



SVHCD FINANCE COMMITTEE

AGENDA

TUESDAY, October 22, 2019

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 Vivian Woodall at vwoodall@sonomavalleyhospital.org or (707) 935.5005 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 09.24.19</p>	<i>Nevins</i>	Inform/Action
<p>4. REVIEW 1ST QUARTER FY 2020 CAPITAL SPENDING</p>	<i>Jensen</i>	Inform
<p>5. OUTPATIENT DIAGNOSTIC CENTER UPDATE</p>	<i>Mather</i>	Inform
<p>6. ADMINISTRATIVE REPORT</p>	<i>Mather</i>	Inform
<p>7. FINANCIAL REPORT MONTH END SEPTEMBER 30, 2019</p>	<i>Jensen</i>	Inform
<p>8. ADJOURN</p>	<i>Nevins</i>	



SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, SEPTEMBER 24, 2019
Schantz Conference Room

Present	Excused	Staff	Public
Sharon Nevins *Susan Porth *Peter Hohorst *Dr. Subhash Mishra via telephone *Art Grandy *Joshua Rymer via telephone		Ken Jensen, CFO Sarah Dungan Celia Kruse De La Rosa	

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 at 5:00 pm		
2. PUBLIC COMMENT SECTION	<i>Nevins</i> None		
3. CONSENT CALENDAR	<i>Nevins</i> Minutes from the 8.27.19 meeting were reviewed.	MOTION: by Hohorst to approve 2 nd by Porth. All in favor	
4. FINANCE COMMITTEE CHARTER	<i>Nevins</i> The charter was reviewed and approved. The recommendation by the committee is for Board approval.	MOTION: by Grandy to recommend to the Board for approval, 2 nd by Porth. All in favor.	
5. CURRENT INSURANCE POLICY REVIEW	<i>Jensen</i> Mr. Jensen reviewed the current insurance policy specifics.		

6. OUTPATIENT DIAGNOSTIC CENTER UPDATE	<i>Mather</i>		
	Ms. Mather was not present. Committee had the spread sheet to review		
7. ADMINISTRATIVE REPORT	<i>Mather</i>		
	Ms. Mather not present. Mr. Hohorst identified that Surgeries and Special procedures should be yellow because it is below. Community benefit hours should be yellow as well.		
8. FY2019 AUDIT UPDATE	<i>Jensen</i>		
	Mr. Jensen gave an audit update. He stated that there were further questions, but no events to report.		
9. FINANCIAL REPORT MONTH END AUGUST 31, 2019	<i>Jensen</i>		
	Mr. Jensen reviewed the financials for the month of August. The payer mix had Medicare at 44.9%, Managed Medicare at 14.1%, Medi-Cal at 16.9%, and commercial at 19.9%. Average days of cash on hand for the month was 36.6 days. Accounts Payable days was 39.5 and Accounts Receivable days was 42.8. Based on a review of the current cash flow report for August 2019, and the projections through November when we receive our first parcel tax distribution, no cash is projected to be available for LOC payments until the end of November. The committee approved the review of this projection on a monthly basis and report to the Board, as actual events may change the projections.		
11. ADJOURN	<i>Nevins</i>		
	5:51 pm		

Sonoma Valley Hospital

Capital Spending, CIP, and Capital Leases

For Fiscal Years Ending June 30, 2016, 2017, 2018, 2019, & YTD FY 2020

Foundation Support:

Dept #	Department	DESCRIPTION	FY 2016	FY 2017	FY 2018	FY 2019	YTD FY 2020
6171	OB	Panda infant warmer	41,465				
6171	OB	Natus Hearing Screening	21,397				
	MRI	1.5 8 Channel Knee Coil		42,211			
7420	Surgery	Mini C-Arm		68,819			
7420	Surgery	Stryker Audio/Video Integration Upgrade (Tower System)		378,302			
6171	OB	Philips Fetal Monitor - 2		47,724			
7420	Surgery	TruClear Hysteroscope System		41,700			
6171	OB	Jaundice Meter JM-105			7,332		
7500	Laboratory	GramPro Slide Strainer			6,914		
7420	Surgery/A Women's Place	Mammutone Neoprobe			44,244		
7631	Mammography	3 D Hologic Equipment			428,718		
7631	Mammography	Construction/furnishings/service eqt			612,596		
7631	Mammography	3D Reading Monitor			31,102		
8340	Dietary	Walk in Freezer				8,498	
7500	Laboratory	ABL Flex Plus Analyzer				16,049	
8450	Engineering/Plant Ops	Infrared Thermal Imager					10,336
6010	ICU	Patient Lift for ICU					8,605
Foundation Support Sub-total			\$ 62,862	\$ 578,756	\$ 1,130,906	\$ 24,547	\$ 18,941

Equipment:

Dept #	Department	DESCRIPTION	FY 2016	FY 2017	FY 2018	FY 2019	YTD FY 2020
7630	Medical Imaging	Dual Tower Imaging Table	6,296				
7670	Ultrasound	GE Ultrasound - Interface Software	14,681				
6171	OB	Epidural pumps	7,962				
9552	Timeshare	X-ray Machine	42,800				
8340	Dietary	Water & Ice dispenser	5,052				
8340	Dietary	Steamer Table with Stand	8,146				
7420	Surgery	Reconditioned Microscope	7,138				
7420	Surgery	High Flow Insufflator		7,642			
7420	Surgery	Rhizo Radio Freq Ablator		21,616			
7430	Ambulatory Care	Transport Gurney 30"		4,170			
7430	Ambulatory Care	Eye Surgery Stretcher		6,801			
7420	Surgery	Signia XL Bariatric Stapler		39,655			
7630	Medical Imaging	Empower CTA injector system			22,480		
7420	Surgery	Trimano Adapter/Support Arm			17,923		
8340	Dietary	Double Oven			7,586		
7420	Surgery	Amsco Steris Table			12,500		
8700	Medical Records	Misc Furniture/ reclassified CIP			6,550		
7420	Surgery	G6 Cyclo System Optical laser			21,432		
8340	Dietary	Mobile shelving - Uline				6,909	
8480	Information Systems	GHA Technologies UCSF Telemedicine Cart				8,265	
7420	Surgery	Stryker Medical - Refurbished PI drive/attachments				15,415	
7420	Surgery	Olympus - EVIS EXERA III				29,716	
8450	Engineering/Plant Ops	UCSF signage - multiple sites				8,182	
7420	Surgery	Stryker Medical - System 8 Drill/saws				107,487	
Equipment Sub-total			\$ 92,075	\$ 79,884	\$ 88,471	\$ 175,974	\$ -

Sonoma Valley Hospital
 Capital Spending, CIP, and Capital Leases
 For Fiscal Years Ending June 30, 2016, 2017, 2018, 2019, & YTD FY 2020

Information Systems/Electronic Health Records:

Dept #	Department	DESCRIPTION	FY 2016	FY 2017	FY 2018	FY 2019	YTD FY 2020
8480	Information Systems	Wyse D90D7 Thin Clients	9,000				
8480	Information Systems	Single Sign On System		81,506			
8480	Information Systems	Computrition - Hospitality Suite Menu Plnr		93,897			
8480	Information Systems	E H R Phase III: E-RX & ECQM - Closed CIP			38,637		*Closed CIP
8480	Information Systems	E H R Phase IV: Purge PHI/Host One Content - Closed CIP			53,268		*Closed CIP
8480	Information Systems	E H R Phase V: Paragon 14 Upgrade - Closed CIP			55,920		*Closed CIP
8480	Information Systems	E H R Phase VI: Eligibility of Insurance Module - Closed CIP			7,964		*Closed CIP
8480	Information Systems	E H R Phase VII: HUB - Closed CIP			98,449		*Closed CIP
8480	Information Systems	9 HP Elite Notebooks			11,728		
8480	Information Systems	Citrix Platinum Netscaler Upgrade			255,639		
Equipment Sub-total			\$ 9,000	\$ 175,403	\$ 521,605	\$ -	\$ -

Building/Leasehold Improvements

Dept #	Department	DESCRIPTION	FY 2016	FY 2017	FY 2018	FY 2019	YTD FY 2020
8450	Engineering/Plant Ops	Nurse Call System - Closed CIP	249,567				*Closed CIP
8450	Engineering/Plant Ops	Carpet - Hallway	66,282				
8450	Engineering/Plant Ops	Otto Construction - Site Bench	16,661				
8450	Engineering/Plant Ops	Automatic doors - Lobby	13,163				
9553	Timeshare - 462 W. Napa	462 W. Napa Timeshare - Closed CIP	50,740				*Closed CIP
8450	Engineering/Plant Ops	Spring pumps - 2 (basement)	9,100				
8450	Engineering/Plant Ops	NPC2 - Closed CIP	14,412				
8450	Engineering/Plant Ops	ER Communications - Closed CIP	10,853				*Closed CIP
8450	Engineering/Plant Ops	Rewire 3rd Floor TV Cable		9,406			
8450	Engineering/Plant Ops	Metro Electric - 3rd Floor Cabling			30,160		
8450	Engineering/Plant Ops	Fire Alarm 2nd floor Replacement - Closed CIP	55,649	101,458			*Closed CIP
8450	Engineering/Plant Ops	SNF Nurse Call - Closed CIP		174,625	21,135		*Closed CIP
8450	Engineering/Plant Ops	SNF Pipes - Closed CIP		109,509			*Closed CIP
8450	Engineering/Plant Ops	Lobby Upgrade - Closed CIP	135,710	46,665			*Closed CIP
8450	Engineering/Plant Ops	Additional 3rd Floor Cabling			13,460		*Closed CIP
7073	SFP Clinic - Perkins	Conklin Bros Flooring				16,859	
Infrastructure Sub-total			622,137	441,663	64,755	16,859	-
Total Capital Assets			\$ 786,074	\$ 1,275,706	\$ 1,805,736	\$ 217,380	\$ 18,941
Recap:							
Capital Spend - Hospital			723,212	696,950	674,830	192,833	-
Capital Spend - Foundation			62,862	578,756	1,130,906	24,547	18,941
Total Capital Assets			\$ 786,074	\$ 1,275,706	\$ 1,805,736	\$ 217,380	\$ 18,941

Sonoma Valley Hospital
Capital Spending, CIP, and Capital Leases
 For Fiscal Years Ending June 30, 2016, 2017, 2018, 2019, & YTD FY 2020

Account #	Construction In Progress (CIP)	CIP Budget	Spent to Date	CIP Balance at		Spending Fiscal		CIP Balance		
				6/30/2019	YTD 2019	YTD 2019	Fiscal YTD 2020	Fiscal YTD 2020		
1258-0050	ODC - Project 1	11,500,000	2,472,709	2,128,302	337,442	2,465,744				Foundation
1258-0060	Conversion of Rooms 215-217	66,110	107,465	104,104	3,361	107,465				Operations
1258-0440	EHR Implementation	6,315,356	5,110,075	107,882	(70,882)	37,000				MedOne Leases/operations
1258-0800	A Women's Place	61,400	55,882	55,882		55,882				Foundation
1258-0820	CIP - 3rd Floor Acute Care Move	230,000	253,014	250,729	2,285	253,014				Foundation
1257-0180	CIP Basement/1st floor Flood 2019		25,000	75,302	(50,302)	25,000				Insurance (25K deductible)
CIP Balance			\$ 18,172,866	\$ 8,024,145	\$ 2,722,201	\$ 221,904	\$ 2,944,105			

Capital Financing/Leasing:

Dept #	Department	DESCRIPTION	Previous Years	FY 2016	FY 2017	FY 2018	YTD FY 2019	Monthly Cost	Term	Final Payment	
8450	CEC Loan Phase 1	California Energy Commission loan	443,774					3,563	180 Months	06/22/2023	Bi-annual Payments
8450	CEC Loan Phase 2	California Energy Commission loan	675,452					7,796	96 Months	06/22/2022	Bi-annual Payments
8480	Med One - EHR	E.H.R. - Equipment (multiple vendors)	638,260						60 Months	12/09/2018	Complete
7660	GE - MRI Van	MRI	1,008,145					14,295	84 Months	03/01/2020	Financing
Various	First American Equipment Finance	Construction/Equipment	652,488						60 Months	12/01/2018	Complete
Various	Celtic Finance	Various Equipment	2,719,041					47,158	60 Months	09/30/2019	Quarterly Payments
Various	Celtic Finance - #2	Various Equipment		238,462				4,457	60 Months	01/31/2021	Quarterly Payments
7630	Medical Imaging	Fluoroscopy Equipment			418,171			7,717	60 Months	12/01/2021	Financing
7630	Medical Imaging	Fluoroscopy Construction Costs			401,328			12,204	36 Months	12/21/2019	Financing
7420	Surgery	Cyclo G6 Laser console with Probes				21,432		595	36 Months	02/22/2021	Interest free
7420	Surgery	Gastrosopes (3)				121,500		3,375	36 Months	01/31/2021	Operating Lease
8480	Information Systems	Citrix Netscaler				124,598	255,639	6,677	48 Months	08/01/2022	Annual payments
Capital Financing/Leasing Total			\$ 6,137,159	\$ 238,462	\$ 819,499	\$ 267,530	\$ 255,639	\$ 107,838			



To: SVHCD Board of Directors
From: Kelly Mather
Date: 9/26/19
Subject: Administrative Report

Summary

We completed the community perception survey and a summary of the findings will be shared with the October board, with administration and at the staff forums in November.

Strategic Update from FY 2020 Strategic Plan:

Strategic Priorities	Update
Exceed Community Expectations in Emergency Services	<ul style="list-style-type: none"> ➤ We have completed the interview phase of the new branding initiative and meet this month with a select team of stakeholders to begin forming the new brand. This was funded by the foundation. ➤ The community overwhelmingly agrees that we need an ER in our community based on the latest survey. ➤ We continue the E.D. marketing campaign and have had positive responses to our on line communications.
Create UCSF Health Outpatient Center	<ul style="list-style-type: none"> ➤ We have raised \$18 million towards the goal of \$21 million to complete the new CT, MRI suites and upgrade the facilities in the new Outpatient Diagnostic Center (ODC.) ➤ We plan to break ground on the first phase of the ODC by December, 2019. ➤ The quarterly meeting will be held with UCSF on October 24th.
Become a 5 Star Hospital	<ul style="list-style-type: none"> ➤ We started an Employee Council with a representative from each department in September. This team will meet quarterly and we are already getting some great suggestions from the teams. ➤ The MDM Journey patient education system will go live this month. ➤ Patient experience continues to improve this year and the team is focused on food quality and communication about medications.
Provide Access to Excellent Physicians	<ul style="list-style-type: none"> ➤ There are two new orthopedic surgeons and one is getting very busy. ➤ Now that Prima has more space and they are up on EPIC, we are discussing recruitment of another Primary Care Physician (possibly a Geriatrician.) ➤ We continue to work on the plans to bring several physicians from UCSF to Sonoma. ➤ We are partnering with Meritage Medical Network and have decided to stay with Western Health Advantage for our health plan with decreased costs.
Healthy Hospital	<ul style="list-style-type: none"> ➤ Dr. Aronson from UCSF spoke to over 100 people at Vintage House on “Elderhood” which is based on her NY Times bestselling book ➤ The Valley of the Moon Post Acute unit is now almost full and they have stabilized both the patient volume and the staff. They had another good month in August. ➤ A meeting with Satellite Healthcare (Dialysis company) will be held this week to discuss options for them renting the 2nd floor ➤ Partnership is interested in talking about options for our 2nd floor and they will visit in the next month.

AUGUST 2019

			National Benchmark
Patient Experience	Current Performance	FY 2020 Goal	
Would Recommend Hospital	80%	> 70 percent	50th percentile
Inpatient Overall Rating	80%	>70 percent	50th percentile
Outpatient Services	4.7	4.5	3.8
Emergency Department	4.6	4.5	3.8
Quality & Safety	YTD Performance	FY 2020 Goal	Benchmark
Central Line Infection	0	<1	<.51
Catheter Infection	0	<1	<1.04
Surgery Site Infection – Colon	0	<1	N/A
Surgery Site Infection – Joint	0	<1.5%	N/A
MRSA Bacteremia	0	<.13	<.13
C. Difficile	0	3.5	7.4/10,000 pt days
Patient Safety Indicator	0	<1	<1
Heart Failure Mortality Rate	12.5%	13%	17.3%
Pneumonia Mortality Rate	18.1%	20%	23.6%
Stroke Mortality Rate	14.7%	15%	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	3	< 10	17
Adverse Drug Events with Harm	0	0	0
Reportable HIPAA Privacy Events	0	0	0
Case Mix Index	1.49	1.4	1.3
Hospital Star Rating	4	4	3
Staff Satisfaction	Performance	FY 2020 Goal	Benchmark
Staff Pulse Survey	4.17 out of 5	>3.8	75%
Turnover	2.6%	< 15%	< 20%
Financial Stability	YTD Performance	FY 2020 Goal	Benchmark
EBDA	28.2%	3%	3%
Paid FTE's	226	<230	n/a
Days Cash on Hand	36	20	30
Days in Accounts Receivable	42	45	50
Length of Stay	3.4	3.85	4.03
Funds raised by SVHF	\$18 million	\$21 million	\$1 million
Strategic Growth	YTD Performance	FY 2020 Goal	FY 2019
Inpatient Discharges	148/888	900	984
Outpatient Visits	8847/53,082	55,000	54,596
Emergency Visits	1976/11,856	10,000	10,181
Surgeries + Special Procedures	482/2892	3000	2950
Community Benefit Hours	254/1524	1000	1222

Note: Colors demonstrate comparison to National Benchmark



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: October 22, 2019
Subject: Financial Report for the Month Ending September 30, 2019

For the month of September the hospital's actual operating loss of (\$586,103) was \$267,114 favorable to the budgeted loss of (\$853,217). After accounting for all other activity; the net income for September was \$36,515 vs. the budgeted net loss of (\$193,797) with a monthly EBDA of -1.1% vs. a budgeted -8.7%.

Gross patient revenue for September was \$21,883,984, \$2,050,848 over budget. Inpatient gross revenue was under budget by (\$1,055,510). Inpatient days were over budget by 3 days and inpatient surgeries were under budget by (6) cases, and the overall acuity levels were below average. Outpatient gross revenue was over budget by \$1,972,670. Outpatient visits were over budgeted expectations by 239 visits, outpatient surgeries were over budgeted expectations by 5 cases, and special procedures were over budget by 3 cases. The Emergency Room gross revenue was over budget by \$1,133,688 with ER visits over budgeted expectations by 107 visits.

Deductions from revenue were unfavorable to budgeted expectations by (\$1,849,067) which is due to outpatient and emergency gross revenue being over budgeted expectations and an increase in reserves due to prior month accounts.

After accounting for all other operating revenue, the **total operating revenue** was favorable to budgeted expectations by \$202,839.

Operating Expenses of \$4,222,093 were favorable to budget by \$67,275. Salaries and wages and agency fees were over budget by (\$44,379) due to higher than budgeted wages in Med-Surg and the Emergency room due to higher volumes. Employee benefits were on budget. Purchased Services are under budget by \$34,022 due budgeted services not used in the month of September. Interest expense is under budget by \$20,347 due to lower than budgeted vendor financing costs and lower than budgeted LOC interest.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for September was (\$287,689) vs. a budgeted net loss of (\$566,958). The hospital received \$160,903 in restricted contributions from the Sonoma Valley Hospital Foundation in



September. The total net income for September after all activity was \$36,515 vs. a budgeted net loss of (\$193,797).

EBDA for the month of September was -1.1% vs. the budgeted -8.7%.

Patient Volumes – September

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	71	81	-10	90
Acute Patient Days	312	309	3	337
Observation Days	17	0	17	23
OP Gross Revenue	\$16,433	\$13,327	\$3,106	\$13,946
Surgical Cases	143	144	-1	182

Gross Revenue Overall Payer Mix – September

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	39.8%	41.8%	-2.0%	42.1%	41.8%	0.3%
Medicare Mgd Care	12.5%	14.1%	-1.6%	13.6%	14.1%	-0.5%
Medi-Cal	17.1%	17.7%	-0.6%	16.9%	17.6%	-0.7%
Self-Pay	2.3%	1.5%	0.8%	2.0%	1.5%	0.5%
Commercial	24.4%	20.7%	3.7%	22.2%	20.8%	1.4%
Workers Comp	2.8%	2.3%	0.5%	2.4%	2.3%	0.1%
Capitated	1.1%	1.9%	-0.8%	0.8%	1.9%	-1.1%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for September:

For the month of September the cash collection goal was \$3,598,838 and the Hospital collected \$3,482,668, or under the goal by (\$116,170). The year-to-date cash collection goal was \$11,372,854 and the Hospital has collected \$10,483,014, or under goal by (\$889,840). The AR Days have increased from prior month and we are currently reviewing the AR Aging report to identify aged accounts.

	CURRENT MONTH	PRIOR MONTH	VARIANCE	PRIOR YEAR
Days of Cash on Hand – Avg.	28.0	36.6	-8.6	11.7
Accounts Receivable Days	44.0	42.8	1.2	43.0
Accounts Payable	\$2,780,037	\$2,621,829	\$158,208	\$3,415,072
Accounts Payable Days	41.3	39.5	1.8	41.9

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
- Attachment F is the Cash Projection



Sonoma Valley Hospital
Payer Mix for the month of September 30, 2019

ATTACHMENT A

YTD

Gross Revenue:	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	8,704,423	8,285,810	418,613	5.1%	27,080,386	25,062,746	2,017,640	8.1%
Medicare Managed Care	2,735,523	2,789,743	-54,220	-1.9%	8,788,845	8,439,878	348,967	4.1%
Medi-Cal	3,727,881	3,492,397	235,484	6.7%	10,875,790	10,565,357	310,433	2.9%
Self Pay	493,223	306,577	186,646	60.9%	1,265,703	927,302	338,401	36.5%
Commercial & Other Government	5,354,326	4,122,224	1,232,102	29.9%	14,362,078	12,479,302	1,882,776	15.1%
Worker's Comp.	618,299	452,237	166,062	36.7%	1,572,562	1,372,247	200,315	14.6%
Capitated	250,309	384,148	-133,839	-34.8%	532,788	1,164,197	-631,409	-54.2%
Total	21,883,984	19,833,136	2,050,848		64,478,152	60,011,029	4,467,123	

Net Revenue:	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	945,279	1,090,149	-144,870	-13.3%	3,317,909	3,308,283	9,626	0.3%
Medicare Managed Care	340,788	331,142	9,646	2.9%	1,085,536	1,001,813	83,723	8.4%
Medi-Cal	315,509	358,669	-43,160	-12.0%	966,152	1,085,062	-118,910	-11.0%
Self Pay	281,137	155,496	125,641	80.8%	704,158	470,328	233,830	49.7%
Commercial & Other Government	1,476,684	1,244,912	231,772	18.6%	4,210,819	3,761,748	449,071	11.9%
Worker's Comp.	120,222	95,060	25,162	26.5%	328,645	288,446	40,199	13.9%
Capitated	4,581	6,991	-2,410	-34.5%	11,348	21,188	-9,840	-46.4%
Prior Period Adj/IGT	56,250	56,250	0	0.0%	169,000	595,669	-426,669	-71.6%
Total	3,540,450	3,338,669	201,781	6.0%	10,793,567	10,532,537	261,030	2.5%

Percent of Net Revenue:	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	26.8%	32.7%	-5.9%	-18.0%	30.7%	31.4%	-0.8%	-2.5%
Medicare Managed Care	9.6%	9.9%	-0.3%	-3.0%	10.1%	9.5%	0.6%	6.3%
Medi-Cal	8.9%	10.7%	-1.8%	-16.8%	9.0%	10.3%	-1.3%	-12.6%
Self Pay	7.9%	4.7%	3.2%	68.1%	6.5%	4.5%	2.0%	44.4%
Commercial & Other Government	41.7%	37.3%	4.4%	11.8%	39.0%	35.7%	3.3%	9.2%
Worker's Comp.	3.4%	2.8%	0.6%	21.4%	3.0%	2.7%	0.3%	11.1%
Capitated	0.1%	0.2%	-0.1%	-50.0%	0.1%	0.2%	-0.1%	-50.0%
Prior Period Adj/IGT	1.6%	1.7%	-0.1%	-5.9%	1.6%	5.7%	-4.1%	-71.9%
Total	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	4.0%	4.0%

Projected Collection Percentage:	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	10.9%	13.2%	-2.3%	-17.4%	12.3%	13.2%	-0.9%	-6.8%
Medicare Managed Care	12.5%	11.9%	0.6%	5.0%	12.4%	11.9%	0.5%	4.2%
Medi-Cal	8.5%	10.3%	-1.8%	-17.5%	8.9%	10.3%	-1.4%	-13.6%
Self Pay	57.0%	50.7%	6.3%	12.4%	55.6%	50.7%	4.9%	9.7%
Commercial & Other Government	27.6%	30.2%	-2.6%	-8.6%	29.3%	30.1%	-0.8%	-2.7%
Worker's Comp.	19.4%	21.0%	-1.6%	-7.6%	20.9%	21.0%	-0.1%	-0.5%

**SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended September 30, 2019**

ATTACHMENT B

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual 09/30/19</u>	<u>Budget 09/30/19</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual 09/30/19</u>	<u>Budget 09/30/19</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 09/30/18</u>
Inpatient Utilization								
Discharges								
1	60	69	(9)	Med/Surg	183	208	(25)	230
2	11	12	(1)	ICU	36	37	(1)	26
3	71	81	(10)	Total Discharges	219	245	(26)	256
Patient Days:								
4	229	230	(1)	Med/Surg	620	694	(74)	763
5	83	79	4	ICU	201	237	(36)	226
6	312	309	3	Total Patient Days	821	931	(110)	989
7	17	-	17	Observation days	47	-	47	23
Average Length of Stay:								
8	3.8	3.3	0.5	Med/Surg	3.4	3.3	0.1	3.3
9	7.5	6.4	1.2	ICU	5.6	6.4	(0.8)	8.7
10	4.4	3.8	0.6	Avg. Length of Stay	3.7	3.8	(0.0)	3.9
Average Daily Census:								
11	7.6	7.7	(0.0)	Med/Surg	6.7	7.5	(0.8)	8.3
12	2.8	2.6	0.1	ICU	2.2	2.6	(0.4)	2.5
13	10.4	10.3	0.1	Avg. Daily Census	8.9	10.1	(1.2)	10.8
Other Utilization Statistics								
Emergency Room Statistics								
14	939	832	107	Total ER Visits	2,915	2,522	393	2,525
Outpatient Statistics:								
15	4,431	4,192	239	Total Outpatients Visits	13,278	12,731	547	12,901
16	21	27	(6)	IP Surgeries	71	80	(9)	80
17	122	117	5	OP Surgeries	388	354	34	421
18	74	71	3	Special Procedures	240	216	24	301
19	285	330	(45)	Adjusted Discharges	872	1,011	(140)	957
20	1,252	941	310	Adjusted Patient Days	3,264	2,852	412	7,740
21	41.7	31.4	10.3	Adj. Avg. Daily Census	35.5	31.0	4.5	84.1
22	1.1700	1.4000	(0.230)	Case Mix Index - Medicare	1.3581	1.4000	(0.042)	1.4579
23	1.3530	1.4000	(0.047)	Case Mix Index - All payers	1.4589	1.4000	0.059	1.4502
Labor Statistics								
24	212	212	0	FTE's - Worked	206	211	4.1	276
25	235	237	2	FTE's - Paid	229	235	6.8	311
26	44.41	42.90	(1.51)	Average Hourly Rate	44.31	42.86	(1.45)	42.67
27	5.62	7.54	1.92	FTE / Adj. Pat Day	6.45	7.60	1.15	3.69
28	32.0	43.0	11.0	Manhours / Adj. Pat Day	36.7	43.3	6.6	21.0
29	140.7	122.5	(18.2)	Manhours / Adj. Discharge	137.6	122.1	(15.5)	170.2
30	23.5%	24.5%	1.0%	Benefits % of Salaries	23.4%	24.1%	0.7%	22.5%
Non-Labor Statistics								
31	13.7%	15.4%	1.8%	Supply Expense % Net Revenue	13.4%	14.7%	1.3%	12.5%
32	1,710	1,577	(133)	Supply Exp. / Adj. Discharge	1,676	1,549	(127)	1,833
33	15,203	13,311	(1,892)	Total Expense / Adj. Discharge	14,878	13,282	(1,596)	16,663
Other Indicators								
34	26.7			Days Cash - Operating Funds				
35	44.0	50.0	(6.0)	Days in Net AR	42.9	50.0	(7.1)	43.8
36	97%			Collections % of Net Revenue	92%			99.4%
37	41.3	55.0	(13.7)	Days in Accounts Payable	41.3	55.0	(13.7)	43.9
38	16.3%	17.0%	-0.7%	% Net revenue to Gross revenue	16.9%	17.7%	-0.9%	19.9%
39	17.4%			% Net AR to Gross AR	17.4%			21.7%

Sonoma Valley Health Care District
Balance Sheet
As of September 30, 2019

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	\$ 2,421,736	\$ 1,291,406	\$ 1,130,954
2 Cash - Money Market	1,034,199	2,533,925	957,496
3 Net Patient Receivables	6,599,234	6,728,831	8,588,498
4 Allow Uncollect Accts	(1,358,265)	(1,331,193)	(1,272,002)
5 Net A/R	5,240,969	5,397,638	7,316,496
6 Other Accts/Notes Rec	254,152	185,231	(25,625)
7 Parcel and GO Bond Tax Receivable	6,753,183	6,753,183	6,657,849
8 3rd Party Receivables, Net	1,260,665	1,213,627	981,576
9 Inventory	885,848	887,752	852,258
10 Prepaid Expenses	764,647	786,734	855,096
11 Total Current Assets	\$ 18,615,399	\$ 19,049,496	\$ 18,726,100
12 Property, Plant & Equip, Net	\$ 49,156,899	\$ 49,312,029	\$ 51,673,320
13 Trustee Funds - GO Bonds	2,951,154	5,177,232	2,482,503
14 Other Assets	-	-	-
15 Total Assets	\$ 70,723,452	\$ 73,538,757	\$ 72,881,923
Liabilities & Fund Balances			
Current Liabilities:			
16 Accounts Payable	\$ 2,780,037	\$ 2,621,829	\$ 3,415,072
17 Accrued Compensation	3,119,053	3,038,565	3,538,598
18 Interest Payable - GO Bonds	190,846	700,024	201,523
19 Accrued Expenses	1,489,035	1,784,345	1,303,922
20 Advances From 3rd Parties	178,436	237,426	99,490
21 Deferred Parcel & GO Bond Tax Revenue	5,178,584	5,753,983	5,139,926
22 Current Maturities-LTD	473,750	542,343	1,092,672
23 Line of Credit - Union Bank	6,098,734	6,098,734	6,723,734
24 Other Liabilities	1,386	1,386	1,951,386
25 Total Current Liabilities	\$ 19,509,861	\$ 20,778,635	\$ 23,466,323
26 Long Term Debt, net current portion	\$ 28,824,444	\$ 30,419,490	\$ 33,119,851
Fund Balances:			
27 Unrestricted	\$ 15,012,291	\$ 15,124,679	\$ 10,752,074
28 Restricted	7,376,856	7,215,953	5,543,675
30 Total Fund Balances	\$ 22,389,147	\$ 22,340,632	\$ 16,295,749
31 Total Liabilities & Fund Balances	\$ 70,723,452	\$ 73,538,757	\$ 72,881,923

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended September 30, 2019**

ATTACHMENT D

	Month				Volume Information	Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual		\$	%		Actual	Budget	\$	%		
1	71	81	(10)	-12%	Acute Discharges	219	245	(26)	-11%	256	
2	312	309	3	1%	Patient Days	821	931	(110)	-12%	989	
3	17	-	17	0%	Observation Days	47	-	47	*	13	
4	16,433	13,327	3,106	23%	Gross O/P Revenue (000's)	48,264	40,431	7,832	19%	\$ 45,509	
Financial Results											
Gross Patient Revenue											
5	\$ 5,450,776	\$ 6,506,286	(1,055,510)	-16%	Inpatient	\$ 16,213,890	\$ 19,579,750	(3,365,860)	-17%	\$ 24,961,544	
6	9,846,559	7,873,889	1,972,670	25%	Outpatient	27,890,701	23,913,831	3,976,870	17%	26,375,448	
7	6,586,649	5,452,961	1,133,688	21%	Emergency	20,373,561	16,517,448	3,856,113	23%	19,159,336	
8	\$ 21,883,984	\$ 19,833,136	2,050,848	10%	Total Gross Patient Revenue	\$ 64,478,152	\$ 60,011,029	4,467,123	7%	\$ 70,496,328	
Deductions from Revenue											
9	(18,149,784)	(16,377,045)	(1,772,739)	-11%	Contractual Discounts	\$ (53,175,785)	\$ (49,553,145)	(3,622,640)	-7%	\$ (56,698,718)	
10	(250,000)	(150,000)	(100,000)	-67%	Bad Debt	(650,000)	(450,000)	(200,000)	-44%	(360,000)	
11	-	(23,672)	23,672	100%	Charity Care Provision	(27,800)	(71,016)	43,216	61%	(68,325)	
12	56,250	56,250	-	0%	Prior Period Adj/Government Program Revenue	169,000	595,669	(426,669)	*	376,272	
13	\$ (18,343,534)	\$ (16,494,467)	(1,849,067)	11%	Total Deductions from Revenue	\$ (53,684,585)	\$ (49,478,492)	(4,206,093)	9%	\$ (56,750,771)	
14	\$ 3,540,450	\$ 3,338,669	201,781	6%	Net Patient Service Revenue	\$ 10,793,567	\$ 10,532,537	261,030	2%	\$ 13,745,557	
15	\$ 24,943	\$ 35,682	(10,739)	-30%	Risk contract revenue	\$ 75,714	\$ 107,046	(31,332)	-29%	\$ 282,950	
16	\$ 3,565,393	\$ 3,374,351	191,042	6%	Net Hospital Revenue	\$ 10,869,281	\$ 10,639,583	229,698	2%	\$ 14,028,507	
17	\$ 70,597	\$ 58,800	11,797	20%	Other Op Rev & Electronic Health Records	\$ 169,038	\$ 176,400	(7,362)	-4%	\$ 35,512	
18	\$ 3,635,990	\$ 3,433,151	202,839	6%	Total Operating Revenue	\$ 11,038,319	\$ 10,815,983	222,336	2%	\$ 14,064,019	
Operating Expenses											
19	\$ 1,780,272	\$ 1,735,893	(44,379)	-3%	Salary and Wages and Agency Fees	\$ 5,312,332	\$ 5,290,180	(22,152)	0%	\$ 6,948,788	
20	655,808	653,446	(2,362)	0%	Employee Benefits	1,963,667	1,969,672	6,005	0%	2,473,235	
21	\$ 2,436,080	\$ 2,389,339	(46,741)	-2%	Total People Cost	\$ 7,275,999	\$ 7,259,852	(16,147)	0%	\$ 9,422,023	
22	\$ 426,438	\$ 434,495	8,057	2%	Med and Prof Fees (excl Agency)	\$ 1,291,957	\$ 1,304,047	12,090	1%	\$ 1,431,467	
23	487,060	520,641	33,581	6%	Supplies	1,460,626	1,566,194	105,568	7%	1,754,206	
24	335,850	369,872	34,022	9%	Purchased Services	984,987	1,109,952	124,965	11%	1,109,731	
25	246,226	266,763	20,537	8%	Depreciation	740,092	800,289	60,197	8%	877,109	
26	112,608	115,209	2,601	2%	Utilities	330,279	345,555	15,276	4%	336,877	
27	37,783	39,582	1,799	5%	Insurance	118,042	118,746	704	1%	105,960	
28	30,405	50,752	20,347	40%	Interest	115,211	162,113	46,902	29%	147,476	
29	109,643	99,715	(9,928)	-10%	Other	317,470	299,959	(17,511)	-6%	288,379	
30	-	-	-	#DIV/0!	Matching Fees (Government Programs)	0	130,086	130,086	100%	0	
31	\$ 4,222,093	\$ 4,286,368	64,275	1%	Operating expenses	\$ 12,634,663	\$ 13,096,793	462,130	4%	\$ 15,473,228	
32	\$ (586,103)	\$ (853,217)	267,114	31%	Operating Margin	\$ (1,596,344)	\$ (2,280,810)	684,466	30%	\$ (1,409,209)	

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended September 30, 2019**

ATTACHMENT D

	Month					Year-To- Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual		\$	%		Actual	Budget	\$	%		
33	\$ (3,318)	\$ (18,367)	15,049	-82%						\$ (28,975)	
34	-	1,375	(1,375)	-100%						818	
35	(13,416)	(13,416)	-	0%						(166,132)	
36	316,667	316,667	-	0%						950,001	
37	(1,519)	0	(1,519)	0%						0	
38	<u>\$ 298,414</u>	<u>\$ 286,259</u>	<u>13,674</u>	<u>4%</u>						<u>\$ 755,712</u>	
39	<u>\$ (287,689)</u>	<u>\$ (566,958)</u>	<u>279,269</u>	<u>-49%</u>	Net Income / (Loss) prior to Restricted Contributions	<u>\$ 1,305,140</u>	<u>\$ (223,183)</u>	<u>1,529,951</u>	<u>-686%</u>	<u>\$ (653,497)</u>	
40	\$ -	\$ -	-	0%						\$ 29,530	
41	\$ 160,903	\$ 209,860	(48,957)	0%	Capital Campaign Contribution	\$ -	\$ -	-	0%	\$ 622,889	
42	<u>\$ (126,786)</u>	<u>\$ (357,098)</u>	<u>230,312</u>	<u>-64%</u>	Restricted Foundation Contributions	\$ 508,154	\$ 629,580	(121,426)	100%	<u>\$ (1,078)</u>	
					Net Income / (Loss) w/ Restricted Contributions	<u>\$ 1,813,294</u>	<u>\$ 406,397</u>	<u>1,406,897</u>	<u>346%</u>		
43	163,301	163,301	-	0%	GO Bond Activity, Net	484,566	484,566	-	0%	455,996	
44	<u>\$ 36,515</u>	<u>\$ (193,797)</u>	<u>230,312</u>	<u>-119%</u>	Net Income/(Loss) w GO Bond Activity	<u>\$ 2,297,860</u>	<u>\$ 890,963</u>	<u>1,406,897</u>	<u>158%</u>	<u>\$ 454,918</u>	
	\$ (41,463)	\$ (300,195)	258,732		EBDA - Not including Restricted Contributions	\$ 2,045,232	\$ 577,106	1,468,126		\$ 223,612	
	-1.1%	-8.7%				18.5%	5.3%			1.6%	

Sonoma Valley Health Care District
Variance Analysis
For the Period Ended September 30, 2019

ATTACHMENT E

Description	YTD Variance	MONTH Variance	
Operating Expenses			
Salary and Wages and Agency Fees	(22,152)	(44,379)	Salaries and Wages are over budget by (\$47,749) and Agency fees are under budget by \$3,370. Salaries and wages are over budget in Med-Surg (\$25,018) and the ER (\$44,605) due to higher volumes.
Employee Benefits	6,005	(2,362)	
Total People Cost	(16,147)	(46,741)	
Med and Prof Fees (excl Agency)	24,090	8,057	
Supplies	105,568	33,581	Supplies were over budget in surgery by (\$19,502) due to higher OP surgery volume. This was offset by lower than budgeted costs for Pharmaceuticals \$54,554 due to cost saving strategies with non-capitated high cost drugs.
Purchased Services	124,965	34,022	Purchased services are under budget due to budgeted services not used in September.
Depreciation	60,197	20,537	
Utilities	15,276	2,601	
Insurance	704	1,799	
Interest	46,902	20,347	Lower than budgeted vendor financing costs and lower than budgeted LOC interest.
Other	(17,511)	(9,928)	
Matching Fees (Government Programs)	130,086	-	
Operating expenses	474,130	64,275	
Operating Margin	696,466	267,114	

Sonoma Valley Hospital
Cash Forecast
FY 2020

ATTACHMENT F

	Actual July	Actual Aug	Actual Sept	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources													
1 Patient Payments Collected	4,267,579	3,747,119	3,783,981	3,249,302	3,500,396	3,532,439	3,751,470	3,542,450	3,900,174	3,665,360	3,802,680	3,701,357	44,444,307
2 Capitation Revenue	26,337	24,434	24,943	35,682	35,682	35,682	35,682	35,682	35,682	35,682	35,682	35,682	396,852
3 Napa State	2,565	983	6,153	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	110,781
4 Other Operating Revenue	27,168	113,630	31,381	58,800	58,800	58,800	58,800	58,800	58,800	58,800	58,800	58,800	701,378
5 Other Non-Operating Revenue	38,832	43,824	24,455	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,785	339,256
6 Unrestricted Contributions	12,593		755	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	25,723
7 Line of Credit													-
Sub-Total Hospital Sources	4,375,074	3,929,990	3,871,668	3,382,185	3,633,279	3,665,322	3,884,353	3,675,333	4,033,057	3,798,243	3,935,563	3,834,230	46,018,297
Hospital Uses of Cash													
8 Operating Expenses	4,751,297	5,353,928	4,260,382	4,373,786	4,129,462	4,054,955	4,138,949	3,997,057	4,178,725	4,189,515	4,510,074	4,085,675	52,023,806
9 Add Capital Lease Payments	111,366	185,165	32,638	388,473	32,640	99,640	81,640	32,640	32,640	18,990	18,990	85,990	1,120,812
10 Additional Liabilities/LOC		625,000								625,000			1,250,000
11 Capital Expenditures	435,215	73,951	160,473	209,860	209,860	209,860	209,860	209,860	209,860	209,860	209,860	209,859	2,558,379
Total Hospital Uses	5,297,879	6,238,044	4,453,493	4,972,119	4,371,962	4,364,455	4,430,449	4,239,557	4,421,225	5,043,365	4,738,924	4,381,524	56,952,996
Net Hospital Sources/Uses of Cash	(922,805)	(2,308,055)	(581,825)	(1,589,934)	(738,683)	(699,133)	(546,096)	(564,224)	(388,168)	(1,245,122)	(803,361)	(547,294)	(10,934,699)
Non-Hospital Sources													
12 Restricted Cash/Money Market	(1,056,509)	725,000	1,500,000			(500,000)		500,000		530,000	(2,000,000)		(301,509)
13 Restricted Capital Donations	342,251	5,000	160,473	209,860	209,860	209,860	209,860	209,860	209,860	209,860	209,860	209,859	2,396,463
14 Parcel Tax Revenue	100,099					2,000,000		1,000,000		600,000			3,700,099
15 Other Payments - South Lot/LOC/Fire Claim	956,411		51,682										1,008,092
16 Other:													-
17 IGT									2,111,515	2,111,515			4,223,030
18 IGT - AB915								900,000					900,000
19 PRIME						750,000					75,000		825,000
Sub-Total Non-Hospital Sources	342,251	730,000	1,712,154	209,860	209,860	2,459,860	209,860	2,609,860	209,860	3,451,375	396,375	209,859	12,751,175
Non-Hospital Uses of Cash													
20 Matching Fees						375,000		780,516	780,516				1,936,032
Sub-Total Non-Hospital Uses of Cash	-	-	-	-	-	375,000	-	780,516	780,516	-	-	-	1,936,032
Net Non-Hospital Sources/Uses of Cash	342,251	730,000	1,712,154	209,860	209,860	2,084,860	209,860	1,829,344	(570,656)	3,451,375	396,375	209,859	10,815,143
Net Sources/Uses	(580,553)	(1,578,055)	1,130,329	(1,380,074)	(528,823)	1,385,727	(336,236)	1,265,120	(958,824)	2,206,253	(406,986)	(337,435)	
Cash and Equivalents at beginning of period	3,450,014	2,869,461	1,291,406	2,421,736	1,041,662	512,839	1,898,566	1,562,330	2,827,450	1,868,626	4,074,879	3,667,893	
Cash and Equivalents at end of period	2,869,461	1,291,406	2,421,736	1,041,662	512,839	1,898,566	1,562,330	2,827,450	1,868,626	4,074,879	3,667,893	3,330,458	