



**SVHCD FINANCE COMMITTEE**

**AGENDA**

**TUESDAY, February 26 , 2019**

**5:00 p.m. Regular Session**

**Location: Schantz Conference Room**

**Sonoma Valley Hospital, 347 Andrieux Street**

**Sonoma CA 95476**

Alternative location:

54-500 West residence Club Drive, La Quinta, CA 92253

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 <a href="mailto:sfinn@svh.com">sfinn@svh.com</a> or (707) 935.5004 at least 48 hours prior to the meeting.</p>	<b>RECOMMENDATION</b>	
<b>AGENDA ITEM</b>		
<p><b>MISSION STATEMENT</b> The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</p>		
<p><b>1. CALL TO ORDER/ANNOUNCEMENTS</b></p>	<i>Nevins</i>	
<p><b>2. PUBLIC COMMENT SECTION</b> <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><b>3. CONSENT CALENDAR</b> Finance Committee minutes 01.22.19</p>	<i>Nevins</i>	Inform/Action
<p><b>4. OPERATING REVIEW SUMMARY</b></p>	<i>Kobe</i>	Inform
<p><b>5. REVIEW OF FISCAL YEAR 2020 BUDGET ASSUMPTIONS</b></p>	<i>Jensen</i>	Inform
<p><b>6. ADMINISTRATIVE REPORT FEBRUARY 2019</b></p>	<i>Mather</i>	Inform
<p><b>7. FINANCIAL REPORT MONTH END JANUARY 31, 2018</b></p>	<i>Jensen</i>	Inform
<p><b>8. ADJOURN</b></p>	<i>Nevins</i>	



**SVHCD**  
**FINANCE COMMITTEE MEETING**  
**MINUTES**  
**TUESDAY, JANUARY 22, 2019**  
**Schantz Conference Room**

Present	Excused	Staff	Public
*Dr. Subhash Mishra via telephone *John Perez Joshua Rymer via telephone *Keith Hughes via telephone Sharon Nevins *Susan Porth		Kelly Mather via telephone Ken Jensen Sarah Dungan Dawn Kuwahara	Peter Hohorst

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
<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 5:00 pm		
<b>2. PUBLIC COMMENT SECTION</b>	<i>Nevins</i>		
	None		
<b>3. CONSENT CALENDAR</b>	<i>Nevins</i>		
	Meeting minutes from 12.18.18 reviewed.	<b>MOTION:</b> by Rymer 2 <sup>nd</sup> by Porth. All in favor	
<b>4. CAPITAL SPENDING FISCAL YEARS 2016-2019</b>	<i>Dungan</i>		
	Ms. Dungan reviewed the capital spending comparison between fiscal years 2016, 2017 and 2018.		

<b>5. OUTPATIENT DIAGNOSTIC CENTER UPDATE</b>	<i>Mather</i>		
	Ms. Mather reviewed the current state of the funding for the outpatient diagnostic center project.		
<b>6. LINE OF CREDIT REVIEW AND THREE YEAR CASH PROJECTION</b>	<i>Jensen</i>		
	Mr. Jensen reported that the line of credit expires on 1.31.19. The bank has approved a three year extension with an agreement to pay down the line of credit during that time frame.	Telephone meeting regarding bank plan	
<b>7. ADMINISTRATIVE REPORT JANUARY 2019</b>	<i>Mather</i>		
	Ms. Mather reported that Healing at Home is doing well under Hospice by the Bay. Prima is now an affiliate with UCSF, therefore the subsidy that is needed has decreased which reduces expenses. The SNF task force will meet this month to review the financials and to hear two expert groups looking at alternatives for the future. The South Lot sale should be complete by June.		
<b>8. FINANCIAL REPORT MONTH END DECEMBER 31, 2018</b>	<i>Jensen</i>		
	Mr. Jensen reported that the payer mix was 59.2% Medicare, Medicare managed Care was 13.0%, Medi-Cal was 15.3% and commercial was 20.1%. Days of cash on hand was 14.8, Accounts Receivable was 43.5 days and Accounts Payable was 50.4 days. After accounting for all income and expenses the net loss for December was (\$369,926) vs. a budgeted net loss of (\$181,646). The total net loss for December after all activity was (\$207,597) vs. a budgeted net income of \$47,974. EBIDA was -0.5% vs. the budgeted 3.6%. Committee agrees to remove reporting of EBIDA, per the Board recommendation. Ms. Nevins proposed reducing some of the tables from the financial report.	Mark to present the impact of the travelers by month at the next meeting.	

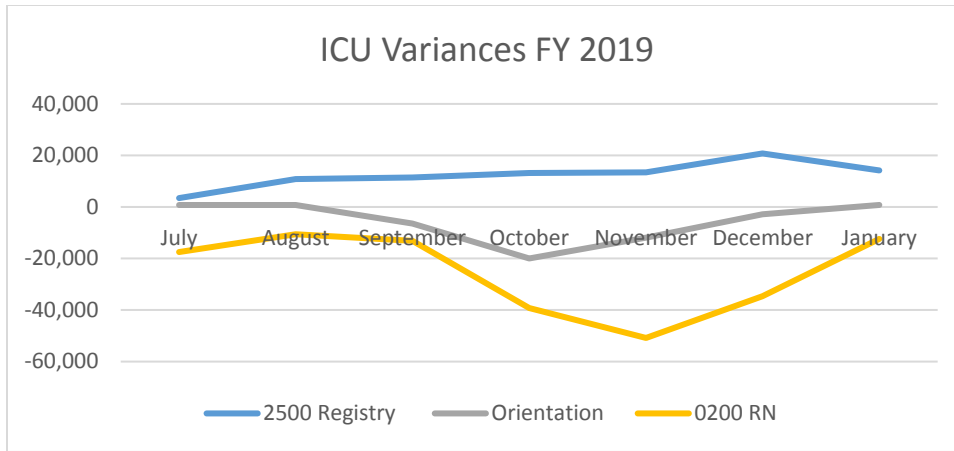
<b>9. FINANCE COMMITTEE 2019 CALENDAR</b>	<i>Nevins</i>		
	Ms. Nevins reported the work plan was approved by the Board.		
<b>10. ADJOURN</b>	Nevins		
	5:51 pm		

Variance Analysis Registry/Travelers/Orientation FY 2019

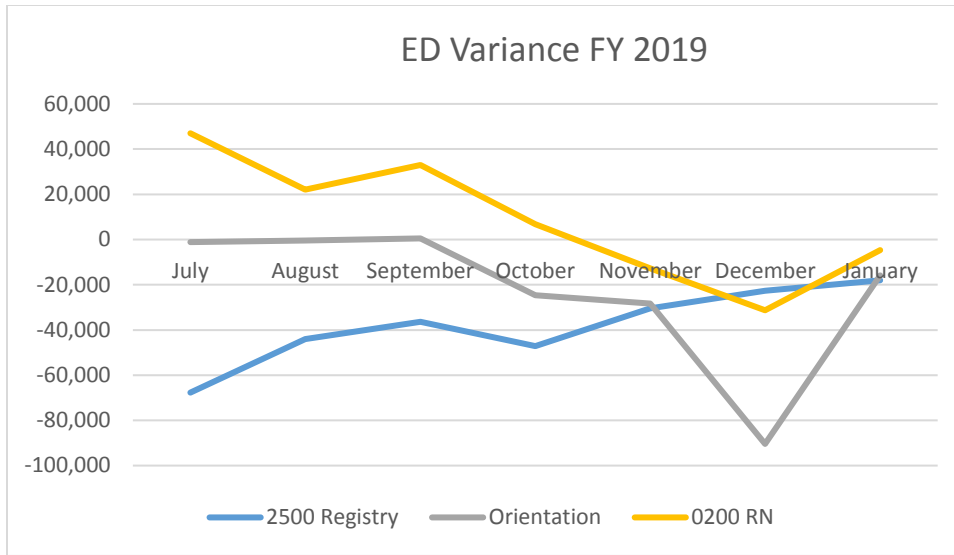
ICU			NET																								
July			August			September			October			November			December			January			YTD						
Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	
0200 RN	80,027	62,552	17,475	74,678	64,096	10,582	88,723	75,591	13,132	104,033	64,868	39,165	105,656	54,829	50,827	89,487	54,829	34,658	96,038	77,647	18,391	638,642	455,412	-184,230			
2500 Registry	26,757	30,208	3,451	19,396	30,208	10,812	17,813	29,234	11,421	17,006	30,208	13,202	15,763	29,234	13,472	9,431	30,208	20,777	15,981	30,208	14,227	122,147	209,508	87,362	-135,843		
Orientation (annual budget 116 hrs, \$8700)	0	725	725	0	725	725	7,200	725	6,475	20,700	725	19,975	12,600	725	11,875	3,600	725	2,875	0	775	775	44,100	5,425	-38,975			
Labor comments			2 night travelers			1.8 noc vacancy 84 hr registry. One noc traveler, 72 hr OT			1.8 noc vacancy, .9 day vacancy, 1 traveler, 48 hr registry, 72 hr OT			1.8 noc vacancy, .9 day vacancy, 1 traveler, 36 hr registry, 72 hr OT			1.8 noc vacancy, .9 day vacancy, 72 hr registry, 1 traveler, 12 hr OT			Day .9 filled, 2 noc PD filled, 156 hr registry, 1 traveler, 12 hr OT			156 hr registry, 1 traveler (ends 1/30), 24 hr OT						
Orientation comments									New grad hire to replace resignation						New Grad continue												
Staffing	two 0.9 noc vacancies			vacancys unfilled			vacancys unfilled			.9 day resigns, vacancys unfilled			vacancys unfilled			.9 day vacancy filled					.9 day vacancy filled						

ED			NET																								
July			August			September			October			November			December			January			YTD						
Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	
0200 RN	74,373	121,368	46,995	95,976	117,987	22,011	88,337	121,248	32,911	111,579	118,393	6,814	130,888	118,172	12,716	152,225	120,930	31,295	137,601	132,955	-4,646	790,997	744,864	60,056			
2500 Registry	82,851	20,139	62,712	64,172	20,139	44,033	55,864	19,489	36,375	67,348	20,139	47,209	49,925	19,489	30,436	42,814	20,139	22,675	38,169	20,139	-18,030	401,143	139,925	-261,470	-361,786		
Orientation (annual budget 223 hrs, \$16725)	2,550	1,394	1,156	1,800	1,394	406	900	1,394	494	26,100	1,394	24,706	29,700	1,394	28,306	91,800	1,394	90,406	17,280	1,394	-15,886				-160,372		
Labor comments			one .9 day traveler, 2 .9 noc traveler 420 hr registry			two .9 day & one .9 noc traveler, 252 hr. registry, 12 hr OT			two.9 day traveler, 336 hr. registry, 48 hr OT			one 0.9 day traveler, 586 hr registry, 60 hr OT			two 0.9 day traveler, 300 hrs registry, 48 hr OT			two 0.9 travelers, 72 hr registry, 48 hr OT			two 0.9 day travelers, 136 hr registry, no OT x holiday						
Orientation comments												3 new grads, one new hire nocs						New grad orient x 2 (Dotson complete)			New grads complete 2/9 (pickering & Bravo)						
Staffing	two .9 day & three .9 noc vacancies 0.9 noc resigns, 0.6 day resigns			.9 day maternity leave, vacancys unfilled			.9 day resigns, noc per diem resigns			vacancys unfilled			one .9 noc position filled			two noc vacancies remain					two noc vacancies filled						

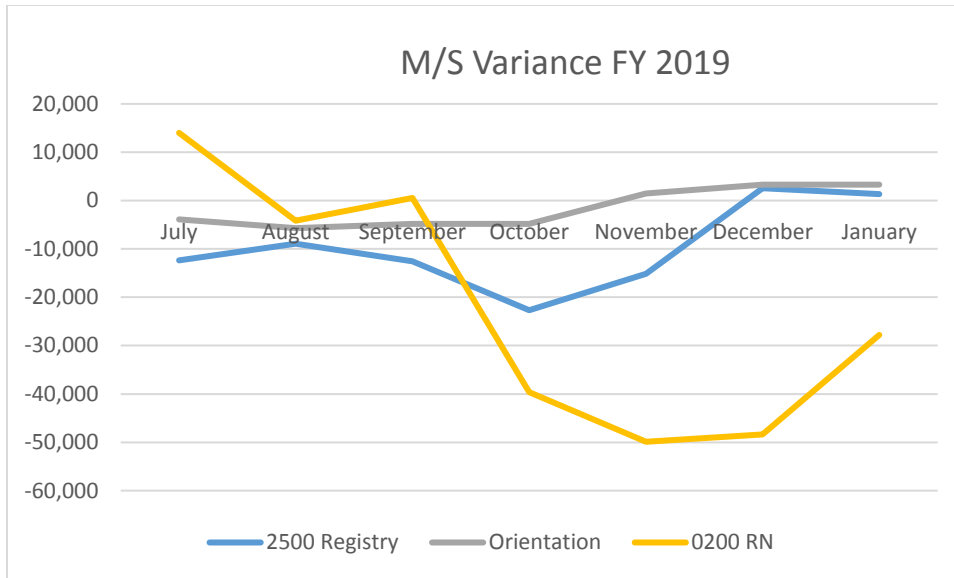
-497,629



<b>July 2018</b>	2 RN Vacancies Inadequate per diem	➔	-1.5 Travelers <b>216 hrs registry (\$17,680)</b> -Budgeted higher registry: positive variance <b>-24 hrs Overtime (\$2,160)</b> <b>-0 Orientation</b>
<b>August</b>	Vancancies unfilled	➔	-1 Traveler <b>228 hrs registry (\$19,380)</b> <b>-72 hrs Overtime (\$6,480)</b> <b>-0 Orientation</b> -High registry budget; positive variance
<b>September</b>	New grad hired	➔	<b>-144 hrs Orientation (\$7,200)</b> -1 Traveler <b>192 hrs registry (\$16,320)</b> <b>-72 hrs Overtime (\$6,480)</b> -High registry budget; positive variance
<b>October</b>	1 RN vacancy New grad orient	➔	-1 Traveler <b>180 hrs registry (\$15,300)</b> <b>-144 hrs Orientation (\$7,200)</b> <b>-72 hrs Overtime (\$6,480)</b> - High registry budget; positive variance
<b>November</b>	1 RN vacancy New grad orient	➔	-1 Traveler <b>216 hrs registry (\$18,360)</b> <b>-144 hrs Orientation (\$7,200)</b> <b>-12 hr Overtime (\$1,080)</b> - High registry budget; positive variance
<b>December</b>	New grad completed 2 nite per diem hired	➔	-1 Traveler <b>156 hrs registry (\$13,260)</b> <b>-12 hr Overtime (\$1,080)</b> - High registry budget; positive variance
<b>Jan 2019</b>	Traveler fills vacancy		-Contract ends Jan <b>156 hrs registry (\$13,260)</b>

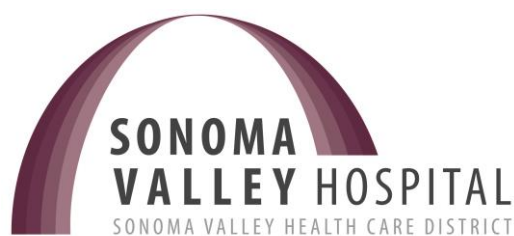


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|------------------|--|---|
| <b>July 2018</b> | 1 RN Maternity Leave<br>3 RN Day Vacancies →<br>4 RN Noc Vacancies | -Positive RN variance<br>-Orientation cost flat<br>-3 Travelers for <b>420 hrs registry</b> (\$35,700)  |
| <b>August</b>    | Vacancies unfilled →   | -Positive RN variance<br>-Flat orientation costs<br>-3 Travelers for <b>252 hrs registry</b> (\$21,420)<br>- <b>12 hrs Overtime</b> (\$1,080)               |
| <b>September</b> | Additional vacancy →<br>Created = 9                                | -Positive RN variance<br>-2 Travelers for <b>336 hr registry</b> (\$28,560)<br>- <b>48 hrs Overtime</b> (\$4,320)   |
| <b>October</b>   | 3 New Grad hires<br>1 nite RN hire →                               | - <b>432 hrs Orientation</b> (\$25,920)<br>-Positive RN variance<br>-1 Traveler for <b>586 hr registry</b> (\$49,810)<br>- <b>60 hrs Overtime</b> (\$5,400) |
| <b>November</b>  | 8 RN vacancies<br>3 RNs on orientation →                           | -2 Travelers for <b>300 hr registry</b> (\$25,500)<br>- <b>432 hrs Orientation</b> (\$25,920)<br>- <b>60 hr Overtime</b> (\$5,400)<br>-Positive RN variance |
| <b>December</b>  | 5 RN vacancies<br>2 RN orientation →<br>3 new hires                | -2 Travelers <b>444 hrs registry</b> (\$37,740)<br>- <b>288 hrs Orientation</b> (\$17,280)<br>- <b>72 hrs Overtime</b> (\$6,480)                            |
| <b>Jan 2019</b>  | 4 RN vacancies<br>2 RN orientation                                 | -2 travelers <b>396 hrs registry</b> (\$33,660)<br>- <b>288 hrs Orientation</b> (\$17,280)  |



<b>July 2018</b>	1 Maternity Leave 1 Medical Leave	➡	- 3 Travelers <b>432 hrs registry (\$32,400)</b>
<b>August</b>	1 Maternity Leave 1 full time RN hire	➡	- 2 Travelers <b>288 hrs registry (\$20,160)</b> -120 hrs Orientation <b>(\$6,000)</b>
<b>September</b>	Maternity/Medical Leave 2 Full time RNs transfer to ICU/ED RN hire orient continues	➡	- 2 Travelers <b>432 hrs registry (\$20,160)</b> -108 hrs Orientation <b>(\$5,400)</b>
<b>October</b>	RESOURCE RN Begins 1 full time RN hire	➡	-168 hrs/week RN time <b>(\$39,960)</b> -108 hrs Orientation <b>(\$5,400)</b> -2 Travelers <b>288 hrs registry (\$20,160)</b>
<b>November</b>	RESOURCE RN CONTINUES	➡	-168 hrs/week RN time <b>(\$39,960)</b> -1 Traveler <b>(\$10,800)</b>
<b>December</b>	RESOURCE RN Traveler contract ends	➡	-168 hrs/week RN time <b>(\$39,960)</b> -1/2 Traveler <b>(\$5,400)</b>
<b>January 2019</b>	RESOURCE RN DECREASED		-98 hrs/week RN time <b>(\$19,600)</b>





*Healing Here at Home*

**To: SVH Finance Committee**  
**From: Ken Jensen, CFO**  
**Date: February 26, 2019**  
**Subject: Fiscal Year 2020 Budget Assumptions**

The following assumptions will be applied to the actual experience from February 2018 through January 2019. Other adjustments will be made as necessary to reflect current trends in healthcare going forward.

**VOLUME**

- Based upon the 12 months ending January 2019 and adjusted for any program changes from FY 2019 and current volume trends.

**GROSS REVENUE**

- Gross price increase of 6% - this is allowed by most SVH contracts.
- SNF Budget will be based on final Task Force Report and management’s final decision.

**CONTRACTUAL ALLOWANCES**

- Assume current collection rates and adjust allowance for 6% price increase.
- Payer Mix will be based upon the 12-month ending January 2019.
- Intergovernmental and supplemental payments will be based upon input from the District Hospital Leadership Group (will be conservative).

**WAGES AND BENEFITS**

- July 2019 salaries will reflect a 2.5% increase projected for April 1, 2019
- 2.5% increase for salaries for 6-months beginning January 2020 through June 2020
- Employee benefits will be based upon actual experience and estimates from the providers

**PHYSICIAN FEES & PROFESSIONAL FEES**

- Based upon current costs or final contract arrangements.

**SUPPLIES/FOOD**

- There will be no inflation assumed for supplies as we will be using a 12 month period ending January 2019 which accounts for inflation

**PURCHASED SERVICES**

- Assume actual 12 months ending January 2019.
- Purchased services to be reviewed by department and adjusted as needed.

**DEPRECIATION**

- Current, plus any adjustments for any new equipment

**INSURANCE**

- Will confirm with insurance agent

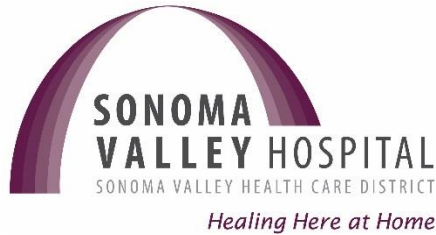
**INTEREST**

- Current, will adjust for expiring leases/loans.

**ADMINISTRATIVE COST ADJUSTMENTS:**

- Department reductions based on Administration operating reviews of the first 6-months of FY 2019 will be reviewed by department.





**To:** SVHCD Board of Directors  
**From:** Kelly Mather  
**Date:** 1/30/19  
**Subject:** Administrative Report

**Summary**

We have begun the FY 2020 strategic plan and will be connecting it with the UCSF plan going forward. We are doing a great deal more interviews of stakeholders, visiting other hospitals for best practices and gathering data to inform the strategies. The new plan is part of “re-inventing the hospital for the future.”

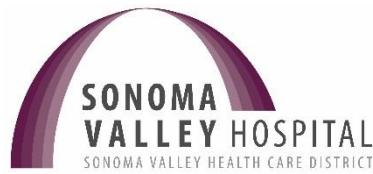
**Strategic Update from FY 2019 Strategic Plan:**

Strategic Priorities	Update
Highest levels of health care safety, quality and value	<ul style="list-style-type: none"> <li>➤ The 5 Star hospital plan and move to the 3<sup>rd</sup> floor is set for March 7<sup>th</sup>. Respiratory Therapy will be joining the Patient Care Services team at that time.</li> <li>➤ We are still awaiting the “Stroke Ready” accreditation survey in early 2019. UCSF is overseeing this program.</li> <li>➤ The CIHQ findings from the survey have been addressed. Most of them were around enhancing our emergency preparedness program.</li> </ul>
Be the preferred hospital for patients, physicians, employers and health plans	<ul style="list-style-type: none"> <li>➤ The Patient Access Center team visited Tahoe Forest Hospital this month. This is a strategy to improve patient loyalty and physician satisfaction. Our goal is to answer the phones quickly and provide centralized scheduling for patients.</li> <li>➤ We have a new Occupational Health Medical Director.</li> <li>➤ We are investing in several new I.T. solutions for our radiologists to enhance the quality and connection for imaging.</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 Outpatient Diagnostic Center project is going well. We should be submitting the plans for phase 1 in early February. Expected processing time with OSHPD is approximately 6 months.</li> <li>➤ More and more regulations and restrictions are causing a decrease in some volumes. The UCSF use of our Diagnostic Center will increase volumes.</li> <li>➤ The new shoulder surgeon, Dr. Roache, starts this month.</li> </ul>
Continue to improve financial stability as measured by EBDA	<ul style="list-style-type: none"> <li>➤ We have reduced the traveler and registry use in nursing which will decrease expenses going forward.</li> <li>➤ I am doing operating reviews with each of the departments from the first 6 months of the fiscal year. There are some expense reduction opportunities.</li> <li>➤ The SNF task force met to review the 2<sup>nd</sup> quarter financials. We will be holding a meeting to update the public on February 28<sup>th</sup>. Two proposals have been received and are being considered for the future.</li> <li>➤ The South Lot plan has been in front of the planning commission three times and will go again on January 31<sup>st</sup>. This plans offers market, affordable and accessory dwelling units addressing the need for housing in Sonoma.</li> </ul>
Lead progress toward becoming a Healthier community	<ul style="list-style-type: none"> <li>➤ I’ve been on the speaking circuit lately discussing the UCSF affiliation and the Outpatient Diagnostic Center.</li> <li>➤ We are promoting Heart Health month in February through the “Let’s Talk about Women’s Health” series.</li> </ul>

## DECEMBER 2018

			National
Patient Experience	Current Performance	FY 2019 Goal	Benchmark
Would Recommend Hospital	71 <sup>st</sup>	> 60th percentile	50th percentile
Inpatient Overall Rating	51 <sup>st</sup>	>60th percentile	50th percentile
Outpatient Services	4.9	Rate My Hospital	4.5
Emergency	4.6	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	1	3.5	7.4/10,000 pt days
PSI – 90 Composite	1	<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	9.50%	< 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	4	< 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	Performance	FY 2019 Goal	Benchmark
Staff Satisfaction Survey	61 <sup>st</sup> percentile	75th percentile	50th percentile
Turnover	8.2%/16.3%	< 10%	< 15%
Financial Stability	YTD Performance	FY 2019 Goal	Benchmark
EBDA	-1.2%	1%	3%
FTE's/AOB	4.92	4.3	5.3
Days Cash on Hand	14.8	20	30
Days in Accounts Receivable	44	49	50
Length of Stay	3.8	3.85	4.03
Funds raised by SVHF	\$15.5 million	\$20 million	\$1 million
Strategic Growth	YTD Performance	FY 2019 Goal	Benchmark
Inpatient Discharges	538/1075	1000	1000
Outpatient Visits	26,512/53,024	53,000	51,924
Emergency Visits	4979/9957	10,000	11,040
Surgeries + Special Procedures	1492/2982	2500	2,568
Community Benefit Hours	613/1226	1200	1200

Note: Colors demonstrate comparison to National Benchmark



Healing Here at Home

## TRENDED MONTHLY RESULTS

MEASUREMENT	Goal FY 2019	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018
FY YTD Turnover	<10%	1.6	3.3	3.6	5.8	6.9	8.2	11.3	12.9	14.2	16.2	17.8	20.3
Leave of Absences	<12	13	11	8	10	9	8	10	15	13	15	12	11
EBDA	>1%	0	1.7	1.6	-8.9	-1.7	-2	2.2	-6	-1.7	-1.8	-1.2	.4
Operating Revenue	>4.5m	4.5	4.9	4.6	4.4	4.3	4.0	4.9	4.7	4.2	4.4	4.8	5.2
Expense Management	<5.0m	5.1	5.3	5.0	5.3	4.8	4.7	5.3	5.2	5.1	5.0	5.1	4.9
Net Income	>50k	214	32	208	-273	-95	-207	125	-174	-395	220	369	543
Days Cash on Hand	>20	19.1	10	13	13	9.6	14.8	23.5	14.1	6.7	6.8	6.2	10.6
A/R Days	<50	41	43	48	44	45	44	51	47	43	43	47	42
Total FTE's	<300	310	309	314	298	288	281	312	305	302	307	306	298
FTEs/AOB	<4.5	3.62	3.29	4.38	4.18	4.84	4.92	3.68	3.87	4.17	4.06	4.35	3.82
Inpatient Discharges	>90	81	85	90	92	93	97	111	82	106	103	108	99
Outpatient Revenue	>\$14m	14.8	16.8	13.9	15.8	13.5	13.6	14.7	12.5	13.1	14.1	15.2	13.6
Surgeries	>150	150	165	182	175	161	149	141	139	151	144	175	151
ER	>900	901	810	814	842	772	840	996	811	871	864	934	856
Births	>11	8	14	13	9	n/a	n/a	7	11	8	6	9	16
SNF days	>350	664	628	457	405	326	291	646	494	566	525	423	545
MRI	>120	99	145	92	119	98	118	106	112	122	154	153	148
Cardiology (Echos)	>85	88	135	97	124	112	106	96	65	84	95	84	78
Laboratory	>12	12.4	13.4	11.7	13.7	12.6	11.8	12.9	10.6	12.3	11.5	12.5	13.0
Radiology	>900	894	951	929	1112	884	906	1072	829	968	905	968	877
Rehab	>2700	2414	2860	1788	2688	2131	2380	2593	2773	3091	2455	2586	2670
CT	>350	359	387	331	392	331	367	346	288	305	367	394	358
Mammography	>200	280	243	221	269	219	246	190	155	363	202	220	221
Ultrasound	>250	181	280	246	333	233	252	274	221	258	293	311	267
Occupational Health	>600	570	639	489	833	561	452	504	555	734	774	822	625
Wound Care	>200	290	256	198	293	266	288	204	122	182	210	237	225



**To:** SVH Finance Committee  
**From:** Ken Jensen, CFO  
**Date:** February 26, 2019  
**Subject:** Financial Report for the Month Ending January 31, 2019

January's actual gain of \$4,726 from operations was \$441,486 favorable to the budgeted loss of (\$436,760). For the month of January the hospital accrued for the FY 17/18 HQAF Intergovernmental Transfer (IGT) supplement funding with net proceeds of \$813,737. After accounting for all other activity; the January net income was \$806,657 vs. the budgeted net income of \$44,529 with a monthly EBDA of 9.7% vs. a budgeted 2.3%.

**Gross patient revenue** for January was \$21,936,608; (\$1,584,944) under budget. Inpatient gross revenue was under budget by (\$1,104,860). Inpatient days were under budget by (66) days and inpatient surgeries were under budgeted expectations by (12) cases. Outpatient revenue was over budget by \$1,082,206. Outpatient visits were over budgeted expectations by 366 visits, and outpatient surgeries were over budgeted expectations by 16 cases and special procedures were under budgeted expectations by (11) cases. The Emergency Room gross revenue was under budget by (\$1,165,578) with ER visits under budgeted expectations by (187). SNF gross charges were under budgeted expectations by (\$396,712) and SNF patient days were under budget by (120) days and had an average daily census of 11.1 patients.

**Deductions from revenue** were favorable to budgeted expectations by \$2,613,295. Of the variance, \$1,373,143 is from the prior period adjustments or IGT payments. Without the prior period adjustments and IGT variance, the deductions from revenue variance is favorable by \$1,240,152 which is due to gross revenue being under budgeted expectations.

After accounting for all other operating revenue, the **total operating revenue** was favorable to budgeted expectations by \$989,744.

**Operating Expenses** of \$5,509,440 were unfavorable to budget by (\$548,258). Of the variance, (\$552,645) is attributable to the IGT matching fee. Without the matching fee, total operating expenses would be favorable to budget by \$4,387. Salaries and wages and agency fees were over budget by (\$20,381) with the salaries and wages being over budget by (\$3,974) and agency fees over by (\$16,407). The unfavorable variance in Salaries and Agency fees were offset by a favorable variance in Employee Benefits of \$34,278 due to being under budget in PTO and employee health insurance with the total employee costs being favorable to budget by \$13,897. Supplies were over budget (\$10,070) due to higher than budgeted cost of implants in surgery (\$33,601) and was offset by other departments that were under their supply budget. Purchased Services are over budget by (\$15,308) due to

budgeted costs in Patient Financial Services and in IT posting to January but budgeted over 12-months. Utilities are over budget by (\$13,190) due to phone services (\$10,077), the AT&T contract is being renegotiated and the hospital will receive a credit.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net income for January is \$245,587 vs. a budgeted net loss of (\$185,091). The hospital received donations from the Sonoma Valley Hospital Foundation for the Outpatient Diagnostic Center (\$342,777), the Acute Care 3<sup>rd</sup> floor move (\$48,576), and for an ABL Analyzer for the Laboratory (\$16,049). After all activity the total net income for January was \$806,657 vs. a budgeted net income of \$44,529.

EBDA for the month of January was 9.7% vs. the budgeted 2.3%.

#### Patient Volumes – January

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	83	100	-17	111
Newborn Discharges	0	0	0	7
Acute Patient Days	290	356	-66	394
SNF Patient Days	345	465	-120	646
Home Care Visits	0	0	0	801
OP Gross Revenue	\$14,826	\$14,909	(\$83)	\$14,741
Surgical Cases	157	153	4	141

#### Gross Revenue Overall Payer Mix – January

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	40.1%	42.6%	-2.5%	41.7%	43.0%	-1.3%
Medicare Mgd Care	13.8%	12.8%	1.0%	14.9%	12.7%	2.2%
Medi-Cal	19.6%	18.2%	1.4%	17.5%	17.9%	-0.4%
Self-Pay	1.1%	1.4%	-0.3%	1.2%	1.4%	-0.2%
Commercial	22.4%	20.7%	1.7%	20.7%	20.6%	0.1%
Workers Comp	2.7%	2.3%	0.4%	2.1%	2.4%	-0.3%
Capitated	0.3%	2.0%	-1.7%	1.9%	2.0%	-0.1%
Total	100.0%	100.0%		100.0%	100.0%	

#### Cash Activity for January:

For the month of January the cash collection goal was \$3,704,351 and the Hospital collected \$3,701,054 or under the goal by (\$3,297). The year-to-date cash collection goal was \$26,427,358 and the Hospital has collected \$26,021,763 or under goal by (\$405,595). Days of cash on hand are 13.0 days at January 31, 2019, this calculation includes the cash in the Money Market account. Accounts Receivable decreased from December, from 43.5 days to 43.0 days in January. Accounts Payable increased by \$112,982 from December and Accounts Payable days are at 49.3.

**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 January 31, 2019**

ATTACHMENT A

January-19

YTD

Gross Revenue:	Actual	Budget	Variance	% Variance
Medicare	8,783,261	10,005,463	-1,222,202	-12.2%
Medicare Managed Care	3,015,626	3,005,716	9,910	0.3%
Medi-Cal	4,293,692	4,271,479	22,213	0.5%
Self Pay	241,301	327,652	-86,351	-26.4%
Commercial & Other Government	4,933,421	4,897,328	36,093	0.7%
Worker's Comp.	592,881	552,117	40,764	7.4%
Capitated	76,426	461,797	-385,371	-83.5%
<b>Total</b>	<b>21,936,608</b>	<b>23,521,552</b>	<b>(1,584,944)</b>	

	Actual	Budget	Variance	% Variance
	66,730,559	66,504,277	226,282	0.3%
	23,826,893	19,823,125	4,003,768	20.2%
	28,010,334	27,815,381	194,953	0.7%
	1,944,518	2,117,281	-172,763	-8.2%
	33,213,431	32,123,537	1,089,894	3.4%
	3,346,594	3,729,913	-383,319	-10.3%
	2,984,822	3,115,019	-130,197	-4.2%
<b>Total</b>	<b>160,057,151</b>	<b>155,228,533</b>	<b>4,828,618</b>	

Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	1,137,905	1,400,764	-262,859	-18.8%
Medicare Managed Care	387,810	385,889	1,921	0.5%
Medi-Cal	567,197	581,549	-14,352	-2.5%
Self Pay	130,109	147,679	-17,570	-11.9%
Commercial & Other Government	1,477,560	1,388,346	89,214	6.4%
Worker's Comp.	13,325	142,699	-129,374	-90.7%
Capitated	3,202	14,974	-11,772	-78.6%
Prior Period Adj/IGT	1,725,698	352,555	1,373,143	389.5%
<b>Total</b>	<b>5,442,806</b>	<b>4,414,455</b>	<b>1,028,351</b>	<b>23.3%</b>

	Actual	Budget	Variance	% Variance
	9,284,312	9,403,673	-119,361	-1.3%
	3,200,271	2,628,816	571,455	21.7%
	3,930,392	3,715,007	215,385	5.8%
	1,010,265	995,566	14,699	1.5%
	10,655,038	11,024,470	-369,432	-3.4%
	542,806	914,182	-371,376	-40.6%
	80,597	98,902	-18,305	-18.5%
	2,918,409	2,467,885	450,524	18.3%
<b>Total</b>	<b>31,622,090</b>	<b>31,248,501</b>	<b>373,589</b>	<b>1.2%</b>

Percent of Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	20.9%	31.8%	-10.9%	-34.3%
Medicare Managed Care	7.1%	8.7%	-1.6%	-18.4%
Medi-Cal	42.1%	21.2%	20.9%	98.6%
Self Pay	2.4%	3.3%	-0.9%	-27.3%
Commercial & Other Government	27.2%	31.5%	-4.3%	-13.7%
Worker's Comp.	0.2%	3.2%	-3.0%	-93.8%
Capitated	0.1%	0.3%	-0.2%	-66.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>

	Actual	Budget	Variance	% Variance
	29.3%	30.1%	-0.9%	-3.0%
	10.1%	8.4%	1.7%	20.2%
	21.7%	19.8%	1.9%	9.6%
	3.2%	3.2%	0.0%	0.0%
	33.7%	35.3%	-1.6%	-4.5%
	1.7%	2.9%	-1.2%	-41.4%
	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>

Projected Collection Percentage:	Actual	Budget	Variance	% Variance
Medicare	13.0%	14.0%	-1.0%	-7.1%
Medicare Managed Care	12.9%	12.8%	0.1%	0.8%
Medi-Cal	53.4%	21.9%	31.5%	143.8%
Self Pay	53.9%	45.1%	8.8%	19.5%
Commercial & Other Government	30.0%	28.3%	1.7%	6.0%
Worker's Comp.	2.2%	25.8%	-23.6%	-91.5%
Capitated	4.2%	3.2%	1.0%	31.3%

	Actual	Budget	Variance	% Variance
	13.9%	14.1%	-0.2%	-1.4%
	13.4%	13.3%	0.1%	0.8%
	24.5%	22.2%	2.3%	10.4%
	52.0%	47.0%	5.0%	10.6%
	32.1%	34.3%	-2.2%	-6.4%
	16.2%	24.5%	-8.3%	-33.9%
	2.7%	3.2%	-0.5%	-15.6%

**SONOMA VALLEY HOSPITAL  
OPERATING INDICATORS  
For the Period Ended January 31, 2019**

**ATTACHMENT B**

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual 01/31/19</u>	<u>Budget 01/31/19</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual 01/31/19</u>	<u>Budget 01/31/19</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 01/31/18</u>
<b>Inpatient Utilization</b>								
<b>Discharges</b>								
1	65	86	(21)	Acute	541	557	(16)	542
2	18	14	4	ICU	80	82	(2)	108
3	83	100	(17)	Total Discharges	621	639	(18)	650
4	-	-	-	Newborn	46	24	22	63
5	83	100	(17)	Total Discharges inc. Newborns	667	663	4	713
<b>Patient Days:</b>								
6	199	258	(59)	Acute	1,820	1,682	138	1,711
7	91	98	(7)	ICU	538	582	(44)	595
8	290	356	(66)	Total Patient Days	2,358	2,264	94	2,306
9	-	-	-	Newborn	102	45	57	109
10	290	356	(66)	Total Patient Days inc. Newborns	2,460	2,309	151	2,415
<b>Average Length of Stay:</b>								
11	3.1	3.0	0.1	Acute	3.4	3.0	0.3	3.2
12	5.1	7.0	(1.9)	ICU	6.7	7.1	(0.4)	5.5
13	3.5	3.6	(0.1)	Avg. Length of Stay	3.8	3.5	0.3	3.5
14	0.0	0.0	-	Newborn ALOS	2.2	1.9	(0.3)	1.7
<b>Average Daily Census:</b>								
15	6.4	8.3	(1.9)	Acute	8.5	7.8	0.6	8.0
16	2.9	3.2	(0.2)	ICU	2.5	2.7	(0.2)	2.8
17	9.4	11.5	(2.1)	Avg. Daily Census	11.0	10.5	0.4	10.7
18	0.0	0.0	-	Newborn	0.47	0.21	0.3	0.51
<b>Long Term Care:</b>								
19	345	465	(120)	SNF Patient Days	3,116	3,615	(499)	3,808
20	17	24	(7)	SNF Discharges	163	193	(30)	205
21	11.1	15.0	(3.9)	Average Daily Census	14.5	16.8	(2.3)	17.7
<b>Other Utilization Statistics</b>								
<b>Emergency Room Statistics</b>								
22	789	976	(187)	Total ER Visits	5,768	6,425	(657)	6,293
<b>Outpatient Statistics:</b>								
23	4,726	4,360	366	Total Outpatients Visits	31,238	30,973	265	30,914
24	20	32	(12)	IP Surgeries	193	183	10	197
25	137	121	16	OP Surgeries	950	936	14	892
26	51	62	(11)	Special Procedures	557	445	112	453
27	-	-	-	Home Health Visits	2,027	3,837	(1,810)	5,472
28	308	338	(30)	Adjusted Discharges	2,210	2,360	(149)	2,329
29	1,958	2,241	(283)	Adjusted Patient Days (Inc. SNF)	15,455	16,680	(1,225)	16,653
30	63.2	72.3	(9.1)	Adj. Avg. Daily Census (Inc. SNF)	71.9	77.6	(5.7)	77.5
31	1.5800	1.4000	0.180	Case Mix Index -Medicare	1.4867	1.4000	0.087	1.5533
32	1.6290	1.4000	0.229	Case Mix Index - All payers	1.5145	1.4000	0.115	1.4962
<b>Labor Statistics</b>								
33	249	248	(0.7)	FTE's - Worked	265	268	3.0	276
34	280	280	0.3	FTE's - Paid	297	303	6.4	314
35	42.39	41.94	(0.45)	Average Hourly Rate	42.95	40.64	(2.31)	42.41
36	25.3	22.1	(3.2)	Manhours / Adj. Pat Day	23.5	22.3	(1.3)	23.1
37	160.5	146.4	(14.1)	Manhours / Adj. Discharge	164.5	157.5	(7.1)	165.3
38	23.1%	23.6%	0.5%	Benefits % of Salaries	22.2%	23.5%	1.3%	22.5%
<b>Non-Labor Statistics</b>								
39	10.4%	12.5%	2.1%	Supply Expense % Net Revenue	12.6%	11.9%	-0.7%	12.0%
40	1,860	1,665	(195)	Supply Exp. / Adj. Discharge	1,840	1,619	(221)	1,688
41	18,370	15,123	(3,248)	Total Expense / Adj. Discharge	16,734	15,569	(1,165)	16,315
<b>Other Indicators</b>								
42	13.0			Days Cash - Operating Funds				
43	43.0	50.0	(7.0)	Days in Net AR	43.8	50.0	(6.2)	47.0
44	100%			Collections % of Net Revenue	98%			102.7%
45	49.3	55.0	(5.7)	Days in Accounts Payable	49.3	55.0	(5.7)	46.0
46	25.1%	19.2%	5.9%	% Net revenue to Gross revenue	20.2%	20.6%	-0.5%	21.2%
47	19.8%			% Net AR to Gross AR	19.8%			21.6%

**Sonoma Valley Health Care District**  
**Balance Sheet**  
**As of January 31, 2019**

**ATTACHMENT C**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<b>Assets</b>			
Current Assets:			
1	\$ 1,497,167	\$ 1,759,371	\$ 2,993,592
2	4,159,115	2,494,550	3,718,674
3	7,005,213	7,268,220	8,921,743
4	(1,325,274)	(1,296,826)	(1,290,889)
5	5,679,939	5,971,394	7,630,854
6	2,912,282	4,984,404	2,282,090
7	1,816,212	1,653,728	542,175
8	841,518	846,833	839,552
9	803,356	784,861	917,891
10	<u>\$ 17,709,589</u>	<u>\$ 18,495,141</u>	<u>\$ 18,924,828</u>
12	\$ 51,582,709	\$ 51,425,809	\$ 52,456,786
13	545,220	545,174	819,334
14	-	-	-
15	<u>\$ 69,837,518</u>	<u>\$ 70,466,124</u>	<u>\$ 72,200,948</u>
<b>Liabilities &amp; Fund Balances</b>			
Current Liabilities:			
16	\$ 4,003,875	\$ 4,116,857	\$ 3,528,042
17	3,388,222	3,870,474	4,693,869
18	604,594	503,827	634,656
19	1,424,734	1,523,113	1,489,000
20	105,388	105,388	483,787
21	2,855,513	3,426,617	2,836,750
22	852,842	905,408	1,265,517
23	6,723,734	6,973,734	6,973,734
24	201,386	201,386	1,386
25	<u>\$ 20,160,288</u>	<u>\$ 21,626,804</u>	<u>\$ 21,906,741</u>
26	\$ 32,996,918	\$ 32,965,664	\$ 35,164,827
Fund Balances:			
28	\$ 10,194,750	\$ 9,795,496	\$ 10,992,380
29	6,485,562	6,078,160	4,137,000
30	<u>\$ 16,680,312</u>	<u>\$ 15,873,656</u>	<u>\$ 15,129,380</u>
31	<u>\$ 69,837,518</u>	<u>\$ 70,466,124</u>	<u>\$ 72,200,948</u>

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
Comparative Results  
For the Period Ended January 31, 2019**

ATTACHMENT D

	Month				Volume Information	Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual		\$	%		Actual	Budget	\$	%		
1	83	100	(17)	-17%	Acute Discharges	621	639	(18)	-3%	650	
2	345	465	(120)	-26%	SNF Days	3,116	3,615	(499)	-14%	3,808	
3	-	-	-	0%	Home Care Visits	2,027	3,837	(1,810)	-47%	5,472	
4	14,826	14,909	(83)	-1%	Gross O/P Revenue (000's)	\$ 103,250	\$ 100,396	2,853	3%	\$ 97,671	
<b>Financial Results</b>											
<b>Gross Patient Revenue</b>											
5	\$ 5,685,000	\$ 6,789,860	(1,104,860)	-16%	Inpatient	\$ 44,101,767	\$ 41,486,278	2,615,489	6%	\$ 42,495,669	
6	8,727,697	7,645,491	1,082,206	14%	Outpatient	59,233,272	54,253,156	4,980,116	9%	53,131,322	
7	6,097,901	7,263,479	(1,165,578)	-16%	Emergency	43,302,076	45,120,295	(1,818,219)	-4%	42,624,065	
8	1,426,010	1,822,722	(396,712)	-22%	SNF	12,657,589	13,262,651	(605,062)	-5%	14,247,661	
9	-	-	-	0%	Home Care	762,447	1,106,153	(343,706)	-31%	1,994,389	
10	\$ 21,936,608	\$ 23,521,552	(1,584,944)	-7%	<b>Total Gross Patient Revenue</b>	\$ 160,057,151	\$ 155,228,533	4,828,618	3%	\$ 154,493,106	
<b>Deductions from Revenue</b>											
11	\$ (18,024,000)	\$ (19,334,922)	1,310,922	7%	Contractual Discounts	\$ (130,110,325)	\$ (125,574,807)	(4,535,518)	-4%	\$ (124,038,963)	
12	(150,000)	(100,000)	(50,000)	-50%	Bad Debt	(1,035,000)	(700,000)	(335,000)	-48%	(953,000)	
13	(45,500)	(24,730)	(20,770)	-84%	Charity Care Provision	(208,145)	(173,110)	(35,035)	-20%	(115,747)	
14	1,725,698	352,555	1,373,143	*	Prior Period Adj/Government Program Revenue	2,918,409	2,467,885	450,524	*	2,419,443	
15	\$ (16,493,802)	\$ (19,107,097)	2,613,295	-14%	<b>Total Deductions from Revenue</b>	\$ (128,435,061)	\$ (123,980,032)	(4,455,029)	4%	\$ (122,688,267)	
<b>Net Patient Service Revenue</b>											
16	\$ 5,442,806	\$ 4,414,455	1,028,351	23%	Risk contract revenue	\$ 631,994	\$ 761,390	(129,396)	-17%	\$ 866,697	
17	\$ 62,561	\$ 95,999	(33,438)	-35%	Net Hospital Revenue	\$ 32,254,084	\$ 32,009,891	244,193	1%	\$ 32,671,536	
18	\$ 5,505,367	\$ 4,510,454	994,913	22%	Other Op Rev & Electronic Health Records	\$ 85,320	\$ 97,776	(12,456)	-13%	\$ 116,097	
19	\$ 8,799	\$ 13,968	(5,169)	-37%	<b>Total Operating Revenue</b>	\$ 32,339,404	\$ 32,107,667	231,737	1%	\$ 32,787,633	
20	\$ 5,514,166	\$ 4,524,422	989,744	22%	<b>Operating Expenses</b>						
21	\$ 2,098,062	\$ 2,077,681	(20,381)	-1%	Salary and Wages and Agency Fees	\$ 15,618,619	\$ 15,099,220	(519,399)	-3%	\$ 16,329,282	
22	745,604	779,882	34,278	4%	Employee Benefits	5,358,267	5,799,471	441,204	8%	6,168,507	
23	\$ 2,843,666	\$ 2,857,563	13,897	0%	Total People Cost	\$ 20,976,886	\$ 20,898,691	(78,195)	0%	\$ 22,497,789	
24	\$ 474,542	\$ 498,249	23,707	5%	Med and Prof Fees (excl Agency)	\$ 3,364,015	\$ 3,516,897	152,882	4%	\$ 2,886,031	
25	573,571	563,501	(10,070)	-2%	Supplies	4,066,225	3,819,662	(246,563)	-6%	3,931,050	
26	391,359	376,051	(15,308)	-4%	Purchased Services	2,705,063	2,594,064	(110,999)	-4%	2,639,138	
27	288,708	290,874	2,166	1%	Depreciation	2,038,478	2,018,820	(19,658)	-1%	1,996,225	
28	100,621	87,431	(13,190)	-15%	Utilities	752,435	750,417	(2,018)	0%	737,281	
29	35,320	35,320	-	0%	Insurance	247,240	241,567	(5,673)	-2%	222,733	
30	53,199	56,966	3,767	7%	Interest	360,253	355,340	(4,913)	-1%	335,175	
31	107,406	106,824	(582)	-1%	Other	737,170	814,551	77,381	9%	839,470	
32	641,048	88,403	(552,645)	*	Matching Fees (Government Programs)	641,048	618,820	(22,228)	-4%	775,755	
33	\$ 5,509,440	\$ 4,961,182	(548,258)	-11%	<b>Operating expenses</b>	\$ 35,888,813	\$ 35,628,829	(259,984)	-1%	\$ 36,860,647	
34	\$ 4,726	\$ (436,760)	441,486	101%	<b>Operating Margin</b>	\$ (3,549,409)	\$ (3,521,162)	(28,247)	-1%	\$ (4,073,014)	

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
Comparative Results  
For the Period Ended January 31, 2019**

ATTACHMENT D

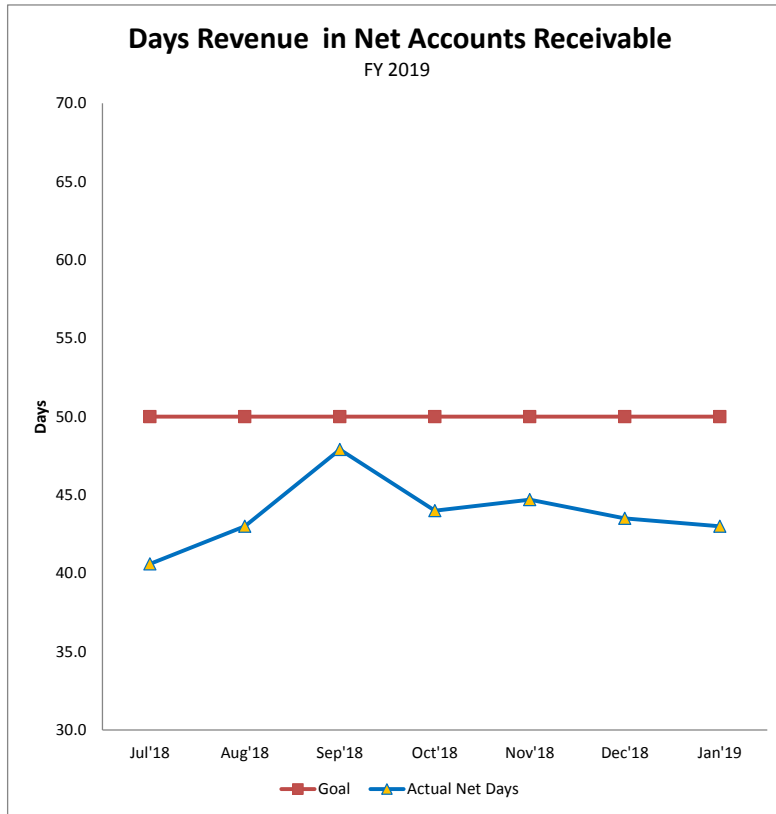
	Month					Year-To- Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual		\$	%		Actual	Budget	\$	%		
<b>35</b>	\$ (21,123)	\$ (10,904)	(10,219)	94%						\$ 8,524	
<b>36</b>	-	2,672	(2,672)	-100%						23,156	
<b>37</b>	(54,683)	(56,766)	2,083	-4%						(397,362)	
<b>38</b>	316,667	316,667	-	0%						2,216,669	
<b>39</b>	0	0	-	0%							
<b>40</b>	<b>\$ 240,861</b>	<b>\$ 251,669</b>	<b>(10,808)</b>	<b>-4%</b>						<b>\$ 1,850,987</b>	
<b>41</b>	<b>\$ 245,587</b>	<b>\$ (185,091)</b>	<b>430,678</b>	<b>-233%</b>	<b>Net Income / (Loss) prior to Restricted Contributions</b>	<b>\$ (1,825,494)</b>	<b>\$ (1,727,409)</b>	<b>(98,085)</b>	<b>6%</b>	<b>\$ (2,222,027)</b>	
<b>42</b>	\$ -	\$ 20,949	(20,949)	-100%	Capital Campaign Contribution	\$ 30,447	\$ 146,643	(116,196)	-79%	\$ 108,081	
<b>43</b>	\$ 407,402	\$ 55,003	352,399	0%	Restricted Foundation Contributions	\$ 1,563,859	\$ 385,021	1,178,838	100%	\$ -	
<b>44</b>	<b>\$ 652,989</b>	<b>\$ (109,139)</b>	<b>762,128</b>	<b>-698%</b>	<b>Net Income / (Loss) w/ Restricted Contributions</b>	<b>\$ (231,188)</b>	<b>\$ (1,195,745)</b>	<b>964,557</b>	<b>-81%</b>	<b>\$ (2,113,946)</b>	
<b>45</b>	254,436	254,436	-	0%	GO Bond Tax Assessment Rev	1,781,052	1,781,052	-	0%	1,754,781	
<b>46</b>	(100,768)	(100,768)	-	0%	GO Bond Interest	(710,384)	(710,384)	-	0%	(744,922)	
<b>47</b>	<b>\$ 806,657</b>	<b>\$ 44,529</b>	<b>762,128</b>	<b>1712%</b>	<b>Net Income/(Loss) w GO Bond Activity</b>	<b>\$ 839,480</b>	<b>\$ (125,077)</b>	<b>964,557</b>	<b>-771%</b>	<b>\$ (1,104,087)</b>	
	\$ 534,295	\$ 105,783			<b>EBDA - Not including Restricted Contributions</b>	\$ 212,984	\$ 291,411				
	9.7%	2.3%				0.7%	0.9%				

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses Variance Analysis  
For the Period Ended January 31, 2019**

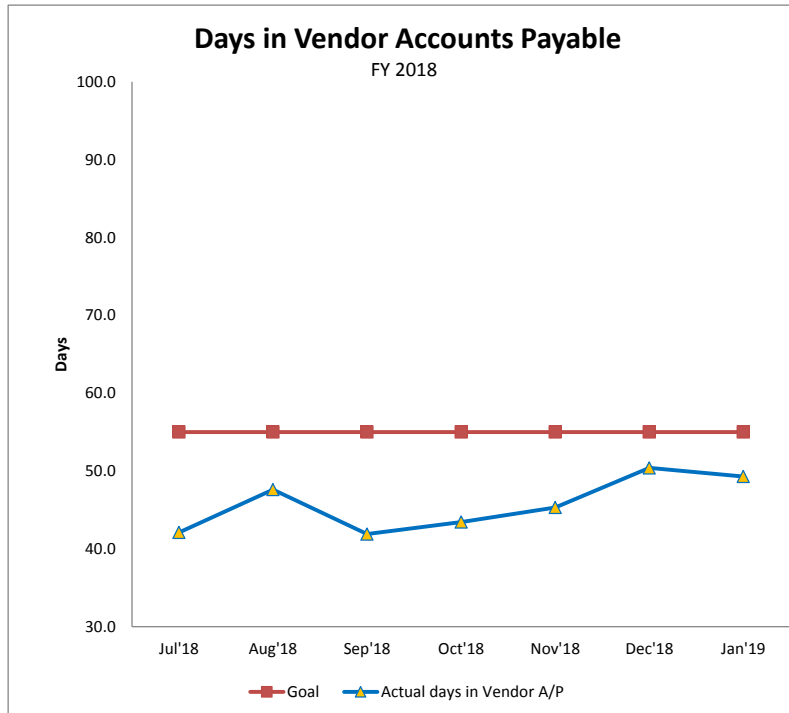
	YTD	MONTH	
Description	Variance	Variance	
<b>Volume Information</b>			
1 Acute Discharges	(18)	(17)	
2 SNF Days	(499)	(120)	
3 Home Care Visits	(1,810)	-	
4 Gross O/P Revenue (000's)	2,853	(83)	
<b>Financial Results</b>			
<b>Gross Patient Revenue</b>			
5 Inpatient	2,615,489	(1,104,860)	Inpatient days are 290 days vs. budgeted expectations of 356 days and inpatient surgeries are 20 vs. budgeted expectations 32.
6 Outpatient	4,980,116	1,082,206	Outpatient visits are 4,726 vs. budgeted expectations of 4,360 visits and outpatient surgeries are 137 vs. budgeted expectations 121.
7 Emergency	(1,818,219)	(1,165,578)	ER visits are 789 vs. budgeted visits of 976.
8 SNF	(605,062)	(396,712)	SNF patient days are 345 vs. budgeted expected days of 465.
9 Home Care	(343,706)	-	
10 <b>Total Gross Patient Revenue</b>	<b>4,828,618</b>	<b>(1,584,944)</b>	
<b>Deductions from Revenue</b>			
11 Contractual Discounts	(4,535,518)	1,310,922	
12 Bad Debt	(335,000)	(50,000)	
13 Charity Care Provision	(35,035)	(20,770)	
14 Prior Period Adj/Government Program Revenue	450,524	1,373,143	Accrual of 17/18 ACA of \$163,797, 17/18 HQAF IGT of \$1,454,785, and Prime Grant of \$62,500 and received ACA SNF settlements of \$44,616.
15 <b>Total Deductions from Revenue</b>	<b>(4,455,029)</b>	<b>2,613,295</b>	
16 <b>Net Patient Service Revenue</b>	<b>373,589</b>	<b>1,028,351</b>	
17 Risk contract revenue	(129,396)	(33,438)	
18 <b>Net Hospital Revenue</b>	<b>244,193</b>	<b>994,913</b>	
19 Other Op Rev & Electronic Health Records	(12,456)	(5,169)	
20 <b>Total Operating Revenue</b>	<b>231,737</b>	<b>989,744</b>	
<b>Operating Expenses</b>			
21 Salary and Wages and Agency Fees	(519,399)	(20,381)	Salaries and Wages are over budget by (\$3,974) and Agency fees are over budget by (\$16,407).
22 Employee Benefits	441,204	34,278	
23 <b>Total People Cost</b>	<b>(78,195)</b>	<b>13,897</b>	
24 Med and Prof Fees (excl Agency)	152,882	23,707	
25 Supplies	(246,563)	(10,070)	Supplies are over budget due to higher than budgeted implant costs (\$33,601).
26 Purchased Services	(110,999)	(15,308)	Purchased Services are over budget due to budgeted costs posting in January but are budgeted over a 12-month period.
27 Depreciation	(19,658)	2,166	
28 Utilities	(2,018)	(13,190)	Utilities are over budget due AT&T (\$10,077) - the AT&T contract is being renegotiated and the hospital will receive a credit.
29 Insurance	(5,673)	-	
30 Interest	(4,913)	3,767	
31 Other	77,381	(582)	
32 Matching Fees (Government Programs)	(22,228)	(552,645)	Matching fee of \$641,048 accrued.
33 <b>Operating expenses</b>	<b>(259,984)</b>	<b>(548,258)</b>	
34 <b>Operating Margin</b>	<b>(28,247)</b>	<b>441,486</b>	
<b>Non Operating Rev and Expense</b>			
35 Miscellaneous Revenue	(70,256)	(10,219)	
36 Donations	(11,330)	(2,672)	
37 Physician Practice Support-Prima	12,498	2,083	
38 Parcel Tax Assessment Rev	(750)	-	
39 Extraordinary Items	-	-	
40 <b>Total Non-Operating Rev/Exp</b>	<b>(69,838)</b>	<b>(10,808)</b>	
41 <b>Net Income / (Loss) prior to Restricted Contributions</b>	<b>(98,085)</b>	<b>430,678</b>	

**Sonoma Valley Health Care District**  
**Statement of Revenue and Expenses Variance Analysis**  
**For the Period Ended January 31, 2019**

	YTD	MONTH	
Description	Variance	Variance	
		-	
42 Capital Campaign Contribution	(116,196)	(20,949)	
43 Restricted Foundation Contributions	1,178,838	352,399	The hospital received Foundation donations for the ODC (\$342,777), the Acute care 3rd floor move (\$48,576), and ABL Analyzer (\$16,049).
44 <b>Net Income / (Loss) w/ Restricted Contributions</b>	<b>964,557</b>	<b>762,128</b>	
45 GO Bond Tax Assessment Rev	-	-	
46 GO Bond Interest	-	-	
47 <b>Net Income/(Loss) w GO Bond Activity</b>	<b>964,557</b>	<b>762,128</b>	



Days in A/R	Jul'18	Aug'18	Sep'18	Oct'18	Nov'18	Dec'18	Jan'19
Actual days in A/R	40.6	43.0	47.9	44.0	44.7	43.5	43.0
Goal	50.0	50.0	50.0	50.0	50.0	50.0	50.0



Days in A/P	Jul'18	Aug'18	Sep'18	Oct'18	Nov'18	Dec'18	Jan'19
Actual days in Vendor A/P	42.1	47.6	41.9	43.5	45.3	50.4	49.3
Goal	55.0	55.0	55.0	55.0	55.0	55.0	55.0



**Sonoma Valley Hospital**  
**Statistical Analysis**  
**FY 2019**

ATTACHMENT G

	ACTUAL	BUDGET	ACTUAL												
	Jan-19	Jan-19	Dec-18	Nov-18	Oct-18	Sep-18	Aug-18	Jul-18	Jun-18	May-18	Apr-18	Mar-18	Feb-18	Jan-18	Dec-17
<b>Statistics</b>															
<b>Acute</b>															
Acute Patient Days	290	356	370	315	394	337	361	291	354	374	341	335	289	394	386
Acute Discharges (w/o Newborns)	83	100	97	93	92	90	85	81	99	108	103	106	82	111	96
<b>SNF Days</b>	345	465	291	326	405	457	628	664	545	423	525	566	494	646	563
<b>HHA Visits</b>	0	0	0	0	0	682	585	760	871	747	755	684	821	801	798
<b>Emergency Room Visits</b>	789	976	840	772	842	814	810	901	856	934	864	871	811	996	919
<b>Gross Outpatient Revenue (000's)</b>	\$14,826	\$14,909	\$13,583	\$13,530	\$15,824	\$13,946	\$16,762	\$14,801	\$13,677	\$15,188	\$14,170	\$13,064	\$12,519	\$14,741	\$14,051
<b>Equivalent Patient Days</b>	1,958	2,241	1,768	1,782	2,207	2,175	2,911	2,654	2,343	2,178	2,265	2,272	2,212	2,629	2,471
<b>Births</b>	0	0	0	0	9	13	14	8	16	9	6	8	11	7	10
<b>Surgical Cases - Inpatient</b>	20	32	26	33	34	31	26	23	28	29	30	34	16	32	24
<b>Surgical Cases - Outpatient</b>	137	121	123	128	141	151	139	127	123	146	114	117	123	109	136
<b>Total Surgical Cases</b>	157	153	149	161	175	182	165	150	151	175	144	151	139	141	160
<b>Total Special Procedures</b>	51	62	58	55	92	99	124	78	97	72	87	75	75	65	59
<b>Medicare Case Mix Index</b>	1.58	1.40	1.57	1.45	1.44	1.73	1.33	1.32	1.45	1.46	1.48	1.45	1.34	1.50	1.57
<b>Income Statement</b>															
Net Revenue (000's)	\$5,505	\$4,510	\$4,097	\$4,249	\$4,282	\$4,548	\$4,924	\$4,557	\$5,265	\$4,817	\$4,389	\$4,218	\$4,590	\$4,909	\$4,466
Operating Expenses (000's)	\$5,509	\$4,961	\$4,726	\$4,860	\$5,321	\$5,045	\$5,314	\$5,114	\$4,968	\$5,134	\$5,053	\$5,179	\$5,270	\$5,357	\$5,122
Net Income (000's)	\$807	\$45	(\$208)	(\$95)	(\$120)	\$209	\$32	\$214	\$859	\$369	\$221	(\$395)	(\$175)	\$125	(\$226)
<b>Productivity</b>															
Total Operating Expense Per Equivalent Patient Day	\$2,814	\$2,214	\$2,673	\$2,727	\$2,411	\$2,319	\$1,826	\$1,927	\$2,120	\$2,357	\$2,231	\$2,280	\$2,382	\$2,038	\$2,073
Productive FTEs	249	248	234	266	278	278	278	270	259	279	281	279	274	276	255
Non-Productive FTEs	31	32	47	22	20	36	31	40	39	27	26	23	31	36	52
Total FTEs	280	280	281	288	298	314	309	310	298	306	307	302	305	312	307
FTEs per Adjusted Occupied Bed	4.44	3.88	4.92	4.84	4.18	4.38	3.29	3.62	3.82	4.35	4.06	4.17	3.87	3.68	3.85
<b>Balance Sheet</b>															
Days of Expense In General Operating Cash	13.0		15	10	13	13	10	19	11	6	7	7	14	24	18
Net Days of Revenue in AR	43	50	44	45	44	48	43	41	42	47	43	43	47	51	51

Sonoma Valley Hospital  
Cash Forecast  
FY 2019

ATTACHMENT H

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
<b>Hospital Operating Sources</b>													
1 Patient Payments Collected	4,372,057	4,288,459	3,963,236	4,597,184	4,281,345	4,244,883	4,197,482	3,717,124	4,187,658	3,746,851	4,236,718	4,080,522	49,913,519
2 Capitation Revenue	94,582	92,314	96,054	92,135	97,789	98,199	62,561	95,999	95,999	95,999	95,999	95,999	1,113,629
3 Napa State	12,295	4,713	-	24,798	8,185	-	-	11,962	11,962	11,962	11,962	11,961	109,800
4 Other Operating Revenue	40,299	47,536	18,852	63,629	24,975	48,665	35,012	13,968	13,968	13,968	13,968	13,973	348,813
5 Other Non-Operating Revenue	45,944	12,250	51,133	42,712	14,067	91,000	51,984	26,673	26,673	26,673	26,673	26,673	442,455
6 Unrestricted Contributions	403		415	4,175	2,381	1,159		2,672	2,672	2,672	2,672	2,672	21,893
7 Line of Credit													-
<b>Sub-Total Hospital Sources</b>	<b>4,565,580</b>	<b>4,445,271</b>	<b>4,129,690</b>	<b>4,824,633</b>	<b>4,428,742</b>	<b>4,483,906</b>	<b>4,347,039</b>	<b>3,868,398</b>	<b>4,338,932</b>	<b>3,898,125</b>	<b>4,387,992</b>	<b>4,231,800</b>	<b>51,950,109</b>
<b>Hospital Uses of Cash</b>													
8 Operating Expenses	4,897,828	5,636,984	5,473,847	4,825,598	4,505,452	4,768,421	5,387,017	4,521,804	4,757,866	4,853,772	4,616,406	4,501,692	58,746,687
9 Add Capital Lease Payments	44,847	193,141	46,104	46,021	195,820	34,330	21,314						581,577
10 Additional Liabilities/LOC													-
11 Capital Expenditures	331,168		286,200	408,421	110,420	11,238	407,402	75,952	75,952	75,952	75,952	75,952	1,934,609
<b>Total Hospital Uses</b>	<b>5,273,843</b>	<b>5,830,125</b>	<b>5,806,151</b>	<b>5,280,040</b>	<b>4,811,692</b>	<b>4,813,989</b>	<b>5,815,733</b>	<b>4,597,756</b>	<b>4,833,818</b>	<b>4,929,724</b>	<b>4,692,358</b>	<b>4,577,644</b>	<b>61,262,873</b>
<b>Net Hospital Sources/Uses of Cash</b>	<b>(708,263)</b>	<b>(1,384,854)</b>	<b>(1,676,461)</b>	<b>(455,407)</b>	<b>(382,950)</b>	<b>(330,083)</b>	<b>(1,468,694)</b>	<b>(729,358)</b>	<b>(494,886)</b>	<b>(1,031,599)</b>	<b>(304,366)</b>	<b>(345,844)</b>	<b>(9,312,764)</b>
<b>Non-Hospital Sources</b>													
12 Restricted Cash/Money Market	(809,886)	524,043			612,500	(200,000)		(100,000)	645,000	(200,000)	(645,000)		(173,343)
13 Restricted Capital Donations	357,448	8,688	286,283	409,088	116,736	5,800	407,402	75,952	75,952	75,952	75,952	75,952	1,971,205
14 Parcel Tax Revenue	207,015		1,500,000			512,117				1,900,000			4,119,132
15 Other Payments - South Lot/LOC/Fire Claim							(250,000)	274,000					24,000
16 Other:													-
17 IGT											1,454,785	1,200,000	2,654,785
18 IGT - AB915	20,681		384,837		40,615		1,049,088			381,379			1,876,600
19 PRIME	750,000					600,000							1,350,000
<b>Sub-Total Non-Hospital Sources</b>	<b>525,258</b>	<b>532,731</b>	<b>2,171,120</b>	<b>409,088</b>	<b>769,851</b>	<b>917,917</b>	<b>1,206,490</b>	<b>249,952</b>	<b>720,952</b>	<b>2,157,331</b>	<b>885,737</b>	<b>1,275,952</b>	<b>11,822,379</b>
<b>Non-Hospital Uses of Cash</b>													
20 Matching Fees					300,000				641,048	600,000			1,541,048
<b>Sub-Total Non-Hospital Uses of Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>641,048</b>	<b>600,000</b>	<b>-</b>	<b>-</b>	<b>1,541,048</b>
<b>Net Non-Hospital Sources/Uses of Cash</b>	<b>525,258</b>	<b>532,731</b>	<b>2,171,120</b>	<b>409,088</b>	<b>469,851</b>	<b>917,917</b>	<b>1,206,490</b>	<b>249,952</b>	<b>79,904</b>	<b>1,557,331</b>	<b>885,737</b>	<b>1,275,952</b>	<b>10,281,331</b>
<b>Net Sources/Uses</b>	<b>(183,005)</b>	<b>(852,123)</b>	<b>494,659</b>	<b>(46,319)</b>	<b>86,901</b>	<b>587,834</b>	<b>(262,204)</b>	<b>(479,406)</b>	<b>(414,982)</b>	<b>525,732</b>	<b>581,371</b>	<b>930,108</b>	
Cash and Equivalents at beginning of period	<b>1,671,423</b>	1,488,418	636,295	1,130,954	1,084,636	1,171,537	1,759,371	1,497,167	1,017,761	602,779	1,128,511	1,709,882	
<b>Cash and Equivalents at end of period</b>	<b>1,488,418</b>	<b>636,295</b>	<b>1,130,954</b>	<b>1,084,636</b>	<b>1,171,537</b>	<b>1,759,371</b>	<b>1,497,167</b>	<b>1,017,761</b>	<b>602,779</b>	<b>1,128,511</b>	<b>1,709,882</b>	<b>2,639,990</b>	

Sonoma Valley Hospital  
Cash Forecast  
FY 2019

ATTACHMENT H

	Actual July - Dec	Actual Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
<b>Hospital Operating Sources</b>								
1 Patient Payments Collected	25,747,164	4,197,482	3,717,124	4,187,658	3,746,851	4,236,718	4,080,522	49,913,519
2 Capitation Revenue	571,073	62,561	95,999	95,999	95,999	95,999	95,999	1,113,629
3 Napa State	49,991		11,962	11,962	11,962	11,962	11,961	109,800
4 Other Operating Revenue	243,956	35,012	13,968	13,968	13,968	13,968	13,973	348,813
5 Other Non-Operating Revenue	257,106	51,984	26,673	26,673	26,673	26,673	26,673	442,455
6 Unrestricted Contributions	8,533		2,672	2,672	2,672	2,672	2,672	21,893
7 Line of Credit								-
<b>Sub-Total Hospital Sources</b>	<b>26,877,823</b>	<b>4,347,039</b>	<b>3,868,398</b>	<b>4,338,932</b>	<b>3,898,125</b>	<b>4,387,992</b>	<b>4,231,800</b>	<b>51,950,109</b>
<b>Hospital Uses of Cash</b>								
8 Operating Expenses	30,108,130	5,387,017	4,521,804	4,757,866	4,853,772	4,616,406	4,501,692	58,746,687
9 Add Capital Lease Payments	560,263	21,314	-	-	-	-	-	581,577
10 Additional Liabilities/LOC			-	-	-	-	-	-
11 Capital Expenditures	1,147,447	407,402	75,952	75,952	75,952	75,952	75,952	1,934,609
<b>Total Hospital Uses</b>	<b>31,815,840</b>	<b>5,815,733</b>	<b>4,597,756</b>	<b>4,833,818</b>	<b>4,929,724</b>	<b>4,692,358</b>	<b>4,577,644</b>	<b>61,262,873</b>
<b>Net Hospital Sources/Uses of Cash</b>	<b>(4,938,017)</b>	<b>(1,468,694)</b>	<b>(729,358)</b>	<b>(494,886)</b>	<b>(1,031,599)</b>	<b>(304,366)</b>	<b>(345,844)</b>	<b>(9,312,764)</b>
<b>Non-Hospital Sources</b>								
12 Restricted Cash/Money Market	126,657		(100,000)	645,000	(200,000)	(645,000)	-	(173,343)
13 Restricted Capital Donations	1,184,043	407,402	75,952	75,952	75,952	75,952	75,952	1,971,205
14 Parcel Tax Revenue	2,219,132		-	-	1,900,000	-	-	4,119,132
15 Other Payments - South Lot/LOC/Fire Claim		(250,000)	274,000	-	-	-	-	24,000
16 Other:			-	-	-	-	-	-
17 IGT			-	-	-	1,454,785	1,200,000	2,654,785
18 IGT - AB915	446,133	1,049,088	-	-	381,379	-	-	1,876,600
19 PRIME	1,350,000		-	-	-	-	-	1,350,000
<b>Sub-Total Non-Hospital Sources</b>	<b>5,325,965</b>	<b>1,206,490</b>	<b>249,952</b>	<b>720,952</b>	<b>2,157,331</b>	<b>885,737</b>	<b>1,275,952</b>	<b>11,822,379</b>
<b>Non-Hospital Uses of Cash</b>								
20 Matching Fees	300,000	-	-	641,048	600,000	-	-	1,541,048
<b>Sub-Total Non-Hospital Uses of Cash</b>	<b>300,000</b>	<b>-</b>	<b>-</b>	<b>641,048</b>	<b>600,000</b>	<b>-</b>	<b>-</b>	<b>1,541,048</b>
<b>Net Non-Hospital Sources/Uses of Cash</b>	<b>5,025,965</b>	<b>1,206,490</b>	<b>249,952</b>	<b>79,904</b>	<b>1,557,331</b>	<b>885,737</b>	<b>1,275,952</b>	<b>10,281,331</b>
<b>Net Sources/Uses</b>	<b>87,948</b>	<b>(262,204)</b>	<b>(479,406)</b>	<b>(414,982)</b>	<b>525,732</b>	<b>581,371</b>	<b>930,108</b>	
Cash and Equivalents at beginning of period	1,671,423	1,759,371	1,497,167	1,017,761	602,779	1,128,511	1,709,882	
<b>Cash and Equivalents at end of period</b>	<b>1,759,371</b>	<b>1,497,167</b>	<b>1,017,761</b>	<b>602,779</b>	<b>1,128,511</b>	<b>1,709,882</b>	<b>2,639,990</b>	