



SVHCD FINANCE COMMITTEE

AGENDA

TUESDAY, SEPTEMBER 25, 2018

5:00 p.m. Regular Session

Location: Schantz Conference Room

Sonoma Valley Hospital, 347 Andrieux Street

Sonoma CA 95476

Call In Number 866-228-9900, guest code 294221

<p>In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a Finance Committee meeting, please contact District Clerk Stacey Finn at sfinn@svh.com or (707) 935.5004 at least 48 hours prior to the meeting.</p>	RECOMMENDATION	
AGENDA ITEM		
<p>MISSION STATEMENT The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</p>		
<p>1. CALL TO ORDER/ANNOUNCEMENTS</p>	<i>Nevins</i>	
<p>2. PUBLIC COMMENT SECTION <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration. At all times please use the microphone</i></p>	<i>Nevins</i>	
<p>3. CONSENT CALENDAR Finance Committee minutes 8.28.18</p>	<i>Nevins</i>	Inform/Action
<p>4. CASH PROJECTIONS AND FUNDING SUMMARY FOR THE OUTPATIENT DIAGNOSTIC CENTER</p>	<i>Mather/Caroll</i>	Inform
<p>5. FY18 AUDIT UPDATE</p>	<i>Jensen</i>	Inform
<p>6. REVIEW OF CURRENT INSURANCE POLICIES</p>	<i>Jensen</i>	Inform
<p>7. ADMINISTRATIVE REPORT SEPTEMBER 2018</p>	<i>Mather</i>	Inform
<p>8. FINANCIAL REPORT MONTH END AUGUST 30, 2018</p>	<i>Jensen</i>	Inform
<p>9. ADJOURN</p>	<i>Nevins</i>	



**SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, AUGUST 28, 2018
Schantz Conference Room**

Present	Excused	Staff	Public
Sharon Nevins Dr. Subhash Mishra John Perez Susan Porth via phone Joshua Rymer	Keith Hughes	Kelly Mather Sarah Dungan	Doug Ghislen

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>			
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Nevins</i>		
	Called to order 5:01pm		
2. PUBLIC COMMENT SECTION	<i>Nevins</i>		
	None		
3. CONSENT CALENDAR	<i>Nevins</i>		
		MOTION: by Rymer 2 nd by Perez. All in favor	
4. FY2019 BUDGET	<i>Dungan</i>		
	Ms. Dungan presented the budget for October through December 2018. Based on the rolling 12 month average and includes the revenue increase of 6%. Recommended adjustments were: Remove Healing at Home from the narrative, adjust revenues and expenses on page one of two and add a note of the operating margin for the six months.	MOTION: by Rymer to approve with recommended changes 2 nd by Perez. All in favor	

5. PROJECTION OF CASH NEEDS FOR CAPITAL EXPENDITURES	Nevins		
	Ms. Nevins presented the draft of the projection of cash needs for the outpatient diagnostic capital expenditures. Committee recommended to highlight the amounts that the Board has approved. Add DRAFT to document.		
6. ADMINISTRATIVE REPORT AUGUST 2018	Mather		
	<p>Ms. Mather spoke about the new signage noting our affiliation with UCSF will be going up. She reviewed current open positions as well as the reconfiguring of the third floor. She talked about the upcoming physician location changes. She said that SVH will now be providing HR services to the Health Center, which will bring in revenue. The Home Care transfer is moving forward.</p> <p>The new dashboard that aligns us with UCSF will be presented next month.</p>		
7. FINANCIAL REPORT MONTH END JULY 30, 2018			
	<p>Ms. Dungan reported that after accounting for all other activity: the July net income was \$213,878 vs. the budgeted net loss of (\$32,147) with a monthly EIBDA of 1% vs. a budgeted 1.6%. The total net income for July after all activity was \$213,878 vs. a budgeted net loss of \$32,147. Days of cash on hand was 19.1. Accounts Receivable decreased from June from 41.7 days to 40.6 days in July. Accounts Payable days was at 42.1 days.</p>		
8. ADJOURN	Nevins		
	<i>Meeting adjourned at 5:58 pm</i>		

SONOMA VALLEY HOSPITAL
 COST PROJECTIONS and FUNDING SUMMARY
 BEGINNING AUGUST 2018 THROUGH JUNE 2019
 9/21/2018

As of 8/31/18
 Total Funds Received: \$ 2,373,088
 Total Spent: \$ 1,208,257
 Total Approved Funding: \$ 1,928,420

Beginning Cash Balance \$ 181,948 \$ 622,154 \$ 427,718 \$ 170,843 \$ 102,647 \$ 2,494,714 \$ 2,402,922 \$ 982,857 \$ 982,836 \$ 1,889,970 \$ 1,397,750

Work Type	Aug '18	Sept '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19	Apr '19	May '19	Jun '19	Totals
Design & Construction Services												
Conceptual Design for ODC	\$ 79,269											\$ 79,269
Project 1: Imaging/CT/Hospitality	60,778	87,356	51,880	62,610	63,921	60,875	39,467	16,131	16,131	16,131	16,131	491,411
Project 2: Cardiology/Parking/Entrance	67,907	80,484	1,250	1,250	1,125	1,125	159,751	62,223	21,068	325,672	426,478	1,148,333
Project 3: MRI/Central Scheduling/Infrastructure			8,500	12,000	42,000	12,000	12,000	18,000	15,000	12,000	12,000	143,500
Project 4: UCSF Physician Clinic/Outpatient Procedures on 2nd Floor												-
Decommissioning Study of Central and East Wings	129,841	(10,716)										119,125
Master Planning Study	55,060	46,601	17,909	1,250								120,820
SUBTOTAL DBT PROJECTED COSTS:	\$392,855	\$203,725	\$79,539	\$77,110	\$107,046	\$74,000	\$ 211,218	\$ 96,354	\$ 52,199	\$ 353,803	\$ 454,609	\$ 2,102,458
Project Management	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 142,000
Permit Fees							\$ 207,055					207,055
Furniture (Projects 1 & 2) (Projects 3 & 4 TBD)	-	-	-	-	-	-	-	-	-	-	-	-
Equipment (Projects 1 & 2) (Projects 3 & 4 TBD)	182,265	-	-	-	-	-	-	-	-	-	-	182,265
IT (Projects 1 & 2)	-	-	-	-	5,750	8,625	365,125	37,375	34,500	51,750	25,875	529,000
Operational costs (temporary staff moves during construction)							5,000	5,000	5,000	5,000	7,500	27,500
Owner Contingency (Projects 1 & 2) (Projects 3 & 4 TBD)												315,369
SUBTOTAL OWNER PROJECTED COSTS:	\$ 194,265	\$ 12,000	\$ 199,000	\$ 12,000	\$ 27,750	\$ 35,625	\$ 1,226,180	\$ 121,375	\$ 113,500	\$ 160,750	\$ 92,375	\$ 1,403,189
TOTAL PROJECTED MONTHLY COSTS	\$ 587,120	\$ 215,725	\$ 278,539	\$ 89,110	\$ 134,796	\$ 109,625	\$ 1,437,398	\$ 217,729	\$ 165,699	\$ 514,553	\$ 546,984	\$ 3,505,647
TOTAL CAMPAIGN PLEDGES DUE	\$ 1,006,412	\$ 375	\$ 750	\$ -	\$ 2,272,597	\$ 500	\$ -	\$ 200,375	\$ 1,055,500	\$ 5,000	\$ 875	\$ 4,542,384
TOTAL CAMPAIGN EXPENSES	\$ (20,914)	\$ (20,914)	\$ (20,914)	\$ (20,914)	\$ (254,266)	\$ (17,333)	\$ (17,333)	\$ (17,333)	\$ (17,333)	\$ (17,333)	\$ (17,333)	\$ (441,920)
Ending Cash Balance	\$ 622,154	\$ 427,718	\$ 170,843	\$ 102,647	\$ 2,494,714	\$ 2,402,922	\$ 982,857	\$ 982,836	\$ 1,889,970	\$ 1,397,750	\$ 868,974	

2018 INSURANCE RENEWALS

Summary Schedule of Renewals

Line of Coverage	Carrier	Policy Period	Limits	Deductible	2017-2018 Expiring Premium	2018-2019 Renewal Premium
Professional & General Liab. (Hospital)	BETA	7/1/18 - 7/1/19	\$15M/\$25M	\$5,000	\$293,320	\$324,598
Professional & General Liab. (ED Docs)	BETA	7/1/18 - 7/1/19	\$1M/\$3M	\$5,000	\$62,040	\$68,094
Director & Officers Liab.	BETA	7/1/18 - 7/1/19	\$3M	\$10,000	\$28,400	\$29,820
Employment Practices Liab.	BETA	7/1/18 - 7/1/19	Shared in \$3M	\$50,000	Incl. Above	Incl. Above
Auto	BETA	7/1/18 - 7/1/19	\$6M	\$250/\$500	\$1,688	\$1,688
Property	HARPP	7/1/18 - 7/1/19	\$125M	\$25,000	\$51,080	\$60,464
Cyber Liab. & Privacy Breach	HARPP	7/1/18 - 7/1/19	\$2M	\$25,000	Incl. Above	Incl. Above
Crime	CHIP	7/1/17 - 7/1/19	\$1M	\$25,000	\$3,271	\$3,271
Fiduciary Liab.	Hudson Ins. Co.	7/1/18 - 7/1/19	\$1M	\$5,000	\$4,065	\$4,000
Excess Workers' Compensation	Safety National	7/1/18 - 7/1/19	Statutory	\$500,000	\$119,086	\$112,328
<u>Gross SVH Insurance Premium Total</u>					<u>\$562,950</u>	<u>\$604,263</u>
Less BETA Performance Dividend					\$0	(\$21,367)
Less BETA Multi-Line Dividend					\$0	n/a
Less Valley Emergency Billing					(\$62,040)	(\$68,094)
Net SVH Insurance Premium Total					\$500,910	\$514,802

Billing – BETA PL/GL for both Hospital and ED are billed monthly; Excess WC is financed with quarterly installments; All other insurance premiums are due within 30 days of policy inception.

2018 INSURANCE RENEWALS

BETA Renewal – Hospital Professional & General Liability

	2017-2018 Expiring	2018-2019 Renewal	Change
Hospital Premium	\$293,320	\$324,598	11%
Performance Dividend	\$0	(\$21,367)	
Multi-Line Dividend	\$0	\$0	
NET PREMIUM	\$293,320	\$303,231	3.4%

- **Premium Increase Explanation:** BETA's rates increased 6.9% due to the 5-year historical claims experience. There was also an overall patient census increase of 3.4%.
- **New Dividends:** BETA changed the dividend program this year and the new dividends are the Performance Dividend and the Multi-Line Dividend. **These dividends will be paid in two installments on 10/1/18 and 4/1/19.** SVH qualifies for a \$21,367 Performance Dividend this year based on historical claim history compared to paid premium. The Multi-Line Dividend is for members with BETA policies for both PL/GL and Workers' Comp – SVH does not qualify for this dividend.
- **OB Risk Management Initiative Credit:** Qualified for 2% Credit (same as last year) = \$7,347
- **ED Risk Management Initiative Credit:** Qualified for 2% Credit (did not qualify last year) = \$5,000
- **Risk Management Resource Fund** = \$3,589
- **Premium Indications to Add New Clinic Physicians:**
 - \$5,113 Dr. Schafer Family Practice incl. minor surgery @ 0.65 FTE
 - \$7,866 Dr. Manuel-Arguelles Family Practice incl. minor surgery @ 1.0 FTE
 - \$7,866 Dr. Mishra Family Practice incl. minor surgery @ 1.0 FTE
 - \$18,370 Dr. Kidd General Surgery @ 0.81 FTE

2018 INSURANCE RENEWALS

BETA Renewal – ED Professional Liability

	2017-2018 Expiring	2018-2019 Renewal
Limits	\$1M/\$3M	\$1M/\$3M
Deductible	\$5K Indemnity Only	\$5K Indemnity Only
Premium	\$62,040	\$68,094

- **Premium Allocation:** Per SVH’s contract with VEP Healthcare, Inc., the annual premium is passed through to VEP on a monthly basis. The monthly premium installment is debited on the monthly invoices paid by VEP.

- **Premium Increase:** Due to a rate increase for malpractice claim activity.

2018 INSURANCE RENEWALS

BETA Renewal – Professional & General Liability Claim Development

Hospital

Policy Period	Total Losses as of 5/31/14	Total Losses as of 5/31/15	Total Losses as of 5/31/16	Total Losses as of 5/31/17	Total Losses as of 5/31/18
2009-2010	\$96,370	\$96,370	\$96,370	\$96,370	\$96,370
2010-2011	\$123,981	\$123,981	\$123,981	\$123,981	\$123,981
2011-2012	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
2012-2013	\$15,000	\$15,154	\$15,154	\$15,154	\$15,154
2013-2014	\$20,000	\$50,000	\$50,000	\$39,828	\$39,828
2014-2015	n/a	\$105,550	\$516,502	\$437,009	\$437,009
2015-2016	n/a	n/a	\$0	\$0	\$0
2016-2017	n/a	n/a	n/a	\$15,000	\$43,152
2017-2018	n/a	n/a	n/a	n/a	\$0
TOTAL	\$280,351	\$416,055	\$827,007	\$752,342	\$780,494

Emergency Department

Policy Period	Total Losses as of 5/31/14	Total Losses as of 5/31/15	Total Losses as of 5/31/16	Total Losses as of 5/31/17	Total Losses as of 5/31/18
2009-2010	\$0	\$0	\$0	\$0	\$0
2010-2011	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700
2011-2012	\$0	\$0	\$0	\$0	\$0
2012-2013	\$684,245	\$1,041,335	\$1,041,335	\$1,041,335	\$1,041,335
2013-2014	\$35,000	\$0	\$0	\$0	\$0
2014-2015	n/a	\$16,500	\$230,498	\$187,433	\$187,519
2015-2016	n/a	n/a	\$291	\$291	\$291
2016-2017	n/a	n/a	n/a	\$25,500	\$15,438
2017-2018	n/a	n/a	n/a	n/a	\$500
TOTAL	\$724,945	\$1,063,535	\$1,277,824	\$1,260,259	\$1,250,783

2018 INSURANCE RENEWALS

BETA Renewal – Professional & General Liability

Census Data

Category	7/1/15 – 7/1/16 Estimated	7/1/16 – 7/1/17 Estimated	7/1/17 – 7/1/18 Estimated	7/1/18 – 7/1/19 Estimated
Acute Care Beds	3,970	3,883	4,490	3,706
Perinatal Beds	284	460	330	218
Cribs and Bassinets	311	344	257	182
Skilled Nursing Facility	7,380	7,486	6,727	6,472
Total High Acuity ER Visits	4,607	5,069	5,466	5,178
Total Low Acuity ER Visits	5,712	5,300	5,308	5,299
Outpatient Visits (excluding ER)	55,497	56,777	54,266	65,580
Counseling	2,068	2,184	2,127	2,046
Home Health	13,626	11,429	11,142	9,280
Outpatient Surgeries	912	1,151	1,131	1,490
Inpatient Surgeries	372	362	438	330
Bariatric Surgeries	28	38	39	50
Total Newborn Deliveries	170	168	141	103

2018 INSURANCE RENEWALS

BETA Renewal – Directors & Officers Liability/Employment Practices Liability

D&O Limit	EPL Limit	EPL Limit	D&O Deductible Each Loss	EPL Deductible Each Loss	17-18 Premium	18-19 Premium
\$3M	\$3M	Shared	\$10,000	\$75,000*	\$28,400	\$29,820

Notes:

- EPL Limit is Shared with D&O Limit
- *EPL Deductible increased from \$50,000 to \$75,000 last year
- SVH has an excellent D&O loss history but BETA is gradually increasing the rates on its entire book of business due to overall loss ratios on the entire pool of BETA members. A 5% increase in the D&O rate is being applied to all BETA members this year.
- D&O/EPL Marketplace Discussion – Healthcare industry rates and deductibles have been increasing rapidly for D&O and EPL over the last few years. These increases are due to a large spike in industry claims related to mergers, acquisitions, and affiliations.

BETA Renewal – Auto

Limits of Liability	Physical Damage Coverage	Deductibles	17-18 Premium	18-19 Premium
\$6M	Actual Repair Costs or Fair Market Value	\$250 Collision \$500 Comprehensive	\$1,688	\$1,688

Notes:

- **Auto Schedule:** One (1) 2012 Chevy Colorado plus Hired & Non-Owned Auto Liability.
- **Home Health:** 99,000 Miles Annually. The \$6M Limit of Liability sits excess of employees' personal Auto Liability.

2018 INSURANCE RENEWALS

HARPP Renewal – Property

Limits	Deductible	Total Insured Values	17-18 Premium	18-19 Premium
\$125M	\$25K	\$128,851,932	\$51,080	\$60,464

Notes:

- Rate increased by 15.3% due to overall Property insurance market rate increases from last year’s wildfire and hurricane losses plus SVH’s wildfire claim
- This HARPP coverage includes a \$2M Cyber Liability Limit and \$1M for Privacy Breach Notifications

HARPP Coverage Details

Coverage	Limit	Deductible
Full All Risk Limit	\$125M	\$25K
Business Interruption	Actual Loss Sustained	24 Hours
Extra Expense	\$50M	24 Hours
Misc. Unnamed Locations (excl. EQ)	\$25M	\$25K
Course of Construction	\$25M	\$25K
Accidental Contamination	\$250K	\$25K
Boiler & Machinery	\$100M	\$25K
Cyber Liability	\$2M	\$50K
Privacy Breach Notification Costs	\$1M	\$50K

2018 INSURANCE RENEWALS

2018-2019 Schedule of Values

Loc #	Address	Description	Real Property	Business Personal Property	BI/Rents	TOTAL
1	347 Andrieux Street	Hospital	\$73,325,021	\$28,291,353	\$24,528,000	\$126,144,374
1B	347 Andrieux Street	West Wing	Included Above	Included Above	Included Above	Included Above
1C	347 Andrieux Street	East Wing	Included Above	Included Above	Included Above	Included Above
1D	347 Andrieux Street	Central Wing	Included Above	Included Above	Included Above	Included Above
1E	347 Andrieux Street	Mobile MRI (Modular Van)	\$942,424	\$0	\$0	\$942,424
1H	347 Andrieux Street	New Wing	Included Above	Included Above	Included Above	Included Above
14	1151 Broadway St	Home Care Dept - Offsite Office	\$0	\$237,667	\$0	\$237,667
15	244 & 246 Perkins St	Leased Offices - WHWC	\$336,191	\$666,926	\$0	\$1,003,117
16	19312 Sonoma Highway	Physical Therapy/ Finance	\$0	\$335,770	\$0	\$335,770
17	853 West 4th Street	South Parking Lot	\$52,427	\$0	\$0	\$52,427
18	462 West Napa St	Specialty Offices	\$0	\$102,371	\$0	\$102,371
19	651 1st Street West, Suites K & L	Medical Offices	\$0	\$33,782	\$0	\$33,782
			\$74,656,063	\$29,667,869	\$24,528,000	\$128,851,932

2018 INSURANCE RENEWALS

Crime Insurance – CHIP (Crime Healthcare Insurance Program)

Limits	Deductible	16-17 Premium	17-19 Annual Premium
\$1M	\$25K	\$3,315	\$3,271 Per Year

Notes:

- Carrier provided a 2-year policy last year at \$3,271 per year. The 2nd-year Premium will be billed this year.

Fiduciary Liability – Hudson Ins. Co.

Limits	Deductible	17-18 Premium	18-19 Premium
\$1M	\$5K	\$4,065	\$4,000

Notes:

- New carrier this year – moving from RLI to Hudson and receiving a slight reduction in premium
- Insured Plans:
 - Sonoma Valley Health Care District Retirement and Savings Plan
 - Sonoma Valley Health Care District 457 Deferred Compensation Plan
 - VALIC 403(b) including VALIC 457

2018 INSURANCE RENEWALS

Safety National Renewal – Excess Workers’ Compensation

Limits	SIR	17-18 Payroll	17-18 Premium	18-19 Payroll	18-19 Premium
Statutory	\$500K Per Claim	\$31,596,171	\$119,086	\$29,803,254	\$112,328

Notes:

- Safety National provided a 2-Year Rate Guarantee last year
- Payroll is down 5.7%
- Pricing = Rate x Payroll

Workers’ Compensation Loss Experience

Year	No. of Claims	Total Incurred
2007 – 2008	11	\$72,302
2008 – 2009	4	\$228,370
2009 – 2010	3	\$111,458
2010 – 2011	3	\$8,837
2011 – 2012	7	\$245,328
2012 – 2013	4	\$113,424
2013 – 2014	7	\$256,715
2014 – 2015	6	\$14,984
2015 – 2016	5	\$203,796
2016 - 2017	13	\$277,204
2017 - 2018	6	\$24,462
Total	69	\$1,556,881
Average	6.3	\$141,535



To: SVHCD Board of Directors
From: Kelly Mather
Date: 8/30/18
Subject: Administrative Report

Summary

We have had a very busy summer with much of the discussion centering around the future structure of SVH. The OB closure is moving forward with an effective date of 10/31/18. Most everyone has been understanding and very professional. The Home Care transfer to Hospice by the Bay has been discussed with the public with great support and many appreciate keeping the service in the community with a great organization. The SNF task force has begun and we are now awaiting the SNF expert consultants’ report. A special meeting is tentatively scheduled for October.

Strategic Update from FY 2019 Strategic Plan:

Strategic Priorities	Update
Highest levels of health care safety, quality and value	<ul style="list-style-type: none"> ➤ With the planned consolidation of Inpatient Services, we are starting to develop a plan to become one of the only 5 Star hospitals in the Bay Area. ➤ The new dashboard is attached to this report. ➤ Our mid-cycle accreditation survey is still due any day now with CIHQ. ➤ We continue to work on the Stroke Certification program and are now including UCSF through Tele-neurology. ➤ We have found several options for the HIE (Health Information Exchange) but none address the local connections needed. UCSF is using one that we’re considering.
Be the preferred hospital for patients, physicians, employers and health plans	<ul style="list-style-type: none"> ➤ We have completed the design of a Cardiology Center. ➤ Dr. Brown is moving into the hospital this month. This will be great for all! ➤ We are starting the Rural Health Center at Sonoma Family Practice. ➤ We are starting the Centralized Scheduling project which should include texting and email reminders for outpatient appointments.
Implement new and enhanced revenue strategies as measured by increased direct margins in each service unit	<ul style="list-style-type: none"> ➤ We are starting to do TEE (Transesophageal Echocardiograms) here at the hospital this month. ➤ Working with the Health Center on a possible Pain Management Specialty Clinic. ➤ The business plan for a Cancer Screening Clinic with Dr. Peter Carroll is underway. ➤ Marketing, direct mail and advertisements for physicians continue to bring in patients from outside of the community.
Continue to improve financial stability as measured by margin	<ul style="list-style-type: none"> ➤ We are managing through the OB closure and plan to sell some equipment. ➤ The Cardiologists have moved into a large portion of the time share suite and this will increase rent revenue. ➤ We are doing a Master Facility Plan for the campus which addresses the future of the East, Central and West Wing. None will be in compliance for 2030. ➤ We are starting to provide HR services to the Health Center this fall.
Lead progress toward being a healthier community as measured by community benefit	<ul style="list-style-type: none"> ➤ We are doing several physician talks this fall through “GirlTalk”, “Conversations with a Doctor” and “Active Aging.” ➤ The hospital was an active leader in the annual “Back to School Health Fair” and the SVH team donated over 40 backpacks.

JULY 2018

			National Benchmark
Patient Experience	Current Performance	FY 2019 Goal	
Would Recommend Hospital	57 th	> 60th percentile	50th percentile
Inpatient Overall Rating	56 th	>60th percentile	50th percentile
Home Health	92%	> 90%	> 80%
Outpatient Services	4.82	Rate My Hospital	4.5
Emergency	4.49	Rate My Hospital	4.5
Quality & Safety	YTD Performance	FY 2019 Goal	Benchmark
CLABSI	0	<1	<.51
CAUTI	0	<1	<1.04
SSI – Colon Surgery	0	<1	N/A
SSI – Total Joint	0	<1.5%	N/A
MRSA Bacteremia	0	<.13	<.13
C. Diff	9.9	3.5	7.4/10,000 pt days
PSI – 90 Composite	.046	<1	<1
Heart Failure Mortality Rate	12.5%	TBD	17.3%
Pneumonia Mortality Rate	18.1%	TBD	23.6%
Stroke Mortality Rate	14.7%	TBD	19.7%
Sepsis Mortality Rate	10.2%	<18%	25%
30 Day All- Cause Readmissions	9.30%	< 10 %	< 18.5%
Serious Safety Events	0	0	0
Falls	2	< 2.3	2.3
Pressure Ulcers	0	<3.7	3.7
Injuries to Staff	1	< 10	17
Adverse Drug Events with Harm	0	0	0
Reportable HIPAA Privacy Events	0	0	0
SNF Star Rating	4	4	3
Hospital Star Rating	4	4	3
Our People	YTD Performance	FY 2019 Goal	Benchmark
Press Ganey Engagement Survey	61 st percentile	75th percentile	50th percentile
Turnover	1.6%	< 10%	< 15%
Financial Stability	YTD Performance	FY 2019 Goal	Benchmark
EBDA	0%	1%	3%
FTE's/AOB	3.62	4.3	5.3
Days Cash on Hand	19.1	20	30
Days in Accounts Receivable	41	49	50
Length of Stay	3.6	3.85	4.03
Funds raised by SVHF	>\$10 million	\$20 million	\$1 million
Strategic Growth	YTD Performance	FY 2019 Goal	Benchmark
Inpatient Discharges	81/972	1000	1000
Outpatient Visits	4501/54,012	53,000	51,924
Emergency Visits	901/10,812	10,000	11,040
Surgeries + Special Procedures	228/1800	2500	2,568
Community Benefit Hours	197/2364	1200	1200

Note: Colors demonstrate comparison to National Benchmark



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: September 25, 2018
Subject: Financial Report for the Month Ending August 31, 2018

August's actual loss of (\$379,107) from operations was \$65,987 favorable to the budgeted loss of (\$445,094). After accounting for all other activity; the August net income was \$32,110 vs. the budgeted net income of \$41,441 with a monthly EBIDA of 4.3% vs. a budgeted 3.1%.

Gross patient revenue for August was \$25,387,535; \$2,879,081 over budget. Inpatient gross revenue was over budget by \$613,942. Inpatient days were over budget by 44 days and inpatient surgeries were over budgeted expectations by 5 cases. Outpatient revenue was over budget by \$1,722,967. Outpatient visits were under budgeted expectations by (112) visits, and outpatient surgeries were under budgeted expectations by (3) cases and special procedures were over budgeted expectations by 47 cases. The Emergency Room gross revenue was over budget by \$151,504 with ER visits under budgeted expectations by (84) visits but visits had an overall higher acuity. SNF gross charges were over budgeted expectations by \$422,663 and SNF patient days were over budget by 128 days. Home Health was under budget by (\$31,995) with visits under budget by (139) visits.

Gross revenue from surgical implants in August is \$812,533 with \$384,254 from inpatient surgeries and \$428,279 from outpatient surgeries, and total implant costs were (\$232,255). The net, before any revenue deductions, is \$580,278.

Deductions from revenue were unfavorable to budgeted expectations by (\$2,689,908). Of the variance, (\$290,055) is from the prior period adjustments or IGT payments. Without the IGT variance, the deductions from revenue variance is unfavorable by (\$2,399,853) which is due to gross revenue being over budgeted expectations.

After accounting for all other operating revenue, the **total operating revenue** was favorable to budgeted expectations by \$153,370.

Operating Expenses of \$5,314,493 were unfavorable to budget by (\$87,383). Salaries and wages and agency fees were over budget by (\$97,119) with the overage in salaries and wages being (\$36,505) and agency fees over by (\$60,614). Physician and contracted labor were under budget by \$32,915 with physician's costs being under budget by \$20,884 and contracted labor under budget by \$12,031. Supplies were over budget by (\$145,148) due to implants (\$111,988) from a higher than average outpatient surgeries with implants and pharmaceuticals (\$56,563) due from special procedures (infusions) volume being over budgeted expectations. Purchased services



were over budget by (\$23,330) due to additional service cost invoices for the hospital's outsourced bio medical repairs and maintenance covering February 2018 to April 2018. There was no matching fee in the August.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for August was (\$130,246) vs. a budgeted net loss of (\$188,179). The total net income for August after all activity was \$32,110 vs. a budgeted net income of \$41,441.

EBIDA for the month of August was 4.3% vs. the budgeted 3.1%.

Patient Volumes – August

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	85	91	-6	94
Newborn Discharges	11	10	1	10
Acute Patient Days	361	317	44	325
SNF Patient Days	628	500	128	500
Home Care Visits	585	724	-139	713
OP Gross Revenue	\$16,762	\$14,910	\$1,852	\$15,524
Surgical Cases	165	163	2	164

Gross Revenue Overall Payer Mix – August

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	42.1%	43.3%	-1.2%	39.9%	43.1%	-3.2%
Medicare Mgd Care	13.9%	12.7%	1.2%	15.8%	12.7%	3.1%
Medi-Cal	18.6%	17.7%	0.9%	18.2%	17.8%	0.4%
Self Pay	0.9%	1.3%	-0.4%	1.0%	1.3%	-0.3%
Commercial	20.2%	20.6%	-0.4%	20.7%	20.7%	0.0%
Workers Comp	2.1%	2.3%	-0.2%	1.9%	2.4%	-0.5%
Capitated	2.2%	2.1%	0.1%	2.5%	2.0%	0.5%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for August:

For the month of August the cash collection goal was \$3,587,336 and the Hospital collected \$3,796,894 or over the goal by \$209,558. The year-to-date cash collection goal was \$7,557,111 and the Hospital has collected \$7,620,736 or over goal by \$63,625. Days of cash on hand are 10.0 days at August 31, 2018, this calculation includes the cash in the Money Market account. Accounts Receivable increased from July, from 40.6 days to 43.0 days in August. Accounts Payable increased by \$506,595 from July and Accounts Payable days are at 47.6.

ATTACHMENTS:

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



Sonoma Valley Hospital
Payer Mix for the month of August 31, 2018

ATTACHMENT A

August-18

YTD

Gross Revenue:	Actual	Budget	Variance	% Variance
Medicare	10,679,250	9,751,435	927,815	9.5%
Medicare Managed Care	3,536,856	2,845,213	691,643	24.3%
Medi-Cal	4,721,892	3,985,955	735,937	18.5%
Self Pay	234,930	294,794	-59,864	-20.3%
Commercial & Other Government	5,131,523	4,643,745	487,778	10.5%
Worker's Comp.	528,401	525,701	2,700	0.5%
Capitated	554,684	461,611	93,073	20.2%
Total	25,387,536	22,508,454	2,879,082	

	Actual	Budget	Variance	% Variance
	19,364,307	19,189,029	175,278	0.9%
	7,639,772	5,641,660	1,998,112	35.4%
	8,843,788	7,947,104	896,684	11.3%
	494,216	595,629	-101,413	-17.0%
	10,071,718	9,252,847	818,871	8.8%
	926,100	1,087,089	-160,989	-14.8%
	1,189,115	907,272	281,843	31.1%
Total	48,529,016	44,620,630	3,908,386	

Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	1,550,242	1,465,201	85,041	5.8%
Medicare Managed Care	561,671	365,283	196,388	53.8%
Medi-Cal	746,479	492,676	253,803	51.5%
Self Pay	103,416	132,869	-29,453	-22.2%
Commercial & Other Government	1,692,505	1,682,826	9,679	0.6%
Worker's Comp.	103,461	135,872	-32,411	-23.9%
Capitated	11,149	14,968	-3,819	-25.5%
Prior Period Adj/IGT	62,500	352,555	-290,055	-82.3%
Total	4,831,423	4,642,250	189,173	4.1%

	Actual	Budget	Variance	% Variance
	2,834,046	2,834,095	-49	0.0%
	1,156,232	808,127	348,105	43.1%
	1,372,498	1,010,002	362,496	35.9%
	225,280	309,730	-84,450	-27.3%
	3,370,117	3,309,258	60,859	1.8%
	183,398	256,121	-72,723	-28.4%
	27,517	27,314	203	0.7%
	125,000	705,110	-580,110	-82.3%
Total	9,294,088	9,259,757	34,331	0.4%

Percent of Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	32.3%	31.5%	0.8%	2.5%
Medicare Managed Care	11.6%	7.9%	3.7%	46.8%
Medi-Cal	16.7%	18.2%	-1.5%	-8.2%
Self Pay	2.1%	2.9%	-0.8%	-27.6%
Commercial & Other Government	35.0%	36.3%	-1.3%	-3.6%
Worker's Comp.	2.1%	2.9%	-0.8%	-27.6%
Capitated	0.2%	0.3%	-0.1%	-33.3%
Total	100.0%	100.0%	0.0%	0.0%

	Actual	Budget	Variance	% Variance
	30.5%	30.7%	-0.3%	-1.0%
	12.4%	8.7%	3.7%	42.5%
	16.1%	18.5%	-2.4%	-13.0%
	2.4%	3.3%	-0.9%	-27.3%
	36.3%	35.7%	0.6%	1.7%
	2.0%	2.8%	-0.8%	-28.6%
	0.3%	0.3%	0.0%	0.0%
Total	100.0%	100.0%	-0.1%	-0.1%

Projected Collection Percentage:	Actual	Budget	Variance	% Variance
Medicare	14.5%	15.0%	-0.5%	-3.3%
Medicare Managed Care	15.9%	12.8%	3.1%	24.2%
Medi-Cal	17.1%	21.2%	-4.1%	-19.3%
Self Pay	44.0%	45.1%	-1.1%	-2.4%
Commercial & Other Government	33.0%	36.2%	-3.2%	-8.8%
Worker's Comp.	19.6%	25.8%	-6.2%	-24.0%
Capitated	2.0%	3.2%	-1.2%	-37.5%

	Actual	Budget	Variance	% Variance
	14.6%	14.8%	-0.2%	-1.4%
	15.1%	14.3%	0.8%	5.6%
	16.9%	21.6%	-4.7%	-21.8%
	45.6%	52.0%	-6.4%	-12.3%
	33.5%	35.8%	-2.3%	-6.4%
	19.8%	23.6%	-3.8%	-16.1%
	2.3%	3.0%	-0.7%	-23.3%

**SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended August 31, 2018**

ATTACHMENT B

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual 08/31/18</u>	<u>Budget 08/31/18</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual 08/31/18</u>	<u>Budget 08/31/18</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 08/31/17</u>
Inpatient Utilization								
Discharges								
1	80	79	1	Acute	151	161	(10)	139
2	5	12	(7)	ICU	15	23	(8)	31
3	85	91	(6)	Total Discharges	166	184	(18)	170
4	11	10	1	Newborn	19	16	3	17
5	96	101	(5)	Total Discharges inc. Newborns	185	200	(15)	187
Patient Days:								
6	281	244	37	Acute	489	497	(8)	401
7	80	73	7	ICU	163	144	19	164
8	361	317	44	Total Patient Days	652	641	11	565
9	33	18	15	Newborn	46	29	17	22
10	394	335	59	Total Patient Days inc. Newborns	698	670	28	587
Average Length of Stay:								
11	3.5	3.1	0.4	Acute	3.2	3.1	0.2	2.9
12	16.0	6.1	9.9	ICU	10.9	6.3	4.6	5.3
13	4.2	3.5	0.8	Avg. Length of Stay	3.9	3.5	0.4	3.3
14	3.0	1.8	1.2	Newborn ALOS	2.4	1.8	(0.6)	1.3
Average Daily Census:								
15	9.1	7.9	1.2	Acute	7.9	8.0	(0.1)	6.5
16	2.6	2.4	0.2	ICU	2.6	2.3	0.3	2.6
17	11.6	10.2	1.4	Avg. Daily Census	10.5	10.3	0.2	9.1
18	1.1	0.6	0.5	Newborn	0.74	0.47	0.3	0.35
Long Term Care:								
19	628	500	128	SNF Patient Days	1,292	1,028	264	1,028
20	32	28	4	SNF Discharges	63	58	5	49
21	20.3	16.1	4.1	Average Daily Census	20.8	16.6	4.3	16.6
Other Utilization Statistics								
Emergency Room Statistics								
22	810	894	(84)	Total ER Visits	1,711	1,814	(103)	1,814
Outpatient Statistics:								
23	4,693	4,805	(112)	Total Outpatients Visits	9,194	9,193	1	9,229
24	26	21	5	IP Surgeries	49	51	(2)	51
25	139	142	(3)	OP Surgeries	266	275	(9)	275
26	124	77	47	Special Procedures	202	129	73	129
27	585	724	(139)	Home Health Visits	1,345	1,527	(182)	1,583
28	344	353	(8)	Adjusted Discharges	656	700	(44)	677
29	2,911	2,423	489	Adjusted Patient Days (Inc. SNF)	5,566	4,827	739	4,923
30	93.9	78.1	15.8	Adj. Avg. Daily Census (Inc. SNF)	89.8	77.9	11.9	79.4
31	1.3263	1.4000	(0.074)	Case Mix Index -Medicare	1.3232	1.4000	(0.077)	1.6106
32	1.4618	1.4000	0.062	Case Mix Index - All payers	1.4619	1.4000	0.062	1.4891
Labor Statistics								
33	278	276	(2.0)	FTE's - Worked	274	274	0.1	275
34	309	312	3.6	FTE's - Paid	309	310	1.2	316
35	43.49	41.22	(2.26)	Average Hourly Rate	42.77	41.17	(1.61)	41.64
36	18.7	22.8	4.0	Manhours / Adj. Pat Day	19.6	22.7	3.1	22.7
37	158.3	156.3	(2.0)	Manhours / Adj. Discharge	166.5	156.6	(9.9)	164.7
38	21.5%	23.1%	1.7%	Benefits % of Salaries	22.3%	23.2%	1.0%	23.1%
Non-Labor Statistics								
39	13.3%	10.7%	-2.6%	Supply Expense % Net Revenue	13.1%	11.6%	-1.5%	10.9%
40	1,901	1,444	(457)	Supply Exp. / Adj. Discharge	1,896	1,581	(315)	1,578
41	15,882	15,260	(622)	Total Expense / Adj. Discharge	16,389	15,454	(935)	16,682
Other Indicators								
42	10.0			Days Cash - Operating Funds				
43	43.0	50.0	(7.0)	Days in Net AR	41.8	50.0	(8.2)	43.8
44	106%			Collections % of Net Revenue	101%			96.9%
45	47.6	55.0	(7.4)	Days in Accounts Payable	47.6	55.0	(7.4)	25.9
46	19.4%	21.2%	-1.8%	% Net revenue to Gross revenue	19.5%	21.3%	-1.8%	22.2%
47	20.8%			% Net AR to Gross AR	20.8%			22.6%

Sonoma Valley Health Care District
Balance Sheet
As of August 31, 2018

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>	
Assets				
Current Assets:				
1	Cash	\$ 636,295	\$ 1,488,418	\$ 1,777,750
2	Trustee Funds	3,945,791	4,437,878	2,101,958
3	Net Patient Receivables	8,143,167	7,795,112	8,350,040
4	Allow Uncollect Accts	(1,255,318)	(1,310,228)	(1,403,714)
5	Net A/R	6,887,849	6,484,884	6,946,326
6	Other Accts/Notes Rec	6,875,990	6,733,100	7,216,072
7	3rd Party Receivables, Net	1,048,765	1,174,889	2,405,550
8	Inventory	848,499	851,198	828,383
9	Prepaid Expenses	899,891	933,855	911,504
10	Total Current Assets	\$ 21,143,080	\$ 22,104,222	\$ 22,187,543
12	Property, Plant & Equip, Net	\$ 51,664,079	\$ 51,953,983	\$ 52,804,941
13	Specific Funds/ Money Market	957,422	1,481,343	409,292
14	Other Assets	-	-	-
15	Total Assets	\$ 73,764,581	\$ 75,539,548	\$ 75,401,776
Liabilities & Fund Balances				
Current Liabilities:				
16	Accounts Payable	\$ 3,888,203	\$ 3,360,608	\$ 3,542,245
17	Accrued Compensation	3,461,612	4,224,271	4,157,868
18	Interest Payable	520,732	634,649	105,776
19	Accrued Expenses	1,502,382	1,545,520	1,907,463
20	Advances From 3rd Parties	110,058	110,058	441,664
21	Deferred Tax Revenue	5,711,029	6,282,132	5,673,500
22	Current Maturities-LTD	1,113,197	1,133,596	1,269,309
23	Line of Credit - Union Bank	6,973,734	6,973,734	6,973,734
24	Other Liabilities	201,386	201,386	1,386
25	Total Current Liabilities	\$ 23,482,333	\$ 24,465,954	\$ 24,072,945
26	Long Term Debt, net current portion	\$ 34,195,429	\$ 34,847,171	\$ 35,550,700
Fund Balances:				
28	Unrestricted	\$ 10,829,427	\$ 10,806,005	\$ 11,880,563
29	Restricted	5,257,392	5,420,418	3,897,568
30	Total Fund Balances	\$ 16,086,819	\$ 16,226,423	\$ 15,778,131
31	Total Liabilities & Fund Balances	\$ 73,764,581	\$ 75,539,548	\$ 75,401,776

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended August 31, 2018**

ATTACHMENT D

	Month				Volume Information	Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
1	85	91	(6)	-7%	Acute Discharges	166	184	(18)	-10%	170	
2	628	500	128	26%	SNF Days	1,292	1,028	264	26%	1,028	
3	585	724	(139)	-19%	Home Care Visits	1,345	1,527	(182)	-12%	1,583	
4	16,762	14,910	1,852	12%	Gross O/P Revenue (000's)	\$ 31,563	\$ 29,180	2,382	8%	\$ 29,700	
					Financial Results						
					Gross Patient Revenue						
5	\$ 6,212,142	\$ 5,598,200	613,942	11%	Inpatient	\$ 11,926,748	\$ 11,557,578	369,170	3%	\$ 10,278,392	
6	10,305,657	8,582,690	1,722,967	20%	Outpatient	17,943,146	16,242,587	1,700,559	10%	16,569,658	
7	6,233,934	6,082,430	151,504	2%	Emergency	13,139,370	12,420,778	718,592	6%	12,611,556	
8	2,411,211	1,988,548	422,663	21%	SNF	5,013,770	3,859,339	1,154,431	30%	3,935,168	
9	224,591	256,586	(31,995)	-12%	Home Care	505,982	540,348	(34,366)	-6%	554,415	
10	\$ 25,387,535	\$ 22,508,454	2,879,081	13%	Total Gross Patient Revenue	\$ 48,529,016	\$ 44,620,630	3,908,386	9%	\$ 43,949,189	
					Deductions from Revenue						
11	\$ (20,478,469)	\$ (18,094,029)	(2,384,440)	-13%	Contractual Discounts	\$ (39,105,803)	\$ (35,816,523)	(3,289,280)	-9%	\$ (35,664,167)	
12	(100,000)	(100,000)	-	0%	Bad Debt	(200,000)	(200,000)	-	0%	(253,000)	
13	(40,143)	(24,730)	(15,413)	-62%	Charity Care Provision	(54,125)	(49,460)	(4,665)	-9%	(37,569)	
14	62,500	352,555	(290,055)	-82%	Prior Period Adj/Government Program Revenue	125,000	705,110	(580,110)	*	1,506,662	
15	\$ (20,556,112)	\$ (17,866,204)	(2,689,908)	15%	Total Deductions from Revenue	\$ (39,234,928)	\$ (35,360,873)	(3,874,055)	11%	\$ (34,448,074)	
					Net Patient Service Revenue						
16	\$ 4,831,423	\$ 4,642,250	189,173	4%	Risk contract revenue	\$ 186,896	\$ 251,596	(64,700)	-26%	\$ 261,624	
17	\$ 92,314	\$ 125,798	(33,484)	-27%	Net Hospital Revenue	\$ 9,480,984	\$ 9,511,353	(30,369)	0%	\$ 9,762,739	
18	\$ 4,923,737	\$ 4,768,048	155,689	3%	Other Op Rev & Electronic Health Records	\$ 26,567	\$ 27,936	(1,369)	-5%	\$ 24,508	
19	\$ 11,649	\$ 13,968	(2,319)	-17%	Total Operating Revenue	\$ 9,507,551	\$ 9,539,289	(31,738)	0%	\$ 9,787,247	
20	\$ 4,935,386	\$ 4,782,016	153,370	3%	Operating Expenses						
					Salary and Wages and Agency Fees	\$ 4,670,676	\$ 4,513,292	(157,384)	-3%	\$ 4,647,745	
21	\$ 2,370,682	\$ 2,273,563	(97,119)	-4%	Employee Benefits	1,677,979	1,720,317	(42,338)	2%	1,791,259	
22	821,798	863,685	(41,887)	5%	Total People Cost	\$ 6,348,655	\$ 6,233,609	(115,046)	-2%	\$ 6,439,004	
23	\$ 3,192,480	\$ 3,137,248	(55,232)	-2%	Med and Prof Fees (excl Agency)	\$ 932,529	\$ 1,007,482	(74,953)	7%	\$ 770,689	
24	\$ 470,826	\$ 503,741	(32,915)	7%	Supplies	1,243,315	1,106,582	(136,733)	-12%	1,068,742	
25	654,762	509,614	(145,148)	-28%	Purchased Services	744,992	743,201	(1,791)	0%	734,193	
26	395,728	372,398	(23,330)	-6%	Depreciation	584,112	570,510	(13,602)	-2%	570,278	
27	293,238	285,255	(7,983)	-3%	Utilities	223,012	240,562	(17,550)	7%	231,456	
28	117,993	120,931	(2,938)	2%	Insurance	70,640	66,858	(3,782)	-6%	63,638	
29	35,320	33,429	(1,891)	-6%	Interest	97,766	99,745	(1,979)	2%	94,087	
30	48,429	49,872	(1,443)	3%	Other	183,534	252,703	(69,169)	27%	224,148	
31	105,717	126,219	(20,502)	16%	Matching Fees (Government Programs)	0	176,805	176,805	100%	775,755	
32	-	88,403	88,403	*	Operating expenses	\$ 10,428,555	\$ 10,498,057	69,502	1%	\$ 10,971,990	
33	\$ 5,314,493	\$ 5,227,110	(87,383)	-2%	Operating Margin	\$ (921,004)	\$ (958,768)	37,764	4%	\$ (1,184,743)	
34	\$ (379,107)	\$ (445,094)	65,987	15%							

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended August 31, 2018**

ATTACHMENT D

	Month					Year-To- Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
35	\$ (13,123)	\$ (5,658)	(7,465)	132%						\$ (9,831)	
36	-	2,672	(2,672)	-100%						8,478	
37	(54,683)	(56,766)	2,083	-4%						(113,532)	
38	316,667	316,667	-	0%						633,334	
39	0	0	-	0%							
40	\$ 248,861	\$ 256,915	(8,054)	-3%						\$ 518,449	
41	\$ (130,246)	\$ (188,179)	57,933	-31%	Net Income / (Loss) prior to Restricted Contributions	\$ (422,476)	\$ (444,938)	22,462	-5%	\$ (666,294)	
42	\$ 3,250	\$ 20,949	(17,699)	-84%	Capital Campaign Contribution	\$ 29,530	\$ 41,898	(12,368)	-30%	\$ 6,167	
43	\$ 5,438	\$ 55,003	(49,565)	0%	Restricted Foundation Contributions	\$ 336,606	\$ 110,006	226,600	100%	\$ -	
44	\$ (121,558)	\$ (112,227)	(9,331)	8%	Net Income / (Loss) w/ Restricted Contributions	\$ (56,340)	\$ (293,034)	236,694	-81%	\$ (660,127)	
45	254,436	254,436	-	0%	GO Bond Tax Assessment Rev	508,872	508,872	-	0%	501,366	
46	(100,768)	(100,768)	-	0%	GO Bond Interest	(206,544)	(206,544)	-	0%	(216,042)	
47	\$ 32,110	\$ 41,441	(9,331)	-23%	Net Income/(Loss) w GO Bond Activity	\$ 245,988	\$ 9,294	236,694	2547%	\$ (374,803)	
	\$ 211,421	\$ 146,948			EBIDA - Not including Restricted Contributions	\$ 259,402	\$ 225,317			\$ (1,929)	
	4.3%	3.1%				2.7%	2.4%			0.0%	
	\$ 162,992	\$ 97,076			EBDA - Not including Restricted Contributions	\$ 161,636	\$ 125,572				
	3.3%	2.0%				1.7%	1.3%				

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended July 31, 2018

	YTD	MONTH	
Description	Variance	Variance	
Volume Information			
1 Acute Discharges	(18)	(6)	
2 SNF Days	264	128	
3 Home Care Visits	(182)	(139)	
4 Gross O/P Revenue (000's)	2,382	1,852	
Financial Results			
Gross Patient Revenue			
5 Inpatient	369,170	613,942	Inpatient days are 361 days vs. budgeted expectations of 317 days and inpatient surgeries are 26 vs. budgeted expectations 21.
6 Outpatient	1,700,559	1,722,967	Outpatient visits are 4,693 vs. budgeted expectations of 4,805 visits and outpatient surgeries are 139 vs. budgeted expectations 142.
7 Emergency	718,592	151,504	ER visits are 810 vs. budgeted visits of 894.
8 SNF	1,154,431	422,663	SNF patient days are 628 vs. budgeted expected days of 500.
9 Home Care	(34,366)	(31,995)	HHA visits are 585 vs. budgeted expectations of 724.
10 Total Gross Patient Revenue	3,908,386	2,879,081	
Deductions from Revenue			
11 Contractual Discounts	(3,289,280)	(2,384,440)	
12 Bad Debt	-	-	
13 Charity Care Provision	(4,665)	(15,413)	
14 Prior Period Adj/Government Program Revenue	(580,110)	(290,055)	Accrual of \$62,500 for the prime grant - No IGT's in the month of August.
15 Total Deductions from Revenue	(3,874,055)	(2,689,908)	
16 Net Patient Service Revenue	34,331	189,173	
17 Risk contract revenue	(64,700)	(33,484)	
18 Net Hospital Revenue	(30,369)	155,689	
19 Other Op Rev & Electronic Health Records	(1,369)	(2,319)	
20 Total Operating Revenue	(31,738)	153,370	
Operating Expenses			
21 Salary and Wages and Agency Fees	(157,384)	(97,119)	Salaries and Wages are over budget by (\$36,505) and the Agency fees are over budget by (\$60,614).
22 Employee Benefits	42,338	41,887	
23 Total People Cost	(115,046)	(55,232)	
24 Med and Prof Fees (excl Agency)	74,953	32,915	Physician fees under budget by \$20,884 and contracted labor under budget by \$12,031.
25 Supplies	(136,733)	(145,148)	Supplies were over budget by (\$145,148) due to implants (\$111,988) and pharmaceuticals (\$56,563).
26 Purchased Services	(1,791)	(23,330)	Purchased services were over budget by (\$23,330) due to prior periods service cost invoices for the hospital's outsourced bio medical repairs and maintenance.
27 Depreciation	(13,602)	(7,983)	
28 Utilities	17,550	2,938	
29 Insurance	(3,782)	(1,891)	
30 Interest	1,979	1,443	
31 Other	69,169	20,502	
32 Matching Fees (Government Programs)	176,805	88,403	No matching fee in August
33 Operating expenses	69,502	(87,383)	
34 Operating Margin	37,764	65,987	
Non Operating Rev and Expense			
35 Miscellaneous Revenue	(12,444)	(7,465)	
36 Donations	(4,941)	(2,672)	Foundation grants for employee education
37 Physician Practice Support-Prima	2,083	2,083	
38 Parcel Tax Assessment Rev	-	-	
39 Extraordinary Items	-	-	
40 Total Non-Operating Rev/Exp	(15,302)	(8,054)	
41 Net Income / (Loss) prior to Restricted Contributions	22,462	57,933	

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended July 31, 2018

	YTD	MONTH
Description	Variance	Variance
		-
42 Capital Campaign Contribution	(12,368)	(17,699)
43 Restricted Foundation Contributions	226,600	(49,565)
44 Net Income / (Loss) w/ Restricted Contributions	236,694	(9,331)
45 GO Bond Tax Assessment Rev	-	-
46 GO Bond Interest	-	-
47 Net Income/(Loss) w GO Bond Activity	236,694	(9,331)

Sonoma Valley Hospital
Statistical Analysis
FY 2019

ATTACHMENT G

	ACTUAL	BUDGET	ACTUAL												
	Aug-18	Aug-18	Jul-18	Jun-18	May-18	Apr-18	Mar-18	Feb-18	Jan-18	Dec-17	Nov-17	Oct-17	Sep-17	Aug-17	Jul-17
Statistics															
Acute															
Acute Patient Days	361	317	291	354	374	341	335	289	394	386	321	315	325	325	240
Acute Discharges (w/o Newborns)	85	91	81	99	108	103	106	82	111	96	99	87	87	94	76
SNF Days	628	500	664	545	423	525	566	494	646	563	468	624	479	500	528
HHA Visits	585	724	760	871	747	755	684	821	801	798	630	871	789	713	870
Emergency Room Visits	810	894	901	856	934	864	871	811	996	919	816	827	921	894	920
Gross Outpatient Revenue (000's)	\$16,762	\$14,910	\$14,801	\$13,677	\$15,188	\$14,170	\$13,064	\$12,519	\$14,741	\$14,051	\$12,952	\$11,864	\$14,364	\$15,524	\$14,175
Equivalent Patient Days	2,911	2,423	2,654	2,343	2,178	2,265	2,272	2,212	2,629	2,471	2,030	2,334	2,266	2,591	2,332
Births	14	9	8	16	9	6	8	11	7	10	11	12	5	10	6
Surgical Cases - Inpatient	26	21	23	28	29	30	34	16	32	24	34	23	33	22	29
Surgical Cases - Outpatient	139	142	127	123	146	114	117	123	109	136	121	97	154	142	133
Total Surgical Cases	165	163	150	151	175	144	151	139	141	160	155	120	187	164	162
Total Special Procedures	124	77	78	97	72	87	75	75	65	59	73	52	75	77	52
Medicare Case Mix Index	1.33	1.40	1.32	1.45	1.46	1.48	1.45	1.34	1.50	1.57	1.55	1.49	1.54	1.57	1.65
Income Statement															
Net Revenue (000's)	\$4,924	\$4,768	4,557	5,265	4,817	4,389	4,218	4,590	4,909	4,466	4,474	4,543	4,518	4,775	4,988
Operating Expenses (000's)	\$5,314	\$5,227	\$5,114	\$4,968	\$5,134	\$5,053	\$5,179	\$5,270	\$5,357	\$5,122	\$5,332	\$4,872	\$5,206	\$5,380	\$5,592
Net Income (000's)	\$32	\$41	\$ 214	\$ 859	\$ 369	\$ 221	\$ (395)	\$ (175)	\$ 125	\$ (226)	\$ (380)	\$ 62	\$ (230)	\$ (165)	\$ (198)
Productivity															
Total Operating Expense Per Equivalent Patient Day	\$1,826	\$2,158	\$1,927	\$2,120	\$2,357	\$2,231	\$2,280	\$2,382	\$2,038	\$2,073	\$2,627	\$2,087	\$2,297	\$2,076	\$2,398
Productive FTEs	278	276	270	259	279	281	279	274	276	255	316	246	289	279	271
Non-Productive FTE's	31	36	40	39	27	26	23	31	36	52	13	58	27	35	47
Total FTEs	309	312	310	298	306	307	302	305	312	307	329	304	316	314	318
FTEs per Adjusted Occupied Bed	3.29	3.99	3.62	3.82	4.35	4.06	4.17	3.87	3.68	3.85	4.86	4.04	4.19	3.75	4.23
Balance Sheet															
Days of Expense In General Operating Cash	10.0		19	11	6	7	7	14	24	18	14	12	9	11	16
Net Days of Revenue in AR	43	50	41	42	47	43	43	47	51	51	48	45	47	43	45

