SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home

SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS
AGENDA
FEBRUARY 6, 2020
REGULAR SESSION 6:00 P.M.

CITY COUNCIL CHAMBERS
177 FIRST STREET WEST
SONOMA, CA 95476

In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact District Clerk Vivian Woodall at vwoodall@sonomavalleyhospital.org (707) 935.5005 at least 48 hours prior to the meeting.	**RECOMMENDATION**		
AGENDA ITEM			
MISSION STATEMENT *The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.*			
1. CALL TO ORDER	*Hirsch*		
2. PUBLIC COMMENT *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.*	*Hirsch*		
3. BOARD COMMENTS	*Hirsch*		
4. CONSENT CALENDAR 1. Board Minutes 01.09.20 2. Quality Committee Minutes 11.20.19 3. Governance Committee Minutes 11.14.19 4. Governance Committee Charter 5. Board Policies 6. Medical Staff Credentialing	*Hirsch*	Action	 Pages 3-5 Pages 6-7 Pages 8-9 Pages 10-14 Pages 15-51
5. QUALITY DEPARTMENT ANNUAL REPORT	*Jones*	Inform	Pages 52-73
6. MARKETING AND GROWTH UPDATE	*Kruse de la Rosa*	Inform	Pages 74-99
7. CMO REPORT	*Kidd*	Inform	Page 100
8. ADMINISTRATIVE REPORT FOR FEBRUARY	*Mather*	Inform	
9. FINANCIALS FOR THE MONTH ENDED DECEMBER 31, 2019	*Jensen*	Inform	Pages 101-110
10. OUTPATIENT DIAGNOSTIC CENTER PROJECT 2: CARDIOLOGY	*Peluso/ Kuwahara*	Action	Pages 111-126

11. RESOLUTION NO. 347 AUTHORIZING USE OF A FICTITIOUS BUSINESS NAME (VALLEY OF THE MOON POST ACUTE)	*Mather*	Action	Pages 127-128
12. LEGISLATIVE UPDATE • Opposition Letter to CMS-2393-P and CMS-2393-N	*Hirsch*	Inform	Pages 129-131
13. ADJOURN	*Hirsch*		

Note: To view this meeting you may visit http://sonomatv.org/ or YouTube.com.

SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS' MEETING
MINUTES
THURSDAY, JANUARY 9, 2019
SCHANTZ CONFERENCE ROOM, SVH
347 ANDRIEUX STREET, SONOMA, CA 95476

	RECOMMENDATION	
MISSION STATEMENT *The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.*		
1. CALL TO ORDER	*Rymer*	
6:00 p.m.		
2. PUBLIC COMMENT ON CLOSED SESSION		
None		
4. REPORT ON CLOSED SESSION	*Rymer*	
A discussion was held on license and permit determinations regarding critical access and rural designations.		
5. PUBLIC COMMENT	*Rymer*	
None		
6. BOARD COMMENTS	*Rymer*	
Mr. Rymer commented on a branding discussion he had participated in at the hospital. The Board, management, and staff are very aligned around what makes SVH different and what it does well, as well as how the hospital's value can be communicated to the community.		
7. CONSENT CALENDAR A. Board Minutes 12.05.19 B. Finance Committee Minutes 12.17.19 C. Medical Staff Credentialing	*Rymer*	Action
Dr. Mainardi asked that the Finance minutes be corrected to read "neurology" instead of urology.		**MOTION**: by Boerum to approve with corrections, 2nd by Mainardi. All in favor.
8. ELECTION OF OFFICERS	*Rymer*	Action
Mr. Rymer nominated Ms. Hirsch as Chair. Ms. Hirsch nominated Mr. Rymer as 1st Vice Chair. Ms. Hirsch nominated Dr. Mainardi as 2nd Vice Chair, Ms. Nevins as Treasurer, and Mr. Boerum as secretary.		**MOTION:** by Rymer to approve Chair, 2nd by Boerum. All in favor. **MOTION:** by Hirsch to approve 1st Vice Chair, 2nd by Mainardi. All in favor **MOTION:** by Hirsch to approve remaining

		officers, 2nd by Rymer. All in favor.
9. VALLEY OF THE MOON POST ACUTE SEMI-ANNUAL REPORT	*Empey*	Inform
Mr. Empey mentioned his appreciation for SVH's quality, cooperation, excellent facility, and support. He reviewed data since the July 1, 2019, transition and key quality metrics. The unit is currently a 5 star facility. He also reviewed subacute status, with OSHPD approval, a timeline, competency training and specialists expected in 2020.		
10. INFORMATION SERVICES ANNUAL REPORT	*Sendaydiego*	Inform
Ms. Sendaydiego summarized the last decade of technology progress at SVH and the Electronic Health Record implementation. She reviewed trends, projects completed, and scheduled implementations for the first quarter 2020. She then discussed interoperability, which SVH has to some extent with other facilities. The future includes National and State health information exchanges. SVH will need to partner with a health information organization (HIO) in order to fully participate with UCSF. The hospital will also need to continue investing in several infrastructure upgrades.		
11. APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR FY 2019	*Jensen*	Action
The auditors presented the FY 2019 audited financial statements to the Audit Committee in November. Mr. Jensen asked the Board to accept the audit.		**MOTION:** by Boerum, 2nd by Mainardi. All in favor.
12. BOARD MEMBER COMMITTEE ASSIGNMENTS	*Chair*	Action
Ms. Hirsch proposed the following committee assignments: Mr. Boerum, Chair of Governance Committee and Mr. Rymer on the Committee. Ms. Hirsch, Chair of Quality Committee and Dr. Mainardi on the Committee. Ms. Nevins, Chair of Finance Committee and Mr. Rymer on the Committee.		**MOTION:** by Mr. Rymer, 2nd by Boerum. All in favor.
13. SVH OBSERVATIONS REPORT NEXT STEPS	*Mather*	Inform/Action
Ms. Mather briefly reviewed some of the suggestions made in the Observations Report and responded to them. Regarding pursuing critical access status for SVH, management plans to hire a consultant who understands that process. A committee of community and Board members will likely be formed to study the issues; further research is needed.		
14. CMO REPORT	*Kidd*	Inform
Dr. Kidd reported that a contract was signed with Dr. Perryman and accreditation was proceeding on the Metabolic and Bariatric Surgery program with a survey due in April.		
15. ADMINISTRATIVE REPORT FOR DECEMBER	*Mather*	Inform
Ms. Mather reported SVH has made budget every month since May 2019. She reviewed the many projects completed in 2019. A 2%		

salary increase was given across the board to hospital staff in January 2020.		
16. FINANCIALS FOR THE MONTH ENDED NOVEMBER 30, 2019	*Jensen*	Inform
Mr. Jensen reviewed the payer mix for November. Cash was over goal by $56,000. Days' cash were at 16.9 and A/P days were at 42.9. Inpatient revenue was down 11% due to low acuity. Net income was $101,000 vs. budget of $12,000, and year-to-date net income was $2 million vs. budget of $427,000. EBDA was 0.4% vs. budget of (2.5%).		
17. COMMITTEE REPORT • Finance Committee – Approval of New Community Member Bruce Flynn	*Rymer*	Action
Mr. Rymer introduced Mr. Flynn and indicated that the Finance Committee Chair had recommended Board approval.		**MOTION:** by Boerum, 2nd by Rymer, all approved.
Ms. Hirsch thanked Mr. Rymer for his leadership as Chair, and Ms. Mather thanked him for his assistance with the Independent Observations Report as well.		
18. ADJOURN	*Chair*	
Adjourned 7:35 p.m.		

SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE
November 20, 2019 5:00 PM
MINUTES
Schantz Conference Room

Members Present	Members Present cont.	Excused	Public/Staff
Jane Hirsch Susan Idell Michael Mainardi, MD Ingrid Sheets	Cathy Webber Carol Snyder	Howard Eisenstark, MD	Sabrina Kidd, MD, CMO Danielle Jones, RN, Chief Quality Officer Mark Kobe, RN, CNO

AGENDA ITEM	DISCUSSION	ACTION
1. CALL TO ORDER/ANNOUNCEMENTS	*Hirsch*	
	5:00 pm	
2. PUBLIC COMMENT	*Hirsch*	
	None	
3. CONSENT CALENDAR		Action
• QC Minutes, 10.23.19	The minutes should reflect Danielle Jones as excused.	**MOTION:** by Mainardi to approve with correction, 2nd by Sheets. All in favor.
4. 2018 ANNUAL CULTURE OF SAFETY REPORT	*Jones*	
	Ms. Jones reviewed the Annual Culture of Safety Report from AHRQ. The report measured number of events reported and overall patient safety grade across 12 dimensions.	
5. CMS STAR RATING	*Jones*	
	Ms. Jones explained the CMS 5 star rating based on seven measure groups, keeping in mind that this data is two years old. SVH outperformed other hospitals in safety of care and readmissions, which together account for 44% of SVH's 4 star rating. Becoming a 5 star hospital is a goal of SVH's strategic plan.	
6. QUALITY AND SAFETY ACCOUNTABILITY REPORTING	*Jones*	

AGENDA ITEM	DISCUSSION	ACTION
	Ms. Jones shared the quality and safety reporting flow. A key committee is Performance Improvement staffed by clinicians and reporting to the Medical Executive Committee, since physicians are responsible for patient safety.	
7. HQI QUALITY DASHBOARD	*Jones*	
	The HQI dashboard is real time data. Again, SVH outperformed other State and national hospitals in most areas.	
8. BOARD QUALITY RESTRUCTURE	*Jones*	Inform/Action
	A brief discussion was held, and the topic was put over to the December meeting. Committee member requests included: viewing a sample standardized agenda (including core measures, risk events, harm events, and other indicators); seeing current data around clinical indicators, including any fallouts and why, what is being done to resolve the issue; and review of the prior Jaffe presentation categories.	
9. CLOSED SESSION	*Hirsch*	
a. Calif. Health & Safety Code § 32155 Medical Staff Credentialing & Peer Review Report	Called to order at 6:07 pm	
10. REPORT OF CLOSED SESSION	*Hirsch*	
	Medical Staff credentialing was reviewed.	**MOTION:** by Mainardi to approve credentialing, 2nd by Sheets. All in favor.
11. ADJOURN	*Hirsch*	
	6:11 pm	

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home

SONOMA VALLEY HEALTH CARE DISTRICT
GOVERNANCE COMMITTEE MEETING

MINUTES

Thursday, November 14, 2019
8:00 AM

ADMINISTRATIVE CONFERENCE ROOM
347 ANDRIEUX STREET, SONOMA, CA 95476

AGENDA ITEM	RECOMMENDATION	
In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a District meeting, please contact the District Clerk, Stacey Finn, at sfinn@svh.com or (707) 935.5004 at least 48 hours prior to the meeting.		
MISSION STATEMENT *The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.*		
1. CALL TO ORDER/ANNOUNCEMENTS	*Boerum*	
Called to order at 8:00 am.		
2. PUBLIC COMMENT SECTION *At this time, members of the public may comment on any item not appearing on the agenda. It is recommended you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Committee at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up.*		
No public present		
3. CONSENT CALENDAR Minutes for 07.24.19 & 10.03.19	*Boerum*	Action
Minutes for 07.24.19 were not available.		**MOTION:** by Rymer to approve 10.03,19 minutes. All in favor. Chair to convene with staff to prepare 07.24.19 minutes.
4. BOARD ORIENTATION GUIDE	*Committee*	Inform/Action
The Orientation Guide was reviewed. The Committee requested that all links be updated and an updated organization chart be added.		**MOTION**: by Rymer to approve subject to corrections and recommend to the Board with stated changes. All in favor.
5. GUIDELINES FOR BOARD MEETING MINUTES POLICY	*Committee*	Inform/Action
Reviewed; no changes.		**MOTION:** by Rymer to approve. All in favor.

6. TRAVEL AND EXPENSE REIMBURSEMENT POLICY	*Committee*	Inform/Action
Reviewed and revisions made to the policy in real time.		**MOTION:** by Rymer to approve with revisions. All in favor.
7. MEDIA COMMUNICATIONS POLICY	*Committee*	Inform/Action
The Chair recalled an update to this policy from 2018, so the document in the packet is not the most current.		Hold over to the next Committee meeting to review the most recent document.
8. MEMO OF UNDERSTANDING BETWEEN SVHCD AND SVHF FOR FUNDRAISING ACTIVITIES POLICY		Inform
A brief discussion of the MOU with the Foundation was added to the agenda. The most recent MOU was not the one reviewed at the November 7th Board meeting. Mr. Rymer questioned whether the correct document needed to be brought back to the Board. The Chair said the Board action did not need to be rescinded.		Review of the 2016 MOU to be added to the next meeting agenda and included in the meeting packet.
9. NEXT MEETING DATE	*Boerum*	Inform
Next meeting date will be January 22, 2020, at 8 am.		
10. ADJOURN	*Boerum*	
8:18 a.m.		

Purpose:

Consistent with the Mission of the District the Governance Committee (GC) assists the Board to improve its functioning, structure, and infrastructure, while the Board serves as the steward of the District. The Board serves as the representative of the residents of the SVHCD by protecting and enhancing their investment in the SVH in ways that improve the health of the community collectively and individually. The Board formulates policies, makes decisions, and engages in oversight regarding matters dealing with business performance trends, CEO performance, quality of care, and finances. The Board must ensure that it possesses the necessary capacities, competencies, structure, systems, and resources to fulfill these responsibilities and execute~~tive~~ these roles. In this regard it is the Board's duty to ensure that:

- Its configuration is appropriate;
- Necessary evaluation and development processes are in place;
- Its meetings are conducted in a productive manner;
- Its fiduciary obligations are fulfilled.

The GC shall assist the Board in its responsibility to ensure that the Board functions effectively. To this end the GC shall:

- Formulate policy to convey Board expectations and directives for Board action;
- Make recommendations to the Board among alternative courses of action;
- Provide oversight, monitoring, and assessment of key organizational processes and outcomes.
- ~~Take action on behalf of the Board when prompt action is necessary regarding pending legislation (state or federal) that affects the District/Hospital. The GC Chair shall report such action, and provide copies of correspondence with legislators, to the Board at the next regular Board meeting.~~

The Board shall use the GC to address these duties and shall refer all matters brought to it by any party regarding Board governance to the GC for review, assessment, and recommended Board action, unless that issue is the specific charge of another Board Standing Committee. The GC makes recommendations and reports to the Board. It has no authority to make decisions or take actions on behalf of the District, except for legislative issues requiring prompt action.

Policy:

SCOPE AND APPLICABILITY

This is a SVCHD Board Policy and it specifically applies to the Board, the Governance Committee and all other Standing Committees, the CEO, and the Compliance Officer.

RESPONSIBILITY

Committee Structure and Membership

- The GC, with input from the Standing Committees, shall review the composition of the Standing Committees annually for vacancies, including an assessment of the desired homogeneous and heterogeneous traits necessary for the Board to work together effectively. Examples of desired homogeneous traits include integrity, interest in, and commitment to the Hospital, interpersonal maturity, and willingness to devote the necessary time and effort, and the ability get along and work effectively with others; and heterogeneous traits include their relationship to the Hospital, experience, gender, ethnicity, and expertise. The Governance committee may have one memberfromt he communit, subject to approval by the Board of Directors. –The GC shall assist the Board in having a ~~well-qualified~~well-qualified, committed, interpersonally skilled, and diverse mix of Standing Committee members, reflective of the District.
- The GC, with input from the Standing Committees and the Board, shall identify the skill sets of the current members and the skills sets ideal for the Standing Committees as a whole, and present a matrix to the Board for its action and use when recruiting and screening potential Standing Committee members. SVH employees and family members are not permitted to be on the Board Committees. SVH employees and family members are not permitted to be on the Board Committees.

Board Development

- **New Member Orientation**
  - Design our Board's new-member orientation process and reassess it ~~bi-annually~~periodically ~~before elections~~.
- **Continuing Education of the Board**
  - Plan the two annual board retreats in concert with the Board Chair. ~~—one in and one away from Sonoma~~.
    Identify an annual training program addressing current issues of importance to the Board to be presented off-site in Sonoma for the Board, possibly including Standing Committee members, Medical Staff, selected hospital leaders, and others as deemed appropriate by the Board. Coordinate with other Standing Committees as appropriate to avoid duplication of effort.
  - Direct and oversee our Board's continuing education and development activities

for both the Board and its Standing Committees.

- **Board Self Assessment**
  - ~~Direct and oversee the annual assessment of our Board, Standing Committees, and individual Board members; reviewing these assessments; and making recommendations to the Board regarding ways in which its performance and contributions can be enhanced.~~
  - Ensure, with the Chair of the Board, that an annual Board self-assessment is completed.

~~**Monthly Board Development**~~

- ~~Plan a systematic reading program for the Board, designed to increase Board knowledge in issues of interest and important to the District. The GC shall consult with the other Board members and the CEO in developing the program.~~

Develop Policies and Recommend Decisions

- Draft policies and decisions regarding governance performance and submit them to the Board for deliberation and action.

Oversight

- **Compliance**
  - ~~Recommend quantitative measures to be employed by the Board to assess governance performance and contributions.~~
  - ~~Conduct the annual review of governance performance measures and submit an analysis to the Board for deliberation and action.~~
- Conduct a~~n annual assessment~~review and revision of all Board policies ~~and decisions regarding governance performance.~~as dictated by the policy schedule.

Legislation

- Review, draft, and/or recommend legislative proposals to the Board for deliberation and action at committee discretion ~~.~~
- ~~In those cases where sufficient time is not available for the Governance Committee or Board to deliberate and take action on a legislative or regulatory issue, the CEO and the Governance Committee Chair may commit the District to support or oppose legislative initiatives, provided the CEO and the Governance Committee Chair are in agreement on the position to be taken.~~At its discretion the Governance committee, or Board, can deliberate and take action on legislation or regulatory issue. The CEO may commit the district to support or oppose legislative initiatives, provide the CEO and the Board Chair are in agreement.
- Perform other tasks related to governance as assigned by the Board.

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Annual GC Calendar

- ~~In April, in advance of the budget process, review the adequacy of financial and human resources currently allocated for the Board and its Standing Committees to meet their obligations and comply with their Charters. This includes but is not limited to the financial and human resources necessary to support the Board, for a Compliance Officer and related support funding, and Continuing Education Board retreat and local offsite, the annual Board self assessment, and new Board member orientation, and Board monthly development.~~
- ~~Annually~~ Scheduled review and assessment of all board policies regarding governance, specifically including the GC and all other Standing Committee Charters, and make recommendations to the Board for action ~~in December~~per the schedule.
- The ~~CY~~calendar year ~~GC~~ work plan shall be submitted to the ~~CEO~~ Board no later than November for ~~input and resource assessment and shall be submitted to the Board for action no later than December.~~approval.
- The GC shall report on the ~~status~~ results of its prior year's work plan accomplishments by December.
- The GC shall establish the next calendar~~CY~~ meeting schedule ~~no later than December~~at the last meeting of the year.
- Ensure that the~~The~~ CEO shall develop and provide a 12 month calendar of all scheduled Regular and Special Board Meetings and post on the SVH website at the beginning of the calendar year. It shall be kept updated.
- ~~The CEO shall develop and submit proposed legislative changes annually at the first meeting after the legislature has adjourned its regular session for the next calendar year – typically September, October at the latest. The GC shall make its recommendations to the Board for action no later than December.~~
- The GC shall annually review the District's Code of Conduct and Compliance Program and report to the Board for its action no later than December.
- ~~The CEO shall promptly submit to the GC all reports, assessments, audits by external organizations and the Hospital's responses that are not submitted to the Audit Committee or the Quality Committee as required by their Charters. In those cases the GC shall determine the appropriate reviewing body and make that referral or conduct the review and referral to the Board itself.~~

Even Numbered (Board Member Election)Year GC Calendar Years

- Present the New Board Member Orientation Process to the Board for its review and action by August in even numbered years, in advance of the pending election.

GC Membership

The GC shall have 2 members, normally the Board Chair and the Board Secretary. The Board

Chair shall serve as a member and Chair of the Governance Committee, unless the Board specifically acts to make an exception. .

Staff to the GC

The GC shall be staffed by the Hospital's CEO and/or Administrative Representative. At the request of the GC Chair, the Compliance Officer shall attend GC meetings.

Frequency of QC Meetings

The GC shall meet ~~six times~~twice a year at minimum, unless there is a need for additional meetings. Meetings may be held at irregular intervals.

Public Participation

All GC meetings shall be announced and conducted pursuant to the Brown Act. The general public, patients, and their families and friends, Medical Staff, and Hospital staff are always welcome to attend and provide input. Other Board members may attend but may not comment as it may be a Brown Act violation.

FREQUENCY OF REVIEW/REVISION

The GC shall review the Charter bi annually, or more often if required. If revisions are needed, they will be taken to the Board for action.

Orientation Manual and Reference Guide ~~October 27, 2017~~Update 11.18.19

Orientation Manual

- District Mission, Vision and Values Statements

  The Mission of the Sonoma Valley Health Care District is to restore, maintain, and improve and restore the health of everyone in our community.

  OUR VISION: SVH will be a nationally recognized, compassionate place of healing known for excellence in clinical quality. We serve as the guide and indispensable link in our community members' health care journeyA trusted resource in providing exceptional, compassionate healthcare.

  OUR VALUES: C.R.E.A.T.I.N.G Compassion: We show consideration of the feelings of others at all times. Respect: We honor and acknowledge the value of the people, places and resources in providing care. Excellence: We strive to exceed the expectations of the people we serve. Accountability: We are reliable, self-responsible owners of the outcomes of our organization. Teamwork: We are productive and participative staff members who energize others. Innovation: We seek new and creative solutions to deliver quality healthcare. Nurturing: We cultivate, develop and educate those with whom we work to achieve their highest potential. Guidance: We direct and lead our community members through their healthcare journey and in health improvement.

- District History ***http://www.svh.com/healthcare-district-information/hospital-history/https://www.sonomavalleyhospital.org/healthcare-district-information/hospital-history/***
- Conflict of Interest Code

  http://www.svh.com/healthcare-district-information/board-of-directors/#policies https://www.sonomavalleyhospital.org/healthcare-district-information/board-of-directors/ **and then select P-2018.02.01-2F Conflict of Interest Policy**

- Brown Act, Q&A (attachment A)

  The Brown Act is contained in California Government Codes 54950-54963

- FY Operating Budget

  http://www.svh.com/wp-content/uploads/2012/03/Budget-FY2018-APPROVED.pdf https://www.sonomavalleyhospital.org/wp-content/uploads/2011/08/Conflict-of-Interest-Policy-P-2018.02.01-2-F.pdf

- Annual Report

  http://www.svh.com/annual-reports/ https://www.sonomavalleyhospital.org/annual-reports/

- District 3-Year Rolling Strategic Plan

  http://www.svh.com/strategic-planning/ https://www.sonomavalleyhospital.org/strategic-planning/

- Board and Board Committee Meeting Calendar

  http://www.svh.com/healthcare-district-information/calendar-/ https://www.sonomavalleyhospital.org/healthcare-district-information/calendar/

- District web site address

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~~http://www.svh.com/~~ https://www.sonomavalleyhospital.org

Resource Manual

- District By-Laws

  ~~http://www.svh.com/wp-content/uploads/2011/08/SVH-Board-Bylaws-12-01-1141.pdf~~
  https://www.sonomavalleyhospital.org/wp-content/uploads/2018/05/SVHCD-Bylaws-01.11.18-Signed.pdf

- Board Members

  ~~http://www.svh.com/healthcare-district-information/board-of-directors/~~
  https://www.sonomavalleyhospital.org/healthcare-district-information/board-of-directors/

- Approved Board Policies

  ~~http://www.svh.com/healthcare-district-information/board-of-directors/#policies~~
  https://www.sonomavalleyhospital.org/healthcare-district-information/board-of-directors/#policies

- Board Committee Charters
  - ~~Audit Committee~~

    ~~http://www.svh.com/healthcare-district-information/audit-committee/~~

    Commented [VW1]: There is no Audit Committee section on the website.
  - Finance Committee

    http://www.svh.com/healthcare-district-information/finance-committee/
    https://www.sonomavalleyhospital.org/healthcare-district-information/finance-committee/
  - Governance Committee

    http://www.svh.com/healthcare-district-information/governance-committee/
    https://www.sonomavalleyhospital.org/healthcare-district-information/governance-committee/
  - Quality Committee

    ~~http://www.svh.com/healthcare-district-information/quality-committee/~~
    https://www.sonomavalleyhospital.org/healthcare-district-information/quality-committee/

- District Relationships and Affiliations

  ~~http://www.svh.com/healthcare-district-information/~~
  https://www.sonomavalleyhospital.org/healthcare-district-information/#healthcare

- Hospital Organization Chart (attached as pdf)
- ~~Hospital Medical Staff Overview~~

  ~~http://www.svh.com/healthcare-district-information/medical-executive-committee/~~

  Commented [VW2]: There is no longer a Medical Staff Overview section.
- Sonoma Valley Hospital Foundation

  ~~http://www.svh.com/foundation/~~ https://www.svhfoundation.com/

- ~~Health Care District Health & Safety Code, Section 32000-32492 (From Association of Health Care District Web Site, ACHD.org)~~

  Commented [VW3]: OK, leave as is.

~~*http://www.achd.org/wp-content/uploads/sites/6/2013/02/HCD-Law-20131.pdf*~~
http://achd.org/wp-content/uploads/sites/6/2015/12/ACHD-HCD-Code-12.15-FINAL.pdf

Attachment A

Brown Act Questions and Answers

Standing Board Committees

If a third Board member (not a member of the committee) attends a Standing Board Committee meeting (a public ‑meeting that has been agendized) under what circumstances, if any, can that Board member make a comment at the meeting?

Ans: A third Board member may attend, but cannot comment at the meeting unless the meeting has been agendized as a Committee of the Whole Board.

Note: In the event that a regular Board member on a Standing Board Committee is absent from the meeting, an alternate Board member may be temporarily appointed to the Committee for the meeting by the Chair of the Board or by the Chair of the Committee and may participate as a regular member of the committee for that meeting.

CEO – Board Communication

May the CEO provide information to all of the Board members (via letter or e-mail) without disclosing that information publicly?

Ans: Yes, but the information must then be available to any member of the public who requests the information. Emails are public records. The communication must be one way, CEO to Board members. One on one follow up questions on the subject from a Board member to the CEO would also not be a violation.

When the CEO responds to a specific question from a Board member, may the question and the response be directed to all Board members (presuming that the question does not relate to HIPPA or personnel privacy issues)

Ans: Yes, same restrictions as above

May a Board member send information to the CEO and request that the information be distributed to all Board members?

Ans: Yes, same restrictions as above

What limitations are there, if any on the information that the Board Chair communicates to the other four Board members in the Chair's role as the Board contact person with the CEO.

Ans: None, same restrictions as above

Agendas

Agendas for Board meetings and Board Committee meetings are published 72 hours in advance of the meeting. At the time the agendas are issued, information about the items on the agenda are included in a "packet" of information and distributed with the agendas.

Can additional information for an item on the agenda, that becomes available after the “packets” are distributed, be distributed during the 72 hour period prior to the meeting or must this information be held and distributed at the meeting?

Ans: Yes, providing that all of the subsequent information is available to the public and all of the Board members at the meeting

Closed Sessions

On p. 37 of the Open & Public IV Guide to the Brown Act, under Hospital Peer Review and Trade Secrets, it states: Two specific kinds of closed sessions are allowed for district hospitals

"To hear reports of hospital medical audit or quality assurance committees, or for related deliberations"

"To hold closed sessions to discuss reports involving trade secrets"

The first appears to be a clear definition, but the second is not as clear. What constitutes a trade secret? Would it include the recruitment of a new doctor? Would it include a discussion of the cost/revenue relationship for a service provided or to be provided at the Hospital? What guidelines would be appropriate for determining if the subject would be considered a trade secret?

Are there any other circumstances where the law allows subjects to be discussed in closed session?

Ans: The District by-laws stipulate in Section 4 Committees:

Closed Board meetings may be held for purposes of considering the appointment, employment, evaluation of performance, discipline, dismissal or to hear complaints or charges concerning a Hospital employee or member of the Medical Staff; in consideration of pending litigation; or in matters of negotiations concerning real property, labor contracts, or discussion of trade secrets. Closed meetings shall be announced, conducted, and reported in accordance with the Brown Act, and the public may not participate. Standing committees may hold closed meetings if their charter or Board delegation includes issues allowing closed meetings.

Trade secrets may include new services, programs or facilities for the district, but they may not include “existing services” unless these services are being expanded. Trade secrets **do not** include new or existing services, programs or facilities of competitors.

No actions may be taken in closed sessions, except for the following: Labor and real estate negotiations anticipate that the board can give direction to their negotiators. In litigation sessions it is understood that the board can give direction to its lawyers or management in litigation related matters.

No action can be taken in trade secret sessions.

Board Training and Team Building

Is there a way that the Board could meet (for teambuilding/discussion reasons etc.) without having to announce/agendize it?

Ans: No

General

Can more than two board members meet with representatives (like congressmen) in an informational session without public notice?

Ans: No

CEO Compensation

Can a discussion of CEO performance be conducted in closed session?

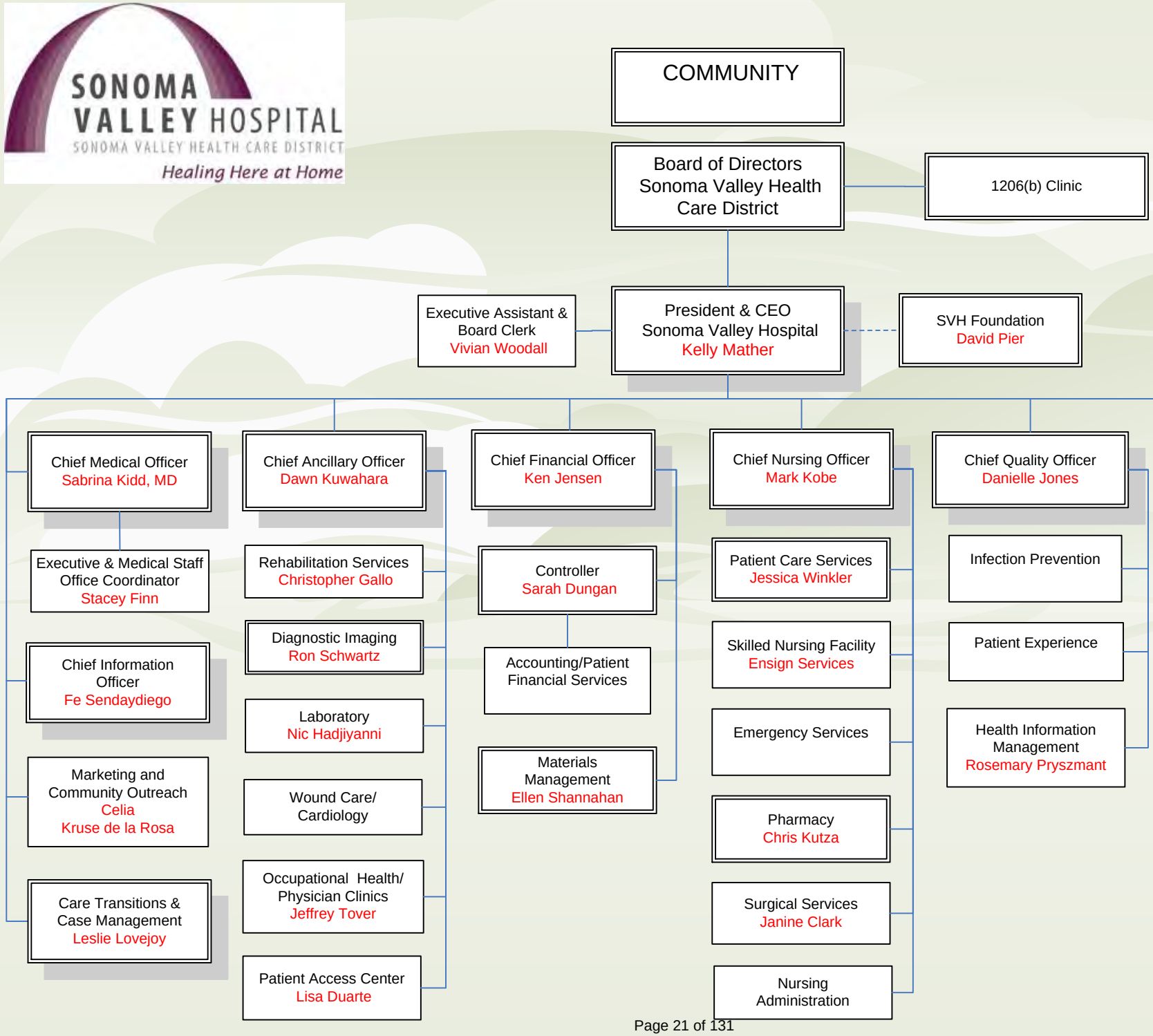
Ans: Board discussion of performance and compensation adjustments can take place in closed session if BOTH a "Personnel: performance evaluation (CEO)" and "Labor Negotiations, CEO Contract, Board Chair District Negotiator" are put on a closed session agenda. Any follow up action on a compensation adjustment or incentive performance award must be placed on a public meeting agenda and voted upon in public.

With regard to the Brown Act and any other disclosure requirements, what must be made public about the CEO's compensation?

Ans:, At the public meeting the item must be described on the agenda, e.g., "Consideration of CEO Compensation Adjustment and Performance Incentive Award" to meet the notice requirements. In addition it is best to have a written memo before the Board (perhaps from the Chair; a public document available to the public) spelling out the proposed compensation adjustment and incentive award numbers. A motion would then be made and seconded to approve the compensation incentive and performance award as presented.

Employee benefits that are unchanged are not required to be disclosed at the meeting. There is no affirmative mandate to disclose or reveal any information that is not subject to board consideration or vote as set forth on the agenda.

However, the CEO contract and salary information is all public record and must be disclosed if requested by a member of the public.



(Double line = Director; single line = Manager/Operation)

Revised 01.01.2020

MEMORANDUM OF UNDERSTANDING BETWEEN THE SONOMA VALLEY HEALTH CARE DISTRICT AND THE SONOMA VALLEY HOSPITAL FOUNDATION FOR FUND RAISING ACTIVITIES BOARD POLICY #P-_____

This Agreement is made and executed in Sonoma, California, on June 13, 2016, by and between the Sonoma Valley Health Care District (hereinafter referred to as "District"), a District duly organized and existing under the Local Health Care District Law of the State of California (California Health and Safety Code, Division 23, Sections 3200-32492), with its principal place of business at Sonoma, California and the Sonoma Valley Hospital Foundation, a hospital foundation organized and operating as a tax-exempt 501(c)(3) corporation with its principal place of business at Sonoma, California (hereinafter referred to as "Foundation"). The District and the Foundation may be referred to herein as "Party" or "Parties." The District and the Foundation desire to enter into this Agreement for fund raising activities with respect to the following:

RECITALS

Whereas, the District and the Foundation agree that significant philanthropic support is needed to continue to provide patient-focused, state-of-the-art health care and health-related programs to residents and visitors in its service area; and

Whereas, the District and the Foundation agree that such support can most effectively be garnered through a hospital foundation operated as a 501(c)(3) corporation, and as such an organization, the Foundation is best suited to provide and develop philanthropic support for the District; and

Whereas, the District and the Foundation agree that in order to provide and develop philanthropic support for the District, the Foundation will develop and implement a fund - development program in support of health care for residents and visitors of the District.

Now therefore, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, it is agreed:

1. **Responsibilities and Mutual Expectations**

A. Responsibilities of the Foundation

i. The Foundation will develop, implement and refine a rolling three-year

philanthropic strategic plan to maximize community support for the health care of the residents and visitors of the District.

ii. The Foundation will continue to work with the Hospital and District leadership to determine annual and longer term goals and mission.

iii. The Foundation agrees to support the capital, program, and other needs of District-owned facilities and District-operated programs.

iv. The Foundation shall ensure there are two (2) ex-officio directors on the Foundation Board. Ex-officio directors shall be selected as follows: one shall be selected by the Board or Directors of the District; one shall be selected by the CEO of the Hospital.

v. The Foundation will accept and process all gifts in accordance with all applicable laws and regulations.

vi. The Foundation shall operate according to fundraising best practices and ethical standards.

vii. The Foundation shall make its books and records available to the District and its agents for review and inspection upon reasonable written notice and at reasonable times.

B. Responsibilities of the District.

i. The District will direct all charitable contributions in support of the District to the Foundation for acceptance and gift processing. If unusual circumstance requires a gift to be accepted directly by the District, the District will do so in accordance with the Foundation's Gift Acceptance Policy. (see attachment)

ii. The District agrees to honor donor instructions by using the restricted funds it receives from the Foundation only for the purposes intended by the donor.

iii. The District shall select one (1) ex-officio director on the Foundation Board, as described in Section 1.A.iv above.

iv. The District agrees to make all books and records pertinent to the Foundation available to the Foundation for review and inspection upon reasonable notice and at reasonable times.

v. The District shall be responsible for funding 50% of the cost for annual independent audits of the Foundation's financial statements.

2. Request for and Transfer of Funds

A. All grant funding requests for the District from the Foundation will be submitted in writing to the Foundation and have the Hospital CEO’s written approval. The Foundation agrees to review grant requests submitted by the CEO within sixty (60) calendar days or receipt.

B. If a grant is approved by the Foundation Board, the Foundation will notify the primary project contact, as indicated on the grant application, within seven (7) calendar days of approval.

C. If a grant is denied by the Foundation Board, explanation of the Board's decision will be submitted in writing to the Hospital CEO within seven (7) calendar days.

D. Grants approved by the Foundation Board will be paid within thirty (30) days of receiving request for payment, which shall submitted in writing by the Hospital CEO and shall be accompanied by the invoice or purchase order showing the equipment and/or services.

3. Funding Cost of Foundation Operations

A. Based on a budget approved by the Foundation Board, the Sonoma Valley Hospital will assist in funding an agreed upon portion of operating expenses of the Foundation.

4. Terms and Termination

A. *Term.* The term of this Agreement shall automatically renew at midnight on June 30 of each calendar year unless either Party exercises their right to terminate the Agreement under Section B below.

B. *Termination.* This Agreement may be terminated by either Party, with or without cause, by giving sixty (60) days written notice as provided in Paragraph 11 of this Agreement.

C. *Dissolution and Distribution* of *Assets.* In the event that this MOU is terminated or the Foundation be dissolved by the Foundation Board, all properties, monies, and assets will be distributed as outlined in the Fourth section of the Foundation's Articles of Incorporation.

5. **Negotiation and Mediation Clause**. In the event of disagreement or dispute between the Parties arising out of or connected with this Agreement, the disputed matter shall be resolved as follows:

A. *Negotiation.*

i. The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between District and Foundation Board Chairs. Any party may give the other party written notice of any dispute not resolved in the normal course of business. Within 15 days after delivery of the notice, the receiving party shall submit to the other a written response. The notice and response shall include with reasonable particularity (a) a statement or each party's position and a summary of arguments supporting that position, and (b) the name and title of the executive who will represent that party and of any other person who will accompany the executive. Within 30 days after delivery of the notice, the chairs of both parties

shall meet at a mutually acceptable time and place.

ii. Unless otherwise agreed in writing by the negotiating parties, the above described negotiation shall end at the close of the first meeting of chairs described above ("First Meeting"). Such closure shall not preclude continuing or later negotiations, if desired.

iii. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation.

iv. At no time prior to the First Meeting shall either side initiate an arbitration or litigation related to the Agreement except to pursue a provisional remedy that is authorized by law or by agreement of the parties. However, this limitation is inapplicable to a party if the other party refuses to comply with the requirements of Paragraph i above.

v. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specified in Paragraphs i and ii above are pending and for 15 calendar days thereafter. The parties will take such action, if any, required to effectuate such tolling.

B. Mediation.

i. If the matter is not resolved by negotiation pursuant to paragraphs i -v above, then the matter will proceed to mediation as set forth below.

ii. Either party may commence mediation by providing the other party a written request for mediation, setting forth the subject of the dispute and the relief request.

iii. The parties agree that any and all disputes, claims or controversies arising out of or relating to this Agreement shall be submitted for mediation.

iv. The parties will cooperate in selecting a mediator and in scheduling the mediation proceedings. The parties agree that they will participate in the mediation in good faith and that they will share equally in its costs.

v. All offers, promises, conduct and statements, whether written or oral, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

6. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.

7. **Forum.** Any mediation to enforce or interpret the provisions or this Agreement or the Parties' rights and liabilities arising out of this Agreement or the performance hereunder shall be maintained only in the County of Sonoma, California, or within one or such County's incorporated cities.

8. **Severability.** If any provision of the Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

9. **Integration.** This Agreement contains the entire agreement among the Parties and supersedes all prior and contemporaneous oral and written agreements, understandings, and representations among the Parties. No amendments to this Agreement shall be binding unless executed in writing by all of the Parties.

10. **Waiver.** No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

11. **Notices**. Any notice required by this Agreement shall be effective only if sent by certified or registered mail, postage prepaid, as follows:

    If to District:
    Chair, Board of Directors and President/CEO
    Sonoma Valley Hospital, 347 Andrieux St, Sonoma, CA 95476

    If to Foundation:
    Chair, Board of Directors and Executive Director
    Sonoma Valley Hospital Foundation, 347 Andrieux St, Sonoma, CA 95476

    For the purpose of determining compliance with any time limit in this Agreement, a notice shall be deemed to have been duly given on the second business day alter mailing, if mailed to the Party to whom notice is to be given in the manner provided in this Section. Either Party may, at any time, change its address designated above by giving to the other Party thirty (30) days' written notice of the new address to be used for the purposes of this Section.

12. **Assignability.** Neither this Agreement nor any duties or obligations hereunder shall be assignable by any Party hereto without the prior written consent of the other Parties.

In witness whereof, the Parties have executed this Agreement as of the date first above written.

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home

POLICY CONCERNING CEO ANNUAL EVALUATION PROCEDURE AND SCHEDULE
 # P-~~2019.10.03-3~~XXXX2020.02.06-1

A standard process and timetable for accomplishing an objective evaluation of the District's CEO is essential to the effective management of the District and the Hospital. Because the evaluation must be based on the operating results of the prior fiscal year the process cannot start until these results are available at the ~~end of July of each year~~beginning of the following fiscal year. Accordingly it will be the policy of the District Board to adhere to the following process and timetable for the evaluation.

1. The Board shall annually review the performance of the CEO and President of the District.
2. The Board shall establish a Board Advisory Committee (the Committee) during the regular July Board meeting to evaluate the performance of the CEO during the prior fiscal year and to prepare a CEO Evaluation Report for submission to the full Board for review, refinement and approval in September or October.
3. The Board Chair shall appoint, with the Board's approval, two Board members to the Committee at the same July meeting that the Committee is established.
4. The Committee shall make the evaluation of the CEO's performance based on a comparison of the final results of the prior fiscal year compared to the Board approved objectives and on a summary of the information gained through the use of the survey of board and selected staff.~~tool used during the 2012 performance evaluation (or similar instrument approved in advance by the Board)~~
5. The Committee shall request the following individuals complete the survey.
    a. The five members of the District Board of Directors
    ~~e~~b. The outgoing Chair of the Medical Executive Committee
    ~~d~~c. The Hospital Administrative Leadership Team, including the Chief Medical Officer

This list may only be amended by a vote of the Board at a regular Board meeting.
The survey shall be issued by and returned to the HR Director of the Hospital.
6. The Committee shall prepare a summary of the survey information for inclusion in the CEO Evaluation Report.
7. The Committee may also consider other objective, measurable metrics.

8. The CEO Evaluation Report prepared by the Committee shall contain a recommendation to the Board for the CEO's compensation for the coming year and a calculation of the bonus earned for performance against the agreed upon objectives for the year.

9. The Committee shall be dissolved after the Board acts on the report and its recommendations.

10. Nothing in this Board Policy shall preclude the Board from conducting a performance evaluation of the CEO and taking appropriate action at any time.

11. An overview of the process steps by month is attached to this policy.

OVERVIEW OF PROCESS – ANNUAL CEO PERFORMANCE EVALUATION AND ESTABLISHMENT OF CEO OBJECTIVES

June

- Board chair puts agenda item on July Board calendar to appoint Compensation Committee members

July

- Board Chair identifies two Board members to serve as Compensation Committee for year
- Board approves the appointments during July Board meeting

July/early August

- CEO compiles accomplishments for previous year and provides those to the all board members
- CEO develops a proposed set of objectives for current year, these are reviewed initially by the Compensation Committee and then approved by Board no later than its September meeting
- After the Board has the opportunity to review CEO accomplishments for previous year, a survey is sent out with the assistance of the HR Director requesting input on CEO performance. Survey goes to Board, Chief Medical Officer, Chief of Staff (for the previous year if Chief has changed) ,
- Select group of SVH leaders (typically, the entire Administrative Leadership Team) are asked for feedback, via a request from Compensation Committee (a formal survey can be used or simply a request for feedback). At a minimum, this should include CFO, CNO, CIO, Director of Facilities, Executive Director of SVH Foundation, HR Director, Chief Ancillary Officer.

September/October (or after year-end financials are approved or/ audited)

- CEO submits metrics for previous CEO Incentive Results, to be reviewed by Compensation Committee and from those a recommendation is developed for bonus compensation payment for the prior year.
- The Compensation Committee writes letter to Board summarizing the bonus calculations and recommending an incentive bonus to Board for action/approval at the October meeting
- Compensation Committee compiles all comments regarding performance evaluation, and forwards to Board for review at a closed session, typically before the October Board Meeting.

October/November

- Compensation Committee prepares a summary evaluation document for Board review at a closed session. CEO is invited to present thoughts regarding accomplishments of previous year, then leaves closed session while Board discusses performance. CEO returns to closed

session, is given verbal feedback and signs summary document along with Compensation Committee members for personnel file.

- Compensation Committee also makes recommendation via letter to the Board for potential salary increase at closed session. Salary increase to be agenda item for regular Board meeting for action/approval by Board.

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home

POLICY CONCERNING ESTABLISHMENT OF ANNUAL CEO OBJECTIVES
 # P-~~2019.10.03.-4~~2020.02.06-2

A standard process and timetable for establishing the District's CEO's annual objectives is essential to the effective management of the District and the Hospital. Because the objectives must be based on the Hospital's Strategic Plan and the upcoming fiscal year's budget, the process cannot start until these documents have been approved ~~in June~~no later than the end of the ~~of each~~fiscal year. Accordingly it will be the policy of the District Board to adhere to the following process and timetable for the establishment of the CEO's annual objectives.

1. The Board shall annually set the Hospital CEO's objectives for each fiscal year.

2. The Board shall annually establish a Board Advisory Committee (the Committee), no later than the regular ~~September~~ July Board meeting to work with the CEO to identify the significant problems/issues facing the Hospital and the District and to develop the annual CEO objectives to address these problems/issues. This same Committee can be tasked with undertaking the annual evaluation of the CEO.

3. The Committee shall be comprised of two Board members approved by a vote of the Board at the same regular Board meeting that the Committee is established.

4. The Committee as a temporary advisory board committee, and not a standing board committee, is not subject to the Brown Act.

5. The draft objectives shall be ~~developed~~ drafted by the ~~Committee~~ CEO during the first two months of ~~June~~ fiscal in collaboration with the ~~CEO~~ Committee. These objectives are then~~for~~ reviewed in closed session by the Board in conjunction with the regular ~~October~~ September Board meeting, The Board may hold additional closed sessions as necessary to finalize the objectives prior to their presentation for approval at a regular Board meeting.

6. These objectives shall be measurable on a monthly basis, to the degree possible, so that the CEO is able to provide a written report on progress toward their achievement at each regular monthly Board meeting.

8. The Committee shall be disbanded when the CEOs annual objectives have been adopted by the Board.

OVERVIEW OF PROCESS – ANNUAL CEO PERFORMANCE EVALUATION AND ESTABLISHMENT OF CEO OBJECTIVES

June

- Board chair puts agenda item on July Board calendar to appoint Compensation Committee members

July

- Board Chair identifies two Board members to serve as Compensation Committee for year
- Board approves the appointments during July Board meeting

July/early August

- CEO compiles accomplishments for previous year and provides those to the all board members
- CEO develops a proposed set of objectives for current year, these are reviewed initially by the Compensation Committee and then approved by Board no later than its September meeting
- After the Board has the opportunity to review CEO accomplishments for previous year, a survey is sent out with the assistance of the HR Director requesting input on CEO performance. Survey goes to Board, Chief Medical Officer, Chief of Staff (for the previous year if Chief has changed) ,
- Select group of SVH leaders (typically, the entire Administrative Leadership Team) are asked for feedback, via a request from Compensation Committee (a formal survey can be used or simply a request for feedback). At a minimum, this should include CFO, CNO, CIO, Director of Facilities, Executive Director of SVH Foundation, HR Director, Chief Ancillary Officer.

September/October (or after year-end financials are approved or audited)

- CEO submits metrics for previous CEO Incentive Results, to be reviewed by Compensation Committee and from those a recommendation is developed for bonus compensation payment for the prior year.
- The Compensation Committee writes letter to Board summarizing the bonus calculations and recommending an incentive bonus to Board for action/approval at the October meeting
- Compensation Committee compiles all comments regarding performance evaluation, and forwards to Board for review at a closed session, typically before the October Board Meeting.

October/November

- Compensation Committee prepares a summary evaluation document for Board review at a closed session. CEO is invited to present thoughts regarding accomplishments of previous year, then leaves closed session while Board discusses performance. CEO returns to closed

session, is given verbal feedback and signs summary document along with Compensation Committee members for personnel file.

- Compensation Committee also makes recommendation via letter to the Board for potential salary increase at closed session. Salary increase to be agenda item for regular Board meeting for action/approval by Board.

MEDIA COMMUNICATIONS
BOARD POLICY #P~~-2017.12.07-2~~ 2020.02.06-3

The purpose of this policy is to clarify and improve procedures for communicating information to the public and stakeholders through the news media about the issues decisions, actions and programs concerning the Sonoma Valley Health Care District (the District) and the Sonoma Valley Hospital (the Hospital). This policy applies to all media-based public communications.

- Local, regional and national news and feature media, both print and electronic
- Industry news media and websites
- SVH/Board website
- Social media (i.e. Facebook, Twitter)

POLICY

It is the policy of the District and the Hospital to provide accurate and timely information to the media on a regular basis in order to foster and maintain open communications and to provide transparency for the media and the public. This information shall include, but not be limited to, decisions, policies, operating results, quality ratings, and Hospital programs and service offerings.

The District and Hospital shall be accessible to the media and public and shall respond to inquiries relevant to its mission, policies and decisions in a timely manner, but with the understanding that the District/Hospital may require time to gather information before responding.

In instances where a discussion of an issue is in the public interest, the Chair shall place the issue on the agenda for the next regularly scheduled Board meeting or at a special Board meeting called to discuss the issue.

District and Hospital communications will not disclose patient information in compliance with HIPAA guidelines.

RESPONSIBILITIES

The Board Chair shall be responsible for identifying and approving all media announcements relating to Board decisions and actions.

The ~~District~~ Hospital Chief Executive Officer (CEO) shall be responsible for ensuring that all District/Hospital communications are in compliance with the Media Communications Policy.

~~The Board Chair shall be responsible for identifying and approving all media announcements relating to Board decisions and actions.~~

PROCEDURES

The CEO shall develop and present to the District Board an annual communications plan encompassing both public information and marketing communications strategies and initiatives.

The CEO shall plan and implement public communications initiatives that enhance media and public understanding of the District and Hospital and the role each plays in serving the health and wellbeing of the community.

The CEO shall coordinate with the Board Chair the dissemination to the media of Board announcements, decisions and initiatives.

The CEO shall ensure that information on the Hospital's website and Facebook page is regularly updated.

The CEO shall maintain a current list of local/regional media and key contacts, with information on deadline requirements, for dissemination of District/Hospital news.

The CEO shall develop and maintain an online media communications program through social media to reach members of the public who cannot be reached through print media.

District Board members contacted by media outlet for comments should confer with the Board Chair prior to responding to ensure accuracy of information.

Hospital employees shall not make statements to media or through media on behalf of the Hospital and/or Board without authorization from the CEO or the Board Chair.

EXCEPTIONS TO POLICY

The CEO will obtain approval from the Board Chair prior to releasing information to the media in matters dealing with issues of community and political sensitivity regarding District and/or Hospital policy or operations.

In the event of an activation of the Hospital's Emergency Operations Plan (EOP,) the sole spokesperson for the District and the Hospital shall be the designated Public Information Officer. No other Hospital employee or District Board member shall make any comments or communications to any media outlet during the time the EOP is in effect.

POLICY GOVERNING PURCHASES OF MATERIALS, SUPPLIES AND EQUIPMENT AND PROCUREMENT OF PROFESSIONAL SERVICES # P-~~2019.10.03~~ 2020.02.06-4

PURPOSE

This policy covers the procedures governing purchases of materials, supplies and equipment and the procurement of professional services. It does not cover the procedures governing the bidding and awarding of contracts for facility projects (public works). The bidding and awarding of contracts for facility projects is covered by the Policy and Procedures Governing Bidding for Facility Contracts. Contracts for professional services in conjunction with facility projects shall also be governed by the Policy and Procedures Governing Bidding for Facility Contracts and not by this policy. This policy does not apply to physician transactions.

It is the intent of the Board of Directors ("Board") of the Sonoma Valley Health Care District ("District") to provide an equal opportunity to all qualified and responsible parties wishing to participate in the bidding process with respect to the District and the Sonoma Valley Hospital ("Hospital").

It is the intent of the Board, consistent with the District's obligations, to obtain the best value for all expenditures.

It is the intent of the Board to clarify, with this policy, the authority granted to the District President and Chief Operating Officer ("CEO") by the Board with regard to District and Hospital purchases and contracts. It is also the intent to clarify the authority retained by the Board.

In all instances where authority is granted to the CEO, it is understood that the CEO may in turn delegate this authority to a member of the CEO's staff. Responsibility for adherence to this policy, when the authority is delegated by the CEO to a staff member, remains with the CEO.

STATEMENT OF BOARD POLICY

1. Scope and Application of the Policy

1.1 Delegation of Authority. The Board hereby makes selective delegation of its authority to the CEO to implement this Policy. By this Policy the Board also limits the CEO's authority as specified in Section 5 [Limit of Authority Delegated to the CEO].

1.2 Bidding Threshold. The District, with certain exceptions, as covered in Section 2 [Exceptions to Bidding and Lowest Bid Policy], (*Health and Safety Code §* 32132) shall follow the formal bidding procedures outlined in Section 3 [Formal Bidding Procedures] for any contract for materials, supplies and equipment exceeding twenty-five thousand dollars ($25,000) for services, materials and supplies to be furnished, sold, or leased to the District or the Hospital and shall award the contract to the lowest responsible bidder. Alternately, the District shall reject all bids.

Bidding is not required for contracts that are accepted under Section 2 and for contracts that do not exceed $25,000, but bidding or other suitable procedures should be followed to obtain the best value for the District

1.3 Authority to Make Purchases. The District's CEO or the CEO's designee are hereby given authority to make all purchases and to execute all purchase orders or contracts for the District duly authorized pursuant to this Policy or other applicable policies referenced herein. All purchases and contracts shall be upon written order, whenever reasonably possible, and the District shall keep and maintain written records of the same.

1.4 Contract File. The CEO shall keep and maintain written records of all contracts. The contract file shall include the method used to select the contractor or service provider, a copy of the request for proposal (RFP) or other form of solicitation, the amount of the contract, the expiration date of the contract, and the name of the contractor or service provider. When the formal bidding procedure is required, file shall also include a copy of the Notice of Bids and the names of all bidders and their proposals.

The contract file for all contracts awarded under the exceptions listed in section 2 shall include a description of the exception and an explanation of the method used to select the contractor or service provider.

The contract file shall include the names of any employee of the District, or any Board member who elected to recuse themselves from the award process because of a conflict of interest.

1.5 Conflict of Interest. With respect to all contracts covered by this Policy, any practices or procedures which might result in unlawful activity shall be prohibited, including practices which might result in rebates, kickbacks or other unlawful consideration. No employee of the District may participate in any selection process when such employee has a relationship with a person or business entity seeking a contract which would subject those employees to the prohibitions in *Government Code §* 87100[1]. (See Government Code §4526)

[1] Section 8100 provides, "No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest."

1.6 No Advantage. No illegal, unfair, unethical or otherwise improper advantage shall be accorded to any bidder by the District, a Board member or an employee of the District/Hospital.

2. Exceptions to Bidding and Lowest Bid Policy

The District shall not be required to utilize the formal bidding process or to award the contract to the lowest bidder to (a) emergency contracts, (b) contracts for medical or surgical equipment or supplies, (c) electronic data processing and telecommunications goods and services, (d) professional services, (e) energy services contracts, or (f) purchases made through a Group Purchasing Organization ("GPO") (*Health and Safety Code § 32132(b) & (e)*.)

2.1 Emergency Contracts. Notwithstanding anything to the contrary, the Board may award contracts for more than $25,000, without following the formal bidding and lowest bid policy, if it first determines (i) an emergency exists that warrants such expenditure due to fire, flood, storm, epidemic or other disaster and (ii) it is necessary to protect public health, safety, welfare or property. (*Health and Safety Code § 32136.*) In the event that the emergency requires immediate action, the CEO may make the determination that an emergency condition exists and award a contract without first receiving Board approval. The CEO shall inform the Board of the emergency and the contract by email within 24 hours. The Board shall review the emergency and the contract no later than 14 days after the action.

2.2 Medical Equipment and Supplies. Notwithstanding anything to the contrary, the CEO may award contracts for more than $25,000 without following the formal bidding and lowest bid policy for medical equipment and supplies commonly, necessarily and directly used by or under the direction of a physician or surgeon in caring for or treating a patient. (*Health and Safety Code § 32132(b)&(d).).*

2.3 Electronic Data Processing and Telecommunications Goods and Services. Consistent with Health & Safety Code §32138, the District shall employ competitive means to acquire electronic data processing and telecommunications goods and services, where such goods and services exceed a cost of twenty-five thousand dollars ($25,000). (*Health and Safety Code §§* 32132(b) and 32138).

For purposes of this section, "competitive means" includes any appropriate means specified by the Board. "Competitive means" may include (i) the preparation and circulation of a request for proposal to a sufficient number of qualified sources to permit reasonable competition consistent with the nature and requirements of the proposed acquisition, as determined by the Board in its reasonable discretion; (ii) the lowest bid policy; (c) any other appropriate means determined by the Board in its reasonable discretion. (*Health and Safety Code § 32138(b)*

The CEO shall provide the Board and the Board shall approve the competitive means that will be used for all electronic data processing and telecommunications goods and services.

2.4 Energy Services Contract. Notwithstanding anything to the contrary, the District shall award contracts for more than twenty-five thousand dollars $25,000 for

energy services including conservation, cogeneration, and alternate energy supply sources without following the formal bidding and lowest bid policy if 1) the Board determines that such contract is in the best interest of the District, and 2) the determination is made at a regularly scheduled public hearing of the Board in compliance with the provisions *of Government Code §4217.12.* (Government Code §§ 4217.11 & 4217.12)

2.5 Group Purchasing Organizations. Notwithstanding anything to the contrary, the CEO may award contracts that are placed through an accredited Group Purchasing Organization ("GPO") in excess of twenty-five thousand dollars ($25,000) without following the formal bidding and lowest bid policy (Revenue and Taxation Code §23704). (*Health and Safety* Code § 32132(e).)

2.6 Professional Services. Notwithstanding anything to the contrary, the CEO may award contracts for professional services and advice in financial, economic, accounting, engineering, legal, architectural or administrative matters ("Special Services") in excess of twenty-five thousand dollars ($25,000) without following the formal bidding and lowest bid policy or the use of competitive means, provided such persons are specially trained, experienced and competent to perform the special services required and have been selected based on these qualifications. (*Health and Safety Code §* 32132(b) & Government Code § 53060).

The Policy and Procedures Governing Bidding for Facility Contracts shall be followed for the contracts for professional services of architectural, engineering, environmental, land surveying, or construction project management firms if the work is to be performed in conjunction with an approved facility project.

3. Formal Bidding Procedure

3.1 Bid Packet. Where formal bidding is required, (or otherwise deemed desirable by the Board) the CEO shall prepare a bid packet, including a notice inviting formal bids ("Notice Inviting Bids"). The packet shall include a description of the materials or supplies, scope of services, or work in such detail and written with such specificity as may be required to allow all potential bidders to understand the need and give a level playing field to all bidders.

3.2 Notice Inviting Bids. Where formal bidding is required, the CEO shall publish the Notice Inviting Bids at least fourteen (14) calendar days, but preferably twenty (20) calendar days, before the date of opening the bids. Notice shall be published at least twice, not less than five (5) days apart, in a newspaper of general circulation, printed and published in the jurisdiction of the District. (Public Contract Code §20150.8).

In addition, the CEO may also publish the Notice Inviting Bids in a trade publication as specified in Public Contract Code 22036 or may give such other notice as it deems proper.

3.3 Requirements of Notice Inviting Bids. The CEO shall include all of the following in the Notice Inviting Bids:

a. A description of the item(s) to be bid upon;

b. The procedure by which potential bidders may obtain electronic copies of the Specifications;

c. The final time, date, and, place where bids are to be received(Government Code § 53068; Public Contract Code §§ 4104.5, 22037). If the District elects to receive bids electronically, this option must be included in the Notice Inviting Bids.

d. The appropriate District person to receive the bids and the address for that person, including an e-mail address.

e. The date, time and place for opening of bids;

f. Other matters, if any, that would reasonably enhance the number and quality of bids.

3.4 Submission of Bids. The CEO shall accept only written sealed bids from the prospective bidders. The CEO shall date and time stamp all bids upon receipt. All bids shall remain sealed until the date and time set forth for opening the bids in the Notice Inviting Bids. Any bid received by the District after the time specified in the Notice Inviting Bids shall be returned unopened. (Government Code § 53068). Any electronic bids received after the time specified shall have their attachments deleted and the bidder notified electronically of their rejection.

3.5 Examination and Evaluation of Bids. On the date, time and at the location provided in the Notice Inviting Bids, the District shall publicly open the sealed bids. A person designated by the CEO, shall attend and officiate over the opening of bids ("Opening"). The bids shall be made public for bidders and other properly interested parties who may be present at the Opening.

The District reserves the right not to determine the low bidder at the Opening, to obtain the opinion of counsel on the legality and sufficiency of all bids, and to determine at a later date which bid to accept. Such determination shall be made within sixty (60) days of the Opening unless a different period of time is specified in the Notice Inviting Bids.

In the event there are two or more identical lowest bids pursuant to any provision requiring competitive bidding, the District may determine by lot which bid shall be accepted. (Government Code § 53064)

3.6 Award of Contract. When formal bidding is required the CEO shall award the contract to the lowest bidder, provided the bidder is responsible as defined by section 3.7 and the bid is reasonable and meets the requirements and criteria set forth in the Notice Inviting Bids

Any contract awarded by the District shall be subject to all applicable provisions of federal, California and local laws. In the event of a conflict between any contract documents and any applicable law, the law shall prevail.

Notwithstanding anything to the contrary, the District is under no obligation to accept the lowest responsible bidder and reserves the right to reject all bids. (*Health and Safety Code § 32132*)

3.7 Responsible Bidder.

a. For purposes of this Policy, "responsible bidder" means a bidder who has demonstrated the attribute of trustworthiness and quality during prior service, a reputation for reliability and satisfactory service with other clients, sufficient financial capacity and the physical capability and the technical and non technical expertise in order to perform the contract satisfactorily (Public Contract Code 1103).

b. If the CEO determines that the lowest bidder is not responsible, the Board may award the contract to the next lowest responsible bidder

c. If the Board decides to award the contract to a bidder other than the lowest bidder pursuant to subparagraph (b), the Board shall first notify the low bidder of any evidence, either obtained from third parties or concluded as a result of the District's investigation, which reflects on such bidder's responsibility. The District shall afford the low bidder an opportunity to rebut such adverse evidence and shall permit such bidder to present evidence that it is qualified. Such opportunity to rebut adverse evidence and to present evidence of qualification shall be submitted in writing to the District.

4. Bid Conditions.

All formal bids shall be subject to the following general conditions.

4.1 Minimum Number of Bids. When formal bidding is required the CEO shall consider a minimum of three (3) bids whenever possible; however, where the CEO cannot obtain three bids or when the CEO decides that time will not permit obtaining three bids, the Board may authorize consideration of a minimum of two (2) bids.

The District may accept sole source bids for contracts that are exempt from the formal bidding policy under section 2.

4.2 Multiple Bids. When bids for multiple items are solicited at the same time, the CEO may accept parts of one or more bids (provided the Notice Inviting Bids so indicates) unless the bidder has specified to the contrary, in which event the District reserves the right to disregard the bid in its entirety.

4.3 Minor Deviations. When formal bidding is required, the CEO, after receiving advice from counsel, may waive inconsequential deviations from the specifications in the substance or form of bids received.

4.4 Reference Check. Contracts shall be awarded to the lowest responsible bidder meeting the applicable criteria established by the District, subject to a check of references and review of legal counsel, as applicable.

4.5 Right to Direct Competitive Bidding. The Board reserves the right to direct competitive bidding (including but not limited to lowest bid) for any contract, regardless of whether or not competitive bidding is required by the terms of this policy. (*Public Contract Code §1601*)

4.6 Flexibility and Waiver of Policy Requirements. In recognition of the fact that the contracting and procurement needs of the District may, from time to time, render certain procedures or requirements set forth in this Policy impractical, the CEO or

his/her designee is authorized to permit or waive deviations from this Policy, to the extent permitted by law, in consultation with the District's legal counsel and upon making a written finding that such deviations are in the best interest of the District.

5. Limit of Authority Delegated to CEO for Materials and Services

The CEO may sign a contract for an operating expense, the cost of which has been included in the approved (by the Board) operating budget for the current fiscal year. The contract may cover a period of up to 5 years.

The CEO may sign a contract for an operating expense, the cost of which has been included in the approved (by the Board) operating budget for the current fiscal year, but the contract amount is greater than the amount in the budget, if the total dollar amount of contracts exceeding the budgeted amounts is not in excess of $100,000 for the year. When a contract is signed that exceeds the budgeted amount the CEO should reduce operating costs in other areas to keep the impact of the contract "budget neutral." The contract may cover a period of up to 5 years.

The CEO may approve a contract for a capital expense, if the item meets the guidelines for capital projects which were included with the capital budget and approved by the Board. The Board may request to review the ~~decision making~~decision-making process in the selection of the vendor and equipment.

TRAVEL AND EXPENSE REIMBURSEMENT
BOARD POLICY #~~P-2017.09.07~~ P-2020.02.06-5

Purpose:
The Board of Directors of the Sonoma Valley Health Care District (District) recognizes that Board members may be required to travel or incur other expenses from time to time to conduct District/Hospital business and to further the District/Hospital's mission.

Board members are encouraged to attend educational conferences and professional meetings when the purpose of such activities is to improve District operations. Hence, there is no limit as to the number of Board members attending a particular conference or seminar when it is apparent that their attendance is beneficial to the District.

The purpose of this Travel and Other Expense Reimbursement Policy is to ensure that (a) adequate cost controls are in place, (b) travel and other expenditures are appropriate, and (c) to provide a uniform and consistent approach for the timely reimbursement of authorized expenses incurred by Board members It is the policy of the District to reimburse only reasonable and necessary expenses actually incurred by Board members.

When incurring business expenses, the District expects Board members to:
· Exercise discretion and good business judgment with respect to those expenses.
· Be cost conscious and spend the District's money as carefully and judiciously as the Board member would spend his or her own funds.
· Report expenses, supported by required documentation, as they were actually spent.

While the Board has set the policy, the Board member submitting the expense reimbursement claim and the person approving the reimbursement are personally responsible for maintaining the integrity of the reimbursement process.

General:
Each Board member shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board. (Section 32103 of the Health and Safety Code) In order for the District to reimburse an expense claim of a Board member that member shall have completed the ethics training required by Section 53235 (a) of the Government Code within the past two years. The CEO shall maintain the record of completion on file and available for review when a Board member submits a claim for expense reimbursement. No Board member expense claim shall be approved for payment without confirmation of current compliance with the ethics training requirement. ((Government Code Section 53235 (a), (b))

Specifically the Board Chair or Board approves travel and incidental expenses for Board members when conducting official business as follows:
(1) To testify before or attend any federal, state or local government: legislative body, committee, or sub-committee; regulatory body, committee, or sub-committee;

(2) To meet with officials of other hospitals, health care districts, health care providers or government officials in California;

(3) A conference or organized educational activity conducted in compliance with Section 54952.2 (c) of the Government Code;

(4) A meeting, educational/training session, workshop, seminar, conference or similar activity conducted by a professional hospital, health association or group, non-profit or business;

(5) A meeting with a current or potential funding agency/donor.

(6) To testify or participate in mediation, arbitration, or court.

(7) Incidental travel in the course of District business.

(8) When the attendance at the event is determined by the Board Chair to be reasonable and necessary for the Board member to attend in their official capacity and there is written documentation of the determination accompanying the expense reimbursement claim signed by the Chair of the Board.

(Government Code section 53232.1(b)

For Board members, all expenses that do not fall within this Travel and Other Expense Reimbursement policy adopted by the Board, or that involve out-of-state travel shall be approved by the District Board, in a Board meeting before the expense is incurred. (Government Code sections 53232.2 (c)-(f))

All such reimbursements are to be made in accordance with the budget for that expense.

If a Board member believes that the limitations imposed by this policy will actually cost the District/Hospital more for any reason, the Board member shall seek the written approval of the Board Chair documenting the savings to be achieved. The documentation and the approval shall accompany and be filed with the expense reimbursement claim.

Expense Report:
The CEO shall provide standard expense report forms for Board members to claim reimbursement for actual and necessary expenses incurred on behalf of the District in the performance of official duties. Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. Expense reports shall document that expenses meet this policy, adopted by the Board, for expenditure of public resources. Board members shall submit expense reports to

CEO within 60 days of the expense, accompanied by the receipts documenting each expense. (Government Code sections 53232.3 (a), (b), (c)

The CEO shall provide all forms to be used for the purpose of claiming expense reimbursement. Expenses shall not be reimbursed unless the Board member requesting reimbursement submits a written Expense Report on the necessary forms. The Expense Report shall include:

- The Board member's name.
- If reimbursement for travel is requested, the date, origin, destination and purpose of the trip, including a description of each business-related activity during the trip.
- The name and affiliation of all people for whom expenses are claimed (i.e., people on whom money is spent in order to conduct the District's business).
- An itemized list of all expenses for which reimbursement is requested.

All expenses claimed for reimbursement are subject to audit. Penalties for misuse of public resources or falsifying expense reports in violation of expense reporting polices by the Board may include, but are not limited to, the following:

(a) The loss of reimbursement privileges.
(b) Restitution to the District.
(c) Civil penalties for misuse of public resources pursuant to Section 8314 of the Government Code.
(d) Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code. (Government Code section 53232.4)

Receipts:
Receipts are required for all expenditures billed directly to the District Board member, such as airfare and hotel charges. No expense in excess of $25.00 will be reimbursed unless the Board member requesting reimbursement submits with the Expense Report written receipts from each vendor (not a credit card receipt or statement) showing the vendor's name, a description of the services provided (if not otherwise obvious), the date, and the total expenses, including tips (if applicable). If an original receipt has been lost, the Board member may submit a declaration on the form provided by the CEO seeking approval of the affected expense. A credit card receipt or statement is often the best documentation available in such cases.

General Travel Requirements:

A. Necessity of Travel
In determining the reasonableness and necessity of travel expenses, the individual Board member and the Board shall consider the ways in which the District/Hospital will benefit from the travel and weigh those benefits against the anticipated costs of the travel. The same considerations shall be taken into account in deciding whether a particular Board member's presence on a trip is necessary. In determining whether the benefits to District outweigh the costs, less expensive alternatives, such as participation by telephone or video conferencing, or the availability of local programs or training opportunities, shall be considered.

B. Advance Approval

All trips involving air travel or at least one overnight stay shall be approved in advance by the Board Chair or the Board. If approved by the Board Chair the justification signed by the Chair shall accompany the expense reimbursement claim.

C. Conferences
If the lodging is in connection with a conference or organized educational activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Board member at the time of booking. If the group rate is not available, the Board member shall use comparable lodging. Board members shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging when available.

All expenses that do not fall within this travel reimbursement policy adopted by the Board or the Internal Revenue Service reimbursable rates as provided in Section 53232.2 (c) of the Government Code , shall be approved by the Board, in a Board meeting before the expense is incurred. (Government Code sections 53232.2 (c)-(f))

5. Air Travel

A. General
Air travel reservations shall be made as far in advance as possible in order to take advantage of reduced fares. The District shall reimburse or pay only the cost of the lowest coach class fare actually available for direct, non-stop flights from the following airports:

1. San Francisco International Airport
2. Oakland International Airport
3. Sacramento International Airport
4. Santa Rosa Airport

B. Saturday Stays
Board members traveling on behalf of District/Hospital shall not be required to stay over Saturday nights in order to reduce the price of an airline ticket. A Board member who chooses to stay over a Saturday night shall be reimbursed for reasonable lodging and meal expenses incurred over the weekend to the extent the expenses incurred do not exceed the difference between the price of the Saturday night stay ticket and the price of the lowest price available ticket that would not include a Saturday night stay. To receive reimbursement for such lodging and meal expenses, the Board member shall supply, along with the Expense Report, documentation of the amount of the difference between the price of the Saturday stay and non-Saturday stay airline tickets.

C. Frequent Flyer Miles and Compensation for Denied Boarding
Board members traveling on behalf of District/Hospital may accept and retain frequent flyer miles and compensation for denied boarding for their personal use. Individuals may not deliberately patronize a single airline to accumulate frequent flyer miles if less expensive comparable tickets are available on another airline.

6. Lodging
Board members traveling on behalf of District/Hospital shall be reimbursed at the single room rate for the reasonable cost of hotel accommodations. Convenience, the cost of staying in the city in which the hotel is located, and proximity to other venues on the individual's itinerary shall be considered in determining reasonableness. Board members shall make use of available corporate and discount rates for hotels. Government lodging rates are almost always available with appropriate identification and should be sought. "Deluxe" or "luxury" hotel rates will not be reimbursed. (See also, 4. C. Conferences.)

7. Out-Of-Town Meals and Incidentals
For travel of 24 hours the meals and incidentals expense reimbursement rate may not exceed $125/day. -While traveling, if one or more meals is provided as part of a meeting, training session or conference, the Board member shall deduct the allowable per diem cost of that meal from the per diem for that day, using the schedule provided below. This schedule also applies to the day of departure and the day of return. In any instance where a meal is provided by others the meal allowance value shall not be claimed by the Board member.

~~Meals and Incidentals – Maximum allowances for meals and incidentals~~
- ~~Breakfast -- $13 (when travel begins before 7 AM)~~
- ~~Lunch – $19 (when travel begins before 11 AM and/or ends after 1 PM)~~
- ~~Dinner --$85 (when travel ends after 6:30 PM)~~
- ~~Incidentals -- $8 (for partial or full day travel)~~
- ~~Total – $125~~

For travel of less than 24 hours, the schedule limits the meal allowances payable to the Board member with receipts. (Government Code section 53232.2(c). Incidentals are intended to include miscellaneous costs associated with travel such as tips for baggage handling, etc. and do not require receipts.

In the event that the District CEO and President attends the same event attended by a Board member, these maximum allowances shall also apply to the District CEO and President.
If a receipt for a meal includes the expense for several Board members (and/or the District CEO,) the total amount of the receipt may be reported on one person's expense report with a notation of the names of the other members who were included on the receipt.

8. Ground Transportation
Board members are expected to use the most economical ground transportation appropriate under the circumstances, within the bounds of convenience, and should generally use the following, in this order of desirability.

A. Courtesy Cars
Many hotels have courtesy cars, which will take you to and from the airport at no charge. The hotel will generally have a well-marked courtesy phone at the airport if this service is available. Board members should take advantage of this free service whenever possible.

B. Airport Shuttle or Bus

Airport shuttles or buses generally travel to and from all major hotels for a small fee. At major airports such services are as quick as a taxi and considerably less expensive. Airport shuttles or buses are generally located near the airport's baggage claim area.

C. Taxis
When courtesy cars and airport shuttles are not available, a taxi is often the next most economical and convenient form of transportation when the trip is for a limited time and minimal mileage is involved.

D. Commercial Shuttles for Work/Home to Airport Transportation
These will provide service from work/home to the airport and return. When considering the cost of mileage and airport parking it is often a less expensive option.

E. Rental Cars
Car rentals are expensive so other forms of transportation should be considered when practical. Board members shall be allowed to rent a car while out of town provided that advance approval has been given by the Board Chair or the Board and that the cost is less than alternative methods of transportation. Board members and hospital staff should travel together whenever feasible and economically beneficial. Luxury and premium cars are not reimbursable.

9. Personal Cars
If Board members are required or need to use a personally owned vehicle for otherwise authorized traveling, the vehicle must be insured for such use. Board members and hospital staff should travel together whenever feasible and economically beneficial. When Board members use their personal car for such travel, including travel to and from the airport, mileage shall be allowed at the prevailing IRS rate per mile.

In the case of Board members using their personal cars to take a trip that would normally be made by air, e.g., a roundtrip flight between San Francisco and San Diego, mileage shall be allowed at the currently approved rate; however, the total mileage reimbursement shall not exceed the sum of the lowest available round trip coach airfare.

10. Parking/Tolls
Parking and toll expenses, including charges for hotel parking, incurred by Board members traveling on business will be reimbursed. The costs of parking tickets, fines, car washes, valet service, etc., are the responsibility of the Board member and will not be reimbursed. On-airport parking is permitted for short business trips. For extended trips, Board members should use off-airport or long-term facilities, if available.

11. Entertainment and Business Meetings
Reasonable expenses incurred for business meetings or other types of business-related Entertainment will be reimbursed only if the expenditures are approved in advance by the Board Chair. Moderate amounts of alcohol with a meal may be included. Board members are reminded that they represent the District while on business and that alcohol use, if any, must be

responsible. Home entertainment related to District business, or otherwise authorized, shall be advanced or reimbursed only upon prior approval by the Board.

Detailed documentation for any such expense must be provided, including:

- Date and place of entertainment.
- Nature of expense.
- Names, titles and business affiliation of those entertained.
- A complete description of the business purpose for the activity including the specific business matter discussed.
- Vendor receipts (not credit card receipts or statements) showing the vendor's name, a description of the services provided, the date, and the total expenses, including tips (if applicable).

12. Other Expenses

Reasonable business-related telephone and fax charges due to absence of Board members from their place of business are reimbursable. Finally, emergency, or reasonable and necessary work related costs such as business center, faxes, on-line charges, postage, telephone, etc. incurred while conducting District/Hospital business are reimbursable with receipts. Personal calls, such as reasonable calls to home, family members, baby sitters, etc., are allowable business expenses.

13. Non-Reimbursable Expenditures

The District maintains a strict policy that expenses in any category that could be perceived as lavish or excessive shall not be reimbursed, as such expenses are inappropriate for the District/Hospital. Expenses that are not reimbursable* include, but are not limited to:

- Travel insurance.
- First class tickets or upgrades.
- When lodging accommodations have been arranged by the District/Hospital and the

Board member elects to stay elsewhere, reimbursement is made at the amount no higher than the rate negotiated/arranged by the District/Hospital. This similarly applies to conference attendance, and conference hotel rates. Reimbursement shall not be made for transportation between the alternate lodging of the Board members choosing and the meeting site.

- Limousine travel.
- Movies, liquor or bar costs.
- Membership dues at any country club, private club, athletic club, golf club, tennis club or similar recreational organization.
- Participation in or attendance at golf, tennis or sporting events, without the advance approval of the Board Chair or designee.
- Purchase of golf clubs or any other sporting equipment.
- Spa or exercise charges.
- Clothing purchases.
- Business conferences and entertainment which are not approved by the Board.
- Valet service.
- Car washes.

- Toiletry articles.
- Expenses for spouses partners, friends or relatives. If a spouse, partner, friend or relative accompanies a Board member on a trip, it is the responsibility of the Board member to determine any added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request.
- Overnight retreats without the prior approval of the Board or the Board Chair.
- Board members traveling on behalf of the District/Hospital may incorporate personal travel or business with their business-related trips; **however,** Board members shall not arrange business travel at a time that is less advantageous to the District/Hospital or involving greater expense to District in order to accommodate personal travel plans.
- Any additional expenses incurred as a result of personal travel, including but not limited to extra hotel nights, additional stopovers, meals or transportation, are the sole responsibility of the Board member and will not be reimbursed by the District.

Travel Advances:
The Board recognizes that Board members may not desire to use their own funds or credit to pay for necessary expenses. Prior to a business trip, a Board member may request in writing a Travel Advance for documented anticipated expenses including transportation, lodging, meals, conference registration, etc. that exceed $100.00. Requests submitted to the CEO two weeks in advance of Board approved travel shall be accommodated, late requests may not be accommodated due to the time required to process the request. Travel advances shall be paid by check.

An Expense Report shall be completed as required by this policy after the Board member's return. If the receipts total less than the advance, the Board member shall submit a check for the unused amount with their Expense Reimbursement Report.

Travel Funded by Others:
All travel where expenses will be funded directly or indirectly by another organization, other than by a governmental entity, shall be approved by the Board in advance of traveling. It shall be the general policy of the Board to not approve travel paid for by any business or vendor that is doing, or may conceivably do business with the District/Hospital. The underpinning of this general policy is that if the need is sufficient to justify the travel for District/Hospital Personnel then the District/Hospital should be able to pay for it and avoid the reality or appearance of conflict of interest at the current time or in the future. The retention of the public trust is key to this policy. Possible exceptions may include training included in the purchase price of equipment and when asked to present at a professional conference and the conference offers to pay some or all of the expenses. Honoraria shall not be accepted by an individual Board member.

Honoria may be accepted by the District/Hospital if it is not a precluded by the Board's Conflict of Interest policy, and shall report by the CEO as statutorily required.

Non-Reimbursable Travel:
A Board member shall not attend a conference or training event when it is apparent that there is no significant benefit to the District.

Even if previously approved by the Board a Board member shall not submit a claim nor be reimbursed for travel and expenses for a conference or training related event if the event occurred after the Director has publicly announced his or her pending resignation or intent to not run for reelection, or after an election in which it was determined that the Director will not retain his or her seat on the Board. This limitation does not apply to attending meetings and continue actively representing the interests of the District/Hospital with the approval of the Board Chair.

Board Report on the Event:
Upon returning from a event, for which there was or will be an Expense Reimbursement Report submitted to the District for reimbursement, the Board member shall make a brief report during the next regular meeting of the Board. (Government Code section 53232.3 (d))

Business-Related Gifts:
Modest business gifts to non-employees (including Board members and sponsors) will be reimbursed if approved by the Board or with a written justification, approved in writing by the Board Chair and the approval shall accompany and be filed with the expense claim.

With the Board's approval or with the Board Chair's prior written approval, a gift to a District employee or board member, or Medical Staff for exceptional performance, as a thank you for a special effort, as a going away gift, or as an acknowledgement for completing a degree or training program may be expensed. Also allowable are gifts associated with employee recognition; length-of-service awards, retirement presentations; employee, staff, or volunteer focused events. The written justification, approved in writing shall accompany and be filed with the expense claim.

In the event of a personal or family crisis of involving a District/Hospital employee, Board member or member of the Medical Staff including but not limited to the death of an employee or immediate family member, the serious injury or hospitalization of the employee or employee family member or other family crisis the Board Chair may expense flowers or another appropriate and reasonable gift and shall submit a justification in writing and be filed with the expense claim.

Exceptions:
Exceptions and expenses that do not fall within this policy shall be approved by the Board at a Regular Board meeting before the expense is incurred. (Government Code section 53232.2(f)).

Quality Department Annual Review 2019

SVHCD Board of Directors
February 6, 2020

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home

Quality

- Quality is not just a department…it is our passion

SONOMA VALLEY HOSPITAL
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Role Model of the Year

- Cindi Newman

SONOMA VALLEY HOSPITAL
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CMS 5 Star Hospital

- CMS developed and implemented the Hospital Compare Overall Hospital Quality Star Rating in response to consumer feedback because they found Hospital Compare difficult to interpret and understand
- The 5 Star Rating is based on seven measure groups
  - Mortality
  - Readmission
  - Safety of Care
  - Patient Experience
  - Efficient Use of Medical Imaging
  - Timeliness of Care and Effectiveness of Care

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
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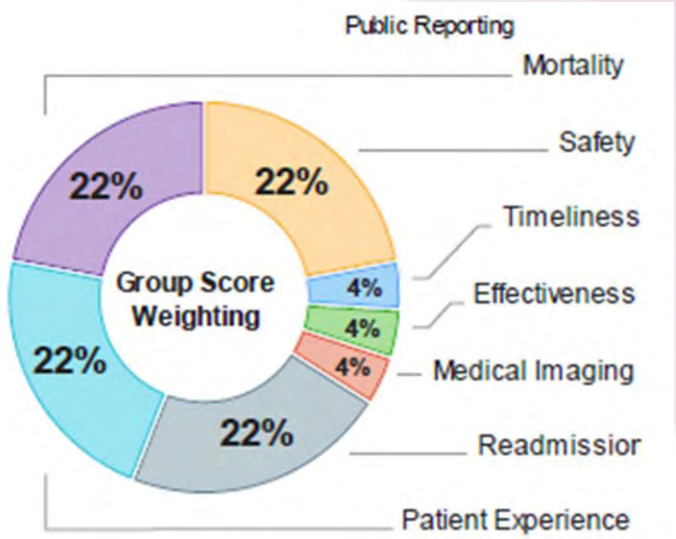
Measure Score Groups

- Safety of Care Better
- Mortality Average
- Readmission Better
- Patient Experience Average
- Effectiveness of Care Average
- Timeliness of Care Average
- Effective Use of Medical Imaging Average



SONOMA VALLEY HOSPITAL
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Roles & Responsibilities

- Accreditation
- Policies & Procedures
- Patient Care Contracts
- Risk Management
- Performance Improvement
- Clinical Review
- Patient Experience
- Patient Relations
- Medical Staff Peer Review
- Culture of Safety
- Infection Prevention
- Quality Information Systems Management
- Data Quality and Integrity

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
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Interdisciplinary Collaboration

Sorry Works	Culture of Safety Program	Good Catch Program
Safety Committee	Patient Safety Committee	Clinical Informatics Team
Pharmacy and Therapeutics Committee	Departmental and cross departmental performance improvement projects and organization wide performance improvement	Medical Staff Performance Improvement Committee
Grievance Committee	Safety Rounds	Policy & Procedure Committee
Antimicrobial Stewardship	Compliance Committee	Med Staff Committees
IT Steering Committee	Daily Multidisciplinary Patient Care Huddle	Utilization Review Program

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home

Performance Improvement

- Barcode Computerized Medication Scanning
- Renovo Clinical Engineering contract
- Perioperative Services Optimization
- Emergency Department Point of Sales Collection
- Medical Imaging Pricing
- Employee Engagement Survey
- Respiratory Therapy Supply Reorganization
- Emergency Food & Water Storage
- Wound Care Collections and Restructure
- Ancillary Utilization in the Emergency Department
- One Medical Passport
- Patient Forms Review
- Verigene
- Patient Access to Medical Imaging
- Using SBAR for Risk and Patient Relation
- Broadcast & Notification System

SONOMA VALLEY HOSPITAL
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Performance Improvement Impact

- Renovo
  - $105 K annual savings
- Employee Engagement survey
  - $18 K annual savings
- Respiratory Therapy supply redesign
  - 40% reduction in inventory
- Medication administration scanning in ED
  - Increase patient safety with 93% compliance
- Patient Access to Medial Imaging
  - Increase efficiency evidenced by decrease in physician complaints

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Culture of Safety

79%

- of employees surveyed reported Overall Perceptions of Patient Safety to be excellent or very good

81%

- reported that their supervisor, manager, or clinical leader seriously considers staff suggestions for improving patient safety

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January 2019

Hey, Good Catch!

Quality is a state of mind

A Culture of Safety

One of the core values of Sonoma Valley Hospital is to enhance a culture of safety for our patients, staff and visitors. We want everyone to understand that there is "no blame" for errors. It is not only okay to report a near miss/"Good Catch," we are encouraging it. It is a way for us to review potential risks to our patients.

Definition of a "Good Catch"

A "Good Catch" is the recognition of an event that could have been harmful to a patient but was prevented.

What's the Importance?

Near misses occur at a much higher rate than actual errors in patient care. Studies show that reporting near misses can prevent more serious errors.

A number of factors may be part of a near miss:

- System factor: For example, how we organize our work flow for patient care.
- Human factors: For example, how each of us perform our patient-care roles.

There is No Blame

At Sonoma Valley Hospital, we do not want to "name and blame." We want to look for ways to review the events that can help identify a single or recurring problem.

Response to a Good Catch

The Safety Committee will review all "Good Catch" reports.
The response will be based on an evaluation of each patient care report. In all cases, the review and response will include a discussion with all staff involved in the patient care event to find out:

- *What happened?*
- *Why did it happen?*
- *What helped identify it as a "Good Catch"/near miss?*
- *What can we do to prevent it from happening again?*

What You Receive for a Good Catch:

- A "Good Catch" award letter
- A "Good Catch" lapel pin
- Special recognition within our Hospital
- A copy of the award certificate in your permanent record in Human Resources.
- Our sincere thanks for your dedication to patient safety!
- An opportunity to effect change, since we will review all "Good Catches" and look for ways to prevent them from occurring in the future.

eNotification Reporting System
(Adverse Event, Good Catch, Grievance, Compliments)

We'd like your feedback and comments!

Contact Danielle Jones-Director of Quality & Risk Management
707-935-5495 or email djones@svh.com

"Good Catch" Award Recipients

We thank the following individuals for entering their "Good Catches"

Thanks to a "Good Catch" by: Madeline Boucher, RN, Med Surg preventing drug interaction. We will update Paragon Alerts to show the interaction warning at time of processing.

Thanks to a "Good Catch" by: Elise Alexander-Stone, Speech Therapy An outpatient showed signs and symptoms of a possible stroke onset. Patient was escorted to ED

Thanks to a "Good Catch" by: Jae Ann Jeys,RT, Cardiopulmonary reported an issue for RTs prevented from accessing patient information. We were able to change a server setting that affected all RTs. This prevented possible medication errors.

Thanks to a "Good Catch" by: Diane Tran, RN, Surgical Services, prevented possible patient harm by performing pre-op diagnostics just prior to a scheduled surgical procedure. New information presented, surgery delayed, patient admitted to ICU for appropriate follow up treatment.

Thanks to a "Good Catch" by: Julia Okuba RN, Med Surg reported a medication dispensing error.

"Good Catch" Quiz

1. **The definition of a "Good Catch" is the recognition of an event that could have been harmful to a patient but was prevented.**
   True or False?
2. **A health care provider walks into a patient's room without washing her hands, which is not following National Patient Safety Goals. How do you think the patient should respond?**

A. Say nothing
B. Ask the healthcare provider to wash her hands before she begins her exam
C. None of the above

3. **There will be a response to all "Good Catches" by staff from Quality Dept.**
   True or False?

Answers to all questions are below

1-True, 2-B, 3- True

eNotification Reporting System
(Adverse Event, Good Catch, Grievance, Compliments)

Adverse Drug Events: Medication Good Catch all prevented patient harm!

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CIHQ Stroke Ready Hospital Certification

- Acute Stroke Ready Hospital certification by the Center for Improvement in Healthcare Quality (CIHQ)
- Provide Sonoma Valley residents with 24/7 access to acute stroke care
- Provide immediate care for strokes, including life-saving medications, and then transport the patient to a primary or comprehensive stroke center

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Community Stroke Education

- Sonoma Valley Hospital, in partnership with Vintage House held panel discussions
  - recognizing stroke symptoms
  - what to do in the event of a stroke
  - emergency care

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Board Quality Restructure

- SVH Board Quality understands the importance of a strong and committed leadership team that prioritizes quality and safety and sets clear and measurable goals for improvement.

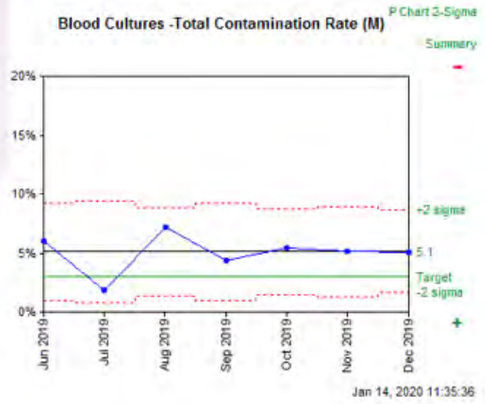
- Conducted literature review of current best practices related to Quality Governing Boards

- Completed restructure of agenda, work plan, data review platform, charter, roles and responsibilities, annual reviews

Example data slide from new indicator report

Blood Culture Contamination Rate

Champion: Dr. Kretzchmar
Leader: Mark Kobe



- **Opportunities for Improvement**
  - December 2019
  - 8 contaminated cultures
    - 7 RN contaminated cultures
- **Plan of Action**
  - New protocol implemented mid-November where new IVs will be started for blood cultures in ED
  - Continued counseling and coaching

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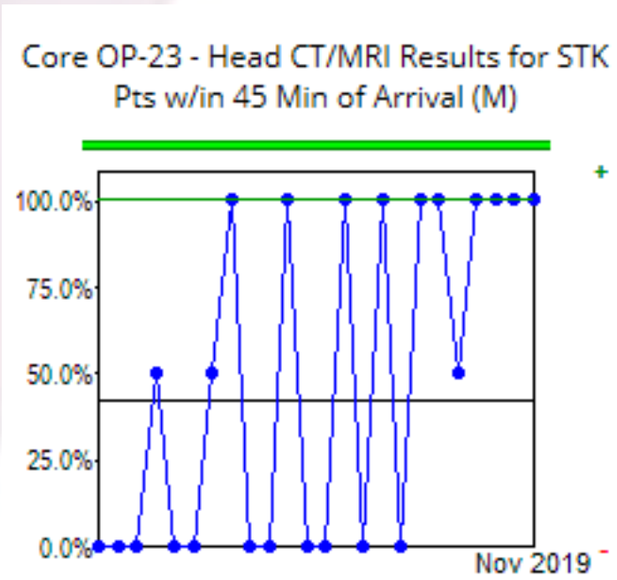
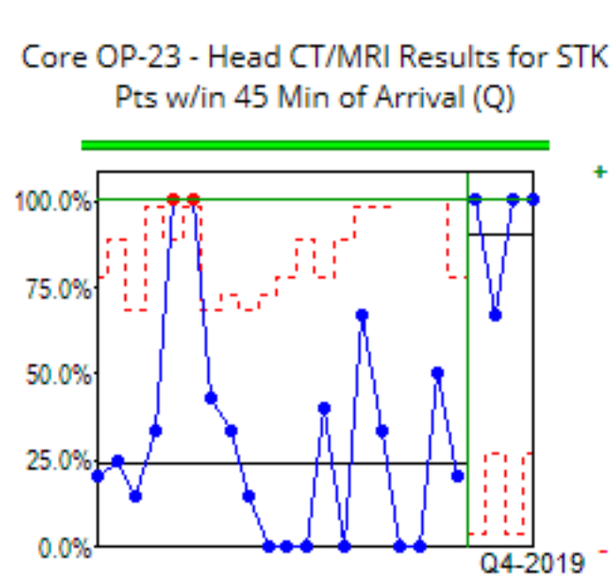
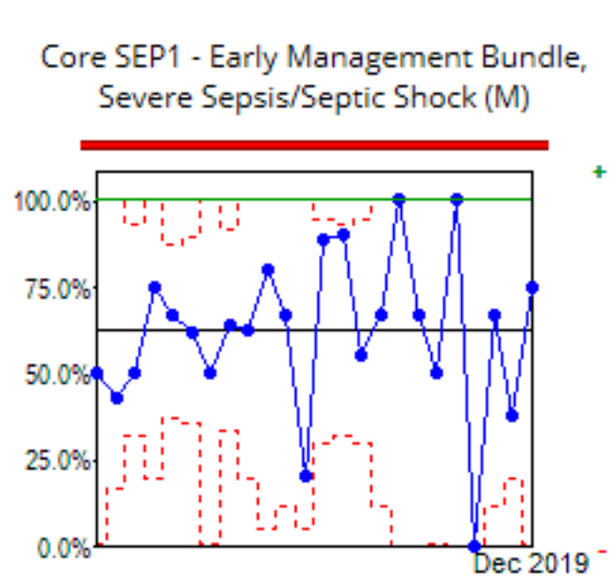
STATIT

- Created 275 quality/patient safety indicators and scorecards







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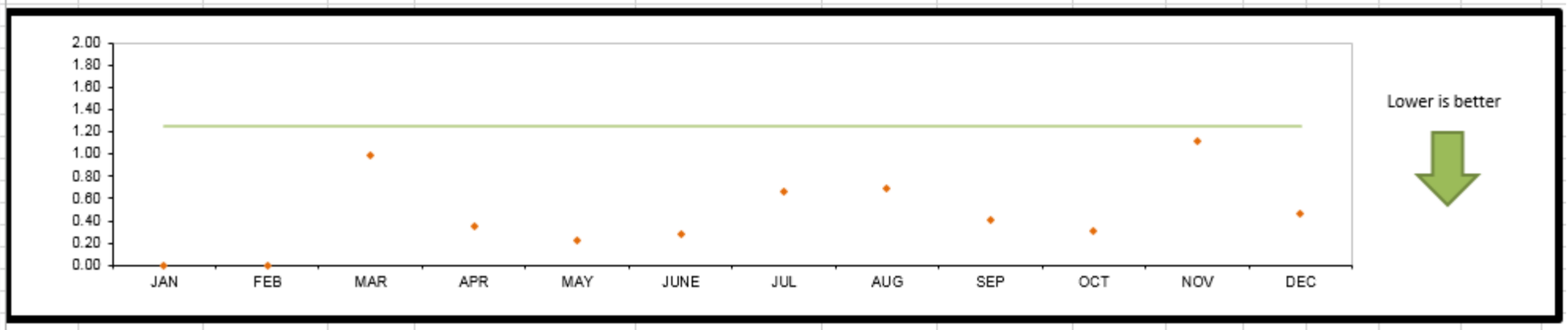
Electronic Indicator Report for Performance Improvement

- The Quality Department created and implemented an electronic indicator report for Quality Assurance Performance Improvement (QAPI) projects.

Month	Reported Errors	Doses Despensed	
Jan-19	0.00	30328	
Feb-19	0.00	28460	
Mar-19	3.00	30410	Measure = (Reported Errors/Total doses dispensed) x 10,000
Apr-19	1.00	28636	
May-19	1.00	45942	
Jun-19	1.00	35406	
Jul-19	2.00	30315	
Aug-19	2.00	29017	
Sep-19	2.00	48389	
Oct-19	1.00	32618	
Nov-19	4.00	35782	
Dec-19	2.00	42851	
Total	19	418154	0.45 over all

et <1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
2019	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEP	OCT	NOV	DEC
≤1.25	0.00	0.00	0.99	0.35	0.22	0.28	0.66	0.69	0.41	0.31	1.12	0.47



Q1	Q2	Q3	Q4	TL
0.33	0.28	0.59	0.63	0.45

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Infection Prevention

Infection Prevention Report: 4th Quarter 2019					
Indicator	**Comparison Rates: 2013-2018**	**Q1 2019**	**Q2 2019**	**Q3 2019**	**Q4 2019**
****CLABSI (NHSN) (CMS Never Event)** *# Central Line Associated Bloodstream Infections (CLABSI)/1000 central line days*	**0 since 2011**	**0** 0/108	**0** 0/89	**0** 0/51	**0** 0/77
****CDI (NHSN)** *#Inpatient Hospital Acquired infections due to C. difficile per 10,000 patient days*	**2.1 /7.2 /12 15/21.7/7.5**	**0** 0/872	**0** 0/901	**0** **0/821**	**9.9** 1/1006
****MRSA Bloodstream Infections (NHSN)** *#bloodstream infections due to MRSA per 1000 pt. days*	**1.3 /0 /0 0/ 0/0**	**0** 0/872	**0** 0/901	**0** 0/821	**0** 0/1006
****VRE Bloodstream Infections (NHSN)** *#Hospital Acquired bloodstream infections due to VRE per 1000 pt. days*	**0 x 6 yrs**	**0** 0/872	**0** 0/901	**0** 0/821	**0** 0/1006
****Hip: Deep or Organ Space Surgical Site Infections (NHSN)** *# infections/ # Total Hip Cases x 100*	**0 / 1.8% / 0** **1.6% / 0**	**0** 0/11	**0**	**0** 0/12	**0** 0/15
****Knee: Deep or Organ/Space Surgical Site Infections (NHSN)** *# infections/ # Total Knee Cases x 100*	**0 / 1.7% / 2** **1.4% / 1.3%/3.5**	**0** 0/17	**0**	**0** 0/14	**0** 0/19
****Overall Surgical Site Infections (SSI)** *Total # SSI/Total # surgeries x 100*	**0.2%/0.7% (12)/** **0.4% (6)/ 0.5% (8)/ 0.4% (8)**	0.4% 2/473	**0.8%** **5/586**	**0** 0/462	**0.4%** 2/532
Class I SSI rate	**<1% x 5 yrs**	0.2% 1/409	**0.9%** **4/420**	0 0/373	0.2% 1/470
Class II SSI rate	**< 1.3% x 5 yrs**	0 0/56	**0 0/54**	0 0/61	0 0/44
Total Joint SSI rate	**0 / 0.8%/1.9%/1.4%/1.4%**	**0**	**0**	0 0/23	0 0/39
Post discharge surveillance surgeon compliance	**57%, 64%, 84%, 96.5%, 95.3%**	92% Jan sample	**90.5% Apr/May**	90% Jul/Aug	90% Oct/Nov

Infection Prevention Report: 4th Quarter 2019					
Indicator	**Comparison Rates: 2013-2018**	**Q1 2019**	**Q2 2019**	**Q3 2019**	**Q4 2019**
Hand Hygiene Compliance *hand hygiene observations: # opportunities/# hand hygiene procedure observed*	**2017 98.7%** **2018 92.7%**	**95%** **19/20**	**100&** **19/19**	**100%** 23/23	
****Ventilator Associated Event (VAE)** *# Ventilator Associated Pneumonias or events/ # vent days x 1000*	**0 x 4 yrs.**	**0** 0/7	**0** 0/23	**0/0**	**41.6** **1/24**
****Hospital Acquired Pneumonia (HAP)** *# hospital acquired pneumonia/# pt days x 1000 pt days*	**0.2/0.5/0.9/1.6/ 0.7**	acute 0/872 SNF 0/988	1.1 1/901	0 0/821	0.1 1/1006
****Inpatient Hospital Acquired Catheter Associated Urinary Tract Infections (CA-UTI) (CMS Never Event)** *# inpatient CAUTI/# catheter days x 1000*	**0.7 /0 / 1.7 1.4/1.6/0.85**	**0** 0/197	**4.6** 1/217	**0** **0/221**	**0** **0/274**
Communicable Disease Exposures		1	1	**0**	**0**
MRSA Active Surveillance Cultures (nares cultures only) *# positives/total screened x 100*	**14%, 20%, 26%** **9.2%/5.8%**	**9.5%** 10/105	**11%** 11/100	**6.3%%** 5/80	**9.7%** 9/93
% ESBL (E. coli;K. pneumoniae, K. oxytoca, P. mirabilis)	**2% /3%/4.2%/4.1%**	7%	15.5%	7.7%	7.6%
# CRE cases	**0/0/0/1**	1 (0.34%)	0	0	1(.34%)
Legionella Monitoring: water samples and patients with HA pneumonia		0	0	0	0

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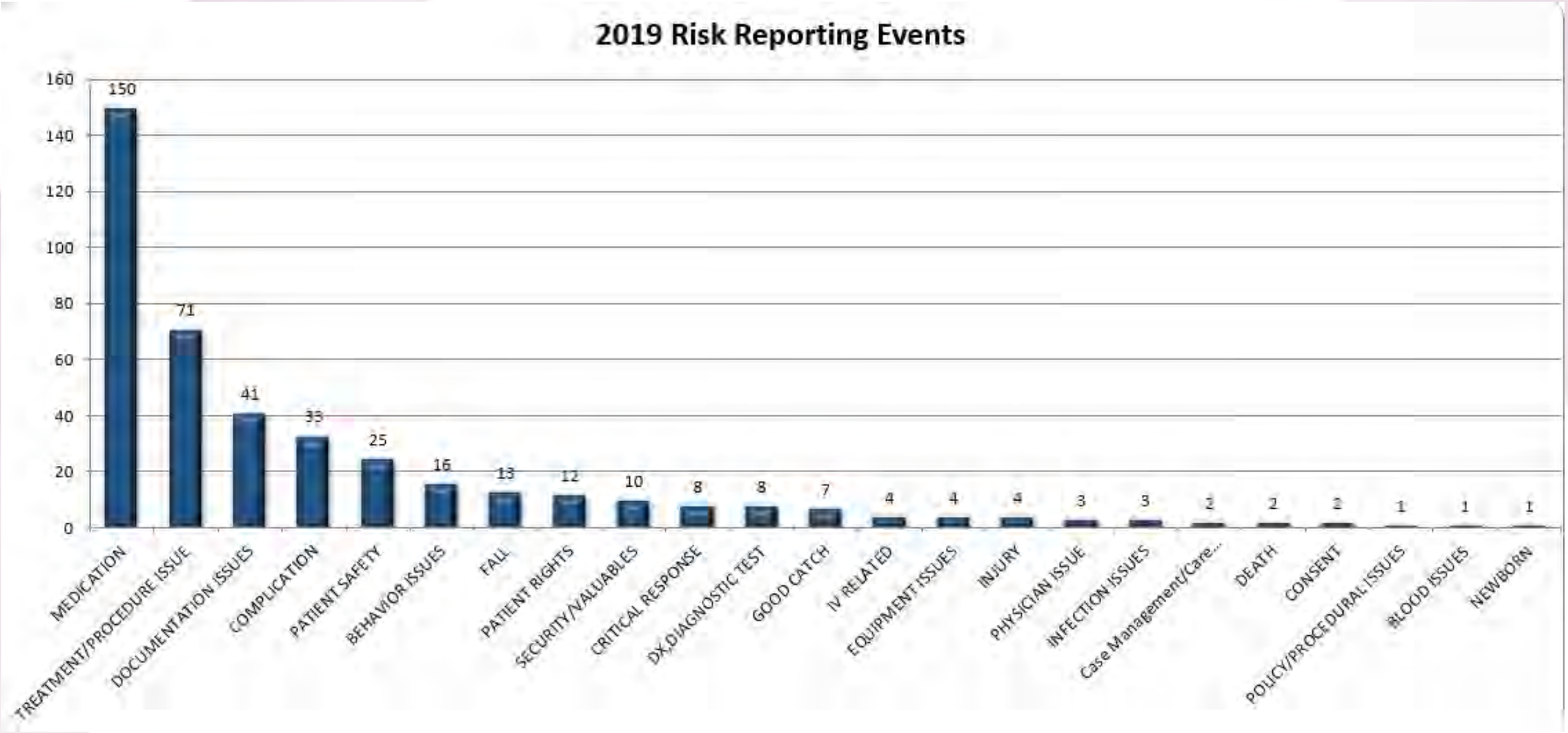
Risk



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Quality Accomplishments

- Center for Improvement in Healthcare Quality education
- Insurance provider education
- E-notification coaching
- Grievance reviews
- General Acute Care Hospital accreditation survey by the California Department of Public Health
- Triennial survey preparation underway for CIHQ
- Patient Safety Organization
- Infection data to the National Healthcare Safety Network and the Centers for Disease Control
- Electronic Quality Measures to CMS

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Quality Accomplishments

- Health Information Management (Medical Records) joined the departments that report to the Chief Quality Officer
- HIM reorganization & restructure
- Concurrent scanning at bedside
- Coding personnel validate patient type
- AllScripts Intelligent Coding emergency department infusion

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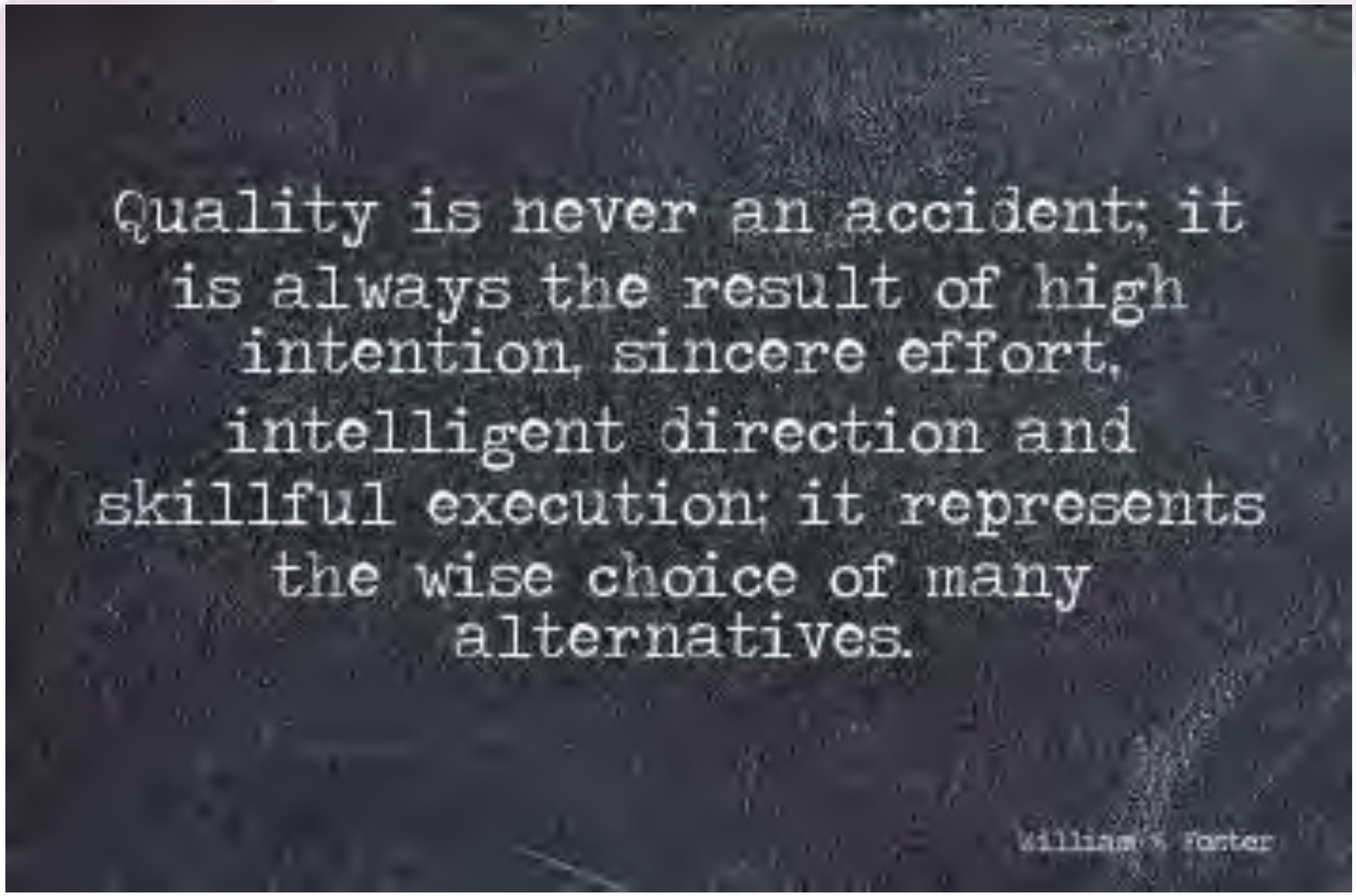
Parting Thoughts



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Marketing, Growth & Community Report

FY 2020

July – December 2019

SVHCD Board of Directors
February 6, 2020

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Agenda

- Marketing Priorities
- Marketing Update
- Growth Report
- Community Outreach
- Next Six Months

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FY 2020
Marketing Priorities

- Emergency Services
- Outpatient Diagnostics Campaign
- OP Rehabilitation & Wound Care Expansion
- Surgery Growth
  - Bariatric Designation
  - Orthopedics
  - Breast Surgery
  - Pain Management

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Marketing Update

July – December 2019

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WE'RE ACUTE STROKE READY

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AN AFFILIATE OF UCSF HEALTH

Emergency Services

Goal: ER is Top Of Mind In Community

- Value of local 24/7 ER care
- Over 10,000 visits in 2019
- Importance to Kaiser patients
- More than Urgent Care

- Social Media Initiative
  - Faces of the Emergency Department
  - Six Posts (Sept – Dec)
  - Reach – 10,800
  - 23% Engagement

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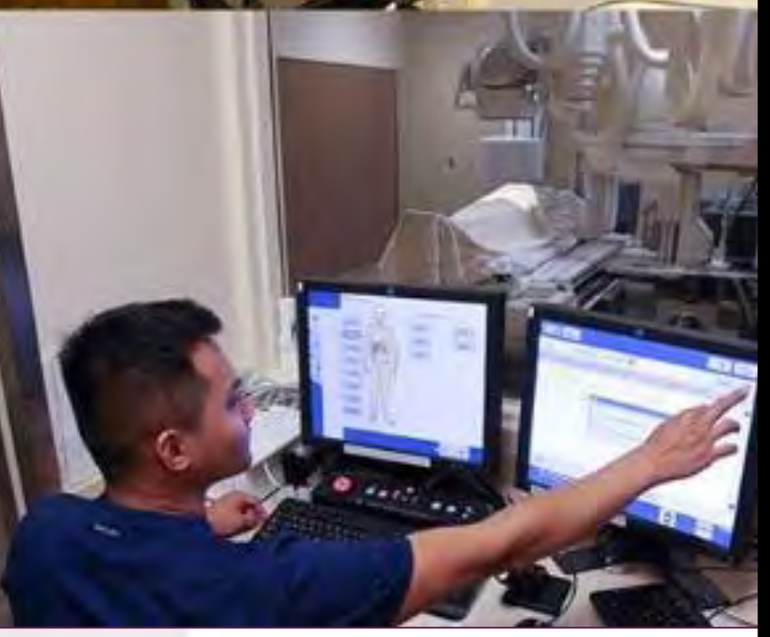
Emergency Services



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Outpatient Diagnostic Center

- UCSF Collaboration
- Quarterly updates to community (blogs)
- Foundation's Case Statement
- Press coverage for groundbreaking
- 296 community members have donated
  - 86 new donors in 2019

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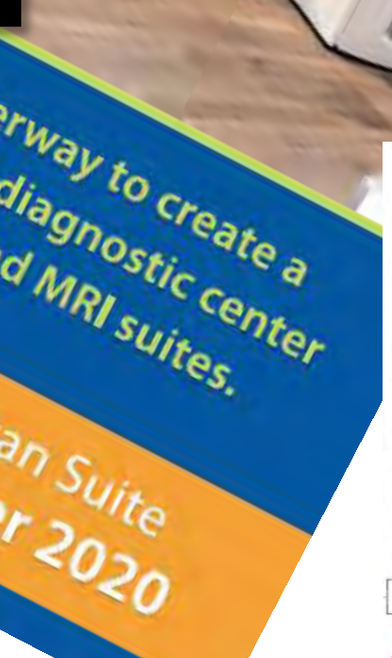
Outpatient Diagnostic Center



Outpatient Rehab & Wound Care

Goal: Grow volumes for Outpatient Rehabilitation (Physical, Hand and Speech Therapies)

- Community talk
- Collateral and website updates
- Balance Class

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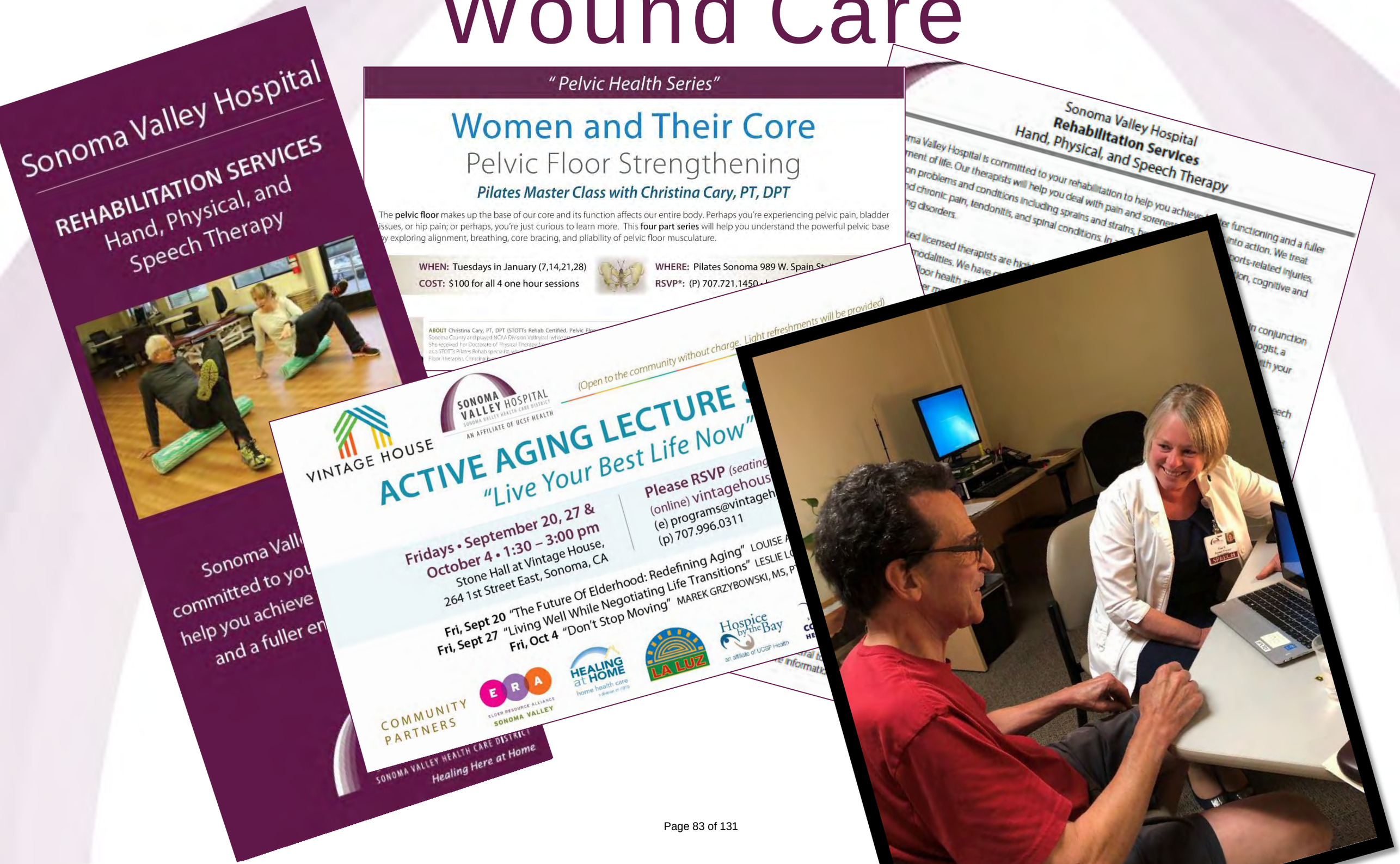
Outpatient Rehab & Wound Care



Bariatric Institute

Goal: Become A Regional Bariatric Program

- Outreach to referring physicians
- Metabolic Bariatric Surgery Accreditation Quality Improvement Program (MBSAQIP)
  - Low Acuity Center Accreditation – In Process
- SVCHC collaboration
- Whole Health Weight Loss Institute
- Collateral and website updates

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Regional Bariatric Program

Pain Management

Goal: Holistic focus on Acute and Chronic Pain Management needs in our community

- Collaboration with SVCHC
  - Website and collateral
- Community Outreach
  - Conversation With A Doctor – Dr. Voscopoulos
- Three Pain Management Specialists
  - Drs. Pang, Pope, and Voscopoulos

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Pain Management

Growth Report

July – October 2019

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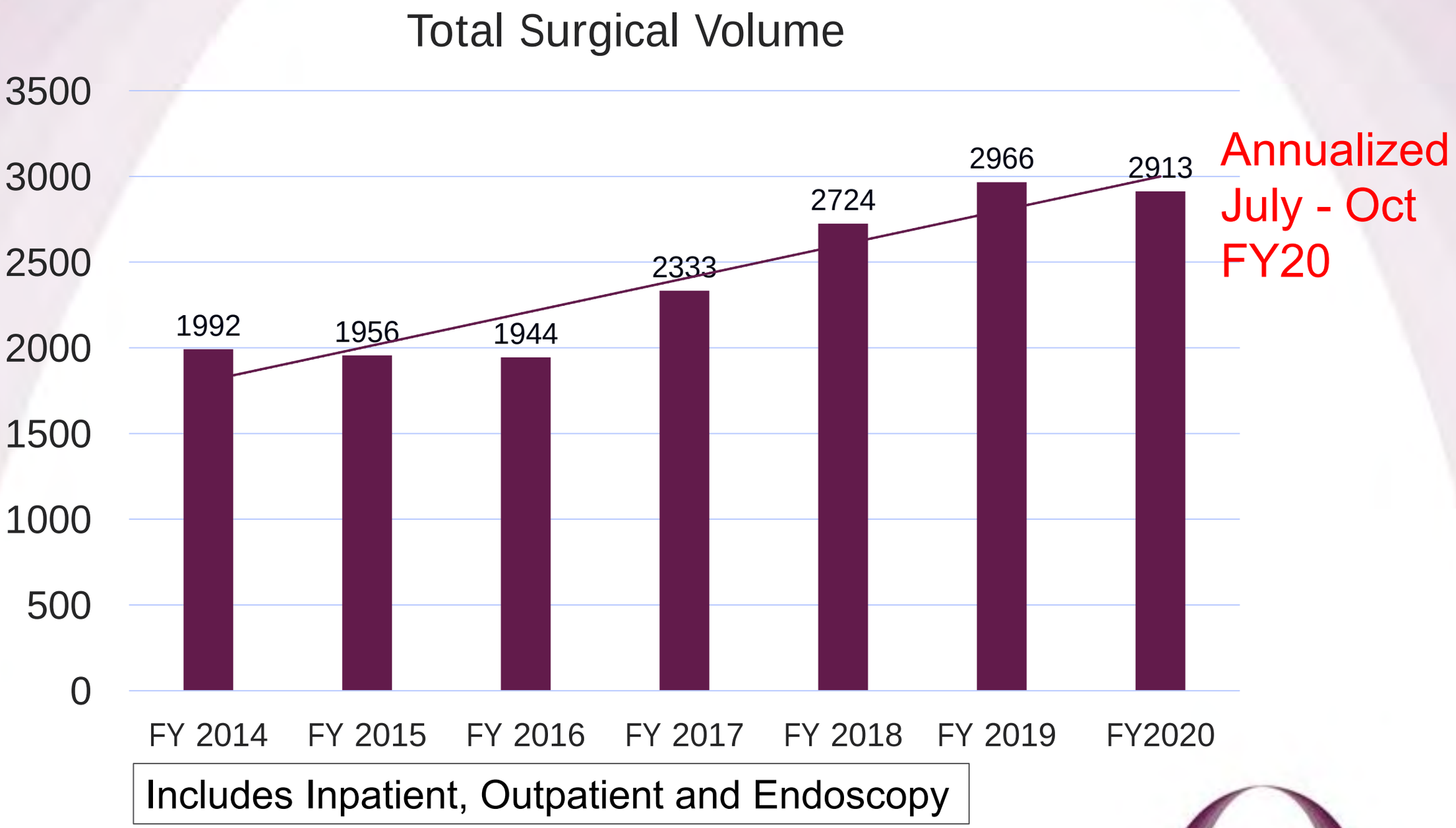
Surgery Growth



Includes Inpatient, Outpatient and Endoscopy

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Volume Analysis

July – October 2019

Surgical Service	FY 19	FY 20
Pain Management	237	243
Ophthalmology	112	82
General Surgery	60	59
Bariatrics	17	17
Endoscopy	389	312
General Orthopedics	144	166
Other (Breast, Urology, ENT, Podiatry, GYN)	56	55
Total Joint Replacements	34	36
Total	1048	971

Surgery Margins

FY 20 Jul - Oct	Total Reimbursement	Total Direct Margin
Bariatrics	$252,965	$187,656
General Surgery	$218,475	$80,554
Pain	$424,600	$121,419
Endoscopy	$572,238	$334,120
Ophthalmology	$303,503	$158,895
General Orthopedics	$837,883	$218,883
Total Joints	$669,627	$74,342
Other	$285,348	$76,612
Total	$3,564,639	$1,252,481

Includes Inpatient & Outpatient surgeries + endoscopy

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Service Unit Trends

July – October 2019

Date	Outpt ED	Outpt Surgery	Inpatient	Rehab	Outpt Diag	Occ Health	Specials
FY 20 Volumes	3,169	613	388	3,840	9,321	676	892
FY 19 volumes	3,057	624	360	3,712	10,071	673	680
FY 20 Direct Margins	$2,48,649	$764,931	$893,982	$146,938	$773,977	$8,248	$433,756
FY19 Direct Margins	$2,505,267	$464,468	$914,002	$171,220	$1,244,604	$7,299	$367,662

Community Outreach

July – December 2019

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Outreach

- Conversation With A Doctor Series
- Active Aging Lecture Series
- Health Fairs, Events, Screenings
  - Back To School Health Fair
  - Health Screenings
    - St. Leo's & Redwood Empire Food Bank
    - La Luz Center
- SVH Leadership
  - 600 Community Benefit Hours

as of 12/31/2019

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Partnerships

- UCSF
  - Telemedicine
  - Marketing
- La Luz – 2020 Census
- CarePartners Initiative
- Sustainable Sonoma
- Vintage House
- SV Community Health Center

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FY 2020

Next Six Months

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Marketing and Growth

- Bariatric Accreditation
- OP Diagnostic Center Phase One
- Rehabilitation Services
- Wound Care: Community/Physician Outreach
- Annual Update of Rolling Strategic Plan
- New Physicians
- sonomavalleyhospital.org

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Community Outreach

- Disaster Preparedness
- Conversation With A Doctor
- Community Health Screenings
- Women's Health – Heart and Breast Health
- Advanced Health Care Directives Education
- 75th Anniversary
- Brand Rollout
- Active Aging planning

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QUESTIONS

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To:	**SVHCD Board of Directors**
From:	**Sabrina Kidd, MD**
Meeting Date:	**February 6, 2020**
Subject:	**CMO Report**

1. January highlights included:
    a. New work group to improve medication reconciliation process.
    b. Quarterly meeting with Benchmark Hospitalist group – this continues to be a positive partnership.
    c. New UCSF ID telemedicine off to a positive start.
    d. New VEP tele-psychiatry off to a positive start.

2. Upcoming February events:
    a. Annual employee evaluations begin.
    b. Implementation of new Smart Pump IV pumps.
    c. ED nurses will begin processing inpatient orders to improve timely patient care.
    d. Continuing work to recruit a new PCP to Sonoma.

3. Quality:
    a. No new sentinel events or new items of concern in the last month.
    b. We have made all front line staff aware of Coronavirus protocols.

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To: **SVH Finance Committee**
From: **Ken Jensen, CFO**
Date: **January 28, 2020**
Subject: **Financial Report for the Month Ending December 31, 2019**

For the month of December the hospital's actual operating loss of ($400,510) was $288,057 favorable to the budgeted loss of ($688,567). After accounting for all other activity; the net income for December was $138,827 vs. the budgeted net loss of ($29,722) with a monthly EBDA of 4.5% vs. a budgeted -3.7%.

Gross patient revenue for December was $23,660,542, or $2,334,425 over budget. Inpatient gross revenue was over budget by $549,139. Inpatient days were over budget by 13 days and inpatient surgeries were under budget by (3) cases and the overall acuity levels were above average. Outpatient gross revenue was over budget by $885,602 primarily in the surgery department by $520,363. Outpatient visits were under budgeted expectations by (166) visits, outpatient surgeries were at budgeted expectations of 127 cases, and special procedures were under budget by (21) cases. The Emergency Room gross revenue was over budget by $899,684 with ER visits over budgeted expectations by 79 visits.

Deductions from revenue were unfavorable to budgeted expectations by ($1,993,938) which is due to gross revenue being over budgeted expectations. The hospital also experienced a higher than average all payer Case Mix.

After accounting for all other operating revenue, the **total operating revenue** was favorable to budgeted expectations by $341,046.

Operating Expenses of $4,436,208 were unfavorable to budget by ($52,989). Salaries and wages and agency fees were under budget by $3,899 and employee benefits were over budget by ($13,419). Supplies are over budget by ($58,364) due to lab ($16,611) and in surgery ($82,904) which is primarily the cost of implants being over budget by ($58,258). Purchased services were over budget by ($25,333) due to unbudgeted costs for diversity training in the ED ($9,750), and consulting for patient experience ($7,500) and accrual of final costs for replacement of the Occupational Health corridor carpeting ($11,163). Year-to-date at December 31, 2019 total expenses are under budget by $573,929.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for December was ($84,102) vs. a budgeted net loss of ($402,883). The total net income for December after all activity was $138,827 vs. a budgeted net loss of ($29,722).

EBDA for the month of December was 4.5% vs. the budgeted -3.7%.

Patient Volumes – December

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	87	85	2	97
Acute Patient Days	336	323	13	370
Observation Days	29	0	29	23
OP Gross Revenue	$16,304	$14,519	$1,785	$13,583
Surgical Cases	152	155	-3	149

Gross Revenue Overall Payer Mix – December

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	38.4%	41.7%	-3.3%	41.6%	41.7%	-0.1%
Medicare Mgd Care	14.5%	14.1%	0.4%	14.2%	14.1%	0.1%
Medi-Cal	20.3%	17.6%	2.7%	17.2%	17.6%	-0.4%
Self-Pay	1.7%	1.5%	0.2%	2.0%	1.5%	0.5%
Commercial	22.1%	20.8%	1.3%	21.4%	20.8%	0.6%
Workers Comp	2.2%	2.3%	-0.1%	2.7%	2.3%	0.4%
Capitated	0.8%	2.0%	-1.2%	0.9%	2.0%	-1.1%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for December:

For the month of December the cash collection goal was $3,569,897 and the Hospital collected $3,862,471 or over the goal by $292,574. The year-to-date cash collection goal was $21,918,815 and the Hospital has collected $21,374,926, or under goal by ($543,889). The year-to-date cash collection goal includes the net revenue from both the specialty clinic and Sonoma Family Practice and the cash collections year-to-date have not included the clinic cash collected. The cash collected from the clinics year-to-date at December 31, 2019, is $632,408; therefore the hospital has collected a total of $22,007,334 and is over goal by $88,519 at December 31, 2019. Going forward the clinic cash payments will be included in the total hospital collections.

	CURRENT MONTH	PRIOR MONTH	VARIANCE	PRIOR YEAR
Days of Cash on Hand – Avg.	17.9	16.9	1.0	9.4
Accounts Receivable Days	43.3	44.7	-1.4	43.5
Accounts Payable	$2,922,632	$2,931,441	-$8,809	$4,116,857
Accounts Payable Days	42.4	42.9	-0.5	50.4

ATTACHMENTS:

-Attachment A is the Payer Mix Analysis which includes the projected collection percentage by payer.

-Attachment B is the Operating Indicators Report

-Attachment C is the Balance Sheet

-Attachment D (two pages) is the Statement of Revenue and Expense. The first page breaks out the hospital operations and page two includes all other activity.

--Attachment E is the Variance Analysis

--Attachment F is the Cash Projection

Sonoma Valley Hospital
Payer Mix for the month of December 31, 2019

ATTACHMENT A

Gross Revenue:	Actual	Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance
Medicare	9,070,380	8,888,323	182,057	2.0%	55,133,302	51,993,614	3,139,688	6.0%
Medicare Managed Care	3,438,171	2,996,298	441,873	14.7%	18,693,555	17,535,035	1,158,520	6.6%
Medi-Cal	4,800,889	3,755,631	1,045,258	27.8%	22,693,056	21,984,231	708,825	3.2%
Self Pay	413,058	329,843	83,215	25.2%	2,668,924	1,930,795	738,129	38.2%
Commercial & Other Government	5,235,405	4,445,813	789,592	17.8%	28,292,458	26,046,173	2,246,285	8.6%
Worker's Comp.	513,043	493,739	19,304	3.9%	3,545,524	2,900,780	644,744	22.2%
Capitated	189,596	416,470	-226,874	-54.5%	1,122,812	2,442,696	-1,319,884	-54.0%
Total	**23,660,542**	**21,326,117**	**2,334,425**		**132,149,631**	**124,833,324**	**7,316,307**	

Net Revenue:	Actual	Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance
Medicare	1,141,961	1,181,260	-39,299	-3.3%	6,652,255	6,783,487	-131,232	-1.9%
Medicare Managed Care	368,916	355,661	13,255	3.7%	2,111,872	2,081,408	30,464	1.5%
Medi-Cal	502,173	385,703	116,470	30.2%	2,269,679	2,257,780	11,899	0.5%
Self Pay	180,919	167,296	13,623	8.1%	1,345,647	979,299	366,348	37.4%
Commercial & Other Government	1,636,888	1,342,636	294,252	21.9%	8,618,218	7,960,273	657,945	8.3%
Worker's Comp.	106,046	103,784	2,262	2.2%	729,776	609,744	120,032	19.7%
Capitated	3,754	7,580	-3,826	-50.5%	23,748	44,457	-20,709	-46.6%
Prior Period Adj/IGT	-	56,250	-56,250	-100.0%	256,955	764,419	-507,464	-66.4%
Total	**3,940,657**	**3,600,170**	**340,487**	**9.5%**	**22,008,150**	**21,480,867**	**527,283**	**2.5%**

Percent of Net Revenue:	Actual	Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance
Medicare	29.0%	32.8%	-3.8%	-11.6%	30.2%	31.5%	-1.4%	-4.4%
Medicare Managed Care	9.4%	9.9%	-0.5%	-5.1%	9.6%	9.7%	-0.1%	-1.0%
Medi-Cal	12.7%	10.7%	2.0%	18.7%	10.3%	10.5%	-0.2%	-1.9%
Self Pay	4.6%	4.6%	0.0%	0.0%	6.1%	4.6%	1.5%	32.6%
Commercial & Other Government	41.5%	37.3%	4.2%	11.3%	39.2%	37.1%	2.1%	5.7%
Worker's Comp.	2.7%	2.9%	-0.2%	-6.9%	3.3%	2.8%	0.5%	17.9%
Capitated	0.1%	0.2%	-0.1%	-50.0%	0.1%	0.2%	-0.1%	-50.0%
Prior Period Adj/IGT	0.0%	1.6%	-1.6%	-100.0%	1.2%	3.6%	-2.4%	-66.7%
Total	**100.0%**	**100.0%**	**0.0%**	**0.0%**	**100.0%**	**100.0%**	**2.3%**	**2.3%**

Projected Collection Percentage:	Actual	Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance
Medicare	12.6%	13.3%	-0.7%	-5.3%	12.1%	13.0%	-0.9%	-6.9%
Medicare Managed Care	10.7%	11.9%	-1.2%	-10.1%	11.3%	11.9%	-0.6%	-5.0%
Medi-Cal	10.5%	10.3%	0.2%	1.9%	10.0%	10.3%	-0.3%	-2.9%
Self Pay	43.8%	50.7%	-6.9%	-13.6%	50.4%	50.7%	-0.3%	-0.6%
Commercial & Other Government	31.3%	30.2%	1.1%	3.6%	30.5%	30.0%	0.5%	1.7%
Worker's Comp.	20.7%	21.0%	-0.3%	-1.4%	20.6%	21.0%	-0.4%	-1.9%

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

ATTACHMENT B

	CURRENT MONTH				YEAR-TO-DATE			YTD
	Actual 12/31/19	Budget 12/31/19	Favorable (Unfavorable) Variance		Actual 12/31/19	Budget 12/31/19	Favorable (Unfavorable) Variance	Prior Year 12/31/18
				Inpatient Utilization				
				Discharges				
1	71	72	(1)	Med/Surg	395	420	(25)	476
2	16	13	3	ICU	91	75	16	62
3	87	85	2	Total Discharges	486	495	(9)	538
				Patient Days:				
4	239	241	(2)	Med/Surg	1,353	1,401	(48)	1,621
5	97	82	15	ICU	474	478	(4)	447
6	336	323	13	Total Patient Days	1,827	1,879	(52)	2,068
7	29	-	29	**Observation days**	115	-	115	62
				Average Length of Stay:				
8	3.4	3.3	0.0	Med/Surg	3.4	3.3	0.1	3.4
9	6.1	6.4	(0.3)	ICU	5.2	6.4	(1.2)	7.2
10	3.9	3.8	0.1	Avg. Length of Stay	3.8	3.8	(0.0)	3.8
				Average Daily Census:				
11	7.7	7.8	(0.1)	Med/Surg	7.4	7.6	(0.3)	8.8
12	3.1	2.6	0.5	ICU	2.6	2.6	(0.0)	2.4
13	10.8	10.4	0.4	Avg. Daily Census	9.9	10.2	(0.3)	11.2
				Other Utilization Statistics				
				Emergency Room Statistics				
14	984	905	79	Total ER Visits	5,304	5,314	(10)	4,979
				Outpatient Statistics:				
15	4,416	4,582	(166)	Total Outpatients Visits	26,739	26,938	(199)	26,512
16	25	28	(3)	IP Surgeries	138	162	(24)	173
17	127	127	-	OP Surgeries	853	749	104	813
18	57	78	(21)	Special Procedures	443	458	(15)	506
19	280	348	(68)	Adjusted Discharges	1,807	2,096	(289)	1,902
20	1,081	1,011	69	Adjusted Patient Days	6,782	5,929	853	13,497
21	34.9	32.6	2.2	Adj. Avg. Daily Census	36.9	32.2	4.6	73.4
22	1.4103	1.4000	0.010	Case Mix Index -Medicare	1.3506	1.4000	(0.049)	1.4711
23	1.7549	1.4000	0.355	Case Mix Index - All payers	1.4977	1.4000	0.098	1.4954
				Labor Statistics				
24	204	215	11	FTE's - Worked	206	214	7.2	267
25	230	240	10	FTE's - Paid	230	239	9.2	300
26	44.75	43.01	(1.74)	Average Hourly Rate	44.59	42.98	(1.61)	43.04
27	6.61	7.36	0.75	FTE / Adj. Pat Day	6.23	7.41	1.18	4.08
28	37.6	41.9	4.3	Manhours / Adj. Pat Day	35.5	42.2	6.7	23.3
29	145.4	121.8	(23.6)	Manhours / Adj. Discharge	133.3	119.5	(13.8)	165.2
30	23.2%	23.3%	0.1%	Benefits % of Salaries	23.0%	23.7%	0.7%	22.1%
				Non-Labor Statistics				
31	14.9%	14.7%	-0.2%	Supply Expense % Net Revenue	14.0%	14.6%	0.6%	13.1%
32	2,116	1,532	(583)	Supply Exp. / Adj. Discharge	1,720	1,513	(206)	1,837
33	16,243	12,899	(3,345)	Total Expense / Adj. Discharge	14,587	12,847	(1,740)	16,469
				Other Indicators				
34	29.5			Days Cash - Operating Funds				
35	43.3	50.0	(6.7)	Days in Net AR	43.8	50.0	(6.2)	43.9
36	108%			Collections % of Net Revenue	98%			98.2%
37	42.4	55.0	(12.6)	Days in Accounts Payable	42.4	55.0	(12.6)	45.1
38	16.8%	17.1%	-0.3%	% Net revenue to Gross revenue	16.8%	17.4%	-0.6%	19.4%
39	17.3%			% Net AR to Gross AR	17.3%			20.6%

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

ATTACHMENT C

		Current Month	Prior Month	Prior Year
	Assets			
	Current Assets:			
1	Cash	$ 2,340,883	$ 1,181,204	$ 1,759,371
2	Cash - Money Market	1,534,600	1,034,454	545,174
3	Net Patient Receivables	6,931,515	6,987,254	7,268,220
4	Allow Uncollect Accts	(1,318,747)	(1,362,004)	(1,296,826)
5	Net A/R	5,612,768	5,625,250	5,971,394
6	Other Accts/Notes Rec	210,748	164,238	349,254
7	Parcel Tax Receivable	1,691,803	3,800,000	2,857,849
8	GO Bond Tax Receivable	2,953,183	2,953,183	1,777,301
9	3rd Party Receivables, Net	1,172,989	1,317,044	1,653,728
10	Inventory	936,953	887,172	846,833
11	Prepaid Expenses	834,173	717,010	784,861
12	Total Current Assets	$ 17,288,100	$ 17,679,555	$ 16,545,765
13	Property,Plant & Equip, Net	$ 49,112,639	$ 49,306,897	$ 51,425,809
14	Trustee Funds - GO Bonds	2,965,208	2,960,913	2,494,550
15	Other Assets	-	-	-
16	Total Assets	$ 69,365,947	$ 69,947,365	$ 70,466,124
	Liabilities & Fund Balances			
	Current Liabilities:			
17	Accounts Payable	$ 2,922,632	$ 2,931,441	$ 4,116,857
18	Accrued Compensation	3,639,134	3,492,751	3,870,474
19	Interest Payable - GO Bonds	477,139	381,708	503,827
20	Accrued Expenses	1,685,273	1,344,244	1,523,113
21	Advances From 3rd Parties	-	59,991	105,388
22	Deferred Parcel Tax Revenue	1,899,990	2,216,657	1,899,994
23	Deferred GO Bond Tax Revenue	1,552,397	1,811,129	1,526,623
24	Current Maturities-LTD	397,582	422,646	905,408
25	Line of Credit - Union Bank	5,473,734	6,098,734	6,723,734
26	Other Liabilities	1,386	1,386	451,386
27	Total Current Liabilities	$ 18,049,267	$ 18,760,687	$ 21,626,804
28	Long Term Debt, net current portion	$ 28,775,862	$ 28,784,686	$ 32,965,664
29	Fund Balances:			
30	Unrestricted	$ 14,879,866	$ 14,800,668	$ 9,795,496
31	Restricted	7,660,952	7,601,324	6,078,160
32	Total Fund Balances	$ 22,540,818	$ 22,401,992	$ 15,873,656
33	Total Liabilities & Fund Balances	$ 69,365,947	$ 69,947,365	$ 70,466,124

ATTACHMENT D

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

	Month						Year-To- Date				YTD
	This Year		Variance				This Year		Variance		
	Actual		$	%			Actual	Budget	$	%	Prior Year
					Volume Information						
1	87	85	2	2%	Acute Discharges		486	495	(9)	-2%	538
2	336	323	13	4%	Patient Days		1,827	1,879	(52)	-3%	2,068
3	29	-	29	0%	Observation Days		115	-	115	*	13
4	16,304	14,519	1,785	12%	Gross O/P Revenue (000's)		96,485	85,291	11,193	13%	$ 88,433
					Financial Results						
					Gross Patient Revenue						
5	$ 7,356,570	$ 6,807,431	549,139	8%	Inpatient		$ 35,664,855	$ 39,542,106	(3,877,251)	-10%	$ 49,648,346
6	9,490,922	8,605,320	885,602	10%	Outpatient		56,329,033	50,598,091	5,730,942	11%	51,268,022
7	6,813,050	5,913,366	899,684	15%	Emergency		40,155,743	34,693,127	5,462,616	16%	37,204,175
8	**$ 23,660,542**	**$ 21,326,117**	**2,334,425**	**11%**	**Total Gross Patient Revenue**		**$ 132,149,631**	**$ 124,833,324**	**7,316,307**	**6%**	**$ 138,120,543**
					Deductions from Revenue						
9	(19,460,085)	(17,608,525)	(1,851,560)	-11%	Contractual Discounts		$ (109,074,436)	$ (103,074,844)	(5,999,592)	-6%	$ (112,086,325)
10	(250,000)	(150,000)	(100,000)	-67%	Bad Debt		(1,280,000)	(900,000)	(380,000)	-42%	(885,000)
11	(9,800)	(23,672)	13,872	59%	Charity Care Provision		(44,000)	(142,032)	98,032	69%	(162,645)
12	-	56,250	(56,250)		Prior Period Adj/Government Program Revenue		256,955	764,419	(507,464)	*	1,192,711
13	**$ (19,719,885)**	**$ (17,725,947)**	**(1,993,938)**	**11%**	**Total Deductions from Revenue**		**$ (110,141,481)**	**$ (103,352,457)**	**(6,789,024)**	**7%**	**$ (111,941,259)**
14	**$ 3,940,657**	**$ 3,600,170**	**340,487**	**9%**	**Net Patient Service Revenue**		**$ 22,008,150**	**$ 21,480,867**	**527,283**	**2%**	**$ 26,179,284**
15	$ 26,005	$ 35,682	(9,677)	-27%	Risk contract revenue		$ 151,660	$ 214,092	(62,432)	-29%	$ 569,433
16	$ 3,966,662	$ 3,635,852	330,810	9%	Net Hospital Revenue		$ 22,159,810	$ 21,694,959	464,851	2%	$ 26,748,717
17	$ 69,036	$ 58,800	10,236	**17%**	Other Op Rev & Electronic Health Records		$ 386,857	$ 352,800	34,057	10%	$ 76,521
18	**$ 4,035,698**	**$ 3,694,652**	**341,046**	**9%**	**Total Operating Revenue**		**$ 22,546,667**	**$ 22,047,759**	**498,908**	**2%**	**$ 26,825,238**
					Operating Expenses						
19	$ 1,820,577	$ 1,824,476	3,899	0%	Salary and Wages and Agency Fees		$ 10,737,177	$ 10,762,154	24,977	0%	$ 13,520,557
20	676,865	$ 663,446	(13,419)	-2%	Employee Benefits		3,899,483	3,959,485	60,002	2%	4,612,663
21	$ 2,497,442	$ 2,487,922	(9,520)	0%	Total People Cost		$ 14,636,660	$ 14,721,639	84,979	1%	$ 18,133,220
22	$ 440,283	$ 435,980	(4,303)	-1%	Med and Prof Fees (excld Agency)		$ 2,539,011	$ 2,613,519	74,508	3%	$ 2,889,473
23	591,990	533,626	(58,364)	-11%	Supplies		3,107,294	3,172,600	65,306	2%	3,492,654
24	400,855	375,522	(25,333)	-7%	Purchased Services		2,223,831	2,230,868	7,037	0%	2,313,704
25	264,742	266,763	2,021	1%	Depreciation		1,534,008	1,600,578	66,570	4%	1,749,770
26	88,040	91,070	3,030	3%	Utilities		619,798	653,825	34,027	5%	651,814
27	37,783	39,582	1,799	5%	Insurance		232,581	237,492	4,911	2%	211,920
28	27,922	50,752	22,830	45%	Interest		217,828	304,369	86,541	28%	307,054
29	87,151	102,002	14,851	15%	Other		587,747	607,711	19,964	3%	629,763
30	-	-	-	*	Matching Fees (Government Programs)		0	130,086	130,086	100%	0
31	**$ 4,436,208**	**$ 4,383,219**	**(52,989)**	**-1%**	**Operating expenses**		**$ 25,698,758**	**$ 26,272,687**	**573,929**	**2%**	**$ 30,379,372**
32	**$ (400,510)**	**$ (688,567)**	**$ 288,057**	**42%**	**Operating Margin**		**$ (3,152,091)**	**$ (4,224,928)**	**1,072,837**	**25%**	**$ (3,554,134)**

ATTACHMENT D

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

	Month						Year-To- Date					YTD
	This Year		Variance				This Year		Variance			
	Actual		$	%			Actual	Budget	$	%		Prior Year
					Non Operating Rev and Expense							
33	$ 10,392	$ (18,942)	29,334	-155%	Miscellaneous Revenue/(Expenses)	$	2,019,381	$ 1,087,498	931,883	86%	$	(93,391)
34	2,765	1,375	1,390	101%	Donations		13,461	8,250	5,211	-63%		7,374
35	(13,416)	(13,416)	-	0%	Physician Practice Support-Prima		(80,496)	(80,496)	-	0%		(330,181)
36	316,667	316,667	-	0%	Parcel Tax Assessment Rev		1,900,002	1,900,002	-	0%		1,899,252
37	0	0	-	0%	Extraordinary Items		(5,444)	0	(5,444)	0%		0
38	**$ 316,408**	**$ 285,684**	**30,724**	**11%**	**Total Non-Operating Rev/Exp**	**$**	**3,846,904**	**$ 2,915,254**	**937,094**	**32%**	**$**	**1,483,054**
39	**$ (84,102)**	**$ (402,883)**	**318,781**	**-79%**	**Net Income / (Loss) prior to Restricted Contributions**	**$**	**694,813**	**$ (1,309,674)**	**2,009,931**	**-153%**	**$**	**(2,071,080)**
40	$ -	$ -	-	0%	Capital Campaign Contribution	$	-	$ -	-	0%	$	30,447
41	$ 59,628	$ 209,860	(150,232)	0%	Restricted Foundation Contributions	$	792,250	$ 1,259,160	(466,910)	100%	$	1,156,457
42	**$ (24,474)**	**$ (193,023)**	**168,549**	**-87%**	**Net Income / (Loss) w/ Restricted Contributions**	**$**	**1,487,063**	**$ (50,514)**	**1,537,577**	**-3044%**	**$**	**(884,176)**
43	163,301	163,301	-	0%	GO Bond Activity, Net		974,469	974,469	-	0%		917,000
44	**$ 138,827**	**$ (29,722)**	**168,549**	**-567%**	**Net Income/(Loss) w GO Bond Activity**	**$**	**2,461,532**	**$ 923,955**	**1,537,577**	**166%**	**$**	**32,824**
	$ 180,640	$ (136,120)	316,760		**EBDA - Not including Restricted Contributions**	$	2,228,821	$ 290,904	1,937,917		$	(321,310)
	4.5%	-3.7%					9.9%	1.3%				-1.2%

Sonoma Valley Health Care District
Variance Analysis
For the Period Ended December 31, 2019

ATTACHMENT E

Operating Expenses			
Salary and Wages and Agency Fees	24,977	3,899	Salaries and wages are over by ($4,428) and agency fees are under by $8,327
Employee Benefits	60,002	(13,419)	Paid time off is over budget by ($10,970) and employee benefits are over by ($2,449)
Total People Cost	**84,979**	**(9,520)**	
Med and Prof Fees (excld Agency)	74,508	(4,303)	
Supplies	65,306	(58,364)	Supplies are over in Lab by ($16,611) and in Surgery ($82,904) primarily in Implant costs ($58,258).
Purchased Services	7,037	(25,333)	Human Resources ($9,750) for diversity training in the ER, Quality ($7,500) patient experience consultant, and Plant Operations ($11,163) for the remaining 50% of costs for replacement of the Occupational Health corridor carpeting.
Depreciation	66,570	2,021	
Utilities	34,027	3,030	
Insurance	4,911	1,799	
Interest	86,541	22,830	
Other	19,964	14,851	
Matching Fees (Government Programs)	130,086	-	
Operating expenses	**573,929**	**(52,989)**	

Sonoma Valley Hospital
Cash Forecast
FY 2020

ATTACHMENT F

		Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual 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	3,724,440	3,674,833	4,402,798	3,751,470	3,542,450	3,900,174	3,665,360	3,802,680	3,701,357	45,964,240
2	Capitation Revenue	26,337	24,434	24,943	24,298	25,643	26,005	35,682	35,682	35,682	35,682	35,682	35,682	365,752
3	Napa State	2,565	983	6,153	17,109	18,240	49,465	11,231	11,231	11,231	11,231	11,231	11,231	161,901
4	Other Operating Revenue	27,168	113,630	31,381	162,702	77,470	51,209	58,800	58,800	58,800	58,800	58,800	58,800	816,359
5	Other Non-Operating Revenue	38,832	43,824	24,455	35,838	13,448	22,627	25,795	25,795	25,795	25,795	25,795	25,785	333,785
6	Unrestricted Contributions	12,593		755	3,263	6,219	2,765	1,375	1,375	1,375	1,375	1,375	1,375	33,845
7	Line of Credit													-
	Sub-Total Hospital Sources	**4,375,074**	**3,929,990**	**3,871,668**	**3,967,650**	**3,815,852**	**4,554,869**	**3,884,353**	**3,675,333**	**4,033,057**	**3,798,243**	**3,935,563**	**3,834,230**	**47,675,882**
	Hospital Uses of Cash													
8	Operating Expenses	4,751,297	5,353,928	4,260,382	4,307,504	4,160,854	4,479,501	4,783,949	4,047,057	4,203,725	4,064,515	4,185,074	4,085,675	52,683,461
9	Add Capital Lease Payments	111,366	185,165	32,638	390,032	112,524	33,887	83,640	32,640	32,640	18,990	18,990	85,990	1,138,502
10	Additional Liabilities/LOC		625,000				625,000							1,250,000
11	Capital Expenditures	435,215	73,951	160,473	54,243	187,550	59,628	209,860	209,860	209,860	209,860	209,860	209,859	2,230,219
	Total Hospital Uses	**5,297,879**	**6,238,044**	**4,453,493**	**4,751,778**	**4,460,928**	**5,198,016**	**5,077,449**	**4,289,557**	**4,446,225**	**4,293,365**	**4,413,924**	**4,381,524**	**57,302,183**
	Net Hospital Sources/Uses of Cash	**(922,805)**	**(2,308,055)**	**(581,825)**	**(784,129)**	**(645,076)**	**(643,147)**	**(1,193,096)**	**(614,224)**	**(413,168)**	**(495,122)**	**(478,361)**	**(547,294)**	**(9,626,301)**
	Non-Hospital Sources													
12	Restricted Cash/Money Market	(1,056,509)	725,000	1,500,000			(500,000)	200,000		1,000,000		(3,900,000)		(2,031,509)
13	Restricted Capital Donations	342,251	5,000	160,473	36,918	187,550	59,628	209,860	209,860	209,860	209,860	209,860	209,859	2,050,979
14	Parcel Tax Revenue	100,099					2,108,197		1,000,000		600,000			3,808,296
15	Other Payments - South Lot/LOC/Fire Claim	956,411		51,682										1,008,092
16	Other:													-
17	IGT										1,408,802	4,000,000		5,408,802
18	IGT - AB915					31,705			900,000					931,705
19	PRIME						135,000					270,000		405,000
	Sub-Total Non-Hospital Sources	**342,251**	**730,000**	**1,712,154**	**36,918**	**219,255**	**1,802,825**	**409,860**	**2,109,860**	**1,209,860**	**2,218,662**	**579,860**	**209,859**	**11,581,365**
	Non-Hospital Uses of Cash													
20	Matching Fees					67,500		451,221		2,000,000		135,000		2,653,721
	Sub-Total Non-Hospital Uses of Cash	-	-	-	-	67,500	-	451,221	-	2,000,000	-	135,000	-	2,653,721
	Net Non-Hospital Sources/Uses of Cash	**342,251**	**730,000**	**1,712,154**	**36,918**	**151,755**	**1,802,825**	**(41,361)**	**2,109,860**	**(790,140)**	**2,218,662**	**444,860**	**209,859**	**8,927,644**
	Net Sources/Uses	**(580,553)**	**(1,578,055)**	**1,130,329**	**(747,211)**	**(493,321)**	**1,159,679**	**(1,234,457)**	**1,495,636**	**(1,203,308)**	**1,723,540**	**(33,501)**	**(337,435)**	
	Operating Cash at beginning of period	3,450,014	2,869,461	1,291,406	2,421,736	1,674,525	1,181,204	2,340,883	1,106,426	2,602,062	1,398,754	3,122,294	3,088,793	
	Operating Cash at End of Period	**2,869,461**	**1,291,406**	**2,421,736**	**1,674,525**	**1,181,204**	**2,340,883**	**1,106,426**	**2,602,062**	**1,398,754**	**3,122,294**	**3,088,793**	**2,751,358**	
	Money Market Account Balance	3,258,551	2,533,925	1,034,199	1,034,330	1,035,454	1,534,600	1,334,600	1,334,600	334,600	334,600	4,234,600	4,234,600	
	Total Cash at End of Period	**6,128,012**	**3,825,331**	**3,455,935**	**2,708,855**	**2,216,658**	**3,875,483**	**2,441,026**	**3,936,662**	**1,733,354**	**3,456,894**	**7,323,393**	**6,985,958**	
	Average Days of Cash on Hand	**38.82**	**36.60**	**28.00**	**22.51**	**16.89**	**17.85**	**18.09**	**29.18**	**12.85**	**25.63**	**54.29**	**51.79**	

Outpatient Diagnostic Center

Sonoma Valley Health Care District Board of Directors

February 6, 2020

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home

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Agenda

Outpatient Diagnostic Center Overview

- Computed Tomography (CT) equipment replacement, Micro Market, and Waiting Room refurbishment – Project 1

- Magnetic Resonance Imaging (MRI) equipment installation inside the hospital and public corridor refurbishment - Project 3

- Cardiology equipment and refurbishment of existing space / Blood Draw – Project 2

- Test fit for UCSF Specialty & Outpatient Services – Project 4

Outpatient Diagnostic Center Current Funding

Project	Board Approved	Cost Spent to 12/31/19	Forecast @ Completion
Project 0 (ODC, Master Plan, Decommission)	$1,276,379	$908,703	$908,703
Project 1 (CT)	$9,365,951	$1,235,465	$8,967,000
Project 2 (Cardiology / Blood Draw)	$30,000	$30,000	$1,000,000
Project 3 (MRI)	$1,229,347	$427,137	$9,101,088
Project 4 (Test Fit – UCSF Specialty Clinic)	$50,000	$2,498	$50,000
Subtotal	**$11,951,677**	**$2,603,803**	**$20,026,791**
Mammography Project		$556,709	$556,709
Campaign Expenses		$314,899	$416,500
Total		**$3,475,411**	**$21,000,000**

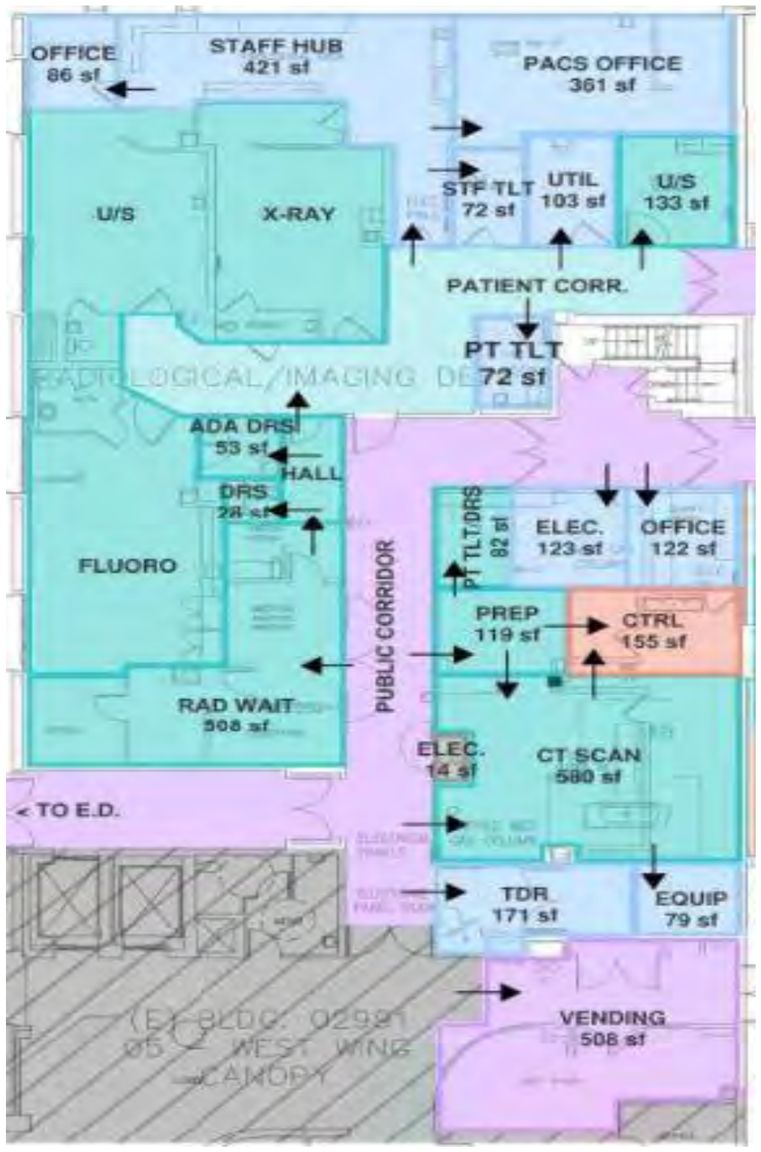
Note: Construction escalation historically 3% annually; has increased to 4-5% over the last three years

Outpatient Diagnostic Center Fundraising

- Total Budget Target = $21 million
- Current Total Committed Value = $18.6 million
- Amount Collected (thru 12/31/19) = $10.9 million
- Current Cash Balance = $6.9 million
- Additional Money pending confirmation = $2.5 million

Note: Cash projections/flow – tracked by Finance Committee through Vertran

Project 1: CT



Project Scope:

- New CT Scan Suite in former OR
- Enlarged reception & waiting area
- Added ADA compliant dressing room
- New IDF room with upgraded equipment
- Staff Hub renovations include staff restroom and office
- Flooring upgrades in imaging rooms & corridors
- Public corridor upgrades
- Micro market in former gift shop
- New Phone System
- New CT will be on Emergency Generator Back Up

Timeline for CT Project

- Construction Started mid December 2019 as planned
- Contract completion is pending goal to finalize by mid February 2020
- CT Phase I construction completion planned for May 2020
- Go Live (dependent on CDPH) expected in July 2020

Project 3: MRI

Project Scope:

- 3T MRI inside the building
  - UCSF has confirmed that Endo Rectal Coil is not being used for two reasons: patient burns; 3T provides clear images
- New flooring & paint in public corridors
- MRI is not currently planned to be on Emergency Generator Power – Switchgear for E-Power Branch would need to be upgraded

Timeline for MRI Project

- OSHPD submission occurred in early December 2019 as planned
- Dome pricing to be completed in April 2020
- Board approval May 2020
- Contract completion in May 2020
- Construction start expected in late June 2020
- Construction completion expected in Early 2021
- New MRI equipment Go Live expected in Spring 2021

Project 2: Cardiology

- Sonoma Valley Hospital team has identified Cosmetic Upgrades and Equipment needed for the Cardiology Department and recommends the Board Approve Budget of $300,000 for procurement.
  - Equipment Includes:
    - EKG Machines (4)
    - Echo Machine & Table
    - Treadmill
    - PFT Machine

Board Action Recommended

1. Approve Additional Money for Cardiology Project: $300,000

    Approved Previously: $30,000

    Spent to date: $30,000

    Additional Funds to provide Cosmetic Upgrade & New Equipment enhancing patient experience

Funding source will be the Sonoma Valley Hospital Foundation.

Next Steps

- UCSF to confirm a commitment to the MRI project
- Confirm the $20 million match gift of $1 million
- Approve MRI Budget and Request funding for MRI construction at Future Board Meeting (May 2020)
- Finance Committee to continue monitoring the cash and status report
- Future expenditures for the Blood Draw project will come back to the Board for approval
- UCSF to evaluate space with their facilities team

Questions?

dome CONSTRUCTION

TAYLOR Design

VERTRANASSOCIATES

SONOMA VALLEY HOSPITAL
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To: **Board of Directors**

From: **Dawn Kuwahara, Chief Ancillary Officer**

Date: **January 29, 2020**

Subject: **Cardiology Equipment**

Recommendation:

Due to the age and condition of our current Cardiology equipment, I am recommending the purchase of the following equipment: Four EKG machines, One Pulmonary Function Machine, One Stress Treadmill, and One Echo Ultrasound machine with exam table. The total cost of replacing this equipment is $286,999.20. Two Hundred Thousand dollars of this purchase will be funded through the Foundation's Women's Health Restricted Funds, the remainder will be funded through the Outpatient Diagnostic Project.

Background and Reasoning:

The age of the equipment above ranges from nine to fifteen years of age. Our Pulmonary Function Machine has difficulty in passing preventative maintenance, there are parts needed that are no longer available. This service is at risk of being put on hold. Some of our equipment is no longer covered by service contracts and repairs and preventative maintenance is expensive. The Echo Machine was down five times in 2019 resulting in the cancellation of patient testing. This has also prolonged patient's stays on the inpatient side. Finally, image quality and functionality is limited making it difficult for the cardiologists to read exams.

Benefits of new Equipment:

- Echo machine is 3D allowing for sharper, clearer images. New 3D workflow tools reduce the number of steps needed to get the data resulting in fast, efficient exam times. Images are 38% larger than the traditional ultrasound image with no loss of resolution. Machine uses anatomical intelligence to turn data into information for guiding treatment at a quicker rate.
- Addition of 1 pediatric EKG machine to better serve our community.
- EKG machines are wireless and can transfer data to a computer via Wi-Fi.
- EKG machines are 15 lead, which help to improve recognition time in posterior myocardial infarctions.
- The PFT Machine is designed for patient comfort and testing superiority allowing for faster more accurate testing.
- Stress Treadmill has features that ensure a more comfortable and quiet treadmill experience.

- Ease of access to reports allowing doctors to sign off electronically.

Consequences of Negative Action/Alternative Actions:

Pulmonary Function Testing is at risk of being put on hold affecting our contract with the Department of Corrections. The EKG and Echo machines are critical to patient care in both the inpatient and outpatient departments including surgery. The stress treadmill is used with Nuclear Medicine; it is also utilized for work clearances in Occupational Health. The loss of this equipment would impact our relationship with UC Davis for Cal Fire applicants. Finally, Cardiologists are reading exams on paper contributing to physician dissatisfaction.

Financial Impact:

The direct margin for Cardiology Services is approximately $500,000 to $600,000 annually. The return on investment would be made up in the first year.

Support & Approval:

This proposal is supported and recommended for approval by the Medical Director of Cardiology, Alex Rainow, MD, Director of Diagnostic Imaging, Ron Schwartz, and the CEO, Kelly Mather.

Attachment:

Cardiology Equipment Quote

Cardiology Equipment Needs

EKG		**Current**	**New**	**Quote**	
Make/Model/ **9 years old**		GE MAC 5500 x2	Quinton Cardio Tech GT-300 x4	$11,988.20	$11,988.20
Make/Model/**12 years old**		Burdick Eclipse Premier E106AG17 x2	3 Wireless and 1 peds		
Ann. Volume	1200				
Echo/ 9 years old					
Make/Model		Siemens Acuson SC2000	Phillips EPIQ CVx ultrasound	$147,755.00	$147,755.00
		3 quotes obtained			
Ann. Volume	1287				
Stress Tests/Treadmill					
Make/Model/ **12 years old**		Quinton Qstress System w/TM55 Treadmill	Quinton q56-attd1	$24,599.61	$28,955.00
Ann. Volume	260	Quinton Workstation/Software PC		$1,500.00	$1,500.00
Nuc Med					
Equip. rented through Digirad			No changes		
Cardius XPO Series					
Ann. volume	144				
PFT 15 years old					
Make/Model		Medical Graphics 83002-008 ELITE DL	Morgan Scientific	$87,735.50	$87,736.00
OP Ann. Volume	300				
Echo Table		***Ergonomic Need**	Biodex Echo Pro	$9,065.00	$9,065.00
				Total	**$286,999.20**
Annual Direct Margin of Cardiology		***Services $500K-$600K***			

SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS

RESOLUTION NO. 347

AUTHORIZING USE OF A FICTITIOUS BUSINESS NAME

WHEREAS, the Sonoma Valley Health Care District (the "**District**") owns a 27-bed skilled nursing facility located at 347 Andrieux Street, Sonoma, California, 95476 (the "**Skilled Nursing Facility**");

WHEREAS, the Board desires to transact business in the Skilled Nursing Facility under the fictitious business name of "Valley of the Moon Post Acute";

WHEREAS, the California Business and Professions Code Sections 17901–17930 only requires "persons," defined as individuals, limited liability companies, partnerships, and other associations and corporations that conduct business for profit in the State, to file a fictitious business name statement and obtain a permit from the county in which it conducts business;

WHEREAS, non-profit corporations or associations, charitable organizations, non-profit hospitals, foundations, and other similar organizations are not required to obtain a permit for use of a fictitious business name, pursuant to California Business and Professions Code Section 17911;

WHEREAS, the County of Sonoma does not approve fictitious business name permits for entities other than those "persons" defined in California Business and Professions Code Section 17902, such as a health care district; and

WHEREAS, the Board deems it in the best interest of the District to approve this name;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Sonoma Valley Health Care District as follows:

1. The Board of Directors of the District finds that the foregoing recitals are true and correct and incorporates the recitals herein.

2. The District hereby authorizes and approves the use of "Valley of the Moon Post Acute" as the fictitious business name of the Skilled Nursing Facility.

3. The Chair of the Board, and her designee, are hereby authorized, empowered and directed in the name and on behalf of the District to take any and all steps which she might deem necessary or appropriate in order to give effect to this Resolution.

4. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED on this 6th day of February, 2020, by the following vote:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

_____
Jane Hirsch, Chair
SONOMA VALLEY HEALTH CARE DISTRICT

ATTEST:

_____
Bill Boerum, Secretary
SONOMA VALLEY HEALTH CARE DISTRICT

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
Healing Here at Home

January 29, 2020

Seema Verma
Administrator
Centers for Medicare & Medicaid Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W., Room 445-G
Washington, D.C. 20201

SUBJECT: CMS–2393–P, Medicaid Program: Medicaid Fiscal Accountability Regulation (Vol. 84, No. 222), November 18, 2019 and CMS-2393-N (Vol. 84, No. 249) December 30, 2019

Dear Administrator Verma:

Sonoma Valley Health Care District dba Sonoma Valley Hospital ("SVH") appreciates the opportunity to comment on the Medicaid Fiscal Accountability Regulation proposed rule. Because the proposed changes would have a devastating effect on the health care safety net in California, and on the lives of many Sonoma Valley Hospital patients, we urge CMS to withdraw the rule.

Sonoma Valley Hospital is a 24 bed general acute care hospital located in the City of Sonoma. Emergency care remains the foundation of our community mission. SVH ranks above the national average in patient satisfaction. As a 4 Star hospital, SVH provides excellent and efficient care that is increasingly recognized by our community.

Sonoma Valley Hospital's immediate market area is small with a population of around 42,000. Of this, nearly 25 percent are age 65 and older, a group largely dependent on Medicare. We also serve a large and growing Latino population. We continue to experience a growing dependence on lower-paying Medicare and Medi-Cal payments. These two government payers now represent 76 percent of hospital gross revenue, up from 67 percent just five years ago. Medi-Cal alone represents 18 percent of the 76 percent governmental total. Learning to live on these levels of payment is essential to the Hospital's survival.

We ask CMS to withdraw the proposed rule because:

- CMS has not conducted the required analysis of how the rule would impact access to care and quality.
- CMS has overstepped its authority by proposing broad discretion with no clear criteria for decision making.

347 Andrieux Street • Sonoma, CA 95476-6811 • 707-935-5000 • www.svh.com

- It puts pressure on our local community to increase taxes to fill the gap created by funding shortages.

Most concerning to Sonoma Valley Hospital is that CMS has failed to conduct any analysis of the proposed rule's impact on Medicaid beneficiaries in our community. We believe these policies will dramatically cut Medicaid funding (Medi-Cal in California), which would reduce or eliminate care for the low-income beneficiaries in our community who rely on it for coverage and, specifically, the care provided by our Hospital.

Like most hospitals, Sonoma Valley Hospital has seen a dramatic shift from inpatient to outpatient care. SVH continues to respond to the financial challenges of running a small hospital. The major financial concern is cash on hand which results from a high proportion of payments from government programs (Medicare and Medi-Cal) and lack of leverage with commercial payers. Decreasing revenues from inpatient services led SVH to recently close its Obstetrics service line and outsource its Home Health Care and Skilled Nursing services so they remain available to the community. SVH is one of the smaller hospitals in the region and faces significant competition from Kaiser, Sutter Health and St. Joseph's/Providence. The Hospital has relied for some years on a District parcel tax (subject to voter approval each time) to maintain Emergency Services.

State flexibility in funding the non-federal share of Medicaid is essential in making the Medi-Cal program work. Without it, the Medi-Cal program would not be able to provide coverage to 13 million Californians. CMS should not adopt a one-size-fits-all approach and restrict the legitimate use of local governmental funds, health-care related taxes, or provider-related donations in a manner that gives the agency unrestrained authority, using overly broad standards that could lead to arbitrary decisions and an uneven application across state Medicaid programs.

The current proposals far exceed the agency's statutory authority. Additionally, we are extremely concerned with the adverse impact the proposed rule's administrative requirements will have on CMS and Medicaid agencies. **The provisions outlined in the proposed rule are excessive and will cost the state of California millions to implement, without sufficient time to do so. Those costs will inevitably be passed on to providers in various forms.**

Further, CMS' proposal to limit intergovernmental transfers to ***state or local taxes*** will create additional pressure on counties and states that rely on these arrangements. In California, this effectively puts every county in a position to increase local taxes, subject to voter approval, in order to maintain funding for the Medi-Cal program. In Sonoma County, where 23.43 percent of the population is covered by the Medi-Cal program, we expect our legislators **will have no choice but to seek tax increases in our community, which is simply not sustainable and most likely not acceptable to the voters.**

Sonoma Valley Health Care District dba Sonoma Valley Hospital disagrees with CMS' premise that, in order to improve the program's fiscal accountability, states should force local communities to raise additional or create new health care-related taxes to support the existing programs. **In California any tax increase requires a two-thirds majority of the voters to implement.** If finalized,

these policies will be devastating to our most vulnerable patients. We urge the agency to withdraw the proposed rule and work with stakeholders on policy solutions that will ensure access to care for all who need it.

Sincerely,

Kelly Mather
President and Chief Executive Officer
Sonoma Valley Hospital