



**SONOMA VALLEY HEALTH CARE DISTRICT  
BOARD OF DIRECTORS  
REGULAR MEETING AGENDA  
APRIL 5, 2018**

**CLOSED SESSION 5:30 P.M.  
REGULAR SESSION 6:00 P.M.**

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

<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>	<b>RECOMMENDATION</b>	
<b>AGENDA ITEM</b>		
<p><b>MISSION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</i></p>		
<p><b>1. CALL TO ORDER</b></p>	<i>Hirsch</i>	
<p><b>2. PUBLIC COMMENT ON CLOSED SESSION</b></p>	<i>Hirsch</i>	
<p><b>3. CLOSED SESSION</b> <u>Calif. Health &amp; Safety Code § 32106: Trade Secrets Regarding Contract Negotiations</u></p>	<i>Hirsch</i>	Action
<p><b>4. REPORT ON CLOSED SESSION</b></p>	<i>Hirsch</i>	Inform
<p><b>5. PUBLIC COMMENT</b></p>	<i>Hirsch</i>	
<p><b>6. CONSENT CALENDAR</b>  A. Board Minutes 03.01.18 <span style="float: right;"><i>Pages 3 - 5</i></span>  B. Finance Committee Minutes 02.27.18 <span style="float: right;"><i>Pages 6 - 8</i></span>  C. Quality Committee Minutes 02.28.18 <span style="float: right;"><i>Pages 9 - 10</i></span>  D. Executed Policies and Procedures <span style="float: right;"><i>Pages 11 - 18</i></span>  E. Medical Staff Credentialing Report</p>	<i>Hirsch</i>	Action
<p><b>7. CHIEF OF STAFF REPORT</b></p>	<i>Sebastian</i>	Inform
<p><b>8. SONOMA FIRE &amp; RESCUE PRESENTATION</b></p>	<i>Akre</i>	Inform
<p><b>9. PATIENT CARE SERVICES ANNUAL REPORT 2017</b> <i>Pages 20 - 38</i></p>	<i>Kobe</i>	Inform
<p><b>10. STRATEGIC PLAN FY 2019-2021</b></p>	<i>Mather</i>	Inform
<p><b>11. ADMINISTRATIVE REPORT APRIL 2018</b> <span style="float: right;"><i>Pages 40 - 42</i></span></p>	<i>Mather</i>	Inform
<p><b>12. FINANCIAL REPORT MONTH ENDED FEBRUARY 28, 2018</b> <i>Pages 44 - 58</i></p>	<i>Jensen</i>	Inform
<p><b>13. COMMITTEE REPORTS</b>  A. Governance Committee Report:  i. Board Legislative and Regulatory Positions Policy #P-2018.04.05-1  ii. Board Gift, Ticket and Honoraria Policy #P-2018.04.05-2  iii. Board Gift Acceptance Policy #P-2013.06.06-3  <span style="float: right;"><i>Pages 60 - 75</i></span></p>	<i>Hohorst</i>	Inform/Action
<p><b>14. BOARD COMMENTS</b></p>	<i>Board Members</i>	Inform
<p><b>15. ADJOURN</b> <i>The next Regular Board meeting is May 3, 2018.</i></p>	<i>Hirsch</i>	

6.

## CONSENT CALENDAR



BOARD OF DIRECTORS' MEETING  
**MINUTES**  
 THURSDAY, MARCH 1, 2018  
 REGULAR SESSION 6:00 P.M.

**EMERGENCY OPERATIONS ROOM**  
 175 First Street West, Sonoma, CA

	<b>RECOMMENDATION</b>	
<b>MISSION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>		
<b>1. CALL TO ORDER</b> The meeting was called to order at 6:02 pm	<i>Rymer</i>	
<b>2. PUBLIC COMMENT</b> None	<i>Rymer</i>	
<b>3. CONSENT CALENDAR:</b> A. Board Minutes 02.01.18 B. Board Minutes 02.15.18 C. Finance Committee Minutes 01.23.18 D. Quality Committee Minutes 01.24.18 E. Executed Policies and Procedures F. Medical Staff Credentialing Report G. Final UCSF-SVHCD Collaboration Agreement	<i>Rymer</i>	<b>MOTION:</b> by Nevins to approve, 2 <sup>nd</sup> by Hirsch. All in favor.
<b>4. CHIEF OF STAFF REPORT</b> The report was deferred to the April 2018 meeting.	<i>Sebastian</i>	Inform
<b>5. SONOMA VALLEY COMMUNITY HEALTH CENTER PRESENTATION</b> Ms. Johnson began at SVCHC in 2012. They moved into their new building in 2014 with 2,412 patients and have grown to 7,000 patients last year, a 14%/year increase in visits over the last five years. 65% of the uninsured and underinsured population in the area go to health services for care, and 80% of those go to SVCHC. The facility is now fully staffed. The Health Center has been recognized for the quality of their services, receiving a dozen national quality awards in the past two years and an additional \$200,000 in funding. They rank first in Sonoma County in diabetic care. Quality scores are constantly benchmarked with the other eight health centers in the County.  SVCHC works to align its values with the community. All board members have to live and work in Sonoma. A Latino Advisory Council and a Patient Advisory Council have been added. The Latino Council has spearheaded an inter-agency emergency preparedness workshop planned for this spring, as well as a healing through art project for kids and adolescents after the fires. There is a real need for adolescent behavioral health. Ms. Johnson mentioned numerous examples of bringing more services to patients through collaboration and networking with other agencies, including both SVH and UCSF.	<i>Johnson</i>	Inform

<b>6. REVENUE CYCLE PRESENTATION</b>	<i>Denton</i>	Inform
<p>Ms. Denton gave a high-level overview of SVH’s revenue cycle process. The front end begins with a patient request for services with a physician order (admitting, scheduling, eligibility, authorization, etc.). Charges go into the system and coding occurs at mid cycle. The back end is claims processing (electronic billing, collection, denial management, appeals, etc.). Point of service collection is done by Admitting staff on the front end so patients are well informed and there are no surprises. This service has only been in place a couple of months. The payer mix is almost 60% Medicare. Accounts Receivable over 90 days is only 3%, whereas the national benchmark is 28%. SVH has an excellent strong team and the process is very fast.</p>		
<b>7. BUDGET ASSUMPTIONS FOR FY2019</b>	<i>Jensen</i>	Inform/Action
<p>Mr. Jensen discussed the basis for determining the placeholders in the budget assumptions. Then adjustments are made as variables come into play. A study session will be held in May/June.</p>		No action requested.
<b>8. ADMINISTRATIVE REPORT FEBRUARY 2018</b>	<i>Mather</i>	Inform
<p>Ms. Mather said the first UCSF-SVH Joint Operations Committee will meet March 20<sup>th</sup>, and the UCSF CMO will meet with SVH medical staff on March 6<sup>th</sup>. Priorities include a CMO, branding, and physician strategies. Other discussions will include telemedicine and inpatient increase. Specific strategies should be ready to share by summer.</p> <p>SVH management is trying out and will be formalizing a rapid cycle PDSA (Plan, Do, Study, Act) method for quick ideas and changes in 100 days, not once a year, but ongoing. The Woman’s Place has received several new referrals. A new cardiologist will be arriving in June. The Hospital is in discussions with a potential partner for the Home Care agency.</p>		
<b>9. FINANCIAL REPORT MONTH END JANUARY 2018</b>	<i>Jensen</i>	Inform
<p>Mr. Jensen reviewed the payer mix for the month, with commercial dropping and Medicare increasing. Cash collections were over goal by \$292,600. Cash was at 23.5 days, Accounts Receivable at 51.2 days, and Accounts Payable at 45 days. Net revenue was off budget by (\$108,000). Salaries were under budget, and supplies were over budget due to implants and flu reagent costs. Net income was \$125,500, or \$47,000 over budget.</p> <p>Mr. Boerum commented on the operating margin not meeting budget for the last seven months. Mr. Jensen said this is why cost reductions were implemented at the first of the year. Ms. Mather added that of this loss, \$500,000 was due to loss of income from the October fires. Mr. Jensen also said bad debt had increased as patient deductibles had increased and the Medicare portion of the payer mix had increased. Mr. Hohorst said that the patient census was much lower than in prior years, which the budget was based on. He suggested that steps taken to reduce operating costs should help the Hospital reach EBIDA but not make budget for the year. Mr. Jensen and Ms. Mather both agreed that decreasing inpatient volume was a concern and was a topic they planned to review with UCSF. At the upcoming Board Retreat the Hospital has to decide what it will be in the future. It may not be able</p>		

to afford to do inpatient, but also does not want to exit too early. All hospitals are having this trend. It takes 25-30 outpatient surgeries to make up for one inpatient visit. SVH suffers from not being a critical access hospital.		
<b>10. COMMITTEE REPORTS</b>		
Governance Committee Report: i. Recommendation of Term Limits for Public Members of Board Committees ii. Board Legislature & Regulatory Policy Positions #P-2013.06.06-5	<i>Hohorst</i>	Action
Mr. Hohorst reported out that the Governance Committee discussed term limits and wasn't sure if a problem existed. They discussed appointing members of Committees for a three-year term and reappointing them only once. Before bringing this item to the Board Mr. Hohorst will ask the Finance and Quality Committees to place it on their own agendas and obtain feedback.  The Committee also reviewed the policy on Legislature & Regulatory Policy Positions and redrafted it but did not change substantial wording. It would be brought to the April Board meeting.		No action. Finance and Quality Committee to be asked to add term limits to their agendas.
<b>10. BOARD COMMENTS</b>	<i>Board Members</i>	Inform
Ms. Hirsch mentioned a recent letter to the editor of the Index-Tribune regarding dialysis. Ms. Mather said there is a medical office building being planned and Satellite is looking at this option, but it would not even break ground for two years. Ms. Johnson added that there are about 35 people needing dialysis in Sonoma.		
<b>11. ADJOURN</b>	<i>Rymer</i>	
Meeting adjourned at 7:45 pm		



**SVHCD  
FINANCE COMMITTEE MEETING  
MINUTES  
TUESDAY, FEBRUARY 27, 2018  
Schantz Conference Room**

<b>Present</b>	<b>Excused</b>	<b>Staff</b>	<b>Public</b>
Sharon Nevins Joshua Rymer Steve Berezin Susan Porth Keith Hughes via telephone	John Perez Dr. Subhash Mishra	Kelly Mather Ken Jensen Sarah Dungan	Peter Hohorst

<b>AGENDA ITEM</b>	<b>DISCUSSION</b>	<b>ACTIONS</b>	<b>FOLLOW-UP</b>
<b>MISSION &amp; VISION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>			
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Nevins</i>		
	Called to order 4:59 pm		
<b>2. PUBLIC COMMENT SECTION</b>	<i>Nevins</i>		
	None		
<b>3. CONSENT CALENDAR</b> FC Minutes 01.23.18	<i>Nevins</i>	Action	
		<b>MOTION:</b> by Rymer, 2nd by Berezin. All in favor.	
<b>4. BUDGET ASSUMPTIONS FOR FY 2019</b>	<i>Jensen</i>	Action	
	Ms. Sarah Dungan reviewed the budget assumptions. There was a discussion regarding using 12 month historical rolling actuals or trending for a base. Mr. Jensen said that both are used together. There have been changes in regulations, surgical procedures, and the closing of the Sonoma Developmental Center which have decreased inpatient volumes. Ms. Porth suggested looking at	<b>MOTION:</b> by Porth, 2 <sup>nd</sup> by Berezin. All in favor.	Ms. Nevins asked for a data trend of discharges, contractual allowances, and patient days for this fiscal year by

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	payer mix trends. Mr. Jensen agreed and said the auditors provide suggestions on trends also. A review and study session will be scheduled in May.		month.
<b>5. PROPOSED AUDIT ENGAGEMENT BY ARMANINO FOR FY2018, 2019 AND 2020</b>	<i>Jensen</i>	Action	
	Mr. Jensen said the Armanino firm had prepared the Hospital's audit for three years and had sent a proposal for FY2018, 2019 and 2020. He thought that other bids would be significantly higher.	<b>MOTION:</b> by Rymer to recommend to the Board to hire Armanino, 2 <sup>nd</sup> by Berezin. All in favor.	
<b>6. HEALING AT HOME UPDATE</b>	<i>Jensen</i>	Inform	
	Ms. Mather said SVH has a non-disclosure agreement but is talking with an organization to take over the Hospital's Home Care agency. Staff are being informed this week. A letter of intent will go to the Board, financials will be reviewed after due diligence and revisions will be in the budget around April/May. There was a loss year to date and SVH will no longer have to pay staff benefits, so this is a positive arrangement.		
<b>7. 1206(b) CLINIC UPDATE</b>	<i>Jensen</i>	Inform	
	Ms. Mather said that SVH wants to keep primary care physicians in the community. The Hospital is currently in due diligence with the primary practice of Drs. Mishra, Manuel, and Schafer, which would be under a 1206(b) arrangement. SVH would like to start the clinic July 1, 2018. Separate entities are allowed under SVH's current 1206(b) clinic. Essentially, the Hospital would take over management of the practice and make it more efficient; the intent is not to subsidize the clinic. The need for another primary care physician is being evaluated.		
<b>5. ADMINISTRATIVE REPORT MARCH 2018</b>	<i>Mather</i>	Inform	
	Ms. Mather said the UCSF affiliation is very positive, and the first Joint Committee meeting will be held March 20, 2018. It will take about 90 days to look at strategic priorities.		

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	<p>A Woman's Place has received more referrals in its first two weeks. A new cardiology physician will arrive in June with Dr. Price retiring at the end of the year. She noted that the colors on the metrics page indicate SVH results against national benchmark. SVH goals are usually higher than national benchmark (and the bottom shows prior year goals, not national).</p>		
<p><b>6. FINANCIAL REPORT FOR MONTH ENDING JANUARY 31, 2018</b></p>	<p><i>Jensen</i></p>	<p>Inform</p>	
	<p>Mr. Jensen reviewed the payer mix for the month. Commercial dropped to 15% and Medicare went up to 59%. Cash collections were over goal for the month by \$292,600. Accounts Receivable increased to 51.2 days, and Accounts Payable was around 45 days. Inpatient volume was down a bit, ER volume was down but acuity was up again. Total operating revenue was off budget by (\$108,000). Supplies were over budget by (\$130,000), with half of those costs due to implants and half due to additional flu reagents.</p> <p>Mr. Jensen said he may start adding notes on the balance sheet for significant changes.</p>		<p>Mr. Hughes requested a breakdown of outpatient revenue, which will be sent to the Committee.</p>
<p><b>8. ADJOURN</b></p>	<p><i>Nevins</i></p>		
			<p>Cynthia Denton to present revenue cycle to Committee.</p> <p>Mr. Jensen to send out work plan for review.</p>
	<p><i>Meeting adjourned at 6:10 pm</i></p>		





**SONOMA VALLEY HEALTH CARE DISTRICT  
QUALITY COMMITTEE  
February 28, 2018, 5:00 PM  
MINUTES  
Schantz Conference Room**

<b>Members Present</b>	<b>Members Present cont.</b>	<b>Excused</b>	<b>Public/Staff</b>
Jane Hirsch Peter Hohorst Carol Snyder Susan Idell Kelsey Woodward	Michael Mainardi, MD Howard Eisenstark, MD Carol Snyder Cathy Webber	Ingrid Sheets Michael Brown, MD	Danielle Jones Kathy Mathews

<b>AGENDA ITEM</b>	<b>DISCUSSION</b>	<b>ACTION</b>
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Hirsch</i>	
	Meeting called to order at 4:59 pm	
<b>2. PUBLIC COMMENT</b>	<i>Hirsch</i>	
	None	
<b>3. CONSENT CALENDAR</b>	<i>Hirsch</i>	Action
<ul style="list-style-type: none"> <li>QC Minutes, 01.24.18</li> </ul>		<b>MOTION:</b> by Dr. Mainardi to approve, 2 <sup>nd</sup> by Idell. All in favor.
<b>4. POLICIES &amp; PROCEDURES</b>	<i>Jones</i>	Action
	Ms. Jones briefly reviewed each policy. Ms. Hirsch clarified the procedure for reviewing policies. The Diet Manual and Approval was removed. Changes or clarification were requested for many of the policies. Chris Kutza was asked to come next month to answer questions.	<b>MOTION:</b> by Dr. Eisenstark to approve those policies without changes to be made, 2 <sup>nd</sup> by Dr. Mainardi. All in favor.
<b>5. ANNUAL INFECTION CONTROL REPORT</b>	<i>Mathews</i>	Inform
	Ms. Mathews reviewed 2017 infection prevention goals and results. It was interesting to note that the only uptick in infections occurred during the third quarter 2017. The Skilled Nursing C. difficile rate has been below benchmark for three years. The Skilled Nursing C. difficile rate has steadily gone down the last five years while the acute rate has steadily gone up. Ms. Mathews reviewed the	

AGENDA ITEM	DISCUSSION	ACTION
	<p>interventions implemented. Some intervention will focus on earlier detection.</p> <p>2018 goals include a hospital acquired pneumonia prevention initiative. Over 50% of patients with pneumonia develop sepsis. She reviewed flu stats for the season. No patients developed health care associated flu. A new goal for 2018 is a water management program in connection with the legionella organism; this is a CMS mandate.</p>	
<b>6. DISCUSSION REGARDING HQI QUALITY TRANSPARENCY DASHBOARD</b>	<i>Hirsch</i>	Inform/Action
	<p>Ms. Hirsch said California hospitals have been asked to share a quality transparency dashboard on their websites before the end of the year. This effort is being made by the Hospital Quality Institute (HQI) in conjunction with CHA. HQI is a California organization but does follow national guidelines.</p>	No action requested.
<b>7. QUALITY REPORT</b>	<i>Jones</i>	Inform
	<p>Ms. Jones reviewed performance improvement initiatives for 2018.</p>	
<b>8. UPON ADJOURNMENT OF REGULAR SESSION</b>	<i>Hirsch</i>	
	<p>Regular session adjourned at 6:44 p.m.</p>	
<b>9. CLOSED SESSION</b> <ul style="list-style-type: none"> <li>• <u>Calif. Health &amp; Safety Code § 32155</u> Medical Staff Credentialing &amp; Peer Review Report</li> </ul>	<i>Jones</i>	Action
<b>10. REPORT OF CLOSED SESSION</b>	<i>Hirsch</i>	Inform/Action
		<b>MOTION:</b> by Dr. Mainardi to approve credentialing, 2 <sup>nd</sup> by Dr. Eisenstark. All in favor.
<b>11. ADJOURN</b>	<i>Hirsch</i>	
	<p>Meeting adjourned at 6:49 p.m.</p>	

## Policy and Procedures – Summary of Changes

The Board of Directors Meeting, April 5th, 2018

### Review and Approval Requirements

The SVH departmental/organizational policies and/or procedures on the attached list have been reviewed and approved by the appropriate 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 Sonoma Valley Health Care District Board.

### ORGANIZATIONAL

#### REVISIONS:

##### Care of the Patient with Acute Alcohol Withdrawal or Delirium Tremens PC8610-114

Added “Tremens” to title of the Policy.

##### Hospital-wide Fire Response and Evacuation Plan CE8610-146

Units specified one or more locations where the wheeled equipment will be moved out of the hallway during a Code Red effecting their unit. Added instructions to staff for specific disposition of hallway wheeled equipment for their unit.

##### Leaving Against Medical Advice PC8610-140

Changed “Responsible Party” to legal decision making representative. Hospital personnel will inform the patient and/or a legal decision making representative that they will be responsible for all liability for any negative outcome of non-compliance with leaving against medical advice.

##### Management of Patient Agitation Aggression Physically Acting Out and Depressed Patients PC8610-142

Added verbiage to include patients deemed danger to self or others and guidelines for staff safety.

##### Management of Patients in Corridor Locations PC8610-144

Changed verbiage from restricting corridor use to Patients will be placed in corridor locations as a temporary measure when volumes are so high that there are no other options. Added direction for procedures done and patient privacy while in a hallway.

##### Nursing Blood Product Administration Part 1-Patient Identification LB8610-110

The life of a pre-op blood bank specimen is extended to 15 days. (the life is currently 3 days)The pre-op patient will be asked to sign a form stating they have not had a transfusion of any blood products or been pregnant in the previous 3 months. The pre-op patient will be given a blood bank armband when the lab work is drawn. They must keep the armband on until the day of surgery for positive patient ID. The pre-op patient will have to be drawn for a blood bank specimen the morning of surgery if: the pre-op patient has no blood bank armband, it is more than 15 days since pre-op lab work was drawn, patient had a transfusion of a blood product or was pregnant in the previous 3 months or the patient has an antibody.

### Organ & Tissue Donation-Anatomical Donation after Brain Death OP8610-102

Updated according to legislative requirements and Donor Network West protocols.

1. Name change from California Transplant Donor Network (CTDN) to Donor Network West.
2. Cardiac death changed to circulatory death.
3. "Consent" changed to "authorization".
4. Staff to notify DNW within 1 hour of imminent death according to the new DNW clinical cues for organ donation.
5. Added "no cough reflex" under criteria for determining death by neurological criteria history and physical assessment.
6. Added apnea exam, absence of breathing drive with 6 prerequisites and apnea exam procedure
7. Added ancillary tests: EEG, cerebral angiogram, nuclear scan, TCD, CTA, MRI/MRA, when uncertain about reliability of neuro exam or apnea exam cannot be performed.
8. DNW Coordinator is the designated requestor of donation and will present options to the family after brain death declaration and decision to withdraw life support.
9. Removed "family in attendance for withdrawal of life support" as this is performed in the OR and death is pronounced when declared brain dead prior to the OR. Added family in attendance for withdrawal of live support to Donation after Circulatory Death P&P.
10. Removed pronouncement of death paragraph on page 9 as patient is taken to the OR on life support and death is pronounced when declared brain dead. Added this paragraph to Donation after Circulatory Death P&P.
11. Anesthesiologist will be required in the OR. Either hospital anesthesiologist or DNW anesthesiologist may participate
12. Removed Sierra Eye and Tissue Donor services and Sight Life Eye bank as DNW provides tissue and eye donor services.
13. Tissue and eye recovery process removed and added to Organ and Tissue Donation P&P.
14. Coroner's cases, nursing supervisor notification after organ tissue recovery completed, staff development and education, DNW reporting of quarterly statistics to the hospital all removed and added to Organ and Tissue Donation P&P.

### Organ Donation after Circulatory Death OP8610-104

Updated according to legislative requirements and Donor Network West protocols.

1. Name change from California Transplant Donor Network (CTDN) to Donor Network West.
2. Changed cardiac death to circulatory death.
3. Imminent Death definition updated with new clinical cues (removed Glasgow Coma Scale).
4. "Consent" of the surrogate decision maker changed to "authorization".
5. The paragraph concerning withholding heparin until death is declared was removed as heparin must be administered 5 minutes prior to extubation in order for donation process to proceed. (DNW explains reason for heparin during donation during donation discussion with family and authorization for donation includes heparin administration). The donation after circulatory death authorization form is provided by DNW coordinator when applicable.
6. Added pronouncement of death paragraph from Organ & Tissue Donation-Anatomical Donation after Brain Death #OP8610-102.

### Organ Tissue Donation OP8610-106

Updated according to legislative requirements and Donor Network West protocols.

1. Name change from California Transplant Donor Network (CTDN) to Donor Network West.
2. Eye and tissue donation added.

3. DNW Coordinator is the designated requestor and will collaborate with hospital and care team prior to discussing donation with legal next of kin.
4. DNW Coordinator will review the medical record to determine suitability for organ donation and meet with the hospital care team to make a plan to support the patient and meet with the legal next of kin.
5. Hospital will notify DNW of all imminent deaths for organ donation and all cardiac deaths for tissue donation.
6. New organ clinical cues for reporting imminent death to DNW.
7. "Consent" changed to "authorization".
8. Timeframe to expect that cardio-respiratory death will occur after withdrawal of life support was changed from 2 hours to 1 hour.
9. Contraindication list removed. Allow DNW to determine suitability of donor. Refer all deaths regardless of age, COD or co-morbidities.
10. DNW will follow-up with the coroner to determine release for donation. Coroners do not rule out donation therefore call DNW for all deaths even if deaths fall under coroner's jurisdiction.
11. Organ donation: The OR staff will provide a suite with staff including an RN circulator and scrub tech.
12. New address for DNW
13. Added tissue and eye recovery process (removed from donation after brain death P&P)
14. Added Coroner's cases, nursing supervisor notification after organ tissue recovery completed, staff development and education, DNW reporting of quarterly statistics to the hospital (removed from donation after brain death P&P)

#### Post-Mortem Procedures PC8610-160

1. Added approved by "Pathologist" as well as CNO
2. Changed "California Transplant Donor Network" to "Donor Network West (DNW)"
3. Changed "Release of Remains form" to "Record of Death form"
4. changed document "in patient's chart" to "Record of Death form"
5. Added (Record of Death form) "and the copy sent to the mortuary"
6. Changed "Chart on nurses notes" to "Document on the medical record"
7. Changed "Nursing" to "physician" with obtain a signature the Authorization for Autopsy form from next of kin"
8. Removed " nursing will assist in obtaining the autopsy permit"
9. Added "This should be done as soon as possible", as the autopsy cannot be performed without the signed approval
10. Changed "Registrant" to "County Registrar of Births and Deaths"
11. Changed "5" days to "8" days to register stillborn death certificate with the County Registrar of births and Deaths
12. Added "See Death, Fetal, Newborn policy for additional instructions"

#### **UPDATED REFERENCES:**

Admission of Pediatric Patients to the Nursing Unit PC8610-106

Pediatric Assessment PC8610-150

#### **REVIEWED / NO CHANGES:**

Change in Patient Condition PC8610-122

Routine Care of the Pediatric Patient PC8610-154

**DEPARTMENTAL**

**NEW** (Full Policies are attached):

**Specialty Clinic**

Aggressive Behavior Management PC7070-100

To provide guidance to Specialty Clinic staff for handling patients or patient visitors who engage in aggressive or violent behavior while in the clinic. To maintain a safe and secure environment for all employees', patients, and visitors and provide protection from any aggressive or violent behavior. Violent or aggressive episodes shall be reported immediately to Law Enforcement and the department manager.

**Quality Departmental Manual**

Table of Contents listing changes is attached



**Sonoma Valley Hospital**

**Quality & Resource Management: Case Management**

**Policy and Procedure Manual**

**Table of Contents**

<b>Subject</b>	<b>Policy Number</b>
Assessment and Reassessment Policy <b>No Changes</b>	DC 8750-100
Accountability and Responsibility <b>No Changes</b>	GL 8750-101
Care Transitions Program Post Discharge Phone Calls <b>No Changes</b>	DC 8750- 124
Care Transitions Program <b>No Changes</b>	DD 8750-123
Case Finding Criteria <b>No Changes</b>	DC 8750-102
Case Management in the Emergency Dept <b>No Changes</b>	DC 8750-113
Case Management in the Skilled Nursing Unit <b>Added Intake Coordinator role</b>	DC 8750-125
Case Management Intervention <b>No Changes</b>	DC 8750-104
Condition 44/ Inpatient to Observation Status <b>Added Moon Act process and reviewed with Admitting Leader</b>	UR 8750-103
Community Resources <b>No Changes</b>	GL 8750-104
Discharge Planning (Organizational) <b>No Changes</b>	DC 8610-265
Discharge Medication Charity Program <b>No Changes</b> (Organizational)	DC 8610-305
Expedited Review of Continued Stay <b>No Changes</b>	PR 8750-106
Home Care Referral Process <b>No Changes</b>	DC 8750-107

Important Message From Medicare <b>No Changes and discussed with Admitting Leader</b>	PR 8750-108
Intensity of Service/Severity of Illness Screening Process <b>No Changes</b>	UR 8750-109
Multidisciplinary Teams <b>No Changes</b>	DC 8750-110
Laptop Use, Maintenance & Cleaning <b>Archived, no longer using laptops</b>	IM 8750-121
Observation Status <b>No Changes</b>	UR 8750-123
Orientation, Case Manager <b>Updated skills list</b>	HR 8750-111
Patient Status Determinations <b>No Changes</b>	UR8610.-100
Patient Transportation <b>No Changes</b>	DC 8750-115
Philosophy of Resource & Case Management <b>No Changes</b>	DC 8750-114
Physician Advisor <b>No Changes</b>	MS 8750-116
Protective and Advocacy Services <b>Updated Resources</b>	PR 8750- 120
QA/PI Plan for Quality & Resource Management <b>Updated</b>	Not a Policy
Skilled Level of Care Criteria <b>No Changes</b>	UR 8750-117
Social Work Referrals <b>Changed method of access to behavioral health and to palliative care: through direct physician consult order.</b>	DC 8750-118
Texting <b>No Changes</b>	IM 8750-122
Transfer Process <b>Added CCD and Transition Record process</b>	DC 8750-119
Utilization Review Plan <b>No Changes</b>	MS 8710-112

Approvals:  
Policy/Procedure Team 10/17  
Medicine Committee 12/17  
BQC 01/18  
Board:





**NEW:**

**What:**

To provide guidance to Specialty Clinic staff for handling patients or patient visitors who engage in aggressive or violent behavior while in the clinic.

**Why:**

To maintain a safe and secure environment for all employees', patients, and visitors and provide protection from any aggressive or violent behavior. Violent or aggressive episodes shall be reported immediately to Law Enforcement and the department manager.

**AUTHOR JOB TITLES:**

Chief Ancillary Services Officer

**COMMITTEE APPROVALS:**

Policy & Procedure Team: 8/15/17

Medicine Committee: 12/14/17

Medical Executive Committee: 12/21/17

Board Quality Committee: 1/24/18

The Board of Directors:



**Purpose:**

To provide guidance to Specialty Clinic staff for handling patients or patient visitors who engage in aggressive or violent behavior while in the clinic.

**Policy:**

It is the policy of Sonoma Valley Hospital to maintain a safe and secure environment for all employees', patients, and visitors and provide protection from any aggressive or violent behavior. Violent or aggressive episodes shall be reported immediately to Law Enforcement and the department manager.

Security Officer/Chief Engineer, Safety Officer, and Safety Committee are responsible for developing, implementing, monitoring the Security management program.

**Procedure:**

**All Employees**

1. Do not agitate or approach anyone who displays aggressive behavior. **DO NOT PUT YOURSELF AT RISK.**
2. Call Law Enforcement at 911 and give the LOCATION of the aggressive behavior problem.
3. Move patients and visitors to a safe environment as needed.
4. When safe, notify the department manager.

**Department Manager:**

1. Notify the Hospital Safety Officer as soon as possible.
2. Document all incidents requiring intervention by hospital personnel and/or law enforcement through the MIDAS e-notification system.

**Safety Officer**

The Safety Officer will review the incident and follow-up as needed. Recommendations will be included in the follow-up portion of the MIDAS e-notification system.

**References:**

CIHQ Accreditation Standards for Acute Care Hospitals-1/14 482.41 CE-4: Providing a Secure Environment & 482.13 PR-8: Right to Receive Care in a Safe Setting

9.

PATIENT CARE  
SERVICES ANNUAL  
REPORT 2017



# **Patient Care Services**

# **Annual Report 2017**

**Prepared by: Mark Kobe, RN MPA, Chief Nursing Officer**

## INTRODUCTION AND STRUCTURE

Patient Care Services is comprised of six major service areas: Intensive Care, Emergency, Surgery, Inpatient, Woman’s Services/Maternity and Skilled Nursing. These areas are staffed by 107 Registered Nurses and 57 Certified Nurses Assistants, Scrub techs, ED techs and unit assistants. The areas are managed individually by two nursing directors and three nursing managers who report directly to the Chief Nursing Officer.

Category	Function	Staff Oversight
<b>Chief Nursing Officer</b>	The CNO is involved at the executive level in collaborative leadership of the organization. Provides leadership, management, consultation and oversight for the department of nursing in both the clinical and Administrative setting and assumes administrative responsibility for the Skilled Nursing Facility. Responsible for the day to day operations of all clinical functions. Pro-actively maintains high level internal customer, physician and Board of Trustee relationships and satisfaction. Responsible for management of federally-mandated grievance process, management of emergency physician and hospitalist group contracts and oversight, direct oversight and responsibility for service excellence initiatives and performs daily clinical role as Administrative Nursing Supervisor.	Director of SNF Director of ED/ICU Director of Pharmacy Manager Birthing Manager Inpatient Manager Surgery Nursing Supervisors
<b>Director of Nursing, Skilled Nursing Facility</b>	The Director of Skilled Nursing Facility is responsible for daily oversight ensuring high quality care in high acuity environment. The Director is responsible for all regulatory requirements from multiple regulators and recruits/hires qualified staff, participates in marketing activities, assures that the QAPI program is implemented and maintained. In addition, oversees admissions based on the units’ ability to care for patients safely Oversees staff development needs, manages the SNF budget, participates in surveys and responds to regulatory deficiencies. The Director assures patient’s rights and acts as a liaison between physicians, families, staff, and the community.	16 Registered Nurses  17 Certified Nurse Assistants  3 Unit Assistants
<b>Director of ED/ICU</b>	The Director of ED/ICU provides leadership for the clinical operations and coordinated activities of the Emergency department and Intensive Care Unit. Ensures accountability for administrative responsibilities that include staffing, leading, morale, customer satisfaction, quality patient care, organizing and role modeling for critical care nursing. Maintains positive relationships with Emergency Physicians, external Emergency Medical System (EMS) and Sonoma County Trauma Coalition. Primary responsibility for ED patient satisfaction.	39 Registered Nurses 5 ED techs
<b>Manager Birthplace</b>	The Birthplace Manager performs the functions assessing, planning, budgeting, implementing and evaluating services provided in OB/GYN services as well as nurse navigation services provided in new service line, A Woman’s Place.	13 Registered Nurses
<b>Manager Inpatient</b>	The Inpatient Manager provides overall managerial direction and leadership for the clinical operations and coordinated activities of the medical/surgical unit and the outpatient infusion service. Primary responsibility for HCAHPS results and initiatives.	19 Registered Nurses 9 Unit Asst/Tele techs 11 Certified Nurse Assts.
<b>Manager Surgery</b>	Direct daily oversight of Surgical Care Unit, comprised of three operating suites and a pre- and post-operative patient care/ recovery area. Manages daily staffing needs based on surgical case load and responsible for management of surgeon block assignment and utilization. Seeks out new surgical opportunity for organization. Primary responsibility for OASCAHPS.	2 Clinical Coordinators 20 Registered Nurses 6 Scrub Techs 2 Central Sterile Techs 3 Housekeepers

## QUALITY DASHBOARD

Ultimately, Patient Care Services are involved in and directly responsible for results in virtually all quality measures of the organization: CMS core measures, infection prevention monitoring, and the California Maternal Quality Care Collaborative to name a few. As a Board you see many, if not all, of these measures in your dashboards. As you know, most quality measures are a collaborative effort from a multidisciplinary perspective. Some, however, are under direct nursing control. The Patient Care Services Dashboard represents these measures and is presented below.

Medication Scanning Rate	2017					Nursing Turnover	2017 RNs/Quarter				
	Q1	Q2	Q3	Q4	Goal		Q1	Q2	Q3	Q4	Goal
SNF	88.0%	89.3%	88.4%	89.0%	>80%	SNF (n=18)	1	1	0	1	<1
Acute	90.0%	89.0%	91.3%	87.0%	>90%	Acute (n=65)	0	1	5	6	<6
ED	91.0%	92.7%	86.0%	82.0%	>90%	Healing at Home (n=11)	0	0	0	2	<1
						<b>Total Nursing Turnover</b>	<b>1</b>	<b>2</b>	<b>5</b>	<b>9</b>	<b>&lt;8</b>
Falls (Per 1000 days)	2017 Rolling Quarterly Average					Patient Experience (CAHPS)	2017				
	Q4-Q3	Q1-Q4			50th %tile		Q1	Q2	Q3	Q4	Goal
SNF	1.1	0.9			6.22	RN Communication					NRC Ave.
Acute	2.5	1.7			3.75	ED	80.2	83.0	80.0		>78.1
						Acute	70.4	84.0	76.0		>79.5
						Pain Management					NRC Ave.
						ED	47.8	72.2	20.0		>53.7
						Acute	60.5	64.9	92.0		>72.5
						Communications re: Medications					NRC Ave.
						Acute	51.4	66.1	91.0		>64.5
Hospital Acquired Pressure Ulcer Incidents (Per 1000 admissions)	2017					Nurse Staffing Effectiveness: Transfers r/t staffing/beds	2017				
	Q1	Q2	Q3	Q4	National		Q1	Q2	Q3	Q4	Goal
SNF	2.2	0.0	0.0	0.0	3.17						
Acute	3.3	0.0	0.0	0.0	3.68						
							4	4	1	0	<0
Green = Goal Met Yellow = Below goal Red = Continues below goal or significantly below goal											
2013 Hospital falls std from J Amer Med, AHRQ & PubMed											

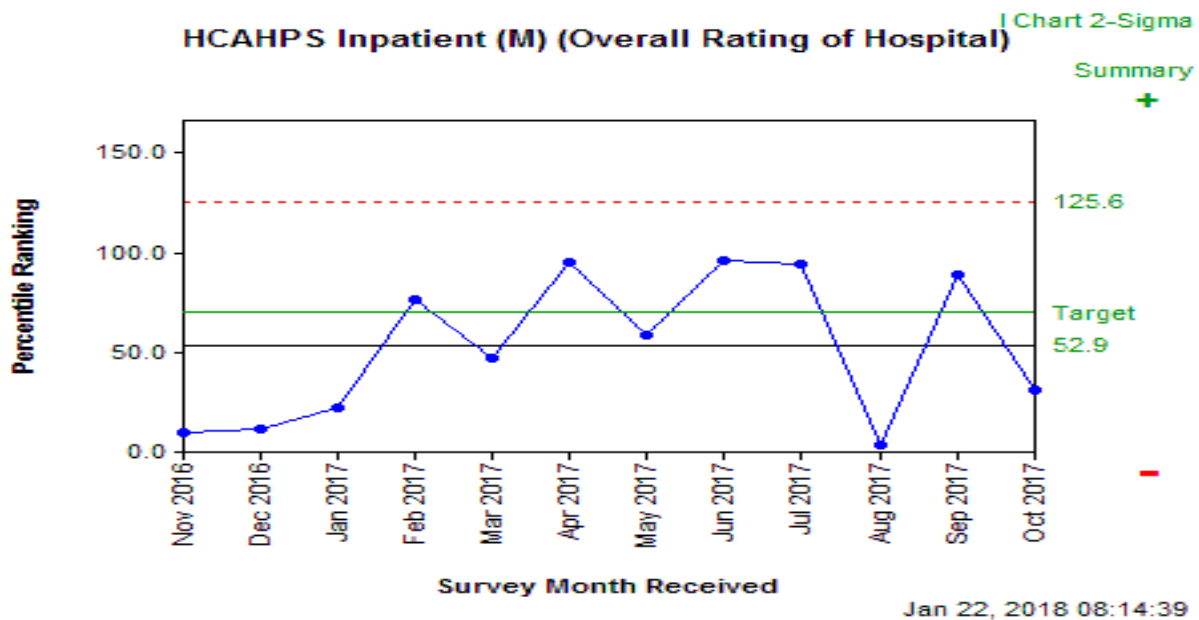
Patient satisfaction is a very high priority for Patient Care Services. We embrace and employ many of the early tenets of the Studer model (AIDET, white boards, rounding, call backs), as well as more contemporary initiatives such as “What Matters to You.” Staff are

expected to work and deliver patient care in a manner consistent with these initiatives. We measure patient satisfaction in a number of areas using different modalities.

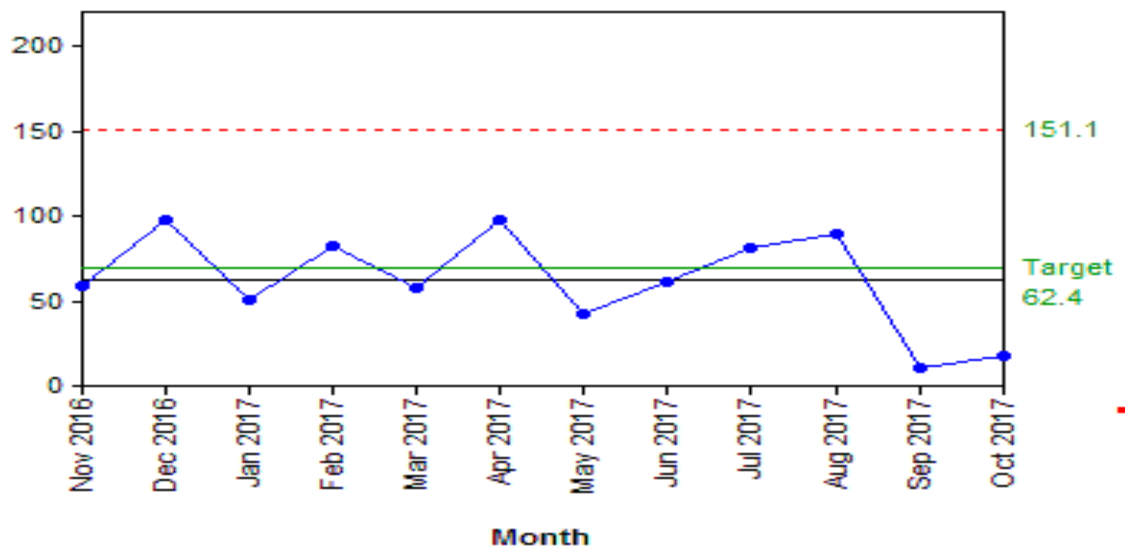
HCAHPS is the primary measurement tool for Inpatient satisfaction. It is a CMS-mandated survey tool that was administered through National Research Corporation via mailed paper surveys. Inpatient volume is very low and only patients discharged directly home qualify for surveys. SVH's response rate for calendar 2107 was 23%. Beginning January 1, 2018, we began using a new HCAHPS vendor, Healthstream, which utilizes a phone survey methodology. Our hope is that this will yield a higher response rate and therefore a more statistically significant 'n' number for responses.

OASCAHPS is the primary measurement tool for Outpatient Ambulatory Surgery, CMS-mandated as of January 1, 2018. Healthstream will be distributing this survey also via phone methodology and we will see our first results in early March of this year.

We measure satisfaction in our Outpatient service areas using a service called Rate My Hospital. It is a texting service that sends text message survey tool links to patients discharged from the ED, Imaging, Cardiopulmonary, Outpatient Physical Therapy and Outpatient Surgery.

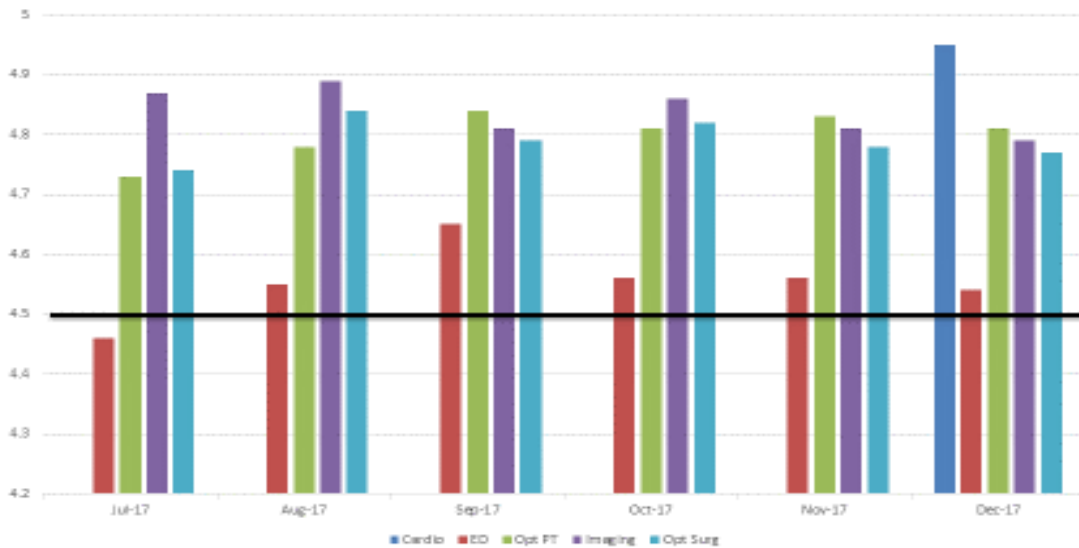


### ED CAHPS (M) Overall Rating of Facility



Jan 22, 2018 10:23:17

### Rate My Hospital Mean Overall Scores





The Patient Care Experience Team (PCET) meets monthly to view satisfaction results and develop strategies to meet goals. It is a multi-disciplinary team comprised of leaders from every discipline on the Leadership Team. This past year we have selected a community member as our Patient Family Advisor for our PCET that is bringing us new insights into patient perception, especially with our Latino population. Through her insights we have updated our way-finding signage throughout the hospital, created more bi-lingual discharge instructions, and have identified a need to change artwork throughout the building to reflect a larger mix of Hispanic identity. Additionally, the team is working on arranging for a ‘secret shopper’ to assess our line staff’s compliance to service excellence initiatives and strategies.

## FINANCIAL PERFORMANCE FY 2018 YTD

The following reports are a rollup report of all Patient Care Service areas combined.

### Expenses

	<u>Actual</u>	<u>Flex</u>	<u>Variance</u>		<u>Budget</u>
<b>Expenses</b>					
⊕ Salaries	5,309,595	5,071,088	-238,507	-4.7%	5,409,168
⊕ Prof Fees-Agency	501,730	298,063	-203,667	-68.3%	329,044
⊕ Paid Time Off	743,102	705,881	-37,221	-5.3%	705,881
⊕ Employee Benefits	442,147	446,459	4,312	1.0%	446,459
⊕ Prof Fees-Phys	43,200	65,286	22,086	33.8%	65,286
⊕ Supplies	280,390	193,285	-87,105	-45.1%	220,691
⊕ Minor Equipment	37,652	19,890	-17,762	-89.3%	19,890
⊕ Pat Chg Supplies	1,391,286	1,207,325	-183,962	-15.2%	1,246,511
⊕ Purchased Svcs	83,581	109,079	25,497	23.4%	110,434
⊕ Education-Travel	8,589	11,928	3,339	28.0%	11,928
⊕ Other Expenses	40,356	47,040	6,684	14.2%	47,040
Total Expenses	8,881,629	8,175,323	-706,306	-8.6%	8,612,332

Primary causes for expense variance are staffing/registry dollars secondary to turnover (ED/ICU) and maternity leaves (Inpatient). Patient charge supplies are implant costs.

## Direct Margins

Patient Care Services are a significant contributor to SVH's bottom line.

		D			
	Svc Unit	Visits	Reimb	Cost	Margin
9/1/2016-8/31/2017	ER SU	10,061	\$ 11,872,553	\$ (5,401,170)	\$ 6,471,383
12/1/2016-11/30/2017	ER SU	10031	\$ 11,871,206	\$ (5,492,172)	\$ 6,379,035
	Obstetrics	615	\$ 1,501,671	\$ (1,692,539)	\$ (190,868)
	Obstetrics	615	\$ 1,331,063	\$ (1,722,800)	\$ (391,736)
	OPSURG SU	1,582	\$ 5,122,445	\$ (3,122,625)	\$ 1,999,820
	OPSURG SU	1,642	\$ 5,040,851	\$ (3,105,658)	\$ 1,935,193
	Special Procedures	1,518	\$ 2,381,205	\$ (1,671,184)	\$ 710,021
	Special Procedures	1,553	\$ 2,324,868	\$ (1,659,000)	\$ 665,868
	Inpatient	1,188	\$ 16,321,249	\$ (11,198,902)	\$ 5,122,347
	Inpatient	1,173	\$ 15,375,698	\$ (11,241,130)	\$ 4,134,569
	SNF SU	368	\$ 3,352,548	\$ (2,899,682)	\$ 452,866
	SNF SU	370	\$ 3,343,713	\$ (3,055,322)	\$ 288,391

Obstetrics is expected to improve with the expanding 'Woman's Place' service line. Of concern is the decrease in direct margins across the board during the compared time periods.

## **GROWTH**

### ED

Total visits for calendar 2017 rose by 2.3% over 2016. The ED continues to be the leader in Direct Margin at SVH.

## Outpatient Surgery

Fiscal year to date, the number of surgical cases has increased by 25% (375 cases) with pain management, endoscopy and ophthalmology demonstrating the greatest increases. Bariatric and pain management are projected to increase further in the coming year.

### JANUARY

Surgical Service	Jan 13th-19th	Jan 1st-19th	Monthly Goal	YTD FY 2018	YTD FY 2017	Goal 2% growth per service YTD	Over/Under
BARIATRIC CASES	3	10	6	37	34	8%	3
ENT	0	0	1	2	2	0%	0
GENERAL ORTHOPEDICS	9	16	41	213	266	-25%	-53
GENERAL SURGERY	3	8	25	100	119	-19%	-19
JOINT REPLACEMENTS	3	6	12	76	81	-7%	-5
OB/GYN	2	3	12	71	67	6%	4
OPHTHALMOLOGY	4	7	26	126	77	39%	49
PAIN MANAGEMENT	5	17	19	393	138	65%	255
BREAST	0	0	3	0	0	0%	0
PODIATRY	0	1	2	17	16	6%	1
SPINE CASES	1	1	1	3	14	-78%	-11
UROLOGY CASES	0	0	2	3	5	-67%	-2
VASCULAR CASES	0	0	4	7	8	-14%	-1
TOTAL SURGICAL CASES	30	69	154	1048	827	22%	221
ENDOSCOPY CASES	21	44	46	457	303	37%	154
Total all Cases	51	113	197	1505	1130	25%	375
MISC. CASES	1	2	4	25	23	8%	2

## Family Birthing Center/A Woman's Place

On February 5, 2018, SVH will kick off advertising of A Woman's Place with a focus on comprehensive healthcare for women. Breast health counseling, procedures and surgery as well as gynecologic and obstetric procedures are envisioned to increase business for this service area.

## PEOPLE

### Staff Satisfaction

Patient Care Services leaders had an 80% participation rate and an engagement score of 4.29 (1-5 scale) for calendar year 2017. Two issues for improvement were identified:

1. My pay is fair. HR re-examined regional pay and adjusted scales. Individual staff were adjusted to the new ranges and all of Patient Care Services staff received 3% increases beginning January 2017 and an additional 3% increase beginning April 2017. Staff appear more content with salaries as noted by a decrease in comments and complaints

about pay. However, Kaiser salaries do continue to surface in day to day conversations with staff.

2. Organization provides educational opportunities. We have addressed this concern on two fronts. First, committed per diem staff (those without employment at other healthcare facilities) felt that SVH should offset the costs for required certifications (ACLS, PALS). We agreed and policy was changed to reflect reimbursement for certifications for per diem staff working greater than 1000 hours in a calendar year. Second, the Nursing Education Fund of the SVH Hospital Foundation has awarded \$34,191 in educational grants to nursing and ancillary staff in 2017.

**Turnover**

2017 ended with 15.1% overall turnover. The Emergency Department and Inpatient unit experienced a higher than usual turnover in Quarters 3 and 4. There has been some ‘cultural’ turnover in the ED. The Inpatient unit has experienced turnover in recently trained staff now seeking employment closer to home after being trained by SVH.

**Total CY Year-to-Date**

		Regular (>=.5 FTE)		
		Active	Terms	Turnover Rate
SNF		18	2	11.3%
Acute Care		64	12	18.9%
<b>Total:</b>		<b>82</b>	<b>14</b>	<b>15.1%</b>

**CY Fourth Quarter (Oct, Nov, Dec)**

		Regular (>=.5 FTE)		
		Active	Terms	Turnover Rate
SNF		18	1	5.7%
Acute Care		60	6	10.0%
<b>Total:</b>		<b>78</b>	<b>7</b>	<b>7.9%</b>

**CY Third Quarter (July, Aug, Sept)**

		Regular (>=.5 FTE)		
		Active	Terms	Turnover Rate
SNF		18	0	0.0%
Acute Care		63	5	7.9%
<b>Total:</b>		<b>81</b>	<b>5</b>	<b>7.9%</b>

**CY Second Quarter (Apr, May, Jun)**

Regular ( $\geq .5$ FTE)			
	Active	Terms	Turnover Rate
SNF	11	0	0.0%
Acute Care	66	1	1.5%
<b>Total:</b>	<b>77</b>	<b>1</b>	<b>1.3%</b>

**CY First Quarter (Jan, Feb, Mar)**

Regular ( $\geq .5$ FTE)			
	Active	Terms	Turnover Rate
SNF	11	0	0.0%
Acute Care	65	0	0.0%
<b>Total:</b>	<b>76</b>	<b>0</b>	<b>0.0%</b>

**PATIENT CARE SERVICES 2018 GOALS**

1. Staff Satisfaction participation rate  $\geq 80\%$ ; Engagement Score  $\geq 4.5$
2. HCAHPS 5 of 10 domains  $\geq 70^{\text{th}}$  %tile; Rate My Hospital overall  $\geq 4.5$ ; OASCAHPS TBD
3. Budgetary compliance in all service areas  $\pm 3\%$
4. Acute Care annual turnover rate  $< 10\%$
5. Acute Care and ED Medication Scanning compliance  $\geq 90\%$
6. Develop evidenced-based standards of care for treatment of patients in alcohol detox and patients presenting with diabetic ketoacidosis
7. Maintain  $\geq 20\%$  growth in surgical services
8. Seek and establish Telemedicine services for Psychiatric care and Neurology

# CONCERNS



2006-2017 Admissions/Transfers from the ED

# PATIENT CARE SERVICES OVERVIEW

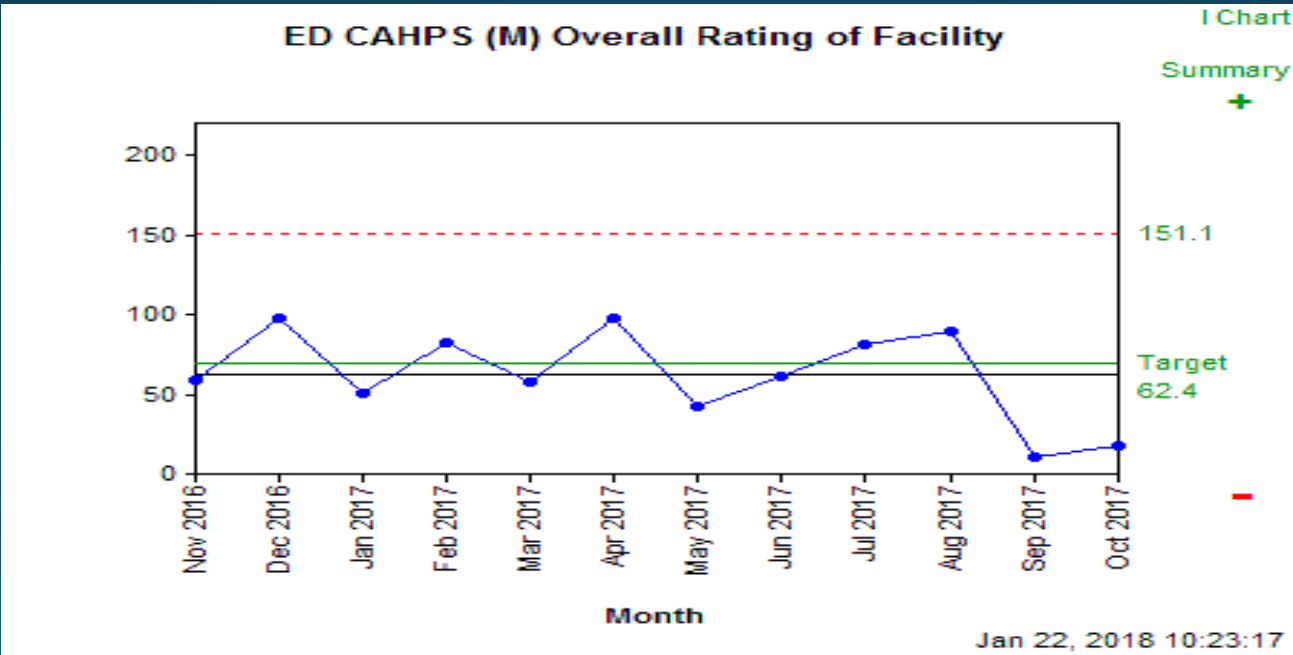
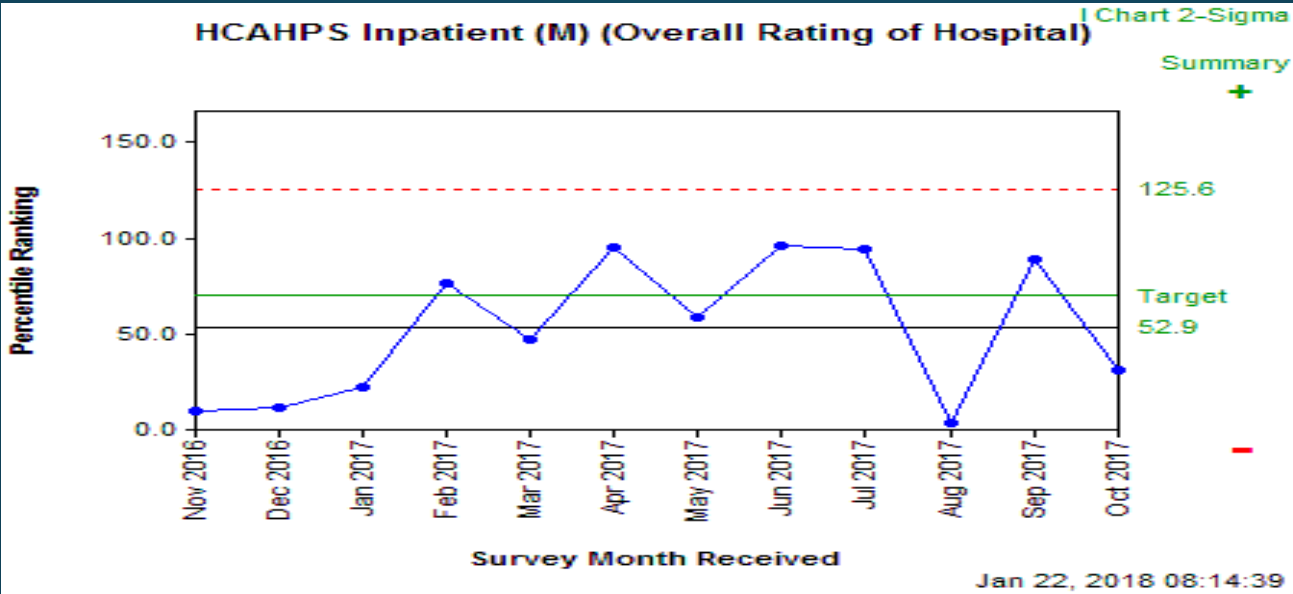
## 2017

Sonoma Valley Health Care District  
Board of Directors

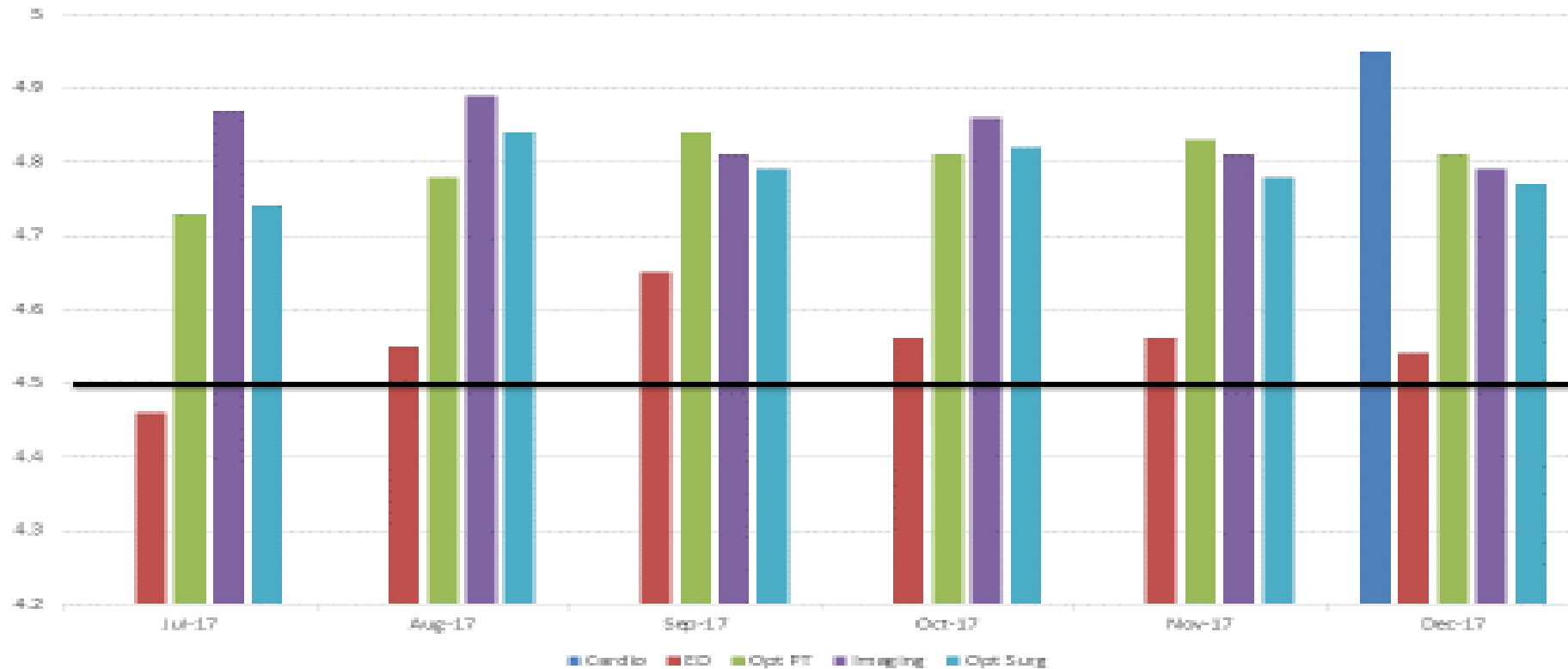
February 1, 2018

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	Q1	Q2	Q3	Q4	Goal		Q1	Q2	Q3	Q4	Goal
SNF	88.0%	89.3%	88.4%	89.0%	>80%	SNF (n=18)	1	1	0	1	≤1
Acute	90.0%	89.0%	91.3%	87.0%	>90%	Acute (n=65)	0	1	5	6	≤6
ED	91.0%	92.7%	86.0%	82.0%	>90%	Healing at Home (n=11)	0	0	0	2	≤1
						Total Nursing Turnover	1	2	5	9	≤8
Falls (Per 1000 days)	2017 Rolling Quarterly Average					Patient Experience (CAHPS)	2017				
	Q4-Q3	Q1-Q4			50th %tile		Q1	Q2	Q3	Q4	Goal
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Hospital Acquired Pressure Ulcer Incidents (Per 1000 admissions)	2017					Nurse Staffing Effectiveness: Transfers r/t staffing/beds	2017				
	Q1	Q2	Q3	Q4	National		Q1	Q2	Q3	Q4	Goal
SNF	2.2	0.0	0.0	0.0	3.17		4	4	1	0	≤0
Acute	3.3	0.0	0.0	0.0	3.68						
Green = Goal Met Yellow = Below goal Red = Continues below goal or significantly below goal											
2013 Hospital falls std from J Amer Med, AHRQ & PubMed											





# Rate My Hospital Mean Overall Scores

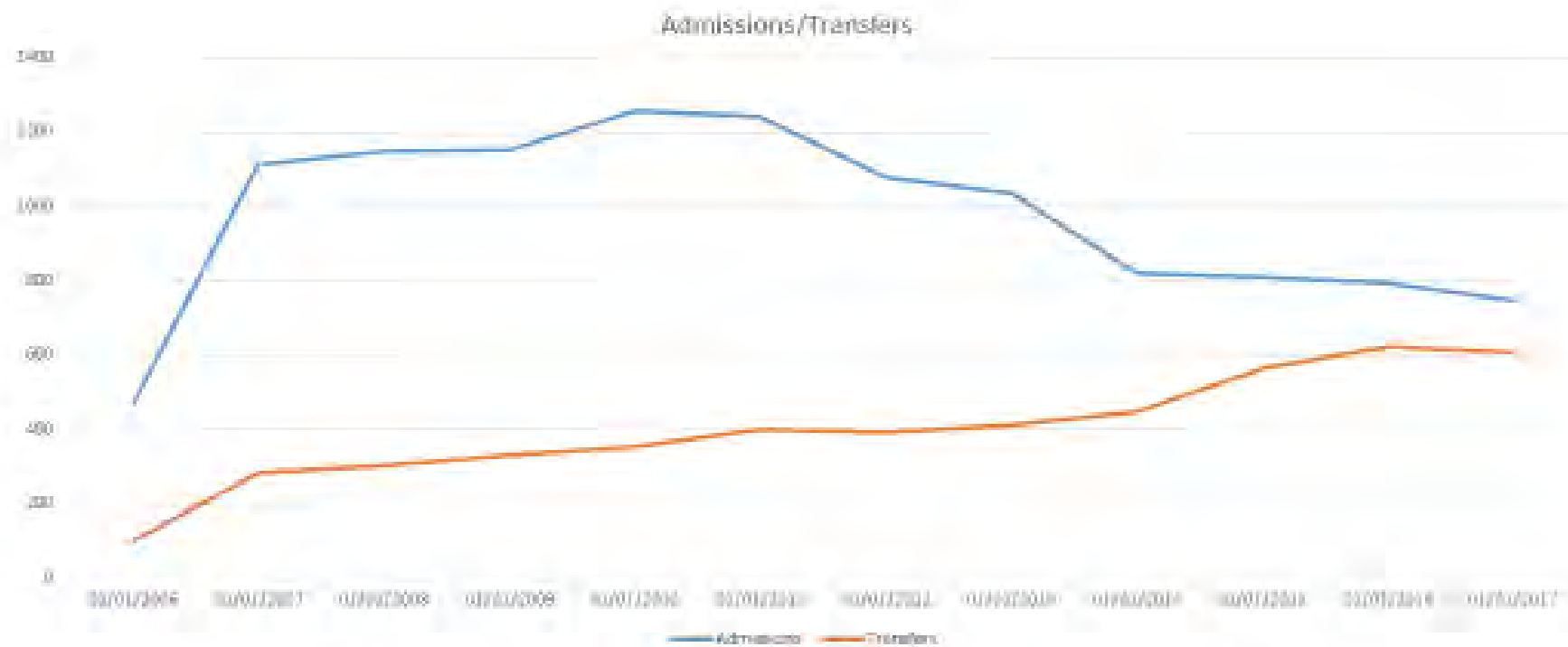


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	Svc Unit	Visits	D		
			Reimb	Cost	Margin
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	SNF SU	368	\$ 3,352,548	\$ (2,899,682)	\$ 452,866
	SNF SU	370	\$ 3,343,713	\$ (3,055,322)	\$ 288,391

# JANUARY

	Jan 13th- 19th	Jan 1st- 19th	Monthly Goal	YTD FY 2018	YTD FY 2017	Goal 2% growth per service YTD	Over/Under
Surgical Service							
BARIATRIC CASES	3	10	6	37	34	8%	3
ENT	0	0	1	2	2	0%	0
GENERAL ORTHOPEDICS	9	16	41	213	266	-25%	-53
GENERAL SURGERY	3	8	25	100	119	-19%	-19
JOINT REPLACEMENTS	3	6	12	76	81	-7%	-5
OB/GYN	2	3	12	71	67	6%	4
OPHTHALMOLOGY	4	7	26	126	77	39%	49
PAIN MANAGEMENT	5	17	19	393	138	65%	255
BREAST	0	0	3	0	0	0%	0
PODIATRY	0	1	2	17	16	6%	1
SPINE CASES	1	1	1	3	14	-78%	-11
UROLOGY CASES	0	0	2	3	5	-67%	-2
VASCULAR CASES	0	0	4	7	8	-14%	-1
TOTAL SURGICAL CASES	30	69	154	1048	827	22%	221
ENDOSCOPY CASES	21	44	46	457	303	37%	154
Total all Cases	51	113	197	1505	1130	25%	375
MISC. CASES	1	2	4	25	23	8%	2



2006-2017 Admissions/Transfers from the ED

11.

ADMINISTRATIVE REPORT  
APRIL 2018



**To:** SVHCD Board of Directors  
**From:** Kelly Mather  
**Date:** 3/29/18  
**Subject:** Administrative Report

**Summary**

We are in the midst of updating the rolling strategic plan for FY 2019 – 2021. February was a very low volume month. We have reduced expenses, but the revenue is not at budget for FY 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"> <li>➤ We have a candidate interviewing for the SVH CMO/UCSF Medical Director position on April 11<sup>th</sup>. She has already interviewed at UCSF.</li> <li>➤ SVH culture of embracing change using “100 day workouts.” 30 day check-ins have been completed.</li> <li>➤ Emergency is working on the “Stroke Readiness” certification.</li> <li>➤ We are using standard protocols to ensure Evidence Based Medicine for Hospitalists.</li> <li>➤ The Workplace Violence Prevention program is now complete.</li> </ul>
Be the preferred hospital for patients, physicians, employers and health plans	<ul style="list-style-type: none"> <li>➤ Staff participation in the Annual Engagement Survey was 81%. Score of 4.19/5 this year. Most departments are highly engaged and satisfied. There are a few departments that were not as happy due to changes in leadership.</li> <li>➤ 3D Mammography is open.</li> <li>➤ We are in the design phase of the Outpatient Diagnostic Center.</li> <li>➤ Sonoma Family Practice transition to 1206b is underway and will be a Rural Health Center as soon as we hire a nurse practitioner.</li> </ul>
Implement new and enhanced revenue strategies as measured by increased direct margins in each service unit	<ul style="list-style-type: none"> <li>➤ The UCSF collaboration has begun. We are creating mutually beneficial strategic goals and should have then by the summer.</li> <li>➤ The Woman’s Place service line is working with our first Breast Surgery last week.</li> <li>➤ We are developing a Pain Management service line with many of our current physicians.</li> <li>➤ Marketing for more awareness of Dr. Kidd and our Primary Care Physicians in Sonoma is working. We may need another Primary Care Physician soon.</li> <li>➤ The Strategic Planning Committee is having a public input session on April 26<sup>th</sup>.</li> </ul>
Continue to improve financial stability as measured by operating margin	<ul style="list-style-type: none"> <li>➤ As the hospital inpatient volumes are decreasing, we are considering our future and the need to reduce overhead which is based on an inpatient model.</li> <li>➤ We will have a \$1.3 million pick up from the South Lot sale in Fall 2018.</li> <li>➤ We are moving into due diligence with a potential partner for Home Care.</li> <li>➤ Considering changes in our some of the pay practices and PTO accruals.</li> </ul>
Lead progress toward being a healthier community as measured by community benefit	<ul style="list-style-type: none"> <li>➤ The leaders all came together and made baskets for Doctors’ Day on March 30<sup>th</sup>.</li> <li>➤ The Capital Campaign for the Outpatient Diagnostic Center is off to a great start.</li> <li>➤ Celebration of Women is on May 10<sup>th</sup>. Tickets and sponsorships are going well.</li> <li>➤ Dr. Amara’s talk at Vintage House was a great success.</li> <li>➤ The Wellness Ambassadors held the quarterly meeting in March.</li> </ul>



## FEBRUARY 2018

			National Benchmark
Patient Experience	Current Performance	FY 2018 Goal	
Would Recommend Hospital	91st percentile	> 60th percentile	50th percentile
Inpatient Overall Rating	92 <sup>nd</sup> percentile	>60th percentile	50th percentile
Home Health	92%	> 90%	> 80%
Outpatient Services	4.6	Rate My Hospital	4.5
Emergency	4.5	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	1.6	< 2.3	2.3
Pressure Ulcers	0	<3.7	3.7
Injuries to Staff	6	< 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	4	4	3
Hospital Star Rating	4	4	3
Our People	YTD Performance	FY 2018 Goal	Benchmark
Press Ganey Engagement Survey	74th percentile	75th percentile	50th percentile
Wellness Ambassadors	253	250	> 200
Turnover	12.9	< 10%	< 15%
Financial Stability	YTD Performance	FY 2018 Goal	Benchmark
EBDA	-.8%	2.9%	3%
FTE's/AOB	3.87	4.3	5.3
Days Cash on Hand	14.1	20	30
Days in Accounts Receivable	47	49	50
Length of Stay	3.5	3.85	4.03
Cost per Medicare Beneficiary	\$18,430	<\$20,000	\$20,473
Funds raised by SVHF	\$5.9 million	\$20 million	\$1 million
Strategic Growth	YTD Performance	FY 2018 Goal	Benchmark
Inpatient Discharges	732/1098	1193	1225
Outpatient Visits	34,910/52,365	57,771	55,566
Emergency Visits	7104/10,656	11,022	11,019
Surgeries	1228/1842	1,800	1,680
Births	74/111	132	120
Home Health Visits	6293/9440	11,053	11,400
Community Benefit Hours	940.5/1410	1200	1200

Note: Colors demonstrate comparison to National Benchmark



Healing Here at Home

## TRENDED MONTHLY RESULTS

MEASUREMENT	Goal FY 2018	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017
FY YTD Turnover	<10%	.9	3.1	5.3	6.8	9.7	9.7	11.3	12.9	7.2	7.7	8.4	9
Leave of Absences	<12	10	10	11	11	11	9	10	15				
EBDA	>3%	.1	-.9	-1.1	.1	-1.2	-1.4	2.2	-.6	3	3	3.1	3.6
Operating Revenue	>5m	5.0	4.8	4.6	4.6	4.5	4.5	4.9	4.7	5.3	4.9	5.3	5.2
Expense Management	<5m	5.1	5.3	5.2	4.8	5.3	5.1	5.3	5.2	5.4	5.3	5.6	5.2
Net Income	>50k	-197	-164	-230	62	-379	-226	125	-174	304	-24	16	180
Days Cash on Hand	>20	16	10	9	12.5	14	17.4	23.5	14.1	16	11	19	20
A/R Days	<50	45	43	47	45	48	51	51	47	44	47	44	45
Total FTE's	<320	318	314	316	304	329	307	312	305	322	313	319	321
FTEs/AOB	<4.0	4.23	3.75	4.19	4.04	4.86	3.85	3.68	3.87	3.93	4.22	3.73	4.14
Inpatient Discharges	>90	76	94	87	87	99	96	111	82	119	89	100	87
Outpatient Revenue	>\$13m	14.1	15.5	14.3	11.9	12.9	14.1	14.7	12.5	15.1	13.1	15.5	15.4
Surgeries	>150	162	164	187	120	155	160	141	139	189	171	173	197
Home Health	>950	870	713	789	871	630	798	801	821	849	934	966	940
Births	>11	6	10	5	12	11	10	7	11	12	11	7	15
SNF days	>550	528	500	479	624	468	563	646	494	572	512	559	458
MRI	>120	102	134	128	100	80	105	106	112	137	121	116	109
Cardiology (Echos)	>50	62	93	73	54	80	93	96	65	89	70	70	79
Laboratory	>12	11.9	12.2	11.6	10.8	12.0	11.4	12.9	10.6	13.9	12.1	13.6	11.8
Radiology	>850	881	966	870	757	882	891	1072	829	1159	963	1142	1137
Rehab	>2700	2362	2872	2502	2078	2945	2884	2593	2773	3020	2748	2983	2802
CT	>300	326	390	354	271	272	386	346	288	398	385	407	376
ER	>900	920	894	921	827	816	919	996	811	941	921	1069	964
Mammography	>200	223	235	201	191	253	249	190	155	246	191	214	219
Ultrasound	>300	287	326	265	188	236	258	274	221	334	213	279	312
Occupational Health	>600	642	705	552	707	588	416	504	555	611	631	607	659
Wound Care	>200	226	263	287	287	203	277	204	122	348	239	203	307

12.

FINANCIAL REPORT  
MONTH ENDED  
FEBRUARY 28, 2018

**To:** SVH Finance Committee  
**From:** Ken Jensen, CFO  
**Date:** March 27, 2018  
**Subject:** Financial Report for the Month Ending February 28, 2018

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The financial performance continues to not meet budgeted expectations. Inpatient days, deliveries and outpatient volumes are well under those anticipated. The inpatient days have been impacted by the loss of approximately two admissions per month from SDC and approximately eight admissions from Napa State Hospital. Expense savings implemented in January have proven effective but not enough to fully cover the loss of revenue for February. There was a loss of income in October due to the fires approximating \$300,000.

During the month of February the hospital's volume was significantly under budgeted expectations primarily in inpatient services which was under budget by 26.7%. For the month of February the hospital accrued for a Rate Range IGT for the fiscal year 2016-17 which will net \$379,124 to the hospital and ACA AB915 supplemental payments due to the hospital for FY 2014-15 and 2015-16 totaling \$300,813. The hospital expects the supplemental payments in May or June.

The actual loss of (\$557,022) from operations for February was (\$240,396) unfavorable to the budgeted loss of (\$316,626). After accounting for all other activity, February's net loss was (\$174,796) vs. the budgeted net income of \$97,076 with a monthly EBIDA of 0.3% vs. a budgeted 5.2%.

**Gross patient revenue** for February was \$19,385,667, (\$3,739,996) under budget. Inpatient gross revenue was under budget by (\$1,871,174). Inpatient days were under budget by (136) days and inpatient surgeries were under budgeted expectations by (14) cases. Outpatient revenue was under budget by (\$706,863). Outpatient visits were under budgeted expectations by (840) visits, and outpatient surgeries were over budgeted expectations by 20 cases. The Emergency Room gross revenue was under budget by (\$529,609) with ER visits under budgeted expectations by (108) visits. SNF gross charges were under budgeted expectations by (629,101) and SNF patient days were under budget by (177) days. Home Health was under budget by (\$3,249) with visits under budget by (74) visits which is due to seeing a reduced number of Kaiser HHA patients.

Gross revenue from surgical implants in February is \$326,665 with \$98,786 from inpatient surgeries and \$227,879 from outpatient surgeries, and total implant costs were (\$145,791). The net, before any revenue deductions, is \$180,874.

**Deductions from revenue** were favorable to budgeted expectations by \$3,511,195. Of the variance, \$997,851 is from the accrual of the FY 2016-17 Rate Range IGT of \$947,810 (net after matching fee is \$379,124), accrual of the Prime Grant of \$62,500, and ACA Medi-Cal supplemental payments for FY 2014-15 and 2015-16 totaling \$300,813. Without the IGT variance, the deductions from revenue variance is favorable by \$2,513,344 which is due to the gross revenue being under budgeted expectations.

The variance was also impacted by a negative shift in payer mix with Medicare and Medi-Cal volume increasing by 2.7 and 2.1 percentage points, respectively, over budget and Commercial volume dropping by 3.1 percentage points.

After accounting for all other operating revenue, the **total operating revenue** was unfavorable to budgeted expectations by (\$253,210).

**Operating Expenses** of \$5,269,883 were favorable to budget by \$12,814. (\$482,253) of the variance is due to the matching fee of (\$568,686) for the FY 2016-17 Rate Range IGT in which the hospital will receive \$947,810 in May. Without the IGT matching fee, the operating expenses would have an overall positive variance of \$495,067. Salaries and wages and agency fees were under budget by 306,939. Salaries and wages were under budget by \$309,666 and agency fees were over budget by (\$2,727). Professional fees were over budget by (\$32,868) primarily due to non-budgeted consulting fees offset by lower administration and management salaries. Supplies and purchased services are both under budget in the month of February due to the hospital's lower volume.

For the month of February, the hospital saved \$116,552 attributable to the cost savings plan implemented January 1, 2018. See attachment I for details.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for February was (\$319,703) vs. a budgeted net loss of (\$66,659). The total net loss for February after all activity was (\$174,796) vs. a budgeted net income of \$97,076.

EBIDA for the month of February was 0.3% vs. the budgeted 5.2%.

#### **Patient Volumes – February**

	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>PRIOR YEAR</b>
<b>Acute Discharges</b>	<b>82</b>	<b>109</b>	<b>-27</b>	<b>97</b>
<b>Newborn Discharges</b>	<b>11</b>	<b>13</b>	<b>-2</b>	<b>12</b>
<b>Acute Patient Days</b>	<b>289</b>	<b>425</b>	<b>-136</b>	<b>415</b>
<b>SNF Patient Days</b>	<b>494</b>	<b>671</b>	<b>-177</b>	<b>607</b>
<b>Home Care Visits</b>	<b>821</b>	<b>895</b>	<b>-74</b>	<b>922</b>
<b>OP Gross Revenue</b>	<b>\$12,519</b>	<b>\$13,743</b>	<b>(\$1,224)</b>	<b>\$12,189</b>
<b>Surgical Cases</b>	<b>139</b>	<b>133</b>	<b>6</b>	<b>127</b>

**Gross Revenue Overall Payer Mix – February**

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	44.0%	46.5%	-2.5%	44.2%	45.6%	-1.4%
Medicare Mgd Care	15.2%	10.0%	5.2%	12.9%	9.9%	3.0%
Medi-Cal	19.8%	17.7%	2.1%	18.0%	17.9%	0.1%
Self Pay	0.7%	1.2%	-0.5%	1.2%	1.2%	0.0%
Commercial	16.7%	19.8%	-3.1%	19.3%	20.4%	-1.1%
Workers Comp	1.7%	2.8%	-1.1%	2.2%	3.0%	-0.8%
Capitated	1.9%	2.0%	-0.1%	2.2%	2.0%	0.2%
Total	100.0%	100.0%		100.0%	100.0%	

**Cash Activity for February:**

For the month of February the cash collection goal was \$3,676,355 and the Hospital collected \$3,219,691 or under the goal by (\$456,664). The year-to-date cash collection goal was \$28,794,616 and the Hospital has collected \$29,027,671 or over goal by 233,055. Days of cash on hand are 14.1 days at February 28, 2018. Accounts Receivable decreased from January, from 51.2 days to 46.5 days in February. Accounts Payable increased by \$80,518 from January and Accounts Payable days are at 46.4.

**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
- Attachment I is the Cash Savings from cost reduction plan implemented 1/1/2018

**Sonoma Valley Hospital**  
**Payer Mix for the month of February 28, 2018**

ATTACHMENT A

**February-18**

**YTD**

<b>Gross Revenue:</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	8,529,734	10,733,015	-2,203,281	-20.5%
Medicare Managed Care	2,948,042	2,301,127	646,915	28.1%
Medi-Cal	3,833,481	4,090,093	-256,612	-6.3%
Self Pay	134,325	276,343	-142,018	-51.4%
Commercial & Other Government	3,238,119	4,604,370	-1,366,251	-29.7%
Worker's Comp.	329,727	660,097	-330,370	-50.0%
Capitated	372,239	460,618	-88,379	-19.2%
<b>Total</b>	<b>19,385,667</b>	<b>23,125,663</b>	<b>(3,739,996)</b>	

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	77,044,294	82,780,250	-5,735,956	-6.9%
Medicare Managed Care	22,257,984	18,071,469	4,186,515	23.2%
Medi-Cal	31,157,552	32,509,834	-1,352,282	-4.2%
Self Pay	2,148,210	2,249,070	-100,860	-4.5%
Commercial & Other Government	33,613,839	37,124,386	-3,510,547	-9.5%
Worker's Comp.	3,766,646	5,488,844	-1,722,198	-31.4%
Capitated	3,890,248	3,690,058	200,190	5.4%
<b>Total</b>	<b>173,878,773</b>	<b>181,913,911</b>	<b>(8,035,138)</b>	

<b>Net Revenue:</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	1,251,132	1,579,459	-328,327	-20.8%
Medicare Managed Care	466,128	295,430	170,698	57.8%
Medi-Cal	495,733	597,755	-102,022	-17.1%
Self Pay	61,952	165,806	-103,854	-62.6%
Commercial & Other Government	920,144	1,674,993	-754,849	-45.1%
Worker's Comp.	67,045	170,608	-103,563	-60.7%
Capitated	16,669	21,404	-4,735	-22.1%
Prior Period Adj/IGT	1,311,123	313,272	997,851	318.5%
<b>Total</b>	<b>4,589,926</b>	<b>4,818,727</b>	<b>(228,801)</b>	<b>-4.7%</b>

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	11,788,101	12,516,132	-728,031	-5.8%
Medicare Managed Care	3,249,632	2,320,173	929,459	40.1%
Medi-Cal	4,462,606	4,449,686	12,920	0.3%
Self Pay	1,096,566	1,128,485	-31,919	-2.8%
Commercial & Other Government	11,140,329	13,517,409	-2,377,080	-17.6%
Worker's Comp.	809,792	1,343,698	-533,906	-39.7%
Capitated	117,173	126,096	-8,923	-7.1%
Prior Period Adj/IGT	3,730,566	2,506,176	1,224,390	48.9%
<b>Total</b>	<b>36,394,765</b>	<b>37,907,855</b>	<b>(1,513,090)</b>	<b>-4.0%</b>

<b>Percent of Net Revenue:</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	27.3%	32.8%	-5.5%	-16.8%
Medicare Managed Care	10.2%	6.2%	4.0%	64.5%
Medi-Cal	39.3%	18.9%	20.4%	107.9%
Self Pay	1.3%	3.4%	-2.1%	-61.8%
Commercial & Other Government	20.0%	34.8%	-14.8%	-42.5%
Worker's Comp.	1.5%	3.5%	-2.0%	-57.1%
Capitated	0.4%	0.4%	0.0%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	32.4%	33.0%	-0.7%	-2.1%
Medicare Managed Care	8.9%	6.1%	2.8%	45.9%
Medi-Cal	22.5%	18.3%	4.2%	23.0%
Self Pay	3.0%	3.0%	0.0%	0.0%
Commercial & Other Government	30.7%	35.8%	-5.1%	-14.2%
Worker's Comp.	2.2%	3.5%	-1.3%	-37.1%
Capitated	0.3%	0.3%	0.0%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.1%</b>	<b>-0.1%</b>

<b>Projected Collection Percentage:</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	14.7%	14.7%	0.0%	0.0%
Medicare Managed Care	15.8%	12.8%	3.0%	23.4%
Medi-Cal	47.1%	22.3%	24.8%	111.2%
Self Pay	46.1%	60.0%	-13.9%	-23.2%
Commercial & Other Government	28.4%	36.4%	-8.0%	-22.0%
Worker's Comp.	20.3%	25.8%	-5.5%	-21.3%
Capitated	4.5%	4.6%	-0.1%	-2.2%

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	15.3%	15.1%	0.2%	1.3%
Medicare Managed Care	14.6%	12.8%	1.8%	14.1%
Medi-Cal	26.3%	21.4%	4.9%	22.9%
Self Pay	51.0%	50.2%	0.8%	1.6%
Commercial & Other Government	33.1%	36.4%	-3.3%	-9.1%
Worker's Comp.	21.5%	24.5%	-3.0%	-12.2%
Capitated	3.0%	3.4%	-0.4%	-11.8%

**SONOMA VALLEY HOSPITAL  
OPERATING INDICATORS  
For the Period Ended February 28, 2018**

**ATTACHMENT B**

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual 02/28/18</u>	<u>Budget 02/28/18</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual 02/28/18</u>	<u>Budget 02/28/18</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 02/28/17</u>
<b>Inpatient Utilization</b>								
<b>Discharges</b>								
1	71	91	(20)	Acute	613	723	(110)	722
2	11	18	(7)	ICU	119	130	(11)	91
3	82	109	(27)	Total Discharges	732	853	(121)	813
4	11	13	(2)	Newborn	74	113	(39)	93
5	93	122	(29)	Total Discharges inc. Newborns	806	966	(160)	906
<b>Patient Days:</b>								
6	225	315	(90)	Acute	1,936	2,496	(560)	2,469
7	64	110	(46)	ICU	659	801	(142)	794
8	289	425	(136)	Total Patient Days	2,595	3,297	(702)	3,263
9	19	27	(8)	Newborn	128	232	(104)	171
10	308	452	(144)	Total Patient Days inc. Newborns	2,723	3,529	(806)	3,434
<b>Average Length of Stay:</b>								
11	3.2	3.5	(0.3)	Acute	3.2	3.5	(0.3)	3.4
12	5.8	6.2	(0.4)	ICU	5.5	6.2	(0.6)	8.7
13	3.5	3.9	(0.4)	Avg. Length of Stay	3.5	3.9	(0.3)	4.0
14	1.7	2.0	(0.3)	Newborn ALOS	1.7	2.0	0.3	1.8
<b>Average Daily Census:</b>								
15	8.0	11.3	(3.2)	Acute	8.0	10.3	(2.3)	10.2
16	2.3	3.9	(1.6)	ICU	2.7	3.3	(0.6)	3.3
17	10.3	15.2	(4.9)	Avg. Daily Census	10.7	13.6	(2.9)	13.4
18	0.7	1.0	(0.3)	Newborn	0.53	0.95	(0.4)	0.70
<b>Long Term Care:</b>								
19	494	671	(177)	SNF Patient Days	4,302	4,516	(214)	4,452
20	31	29	2	SNF Discharges	236	198	38	241
21	17.6	24.0	(6.3)	Average Daily Census	17.7	18.6	(0.9)	18.3
<b>Other Utilization Statistics</b>								
<b>Emergency Room Statistics</b>								
22	811	919	(108)	Total ER Visits	7,104	7,318	(214)	7,250
<b>Outpatient Statistics:</b>								
23	3,996	4,836	(840)	Total Outpatients Visits	34,910	37,248	(2,338)	36,177
24	16	30	(14)	IP Surgeries	213	260	(47)	291
25	123	103	20	OP Surgeries	1,015	801	214	755
26	75	33	42	Special Procedures	528	247	281	339
27	821	895	(74)	Home Health Visits	6,293	7,439	(1,146)	7,428
28	319	342	(23)	Adjusted Discharges	2,649	2,671	(23)	2,702
29	2,212	2,705	(493)	Adjusted Patient Days (Inc. SNF)	18,864	19,857	(993)	19,745
30	79.0	96.6	(17.6)	Adj. Avg. Daily Census (Inc. SNF)	77.6	81.7	(4.1)	81.3
31	1.3440	1.4000	(0.056)	Case Mix Index -Medicare	1.5272	1.4000	0.127	1.6689
32	1.2960	1.4000	(0.104)	Case Mix Index - All payers	1.4712	1.4000	0.071	1.5432
<b>Labor Statistics</b>								
33	274	280	5.8	FTE's - Worked	276	284	7.8	280
34	305	320	14.4	FTE's - Paid	313	324	11.4	318
35	43.20	47.27	4.07	Average Hourly Rate	42.51	42.59	0.08	40.14
36	22.0	18.9	(3.2)	Manhours / Adj. Pat Day	23.0	22.6	(0.4)	22.3
37	152.7	149.2	(3.5)	Manhours / Adj. Discharge	163.7	168.2	4.5	162.9
38	23.5%	22.2%	-1.4%	Benefits % of Salaries	22.6%	22.2%	-0.4%	23.1%
<b>Non-Labor Statistics</b>								
39	10.3%	10.3%	-0.1%	Supply Expense % Net Revenue	11.8%	10.5%	-1.3%	12.1%
40	1,519	1,483	(36)	Supply Exp. / Adj. Discharge	1,667	1,526	(141)	1,631
41	17,020	15,910	(1,110)	Total Expense / Adj. Discharge	16,400	16,251	(149)	15,280
<b>Other Indicators</b>								
42	14.1			Days Cash - Operating Funds				
43	46.5	50.0	(3.5)	Days in Net AR	46.9	50.0	(3.1)	50.6
44	88%			Collections % of Net Revenue	101%			107.5%
45	46.4	55.0	(8.6)	Days in Accounts Payable	46.4	55.0	(8.6)	18.0
46	24.2%	21.4%	2.8%	% Net revenue to Gross revenue	21.5%	21.4%	0.1%	21.1%
47	21.5%			% Net AR to Gross AR	21.5%			21.2%



**Sonoma Valley Health Care District**  
**Balance Sheet**  
**As of February 28, 2018**

**ATTACHMENT C**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<b>Assets</b>			
Current Assets:			
1 Cash	\$ 1,493,055	\$ 2,993,592	\$ 4,331,056
2 Trustee Funds	4,041,283	3,718,674	2,699,211
3 Net Patient Receivables	8,440,995	8,921,743	7,543,693
4 Allow Uncollect Accts	(1,216,076)	(1,290,889)	(1,179,316)
5 Net A/R	7,224,919	7,630,854	6,364,377
6 Other Accts/Notes Rec	1,747,039	2,282,090	2,515,774
7 3rd Party Receivables, Net	1,350,988	542,175	961,331
8 Inventory	841,098	839,552	834,899
9 Prepaid Expenses	903,043	917,891	793,790
10 Total Current Assets	<u>\$ 17,601,425</u>	<u>\$ 18,924,828</u>	<u>\$ 18,500,438</u>
12 Property, Plant & Equip, Net	\$ 52,296,982	\$ 52,456,786	\$ 53,830,783
13 Specific Funds/ Money Market	1,019,441	819,334	259,348
14 Other Assets	-	-	-
15 Total Assets	<u><u>\$ 70,917,848</u></u>	<u><u>\$ 72,200,948</u></u>	<u><u>\$ 72,590,569</u></u>
<b>Liabilities &amp; Fund Balances</b>			
Current Liabilities:			
16 Accounts Payable	\$ 3,608,560	\$ 3,528,042	\$ 2,841,397
17 Accrued Compensation	4,622,919	4,693,869	4,572,173
18 Interest Payable	525,747	634,656	110,266
19 Accrued Expenses	1,361,944	1,489,000	1,428,041
20 Advances From 3rd Parties	160,739	483,787	100,376
21 Deferred Tax Revenue	2,269,400	2,836,750	1,987,635
22 Current Maturities-LTD	1,245,911	1,265,517	1,269,797
23 Line of Credit - Union Bank	6,973,734	6,973,734	5,923,734
24 Other Liabilities	1,386	1,386	1,051,386
25 Total Current Liabilities	<u>\$ 20,770,340</u>	<u>\$ 21,906,741</u>	<u>\$ 19,284,805</u>
26 Long Term Debt, net current portion	\$ 35,192,924	\$ 35,164,827	\$ 37,625,526
Fund Balances:			
28 Unrestricted	\$ 10,817,584	\$ 10,992,380	\$ 11,904,381
29 Restricted	4,137,000	4,137,000	3,775,858
30 Total Fund Balances	<u>\$ 14,954,584</u>	<u>\$ 15,129,380</u>	<u>\$ 15,680,238</u>
31 Total Liabilities & Fund Balances	<u><u>\$ 70,917,848</u></u>	<u><u>\$ 72,200,948</u></u>	<u><u>\$ 72,590,569</u></u>

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
Comparative Results  
For the Period Ended February 28, 2018**

	Month					Year-To-Date				YTD					
	This Year		Variance			This Year		Variance			Prior Year				
	Actual	Budget	\$	%		Actual	Budget	\$	%						
<b>Volume Information</b>															
1	82	109	(27)	-25%	Acute Discharges	732	852	(120)	-14%	813					
2	494	671	(177)	-26%	SNF Days	4,302	4,516	(214)	-5%	4,452					
3	821	895	(74)	-8%	Home Care Visits	6,293	7,439	(1,146)	-15%	7,428					
4	12,519	13,743	(1,224)	-9%	Gross O/P Revenue (000's)	\$ 110,190	\$ 110,302	(112)	0%	\$ 104,572					
<b>Financial Results</b>															
<b>Gross Patient Revenue</b>															
5	\$ 5,040,612	\$ 6,911,786	(1,871,174)	-27%	Inpatient	\$ 47,536,281	\$ 55,180,705	(7,644,424)	-14%	\$ 51,648,447					
6	6,740,544	7,447,407	(706,863)	-9%	Outpatient	59,871,866	58,547,545	1,324,321	2%	54,160,326					
7	5,479,072	6,008,681	(529,609)	-9%	Emergency	48,103,137	49,342,172	(1,239,035)	-3%	48,010,544					
8	1,820,536	2,449,637	(629,101)	-26%	SNF	16,068,197	16,285,468	(217,271)	-1%	15,429,940					
9	304,903	308,152	(3,249)	-1%	Home Care	2,299,292	2,558,021	(258,729)	-10%	2,604,590					
10	\$ 19,385,667	\$ 23,125,663	(3,739,996)	-16%	<b>Total Gross Patient Revenue</b>	\$ 173,878,773	\$ 181,913,911	(8,035,138)	-4%	\$ 171,853,847					
<b>Deductions from Revenue</b>															
11	\$ (15,804,864)	\$ (18,497,601)	2,692,737	15%	Contractual Discounts	\$ (139,843,827)	\$ (145,531,376)	5,687,549	4%	\$ (137,530,448)					
12	(300,000)	(100,000)	(200,000)	-200%	Bad Debt	(1,253,000)	(800,000)	(453,000)	-57%	(940,000)					
13	(2,000)	(22,607)	20,607	91%	Charity Care Provision	(117,747)	(180,856)	63,109	35%	(233,293)					
14	1,311,123	313,272	997,851	*	Prior Period Adj/Government Program Revenue	3,730,566	2,506,176	1,224,390	*	2,102,167					
15	\$ (14,795,741)	\$ (18,306,936)	3,511,195	-19%	<b>Total Deductions from Revenue</b>	\$ (137,484,008)	\$ (144,006,056)	6,522,048	-5%	\$ (136,601,574)					
<b>Net Patient Service Revenue</b>															
16	\$ 4,589,926	\$ 4,818,727	(228,801)	-5%	Risk contract revenue	\$ 973,003	\$ 1,028,168	(55,165)	-5%	\$ 1,039,566					
17	\$ 106,306	\$ 128,521	(22,215)	-17%	Net Hospital Revenue	\$ 37,367,768	\$ 38,936,023	(1,568,255)	-4%	\$ 36,291,839					
18	\$ 4,696,232	\$ 4,947,248	(251,016)	-5%	Other Op Rev & Electronic Health Records	\$ 132,726	\$ 150,584	(17,858)	-12%	\$ 277,359					
19	\$ 16,629	\$ 18,823	(2,194)	-12%	<b>Total Operating Revenue</b>	\$ 37,500,494	\$ 39,086,607	(1,586,113)	-4%	\$ 36,569,198					
20	\$ 4,712,861	\$ 4,966,071	(253,210)	-5%	<b>Operating Expenses</b>										
21	\$ 2,104,934	\$ 2,411,873	306,939	13%	Salary and Wages and Agency Fees	\$ 18,434,216	\$ 19,139,531	705,315	4%	\$ 17,667,629					
22	807,808	903,838	96,030	11%	Employee Benefits	6,976,315	7,173,137	196,822	3%	7,020,662					
23	\$ 2,912,742	\$ 3,315,711	402,969	12%	Total People Cost	\$ 25,410,531	\$ 26,312,668	902,137	3%	\$ 24,688,291					
24	\$ 442,199	\$ 409,331	(32,868)	-8%	Med and Prof Fees (excl Agency)	\$ 3,328,230	\$ 3,275,301	(52,929)	-2%	\$ 3,095,864					
25	484,809	507,194	22,385	4%	Supplies	4,415,859	4,076,755	(339,104)	-8%	4,407,770					
26	282,267	375,929	93,662	25%	Purchased Services	2,921,405	3,010,864	89,459	3%	2,455,920					
27	289,188	282,312	(6,876)	-2%	Depreciation	2,285,413	2,258,496	(26,917)	-1%	2,244,109					
28	90,176	101,622	11,446	11%	Utilities	827,457	812,976	(14,481)	-2%	798,342					
29	31,819	27,614	(4,205)	-15%	Insurance	254,552	220,912	(33,640)	-15%	237,279					
30	43,403	42,624	(779)	-2%	Interest	378,578	361,271	(17,307)	-5%	326,854					
31	124,594	133,927	9,333	7%	Other	964,064	1,103,608	139,544	13%	1,087,622					
32	568,686	86,433	(482,253)	*	Matching Fees (Government Programs)	1,344,441	691,464	(652,977)	-94%	747,361					
33	\$ 5,269,883	\$ 5,282,697	12,814	0%	<b>Operating expenses</b>	\$ 42,130,530	\$ 42,124,315	(6,215)	0%	\$ 40,089,412					
34	\$ (557,022)	\$ (316,626)	(240,396)	-76%	<b>Operating Margin</b>	\$ (4,630,036)	\$ (3,037,708)	(1,592,328)	-52%	\$ (3,520,214)					

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
Comparative Results  
For the Period Ended February 28, 2018**

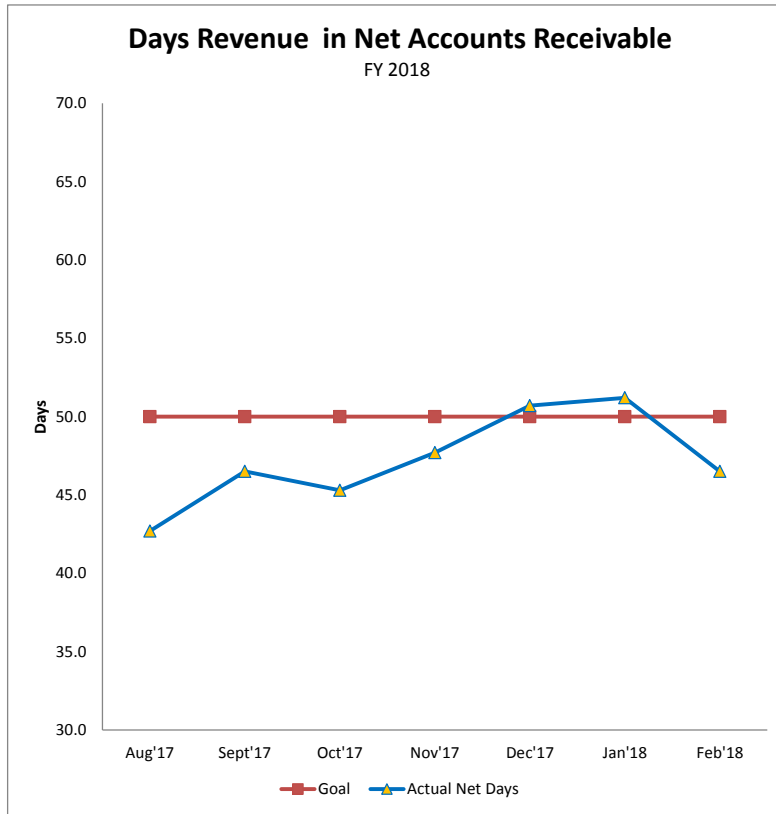
	Month					Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
<b>35</b>	\$ (22,582)	\$ (12,017)	(10,565)	88%						\$ (92,917)	
<b>36</b>	-	-	-	0%						76,167	
<b>37</b>	(56,766)	(54,683)	(2,083)	4%						(300,000)	
<b>38</b>	316,667	316,667	-	0%						2,000,378	
<b>39</b>	0	0	-	0%							
<b>40</b>	<u>\$ 237,319</u>	<u>\$ 249,967</u>	<u>(12,648)</u>	<u>-5%</u>						<u>\$ 1,683,628</u>	
<b>41</b>	<u>\$ (319,703)</u>	<u>\$ (66,659)</u>	<u>(253,044)</u>	<u>380%</u>	<b>Net Income / (Loss) prior to Restricted Contributions</b>	<u>\$ (2,598,715)</u>	<u>\$ (1,045,605)</u>	<u>(1,526,235)</u>	<u>146%</u>	<u>\$ (1,836,586)</u>	
<b>42</b>	\$ -	\$ 18,828	(18,828)	-100%	Capital Campaign Contribution	\$ 108,081	\$ 124,156	(16,075)	-13%	\$ 178,095	
<b>43</b>	\$ -	\$ -	-	0%	Restricted Foundation Contributions	\$ 149,785	\$ -	149,785	100%	\$ -	
<b>44</b>	<u>\$ (319,703)</u>	<u>\$ (47,831)</u>	<u>(271,872)</u>	<u>568%</u>	<b>Net Income / (Loss) w/ Restricted Contributions</b>	<u>\$ (2,340,849)</u>	<u>\$ (921,449)</u>	<u>(1,419,400)</u>	<u>154%</u>	<u>\$ (1,658,491)</u>	
<b>45</b>	250,683	250,683	-	0%	GO Bond Tax Assessment Rev	2,005,464	2,005,464	-	0%	1,975,272	
<b>46</b>	(105,776)	(105,776)	-	0%	GO Bond Interest	(850,698)	(850,698)	-	0%	(897,771)	
<b>47</b>	<u>\$ (174,796)</u>	<u>\$ 97,076</u>	<u>(271,872)</u>	<u>-280%</u>	<b>Net Income/(Loss) w GO Bond Activity</b>	<u>\$ (1,186,083)</u>	<u>\$ 233,317</u>	<u>(1,419,400)</u>	<u>-608%</u>	<u>\$ (580,990)</u>	
	\$ 12,888	\$ 258,277			<b>EBIDA - Not including Restricted Contributions</b>	\$ 65,276	\$ 1,574,162			\$ 734,377	
	0.3%	5.2%				0.2%	4.0%			2.0%	
	\$ (30,515)	\$ 215,653			<b>EBDA - Not including Restricted Contributions</b>	\$ (313,302)	\$ 1,212,891				
	-0.6%	4.3%				-0.8%	3.1%				

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses Variance Analysis  
For the Period Ended February 28, 2018**

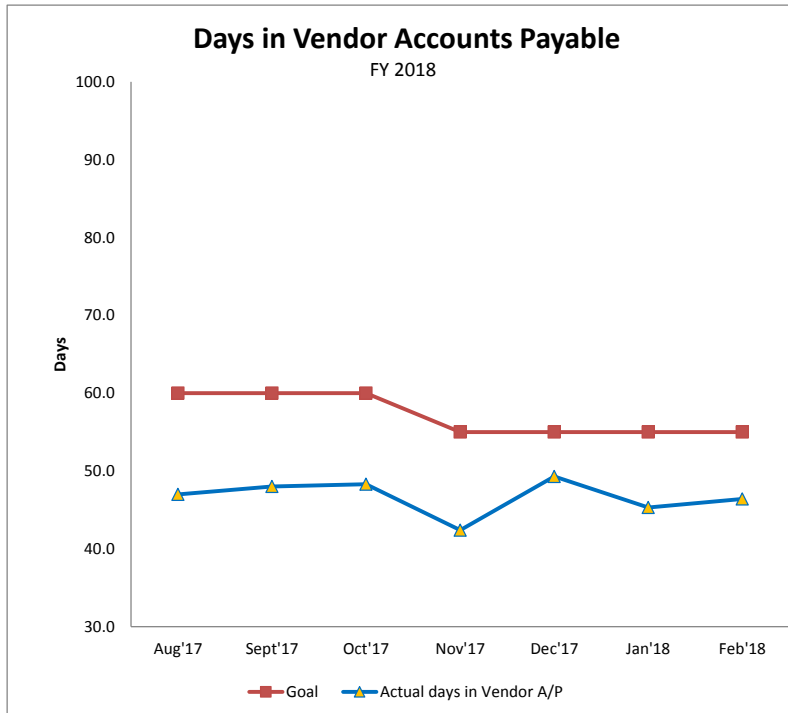
	YTD	MONTH	
Description	Variance	Variance	
<b>Volume Information</b>			
1 Acute Discharges	(120)	(27)	
2 SNF Days	(214)	(177)	
3 Home Care Visits	(1,146)	(74)	
4 Gross O/P Revenue (000's)	(112)	(1,224)	
<b>Financial Results</b>			
<b>Gross Patient Revenue</b>			
5 Inpatient	(7,644,424)	(1,871,174)	Inpatient days are 289 days vs. budgeted expectations of 425 days and inpatient surgeries are 16 vs. budgeted expectations 30.
6 Outpatient	1,324,321	(706,863)	Outpatient visits are 3,996 vs. budgeted expectations of 4,836 visits and outpatient surgeries are 123 vs. budgeted expectations 103.
7 Emergency	(1,239,035)	(529,609)	ER visits are 811 vs. budgeted visits of 919.
8 SNF	(217,271)	(629,101)	SNF patient days are 494 vs. budgeted expected days of 671.
9 Home Care	(258,729)	(3,249)	HHA visits are 821 vs. budgeted expectations of 895.
10 <b>Total Gross Patient Revenue</b>	<b>(8,035,138)</b>	<b>(3,739,996)</b>	
<b>Deductions from Revenue</b>			
11 Contractual Discounts	5,687,549	2,692,737	
12 Bad Debt	(453,000)	(200,000)	
13 Charity Care Provision	63,109	20,607	
14 Prior Period Adj/Government Program Revenue	1,224,390	997,851	Accrued \$62,500 for the prime grant, \$947,810 for 16-17 Rate Range IGT (Matching fee in line 32, net \$379,124), ACA Medi-Cal supplemental for 14-15 \$162,259, and ACA Medi-Cal supplemental for 15-16 \$138,554.
15 <b>Total Deductions from Revenue</b>	<b>6,522,048</b>	<b>3,511,195</b>	
16 <b>Net Patient Service Revenue</b>	<b>(1,513,090)</b>	<b>(228,801)</b>	
17 Risk contract revenue	(55,165)	(22,215)	
18 <b>Net Hospital Revenue</b>	<b>(1,568,255)</b>	<b>(251,016)</b>	
19 Other Op Rev & Electronic Health Records	(17,858)	(2,194)	
20 <b>Total Operating Revenue</b>	<b>(1,586,113)</b>	<b>(253,210)</b>	
<b>Operating Expenses</b>			
21 Salary and Wages and Agency Fees	705,315	306,939	Salaries and Wages are under budget by \$309,666 and the Agency fees are over budget by (\$2,727).
22 Employee Benefits	196,822	96,030	PTO is under budget by \$47,920 and employee benefits are under budget by \$47,920.
23 <b>Total People Cost</b>	<b>902,137</b>	<b>402,969</b>	
24 Med and Prof Fees (excl Agency)	(52,929)	(32,868)	Chief Revenue Officer was moved from employee to consultant (\$17,680) and dietary consultant (\$11,200) .
25 Supplies	(339,104)	22,385	Supplies services are under budgeted expectations due to lower volume in February.
26 Purchased Services	89,459	93,662	Purchased services are under budgeted expectations due to lower volume in February.
27 Depreciation	(26,917)	(6,876)	
28 Utilities	(14,481)	11,446	
29 Insurance	(33,640)	(4,205)	
30 Interest	(17,307)	(779)	
31 Other	139,544	9,333	
32 <b>Matching Fees (Government Programs)</b>	<b>(652,977)</b>	<b>(482,253)</b>	Matching fees for 16-17 Rate Range IGT of \$568,686
33 <b>Operating expenses</b>	<b>(6,215)</b>	<b>12,814</b>	
34 <b>Operating Margin</b>	<b>(1,592,328)</b>	<b>(240,396)</b>	
<b>Non Operating Rev and Expense</b>			
35 Miscellaneous Revenue	59,601	(10,565)	
36 Donations	23,156	-	
37 Physician Practice Support-Prima	(16,664)	(2,083)	
38 Parcel Tax Assessment Rev	-	-	
39 Extraordinary Items	(26,875)	-	
40 <b>Total Non-Operating Rev/Exp</b>	<b>66,093</b>	<b>(12,648)</b>	
		-	

**Sonoma Valley Health Care District**  
**Statement of Revenue and Expenses Variance Analysis**  
**For the Period Ended February 28, 2018**

	YTD	MONTH
Description	Variance	Variance
41 <b>Net Income / (Loss) prior to Restricted Contributions</b>	<b>(1,526,235)</b>	<b>(253,044)</b>
	-	-
42 Capital Campaign Contribution	(16,075)	(18,828)
43 Restricted Foundation Contributions	149,785	-
44 <b>Net Income / (Loss) w/ Restricted Contributions</b>	<b>(1,419,400)</b>	<b>(271,872)</b>
	-	-
45 GO Bond Tax Assessment Rev	-	-
46 GO Bond Interest	-	-
	-	-
47 <b>Net Income/(Loss) w GO Bond Activity</b>	<b>(1,419,400)</b>	<b>(271,872)</b>



Days in A/R	Aug'17	Sept'17	Oct'17	Nov'17	Dec'17	Jan'18	Feb'18
Actual days in A/R	42.7	46.5	45.3	47.7	50.7	51.2	46.5
Goal	50.0	50.0	50.0	50.0	50.0	50.0	50.0



Days in A/P	Aug'17	Sept'17	Oct'17	Nov'17	Dec'17	Jan'18	Feb'18
Actual days in Vendor A/P	47.0	48.0	48.3	42.4	49.3	45.3	46.4
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												
	Feb-18	Feb-18	Jan-18	Dec-17	Nov-17	Oct-17	Sep-17	Aug-17	Jul-17	Jun-17	May-17	Apr-17	Mar-17	Feb-17	Jan-17		
<b>Statistics</b>																	
<b>Acute</b>																	
Acute Patient Days	289	425	394	386	321	315	325	325	240	346	388	368	415	415	465		
Acute Discharges (w/o Newborns)	82	109	111	96	99	87	87	94	76	87	100	89	119	97	119		
SNF Days	494	671	646	563	468	624	479	500	528	458	559	512	572	607	592		
HHA Visits	821	895	801	798	630	871	789	713	870	940	966	934	849	922	877		
Emergency Room Visits	811	919	996	919	816	827	921	894	920	964	1,069	921	941	851	1,000		
Gross Outpatient Revenue (000's)	\$12,519	\$13,743	\$14,741	\$14,051	\$12,952	\$11,864	\$14,364	\$15,524	\$14,175	\$15,454	\$15,523	\$13,168	\$15,098	\$12,189	\$13,500		
Equivalent Patient Days	2,212	2,705	2,629	2,471	2,030	2,334	2,266	2,591	2,332	2,328	2,654	2,227	2,537	2,553	2,618		
Births	11	13	7	10	11	12	5	10	6	15	7	11	12	12	11		
Surgical Cases - Inpatient	16	30	32	24	34	23	33	22	29	36	30	47	40	26	38		
Surgical Cases - Outpatient	123	103	109	136	121	97	154	142	133	161	143	124	149	101	110		
Total Surgical Cases	139	133	141	160	155	120	187	164	162	197	173	171	189	127	148		
Total Special Procedures	75	33	65	59	73	52	75	77	52	66	58	44	36	41	28		
Medicare Case Mix Index	1.34	1.40	1.50	1.57	1.55	1.49	1.54	1.57	1.65	1.66	1.69	1.64	1.45	1.52	1.47		
<b>Income Statement</b>																	
Net Revenue (000's)	\$4,590	\$4,819	4,909	4,466	4,474	4,543	4,518	4,775	4,988	5,188	5,330	4,924	5,283	4,266	\$4,528		
Operating Expenses (000's)	\$5,270	\$5,283	\$5,357	\$5,122	\$5,332	\$4,872	\$5,206	\$5,380	\$5,592	\$5,250	\$5,678	\$5,308	\$5,395	\$4,803	\$5,026		
Net Income (000's)	(\$175)	\$97	\$ 125	\$ (226)	\$ (380)	\$ 62	\$ (230)	\$ (165)	\$ (198)	\$ 690	\$ 16	\$ (24)	\$ 304	\$ 308	\$ (108)		
<b>Productivity</b>																	
Total Operating Expense Per Equivalent Patient Day	\$2,382	\$1,953	\$2,038	\$2,073	\$2,627	\$2,087	\$2,297	\$2,076	\$2,398	\$2,255	\$2,139	\$2,383	\$2,127	\$1,881	\$1,920		
Productive FTEs	274	280	276	255	316	246	289	279	271	278	291	285	294	294	280		
Non-Productive FTE's	31	40	36	52	13	58	27	35	47	43	28	28	28	28	36		
Total FTEs	305	320	312	307	329	304	316	314	318	321	319	313	322	322	316		
FTEs per Adjusted Occupied Bed	3.87	3.31	3.68	3.85	4.86	4.04	4.19	3.75	4.23	4.14	3.73	4.22	3.93	3.54	3.74		
<b>Balance Sheet</b>																	
Days of Expense In General Operating Cash	14.1		24	18	14	12	9	11	16	20	19	11	16	27	20		
Net Days of Revenue in AR	47	50	51	51	48	45	47	43	45	45	44	47	44	46	50		

Sonoma Valley Hospital  
Cash Forecast  
FY 2018

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
<b>Hospital Operating Sources</b>													
1 Patient Payments Collected	4,502,585	4,253,229	4,093,599	4,253,616	3,890,115	3,814,761	4,401,932	3,677,850	4,706,455	4,422,606	4,357,338	4,451,807	50,825,894
2 Capitation Revenue	133,404	128,220	128,530	131,210	128,781	122,912	93,640	106,306	93,640	93,640	93,640	93,640	1,347,562
3 Napa State	39,561	4,166	35,361	26,125	5,181	21,341	30,259	-	20,762	20,762	20,762	20,762	245,042
4 Other Operating Revenue	10,971	25,415	37,380	30,930	42,863	35,092	33,639	57,291	18,823	18,823	18,823	18,827	348,876
5 Other Non-Operating Revenue	26,914	38,081	68,232	33,898	48,014	43,511	47,501	9,459					315,611
6 Unrestricted Contributions		8,478	150			19,590	835						29,053
7 Line of Credit													-
<b>Sub-Total Hospital Sources</b>	<b>4,713,435</b>	<b>4,457,589</b>	<b>4,363,253</b>	<b>4,475,779</b>	<b>4,114,954</b>	<b>4,057,207</b>	<b>4,607,806</b>	<b>3,850,906</b>	<b>4,839,680</b>	<b>4,555,831</b>	<b>4,490,563</b>	<b>4,585,036</b>	<b>53,112,038</b>
<b>Hospital Uses of Cash</b>													
8 Operating Expenses	5,146,037	5,273,336	5,040,006	4,799,145	5,326,497	4,701,617	4,944,257	4,794,729	4,828,396	4,790,340	4,987,721	4,920,733	59,552,814
9 Add Capital Lease Payments	52,503	186,389	69,999	179,596	109,938	70,502	45,558	181,715	102,944	103,364	103,786	169,180	1,375,474
10 Additional Liabilities								375,000					375,000
11 Capital Expenditures	15,965	56,034	1,755	88,906	88,829	59,065	546,421						856,975
<b>Total Hospital Uses</b>	<b>5,214,505</b>	<b>5,515,759</b>	<b>5,111,761</b>	<b>5,067,647</b>	<b>5,525,264</b>	<b>4,831,184</b>	<b>5,536,236</b>	<b>5,351,443</b>	<b>4,931,340</b>	<b>4,893,704</b>	<b>5,091,507</b>	<b>5,089,913</b>	<b>62,160,263</b>
<b>Net Hospital Sources/Uses of Cash</b>	<b>(501,070)</b>	<b>(1,058,171)</b>	<b>(748,508)</b>	<b>(591,868)</b>	<b>(1,410,310)</b>	<b>(773,977)</b>	<b>(928,430)</b>	<b>(1,500,538)</b>	<b>(91,660)</b>	<b>(337,873)</b>	<b>(600,944)</b>	<b>(504,877)</b>	<b>(9,048,225)</b>
<b>Non-Hospital Sources</b>													
12 Restricted Cash/Capital Donations		527,977	(727,205)	(100,755)	382,167	417	551,467	-	18,828	662,514	(772,244)	18,828	561,994
13 Parcel Tax Revenue	152,275		1,500,000			482,664	532,571			1,267,429			3,934,939
14 Payment - South Lot				(25,205)		(25,205)			(24,658)			(24,932)	(100,000)
15 Other:													-
16 IGT (Net)				1,877,696							947,810		2,825,506
17 IGT - AB915							811,535		138,554		162,259		1,112,348
18 PRIME					1,350,000						150,000		1,500,000
<b>Sub-Total Non-Hospital Sources</b>	<b>152,275</b>	<b>527,977</b>	<b>772,795</b>	<b>1,751,736</b>	<b>1,732,167</b>	<b>457,876</b>	<b>1,895,573</b>	<b>-</b>	<b>132,724</b>	<b>1,929,943</b>	<b>487,825</b>	<b>(6,104)</b>	<b>9,834,787</b>
<b>Non-Hospital Uses of Cash</b>													
19 Matching Fees		509,543	266,212	675,000						643,686			2,094,441
<b>Sub-Total Non-Hospital Uses of Cash</b>	<b>-</b>	<b>509,543</b>	<b>266,212</b>	<b>675,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>643,686</b>	<b>-</b>	<b>-</b>	<b>2,094,441</b>
<b>Net Non-Hospital Sources/Uses of Cash</b>	<b>152,275</b>	<b>18,434</b>	<b>506,583</b>	<b>1,076,736</b>	<b>1,732,167</b>	<b>457,876</b>	<b>1,895,573</b>	<b>-</b>	<b>132,724</b>	<b>1,286,257</b>	<b>487,825</b>	<b>(6,104)</b>	<b>7,740,346</b>
<b>Net Sources/Uses</b>	<b>(348,795)</b>	<b>(1,039,737)</b>	<b>(241,925)</b>	<b>484,868</b>	<b>321,857</b>	<b>(316,101)</b>	<b>967,143</b>	<b>(1,500,538)</b>	<b>41,064</b>	<b>948,384</b>	<b>(113,119)</b>	<b>(510,981)</b>	
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	2,026,449	2,993,592	1,493,055	1,534,119	2,482,503	2,369,384	
<b>Cash and Equivalents at end of period</b>	<b>2,817,486</b>	<b>1,777,750</b>	<b>1,535,825</b>	<b>2,020,693</b>	<b>2,342,550</b>	<b>2,026,449</b>	<b>2,993,592</b>	<b>1,493,055</b>	<b>1,534,119</b>	<b>2,482,503</b>	<b>2,369,384</b>	<b>1,858,403</b>	



Sonoma Valley Hospital  
Cash Forecast  
FY 2018

ATTACHMENT H

	Actual July - Dec	Actual Jan	Actual Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
<b>Hospital Operating Sources</b>								
1 Patient Payments Collected	24,807,906	4,401,932	3,677,850	4,706,455	4,422,606	4,357,338	4,451,807	50,825,894
2 Capitation Revenue	773,056	93,640	106,306	93,640	93,640	93,640	93,640	1,347,562
3 Napa State	131,735	30,259	-	20,762	20,762	20,762	20,762	245,042
4 Other Operating Revenue	182,650	33,639	57,291	18,823	18,823	18,823	18,827	348,876
5 Other Non-Operating Revenue	258,651	47,501	9,459	-	-	-	-	315,611
6 Unrestricted Contributions	28,218	835	-	-	-	-	-	29,053
7 Line of Credit	-	-	-	-	-	-	-	-
<b>Sub-Total Hospital Sources</b>	<b>26,182,217</b>	<b>4,607,806</b>	<b>3,850,906</b>	<b>4,839,680</b>	<b>4,555,831</b>	<b>4,490,563</b>	<b>4,585,036</b>	<b>53,112,038</b>
<b>Hospital Uses of Cash</b>								
8 Operating Expenses	30,286,638	4,944,257	4,794,729	4,828,396	4,790,340	4,987,721	4,920,733	59,552,814
10 Add Capital Lease Payments	668,927	45,558	181,715	102,944	103,364	103,786	169,180	1,375,474
11 Additional Liabilities	-	-	375,000	-	-	-	-	375,000
12 Capital Expenditures	310,554	546,421	-	-	-	-	-	856,975
<b>Total Hospital Uses</b>	<b>31,266,120</b>	<b>5,536,236</b>	<b>5,351,443</b>	<b>4,931,340</b>	<b>4,893,704</b>	<b>5,091,507</b>	<b>5,089,913</b>	<b>62,160,263</b>
<b>Net Hospital Sources/Uses of Cash</b>	<b>(5,083,903)</b>	<b>(928,430)</b>	<b>(1,500,538)</b>	<b>(91,660)</b>	<b>(337,873)</b>	<b>(600,944)</b>	<b>(504,877)</b>	<b>(9,048,225)</b>
<b>Non-Hospital Sources</b>								
13 Restricted Cash/Capital Donations	82,601	551,467	-	18,828	662,514	(772,244)	18,828	561,994
14 Parcel Tax Revenue	2,134,939	532,571	-	-	1,267,429	-	-	3,934,939
15 Payment - South Lot	(50,410)	-	-	(24,658)	-	-	(24,932)	(100,000)
16 Other:	-	-	-	-	-	-	-	-
17 IGT	1,877,696	-	-	-	-	947,810	-	2,825,506
18 IGT - AB915 (Net)	-	811,535	-	138,554	-	162,259	-	1,112,348
19 PRIME	1,350,000	-	-	-	-	150,000	-	1,500,000
<b>Sub-Total Non-Hospital Sources</b>	<b>5,394,826</b>	<b>1,895,573</b>	<b>-</b>	<b>132,724</b>	<b>1,929,943</b>	<b>487,825</b>	<b>(6,104)</b>	<b>9,834,787</b>
<b>Non-Hospital Uses of Cash</b>								
20 Matching Fees	1,450,755	-	-	-	643,686	-	-	2,094,441
<b>Sub-Total Non-Hospital Uses of Cash</b>	<b>1,450,755</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>643,686</b>	<b>-</b>	<b>-</b>	<b>2,094,441</b>
<b>Net Non-Hospital Sources/Uses of Cash</b>	<b>3,944,071</b>	<b>1,895,573</b>	<b>-</b>	<b>132,724</b>	<b>1,286,257</b>	<b>487,825</b>	<b>(6,104)</b>	<b>7,740,346</b>
<b>Net Sources/Uses</b>	<b>(1,139,832)</b>	<b>967,143</b>	<b>(1,500,538)</b>	<b>41,064</b>	<b>948,384</b>	<b>(113,119)</b>	<b>(510,981)</b>	
Cash and Equivalents at beginning of period	3,166,281	2,026,449	2,993,592	1,493,055	1,534,119	2,482,503	2,369,384	
<b>Cash and Equivalents at end of period</b>	<b>2,026,449</b>	<b>2,993,592</b>	<b>1,493,055</b>	<b>1,534,119</b>	<b>2,482,503</b>	<b>2,369,384</b>	<b>1,858,403</b>	

0.267082793

Sonoma Valley Hospital  
 Schedule of Cash Savings from Cost Reduction Plan  
 For the months of January and February 2018

ATTACHMENT I

			Savings			
<u>Department</u>	<u>Department</u>	<u>Job Code</u>	<u>Jan-18</u>	<u>Feb-18</u>	<u>Total</u>	<u>Notes</u>
7290	Home Health	Total department	\$ 23,660	\$ 34,779	\$ 58,439	Cost reduction, net
7721	Respiratory Therapy	0000 - Management	727	909	1,636	Cardiopulmonary Manager
7770	Rehab	0000 - Management	9,431	9,008	18,439	Consolidation of Rehab managers (New hire in February )
8361/8750	CareTransitions/Quality	0000 - Management	2,872	3,015	5,887	Chief of Quality
8480	IT	0000 - Management	10,523	10,390	20,913	IT Manager
8510	Accounting	0000 - Management	8,386	6,828	15,214	Controller
8610	Administration	0000 - Management	6,120	6,243	12,363	CFO (.8 to .5)
8710	Medical Staff	0000 - Management	13,807	12,178	25,985	CMO/CMIO (To be replaced by UCSF CMO)
9550	Community Health	0000 - Management	3,787	3,602	7,389	Wellness Coordinator
		<b>Gross Salary savings</b>	<b>\$ 79,313</b>	<b>\$ 86,952</b>	<b>\$ 166,265</b>	
		<b>Employer portion FICA</b>	<b>6,067</b>	<b>6,652</b>	<b>12,719</b>	
		<b>Health Benefits</b>	<b>16,511</b>	<b>22,948</b>	<b>39,459</b>	
		<b>Total Savings</b>	<b>\$ 101,891</b>	<b>\$ 116,552</b>	<b>\$ 218,443</b>	

13.

GOVERNANCE  
COMMITTEE REPORT



**Meeting Date:** April 5, 2018  
**Prepared by:** Peter Hohorst, Bill Boerum  
**Agenda Item Title:** Board Legislative and Regulatory Positions Policy P-2018.04.05-1

**Recommendation:**

That the Board adopt the revised Board Legislative and Regulatory Positions Policy.

**Background:**

This policy was originally passed in June 2013. Letters of support or opposition in the name of the District have been issued by the CEO under this policy many times since then.

Requests from health care associations for letters in support of, or in opposition to, legislation often require quick responses because of the time constraints inherent in the legislative processes. The necessity of a quick response usually does not permit the time to hold special Board meetings, with their required Brown Act public notification process, to consider the response. Consequently a formal Board process to adopt a policy position is rarely possible before the legislature is scheduled to take action.

As an alternative to Board action, this policy authorizes the CEO to issue letters of support of or in opposition to pending legislation in the name of the District if the legislation would:

- Be beneficial to the District/Hospital.
- Be harmful to the District/Hospital.

It is recognized that there will be instances where the letters that are sent in the name of the District will not agree with the personal position on the legislation of every Board member, but that must not preclude their issuance. The only criteria must be the relative benefit or detriment to the District/Hospital.

The policy requires the CEO to inform the Board at its next regularly scheduled Board meeting of letters sent under this policy in order to maintain transparency with the public.

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

The District will miss the opportunity influence legislation that could be of benefit to the District/Hospital or harmful to the District/Hospital.

**Financial Impact:**

No direct financial impact.

**Attachment:**

Board Legislative and Regulatory Positions Policy, #P-2018.04.05-1

## **Board Legislative and Regulatory Positions Policy #P-2018.04.05-1**

It is the policy of the Sonoma Valley Health Care District and the Sonoma Valley Hospital to take an active role in advocating legislative efforts that will benefit the District/Hospital and in opposing legislation/regulatory efforts that will impact the District/Hospital in a negative manner. Within this framework, time is of the essence when communicating with elected and appointed government officials.

### **Policy**

By this policy the District Board authorizes the District CEO to fully and actively support any federal or state legislation which:

- Decreases the District's/Hospital's operating costs.
- Increases the Hospital's reimbursement for services.
- Provides greater flexibility for the operation of the District/Hospital.
- Authorizes the District use of alternative capital project delivery methodologies, including but not limited to Design-build, Construction Manager at Risk, Job Order Contracting (JOC).

The District Board also authorizes the District CEO to fully and actively oppose any federal or state legislation which;

- Increases the District's/Hospital's operating costs.
- Decreases the Hospital's reimbursement for services.
- Restricts flexibility for the operation of the District/Hospital.
- Curtails the District's use of alternative capital project delivery methodologies, including but not limited to Design-build, Construction Manager at Risk, Job Order Contracting (JOC).

The Board directs that the CEO shall report to the Board at the Regular monthly Board meeting on any actions taken since the last Regular Board meeting along with copies of all letters, emails sent in support or opposition.

Board members shall coordinate all legislative or regulatory actions in advance with the CEO within the constraints of this policy

## GIFT, TICKET AND HONORARIA POLICY #P-2018.04.05-2

### I. PURPOSE

- A. The purpose of this policy is to ensure Sonoma Valley Health Care District (SVHCD) Board Members, leaders and staff members (including Sonoma Valley Hospital (hospital)) comply with external regulations and internally established standards regarding the receipt and provision of gifts, tickets and honoraria. This policy covers gifts to and from internal and external parties including individuals, businesses and organizations. The policy also governs SVHCD's distribution of tickets and passes (e.g., to sporting, cultural and community events), and acceptance of payments or reimbursements related to speaking or appearing at professional or educational events.
- B. Gifts, tickets and honoraria can be perceived tools to influence SVHCD decisions and patient care, and can erode public confidence and the impartiality of decisions made by public officers, officials and employees. This policy has been adopted to guard against even the appearance of impropriety in all aspects of SVHCD's programs, services and administration. Furthermore, this policy is intended to prevent the perceived obligations of reciprocity that can arise from the giving or accepting of gifts, tickets and honoraria.

### II. POLICY

- A. **Federal Anti-Kickback Statute:** It is the policy of SVHCD to ensure full compliance with the federal anti-kickback statute, which prohibits the acceptance of any item of value (remuneration) made directly or indirectly, in cash or in kind, that may induce or appear to induce the purchase or referral of any kind of health care goods, services, or items reimbursed by a federal or state health care program (Medicare and Medicaid). The unlawful acceptance of any gifts or business courtesies from vendors or others with whom SVMHS presently conducts business – or potentially could conduct business – is strictly prohibited.
- B. **State Gift Laws:** Directors, Officers and designated employees of SVMHS identified in the District's Conflict of Interest Code or covered by Government Code section 87200 (including public officials who manage public investments) are subject to State laws regarding the receipt and disclosure of gifts as set forth in the Political Reform Act (at Government Code Section 89503) and the Fair Political Practices Commission (FPPC) Regulations. These minimum requirements are not altered by this Policy.

1. Individuals in positions designated in the Conflict of Interest Code's Disclosure Category 1 or 2, or who are covered by Government Code section 87200 are prohibited from receiving gifts totaling more than ~~\$440~~ \$470 from any single source in a calendar year.
  2. Individuals in positions designated in the Conflict of Interest Code's Disclosure Category 3 are prohibited from receiving gifts totaling more than ~~\$440~~ \$470 in a calendar year from any single source that provides services, supplies, materials, machinery or equipment of the type utilized by the District.
  3. Individuals in positions designated in the Conflict of Interest Code's Disclosure Category 4 are prohibited from receiving gifts totaling more than ~~\$440~~ \$470 in a calendar year from any single source that is a type to receive grants or other monies from or through SVHCD.
  4. These annual limits shall automatically increase or decrease consistent with modification to the gift limit established by the FPPC every two years.
  5. This Subsection B shall not be interpreted to permit receipt of Gifts prohibited under any other provision of this Policy, such as Subsection A, above.
- C. **Perishable Items:** It is the policy of SVHCD that any department, clinical unit, or clinical practice may accept modest perishable gifts such as floral arrangements, cookies, candy or similar food items to be shared by staff members and, where possible, made available to the public.
- D. **Gifts to Agency:** It is the policy of SVHCD that gifts received by SVHCD or any part thereof, which are then distributed to or used by individual recipients shall be used for official agency business, and must be distributed and reported as required under the Political Reform Act and FPPC Regulations.
- E. **Solicitation of Gifts:** It is the policy of SVHCD that an employee shall not solicit (i.e., ask for or request) gifts unless authorized to do so for approved hospital functions, fundraisers or special events. Requests for authorization to solicit gifts shall be made in writing to the Director of the Human Resources.
- F. **Gifts Between Employees:** It is the policy of SVHCD that gifts of a personal nature between employees is permitted, provided hospital funds are not utilized. The value of such gifts should not exceed \$25. It is further the policy of SVHCD that gifts between employees that are related to a person's employment at SVHCD (e.g., for Secretary's Day, Nurses Week, etc.) are permitted, provided they are customary for the occasion, are of reasonable value given the circumstances and the persons' positions in the organization, and hospital funds are not utilized. The value of such gifts shall not exceed \$25.
- G. **Tickets and Passes:** All Tickets and Passes received by SVCHD shall be distributed and reported in accordance with this policy and relevant FPPC Regulations.

1. Tickets and Passes that are provided to a SVCHD board member or an official designated in the conflict of interest code are not considered “Gifts” to the official under State law when they are received and distributed by SVHCD in compliance with related FPPC Regulations and this Policy.
  2. When Tickets and Passes are provided by a third-party so that the recipient can perform a ceremonial role or function on behalf of the hospital, as further described in related FPPC Regulations, such Tickets and Passes are not considered “Gifts” under State law, though such Tickets and Passes shall still be reported by SVHCD.
  3. A ticket or pass shall not be considered a gift to the recipient when it is provided directly to the recipient from a third-party when the giver and receiver treat the ticket or pass as income consistent with applicable state and federal income tax laws.
- H. **All Other Gifts:** It is the policy of SVHCD that gifts other than those described in paragraphs D through G, above, shall not be accepted in the performance of any officer or employee’s duties or responsibilities. This includes gifts from patients, family members of patients, vendors or business associates.
- I. **Honoraria:** It is the policy of SVHCD to comply with the Political Reform Act and FPPC Regulations regarding the receipt of honoraria. SVHCD Board members and those who manage public investments (individuals who are required to file statements of economic interests under Government Codes section 87200) are prohibited from receiving honoraria payments. Likewise, employees whose positions are designated under the SVHCD Conflict of Interest Code are prohibited from receiving honoraria payments from any source of gifts or income included in their disclosure categories set forth in the Conflict of Interest Code. Exceptions to the State’s honoraria prohibitions for local officials, such as for income earned from a bona fide business or profession, shall apply to SVHCD officers and employees. (Government Code Section 89502.) Honoraria and reimbursements for event attendance when permitted shall be handled pursuant to the procedures set forth below.

### III. DEFINITIONS

- A. **“FPPC Regulations”** means the regulations adopted by the Fair Political Practices Commission in its role as the implementing and enforcement agency of the State’s Political Reform Act. These implementations are set forth in title 2, Division 6, Sections 18109-18997 of the California Code of Regulations.
- B. **“Gifts”:** For purposes of this Policy, “Gifts” are defined and excepted as set forth in the Political Reform Act and FPPC Regulations, as they may be amended from time to time. Generally speaking, the Political Reform Act defines a “gift” as any payment or other benefit received (including food/drink, travel or travel expenses, services, and items of any type) that confers a personal benefit for which the recipient does not provide something (e.g., payment, goods or services) of equal value. This includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of



business to members of the public without regard to official status. Exceptions generally include, but are not limited to:

1. Informational materials such as books, reports, pamphlets, calendars, or periodicals.
  2. Gifts which are not used and which, within 30 days after receipt, are either returned to the donor or delivered to a nonprofit entity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, without being claimed as a charitable contribution for tax purposes.
  3. Gifts from close family members (e.g., an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, sister-in-law, brother-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person) unless the donor is acting as an agent or intermediary for any person not covered in this paragraph.
  4. Campaign contributions.
  5. Inheritance.
  6. Personalized plaques or trophies with an individual value of less than two hundred and fifty dollars (\$250).
  7. Gifts from long-term, close personal friends or friends or colleagues from business relationships unrelated to the recipient's role as a public officer or employee.
  8. Acts of neighborliness (e.g., picking up someone's mail or feeding a pet while the recipient is on vacation) or compassion (e.g., delivering food or flowers to someone in mourning).
- C. **"Honoraria"** (plural form of "honorarium") are payments received for making a speech, publishing an article, or attending any public or private conference, convention, meeting, social event, meal or similar gathering.
- D. **"Tickets" or "Passes"**: The FPPC, in interpreting the Political Reform Act, has established that "ticket" or "pass" means "admission to a facility, event, show, or performance for entertainment, amusement, recreational or similar purpose." This includes but is not limited to include tickets/passes/admission to fundraising events, luncheons, dinners, parties, etc. from third parties. (Tickets/passes purchased by the District/Hospital to enable Board members, the CEO or other employees to attend in their official capacity on official business shall not be governed by this policy, e.g., Sonoma Valley Chamber of Commerce meetings.)

## IV. PROCEDURE

### A. Giving and Receiving Gifts to or from Outside SVHCD in the Course of Business

1. **Receiving Gifts from External Parties:** Gifts from patients or patients' families shall be discouraged. An employee who is offered a gift of cash or a cash equivalent shall decline the gift or may suggest a donation to a charitable organization such as the Sonoma Valley Hospital Foundation. However, if the employee has a reasonable belief

that refusing to accept such a gift would have a detrimental effect on a patient or the Hospital as an institution, the employee must report in writing and forward the gift immediately to the Department Director. The following applies to all gifts received by employees or SVHCD in the course of business:

- a. An employee who receives a gift shall notify and forward the gift to the department director, who shall determine, in cooperation with the CEO, whether State disclosures (e.g., on FPPC Form 801) are required.
  - b. If a Gift is provided to SVHCD for distribution at the agency's discretion, the CEO shall distribute the Gift in accordance with FPPC Regulations. In such cases, the hospital shall maintain records of such gifts and utilize FPPC Form 801, Gifts to Agency Report, to document this information. The hospital shall forward the completed Form 801 (Attachment A) within 30 days from the distribution of each included Gift to the Sonoma County Clerk, and shall post completed forms on the SVHCD web site. Gifts appearing on a Form 801 need not be included in the eventual recipient's Statement of Economic Interests.
  - c. If the Gift was provided other than for distribution at the agency's discretion, the CEO shall decide how to handle the gift under relevant FPPC Regulations, including allowing the employee to retain it, or distributing it within the department (where feasible).
  - d. Gifts of minimal value (under \$25) such as pencils, desk calendars, and other promotional items may be distributed and used within the receiving department.
  - e. With prior written approval of the CEO, vendors may provide meals and other food to employees only when the vendor is providing significant education related to products or procedures, or when conducting informational business meetings. Written attendance records must be provided to the CEO for all meetings at which meals are provided.
    - i. The total value of any meal should not exceed \$20 per attendee.
    - ii. Annual value of all meals provided by a single vendor shall not exceed \$300 per year without prior written approval of the CEO.
2. **Offering or Giving Gifts to External Parties:** Under limited circumstances, gifts may be given to external parties provided they relate to the business of SVHCD, are in SVHCD's best interests and are legally and culturally acceptable. In addition they should meet the following criteria:
- a. Cash gifts or cash equivalents, such as gift certificates, are prohibited.
  - b. The non-cash or non-cash equivalent gift may not exceed \$25.00 per recipient/year.
  - c. The item is customary and does not create an appearance of impropriety.
  - d. Giving the gift imposes no sense of obligation on the part of either the giver or recipient.
  - e. Giving of the item is not concealed.

- f. Giving of the item has been approved in advance and in writing by the relevant department executive and copied to the CEO.

**B. Giving and Receiving Gifts within SVHCD in the Course of Business**

1. Gifts and cash equivalents, such as gift cards may be given to employees as incentives for program attendance, recognition of outstanding achievement or for other positive rationale. Gifts in excess of \$25.00 shall be documented as income and taxed accordingly. The CEO shall develop written policies and procedures for this to occur.
2. If an employee receives a gift card of any value (e.g., \$10.00 Starbucks Gift Card) from the organization, the value (\$10.00) of such gift must be documented as income and taxed accordingly. This provision does not apply to coupons for specific items, such as a free drink or free meal, or discount coupons such as 10% off any purchase in the Cafeteria, Gift Shop or Starbucks.
3. If gift cards are approved in writing by the CEO for distribution from the department executive, the director is responsible to obtaining the names of employees receiving such gifts and providing the information in writing to accounting with a copy to the CEO.

**C. Ticket/Pass Distribution:** This procedure section shall provide procedures for the distribution of Tickets and Passes as required under State law, to ensure proper identification and use of 1) receipt of Tickets and Passes; 2) the “public purpose” to be achieved in distributing Tickets and Passes; 3) distribution of Tickets and Passes; 4) documentation and 5) public posting of the receipt and use of Tickets or Passes. Proper exercise of these procedures will exclude Tickets and Passes from required disclosure on individuals’ Statements of Economic Interests. For the purposes of this section of the policy, “official” means all positions identified in SVHCD’s Conflict of Interest Code.

1. **Ticket/Pass Receipt Process:** All Tickets/Passes received by SVHCD shall be forwarded to Administration. Determination of whether to give the tickets/passes to the Foundation for use, or to distribute internally will be at the discretion of the CEO.
2. **Public Purpose:** The distribution of Tickets or Passes by SVHCD/SVH must be in furtherance of a “public purpose.” Examples of such public purpose:
  - a. To promote networking opportunities of officials with community stakeholders.
  - b. To evaluate SVHCD/SVH’s ability to attract business at the locale or event, and thus to contribute to the healthcare of the community in the future.
  - c. To reward an official, employee or hospital stakeholder for his or her exemplary service to the organization or to encourage staff development.
  - d. To promote attendance at a hospital-sponsored event or event held at the hospital in order to maximize potential from concession sales.
  - e. To reward a hospital healthcare partner for its contributions to the SVHCD/SVH or the community.
  - f. To provide opportunities to those who are receiving services from County and State agencies consistent with the District’s goals for the particular population (e.g.,

for use by juvenile wards in the custody of the Chief Probation Officer or mental health clients and seniors receiving services from the Health and Human Services Agency/Public Health); or

- g. To promote health, motivate and provide expanded opportunities to vulnerable populations in the SVHCD such as the disabled, underprivileged, seniors, and youth in foster care.
3. **Distribution:** Tickets/Passes are distributed at the discretion of the CEO. Once distributed, tickets cannot be transferred by the recipient other than to members of the official's immediate family or no more than one guest, solely for such guest's attendance at the event with the recipient.
4. **Documentation:** The CEO shall ensure that the hospital will maintain record of all Ticket/Pass distribution and the use of Tickets and Passes by SVHCD officials for ceremonial purposes, as required by FPPC Regulations and utilizing FPPC Form 802, Agency Report of Ceremonial Role Events and Ticket/Pass Distribution, to document this information. The hospital must forward the FPPC Form 802 (Attachment B) within 45 days from the distribution of each Ticket or Pass to the FPPC via email to Form802@fppc.ca.gov; by Fax to 916.322.0886; or by mail to 428 J Street, Suite 620, Sacramento, CA 95814.

#### **D. Honoraria and Reimbursement for Professional/Educational Involvement**

1. With the prior written approval of the CEO, employees who provide education at professional conferences and meetings may accept reimbursement for travel, meals and hotel expenses for the date(s) of the presentation(s). Presentations must be professional and educational in nature and may not be for the sole purpose of product endorsement.
2. In such circumstances, unless prohibited above, honoraria of \$100 or less in value may be accepted from the host organization.

#### **V. DOCUMENTATION**

- A. Department directors shall maintain written records of all gifts given to employees of their departments when such gifts are to be reported under this Policy. Such documentation will include the type and value of each gift, the name and affiliation or position of recipient(s) and giver(s), the date of receipt and disposition, and method of disposition and provide a copy to the CEO.
- B. Human Resources shall maintain documentation of education done in orientation or at annual compliance training. Department directors shall maintain documentation of staff training meetings.
- C. Statements of Economic Interest (including gift disclosures under State law) shall be handled in accordance with the SVHCD Conflict of Interest Policy.
- D. The CEO shall develop and implement policies and procedures that will maintain a record of all ticket/pass distribution as required by FPPC Regulations, including copies of all completed FPPC Forms (e.g., Form 801: Gift to Agency Report; Form 802: Agency Report of Ceremonial Role Events and Ticket/Pass Distribution Form 802).

- E. The CEO shall be responsible for posting completed FPPC Forms (e.g., Form 801: Gift to Agency Report) on the SVHCD website when required by State law.

## **VI. REFERENCES**

- A. The Medicare and Medicaid Patient Protection Act of 1987 (42 U.S.C. 1320a- 7b) (Anti-Kickback Statute).
- B. Political Reform Act, California Government Code §81000 et. seq.
- C. FPPC Regulations, Title 2 of the California Code of Regulations, Division 6, §18109 et seq.



**GIFT ACCEPTANCE POLICY**  
**#P-2013.06.06-3**

Adopted on: December 7, 2012

## TABLE OF CONTENTS

I. Overview .....	3
II. Types of Gifts .....	3
III. Receiving Personal Items.....	6
IV. Gift Appraisal and/or Valuation .....	6

## I. OVERVIEW

The purpose of this Gift Acceptance policy is to give guidance and counsel to those concerned with soliciting or receiving gifts. To prevent misunderstandings, these guidelines should be viewed as flexible and realistic in order to accommodate unpredictable fundraising situations and donor expectations. Such situations and expectations, however, must be consistent with the spirit of this policy.

The Sonoma Valley Hospital Foundation accepts gifts for the following purposes: Capital expenditures, renovation and new construction of hospital buildings, equipment purchases, medical and other professional health care education, community health education, specific health care programs, medical research, patient care and hospital operations. In addition, the Foundation may raise funds to underwrite new programs and services, or underwrite campaigns.

A gift is defined as a voluntary transfer of assets from a person or organization to a Foundation where no goods or services are expected, implied or forthcoming for the donor. The gift is motivated by charitable intent and can be designated for unrestricted or restricted general areas of use. Once the Foundation accepts a gift, it becomes Foundation property.

**The Foundation reserves the right to review all gifts prior to acceptance to determine the appropriateness of the gift, and to determine whether the Foundation may comply with the donor's wishes regarding restricted uses.**

## II. TYPES OF GIFTS

Gifts can be: unrestricted **or** restricted.

*An unrestricted gift is* made with no stipulation as to its purpose and is credited to “area of most need” within the Foundation’s records. The Foundation transmits donations to the District in accordance with the Foundation’s Memorandum of Understanding with the Sonoma Valley Health Care District. All endowment funds will be held by the Foundation and invested per the policies and guidelines of the Foundation.

*Restricted gifts* are gifts made with a stipulation by the donor as to its specific purpose or use. The Foundation will accept gifts for specific programs and purposes stipulated by the donor, provided that such gifts are consistent with the stated mission, purposes and priorities of the District. Such gifts may be:

- Temporarily restricted, which means the gift will be expended for the designated purpose or used within a reasonable period from the date of the gift; or
- Permanently restricted, which means the gift will be placed in the Foundation’s Endowment Fund.

The Executive Director of the Foundation, in consultation with the CEO of the Hospital, will also determine if that gift would require a major capital expenditure, creation of a new program, or other burden on the part of the hospital to comply with the donor’s



restriction, or if the restriction is in conflict with any known laws or with the District's strategic plans for the Hospital, and make recommendation to the Foundation's Board of Directors for final decision.

In the case of restricted gifts that cannot be accepted, the Foundation's Executive Director will make every effort to work with the donor to complete the gift in an acceptable manner. If no agreement can be made, the gift will be returned or declined in its entirety.

**The Foundation accepts the following gifts:**

- **Cash Gifts:** Cash, checks, money orders, cashier's checks currency and charges to approved credit cards. These can be an outright gift or pledge over a specified time period.
- **Non-Cash Gifts:** Bonds, securities, trusts, bequests, real property, personal property, gifts in kind to be used in the form in which given; royalties, copyrights, trademark rights, insurance policies naming the Foundation as beneficiary in whole or in part, or other forms of non-cash or non-cash equivalents. Gifts of tangible property both real and personal shall be immediately sold unless the Foundation Board of Directors or its advisors determines that it is in the Foundation's best interest to retain the property.
  - **Securities:** The Foundation accepts gifts of marketable securities unless they cannot be assigned, have no apparent value or could create a liability for the hospital.
  - **Gifts in Trust/Endowment Funds:** The Foundation accepts gifts in trust and other planned gifts such as annuities, insurance, bequests and restricted special gifts that are put into an endowment fund to generate income for future use.
  - **Real estate:** Real estate will be accepted only after consultation with Foundation attorneys, and agreement with the Foundation's Board and the Hospital CEO. The property's condition, clear title, marketability, carrying costs, pending sale, and other relevant financial and environmental considerations will be evaluated through an inspection. Property value must be determined by an unrelated third-party licensed appraiser. The fees incurred are the obligation of the donor, although the Foundation staff will likely work with the donor to ameliorate the costs. Note: these guidelines are also applicable to gifts of a personal residence from a donor's life estate.
  - **Gifts in kind:** An in-kind or non-cash charitable donation is a gift that is to be used in the form it is given, such as equipment, supplies or services. The Foundation requires all of the same information regarding a gift-in-kind that it does for cash or tangible donations: i.e., donor's name, mailing address, contact information, description of gift, etc.

- **Tangible personal property:** Tangible personal property, such as artwork or collectibles, will be received only on approval of the Foundation. The property's condition, marketability, potential liabilities and other relevant financial considerations will be evaluated through an unrelated third-party certified appraiser. Title to gift property should be transferred to the Foundation unencumbered and properly documented. The Foundation will sell or liquidate any gift property as soon as a value is established.
- **Automobiles and other vehicles:** The Foundation accepts gifts of vehicles that are in working order and salable. The Foundation may sell the donated car, may donate it to a District department in need of a vehicle or may use a third-party auction house to liquidate the vehicle. (Note: IRS regulations require that the use/disposition of the vehicle be determined at the time of transfer to the Foundation. Foundation staff will work with the donor to establish the anticipated use of the vehicle).
- **Life Insurance:** The Board of Directors of the Foundation will determine if a gift of insurance is acceptable, taking into account the rating of the issuing company and other terms of the policy. The Foundation must be named as both beneficiary and irrevocable owner of any insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. The policy should be "paid-up," with no additional premiums required; a policy with outstanding loans against it will be refused.
- **Anonymous Gifts:** Donors may elect to make any gift anonymously. Such gifts may be made personally by the donor with a request that s/he remain anonymous, or they may be made with the assistance of the donor's advisor (e.g. attorney). *However, "anonymous" is not to be misconstrued as unknown to the Foundation.* In order to properly acknowledge the donor and for IRS tax reporting purposes, all donor data must be made available to the Foundation.
- **Tribute or Memorial Gifts:** Memorial gifts enable donors to honor a special person or occasion. Commemorative gifts are considered unrestricted unless restricted by the donor.
- **Employee Gifts via Payroll Deduction:** Employees may arrange through Human Resources to have a pledge deducted from their paycheck to be directed to a gift fund. This may be an ongoing commitment or an annual or one-time pledge. Payroll pledges are recorded as annual pledges, with durations of not more than one year. The deductions will automatically be canceled upon employment termination.
- **Other Forms of Gifts:** The Foundation may accept other forms of gifts not listed here with the approval of the Board of Directors of the Foundation.

All gifts made in support of the Hospital District shall be made payable to Sonoma Valley Hospital Foundation, including checks and other negotiable instruments. Title to

other types of assets given in support of the Foundation, shall be conveyed to the Foundation, including real and personal property, securities and life insurance. Gifts of tangible property, both real and personal, shall be immediately sold unless the Foundation Board determines that it is in the Foundation's best interest to retain the property.

### **III. RECEIVING PERSONAL ITEMS**

All personal property accepted by the Foundation will be held in a secure manner under dual control, with security protocols established with the Hospital President/CEO at the time of acceptance. Because each gift will vary significantly, it is impossible to anticipate the proper storage needs for every possible donation (i.e. jewelry versus automobiles). However, it is critical that all departments adhere to the following procedure:

- On receipt of any donation, the receiving department must contact the Foundation on the day of receipt, but in any case no later than the first business day following the day of receipt. The Foundation will work with the Hospital President/CEO to ensure proper credit for the donor and proper disposition of the item.
- On receipt of any individual item\* valued at \$500 or more, the Foundation office must be contacted by the next business day to evaluate the donation and determine proper next steps. An initial valuation is based on either the donor's claim of value, or the Foundation's estimation, whichever is higher. The Foundation office will take necessary steps to obtain possession of the physical item from the department or work with the donor to obtain possession.
- The item will be appraised and sold per the above policies.
- The Foundation will supply the donor with all necessary receipts and IRS paperwork.
- The funds will be held for the District with proper credit to the program, service, endowment, or capital needs of the District as directed by the donor. Should the donor not specify a preference, the funds will be credited to unrestricted funds.

*\*Note: an "individual" gift or item includes collections or sets*

### **IV. GIFT APPRAISAL AND/OR VALUATION**

Current IRS regulations will be observed when calculating the charitable contribution deduction value of gifts. It is the donor's responsibility to obtain any appraisals needed for tax purposes. Non-cash contributions with an estimated value over \$500 shall comply with IRS Form 8283 (Non-Cash Charitable Contributions). Fees incurred for the advice and assistance of specialists during this process are the obligation of the donor, or will be deducted from the fair market value of the donation as recorded by the Foundation.