



BOARD OF DIRECTORS' MEETING

AGENDA

JANUARY 11, 2018

REGULAR SESSION 6:00 P.M.

BASEMENT CONFERENCE ROOM

SVH, 347 ANDRIEUX ST.

<p>In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact Interim District Clerk Vivian Woodall at (707) 935.5005 at least 48 hours prior to the meeting.</p>	<p>RECOMMENDATION</p>	
<p>AGENDA ITEM</p>		
<p>MISSION STATEMENT <i>The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</i></p>		
<p>1. CALL TO ORDER</p>	<p><i>Rymer</i></p>	
<p>2. PUBLIC COMMENT</p>	<p><i>Rymer</i></p>	
<p>3. REPORT ON CLOSED SESSION 12.15.17</p>	<p><i>Rymer</i></p>	
<p>4. CONSENT CALENDAR A. Board Minutes 12.07.17 B. Finance Committee Minutes 11.28.17 C. Quality Committee Minutes 11.15.17 D. Governance Committee Minutes 12.26.17 E. Executed Policies and Procedures F. Medical Staff Credentialing Report <i>Pages 3 - 16</i></p>	<p><i>Rymer</i></p>	<p>Action</p>
<p>5. OUTPATIENT DIAGNOSTIC CENTER CAPITAL CAMPAIGN UPDATE <i>Pages 18 - 22</i></p>	<p><i>Pier</i></p>	<p>Inform</p>
<p>6. BOARD WORK PLAN FOR 2018</p>	<p><i>Rymer</i></p>	<p>Inform/Action</p>
<p>7. BOARD COMMITTEE ASSIGNMENTS</p>	<p><i>Rymer</i></p>	<p>Inform/Action</p>
<p>8. ADMINISTRATIVE REPORT JANUARY 2018 <i>Pages 24 - 26</i></p>	<p><i>Mather</i></p>	<p>Inform</p>
<p>9. FINANCIAL REPORT MONTH ENDED NOVEMBER 2017 <i>Pages 28 - 40</i></p>	<p><i>Jensen</i></p>	<p>Inform</p>
<p>10. COMMITTEE REPORTS <ul style="list-style-type: none"> • Governance Committee Report: Recommended Changes to SVHCD Bylaws <i>Pages 42 - 44</i></p>	<p><i>Hohorst</i></p>	<p>Inform/Action</p>
<p>11. BOARD COMMENTS</p>	<p><i>Board Members</i></p>	<p>Inform</p>
<p>12. ADJOURN The next Regular Board meeting is February 1, 2018.</p>	<p><i>Rymer</i></p>	

4.

CONSENT CALENDAR



BOARD OF DIRECTORS' MEETING
MINUTES
 THURSDAY, DECEMBER 7, 2017
 REGULAR SESSION 6:00 P.M.

COMMUNITY MEETING ROOM
 175 First Street West Sonoma CA

	RECOMMENDATION	
MISSION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>		
1. CALL TO ORDER The meeting was called to order at 600pm	<i>Hirsch</i>	
2. PUBLIC COMMENT None	<i>Hirsch</i>	
3. CONSENT CALENDAR	<i>Hirsch</i>	
		MOTION: by Boerum 2 nd by Nevins. All in favor
4. 2018 SVHCD ELECTION OF OFFICERS		Action
<p>Ms. Hirsch gave a brief overview of her tenure as Chair of the Board. She then nominated Mr. Rymer as the incoming Board Chair.</p> <p>Mr. Rymer nominated Ms. Hirsch to serve as first Vice Chair, Mr. Hohorst as second Vice Chair, Ms. Nevins as Treasurer, and Mr. Boerum as Secretary- Boerum second Hirsch</p>		<p>MOTION: by Hirsch to nominate Mr. Rymer as the incoming Chair of the Board, 2nd by Boerum. All in favor</p> <p>MOTION: by Boerum to approve Mr. Rymer's nominations of the new Board appointments. 2nd by Hirsch. All in favor</p>
5. OUTPATIENT DIAGNOSITC CENTER RFP	<i>Hirsch</i>	Inform
<p>Ms. Mather said that the new RFP deadline is January 11, 2018. The next step is negotiations and choosing of the contractor. The project will likely come to the Board initially in April or May of 2018. The final will be presented once the schematic design is complete.</p>		
6. ADMINISTRATIVE REPORT DECEMBER 2017	<i>Mather</i>	Inform

<p>Ms. Mather reported that CMS has awarded us 4 stars again. We are one of the only hospitals in the Bay Area that have 4 stars. SNF has been through multiple surveys recently and have remained at 5 stars.</p> <p>Rate my Hospital continues to provide great feedback. The 3D mammography project is still behind due to fires. The salary increases will occur in January at a slightly lower rate than what was initially proposed. This brings the budgeted plan down by approximately five hundred thousand dollars. We have eliminated seven management positions, effective January 1st. This will reduce costs by \$1.5 million dollars. Ms. Mather also reported that she spoke at last month's employee forums about the state of health care in general and the difficulties that hospitals are facing.</p> <p>She said that as part of the new enhanced revenue strategies Dr. Alexandridis has started seeing patients. This will include GI patients. The Women's Center will kick off in January. Surgeries are up 25% since this time last year.</p> <p>The initial south lot sale deposit has been made, and the next one is expected in a few days.</p> <p>Home Care is reducing expenses to align with lower volumes. Because we did not receive a positive adjustment from Kaiser, we will no longer be taking their patients. Staffing will be adjusted according to patient volumes.</p> <p>There is a new Cardiologist starting this summer with Dr. Price. The County's Whole Person Care plan will be starting soon. This program will assist homeless people with getting medical needs met.</p> <p>Ms. Mather reviewed the October dashboard. She then reviewed the new Organization Chart with the reduction of the number of Chiefs and readjustments of assignments.</p>		
<p>7. FINANCIAL REPORT MONTH END OCTOBER 2017</p>	<p><i>Dungan for Jensen</i></p>	<p>Inform</p>
<p>Ms. Dungan reported in Mr. Jensen's absence. The payer mix is consistent with budget.</p> <p>Cash activity for October was over the goal \$380,000. YTD we are at \$471,000 over our goal. Cash on hand was 12.5 days. AR was at 45.3 days and AP was at 48.3 days. Gross revenue was under budget by \$2.6 million dollars for October. This was due to reduction of services during the fires. We also received additional IGT funds, without having to put up matching funds. Total operating revenue \$271,000 less than what we had budgeted.</p> <p>Total operating expenses better than budget by \$341,000. The total net income for October after accounting for all activity was \$61,788 vs a budgeted net income of \$19,498. EBIDA was at 5.5% vs the budgeted 3.9%. EBDA was at 4.4% vs 3% budgeted.</p>		

8. COMMITTEE REPORTS	<i>Hirsch</i>	Inform
<p>Mr. Hohorst reported on the Governance Committee policies and procedures.</p> <ul style="list-style-type: none"> ➤ Guideline for Board of Directors Meeting Minutes “Other committee’s recordings to be kept until minutes are approved.” ➤ Board of Directors Media Communication Policy – Mr. Hohorst stated that updates were made in reference to hospital employees. Addition of CIO during hospital emergencies. 		<p>MOTION by Hohorst to approve with stated change the Guideline for Board Minutes policy. 2nd by Nevins All in favor</p> <p>MOTION: by Hirsch to approve the Media Communications policy. 2nd by Nevins. All in favor</p>
9. BOARD COMMENTS	<i>Hirsch</i>	Inform
<p>Ms. Hirsch reminded everyone that January Board meeting was moved to Jan. 11th.</p> <p>Mr. Boerum reported about the planned acquisition of Aetna by CVS and provided some perspective on the possible impact on other healthcare providers, including us.</p> <p>Mr. Rymer thanked Kelly, Ken, Sarah and the Finance Committee for the proactive response to the difficult first quarter. This has kept us ahead of the game.</p>		
10. ADJOURN	<i>Hirsch</i>	
Meeting adjourned at 6:53pm		



**SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, NOVEMBER 28, 2017
Schantz Conference Room**

Present	Excused	Staff	Public
John Perez Sharon Nevins Peter Hohorst Susan Porth Dr. Mishra via telephone Keith Hughes Steve Berezin		Kelly Mather Ken Jensen Sarah Dungan Jeanette Tarver	

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>			
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Nevins</i>		
	Called to order 5:00 p.m.		
2. PUBLIC COMMENT SECTION	<i>Nevins</i>		
	None		
3. CONSENT CALENDAR FC Minutes 10.24.17	<i>Nevins</i>	Action	
		MOTION: by Porth second by Perez. All in favor	
5. ADMINISTRATIVE REPORT NOVEMBER 2017	<i>Mather</i>	Inform	

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	<p>Ms. Mather reported that we are have stayed a 4 star hospital. We are the only 4 star hospital in the area, with the exception of Kaiser San Rafael.</p> <p>We are currently in conversations for collaboration with UCSF. The Board will meet with UCSF on December 15th to decide if they would like to move forward with the collaboration.</p> <p>The Breast surgeon has started to see patients. The South Lot purchase agreement is complete. We expect the full amount by October 2018. Kaiser has not responded to our requests regarding Home Care.</p> <p>Ms. Mather said that she has been working on a 5 point action plan in response the first quarter. We are also looking at specific service lines and possible partnerships for them. Group discussed the 3% increases in January.</p>		
<p>6. FINANCIAL REPORT FOR MONTH ENDING OCTOBER 31, 2017</p>	<p><i>Jensen</i></p>	<p>Inform</p>	
	<p>Mr. Jensen reported that the gross revenue volumes were down, due to the fires. He is working on an insurance claim to determine how much net revenue we lost.</p> <p>The payer mix was consistent with what our budget was.</p> <p>Cash collections for the month were \$380k over the monthly goal. Year to date cash collection was over by \$471k. Days of cash on hand was 12.5 days. AR was at 45 days and AP was at 48 days.</p> <p>Gross revenue was down 11%. Volume. Total operating revenue \$4.5 million vs a budgeted \$4.8 million. Expenses were \$341 thousand better than expected. Net operating loss was \$318 thousand vs a</p>		

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	<p>budgeted loss of \$388 thousand. After accounting for all other activity; the October net income was \$61,788 vs. the budgeted net income of \$19,498 with a monthly EBIDA of 5.5% vs. a budgeted 3.9%. EBDA is 4.4% vs the 3.0% budgeted. Cash forecast shows us targeting to the end of the year at 2 million.</p>		
7. BOND REFINANCING - HOLD	<i>Jensen</i>	Inform/Possible Action	
	<p>After an Ad Hoc group met and recommended that the refinancing be put on hold at this point in time. It would add approximately \$500 thousand to the liabilities on the balance sheet. It would be beneficial to the collaboration with UCSF to not increase the debt.</p>	All in favor of putting the refinancing on hold	
8. OTHER	<p>Mr. Jensen said that there has been no requests to postpone or defer the parcel tax due to the fires. He did check with the attorney and deferment would be considered gifting of public funds. As a District we are not allowed to give away public funds. It was a community vote and we cannot change that by a Board of Directors vote.</p>		
10. ADJOURN	<i>Nevins</i>		
	<i>Meeting adjourned at 601pm</i>		

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**SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE
November 15, 2017, 5:00 PM
MINUTES
Schantz Conference Room**

Members Present	Members Present cont.	Excused	Public/Staff
Jane Hirsch Michael Mainardi, MD Carol Snyder Susan Idell	Joshua Rymer Cathy Webber	Howard Eisenstark, MD Kelsey Woodward Ingrid Sheets	Danielle Jones Leslie Lovejoy

AGENDA ITEM	DISCUSSION	ACTION
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Hirsch</i>	
	Meeting called to order at 5:04p.m.	
2. PUBLIC COMMENT	<i>Hirsch</i>	
	None	
3. CONSENT CALENDAR	<i>Hirsch</i>	Action
<ul style="list-style-type: none"> QC Minutes, 10.25.17 		MOTION: by Idell to approve, 2 nd by Rymer. All in favor
4. POLICY & PROCEDURES	<i>Lovejoy</i>	Action
	Ms. Webber suggested having more specific information on policy changes. Include some reference to what the changes are and the location within the policy.	MOTION: by Rymer to approve 2 nd by Mainardi. All in favor.
5. ANESTHESIA SERVICES MEDICAL DIRECTOR REPORT	<i>Solomon</i>	
	Dr. Solomon was unable to attend due to Surgery case load.	
6. QUALITY REPORT SEPTEMBER 2017	<i>Lovejoy</i>	Inform
	Ms. Lovejoy clarified the value in doing the Prime Grant Project. This is a demonstration grant funded by CMS through the State to see if innovation can improve the quality of patient care while meeting the Triple Aim. As the hospital was not ready to	

AGENDA ITEM	DISCUSSION	ACTION
	<p>take on complex case management in the community for a direct impact on population health, it was decided that a first step was to work on the transition of care from the hospital back into the community. She said that we still have opportunities for improvement in all three focus areas that are showing improvement because of the infrastructure we have put into place for all our patients, not just the prime population. She said this is a project worth doing and will be sustained even when the grant runs out.</p> <p>Ms. Lovejoy reported that Partnership Health has implemented an incentive program that is similar to the CMS value based performance quality and efficiency program. They looked at All Cause Readmission Rate. Their target was less than or equal to 13%; our performance was 8.7%. Electronic TARS Completion; Their target was greater than or equal to 85%, our performance was 92.6%. Because we did so well, we earned an incentive payment of \$104,247.19.</p> <p>Ms. Jones gave a report on the Performance Improvement Fair. 75 guests visited the fair and 19 projects were presented. Winners were: People’s Choice Award – Home Health – Optimizing Oasis outcomes. Clinical Award – Surgery Dept. – Summit Pain Alliance. Support Service Award- Medical Records – Un scanned Lab Orders.</p>	
7. ANNUAL CULTURE OF SAFETY AHRQ REPORT	<i>Lovejoy</i>	
	<p>Ms. Lovejoy gave a summary of the AHRQ Patient Safety Culture. She said that overall we performed very well according to the 2018 baseline data. We were at the 90th percentile based on how our staff view our culture.</p>	
8. UPON ADJOURNMENT OF REGULAR SESSION	<i>Hirsch</i>	
	Regular session adjourned at 5:44p.m.	

AGENDA ITEM	DISCUSSION	ACTION
9. CLOSED SESSION <ul style="list-style-type: none"> • <u>Calif. Health & Safety Code § 32155</u> Medical Staff Credentialing & Peer Review Report 	<i>Hirsch/Lovejoy</i>	Action
10. REPORT OF CLOSED SESSION	<i>Hirsch</i>	Inform/Action
		MOTION: No motion due to draft presentation. MEC must approve first. Quality Chair will arrange a separate meeting after MEC for final vote.
11. ADJOURN	<i>Hirsch</i>	
	Meeting adjourned at 5:49 p.m.	



**SONOMA VALLEY HEALTH CARE DISTRICT
GOVERNANCE COMMITTEE MEETING
MINUTES
TUESDAY, December 26, 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 <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Hohorst</i>	
Called to order at 08:30 am		
2. PUBLIC COMMENT SECTION 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.	<i>Hohorst</i>	
No public comment		
3. REVIEW OF DISTRICT BYLAWS	<i>Hohorst</i>	Inform/Action
Approved changes to the Bylaws (see attached) and recommended submittal of changes to the Board for adoption. All in favor.		
5. ADJOURN	<i>Hohorst</i>	
Meeting adjourned at 09:00am.		



SUBJECT: Clinical Documentation in the Patient Medical Record POLICY # MR8610-104
PAGE1 OF6
DEPARTMENT: Organizational EFFECTIVE: 9/86
REVIEW/REVISED: 11/88, 2/93,5/95,1/99,11/01,10/02,12/07,12/10,7/14,2/16, /

- Revised
- Reviewed/No Changes
- Retired

CHANGE SUMMARY:

Briefly state changes and include reasons for making change(s).

What:

Clarification on nurse charting requirements in anticipation of the new Paragon 14.1 Patient Profile. Updates are needed to capture necessary fields such as allergies, ht/wt, preferred pharmacy and smoking status. We are removing the reference to Pneumococcal vaccine screening as this is no longer applicable.

Why:

These changes are necessary to ensure new hire and ongoing employee education is consistent with the SVH clinical documentation policy. New hire training materials are in development, this is a good opportunity to review and make recommendations to the clinical documentation policy.

AUTHORS:

Andrea O'Donnell, Senior Nurse Informatics Analyst

COMMITTEE APPROVALS:

- Policy & Procedure Team:
- Board Quality Committee:
- The Board of Directors:



SUBJECT: Code of Conduct	POLICY #GL8610-128
DEPARTMENT: Organizational	PAGE 1 OF 4
REVIEW/REVISED: 4/11, 7/13, 7/16	EFFECTIVE: 1/09

- Revised Reviewed/No Changes Retired

CHANGE SUMMARY:

Updated procedures for reporting violations of the Code of Conduct and update reference to other policies to reflect the correct policy number.

What:

Reporting Violations of the Code of Conduct

An individual who witnesses or is the recipient of disruptive or inappropriate behavior should report such occurrence to their immediate supervisor and/or the Director of Human Resources either verbally or in writing.

Why:

Violations of the Code of Conduct should not be reported in Midas, but rather to the employee's direct supervisor or Human Resources. When reporting disruptive behavior, an effective and immediate response is necessary so it does not cause a chain reaction that can have a broader, negative impact. When a report has been submitted, the matter is to be investigated thoroughly and rapidly.

AUTHORS: Lynn McKissock, Sr. Admin. Team

APPROVALS:

Policy & Procedure Team:
Board Quality Committee:
The Board of Directors:

SUBJECT: Hospital Emergency Water Supply

POLICY #8450-84

DEPARTMENT: Engineering

PAGE 1 OF 5

EFFECTIVE: 4/05

REVIEW/REVISED: 4/07, 4/13, 2/14, 11/14, 11/17

Revised

Reviewed/No Changes

Retired

CHANGE SUMMARY:

Briefly state changes and include reasons for making change(s).

What: Added procedure how to extract potable water from domestic hot water storage tanks in case of emergency

DOMESTIC HOT WATER TRANSFER FROM BULK TANKS TO CONTAINERS.

There are 2 tanks (HWST-1 & HWST-2) containing 335 gallons each. All Transfer Supplies necessary are located in the same room. Nutrition Services will provide Containers. Wear Heat proof Gloves and Safety Glasses

1. Connect hose to fitting on bottom of HWST-1 or HWST-2.
2. Slowly open Ball valve (white handle) and flush out until water is clear of sediment.
3. Fill small sterile container, Deliver to lab for testing that water is potable for human consumption.
4. Fill containers as necessary. Close Ball valve between containers fills.
5. When water has been cleared by the lab for consumption it can then be delivered to necessary areas.

Why: To define backup potable water supply procedure for all equipment operating requirements, patient care, and ancillary support areas of West Wing and Central Wing should the City's water source fail or become contaminated.

AUTHORS:

Grigory Gatenian, PLOP manager

COMMITTEE APPROVALS:

Policy & Procedure Team:

Board Quality Committee:

The Board of Directors:



SUBJECT: Unusual Occurrence Report to Governmental Agencies	POLICY # GL8610-196
DEPARTMENT: Organizational	PAGE 1 OF 3
REVIEW/REVISED: 3/04, 6/06,3/07,9/07,2/10,2/14, 7/17	EFFECTIVE: 12/94

- Revised Reviewed/No Changes Retired

CHANGE SUMMARY:

Briefly state changes and include reasons for making change(s).

What:

Verbiage changes:

1. "Any person having knowledge of an unusual occurrence should notify" replace Chief Nursing Officer and Emergency Management Coordinator/Safety Officer (or designee) with "Nursing Supervisor" "and Administrator on call" "complete an e-Notification Form on the intranet for submission to the Risk Manager."
2. The Risk Manager has replaced Emergency Management Coordinator/Safety Officer (or designee) throughout policy
3. Risk Manager/Director of Quality will report the occurrence to the California Department of Public Health, Licensing Division.
4. CIHQ 42 CFR 482.11 GL-2 Compliance to law and regulation added to reference section

Why:

Clarify risk policy not an emergency event policy. Clarify role/responsibility and streamline process.

AUTHOR JOB TITLES:

Leslie Lovejoy, Director of Quality

APPROVALS:

Policy & Procedure Team:

Board Quality Committee:

The Board of Directors:

5.

OUTPATIENT DIAGNOSTIC
CENTER CAPITAL
CAMPAIGN UPDATE

Message Points For Boards and Staff As Campaign Conversation Begins

The Hospital District Board will discuss the necessity and intention to build an Outpatient Diagnostic Center at its September meeting. This public discussion may generate some questions that these talking points will address. The Foundation has committed to engage in a campaign to support the need identified by the Hospital and we are in the preliminary planning and 'quiet' phase, but the campaign is not confidential.

These message points are intended to help SVH and SVHF board members and staff convey key information, should they be asked, regarding the project at this very early stage. A comprehensive case statement is being developed which will be used for fundraising purposes.

- Sonoma Valley Hospital has identified the need to build a modern Outpatient Diagnostic Center (ODC) that would house all imaging and diagnostic equipment including the MRI, CT Scanner, X-Ray, Mammography, and others. Outpatient diagnostic services are growing and utilizing sophisticated new technology which requires reconfigured space within the hospital. The new ODC is important to the effectiveness of the Marcia and Gary Nelson Family Emergency Care Center as well as many other hospital departments.
- As SVH added new medical imaging technologies over the years, the size, space and infrastructure needs of these upgraded technologies has placed increasing demands on the hospital's imaging facilities. Sonoma Valley Hospital – like many other hospitals – has had to spread imaging technologies throughout the hospital, including offsite locations, rather than keep them in close proximity as is 'best practice' for medical imaging.
- In 2016, SVH conducted more than 30,000 imaging tests for its patients. Much is at stake in the need for consolidating these 12 critically important medical diagnostic services in one convenient, appropriate, fully-staffed Outpatient Diagnostic Center offering up-to-date, late generation medical technology. The single location for diagnostic services will create operational efficiencies and cost savings for SVH that cannot exist today due to the current multiple locations, and replacing some of new imaging equipment ensures the best possible diagnoses. The ODC project is a critical component to keeping SVH competitive, relevant, and sustainable as an excellent community hospital.
- Preliminary planning and cost estimates are underway. At this point it is anticipated that the project will cost in the range of \$15-\$20 million. The RFQ and RFP process has begun and will generate more definitive cost estimates by the first quarter of 2018, which will determine the financial goal of the campaign.
- Sonoma Valley Hospital does not have the funds to undertake this significant and important project. **All funding for an Outpatient Diagnostic Center will come from philanthropy**, and the Hospital Foundation is committed to raising the necessary revenue. Planning for this capital campaign is underway.



**THE CAMPAIGN FOR
SONOMA VALLEY HOSPITAL**

**EXECUTIVE SUMMARY OF
The Case for Support**

The Need For a New Outpatient Diagnostic Center

SVH medical imaging is currently spread over **four different locations within the hospital and two separate locations outside the hospital**, one in a trailer outside the main entrance, and another off-campus and blocks away. In addition to making their use by patients both inconvenient and unnecessarily expensive, having its various medical imaging tools located in six different locations causes a number of practical problems for patients, physicians, and hospital staff:

- The current medical imaging situation has a negative impact on the quality of Sonoma Valley Hospital's Emergency Department. Emergency medicine needs close proximity to all imaging technologies, but particularly to CT and ultrasound. Last year, the SVH Emergency Department handled more than 11,000 patient visits. About a third of those patients required some form of imaging and this imaging was not convenient for ED patients or staff.
- In addition to being in six different locations, these SVH imaging spaces feature a 1950s layout that is inefficient, old, and inappropriate in design for the equipment housed in them. This very negatively impacts the patient, staff, and physician experience and negatively affects patient perceptions of quality.

The Need for Updated Imaging Equipment

Although Sonoma Valley Hospital currently provides mostly up-to-date diagnostic imaging technologies, three of its most important technologies need significant upgrades and there is a need for a second x-ray imaging machine. These are:

- SVH needs a **new, upgraded CT scanner**. The current 64-slice CT needs to be upgraded to a 128-slice machine. These higher resolutions provide doctors with ***much more dependable diagnostic and evaluation information on the patient's condition, and are particularly crucial to the care provided in the Emergency Department.***
- SVH needs **new, upgraded MRI technology**. The existing MRI utilized by Sonoma Valley Hospital is an early generation model with all of the disadvantages of outdated technology. The new Tesla 1.5 MRI machine will be far more patient friendly, far less claustrophobic, far quieter, and will produce significantly improved imagery.
- SVH has already purchased late generation **3-D digital mammography technology** with funds provided to the Sonoma Valley Hospital Foundation by local philanthropists. This wonderful imaging technology will be installed in early 2018 as the first imaging technology in the proposed new Outpatient Diagnostic Center.

If the hospital does not soon correct these deficiencies in its imaging services, ***the loss of patients and revenue will severely damage the hospital's long-term viability and stability.*** Worse, they sometimes negatively impact diagnostic accuracy and patient outcomes.

Meeting the Need for a New Outpatient Diagnostic Center

In order to ensure appropriate proximity to Sonoma Valley Hospital's new Emergency Department and operating rooms, and to consolidate all of its imaging in a single, appropriate location, SVH hopes to extensively renovate its old Emergency Department and a portion of current imaging spaces to create a new, **20,000 square foot**, 21st Century Outpatient Diagnostic Center. This new center will also have its own external entrance so that outpatients can conveniently enter a new imaging reception area without needing to walk through the hospital to get there; and inpatients can conveniently enter the new department from the hospital side.

The proposed new **20,000 square foot** Outpatient Diagnostic Center will house the new, late-generation CT scanner, the new MRI, the new 3-D digital mammography technology, late-generation x-ray and fluoroscopy technology, nuclear medicine, all cardiopulmonary imaging (EKG, echocardiography, treadmill (stress tests), pulmonary function lab, respiratory therapy), ultrasound and DEXA Scan – all in their own rooms, fully equipped and appropriately staffed. The new CT scanner will be the imaging service closest to the Emergency Department since this technology is the most important to diagnosing many emergency cases.

Revenue Retention and Operational Efficiency

What a \$15-20 million (TBD per construction bid) community philanthropic investment in a diagnostic facility and upgraded equipment at Sonoma Valley Hospital will provide:

A new Outpatient Diagnostic Center results in a minimum \$5.1 million of combined outpatient diagnostic revenue retention and expense reduction for Sonoma Valley Hospital. When imaging revenue from the Emergency Department is included, the number increases to \$6.7 million annually. We must maintain and build upon this financially productive service line.

Sonoma Valley Hospital continuously evaluates opportunities for operational efficiency, as evidenced by the recent adjustments made to reduce annual expenses by \$1.5 million. ***This project reduces operational expenses, potentially increases revenue, and positions SVH to maintain a financially viable independent hospital and meet the needs of the community for years to come.***

SVH provides more than 14,000 outpatient imaging services annually in a District of 42,000 residents, and has excellent patient feedback with a 97.2% satisfaction rate. It is important to note that imaging services and diagnostics, especially the CT Scanner and Ultrasound, are crucial to providing quality emergency care at Sonoma Valley Hospital.

Consolidation Of Imaging Services Into a Central Location and Upgrading The MRI, CT, and X-ray Equipment Will Achieve These Bottom-Line Outcomes for the Hospital:

- The outpatient imaging services are very successful, generating 10% of SVH's total net patient revenue. Last year, outpatient imaging services produced \$4.9 million of income that plays a substantial role in sustaining SVH's economic vitality and ability to serve the community. When combined with Emergency Department related diagnostics, ***imaging diagnostic services produce more than 13% of SVH's total annual revenue.***
- The diagnostic services at Sonoma Valley Hospital are selected by 70% of non-Kaiser insured district residents, and it is anticipated that with this capital investment, at a minimum, the diagnostic revenue will be retained for the hospital. Although difficult to predict with certainty, the development

of the new Outpatient Diagnostic Center brings with it the possibility for capturing a portion of the outmigration physician referrals that currently exist. If this occurs, SVH imaging services will likely see some gains overall, particularly in MRI and Mammography services.

- If the new Center could help capture an additional 10% of the market share, it would increase revenue \$700,000 annually. The risk of not updating key imaging equipment and consolidating it into a modern Diagnostic Center is that the market share could drop an estimated 30% which would reduce annual revenue by \$2.1 million.
- Projections estimate \$290,000 annual operational savings due to the removal of lease expenses associated with previous offsite location for mammography and bone density, as well as staffing and management efficiencies as a result of having imaging services in one location.

This project to consolidate all 12 of the Hospital's imaging services into a single location is critical to the current and future relevance of Sonoma Valley Hospital for this community. Utilizing existing unused spaces at the Hospital, and bringing them up to required seismic code is a significant investment, and one that will return dividends for SVH for years to come.

Quality, Safety, and Patient Experience

By all objective measures, SVH consistently performs commensurate with – or outperforms – hospitals across the country. In 2017, Centers for Medicare and Medicaid Services (CMS) gave SVH a **4-star rating out of 5 possible for quality patient outcomes, which places the hospital among the top 25 percent in the nation.**

Maintaining this record of service excellence is paramount to providing Sonoma Valley with excellent healthcare services. **A new Outpatient Diagnostic Center will provide modern diagnostic services, ensuring the best possible, and life-saving care for our patients.**

Project Cost

Total Cost For The New Outpatient Diagnostic Center is **\$15-20 million** (TBD per construction bid):

- Current Facility Remodel, Expansion and Seismic Upgrade \$12-17 million (TBD per bid)
- CT Scanner \$1.6 million
- MRI \$1.7 million
- Portable X-Ray \$200,000

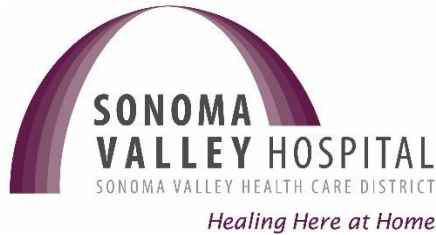
The Need For Community Philanthropic Support

It is widely agreed that, in the future, the **only** communities that will enjoy access to the best health care will be those that provide charitable support for their local not-for-profit hospitals.

Sonoma Valley Hospital hopes that the \$15-\$20 million (TBD) cost of this important improvement can be funded by community philanthropic support. Accordingly, the **Sonoma Valley Hospital Foundation** Board of Directors will conduct an area-wide capital fundraising campaign to raise the needed funds.

8.

ADMINISTRATIVE REPORT
JANUARY 2017



To: SVHCD Board of Directors
From: Kelly Mather
Date: 1/3/18
Subject: Administrative Report

Summary

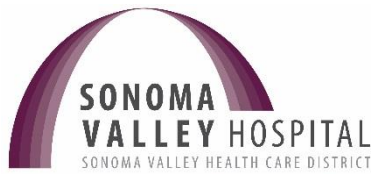
The first six months of FY 2018 proved to be challenging due to lower than expected volumes for inpatient and home care. We have reduced expenses by \$1.5 million per year to adjust to the lower revenues. A few administrative positions were eliminated in December, which is never easy, but the team managed the change well. Looking forward to a great 2018!

Strategic Update from FY 2018 Strategic Plan:

Strategic Priorities	Update
Highest levels of health care safety, quality and value	<ul style="list-style-type: none"> ➤ We have 4 Stars from CMS which is high compared to Bay Area hospitals. ➤ Reviewed our Quality outcomes with UCSF’s physicians and they were very impressed with the SVH results. ➤ We are now seeking a Medical Director to replace the CMO position. ➤ We have added Outpatient Surgery satisfaction surveys for CMS as mandated. ➤ Rate My Hospital has proven a great tool to get feedback and do service recovery.
Be the preferred hospital for patients, physicians, employers and health plans	<ul style="list-style-type: none"> ➤ 3D Mammography construction is almost complete and then requires testing with an opening in February. ➤ The campaign for the Outpatient Diagnostic Center is has started off well. The RFP has gone out and we are expecting bids by the end of the month. ➤ We are working with several physicians to go into the 1206b clinics which will ensure retention of our very valuable doctors in Sonoma. ➤ We did the annual salary increases this past week with a total compensation & benefits letter to staff – this increases transparency.
Implement new and enhanced revenue strategies as measured by increased direct margins in each service unit	<ul style="list-style-type: none"> ➤ The Board met with UCSF and are now considering collaboration opportunities. ➤ The Women’s Place launch is scheduled for later this month. The pro-forma shows a good increase in revenues by June of this year. ➤ We are considering a Pain Management service line with our current physicians and possibly an “addictionologist.” ➤ The “Conversations with a Doctor” proves to be a great way to highlight the new physicians in our community which should increase volumes for these specialists. ➤ There is a new Cardiologist starting this summer with Dr. Price.
Continue to improve financial stability as measured by operating margin	<ul style="list-style-type: none"> ➤ Met with Partnership and they have agreed to increase some payments. ➤ We will have a \$1.3 million pick up from the South Lot sale in October 2018. ➤ The 340b program is still under scrutiny, but we are speaking up to keep it. ➤ Home Care has reduced expenses based on lower volumes from Kaiser. ➤ We are looking at potential partners for some service lines to share in overhead.
Lead progress toward being a healthier community as measured by community benefit	<ul style="list-style-type: none"> ➤ Wellness University was held three times last year with most of the students from the community. We now have over 250 Wellness Ambassadors. ➤ We are part of the “Whole Person Care” pilot project with Sonoma County Health Services. ➤ Due to less people in leadership and more responsibility, we have less hours to give.

NOVEMBER 2017

			National
Patient Experience	Current Performance	FY 2018 Goal	Benchmark
Would Recommend Hospital	47 th percentile	> 60th percentile	50th percentile
Inpatient Overall Rating	50 th percentile	>60th percentile	50th percentile
Home Health	91%	> 90%	> 80%
Outpatient Services	4.83	Rate My Hospital	4.5
Emergency	4.53	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	9.70%	< 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	2.5	< 2.3	2.3
Pressure Ulcers	0	<3.7	3.7
Injuries to Staff	3	< 10	17
Adverse Drug Events with Harm	0	0	0
C Section rate	11.3%	<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	5	4	3
Hospital Star Rating	4	4	3
Our People	YTD Performance	FY 2018 Goal	Benchmark
Press Ganey Engagement Survey	74 th percentile	75th percentile	50th percentile
Wellness Ambassadors	253	250	> 200
Turnover	%	< 10%	< 15%
Financial Stability	YTD Performance	FY 2018 Goal	Benchmark
EBDA	-1.2%	2.9%	3%
FTE's/AOB	4.00	4.3	5.3
Days Cash on Hand	14.4	20	30
Days in Accounts Receivable	48	49	50
Length of Stay	3.4	3.85	4.03
Cost per Medicare Beneficiary	\$18,430	<\$20,000	\$20,473
Funds raised by SVHF	\$1,935,517	\$1,483,950	\$1 million
Strategic Growth	YTD Performance	FY 2018 Goal	Benchmark
Inpatient Discharges	443/1063	1193	1225
Outpatient Visits	21,982/52,756	57,771	55,566
Emergency Visits	4378/10,507	11,022	11,019
Surgeries	688/1891	1,800	1,680
Births	46/110	132	120
Home Health Visits	3873/9295	11,053	11,400
Community Benefit Hours	703/1687	1200	1200



Healing Here at Home

TRENDED MONTHLY RESULTS

MEASUREMENT	Goal FY 2018	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017
FY YTD Turnover	<10%	.9	3.1	5.3	6.8	9.7	4.8	5.6	6.3	7.2	7.7	8.4	9
Leave of Absences	<12	10	10	11	11	11							
EBDA	>3%	.1	-.9	-1.1	.1	-1.2	1.5	2.2	2	3	3	3.1	3.6
Operating Revenue	>5m	5.0	4.8	4.6	4.6	4.5	3.7	4.5	4.3	5.3	4.9	5.3	5.2
Expense Management	<5m	5.1	5.3	5.2	4.8	5.3	4.7	5.0	4.8	5.4	5.3	5.6	5.2
Net Income	>50k	-197	-164	-230	62	-379	-599	-107	307	304	-24	16	180
Days Cash on Hand	>20	16	10	9	12.5	14	25	20	27	16	11	19	20
A/R Days	<50	45	43	47	45	48	51	50	46	44	47	44	45
Total FTE's	<320	318	314	316	304	329	309	316	322	322	313	319	321
FTEs/AOB	<4.0	4.23	3.75	4.19	4.04	4.86	4.03	3.74	3.54	3.93	4.22	3.73	4.14
Inpatient Discharges	>90	76	94	87	87	99	100	119	97	119	89	100	87
Outpatient Revenue	>\$13m	14.1	15.5	14.3	11.9	12.9	12.9	13.5	12.2	15.1	13.1	15.5	15.4
Surgeries	>150	162	164	187	120	155	126	148	127	189	171	173	197
Home Health	>950	870	713	789	871	630	919	877	922	849	934	966	940
Births	>11	6	10	5	12	11	9	11	12	12	11	7	15
SNF days	>550	528	500	479	624	468	500	592	607	572	512	559	458
MRI	>120	102	134	128	100	80	130	115	107	137	121	116	109
Cardiology (Echos)	>50	62	93	73	54	80	51	55	69	89	70	70	79
Laboratory	>12	11.9	12.2	11.6	10.8	12.0	12.0	12.5	11.5	13.9	12.1	13.6	11.8
Radiology	>850	881	966	870	757	882	934	1012	981	1159	963	1142	1137
Rehab	>2700	2362	2872	2502	2078	2945	2117	2530	2161	3020	2748	2983	2802
CT	>300	326	390	354	271	272	340	341	323	398	385	407	376
ER	>900	920	894	921	827	816	942	1000	851	941	921	1069	964
Mammography	>200	223	235	201	191	253	399	171	215	246	191	214	219
Ultrasound	>300	287	326	265	188	236	271	253	284	334	213	279	312
Occupational Health	>600	642	705	552	707	588	601	484	568	611	631	607	659
Wound Care	>200	226	263	287	287	203	225	228	238	348	239	203	307

9.

FINANCIAL REPORT
MONTH ENDED
NOVEMBER 2017

To: SVH Finance Committee
From: Ken Jensen, CFO
Date: December 19, 2017
Subject: Financial Report for the Month Ending November 30, 2017

The actual loss of (\$846,819) from operations for November was (\$399,492) unfavorable to the budgeted loss of (\$447,327). After accounting for all other activity, the November net loss was (\$379,509) vs. the budgeted net loss of (\$38,841) with a monthly EBIDA of 5.5% vs. a budgeted 2.7%. Of note, the year-to-date loss was negatively impacted by the loss of October volume related to the fire disaster. The actual loss is upwards of \$500,000 and a claim is in process with the District's "Loss of Income" insurance which could net between \$300,000 and \$400,000 after a deductible. This potential income has not been accounted for. Also, the Healing at Home service continued to not make its goal and alternatives to this service are being reviewed.

Gross patient revenue for November was \$21,186,820, (\$602,836) less than budgeted. Inpatient gross revenue was under budget by (\$211,974). Inpatient days were under budget by (85) days and inpatient surgeries were over budgeted expectations by 2 cases. Outpatient revenue was under budget by (\$29,586). Outpatient visits were over budgeted expectations by 322 visits, and outpatient surgeries were over budgeted expectations by 15 cases; however, there was a higher mix of outpatient pain management cases which have lower gross charges than general or orthopedic outpatient cases. The Emergency Room gross revenue is under budget by (\$289,273) with ER visits under budgeted expectations by (34) visits. SNF gross charges were over budgeted expectations by \$36,483 and SNF patient days were over budget by 22 days. Home Health was under budget by (\$108,486) with visits under budget by (371) visits which is due to no longer seeing Kaiser HHA patients.

Gross revenue from surgical implants in November is \$862,869, with \$658,542 from inpatient surgeries and \$204,327 from outpatient surgeries, and total implant costs were (\$237,500). The net, before any revenue deductions, is \$625,369.

Deductions from revenue were favorable to budgeted expectations by \$406,272. The favorable variance is primarily due to the unfavorable variance in gross revenue of (\$602,836). In addition, the hospital received Medi-Cal quality incentive funds of \$104,247 and accrued \$62,500 for the Prime Grant.

After accounting for all other operating revenue, the **total operating revenue** was unfavorable to budget by (\$203,333).

Operating Expenses of \$5,332,121 were unfavorable to budget by (\$196,159). Salaries and wages and agency fees were over budget by (\$172,001). Salaries and wages were over budget by (\$130,839) and agency fees were over budget by (\$41,162). The unfavorable variance in salaries, wages, and agency fees were due to one-time staff costs related to the SNF survey, and one-time training costs for new staff in Radiology. Other department variances are being addressed by management. Employee benefits were under budget by \$43,430. Professional fees were over budget by (\$42,080) due in part to the dietary department director being on leave and replaced by a consultant. Supplies were over budget primarily in surgery due to higher than average inpatient surgeries using implants (\$118,057) and pharmacy (\$43,062). These costs are offset by additional revenue. There were no matching fees posted in November.

Administration has implemented both salary and program adjustments to improve the hospital's net income beginning in January 2018. Projected savings of \$100,000 to \$150,000 per month are expected.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for November was (\$581,583) vs. a budgeted net loss of (\$198,164). The total net loss for November after all activity was (\$379,509) vs. a budgeted net loss of (\$38,841).

EBIDA for the month of November was -5.5% vs. the budgeted 2.7%.

Patient Volumes – November

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	99	106	-7	95
Newborn Discharges	13	14	-1	8
Acute Patient Days	321	406	-85	396
SNF Patient Days	468	446	22	446
Home Care Visits	630	1,001	-371	938
OP Gross Revenue	\$12,952	\$13,361	(\$409)	\$13,147
Surgical Cases	155	138	17	161

Gross Revenue Overall Payer Mix – November

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	42.3%	45.0%	-2.7%	44.3%	45.4%	-1.1%
Medicare Mgd Care	13.2%	9.8%	3.4%	11.9%	10.0%	1.9%
Medi-Cal	15.9%	17.8%	-1.9%	17.8%	17.9%	-0.1%
Self Pay	1.4%	1.2%	0.2%	1.3%	1.2%	0.1%
Commercial	22.1%	20.8%	1.3%	20.1%	20.5%	-0.4%
Workers Comp	2.8%	3.3%	-0.5%	2.4%	3.0%	-0.6%
Capitated	2.3%	2.1%	0.2%	2.2%	2.0%	0.2%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for November:

For the month of November the cash collection goal was \$3,692,852 and the Hospital collected \$3,329,329 or under the goal by \$363,523. The year-to-date cash collection goal was \$18,328,733 and the Hospital has collected \$18,436,398 or over goal by 107,665. Days of cash on hand are 14.4 days at November 30, 2017. Accounts Receivable increased from October, from 45.3 days to 47.7 days in November. Accounts Payable decreased by \$408,521 from October and Accounts Payable days are at 42.4.

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 November 30, 2017

ATTACHMENT A

November-17

YTD

Gross Revenue:	Actual	Budget	Variance	% Variance
Medicare	8,963,121	9,801,225	-838,104	-8.6%
Medicare Managed Care	2,795,848	2,135,389	660,459	30.9%
Medi-Cal	3,341,485	3,882,257	-540,772	-13.9%
Self Pay	294,377	267,145	27,232	10.2%
Commercial & Other Government	4,677,819	4,543,658	134,161	3.0%
Worker's Comp.	601,138	711,580	-110,442	-15.5%
Capitated	513,032	448,402	64,630	14.4%
Total	21,186,820	21,789,656	(602,836)	

	Actual	Budget	Variance	% Variance
Medicare	47,459,731	51,413,425	-3,953,694	-7.7%
Medicare Managed Care	12,766,042	11,269,736	1,496,306	13.3%
Medi-Cal	19,141,798	20,233,760	-1,091,962	-5.4%
Self Pay	1,371,454	1,406,320	-34,866	-2.5%
Commercial & Other Government	21,602,112	23,280,383	-1,678,271	-7.2%
Worker's Comp.	2,530,785	3,451,929	-921,144	-26.7%
Capitated	2,401,674	2,319,599	82,075	3.5%
Total	107,273,596	113,375,152	(6,101,556)	

Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	1,371,445	1,471,406	-99,961	-6.8%
Medicare Managed Care	396,731	274,184	122,547	44.7%
Medi-Cal	472,152	552,198	-80,046	-14.5%
Self Pay	150,132	121,204	28,928	23.9%
Commercial & Other Government	1,641,366	1,635,556	5,810	0.4%
Worker's Comp.	134,354	158,943	-24,589	-15.5%
Capitated	11,800	14,528	-2,728	-18.8%
Prior Period Adj/IGT	166,747	313,272	-146,525	-46.8%
Total	4,344,727	4,541,291	(196,564)	-4.3%

	Actual	Budget	Variance	% Variance
Medicare	7,270,387	7,807,977	-537,590	-6.9%
Medicare Managed Care	1,797,604	1,446,933	350,671	24.2%
Medi-Cal	2,819,908	2,841,725	-21,817	-0.8%
Self Pay	716,169	664,535	51,634	7.8%
Commercial & Other Government	7,144,608	8,405,783	-1,261,175	-15.0%
Worker's Comp.	529,154	817,239	-288,085	-35.3%
Capitated	74,463	75,189	-726	-1.0%
Prior Period Adj/IGT	2,294,443	1,566,360	728,083	46.5%
Total	22,646,736	23,625,741	(979,005)	-4.1%

Percent of Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	31.6%	32.4%	-0.8%	-2.5%
Medicare Managed Care	9.1%	6.0%	3.1%	51.7%
Medi-Cal	14.6%	19.1%	-4.5%	-23.6%
Self Pay	3.5%	2.7%	0.8%	29.6%
Commercial & Other Government	37.8%	36.0%	1.8%	5.0%
Worker's Comp.	3.1%	3.5%	-0.4%	-11.4%
Capitated	0.3%	0.3%	0.0%	0.0%
Total	100.0%	100.0%	0.0%	0.0%

	Actual	Budget	Variance	% Variance
Medicare	32.2%	33.0%	-0.9%	-2.7%
Medicare Managed Care	7.9%	6.1%	1.8%	29.5%
Medi-Cal	22.6%	18.7%	3.9%	20.9%
Self Pay	3.2%	2.8%	0.4%	14.3%
Commercial & Other Government	31.5%	35.6%	-4.1%	-11.5%
Worker's Comp.	2.3%	3.5%	-1.2%	-34.3%
Capitated	0.3%	0.3%	0.0%	0.0%
Total	100.0%	100.0%	-0.1%	-0.1%

Projected Collection Percentage:	Actual	Budget	Variance	% Variance
Medicare	15.3%	15.0%	0.3%	2.0%
Medicare Managed Care	14.2%	12.8%	1.4%	10.9%
Medi-Cal	19.1%	22.3%	-3.2%	-14.3%
Self Pay	51.0%	45.4%	5.6%	12.3%
Commercial & Other Government	35.1%	36.0%	-0.9%	-2.5%
Worker's Comp.	22.3%	22.3%	0.0%	0.0%
Capitated	2.3%	3.2%	-0.9%	-28.1%

	Actual	Budget	Variance	% Variance
Medicare	15.3%	15.2%	0.1%	0.7%
Medicare Managed Care	14.1%	12.8%	1.3%	10.2%
Medi-Cal	26.7%	21.8%	4.9%	22.5%
Self Pay	52.2%	47.3%	4.9%	10.4%
Commercial & Other Government	33.1%	36.1%	-3.0%	-8.3%
Worker's Comp.	20.9%	23.7%	-2.8%	-11.8%
Capitated	3.1%	3.2%	-0.1%	-3.1%

**SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended November 30, 2017**

ATTACHMENT B

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual</u> <u>11/30/17</u>	<u>Budget</u> <u>11/30/17</u>	<u>Favorable</u> <u>(Unfavorable)</u> <u>Variance</u>		<u>Actual</u> <u>11/30/17</u>	<u>Budget</u> <u>11/30/17</u>	<u>Favorable</u> <u>(Unfavorable)</u> <u>Variance</u>	<u>Prior</u> <u>Year</u> <u>11/30/16</u>
Inpatient Utilization								
Discharges								
1	80	90	(10)	Acute	365	448	(83)	439
2	19	15	4	ICU	78	79	(1)	58
3	99	106	(7)	Total Discharges	443	527	(84)	497
4	13	14	(1)	Newborn	46	71	(25)	62
5	112	120	(8)	Total Discharges inc. Newborns	489	598	(109)	559
Patient Days:								
6	250	312	(62)	Acute	1,113	1,547	(434)	1,538
7	71	94	(23)	ICU	413	488	(75)	490
8	321	406	(85)	Total Patient Days	1,526	2,035	(509)	2,028
9	24	29	(5)	Newborn	78	146	(68)	109
10	345	435	(90)	Total Patient Days inc. Newborns	1,604	2,181	(577)	2,137
Average Length of Stay:								
11	3.1	3.5	(0.3)	Acute	3.0	3.5	(0.4)	3.5
12	3.7	6.2	(2.4)	ICU	5.3	6.2	(0.9)	8.4
13	3.2	3.8	(0.6)	Avg. Length of Stay	3.4	3.9	(0.4)	4.1
14	1.8	2.0	(0.2)	Newborn ALOS	1.7	2.0	0.4	1.8
Average Daily Census:								
15	8.3	10.4	(2.1)	Acute	7.3	10.1	(2.8)	10.1
16	2.4	3.1	(0.8)	ICU	2.7	3.2	(0.5)	3.2
17	10.7	13.5	(2.8)	Avg. Daily Census	10.0	13.3	(3.3)	13.3
18	0.8	1.0	(0.2)	Newborn	0.51	0.95	(0.4)	0.71
Long Term Care:								
19	468	446	22	SNF Patient Days	2,599	2,753	(154)	2,753
20	26	20	6	SNF Discharges	139	121	18	143
21	15.6	14.9	0.7	Average Daily Census	17.0	18.0	(1.0)	18.0
Other Utilization Statistics								
Emergency Room Statistics								
22	816	850	(34)	Total ER Visits	4,378	4,457	(79)	4,457
Outpatient Statistics:								
23	4,648	4,326	322	Total Outpatients Visits	21,982	23,583	(1,601)	22,753
24	34	32	2	IP Surgeries	141	175	(34)	199
25	121	106	15	OP Surgeries	647	483	164	446
26	73	26	47	Special Procedures	329	157	172	230
27	630	1,001	(371)	Home Health Visits	3,873	4,742	(869)	4,710
28	322	324	(2)	Adjusted Discharges	1,630	1,651	(21)	1,632
29	2,030	2,206	(176)	Adjusted Patient Days (Inc. SNF)	11,553	12,201	(648)	12,192
30	67.7	73.5	(5.9)	Adj. Avg. Daily Census (Inc. SNF)	75.5	79.7	(4.2)	79.7
31	1.5478	1.4000	0.148	Case Mix Index -Medicare	1.5591	1.4000	0.159	1.7548
32	1.4968	1.4000	0.097	Case Mix Index - All payers	1.4878	1.4000	0.088	1.6053
Labor Statistics								
33	316	275	(41.6)	FTE's - Worked	280	284	3.9	283
34	329	314	(14.8)	FTE's - Paid	316	325	9.1	319
35	44.06	42.93	(1.13)	Average Hourly Rate	42.17	42.01	(0.16)	39.85
36	27.7	24.3	(3.4)	Manhours / Adj. Pat Day	23.9	23.2	(0.6)	22.8
37	174.8	165.6	(9.1)	Manhours / Adj. Discharge	169.1	171.8	2.7	170.5
38	20.6%	22.8%	2.2%	Benefits % of Salaries	22.6%	22.3%	-0.3%	23.1%
Non-Labor Statistics								
39	14.0%	10.4%	-3.6%	Supply Expense % Net Revenue	11.9%	10.6%	-1.2%	12.5%
40	1,947	1,496	(452)	Supply Exp. / Adj. Discharge	1,695	1,561	(135)	1,824
41	17,083	16,343	(740)	Total Expense / Adj. Discharge	16,687	16,429	(258)	16,118
Other Indicators								
42	14.4			Days Cash - Operating Funds				
43	47.7	50.0	(2.3)	Days in Net AR	45.4	50.0	(4.6)	51.6
44	90%			Collections % of Net Revenue	101%			106.1%
45	42.4	55.0	(12.6)	Days in Accounts Payable	42.4	55.0	(12.6)	10.3
46	21.1%	21.5%	-0.3%	% Net revenue to Gross revenue	21.7%	21.4%	0.3%	21.9%
47	22.8%			% Net AR to Gross AR	22.8%			24.7%

Sonoma Valley Health Care District
Balance Sheet
As of November 30, 2017

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1	\$ 2,342,550	\$ 2,020,693	\$ 1,605,510
2	2,108,022	2,106,493	1,690,858
3	8,385,741	8,306,715	9,232,374
4	(1,272,722)	(1,566,400)	(1,282,409)
5	7,113,019	6,740,315	7,949,965
6	7,161,663	7,228,328	6,847,450
7	981,487	2,217,756	2,847,865
8	847,066	840,026	791,253
9	758,654	792,791	800,370
10	<u>\$ 21,312,461</u>	<u>\$ 21,946,402</u>	<u>\$ 22,533,271</u>
12	\$ 52,276,451	\$ 52,477,887	\$ 53,196,716
13	919,177	1,243,963	224,917
14	-	-	144,911
15	<u>\$ 74,508,089</u>	<u>\$ 75,668,252</u>	<u>\$ 76,099,815</u>
Liabilities & Fund Balances			
Current Liabilities:			
16	\$ 3,294,590	\$ 3,703,111	\$ 3,709,442
17	4,373,415	4,046,606	4,127,921
18	423,103	317,328	441,062
19	1,783,535	1,871,566	1,427,495
20	504,690	544,088	124,255
21	3,971,450	4,538,800	3,478,361
22	1,291,404	1,298,638	1,052,846
23	6,973,734	6,973,734	5,923,734
24	1,501,386	1,501,386	2,446,097
25	<u>\$ 24,117,307</u>	<u>\$ 24,795,257</u>	<u>\$ 22,731,213</u>
26	\$ 35,160,401	\$ 35,263,105	\$ 37,288,791
Fund Balances:			
28	\$ 11,269,063	\$ 11,705,739	\$ 12,818,796
29	3,961,318	3,904,151	3,261,016
30	<u>\$ 15,230,381</u>	<u>\$ 15,609,890</u>	<u>\$ 16,079,811</u>
31	<u>\$ 74,508,089</u>	<u>\$ 75,668,252</u>	<u>\$ 76,099,815</u>

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended November 30, 2017**

	Month					Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
Volume Information											
1	99	106	(7)	-7%	Acute Discharges		443	527	(84)	-16%	497
2	468	446	22	5%	SNF Days		2,599	2,753	(154)	-6%	2,753
3	630	1,001	(371)	-37%	Home Care Visits		3,873	4,742	(869)	-18%	4,710
4	12,952	13,361	(409)	-3%	Gross O/P Revenue (000's)	\$	68,879	\$ 68,843	37	0%	\$ 65,947
Financial Results											
Gross Patient Revenue											
5	\$ 6,559,301	\$ 6,771,275	(211,974)	-3%	Inpatient	\$	28,554,693	\$ 34,561,667	(6,006,974)	-17%	\$ 33,109,481
6	7,261,711	7,291,297	(29,586)	0%	Outpatient		37,908,079	36,584,079	1,324,000	4%	34,014,760
7	5,457,253	5,746,526	(289,273)	-5%	Emergency		29,628,299	30,712,014	(1,083,715)	-4%	30,490,630
8	1,673,503	1,637,020	36,483	2%	SNF		9,777,952	9,887,834	(109,882)	-1%	9,450,186
9	235,052	343,538	(108,486)	-32%	Home Care		1,404,573	1,629,558	(224,985)	-14%	1,640,240
10	\$ 21,186,820	\$ 21,789,656	(602,836)	-3%	Total Gross Patient Revenue	\$	107,273,596	\$ 113,375,152	(6,101,556)	-5%	\$ 108,705,297
Deductions from Revenue											
11	\$ (16,900,540)	\$ (17,439,030)	538,490	3%	Contractual Discounts	\$	(86,221,034)	\$ (90,702,736)	4,481,702	5%	\$ (86,659,673)
12	(100,000)	(100,000)	-	0%	Bad Debt		(653,000)	(500,000)	(153,000)	-31%	(620,000)
13	(8,300)	(22,607)	14,307	63%	Charity Care Provision		(47,269)	(113,035)	65,766	58%	(138,948)
14	166,747	313,272	(146,525)	-47%	Prior Period Adj/Government Program Revenue		2,294,443	1,566,360	728,083	*	1,844,626
15	\$ (16,842,093)	\$ (17,248,365)	406,272	-2%	Total Deductions from Revenue	\$	(84,626,860)	\$ (89,749,411)	5,122,551	-6%	\$ (85,573,995)
Net Patient Service Revenue											
16	\$ 4,344,727	\$ 4,541,291	(196,564)	-4%	Risk contract revenue	\$	650,145	\$ 642,605	7,540	1%	\$ 644,568
17	\$ 128,781	\$ 128,521	260	0%	Net Hospital Revenue	\$	23,296,881	\$ 24,268,346	(971,465)	-4%	\$ 23,775,870
18	\$ 4,473,508	\$ 4,669,812	(196,304)	-4%	Other Op Rev & Electronic Health Records	\$	87,537	\$ 94,115	(6,578)	-7%	\$ 189,256
19	\$ 11,794	\$ 18,823	(7,029)	-37%	Total Operating Revenue	\$	23,384,418	\$ 24,362,461	(978,043)	-4%	\$ 23,965,126
20	\$ 4,485,302	\$ 4,688,635	(203,333)	-4%	Operating Expenses						
21	\$ 2,476,588	\$ 2,304,587	(172,001)	-7%	Salary and Wages and Agency Fees	\$	11,624,205	\$ 11,914,007	289,802	2%	\$ 11,087,615
22	835,512	878,942	43,430	5%	Employee Benefits		4,348,464	4,476,701	128,237	3%	4,291,081
23	\$ 3,312,100	\$ 3,183,529	(128,571)	-4%	Total People Cost	\$	15,972,669	\$ 16,390,708	418,039	3%	\$ 15,378,696
24	\$ 451,411	\$ 409,331	(42,080)	-10%	Med and Prof Fees (excl Agency)	\$	2,052,849	\$ 2,047,308	(5,541)	0%	\$ 1,967,273
25	626,377	484,778	(141,599)	-29%	Supplies		2,763,184	2,575,683	(187,501)	-7%	2,976,608
26	347,992	376,290	28,298	8%	Purchased Services		1,826,092	1,881,993	55,901	3%	1,557,838
27	285,036	282,312	(2,724)	-1%	Depreciation		1,425,559	1,411,560	(13,999)	-1%	1,389,600
28	100,577	101,622	1,045	1%	Utilities		573,094	508,110	(64,984)	-13%	531,974
29	31,819	27,614	(4,205)	-15%	Insurance		159,095	138,070	(21,025)	-15%	146,460
30	47,848	44,415	(3,433)	-8%	Interest		233,989	226,981	(7,008)	-3%	175,673
31	128,961	139,638	10,677	8%	Other		599,255	696,526	97,271	14%	675,984
32	-	86,433	86,433	*	Matching Fees (Government Programs)		775,755	432,165	(343,590)	-80%	747,361
33	\$ 5,332,121	\$ 5,135,962	(196,159)	-4%	Operating expenses	\$	26,381,541	\$ 26,309,104	(72,437)	0%	\$ 25,547,467
34	\$ (846,819)	\$ (447,327)	(399,492)	-89%	Operating Margin	\$	(2,997,123)	\$ (1,946,643)	(1,050,480)	-54%	\$ (1,582,341)

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended November 30, 2017**

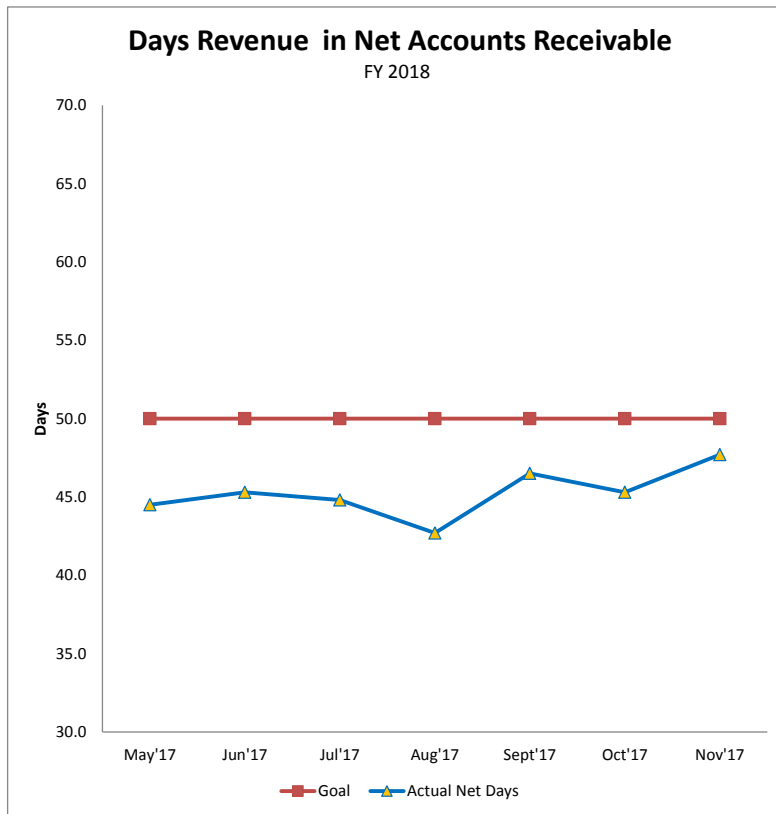
	Month					Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
35	\$ (8,508)	\$ (12,821)	4,313	-34%						\$ (46,666)	
36	13,843	-	13,843	0%						53,887	
37	(56,766)	(54,683)	(2,083)	4%						(187,500)	
38	316,667	316,667	-	0%						1,250,378	
39	0	0	-	0%							
40	<u>\$ 265,236</u>	<u>\$ 249,163</u>	<u>16,073</u>	<u>6%</u>						<u>\$ 1,070,099</u>	
41	<u>\$ (581,583)</u>	<u>\$ (198,164)</u>	<u>(383,419)</u>	<u>193%</u>	Net Income / (Loss) prior to Restricted Contributions	<u>\$ (1,712,515)</u>	<u>\$ (702,031)</u>	<u>(983,609)</u>	<u>140%</u>	<u>\$ (512,242)</u>	
42	\$ 57,167	\$ 14,416	42,751	297%	Capital Campaign Contribution	\$ 69,917	\$ 72,084	(2,167)	-3%	\$ 66,345	
43	\$ -	\$ -	-	0%	Restricted Foundation Contributions	\$ 12,267	\$ -	12,267	100%	\$ -	
44	<u>\$ (524,416)</u>	<u>\$ (183,748)</u>	<u>(340,668)</u>	<u>185%</u>	Net Income / (Loss) w/ Restricted Contributions	<u>\$ (1,630,331)</u>	<u>\$ (629,947)</u>	<u>(1,000,384)</u>	<u>159%</u>	<u>\$ (445,897)</u>	
45	250,683	250,683	-	0%	GO Bond Tax Assessment Rev	1,253,415	1,253,415	-	0%	1,234,545	
46	(105,776)	(105,776)	-	0%	GO Bond Interest	(533,370)	(533,370)	-	0%	(566,973)	
47	<u>\$ (379,509)</u>	<u>\$ (38,841)</u>	<u>(340,668)</u>	<u>877%</u>	Net Income/(Loss) w GO Bond Activity	<u>\$ (910,286)</u>	<u>\$ 90,098</u>	<u>(1,000,384)</u>	<u>-1110%</u>	<u>\$ 221,675</u>	
	\$ (248,699)	\$ 128,563			EBIDA - Not including Restricted Contributions	\$ (52,967)	\$ 936,510			\$ 1,053,031	
	-5.5%	2.7%				-0.2%	3.8%			4.4%	
	\$ (296,547)	\$ 84,148			EBDA - Not including Restricted Contributions	\$ (286,956)	\$ 709,529				
	-6.6%	1.8%				-1.2%	2.9%				

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended November 30, 2017

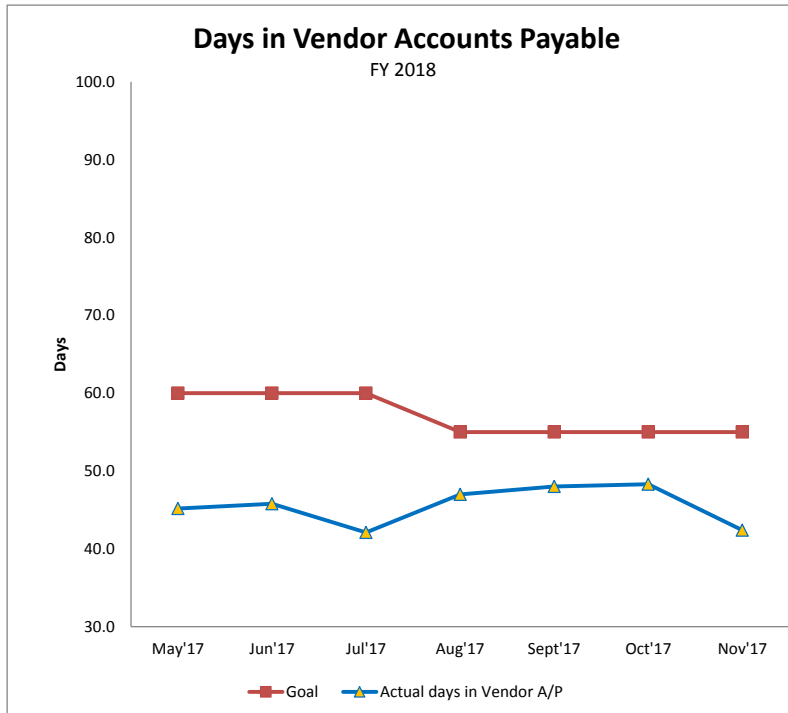
	YTD	MONTH	
Description	Variance	Variance	
Volume Information			
1 Acute Discharges	(84)	(7)	
2 SNF Days	(154)	22	
3 Home Care Visits	(869)	(371)	
4 Gross O/P Revenue (000's)	37	(409)	
Financial Results			
Gross Patient Revenue			
5 Inpatient	(6,006,974)	(211,974)	Inpatient days were below budgeted expectations by (85) days and IP surgeries were above budget by 2 cases.
6 Outpatient	1,324,000	(29,586)	Outpatient visits are 4,648 vs. budgeted expectations of 4,326 visits and outpatient surgeries are 121 vs. budgeted expectations 106.
7 Emergency	(1,083,715)	(289,273)	ER visits are 816 vs. budgeted visits of 850.
8 SNF	(109,882)	36,483	SNF patient days are 468 vs. budgeted expected days of 446.
9 Home Care	(224,985)	(108,486)	HHA visits are 630 vs. budgeted expectations of 1,001.
10 Total Gross Patient Revenue	(6,101,556)	(602,836)	
Deductions from Revenue			
11 Contractual Discounts	4,481,702	538,490	
12 Bad Debt	(153,000)	-	
13 Charity Care Provision	65,766	14,307	
14 Prior Period Adj/Government Program Revenue	728,083	(146,525)	Received Medi-Cal quality incentive funds of \$104,247 and accrued \$62,500 for the prime grant.
15 Total Deductions from Revenue	5,122,551	406,272	
16 Net Patient Service Revenue	(979,005)	(196,564)	
17 Risk contract revenue	7,540	260	
18 Net Hospital Revenue	(971,465)	(196,304)	
19 Other Op Rev & Electronic Health Records	(6,578)	(7,029)	
20 Total Operating Revenue	(978,043)	(203,333)	
Operating Expenses			
21 Salary and Wages and Agency Fees	289,802	(172,001)	Salaries and Wages are over budget by (\$130,839) and the Agency fees are over budget by (\$41,162).
22 Employee Benefits	128,237	43,430	
23 Total People Cost	418,039	(128,571)	
24 Med and Prof Fees (excl Agency)	(5,541)	(42,080)	Dietary department consultant (\$20,000 for October and November) while the director was out on medical leave and Chief Revenue Officer that was moved from employee to consultant (\$17,680)
25 Supplies	(187,501)	(141,599)	Supplies were over budget primarily in surgery due to higher than average inpatient surgeries using implants (\$118,057) and pharmacy (\$43,062)
26 Purchased Services	55,901	28,298	
27 Depreciation	(13,999)	(2,724)	
28 Utilities	(64,984)	1,045	
29 Insurance	(21,025)	(4,205)	
30 Interest	(7,008)	(3,433)	
31 Other	97,271	10,677	
32 Matching Fees (Government Programs)	(343,590)	86,433	No matching fees posted in November. The budgeted matching fees are spread evenly over 12 months.
33 Operating expenses	(72,437)	(196,159)	
34 Operating Margin	(1,050,480)	(399,492)	
Non Operating Rev and Expense			
35 Miscellaneous Revenue	54,965	4,313	
36 Donations	22,321	13,843	
37 Physician Practice Support-Prima	(10,415)	(2,083)	
38 Parcel Tax Assessment Rev	-	-	
39 Extraordinary Items	(26,875)	-	
40 Total Non-Operating Rev/Exp	66,871	16,073	
		-	

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended November 30, 2017

	YTD	MONTH
Description	Variance	Variance
41 Net Income / (Loss) prior to Restricted Contributions	(983,609)	(383,419)
	-	-
42 Capital Campaign Contribution	(2,167)	42,751
43 Restricted Foundation Contributions	12,267	-
44 Net Income / (Loss) w/ Restricted Contributions	(1,000,384)	(340,668)
	-	-
45 GO Bond Tax Assessment Rev	-	-
46 GO Bond Interest	-	-
	-	-
47 Net Income/(Loss) w GO Bond Activity	(1,000,384)	(340,668)



Days in A/R	May'17	Jun'17	Jul'17	Aug'17	Sept'17	Oct'17	Nov'17
Actual days in A/R	44.5	45.3	44.8	42.7	46.5	45.3	47.7
Goal	50.0	50.0	50.0	50.0	50.0	50.0	50.0



Days in A/P	May'17	Jun'17	Jul'17	Aug'17	Sept'17	Oct'17	Nov'17
Actual days in Vendor A/P	45.2	45.8	42.1	47.0	48.0	48.3	42.4
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													
	Nov-17	Nov-17	Nov-17	Nov-17	Oct-17	Sep-17	Aug-17	Jul-17	Jun-17	May-17	Apr-17	Mar-17	Feb-17	Jan-17	Dec-16	Nov-16	Oct-16	
Statistics																		
Acute																		
Acute Patient Days	321	406	315	325	325	240	346	388	368	415	415	465	355	396	402			
Acute Discharges (w/o Newborns)	99	106	87	87	94	76	87	100	89	119	97	119	100	95	99			
SNF Days	468	446	624	479	500	528	458	559	512	572	607	592	500	446	512			
HHA Visits	630	1,001	871	789	713	870	940	966	934	849	922	877	919	938	880			
Emergency Room Visits	816	850	827	921	894	920	964	1,069	921	941	851	1,000	942	850	852			
Gross Outpatient Revenue (000's)	\$12,952	\$13,361	\$11,864	\$14,364	\$15,524	\$14,175	\$15,454	\$15,523	\$13,168	\$15,098	\$12,189	\$13,500	\$12,935	\$13,147	\$13,347			
Equivalent Patient Days	2,030	2,206	2,334	2,266	2,591	2,332	2,328	2,654	2,227	2,537	2,553	2,618	2,382	2,202	2,380			
Births	11	14	12	5	10	6	15	7	11	12	12	11	9	8	9			
Surgical Cases - Inpatient	34	32	23	33	22	29	36	30	47	40	26	38	28	38	42			
Surgical Cases - Outpatient	121	106	97	154	142	133	161	143	124	149	101	110	98	123	84			
Total Surgical Cases	155	138	120	187	164	162	197	173	171	189	127	148	126	161	126			
Total Special Procedures	73	26	52	75	77	52	66	58	44	36	41	28	40	32	29			
Medicare Case Mix Index	1.55	1.40	1.49	1.54	1.57	1.65	1.66	1.69	1.64	1.45	1.52	1.47	1.59	1.79	1.59			
Income Statement																		
Net Revenue (000's)	\$4,474	\$4,670	4,543	4,518	4,775	4,988	5,188	5,330	4,924	5,283	4,266	\$4,528	\$3,588	\$4,452	\$4,727			
Operating Expenses (000's)	\$5,332	\$5,136	\$4,872	\$5,206	\$5,380	\$5,592	\$5,250	\$5,678	\$5,308	\$5,395	\$4,803	\$5,026	\$4,713	\$5,047	\$4,912			
Net Income (000's)	(\$380)	(\$39)	\$ 62	\$ (230)	\$ (165)	\$ (198)	\$ 690	\$ 16	\$ (24)	\$ 304	\$ 308	\$ (108)	\$ (600)	\$ (65)	\$ 337			
Productivity																		
Total Operating Expense Per Equivalent Patient Day	\$2,627	\$2,209	\$2,087	\$2,297	\$2,076	\$2,398	\$2,255	\$2,139	\$2,383	\$2,127	\$1,881	\$1,920	\$1,979	\$2,292	\$2,064			
Productive FTEs	316	275	246	289	279	271	278	291	285	294	294	280	253	289	280			
Non-Productive FTE's	13	39	58	27	35	47	43	28	28	28	28	36	56	30	36			
Total FTEs	329	314	304	316	314	318	321	319	313	322	322	316	309	319	316			
FTEs per Adjusted Occupied Bed	4.86	4.27	4.04	4.19	3.75	4.23	4.14	3.73	4.22	3.93	3.54	3.74	4.03	4.35	4.11			
Balance Sheet																		
Days of Expense In General Operating Cash	14.4		12	9	11	16	20	19	11	16	27	20	25	10	11			
Net Days of Revenue in AR	48	50	45	47	43	45	45	44	47	44	46	50	51	53	50			

Sonoma Valley Hospital
Cash Forecast
FY 2018

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Forecast Dec	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources													
1 Patient Payments Collected	4,502,585	4,253,229	4,093,599	4,253,616	3,890,115	4,168,703	4,476,616	4,409,693	4,706,455	4,322,606	4,357,338	4,351,807	51,786,363
2 Capitation Revenue	133,404	128,220	128,530	131,210	128,781	128,521	128,521	128,521	128,521	128,521	128,521	128,518	1,549,788
3 Napa State	39,561	4,166	35,361	26,125	5,181	20,762	20,762	20,762	20,762	20,762	20,762	20,762	255,728
4 Other Operating Revenue	10,971	25,415	37,380	30,930	42,863	18,823	18,823	18,823	18,823	18,823	18,823	18,827	279,323
5 Other Non-Operating Revenue	26,914	38,081	68,232	33,898	48,014								215,140
6 Unrestricted Contributions		8,478	150										8,628
7 Line of Credit													-
Sub-Total Hospital Sources	4,713,435	4,457,589	4,363,253	4,475,779	4,114,954	4,336,809	4,644,722	4,577,799	4,874,561	4,490,712	4,525,444	4,519,914	54,094,971
Hospital Uses of Cash													
8 Operating Expenses	5,146,037	5,273,336	5,040,006	4,799,145	5,326,497	5,130,853	5,338,157	5,253,569	5,505,480	5,297,652	5,370,033	5,303,034	62,783,799
9 Less Depreciation						(282,312)	(282,312)	(282,312)	(282,312)	(282,312)	(282,312)	(282,301)	(1,976,173)
10 Add Capital Lease Payments	52,503	186,389	69,999	179,596	109,938	166,323	102,110	102,526	102,944	103,364	103,786	169,180	1,448,658
11 Additional Liabilities										500,000			500,000
12 Capital Expenditures	15,965	56,034	1,755	88,906	88,829								251,489
Total Hospital Uses	5,214,505	5,515,759	5,111,761	5,067,647	5,525,264	5,014,864	5,157,955	5,073,783	5,326,112	5,618,704	5,191,507	5,189,913	63,007,774
Net Hospital Sources/Uses of Cash	(501,070)	(1,058,171)	(748,508)	(591,868)	(1,410,310)	(678,055)	(513,233)	(495,984)	(451,551)	(1,127,992)	(666,063)	(669,999)	(8,912,803)
Non-Hospital Sources													
13 Restricted Cash/Capital Donations		527,977	(727,205)	(100,755)	382,167	14,417	268,828	18,828	18,828	18,828	18,828	18,828	459,569
14 Parcel Tax Revenue	152,275		1,500,000			500,000				1,800,000			3,952,275
15 Payment - South Lot				(25,205)		(25,205)			(24,658)			(24,932)	(100,000)
16 Other:													-
17 IGT				1,877,696					860,000				2,737,696
18 IGT - AB915 (Net)								811,535					811,535
19 PRIME					1,350,000						150,000		1,500,000
Sub-Total Non-Hospital Sources	152,275	527,977	772,795	1,751,736	1,732,167	489,212	268,828	830,363	854,170	1,818,828	168,828	(6,104)	9,361,075
Non-Hospital Uses of Cash													
20 Matching Fees		509,543	266,212	675,000						75,000			1,525,755
Sub-Total Non-Hospital Uses of Cash	-	509,543	266,212	675,000	-	-	-	-	-	75,000	-	-	1,525,755
Net Non-Hospital Sources/Uses of Cash	152,275	18,434	506,583	1,076,736	1,732,167	489,212	268,828	830,363	854,170	1,743,828	168,828	(6,104)	7,835,320
Net Sources/Uses	(348,795)	(1,039,737)	(241,925)	484,868	321,857	(188,843)	(244,405)	334,379	402,619	615,836	(497,235)	(676,103)	
Cash and Equivalents at beginning of period	3,166,281	2,817,486	1,777,750	1,535,825	2,020,693	2,342,550	2,153,707	1,909,302	2,243,681	2,646,300	3,262,136	2,764,901	
Cash and Equivalents at end of period	2,817,486	1,777,750	1,535,825	2,020,693	2,342,550	2,153,707	1,909,302	2,243,681	2,646,300	3,262,136	2,764,901	2,088,798	

10.

RECOMMENDED
CHANGES TO SVHCD
BYLAWS

January 1, 2018

Recommended Changes to the District Bylaws

The District Bylaws stipulate that the Bylaws be reviewed every two years during even numbered years. They were last reviewed and amended in August 2016. The recommended changes to the Bylaws, below, reflect the Sonoma Valley Hospital Foundation's increased financial contribution of the Hospital and the District.

Article I Preamble

Section 2 Relationships

The Board recognizes that it is most effective in maintaining, improving, and restoring the health of everyone in our community when it works in collaboration with others. Among our partners are the community, the Hospital, the medical community, **and** other healthcare providers, **and the Sonoma Valley Hospital Foundation**. Although the responsibilities of the Board are set forth in our public trust as the duties of fiduciary responsibility and care and in state law, it is the intent of the Board to maximize its impact on health by building strong, cooperative relationships.

Add the Sonoma Valley Hospital Foundation to the list of partners as shown above.

Section 2 (e)

Though not a healthcare provider as such, the District recognizes the indispensable role being played by the Sonoma Valley Hospital Foundation as an independent and self-governed entity in funding certain capital requirements and other defined needs of the Hospital as may be determined and coordinated between the two organizations from time to time.

Add this paragraph to include the Foundation to the list of partners

Article II The Board as a Legal Entity

Section 1. Powers

The Board shall have accountability and authority for those powers set forth in the Local Health Care District Law of California [California Health and Safety Code (H&S)

32,000] that are necessary for fulfilling its mission. These shall include, but are not limited to the following abilities to:

- a. Form a medical staff to be known as “The Medical Staff of Sonoma Valley Hospital”; such medical staff shall be self-governing, subject to the District Board’s final approval of members and their privileges, hospital rules for quality of patient health and safety, indemnification of practice, and Medical Staff Bylaws [California Health and Safety Code (H&S) 32128, 32129].
- b. **Recruit and manage such volunteers from the community, serving without compensation, as may be needed from time to time to support the Hospital and the District.**

Add item b., The 2016 Parcel Tax Campaign Committee is but one example of the need to recruit volunteers in support of the District and the Hospital.

Also at the end of this section change the wording of the first sentence as shown below.

The Board exercises its responsibilities through setting goals, assessing the healthcare environment and performance of the hospital, and **requesting when appropriate, initiating** responsive action. All District powers shall only be exercised pursuant to specific delegation by the Board of Directors.

Section 2. District Bylaws as Basis of Authority

b. Relationship to Other Bylaws

The Bylaws of the Sonoma Valley Health Care District Medical Staff (the Medical Staff) are understood to be a subset of the District Bylaws with respect to their relationship with the District. Any action or procedure that is required, allowed, or prohibited in the Medical Staff Bylaws will also be required, allowed, or prohibited in the District Bylaws. The District Board and the Medical Staff shall consult on any proposed changes in either document that may affect both groups. Changes in the Medical Staff Bylaws shall be approved by the District Board; changes in District Bylaws that may affect the Medical Staff require corresponding revision of the Medical Staff Bylaws.

In any case where there is a conflict between **either** the Medical Staff **Bylaws with and** the District Bylaws, the District Bylaws shall be controlling.

Change the wording as shown above to restore the meaning of the sentence to its correct meaning.

Article III Board of Directors

Section 2. Officers

b. Chair (7) Duties

(7) Coordinate the Board's annual self-evaluation and annual retreat process.

Add this duty to the list of the Chair's duties.

Article IV Delegation of Authority

Section 1. Chief Executive Officer

Add this authority delegation.

k. Execute and sign borrowing notes as authorized by the Board

Section 3. Contractual and Affiliation Relationships

The District may enter into contractual and affiliation relationships with other Districts, provider organizations, or consortia in order to share resources and improve access to care to better serve the needs of those in the Valley.

Add affiliation as shown above.