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

SONOMA VALLEY HEALTH CARE DISTRICT

BOARD OF DIRECTORS

AGENDA

THURSDAY, MAY 7, 2020

REGULAR SESSION 6:00 P.M.

HELD VIA ZOOM VIDEOCONFERENCE ONLY

To participate via Zoom videoconferencing
use the link below:
https://zoom.us/j/93599071326?pwd=ckhGbDJoeGxHdnlnVUgrYXhhUnlSUT09

and enter the Meeting ID: 935 9907 1326, Password: 015768

To participate via telephone only, dial: 1-669 900 9128
and enter the Meeting ID: 935 9907 1326, Password: 015768

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 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. BOARD CHAIR COMMENT	*Hirsch*		
3. 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*		
4. REPORT OF SPECIAL CLOSED SESSIONS (HELD APRIL 8, APRIL 23, AND APRIL 30, 2020)	*Hirsch*	Inform	
5. CONSENT CALENDAR 1. Board Minutes 04.02.20 2. Finance Committee Minutes 03.24.20 3. Policies & Procedures 4. Medical Staff Credentialing	*Hirsch*	Action	 Pages 3-4 Pages 5-7 Pages 8-11
5. DISCUSSION REGARDING CRITICAL ACCESS HOSPITAL EXPANSION ACT	*Connor*	Inform	
6. PATIENT CARE SERVICES ANNUAL REPORT	*Kobe*	Inform	Pages 12-20

7. REVIEW AND APPROVAL OF FY 2021 ROLLING STRATEGIC PLAN	*Mather*	Inform/ Action	
6. SEISMIC LEGISLATION UPDATE	*Mather*	Inform	Pages 21-25
7. DISSOLUTION OF JPA – NORTHERN CALIFORNIA HEALTH CARE AUTHORITY	*Boerum*	Inform/ Action	Page 26
8. CMO REPORT	*Kidd*	Inform	Pages 27-28
9. ADMINISTRATIVE REPORT FOR MAY	*Mather*	Inform	Pages 29-31
10. FINANCIALS FOR THE MONTH ENDED MARCH 31, 2020	*Jensen*	Inform	Pages 32-41
11. BOARD COMMENTS	*Hirsch*		
12. ADJOURN	*Hirsch*		

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

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

SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS' MEETING

MINUTES

THURSDAY, APRIL 2, 2020
HELD VIA ZOOM VIDEOCONFERENCE ONLY

	RECOMMENDATION	
MISSION STATEMENT *The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.*		
1. CALL TO ORDER	*Hirsch*	
6:00 p.m.		
2. BOARD CHAIR COMMENT	*Hirsch*	
Ms. Hirsch acknowledged Ms. Mather and her Leadership Team for their communications, and preparation for the COVID-19 emergency. Staff have risen to the occasion with their usual tireless commitment. She also expressed her thanks for the involvement of the hospital's UCSF colleagues.		
3. PUBLIC COMMENT	*Hirsch*	
None		
4. CONSENT CALENDAR 1. Board Minutes 03.05.20 2. Finance Committee Minutes 03.24.20 3. Policies & Procedures 4. Medical Staff Credentialing	*Hirsch*	Action
The Board normally reviews a paper copy of Item 4.4. Ms. Hirsch mentioned this was previously approved by the Quality Committee and there were no issues. A letter of approval for the record will be signed by Ms. Hirsch and Dr. Mainardi		**MOTION**: by Mainardi to approve, 2nd by Rymer. All in favor.
5. CHIEF OF STAFF REPORT	*Brown*	Inform
Dr. Brown was not able to attend. Most hospitals are currently following the American Board of Surgeons recommendations regarding cancellation or scheduling of surgeries during the COVID-19 emergency.		
6. RESOLUTION NO. 349 ACCEPTING AND AUTHORIZING SVHCD'S AMENDED AND RESTATED 403(b) NON-ERISA VOLUME SUBMITTER PLAN EFFECTIVE DECEMBER 20, 2019	*McKissock*	Action
Ms. McKissock briefly reviewed the background for this resolution. There were no changes to the plan document. The Board authorized Ms. Mather to sign the document.		**MOTION:** by Boerum, 2nd by Mainardi. Vote take by roll call; 5 aye, motion passed.

7. RESOLUTION NO. 350 DECLARING A LOCAL EMERGENCY	*Hirsch*	Action
Ms. Hirsch presented the background for this resolution which was prepared on the advice of legal counsel.		**MOTION:** by Boerum, 2nd by Nevins. Vote taken by roll call; 5 aye, motion passed.
8. BRANDING STRATEGY UPDATE	*Mather*	Inform
Ms. Mather briefly reviewed the background of the branding project and the hospital's values, position, and messaging as a result of that project. Work is still needed in order to activate this; however, small pieces are already being incorporated into hospital staff's daily communication. The Foundation has funded this project.		
9. FY 2021 STRATEGIC PLAN UPDATE	*Mather*	Inform
Ms. Mather said the FY 2021 Strategic Plan would be aligned with UCSF's forthcoming strategic plan and will just be refreshed from last year, rather than a new plan. She expected to bring a draft to the Board in May. She also indicated she would consider holding a public forum to elicit input, as well as adding physician specialties to the discussion with UCSF		
10. CMO REPORT	*Kidd*	Inform
Dr. Kidd reviewed the report for March. A new primary care physician will be coming to Sonoma in May, as well as a nurse practitioner. She also reviewed COVID-19 preparedness at the hospital. The bariatric accreditation site visit has been put on hold.		
11. ADMINISTRATIVE REPORT FOR APRIL	*Mather*	Inform
Ms. Mather reported some aspects of the Outpatient Diagnostic Center construction were delayed. She indicated that the capital campaign may not be able to raise the complete $21 million for the ODC project at this time. SVH had an accreditation survey at the same time the COVID-19 emergency started up and the team managed very well.		
12. FINANCIALS FOR THE MONTH ENDED FEBRUARY 29, 2020	*Jensen*	Inform
Mr. Jensen reviewed the payer mix for the month of February. Cash collections were over goal at $4.1 million. Days' cash were 15.7, A/R days were 42.5, A/P days were 42.2 and slightly under $3 million. Total operating revenue was $4.1 million. Total expenses were $4.4 million, and the operating margin was ($298,868) of $326,588 better than budget. Net income was $307,066 and EBDA was 6.3%. All costs relating to the COVID-19 emergency were being accumulated and SVH planned to file claims.		
13. BOARD COMMENTS	*Hirsch*	Inform
Ms. Nevins asked Mr. Jensen to mention that Union Bank indicated they are willing to defer an upcoming due date by a year.		
14. ADJOURN	*Hirsch*	
Adjourned 6:50 p.m.		

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

Present		Staff	Public
Sharon Nevins via Zoom Joshua Rymer via Zoom Dr. Subhash Mishra via Zoom Peter Hohorst via telephone Art Grandy via Zoom Bruce Flynn via Zoom	Susan Porth via telephone	Kelly Mather, CEO via Zoom Ken Jensen, CFO, via Zoom Sarah Dungan, Controller, via telephone Dawn Kuwahara, via Zoom	Luis Sarmiento, Vertran Assoc., via telephone

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT *The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.*			
1. CALL TO ORDER/ANNOUNCEMENTS	*Nevins*		
	Called to order at 5:00 pm		
2. PUBLIC COMMENT SECTION	*Nevins*		
	None		
3. CONSENT CALENDAR	*Nevins*		
	Minutes from the February 25, 2020, meeting were reviewed.	**MOTION:** by Rymer to approve, 2nd by Grandy. All in favor	
4. OUTPATIENT DIAGNOSTIC CENTER UPDATE	*Mather/Sarmiento*		
	Mr. Sarmiento gave an update on the Outpatient Diagnostic Center project. September 2020 is the current projected timeline for activating the line of credit. Construction work stopped on the CT project as of March 16, 2020, so is currently three weeks behind schedule.		
5. MASTER FACILITY AND INFRASTRUCTURE DRAFT PLAN	*Mather*		

	Ms. Mather shared a first draft of the Master Facility and Infrastructure Plan, which included most equipment or projects over $100k that will need to be replaced. Priorities include anesthesia machines and ventilators, isolation room, kitchen, and sharing medical records with UCSF.		
6. ENGAGEMENT OF AUDITORS FOR MID-YEAR REVIEW	*Jensen*		
	Mr. Jensen reported that the auditors will review reserves next month. This is the last year of the contract with these auditors.		
7. POLICY FOR FOUNDATION LOANS TO THE HOSPITAL	*Jensen*		
	Mr. Jensen advised the Committee that some community members noticed SVH received loans from the Foundation, which were approved by the Foundation Board. He asked whether a policy was needed to establish a means of quickly obtaining funds from the Foundation. Mr. Rymer said the Board was aware of both loans, even though they were not brought to the Finance Committee. He thought it would be a good idea to have a policy which did not require Board approval because of the short-term situation. These are unrestricted funds. The CEO is given authority to do this but must report the transaction to the Board in public.		Review bylaws for this language.
8. ADMINISTRATIVE REPORT	*Mather*		
	Ms. Mather gave an update on the COVID-19 situation at the hospital. As of March 15, 2020, protective measures were implemented for staff and visitors and elective surgeries were cancelled. The hospital has been in constant communication with the County, the City, and UCSF, among others. Whenever the Incident Command Center is opened, expenses are tracked for that emergency. A dialysis model will be presented at the April Committee meeting. Endoscopy suite services are being explored. The brand strategy is delayed but		

	will be out within next month or two. The CIHQ survey was completed with no significant findings.		
9. FINANCIAL REPORT MONTH ENDED FEBRUARY 29, 2020	*Jensen*		
	Mr. Jensen reported that cash collections were $4.1 million in February. Days' cash were 15.7, A/R days were 42.5, A/P days were 42.2 and slightly under $3 million. He also reviewed the payer mix. Inpatient revenue was off due to low volumes. Total operating revenue was $4.1 million, over budget by$435,439. Expenses included salaries which were over budget in nursing, legal costs which were over due to an employee issue, and implants which were higher than budgeted. The operating margin/loss ($298,868) for the month and ($3,129,065) year to date. After accounting for all activity, net income was $307,066 in February and $3,985,715 year to date. EBDA was 6.3% for the month and 10.5% year to date. The cash forecast was developed before accounting for any loss of revenue. The parcel tax advance was received.		
10. BUDGET UPDATE	*Jensen/Dungan*		
	Ms. Dungan said a few budget meetings have begun, but many leaders are not available or not ready.		
11. ADJOURN	*Nevins*		
	Ms. Nevins suggested the Subcommittee on the Three-Year Projection meet at 4:30 p.m. before the next Committee meeting. Meeting adjourned at 5:50 p.m.		

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

Policy and Procedures – Summary of Changes
Board Quality Committee, April 22nd, 2020

Review and Approval Requirements

The SVH departmental/organizational policies and/or procedures on the attached list have been reviewed and approved for meeting all of the following criteria. All of these policies and procedures are:

- Consistent with the Mission, Vision and Values of the Sonoma Valley Health Care District
- Consistent with all Board Policy, Hospital Policy and Hospital Procedures
- Meet all applicable law, regulation, and related accreditation standards
- Consistent with prevailing standards of care
- Consistent with evidence-based practice

We recommend their acceptance by the Quality Committee and that the Quality Committee forward them to the Sonoma Valley Health Care District Board with a recommendation to approve.

ORGANIZATIONAL

NEW:

Admits, transfers, readmissions PC8610-192
Policy required for Bariatric Accreditation

Management of Medical Emergencies in Off-side Locations PC8610-192
CMS and CIHQ require policies stating the organization's responsibility to respond to medical emergencies on their 'campus'. Campus is defined as well as the scope of responsibility

Pest Management Program CE8610-184
To prevent and control the entrance of pests and eradicate infestations in the facilities.

REVISIONS:

Hazardous Materials and Waste Management Plan CE8610-140
Review of policy by all authority stakeholders. Update policy to reflect current practices, hazardous materials handling and communication.

Medical Waste Management Plan CE8610-158
Add language from Disposal of Medical and Biohazardous waste into the Medical Waste Management Plan to consolidate into 1 policy. To combine 2 organizational policies that pertain to Medical and biohazard waste management.

Storage of Medications MM8610-123
removed reference to non-existent policy; removed reference to hazardous drugs which will be addressed in a new policy.

Department Specific Performance Improvement (PI) Plan QA8610 -104
Removed requirement for annual department reports to Board Quality to reflect updated Quality Charter and triannual review

Formalin Spill Cleanup LB8610-106
Update

Pathology Specimen Handling LB8610-122
Wording update

Reporting of Quality Monitoring and Performance QA8610-106
Changed Director of Quality and Resource Management to Chief Quality Officer

Sara lite PC8610-165
Updates establishes guidelines for use of Sara Lite Sit to Stand Lift and the applicable slings

Reviewed/No Changes
Use of Medication Not Procured by the Facility MM8610-116
AccuChek Inform II Glucose Monitoring System LB8610-102
Patient Safety Evaluation System QA8610-101

DEPARTMENTAL

NEW:

Surgical Services
Metabolic and Bariatric Anesthesia Protocol 7430-109
To have a hard stop for the purposes of cancelling patients who otherwise are at greater risks for complications during and after surgery and could potentially need a higher level of postop care than we can provide at SVH

Wound Care
Maggot Therapy 7740-109
This is a new Wound Care policy and procedure that addresses the clinical indications, policy, procedures and qualifications for personnel involved in maggot debridement therapy.

Engineering
Failure of HVAC Systems 8450-15
To explain how Sonoma Valley Hospital will maintain safe temperatures when the HVAC system is affected during a disaster

Failure of Sewer services 8450-14
To explain how Sonoma Valley Hospital will maintain safe environment when the sewer system is affected during a disaster.

REVISIONS:

Emergency
EMTALA COBRA Transfers 7010-07
Added EMTALA to title of policy and spelled out acronyms referred to in the policy

Wound Care
Cancellation No Show Wound Care 7740-102
Failure to attend 2 consecutive visits or 3 visits total without proper 24 hour notice will result in discharge from the Wound Care Program. To resume treatment, the patient will be required to obtain a new order from their primary care physician. Added Clarity regarding consequences of missed visits

Engineering
Battery Powered Exit Lights 8450-100
National Fire Protection Association (“NFPA”) reference update. new NFPA code acceptance by CMS

Bulk Liquid Oxygen 8450-77
Updated vendor information. Vendors have changed.

Electrical Failure 8450-63
corrected asset numbers for the generators because the new generators were installed

Emergency generator testing 8450-65
DEXA and Mammo added. new departments in Central wing.

Equipment Inventory 8450-48
Policy for Engineering Equipment preventative maintenance documentation. Removed reference to biomed equipment. Biomed equipment is reflected in an organizational policy called Clinical Engineering Equipment Safety/PM Program.

Fire Alarm Testing 8450-91
Changed code reference year to 2010 updated National Fire Protection Association "NFPA" edition

Medical Gases Procurement and Contingency Plan 8450-76
Updated vendor information. outdated information

Utilities Failure Phone List 8450-38
Updated Utility phone lists. Update outdated information

Vendor Contact List 8450-31
List of vendors used by Engineering to maintain Central Utility Plant Equipment. Updated vendors, contact info and remove warranty info.

EVS
Linen Management Services 8440-43
Change policy to reflect current linen handling procedures for clean and soiled linen. Also included linen ordering, delivery procedure and linen plant contingency plan. Old policy only stated that linen was sent out for processing

Imaging
Scope of Services 7630-233
Expanded Scope of Services to include Dexa and Interventional Radiology. Remove MRI contracted by outside company. Services absent in prior policy. Interventional Radiology needs to be noted for Bariatric Accreditation. MRI is not contracted out.

Medical Staff
Medical Staff QAPI 8710-105
Minor wording revisions, removal of Labor & Delivery reference and neonatal codes. Revision to reflect current practice and hospital status.

Nutritional Services
Diet Manual 8340-151
Removed reference to old diet manual. Removed reference to online diet manual from the Academy of Nutrition and Dietetics. Change review of diet manual every 3 years to annually with revision and approval at

least every 5 years per regulations. Diet manual not current. Online diet manual does not match official approved diet manual to be used.

REVIEWED/NO CHANGES:

Laboratory

AccuChek Certification and Recertification 7500-100
AccuChek Meter Replacement 7500-102
Individualized Quality Control Plan 7500-104

RETIRE:

Engineering

Emergency Battery Powered Lights 8450-90

Patient Care Services

Annual Report 2020

Prepared by: Mark Kobe, RN MPA Chief Nursing Officer

INTRODUCTION AND STRUCTURE

Patient Care Services is comprised of seven major service areas: Intensive Care, Emergency, Surgery, Inpatient, Nursing Administration, Pharmacy and Respiratory Therapy. These areas are staffed by 92 Registered Nurses, 10 Respiratory Therapists, 10 Pharmacists, seven Pharmacy techs, and 32 Certified Nurses Assistants, Scrub techs, ED techs and unit assistants for a total of 151 staff. The areas are managed individually by one Nursing Director, one Pharmacy Director and one nursing manager who report directly to the Chief Nursing Officer. The Chief Nursing Officer directly manages the Emergency Department and the Nursing Supervisors.

Category	Function	Staff Oversight
Chief Nursing Officer	The CNO is involved at the executive level in collaborative leadership of the organization. Provides leadership, management, consultation and oversight for the department of nursing in both the clinical and Administrative setting and assumes administrative responsibility for the Skilled Nursing Facility. Responsible for the day to day operations of all clinical functions. Pro-actively maintains high level internal customer, physician and Board of Trustee relationships and satisfaction. Responsible for management of federally-mandated grievance process, management of emergency physician and hospitalist group contracts and oversight, direct oversight and responsibility for service excellence initiatives and performs daily clinical role as Emergency Department Director and Administrative Nursing Supervisor.	Director of Pharmacy Director Inpatient Manager Surgery 10 Nursing Supervisors 25 ED RNs 10 ED Techs
Director of Patient Care Services	The Director of Patient Care Services provides leadership for the clinical operations and coordinated activities of the Medical-Surgical Inpatient department, Outpatient Infusion Services, Intensive Care Unit and the Respiratory Therapy Department. Ensures accountability for administrative responsibilities that include staffing, leading, morale, customer satisfaction, quality patient care, organizing and role modeling for critical care nursing. Maintains positive relationships with Hospitalists and Surgeons. Primary responsibility for Inpatient satisfaction (HCAHPS). Shares clinical role as Administrative Nursing Supervisor.	37 Registered Nurses 7 C N As 6 telemetry technicians 10 Respiratory Therapists
Manager Surgery	Direct daily oversight of Surgical Care Unit, comprised of 3 operating suites and a pre- and post-operative patient care/ recovery area. Manages daily staffing needs based on surgical case load and responsible for management of surgeon block assignment and utilization. Seeks out new surgical opportunity for organization. Primary responsibility for OASCAHPS. Shares clinical role as Administrative Nursing Supervisor.	2 Clinical Coordinators 16 Registered Nurses 4 Scrub Techs 2 Central Sterile Techs 3 Housekeepers
Director of Pharmacy	The Director of Pharmacy (DOP) functions as the Pharmacist in Charge (PIC) on the hospital pharmacy license and ensures compliance with applicable state and federal laws and regulations. The DOP is responsible for directing all aspects of the daily operations of the pharmacy department. This includes leading the planning, development, and implementation of clinical pharmacy programs, quality assurance, departmental budgeting, and the supervision of pharmacy staff.	10 Pharmacists 7 Pharmacy techs

QUALITY DASHBOARD

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

Medication Scanning Rate	2019-2020				
	Q2	Q3	Q4	Q1	Goal
Acute	90.3%	94.0%	91.4%	N/A	≥90%
ED	90.4%	90.6%	90.0%	N/A	≥90%
Preventable med errors R/T Med Scanning	0 (n=20)	2 (n=12)	2 (n=7)	4 (n=22)	≤2

Nursing Turnover	2019-2020 RNs/Quarter				
# of RNs	Q2	Q3	Q4	Q1	Goal
Acute (n=65)	1	3	0	0	≤6

Falls (Per 1000 days) 2019-2020					
	Q3-Q2	Q4-Q3	Q1-Q4	Q2-Q1	50th %tile
Acute	1.90	1.50	1.10	1.50	3.75
ED	0.0	0.4	0.1	0.0	

Hospital Acquired Pressure Ulcer	2019-2020				
	Q2	Q3	Q4	Q1	National
Acute	0.0	0.0	0.0	4.5	3.68

SERVICE EXCELLENCE

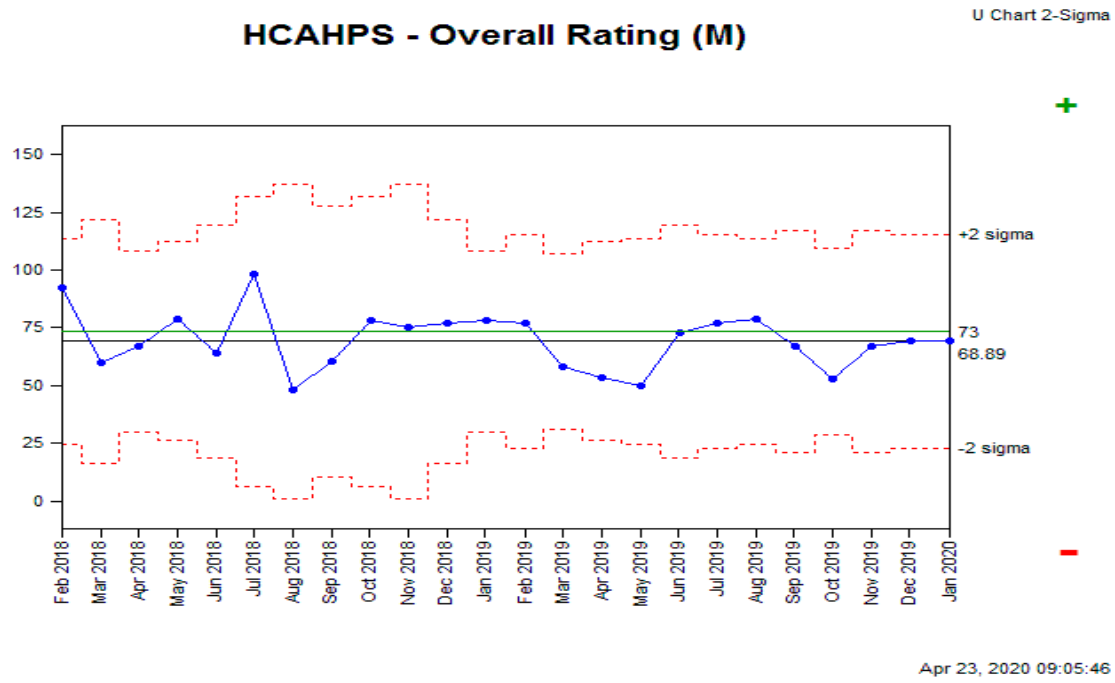
Patient satisfaction is a high priority for Patient Care Services. HCAHPS scores are a significant determinant in awarding of the CMS 5 Star status and indirectly affect financial reimbursement from Medicare. Historically, the organization has built the service excellence strategies upon the Studer model of rounding, discharge phone calls and white boards. As we enter a new fiscal year our strategy is shifting from that model to re-designing our approach with the front line staff and physicians with a consultant who brings the latest effective strategies under “Human Experience.” The consultant has interviewed staff, physicians and members of the community and is designing the next phase of implementation based on those interview results.

HCAHPS is the primary measurement tool for Inpatient satisfaction. It is a CMS-mandated survey tool that was administered through Press Ganey via mailed paper survey. Inpatient volume remains very low and only inpatients discharged directly home qualify for survey. Observation patients and patients transferred to Skilled Nursing or discharged home with Home Care do not qualify for survey.

OASCAHPS is the primary measurement tool for Outpatient Ambulatory Surgery. CMS was expected to mandate this survey for organizations beginning January 1, 2020. That did not happen and as of this writing OASCAHPS is not yet mandated. Press Ganey will be distributing this survey via mail methodology.

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

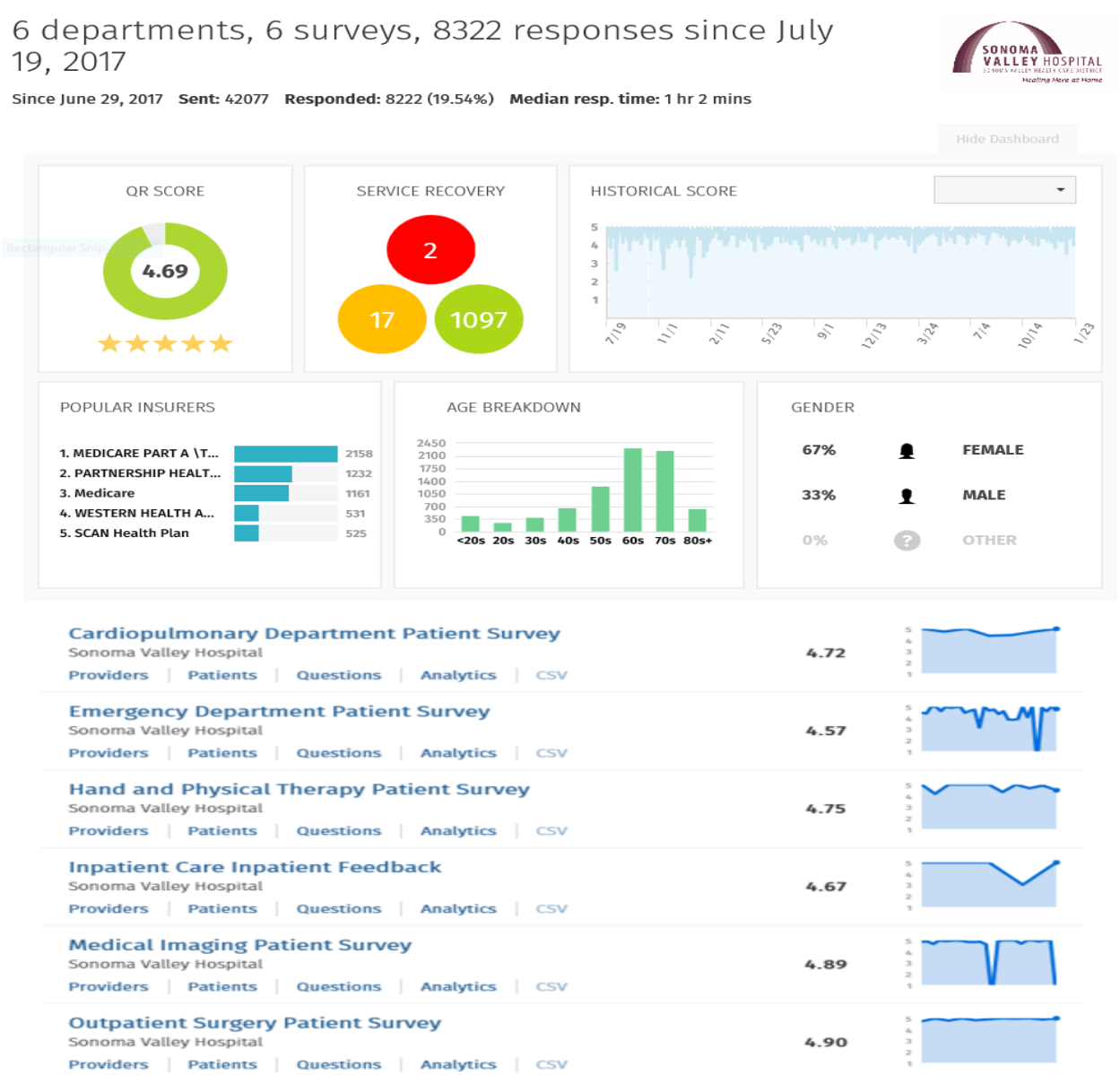
In October of 2019 we began measuring satisfaction on the Inpatient side using the same texting service as in the Outpatient departments to help augment our HCAHPS scores.



OASCAHPS YTD 2020

Global Rating Item Recommend the facility			
Definitely no	0	0	1.2
Probably no	2	2.1	1.0
Probably yes	19	20.0	14.1
Definitely yes	74	77.9	83.7
Total	95		**Top Box**
			%ile rank 19

RATE MY HOSPITAL TEXTING SERVICE



FINANCIAL PERFORMANCE FY 2020 YTD

The following is a rollup report of all Patient Care Service areas expenses combined.

CNO ROLLUP
FINANCIALS-EXPENSES MARCH 2020

	FY 2020 Actual	FY 2020 Flex	Variance	Var %	FY 2020 Budget	Variance	Var%
Total Expenses	1,195,078	984,894	-210,184	-21.3%	1,189,971	-5,107	-0.4%
Gain / (Loss) from Operations	6,947,373	8,979,938	-2,032,565	-22.6%	11,651,685	-4,704,312	-40.4%
Operating Margin	85.3%	90.1%	-4.8%	-5.3%	90.7%	-5.4%	-6.0%

Rollup March Variances:

YTD the expense variances are primarily labor overages. Patient care services underestimated the number of FTEs to cover the Emergency Department, ICU and Medical Unit for FY 2020. The underestimation was a combination of analyzing rolling 12 month data on understaffed departments in FY 2019. Also, volumes dropped significantly with the Shelter in Place Order March 16, 2020.

FY 2020 has remained more consistent that FY 2019. This year's variances are related to an underestimation of base budget for the nursing departments and annual salary increases. This is different from FY 2019 that experienced a significant turnover rate (28%) in ED and ICU. Variances then were primarily in orientation costs for new hires and registry costs to cover staffing. In FY 2019, the ED was short staffed many days which built a 12 month rolling expense estimate that undervalued approximately 1 FTE of labor. Hence, the variance in FY 2020.

Direct Margins

Patient Care Services is a significant financial contributor. The following is a comparison of Direct Margins as reported on March 26, 2020.

DMargin	ER	OP Surg	SNF	IP	Rehab	OPDx	Occ Health	SP
1/19-12/19	9,892,000	2,303,000	-194,000	3,643,000	1,744,000	4,879,000	18,000	1,609,000
12/18-11/19	9,893,000	2,369,000	71,000	3,479,000	1,916,000	4,754,000	-33,000	1,567,000
11/18-10/19	10,044,000	2,120,000	-141,000	3,387,000	1,802,000	5,137,000	13,000	1,517,000

Summary:

GROWTH

ED

Total visits for calendar 2019 (10,511) increased 1.4% (152 patients) over 2018. 2020 data for visits will likely decrease due to the COVID-19 crisis: volumes for March and April of this year are down by approximately 50%.

The Department became Stroke Ready Certified in April of 2019. The ED sees approximately 22 patients each month presenting with potential signs of stroke. Of those, only a small percentage are actual strokes and an even smaller percentage qualify for the clot-busting drug tPA. We administer tPA to approximately 6 patients per year. CIHQ recently surveyed the organization and the Stroke Ready Certification as well. We have received our Plan of Correction with minimal citations and expect our formal re-certification in the next few weeks.

A diversity consultation for ED was conducted by an outside vendor due to historical complaints of alleged differing treatment of 'cultural' individuals. Staff were surveyed and the results of the survey formed the agenda and topics for a mandatory diversity course. Staff found the course quite helpful in understanding potential biases they could potentially exhibit. One issue that rose to the top was the inadequacy of language interpretation services. Dual hand set telephone language interpretation is found to be ineffective and the lack of certified translators especially on off hours concerned staff. A solution suggested by staff is a video translation service. Bids from vendors were received and the request for purchase is being placed in the 2021 budget planning process.

The ED will be interviewing for a dedicated Nursing Director with the goal of placement by July 1. At the time of this writing, two viable candidates have come forward and the organization's leadership will conduct interviews and hopefully make a selection in time for the goal of July 1st.

MedSurg

Growth in MedSurg remains relatively flat as we see more surgeries classified as outpatient procedures and more inpatient stays become observation status. The COVID pandemic is also affecting the inpatient census. FY 2019 ended with 3,801 patient days. FY 2020 projected is 3,098 days (703) an 18% decrease in patient days.

Pharmacy

1. Pharmacy investigated if participation in specialty pharmacy distribution as it relates to medical needs in the area could be profitable. Specialty Pharmacy only distributes expensive, hard to obtain drugs (HIV, Rheumatoid Arthritis, Remdesivir, GI drugs). This is a high cost, high return area, but our low volumes would make this financially infeasible due to the labor involved in managing the patient.

2. Retail/Outpatient Pharmacy: similar to specialty pharmacy, this would bring in more revenue, but our volumes would not compete with the retail pharmacies already in Sonoma, resulting in this being financially unfeasible.
3. Pharmacy outpatient clinical services: we are just beginning to investigate the feasibility of a pharmacist medication clinic by testing interest/need via the Vintage House free "Brown Bag" sessions. These sessions are a billable service but again our low volumes versus the cost of pharmacy labor makes this currently not profitable. At worst, this is a good opportunity to provide a service to the community that appears to be appreciated. At best, if this has enough demand for growth, it could develop into a pharmacist-run medication management clinic.

PEOPLE

Staff Satisfaction

Staff satisfaction scores have just come in and the results are being analyzed. 'DOT' exercises will be held in the coming months with staff to determine priority items targeted for improvement over the next year. Participation and Overall scores are as follows:

Department	% Participation	Overall score
Emergency Room	56	3.62
Med/Surg/ICU/RT	55	3.71
Nursing Administration	77	4.35
Surgical Services	100	4.15
Pharmacy	76	4.19

FY 2020 ACCOMPLISHMENTS

1. Successful integration of nursing and ancillary services on the 3rd floor
2. Transition of Hospice room from SNF to Inpatient unit
3. Inpatient texting survey with Rate My Hospital implementation
4. EMS staff integration on SVH Stroke Committee
5. Bariatric education readiness for accreditation completed
6. Successful CDPH General Acute Care survey
7. Successful CIHQ tri-annual survey w/ Stroke Ready re-Certification
8. Diversity analysis for Emergency Department completed with facilitator
9. Implementation of Patient/Staff education system: MDM
10. Smart pump implementation

FY 2021 GOALS

1. Core Measures compliance in upper quartile of nation
2. Budgetary compliance
3. Staff turnover $\leq$ 15% (CY 19; 22.4%)
4. Placement of Director of Emergency Services
5. Implementation of 'Human Experience" model for service excellence
6. Telemetry translation service

COVID-19

Q3 and Q4 of FY 2020 has changed our perspective considerably as we experience this pandemic that is unprecedented for most of us. Preparing for an unknown surge, expanding our capacity for inpatients and emergency room visits has been a primary focus. The vast majority of patients walk in to our ED versus coming in by ambulance. Staff have all risen to the challenge as hospital workers became the real 'first responders' in this fight.

This pandemic has cast quite a shadow over healthcare. Moving forward as we all try to imagine a 'new normal,' what will the Fall contagion look like? How long and far will social distancing standards embed in society? Will our ED volumes return to previous levels or will society utilize emergency services differently? What will our inpatient volumes look like? Regardless of the answers to these questions, Patient Care Services will continue to flex staffing and services in either direction to accommodate the needs of the community of Sonoma.

New Approach to Hospital Seismic Law Protects Communities' Access to Care

Hospital patients and workers are safe from earthquakes, yet outdated and onerous regulations threaten access to care for communities throughout California.

Where We Are

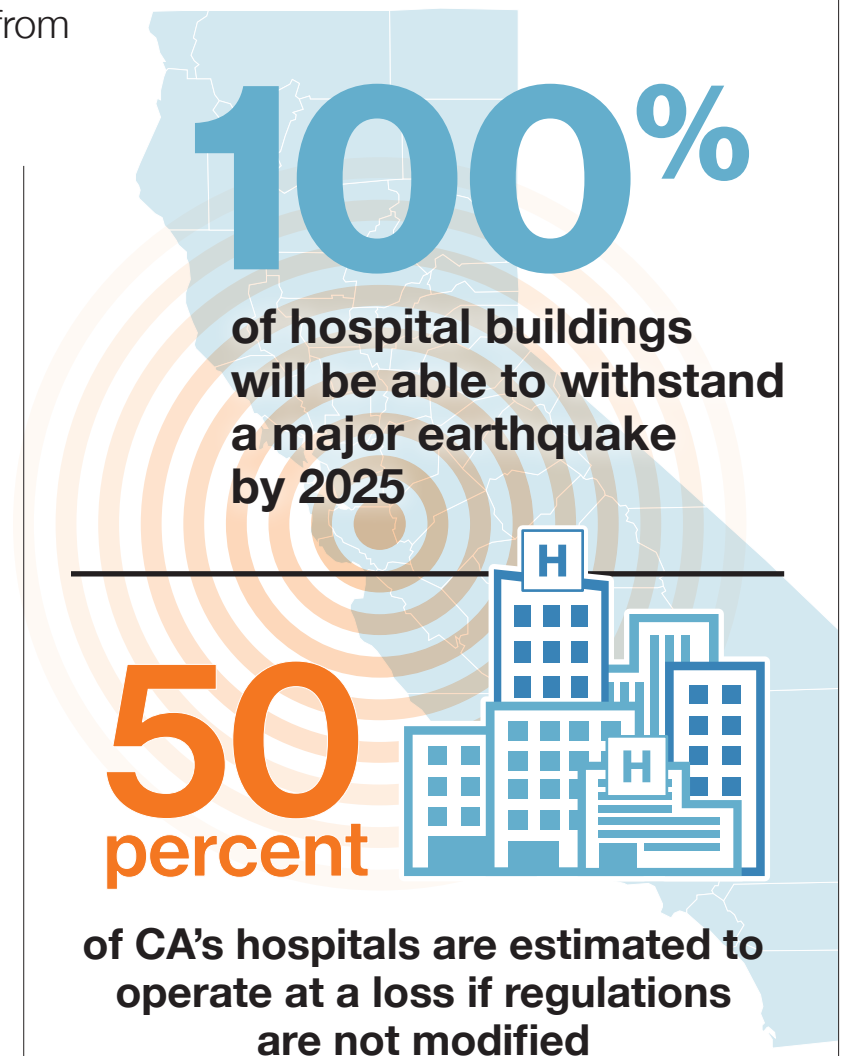
SAFETY:
California's hospitals have upgraded buildings – at a cost of hundreds of billions of dollars – making them among the safest in the world.

What's Being Asked

OPERATIONS:
Additional requirements call for hospital acute care buildings to **remain fully operational**. Hospitals that cannot meet additional seismic standards by 2030 will be closed.

A Reasonable Approach

- **21st century health care** is vastly different than when seismic regulations were passed.
- **Spending billions** on buildings isn't the ideal way to ensure continuity of care or prepare for health care of the future.
- **Critical health care** services will, without fail, be provided following a disaster.



> *"...seismic construction projects that disrupt service provision, reduce the types of services that can be provided, or reduce the overall capacity of the hospital could have adverse consequences for communities."*

2019 Rand Study on
California Seismic Standards

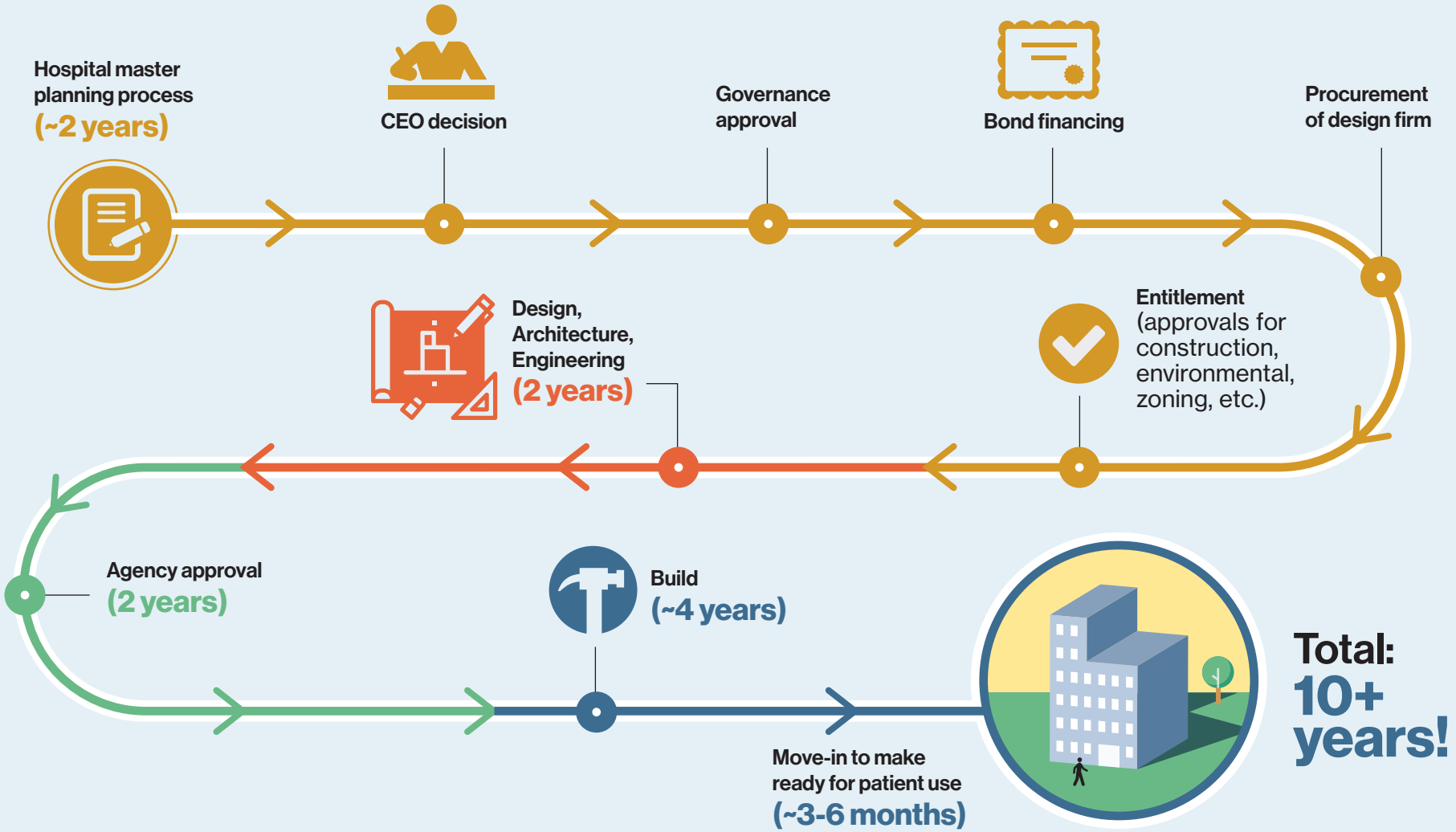
How You Can Help

- **Support SB 758** (Portantino) which will refocus the 2030 "fully operational" standard to areas of the hospital where emergency, surgical & post-surgical care will be provided for 72 hours following an earthquake.

CALIFORNIA HOSPITAL ASSOCIATION
Hospital Council Northern & Central California
HOSPITAL ASSOCIATION OF SOUTHERN CALIFORNIA
HOSPITAL ASSOCIATION of San Diego & Imperial Counties

Hospitals Stand Strong

The Path of Hospital Construction



CALIFORNIA HOSPITAL ASSOCIATION

Leadership in Health Policy and Advocacy

New Approach to Hospital Seismic Law Protects Communities' Access to Care

The Issue

Because disasters in California are a matter of "when" not "if," disaster preparedness is a way of life for California hospitals. **Hospitals must comply with a host of state and federal laws governing disaster preparedness — including standards set by the Centers for Medicare & Medicaid Services and Title 22 of the California Code of Regulations**.

Every hospital must have a comprehensive **Emergency Operations Plan** that identifies known and potential risks and outlines appropriate mitigation strategies. Each hospital's plan must spell out detailed policies and procedures to ensure safe patient care following a disaster — including the ability to operate for 24 hours on back-up power and a plan to access up to 96 hours of generation — along with the process for safely evacuating patients, if necessary.

California hospitals also must comply with the nation's strictest hospital building code — ensuring that every hospital building remains standing after an earthquake. **Currently, 95% of all hospital buildings meet this standard and by 2025 all hospital buildings in the state will be able to withstand a major earthquake.**

Now that our buildings are safe, it's time to turn our attention to *how* we will care for patients after an earthquake. Not every patient — even after a disaster — needs to be cared for at a hospital. In many cases, evacuating patients out of the disaster zone is necessary for patient safety.

Current state law requires every hospital building that provides acute care patient services in California to be "fully operational" after a major earthquake by January 1, 2030. Hospitals that don't meet this deadline will be forced to close.

A 2019 report by the RAND Corporation found that the 2030 seismic requirements could cost hospitals up to $143 billion, an amount that could double when interest and financing are factored in. These are funds that otherwise could be used for patient care.

One-third of California hospitals currently have negative operating margins. According to the RAND study, **that number could swell to more than 50% if the 2030 seismic requirements are not modified.**

of hospital buildings will be able to withstand a major earthquake by 2025

of CA's hospitals will be placed under significant financial stress

What's Needed

CHA-sponsored SB 758 (Portantino, D-La Cañada) would will refocus the "fully operational" standard to the physical areas of the hospital where emergency medical services — including necessary surgical and recovery care — will be provided for 72 hours following an earthquake.

CALIFORNIA HOSPITAL ASSOCIATION

CHA Talking Points

New Approach to Hospital Seismic Law Protects Communities' Access to Care

1. **Disaster preparedness is a way of life for California hospitals.**

    - California's hospitals are a critical part of the state's disaster response system — working collaboratively with first responders, public safety officials, other health care providers, and local, state, and federal agencies — to ensure people are safe whenever disaster strikes.

    - Hospitals devote extensive time and resources toward planning and training to ensure necessary medical care is uninterrupted during and after a disaster. Recent history demonstrates this well. During the past few years, California has faced an unprecedented series of disasters — wildfires, mudslides, earthquakes, and floods — and during each of these events, hospitals have heroically cared for their patients and their communities.

    - Hospitals must comply with a host of state and federal laws and regulations governing disaster preparedness — including standards set by the Centers for Medicare & Medicaid Services (CMS), Title 22 of the California Code of Regulations, and the National Fire Protection Association, as well as by accrediting organizations such as The Joint Commission.

    - Under these requirements, every hospital must have a comprehensive Emergency Operations Plan that identifies known potential risks and outlines appropriate mitigation strategies. These plans, which must be updated and reviewed **annually** by CMS, spell out detailed policies and procedures for ensuring safe patient care following a disaster — including the ability to operate for 24 hours post-disaster (with a plan to access 96 hours of back-up power if needed) and the process for safely evacuating patients, if necessary.

    - Hospitals also are required to conduct simulation disaster exercises at least twice a year, which ensure all staff are well-trained and ready to respond when disaster strikes.

2. **California's hospitals also comply with the nation's strictest hospital building requirements — ensuring that every hospital building in the state remains standing after an earthquake.**

    - Safety is the highest priority for hospitals. California hospitals have invested decades of work to upgrade or replace facilities to ensure that patients, employees, and visitors will be safe when the next earthquake strikes.

    - Today, 95% of all hospital buildings meet this life-safety standard. And by 2025, all hospital buildings will be able to withstand a major earthquake.

3. Now that our buildings are safe, it's time to turn our attention to how we will care for patients during and after an earthquake.

- Hospitals have an unwavering commitment to care for patients following a disaster. However, even after a disaster, not every patient needs to be cared for at a hospital. In many cases, evacuating patients out of the disaster zone may be necessary for their safety.

- While hospitals are already required to have 24 hours of back-up power and a plan for access to 96 hours of standby power, it's not likely that they will be able to fully function after three days if the damage in the broader community is severe.

- Current law requires hospital buildings that provide acute care patient services in California to be "**fully operational"** after a major earthquake by January 1, 2030. Hospitals that don't meet this deadline will be forced to close.

- This means the very law intended to ensure people have access to care after an earthquake may, in fact, force some hospitals to shutter even before the next earthquake occurs.

4. CHA-sponsored SB 758 would give hospitals the operational flexibility needed to tailor post-disaster care to their communities' unique needs.

- SB 758 (Portantino, D-La Cañada) would will refocus the "fully operational" standard to the physical areas of the hospital where emergency medical services — including necessary surgical and recovery care — will be provided for 72 hours following an earthquake.

5. We must strike a balance between ensuring that victims of a disaster have rapid access to life-saving care, while also keeping overall health care costs more affordable.

- The RAND Corporation last year completed its third comprehensive look at California's hospital seismic mandate since 2002. Like the two previous studies, this report confirms the enormous cost of meeting the seismic requirements — estimated to be up to $143 billion if every hospital building has to be rebuilt. The price tag is even higher when you factor in financing and other costs. These are funds that otherwise could be used for patient care.

- More than half of all California's hospitals will face significant financial hardship if the current outdated seismic safety requirements are not updated. Today, one-third of hospitals operate in the red. That number could swell to more than 50% if the 2030 seismic standards are not modified, leaving many communities across the state with reduced access to care.

- Everyone today is concerned about the affordability of health care — and rightly so. Controlling health care costs is vital. By taking a more reasonable approach to the seismic law, lawmakers can help make hospital care more affordable in the Golden State.

Meeting Date: May 7, 2020

Prepared by: Bill Boerum, Board Member (Representative to the JPA Board)

Agenda Item Title: Dissolution of JPA – Northern California Health Care Authority

---

Recommendation: It is recommended that the District Board vote to dissolve the Northern California Health Care Authority, of which it had been a founding member.

Background: The Authority was founded 12 years ago by four healthcare districts (later joined by a fifth) as a joint powers organization (a legal entity among like local governments). The purposes were to conduct activities to reduce common operating costs, and deliver services to the healthcare marketplace which could provide increased access for local communities, and/or generate revenues and profits accruing to the benefit of the underlying member districts and their communities. A primary objective was to negotiate more favorable reimbursement rates from commercial payers by combining volumes. The enterprise was funded by two $100,000 grants from a private donor for organizational and staffing expenses. Governance of the Authority was conducted by a board of two directors from each of the five districts.

Unfortunately, the contention of the early years over management issues along with the on-going distractions of financial and operating challenges peculiar to the member districts and their hospitals, resulted in the enterprise opportunities not being realized. The Authority conducted a series of annual conferences as well as explored potential business service lines. After years of efforts with no valid reason determined for continued existence, it was determined to dissolve the organization. At the most recent meeting of the board of directors there was a unanimous vote to dissolve the Authority and recommend that each of the underlying districts likewise vote. The remaining financial assets (less than $10,000) will be distributed among the four districts in a bankruptcy claim against the fifth.

Consequences of Negative Action/Alternative Actions: The Authority needs to be dissolved by a vote of its members.

Financial Impact: No negative financial impact. The Sonoma Valley Health Care District will receive about $2,000 in proceeds from a distribution of the JPA's remaining funds.

Attachment(s): None. A simple motion to support the recommendation of the JPA board should suffice.

To:	**SVHCD Board of Directors**
From:	**Sabrina Kidd, MD**
Meeting Date:	**May 7, 2020**
Subject:	**CMO Report**

1. April Highlights included:
    a. CIHQ Stroke Ready Surveys results received.
        i. Small list of minor corrections to be made – mainly around documenting times.
    b. COVID-19 Incident Command Center continues to be open but we have reduced our group meetings to once per week. Highlights include:
        i. We are continuing to cohort patients as needed on the 3rd floor.
        ii. The second floor remains ready for a surge of patients should that be needed in the future.
        iii. The old ED remains ready for use should a surge occur.
        iv. We continue a RN run screening and informational hotline now offering PCR based testing to symptomatic individuals as well as asymptomatic contacts.
        v. PPE (personal protective equipment)
            1. We continue all re-use protocols and have an adequate supply for patient care.
            2. We continue a universal masking policy for all staff and visitors.
        vi. Testing
            1. We continue to run tests through DPH and Quest. Turnaround times have improved.
            2. We continue drive through testing by appointment.
            3. We are now doing pre-operative testing for SVH and UCSF patients.
            4. Antibody testing is under investigation.
        vii. Services
            1. We have begun the next phase of our Exit Strategy
                a. Limited numbers of surgeries and procedures are now allowed and expansion will continue as supplies allow and

as a continual decrease in COVID-19 incidence is demonstrated.

b. Outpatient services continue to be open and are increasing the services offered.

2. Postponed Events:
    a. Awaiting Bariatric accreditation site visit. Our application has been submitted and is under review.
3. Quality:
    a. We reported an “unusual occurrence” to DPH and this will be discussed more through Board Quality Committee.

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

To:	**SVHCD Board of Directors**
From:	**Kelly Mather**
Date:	**4/29/20**
Subject:	**Administrative Report**

Summary

The good news is the surge that was expected from the COVID 19 pandemic did not happen. We have now de-escalated the Incident Command Center to stand-by and are slowly re-opening non-essential services the first week of May. Our 75th Anniversary celebration will be a focus in the month of May. There is no better time to celebrate our healthcare team and OUR hospital than now and reaching this milestone for a hospital in a small community is noteworthy!

Update from FY 2020 Strategic Plan:

Strategic Priorities	Update
Exceed Community Expectations especially in Emergency Services	➢ We have had a lot of positive attention for the work we've done to prepare and provide care to patients during this pandemic. We've enjoyed the appreciation! ➢ The hotline for patients with symptoms and Drive Thru Testing for COVID 19 will continue and we are starting to test asymptomatic patients who will be having surgery or invasive procedures. ➢ We have worked very collaboratively with the city, emergency medical response, health center, and local skilled nursing facilities on this emergency. That collaboration stands out compared to other communities.
Create UCSF Health Outpatient Center	➢ Construction on the new CT and Imaging waiting room has begun and it is now estimated they will be 23 days behind. The MRI should start in the Fall. ➢ Our updated strategic plan now demonstrates the position SVH has in the new UCSF affiliate network of hospitals. UCSF is releasing their 2025 strategic plan and it states "they will expand their reach to serve the growing and changing Bay Area by creating a broader network and partnering with more high-quality local providers. Their goal will be to ensure that no Bay Area resident will need to travel more than 20 miles to receive quality care from UCSF Health." ➢ We are making good progress on bringing the UCSF physicians to Sonoma with a clinic at the hospital.
Become a 5 Star Hospital	➢ We have received the new CIHQ Accreditation for three years. ➢ We are converting to the "Human Experience" model for patients and staff and are re-energizing the effort in June. ➢ We have shared the Staff Engagement survey results by department with the leaders and will report the results at the June board meeting. I'm doing a power point presentation on the results for staff this month; we exceeded the goal.
Provide Access to Excellent Physicians	➢ Dr. Gleser, new Primary Care Physician, started this week with Prima. ➢ There are several UCSF specialists that are interested in coming to Sonoma. ➢ Satellite Healthcare (Dialysis company) will present plans to Finance when ready. ➢ We are ready for the accreditation survey for Bariatrics Accreditation.
Healthy Hospital	➢ The new Brand is complete and the communications plan is underway. ➢ Performance Evaluations are underway and should be complete by June.

MARCH 2020

Patient Experience	Current Performance	FY 2020 Goal	National Benchmark
Would Recommend Hospital	80%	> 70 percent	50th percentile
Inpatient Overall Rating	75%	>70 percent	50th percentile
Outpatient Services	4.7	4.5	3.8
Emergency Department	4.5	4.5	3.8
Quality & Safety	**YTD Performance**	**FY 2020 Goal**	**Benchmark**
Central Line Infection	0	<1	<.51
Catheter Infection	0	<1	<1.04
Surgery Site Infection – Colon	1	<1	N/A
Surgery Site Infection – Joint	0	<1.5%	N/A
MRSA Bacteremia	0	<.13	<.13
C. Difficile	1	3.5	7.4/10,000 pt days
Patient Safety Indicator	.66	<1	<1
Heart Failure Mortality Rate	11.7%	13%	17.3%
Pneumonia Mortality Rate	17.5%	20%	23.6%
Stroke Mortality Rate	15.1%	15%	19.7%
Sepsis Mortality Rate	7.3%	<18%	25%
30 Day All- Cause Readmissions	14.1%	< 10 %	< 18.5%
Serious Safety Events	1	0	0
Falls	1.5	< 2.3	2.3
Pressure Ulcers	0	<3.7	3.7
Injuries to Staff	7	< 10	17
Adverse Drug Events with Harm	0	0	0
Reportable HIPAA Privacy Events	0	0	0
Case Mix Index	1.8	1.4	1.3
Hospital Star Rating	4	4	3
Staff Satisfaction	**Performance**	**FY 2020 Goal**	**Benchmark**
Staff Pulse Survey	4.05 out of 5	>3.8	75%
Turnover	7.3%/9.7%	< 15%	< 20%
Financial Stability	**YTD Performance**	**FY 2020 Goal**	**Benchmark**
EBDA	25.7%	3%	3%
Paid FTE's	236	<235	n/a
Days Cash on Hand	15.6	20	30
Days in Accounts Receivable	36.9	45	50
Length of Stay	3.5	3.85	4.03
Funds raised by SVHF	$18.6 million	$21 million	$1 million
Strategic Growth		**FY 2020 Goal**	**FY 2019**
Inpatient Discharges	714/952	900	984
Outpatient Visits	39,391/52,521	55,000	54,596
Emergency Visits	7974/10,632	10,000	10,181
Surgeries + Special Procedures	1989/2652	3000	2950
Community Benefit Hours	906/1208	1000	1222

Note: Colors demonstrate comparison to National Benchmark

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

TRENDED MONTHLY RESULTS

MEASUREMENT	Goal FY 2020	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2019	May 2019	Jun 2019
FY YTD Turnover	<15%	1.7	2.6	3.9	3.9	4.8	5.6	5.6	6	7.3	13.4	14.5	17.7
Leave of Absences	<12	14	13	8	11	15	16	13	9	11	8	10	12
EBDA	>3%	56.1	-.4	-1.1	-.3	.4	4.5	16.1	10.5	25.7	6.8	6.8	6.1
Operating Revenue	>3.5m	3.7	3.7	3.6	3.8	3.7	4.0	5.4	4.1	8.3	5.9	4.8	4.2
Expense Management	<4.5m	4.2	4.2	4.2	4.3	4.2	4.4	5.1	4.4	6.8	4.8	5.0	4.8
Net Income	>50k	2.3m	-93	36	-76	101	180	873	307	2351	1686	248	15.4
Days Cash on Hand	>20	38	36	28	22.5	16.9	17.9	20.4	15.7	15.6	9.6	39	35
Receivable Days	<50	42	42	44	46.2	44	44	38	42.5	36.9	38	37	43
Accounts Payable Days	>50	53	40	41	45	43	43	42	42.2	53.4			
Accounts Payable	<$3m	3.5	2.6	2.7	3.1	2.9	2.9	2.9	3.0	3.7			
Total Paid FTE's	<235	226	226	235	233	230	230	230	231	236	267	266	255
Inpatient Discharges	>80	72	76	71	90	90	87	79	86	63	87	86	66
Patient Days	>300	269	240	312	351	319	336	321	286	218			
Observation Days	<20	11	19	17	21	18	29	12	16	16			
Average Daily Census	>10	8.7	7.7	10.4	11.3	10.6	10.8	10.4	9.9	7			
Outpatient Revenue	>$15m	16.1	15.7	16.4	16.1	15.9	16.3	17.3	16.3	12.3	15.4	16.2	15.1
Surgeries	>150	156	160	143	187	193	152	150	145	80	163	166	157
Special Procedures	>75	85	81	74	74	72	57	58	79	43			
Emergency Visits	>900	1001	975	939	973	880	984	953	972	745	890	891	941
MRI	>120	122	127	138	147	145	159	138	146	70	150	149	150
Cardiology (Echos)	>85	115	67	74	107	46	85	83	68	52	121	113	103
Laboratory	>12	11.3	11.3	10.4	11.0	11.3	11.3	11.6	10.9	8.7	12.1	12.3	10.7
Radiology	>900	1005	983	980	1035	888	1033	1113	934	684	1057	1044	908
Rehab	>2300	1958	2928	2135	2010	2207	2181	2422	2119	1626	2536	2539	1967
CT	>350	413	433	378	406	356	433	429	388	335	416	453	357
Mammography	>200	223	243	222	250	219	216	172	243	243	227	220	224
Ultrasound	>250	281	270	280	244	255	251	234	238	198	312	283	291
Occupational Health	>675	750	737	530	753	535	660	517	572	544	899	804	578
Wound Care	>275	329	316	247	226	237	294	252	233	201	346	311	307

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

On March 2nd the hospital opened its Incident Command Center (ICC) in response to the Covid-19 pandemic. During the week of March 16th the hospital began cancelling elective surgeries and non-emergent outpatient diagnostic services in order to conserve resources and prepare for a potential surge of Covid-19 patients. Furthermore, the County of Sonoma issued a Shelter in Place order on March 17th, and since then the hospital has seen a decline in emergency room visits by roughly 50%. The decrease in volume from the last two weeks of March has resulted in a loss of net revenue of ($1.1M).

In the month of March the hospital accrued the FY 18-19 Rate Range IGT with gross proceeds of $5,481,012 and a matching fee of $2,314,115 for a net gain of $3,166,897. The hospital received the funds in April after Partnership Health Plan disbursed the funds early to help hospitals during the COVID-19 pandemic.

For the month of March the hospital's actual operating margin of $1,557,362 was ($608,771) unfavorable to the budgeted operating margin of $2,166,133. After accounting for all other activity; the net income for March was $2,351,088 vs. the budgeted net income of $2,824,978 with a monthly EBDA of 25.7% vs. a budgeted 35.0%.

Gross patient revenue for March was $16,863,744, or ($6,568,764) under budget. Inpatient gross revenue was under budget by ($2,466,582). Inpatient days were under budget by (115) days and inpatient surgeries were under budget by (6) cases. Outpatient gross revenue was under budget by ($3,615,772). Outpatient visits were under budgeted expectations by (1,931) visits, outpatient surgeries were under budget by (87) cases, and special procedures were under budget by (46) cases. The Emergency Room gross revenue was under budget by ($486,410) with ER visits under budgeted expectations by (276) visits.

Deductions from revenue were favorable to budgeted expectations by $7,165,477. This has to do with the decrease in hospital volume due to cancellations and decline in both outpatient and inpatient services and the accrual of the FY 18-19 Rate Range IGT of $5,481,012. Without accounting for the FY 18-19 Rate Range IGT, the hospital's net patient service revenue would be under budget by ($5,454,943).

After accounting for all other operating revenue, the **total operating revenue** was favorable to budgeted expectations by $597,539.

Operating Expenses of $6,816,792 were unfavorable to budget by ($1,206,310) primarily due to the IGT matching fee being over the expected amount by ($1,204,307). Salaries and wages and agency fees were under budget by $17,752 and employee benefits were under budget by $5,879. Professional fees are under budget by $33,124 due to clinic physician costs being under budgeted expectations by $19,692. Supplies are over budget by ($22,007) due to the cost of implants being over budget by ($22,433) and the unbudgeted cost for a new firewall and internet access for offsite offices ($16,487). Purchased services were over budget by ($51,567) due to IT costs being over budget by ($24,319), the unbudgeted costs in Quality related to the human/patient experience initiative ($7,500) and budgeted services used in the month of March. Total expenses in the month of March related to COVID-19 were $51,094.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net gain for March was $1,882,841 vs. a budgeted net income of $2,451,817. The hospital received $304,946 in donations from the Sonoma Valley Hospital Foundation primarily for the Outpatient Diagnostic Center costs. The total net income for March after all activity was $2,351,088 vs. a budgeted net income of $2,824,978.

EBDA for the month of March was 25.7% vs. the budgeted 35.0%.

Patient Volumes – March

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	63	87	-24	87
Acute Patient Days	218	333	-115	317
Observation Days	16	0	16	3
OP Gross Revenue	$12,309	$16,411	($4,102)	$15,281
Surgical Cases	80	173	-93	163

Gross Revenue Overall Payer Mix – March

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	33.7%	41.5%	-7.8%	41.0%	41.6%	-0.6%
Medicare Mgd Care	21.0%	14.0%	7.0%	14.4%	14.2%	0.2%
Medi-Cal	21.5%	17.6%	3.9%	17.5%	17.6%	-0.1%
Self-Pay	1.1%	1.6%	-0.5%	1.8%	1.5%	0.3%
Commercial	20.6%	20.9%	-0.3%	21.9%	20.8%	1.1%
Workers Comp	1.7%	2.4%	-0.7%	2.7%	2.3%	0.4%
Capitated	0.4%	2.0%	-1.6%	0.7%	2.0%	-1.3%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for March:

For the month of March the cash collection goal was $3,902,425 and the Hospital collected $3,672,940 or under the goal by ($229,485). The year-to-date cash collection goal was $33,360,877 and the Hospital has collected $33,459,079 or over goal by $98,202.

	CURRENT MONTH	PRIOR MONTH	VARIANCE	PRIOR YEAR
Days of Cash on Hand – Avg.	**15.6**	**15.7**	**-0.1**	**4.2**
Accounts Receivable Days	**36.9**	**42.5**	**-5.6**	**43.7**
Accounts Payable	**$3,775,082**	**$2,983,638**	**$791,444**	**$4,868,524**
Accounts Payable Days	**53.4**	**42.2**	**11.2**	**60.7**

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 March 31, 2020

ATTACHMENT A

					YTD			
Gross Revenue:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	5,683,200	9,713,891	-4,030,691	-41.5%	79,873,150	79,988,284	-115,134	-0.1%
Medicare Managed Care	3,542,581	3,284,791	257,790	7.8%	27,991,272	26,989,687	1,001,585	3.7%
Medi-Cal	3,625,980	4,128,544	-502,564	-12.2%	34,127,039	33,856,316	270,723	0.8%
Self Pay	187,686	363,172	-175,486	-48.3%	3,456,965	2,974,338	482,627	16.2%
Commercial & Other Government	3,469,846	4,916,320	-1,446,474	-29.4%	42,683,539	40,152,264	2,531,275	6.3%
Worker's Comp.	294,603	560,032	-265,429	-47.4%	5,216,623	4,491,787	724,836	16.1%
Capitated	59,848	465,758	-405,910	-87.2%	1,418,836	3,773,048	-2,354,212	-62.4%
Total	**16,863,744**	**23,432,508**	**(6,568,764)**		**194,767,424**	**192,225,724**	**2,541,700**	

Net Revenue:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	720,061	1,290,975	-570,914	-44.2%	9,705,340	10,510,879	-805,539	-7.7%
Medicare Managed Care	401,020	389,905	11,115	2.9%	3,106,067	3,203,675	-97,608	-3.0%
Medi-Cal	403,934	424,001	-20,067	-4.7%	3,466,094	3,477,043	-10,949	-0.3%
Self Pay	106,531	184,201	-77,670	-42.2%	1,755,887	1,508,584	247,303	16.4%
Commercial & Other Government	1,106,792	1,496,377	-389,585	-26.0%	13,085,908	12,231,961	853,947	7.0%
Worker's Comp.	58,449	117,719	-59,270	-50.3%	1,060,414	944,174	116,240	12.3%
Capitated	1,047	8,477	-7,430	-87.6%	29,362	68,669	-39,307	-57.2%
Prior Period Adj/IGT	5,481,012	3,770,478	1,710,534	45.4%	7,441,257	5,629,280	1,811,977	32.2%
Total	**8,278,846**	**7,682,133**	**596,713**	**7.8%**	**39,650,329**	**37,574,265**	**2,076,064**	**5.5%**

Percent of Net Revenue:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	8.7%	16.8%	-8.1%	-48.2%	24.5%	28.0%	-3.6%	-12.9%
Medicare Managed Care	4.8%	5.1%	-0.3%	-5.9%	7.8%	8.5%	-0.7%	-8.2%
Medi-Cal	4.9%	5.5%	-0.6%	-11.3%	8.7%	9.3%	-0.6%	-6.5%
Self Pay	1.3%	2.4%	-1.1%	-45.8%	4.4%	4.0%	0.4%	10.0%
Commercial & Other Government	13.4%	19.5%	-6.1%	-31.3%	33.0%	32.5%	0.5%	1.5%
Worker's Comp.	0.7%	1.5%	-0.8%	-53.3%	2.7%	2.5%	0.2%	8.0%
Capitated	0.0%	0.1%	-0.1%	-100.0%	0.1%	0.2%	-0.1%	-50.0%
Prior Period Adj/IGT	66.2%	49.1%	17.1%	34.8%	18.8%	15.0%	3.8%	25.3%
Total	**100.0%**	**100.0%**	**0.0%**	**0.0%**	**100.0%**	**100.0%**	**-3.9%**	**-3.9%**

Projected Collection Percentage:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	12.7%	13.3%	-0.6%	-4.5%	12.2%	13.1%	-0.9%	-6.9%
Medicare Managed Care	11.3%	11.9%	-0.6%	-5.0%	11.1%	11.9%	-0.8%	-6.7%
Medi-Cal	11.1%	10.3%	0.8%	7.8%	10.2%	10.3%	-0.1%	-1.0%
Self Pay	56.8%	50.7%	6.1%	12.0%	50.8%	50.7%	0.1%	0.2%
Commercial & Other Government	31.9%	30.4%	1.5%	4.9%	30.7%	30.5%	0.2%	0.7%
Worker's Comp.	19.8%	21.0%	-1.2%	-5.7%	20.3%	21.0%	-0.7%	-3.3%

SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended March 31, 2020

ATTACHMENT B

	CURRENT MONTH				YEAR-TO-DATE			YTD
	Actual 03/31/20	Budget 03/31/20	Favorable (Unfavorable) Variance		Actual 03/31/20	Budget 03/31/20	Favorable (Unfavorable) Variance	Prior Year 03/31/19
				Inpatient Utilization				
				Discharges				
1	47	74	(27)	Med/Surg	572	640	(68)	675
2	16	13	3	ICU	142	113	29	109
3	63	87	(24)	Total Discharges	714	753	(39)	784
				Patient Days:				
4	143	248	(105)	Med/Surg	1,921	2,134	(213)	2,241
5	75	85	(10)	ICU	731	728	3	699
6	218	333	(115)	Total Patient Days	2,652	2,862	(210)	2,940
7	16	-	16	**Observation days**	159	-	159	77
				Average Length of Stay:				
8	3.0	3.4	(0.3)	Med/Surg	3.4	3.3	0.0	3.3
9	4.7	6.5	(1.9)	ICU	5.1	6.4	(1.3)	6.4
10	3.5	3.8	(0.4)	Avg. Length of Stay	3.7	3.8	(0.1)	3.8
				Average Daily Census:				
11	4.6	8.0	(3.4)	Med/Surg	7.0	7.8	(0.8)	8.1
12	2.4	2.7	(0.3)	ICU	2.7	2.6	0.0	2.5
13	7.0	10.7	(3.7)	Avg. Daily Census	9.6	10.4	(0.8)	10.7
				Other Utilization Statistics				
				Emergency Room Statistics				
14	745	1,021	(276)	Total ER Visits	7,974	8,221	(247)	7,459
				Outpatient Statistics:				
15	3,280	5,211	(1,931)	Total Outpatients Visits	39,391	41,727	(2,336)	40,347
16	23	29	(6)	IP Surgeries	202	247	(45)	240
17	57	144	(87)	OP Surgeries	1,164	1,159	5	1,221
18	43	89	(46)	Special Procedures	623	710	(87)	722
19	233	377	(144)	Adjusted Discharges	2,663	3,182	(519)	2,825
20	807	1,111	(304)	Adjusted Patient Days	9,869	9,126	743	19,145
21	26.0	35.8	(9.8)	Adj. Avg. Daily Census	35.9	33.2	2.7	69.6
22	1.4306	1.4000	0.031	Case Mix Index -Medicare	1.3651	1.4000	(0.035)	1.4963
23	1.8042	1.4000	0.404	Case Mix Index - All payers	1.5255	1.4000	0.125	1.5330
				Labor Statistics				
24	217	223	5	FTE's - Worked	208	216	7.6	262
25	236	249	13	FTE's - Paid	231	242	10.3	292
26	45.95	44.04	(1.91)	Average Hourly Rate	45.06	43.31	(1.75)	42.76
27	9.08	6.95	(2.13)	FTE / Adj. Pat Day	6.44	7.28	0.83	4.20
28	51.7	39.6	(12.1)	Manhours / Adj. Pat Day	36.7	41.5	4.8	23.9
29	179.0	116.7	(62.4)	Manhours / Adj. Discharge	136.1	119.0	(17.1)	162.1
30	22.1%	21.9%	-0.2%	Benefits % of Salaries	22.6%	23.3%	0.7%	22.6%
				Non-Labor Statistics				
31	20.4%	14.0%	-6.4%	Supply Expense % Net Revenue	15.1%	14.1%	-1.1%	11.7%
32	2,457	1,462	(995)	Supply Exp. / Adj. Discharge	1,875	1,509	(365)	1,818
33	29,632	15,173	(14,460)	Total Expense / Adj. Discharge	16,154	13,196	(2,958)	17,134
				Other Indicators				
34	17.9			Days Cash - Operating Funds				
35	36.9	50.0	(13.1)	Days in Net AR	42.8	50.0	(7.2)	43.7
36	94%			Collections % of Net Revenue	101%			98.8%
37	53.4	55.0	(1.6)	Days in Accounts Payable	53.4	55.0	(1.6)	47.8
38	16.7%	16.9%	-0.2%	% Net revenue to Gross revenue	16.9%	17.8%	-0.8%	21.5%
39	18.0%			% Net AR to Gross AR	18.0%			18.9%

Sonoma Valley Health Care District
Balance Sheet
As of March 31, 2020

ATTACHMENT C

		Current Month	Prior Month	Prior Year
	Assets			
	Current Assets:			
1	Cash	$ 2,351,588	$ 463,356	$ 734,404
2	Cash - Money Market	235,051	1,334,946	1,259
3	Net Patient Receivables	5,785,337	6,937,171	6,708,016
4	Allow Uncollect Accts	(1,199,855)	(1,160,611)	(1,173,911)
5	Net A/R	4,585,482	5,776,560	5,534,105
6	Other Accts/Notes Rec	305,220	329,486	(56,867)
7	Parcel Tax Receivable	1,691,803	1,691,803	1,777,301
8	GO Bond Tax Receivable	1,172,250	1,172,250	1,197,608
9	3rd Party Receivables, Net	6,986,284	2,950,548	6,608,195
10	Inventory	976,674	960,964	840,085
11	Prepaid Expenses	738,528	595,721	956,555
12	Total Current Assets	$ 19,042,880	$ 15,275,634	$ 17,592,645
13	Property,Plant & Equip, Net	$ 49,309,380	$ 49,287,767	$ 51,347,570
14	Trustee Funds - GO Bonds	4,187,441	4,558,768	3,568,572
15	Other Assets	-	-	-
16	Total Assets	$ 72,539,701	$ 69,122,169	$ 72,508,787
	Liabilities & Fund Balances			
	Current Liabilities:			
17	Accounts Payable	$ 3,775,082	$ 2,983,638	$ 4,868,524
18	Accrued Compensation	3,194,538	3,040,852	3,392,724
19	Interest Payable - GO Bonds	190,847	472,594	201,521
20	Accrued Expenses	1,636,215	1,646,798	1,393,047
21	Advances From 3rd Parties	-	-	105,388
22	Deferred Parcel Tax Revenue	949,989	1,266,656	1,713,308
23	Deferred GO Bond Tax Revenue	776,201	1,034,933	-
24	Current Maturities-LTD	351,797	370,245	747,113
25	Line of Credit - Union Bank	5,473,734	5,473,734	6,723,734
26	Other Liabilities	1,041,036	44,236	2,351,386
27	Total Current Liabilities	$ 17,389,439	$ 16,333,686	$ 21,496,745
28	Long Term Debt, net current portion	$ 28,734,173	$ 28,723,482	$ 32,887,402
29	Fund Balances:			
30	Unrestricted	$ 17,854,532	$ 15,808,390	$ 11,429,135
31	Restricted	8,561,557	8,256,611	6,695,505
32	Total Fund Balances	$ 26,416,089	$ 24,065,001	$ 18,124,640
33	Total Liabilities & Fund Balances	$ 72,539,701	$ 69,122,169	$ 72,508,787

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended March 31, 2020

ATTACHMENT D

	Month					Year-To- Date				YTD
	This Year		Variance			This Year		Variance		
	Actual		$	%		Actual	Budget	$	%	Prior Year
					Volume Information					
1	63	87	(24)	-28%	Acute Discharges	714	753	(39)	-5%	784
2	218	333	(115)	-35%	Patient Days	2,652	2,862	(210)	-7%	2,940
3	16	-	16	0%	Observation Days	159	-	159	*	13
4	12,309	16,411	(4,102)	-25%	Gross O/P Revenue (000's)	142,348	131,974	10,374	8%	$ 132,518
					Financial Results					
					Gross Patient Revenue					
5	$ 4,554,509	$ 7,021,091	(2,466,582)	-35%	Inpatient	$ 52,419,148	$ 60,252,010	(7,832,862)	-13%	$ 71,326,423
6	6,169,864	9,785,636	(3,615,772)	-37%	Outpatient	82,064,063	78,371,737	3,692,326	5%	76,845,591
7	6,139,371	6,625,781	(486,410)	-7%	Emergency	60,284,213	53,601,977	6,682,236	12%	55,727,202
8	**$ 16,863,744**	**$ 23,432,508**	**(6,568,764)**	**-28%**	**Total Gross Patient Revenue**	**$ 194,767,424**	**$ 192,225,724**	**2,541,700**	**1%**	**$ 203,899,216**
					Deductions from Revenue					
9	(13,959,730)	(19,347,181)	5,387,451	28%	Contractual Discounts	$ (160,648,160)	$ (158,717,691)	(1,930,469)	-1%	$ (166,250,420)
10	(100,000)	(150,000)	50,000	33%	Bad Debt	(1,830,000)	(1,350,000)	(480,000)	-36%	(1,285,000)
11	(6,180)	(23,672)	17,492	74%	Charity Care Provision	(80,192)	(213,048)	132,856	62%	(230,626)
12	5,481,012	3,770,478	1,710,534	45%	Prior Period Adj/Government Program Revenue	7,441,257	5,629,280	1,811,977	*	6,930,341
13	**$ (8,584,898)**	**$ (15,750,375)**	**7,165,477**	**-45%**	**Total Deductions from Revenue**	**$ (155,117,095)**	**$ (154,651,459)**	**(465,636)**	**0%**	**$ (160,835,705)**
14	**$ 8,278,846**	**$ 7,682,133**	**596,713**	**8%**	**Net Patient Service Revenue**	**$ 39,650,329**	**$ 37,574,265**	**2,076,064**	**6%**	**$ 43,063,511**
15	$ 23,554	$ 35,682	(12,128)	-34%	Risk contract revenue	$ 219,868	$ 321,138	(101,270)	-32%	$ 684,078
16	$ 8,302,400	$ 7,717,815	584,585	8%	Net Hospital Revenue	$ 39,870,197	$ 37,895,403	1,974,794	5%	$ 43,747,589
17	$ 71,754	$ 58,800	12,954	**22%**	Other Op Rev & Electronic Health Records	$ 603,616	$ 529,200	74,416	14%	$ 122,605
18	**$ 8,374,154**	**$ 7,776,615**	**597,539**	**8%**	**Total Operating Revenue**	**$ 40,473,813**	**$ 38,424,603**	**2,049,210**	**5%**	**$ 43,870,194**
					Operating Expenses					
19	$ 1,918,994	$ 1,936,746	17,752	1%	Salary and Wages and Agency Fees	$ 16,332,224	$ 16,395,928	63,704	0%	$ 19,578,973
20	670,430	$ 676,309	5,879	1%	Employee Benefits	5,907,454	5,968,610	61,156	1%	6,805,951
21	$ 2,589,424	$ 2,613,055	23,631	1%	Total People Cost	$ 22,239,678	$ 22,364,538	124,860	1%	$ 26,384,924
22	$ 405,191	$ 438,315	33,124	8%	Med and Prof Fees (excld Agency)	$ 3,860,935	$ 3,925,319	64,384	2%	$ 4,276,052
23	573,201	551,194	(22,007)	-4%	Supplies	4,992,043	4,802,011	(190,032)	-4%	5,134,710
24	414,856	363,289	(51,567)	-14%	Purchased Services	3,423,539	3,339,551	(83,988)	-3%	3,467,876
25	265,214	266,763	1,549	1%	Depreciation	2,332,579	2,400,867	68,288	3%	2,603,579
26	87,452	90,712	3,260	4%	Utilities	892,824	934,068	41,244	4%	903,764
27	42,510	39,582	(2,928)	-7%	Insurance	350,310	356,238	5,928	2%	317,937
28	20,198	40,752	20,554	50%	Interest	288,693	426,625	137,932	32%	454,684
29	104,631	97,012	(7,619)	-8%	Other	899,579	894,204	(5,375)	-1%	945,178
30	2,314,115	1,109,808	(1,204,307)	109%	Matching Fees (Government Programs)	2,765,336	1,561,029	(1,204,307)	-77%	2,584,514
31	**$ 6,816,792**	**$ 5,610,482**	**(1,206,310)**	**-22%**	**Operating expenses**	**$ 42,045,516**	**$ 41,004,450**	**(1,041,066)**	**-3%**	**$ 47,073,218**
32	**$ 1,557,362**	**$ 2,166,133**	**$ (608,771)**	**28%**	**Operating Margin**	**$ (1,571,703)**	**$ (2,579,847)**	**1,008,144**	**39%**	**$ (3,203,024)**

ATTACHMENT D

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended March 31, 2020

	Month						Year-To- Date					YTD
	This Year		Variance				This Year		Variance			
	Actual		$	%			Actual	Budget	$	%		Prior Year
					Non Operating Rev and Expense							
33	$ 8,812	$ (18,942)	27,754	-147%	Miscellaneous Revenue/(Expenses)	$	2,000,587	$ 1,031,822	968,765	94%	$	(143,829)
34	-	1,375	(1,375)	-100%	Donations		13,461	12,375	1,086	-9%		10,019
35	0	(13,416)	13,416	-100%	Physician Practice Support-Prima		(107,328)	(120,744)	13,416	-11%		(410,864)
36	316,667	316,667	-	0%	Parcel Tax Assessment Rev		2,850,003	2,850,003	-	0%		2,849,253
37	0	0	-	0%	Extraordinary Items		(5,444)	0	(5,444)	0%		0
38	**$ 325,479**	**$ 285,684**	**39,795**	**14%**	**Total Non-Operating Rev/Exp**	**$**	**4,751,279**	**$ 3,773,456**	**983,267**	**26%**	**$**	**2,304,579**
39	**$ 1,882,841**	**$ 2,451,817**	**(568,976)**	**-23%**	**Net Income / (Loss) prior to Restricted Contributions**	**$**	**3,179,576**	**$ 1,193,609**	**1,991,411**	**167%**	**$**	**(898,445)**
40	$ -	$ -	-	0%	Capital Campaign Contribution	$	-	$ -	-	0%	$	30,447
41	$ 304,946	$ 209,860	95,086	0%	Restricted Foundation Contributions	$	1,692,855	$ 1,888,740	(195,885)	100%	$	1,773,802
42	**$ 2,187,787**	**$ 2,661,677**	**(473,890)**	**-18%**	**Net Income / (Loss) w/ Restricted Contributions**	**$**	**4,872,431**	**$ 3,082,349**	**1,790,082**	**58%**	**$**	**905,804**
43	163,301	163,301	-	0%	GO Bond Activity, Net		1,464,372	1,464,372	-	0%		1,378,004
44	**$ 2,351,088**	**$ 2,824,978**	**(473,890)**	**-17%**	**Net Income/(Loss) w GO Bond Activity**	**$**	**6,336,803**	**$ 4,546,721**	**1,790,082**	**39%**	**$**	**2,283,808**
	$ 2,148,055	$ 2,718,580	(570,525)		**EBDA - Not including Restricted Contributions**	$	5,512,155	$ 3,594,476	1,917,679		$	1,705,134
	25.7%	35.0%					13.6%	9.4%				3.9%

*** Operating Margin without Depreciation expense:**

$ 1,557,362	**$ 2,166,133**	**$ (608,771)**	**28%**	**Operating Margin**	**$**	**(1,571,703)**	**$ (2,579,847)**	**$ 1,008,144**	**39%**	
265,214	266,763	1,549	1%	Add back Depreciation		2,332,579	2,400,867	68,288	3%	
$ 1,822,576	**$ 2,432,896**	**$ (607,222)**	**25%**	**Operating Margin without Depreciation expense**	**$**	**760,876**	**$ (178,980)**	**$ 1,076,432**	**525%**	

Sonoma Valley Health Care District
Variance Analysis
For the Period Ended March 31, 2020

ATTACHMENT E

Operating Expenses	**YTD Variance**	**Month Variance**	
Salary and Wages and Agency Fees	63,704	17,752	Salaries and wages are over budget by ($17,230) and agency fees are under budget by $34,982.
Employee Benefits	61,156	5,879	PTO under budget by $10,872 and employee benefits over budget by ($4,993).
Total People Cost	**124,860**	**23,631**	
Med and Prof Fees (excld Agency)	64,384	33,124	Physician and professional fees are under budget primarily due to clinic physician costs being under budget by $19,692.
Supplies	(190,032)	(22,007)	Supplies are over budget by ($22,007) due to the cost of implants being over budget by ($22,433) and the unbudgeted cost for a new firewall and internet access for offsite offices ($16,487).
Purchased Services	(83,988)	(51,567)	Purchased services were over budget by ($51,567) due to IT costs being over budget by ($24,319), the unbudgeted costs in Quality related to the human/patient experience initiative ($7,500) and budgeted services used in the month of March.
Depreciation	68,288	1,549	
Utilities	41,244	3,260	
Insurance	5,928	(2,928)	
Interest	137,932	20,554	
Other	(5,375)	(7,619)	
Matching Fees (Government Programs)	(1,204,307)	(1,204,307)	Matching fee for FY 18-19 Rate Range IGT.
Operating expenses	**(1,041,066)**	**(1,206,310)**	

Sonoma Valley Hospital **ATTACHMENT F**
Cash Forecast
FY 2020

		Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Actual 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	4,285,824	3,729,401	4,098,798	2,265,360	2,052,680	3,701,357	43,734,169
2	Capitation Revenue	26,337	24,434	24,943	24,298	25,643	26,005	24,819	19,835	23,554	22,735	22,735	22,735	288,073
3	Napa State	2,565	983	6,153	17,109	18,240	49,465	14,872	-	142	11,231	11,231	11,231	143,223
4	Other Operating Revenue	27,168	113,630	31,381	162,702	77,470	51,209	86,697	148,851	96,064	58,800	58,800	58,800	971,572
5	Other Non-Operating Revenue	38,832	43,824	24,455	35,838	13,448	22,627	20,495	10,126	22,181	25,795	25,795	25,785	309,201
6	Unrestricted Contributions	12,593		755	3,263	6,219	2,765	10,214	1,550	545	1,375	1,375	1,375	42,029
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**	**4,442,921**	**3,909,763**	**4,241,285**	**2,385,296**	**2,172,616**	**3,821,283**	**45,488,267**
	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	5,664,106	4,235,166	3,575,640	3,539,515	3,985,074	4,085,675	52,398,641
9	Add Capital Lease Payments	111,366	185,165	32,638	390,032	112,524	33,887	71,986	7,732	7,757	7,150	7,150	74,150	1,041,537
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	447,224	146,675	304,401	209,860	209,860	209,859	2,498,940
	Total Hospital Uses	**5,297,879**	**6,238,044**	**4,453,493**	**4,751,778**	**4,460,928**	**5,198,016**	**6,183,316**	**4,389,573**	**3,887,797**	**3,756,525**	**4,202,084**	**4,369,684**	**57,189,118**
	Net Hospital Sources/Uses of Cash	**(922,805)**	**(2,308,055)**	**(581,825)**	**(784,129)**	**(645,076)**	**(643,147)**	**(1,740,395)**	**(479,810)**	**353,488**	**(1,371,229)**	**(2,029,468)**	**(548,401)**	**(11,700,850)**
	Non-Hospital Sources													
12	Restricted Cash/Money Market	(1,056,509)	725,000	1,500,000			(500,000)	200,000		1,100,000	(6,000,000)			(4,031,509)
13	Restricted Capital Donations	342,251	5,000	160,473	36,918	187,550	59,628	447,224	146,675	304,401	209,860	209,860	209,859	2,319,699
14	Parcel Tax Revenue	100,099					2,108,197			1,000,000	545,000			3,753,296
15	Other Payments - South Lot/LOC/Fire Claim	956,411		51,682										1,008,092
16	Other:									35,656	1,094,748			1,130,404
17	IGT									1,408,802	5,481,012			6,889,814
18	IGT - AB915					31,705					1,033,318	294,488		1,359,511
19	PRIME						135,000							135,000
	Sub-Total Non-Hospital Sources	**342,251**	**730,000**	**1,712,154**	**36,918**	**219,255**	**1,802,825**	**647,224**	**146,675**	**3,848,859**	**2,363,938**	**504,348**	**209,859**	**12,564,307**
	Non-Hospital Uses of Cash													
20	Matching Fees					67,500		451,221		2,314,115				2,832,836
	Sub-Total Non-Hospital Uses of Cash	-	-	-	-	67,500	-	451,221	-	2,314,115	-	-	-	2,832,836
	Net Non-Hospital Sources/Uses of Cash	**342,251**	**730,000**	**1,712,154**	**36,918**	**151,755**	**1,802,825**	**196,003**	**146,675**	**1,534,744**	**2,363,938**	**504,348**	**209,859**	**9,731,471**
	Net Sources/Uses	**(580,553)**	**(1,578,055)**	**1,130,329**	**(747,211)**	**(493,321)**	**1,159,679**	**(1,544,392)**	**(333,135)**	**1,888,232**	**992,709**	**(1,525,120)**	**(338,542)**	
	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	796,491	463,356	2,351,588	3,344,297	1,819,177	
	Operating Cash at End of Period	**2,869,461**	**1,291,406**	**2,421,736**	**1,674,525**	**1,181,204**	**2,340,883**	**796,491**	**463,356**	**2,351,588**	**3,344,297**	**1,819,177**	**1,480,635**	
	Money Market Account Balance	3,258,551	2,533,925	1,034,199	1,034,330	1,035,454	1,534,600	1,334,793	1,334,946	235,051	6,235,051	6,235,051	6,235,051	
	Total Cash at End of Period	**6,128,012**	**3,825,331**	**3,455,935**	**2,708,855**	**2,216,658**	**3,875,483**	**2,131,284**	**1,798,302**	**2,586,639**	**9,579,348**	**8,054,228**	**7,715,686**	
	Average Days of Cash on Hand	**38.82**	**36.60**	**28.00**	**22.51**	**16.89**	**17.85**	**20.38**	**15.67**	**15.61**	**61.80**	**51.96**	**49.78**	