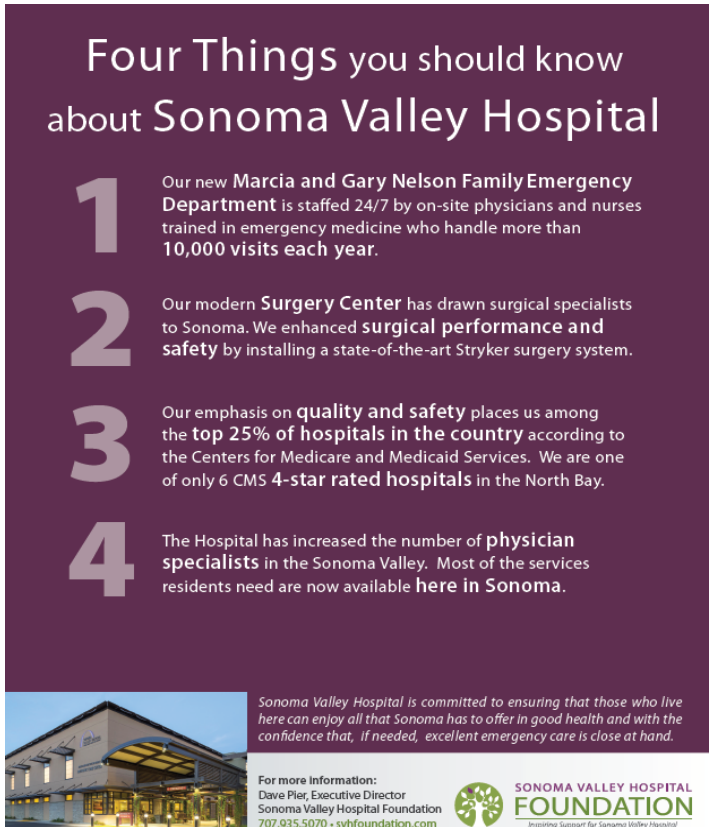


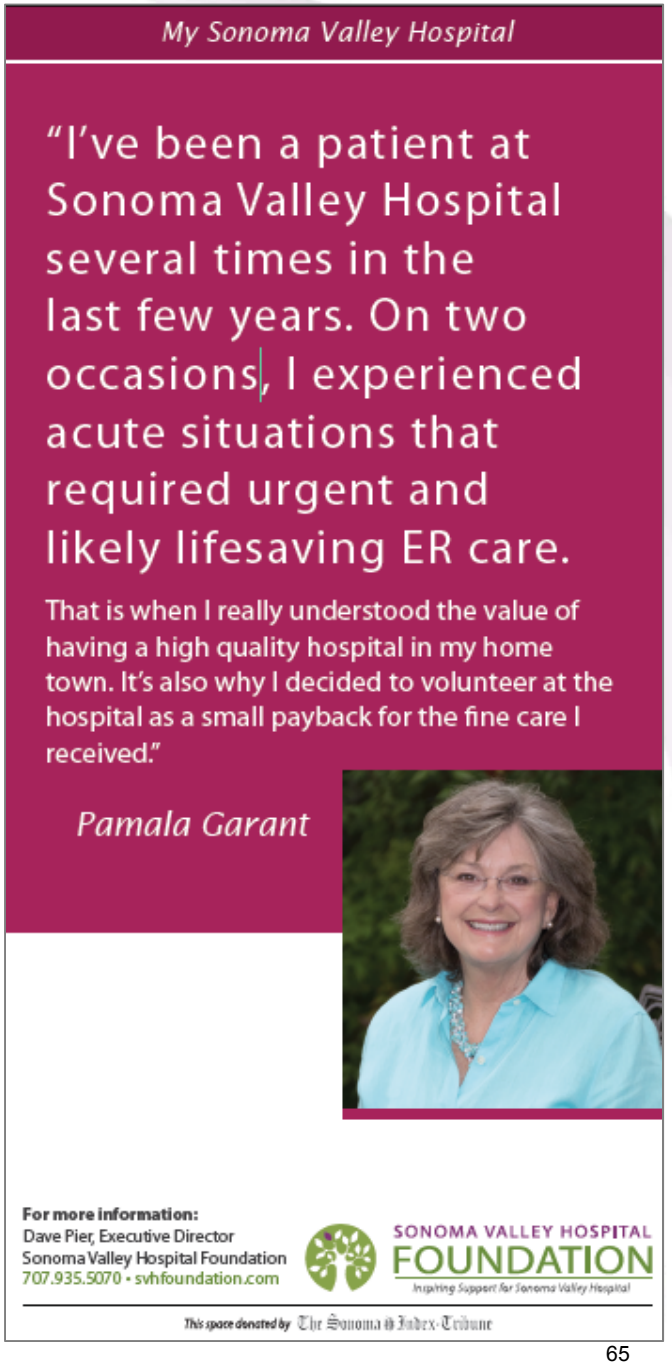
# Community Health Focus



# SVH Foundation

## Celebration of Women
## Project Pink
## Patient Testimonials
## Foundation Website



# Community Communications

## Strong presence through news, articles, blogs, advertising and events

- SVH Events Ads
- Expanded KSVY presence
- CEO blog
- New Board Chair Report
- Community presence:
  - IT's "Best of Sonoma" awards
  - Springs Festival
  - Hit The Road Jack

Upcoming Events
SONOMA VALLEY HOSPITAL
MAY – JUNE 2017

**Project Pink – Throughout May**
SVH's Women's Health Center will provide no-cost mammogram screenings for uninsured and under-insured Sonoma Valley women over the age of 40 during May. **Project Pink** is made available as a community service through a special grant from the Sonoma Valley Hospital Foundation. ***Details:*** Screenings will be conducted at the SVH Women's Health Center, 246 Perkins Street in Sonoma. Bilingual staff available. ***Contact:*** 707.935.5215 or visit svh.com.

**Mother And Baby Classes – May 8**
The Birthplace at SVH has announced its upcoming series for new mothers. The **Mother and Baby Class** discusses care after birth including such topics as breast and bottle feeding, relationship changes, newborn care, mom care, and what to expect in the first weeks and months. ***Details:*** Four weekly sessions will be held from 10:30 am to 12:00 pm, on May 8, 15, 22 and 30. Cost is $80 for the series. ***Contact:*** 707.935.5084.

**Running Clinic – May 10**
SVH's Physical Therapy Dept. is offering a **four-session clinic for experienced and new runners** that will provide information on how to improve performance and reduce injuries. ***Details:*** Sessions will be held on Wednesdays, May 10, 17, 24, and 31, from 6:00 pm – 7:30 pm at the SVH Outpatient Physical Therapy facility located at 19312 Sonoma Highway. Cost is $90 per person for all sessions. ***Contact:*** 707.935.5345.

**GirlTalk – May 19**
SVH's May GirlTalk session, titled ***"Sitting On A Secret,"*** will feature Dr. Sabrina Kidd, MD, FACS, FASCRS, who will discuss the common colon and rectal problems women experience and do so with candor, sensitivity and a touch of humor. ***Details:*** Rodeo Room at MacArthur Place from 6:00 pm till 7:30 pm on Friday, May 19. $10 door charge to cover light refreshments and beverages; no-host bar available. Reservations required. ***Contact:*** 707.935.5257 or girltalk@svh.com.

**Integrative Health Fair – June 3**
SVH and the Integrative Health Network join with Pharamaca Integrative Pharmacy for the second annual **Sonoma Valley Integrative Health Fair**. The focus is on Metabolic Syndrome with emphasis on identification, prevention and reversal. Many Integrative Health specialists will participate. ***Details:*** June 3 at Pharmaca, 303 W. Napa St, Sonoma, 10:00 am to 1:30 pm. ***Contact:*** Pharmaca at 707.938.1147.

*More information about upcoming Hospital classes and events can be found at svh.com*

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# Latino Community Outreach




# Website & Social Media Growth

## SVH Website*

**+6% Traffic**

65,000/year
Average 178/day
68% New visitors

**Top SVH website searches:**

Find A Doctor (Dr. Kidd #1)
Lab
Medical Imaging
Quality Committee
Occupational Health
Emergency Care

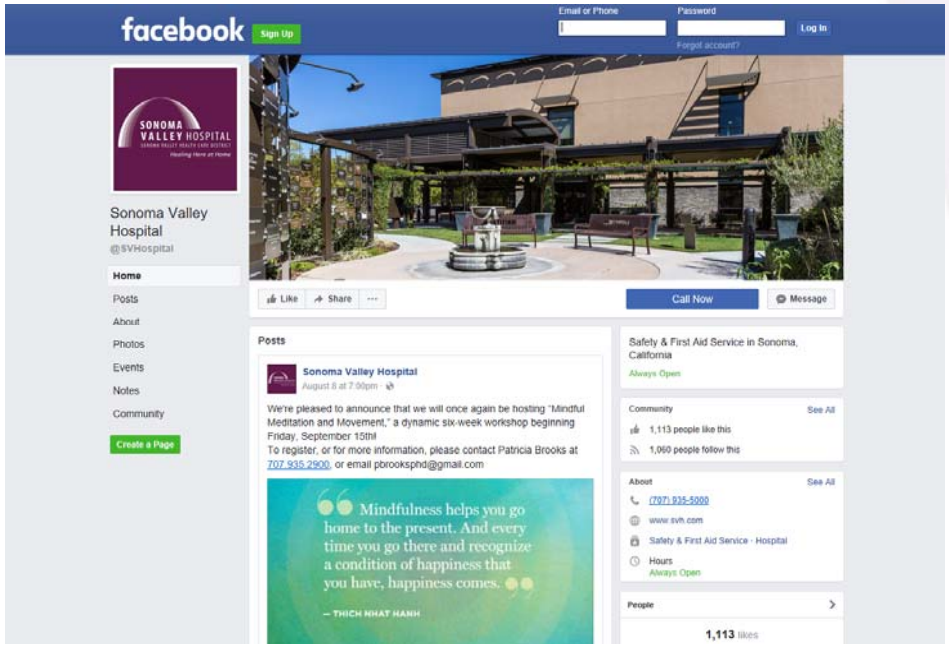
*July 2016 – June 2017

## SVH Facebook Page*

**1,098 'Likes' (+9%)**

## Twitter*

**706 Followers (+31%)**



# Community Partnerships

- Vintage House
- School District
- Community Health Center
- La Luz
- Seven Flags
- FAHA
- Integrated Health Network
- Hit The Road Jack

Heart Health discussion at Seven Flags

# Engaging Our Community

- **Goal:** Draw 1,900 community participants
- **Result: 2,705 participants**

  - Seniors Community Talks (749)
  - Health Fairs (545)
  - Community Partnership events (427)
  - Active Aging (205)
  - Health Screenings (178)
  - Patient Education events (165)
  - Women's Health events (150)
  - Advance Directives Seminars (94)
  - Wellness University (79)
  - Community Talks & Tours (40)
  - Other (27)

# Community Benefit

# Community Benefit
## Goal: 1,500 Hours Annually
## Result: 1,424 Hours

- Blood Pressure Clinics – FAHA, Seven Flags
- FISH
- Healthy Kids
- Integrative Health Network
- Tutoring
- SVH community events
- Advance Health Care Directive Workshops
- Community Service Organizations – Rotary, Kiwanis
- Chamber of Commerce events
- Springs Community Alliance
- KSVY programming – expert guests
- Schools of Hope
- Sonoma Valley Mentoring Alliance
- Sonoma Valley School Health Committee
- Sonoma Valley Senior Alliance & Network
- SVHF Celebration of Women

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# Internal Communications

- Employee Newsletter
- Internal distribution of releases
- New posting system promoting events throughout Hospital

Sonoma Valley Hospital Employee Newsletter
SUMMER 2017

# Insider

YOU ARE "C.R.E.A.T.I.N.G" AN EXCEPTIONAL PLACE TO HEAL

SnapShot: Dave Pier, SVH Foundation "Happy Fourth" July 2017

## What's Coming Up!

**Friday, August 11**
**Backpack Drive**
**(for Back to School Health Fair)**
Check with your Department's Leader to learn how your group can participate by donating a backpack filled with grade appropriate school supplies. For more information contact Ext – 5257

**Saturday, August 12**
**Annual Back To School Health Fair**
**10:00 am - 2:00 pm**
**Sonoma Charter School**
Collaboration with SVCHC and La Luz Center. Event is for all school aged children and youth attending schools in Sonoma Valley and their families. Volunteers are needed, contact Celia Kruse de la Rosa Ext – 5257.

**Friday, September 15**
**Mindful Meditation and Movement Workshop Series begins**
**10:30 am—12:00 pm**
**SVH Basement Conference Room**
Class meets every Friday for six weeks. Led by Patricia Brooks, PhD.
For more information: 707.935.2900, or by email at pbrooksphd@gmail.com

**Wednesday, Sept. 20**
**Wellness University**
**(Final Session for 2017)**
Six biweekly classes held in the Hospital's Basement Conference Room from 8:00 am till 10:00 am. Participants learn about the **Five Keys To Wellness** and their application to daily life. Staff is encouraged to attend. Speak with your Department Leader to schedule or for more information, or contact Vivian Woodall, Ext – 5005.

## Welcome New SVH Team Members!

**Birthplace – Osmaira Marquez Cortes, RN • Cardiopulmonary – Wesam Alduleme,** Respiratory Therapist • **Emergency – Imran Awan,** RN, **Monique Martell, RN • Environmental Services – Sir Ganzen Anore,** Housekeeper; **Marlon King,** Housekeeper • **Laboratory – Maria Berzak,** Laboratory Assistant, • **Med/Surg – Anthony Salas,** Unit Assistant/Telemetry Technician • **Medical Imaging – Jorey Reitman,** Radiological Technologist; **Sonya Todorova,** Medical Imaging Manager • **Nutritional Services – Sylvia Rosas,** Cook; **Katia Voicehowsky,**RD, Outpatient Dietitian • **Outpatient Physical Therapy – Susan Barnes,** Office Coordinator • **Quality & Resource Management – Danielle Jones,** Quality & Risk Management Director • **Skilled Nursing Facility – Orlando Alma,** CNA • **Surgery – Robert Megerle,** RN

## Congratulations! - On The Move - Promotions/Transfers

**Nursing Administration – Sally Staples,** RN, Nursing Manager

## Employee Spotlight: Sonya Todorova, Manager, Medical Imaging

Raised in Bulgaria, **Sonya Todorova** came to the US by means of the Netherlands to Springfield, Missouri. Eventually she moved to Chapel Hills, North Carolina to become the Manager for the 3D Labs at the University of North Carolina. Later Sonya was recruited by Stanford Medical Center and came west. (Continued on Page Two)

## Healthy Tip:
### Enjoy the Outside!

With summer in full-swing, take advantage of the extra sunlight hours to get outside and get some exercise during the workday or afterhours. An easy brisk 20-minute walk breathing fresh air can do wonders for your stress-level. And making it a regular practice can help to minimize weight gain and improve blood flow.

**Wellness Keys:** Balance, Breathing, Positive Choices
**Healing Levels:** Physical, Mental, Spiritual, Emotional

# What's Coming

- Active Aging Series (Sept-Oct)
- Birthplace Classes (Sept-Nov)
- PI Fair (Oct)
- Conversation With A Doctor (Oct and Nov)
- Community Fair (Oct)
- GirlTalk – Dr. LaFollette (Oct)
- Project Pink (Oct)
- Annual Report (Dec)
- Heart Health Month/Cardio (Feb)

Sonoma Valley Hospital and Vintage House present

## ACTIVE AGING LECTURE SERIES

*Live Your Best Life Now*

*Lectures offering insight and information on how to get the most out of your senior years. Open to the community without charge. Light refreshments will be provided.*



**September 21: "Sitting On A Secret."**
**Sabrina Kidd, MD, FACS, FASCRS,** will discuss common colon and rectal problems we all face as we age and do so with candor, sensitivity and a touch of humor. Topics range from hemorrhoids to incontinence and diverticular disease, along with more serious issues such as colorectal cancer, the third most common cancer in both women and men today. Dr. Kidd is a dual board certified colorectal and general surgeon.

**September 28: "Four Scientific Ways to Become Happier!"**
**Patricia Brooks, LCSW, PHD,** will discuss new findings from recent neuroscience research about how to increase our happiness index, focusing on four simple rituals that neuro-scientists claim will change our brain activity and boost our sense of well-being. Dr. Brooks earned her PhD in Healing Psychology and Integrative Medicine, specializing in the Mind-Body connection.

**October 5: "Shaking Up Your Exercise Routine"**
We know it's critical to exercise regularly as we age, but **Marek Grzybowski, MS, PT** discusses why it's also important to add variety to your routine, and provides some ideas on ways to accomplish this. Marek regularly works with Sonoma Valley seniors to help them with balance issues and encourage a more active lifestyle, and is quick to advise, "If you don't move, you rust."

**October 12: "A Look Inside Our Emergency Department"**
In this special session, two emergency medicine physicians, **Robbie Cohen, MD, Chief Medical Officer** for Sonoma Valley Hospital and **Cynthia Lawder, MD, Medical Director** of the hospital's Emergency Department will discuss what typically happens when a patient visits the ED, including the protocols the medical team follows when presented with serious symptoms, such as for stroke or cardiac arrest.

**September 21, 28, and October 5, 12**
**Thursdays • 1:30 pm - 3:00 pm**
Stone Hall at Vintage House
263 1st Street East • Sonoma, CA

vintage house

***RSVP with Vintage House***
at 707.996.0311 or info@vintagehouse.org

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# Thank you

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# 10.

# RESOLUTION No. 336 SETTING THE GO BOND TAX RATE 2017-2018

| | |
|---|---|
| **Meeting Date:** | September 7, 2017 |
| **Prepared by:** | Ken Jensen, CFO |
| **Agenda Item Title:** | Resolution No. 336 - Setting the Tax Rate for the 2017-18 Fiscal Year for GO Bonds |

**Recommendation:**
The Finance Committee recommends to the District Board the approval of the General Obligation Bonds tax rate of $31.90 per $100,000 of the assessed value of the secured property in the District.

**Background and Reasoning:**
This is consistent with prior year resolutions. The total assessed value of the secured property in the District is $9,448,733,253. The tax required to assure payment of the principle interest and reasonable reserve for the Bonds for Fiscal Year 2017-2018 is $2,805,321. The rate, calculated per the Sonoma County's approved formula is $31.90 per $100,000 of assessed valuation. This will generate $3,014,146. The required principle and interest portion is $2,798,326. The trustee reserve is $209,874.

**Consequences of Negative Action/Alternative Actions:**
Without the resolution, the County cannot collect the General Obligation Bond tax.

**Financial Impact:**
The resolution will instruct the County to collect the General Obligation Bond tax to be paid to the bond holders.

**Selection Process and Contract History:**
The Hospital has done similar resolutions in the past.

**Board Committee:**
Finance

**Attachments:**
Resolution No. 336

# SONOMA VALLEY HEALTH CARE DISTRICT

## RESOLUTION No. 336

## RESOLUTION SETTING THE TAX RATE FOR THE 2017-18 FISCAL YEAR FOR THE PAYMENT OF INTEREST ON THE SONOMA VALLEY HEALTH CARE DISTRICT (SONOMA COUNTY, CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2008, SERIES A (2009)

**WHEREAS**, by resolution, adopted by the Board of Directors (the "Board") of the Sonoma Valley Health Care District (the "District") on August 6, 2008, the Board determined and declared that public interest and necessity demanded the need to raise moneys for the expansion, improvement, acquisition, construction, equipping and renovation of health facilities of the District (the "Project"), and the Board called an election to be held within the boundaries of the District in accordance with the California Elections Code;

**WHEREAS**, a special municipal election was held in the District on November 4, 2008 and thereafter canvassed pursuant to law;

**WHEREAS**, an election there was submitted to and approved by the requisite two-thirds (2/3) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for the purpose of raising money for the Project in the maximum aggregate principal amount of $35,000,000, payable from the levy of an *ad valorem* tax against all taxable property in the District;

**WHEREAS**, pursuant to Chapter 4 of Division 23 (commencing with section 32300) of the California Health and Safety Code (the "Act"), the District is empowered to issue general obligation bonds;

**WHEREAS**, the District sold, on January 27, 2009, an initial series of bonds for the purpose of raising funds needed for the Project and for other authorized costs in the aggregate principal amount of $12,000,000, identified as the "Sonoma Valley Health Care District (Sonoma County, California) General Obligation Bonds, Election of 2008, Series A (2009)" (the "Bonds"); and

**WHEREAS**, the District sold, on August 1, 2010, an additional series of bonds for the purpose of raising funds needed for the Project and for other authorized costs in the aggregate principal amount of $23,000,000, identified as the "Sonoma Valley Health Care District (Sonoma County, California) General Obligation Bonds, Election of 2008, Series B (2010)" (the "Bonds"); and

**WHEREAS**, the District sold, on January 28, 2014, a refunding series of bonds for the purpose of refunding the Sonoma Valley Health Care District (Sonoma County, California) General Obligation Bonds, Election of 2008, Series A (2009)" in the aggregate principal amount of $12,437,000, identified as the "Sonoma Valley Health Care District (Sonoma County, California) 2014 General Obligation Refunding Bonds" (the "Bonds"); and

**WHEREAS**, the County has requested that the District provide to the County the tax rate required for Fiscal Year 2017-18 to pay interest on the Bonds and to provide a reasonable reserve;

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF SONOMA VALLEY HEALTH CARE DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

*Section 1.* Recitals. All of the recitals herein are true and correct. To the extent that the recitals relate to findings and determinations of the Board, the Board declares such findings or determinations to be made thereby.

*Section 2.* Tax Rate; Remittance.

(a) Based upon the County's estimate of assessed valuation of all secured property in the District ($9,448,733,253) the tax rate required to assure payment of the principal of, interest on and a reasonable reserve for the Bonds for Fiscal Year 2017-2018 is $31.90 per $100,000 of assessed valuation. It is the intent of the District to provide to the County, by resolution, the tax rate required to assure payment of the principal of, interest on and a reasonable reserve for the Bonds for Fiscal Year 2017-18 and each Fiscal Year thereafter, so long as the Bonds remain outstanding. However, in the event the District fails to provide a tax rate in any year, the County is directed to apply the most recently provided tax rate in such year.

(b) The District hereby delegates to the County Board of Supervisors the authority to annually levy and collect the annual *ad valorem* property taxes required for the payment of the principal of and interest on the Bonds.

(c) The District hereby requests that such amounts, as collected, be remitted directly to The Bank of New York Mellon Trust Company, N.A., the District's paying agent for the Bonds.

*Section 3.* Request for Necessary County Actions. The County Board of Supervisors and the County Auditor-Controller-Treasurer-Tax Collector, and other officials of the County, are hereby directed to take whatever action that may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property within the District at the tax rate specified in Section 2(a) above.

*Section 4.* General Authority. The Chair, the Secretary, the Chief Executive Officer and the Chief Financial Officer, and their respective designees, are each hereby authorized, empowered and directed in the name and on behalf of the District to take any and all steps which they or any of them might deem necessary or appropriate in order to give effect to this resolution.

*Section 5.* Effective Date. This resolution shall take effect immediately on and after its adoption.

* * * * * * * *

**PASSED AND ADOPTED** this 7th day of September 2017, by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Jane Hirsch
Chair, Board of Directors
Sonoma Valley Health Care District

ATTEST:

Bill Boerum
Secretary, Board of Directors
Sonoma Valley Health Care District

# 11.
# RESOLUTION No. 337 ISSUANCE OF BONDS TO REFUND THE OUTSTANDING GENERAL OBLIGATION BONDS

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

**TO:** SVHCD Board of Directors

**FROM:** Gary L. Hicks, President, G.L. Hicks Financial, LLC and
Ken Jensen, CFO

**DATE:** September 7, 2017

**Agenda Item Title:** **Resolution No. 337, Authorizing Commencement of Proceedings in Connection with the 2017 Issuance of Bonds to Refund Outstanding GO Bonds, etc.**

---

**Recommendation:**
On September 7, 2017, the District's Board of Directors (the"Board") will be asked to approve an Initial Resolution authorizing certain officers of the District to take steps necessary for the issuance of refunding revenue bonds (the "2017 Refunding Bonds") in an amount necessary to provide for the refunding of all of the District's outstanding Series B (2010) General Obligation Bonds (the "Bonds to be Refunded"). Adoption of this resolution does not give management or your advisors the authority to issue the 2017 Refunding Bonds, as final authority for issuance of these bonds is expected to be sought at the Board's meeting on October 5, 2017, and will be contingent upon the facts, circumstances and conditions that exist at that time.

**Background and Current Situation:**
Information regarding the Bonds to be refunded is provided below as background information:

| | **2010B Bonds** |
|---|---|
| Proposed Refunding Amount | $19,900,000 |
| Interest Rates | 2.50%-2.75% |
| Final Bond Maturity | 2031 |

We believe that favorable tax-exempt interest rates currently available offer the District an opportunity to generate significant debt service savings relative to the Bonds to be refunded. While interest rates for underwritten bonds are not determined until the bonds are actually sold, the current interest rate environment suggests a possible weighted-average interest rate of approximately 2.60% based upon discussions with selected trading desks and purchasers. We will work with the District to secure a commitment from one or more bank purchasers to purchase the 2017 Refunding Bonds that would also provide an interest rate lock up to 30 days

prior to closing the proposed refinancing, if from a bank purchaser. Without increasing the maturity date of the Bonds to be refunded, we estimate that total debt service savings over the remaining life of the Bonds to be refunded to be approximately $2.0 million (approximately $1.6 million on a present-value basis) based on current estimated market conditions. This estimated savings, if achieved, will reduce debt service for the District and the District's taxpayers by an average of approximately $140,000 annually. If the desired level of savings is not yet available, bonds will not be issued until an acceptable level of savings can be achieved with a refunding. A decision by the Board on this issue will be final.

**Initial Resolution.** The initial resolution is preliminary to the final resolution planned to be considered for approval by the Board at its meeting on October 5, 2017, subject to the facts, circumstances and conditions that exist at that time. The initial resolution describes the use of proceeds of the 2017 Refunding Bonds, establishes a limit as to the principal amount of bonds authorized to be issued and establishes a not-to-exceed final maturity for the 2017 Refunding Bonds. The initial resolution authorizes the Chair and Vice Chair of the Board, the District's Chief Executive Officer and its Chief Financial Officer to take any and all necessary action needed to carry out the intended purposes of this initial resolution.

**Attachments:**
Resolution No. 337

**SONOMA VALLEY HEALTH CARE DISTRICT**
**BOARD OF DIRECTORS**

**RESOLUTION NO. 337**

# RESOLUTION AUTHORIZING THE COMMENCEMENT OF PROCEEDINGS IN CONNECTION WITH THE ISSUANCE OF BONDS OF THE DISTRICT TO REFUND THE OUTSTANDING SONOMA VALLEY HEALTH CARE DISTRICT (SONOMA COUNTY, CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2008, SERIES B (2010), AND APPOINTING A FINANCIAL ADVISOR AND BOND COUNSEL IN CONNECTION THEREWITH

**RESOLVED**, by the Board of Directors (the "Board") of the Sonoma Valley Health Care District (the "District"), as follows:

**WHEREAS**, the District, on August 10, 2010, issued its "Sonoma Valley Health Care District General Obligation Bonds, Election of 2008, Series B (2010)" (the "2010 Bonds"), in the original principal amount of $23,000,000, for authorized District purposes, of which $20,070,000 principal amount remains outstanding;

**WHEREAS**, pursuant to Article 9 of Chapter 3 (commencing with section 53550) of Division 2 of Title 5 of the California Government Code (the "Act"), the District is empowered to issue general obligation refunding bonds;

**WHEREAS**, the District intends to issue general obligation refunding bonds (the "2017 Refunding Bonds") in conformity with the Act to refund, on an advance basis, the 2010 Bonds;

**WHEREAS**, it is anticipated that the 2017 Refunding Bonds will be purchased by one or two institutional investors on a private placement basis;

**WHEREAS**, it is desirable for the Board to authorize the commencement of proceedings in connection with the issuance and sale of the 2017 Refunding Bonds and to engage a financial advisor and bond counsel in connection therewith;

**NOW, THEREFORE**, it is hereby **ORDERED** and **DETERMINED**, as follows:

*Section 1.* The Board hereby authorizes the commencement of proceedings in connection with the issuance and sale of the 2017 Refunding Bonds. Officers and officials of the District are authorized to proceed with the preparation of the necessary documents in connection with the issuance and sale of the 2017 Refunding Bonds, subject to the final approval thereof by the Board at a subsequent meeting.

*Section 2.* G.L. Hicks Financial, LLC, is hereby designated as financial advisor to the District in connection with the issuance and sale of the 2017 Refunding Bonds. The Chair of the Board, the Vice Chair of the Board, the Chief Executive Officer and the Chief Financial Officer, are each hereby authorized and directed in the name and on behalf of the District to execute an agreement for financial advisory services with such firm, with compensation to be paid thereunder from the proceeds of the 2017 Refunding Bonds.

*Section 3.* Quint & Thimmig LLP, is hereby designated as bond counsel to the District in connection with the issuance and sale of the 2017 Refunding Bonds. The Chair of the Board, the Vice Chair of the Board, the Chief Executive Officer and the Chief Financial Officer, are each hereby authorized and directed in the name and on behalf of the District to execute an agreement for legal services with such firm, with compensation to be paid thereunder from the proceeds of the 2017 Refunding Bonds.

*Section 4.* The Chair of the Board, the Vice Chair of the Board, the Chief Executive Officer, the Chief Financial Officer, the Secretary and other appropriate officers and officials of the District are hereby authorized and directed to take such action and to execute such documents as may be necessary or desirable to effectuate the intent of this Resolution.

*Section 5.* This Initial Resolution shall take effect from and after the date of its passage and adoption.

* * * * * * * * * * * * * * * * * *

APPROVED AND ADOPTED this 7th day of September 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

_____

Jane Hirsch
Chair, Board of Directors
Sonoma Valley Health Care District

ATTEST:

_____

Bill Boerum
Secretary, Board of Directors
Sonoma Valley Health Care District

# 12.

# RESOLUTION No. 338 AUTHORIZING THE ISSUANCE OF A TAX & REVENUE ANTICIPATION NOTE

**Meeting Date:** September 7, 2017

**Prepared by:** Finance Committee

**Agenda Item Title:** Resolution #338 authorizing the issuance of a tax and revenue anticipation note

**Recommendation:**
Recommend that the Board approve the resolution to apply to Sonoma County for an advance on the December, 2017 payment of Parcel Tax funds.

**Background:**

The Hospital's reimbursement from federal and state insurance (74% of gross revenue) is below the cost to provide the medical service to these patients.

The shortfall is primarily made up from three sources:

- Commercial insurance (based on eligible billings)
- Parcel Tax proceeds
- Federal payments (IGT, Inter Government Transfer) for serving a disproportionate share of disadvantaged patients in the community.

The anticipated schedule for Federal payments and Parcel Tax proceeds to the Hospital is:

| | | |
|---|---|---|
| • November/December | Federal payment (net amount) | $ 0.8 million |
| • December 25th | 1st Parcel Tax payment | $ 1.9 million |
| • April 25th | 2nd Parcel Tax payment | $ 1.9 million |

The Federal payments require matching funds submitted with the application by the Hospital. The present cash projections show a need for $1,475,000 in matching funds ($800,000 for the Federal IGT application and an additional $675,000 for the Hospital's Prime Grant) in the period from August to September.

This presents a timing issue that disrupts the normal the cash flow of the Hospital. During the summer, the hospital's monthly net revenues are the lowest of the year, generating a lower amount of cash receipts.

The ability to receive an advance from the County on the December parcel tax payment will make it possible to provide the matching funds without a short term increase in the line of credit.

The interest cost on the advance amount would be at an annualized rate of 2%. The maximum amount of the advance available is $1.5 million.

**Consequences of Negative Action/Alternative Actions:**

Providing the matching funds without the Parcel Tax advance payment would create negative consequences

A temporary increase in the existing line of credit.

Lower cash balances

## Financial Impact:

The cost for a $1.5 million advance for the four months prior to the scheduled December tax payment would be approximately $10,000.

## Attachment:

Resolution to Request an Advance on the Parcel Tax

RESOLUTION NO 338

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA VALLEY HEALTH CARE DISTRICT AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION NOTE IN A PRINCIPAL AMOUNT NOT TO EXCEED $1,500,000.**

THE BOARD OF DIRECTORS OF SONOMA VALLEY HEALTH CARE DISTRICT RESOLVES AS FOLLOWS:

**WHEREAS**, pursuant to Section 53850 *et seq.* of the Government Code of the State of California (the "Government Code") contained in Article 7.6, entitled "Temporary Borrowing," a healthcare district may borrow money by issuing notes (the "Notes") for any purpose for which the health care district is authorized to expend moneys, including but not limited to, current expenses, capital expenditures, investment and reinvestment, and the discharge of any obligation or indebtedness of the district; and

**WHEREAS**, pursuant to Section 53856 of the Government Code, the District may pledge its parcel tax revenue to the repayment of Notes, which shall be issued as a general obligation of the District, and to the extent not paid from the taxes pledged for the payment thereof, shall be paid with interest thereon from any other moneys of the District lawfully available therefor as required by Section 53857 of the Government Code; and

**WHEREAS**, the District desires to finance certain obligations incurred by the District in connection with prior operations and ongoing operations: and

**WHEREAS**, the District has determined that the sum of $1,500,000 is needed to satisfy payment obligations of the District which the District anticipates will become payable prior to the receipt of anticipated parcel tax revenue, and that it is necessary that said sum be borrowed in anticipation of the receipt of taxes to be received by the District during Fiscal Year 2017–2018; and

**WHEREAS**, the District finds and determines that it is in the best interest of the District to finance its obligations through the issuance of tax and revenue anticipation notes and has determined to issue Sonoma Valley Health Care District Parcel Tax Revenue Anticipation Note, Series 2017 (the "Series 2017 Note"); and

**WHEREAS**, the Series 2017 Note shall mature on January 31, 2018, which is consistent with the requirement that repayment be made from available funds that have been received or accrued to the District within the fiscal year in which the Notes are issued, or in a succeeding fiscal year from funds accruing in the fiscal year of issuance; and

**WHEREAS**, the District to provide authority to staff to enter into a parcel tax agreement with the Sonoma County.

**NOW, THEREFORE**, be it known that the Board of Directors of the Sonoma Valley Health Care District resolves as follows:

**Section 1.** The Series 2017 Note may be issued in order to obtain moneys to carry out the District's purposes. The maximum principal amount of the Series 2017 Note which may be issued hereunder is limited to $1,500,000.

**Section 2.** The Series 2017 Note shall be evidenced and issued in the principal amount of $1,500,000. Registered ownership of the Series 2017 Note will be with Sonoma County, as purchaser of the Note, and shall not be transferred thereafter. The Series 2017 Note in the principal amount of $1,500,000 constitutes a "note" and is being issued pursuant to the provisions of section 53854 of the California Government Code.

**Section 3.** The Series 2017 Note shall be dated as of September 7, 2017, and interest thereon shall be payable upon maturity. The Series 2017 Note shall mature on January 31, 2018, and shall bear interest at the rate of 2.00 percent per annum. If the District fails to pay the note when due, the ACTTC may retain enough of the parcel tax proceeds to satisfy the principle and interest.

**Section 4.** The Series 2017 Note shall be substantially in the form set forth in Exhibit A, attached hereto and by this reference incorporated herein.

**Section 5.** The Board of Directors has reviewed all proceedings heretofore taken relative to the authorization of the Series 2017 Note and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, happen or be performed precedent to and in the issuance of the Series 2017 Note do exist, have happened and have been performed in due time, form and manner as required by applicable law, and the District is now authorized, pursuant to each and every requirement of applicable law to issue the Series 2017 Note.

**Section 6.** The Series 2017 Note may be redeemed prior to Maturity at any time, without any premium.

**Section 7.** The District's obligation to pay the principal and interest on the Series 2017 Note shall be an obligation payable from parcel tax revenues and, to the extent parcel tax revenues are insufficient therefor, subject to any existing or future liens or encumbrances thereon, from any other available moneys of the District.

**Section 8.** The District's Chief Executive Officer, or designee, upon the advice of the District's legal counsel or special financial consultants, is hereby authorized to do any and all things and to execute, modify and deliver any and all documents that they may deem necessary in order to effectuate the transactions contemplated by this Resolution and to otherwise carry out the purposes of this Resolution.

**Section 9.** This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this September 7, 2017, by the following votes:

AYES
NOES
ABSENT
ABSTAIN

_____
Jane Hirsch
Chair, Board of Directors

_____
Bill Boerum
Secretary, Board of Directors

S0392001/4834-1657-6590-1

**FORM OF NOTE**

United States of America
State of California
Sonoma County

**SONOMA VALLEY HEALTH CARE DISTRICT**
**(Sonoma County, California)**
**Parcel Tax Revenue Anticipation Note, Series 2017**

| INTEREST RATE: | MATURITY DATE: | DATED DATE: |
|---|---|---|
| 2.00% | January 31, 2018 | |

| | |
|---|---|
| REGISTERED OWNER: | SONOMA COUNTY TREASURY |
| | |
| PRINCIPAL SUM: | $1,500,000.00 |

FOR VALUE RECEIVED, the Sonoma Valley Health Care District, a local health care district organized and existing under and pursuant to The Local Health Care District Law of the State of California (the "District"), hereby acknowledges itself indebted to and promises to pay to the Owner stated above, the Principal Sum stated above in lawful money of the United States of America, on the Maturity Date stated above, or date of earlier redemption as described below, together with interest thereon in like lawful money from the date hereof until payment of such Principal Sum shall be discharged, at the Interest Rate per annum stated above.

It is hereby certified, recited, and declared that this Note is issued pursuant to the provisions of Resolution No. 338 of the Board of Directors of the District duly passed and adopted on September 7, 2017, and pursuant to Section 32130 of the California Health and Safety Code, and that all things, conditions, and acts required to exist, happen, and be performed, exist, have happened, and been performed in regular and due time, form, and manner as required by law, and that the amount of this Note, together with all other indebtedness and obligations of the District, does not exceed any limit prescribed by the Constitution and laws of the State of California.

The Principal Sum of the Note, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other monies which are held or received by the District for the fiscal year 2017-2018 and which are lawfully available for the current expenses and other obligations of the District. Specifically, the Principal Sum of the Note, together with the interest thereon, shall be payable from the proceeds of the District's special tax on parcels of property within the District authorized at an election held on June 6, 2017 (the "Tax").

The Note is issued as a fully registered Note, without coupons. The Note is not transferable by its registered owner.

The Note shall be redeemed at any time, without premium, upon receipt by the District of proceeds from the Tax for fiscal year 2017-2018.

If the Note is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.

IN WITNESS WHEREOF, SONOMA VALLEY HEALTH CARE DISTRICT has caused this Note to be executed in its name and on its behalf by the manual signature of its Chief Executive Officer and attested by the manual signature of the Secretary of its Board of Directors, all as of the Dated Date stated above.

SONOMA VALLEY HEALTH CARE DISTRICT

By: _____
Kelly Mather, Chief Executive Officer

ATTEST:

_____
Bill Boerum, Secretary of the Board of Directors

## CLERK'S CERTIFICATE

I, _____, Clerk of the Governing Board of the Sonoma Valley Health Care District of the County of Sonoma, State of California, do hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a special/regular meeting of the Governing Board of said District, regularly held at the regular meeting place thereof, on July 1, 2009, of which meeting all the members of said Governing Board had due notice.

I further certify that said resolution has not been amended, modified, or rescinded since the date of its adoption and the same is now in full force and effect.

ATTEST: This _____ day of _____.

_____
Stacey J. Finn, Clerk of the Governing Board of
the Sonoma Valley Health Care District

County of Sonoma, State of California

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## COUNTY TREASURER'S AUTHORIZATION

(Per County of Sonoma Resolution 91-0271)

The attached request for borrowing is in compliance with the requirements of Article XVI, Section 6, of the State Constitution and with Resolution 91-0271 of the County of Sonoma.

Approved By:

_____
Erick Roeser
Auditor-Controller/Treasurer-Tax Collector
County of Sonoma

Date: _____

---

Amount to be collected on Property Tax Bill _____

Amount requested _____
Percent of Property Tax Bill Requested _____
(Not to exceed 85% of outstanding property taxes)

# 13.
# FINANCIAL REPORT MONTH ENDING JULY 30, 2017

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

**To:** **SVH Finance Committee**
**From:** **Ken Jensen, CFO**
**Date:** **August 22, 2017**
**Subject:** **Financial Report for the Month Ending July 31, 2017**

The actual loss of ($593,013) from operations for July was ($127,043) unfavorable to the budgeted loss of ($465,970). After accounting for all other activity; the July net loss was ($197,906) vs. the budgeted net loss of ($62,374) with a monthly EBIDA of -0.1% vs. a budgeted 2.3%.

**Gross patient revenue** for July was $21,164,140, ($992,736) less than expected. Inpatient gross revenue was under budget by ($1,691,016). Inpatient days were under budget by (139) days and inpatient surgeries were under budgeted expectations by (5) cases. Outpatient revenue was over budget by $662,451. Outpatient visits were under budgeted expectations by (485) visits, but outpatient surgeries were over budget by 43 cases. The Emergency Room gross revenue is over budget by $164,226; with ER visits close to budgeted expectations at 920 visits. SNF gross charges were under budgeted expectations by ($102,353) and SNF patient days were under budget by (35) days. Home Health was under budget by ($26,044) with visits under budget by (90) visits.

**Deductions from revenue** were favorable to budgeted expectations by $1,229,991. The favorable variance is due to the recording of the Rate Range IGT for FY 15-16. The revenue deductions were offset by the accrual of the Rate Range IGT of $849,238 and Prime grant of $125,000. Without the accrual of the additional government funding, the revenue deductions would be favorable to budget by $569,025.

After accounting for all other operating revenue, the **total operating revenue** was favorable to budget by $234,286.

**Operating Expenses** of $5,592,191 were unfavorable to budget by ($361,329). ($423,110) of the variance is due to the matching fee for the Rate Range IGT in which the hospital will receive $849,238 in September or October. The matching fee of $509,543 was accrued for in July, but the budget for the matching fee was spread evenly through-out the year due to the timing of the IGT requests.

Salaries and wages and agency fees are under budget by $72,018. Salaries and wages are under budget by $92,985 and agency fees are over budget by ($20,967). Employee benefits are over budget by ($28,451) due to PTO being over budget by ($9,737) and employee health benefits being over budgeted expectations by ($18,714). Medical and Professional Fees are better than budget by $39,331. Medical fees are under budget by $26,259 and other professional fees are under budget by $13,072 due to

services not being used in July. Supplies are over budget in July primarily in surgery, ($102,083), due to the cost of implants being over budget by ($83,456).

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for July was ($338,323) vs. a budgeted net loss of ($217,208). The total net loss for July after all activity was ($197,906) vs. a budgeted net loss of ($62,374).

EBIDA for the month of July was -0.1% vs. the budgeted 2.3%.

**Patient Volumes – July**

| | ACTUAL | BUDGET | VARIANCE | PRIOR YEAR |
|---|---|---|---|---|
| **Acute Discharges** | **76** | **98** | **-22** | **103** |
| **Newborn Discharges** | **8** | **15** | **-7** | **14** |
| **Acute Patient Days** | **240** | **379** | **-139** | **386** |
| **SNF Patient Days** | **528** | **563** | **-35** | **563** |
| **Home Care Visits** | **870** | **960** | **-90** | **960** |
| **OP Gross Revenue** | **$14,175** | **$13,401** | **$774** | **$12,605** |
| **Surgical Cases** | **162** | **124** | **38** | **116** |

**Gross Revenue Overall Payer Mix – July**

| | ACTUAL | BUDGET | VARIANCE | YTD ACTUAL | YTD BUDGET | VARIANCE |
|---|---|---|---|---|---|---|
| **Medicare** | **42.2%** | **45.3%** | **-3.1%** | **42.2%** | **45.3%** | **-3.1%** |
| **Medicare Mgd Care** | **12.3%** | **10.0%** | **2.3%** | **12.3%** | **10.0%** | **2.3%** |
| **Medi-Cal** | **20.2%** | **18.1%** | **2.1%** | **20.2%** | **18.1%** | **2.1%** |
| **Self Pay** | **0.8%** | **1.3%** | **-0.5%** | **0.8%** | **1.3%** | **-0.5%** |
| **Commercial** | **20.0%** | **20.4%** | **-0.4%** | **20.0%** | **20.4%** | **-0.4%** |
| **Workers Comp** | **2.0%** | **2.9%** | **-0.9%** | **2.0%** | **2.9%** | **-0.9%** |
| **Capitated** | **2.5%** | **2.0%** | **0.5%** | **2.5%** | **2.0%** | **0.5%** |
| **Total** | **100.0%** | **100.0%** | | **100.0%** | **100.0%** | |

**Cash Activity for July:**

For the month of July the cash collection goal was $4,032,716 and the Hospital collected $4,012,551 or under the goal by ($20,165). Days of cash on hand are 16.5 days at July 31, 2017. Accounts Receivable decreased from June, from 45.3 days to 44.8 days in July. Accounts Payable decreased by $356,572 from June and Accounts Payable days are at 42.1

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**ATTACHMENTS:**

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

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

ATTACHMENT A

| | July-17 | | | | YTD | | | |
|---|---|---|---|---|---|---|---|---|
| **Gross Revenue:** | **Actual** | **Budget** | **Variance** | **% Variance** | **Actual** | **Budget** | **Variance** | **% Variance** |
| Medicare | 8,900,050 | 10,031,340 | -1,131,290 | -11.3% | 8,900,050 | 10,031,340 | -1,131,290 | -11.3% |
| Medicare Managed Care | 2,607,446 | 2,207,689 | 399,757 | 18.1% | 2,607,446 | 2,207,689 | 399,757 | 18.1% |
| Medi-Cal | 4,270,665 | 4,008,350 | 262,315 | 6.5% | 4,270,665 | 4,008,350 | 262,315 | 6.5% |
| Self Pay | 175,726 | 279,383 | -103,657 | -37.1% | 175,726 | 279,383 | -103,657 | -37.1% |
| Commercial & Other Government | 4,250,426 | 4,541,108 | -290,682 | -6.4% | 4,250,426 | 4,541,108 | -290,682 | -6.4% |
| Worker's Comp. | 422,772 | 642,153 | -219,381 | -34.2% | 422,772 | 642,153 | -219,381 | -34.2% |
| Capitated | 537,055 | 446,853 | 90,202 | 20.2% | 537,055 | 446,853 | 90,202 | 20.2% |
| **Total** | **21,164,140** | **22,156,876** | **(992,736)** | | **21,164,140** | **22,156,876** | **(992,736)** | |

| **Net Revenue:** | **Actual** | **Budget** | **Variance** | **% Variance** | **Actual** | **Budget** | **Variance** | **% Variance** |
|---|---|---|---|---|---|---|---|---|
| Medicare | 1,308,592 | 1,569,664 | -261,072 | -16.6% | 1,308,592 | 1,569,664 | -261,072 | -16.6% |
| Medicare Managed Care | 387,758 | 283,434 | 104,324 | 36.8% | 387,758 | 283,434 | 104,324 | 36.8% |
| Medi-Cal | 728,405 | 585,808 | 142,597 | 24.3% | 728,405 | 585,808 | 142,597 | 24.3% |
| Self Pay | 105,436 | 125,923 | -20,487 | -16.3% | 105,436 | 125,923 | -20,487 | -16.3% |
| Commercial & Other Government | 1,252,243 | 1,558,988 | -306,745 | -19.7% | 1,252,243 | 1,558,988 | -306,745 | -19.7% |
| Worker's Comp. | 84,625 | 165,970 | -81,345 | -49.0% | 84,625 | 165,970 | -81,345 | -49.0% |
| Capitated | 13,506 | 14,489 | -983 | -6.8% | 13,506 | 14,489 | -983 | -6.8% |
| Prior Period Adj/IGT | 974,238 | 313,272 | 660,966 | * | 974,238 | 313,272 | 660,966 | * |
| **Total** | **4,854,803** | **4,617,548** | **237,255** | **5.1%** | **4,854,803** | **4,617,548** | **237,255** | **5.1%** |

| **Percent of Net Revenue:** | **Actual** | **Budget** | **Variance** | **% Variance** | **Actual** | **Budget** | **Variance** | **% Variance** |
|---|---|---|---|---|---|---|---|---|
| Medicare | 27.0% | 34.0% | -7.0% | -20.6% | 27.0% | 34.0% | -7.0% | -20.6% |
| Medicare Managed Care | 8.0% | 6.1% | 1.9% | 31.1% | 8.0% | 6.1% | 1.9% | 31.1% |
| Medi-Cal | 15.0% | 12.7% | 2.3% | 18.1% | 15.0% | 12.7% | 2.3% | 18.1% |
| Self Pay | 2.2% | 2.7% | -0.5% | -18.5% | 2.2% | 2.7% | -0.5% | -18.5% |
| Commercial & Other Government | 25.7% | 33.8% | -8.1% | -24.0% | 25.7% | 33.8% | -8.1% | -24.0% |
| Worker's Comp. | 1.7% | 3.6% | -1.9% | -52.8% | 1.7% | 3.6% | -1.9% | -52.8% |
| Capitated | 0.3% | 0.3% | 0.0% | 0.0% | 0.3% | 0.3% | 0.0% | 0.0% |
| Prior Period Adj/IGT | 20.1% | 6.8% | 13.3% | * | 20.1% | 6.8% | 13.3% | * |
| **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 | 14.7% | 15.7% | -1.0% | -6.4% | 14.7% | 15.7% | -1.0% | -6.4% |
| Medicare Managed Care | 14.9% | 12.8% | 2.1% | 16.4% | 14.9% | 12.8% | 2.1% | 16.4% |
| Medi-Cal | 17.1% | 14.6% | 2.5% | 17.1% | 17.1% | 14.6% | 2.5% | 17.1% |
| Self Pay | 60.0% | 45.1% | 14.9% | 33.0% | 60.0% | 45.1% | 14.9% | 33.0% |
| Commercial & Other Government | 29.5% | 34.3% | -4.8% | -14.0% | 29.5% | 34.3% | -4.8% | -14.0% |
| Worker's Comp. | 20.0% | 25.8% | -5.8% | -22.5% | 20.0% | 25.8% | -5.8% | -22.5% |
| Capitated | 2.5% | 3.2% | -0.7% | -21.9% | 2.5% | 3.2% | -0.7% | -21.9% |
| Prior Period Adj/IGT | 4.6% | 1.4% | 3.2% | * | 4.6% | 1.4% | 3.2% | * |

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

**ATTACHMENT B**

| | CURRENT MONTH | | | | YEAR-TO-DATE | | | YTD |
|---|---|---|---|---|---|---|---|---|
| | Actual 07/31/17 | Budget 07/31/17 | Favorable (Unfavorable) Variance | | Actual 07/31/17 | Budget 07/31/17 | Favorable (Unfavorable) Variance | Prior Year 07/31/16 |
| | | | | **Inpatient Utilization** | | | | |
| | | | | **Discharges** | | | | |
| **1** | 57 | 84 | (27) | Acute | 57 | 84 | (27) | 88 |
| **2** | 19 | 14 | 5 | ICU | 19 | 14 | 5 | 15 |
| **3** | 76 | 98 | (22) | Total Discharges | 76 | 98 | (22) | 103 |
| **4** | 8 | 15 | (7) | Newborn | 8 | 15 | (7) | 13 |
| **5** | 84 | 112 | (28) | Total Discharges inc. Newborns | 84 | 112 | (28) | 116 |
| | | | | **Patient Days:** | | | | |
| **6** | 159 | 291 | (132) | Acute | 159 | 291 | (132) | 298 |
| **7** | 81 | 88 | (7) | ICU | 81 | 88 | (7) | 88 |
| **8** | 240 | 379 | (139) | Total Patient Days | 240 | 379 | (139) | 386 |
| **9** | 7 | 30 | (23) | Newborn | 7 | 30 | (23) | 28 |
| **10** | 247 | 409 | (162) | Total Patient Days inc. Newborns | 247 | 409 | (162) | 414 |
| | | | | **Average Length of Stay:** | | | | |
| **11** | 2.8 | 3.5 | (0.7) | Acute | 2.8 | 3.5 | (0.7) | 3.4 |
| **12** | 4.3 | 6.2 | (1.9) | ICU | 4.3 | 6.2 | (1.9) | 5.9 |
| **13** | 3.2 | 3.9 | (0.7) | Avg. Length of Stay | 3.2 | 3.9 | (0.7) | 3.7 |
| **14** | 0.9 | 2.0 | (1.2) | Newborn ALOS | 0.9 | 2.0 | 1.2 | 2.2 |
| | | | | **Average Daily Census:** | | | | |
| **15** | 5.1 | 9.4 | (4.3) | Acute | 5.1 | 9.4 | (4.3) | 9.6 |
| **16** | 2.6 | 2.8 | (0.2) | ICU | 2.6 | 2.8 | (0.2) | 2.8 |
| **17** | 7.7 | 12.2 | (4.5) | Avg. Daily Census | 7.7 | 12.2 | (4.5) | 12.5 |
| **18** | 0.2 | 1.0 | (0.7) | Newborn | 0.23 | 0.96 | (0.7) | 0.90 |
| | | | | **Long Term Care:** | | | | |
| **19** | 528 | 563 | (35) | SNF Patient Days | 528 | 563 | (35) | 563 |
| **20** | 23 | 25 | (2) | SNF Discharges | 23 | 25 | (2) | 26 |
| **21** | 17.0 | 18.2 | (1.1) | Average Daily Census | 17.0 | 18.2 | (1.1) | 18.2 |
| | | | | **Other Utilization Statistics** | | | | |
| | | | | **Emergency Room Statistics** | | | | |
| **22** | 920 | 940 | (20) | Total ER Visits | 920 | 940 | (20) | 940 |
| | | | | **Outpatient Statistics:** | | | | |
| **23** | 4,327 | 4,812 | (485) | Total Outpatients Visits | 4,327 | 4,812 | (485) | 4,217 |
| **24** | 29 | 34 | (5) | IP Surgeries | 29 | 34 | (5) | 43 |
| **25** | 133 | 90 | 43 | OP Surgeries | 133 | 90 | 43 | 73 |
| **26** | 52 | 34 | 18 | Special Procedures | 52 | 34 | 18 | 57 |
| **27** | 870 | 960 | (90) | Home Health Visits | 870 | 960 | (90) | 960 |
| **28** | 301 | 310 | (10) | Adjusted Discharges | 301 | 310 | (10) | 316 |
| **29** | 2,332 | 2,384 | (52) | Adjusted Patient Days (Inc. SNF) | 2,332 | 2,384 | (52) | 2,322 |
| **30** | 75.2 | 76.9 | (1.7) | Adj. Avg. Daily Census (Inc. SNF) | 75.2 | 76.9 | (1.7) | 74.9 |
| **31** | 1.6512 | 1.4000 | 0.251 | Case Mix Index -Medicare | 1.6512 | 1.4000 | 0.251 | 1.8410 |
| **32** | 1.5037 | 1.4000 | 0.104 | Case Mix Index - All payers | 1.5037 | 1.4000 | 0.104 | 1.5910 |
| | | | | **Labor Statistics** | | | | |
| **33** | 271 | 283 | 11.7 | FTE's - Worked | 271 | 283 | 11.7 | 278 |
| **34** | 318 | 324 | 6.0 | FTE's - Paid | 318 | 324 | 6.0 | 320 |
| **35** | 40.85 | 41.35 | 0.50 | Average Hourly Rate | 40.85 | 41.35 | 0.50 | 39.49 |
| **36** | 24.1 | 24.0 | (0.1) | Manhours / Adj. Pat Day | 24.1 | 24.0 | (0.1) | 24.4 |
| **37** | 186.9 | 184.4 | (2.5) | Manhours / Adj. Discharge | 186.9 | 184.4 | (2.5) | 179.3 |
| **38** | 23.8% | 22.3% | -1.5% | Benefits % of Salaries | 23.8% | 22.3% | -1.5% | 23.5% |
| | | | | **Non-Labor Statistics** | | | | |
| **39** | 11.0% | 10.6% | -0.4% | Supply Expense % Net Revenue | 11.0% | 10.6% | -0.4% | 9.9% |
| **40** | 1,832 | 1,624 | (208) | Supply Exp. / Adj. Discharge | 1,832 | 1,624 | (208) | 1,625 |
| **41** | 19,161 | 17,386 | (1,775) | Total Expense / Adj. Discharge | 19,161 | 17,386 | (1,775) | 17,827 |
| | | | | **Other Indicators** | | | | |
| **42** | 16.5 | | | Days Cash - Operating Funds | | | | |
| **43** | 44.8 | 50.0 | (5.2) | Days in Net AR | 44.8 | 50.0 | (5.2) | 54.8 |
| **44** | 99% | | | Collections % of Net Revenue | 99% | | | 106.3% |
| **45** | 42.1 | 55.0 | (12.9) | Days in Accounts Payable | 42.1 | 55.0 | (12.9) | 51.7 |
| **46** | 23.6% | 21.4% | 2.2% | % Net revenue to Gross revenue | 23.6% | 21.4% | 2.2% | 24.3% |
| **47** | 23.6% | | | % Net AR to Gross AR | 23.6% | | | 25.4% |

**Sonoma Valley Health Care District**

**ATTACHMENT C**

**Balance Sheet**

**As of July 31, 2017**

| | | Current Month | Prior Month | Prior Year |
|---|---|---|---|---|
| | **Assets** | | | |
| | Current Assets: | | | |
| 1 | Cash | $ 2,817,486 | $ 3,166,281 | $ 1,822,803 |
| 2 | Trustee Funds | 3,966,031 | 3,966,031 | 3,420,699 |
| 3 | Net Patient Receivables | 8,591,450 | 9,409,871 | 8,759,013 |
| 4 | Allow Uncollect Accts | (1,388,210) | (1,441,052) | (923,051) |
| 5 | Net A/R | 7,203,240 | 7,968,819 | 7,835,962 |
| 6 | Other Accts/Notes Rec | 6,992,879 | 7,137,441 | 7,220,036 |
| 7 | 3rd Party Receivables, Net | 1,984,109 | 1,455,586 | 1,615,467 |
| 8 | Inventory | 832,480 | 832,006 | 818,225 |
| 9 | Prepaid Expenses | 866,556 | 848,434 | 933,945 |
| 10 | Total Current Assets | $ 24,662,781 | $ 25,374,598 | $ 23,667,137 |
| 12 | Property,Plant & Equip, Net | $ 52,992,569 | $ 53,261,936 | $ 52,121,582 |
| 13 | Specific Funds | 918,789 | 918,711 | 624,979 |
| 14 | Other Assets | - | - | 144,537 |
| 15 | Total Assets | $ 78,574,139 | $ 79,555,245 | $ 76,558,235 |
| | **Liabilities & Fund Balances** | | | |
| | Current Liabilities: | | | |
| 16 | Accounts Payable | $ 3,169,107 | $ 3,525,679 | $ 3,885,659 |
| 17 | Accrued Compensation | 4,617,538 | 4,524,435 | 4,217,183 |
| 18 | Interest Payable | 661,595 | 551,329 | 685,537 |
| 19 | Accrued Expenses | 1,640,488 | 1,623,579 | 1,227,518 |
| 20 | Advances From 3rd Parties | 474,728 | 510,275 | 116,712 |
| 21 | Deferred Tax Revenue | 6,240,850 | 6,808,200 | 5,465,995 |
| 22 | Current Maturities-LTD | 1,307,131 | 1,302,516 | 1,037,255 |
| 23 | Line of Credit - Union Bank | 6,973,734 | 6,973,734 | 5,923,734 |
| 24 | Other Liabilities | 1,386 | 1,386 | 1,149,551 |
| 25 | Total Current Liabilities | $ 25,086,557 | $ 25,821,133 | $ 23,709,144 |
| 26 | Long Term Debt, net current portion | $ 37,132,265 | $ 37,180,889 | $ 37,154,296 |
| 27 | Fund Balances: | | | |
| 28 | Unrestricted | $ 12,476,183 | $ 12,674,089 | $ 12,711,969 |
| 29 | Restricted | 3,879,134 | 3,879,134 | 2,982,827 |
| 30 | Total Fund Balances | $ 16,355,317 | $ 16,553,223 | $ 15,694,795 |
| 31 | Total Liabilities & Fund Balances | $ 78,574,139 | $ 79,555,245 | $ 76,558,235 |

**ATTACHMENT D**

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

| | Month | | | | | Year-To- Date | | | | YTD |
|---|---|---|---|---|---|---|---|---|---|---|
| | This Year | | Variance | | | This Year | | Variance | | |
| | Actual | Budget | $ | % | | Actual | Budget | $ | % | Prior Year |
| | | | | | **Volume Information** | | | | | |
| 1 | 76 | 98 | (22) | -22% | Acute Discharges | 76 | 98 | (22) | -22% | 103 |
| 2 | 528 | 563 | (35) | -6% | SNF Days | 528 | 563 | (35) | -6% | 563 |
| 3 | 870 | 960 | (90) | -9% | Home Care Visits | 870 | 960 | (90) | -9% | 960 |
| 4 | 14,175 | 13,401 | 774 | 6% | Gross O/P Revenue (000's) | $ 14,175 | $ 13,401 | 774 | 6% | $ 12,605 |
| | | | | | **Financial Results** | | | | | |
| | | | | | **Gross Patient Revenue** | | | | | |
| 5 | $ 5,006,287 | $ 6,697,303 | (1,691,016) | -25% | Inpatient | $ 5,006,287 | $ 6,697,303 | (1,691,016) | -25% | $ 6,705,658 |
| 6 | 7,385,263 | 6,722,812 | 662,451 | 10% | Outpatient | 7,385,263 | 6,722,812 | 662,451 | 10% | 6,089,038 |
| 7 | 6,513,046 | 6,348,820 | 164,226 | 3% | Emergency | 6,513,046 | 6,348,820 | 164,226 | 3% | 6,225,477 |
| 8 | 1,956,071 | 2,058,424 | (102,353) | -5% | SNF | 1,956,071 | 2,058,424 | (102,353) | -5% | 2,006,658 |
| 9 | 303,473 | 329,517 | (26,044) | -8% | Home Care | 303,473 | 329,517 | (26,044) | -8% | 332,314 |
| 10 | **$ 21,164,140** | **$ 22,156,876** | **(992,736)** | **-4%** | **Total Gross Patient Revenue** | **$ 21,164,140** | **$ 22,156,876** | **(992,736)** | **-4%** | **$ 21,359,145** |
| | | | | | **Deductions from Revenue** | | | | | |
| 11 | $ (17,160,706) | $ (17,729,993) | 569,287 | 3% | Contractual Discounts | $ (17,160,706) | $ (17,729,993) | 569,287 | 3% | $ (17,193,788) |
| 12 | (100,000) | (100,000) | - | 0% | Bad Debt | (100,000) | (100,000) | - | 0% | (120,000) |
| 13 | (22,869) | (22,607) | (262) | -1% | Charity Care Provision | (22,869) | (22,607) | (262) | -1% | (29,730) |
| 14 | 974,238 | 313,272 | 660,966 | * | Prior Period Adj/Government Program Revenue | 974,238 | 313,272 | 660,966 | * | 1,028,647 |
| 15 | **$ (16,309,337)** | **$ (17,539,328)** | **1,229,991** | **-7%** | **Total Deductions from Revenue** | **$ (16,309,337)** | **$ (17,539,328)** | **1,229,991** | **-7%** | **$ (16,314,871)** |
| 16 | **$ 4,854,803** | **$ 4,617,548** | **237,255** | **5%** | **Net Patient Service Revenue** | **$ 4,854,803** | **$ 4,617,548** | **237,255** | **5%** | **$ 5,044,274** |
| 17 | $ 133,404 | $ 128,521 | 4,883 | 4% | Risk contract revenue | $ 133,404 | $ 128,521 | 4,883 | 4% | $ 127,594 |
| 18 | $ 4,988,207 | $ 4,746,069 | 242,138 | 5% | Net Hospital Revenue | $ 4,988,207 | $ 4,746,069 | 242,138 | 5% | $ 5,171,868 |
| 19 | $ 10,971 | $ 18,823 | (7,852) | **-42%** | Other Op Rev & Electronic Health Records | $ 10,971 | $ 18,823 | (7,852) | -42% | $ 19,337 |
| 20 | **$ 4,999,178** | **$ 4,764,892** | **234,286** | **5%** | **Total Operating Revenue** | **$ 4,999,178** | **$ 4,764,892** | **234,286** | **5%** | **$ 5,191,205** |
| | | | | | **Operating Expenses** | | | | | |
| 21 | $ 2,294,823 | $ 2,366,841 | 72,018 | 3% | Salary and Wages and Agency Fees | $ 2,294,823 | $ 2,366,841 | 72,018 | 3% | $ 2,235,401 |
| 22 | 918,812 | $ 890,361 | (28,451) | -3% | Employee Benefits | 918,812 | 890,361 | (28,451) | -3% | 879,134 |
| 23 | $ 3,213,635 | $ 3,257,202 | 43,567 | 1% | Total People Cost | $ 3,213,635 | $ 3,257,202 | 43,567 | 1% | $ 3,114,535 |
| 24 | $ 370,653 | $ 409,984 | 39,331 | 10% | Med and Prof Fees (excld Agency) | $ 370,653 | $ 409,984 | 39,331 | 10% | $ 390,273 |
| 25 | 550,625 | 503,955 | (46,670) | -9% | Supplies | 550,625 | 503,955 | (46,670) | -9% | 512,982 |
| 26 | 355,742 | 376,471 | 20,729 | 6% | Purchased Services | 355,742 | 376,471 | 20,729 | 6% | 287,091 |
| 27 | 285,332 | 282,312 | (3,020) | -1% | Depreciation | 285,332 | 282,312 | (3,020) | -1% | 280,470 |
| 28 | 113,051 | 101,622 | (11,429) | -11% | Utilities | 113,051 | 101,622 | (11,429) | -11% | 109,979 |
| 29 | 31,819 | 27,614 | (4,205) | -15% | Insurance | 31,819 | 27,614 | (4,205) | -15% | 29,292 |
| 30 | 47,200 | 46,319 | (881) | -2% | Interest | 47,200 | 46,319 | (881) | -2% | 34,224 |
| 31 | 114,591 | 138,950 | 24,359 | 18% | Other | 114,591 | 138,950 | 24,359 | 18% | 154,471 |
| 32 | 509,543 | 86,433 | (423,110) | * | Matching Fees (Government Programs) | 509,543 | 86,433 | (423,110) | * | 558,377 |
| 33 | **$ 5,592,191** | **$ 5,230,862** | **(361,329)** | **-7%** | **Operating expenses** | **$ 5,592,191** | **$ 5,230,862** | **(361,329)** | **-7%** | **$ 5,471,694** |
| 34 | **$ (593,013)** | **$ (465,970)** | **(127,043)** | **-27%** | **Operating Margin** | **$ (593,013)** | **$ (465,970)** | **(127,043)** | **-27%** | **$ (280,489)** |

**ATTACHMENT D**

# Sonoma Valley Health Care District
## Statement of Revenue and Expenses
## Comparative Results
## For the Period Ended July 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 | $ (5,211) | $ (13,222) | 8,011 | -61% | Miscellaneous Revenue/(Expenses) | $ | (5,211) | $ (13,222) | 8,011 | * | $ | (12,866) |
| 36 | - | - | - | 0% | Donations | | - | - | - | 0% | | 0 |
| 37 | (56,766) | (54,683) | (2,083) | 4% | Physician Practice Support-Prima | | (56,766) | (54,683) | (2,083) | 4% | | (37,500) |
| 38 | 316,667 | 316,667 | - | 0% | Parcel Tax Assessment Rev | | 316,667 | 316,667 | - | 0% | | 250,378 |
| 39 | **$ 254,690** | **$ 248,762** | **5,928** | **2%** | **Total Non-Operating Rev/Exp** | **$** | **254,690** | **$ 248,762** | **5,928** | **2%** | **$** | **200,012** |
| 40 | **$ (338,323)** | **$ (217,208)** | **(121,115)** | **56%** | **Net Income / (Loss) prior to Restricted Contributions** | **$** | **(338,323)** | **$ (217,208)** | **(121,115)** | **56%** | **$** | **(80,477)** |
| 41 | $ - | $ 14,417 | (14,417) | -100% | Capital Campaign Contribution | $ | - | $ 14,417 | (14,417) | -100% | $ | 10,417 |
| 42 | $ - | $ - | - | 0% | Restricted Foundation Contributions | $ | - | $ - | - | 100% | $ | - |
| 43 | **$ (338,323)** | **$ (202,791)** | **(135,532)** | **67%** | **Net Income / (Loss) w/ Restricted Contributions** | **$** | **(338,323)** | **$ (202,791)** | **(135,532)** | **67%** | **$** | **(70,060)** |
| 44 | 250,683 | 250,683 | - | 0% | GO Bond Tax Assessment Rev | | 250,683 | 250,683 | - | 0% | | 246,909 |
| 45 | (110,266) | (110,266) | - | 0% | GO Bond Interest | | (110,266) | (110,266) | - | 0% | | (117,929) |
| 46 | **$ (197,906)** | **$ (62,374)** | **(135,532)** | **217%** | **Net Income/(Loss) w GO Bond Activity** | **$** | **(197,906)** | **$ (62,374)** | **(135,532)** | **217%** | **$** | **58,920** |
| | $ (5,791) | $ 111,423 | | | **EBIDA - Not including Restricted Contributions** | $ | (5,791) | $ 111,423 | | | $ | 234,217 |
| | -0.1% | 2.3% | | | | | -0.1% | 2.3% | | | | 4.5% |
| | $ (52,991) | $ 65,104 | | | **EBDA - Not including Restricted Contributions** | $ | (52,991) | $ 65,104 | | | | |
| | -1.1% | 1.4% | | | | | -1.1% | 1.4% | | | | |

**Sonoma Valley Health Care District** **ATTACHMENT E**

**Statement of Revenue and Expenses Variance Analysis**

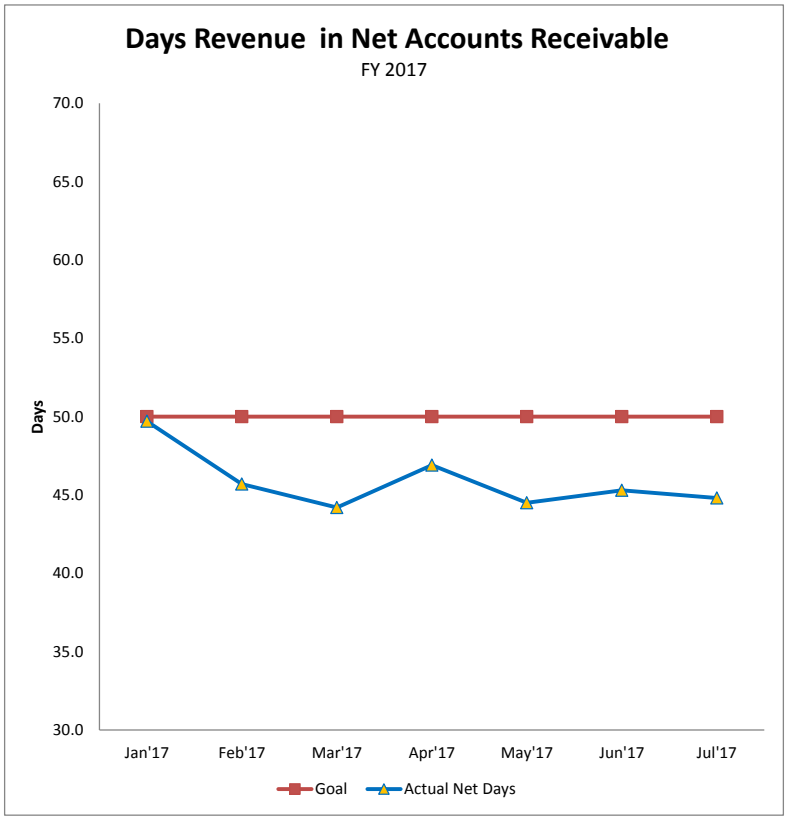
**For the Period Ended July 31, 2017**

| | Description | YTD Variance | MONTH Variance | |
|---|---|---|---|---|
| | **Volume Information** | | | |
| 1 | Acute Discharges | (22) | (22) | |
| 2 | SNF Days | (35) | (35) | |
| 3 | Home Care Visits | (90) | (90) | |
| 4 | Gross O/P Revenue (000's) | 774 | 774 | |
| | | | | |
| | **Financial Results** | | | |
| | **Gross Patient Revenue** | | | |
| 5 | Inpatient | (1,691,016) | (1,691,016) | Inpatient days were below budgeted expectations by (139) days and IP surgeries were below budget by (5) cases. $534,094 is from IP implant charges, which offsets the costs of the implants. |
| 6 | Outpatient | 662,451 | 662,451 | Outpatient visits are 4,327 vs. budgeted expectations of 4,812 visits and outpatient surgeries are 133 vs. budgeted expectations 90. $189,228 is from OP implant charges, which offsets the costs of the implants. |
| 7 | Emergency | 164,226 | 164,226 | ER visits are 920 vs. budgeted visits of 940. |
| 8 | SNF | (102,353) | (102,353) | SNF patient days are 528 vs. budgeted expected days of 563. |
| 9 | Home Care | (26,044) | (26,044) | HHA visits are 870 vs. budgeted expectations of 960. |
| 10 | **Total Gross Patient Revenue** | **(992,736)** | **(992,736)** | |
| | | | | |
| | **Deductions from Revenue** | | | |
| 11 | Contractual Discounts | 569,287 | 569,287 | |
| 12 | Bad Debt | - | - | |
| 13 | Charity Care Provision | (262) | (262) | |
| 14 | Prior Period Adj/Government Program Revenue | 660,966 | 660,966 | Rate Range IGT $849,238 and Prime grant $125,000. |
| 15 | **Total Deductions from Revenue** | **1,229,991** | **1,229,991** | |
| | | | | |
| 16 | **Net Patient Service Revenue** | **237,255** | **237,255** | |
| | | | | |
| 17 | Risk contract revenue | 4,883 | 4,883 | |
| 18 | Net Hospital Revenue | **242,138** | **242,138** | |
| | | | | |
| 19 | Other Op Rev & Electronic Health Records | (7,852) | (7,852) | |
| 20 | **Total Operating Revenue** | **234,286** | **234,286** | |
| | | | | |
| | **Operating Expenses** | | | |
| 21 | Salary and Wages and Agency Fees | 72,018 | 72,018 | Salaries and Wages are under budget by $92,985 and the Agency fees are over budget by ($20,967). |
| 22 | Employee Benefits | (28,451) | (28,451) | Employee benefits are over budgeted expectations due to employee benefit costs ($18,714). |
| 23 | Total People Cost | **43,567** | **43,567** | |
| 24 | Med and Prof Fees (excld Agency) | 39,331 | 39,331 | |
| 25 | Supplies | (46,670) | (46,670) | Supplies are over budget primarily in the surgery department due to surgical implants ($102,083). |
| 26 | Purchased Services | 20,729 | 20,729 | |
| 27 | Depreciation | (3,020) | (3,020) | |
| 28 | Utilities | (11,429) | (11,429) | |
| 29 | Insurance | (4,205) | (4,205) | |
| 30 | Interest | (881) | (881) | |
| 31 | Other | 24,359 | 24,359 | |
| 32 | Matching Fees (Government Programs) | (423,110) | (423,110) | The Rate Range IGT fee of $509,543 hit in July, when the budget is spread evenly for the year. |
| 33 | **Operating expenses** | **(361,329)** | **(361,329)** | |
| | | | | |
| 34 | **Operating Margin** | **(127,043)** | **(127,043)** | |
| | | | | |
| | **Non Operating Rev and Expense** | | | |
| 35 | Miscellaneous Revenue | 8,011 | 8,011 | |
| 36 | Donations | - | - | |
| 37 | Physician Practice Support-Prima | **(2,083)** | **(2,083)** | |
| 38 | Parcel Tax Assessment Rev | - | - | |
| 39 | **Total Non-Operating Rev/Exp** | **5,928** | **5,928** | |
| | | | - | |

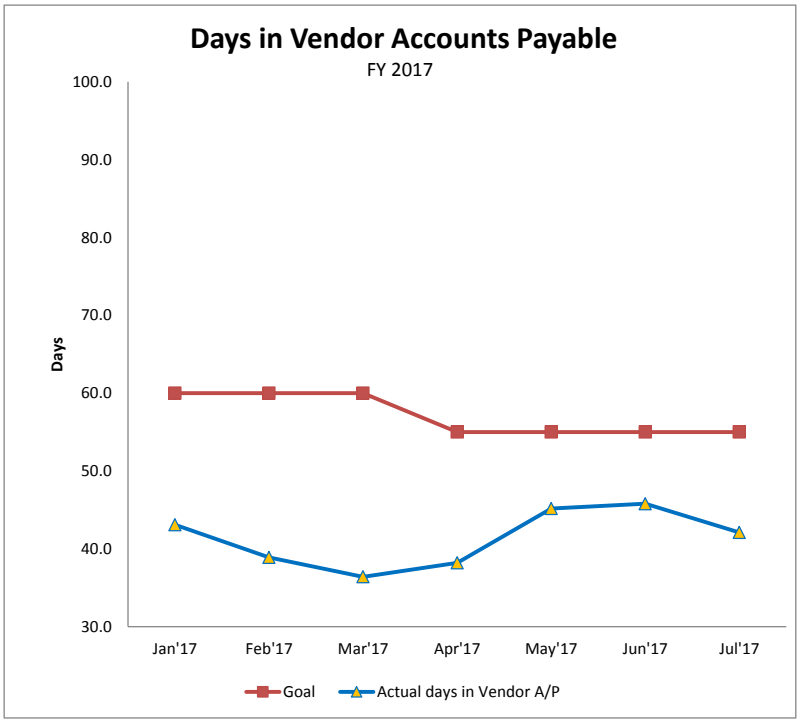
**Sonoma Valley Health Care District**
**Statement of Revenue and Expenses Variance Analysis**
**For the Period Ended July 31, 2017**

**ATTACHMENT E**

| | Description | YTD Variance | MONTH Variance | |
|---|---|---|---|---|
| 40 | **Net Income / (Loss) prior to Restricted Contributions** | **(121,115)** | **(121,115)** | |
| | | | - | |
| 41 | Capital Campaign Contribution | (14,417) | (14,417) | |
| 42 | Restricted Foundation Contributions | - | - | |
| 43 | **Net Income / (Loss) w/ Restricted Contributions** | **(135,532)** | **(135,532)** | |
| | | | | |
| 44 | GO Bond Tax Assessment Rev | - | - | |
| 45 | GO Bond Interest | - | - | |
| | | | | |
| 46 | **Net Income/(Loss) w GO Bond Activity** | **(135,532)** | **(135,532)** | |




| Days in A/R | Jan'17 | Feb'17 | Mar'17 | Apr'17 | May'17 | Jun'17 | Jul'17 |
|---|---|---|---|---|---|---|---|
| Actual days in A/R | 49.7 | 45.7 | 44.2 | 46.9 | 44.5 | 45.3 | 44.8 |
| Goal | 50.0 | 50.0 | 50.0 | 50.0 | 50.0 | 50.0 | 50.0 |




| Days in A/P | Jan'17 | Feb'17 | Mar'17 | Apr'17 | May'17 | Jun'17 | Jul'17 |
|---|---|---|---|---|---|---|---|
| Actual days in Vendor A/P | 43.1 | 38.9 | 36.4 | 38.2 | 45.2 | 45.8 | 42.1 |
| Goal | 60.0 | 60.0 | 60.0 | 55.0 | 55.0 | 55.0 | 55.0 |

**Sonoma Valley Hospital**
**Statistical Analysis**
**FY 2018**

**ATTACHMENT G**

| | ACTUAL | BUDGET | ACTUAL | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jul-17 | Jul-17 | Jun-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 |
| **Statistics** | | | | | | | | | | | | | | | |
| **Acute** | | | | | | | | | | | | | | | |
| Acute Patient Days | 240 | 379 | 346 | 388 | 368 | 415 | 415 | 465 | 355 | 396 | 402 | 407 | 437 | 386 | 334 |
| Acute Discharges (w/o Newborns) | 76 | 98 | 87 | 100 | 89 | 119 | 97 | 119 | 100 | 95 | 99 | 95 | 105 | 103 | 95 |
| | | | | | | | | | | | | | | | |
| **SNF Days** | 528 | 563 | 458 | 559 | 512 | 572 | 607 | 592 | 500 | 446 | 512 | 624 | 608 | 563 | 526 |
| **HHA Visits** | 870 | 960 | 940 | 966 | 934 | 849 | 922 | 877 | 919 | 938 | 880 | 1,042 | 890 | 960 | 942 |
| **Emergency Room Visits** | 920 | 940 | 964 | 1,069 | 921 | 941 | 851 | 1,000 | 942 | 850 | 852 | 897 | 918 | 940 | 907 |
| **Gross Outpatient Revenue (000's)** | $14,175 | $13,401 | $15,454 | $15,523 | $13,168 | $15,098 | $12,189 | $13,500 | $12,935 | $13,147 | $13,347 | $13,512 | $13,336 | $12,605 | $13,465 |
| **Equivalent Patient Days** | 2,332 | 2,382 | 2,328 | 2,654 | 2,227 | 2,537 | 2,553 | 2,618 | 2,382 | 2,202 | 2,380 | 2,707 | 2,581 | 2,322 | 2,381 |
| **Births** | 6 | 15 | 15 | 7 | 11 | 12 | 12 | 11 | 9 | 8 | 9 | 14 | 17 | 14 | 14 |
| **Surgical Cases - Inpatient** | 29 | 34 | 36 | 30 | 47 | 40 | 26 | 38 | 28 | 38 | 42 | 37 | 39 | 43 | 31 |
| **Surgical Cases - Outpatient** | 133 | 90 | 161 | 143 | 124 | 149 | 101 | 110 | 98 | 123 | 84 | 81 | 85 | 73 | 93 |
| **Total Surgical Cases** | 162 | 124 | 197 | 173 | 171 | 189 | 127 | 148 | 126 | 161 | 126 | 118 | 124 | 116 | 124 |
| **Total Special Procedures** | 52 | 34 | 66 | 58 | 44 | 36 | 41 | 28 | 40 | 32 | 29 | 49 | 63 | 57 | 61 |
| **Medicare Case Mix Index** | 1.65 | 1.40 | 1.66 | 1.69 | 1.64 | 1.45 | 1.52 | 1.47 | 1.59 | 1.79 | 1.59 | 1.97 | 1.58 | 1.84 | 1.64 |
| | | | | | | | | | | | | | | | |
| **Income Statement** | | | | | | | | | | | | | | | |
| Net Revenue (000's) | $4,988 | $4,746 | 5,188 | 5,330 | 4,924 | 5,283 | 4,266 | $4,528 | $3,588 | $4,452 | $4,727 | $4,406 | $4,919 | $5,172 | $4,980 |
| Operating Expenses (000's) | $5,592 | $5,231 | $5,250 | $5,678 | $5,308 | $5,395 | $4,803 | $5,026 | $4,713 | $5,047 | $4,912 | $4,807 | $5,310 | $5,472 | $5,450 |
| Net Income (000's) | ($198) | ($62) | 690 | 16 | -24 | 304 | 308 | ($108) | ($600) | ($65) | $337 | ($6) | ($23) | $59 | ($133) |
| **Productivity** | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| Total Operating Expense Per Equivalent Patient Day | $2,398 | $0 | $2,255 | $2,139 | $2,383 | $2,127 | $1,881 | $1,920 | $1,979 | $2,292 | $2,064 | $1,776 | $2,057 | $2,356 | $2,289 |
| Productive FTEs | 271 | 283 | 278 | 291 | 285 | 294 | 294 | 280 | 253 | 289 | 280 | 283 | 286 | 278 | 287 |
| Non-Productive FTE's | 47 | 41 | 43 | 28 | 28 | 28 | 28 | 36 | 56 | 30 | 36 | 36 | 35 | 42 | 37 |
| Total FTEs | 318 | 324 | 321 | 319 | 313 | 322 | 322 | 316 | 309 | 319 | 316 | 319 | 321 | 320 | 324 |
| FTEs per Adjusted Occupied Bed | 4.23 | 4.22 | 4.14 | 3.73 | 4.22 | 3.93 | 3.54 | 3.74 | 4.03 | 4.35 | 4.11 | 3.54 | 3.86 | 4.28 | 4.08 |
| **Balance Sheet** | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| Days of Expense In General Operating Cash | 16.5 | | 20 | 19 | 11 | 16 | 27 | 20 | 25 | 10 | 11 | 6 | 15 | 11 | 9 |
| Net Days of Revenue in AR | 45 | 50 | 45 | 44 | 47 | 44 | 46 | 50 | 51 | 53 | 50 | 50 | 50 | 55 | 57 |

**Sonoma Valley Hospital**
**Cash Forecast**
**FY 2018**

**ATTACHMENT H**

| | | Actual | Forcast | Forcast | Forcast | Forcast | Forcast | Forcast | Forcast | Forcast | Forcast | Forcast | Forcast | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **July** | **Aug** | **Sept** | **Oct** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **TOTAL** |
| | **Hospital Operating Sources** | | | | | | | | | | | | | |
| 1 | Patient Payments Collected | 4,502,585 | 3,878,106 | 4,534,208 | 4,268,066 | 4,132,257 | 4,168,703 | 4,476,616 | 4,409,693 | 4,706,455 | 4,322,606 | 4,357,338 | 4,351,807 | 52,108,440 |
| 2 | Capitation Revenue | 133,404 | 128,521 | 128,521 | 128,521 | 128,521 | 128,521 | 128,521 | 128,521 | 128,521 | 128,521 | 128,521 | 128,518 | 1,547,132 |
| 3 | Napa State | 39,561 | 20,762 | 20,762 | 20,762 | 20,762 | 20,762 | 20,762 | 20,762 | 20,762 | 20,762 | 20,762 | 20,762 | 267,943 |
| 4 | Other Operating Revenue | 10,971 | 18,823 | 18,823 | 18,823 | 18,823 | 18,823 | 18,823 | 18,823 | 18,823 | 18,823 | 18,823 | 18,827 | 218,028 |
| 5 | Other Non-Operating Revenue | 26,914 | | | | | | | | | | | | 26,914 |
| 6 | Unrestricted Contributions | | | | | | | | | | | | | - |
| 7 | Line of Credit | | | | | | | | | | | | | - |
| | **Sub-Total Hospital Sources** | **4,713,435** | **4,046,212** | **4,702,314** | **4,436,172** | **4,300,363** | **4,336,809** | **4,644,722** | **4,577,799** | **4,874,561** | **4,490,712** | **4,525,444** | **4,519,914** | **54,168,457** |
| | **Hospital Uses of Cash** | | | | | | | | | | | | | |
| 8 | Operating Expenses | 5,146,037 | 5,277,774 | 5,328,046 | 5,178,659 | 5,101,589 | 5,130,853 | 5,338,157 | 5,253,569 | 5,505,480 | 5,297,652 | 5,370,033 | 5,303,034 | 63,230,883 |
| 9 | Less Depreciation | | (282,312) | (282,312) | (282,312) | (282,312) | (282,312) | (282,312) | (282,312) | (282,312) | (282,312) | (282,312) | (282,301) | (3,105,421) |
| 10 | Add Capital Lease Payments | 52,503 | 100,057 | 100,464 | 100,872 | 101,283 | 166,323 | 102,110 | 102,526 | 102,944 | 103,364 | 103,786 | 169,180 | 1,305,412 |
| 11 | Additional Liabilities | | 200,000 | | | | | | | | | | | 200,000 |
| 12 | Capital Expenditures | 15,965 | | | | | | | | | | | | 15,965 |
| | **Total Hospital Uses** | **5,214,505** | **5,295,519** | **5,146,198** | **4,997,219** | **4,920,560** | **5,014,864** | **5,157,955** | **5,073,783** | **5,326,112** | **5,118,704** | **5,191,507** | **5,189,913** | **61,646,839** |
| | **Net Hospital Sources/Uses of Cash** | **(501,070)** | **(1,249,307)** | **(443,884)** | **(561,047)** | **(620,197)** | **(678,055)** | **(513,233)** | **(495,984)** | **(451,551)** | **(627,992)** | **(666,063)** | **(669,999)** | **(7,478,382)** |
| | **Non-Hospital Sources** | | | | | | | | | | | | | |
| 13 | Restricted Cash/Capital Donations | | 509,543 | 14,417 | (495,126) | 14,417 | 14,417 | 18,828 | 18,828 | 18,828 | 18,828 | 18,828 | 18,828 | 170,636 |
| 14 | Parcel Tax Revenue | 152,275 | | | | | 2,000,000 | | | | 1,800,000 | | | 3,952,275 |
| 15 | Payment - South Lot | | | (25,205) | | | (25,205) | | | (24,658) | | | (24,932) | (100,000) |
| 16 | Other: | | | | | | | | | | | | | - |
| 17 | IGT | | | | 849,238 | 550,762 | | | | 860,000 | | | | 2,260,000 |
| 18 | IGT - AB915 (Net) | | | | | | | | 900,000 | | | | | 900,000 |
| 19 | PRIME | | | | 1,350,000 | | | | | | | 150,000 | | 1,500,000 |
| | **Sub-Total Non-Hospital Sources** | **152,275** | **509,543** | **(10,788)** | **1,704,112** | **565,179** | **1,989,212** | **18,828** | **918,828** | **854,170** | **1,818,828** | **168,828** | **(6,104)** | **8,682,911** |
| | **Non-Hospital Uses of Cash** | | | | | | | | | | | | | |
| 20 | Matching Fees | | 509,543 | 675,000 | 287,191 | | | | | | 75,000 | | | 1,546,734 |
| | **Sub-Total Non-Hospital Uses of Cash** | - | 509,543 | 675,000 | 287,191 | - | - | - | - | - | 75,000 | - | - | 1,546,734 |
| | **Net Non-Hospital Sources/Uses of Cash** | **152,275** | **-** | **(685,788)** | **1,416,921** | **565,179** | **1,989,212** | **18,828** | **918,828** | **854,170** | **1,743,828** | **168,828** | **(6,104)** | **7,136,177** |
| | **Net Sources/Uses** | **(348,795)** | **(1,249,307)** | **(1,129,672)** | **855,874** | **(55,018)** | **1,311,157** | **(494,405)** | **422,844** | **402,619** | **1,115,836** | **(497,235)** | **(676,103)** | |
| | Cash and Equivalents at beginning of period | 3,166,281 | 2,817,486 | 1,568,179 | 438,507 | 1,294,381 | 1,239,363 | 2,550,520 | 2,056,115 | 2,478,959 | 2,881,578 | 3,997,414 | 3,500,179 | |
| | **Cash and Equivalents at end of period** | **2,817,486** | **1,568,179** | **438,507** | **1,294,381** | **1,239,363** | **2,550,520** | **2,056,115** | **2,478,959** | **2,881,578** | **3,997,414** | **3,500,179** | **2,824,076** | |

# 14.
# ADMINISTRATIVE REPORT SEPTEMBER 2017

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

**To:** **SVHCD Board of Directors**
**From:** **Kelly Mather**
**Date:** **8/31/17**
**Subject:** **Administrative Report**

**Summary**
We started the new fiscal year with a very low census and lower than expected volumes in the Skilled Nursing Facility, Home Care, and some Outpatient services. We are flexing off staff due to low volumes and have made a few more permanent expense reductions. We have also updated our organization chart to reduce the number of people with the "Chief" title. We trust the community has noticed the increased communications and responses to concerns since the parcel tax vote in June.

**Strategic Update from FY 2018 Strategic Plan:**

| Strategic Priorities | Update |
|---|---|
| Highest levels of health care safety, quality and value | ➢ We are attending a conference call about high reliable organizations.<br>➢ We have selected three major organization wide performance improvement goals. |
| Be the preferred hospital for patients, physicians, employers and health plans | ➢ Rate My Hospital has started and is a huge success!<br>➢ 3D Mammography construction has begun.<br>➢ The Foundation has agreed to start the campaign for the Outpatient Diagnostic Center.<br>➢ We are setting up meetings for physicians with new specialists.<br>➢ Relay Health will be up in October and will provide more financial clarity and transparency for patients.<br>➢ We are talking with Canopy Health and Kaiser about our value as a lower cost facility. |
| Implement new and enhanced revenue strategies as measured by increased direct margins in each service unit | ➢ Bariatrics and Orthopedics are drawing patients from outside of the District.<br>➢ Summit Pain Alliance is now seeing patients two full days in Sonoma, and they have a physiatrist.<br>➢ The practice assessment is complete with a primary care group to possibly be a rural health center.<br>➢ With the addition of an intake person and a physician, outside referrals are increasing in the SNF.<br>➢ Cardiology Associates of Marin have a final interview for a new cardiology in Sonoma in October.<br>➢ 2 OB/GYN's have said they are coming to Sonoma. |
| Continue to improve financial stability as measured by operating margin | ➢ The Board is narrowing down the decision on the sale of the South Lot.<br>➢ With the move of Mammography & Home Care back to the hospital, there will be $185k in savings.<br>➢ We continue to work with Kaiser to improve the Home Care rates. |
| Lead progress toward being a healthier community as measured by community benefit | ➢ The community health coaches are doing well.<br>➢ Health education and outreach continue with the addition of "Conversations with a Doc" at the hospital.<br>➢ We are increasing our outreach to the Latino population and learning how we can improve our perception. |

| Patient Experience | Current Performance | FY 2018 Goal | Prior Year/National Benchmark |
|---|---|---|---|
| Would Recommend Hospital | 55th percentile | > 60th percentile | 50th percentile |
| Inpatient Overall Rating | 56th percentile | >60th percentile | 50th percentile |
| Home Health | 91% | > 90% | > 80% |
| Outpatient Services | 4.8 | Rate My Hospital | 4.5 |
| Emergency | 4.6 | Rate My Hospital | 4.5 |
| **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 Hygiene | 98% | >90% | >80% |
| Falls | 2.1 | < 2.3 | 2.3 |
| Pressure Ulcers | 3.3 | <3.7 | 3.7 |
| Injuries to Staff | 9 | < 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 HIPAA Privacy Events | 0 | 0 | 0 |
| SNF Star Rating | 4 | 4 | 3 |
| Hospital Star Rating | 3 | 4 | 3 |
| **Our People** | **YTD Performance** | **FY 2018 Goal** | **Benchmark** |
| Press Ganey Engagement Survey | 74th percentile | 75th percentile | 50th percentile |
| Wellness Ambassadors | 232 | 250 | > 200 |
| Turnover | 0.60% | < 10% | < 15% |
| **Financial Stability** | **YTD Performance** | **FY 2018 Goal** | **Benchmark** |
| EBDA | -0.10% | 2.89% | 3% |
| FTE's/AOB | 4.23 | 4.3 | 5.3 |
| Days Cash on Hand | 16.5 | 20 | 30 |
| Days in Accounts Receivable | 45 | 49 | 50 |
| Length of Stay | 3.2 | 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 | 76 | 1193 | 1225 |
| Outpatient Units of Service | 14,736 | 180,286 | 180,697 |
| Emergency Visits | 920 | 11,022 | 11,000 |
| Surgeries | 162 | 1,800 | 1,680 |
| Births | 6 | 132 | 120 |
| Home Health Visits | 870 | 11,053 | 11,400 |
| Community Benefit Hours | 186 | 1200 | 1200 |

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

# ROLLING 12 MONTH RESULTS

| MEASUREMENT | Goal FY 2018 | Jul 2017 | Aug 2016 | Sep 2016 | Oct 2016 | Nov 2016 | Dec 2016 | Jan 2017 | Feb 2017 | Mar 2017 | Apr 2017 | May 2017 | Jun 2017 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Inpatient Satisfaction | 6/10 | 5 | 0 | 1 | 2 | 3 | 3 | 2 | 3 | 2 | 6 | 5 | 5 |
| 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 | 9 |
| Leaves of Absence | <12 | 20 | | | | | | | | | | | |
| YTD EBIDA | >3% | .1 | 3.8 | 4.2 | 5.2 | 4.4 | 1.5 | 2.2 | 2 | 3 | 3 | 3.1 | 3.6 |
| Operating Revenue | >5m | 5.0 | 5.0 | 4.5 | 4.7 | 4.5 | 3.7 | 4.5 | 4.3 | 5.3 | 4.9 | 5.3 | 5.2 |
| Expense Management | <5m | 5.1 | 5.1 | 4.8 | 4.9 | 5.0 | 4.7 | 5.0 | 4.8 | 5.4 | 5.3 | 5.6 | 5.2 |
| Net Income | >50k | -197 | -23 | 94 | 336 | -270 | -599 | -107 | 307 | 304 | -24 | 16 | 180 |
| Days Cash on Hand | >20 | 16 | 15 | 6 | 11 | 10 | 25 | 20 | 27 | 16 | 11 | 19 | 20 |
| A/R Days | <50 | 45 | 50 | 50 | 50 | 53 | 51 | 50 | 46 | 44 | 47 | 44 | 45 |
| Total FTE's | <315 | 318 | 321 | 319 | 316 | 319 | 309 | 316 | 322 | 322 | 313 | 319 | 321 |
| FTEs/AOB | <4.0 | 4.23 | 3.86 | 3.54 | 4.11 | 4.35 | 4.03 | 3.74 | 3.54 | 3.93 | 4.22 | 3.73 | 4.14 |
| Inpatient Discharges | >90 | 76 | 105 | 95 | 99 | 95 | 100 | 119 | 97 | 119 | 89 | 100 | 87 |
| Outpatient Revenue | >$13m | 14.1 | 13.3 | 13.5 | 13.3 | 13.1 | 12.9 | 13.5 | 12.2 | 15.1 | 13.1 | 15.5 | 15.4 |
| Surgeries | >150 | 162 | 124 | 118 | 126 | 161 | 126 | 148 | 127 | 189 | 171 | 173 | 197 |
| Home Health | >950 | 870 | 890 | 1042 | 880 | 938 | 919 | 877 | 922 | 849 | 934 | 966 | 940 |
| Births | >11 | 6 | 17 | 14 | 9 | 8 | 9 | 11 | 12 | 12 | 11 | 7 | 15 |
| SNF days | >550 | 528 | 608 | 624 | 512 | 446 | 500 | 592 | 607 | 572 | 512 | 559 | 458 |
| MRI | >120 | 102 | 97 | 104 | 140 | 118 | 130 | 115 | 107 | 137 | 121 | 116 | 109 |
| Cardiology (Echos) | >50 | 62 | 53 | 66 | 60 | 51 | 51 | 55 | 69 | 89 | 70 | 70 | 79 |
| Laboratory | >12 | 11.9 | 12.2 | 11.4 | 12.6 | 12.1 | 12.0 | 12.5 | 11.5 | 13.9 | 12.1 | 13.6 | 11.8 |
| Radiology | >850 | 881 | 944 | 1001 | 898 | 870 | 934 | 1012 | 981 | 1159 | 963 | 1142 | 1137 |
| Rehab | >2700 | 2362 | 3008 | 3136 | 2575 | 2286 | 2117 | 2530 | 2161 | 3020 | 2748 | 2983 | 2802 |
| CT | >300 | 326 | 327 | 412 | 367 | 306 | 340 | 341 | 323 | 398 | 385 | 407 | 376 |
| ER | >900 | 920 | 918 | 897 | 852 | 850 | 942 | 1000 | 851 | 941 | 921 | 1069 | 964 |
| Mammography | >200 | 223 | 475 | 421 | 434 | 435 | 399 | 171 | 215 | 246 | 191 | 214 | 219 |
| Ultrasound | >300 | 287 | 310 | 288 | 288 | 290 | 271 | 253 | 284 | 334 | 213 | 279 | 312 |
| Occupational Health | >600 | 642 | 724 | 741 | 797 | 636 | 601 | 484 | 568 | 611 | 631 | 607 | 659 |
| Wound Care | >200 | 226 | 312 | 253 | 226 | 199 | 225 | 228 | 238 | 348 | 239 | 203 | 307 |

# 15.
# COMMITTEE REPORTS

- Governance Committee
  - Travel & Reimbursement Policy Changes
  - SVH Affiliation Agreements
- CEO Objectives for FY2018

**Meeting Date:** September 7, 2017

**Prepared by:** Peter Hohorst

**Agenda Item Title:** Travel and Reimbursement Policy

**Recommendations:**
That the Board approve the proposed changes to the maximum allowable allowances in the Travel and Reimbursement Policy

**Background:**
The Travel and Reimbursement Policy was approved by the Board in August 2012. It stipulates the maximum allowable expenses for meals and incidentals that may be claimed by Board member for out of town travel of 24 hours or more on District activities. The amount stipulated for a dinner is $38.
The attached change to item 7 on page 5 of the Policy reflects the recent experience of Board members who attended an American Hospital Association Conference in San Diego in July. The conference was held in a downtown hotel. On two nights during the conference the Board members and the District CEO had dinner together at a local restaurant (dinners were not provided as part of the scheduled conference activities.)
Due to its location in the San Diego business district the cost of dinner at the Hotel or in nearby restaurants significantly exceeded the maximum allowable meal allowance stipulated in the present Travel and Reimbursement Policy. In keeping with the Policy the Board members (who are unpaid) covered the extra expense out of their own pocket.
The proposed increase in the maximum allowable meal expense will reduce the amount that Board members will be require to pay out of their own pocket at future medical conferences.

**Consequences of Negative Action/Alternative Actions:**
Board members may decide not to attend valuable conferences

**Financial Impact:**
Maximum cost of the change would be $470 per conference.

**Attachment:**
Proposed change to page 5, item 7 of the Travel and Reimbursement Policy.

**Recommended change to Page 5, paragraph 7 of the Travel & Reimbursement Policy**

**7. Out-Of-Town Meals and Incidentals**

For travel of 24 hours the meal expense reimbursement rate may not exceed ~~$70/~~ $125/ day. ~~Incidentals are $5 /day.~~ While traveling, if one or more meals is provided as part of a meeting, training session or conference, the Board member shall deduct the allowable per diem cost of that meal from the per diem for that day, using the schedule provided below. This schedule also applies to the day of departure and the day of return. In any instance where a meal is provided by others the meal allowance value shall not be claimed by the Board member.

Meals and Incidentals – Maximum allowances for meals and incidentals

• Breakfast -- $13 (when travel begins before 7 AM)

• Lunch – $19 (when travel begins before 11 AM and/or ends after 1 PM)

• Dinner ~~--$38~~ $85 (when travel ends after 6:30 PM)

• Incidentals -- ~~$5~~ $8 (for partial or full day travel)

• Total --~~$75~~ $125

For travel of less than 24 hours, the schedule limits the meal allowances payable to the Board member with receipts. (Government Code section 53232.2(c). Incidentals are intended to include miscellaneous costs associated with travel such as tips for baggage handling, etc. and do not require receipts.

In the event that the District CEO and President attends the same event attended by a Board member, these maximum allowances shall also apply to the District CEO and President.

If a receipt for a meal includes the expense for several Board members (and/or the District CEO,) the total amount of the receipt may be reported on one person's expense report with a notation of the names of the other members who were included on the receipt.

**Meeting Date:** 9/7/17 Board Meeting

**Prepared by:** Peter Hohorst & Joshua Rymer, Board Members

**Agenda Item Title**: CEO Objectives FY 2018

**Recommendation:**
That the Board approve the proposed CEO Objectives for FY 2018

**Background and Reasoning**:
It is a recognized good management practice to establish objectives for key management personnel as a means to motivate, measure, and reward performance.

Objectives are most effective when they are:

- Of significant importance to the organization;
- Established jointly by the manager and his/her direct supervisor;
- Measurable by objective metrics; and,
- Achievable as viewed by both the manager and the supervisor.

The objectives that follow meet these criteria. Each objective will have three benchmark goals:

- A base goal that will generate a performance incentive, if achieved, of 66.7% of the maximum possible performance incentive for the objective;
- An intermediate target that will generate a performance incentive of 86.7% of the maximum possible performance incentive for the objective; and,
- A stretch goal that will generate a performance incentive of 100% of the maximum for the objective.

Performance at levels below the base goals for each objective will generate zero performance incentive contribution.

**1. High In-Patient Satisfaction**

We recommend using the HCAHPS scores to measure in-patient service excellence. HCAHPS are the Hospital's rating for patient satisfaction as measured by CMS and an important indication of the quality of customer service. The maximum possible performance incentive for this objective would be 3% of annual salary. The three-benchmark goals would be:

- Base goal - achieve an average of 6 out of 10 HCAHPS above the 60th percentile for In-Patient satisfaction for the fiscal year;
- Intermediate goal – achieve an average of 6 out of 10 HCAHPS above the 65th percentile for In-Patient satisfaction for the fiscal year; and,
- Stretch goal – achieve an average of 6 out of 10 HCAHPS above the 70th percentile for In-Patient satisfaction for the fiscal year for the stretch.

**Note:** We recommend changing this goal two ways compared to FY 2017. First, we recommend using an ***average*** of measure as opposed to an '***X in 12 months***' metric. This approach has the advantage of being consistent with the published hospital goals (for both last year and this year) while being more stable and easier to understand during the year. Second, we recommend lowering the base goal percentile rank from 70th to the 60th percentile. This also reflects consistency with the broader hospital goals and is closer to the levels achieved in FY 2017.

**2. High Outpatient Satisfaction**

We recommend using 'Rate My Hospital' scores to measure Outpatient service excellence. The maximum possible performance incentive for this objective would be 1.5% of annual salary. The three-benchmark goals would be:

- Base goal – achieve a Rate My Hospital average score of 4.5 or higher for all combined departments;
- Intermediate goal - achieve a Rate My Hospital average score of 4.7 or higher for all combined departments; and,
- Stretch goal - achieve a Rate My Hospital average score of 4.8 or higher for all combined departments for the stretch.

**Note:** We recommend replacing previously used Emergency Department HCAHPS (EDHCAHPS) scores with Rate My Hospital scores because CMS has stopped using EDHCAHPS and they also reflect a broader set of services than the EDHCAHPS. The Rate My Hospital scores are also available quicker than the EDHCAHPS scores enabling faster response and corrections of any issues that arise. This will be the first year that Rate My Hospital scores will be used for Sonoma Valley Hospital, and there is no historical benchmark against which to set the goals. However, Rate My Hospital has informed us that scores above 4.0 are considered good, the maximum score is 5.0. Average scores for Sonoma Valley Hospital for the first few months of use have been ~4.8.

**3. Excellent Patient Outcomes**

For 2018, we recommend using a re-admissions goal to measure Excellent Patient

Outcomes. The maximum possible performance incentive for this objective would be 3% of annual salary. The three-benchmark goals would be:

- Base goal – to achieve a re-admission rate of <10% for the year;
- Intermediate goal - achieve a re-admission rate of <9% for the year; and,
- Stretch goal – achieve a re-admission rate of <8% for the year.

**Note:** We are recommending replacing previously used Value Based Purchasing (VBP) scores as CMS has dramatically scaled back the breadth of what VPB covers and provides fewer incentives to reach those scores. Readmission rate is recommended to replace VPB because it is a widely recognized metric for quality of care, comes with a significant CMS incentive to achieve, and, Medicare patients readmitted to the hospital within 30 days of discharge for any reason must be treated free. The hospital has significant history to aid in setting appropriate targets. The 10% readmission rate goal is consistent with this past year's experience and is significantly below the national rate, which is closer to 20%.

**4. Highly Engaged and Satisfied Staff**

We recommend using the Press Ganey Percentile ranking of current mean score to measure the engagement and satisfaction of staff. The maximum possible performance incentive for this objective would be 1.5% of annual salary. The three-benchmark goals would be:

- Base goal - achieve a Press Ganey Percentile ranking of >75$^{th}$ percentile on an annual basis;
- Intermediate goal - achieve a Press Ganey Percentile ranking of >78$^{th}$ percentile on an annual basis; and,
- Stretch goal – achieve a Press Ganey Percentile ranking of >80$^{th}$ percentile on an annual basis.

With the current tight operating budget and the demands of a changing health care environment, high staff satisfaction levels are extremely difficult. The recommended base level is just slightly higher than the level achieved in 2017, but lower than the goal for last year.

**5. Financial Viability**

We recommend using Earnings, Before Interest, Depreciation and Amortization (EBIDA) before restricted donations and GO Bond income and expense to measure Financial Viability. The maximum possible performance incentive for this objective would be 9.5% of annual salary. The three-benchmark goals would be:

- Base goal - achieve the budgeted goal of 3.8% ($2.2 million) for Earnings, Before

Interest, Depreciation and Amortization (EBIDA) before restricted donations and GO Bond income and expense;

- Intermediate goal - achieve 1% above the budgeted goal for Earnings, Before Interest, Depreciation and Amortization (EBIDA) before restricted donations and GO Bond income and expense (EBIDA = 4.8% or $2.8 million); and,
- Stretch goal – achieve 2% above the budgeted goal for Earnings, Before Interest, Depreciation and Amortization (EBIDA) before restricted donations and GO Bond income and expense (EBIDA = 5.8% or $3.4 million).

**Note**: The recommended Financial Viability goals for FY 2018 are higher (~$300K) than the goals set for FY 2017 and also higher than the EBIDA achieved in FY 2017 by ~$200K. These higher goals reflect the impact of higher surgeries and rigorous cost containment in the context of continuous downward pressure on reimbursement from insurers and government payers and significant upward pressure on expenses from increases in wages and other contract expenses.

**6. Healthy Community**

The last objective is to support the improved health of our community and to enhance the reputation of the Hospital through employee outreach efforts. We recommend using Community Service Hours of Employees to measure efforts toward a Healthy Community. The maximum possible performance incentive for this objective would be 1.5% of annual salary. The three-benchmark goals would be:

- Base goal – contribute 1200 total hours during FY 2018;
- Intermediate goal - contribute 1350 total hours during FY 2018; and,
- Stretch goal – contribute >1500 total hours during FY 2018.

**Note**: While we believe that the level of community service is an important contribution that the hospital makes to a healthy community, we recommend setting these goals slightly lower (300 hours) than were set, and almost achieved, for 2017 as the administration and staff identify ways to have a larger impact with fewer resources expended.

**Consequences of Negative Action/Alternative Actions:**

Without clearly defined objectives it is not possible to objectively evaluate CEO performance.

Without clearly defined objectives the opportunity to motivate and reward outstanding performance is lost.

**Financial Impact:**

Achievement of the financial objective would rank FY 2018's performance above FY

2017 performance and among the best in the recent history of the Hospital.

**Selection Process and Contract History**

The present CEO contract, which runs through 2018, includes a provision for a maximum performance incentive payment of 20%. Because of the importance of financial stability, 45% of the performance incentive opportunity has been allocated to the financial objective as it was in FY 2015, 2016 and 2017.

**Attachments:**

FY 2018 CEO Goal Summary

# FY 2018 CEO GOALS

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

| PERFORMANCE GOAL | OBJECTIVE | METRIC | ACTUAL RESULT FY 2018 | GOAL LEVEL |
|---|---|---|---|---|
| **Service Excellence** 3.0% of annual salary | High In-Patient Satisfaction | 6 out of 10 HCAHPS questions above 60th percentile average for the year | | >70th = 5<br>> 65th = 4<br>> 60th = 3<br>< 60th = 2<br>< 50th = 1 |
| **Service Excellence** 1.5% of annual salary | High Outpatient Department Satisfaction | 4.5 score in Rate My Hospital or higher for all Outpatient departments measured per year | | >4.8 =5<br>>4.7=4<br>>4.5= 3<br><4.5 = 2<br>< 4.4 = 1 |
| **Quality** 3.0% of annual salary | Excellent Patient Outcomes | Maintain all cause Re-admission rate below 10% for the year | | < 8% = 5<br>< 9% =4<br>< 10% =3<br>> 10% = 2<br>> 11% = 1 |
| **People** 1.5% of annual salary | Highly Engaged and Satisfied Staff | Press Ganey percentile ranking of current mean score for the year | | >80th = 5<br>>78th=4<br>>75h=3<br><75th=2<br><70th =1 |
| **Finance** 9.5% of annual salary | Financial Viability | Achieve Earnings, Before Interest, Depreciation and Amortization (EBIDA) before restricted donations and GO Bond income & expense at year end | | > $2,8 million = 5<br>> $2.5 million = 4<br>> $2.2 million = 3<br>< $2.2 million = 2<br>< $1.9 million = 1 |
| **Healthy Community** 1.5% of annual salary | Community Hours | Numbers of hours for community benefit per year | | >1500 hours = 5<br>> 1350 hours = 4<br>>1200 hours = 3<br>< 1200 = 2<br>< 1000 hours = 1 |
| | | | | |

## Overview of Sonoma Valley District Affiliations

### Prima Medical Foundation

The Prima Medical Foundation is a separate, non-profit, physician corporation that employs physicians through Professional Services Agreements. The Group has a 1206(L) Foundation Structure and employs over 40 physicians, with 10 different specialties in Marin and Sonoma Counties. The Sonoma Prima office is part of the Prima Medical Foundation.

The major reason for the Sonoma Prima office and the participation of the Sonoma Valley Hospital (SVH) in the Prima Medical Foundation has been to provide a cost effective means to recruit and retain physicians in Sonoma. SVH has a funding agreement with the Prima Medical Foundation to support the Sonoma office. Physicians are paid based on worked RVU's. Currently the Sonoma Prima office employs an Orthopedic Surgeon, a General/Bariatric Surgeon, 3 Primary Care Physicians, and a Pediatrician.

The Prima Medical Foundation Board has accountability and oversight and the general member is Marin General Hospital (MGH.) The Sonoma Valley District CEO meets monthly with the Prima Sonoma physician leader to systematically review the monthly financials and physician practices.

### 1206(B) Physician Clinic

The Sonoma Valley District in 2016 formed a 1206(B) Physician Clinic to provide another option for the recruitment and retention of physicians in Sonoma. Currently this Clinic employs one General/Colorectal surgeon who operates out of the Hospital's time share space on Napa Street

### Meritage Medical Network

Meritage Medical Network (MMN) is a network of 700 primary care and specialist physicians in Marin, Sonoma, and Napa Counties. Sonoma Valley Hospital participates with MMN and Marin General Hospital to provide a Western Health Advantage HMO product in the Sonoma Valley.

Sonoma Valley Hospital also participates with MMN and Santa Rosa Memorial Hospital to provide the SCAN Medicare Advantage HMO product in the Sonoma Valley.

MMN (originally known as Marin IPA) was formed in 1981 to organize the physicians of Marin County, California into an Individual Practice Association (IPA) that could accept HMO insurance risk contracts. Currently MMN has relationships with eight hospitals in its service area, including Sonoma Valley Hospital.

### Northern California Health Care Authority

The Northern California Health Care Authority is a Joint Powers Authority (JPA) formed in 2009 to create a “regional” entity to pool Health Care District resources for greater efficiency, to present a larger client base for physicians, and to negotiate better reimbursement rates from insurers.

The five health care districts that are members of the Authority are:

Palm Drive Healthcare District
North Sonoma County Health Care District
Sonoma Valley Healthcare District
Mendocino Coast Healthcare District
Southern Humboldt Community Healthcare District

# 16.
# BOARD COMMENTS

- SVH Oppose Letter for AB1250

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

August 29, 2017

The Honorable Bill Dodd
California State Senate
State Capitol
Sacramento, CA 95814

**SUBJECT: AB 1250 (Jones-Sawyer) — OPPOSE**

Dear Senator Dodd:

Sonoma Valley Hospital is writing today in opposition to AB 1250 (Jones-Sawyer, D-Los Angeles), which would severely limit the ability of county governments to contract with hospitals, licensed professionals, nonprofit organizations and local businesses for a variety of public services. Hospitals throughout the state frequently contract with county governments to provide a wide range of health care services that might otherwise be unavailable in their communities. These services include care provided to Medi-Cal and uninsured patients, care for people with behavioral health needs, emergency and trauma care, medical care for homeless individuals and county jail inmates, and services for families who can't afford vaccinations and other preventive care.

- Hospitals across California frequently contract with County governments to provide a wide range of health care services that might otherwise be unavailable in communities throughout the State. These services include care provided to Medi-Cal and uninsured patients, care for people with behavioral health needs, emergency and trauma care, medical care for homeless individuals and county jail inmates, and programs for families who can't afford vaccinations and other preventive care.
- Under AB 1250, hospitals would be forced to divert limited financial and human resources from their mission of caring for patients and instead require them to provide detailed payroll and staff documents, patient satisfaction reports, and redundant rounds of auditing to County officials.
- These reporting requirements are not only useless, they also pose significant privacy concerns for hospital workers and managers. For example, AB 1250 would require hospitals to provide names, personal information, and salary data of all private employees who provide contracting services to a County.
- California hospitals are already regulated by numerous State and Federal agencies, including the California Department of Public Health, the California Department of Health Care Services, Cal/OSHA, the Office of Statewide Health Planning & Development, and the Federal Centers for Medicare & Medicaid Services. There is no need for another layer of bureaucratic oversight.

- AB 1250 will likely result in many hospitals deciding not to enter into contracts with County governments. The upshot will be decreased acce4ss to vital health care services for millions of vulnerable patients across the State.
- AB 1250 does not address any legitimate policy issue. According to a recent legislative committee analysis, "there is no evidence of a systemic problem" in the current contracting processes used by County governments. AB 1250 is a solution in search of a problem.

Sonoma Valley Hospital opposes AB 1250 because it would upend these contractual arrangements and jeopardize access to care for millions of Californians by scrambling the current system and burying hospitals with new bureaucratic mandates, blizzards of paperwork and unnecessary red tape.

For these reasons, Sonoma Valley Hospital respectfully asks for your "No" vote on AB 1250.

Sincerely,

Kelly Mather
President and Chief Executive Officer

cc: Assemblymember Jones-Sawyer

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

August 29, 2017

The Honorable Marc Levine
California State Assembly
State Capitol
Sacramento, CA 95814

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Sincerely,

Kelly Mather
President and Chief Executive Officer

cc: Assemblymember Jones-Sawyer