



**SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS
AGENDA**

**THURSDAY, JUNE 2, 2022
REGULAR SESSION 6:00 P.M.**

HELD VIA ZOOM VIDEOCONFERENCE ONLY

**To participate via Zoom videoconferencing
use the link below:**

<https://sonomavalleyhospital-org.zoom.us/j/95035482044?pwd=enBpRWIyYkNlbENlYkdqbWFvRmZTUT09>

and enter the Meeting ID: 950 3548 2044, Passcode: 668583

**To participate via telephone only,
dial: 1-669 900 9128 or 1-669 219 2599**

and enter the Meeting ID: 950 3548 2044, Passcode: 668583

<p>In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact District Clerk Jenny Fontes at jfontes@sonomavalleyhospital.org at least 48 hours prior to the meeting.</p>	RECOMMENDATION		
AGENDA ITEM			
<p>MISSION STATEMENT <i>The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</i></p>			
<p>1. CALL TO ORDER</p>	<i>Rymer</i>		
<p>2. PUBLIC COMMENT <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration.</i></p>			
<p>3. BOARD CHAIR COMMENTS</p>	<i>Rymer</i>		
<p>4. CONSENT CALENDAR</p> <ul style="list-style-type: none"> a. Board Minutes 05.05.22 b. Finance Committee Minutes 04.26.22 c. Quality Committee Minutes 04.27.22 d. Governance Committee Minutes 04.20.22 e. Governance Committee Recommendations - Policies f. Resolution 362: Brown Act Amendment AB 361 -Flexibility for Virtual Meetings g. Medical Staff Credentialing h. Policy and Procedures 		Action	

5. IN-PERSON MEETINGS	<i>Rymer</i>	Action	
6. SVHF ANNUAL UPDATE	<i>Pier</i>	Inform	
7. CEO REPORT	<i>Hennelly</i>	Inform	
8. APPOINTMENT OF CEO COMPENSATION COMMITTEE	<i>Rymer</i>	Action	
9. CEO GOALS FOR FY 2023	<i>Hennelly</i>	Action	
10. ODC UPDATE	<i>Drummond/ Hennelly</i>	Action	
11. EPIC IMPLEMENTATION UPDATE	<i>Hennelly</i>	Inform	
12. EPIC CONSULTING CONTRACT APPROVAL	<i>Hennelly</i>	Action	
13. FOREFRONT CONTRACT APPROVAL	<i>Drummond/ Hennelly</i>	Action	
14. APPROVE FY 2023 BUDGET	<i>Armfield</i>	Action	
15. APPROVE FY 2023 CAPITAL SPENDING PLAN	<i>Armfield</i>	Action	
16. FINANCIALS FOR MONTH END APRIL 2022	<i>Armfield</i>	Inform	
17. ELECTION RESOLUTION	<i>Rymer</i>	Action	
18. BOARD COMMENTS	<i>Board Members</i>	Inform	
19. ADJOURN	<i>Rymer</i>		

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



**SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS' REGULAR MEETING**

MINUTES

THURSDAY, MAY 5, 2022

HELD VIA ZOOM VIDEOCONFERENCE

	RECOMMENDATION	
SONOMA VALLEY HOSPITAL BOARD MEMBERS 1. Joshua Rymer, Chair, Present 2. Judith Bjorndal, First Vice Chair, Present 3. Michael Mainardi, Second Vice Chair, Present 4. Bill Boerum, Treasurer, Present 5. Susan Kornblatt Idell, Secretary, Present		
MISSION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>		
1. CALL TO ORDER	<i>Rymer</i>	
The meeting was called to order at 6:01 p.m. Mr. Rymer spoke briefly about the Board Retreat at the Sonoma Valley Golf Club. He said the focus at the retreat will include a discussion about in-person meetings, the diversity, equity, and inclusion training administered at the hospital in 2021, and the roles of board committees and committee members. Mr. Armfield and Mr. Hennelly will present a slide deck at the retreat that includes market conditions. Mr. Rymer would like the board to be prepared to talk about their 2030 vision for the hospital.		
2. PUBLIC COMMENT	<i>Rymer</i>	
None		
3. BOARD CHAIR COMMENTS		
None		
4. CONSENT CALENDAR	<i>Rymer</i>	Action
a. Board Minutes 04.07.22 b. Finance Committee Minutes 03.22.22 c. Quality Committee Minutes 03.23.22 d. Governance Committee Minutes 03.16.22 e. Resolution 362: Brown Act Amendment AB 361 - Flexibility for Virtual Meetings f. Policy and Procedures g. Medical Staff Credentialing	<i>Rymer</i>	MOTION: by Boerum to approve, 2 nd by Mainardi. All in favor.
5. CHA -SEISMIC DISCUSSION, BRYAN BUCKLEW, PRESIDENT & CEO, HOSPITAL COUNCIL, NORTHERN & CENTRAL CALIFORNIA, SACRAMENTO	<i>Bucklew</i>	Inform
Mr. Bucklew discussed the 2030 seismic requirements for hospitals. They are hoping to pass a proposal that would move California's 2030 hospital seismic requirements to be fully operational only on buildings that provide emergency services and would give hospitals until 2037 to comply. Smaller hospitals are more impacted by the 2030 seismic requirements. Hospitals are lobbying in Sacramento on the bill next week. A decision should be made in the next couple of months. Mr.		

<p>Boerum asked why organized labor is opposed to the proposal. Mr. Bucklew said the project would create jobs, but bids on projects are hard to get for rural hospitals. He said they are having talks with labor on the legislation and the conversations are going well. Ms. Bjorndal asked about the narrow scope and if the Sonoma Valley Hospital would be compliant with the new emergency and surgery suites. In response, Ms. Drummond said the new wing is the highest class of seismic and it will follow 2030 requirements.</p>		
<p>6. CEO REPORT</p>	<p><i>Hennelly</i></p>	<p>Inform</p>
<p>Mr. Hennelly reviewed his administrative report. He said the hospital is ready for any increase cases of Covid19. Quality performance has been extraordinary. From a financial perspective, we are not hitting budget targets for volumes even though there has been growth over the past couple of years. We are in search of a new project manager for the EPIC implementation project. EPIC will go live in early December 2022, and ODC is on target, occupancy of CT is expected in late Summer 2022. Recruitment for the CMO is continuing, Mr. Hennelly is meeting with candidates. Mr. Boerum asked about recruitment of an interim CMO and wanted a status update. Mr. Hennelly said Dr. Kidd has been engaged as a bridge and is available to consult as needed.</p>		
<p>7. HUMAN RESOURCES ANNUAL REPORT</p>	<p><i>McKissock</i></p>	<p>Inform</p>
<p>Ms. McKissock reviewed the Human Resources annual report. She started with the mission and vision statement of SVH and introduced the new HR team. Ms. McKissock reviewed the 2021 HR goals, including the implementation of the new HRIS, an improved recruitment and onboarding process, and diversity education. She reviewed HR accomplishments, such as the COVID19 response, the retirement savings plan, and staff education. Ms. McKissock reviewed the 2021 performance Indicator, and survey results. She said participation in the survey was 57%. She reviewed the highest scoring items and lowest scoring items. She reviewed the 2022 goals, including an expansion of recruitment program, an improved recruitment and onboarding process and phase II implementation of HRIS. Mr. Mainardi asked if HR has researched international recruiting of Filipino nurses. Ms. McKissock said they are talking with an agency that has a large percentage of Filipino nurses that have work permits and are licensed. Ms. Bjorndal asked about the FutureSense salary analysis and how HR will use the data. Ms. McKissock said they are going to use the analysis to decide where the areas are that need the most attention. Ms. Bjorndal asked about turnover and the extra shift bonus. She would like an update on the reasons why it isn't working well. Ms. McKissock reviewed the Compliance Committee Report, covering the compliance program, committee members, 2021 quarterly meetings, and 2022 objectives.</p>		
<p>8. ODC UPDATE</p>	<p><i>Drummond</i></p>	<p>Inform</p>
<p>Ms. Drummond gave an update on the ODC. CT Suite Remodel milestones were met in April, pre air balance adjustment has been approved, final air balance needs to be met. After duct repair is approved, construction will move forward. Electrical coordination study is in progress, construction will begin in May and it is hoped that it will be completed in June, sign off in July, a live training will begin in August. Costs have remained the same since the last report.</p>		

Informal bid package is in progress for the MRI. Package will be complete in May and demolition requests for proposals will be issued. Target date for completed work is June. Construction plan will be amended and submitted to HCAI in July.		
9. FINANCE COMMITTEE QUARTERLY REPORT	<i>Boerum</i>	Inform
Mr. Boerum reviewed the Finance Committee Quarterly Report. He mentioned the 3 rd quarter negative margin and is hoping to discuss long and short-term solutions at the upcoming board retreat. Mr. Boerum thanked the Finance Committee for being active in the Sub-Committee and for coming up with recommendations and solutions. He also thanked Mr. Armfield for his financial analysis and thinks they are on the right track.		
10. FINANCIALS FOR MONTH END MARCH 2022	<i>Armfield</i>	Inform
Mr. Armfield reviewed the Financials for the month end March 2022. He said there was an operating loss, but there are positive indicators things are trending up. \$25M in gross revenue in March, highest revenue in two years. Operating expenses were close to budget, and procedural volumes were up. We had 293 patient days in March; in ICU there were 191 patient days, 20 % over what was expected, and 122 outpatient surgeries. Cash collections were short in February, collections were up in March, the goal exceeded by 11%. AP decreased by 10% dropping days in AP to 47 days.		
11. GOVERNANCE COMMITTEE RECOMMENDATIONS <ul style="list-style-type: none"> • Format & Instruction for Preparing Board Letters • Investment Policy • MOU- SVHCD – SVHF • Guideline for BOD Meeting Minutes • Board Committee Selection Process Policy • Composition of Standing Committees 	<i>Boerum/ Bjorndal</i>	Action
Mr. Boerum presented the redlined Board policy recommendations from the Governance Committee. The edits to the Board policies were approved.		MOTION: by Boerum to approve, 2 nd by Rymer. All in favor.
12. BOARD COMMENTS	<i>Board Members</i>	Inform
Mr. Boerum said he met with Mr. Lobato to continue his discussion from the previous Board meeting and apologized for any misunderstandings. He also thanked Hanna Boys Center for the invitation to their Gala event. Ms. Bjorndal reminded the participants that the Women’s Health Symposium is taking place on May 18 th , and there is a reception honoring Steve Page, supporter of measure F on May 19 th .		
13. ADJOURN	<i>Rymer</i>	
Adjourned at 7:57 pm		



SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, APRIL 26, 2022
Via Zoom Teleconference

Present	Not Present/Excused	Staff	Public	
Bill Boerum via Zoom Catherine Donahue via Zoom Bruce Flynn via Zoom Carl Gerlach via Zoom Peter Hohorst via Zoom Subhash Mishra (MD) via Zoom Wendy Lee via Zoom Joshua Rymer via Zoom	Art Grandy	Ben Armfield via Zoom Kimberly Drummond via Zoom Sarah Dungan via Zoom Jenny Fontes via Zoom John Hennelly via Zoom Dawn Kuwahara via Zoom Lynn McKissock via Zoom <u>Providers Supporting Staff</u> Securities America Michael Felton via Zoom Margaret Ratto-Young Richard Maxey via Zoom LeafHouse Financial Chris Petzold via Zoom Dave Ramirez via Zoom	Judy Bjorndal via Zoom	
AGENDA ITEM	DISCUSSION		ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>				
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Boerum</i>			
	Called to order at 5:00 p.m.			
2. PUBLIC COMMENT SECTION	<i>Boerum</i>			
	None			
3. CONSENT CALENDAR (ACTION)	<i>Boerum</i>		Action	
a. Finance Committee Minutes 03.22.22			MOTION: by Flynn to	

		approve with revisions, 2 nd by Mishra. All in favor.	
4. RETIREMENT REVIEW	<i>Securities America /LeafHouse Financial/McKissock</i>	Inform	
	<p>Ms. McKissock introduced the team from Securities America and LeafHouse Financial. Mr. Ramirez from Securities America reviewed the plan performance insights as of March 31, 2022. He said investment assistance is available for participants that want to diversify their account. Since the transition to Securities America in July 2021 there has been an increase in participants enrolled in Retireguide and Target Date Funds. Mr. Petzold from LeafHouse reviewed investment options. Funds are scored by a GPA algorithm. Those that score in the high 3 are funds that are included in line up, below 2.5 is on watchlist, 1.7 and below fails the GPA. The GPA algorithm is determined on performance, risk, and expense metrics over multiple time periods. Over 170K funds are included in the algorithm. Mr. Petzold reviewed the sample lineup report for Sonoma Valley Hospital including domestic and international equities, sector funds, real estate, technology, health care, bond, and target date funds.</p>		
5. REPORT OF FINANCE SUB-COMMITTEE	<i>Boerum</i>	Inform	
	<p>Mr. Boerum reviewed the Budget Readiness draft from the Sub-Committee. He thanked Ms. Donahue for her work on the draft and said he would like the committee to consider reviewing the draft to strategize at the next meeting. (The Sub-Committee was to meet with the Administration next month.)</p>		

6. FINANCE PRIORITIES	<i>Armfield</i>	Inform	
	<p>Mr. Armfield reviewed his slide deck. He reported on Service Line Analytics that support strategic vision, recommendations, revenue enhancements, optimization, and operational excellence.</p> <p>Ms. Lee asked if SVH will be implementing the EPIC revenue management module, she recommended that a market assessment be done as input into the strategy. Mr. Hennelly said that the market assessment is ongoing. She said data will come from EPIC and it is important to define service lines in EPIC where data is captured. Mr. Gerlach asked if there are plans to have a diagnostic aspect of the service line that links to clinical, and stated UCSF's concept of service lines is important to the hospital.</p> <p>Mr. Armfield reviewed service line performance, procedural and OP non-procedural volume. Mr. Boerum said the hospital makes more on Bariatrics than do surgeons, the category should be explored and is very important. Mr. Armfield's data will be used to formulate future strategy.</p>		
7. CONTRACT UPDATES	<i>Drummond/Hennelly</i>	Inform	
	<p>Ms. Drummond reviewed the status of the CT Suite remodel. Amended construction drawings were submitted on 4/6. Ordering of the ducting has been authorized and the pre air balance amended construction document is being submitted to HCAI this week. July milestones include construction completion, architect sign-off, and occupancy. Milestones are slightly ahead of schedule and on budget with the revised timeline.</p>		

	<p>Ms. Drummond reviewed the status of the MRI Suite Remodel. They are moving forward with design build. The informal bid package is being developed and will be issued in May. The demolition will be completed by July, and contracts awarded for MRI redesign and CT phase 2. Most of the costs for the MRI suite are TBD.</p> <p>Mr. Boerum asked about the additional 3M needed to complete the project. Ms. Drummond said when RFP is complete for the MRI build, it will give the overall costs of the MRI, and will determine if they exceed the funds.</p>		
8. LINE OF CREDIT PAY DOWN/INTEREST SAVINGS REVIEW	<i>Armfield</i>	Inform	
	<p>Mr. Armfield reviewed the Line of Credit Pay Down/Interest Savings Review memo and analysis. His recommendation is to wait until post EPIC implementation to determine where the hospital is financially. Mr. Rymer suggested comparing the difference between LIBOR and SOFR to determine the difference in savings. Mr. Donahue said rates are going up, so hospital should not fear to pay down because it can borrow back up. Mr. Boerum suggested enhancing the bank relationship by introducing our new CFO, and to show the capacity to pay it down.</p>		
9. FY 2023 BUDGET UPDATE	<i>Dungan</i>	Inform	
	<p>Ms. Dungan is currently reviewing department workbooks and working closely with Mr. McKinney in IS. She received the 6% price increase from PARA, \$900K to \$1M in net revenue is expected with a 6% price increase. Mr. Dungan is meeting with the CFO and CEO to determine expenses and see if adjustments are needed.</p>		
10. REVIEW 3RD QUARTER FY 2022 CAPITAL SPENDING	<i>Dungan</i>	Inform	

	Ms. Dungan said there are two new items on the Capital Spending sheet, a Compounding aseptic isolator system (used), \$5k and roof restoration, \$135K. The CEC loan final payment is due in June, about 46K will saved per year when the CEC loan is paid off, and the Citrix NetScaler loan will be paid off in August.		
11. REVIEW FINANCIAL STATEMENT FORMAT – REVISE FOR FY 2023	<i>Armfield</i>	Inform	
	Mr. Armfield is working closely with Ms. Dungan to revise the financial statement format. Mr. Armfield would like to see how line items change over time on income statements, quarterly perspectives, and surgical volume. He is welcoming input and feedback on schedules and reporting that the Finance Committee would like to see. Mr. Rymer said there is too much duplication and repetition that is not helpful, he would like to see a focus on net income and net margin.		
12. FINANCIAL REPORT FOR MONTH END MARCH 2022	<i>Armfield</i>	Inform	
	Mr. Armfield reviewed the Financial Report for Month end March 2022. There was an operating loss of 800K v. budgeted operating loss of 762K. 25M in gross revenue in March, highest in 2 FY. YTD net patient revenue is at budget. There are positive signs of growth. Uptick in ICU volume in March, 122 total surgeries.		
13. ADJOURN	<i>Boerum</i>		
	Meeting adjourned at 7:12 p.m.		



**SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE
April 27, 2022 5:00 PM
MINUTES
Via Zoom Teleconference**

Members Present – Via Zoom	Members Present cont.	Excused	Public/Staff – Via Zoom
Susan Kornblatt Idell Ingrid Sheets Cathy Webber Carol Snyder		Howard Eisenstark Michael Mainardi, MD	John Hennelly, CEO Ako Walther, MD Kylie Cooper, Quality and Risk Mgmt Mark Kobe, CNO Judy Bjorndal, Board Member Jenny Fontes, Board Clerk and EA Stephanie Montecino, Infection Preventionist/Employee Health Nurse

AGENDA ITEM	DISCUSSION	ACTION
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Kornblatt Idell</i>	
	Meeting called to order at 5:01 p.m.	
2. PUBLIC COMMENT	<i>Kornblatt Idell</i>	
	None	
3. CONSENT CALENDAR	<i>Kornblatt Idell</i>	ACTION
<ul style="list-style-type: none"> QC Minutes 03.23.22 		MOTION: by Snyder to approve, 2 nd by Webber. All in favor.
4. INFECTION PREVENTION ANNUAL RISK ASSESSMENT/PLAN	<i>Montecino</i>	INFORM
	Ms. Montecino reviewed the risk assessment finding for 2022. The assessment includes all areas of the hospital. The infection control plan for the year is driven by the risk assessment findings. Ms. Motecino shared the risk findings with the highest scored areas. Low risk is 1 point, medium risk is 5 points, and high rist is 10 points. Areas reviewed were recommendation of hand hygiene, unexpected exposure to pathogens, multi use vials, potential for	

	infection in ambulatory care, community-wide outbreaks of communicable diseases, potential for bioterrorism, multi-drug resistant bacteria, ESBL, Candida auris, CDI, infection prevention policies and procedures, bloodstream infections, VAE and hospital-associated pneumonia, catheter associated UTI, surgical site infections, transmission of infections, involvement in construction activities, and a water management program that reduces risk of microbial growth in water systems. Ms. Montecino said she has been focusing on outbreak management and COVID19 pandemic in the past two years.	
5. QUALITY INDICATOR PERFORMANCE AND PLAN	<i>Cooper/Kobe</i>	INFORM
	Ms. Cooper reviewed the Quality Indicator Performance and Plan for March 2022, which included mortality, AHRQ patient safety indicators, patient falls, readmissions, blood culture contamination, CIHQ stroke certification measures, utilization management, core measures, core measures sepsis, and infection prevention, inpatient patient satisfaction and ambulatory surgery patient satisfaction.	
6. PATIENT CARE SERVICES DASHBOARD 1ST QTR.	<i>Kobe</i>	INFORM
	Mr. Kobe reviewed the Patient Care Services Dashboard for the 1 st quarter. ED continues to climb towards goal. Quality indicators just below goal. There were 2 denials of Medical necessity denials in the last quarter. Case management effectiveness is growing towards goal, nursing turnover is low. Patient experience are good.	
7. POLICIES AND PROCEDURES	<i>Cooper</i>	REVIEW/ RECOMMEND
	<p><i>Ms. Cooper reviewed the following policies:</i></p> <p><u>Policies with changes made:</u></p> <p>Discharge Planning for the Homeless Patient Casirivimab-Imdevimab Monoclonal Antibody – New - <i>Suggested changes regarding adding FDA guidelines to the policy were accepted.</i></p> <p>Policies and Procedures Release of Information-Patient Requests RETIRE::Committee Review Charts RETIRE::Creating a Duplicate Medical Record RETIRE::Emergency Room Record Processing RETIRE::HIV Test Result Filing</p>	

	RETIRE::Maintenance of Fetal Monitoring Tracings RETIRE::Medical Record Availability RETIRE::Medical Record Department Storage Area RETIRE::Paragon HIS Chart Locator RETIRE::Unit Medical Record RETIRE::Unit Medical Record and Storage Locations <u>Policies with no content changes made:</u> Conflict of Interest	
8. CLOSED SESSION/REPORT ON CLOSED SESSION	<i>Kornblatt Idell</i>	ACTION
a. Calif. Health & Safety Code §32155: Medical Staff Credentialing & Peer Review Report	Medical Staff Credentialing was reviewed and approved.	MOTION: by Sheets to approve, 2 nd by Snyder. All in favor.
9. ADJOURN	<i>Kornblatt Idell</i>	
	5:43 pm	



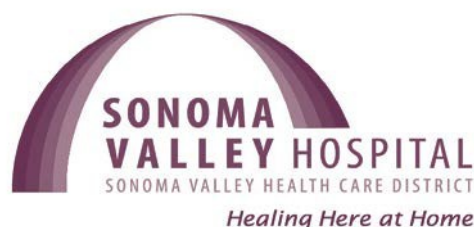
**SVHCD GOVERNANCE
COMMITTEE MEETING**

MINUTES

WEDNESDAY APRIL 20, 2022

Present	Not Present	Staff	Public	
Bill Boerum via Zoom Judith Bjordal via Zoom Amy Jenkins via Zoom		Jenny Fontes via Zoom		
AGENDA ITEM	DISCUSSION		ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>				
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Boerum</i>			
	Called to order at 6:01 p.m.			
2. PUBLIC COMMENT SECTION	<i>Boerum</i>			
	None			
3. CONSENT CALENDAR	<i>Boerum</i>		Action	
Governance Committee Minutes 03.16.22			MOTION: by Bjordal to approve, 2 nd by Boerum. All in favor.	
4. DISSCUSS PROCESS/STEPS FOR POLICY AND DOCUMENT REVIEW	<i>Boerum</i>		Inform	
	Policies will go through Governance Committee for approval then to the Board for final approval.			
5. FINAL GC APPROVAL OF THE FOLLOWING POLICIES:	<i>Boerum</i>		Action	
<ul style="list-style-type: none"> • FORMAT & INSTRUCTION FOR PREPARING BOARD LETTERS (NO CHANGES) • INVESTMENT POLICY (MINOR REDLINE EDIT) • FOUNDATION MOU (REDLINED CHANGES) 				

<ul style="list-style-type: none"> • GUIDELINES FOR MINUTES (NO CHANGES) • BOARD COMMITTEE SELECTION PROCESS POLICY (REDLINED CHANGES) 			
	<p>All revisions to the above policies were approved by the Governance Committee and will be added to the Board agenda for final approval at the Board meeting on May 5th.</p>	<p>MOTION: by Bjordal to approve, 2nd by Jenkins. All in favor.</p>	
<p>6. CONFLICT OF INTEREST POLICY REVIEW – HR EDITS</p>	<p><i>Boerum</i></p>	<p>Action</p>	
	<p>There are discrepancies between the Organizational Chart and the Conflict-of-Interest Policy. Mr. Boerum will confer with Mr. Hennelly and Ms. McKissock. Dr. Bjordal stated the appendix in the Conflict-of-Interest Policy should reflect the Organizational chart.</p> <p>A suggestion was made to add “In accordance with” before first paragraph appendix B.</p> <p>The Conflict-of-Interest Policy will be reviewed again</p>	<p>No decisions were made.</p>	
<p>7. APPROVAL “COMPOSITION OF STANDING COMMITTEES” (REDLINED CHANGES)</p>	<p>at the next Governance Meeting.</p>	<p>Action</p>	
	<p>The revisions to the Composition of Standing Committees document are approved and will be reviewed and approved at the May 5th Board meeting.</p>	<p>MOTION: by Bjordal to approve, 2nd by Boerum. All in favor.</p>	
<p>8. ADDITIONAL POLICY REVIEWS AND POLICY UPDATE PLANNING</p> <ul style="list-style-type: none"> • BOARD LEGISLATIVE AND REGULATORY POSITIONS • GIFT TICKET AND HONORARIA • ETHICS TRAINING FOR DISTRICT BOARD MEMBERS 	<p><i>Boerum</i></p>	<p>Inform</p>	
	<p>These policies will be discussed and approved at the next Governance Committee Meeting.</p>		
<p>9. ADJOURN</p>			
	<p>Adjourned at 6:44 p.m.</p>		



Board Legislative and Regulatory Positions Policy #P-2018-04-05-2

It is the policy of the Sonoma Valley Health Care District and the Sonoma Valley Hospital to take an active role in advocating legislative efforts that will benefit the District/Hospital and in opposing legislation/regulatory efforts that will impact the District/Hospital in a negative manner. Within this framework, time is of the essence when communicating with elected and appointed government officials.

Policy

By this policy the District Board authorizes the District CEO to fully and actively support any federal or state legislation which:

- Decreases the District's/Hospital's operating costs.
- Increases the Hospital's reimbursement for services.
- Provides greater flexibility for the operation of the District/Hospital.
- Authorizes the District use of alternative capital project delivery methodologies, including but not limited to Design-build, Construction Manager at Risk, Job Order Contracting (JOC).

The District Board also authorizes the District CEO to fully and actively oppose any federal or state legislation which;

- Increases the District's/Hospital's operating costs.
- Decreases the Hospital's reimbursement for services.
- Restricts flexibility for the operation of the District/Hospital.
- Curtails the District's use of alternative capital project delivery methodologies, including but not limited to Design-build, Construction Manager at Risk, Job Order Contracting (JOC).

The Board directs that the CEO shall report to the Board at the Regular monthly Board meeting on any actions taken since the last Regular Board meeting along with copies of all letters, emails sent in support or opposition.

Board members shall coordinate all legislative or regulatory actions in advance with the CEO within the constraints of this policy.



ETHICS TRAINING FOR DISTRICT BOARD MEMBERS

BOARD POLICY #P-2018.07.05-2

PURPOSE

To establish guideline whereby the members of the Board of Directors maintain the mandated ethics training.

POLICY

On October 7, 2005, the Governor signed Assembly Bill No. 1234. AB 1234 requires that if a local agency provides any type of compensations, salary, stipend to, or reimburses the expenses of a member of its “legislative body” that local agency’s officials must receive training in ethics. Sonoma Valley Hospital Board members are required to take the ethics training every other year and the District is required to keep records of course completion.

PROCEDURE

The District will notify Board members of the need to complete the required ethics training as near to January 1st as practical with an expectation of completion by March 31st. The Governance Committee will be responsible for monitoring the training and report the completion of the training to the Board of Directors. Each Board member is expected to notify the District Board Clerk of completing of the testing by presenting the certificate to the Clerk.

Free online training is offered at www.fppc.ca.gov or through District Counsel as a self-serve training program, therefore, there will be no expense reimbursement for this mandatory training.

REFERENCE

AB 1234 (Chapter 700, Statutes of 2005) Government Code sections 53232 and 53235 Health and Safety Code section 32103

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RESOLUTION NO. 362

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA VALLEY HEALTHCARE DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY AB361, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF SONOMA VALLEY HEALTHCARE DISTRICT FOR THE PERIOD OCTOBER 1ST, 2021 TO OCTOBER 31ST, 2021 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the SONOMA VALLEY HEALTHCARE DISTRICT is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of SONOMA VALLEY HEALTHCARE DISTRICT's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency that exists in the District, and the Board of Directors has done so; and

WHEREAS, emergency conditions persist throughout the State of California, specifically, where the governor of the state signed emergency legislation to permit the continued use of online and teleconferencing for public meetings in AB361; and

WHEREAS, COVID-19 continues to circulate in moderate to serious levels across the County and the District; and

WHEREAS, SONOMA VALLEY HOSPITAL maintains strict social distancing and vaccination requirements throughout its facilities; and

WHEREAS, SONOMA VALLEY HEALTHCARE DISTRICT acts as role model for safe behavior for the community; and

WHEREAS, Sonoma County's Public Health Officer has strongly recommended that, in compliance with Government Code 54953(e), local government agencies continue to hold public meetings via online and via teleconference (<https://socoemergency.org/recommendation-of-the-health-officer-public-meetings/>); and

WHEREAS, SONOMA VALLEY HEALTHCARE DISTRICT Chief Medical Officer has recommended that all public meetings be conducted online or via teleconference to minimize the risk of COVID-19 transmission; and

WHEREAS, the Board of Directors does hereby find that the ongoing pandemic and need to maintain social distance in public gatherings would create an unnecessary risk to staff, board members and the public, has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to affirm a local emergency exists and re-ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency persisting, the Board of Directors does hereby find that the legislative bodies of SONOMA VALLEY HEALTHCARE DISTRICT shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, all Sonoma Valley Healthcare District Board and Committee meetings will be fully noticed and agenzied in compliance with the Brown Act and accessible to all via video conference. In addition, public comment will be permitted up to and including during the public comment portion of each meeting.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF SONOMA VALLEY HEALTHCARE DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Persists. The Board of Directors hereby considers the conditions of the state of emergency in the District and proclaims that a local emergency persists throughout the District, and

WHEREAS, COVID-19 CONTINUES TO CIRCULATE IN MODERATE TO SERIOUS LEVELS ACROSS THE COUNTY, SONOMA VALLEY HOSPITAL MAINTAINS STRICT SOCIAL DISTANCING AND VACCINATION REQUIREMENTS IN ITS FACILITIES; AND,

WHEREAS THE COUNTY'S PUBLIC HEALTH OFFICER AND THE HOSPITAL'S CHIEF MEDICAL OFFICER RECOMMEND AGAINST HOLDING IN-PERSON, PUBLIC MEETINGS INDOORS.

Section 3. Re-ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of September 16th 2021.

Section 4. Remote Teleconference Meetings. The Chief Executive Officer and legislative bodies of SONOMA VALLEY HEALTHCARE DISTRICT are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) November 6th, 2021, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of SONOMA VALLEY HEALTHCARE DISTRICT may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of SONOMA VALLEY HEALTHCARE DISTRICT, this 2nd day of June, 2022, by the following vote:

AYES:

NOES:

ABSENT: None

ABSTAIN: None

Document Tasks by Committee

Listing of currently pending and/or upcoming document tasks grouped by committee.

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 05/26/2022 12:58 PM

Report Parameters

Filtered by: Document Set: all applicable
 Committee: 09 BOD-Board of Directors
 Include Current Tasks: Yes
 Include Upcoming Tasks: No

Grouped by: Committee

Sorted by: Document Name, Document Location

Report Statistics

Total Documents: 31

Committee: 09 BOD-Board of Directors

Committee Members: Fontes, Jenny (jfontes), Newman, Cindi (cnewman)

Current Approval Tasks (due now)

Document	Task/Status	Pending Since	Days Pending
Assessment and Reassessment (CM) <i>Case Management/UM Dept</i>	Pending Approval	5/26/2022	0
Summary Of Changes: Changed timeframes for case management assessment to match business hours, made some grammar changes, added social work responsibilities. Removed criteria for nursing supervisors regarding discharge planning, case management only.			
Moderators: Newman, Cindi (cnewman)			
Lead Authors: Kobe, Mark (mkobe)			
Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)			
Blood or Body Fluids Exposure Follow-Up (Patient /Visitor) <i>Infection Prevention & Control Policies (IC)</i>	Pending Approval	5/26/2022	0
Summary Of Changes: Reviewed, updated title to align with other Blood/Body fluid policies OLD: Exposure: Patient and/or Visitor To Blood or Body Fluids Follow-Up UPDATED: Blood or Body Fluids Exposure Follow-Up (Patient /Visitor)			
Moderators: Newman, Cindi (cnewman)			
Lead Authors: Montecino, Stephanie (smontecino)			
ExpertReviewers: McKissock, Lynn (lmckissock)			
Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)			
Case Finding Criteria for Assessment <i>Case Management/UM Dept</i>	Pending Approval	5/26/2022	0
Summary Of Changes: Edited list of criteria to focus on continuity of care needs post discharge			
Moderators: Newman, Cindi (cnewman)			
Lead Authors: Kobe, Mark (mkobe)			
Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)			

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 05/26/2022 12:58 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

<p>Case Management in the Emergency Department <i>Case Management/UM Dept</i></p>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: Changes in grammar. No substantial changes</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Kobe, Mark (mkobe)</p> <p>Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
<p>Central Venous Catheter/Implanted Port: Access and Management <i>Patient Care Policy</i></p>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: Reviewed. Only minor change to spell out Registered Nurse;</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Winkler, Jessica (jwinkler)</p> <p>ExpertReviewers: Medical Director-Patient Care Services</p> <p>Approvers: Kobe, Mark (mkobe) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
<p>Classification of Employees <i>Human Resources Policies (HR)</i></p>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: Clarified the definition of a Per Diem employee as not regularly scheduled (removed "works less than 20 hours/week"). Updated benefit eligibility for Temporary employees - may be offered benefits if engaged for more than four months.</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: McKissock, Lynn (lmckissock)</p> <p>Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
<p>Equipment Cleaning Policy <i>Infection Prevention & Control Policies (IC)</i></p>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: Reviewed No content changes Added owners, authors and approvers</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Fry, Dana (dfry), Montecino, Stephanie (smontecino)</p> <p>ExpertReviewers: Drummond, Kimberly (kdrummond), Fry, Dana (dfry)</p> <p>Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
<p>Expedited Review of Continued Hospital Stay <i>Case Management/UM Dept</i></p>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: Grammar, sentence structure changes, Content remains current-</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Kobe, Mark (mkobe)</p> <p>Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 05/26/2022 12:58 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Flowmeters for Oxygen Procedure <i>Respiratory Therapy Dept</i>	Pending Approval	5/26/2022	0
Summary Of Changes:	Removed reference to CardioPulmonary Department; Removed line stating all flow meters are removed and returned to CP department after discontinuation (flow meters stay in each patient room)		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Winkler, Jessica (jwinkler), Young, Dave (dyoung)		
Approvers:	Kuwahara, Dawn (dkuwahara) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Fluoroscanner <i>Surgical Services/OR Dept</i>	Pending Approval	5/26/2022	0
Summary Of Changes:	Authors changed, storage location of FluoroScan updated.		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Fry, Dana (dfry)		
Approvers:	Kobe, Mark (mkobe) -> 01 P&P Committee - (Committee) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Foodborne Illness Outbreak Investigation <i>Infection Prevention & Control Policies (IC)</i>	Pending Approval	5/26/2022	0
Summary Of Changes:	Reviewed and revised Procedure B. #4 from "Environmental Health Consultant for the DPH" (and phone number) replaced with "Sonoma County Department of Public Health" and phone number. Procedure B. #8. from "Document the suspected outbreak on an eNotification form" replaced with "Document the suspected outbreak and mitigation/follow-up actions"		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Montecino, Stephanie (smontecino)		
ExpertReviewers:	06 CMO/Designee for signature		
Approvers:	Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Infection Prevention Program (2022) <i>Infection Prevention & Control Policies (IC)</i>	Pending Approval	5/26/2022	0
Summary Of Changes:	Reviewed, no changes.		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Montecino, Stephanie (smontecino), Cooper, Kylie (kcooper)		
ExpertReviewers:	06 CMO/Designee for signature		
Approvers:	Cooper, Kylie (kcooper) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Infection Prevention Risk Assessment (2022) <i>Infection Prevention & Control Policies (IC)</i>	Pending Approval	5/26/2022	0
Summary Of Changes:	Reviewed, no changes made.		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Montecino, Stephanie (smontecino), Cooper, Kylie (kcooper)		

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 05/26/2022 12:58 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

ExpertReviewers: **06 CMO/Designee for signature**
 Approvers: **Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

MRSA Active Surveillance Culture (ASC)	Pending Approval	5/26/2022	0
<i>Infection Prevention & Control Policies (IC)</i>			

Summary Of Changes: **Reviewed and revised Deleted SNF. Added "dialysis patients".**

Moderators: **Newman, Cindi (cnewman)**
 Lead Authors: **Montecino, Stephanie (smontecino)**
 ExpertReviewers: **06 CMO/Designee for signature**
 Approvers: **Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Outbreak Management	Pending Approval	5/26/2022	0
<i>Infection Prevention & Control Policies (IC)</i>			

Summary Of Changes: **Reviewed. References made to "Infection Control Department" changed to "Infection Preventionist". No other content changes. Updated Author/Reviewers/Approvals**

Moderators: **Newman, Cindi (cnewman)**
 Lead Authors: **Montecino, Stephanie (smontecino)**
 ExpertReviewers: **06 CMO/Designee for signature**
 Approvers: **Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Oxygen Protocol	Pending Approval	5/26/2022	0
<i>Respiratory Therapy Dept</i>			

Summary Of Changes: **Retire: Would like to retire this policy, in favor of deferring to Ebsco Dynamic Health, "Oxygen Therapy: Respiratory Therapy." This module provides an up to date, comprehensive view of oxygen indications, delivery options, and clinical considerations, etc..**

Moderators: **Newman, Cindi (cnewman)**
 Lead Authors: **Young, Dave (dyoung)**
 Approvers: **Kuwahara, Dawn (dkuwahara) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Patient Positioning	Pending Approval	5/26/2022	0
<i>Surgical Services/OR Dept</i>			

Summary Of Changes: **Deleted specific references to using blanket rolls only as chest rolls. Added verbiage regarding candy cane stirrups as there is specific direction about placement of these types of stirrups. Additional verbiage added for positioning possibilities under M.D. direction updated references updated owners grammatical changes additional info on prone position**

Moderators: **Newman, Cindi (cnewman)**
 Lead Authors: **Fry, Dana (dfry)**
 Approvers: **Kobe, Mark (mkobe) -> 01 P&P Committee - (Committee) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 05/26/2022 12:58 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Committee	Status	Effective Date	Count
Patient Transportation <i>Case Management/UM Dept</i>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: Updated from "taxi cab vouchers" to "Transportation option" added the following-</p> <p>Patient can take "ride home" if meets the following- Notification of family member to meet them at destination, patient must demonstrate they can enter their home (house keys) and physician agrees that patient has cognitive capacity</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Kobe, Mark (mkobe)</p> <p>Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
Pet Therapy/Visitation <i>Infection Prevention & Control Policies (IC)</i>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: Reviewed, change added: requirement for documentation of vaccination status for personal pets.</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Montecino, Stephanie (smontecino)</p> <p>ExpertReviewers: 06 CMO/Designee for signature</p> <p>Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
Plan for Patient and Family Education <i>Governance and Leadership Policies</i>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: No changes to existing policy</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Kobe, Mark (mkobe)</p> <p>Approvers: 01 P&P Committee -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
Pre-admission Evaluation <i>SCU (Surgical Care Unit Dept)</i>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: Removed attachment "Anesthesia Protocol" that was a copy.paste picture file. Added new copy "Anesthesia Protocol" and now included decision tree regarding patients with preexisting chronic renal failure/dialysis patients. Changed "preop nurse" to nurse navigator removed redundant language removed phrases stating that an anesthesia preop evaluation could we used as an H&P updated references, changed owner to director</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Fry, Dana (dfry)</p> <p>Approvers: Kobe, Mark (mkobe) -> 01 P&P Committee - (Committee) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
Prevention of Catheter Associated Urinary Tract Infections <i>Infection Prevention & Control Policies (IC)</i>	Pending Approval	5/26/2022	0
<p>Summary Of Changes: This policy needs to exist as it is in addition to EBSCO. Appropriate references were inserted to alert clinical staff as to when they should refer to EBSCO. All acronyms were defined within the body of the policy. The Surveillance section was updated.</p>			

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 05/26/2022 12:58 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Moderators: Newman, Cindi (cnewman)
 Lead Authors: Montecino, Stephanie (smontecino)
 ExpertReviewers: 06 CMO/Designee for signature
 Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)

Prevention of Central Line Associated Blood Stream Infections	Pending Approval	5/26/2022	0
<i>Infection Prevention & Control Policies (IC)</i>			

Summary Of Changes: This policy needs to exist as it is. It is not redundant. References have been inserted on when it is appropriate to refer to EBSCO. All acronyms have been defined within the body of the policy. Added in maintenance are (for example hemodialysis access).

Moderators: Newman, Cindi (cnewman)
 Lead Authors: Montecino, Stephanie (smontecino)
 ExpertReviewers: 06 CMO/Designee for signature
 Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)

Reporting Infections and Communicable Diseases to Infection Control	Pending Approval	5/26/2022	0
<i>Infection Prevention & Control Policies (IC)</i>			

Summary Of Changes: Reviewed
 Added CDC appendix A reference (url in policy to direct staff to CDC website for Appendix A "Type and Duration of Precautions recommended for selected infections and conditions)
 Changed critical value reporting requirements from "results electronically sent to IP" to " communicated by phone from the lab to unit nurse and IP"
 Added correct extension for IP nurse
 Suspected outbreaks or clusters updated that lab must call the IP and Nursing Supervisor
 Updated Urgent infection control issues or concerns should be communicated to the nursing supervisor or will contact IP. IP to refer to Sonoma County Public Health if needed
 References updated
 Author/reviewer/approvers updated

Moderators: Newman, Cindi (cnewman)
 Lead Authors: Montecino, Stephanie (smontecino)
 ExpertReviewers: 06 CMO/Designee for signature
 Approvers: Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 04 MS-Performance Improvement/Pharmacy & Therapeutics Committee - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)

Restraint Use	Pending Approval	5/26/2022	0
<i>Restraint & Seclusion Policies (RS)</i>			

Summary Of Changes: Removed references to Skilled Nursing Facility. Noted SVH does not employ Chemical Restraint protocols. Reporting of deaths while in restraint assigned to Director of Quality. No other substantial changes

Moderators: Newman, Cindi (cnewman)
 Lead Authors: Winkler, Jessica (jwinkler)
 ExpertReviewers: Medical Director-Patient Care Services
 Approvers: Kobe, Mark (mkobe) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)

RETIRE::Cardioversion	Pending Approval	5/26/2022	0
<i>ICU Dept</i>			

Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 05/26/2022 12:58 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Summary Of Changes: **RETIRE this protocol in favor of EBSCO Dynamic Health skill: "Performing Electrical Cardioversion in Adults."**

Moderators: **Newman, Cindi (cnewman)**

Lead Authors: **Winkler, Jessica (jwinkler)**

Approvers: **Kobe, Mark (mkobe) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

RETIRE:Hand off protocol <i>Surgical Services/OR Dept</i>	Pending Approval	5/26/2022	0
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Summary Of Changes: **Recommend RETIRE. This is a mix of information contained in other policies in more complete form.**

Moderators: **Newman, Cindi (cnewman)**

Lead Authors: **Fry, Dana (dfry)**

Approvers: **Kobe, Mark (mkobe) -> 01 P&P Committee - (Committee) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Scope of Service <i>Respiratory Therapy Dept</i>	Pending Approval	5/26/2022	0
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Summary Of Changes: **Separated Cardiopulmonary services from Respiratory Therapy services. Updated language, spelled out acronyms**

Moderators: **Newman, Cindi (cnewman)**

Lead Authors: **Winkler, Jessica (jwinkler)**

Approvers: **Kobe, Mark (mkobe) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Skilled Level of Care Criteria <i>Case Management/UM Dept</i>	Pending Approval	5/26/2022	0
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Summary Of Changes: **Reviewed for new level of criteria as Skilled Nursing has reversed the emphasis on rehab and PT. Patient's are now looked at from a nursing care perspective and therapy needs on a secondary basis. Added end of life care as a skilled nursing criteria.**

Moderators: **Newman, Cindi (cnewman)**

Lead Authors: **Kobe, Mark (mkobe)**

Approvers: **Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Transfer Process, Case Management Role <i>Discharge Planning (DP)</i>	Pending Approval	5/26/2022	0
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Summary Of Changes: **Reviewed, minor changes**

Skilled Nursing Transfer- updated to state "unless the SNF has electronic access to patient record" the case manager or unit clerk will prepare medical record for transfer

Acute care transfer- updated to Case Management or Supervisor will provide patient information to transfer center including applicable medical records and notate CM or Supervisor phone number on fax coversheet, referring MD phone number and room number of patient

Moderators: **Newman, Cindi (cnewman)**

Lead Authors: **Kobe, Mark (mkobe)**

Approvers: **Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Visitor Policy in the Intensive Care Unit <i>ICU Dept</i>	Pending Approval	5/26/2022	0
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Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 05/26/2022 12:58 PM

Listing of currently pending and/or upcoming document tasks grouped by committee.

Summary Of Changes: **Cleaned up some language; Clarified policy points; added infection prevention (ie. isolation); added responsibilities of visitors (ie. to follow infection control practices, be considerate of other patients, etc..)**

Moderators: **Newman, Cindi (cnewman)**

Lead Authors: **Winkler, Jessica (jwinkler)**

Approvers: **Kobe, Mark (mkobe) -> 01 P&P Committee - (Committee) -> 02 MS-Medicine Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Sonoma Valley Healthcare District
Proposal Regarding a Resumption of In-Person Board Meetings
June 2022

While the State of Emergency continues in California, public boards are permitted to continue meeting virtually with monthly resolutions. However, many of the public boards in Sonoma Valley have returned to in-person meetings to encourage public participation and engagement. Fortunately, the technology at the City Council Chambers facilitates hybrid meetings where both board members and the public can choose to participate in-person or via Zoom Webinar.

The proposal discussed at the Board Retreat:

- Beginning in July 2022, the board shall resume meeting in-person in the City Council Chambers;
- Board members will be able to attend meetings in-person or via the Zoom Webinar platform;
- The public will be able to attend meetings in-person or via the Zoom Webinar platform;
- Attendance at the meetings will be limited to one-third of the capacity of the meeting room and the public will be encouraged to sit at least two chairs apart;
- Masks will be required for all attendees, but can be pulled down when speaking;
- In-person attendees will be asked to show proof that they are fully vaccinated.

We all recognize that we are in a very fluid situation and that circumstances may change sufficiently to cause the board to revert to remote-only sessions.

Alternative proposal:

- The board continues to meet remotely until the end of this year when two new board members will join the board and can then decide to meet in-person or not.
- This proposal is contingent on the continuation of the State of Emergency in California being sustained.
- If the Governor ends the State of Emergency, the board will need to resume in-person meetings.



SONOMA VALLEY HOSPITAL
FOUNDATION

Inspiring Support for Sonoma Valley Hospital



SVHF 2022 Objectives

- **Finish The Fundraising Appeal for Lifesaving Equipment**
- **Deepen Our Relationships With Existing Donors**
- **Develop Our Next Fundraising Strategy(ies) with SVH**
- **Strengthen The Board With Additional Community Leaders**



Surgery Table & Anesthesia Machine



How The Foundation Helps SVH

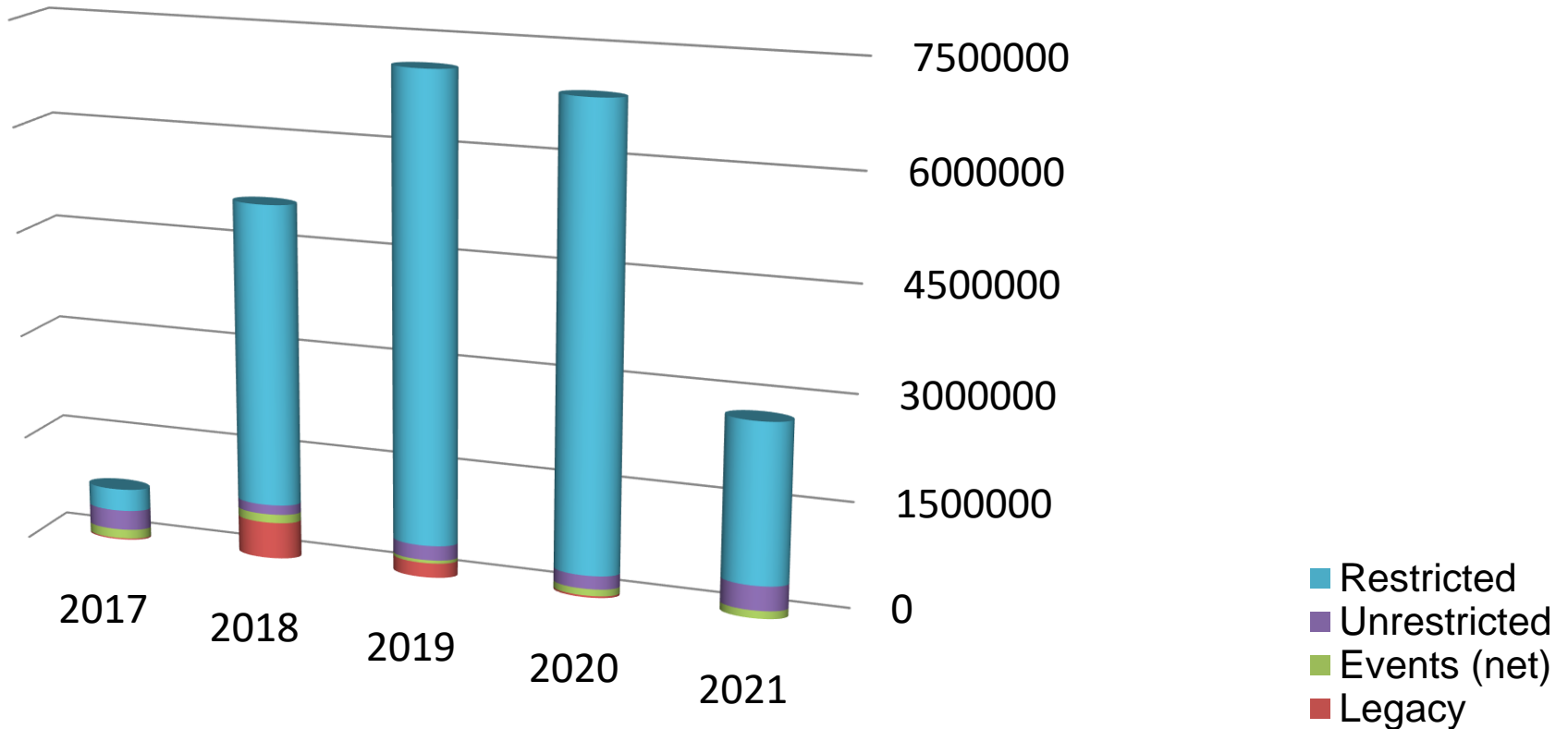
- Collected \$1.6 million in Capital Campaign pledges.
- \$1.48 million distributed for Outpatient Diagnostic Center construction
- \$615k raised to fund new anesthesia machines, surgery table, mobile workstations, and coagulator machine
- \$156k raised for Women's Health and Wellness including a new Ultrasound machine
- \$90k approved to fund Electronic Health Record capital costs
- \$70k funded for SVH COVID response
- Supported Parcel Tax Effort
- \$42k funding for continued Education for Nurses, Physical Therapists, and other SVH Employees, and small equipment.
- \$10k provided for Project Pink; free Mammograms for uninsured Sonoma women
- \$400k available for remaining ICU renovation project in 2022



Surgery Team



SVHF Revenue



Strategic Priorities

- 1. RAISE FUNDS REQUIRED TO MEET THE CAPITAL AND SERVICE NEEDS OF SONOMA VALLEY HOSPITAL**
- 2. DEVELOP AND IMPLEMENT MARKETING STRATEGY AND BRAND THAT CREATES CONTINUOUS DIALOGUE WITH TARGETED COMMUNITIES IN SONOMA VALLEY**
- 3. PROVIDE PRUDENT FINANCIAL MANAGEMENT OF ALL FOUNDATION RESOURCES**
- 4. DEVELOP AND GROW THE BOARD OF DIRECTORS TO MEET THE NEEDS OF THE FOUNDATION**
- 5. EMPLOY BEST PRACTICES FOR A 501c (3) HEALTH CARE FOUNDATION**



SVHF Production Benchmark

SVHF Fundraising Ratios (Cash Basis Revenue)					
	Operating Expenses	Cash Donations Received	ROI Cash	Cost To Raise a Dollar	
*2022	\$ 382,000	\$ 2,004,800	\$ 5.25	\$ 0.19	*projected budget
2021	\$ 312,589	\$ 2,743,003	\$ 8.78	\$ 0.11	
2020	\$ 294,725	\$ 6,887,161	\$ 23.37	\$ 0.04	
2019	\$ 333,029	\$ 7,122,692	\$ 21.39	\$ 0.05	
2018	\$ 339,741	\$ 5,164,647	\$ 15.20	\$ 0.07	
2017	\$ 300,334	\$ 1,927,254	\$ 6.42	\$ 0.16	
2016	\$ 253,778	\$ 1,792,703	\$ 7.06	\$ 0.14	
2015	\$ 190,531	\$ 2,342,299	\$ 12.29	\$ 0.08	
NATIONAL MEDIAN COMPARISON FOR KEY FUNDRAISING METRICS					
Organization Fundraising Expenses	ROI	CTRD			
Up to \$250,000	\$ 3.23	\$ 0.31			
\$250,001-\$750,000	\$ 2.79	\$ 0.36			
\$750,001-\$2,000,000	\$ 3.56	\$ 0.28			
More than \$2 million	\$ 4.48	\$ 0.22			
All	\$ 4.03	\$ 0.25			
Source: Association of Healthcare Philanthropy 2018 Report on Giving Survey					



Completing The ODC

- **Highest Priority From Foundation Perspective**
- **SVHF helping to convey messaging to donors**
- **It's time**



SVHF Teamwork

- **Board and Volunteers**
- **Team**
- **Relationship with SVH**



Questions?



SONOMA VALLEY HOSPITAL
FOUNDATION

Inspiring Support for Sonoma Valley Hospital

contact@svhfoundation.com • svhfoundation.com
707.935.5070 • 347 Andrieux Street, Sonoma, CA 95476 • 



To: SVHCD Board of Directors
From: John Hennelly
Date: 06.02.22
Subject: Administrative Report

Today we kicked off the project to install Sonoma Valley Hospital's next **electronic health record**. For the next 5 months, leaders and super users will be engaged in building Sonoma Valley Hospital's instance of Epic in partnership with Community Technologies, Providence St Joe's division responsible for the deployment of their instance of Epic. From data sets to order sets, every bit of information produced at Sonoma Valley Hospital will be reoriented to run through the new system. In many cases, our pathways, how we provide care, will adapt to match how this instance of Epic was designed and refined by over 30 small hospitals who share this construct.

The past 60 days have seen an increase in the incidence of **Covid** Omicron across the Bay is concerning. Fortunately, hospitalization rates are not rising as precipitously. ER visits and admissions are significantly up from earlier this spring but are not overwhelming. Staff infections are rising week over week which is also concerning. The hospital continues to require masking by everyone in the hospital in addition to the expectation of being vaccinated or having a recent negative lab test.

The hospital's **quality** performance through April continues to be strong. Ongoing measures related to outcomes, readmissions, hospital acquired conditions are very positive. The hospital is consistently delivering high quality care. Regardless, the team continues to find ways to improve.

April's **financials** continue to be better than prior year but are not consistently meeting budget targets. OP visits continue to be strong while admissions remain flat. Labor costs, both directly related to covid and to the ongoing tight labor market are having the largest impact on inflated expenses. YTD our \$1m in improved Net Patient Service Revenue has been consumed by increases in labor and supply costs. Of note, OP surgical cases continue to exceed targets and IP surgical cases are up this Spring over the same period last year.

The **Outpatient Diagnostic Center (ODC)** CT phase is on time and meeting the revised budget. The team has met with HCAI and resolved the remaining air flow issues (EF6). All related construction work is complete and the next few weeks will be focused on validating performance and scheduling inspections. The team identified a deficiency in an electrical panel that will require replacement. They are working with HCAI to gain acceptance to schedule it in phase 2. If HCAI requires the replacement before sign off, it would delay our August occupancy

by several months due to lead times on parts. We feel there's a good chance they will consent to having the work done during CT phase 2.

The demo and abatement phase of the MR project is now going through a formal bid process as the values have exceeded what is permitted for informal bid. This will extend the process by several months. We expect to have the demo and abatement phase awarded in September. Once that work is completed, we will prepare an RFP for a design build contract for the installation of the MR.

Update from 2025 Strategic Plan:

Strategic Priorities	Update
Enhance Quality and Services through the affiliation with UCSF Health	<ul style="list-style-type: none"> ➤ We continue to focus on building our relationship around provider recruitment <ul style="list-style-type: none"> ○ GI ○ Primary Care ➤ We are exploring contracting arrangements with various entities to create the best environment for recruiting physicians. ➤ CMO recruitment is underway. Panel interviews should occur in June.
Exceed Community Expectations especially in Emergency Services	<ul style="list-style-type: none"> ➤ The hospital continues to provide guidance to our community regarding Covid guidelines. ➤ The hospital has expanded availability of testing to the community through the hospital drive through. Appointments still need to be referred by a primary care physician. ➤ Phase 1 of the ODC is almost complete. Occupancy planned for August. ➤ Engagement continues with community groups and community members.
Ensure Patients receive Excellent, Safe care	<ul style="list-style-type: none"> ➤ Covid screening protocols continue to be deployed throughout the hospital. Visitors are required to be fully vaccinated or show a negative PCR result. These protocols are reviewed every two weeks. ➤ Implementation of Epic is in the data collection phase. Teams have begun meeting and gathering data. Go live scheduled for December 2022.
Provide Access to Excellent Physicians	<ul style="list-style-type: none"> ➤ The team continues to work on recruitment efforts to bring MDs to Sonoma. Focus currently on primary care and surgery.
Be a Healthy Hospital	<ul style="list-style-type: none"> ➤ All staff must be vaccinated against Covid or have a waiver. SVH employees and medical staff are 98% vaccinated. Provision of a second booster to qualifying individuals is under way. Those without vaccines or boosters are either exempted or on leaves of absences.

SVH Performance Score Card

1. Quality and Safety

Objective	Target	MAR. 22	APR. 22	Trend	Supporting detail
Infection Prevention					
Central Line Blood Stream Infection CLABSI per 10k pt days	<1	0.0	1.0	↓	One infection in a COVID 19 patient
Catheter Associated Urinary Tract Infection- CAUTI per 10k pt days	<1	0.0	1.0	↓	One infection in a COVID 19 patient
CDIFF Infection per 10k pt days	<0.9	0.0	0.0	↔	
Safety					
Patient Fall per 1000 pt days	<3.75	0.0	0.0	↔	
Patient fall with injury per 1000 pt days	<3.75	0.0	0.0	↔	
Surgical Site Infections per 1000 Acute Care Admissions	0.00	0.0	0.0	↔	

Core Measures					
Sepsis Early Management Bundle % compliant	>81%	100 (n=7)	87.5 (n=8)	↑	
Severe Sepsis 3 hour Bundle % compliant	>94%	100 (n=7)	87.5 (n=8)	↓	
Severe Sepsis 6 hr Bundle % compliant	100.00	100 (n=7)	100 (n=5)	↑	
Core OP 23- Head CT within 45 mins % compliant	100.00	N/A	100.0	↔	

Mortality					
Acute Care Mortality Rate %	<15.3	3.2	2.5	↑	

ED					
Core OP 18b Median Time ED arrival to ED Departure mins	<132	125 (n=25)	179.5 (n=26)	↓	High volumes
Core Op 22 ED Left without being seen LWBS	<2%	0.9	1.1	↔	

PSI 90					
PSI 90 Composite Acute Care Admissions	0.00	0.0	0.0	↔	

Preventable Harm					
Preventable Harm Events Rate % of risk events graded Minor-Major	0.00	0.1	0.062	↑	Target 0, Alarm set at 5.0

Readmissions					
Readmissions to Acute Care within 30 days %	<15.3	14.2	7.25	↑	Lower is better

2. Employees

Objective	Target	MAR. 22	APR. 22	Trend	Supporting Detail
Turnover	<3%	1.1	0.8	↑	
Workplace Injuries	<20 Per Year	3 (QTR1)	0 (QTR2)	↑	Injuries reported per Quarter

3. Patient Experience

Objective	Target	FEB. 22	MAR. 22	Trend	Supporting Detail
Outpatient Ambulatory Services					
Recommend Facility	>50%	92 (n=28)	11 (n=15)	↓	
Communication	>60%	90 (n=28)	72 (n=15)	↓	
Discharge Instructions	>70%	76 (n=28)	16 (n=15)	↓	
HCAHPS					
Recommend the hospital	>50%	82 (n=9)	44 (n=12)	↓	
Communication with Nurse	>50%	12 (n=9)	33 (n=12)	↑	
Communication with Doctor	>50%	12 (n=9)	4 (n=12)	↓	
Cleanliness of Hospital	>50%	98 (n=9)	10 (n=12)	↓	
Communication about medicines	>60%	89 (n=9)	58 (n=12)	↓	
Discharge Information	>50%	89 (n=9)	58 (n=12)	↓	

4. Volume

Objective	Target	MAR. 22	APR. 22	Trend	Supporting Detail
Patient Visits					
Emergency Visits	>750	730.0	773.0	↑	
Surgical Volume Outpatient	>80	107.0	98.0	↓	
Surgical Volume Inpatient	>13	16.0	21.0	↑	
Inpatient Discharges	>50	65.0	80.0	↑	

5. Financial

Objective	Target	MAR. 22	APR. 22	Trend	Supporting Detail
EBDA in %	0.5	-7.1	-2.5	↑	
Days Cash on Hand month end	42	58.8	59.2	↑	
Net Revenue \$M	49	38.8	42.9	↑	



Scorecard Definitions for Quality Metrics

Central Line Associated Blood Stream Infection (CLABSI)

Blood stream infection found in a patient with a central line in place and has been >48 hours since admission.

Catheter Associated Urinary Tract Infection (CAUTI)

Urinary tract infection found in a patient who has a catheter in place and has been >48hrs since admission.

CDIFF (Clostridium Difficile)

Clostridium Difficile found from a stool sample in a patient that has been admitted >48hrs

Sepsis Early Management

Obtain Blood Cultures BEFORE antibiotics

Administer Antibiotics

Obtain Lactate Level

Lactate Level repeated (if elevated)

Severe Sepsis 3 hour bundle

All above included plus-

Administer 30ml/kg of crystalloid for hypotension or Lactate >4

Focused MD exam

Severe Sepsis 6 hour bundle (septic shock only)

Lactate greater than 4 or

If persistent hypotension with 1 hour of fluid administration add Vasopressor

Shock reassessment by physician

Mortality

Acute care mortality benchmark is derived from CMS 5-star rating benchmark which is 15.3%.

Our average mortality rate each month is around 2-6%, most of our deaths are expected and are related to palliative care/hospice patients.

PSI 90

Summarizes patient safety across multiple indicators including-

Pressure Ulcers

Falls with Hip Fracture

Perioperative (while in surgery) complications

Postoperative complications

Preventable Harm

Unintended physical injury resulting from or contributed to by medical care (including the absence of indicated medical treatment), that requires additional monitoring, treatment or hospitalization, or that results in death. This is a percentage of risk events that have a significance level of minor-major harm.

Derived from the risk events entered into our risk reporting platform.

Examples of risk events are- patient falls, surgical complications, mis-diagnosis, repeat visits, code blue, AMA, transfers to other facilities, documentaiton issues.

Goal is 0. Alarm is set at 5.0 which is the benchmark set by UCSF and chosen by Dr Kidd

Readmissions

Percentage of patients that get readmitted to the hospital within 30 days of discharge.



FY 2023 CEO GOALS

Proposed

PERFORMANCE GOAL	OBJECTIVE	METRIC	COMMENTS	FY2022 GOAL LEVEL
Growth	Expand medical services in Sonoma	Start a new program in collaboration w UCSF Bring a new physician practice to market		2 new starts = 5 1 new start + 1 pending = 3 1 start = 2 0 starts scheduled = 1
Service Excellence	Outpatient Satisfaction	4.5 or higher average score on "Rate My Hospital" for all Outpatient departments as measured each month		>4.7 = 5 >4.6 = 4 ≥4.5 = 3 <4.5 = 2 <4.4 = 1
Quality	Excellent Patient Safety and Outcomes	Meet or exceed the national benchmark in all measured quality outcomes on a 12 month rolling average		12 quality metrics met = 5 11 met = 4 10 met = 3 9 met = 2 8 or less met = 1
People	Engaged and Satisfied Staff	60% staff participate and rate their satisfaction at 3.8/5 or higher	Propose reducing participation rate to 60%, an increase from this year's 57% rate.	>4 = 5 >3.9 = 4 ≥3.8 = 3 <3.8 = 2 <3.5 = 1
Finance	Financial Viability	Exceed Budgeted Operating Income, Before Depreciation and Amortization (EBDA) prior to restricted donations and GO bond by year end	Propose reducing the spread from \$2m to \$1m.	> \$1 million = 5 > \$750,000 = 4 > \$500,000 better = 3 = met budget = 2 < did not meet budget = 1
Finance	Financial Stability	Maintain a rolling average of days of cash on hand	No change recommended given the investments needed for the ODC and EHR.	>50 = 5 >45 = 4 ≥42 = 3 < 42 = 2 < 35 = 1



FY 2022 CEO GOALS

Outlook through 4/30/22

PERFORMANCE GOAL	OBJECTIVE	METRIC	Outlook	FY2022 GOAL LEVEL
Growth	Expand medical services in Sonoma	Start a new program in collaboration w UCSF Bring a new physician practice to market	While GI is forthcoming, I do not yet have an agreement.	2 new starts+ pending = 5 2 new starts = 4 1 new start = 3 1 start pending = 2 0 starts scheduled = 1
Service Excellence	Outpatient Satisfaction	4.5 or higher average score on "Rate My Hospital" for all Outpatient departments as measured each month	RMH scores consistently above 4.7 in OP Surg, Diagnostics, PT. Above 4.5 in ED	>4.7 = 5 >4.6=4 ≥4.5= 3 <4.5 = 2 < 4.4 = 1
Quality	Excellent Patient Safety and Outcomes	Meet or exceed the national benchmark in all measured quality outcomes on a 12 month rolling average	Reviewing the data.	12 quality metrics met = 5 11 met = 4 10 met = 3 9 met = 2 8 or less met = 1
People	Engaged and Satisfied Staff	75% staff participate and rate their satisfaction at 3.8/5 or higher	57% of employees responded. Overall hospital score 4.19. Higher than last two surveys (4.05/4.17)	>4 = 5 >3.9=4 ≥3.8=3 <3.8=2 <3.5 = 1
Finance	Financial Viability	Exceed Budgeted Operating Income, Before Depreciation and Amortization (EBDA) prior to restricted donations and GO bond by year end	Through April we are under budget by \$800k in operating margin, flat from PY.	> \$2 million = 5 > \$1.5 million = 4 > \$1 million better = 3 = met budget = 2 < did not meet budget = 1
Finance	Financial Stability	Maintain a rolling average of days of cash on hand	Through 10 months we've averaged just over 50 days COH	>50 = 5 >45 = 4 ≥42 = 3 < 42 = 2 < 35 = 1



To: Sonoma Valley Hospital Board of Directors
From: John Hennelly
Date: June 2, 2022
Subject: Epic Consulting Contract Approval

Enclosed you will find both a proposal and service agreement for the engagement of a firm to provide consultative support related to the implementation of our new electronic medical record (EMR), Epic.

During the initial planning phases for the project, it became clear to hospital leadership that incremental resources were going to be needed in order to support a successful implementation. More specifically – we need dedicated resources to not only provide vital day to day overall project management support, but to also offer subject matter expertise related to the installation of the Epic platform itself. While understanding that these types of resources can be difficult to find, we contemplated two options – 1) a consultative partner to “contract” with for this support, and 2) a new, internal position for the role. We made the decision to recruit for an internal position. We felt hiring an internal candidate is more cost-effective and allows us to retain the expertise post go-live.

We were able to identify a candidate and filled the position. Unfortunately, the person was not a good fit which left a critical void and has caused us to quickly assess alternative options. It became clear to hospital leadership that a successful implementation would require deeper knowledge and subject matter expertise related to the revenue cycle and clinical aspects of the Epic build. It is with this in mind that we decided to pursue bids from consultative firms that specialize in EMR transformations. We still believe the best situation for the hospital moving forward is to hire a project manager to support the overall project, but with the project kick-off fast approaching, we decided it was critical to engage a consultative firm to help us provide the following:

- Overall project management and oversight support on an interim basis, or until the internal project manager position is filled; and
- Revenue cycle and clinical subject matter expertise related to specific aspects of the build

We engaged several firms to find a potential fit. In addition to the expertise with Epic specific installs, we needed a solution that was cost effective and flexible. We received bids from three firms - Impact Advisors, Optimum Healthcare, and Pivot Point Consulting. All have extensive experience working with hospitals on Epic implementations. Impact and Optimum offered full scale consultative resources, but the entry level price point for these services exceeded \$500,000. Pivot Point Consulting was willing to offer more flexibility and a customized approach in how they would work with us by offering to provide interim, “pay for what you use” cost-effective support services. Their proposal, which includes work from project kick-off to projected go-live, totaled \$200,000, which was significantly less than the two other competing bids. After reviewing the proposals and discussions with the three potential vendors, the team felt Pivot Point would best meet the needs of our organization.

While certainly an investment, not having a complete team would open up risks that we cannot afford to realize. The proposed roles are key to ensuring the system is built correctly and completely and our care pathways and teams are prepared for the new set up.

We will continue to recruit for an internal project manager and review post go live needs.



Sonoma Valley Hospital

Epic Community Connect

Implementation Services

June 3, 2022



Relationships. Reliability. Results.

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Letter of Introduction

May 26, 2022

John Hennelly, CEO, Sonoma Valley Hospital

Dear John & the Sonoma Valley Hospital Leadership Team,

On behalf of Pivot Point Consulting (Pivot Point), a Vaco Company, we thank Sonoma Valley Hospital for considering us as a potential partner for your upcoming Epic implementation with Providence. Our commitment to Sonoma Valley Hospital includes providing a seasoned team of high-performing certified Epic project leaders with deep expertise guiding Community Connect and other Epic extension projects in a Host + Partner model. This commitment is supported by the following Pivot Point differentiators:

- **Best-in-KLAS Performance.** Pivot Point is the **2022 #2 and 2020 #1 Best-in-KLAS: Overall IT Services Firm**, including HIT Implementation Services and Support. In addition, we have been in the KLAS top three for HIT implementation for 2015, 2016, 2017, 2018, and 2019.
- **Epic Community Connect Experience.** Our Community Connect advisory and implementation leaders bring over 25 years' combined experience in Connect planning, implementation and remediation for health systems nationwide. Over the past decade, Pivot Point has partnered with roughly 20 healthcare organizations in establishing their Connect programs and implementing Epic and other systems in affiliate hospitals and medical groups supporting both Host and Partner organizations through successful go-lives.
- **Supporting Organizations Like Yours.** Pivot Point has deep history and expertise supporting EMR-related activities at Critical Access Hospitals, Federally Qualified Healthcare Centers, Community-Based Clinics, and other related activities with notable clients such as OCHIN and La Clinica De La Raza. We are proud of our work supporting organizations like yours and appreciate the unique needs and challenges required in making Epic function best for you, your users, and your patients.
- **Personal Commitment.** Along with the Pivot Point Delivery oversight team, including a dedicated Epic-certified Engagement Manager, I will personally serve as the Executive Lead responsible for our organization's success to assure you high quality, reliability, and responsiveness to your concerns.
- **A Complete Services Portfolio with Tailored High Value Solutions.** Pivot Point provides Advisory, Implementation, Managed Services, and Talent Solutions across the healthcare ecosystem. In addition to the services outlined in this proposal we are able to provide a wide range of healthcare IT organizations for organizations utilizing Epic, and clients have found great benefit in partnering with Pivot Point to provide hybrid staffing solutions on an as-needed basis, allowing them to quickly fill short-term project needs (typically 2-24 months)

We look forward to supporting Sonoma Valley Hospital through a successful Epic go live and very much appreciate being considered as your future partner.

Sincerely,

Zack Tisch

Zack Tisch - Vice President - Innovation

Chris Kendrick

Chris Kendrick - Sr. Director - Sales

Company Overview

Pivot Point Consulting, a Vaco Company, is a nationwide leader in healthcare consulting with a focus on technology-enabled organizational transformation. Our team specializes in EMR-related work at healthcare provider organizations, with our primary work relating to Epic implementation support, including emphasis on Epic Community Connect programs where we have both advised and led the implementations for Host and Partner organizations in a Community Connect arrangement.

Pivot Point prides itself on being a consultant-led organization. Our Advisory Services team members are all experienced hospital executives, program directors and operational leaders and take a hands-on approach to working with and serving clients, who range from academic medical institutions to hospital networks in urban and rural areas to Federally Qualified Healthcare Centers (FQHCs). Pivot Point employs more than 450 consultants coast to coast, which affords us industry-leading depth and breadth of expertise.

Since our founding in 2011, Pivot Point has been 100% dedicated to healthcare and it is our intent to remain dedicated to this dynamic market. Our talent pool includes 10,000+ experienced Epic/EHR analysts, 2,000 trainers, and 4,000 project managers. Our Epic analysts average 7-10 years' experience and most have 3-5 Epic certifications. They are attuned to identify previously observed challenges, opportunities and effective responses, and can serve as an extension of your staff.

As the industry's #1 Best in KLAS HIT Services firm, we bring exceptional Epic and Community Connect experience. EHR planning and implementation has historically constituted 70% of our business, with Epic work representing over 65% of that total. We have provided staffing and project leadership for more than 70 Epic projects nationwide. This broad exposure and deep expertise will foster adoption and promulgation of best practice, and the opportunity to mentor Sonoma Valley Hospital internal staff.

Why Clients Partner with Pivot Point

- **Epic Expertise** - our Epic practice leaders are all former Epic employees. Combined, they have 25 certifications and over 40 years of experience working alongside Epic to optimize the value health systems receive during an Epic implementation. This team is responsible for Epic analyst recruiting, methodology, and best practice promulgation. Our Epic analysts are similarly seasoned - they average 7-10 years' experience and most have 3-5 Epic certifications.
- **Connect Experience** - we have been planning, implementing and optimizing Community Connect programs and affiliate deployments for over 12 years. We have carefully selected candidates with Connect experience to assure Sonoma Valley Hospital our analysts understand the nuanced build, testing and change control it requires, including at Critical Access Hospitals and FQHC organizations.
- **Local Presence/Local Talent** - We maintain an office in San Francisco and our Seattle office is home to our Epic training program and our Delivery and Operations teams. We have a strong presence in Northern California with clients including UCSF, John Muir, Stanford Healthcare, and more. Leveraging local talent when possible can help offset travel costs and allow for a more personal experience, which can be critical in Community Connect projects that require trust and transparency

- **Insight into and use of Best Practices** - with our nationwide network, we connect organizations with resources who excel in nuanced specialty workflows (e.g., other Critical Access organizations or specialty-areas such as cardiovascular, stroke, OB/GYN research clinical studies).
- **Internal Team Development** - at-the-elbow mentorship for your IT staff to quickly enhance its Epic education, technical skills, and project management expertise to enable sustainable and effective operations for the long-term.
- **Scalable Tactical Resourcing** - mitigated strain on internal leadership team for rapid hiring, training, development, performance management, offboarding (as needed); Flexible analyst presence - this including any ratio of on-site/off-site presence.

As a testament to our qualifications and credentials, Pivot Point has been named the 2022 #2 and 2020 #1 Best in KLAS: Overall IT Services Firm and 2021 #6 Best Places to Work by Modern Healthcare.

Our Talent

In identifying candidates for the Sonoma Valley Hospital Community Connect implementation, our Epic Practice Director will work via our Pivot Point Pedigree methodology to recommend consultants with the qualifications, certifications, experience, and expertise needed for high performing Community Connect Implementations, with particular emphasis on Critical Access Hospital expertise.

All Pivot Point consultants have been carefully screened using the process below to ensure they meet our standards and your needs:

- A Pivot Point recruiter and other internal staff screening to evaluate technical and interpersonal skills
- Completion of a Predictive Index (PI) assessment, which evaluates cognitive and behavioral performance. The Predictive Index is a tested and validated recruiting methodology and candidate evaluation framework to identify consultants with the communication and interpersonal characteristics needed for success for each unique client and project. Each Pivot Point consultant must receive high scores in both behavioral and cognitive assessments to join the firm.
- Verification of certifications and credentials by the certifying agency and at the software vendor level when required
- A minimum of two manager-level reference checks from prior employers
- Background and health checks required by the client

All Pivot Point consultants receive continual monitoring, coaching and support from their Engagement Manager and other members of the ACE Team to ensure their success - and that of each client.

This careful screening and sustained support are key factors contributing to our exceptionally strong retention rate - approximately 97% of our consultants have worked on two or more Pivot Point projects or have been approved by our engagement managers and Delivery executives to do so.

We have built and grown our company through careful vetting, proven performance, and consultant continuity which reflects the principles of Pivot Point: **Relationships, Reliability and Results.**

Epic Community Connect Qualifications

Pivot Point has strong Community Connect credentials. Our Community Connect advisory and implementation co-leaders bring over 25 years' combined experience in Connect planning, implementation and remediation for progressive health systems nationwide.

Over the past decade, Pivot Point has partnered with over 15 healthcare organizations in establishing their Connect programs and implementing Epic and other systems in affiliate hospitals and medical groups.

We will provide Sonoma Valley Hospital with experienced health IT professionals who have worked with and for similar organizations on Community Connect implementations, particularly in support of Connect Partner organizations. The table below outlines some of the roles we have staffed at prior clients and the requisite experience level of our consultants we would place on this project:

Community Connect Role	Prior Experience Epic & (Large) Connect	Certifications and Credentials
Site Lead / Program Manager	12+ years Epic experience Former Epic employee 4+ years at Large Connect Project	Ambulatory + MyChart Cadence + ADT/Prelude/GC Resolute HB + PB Willow Inpatient EpicCare IP ClinDoc EpicCare IP Orders
Revenue Integrity Advisor	11+ years Epic experience Former Epic employee Led Revenue Integrity for Large Multi-Hospital Epic Org	Resolute HB Resolute PB PB & HB Claims Welcome Kiosk Electronic Remittance
Clinical Content Advisor	14+ years Epic experience Former Epic employee RN who practiced using Epic Has led clinical informatics during 3+ Epic implementations	EpicCare IP ClinDoc EpicCare IP Orders ASAP Emergency Department Willow Inpatient OpTime / Anesthesia
Technology & Integration Advisor	10+ years Epic experience Former technical lead of Epic Connect program	Client Systems Server Systems Bridges Interconnect Care Everywhere Device Integration

Client References

Representative referenceable Pivot Point Community Connect engagements are profiled below:

Pivot Point Client	Description
<p>Carle Foundation Hospital Suzanne Sampson System VP, Transformation 217-902-5007 suzanne.sampson@carle.com</p>	<p>Partnered with health system executives to plan and execute a strategic M&A and Connect playbook and roadmap. Provided project leadership and over 110 Epic consultants (to date) to work in tandem with Carle Epic team on:</p> <ul style="list-style-type: none"> Large Physician Connect (190 providers) Community Hospital (60-bed) M&A and Epic Implementation Large Physician Epic-to-Epic Conversion (150 providers) Community Hospital (221 bed) and CAH M&A and Epic Implementation Planning for additional Connect affiliations <p>Provided near virtual training and activation support (est. 85% remote) during COVID-19 pandemic</p>
<p>Acumen Physician Services Joel Hepler Sr. Manager, Implementation & Support 615-345-4700 joel.hepler@acumenmd.com</p>	<p>Planned, budgeted and built/configured a Nephrology-specific instance of Epic for deployment to over 200 nephrology practices and 1,000 providers nationwide. Over 122 staffed, including Project Director and Managers, Analysts, and Trainers over three years.</p> <p>According to Epic, this is their largest Community Connect program to date.</p>
<p>La Clinica De La Raza Fernando Cortez CIO, CISO 510-715-0820 fcortez@laclinica.org</p>	<p>Provided Project Manager and Subject Matter Expert for implementation of OCHIN Epic across a 31-site FQHC with 550 providers. Project Manager responsibilities included implementation planning, schedule and budget development and management and training coordination.</p> <p>Managed near virtual training and 100% virtual activation support during COVID-19 pandemic</p>
<p>Stanford Healthcare Hamed Barahimi Director of Clinical Applications 650-721-1273 hbarahimi@stanfordhealthcare.org</p>	<p>Pivot Point has provided over 150 Epic and IT consultants to Stanford since 2014. This includes providing program leadership and Epic analysts to support M&A/Epic deployment at a 165-bed community hospital</p>
<p>Legacy Health Kevin Feist Legacy Connect Program Manager 503-415-8467 KFiest@LHS.org</p>	<p>Pivot Point is a trusted partner to Legacy Health. We sourced all inpatient and ambulatory trainers for their inpatient Community Connect and provided seven Epic Analysts to support LHS' Community Connect programs.</p>

Organizational Readiness & Change Management

Given the magnitude of change the staff and providers at Sonoma Valley Hospital will face in migrating from legacy systems and workflows to those of Epic, organizational readiness and change management is critical to success. The development of a change management strategy and orchestrating its execution requires the expertise of an experienced professional deeply versed in clinical operations, workflows, and technology. In addition to their expertise implanting Epic, our Site Lead/Program Manager candidates bring the best practices and experience to help partner with your key operational stakeholders and successfully navigate them through the change management journey.

An example of one of our professionals, Margaret Moore, who actively performs work in this capacity for our clients is detailed below.

Ms. Moore, who lives in Vancouver, Washington, has over 30 years of healthcare and health IT experience, including 10 years as a clinic manager. She has worked extensively with organizations to define future state workflows, identify and execute organization readiness at the executive and staff level, institute change and foster adoption.

Most recently, Margaret was the project manager for the La Clinica De La Raza OCHIN Epic install across 30+ sites, 500 providers and thousands of staff. Margaret successfully defined requisite workflow and process change, drove actions needed to implement and adopt them, and managed complex communications between the agency's senior leadership, workstream leads, OCHIN collaborators and staff. She also planned and helped execute virtual training and a 100% virtual go-live across all 30 sites given COVID-19 restrictions in place.

Some of the work that Margaret led Pivot Point and client staff through included:

1. Conduct and/or facilitate readiness assessments, evaluate results and present findings in a logical and easy-to-understand manner.
2. Develop a set of actionable and targeted change management plans, including communication plan, sponsor roadmap, coaching plan, training plan, and resistance management plan. The focus will be on the people side of change - including changes to business processes, systems and technology, job roles and organization structures.
3. Support the execution of plans by employee-facing managers and business leaders. Be an active and visible coach to executive leaders who are change sponsors. Create and manage measurement systems to track adoption, utilization and proficiency of individual changes
4. Work with project teams to integrate change management activities into the overall project plan
5. Work with Communication, Training, IT, HR and Organizational Development in the formulation of tailored plans and activities to support implementation.
6. Identify resistance and performance gaps and develop and implement corrective actions. Create and enable reinforcement mechanisms and celebrations of success

Our Site Lead and other supporting resources will partner with Sonoma Valley Hospital leadership to help ensure a successful, on-time delivery of your estimated 8-month project and will lead and coordinate activities between Sonoma Valley Hospital stakeholders and IT staff as well as Connect program partner staff from Providence. We are very comfortable in these scenarios working with client staff, vendor partners, and Epic directly, and will ensure all resources act solely in the best interest of Sonoma Valley Hospital and at the direction of your leadership.

Roles & Responsibilities

In this statement of work, we are recommending the following roles, with a couple of options as outlined below:

Role	Responsibilities	Options
Site Lead / Program Manager*	<p>-Oversight for the program timeline, budget, scope, outcomes, and achievement of metrics / key performance indicators</p> <p>-Responsible for directing the Epic build, testing, training, and deployment with an on-time, on-budget go live and successful end users</p>	<p>-Senior-Level resource with VP/CIO level expertise leading similar projects (as the full-time site lead or in a part-time, supplemental capacity)</p> <p>-Mid-Level resource with Project Director/Project Manager expertise leading similar projects</p> <p><i>*please note the Site Lead will also fill either the Revenue Integrity Advisor or Clinical Content Advisor role as well to manage cost</i></p>
Revenue Integrity Advisor*	<p>-Responsible for ensuring accurate charge capture, claims generation, cash collections, and reimbursement based on projections from legacy data and successful integration with Paragon Financials</p> <p>-Primary point of contact working with CFO, Revenue Cycle leadership, and other related groups to ensure a financially-successful go live event</p>	<p>-We have a local resource based in Sacramento who would be a perfect fit for this role in a part-time capacity</p> <p>-If necessary we can also supplement with additional part-time support for some of the higher volume but critical activities such as parallel revenue cycle testing (end to end claims testing)</p>
Clinical Content Advisor*	<p>-Work with provider, nursing, pharmacy, emergency department, lab, imaging, therapy, and other stakeholders to design clinical note templates, order sets, flowsheets, and other clinical documentation tools. Based on the library of tools provided by Providence, it is expected that most of this work will be selecting and fine-tuning available content</p>	<p>-If Pivot Point staff are required to do clinical validation, we require one of our Nurse, Pharmacist, APP, or Physician Informaticists to perform this work which would have a higher hourly rate</p>

Below is a rate card of typical Epic project roles that can be provided by Pivot Point. The *Initial Recommended Scope* section below outlines our recommendation for an initial 6-month engagement.

Community Connect Role	Hourly Rate*
Site Executive / Program Manager	\$ 235
Site Lead / Project Manager	\$ 200
Revenue Integrity Advisor	\$ 185
Clinical Content Advisor (Non-Clinician)	\$ 155
Clinical Content Advisor (RN)	\$ 170
Clinical Content Advisor (APP)	\$ 200
Clinical Content Advisor (MD)	\$ 250
Clinical Content Advisor (PharmD/RPh)	\$ 250
Technology & Integration Advisor	\$ 185

**hourly rate does not include travel expenses, which will be billed as incurred with detailed receipts per Sonoma Valley Hospital travel and expense policies*

Ensuring Your Success

The Pivot Point “ACE” approach is designed to assure the best possible customer experience. Each engagement is supported by a team committed to project success: an **A**ccount Manager, a **C**lient Service Manager and an **E**xecutive Partner who review expectations and deliverables at key milestones and throughout the life of the project.

The ACE team targeted for this engagement includes:

- **A**ccount Manager: Chris Kendrick
- **C**lient Service Manager: Kathy Inkley, RN
- **E**xecutive Partner: Zack Tisch

This team will be responsible for ensuring the overall success of our consultants, and ultimately of your team and project.

Initial Recommended Scope

Based on discussions to date and where Sonoma Valley Hospital is in their implementation planning timeline with a near-term project kickoff, we would recommend the following initial assessment project scope, which will allow us to help address immediate concerns, set the project up for success, tailor project goals and objectives to Sonoma Valley Hospital strategic priorities, and better outline in more detail additional staffing gaps or areas of potential need where Pivot Point, or other staffing partners, can assist. We have found this approach works very well with our Community Connect clients and used it successfully with Carle Foundation in Urbana, Illinois to invest a smaller set of funds upfront to jointly design the solution for the rest of the project, which in their case was a hybrid staffing approach.

Our initial assessment scope for Sonoma Valley Hospital includes a focus on the following activities, as broken down by lead resource with a total planned spend of **\$199,850**.

Site Lead / Clinical Content Advisor - 805 total hours @ \$200/hr

- Review Detailed Project Scope (Clinical Focus)
- Clinical Service Line Leadership Readiness
- Non-Epic Application Planning - 10 hours
- Conversions, Interfaces, & Device Integration
- Clinical Readiness & Content Review Planning
- Training & Go Live Deployment Planning
- Support of Ongoing Implementation, Build, Testing, Training, and Go-Live Deployment Activities

Revenue Integrity Advisor - 210 total hours @ \$185/hr

- Review Detailed Project Scope (Front & Back End Revenue Cycle)
- Review Legacy Revenue Cycle Reports / Dashboards
- Review General Ledger Config / Plan
- Claims Testing Strategy / Approach
- Revenue Cycle Readiness Program
- Front End Rev Cycle Process Mapping
- Support of Ongoing Implementation, Build, Testing, Training, and Go-Live Deployment Activities

Ongoing Project Support

It is anticipated that part of the assessment findings will include identifying additional areas of staffing need that could potentially be supported by Pivot Point Consulting. While we plan to scope that out in detail during the assessment phase, we did want to provide an additional estimate of those services:

Project Management, Certified Application Analyst, Principal Trainer, Credentialed Trainer, or Go Live Deployment Specialist - In addition to advisory services, Pivot Point can provide Epic-certified and credentialed analysts in a variety of roles, as outlined below in our rate table. Exact scope, duration, and part-time or full-time utilization will be determined during the assessment phase and outlined in a future statement of work to be executed before proceeding.

Community Connect Role	Hourly Rate*
Epic-Certified Application Analyst	\$155
Epic Cogito Report Writer	\$155
Interfaces/Conversions Analyst	\$155
Epic Principal Trainer	\$135
Epic Credentialed Trainer	\$85
Go Live Deployment Support	\$85

**hourly rate does not include travel expenses, which will be billed as incurred with detailed receipts per Sonoma Valley Hospital travel and expense policies*

Next Steps

We appreciate the opportunity to be considered as a partner for your upcoming Epic Implementation with Providence and look forward to successfully supporting you on this journey and transformative investment for your organization.

Sincerely,

Zachary J. Tisch

Zack Tisch - Vice President - Innovation
ztisch@pivotpointconsulting.com
608.556.3990



Sincerely,

Chris Kendrick

Chris Kendrick - Sr. Director
ckendrick@pivotpointconsulting.com
425.941.3408



Addendum: Client Services Agreement (CSA/MSA)

CLIENT SERVICES AGREEMENT

This Client Services Agreement (“Agreement”) is made and entered into as of May 26, 2022 (“Effective Date”) by and between Sonoma Valley Hospital (CLIENT) and any affiliates of Sonoma Valley Hospital for whom Vaco LLC provides services under this Agreement (collectively, “Client”) and Vaco LLC dba Pivot Point Consulting (“Pivot Point Consulting”). Client and Pivot Point Consulting are hereinafter referred to collectively as the “Parties” and individually as a “Party.”

WHEREAS, Client wishes to engage and contract Pivot Point Consulting to provide the consulting services described herein in accordance with the terms and conditions contained in this Agreement and included addendum(s), which addendums are incorporated by reference into this Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the Parties hereby agree to the terms set forth below.

1. Consulting Services:

- (a) Pivot Point Consulting will provide consulting services, under the supervision and direction of Client, on a project basis according to Client needs. Specific work performed by project will be included as an addendum(s) to this Agreement. The Parties may subsequently agree to add projects and/or work through addendum(s), without the necessity of entering into a new Agreement. The terms of this Agreement will control any such projects and/or work, unless and to the extent the Parties agree otherwise in a writing signed by both Parties.
- (b) A professional provided by Pivot Point Consulting to Client to perform services for Client pursuant to this Agreement is a “Consultant”. Any work product of Consultant provided by Pivot Point Consulting resulting from the services performed pursuant to this Agreement shall be “work-for-hire” and shall belong to the Client. The Consultant shall not be deemed an employee of Client and shall not be entitled to benefits or privileges of Client’s employees. Pivot Point Consulting acknowledges it is solely responsible for compensating the Consultant or Consultant’s employer for the services he/she performs and will withhold such federal, state and local taxes and unemployment insurance as required by law. Client agrees to pay Pivot Point Consulting for such services at the rate(s) specified in addendum(s) to this Agreement. Client agrees to approve and sign Consultant weekly time records by noon local time the Monday following the week worked. Approval of weekly time records will constitute Client’s full acceptance of the services. Failure to sign or notify Pivot Point Consulting in writing of a deficiency within this timeframe will constitute Client’s approval of these services. Invoicing will be weekly and payment is due to Pivot Point Consulting within thirty (30) days of invoicing. Any late invoicing by Pivot Point Consulting shall not affect Client’s obligation to pay for services rendered. Undisputed invoice(s) not paid within thirty (30) days will be subject to a one and one-half percent (1.5%) service charge per month.

- (c) If a change of Consultant is required due to circumstances beyond the control of Pivot Point Consulting, Pivot Point Consulting will make every reasonable effort to replace said Consultant.

2. Recruiting Services

Pivot Point Consulting's Responsibilities: After establishing the qualifications for the recruiting assignment, Pivot Point Consulting will identify prospects first by phone to inquire about their background, interest in a new opportunity, qualifications, and technical expertise in specialized industries, accomplishments, financial expectations and career goals. If the prospect meets basic requirements, a more in-depth interview is conducted face-to-face between Pivot Point Consulting and the prospect (also referred to as a "candidate"). This interview is designed to further assess the candidate's qualifications and overall suitability regarding the Client's expectations. After this interview and with the permission of the candidate, the resume of the candidate is submitted to the Client in person or via facsimile, e-mail, or mail. Pivot Point Consulting will conduct reference checks to Client's specifications and will furnish Client with this information, but it is understood that final reference checks, verification of education, criminal checks, credit checks, and other documentation deemed necessary by Client will be performed by Client.

Client's Responsibilities: Client will designate a representative for coordination of search and placement activities with Pivot Point Consulting, who will work with Pivot Point Consulting, as required, in the evaluation and screening of prospective candidates, timely arrangement of interviews, and the arrangement of appropriate activities in the final selection process, to include meetings with appropriate hiring managers. Client will process all candidates in a professional manner and will keep Pivot Point Consulting informed on a current basis of negotiations with all candidates.

Fees: Pivot Point Consulting performs its search activities on a contingency basis, meaning no fee will be assessed unless Client hires one of Pivot Point Consulting's candidates. The fee for conducting this search is twenty-five percent (25%) of the candidate's first year annual salary. Placement fees are earned by Pivot Point Consulting when a candidate is hired or otherwise retained either directly or indirectly by Client (including any division, subsidiary or other affiliate of Client) following Pivot Point Consulting's efforts or referral, including but not limited to facsimile or e-mail transmission of a requested resume or candidate profile, telephone interview, or personal interview, within one year of the last contact made by Pivot Point Consulting to Client regarding the candidate. Candidates are referred to Client in confidence. Should Client refer or otherwise identify a candidate referred by Pivot Point Consulting to another company that hires the candidate within one year of the last contact made by Pivot Point Consulting to Client regarding the candidate, Client shall be liable for the entire twenty-five percent (25%) fee. All fees are earned and due on the candidate's start date. It is mutually agreed that this is a non-exclusive contract (i.e., Client can pursue and secure candidates from other sources with no obligation to Pivot Point Consulting).

Guarantee: Pivot Point Consulting guarantees a candidate for sixty (60) days. If the candidate resigns or is terminated during the first sixty (60) calendar days of employment, Pivot Point Consulting will replace the candidate without any additional fee. This guarantee for a replacement at no additional fee is valid **only** if the full fee is paid to Pivot Point Consulting within ten (10) calendar days from the date the candidate begins employment with Client, and if a request for a replacement is received by Pivot Point

Consulting within five (5) calendar days from the date that the candidate's services cease. This guarantee for a replacement at no additional fee does not apply if Client has not paid Pivot Point Consulting the full fee within the requisite ten (10) day period, or if the candidate is terminated due to a company layoff, a downsizing, a reduction in force, a position elimination, a relocation, a closure of the company or a division or operating unit of the company, or a material change in job description or responsibilities.

3. **Limited Warranty:** Pivot Point Consulting warrants that the services of Consultant will be provided utilizing reasonable care and skill in accordance with customary industry standards. Pivot Point Consulting expressly disclaims any and all other warranties and representations of any kind or nature, whether express or implied, on its (including its Consultants') services provided under this Agreement, including, but not limited to, implied warranties of merchantability or fitness for a particular purpose.
4. **Term/Termination:** The term of this Agreement will commence as of the Effective Date of this Agreement and remain in effect until terminated as permitted herein.
 - (a) Without cause, each Party may terminate this Agreement (or any specific projects reflected in subsequent addendum(s)) upon thirty (30) days written notice to the other Party.
 - (b) Each Party may terminate the Agreement (or any specific projects reflected in subsequent addendum(s)) with five (5) days written notice, in the event that the other Party has breached any of the terms or conditions of this Agreement and such breach has not been cured within the five (5)-day notice period.

Client agrees to pay Pivot Point Consulting for all fees and expenses incurred through the Effective Date of any termination.

5. **Client Responsibilities:** Client will provide all technical data, information and resources necessary for Consultant's performance under this Agreement, including workspace, office supplies and reasonable access to information. Neither Pivot Point Consulting nor Consultant has any liability or risk for any problem attributable to the content, accuracy, completeness or consistency of any information or other resources supplied by Client.
6. **Economic Change Adjustment (ECA):** Economic change adjustments will be made on an annual basis for all resources, on hourly rates. For Services performed in the United States and Canada, the adjustment will be on a fixed rate of three percent (3%) per annum, the first ECA will occur on the first anniversary of the Actual Effective Start Date, and adjustments will be made on each subsequent anniversary thereafter. For Services performed in the United States and Canada, any other variable adjustments may be agreed by Client and the Contractor and made effective during the course of this engagement or its extensions via executed addendum.
7. **Compliance with Laws:** The Parties will comply with all applicable laws, rules, orders, statutes and regulations, including those laws regarding non-discrimination in employment, occupational health and safety, environmental protection, and fair labor standards that may govern them.
8. **Non-Solicitation:** Except as provided by this Agreement, Client (including all of its divisions, subsidiaries and other affiliates) will not hire or offer employment to, or otherwise directly or indirectly use the services of, on a full-time, part-time or temporary basis,

- (a) any Consultant who has provided services for Client hereunder until the expiration of one (1) year after termination of Consultant's most recent assignment to Client, or
- (b) any Consultant or prospective Consultant who has been introduced to, recommended to or interviewed by Client through the services of Pivot Point Consulting, until the expiration of one (1) year after the latest of such interview, discussion, introduction, or presentation of Consultant.

In the event that Client provides the services of any Consultant, or introduces or refers any Consultant, to any third party during the course of any assignment, Client shall obtain the agreement of such third party to the foregoing restrictions and shall be responsible to Pivot Point Consulting for any breach thereof by it or the third party.

If Client (including its divisions, subsidiaries or other affiliates) breaches this section it will pay Pivot Point Consulting as a conversion fee an amount equal to thirty-five percent (35%) of the gross annual compensation (including salary plus any guaranteed bonus) of the Consultant at issue, if the Consultant is an employee of, or offered employment by, Client (including its divisions or affiliates) or a third party to whom Client introduced or referred the Consultant. If Client breaches this section by having Consultant provide services, or allowing Consultant to provide services, to the Client (including its divisions, subsidiaries or other affiliates) or relevant third party in a capacity other than that of employee (i.e., on a consulting/hourly basis), then Client will pay Pivot Point Consulting an amount equal to the Consultant's last Pivot Point Consulting bill rate multiplied by the total number of hours worked by the Consultant for the Client (including its divisions, subsidiaries or other affiliates) or relevant third party in the twelve (12) month period following the breach of this section.

- 9. Confidentiality:** Each of the Parties will take reasonable measures to keep in confidence all of the other Party's confidential information that it receives in connection with this Agreement, and will not use such confidential information without the other Party's prior written permission except to perform its obligations hereunder. Confidential information shall include information marked as "proprietary," "private," "company private," or otherwise identified as proprietary to, or a trade secret of, Client or Pivot Point Consulting. Pivot Point Consulting will obtain written agreement from Consultant to adhere to the foregoing.

Pivot Point Consulting shall instruct Consultant not to disclose, directly or indirectly, to Client any information or data the disclosure of which would constitute a violation of any obligation of Consultant to any third party.

- 10. Authorization:** Client hereby acknowledges and agrees that Pivot Point Consulting is authorized by Client to use and publish Client's name, logo, and other relevant identifying information, including but not limited to trademark(s), taglines, and images, (collectively known as "Client Name") to be used by Pivot Point Consulting in any (i) advertising, marketing, or company literature, (ii) company website(s), (ii) press releases, (v) customer lists, and/or (vi) case studies or white papers prepared by Pivot Point Consulting related to the services provided hereunder. Pivot Point Consulting agrees that it will not publish any case studies or white papers containing any Confidential Information of Client without first obtaining Client's express written permission. Client hereby warrants and represents that the undersigned has the full right and authority to permit such authorization

concerning the Client Name included herein, and that Pivot Point Consulting does not need the consent or permission of any other person, firm or corporation in order to use the Client Name as described herein.

11. Insurance: Parties agree to carry and maintain in force during the term of this Agreement insurance coverage. While such coverage may vary depending upon the requirements of a particular Client, Parties agree to maintain, at a minimum, coverage as follows: (i) Workers' Compensation – Statutory with limits as prescribed by applicable state law; (ii) Employer's Liability with limits of \$1,000,000 per occurrence; (iii) Commercial General Liability with limits of \$1,000,000 combined single limit bodily injury and property damage, per occurrence/\$2,000,000 in the aggregate; these limits may be provided in conjunction with an umbrella policy; (iv) Automobile Liability with limits of \$250,000 combined single limit bodily injury and property damage, per occurrence; (v) Employment Practices Liability with limits of \$2,000,000 per claim.

12. Notices: All notices or other communications hereunder are deemed given when made in writing and (a) delivered in person, (b) delivered to an agent such as an overnight or similar delivery service, (c) delivered via email, or (d) deposited in the United States mail, certified postage prepaid, and addressed as follows:

If to the Client:

Client: _____
Attn: _____
Address 1: _____
Address 2: _____
City: _____
State: _____
Zip: _____
Email: _____

If to Pivot Point Consulting:

Pivot Point Consulting: Vaco LLC dba Pivot Point Consulting
Attn: Contracts Manager
Address 1: 5501 Virginia Way
Address 2: Suite 120
City: Brentwood
State: TN
Zip: 37027
Email: vacolegal@vaco.com

13. Force Majeure: Neither Party will be held liable nor deemed to be in default of this Agreement if it is prevented from carrying out its obligations hereunder due to causes beyond its reasonable control, including, but not limited to, any act of God, fire, natural disaster, accident, war, acts of war (declared or not), insurrections, riots, civil commotion, strikes, lockouts or any other labor disturbances, shortages in the marketplace, or acts, omissions or delays in acting by any governmental authority or the other Party.

14. Limitations on Liability: Neither Party shall be liable to the other for indirect, incidental, special or consequential damages sustained resulting from the action or inaction of the Party under this Agreement, whether the cause of action against the Party is in contract, breach of warranty, tort, gross negligence or otherwise, including, but not limited to, lost profits, lost opportunities and/or delay damages, even if the Party was aware of or knew the potential for such damages. Pivot Point Consulting's liability for damages hereunder, regardless of the form of action, shall not exceed per claim and in the aggregate the total amount paid by Client for services under this Agreement. No action or proceeding against Pivot Point Consulting may be commenced more than one (1) year after the event giving rise to such claim.

- 15. Attorney Fees and Costs:** If any action at law or in equity (including a counterclaim) is brought by either Party to enforce the provisions of this Agreement, then the prevailing Party shall be entitled to recover all of its reasonable attorney fees, expenses (including without limitation expert witness fees), and costs from the other Party, including all fees, expenses and costs associated with an appellate proceeding, in addition to any other relief to which the prevailing Party may be entitled.
- 16. Governing Law:** This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Tennessee, notwithstanding the conflict of laws doctrines of that or any other jurisdiction. Client hereby stipulates, consents, and agrees that the Chancery and Circuit Courts of Williamson County, Tennessee or the United States District Court for the Middle District of Tennessee shall have exclusive jurisdiction and venue in the event of any litigation arising out of or pertaining to this Agreement. Client hereby waives any objection to suit in said courts, including without limitation any objection to personal jurisdiction.
- 17. Use of Names and Marks:** Except as otherwise expressly set forth herein, neither Party may use the names, logos, or marks of the other Party without the prior written approval from the other Party except that Vaco may use the name and logo of Client together with those of other names and logos of Vaco and/or its customers in order to identify Client as a past or current customer of Vaco's products and services.
- 18. Survival of Provisions:** The following provisions of this Agreement shall survive the expiration or termination of this Agreement for any reason: Sections 1-9, 11-16, and all other provisions of this Agreement that by their nature extend beyond the termination of this Agreement.
- 19. Entire Agreement:** This Agreement constitutes the entire Agreement of the Parties hereto regarding the subject matter contained herein and supersedes all prior representations, proposals, discussions, and communications, whether oral or in writing, regarding the matters addressed herein. This Agreement may be modified only in writing and shall be enforceable in accordance with its terms when signed by the Party sought to be bound.

The Parties represent that they have full corporate power and authority to execute this Agreement and to perform their obligations hereunder, and that the person whose signature appears below is fully authorized to enter into this Agreement on behalf of the relevant Party.

Client: _____	Pivot Point Consulting: Vaco LLC dba Pivot Point Consulting _____
Signature: _____	Signature: <u>Rachel Marano</u>
Print Name: _____	Print Name: <u>Rachel Marano</u>
Title: _____	Title: <u>Co-Founder & Managing Partner</u>
Date: _____	Date: <u>May 26, 2022</u>

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("**BAA**") is made as of the date last written below ("**Effective Date**") by and between SONOMA VALLEY HEALTH CARE DISTRICT, a California health care district doing business as Sonoma Valley Hospital ("Hospital") ("**CE**"), and Vaco LLC dba Pivot Point Consulting ("**BA**").

RECITALS

- A. CE is a "covered entity" under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("**HIPAA**") and must enter into "business associate" contracts with contractors that create, receive, maintain, or transmit Protected Health information ("**PHI**") on behalf of CE.
- B. Pursuant to the terms of one or more agreements between the parties, whether oral or in writing (collectively, the "**Contract**"), BA provides certain services to CE, some of which may involve disclosure of PHI by CE to BA.
- C. CE and BA intend to protect the privacy and provide for the security of PHI disclosed to BA pursuant to the Contract in compliance with HIPAA, the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the **HITECH Act**"), and regulations promulgated thereunder by the U.S. Department of Health and Human Services (the "**HIPAA Regulations**") and other applicable laws, including without limitation state laws governing the privacy and security of health information (HIPAA, the HITECH Act, and the HIPAA Regulations, may collectively be referred to as "**Health Information Laws**"), as amended from time to time.
- D. As part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require CE to enter into a contract containing specific requirements with BA prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(a) and (e) and 164.504(e) of the Code of Federal Regulations ("C.F.R.") and contained in this BAA.

In consideration of the mutual promises below and the exchange of information pursuant to this BAA, the parties agree as follows:

AGREEMENT

1. Definitions.

Capitalized terms not defined in this BAA shall have the meanings assigned to them under HIPAA, the HITECH Act, or the HIPAA Regulations, as applicable.

- a. **Breach** shall have the meaning given to such term under the HITECH Act and HIPAA Regulations [42 U.S.C. Section 17921 and 45 C.F.R. Section 164.402].

- b. **Breach Notification Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and D.
- c. **Business Associate** shall have the meaning given to such term under the Privacy Rule, the Security Rule, and the HITECH Act, including, but not limited to, 42 U.S.C. Section 17938 and 45 C.F.R. Section 160.103.
- d. **Covered Entity** shall have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to, 45 C.F.R. Section 160.103.
- e. **Data Aggregation** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- f. **Designated Record Set** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- g. **Discovery** has the meaning described at 42 U.S.C. Section 17932(c) and 45 C.F.R. Section 164.410.
- h. **Electronic Protected Health Information** means Protected Health Information that is maintained in or transmitted by electronic media.
- i. **Electronic Health Record** shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921.
- j. **Health Care Operations** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- k. **Privacy Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and E.
- l. **Protected Health Information** or PHI means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501. *[If the business associate creates, receives, maintains or transmits electronic PHI on behalf of the CE, the following language should be included]:* Protected Health Information includes Electronic Protected Health Information [45 C.F.R. Sections 160.103, 164.501].
- m. **Protected Information** shall mean PHI provided by CE to BA or created, maintained, received or transmitted by BA on CE's behalf.
- n. **Security Incident** shall have the meaning given to such term under the Security Rule, including, but not limited to, 45 C.F.R. Section 164.304.
- o. **Security Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and C.

- p. **Subcontractor** means a person to whom BA delegates a function, activity, or service, other than in the capacity of a member of the workforce of BA.
- q. **Unsecured PHI** shall have the meaning given to such term under the HITECH Act and any guidance issued pursuant to such Act including, but not limited to, 42 U.S.C. Section 17932(h) and 45 C.F.R. Section 164.402.

2. Obligations of Business Associate

- a. **In General.** BA shall comply with the provisions of HIPAA, the HITECH Act, and the HIPAA Regulations that directly apply to BA. Except as expressly provided in this BAA, BA shall not permit the unauthorized or unlawful access to, nor use or disclose, PHI, other than as permitted or required by the Contract, this BAA, or as required by law. To the extent BA carries out one or more of CE's obligation(s) under the Privacy Rule, BA shall comply with the requirements of the Privacy Rule that apply to CE in the performance of such obligations.
- b. **Permitted Uses.** BA shall use Protected Information only for the purpose of performing BA's obligations under the Contract and as permitted or required under the Contract, this BAA, or as required by law. Further, BA shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so used by CE. However, BA may use Protected Information as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE [45 C.F.R. Section 164.504(2) and 164.504(4)(i)].
- c. **Permitted Disclosures.** BA shall disclose Protected Information only for the purpose of performing BA's obligations under the Contract and as permitted or required under the Contract and BAA, or as required by law. BA shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so disclosed by CE. However, BA may disclose Protected Information as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE. If BA discloses Protected Information to a third party, BA must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such Protected Information will be held confidential as provided pursuant to this BAA and used or disclosed only as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify BA of any breaches, suspected breaches, security incidents, or unauthorized uses or disclosures of the Protected Information in accordance with this BAA, to the extent it has obtained knowledge of such occurrences [42 U.S.C. Section 17932; 45 C.F.R. Section 164.504(e)].
- d. **Prohibited Uses and Disclosures.** BA shall not use or disclose PHI other than as permitted or required by the Contract and BAA, or as required by law.

Notwithstanding any provision of this BAA: (i) except with CE's prior written consent, BA shall not use or disclose Protected Information for Fundraising (as described at 45 C.F.R. 164.514(f)) or Marketing purposes; (ii) BA shall not disclose Protected Information to a health plan for Payment or Health Care Operations purposes if the patient has requested this special restriction and has paid CE out of pocket in full for the health care item or service to which the Protected Information solely relates; and (iii) BA shall not engage in the Sale of PHI (as described at 45 C.F.R. 164.502(a)(5)) with respect to Protected Information, except with CE's prior written consent, provided that this prohibition shall not affect payment by CE to BA for services provided pursuant to the Contract. BA shall not use or disclose Protected Information for fundraising or marketing purposes.

- e. **Appropriate Safeguards.** BA shall implement appropriate safeguards to prevent the use or disclosure of Protected Information other than as permitted by the Contract or BAA, including, but not limited to, administrative, physical and technical safeguards in accordance with the Security Rule, including, but not limited to, 45 C.F.R. Sections 164.308, 164.310, and 164.312. [45 C.F.R. Section 164.504(e)(2)(ii)(B); 45 C.F.R. Section 164.308(b)]. BA shall comply with the policies and procedures and documentation requirements of the Security Rule, including, but not limited to, 45 C.F.R. Section 164.316. [42 U.S.C. Section 17931]
- f. **Business Associate's Subcontractors and Agents.** BA shall ensure that any Subcontractors or agents that create, receive, maintain, or transmit Protected Information on behalf of BA agree *in writing* to the same restrictions and conditions that apply to BA with respect to such Protected Information and implement the safeguards required under paragraph 2e above with respect to Electronic Protected Health Information [45 C.F.R. Section 154.504(e)(2)(ii)(D); 45 C.F.R. Section 164.308(b)]. BA shall implement and maintain sanctions against agents and Subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation (45 C.F.R. Sections 164.5300 and 164.530(e)(1)). Such written arrangement shall include, without limitation the duty to notify BA of the Discovery of any suspected or actual access, use, or disclosure of Protected Information not permitted by the Contract, this BAA, or applicable Health Information Laws without unreasonable delay and in no event later than *two (2) business days* after Discovery.
- g. **Access to Protected Information.** If the BA maintains a Designated Record Set on behalf of CE, BA shall make Protected Information maintained by BA or its agents or Subcontractors in Designated Record Sets available to CE for inspection and copying within *five (5) days* of a request by CE to enable CE to fulfill its obligations under state law [Health and Safety Code Section 123110] and the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.524 [45 C.F.R. Section 164.504(e)(2) (ii)(E)]. If BA maintains Protected Information in electronic format, BA shall provide such information in electronic format as necessary to enable CE to fulfill its obligations under the HITECH Act and HIPAA Regulations, including, but not limited to, 42 U.S.C. Section 17935(e) and 45 C.F.R. Section 164.524.

- h. **Amendment of PHI.** If the BA maintains a Designated Record Set on behalf of CE, within *ten (10) days* of a request by CE for an amendment of Protected Information or a record about an individual contained in a Designated Record Set, BA and its agents and Subcontractors shall make such Protected Information available to CE for amendment and incorporate any such amendment or other documentation to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.526. If an individual requests an amendment of Protected Information directly from BA or its agents or Subcontractors, BA must notify CE in writing within *five (5) days* of the request and of any approval or denial of amendment of Protected Information maintained by BA or its agents or Subcontractors [45 C.F.R. Section 164.504(e)(2)(ii)(F)].
- i. **Accounting of Disclosures.** Promptly upon any disclosure of Protected Information for which CE is required to account to an individual, BA and its agents and Subcontractors shall make available to CE the information required to provide an accounting of disclosures to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528, and the HITECH Act, including but not limited to 42 U.S.C. Section 17935(c), as determined by CE. BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents and Subcontractors for at least six (6) years prior to the request. However, accounting of disclosures from an Electronic Health Record for treatment, payment or health care operations purposes are required to be collected and maintained for only three (3) years prior to the request, and only to the extent that BA maintains an Electronic Health Record. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. If a patient submits a request for an accounting directly to BA or its agents or Subcontractors, BA shall within *five (5) days* of the request forward it to CE in writing.
- j. **Governmental Access to Records.** BA shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to CE and to the Secretary of the U.S. Department of Health and Human Services (the "**Secretary**") for purposes of determining BA's compliance with HIPAA [45 C.F.R. Section 164.504(e)(2)(ii)(I)]. BA shall provide CE a copy of any Protected Information and other documents and records that BA provides to the Secretary concurrently with providing such Protected Information to the Secretary.
- k. **Minimum Necessary.** BA, its agents and Subcontractors, shall request, use and disclose only the minimum amount of Protected Information necessary to accomplish the purpose of the request, use or disclosure. [42 U.S.C. Section 17935(b); 45 C.F.R. Section 164.514(d)] BA understands and agrees that the definition of "minimum necessary" is in flux and shall keep itself informed of

guidance issued by the Secretary with respect to what constitutes "minimum necessary."

- l. **Data Ownership.** Except as otherwise agreed in writing by the parties: (i) BA has no ownership rights with respect to the Protected Information; and (ii) BA shall have no right to compile or distribute any statistical analysis or report utilizing such Protected Information, any aggregate information derived from such Protected Information, or any other Protected Information obtained from CE.
- m. **Business Associate's Insurance.** BA shall obtain insurance for itself and all its employees, agents, and independent contractors in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) annual aggregate of Commercial General Liability insurance and Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) annual aggregate of Errors and Omissions insurance. The Errors and Omissions insurance shall cover, among other things, Breaches. BA shall provide CE with certificates of insurance or other written evidence of the insurance policy or policies required herein prior to execution of this BAA (or shortly thereafter as is practicable) and as of each annual renewal of such insurance policies during the period of such coverage. Further, in the event of any modification, termination, expiration, non-renewal or cancellation of any such insurance policies, BA shall give written notice thereof to CE not more than ten (10) days following BA's receipt of such notification.
- n. **Reporting Improper Access, Use or Disclosure.**
 1. **Initial Report; Corrective Actions.** BA shall provide an initial telephone report to CE's Privacy Officer within *twenty-four (24)* hours of any suspected or actual Breach of Protected Information; any use or disclosure of Protected Information not permitted by the Contract or BAA; any security incident (i.e., any attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system) related to Protected Information, or any actual or suspected use or disclosure of data in violation of the Contracts, the BAA or applicable Health Information Laws. BA shall take (i) prompt corrective action to cure any deficiencies that led to such unauthorized access, use, or disclosure; and (ii) any action pertaining to unauthorized uses or disclosures required by applicable federal and state laws. [42 U.S.C. Section 17921; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)]. CE shall make the determination whether notification to the patient is necessary.
 2. **Reporting Breaches of Unsecured PHI.** Without limiting Section 1, following the Discovery of any actual or suspected Breach of Unsecured PHI, BA also shall notify CE's Privacy Officer *in writing* of such Breach without unreasonable delay and in no case later than *three (3) business days* after Discovery. The notice shall include, to the extent possible, (i) a brief description of what happened, including the date of the breach and the date of the Discovery of the Breach, (ii) the identification of each individual whose Unsecured

Protected Information has been, or is reasonably believed by the business associate to have been, accessed, acquired, used, or disclosed, (iii) a description of the types of Unsecured PHI that were involved in the breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, etc.); (iv) any steps individuals should take to protect themselves from potential harm resulting from the Breach; (v) a brief description of what BA is doing to investigate the Breach, to mitigate harm to individuals, and to protect against any further breaches; and (vi) contact procedures for individuals to ask questions learn additional information, which shall include a toll free telephone number, an e-mail address, website, or postal address, as well as any other available information that CE is required to include in notification to the individual, the media, the Secretary, and any other entity under the Breach Notification Rule and any other applicable state or federal laws, including, but not limited, to 45 C.F.R. Section 164.404 through 45 C.F.R. Section 164.408, at the time of the notification required by this paragraph or promptly thereafter as information becomes available. BA also shall provide written updates to CE regarding the information specified above promptly as new information becomes available.

3. **Cost of Notification.** BA shall pay the actual, reasonable costs of CE to provide the notifications required under this Section that relate to Breaches, to the extent: (i) such PHI is in BA's possession, custody, or under BA's control at the time of the Breach and (ii) such Breach does not arise out of or in connection with CE's failure to comply with applicable Health Information Laws, including, without Limitation, CE's failure to implement appropriate Administrative, Technical, and Physical Safeguards with respect to any Protected Information which CA and CE exercise shared possession, custody or control.
- o. **Breach Pattern or Practice by Business Associate's Subcontractors and Agents.** Pursuant to 42 U.S.C. Section 17934(b) and 45 C.F.R. Section 164.504(e)(1)(ii), if the BA knows of a pattern of activity or practice of a Subcontractor or agent that constitutes a material breach or violation of the Subcontractor or agent's obligations under the Contract, this BAA or other arrangement, the BA must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the BA must terminate the contract with the Subcontractor or agent if feasible. BA shall provide written notice to CE of any pattern of activity or practice of a Subcontractor or agent that BA believes constitutes a material breach or violation of the Subcontractor or agent's obligations under the Contract, BAA or other arrangement within *twenty-four hours (24)* of Discovery and shall meet with CE to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.
- p. **Mitigation.** BA shall mitigate, to the extent practicable and at BA's expense, any harmful effect that is known to BA of access, use, or disclosure of Protected

Information not authorized by the Contract, this BAA, or applicable Health information Laws.

- q. **Audits, Inspection and Enforcement.** Within *ten (10) days* of a request by CE, BA and its agents and Subcontractors shall allow CE or its agents or Subcontractors to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of Protected Information pursuant to this BAA for the purpose of determining whether BA has complied with this BAA or maintains adequate security safeguards; provided, however, that (i) BA and CE shall mutually agree in advance upon the scope, timing and location of such an inspection, (ii) CE shall protect the confidentiality of all confidential and proprietary information of BA to which CE has access during the course of such inspection; and (iii) CE shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by BA. The fact that CE inspects, or fails to inspect, or has the right to inspect, BA's facilities, systems, books, records, agreements, policies and procedures does not relieve BA of its responsibility to comply with this BAA, nor does CE's (i) failure to detect or (ii) detection, but failure to notify BA or require BA's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of CE's enforcement rights under the Contract or BAA. BA shall notify CE within *five (5) days* of learning that BA has become the subject of an audit, compliance review, or complaint investigation by the Office for Civil Rights or other state or federal government entity.

3. Termination

- a. **Material Breach.** A breach by BA of any provision of this BAA, as determined by CE, shall constitute a material breach of the Contract and shall provide grounds for *immediate* termination of the Contract, any provision in the Contract or separate written agreement to the contrary notwithstanding. [45 C.F.R. Section 164.504(e)(2)(iii)].
- b. **Judicial or Administrative Proceedings.** CE may terminate the Contract, effective immediately, if (i) BA is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the BA has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has been joined.
- c. **Effect of Termination.** Upon termination of the Contract for any reason, BA shall, at the option of CE, return or destroy all Protected Information that BA and its agents and Subcontractors still maintain in any form, and shall retain no copies of such Protected Information. If return or destruction is not feasible, as determined by CE, BA shall continue to extend the protections and satisfy the obligations of Section 2 of this BAA to such information, and limit further use and disclosure of such PHI to those purposes that make the return or destruction of the information infeasible [45 C.F.R. Section 164.504(e)(ii)(2)(J)]. If CE elects destruction of the PHI, BA shall certify in writing to CE that such PHI has been destroyed in accordance with the Secretary's guidance regarding proper destruction of PHI.

4. Indemnification.

To the extent permitted by law, BA shall indemnify, defend, and hold harmless CE from any and all liability, claim, penalty, lawsuit, injury, loss, expense or damage resulting from or relating to the acts or omissions of BA in connection with the representations, duties, and obligations of BA under this BAA. Any limitation of liability contained in the BAA shall not apply to the indemnification requirement of this provision. This Section shall survive the termination of this BAA.

5. Amendment to Comply with Law.

The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Contract or BAA may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations and other applicable state or federal laws relating to the security or confidentiality of PHI. The parties understand and agree that CE must receive satisfactory written assurance from BA that BA will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this BAA embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable laws. CE may terminate the Contract upon thirty (30) days written notice in the event (i) BA does not promptly enter into negotiations to amend the Contract or BAA when requested by CE pursuant to this section or (ii) BA does not enter into an amendment to the Contract or BAA providing assurances regarding the safeguarding of PHI that CE, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

6. Litigation or Administrative Proceedings

BA shall notify CE within *forty-eight (48) hours* of any litigation or administrative proceedings commenced against BA or its agents or Subcontractors. In addition, BA shall make itself and any Subcontractors, employees and agents assisting BA in the performance of its obligations under the Contract or BAA, available to CE, at no cost to CE, to testify as a witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its directors, officers or employees based upon a claimed violation of HIPAA, the HITECH Act, the HIPAA regulations, or other state or federal laws relating to security and privacy, except where BA or its subcontractor, employee or agent is a named adverse party.

7. No Third-Party Beneficiaries

Nothing express or implied in the Contract or this BAA is intended to confer, nor shall anything herein confer upon any person other than CE, BA and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

8. Assistance in Litigation. BA shall make itself and any Subcontractors, employees, or agents assisting BA in the performance of its obligations under the Contract or this BAA available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its directors, officers, agents, or employees based upon a claim of violation of Health Information Laws, except where BA or its Subcontractor is named as an adverse party.

9. Notices

All notices hereunder shall be in writing, delivered personally, by certified or registered mail, return receipt requested, or by overnight courier, and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, postage prepaid, or deposited with the overnight courier addressed as follows:

If to CE: Sonoma Valley Hospital
 347 Andrieux Street
 Sonoma CA 95476
 Attention: President and CEO

If to BA: Vaco LLC dba Pivot Point Consulting
 5501 Virginia Way Suite # 120
 Brentwood TN 37027

Or to other such persons or places as either party may from time to time designate by written notice to the other in accordance with this Section.

10. Interpretation

The provisions of this BAA shall prevail over any provisions in the Contract that may conflict or appear inconsistent with any provision in this BAA. This BAA and the Contract shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the HIPAA regulations, and other state and federal laws related to security and privacy. The parties agree that any ambiguity in this BAA shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, the HIPAA regulations, and other state and federal laws related to security and privacy. Except as specifically required to implement this BAA, or to the extent inconsistent with this BAA, all other terms of the Contract shall remain in effect.

11. Entire Agreement of the Parties

This BAA supersedes any and all prior and contemporaneous business associate agreements or addenda between the parties and constitutes the final and entire agreement between the parties with respect to the subject matter hereof. No representations, inducements, promises, or agreements, oral or otherwise, with respect to the subject matter hereof, have been made by either party, or by anyone acting on behalf of either party, which are not embodied herein. No other agreement, statement or promise, with respect to the subject matter hereof, not contained in this BAA shall be valid or binding.

12. Regulatory References.

A reference in this BAA to a section of regulations means the section as in effect or as amended, and for which compliance is required.

13. Identity Theft Program Compliance.

If CE is required to comply with the "Identity Theft Red Flags and Address Discrepancies under the Fair and Accurate Credit Transactions Act of 2003," as promulgated and enforced by the Federal Trade Commission [16 C.F.R. Part 6781] ("Red Flag Rule"), then to the extent BA is performing an activity in connection with one or more "covered accounts" (as defined in the Red Flags Rule) pursuant to the Contract, BA shall establish and comply with its own reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identifying theft, which shall be consistent with and no less stringent than those required under the Red Flag Rule or the policies and procedures of CE's Red Flag Program. BA shall provide its services pursuant to the Contract in accordance with such policies and procedures. BA shall report any detected "red flags" (as defined in the Red Flags Rule) to CE and shall, in cooperation with CE, take appropriate steps to prevent or mitigate identity theft.

14. Counterparts.

This BAA may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this BAA as of the Effective Date.

COVERED ENTITY
SONOMA VALLEY
CONSULTING
HEALTH CARE DISTRICT

BUSINESS ASSOCIATE
VACO LLC DBA PIVOT POINT

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date:

MEMO

To: Sonoma Valley Hospital Board of Directors, Finance Committee

From: John Hennelly

Date: June 2, 2022

Re: Food Service Management Contract

Enclosed you will find a proposal for the engagement of a firm to manage our food service function. This is being presented at the conclusion of 9 months of extensive internal reflection and assessment of pathways to success for the delivery of food services on campus.

Fundamentally, the assessment began due to the recognition that, while we have met the standards set forth in the provision of food services, we are not positioned to 'take it to the next level.' Our core business is not in food services. I have had success with in house management of food services. In a stable environment with a good leadership team in food service, you can excel. Unfortunately, we have neither. We lost our manger several months ago as we realized that the department could improve. As we reviewed our options, we recognized that the road ahead requires deeper knowledge than we have.

The organization needs to evolve from a mass production structure to an individualized delivery model. We will move to a more personalized approach to food service. Ultimately our goal is to achieve a room service model. Eat when you are ready to eat, not when we're ready to cook. This improves satisfaction, increases sales in the café setting and reduces waste.

Once we made this determination, we engaged several providers to see what was possible. First, we needed an interim leader for the department. We found two organizations ready to provide a leader. Morrison, who provides services in Napa, was willing to provide an interim if we would sign a 3-year agreement. Forefront a smaller newer company was willing to provide a leader no strings attached. We chose Forefront for the 8-week interim.

Once we had an interim structure in place, we engaged providers to secure bids. We received bids from two firms, Morrison, a large national firm, and Forefront, a smaller, newer organization. After touring our facility and reviewing our volume data, both provided relatively similar bids to provide a leader and chef to oversee the department. All other employees remain employed by SVH. We then held panel interviews with their team and ours. When it came time to select, the choice was between a standard delivery product in Morrison or the personized attention of Forefront. The team universally felt that the approach conveyed by Forefront would better meet the needs of our organization.

The cost of the contract exceeds our current expense by about \$50,000. I believe, with improved performance, this gap can be eliminated both directly through increased sales, and indirectly through increased satisfaction.

CULINARY SERVICES AGREEMENT

This Culinary Services Agreement (the “Agreement”) with an effective start date of TBD , 2022 (the “Effective Date”), is by and between Sonoma Valley Hospital (hereinafter, “Client”) and Forefront Healthcare LLC, a Delaware limited liability company doing business as Forefront Healthcare (hereinafter, “Forefront”).

Client and Forefront agree to outsourcing of culinary services based upon the following terms and conditions:

I. PURPOSE OF AGREEMENT

- A. This Agreement outlines the terms and conditions upon which Client provides Forefront the exclusive right to provide the services for Client’s patients, residents, employees, visitors, and guests at Client’s premises.
- B. Forefront shall be an independent contractor and shall retain full control over its employees, management, and company agents. Nothing within this Agreement shall be deemed to create a partnership, agency, joint venture or landlord-tenant relationship between Client and Forefront.
- C. The terms and conditions of the Agreement are confidential. Both parties agree to protect the privacy of the other parties’ confidential information. This information shall include, but not limited to, the contents of this Agreement, promotional materials, and the knowledge of business practices. Any exceptions to this clause must be approved in writing by the consenting party, unless such disclosure is required by applicable federal or state laws and/or regulations. Upon the termination of this Agreement, both parties agree to return any and all property to the disclosing party, including any proprietary information not required to be retained by applicable federal or state laws and/or regulations.

II. LENGTH OF AGREEMENT

- A. This Agreement will commence as of the effective date referenced above and shall run for an initial term (“Initial Term”) of three (3) years. Thereafter the agreement will be automatically renewed annually for a term of one (1) year.
- B. Either party may exercise their right to cancel this Agreement if a material breach of this Agreement is not addressed in a timely fashion as outlined below. If either party believes the other party is in material breach of any provision of this Agreement, the offended party will provide written notice to the other party outlining breach complaints and action required to restore the contract status. In the event the issues outlined in the breach notice are not addressed within a sixty (60) day period, the offended party may provide notice to the breaching party of its intent to cancel the

Agreement at the conclusion of an additional thirty (30) day period. This right to cure a material breach of this Agreement shall not apply to a breach related to non-payment for services. Breach for non-payment and cure period are outlined in section VII.N of this Agreement. The rights of termination referred to in this Agreement are not intended to be exclusive and are in addition to any other rights or remedies available to either party at law or in equity.

III. FOREFRONT SERVICE RESPONSIBILITIES

- A. Forefront shall be responsible for providing the culinary services management team, hourly employees, and purchasing of supplies for Client as outlined in Exhibit A.
- B. If Client requests a change in the services provided for reasons of opening new units or buildings or permanent closings of units or buildings, changes in the scope of services to be performed, a significant change in patient or resident activity and or use of Client Facility, a reduction in Client's overall workforce, and should such change result in an increase or decrease in Forefront direct costs, Forefront shall be given adequate opportunity to estimate the cost of such increase, reduction or alteration, and to agree with Client upon a revised Agreement amount.

IV. FOREFRONT MANAGEMENT PROFESSIONALS

- A. Forefront shall provide qualified employees to fill the management positions at Client facilities.
- B. Client acknowledges that Forefront's salaried management and clinical professionals are essential to the Forefront's core services of providing management services and are familiar with Forefront's operating procedures and other information proprietary to Forefront. Therefore, Client agrees to not solicit or employ (including employment by any successor contractor) in any of the facilities controlled or owned by Client, of any person who has been employed by Forefront within one (1) year after such employee terminates their employment with Forefront or within one (1) year after the termination of this Agreement. In the event Client breaches this Agreement and solicits a current or former Forefront management or supervisory team member, Client shall pay Forefront one (1) times the annual salary of the management employee hired in breach of this Agreement.

V. FOREFRONT LABOR WORKFORCE

- A. Client shall provide qualified employees to fill all hourly positions for services

required at Client facilities.

- B. Forefront shall provide in-service training to enhance the development of Client's hourly culinary service employees.
- C. Forefront agrees to work with Client to establish an appropriate uniform policy.

VI. EQUIPMENT AND SUPPLIES

- A. All culinary services food and miscellaneous supplies shall be provided by Client or Forefront as outlined in Exhibit A.
- B. Client agrees to provide Forefront adequate office space, office furniture, and storage space for utilization by each department. Client will also pay the full cost of utilities, telephone service, internet service, and service contracts.
- C. Forefront will evaluate current culinary equipment and provide recommendations to Client for additional equipment or repairs required to maintain the standard of service outlined in this Agreement.
- D. Client shall retain ownership of all inventories, including transitioned inventory and inventories purchased by Forefront under delivery of service under this Agreement.
- E. Forefront has agreed to a one-time equipment purchase to enhance Client's retail space and culinary program. In the event this contract is canceled, for any reason, prior to the expiration of the initial three-year contract term, Client shall reimburse Forefront the unamortized balance of the equipment purchased by taking the months remaining in the initial term as of the termination effective date multiplied by \$1,328.57. At the conclusion of the initial contract term, or payment of the unamortized balance upon termination, all equipment included in this one-time purchase shall become the property of Client.

VII. PAYMENT FOR SERVICES

- A. Client agrees to pay Forefront a monthly contract rate of \$43,630.35 covering management and hourly wages and benefits, supply purchasing, and Forefront management and administrative fee. Forefront will invoice Client prior to the start of each service month, with payment due on the 1st of the month for which services are rendered.

All payments shall be sent electronically to:

Level One Bank
32991 Hamilton Court

Initials: Forefront _____ Client _____

Farmington Hills, MI 48334
Routing: 072414310
Account #: 1000164275
Remittance Notification to accounting@Forefronthealthcare.com

- B. At the conclusion of each month, Forefront and Client shall reconcile departmental spending outside the standard scope of this Agreement as outlined in Exhibit A. These charges shall include, but not be limited to, guest meals, retail sales, miscellaneous equipment, and catering. All end of month reconciliation invoices shall be due within thirty (30) days after invoice date.

Retail culinary sales shall be managed by Forefront, with Client receiving credit and cash deposits directly for all applicable retail sales. At the conclusion of each month, Forefront shall invoice client for total retail sales processed during the month, with the charge appearing on the end of month reconciliation invoice. All retail pricing or future adjustments shall be at Forefront's discretion.

- C. Forefront's one-time implementation fee of \$15,975 shall be payable with the invoice for the first month of services under this Agreement.
- D. For each leap year during which this Agreement is in effect, Client shall pay an additional fee equal to 1/365th of the annual contract price. This fee is payable with the standard February invoice within the respective leap year.
- E. Both Forefront and Client agree to issue and receive invoices and payment correspondence electronically at the email addresses outlined below. In the event physical correspondence is required, all physical notifications shall be sent to Forefront or Client at the following addresses.

Forefront Healthcare
22622 Harper Avenue
Saint Clair Shores, MI 48080
accounting@Forefronthealthcare.com

Sonoma Valley Hospital
347 Andrieux Street
Sonoma, CA 95476

- F. If Client provides its internal support service employees an increase in their base wage rate, Client agrees to provide Forefront an increase to its then current annual fee to fund commensurate increases for Forefront team members.
- G. In the event of any federal, state or local mandates, changes and or additions in employee benefit packages and or tax rates, these additional cost increases will be calculated and passed on to Client through an adjustment to the then current monthly contract fee. This includes any changes to Social Security, Federal Unemployment,

State Unemployment, implementation or increases in “Living Wages” or minimum wages, premiums payable on behalf of Forefront employees for workers compensation, general liability, OSHA requirements, or fringe benefits. This would also encompass any increase in operating expenses related to unionization efforts.

- H. As outlined in Exhibit A of this Agreement, Forefront is providing food and supply purchasing on behalf of Client at a guaranteed fix cost. If the cost of food and supply purchasing is impacted pursuant to events outlined in section IX.J of this Agreement, Client agrees to reimburse Forefront any additional expenses incurred for purchasing and services provided by Forefront for Client.
- I. On each anniversary date of this Agreement, the Client agrees to an increase in the then current fee as an offset to increases in management and supervisory wages and other operating expenses. The current rates as of the effective date of this increase shall be increased by the greater of 3% or the trailing 12 months change in the Consumer Price Index.
- J. Upon notice of termination of this Agreement, all outstanding amounts shall become immediately due and payable. Payments earned and due after the receipt of contract termination notification are due upon receipt.
- K. If Client terminates this Agreement, or any portion thereof, Client agrees to reimburse Forefront for temporary travel costs, additional management and supervisory wages and benefits, and other miscellaneous expenses incurred following termination notice, and prior to termination effective date, to ensure no lapse of management and supervisory coverage during the termination transition period.
- L. The Client agrees to pay any applicable local, state, or federal sales tax due on the service fee. These fees are in addition to, and not included within the contract price stated above.
- M. If any unpaid balance on an invoice remains outstanding more than fifteen (15) days past its due date, Client shall pay a late fee at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law. Interest shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full. Failure of Forefront to exercise its rights hereunder shall not be construed as a waiver of such rights or bar to the later exercise thereof.
- N. A contract breach related to non-payment shall automatically be considered a “material breach” of this Agreement. If upon notification to Client, a non-payment breach is not cured within ten (10) days, Forefront, at its sole discretion may give notice to Client that after an additional period of five (5) days, the Agreement will be terminated.

VIII. NOTIFICATION

- A. Any notice required under this Agreement shall be sent via certified mail or by overnight mail by a reputable carrier, with proper postage prepaid, to the parties at the following addresses:

Forefront Healthcare
22622 Harper Avenue
Saint Clair Shores, MI 48080

Sonoma Valley Hospital
347 Andrieux Street
Sonoma, CA 95476

IX. OTHER

- A. Client shall provide written notice, in accordance with Section VIII.A of this Agreement, within ten (10) days' of its receipt of material information pertaining to any material claims or actions of which Forefront is a named defendant.
- B. In addition to incorporating industry best practices, Forefront also agrees to operate the department in accordance with the standards and requirements established by The Joint Commission, Client, Federal, State, and Local Authorities.
- C. Forefront shall maintain during the term of this Agreement, Commercial General Liability Insurance with a limit of not less than one million dollars (\$1,000,000) per occurrence, covering only the operations and activities of Forefront under this Agreement, and, upon request, shall provide Client with a certificate evidencing such policies. The insurance policies shall contain a provision whereby the insurer(s) shall provide notice of cancellation in accordance with the provisions of the policy. Client shall be named as an additional insured under Forefront's policies of insurance to the extent Client is indemnified pursuant to section IX.D.
- D. Except as otherwise expressly provided in this Agreement, Forefront and Client shall defend, indemnify, and hold each other harmless from and against all claims, liability, loss and expenses, including reasonable costs, collection expenses and attorney's fees, which may arise because of the negligence or willful misconduct of the indemnifying party, its agents or employees in the performance of its obligations under this Agreement. Notwithstanding the foregoing, with respect to property damage, for which the parties maintain a system of coverage on their respective property, each part hereto waives it rights, and the rights of its subsidiaries and affiliates, to recover from the other party hereto and its subsidiaries and affiliates for loss or damage to such party's building, equipment, improvements, and other property of every kind and description resulting from fire, explosion, or other cause

- normally covered in standard broad form property insurance policies, whether or not insurance benefits are recovered in respect to any particular loss or damage. This provision is intended, among other things, to bar subrogation against the parties hereto. This clause shall survive termination of this Agreement.
- E. Except as may be owed to a third party under a party's indemnification obligations, neither party will be liable to the other party whether in contract, tort, negligence, strict liability in tort, or by statute or otherwise for indirect, exemplary, unforeseeable, loss of profits, loss of use, loss of data, punitive or consequential, incidental, or special damages of any kind, even if advised of the possibility of such damages
- F. Each party shall maintain workers' compensation coverage as required by state law covering all of its employees
- G. The parties hereto do not anticipate that disclosure requirements under the Medicare/Medicaid Acts, or regulations promulgated thereunder, will require Forefront Healthcare, LLC to disclose or afford access to its books and records to the Secretary of Health and Human Services, the Comptroller General, or their representatives. However, if under such Acts or regulations, Forefront Healthcare, LLC should be deemed to be a subcontractor subject to the disclose requirement of 42 U.S.C. S1395x(v)(1)(1), until the expiration of four (4) years following the completion of furnishing services under this Agreement, upon written request of the Client facility, Forefront Healthcare, LLC shall make available to the Secretary of the Department of Health and Human Services, or to the Comptroller General or any duly authorized representatives thereof, a copy of this Agreement and such books, documents and records of Forefront Healthcare, LLC that are necessary to certify the nature and extent of any cost incurred by the Client's facility.
- H. Neither party shall discriminate because of race, color, sex, age, national origin, disability, sexual orientation, genetic information, or veteran status, or any other basis protected by applicable law, in the recruitment, selection, training, utilization, promotion, termination, or other employment related activities concerning Client or Forefront employees. Each party affirms that it is an equal opportunity employer.
- I. Forefront agrees to comply with the applicable provisions of the Administrative Simplification section of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. 1320 through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder, including, without limitations, the federal privacy regulations as contained in 45 C.F.R. Part 164, and the federal security standards as contained in 45 CFR. Part 142 (Collectively, the "Regulations"). Forefront shall not use or further disclose any protected health information, as defined in 45 CFR. 164.504, or identifiable health information, as defined in 42 U.S.C. 1320d (collectively, the "Protected Health Information"), other than as permitted by this Agreement and the requirements of HIPAA or the Regulations. Forefront will implement appropriate safeguards to prevent the use or disclosure of Protected Health Information other than as contemplated by this Agreement. Forefront will promptly

- report to the Client any use of disclosures, of which Forefront becomes aware, of Protected Health Information in violation of HIPAA or the Regulations. In the event that Forefront contracts with any agents to whom Forefront provides Protected Health Information, Forefront shall include provisions in such Agreements pursuant to which Forefront and such agents agree to the same restrictions and conditions that apply to Forefront with respect to Protected Health Information and HIPAA protections and requirements. Forefront will make its internal practices, books and records relating to the use and disclosure of Protected Health Information available to the Secretary to the extent required for determining compliance with HIPAA and the Regulations. No attorney-client, accountant-client or other legal or equitable privilege shall be deemed to have been waived by Forefront, the Client by virtue of this Subsection.
- J. Neither Forefront nor Client shall be liable for failure to perform its respective obligations under this Agreement when such failure is caused by fire, explosion, water, acts of God, pandemic, civil disorder or disturbances, strikes, vandalism, war, riot, sabotage, weather, and energy related closings, governmental rules and regulations, failure of third parties to perform their obligations with respect to the Services, or like causes beyond the reasonable control of such party, or for real or personal property destroyed or damaged due to such causes.
- K. Until the expiration of four (4) years after the furnishing of Services under this Agreement, Forefront and any of its subcontractors whose subcontracts are of a value of ten thousand dollars (\$10,000) or more, shall upon written request, make available to the Secretary of the Department of Health and Human Services, the Comptroller General of the United States, or any of their duly authorized representatives, this Agreement and such books, documents, and records of Forefront and such subcontractors, if any, as are necessary to certify the nature and extent of this costs to Client of performance of this Agreement. The subcontractors, if any, shall contain a clause similarly requiring the retention and availability of like documentation.
- L. This Agreement will be subject to and governed by the laws of the State of California.
- M. It is understood and agreed by the parties hereto that if any part, term, or provision of this Agreement is by the courts held to be illegal or in conflict with any law of the state where made, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.
- N. No failure to exercise and no delay in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege under this Agreement preclude any further exercise of the same or any other right, power or privilege hereunder. In addition, no oral waiver of any provision of this Agreement shall be effective unless made in writing and signed by the party to be bound.

- O. This Agreement constitutes the entire Agreement between the parties as it relates to its applicable subject matter. It may not be modified, nor will any provision be waived or amended, except in writing duly signed by an authorized representative from each of the parties. Notwithstanding the foregoing, Forefront may amend this Agreement upon written notice to Client if the amendment is necessary to comply with a statutory or regulatory requirement

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date indicated in the first paragraph above

Forefront Healthcare, LLC

Sonoma Valley Hospital

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A

– CULINARY SCOPE OF SERVICE AND PURCHASING RESPONSIBILITY

(Attached to Agreement between **Sonoma Valley Hospital** (Client) and **FOREFRONT HEALTHCARE, LLC** (Forefront) contract, effective TBD.)

CLIENT FACILITY AND ACTIVITY STATISTICS –

	<u>Statistics</u>
Average Daily Census:	33.6/day 12,271/annual
Patient Guest Meals included in rate*	\$0
Estimated Retail Sales per year**	\$100,000
Floor Stocks included in rate***	\$0
Supplements/Nourishments included in rate***	\$24,155
Snacks	\$0
Catering included in rate****	\$0
Repair/Maintenance/Smallwares	
Purchase Services included in rate*****	\$0

- * **Patient Guest Meals and Free meals Invoiced at \$6.00 per meal**
- ** **Actual Retail sales deposited in Hospital business office and paid to Forefront pursuant to Section VII.B of the Agreement (Actual terms TBD)**
- *** **All Floor stocks to be billed at cost**
- *** **Supplements and Nourishments above annual cap will be billed at cost.**
- **** **Catering Invoiced at cost + 10%**
- ***** **Invoiced at actual cost**

Purchasing Responsibility

	FF	Client
Director of Dining Services	X	_____
Executive Chef	X	_____
Hourly Culinary Team Members	_____	X
Food Purchasing & Menu Supplies	X	_____
BeWell Health Snack Program	X	_____
Hydration Program	X	_____
Non-Food Supplies (Washwares/Chemicals & Disposables)	X	_____
Standard Operating Procedures	X	_____
Training Programs	X	_____
Department Computer & Printer	X	_____
Additional Computer & Printer (If required for network access)	_____	X
QAPI Program	X	_____
Elevating the Moment Customer Services Program	X	_____
Natural Texture Modified Diets Program	X	_____

EXHIBIT A

– CULINARY SCOPE OF SERVICE AND PURCHASING RESPONSIBILITY

(Attached to Agreement between **Sonoma Valley Hospital** (Client) and **FOREFRONT HEALTHCARE, LLC** (Forefront) contract, effective TBD.

RD Continuing Education Credits	_____	_____ X
HPAP Pre Survey Audits	_____ X	_____
Hospitality Uniforms	_____	_____ X
Hospitality Innovative Concepts	_____ X	_____
Tablewares and Smallwares Replacements	_____	_____ X
Tablewares and Smallwares Bulk Purchases	_____	_____ X
Non-Exempt Hiring/Recruiting	_____	_____ X
Pre-Employment Physicals & Screenings	_____	_____ X
Initial Food Supply Inventory	_____	_____ X
POS System Implementation & Equipment	_____	_____ X
Tube Feed Formula	_____	_____ X
Guest Meals	_____	_____ X
Marketing & Fundraising Events	_____	_____ X
Catering & Activities Requests	_____	_____ X
Additional Requests Clinical Hours	_____	_____ X
Initial Purchase 3-day Emergency Supply	_____	_____ X
Equipment Repair & Replacement	_____	_____ X
Internet & Phone Access	_____	_____ X
Direct Access to Facilities Technology Infrastructure	_____	_____ X
Office & Storage	_____	_____ X
Office Supplies	_____	_____ X
Menu and Sign printing	_____	_____ X
Trash & Waste Contract	_____	_____ X
Waste Grease Removal	_____	_____ X
Hood Cleaning Contract (above vents)	_____	_____ X
Pest Control & Drain Cleaning	_____	_____ X
Linens & Linen Laundering	_____	_____ X
Utilities	_____	_____ X
All Other Cleaning Supplies Required by other Departments	_____	_____ X
Safety Equipment	_____	_____ X
Personal Protective Equipment	_____	_____ X
Pandemic Related Expenses	_____	_____ X
Revenue collection: Guest /Catering/ Retail	_____	_____ X
Issuance of Reimbursement for Retail sales to Forefront	_____	_____ X



Program Cost Detail

Proposal based on 12,271 Patient/Resident Days

Forefront Management Salary

- Director
- Executive Chef
- Taxes & Benefits @28%

Food Cost

- Patient Food Cost
- Valley of the Moon
- ED Meal Cost
- Nourishments/Supplements
- Café Food Cost

Supplies & General Operating Expenses

- Paper and Plastic for Patients
- Paper and Plastic for Residents
- Café Supplies
- Cleaning/Chemicals
- Office/Computer Supplies
- Marketing
- Technology
- Training
- Insurance
- Misc.

Forefront Administrative Expense

Forefront Management Fee

Yearly Total = \$ 623,564

Less Credit for Retail Sales* of \$100,000

*Per our conversation Forefront will either guarantee \$100,000 in retail sales upfront, which would reduce your yearly guaranteed total to \$523,564. Or we can let the Hospital retain all retail sales until you reach \$100,000. We would then bill you 55% food cost and 10% paper/supply cost for every dollar over the base of \$100,000

Sonoma Hospital Improvement

Salad Bar Retrofit	\$ 1,100.00
Liminate for Counter Fronts	\$ 4,600.00
Crockery for Salad Bar	\$ 1,800.00
Deli Station and Center Island for Impluse Items	\$4,930
Recyle and Waste Center	\$4,800
Patient Hotel Trays and Placemats	\$ 1,770.00
Freestanding Soup/Chili Station	\$ 4,700.00
Restaurant Style Crockery for Hot Entrée Line	\$ 5,600.00
Open-aire Merchandiser for Grab-go Program	\$ 4,100.00
Heated Tray Cabinets for Patient Trays	\$ 3,600.00
Misc Set Up	<u>\$ 3,000.00</u>
Total Investment	\$ 40,000.00

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("**BAA**") is made as of the date last written below ("**Effective Date**") by and between SONOMA VALLEY HEALTH CARE DISTRICT, a California health care district doing business as Sonoma Valley Hospital ("Hospital") ("**CE**"), and _____ ("**BA**").

RECITALS

- A. CE is a "covered entity" under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("**HIPAA**") and must enter into "business associate" contracts with contractors that create, receive, maintain, or transmit Protected Health information ("**PHI**") on behalf of CE.
- B. Pursuant to the terms of one or more agreements between the parties, whether oral or in writing (collectively, the "**Contract**"), BA provides certain services to CE, some of which may involve disclosure of PHI by CE to BA.
- C. CE and BA intend to protect the privacy and provide for the security of PHI disclosed to BA pursuant to the Contract in compliance with HIPAA, the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the **HITECH Act**"), and regulations promulgated thereunder by the U.S. Department of Health and Human Services (the "**HIPAA Regulations**") and other applicable laws, including without limitation state laws governing the privacy and security of health information (HIPAA, the HITECH Act, and the HIPAA Regulations, may collectively be referred to as "**Health Information Laws**"), as amended from time to time.
- D. As part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require CE to enter into a contract containing specific requirements with BA prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(a) and (e) and 164.504(e) of the Code of Federal Regulations ("C.F.R.") and contained in this BAA.

In consideration of the mutual promises below and the exchange of information pursuant to this BAA, the parties agree as follows:

AGREEMENT

1. Definitions.

Capitalized terms not defined in this BAA shall have the meanings assigned to them under HIPAA, the HITECH Act, or the HIPAA Regulations, as applicable.

- a. **Breach** shall have the meaning given to such term under the HITECH Act and HIPAA Regulations [42 U.S.C. Section 17921 and 45 C.F.R. Section 164.402].
- b. **Breach Notification Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and D.
- c. **Business Associate** shall have the meaning given to such term under the Privacy Rule, the Security Rule, and the HITECH Act, including, but not limited to, 42 U.S.C. Section 17938 and 45 C.F.R. Section 160.103.
- d. **Covered Entity** shall have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to, 45 C.F.R. Section 160.103.
- e. **Data Aggregation** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.

- f. **Designated Record Set** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- g. **Discovery** has the meaning described at 42 U.S.C. Section 17932(c) and 45 C.F.R. Section 164.410.
- h. **Electronic Protected Health Information** means Protected Health Information that is maintained in or transmitted by electronic media.
- i. **Electronic Health Record** shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921.
- j. **Health Care Operations** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- k. **Privacy Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and E.
- l. **Protected Health Information** or PHI means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501. *[If the business associate creates, receives, maintains or transmits electronic PHI on behalf of the CE, the following language should be included]:* Protected Health Information includes Electronic Protected Health Information [45 C.F.R. Sections 160.103, 164.501].
- m. **Protected Information** shall mean PHI provided by CE to BA or created, maintained, received or transmitted by BA on CE's behalf.
- n. **Security Incident** shall have the meaning given to such term under the Security Rule, including, but not limited to, 45 C.F.R. Section 164.304.
- o. **Security Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and C.
- p. **Subcontractor** means a person to whom BA delegates a function, activity, or service, other than in the capacity of a member of the workforce of BA.
- q. **Unsecured PHI** shall have the meaning given to such term under the HITECH Act and any guidance issued pursuant to such Act including, but not limited to, 42 U.S.C. Section 17932(h) and 45 C.F.R. Section 164.402.

2. Obligations of Business Associate

- a. **In General.** BA shall comply with the provisions of HIPAA, the HITECH Act, and the HIPAA Regulations that directly apply to BA. Except as expressly provided in this BAA, BA shall not permit the unauthorized or unlawful access to, nor use or disclose, PHI, other than as permitted or required by the Contract, this BAA, or as required by law. To the extent BA carries out one or more of CE's obligation(s) under the Privacy Rule, BA shall comply with the requirements of the Privacy Rule that apply to CE in the performance of such obligations.
- b. **Permitted Uses.** BA shall use Protected Information only for the purpose of performing BA's obligations under the Contract and as permitted or required under the Contract, this BAA, or as required by law. Further, BA shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so used by CE. However, BA may use Protected Information as necessary (i) for the

proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE [45 C.F.R. Section 164.504(e)(2) and 164.504(e)(4)(i)].

- c. **Permitted Disclosures.** BA shall disclose Protected Information only for the purpose of performing BA's obligations under the Contract and as permitted or required under the Contract and BAA, or as required by law. BA shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so disclosed by CE. However, BA may disclose Protected Information as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE. If BA discloses Protected Information to a third party, BA must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such Protected Information will be held confidential as provided pursuant to this BAA and used or disclosed only as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify BA of any breaches, suspected breaches, security incidents, or unauthorized uses or disclosures of the Protected Information in accordance with this BAA, to the extent it has obtained knowledge of such occurrences [42 U.S.C. Section 17932; 45 C.F.R. Section 164.504(e)].
- d. **Prohibited Uses and Disclosures.** BA shall not use or disclose PHI other than as permitted or required by the Contract and BAA, or as required by law. Notwithstanding any provision of this BAA: (i) except with CE's prior written consent, BA shall not use or disclose Protected Information for Fundraising (as described at 45 C.F.R. 164.514(f)) or Marketing purposes; (ii) BA shall not disclose Protected Information to a health plan for Payment or Health Care Operations purposes if the patient has requested this special restriction and has paid CE out of pocket in full for the health care item or service to which the Protected Information solely relates; and (iii) BA shall not engage in the Sale of PHI (as described at 45 C.F.R. 164.502(a)(5)) with respect to Protected Information, except with CE's prior written consent, provided that this prohibition shall not affect payment by CE to BA for services provided pursuant to the Contract. BA shall not use or disclose Protected Information for fundraising or marketing purposes.
- e. **Appropriate Safeguards.** BA shall implement appropriate safeguards to prevent the use or disclosure of Protected Information other than as permitted by the Contract or BAA, including, but not limited to, administrative, physical and technical safeguards in accordance with the Security Rule, including, but not limited to, 45 C.F.R. Sections 164.308, 164.310, and 164.312. [45 C.F.R. Section 164.504(e)(2)(ii)(B); 45 C.F.R. Section 164.308(b)]. BA shall comply with the policies and procedures and documentation requirements of the Security Rule, including, but not limited to, 45 C.F.R. Section 164.316. [42 U.S.C. Section 17931]
- f. **Business Associate's Subcontractors and Agents.** BA shall ensure that any Subcontractors or agents that create, receive, maintain, or transmit Protected Information on behalf of BA agree *in writing* to the same restrictions and conditions that apply to BA with respect to such Protected Information and implement the safeguards required under paragraph 2e above with respect to Electronic Protected Health Information [45 C.F.R. Section 164.504(e)(2)(ii)(D); 45 C.F.R. Section 164.308(b)]. BA shall implement and maintain sanctions against agents and Subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation (45 C.F.R. Sections 164.5300 and 164.530(e)(1)). Such written arrangement shall include, without limitation the duty to notify BA of the Discovery of any suspected or actual access, use, or disclosure of Protected Information not permitted by the Contract, this BAA, or applicable Health Information Laws without unreasonable delay and in no event later than *two (2) business days* after Discovery.

- g. **Access to Protected Information.** If the BA maintains a Designated Record Set on behalf of CE, BA shall make Protected Information maintained by BA or its agents or Subcontractors in Designated Record Sets available to CE for inspection and copying within *five (5) days* of a request by CE to enable CE to fulfill its obligations under state law [Health and Safety Code Section 123110] and the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.524 [45 C.F.R. Section 164.504(e)(2) (ii)(E)]. If BA maintains Protected Information in electronic format, BA shall provide such information in electronic format as necessary to enable CE to fulfill its obligations under the HITECH Act and HIPAA Regulations, including, but not limited to, 42 U.S.C. Section 17935(e) and 45 C.F.R. Section 164.524.
- h. **Amendment of PHI.** If the BA maintains a Designated Record Set on behalf of CE, within *ten (10) days* of a request by CE for an amendment of Protected Information or a record about an individual contained in a Designated Record Set, BA and its agents and Subcontractors shall make such Protected Information available to CE for amendment and incorporate any such amendment or other documentation to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.526. If an individual requests an amendment of Protected Information directly from BA or its agents or Subcontractors, BA must notify CE in writing within *five (5) days* of the request and of any approval or denial of amendment of Protected Information maintained by BA or its agents or Subcontractors [45 C.F.R. Section 164.504(e)(2)(ii)(F)].
- i. **Accounting of Disclosures.** Promptly upon any disclosure of Protected Information for which CE is required to account to an individual, BA and its agents and Subcontractors shall make available to CE the information required to provide an accounting of disclosures to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528, and the HITECH Act, including but not limited to 42 U.S.C. Section 17935(c), as determined by CE. BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents and Subcontractors for at least six (6) years prior to the request. However, accounting of disclosures from an Electronic Health Record for treatment, payment or health care operations purposes are required to be collected and maintained for only three (3) years prior to the request, and only to the extent that BA maintains an Electronic Health Record. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. If a patient submits a request for an accounting directly to BA or its agents or Subcontractors, BA shall within *five (5) days* of the request forward it to CE in writing.
- j. **Governmental Access to Records.** BA shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to CE and to the Secretary of the U.S. Department of Health and Human Services (the "**Secretary**") for purposes of determining BA's compliance with HIPAA [45 C.F.R. Section 164.504(e)(2)(ii)(I)]. BA shall provide CE a copy of any Protected Information and other documents and records that BA provides to the Secretary concurrently with providing such Protected Information to the Secretary.
- k. **Minimum Necessary.** BA, its agents and Subcontractors, shall request, use and disclose only the minimum amount of Protected Information necessary to accomplish the purpose of the request, use or disclosure. [42 U.S.C. Section 17935(b); 45 C.F.R. Section 164.514(d)] BA understands and agrees that the definition of "minimum necessary" is in flux and shall keep itself informed of guidance issued by the Secretary with respect to what constitutes "minimum necessary."

- l. **Data Ownership.** Except as otherwise agreed in writing by the parties: (i) BA has no ownership rights with respect to the Protected Information; and (ii) BA shall have no right to compile or distribute any statistical analysis or report utilizing such Protected Information, any aggregate information derived from such Protected Information, or any other Protected Information obtained from CE.
- m. **Business Associate's Insurance.** BA shall obtain insurance for itself and all its employees, agents, and independent contractors in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) annual aggregate if Commercial General Liability insurance and Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) annual aggregate of Errors and Omissions insurance. The Errors and Omissions insurance shall cover, among other things, Breaches. BA shall provide CE with certificates of insurance or other written evidence of the insurance policy or policies required herein prior to execution of this BAA (or shortly thereafter as is practicable) and as of each annual renewal of such insurance policies during the period of such coverage. Further, in the event of any modification, termination, expiration, non-renewal or cancellation of any such insurance policies, BA shall give written notice thereof to CE not more than ten (10) days following BA's receipt of such notification.
- n. **Reporting Improper Access, Use or Disclosure.**
 1. **Initial Report; Corrective Actions.** BA shall provide an initial telephone report to CE's Privacy Officer within *twenty-four (24)* hours of any suspected or actual Breach of Protected Information; any use or disclosure of Protected Information not permitted by the Contract or BAA; any security incident (i.e., any attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system) related to Protected Information, or any actual or suspected use or disclosure of data in violation of the Contracts, the BAA or applicable Health Information Laws. BA shall take (i) prompt corrective action to cure any deficiencies that led to such unauthorized access, use, or disclosure; and (ii) any action pertaining to unauthorized uses or disclosures required by applicable federal and state laws. [42 U.S.C. Section 17921; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)]. CE shall make the determination whether notification to the patient is necessary.
 2. **Reporting Breaches of Unsecured PHI.** Without limiting Section 1, following the Discovery of any actual or suspected Breach of Unsecured PHI, BA also shall notify CE's Privacy Officer *in writing* of such Breach without unreasonable delay and in no case later than *three (3) business days* after Discovery. The notice shall include, to the extent possible, (i) a brief description of what happened, including the date of the breach and the date of the Discovery of the Breach, (ii) the identification of each individual whose Unsecured Protected Information has been, or is reasonably believed by the business associate to have been, accessed, acquired, used, or disclosed, (iii) a description of the types of Unsecured PHI that were involved in the breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, etc.); (iv) any steps individuals should take to protect themselves from potential harm resulting from the Breach; (v) a brief description of what BA is doing to investigate the Breach, to mitigate harm to individuals, and to protect against any further breaches; and (vi) contact procedures for individuals to ask questions learn additional information, which shall include a toll free telephone number, an e-mail address, website, or postal address, as well as any other available information that CE is required to include in notification to the individual, the media, the Secretary, and any other entity under the Breach Notification Rule and any other applicable state or federal laws, including, but not limited, to 45 C.F.R. Section 164.404 through 45 C.F.R. Section 164.408, at the time of the notification required by this paragraph or promptly thereafter as information

becomes available. BA also shall provide written updates to CE regarding the information specified above promptly as new information becomes available.

3. **Cost of Notification.** BA shall pay the actual, reasonable costs of CE to provide the notifications required under this Section that relate to Breaches, to the extent: (i) such PHI is in BA's possession, custody, or under BA's control at the time of the Breach and (ii) such Breach does not arise out of or in connection with CE's failure to comply with applicable Health Information Laws, including, without Limitation, CE's failure to implement appropriate Administrative, Technical, and Physical Safeguards with respect to any Protected Information which CA and CE exercise shared possession, custody or control.
- o. **Breach Pattern or Practice by Business Associate's Subcontractors and Agents.** Pursuant to 42 U.S.C. Section 17934(b) and 45 C.F.R. Section 164.504(e)(1)(ii), if the BA knows of a pattern of activity or practice of a Subcontractor or agent that constitutes a material breach or violation of the Subcontractor or agent's obligations under the Contract, this BAA or other arrangement, the BA must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the BA must terminate the contract with the Subcontractor or agent if feasible. BA shall provide written notice to CE of any pattern of activity or practice of a Subcontractor or agent that BA believes constitutes a material breach or violation of the Subcontractor or agent's obligations under the Contract, BAA or other arrangement within *twenty-four hours (24)* of Discovery and shall meet with CE to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.
- p. **Mitigation.** BA shall mitigate, to the extent practicable and at BA's expense, any harmful effect that is known to BA of access, use, or disclosure of Protected Information not authorized by the Contract, this BAA, or applicable Health information Laws.
- q. **Audits, Inspection and Enforcement.** Within *ten (10) days* of a request by CE, BA and its agents and Subcontractors shall allow CE or its agents or Subcontractors to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of Protected Information pursuant to this BAA for the purpose of determining whether BA has complied with this BAA or maintains adequate security safeguards; provided, however, that (i) BA and CE shall mutually agree in advance upon the scope, timing and location of such an inspection, (ii) CE shall protect the confidentiality of all confidential and proprietary information of BA to which CE has access during the course of such inspection; and (iii) CE shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by BA. The fact that CE inspects, or fails to inspect, or has the right to inspect, BA's facilities, systems, books, records, agreements, policies and procedures does not relieve BA of its responsibility to comply with this BAA, nor does CE's (i) failure to detect or (ii) detection, but failure to notify BA or require BA's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of CE's enforcement rights under the Contract or BAA. BA shall notify CE within *five (5) days* of learning that BA has become the subject of an audit, compliance review, or complaint investigation by the Office for Civil Rights or other state or federal government entity.

3. Termination

- a. **Material Breach.** A breach by BA of any provision of this BAA, as determined by CE, shall constitute a material breach of the Contract and shall provide grounds for *immediate* termination of the Contract, any provision in the Contract or separate written agreement to the contrary notwithstanding. [45 C.F.R. Section 164.504(e)(2)(iii)].
- b. **Judicial or Administrative Proceedings.** CE may terminate the Contract, effective immediately, if (i) BA is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the BA has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has been joined.
- c. **Effect of Termination.** Upon termination of the Contract for any reason, BA shall, at the option of CE, return or destroy all Protected Information that BA and its agents and Subcontractors still maintain in any form, and shall retain no copies of such Protected Information. If return or destruction is not feasible, as determined by CE, BA shall continue to extend the protections and satisfy the obligations of Section 2 of this BAA to such information, and limit further use and disclosure of such PHI to those purposes that make the return or destruction of the information infeasible [45 C.F.R. Section 164.504(e)(ii)(2)(J)]. If CE elects destruction of the PHI, BA shall certify in writing to CE that such PHI has been destroyed in accordance with the Secretary's guidance regarding proper destruction of PHI.

4. Indemnification.

To the extent permitted by law, BA shall indemnify, defend, and hold harmless CE from any and all liability, claim, penalty, lawsuit, injury, loss, expense or damage resulting from or relating to the acts or omissions of BA in connection with the representations, duties, and obligations of BA under this BAA. Any limitation of liability contained in the BAA shall not apply to the indemnification requirement of this provision. This Section shall survive the termination of this BAA.

5. Amendment to Comply with Law.

The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Contract or BAA may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations and other applicable state or federal laws relating to the security or confidentiality of PHI. The parties understand and agree that CE must receive satisfactory written assurance from BA that BA will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this BAA embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable laws. CE may terminate the Contract upon thirty (30) days written notice in the event (i) BA does not promptly enter into negotiations to amend the Contract or BAA when requested by CE pursuant to this section or (ii) BA does not enter into an amendment to the Contract or BAA providing assurances regarding the safeguarding of PHI that CE, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

6. Litigation or Administrative Proceedings

BA shall notify CE within *forty-eight (48) hours* of any litigation or administrative proceedings commenced against BA or its agents or Subcontractors. In addition, BA shall make itself and any Subcontractors, employees and agents assisting BA in the performance of its obligations under the Contract or BAA, available to CE, at no cost to CE, to testify as a witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its directors, officers or employees based upon a claimed violation of HIPAA, the

HITECH Act, the HIPAA regulations, or other state or federal laws relating to security and privacy, except where BA or its subcontractor, employee or agent is a named adverse party.

7. No Third-Party Beneficiaries

Nothing express or implied in the Contract or this BAA is intended to confer, nor shall anything herein confer upon any person other than CE, BA and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

8. Assistance in Litigation. BA shall make itself and any Subcontractors, employees, or agents assisting BA in the performance of its obligations under the Contract or this BAA available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its directors, officers, agents, or employees based upon a claim of violation of Health Information Laws, except where BA or its Subcontractor is named as an adverse party.

9. Notices

All notices hereunder shall be in writing, delivered personally, by certified or registered mail, return receipt requested, or by overnight courier, and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, postage prepaid, or deposited with the overnight courier addressed as follows:

If to CE: Sonoma Valley Hospital
 347 Andrieux Street
 Sonoma CA 95476
 Attention: President and CEO

If to BA: _____

Or to other such persons or places as either party may from time to time designate by written notice to the other in accordance with this Section.

10. Interpretation

The provisions of this BAA shall prevail over any provisions in the Contract that may conflict or appear inconsistent with any provision in this BAA. This BAA and the Contract shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the HIPAA regulations, and other state and federal laws related to security and privacy. The parties agree that any ambiguity in this BAA shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, the HIPAA regulations, and other state and federal laws related to security and privacy. Except as specifically required to implement this BAA, or to the extent inconsistent with this BAA, all other terms of the Contract shall remain in effect.

11. Entire Agreement of the Parties

This BAA supersedes any and all prior and contemporaneous business associate agreements or addenda between the parties and constitutes the final and entire agreement between the parties with respect to the subject matter hereof. No representations, inducements, promises, or agreements, oral or otherwise, with respect to the subject matter hereof, have been made by either party, or by anyone acting on behalf of either party, which are not embodied herein. No other agreement, statement or promise, with respect to the subject matter hereof, not contained in this BAA shall be valid or binding.

12. Regulatory References.

A reference in this BAA to a section of regulations means the section as in effect or as amended, and for which compliance is required.

13. Identity Theft Program Compliance.

If CE is required to comply with the “Identity Theft Red Flags and Address Discrepancies under the Fair and Accurate Credit Transactions Act of 2003,” as promulgated and enforced by the Federal Trade Commission [16 C.F.R. Part 6781] (“Red Flag Rule”), then to the extent BA is performing an activity in connection with one or more “covered accounts” (as defined in the Red Flags Rule) pursuant to the Contract, BA shall establish and comply with its own reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identifying theft, which shall be consistent with and no less stringent than those required under the Red Flag Rule or the policies and procedures of CE’s Red Flag Program. BA shall provide its services pursuant to the Contract in accordance with such policies and procedures. BA shall report any detected “red flags” (as defined in the Red Flags Rule) to CE and shall, in cooperation with CE, take appropriate steps to prevent or mitigate identity theft.

14. Counterparts.

This BAA may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this BAA as of the Effective Date.

COVERED ENTITY
SONOMA VALLEY
HEALTH CARE DISTRICT

BUSINESS ASSOCIATE

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



To: Sonoma Valley Hospital Board of Directors
From: Benjamin Armfield, CFO
Date: June 2, 2022
Subject: DRAFT Fiscal Year 2023 Budget for July 1, 2022 through June 30, 2023

OVERVIEW:

Fiscal Year 2022 has seen continued growth in patient volumes, particularly in the outpatient setting. While our inpatient volumes are basically flat year over year, they continue to be lower than what the hospital had been running pre-pandemic. However, we have seen significant volume growth in our outpatient volumes over this past fiscal year to the point where they now exceed pre-pandemic levels. Year to date through April, our outpatient surgical volumes and total outpatient visits are 4% and 17% above prior year, respectively.

We anticipate this trend continuing into FY 2023 and our budget methodology reflects that approach. Similar to the prior year, we used current year volume and expense trends from July through January as our baseline, and then adjusted based on anticipated impact of key strategic initiatives and known external factors. Overall, we are expecting further volume growth in our outpatient business lines while maintaining current volume levels on the inpatient side.

FY 2023 will certainly be a significant year for Sonoma Valley Hospital. While we continue to work on numerous strategic priority initiatives that focus on program growth and further alignment with our patients and physician partners in the community, we are about to kick-off one of the biggest initiatives to date which is the implementation of our new electronic medical record platform, Epic. This is a critical, foundational item that is needed to support our vision of growth and enhanced coordination of care for patients in our community. The conversion to Epic is reflected in the upcoming fiscal year's budget in respect to cost. However, no budgetary considerations were made if the hospital experiences any disruption, operationally and/or financially, caused by the conversion itself. While the hospital will make every effort to minimize any potential disruption, it is a variable that could impact financial results during this next fiscal year.

Another key operational initiative that will have an impact on next year's results is our compensation market analysis we are in the process of completing with a consultative third-party. This will help us understand where we are positioned in the market as well as provide direction on where we need to make strategic adjustments – specifically in addressing ongoing recruitment and retention challenges of certain hard to fill positions. Preliminary work on this analysis is being completed but the overall project is still ongoing, so any funding put into the FY 2023 budget for this initiative is an estimate. Currently, we have placed an additional \$240,000 in next year's budget to provide funding for these potential market adjustments.

ASSUMPTIONS:

The Draft FY 2023 Budget is presented with the following assumptions included:

- Volumes are annualized based on the seven-month period of July 2021 through January 2022
- Inpatient volumes projected to remain flat with our current run-rate
- Outpatient volumes projected to increase (*Outpatient Surgery +5%, Emergency Room Visits +3%*)



- Gross revenue includes a 6% price increase with a projected 2% increase in net revenue
- Contractual discounts and bad debt are based upon current experiences and are also adjusted for the price increase
- Government supplemental payments (IGT) are budgeted per current information from the Department of Health Care Services and the District Hospital Leadership Forum (DHLF)
- 2% global salary increase beginning January 2023
- Additional \$240,000 for anticipated salary market adjustments
- Successful conversion of electronic medical record conversion to Epic

What is NOT currently included in the Draft FY 2023 Budget that present operational risks moving into next fiscal year:

- Any operational and/or financial impact due to anticipated disruption caused by Epic EMR conversion
- Any additional operational and/or financial impact due to potential adverse changes caused by ongoing pandemic
- Additional compensation market adjustments that are deemed necessary based on benchmark data analysis

BOTTOM LINE:

The budgeted operating loss for FY 2023 is currently (\$6,368,291). This is an improvement of \$1,036,450 when compared to the projected fiscal year 2022 operating loss of (\$7,404,741). The FY 2023 budget also reflects a net income after non-operating revenue and expenses of \$5,141,954 and an EBDA of 0.0%. This is compared to the projected fiscal year-end 2022 income of \$1,077,275 and EBDA of 0.5%.

So overall, despite FY23 presenting quite a few challenges for us - the implementation of a new electronic medical record, needed incremental investments in human capital, and continued navigation of disruptions caused by the ongoing pandemic, we are still budgeting a financial improvement in operations. We are confident that we will achieve these improvements and along with a successful implementation of Epic, be better positioned for continued improvement and success into FY24 and beyond.

ATTACHMENTS:

- Initial FY 2023 Budget Assumptions
- Attachment A - DRAFT FY 2023 Budget
- Attachment B – FY 2022 Projected Actual as Compared to DRAFT FY 2023 Budget with Variance
- Attachment C – Schedule of Variance Analysis of FY 2022 Projected to FY 2023 Draft Budget
- Attachment D – Draft FY 2023 Budget – Schedule of Payer Mix
- Attachment E – Draft FY 2023 Budget – Cash Forecast

**Sonoma Valley Healthcare District
Statement of Revenue and Expenses
FY 2023 DRAFT Budget
July 1, 2022 through June 30, 2023**

Schedule A

DRAFT

FY 2023 Budget

Volume Information

Acute Discharges	758
Patient Days	3,153
Emergency Room Visits	9,180
Surgeries - Inpatient	155
Surgeries - Outpatient	1,270
Special Procedures	724
Gross O/P Revenue (000's)	\$ 237,348

Financial Results

Projected Gross Patient Revenue

Inpatient	\$ 72,509,527
Outpatient	146,896,344
Emergency	90,451,256
Total Projected Gross Patient Revenue	\$ 309,857,127

Projected Deductions from Revenue

Contractual Discounts	\$ (260,391,979)
Bad Debt	(2,400,000)
Charity Care Provision	(94,534)
Prior Period Adj/Government Program Revenue	6,737,099
Total Projected Deductions from Revenue	\$ (256,149,414)

Projected Net Patient Service Revenue

\$ 53,707,713

Other Op Revenue

\$ 1,256,685

Projected Total Operating Revenue

\$ 54,964,398

Projected Operating Expenses

Salary and Wages and Agency Fees	\$ 23,688,405
Employee Benefits	8,512,010
Total People Cost	\$ 32,200,415
Med and Prof Fees (excl Agency)	7,063,851
Supplies	7,506,701
Purchased Services	5,433,710
Depreciation	2,749,025
Utilities	1,517,121

**Sonoma Valley Healthcare District
Statement of Revenue and Expenses
FY 2023 DRAFT Budget
July 1, 2022 through June 30, 2023**

Schedule A

	DRAFT
	<u>FY 2023 Budget</u>
Insurance	634,002
Interest	197,713
Other	1,510,290
Matching Fees (Government Programs)	2,519,861
Projected Operating expenses	\$ 61,332,689
Projected Operating Margin	\$ (6,368,291)
Projected Non Operating Rev and Expense	
Miscellaneous Revenue/(Expenses)	\$ (157,714)
Donations	
Parcel Tax Assessment Rev	3,800,000
Projected Total Non-Operating Rev/Exp	\$ 3,642,286
Net Income / (Loss) prior to Restricted Contributions	\$ (2,726,005)
Restricted Foundation Contributions	\$ 5,923,121
Net Income / (Loss) w/ Restricted Contributions	\$ 3,197,116
GO Bond Tax Assessment, Net	1,944,838
Projected Net Income/(Loss) w GO Bond Activity	\$ 5,141,954
Projected EBDA - Not including Restricted Contributions	\$ 23,020 0.0%
Productive FTE'S	218.6
Non-Productive FTE's	23.0
Total FTE's	241.6

Sonoma Valley Healthcare District
Statement of Revenue and Expenses
FY 2022 Projected Actual as compared to FY 2023 Draft Budget

Schedule B

	Projected Actual	DRAFT	Variance	
	FY 2022	Budget FY 2023	\$	%
Volume Information				
Acute Discharges	758	758	0	0.0%
Patient Days	3,152	3,153	1	0.0%
Emergency Room Visits	8,934	9,180	246	2.8%
Surgeries - Inpatient	155	155	0	0.0%
Surgeries - Outpatient	1,214	1,270	56	4.6%
Special Procedures	717	724	7	1.0%
Gross O/P Revenue (000's)	\$ 220,135	\$ 237,348	\$ 17,212	7.8%
Financial Results				
Projected Gross Patient Revenue				
Inpatient	\$ 68,415,065	\$ 72,509,527	\$ 4,094,462	6.0%
Outpatient	133,696,871	146,896,344	13,199,473	9.9%
Emergency	86,438,284	90,451,256	4,012,972	4.6%
Total Projected Gross Patient Revenue	\$ 288,550,220	\$ 309,857,127	\$ 21,306,907	7.4%
Projected Deductions from Revenue				
Contractual Discounts	\$ (241,932,611)	\$ (260,391,979)	\$ (18,459,368)	7.6%
Bad Debt	(2,100,000)	(2,400,000)	(300,000)	14.3%
Charity Care Provision	(134,222)	(94,534)	39,688	-29.6%
Prior Period Adj/Government Program Revenue	5,095,052	6,737,099	1,642,047	32.2%
Total Projected Deductions from Revenue	\$ (239,071,781)	\$ (256,149,414)	\$ (17,077,633)	7.1%
Projected Net Patient Service Revenue	\$ 49,478,439	\$ 53,707,713	\$ 4,229,274	8.5%
Other Op Revenue	\$ 1,109,422	\$ 1,256,685	\$ 147,263	13.3%
Projected Total Operating Revenue	\$ 50,587,861	\$ 54,964,398	\$ 4,376,537	8.7%
Projected Operating Expenses				
Salary and Wages and Agency Fees	\$ 22,098,451	\$ 23,688,405	\$ 1,589,954	7.2%
Employee Benefits	8,329,892	8,512,010	182,118	2.2%
Total People Cost	\$ 30,428,343	\$ 32,200,415	\$ 1,772,072	5.8%
Med and Prof Fees (excl Agency)	6,783,529	7,063,851	280,322	4.1%
Supplies	7,400,054	7,506,701	106,647	1.4%
Purchased Services	5,108,353	5,433,710	325,357	6.4%
Depreciation	2,835,554	2,749,025	(86,529)	-3.1%
Utilities	1,462,049	1,517,121	55,072	3.8%
Insurance	608,523	634,002	25,479	4.2%
Interest	200,238	197,713	(2,525)	-1.3%
Other	1,397,478	1,510,290	112,812	8.1%
Matching Fees (Government Programs)	1,768,481	2,519,861	751,380	42.5%
Projected Operating expenses	\$ 57,992,602	\$ 61,332,689	\$ 3,340,087	5.8%
Projected Operating Margin	\$ (7,404,741)	\$ (6,368,291)	\$ 1,036,450	-14.0%

**Sonoma Valley Healthcare District
Statement of Revenue and Expenses
FY 2022 Projected Actual as compared to FY 2023 Draft Budget**

Schedule B

	Projected Actual FY 2022	DRAFT Budget FY 2023	Variance	
			\$	%
Projected Non Operating Rev and Expense				
Miscellaneous Revenue/(Expenses)	\$ 1,004,652	\$ (157,714)	\$ (1,162,366)	-115.7%
Donations				
Parcel Tax Assessment Rev	3,800,000	3,800,000	0	0.0%
Projected Total Non-Operating Rev/Exp	\$ 4,804,652	\$ 3,642,286	\$ (1,162,366)	-24.2%
Net Income / (Loss) prior to Restricted Contributions	\$ (2,600,089)	\$ (2,726,005)	\$ (125,916)	4.8%
Restricted Foundation Contributions	\$ 1,697,707	\$ 5,923,121	\$ 4,225,414	248.9%
Net Income / (Loss) w/ Restricted Contributions	\$ (902,382)	\$ 3,197,116	\$ 4,099,498	-454.3%
GO Bond Tax Assessment, Net	1,979,657	1,944,838	(34,819)	-1.8%
Projected Net Income/(Loss) w GO Bond Activity	\$ 1,077,275	\$ 5,141,954	\$ 4,064,679	377.3%
Projected EBDA - Not including Restricted Contributions	\$ 235,465 0.5%	\$ 23,020 0.0%	\$ (212,445) -0.4%	-90.2%
Productive FTE'S	205.9	218.6	12.7	6.2%
Non-Productive FTE's	21.2	23.0	1.8	8.3%
Total FTE's	227.1	241.6	14.5	6.4%

Sonoma Valley Healthcare District
Schedule of Variance Analysis of FY 2022 Projected to FY 2023 Draft Budget
FY 2023 Budget - DRAFT
July 1, 2022 through June 30, 2023

Schedule C

DRAFT

Variance Analysis

Significant Variances of FY 2022 Projected Actual to FY 2023 Budget:

Projected Revenue Variance:

Increase in GI procedures beginning in January 2023		
Projected Gross Revenue	433,552	
Projected Revenue Deductions	<u>(366,885)</u>	66,667
Increase in outpatient CT volume beginning in October 2022		
Projected Gross Revenue	313,126	
Projected Revenue Deductions	<u>(267,589)</u>	45,537
6% Price increase with a projected 2.0% increase in Net Revenue		
Projected Gross Revenue	18,282,115	
Projected Revenue Deductions	<u>(17,164,940)</u>	1,117,175
OP net revenue increase over projected FY 2022		
		1,357,848
Adjustment to gross Intergovernmental Transfer Program (IGT) based on current information.		
		<u>1,642,047</u>
Projected Net Patient Service Revenue - Variance		4,229,274
Increase to shared services revenue - Valley of the Moon Post Acute	60,941	
Increase to Café sales per Forefront management contract	52,272	
Other operating revenue adjustments	<u>34,050</u>	147,263
Projected Total Operating Revenue - Variance		4,376,537

Projected Expense Variance:

Salary and Wages and Agency Fees - Variance:

2% Salary increase - January 2023	215,800	
Salary and Wages labor funds to reflect increase in wage rates per analysis	240,000	
Increase of 14.5 FTE's to reflect current open positions and positions currently filled that reflect current staffing needs as well as an additional 0.7 FTE's (\$70,000) for Epic training time.	868,588	
Dietary contracted labor (Forefront) for director and executive chef	275,000	
Other net reductions in agency and contracted labor costs	<u>(9,434)</u>	1,589,954

Employee Benefits Variance:

Employee Benefits - Reduction in PTO due from FTE's moved to contracted labor and agency	(303,480)	
Employee Benefits - 10% Increase in cost of health benefits at January 2023	<u>485,598</u>	182,118

Total People Cost - Variance

1,772,072

Medical and Professional Fees Variance:

UCSF Management Costs (CEO, CFO, CMO, & IT Directory) - reflects full year of full time CFO and IT director	216,649	
Quality Department - Professional fees for data abstraction services	78,312	
Other department adjustments to professional fees, net	<u>(14,639)</u>	280,322

Supplies, Net Variance

106,647

Purchased Services Variance:

Plant Operations - Expected increase in R&M costs and Biomedical equipment contract	105,853	
IT - increase reflects 7 months of Epic costs with an overlap of Paragon contracted costs and offset by contracts being replaced by Epic	283,135	
Other department adjustments to purchased services, net	<u>(63,631)</u>	325,357

Depreciation - Net Variance

(86,529)

Utilities - Expected increases with PG&E

55,072

Insurance - Net Variance

25,479

Interest - Net Variance

(2,525)

Other Costs Variance:

Public Relations increase in Advertising related to the ODC and strategic planning	24,448	
Dietary - Other costs related to Forefront dietary management	19,646	
Other department adjustments, net (rent increases, rental equipment, taxes & licenses, etc..)	<u>68,718</u>	112,812

Matching Fees (Government Programs)-Variance

751,380

Projected Operating expenses - Variance

3,340,087

Projected Operating Margin - Variance

1,036,450

**Sonoma Valley Health Care District
 Schedule of Payer Mix
 DRAFT FY 2023 Budget
 July 1, 2022 through June 30, 2023**

Schedule D

	DRAFT	ACTUAL
	FY 2023 Budget	FY 2022
	<u>July 1, 2022 - June 30, 2023</u>	<u>July 1, 2022 - April 30, 2022</u>
Medicare	37.2%	36.8%
Medicare Managed Care	16.7%	17.7%
Medi-Cal	16.7%	16.6%
Self Pay	1.8%	1.6%
Commercial & Other Government	24.7%	24.3%
Worker's Comp.	2.9%	3.0%
	100.0%	100.0%

**Sonoma Valley Health Care District
Cash Forecast - DRAFT FY 2023 Budget**

Schedule E

**DRAFT
FY 2023 Budget
July 1, 2022 - June 30, 2023**

Hospital Operating Sources		
1	Patient Payments Collected	46,840,575
2	Other Operating Revenue	1,256,685
3	Other Non-Operating Revenue	136,529
4	Unrestricted Contributions	
5	Line of Credit	-
	Sub-Total Hospital Sources	48,233,789
Hospital Uses of Cash		
6	Operating Expenses	56,221,606
7	Add Capital Lease Payments	
8	Additional Liabilities	
9	Capital Expenditures	10,263,121
10	Line of Credit	
	Total Hospital Uses	66,484,727
	Net Hospital Sources/Uses of Cash	(18,250,938)
Non-Hospital Sources		
11	Restricted Cash/Capital Donations	5,923,121
12	Parcel Tax Revenue	3,800,000
13	Other:	
14	IGT /AB 915 IGT	6,737,099
	Sub-Total Non-Hospital Sources	16,460,220
Non-Hospital Uses of Cash		
16	Matching Fees	2,519,861
	Sub-Total Non-Hospital Uses of Cash	2,519,861
	Net Non-Hospital Sources/Uses of Cash	13,940,359
	Net Sources/Uses	(4,310,579)
	Cash at beginning of period (Includes MM)	9,523,589
	Cash at end of period	5,213,010
	Projected Days of Cash on Hand at Beginning of period	63.92
	Budgeted Days of Cash on Hand at end of period	33.84

Line 9 - Capital expenditures include \$5.9M in ODC costs funded by capital donations from the SVHF, \$2.8M for Epic implementation costs, \$1.2M MRI costs over the ODC budget, and \$342,000 of additional capital expenditures as outlined on the estimated capital spending plan for FY23.

*Cash forecast does not include any additional funding sources for Epic and/or MRI project that may occur during FY 2023

Sonoma Valley Hospital
Capital Spending Plan (FY22-FY31)

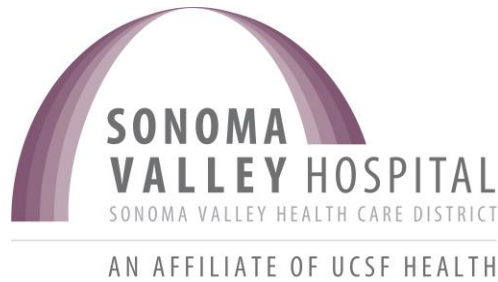
Capital Spending Plan Summary

Category	Project/Equipment	Notes	Projected Cost	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 - 2031
Information Technology	EHR Implementation - CT Epic	Epic & implementation costs	\$ 3,500,000	\$ 702,000	\$ 2,798,000			
Physical Plant	Air Handler & Exhaust Fan - Replacement		\$ 3,100,000					\$ 3,100,000
Equipment	MRI	Addtl costs over ODC budget - Current cost is an estimate	\$ 1,200,000		\$ 1,200,000			
Physical Plant	Elevators - NPC Compliance - Replace jacks/doors	2030 Seismic	\$ 550,000					\$ 550,000
Information Technology	Enterprise Resource Planning (ERP) Implementation	New ERP - Cost is currently an estimate	\$ 500,000			\$ 250,000	\$ 250,000	
Physical Plant	Security Access - Exterior doors		\$ 250,000				\$ 250,000	
Equipment	Kitchen - Cooking & Serving Table		\$ 85,000		\$ 85,000			
Facility Improvement	GI Suite - Medivator compliance	To bring medivator room to compliance	\$ 82,720	\$ 82,720				
Equipment	Surgical trays	Cost is currently estimated - need to refine	\$ 60,000		\$ 60,000			
Equipment	MRI patient monitor		\$ 60,000		\$ 60,000			
Equipment	EKG Machines - 4	Replacement (End of Life)	\$ 52,000		\$ 52,000			
Equipment	Cataract Surgery Equipment	Cost is currently estimated - need to refine	\$ 50,000		\$ 50,000			
Physical Plant	Pipes - replacement (East Wing) corroded	Split with Ensign	\$ 25,000		\$ 25,000			
Equipment	Electric Parallel Bars		\$ 10,000		\$ 10,000			
Equipment	Nursing - Hovermat		\$ 5,898	\$ 5,898				
TOTAL PROPOSED CAPITAL SPENDING			\$ 9,530,618	\$ 790,618	\$ 4,340,000	\$ 250,000	\$ 500,000	\$ 3,650,000

Capital Items Needing Further Due Diligence

Items below have been identified as a potential capital need but require further vetting and/or prioritization prior to earmarking in future fiscal years

Category	Project/Equipment	Notes	Projected Cost	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 - 2031
Physical Plant	Cooling - Back-up power - New Wing	New wing vulnerable during power outages	\$ 550,000					
Equipment	Space Lab Monitors (qty. 26)	Incorporate telemetry system?	\$ 500,000					
Facility Improvement / Compliance	Pharmacy Clean Room - USP 797/800	Only if code required	\$ 450,000					
Information Technology	Network Switch - Replacement - Core A1	Annual Investment - \$100,000	\$ 400,000					
Equipment	Nursing - 10 Defibrillators	End of life - Foundation ?	\$ 180,000					
Seismic	Structural - SPC4D Compliance, Analysis	OSHDP 2024	\$ 150,000					
Seismic	Anchorage - NPC Assessment		\$ 120,000					
Equipment	Various Equipment for PT Expansion		\$ 110,000					
Equipment	Ventilators - 2	End of life - Patient safety	\$ 67,000					
Physical Plant	Sewer pumps in the basement		\$ 40,000					
Equipment	Various Equipment for PT Gym	Treadmills(x2), Stationary Bikes(x2), NuSteps(x2)	\$ 35,000					
Equipment	Modlink	Radiology	\$ 34,000					
Facility improvement	Medivator	End of life	\$ 33,000					
Equipment	Bi Pap Machines - 2	End of life - Patient safety	\$ 30,000					
Equipment	3-bay sink (surgery)	Would need HCAI	\$ 23,000					
Equipment	Kitchen - Pass-thru warming cabinet	Need to get further info./Forefront	\$ 10,000					
Seismic	Anchorage - NPC Compliance - 2030	Waiting for estimate	TBD					
Facility Improvement	Lab Remodel		TBD					
Seismic	SPC Exception	OSHDP Compliance	TBD					
Information Technology	Paging System - Conversion	Waiting for estimate	TBD					
TOTAL CAPITAL NEEDING DUE DILLIGENCE			\$ 2,732,000	\$ -	\$ -	\$ -	\$ -	\$ -
GRAND TOTAL			\$ 12,262,618	\$ 790,618	\$ 4,340,000	\$ 250,000	\$ 500,000	\$ 3,650,000



To: SVH Board of Directors
From: Benjamin Armfield, CFO
Date: June 2, 2022
Subject: Financial Report for the Month Ending April 30, 2022

For the month of April, the hospital's actual operating margin of (\$630,363) was \$82,088 or 12% favorable to the budgeted operating margin of (\$712,451). After accounting for all other activity, the net income for April was \$37,560 vs. the budgeted net income of \$326,783 with a monthly EBDA of -2.5% vs. a budgeted -3.6%.

Gross patient revenue for April was \$25,126,632, which was \$1,899,654 or 8% over budget. Inpatient gross revenue was over budget by \$990,432, or 16%. Inpatient days were over budget by 2 days and inpatient surgeries were over budget by 4 cases. Outpatient gross revenue was under budget by (\$636,790) or (6%). Outpatient visits were over budget by 179 visits or 4%, outpatient surgeries were under budget by (4) cases, and special procedures were under budget by (1) case. The Emergency Room gross revenue was over budget by \$1,546,012 or 24% with ER visits over budgeted expectations by 11% or 79 visits.

Deductions from revenue were unfavorable to budgeted expectations by (\$1,679,342) or (9%) primarily due to higher gross revenue than budgeted. The hospital received \$340,880 from Partnership Health Plan for FY 20/21 Quality Improvement Program as well as received higher than accrued AB915 Medi-Cal funds by \$16,922 and accrued \$86,362 for the 21/22 NDPH IGT that will be received before June 30th.

After accounting for all other operating revenue, the **total operating revenue** was favorable to budgeted expectations by \$257,937 or 6%.

Operating Expenses of \$4,862,769 were unfavorable to budget by (\$175,849) or (4%). Salaries and wages were under budget by \$79,981 and agency fees are over by (\$127,959). Professional fees were over budget by (\$87,142) due to higher than budgeted UCSF management costs and the unbudgeted UCSF IT director, dietary management services and chef all of which are offset with a savings in salaries. Supplies are over budget by (\$56,504) due to higher costs in laboratory for COVID testing. Purchased services are over budget by (\$91,295) due to higher than budgeted costs in Radiology and IT as well as in Human Resources for the wage analysis. Utilities are over budget due to increases with PG&E. There was a matching fee for \$41,568.



After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for April was (\$327,764) vs. a budgeted net loss of (\$394,808). In the month of April, the hospital received \$185,407 in donations from the Sonoma Valley Hospital Foundation. The total net income for April after all activity was \$37,560 vs. a budgeted net income of \$326,783.

EBDA for the month of April was -2.5% vs. the budgeted -3.6%.

Patient Volumes – April

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	80	82	-2	75
Acute Patient Days	269	267	2	281
Observation Days	6	0	6	12
OP Gross Revenue	\$17,802	\$16,893	\$909	\$17,176
Surgical Cases	119	119	0	123

Gross Revenue Overall Payer Mix – April

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	38.7%	39.6%	-0.9%	36.8%	39.7%	-2.9%
Medicare Mgd Care	20.1%	15.4%	4.7%	17.7%	15.4%	2.3%
Medi-Cal	14.9%	19.1%	-4.2%	16.6%	19.1%	-2.5%
Self Pay	1.5%	1.1%	0.4%	1.6%	1.1%	0.5%
Commercial	22.5%	21.7%	0.8%	24.3%	21.6%	2.7%
Workers Comp	2.3%	3.1%	-0.8%	3.0%	3.1%	-0.1%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for April:

For the month of April, the cash collection goal was \$3,552,564 and the Hospital collected \$3,465,906 or under the goal by (\$86,658). The year-to-date cash collection goal was \$36,995,992 and the Hospital has collected \$36,440,646 or under goal by (\$555,346).

	CURRENT MONTH	PRIOR MONTH	VARIANCE	PRIOR YEAR
Days of Cash on Hand – Avg.	59.2	58.8	0.4	32.4
Accounts Receivable Days	39.3	38.5	0.8	35.5
Accounts Payable	\$3,948,671	\$3,900,288	\$48,383	\$3,331,798
Accounts Payable Days	47.3	47.0	0.3	45.0

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 April 30, 2022

ATTACHMENT A

	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Gross Revenue:								
Medicare	9,717,644	9,174,870	542,774	5.9%	88,753,607	88,043,628	709,979	0.8%
Medicare Managed Care	5,041,277	3,582,882	1,458,395	40.7%	42,711,508	34,273,410	8,438,098	24.6%
Medi-Cal	3,745,889	4,442,411	-696,522	-15.7%	39,900,753	42,316,962	-2,416,209	-5.7%
Self Pay	379,863	255,058	124,805	48.9%	3,847,363	2,380,450	1,466,913	61.6%
Commercial & Other Government	5,667,496	5,059,042	608,454	12.0%	58,701,770	48,307,593	10,394,177	21.5%
Worker's Comp.	574,463	712,715	-138,252	-19.4%	7,203,576	6,842,634	360,942	5.3%
Total	25,126,632	23,226,978	1,899,654		241,118,577	222,164,677	18,953,900	

	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Net Revenue:								
Medicare	1,058,557	1,089,776	-31,219	-2.9%	9,946,020	10,504,628	-558,608	-5.3%
Medicare Managed Care	520,764	413,465	107,299	26.0%	4,481,338	3,930,151	551,187	14.0%
Medi-Cal	362,227	467,786	-105,559	-22.6%	4,037,812	4,425,976	-388,164	-8.8%
Self Pay	185,525	96,233	89,292	92.8%	1,574,901	898,143	676,758	75.4%
Commercial & Other Government	1,456,106	1,447,606	8,500	0.6%	15,720,435	13,879,977	1,840,458	13.3%
Worker's Comp.	89,789	131,924	-42,135	-31.9%	1,176,926	1,254,128	-77,202	-6.2%
Prior Period Adj./IGT	444,164	250,030	194,134	77.6%	5,095,053	7,085,030	-1,989,977	-28.1%
Total	4,117,132	3,896,820	220,312	5.7%	42,032,485	41,978,033	54,452	0.1%

	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Percent of Net Revenue:								
Medicare	25.7%	28.0%	-2.3%	-8.2%	23.7%	25.0%	-1.4%	-5.6%
Medicare Managed Care	12.6%	10.6%	2.0%	18.9%	10.7%	9.4%	1.3%	13.8%
Medi-Cal	8.8%	12.0%	-3.2%	-26.7%	9.6%	10.5%	-0.9%	-8.6%
Self Pay	4.5%	2.5%	2.0%	80.0%	3.7%	2.1%	1.6%	76.2%
Commercial & Other Government	35.4%	37.1%	-1.7%	-4.6%	37.4%	33.1%	4.3%	13.0%
Worker's Comp.	2.2%	3.4%	-1.2%	-35.3%	2.8%	3.0%	-0.2%	-6.7%
Prior Period Adj./IGT	10.8%	6.4%	4.4%	68.8%	12.1%	16.9%	-4.8%	-28.4%
Total	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	-0.1%	-0.1%

	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Projected Collection Percentage:								
Medicare	10.9%	11.9%	-1.0%	-8.4%	11.2%	11.9%	-0.7%	-5.9%
Medicare Managed Care	10.3%	11.5%	-1.2%	-10.4%	10.5%	11.5%	-1.0%	-8.7%
Medi-Cal	9.7%	10.5%	-0.8%	-7.6%	10.1%	10.5%	-0.4%	-3.8%
Self Pay	48.8%	37.7%	11.1%	29.4%	40.9%	37.7%	3.2%	8.5%
Commercial & Other Government	25.7%	28.6%	-2.9%	-10.1%	26.8%	28.7%	-1.9%	-6.6%
Worker's Comp.	15.6%	18.5%	-2.9%	-15.7%	16.3%	18.3%	-2.0%	-10.9%

**SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended April 30, 2022**

ATTACHMENT B

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual</u> <u>04/30/22</u>	<u>Budget</u> <u>04/30/22</u>	<u>Favorable</u> <u>(Unfavorable)</u> <u>Variance</u>		<u>Actual</u> <u>04/30/22</u>	<u>Budget</u> <u>04/30/22</u>	<u>Favorable</u> <u>(Unfavorable)</u> <u>Variance</u>	<u>Prior</u> <u>Year</u> <u>04/30/21</u>
Inpatient Utilization								
Discharges								
1	67	66	1	Med/Surg	483	602	(119)	511
2	13	16	(3)	ICU	149	153	(4)	136
3	80	82	(2)	Total Discharges	632	755	(123)	647
Patient Days:								
4	166	175	(9)	Med/Surg	1,708	1,729	(21)	1,769
5	103	92	11	ICU	924	907	17	909
6	269	267	2	Total Patient Days	2,632	2,636	(4)	2,678
7	6	-	6	Observation days	186	-	186	181
Average Length of Stay:								
8	2.5	2.7	(0.2)	Med/Surg	3.5	2.9	0.7	3.5
9	7.9	5.8	2.2	ICU	6.2	5.9	0.3	6.7
10	3.4	3.3	0.1	Avg. Length of Stay	4.2	3.5	0.7	4.1
Average Daily Census:								
11	5.5	5.8	(0.3)	Med/Surg	5.6	5.7	(0.1)	5.8
12	3.4	3.1	0.4	ICU	3.0	3.0	0.1	3.0
13	9.0	8.9	0.1	Avg. Daily Census	8.7	8.7	(0.0)	8.8
Other Utilization Statistics								
Emergency Room Statistics								
14	773	694	79	Total ER Visits	7,523	6,339	1,184	6,979
Outpatient Statistics:								
15	4,811	4,632	179	Total Outpatients Visits	46,644	45,484	1,160	39,768
16	21	17	4	IP Surgeries	124	164	(40)	165
17	98	102	(4)	OP Surgeries	1,027	979	48	991
18	43	44	(1)	Special Procedures	527	426	101	460
19	274	300	(26)	Adjusted Discharges	2,743	2,722	21	2,389
20	922	978	(56)	Adjusted Patient Days	11,461	9,485	1,975	9,847
21	30.7	32.6	(1.9)	Adj. Avg. Daily Census	37.7	31.2	6.5	32.4
22	1.4675	1.4000	0.068	Case Mix Index - Medicare	1.4467	1.4000	0.047	1.5611
23	1.4680	1.4000	0.068	Case Mix Index - All payers	1.4229	1.4000	0.023	1.4982
Labor Statistics								
24	208	214	6	FTE's - Worked	205	209	4.0	208
25	228	236	8	FTE's - Paid	227	231	4.0	228
26	48.63	45.77	(2.87)	Average Hourly Rate	46.61	45.00	(1.61)	46.72
27	7.42	7.25	(0.17)	FTE / Adj. Pat Day	6.03	7.41	1.38	7.04
28	42.3	41.3	(1.0)	Manhours / Adj. Pat Day	34.3	42.2	7.9	40.1
29	142.1	134.4	(7.7)	Manhours / Adj. Discharge	143.5	147.1	3.6	165.3
30	24.6%	24.8%	0.2%	Benefits % of Salaries	24.6%	24.7%	0.1%	22.3%
Non-Labor Statistics								
31	15.2%	14.6%	-0.6%	Supply Expense % Net Revenue	16.6%	13.4%	-3.2%	13.8%
32	2,284	1,898	(386)	Supply Exp. / Adj. Discharge	2,279	2,066	(212)	2,377
33	17,920	15,886	(2,033)	Total Expense / Adj. Discharge	18,001	17,819	(182)	20,304
Other Indicators								
34	57.5			Days Cash - Operating Funds				
35	39.3	50.0	(10.7)	Days in Net AR	41.4	50.0	(8.6)	50.1
36	97%			Collections % of Cash Goal	99%			102.4%
37	47.3	55.0	(7.7)	Days in Accounts Payable	47.3	55.0	(7.7)	46.2
38	16.4%	16.8%	-0.4%	% Net revenue to Gross revenue	15.7%	18.9%	-3.3%	20.1%
39	14.7%			% Net AR to Gross AR	14.7%			17.8%

Sonoma Valley Health Care District
Balance Sheet
As of April 30, 2022

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	\$ 2,920,110	\$ 2,856,174	\$ 2,816,185
2 Cash - Money Market	5,844,748	5,844,476	1,638,243
3 Net Patient Receivables	6,289,515	7,072,017	6,269,820
4 Allow Uncollect Accts	(1,329,479)	(2,283,478)	(979,996)
5 Net A/R	4,960,036	4,788,539	5,289,824
6 Other Accts/Notes Rec	1,735,967	1,831,571	1,624,496
7 Parcel Tax Receivable	207,928	1,665,888	185,362
8 GO Bond Tax Receivable	1,225,217	1,225,217	1,411,343
9 3rd Party Receivables, Net	212,052	495,689	5,220,366
10 Inventory	1,034,500	1,033,302	881,081
11 Prepaid Expenses	927,672	906,701	829,085
12 Total Current Assets	\$ 19,068,230	\$ 20,647,557	\$ 19,895,985
13 Property, Plant & Equip, Net	\$ 52,080,041	\$ 51,363,470	\$ 52,744,211
14 Trustee Funds - GO Bonds	4,785,913	4,785,876	4,573,552
15 Designated Funds - Board Approved	1,000,000	1,000,000	1,000,000
16 Total Assets	\$ 76,934,184	\$ 77,796,903	\$ 78,213,748
Liabilities & Fund Balances			
Current Liabilities:			
17 Accounts Payable	\$ 3,948,671	\$ 3,900,288	\$ 3,331,798
18 Accrued Compensation	4,003,079	3,850,924	3,834,359
19 Interest Payable - GO Bonds	113,609	61,714	269,178
20 Accrued Expenses	1,575,907	2,010,048	1,939,694
21 Advances From 3rd Parties	-	-	-
22 Deferred Parcel Tax Revenue	633,334	950,001	633,318
23 Deferred GO Bond Tax Revenue	463,625	695,437	551,535
24 Current Maturities-LTD	348,292	348,292	277,946
25 Line of Credit - Union Bank	5,473,734	5,473,734	5,473,734
26 Other Liabilities	1,500,767	1,569,456	252,412
27 Total Current Liabilities	\$ 18,061,018	\$ 18,859,894	\$ 16,563,974
28 Long Term Debt, net current portion	\$ 24,932,445	\$ 25,033,848	\$ 27,183,233
29 Fund Balances:			
30 Unrestricted	\$ 18,099,934	\$ 18,247,781	\$ 19,430,553
31 Restricted	15,840,787	15,655,380	15,035,988
32 Total Fund Balances	\$ 33,940,721	\$ 33,903,161	\$ 34,466,541
33 Total Liabilities & Fund Balances	\$ 76,934,184	\$ 77,796,903	\$ 78,213,748

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended April 30, 2022**

ATTACHMENT D

	Month				Volume Information	Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
1	80	82	(2)	-2%	Acute Discharges	632	755	(123)	-16%	647	
2	269	267	2	1%	Patient Days	2,632	2,636	(4)	0%	2,678	
3	6	-	6	0%	Observation Days	186	-	186	*	181	
4	\$ 17,802	\$ 16,893	\$ 909	5%	Gross O/P Revenue (000's)	\$ 185,300	\$ 160,526	\$ 24,774	15%	\$ 148,956	
					Financial Results						
					Gross Patient Revenue						
5	\$ 7,324,289	\$ 6,333,857	990,432	16%	Inpatient	\$ 55,819,037	\$ 61,639,033	(5,819,996)	-9%	\$ 55,615,311	
6	9,914,345	10,551,135	(636,790)	-6%	Outpatient	111,864,911	101,203,806	10,661,105	11%	90,264,468	
7	7,887,998	6,341,986	1,546,012	24%	Emergency	73,434,629	59,321,838	14,112,791	24%	58,971,801	
8	\$ 25,126,632	\$ 23,226,978	1,899,654	8%	Total Gross Patient Revenue	\$ 241,118,577	\$ 222,164,677	18,953,900	9%	\$ 204,851,580	
					Deductions from Revenue						
9	(21,246,664)	(19,402,617)	(1,844,047)	-10%	Contractual Discounts	\$ (202,298,420)	\$ (185,495,964)	(16,802,456)	-9%	\$ (170,458,605)	
10	(200,000)	(150,000)	(50,000)	-33%	Bad Debt	(1,800,000)	(1,500,000)	(300,000)	-20%	(1,170,000)	
11	(7,000)	(27,571)	20,571	75%	Charity Care Provision	(82,725)	(275,710)	192,985	70%	(245,743)	
12	444,164	250,030	194,134	78%	Prior Period Adj/Government Program Revenue	5,095,053	7,085,030	(1,989,977)	-28%	8,100,240	
13	\$ (21,009,500)	\$ (19,330,158)	(1,679,342)	9%	Total Deductions from Revenue	\$ (199,086,092)	\$ (180,186,644)	(18,899,448)	10%	\$ (163,774,108)	
14	\$ 4,117,132	\$ 3,896,820	220,312	6%	Net Patient Service Revenue	\$ 42,032,485	\$ 41,978,033	54,452	0%	\$ 41,077,472	
15	\$ 115,274	\$ 77,649	37,625	48%	Other Op Rev & Electronic Health Records	\$ 954,136	\$ 866,490	87,646	10%	\$ 890,687	
16	\$ 4,232,406	\$ 3,974,469	257,937	6%	Total Operating Revenue	\$ 42,986,621	\$ 42,844,523	\$ 142,098	0%	\$ 41,968,159	
					Operating Expenses						
17	\$ 1,895,708	\$ 1,847,730	(47,978)	-3%	Salary and Wages and Agency Fees	\$ 18,342,567	\$ 18,022,309	(320,258)	-2%	\$ 18,453,094	
18	683,934	705,153	21,219	3%	Employee Benefits	6,913,587	6,854,525	(59,062)	-1%	6,591,100	
19	\$ 2,579,642	\$ 2,552,883	(26,759)	-1%	Total People Cost	\$ 25,256,154	\$ 24,876,834	(379,320)	-2%	\$ 25,044,194	
20	\$ 600,120	\$ 512,978	(87,142)	-17%	Med and Prof Fees (excl Agency)	\$ 5,756,810	\$ 5,124,502	(632,308)	-12%	\$ 4,437,002	
21	626,448	569,944	(56,504)	-10%	Supplies	6,250,812	5,625,679	(625,133)	-11%	5,676,949	
22	497,233	405,938	(91,295)	-22%	Purchased Services	4,296,598	3,998,905	(297,693)	-7%	4,234,810	
23	223,988	252,880	28,892	11%	Depreciation	2,329,794	2,528,800	199,006	8%	2,553,705	
24	116,641	98,539	(18,102)	-18%	Utilities	1,238,343	1,117,855	(120,488)	-11%	1,155,093	
25	48,877	46,909	(1,968)	-4%	Insurance	514,703	469,090	(45,613)	-10%	446,384	
26	17,337	17,966	629	4%	Interest	164,303	179,660	15,357	9%	173,742	
27	110,915	103,493	(7,422)	-7%	Other	1,189,681	1,020,214	(169,467)	-17%	1,052,651	
28	41,568	125,390	83,822	-67%	Matching Fees (Government Programs)	1,643,092	2,725,390	1,082,298	-40%	2,818,574	
29	\$ 4,862,769	\$ 4,686,920	(175,849)	-4%	Operating expenses	\$ 48,640,290	\$ 47,666,929	(973,361)	-2%	\$ 47,593,104	
30	\$ (630,363)	\$ (712,451)	\$ 82,088	12%	Operating Margin	\$ (5,653,669)	\$ (4,822,406)	(831,263)	-17%	\$ (5,624,945)	

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended April 30, 2022**

ATTACHMENT D

	Month					Year-To- Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
31	\$ (14,068)	\$ 976	(15,044)	*						\$ 11,649	
32	-	-	-	0%	Miscellaneous Revenue/(Expenses)	\$ (103,106)	\$ 9,760	(112,866)	*	\$ 498	
33	-	-	-	*	Donations	26,864	-	26,864	0%	0	
34	316,667	316,667	-	0%	Physician Practice Support-Prima	-	-	-	*	3,166,670	
35	-	-	-	0%	Parcel Tax Assessment Rev	3,166,670	3,166,670	-	0%	36	
36	\$ 302,599	\$ 317,643	(15,044)	-5%	Extraordinary Items	(97,933)	-	(97,933)	0%	\$ 3,178,853	
					Total Non-Operating Rev/Exp	\$ 2,992,495	\$ 3,176,430	(86,002)	-6%		
37	\$ (327,764)	\$ (394,808)	67,044	-17%	Net Income / (Loss) prior to Restricted Contributions	\$ (2,661,174)	\$ (1,645,976)	(917,265)	56%	\$ (2,446,092)	
38	\$ -	\$ -	-	0%	Capital Campaign Contribution	\$ -	\$ -	-	0%	\$ -	
39	\$ 185,407	\$ 523,803	(338,396)	0%	Restricted Foundation Contributions	\$ 623,231	\$ 5,238,030	(4,614,799)	100%	\$ 5,741,055	
40	\$ (142,357)	\$ 128,995	(271,352)	-210%	Net Income / (Loss) w/ Restricted Contributions	\$ (2,037,943)	\$ 3,592,054	(5,629,997)	-157%	\$ 3,294,963	
41	179,917	197,788	(17,871)	-9%	GO Bond Activity, Net	1,584,084	1,971,797	(387,713)	-20%	1,854,640	
42	\$ 37,560	\$ 326,783	(289,223)	-89%	Net Income/(Loss) w GO Bond Activity	\$ (453,859)	\$ 5,563,851	(6,017,710)	-108%	\$ 5,149,603	
	\$ (103,776)	\$ (141,928)	38,152		EBDA - Not including Restricted Contributions	\$ (331,380)	\$ 882,824	(1,214,204)		\$ 107,613	
	-2.5%	-3.6%				-0.8%	2.1%			0.3%	

* Operating Margin without Depreciation expense:

\$ (630,363)	\$ (712,451)	\$ 82,088	12%	Operating Margin	\$ (5,653,669)	\$ (4,822,406)	\$ (831,263)	-17%	\$ (5,624,945)
223,988	252,880	28,892	11%	Add back Depreciation	2,329,794	2,528,800	199,006	8%	2,553,705
\$ (406,375)	\$ (459,571)	\$ 110,980	12%	Operating Margin without Depreciation expense	\$ (3,323,875)	\$ (2,293,606)	\$ (632,257)	-45%	\$ (3,071,240)

**Sonoma Valley Health Care District
Variance Analysis
For the Period Ended April 30, 2022**

ATTACHMENT E

Operating Expenses	YTD Variance	Month Variance	
Salary and Wages and Agency Fees	(320,258)	(47,978)	Salaries and wages are under budget by \$79,981 and agency fees are over by (\$127,959). Agency fees are over budget in ICU, Med-Surg, Emergency room, surgery, respiratory therapy, and physical therapy.
Employee Benefits	(59,062)	21,219	Paid time off is over budget by (\$2,600) and employee benefits are under by \$23,819.
Total People Cost	(379,320)	(26,759)	
Med and Prof Fees (excl Agency)	(632,308)	(87,142)	Professional fees are over budget due to higher than budgeted UCSF management costs including the unbudgeted position of IT director which is offset by a savings in salaries & wages. The hospital has also contracted management and chef costs for dietary for 8-weeks beginning in March.
Supplies	(625,133)	(56,504)	
Purchased Services	(297,693)	(91,295)	Purchased services are over budget by (\$91,295) due to higher than budgeted costs in Radiology and IT as well as in Human Resources for the wage analysis.
Depreciation	199,006	28,892	
Utilities	(120,488)	(18,102)	Utilities are over budget due to higher monthly PG&E costs for electricity.
Insurance	(45,613)	(1,968)	
Interest	15,357	629	
Other	(169,467)	(7,422)	
Matching Fees (Government Programs)	1,082,298	83,822	21/22 NDPH Matching fee
Operating expenses	(973,361)	(175,849)	

Sonoma Valley Hospital
Cash Forecast
FY 2022

ATTACHMENT F

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources													
1 Patient Payments Collected	3,768,614	3,604,012	3,741,094	3,556,171	3,899,456	4,078,858	3,650,080	3,486,789	4,046,254	3,503,549	3,557,629	3,579,175	44,471,681
2 Other Operating Revenue	50,926	33,133	27,360	158,301	168,773	44,417	57,192	298,629	63,676	264,816	80,485	80,485	1,328,193
3 Other Non-Operating Revenue	10,121	10,229	9,624	10,574	10,823	9,676	11,783	17,553	5,064	9,937	14,516	14,518	134,418
4 Unrestricted Contributions	14,875			6,564	12,201		8,303	6,126	279	15,416			63,763
5 Line of Credit													-
Sub-Total Hospital Sources	3,844,535	3,647,375	3,778,079	3,731,610	4,091,253	4,132,951	3,727,358	3,809,097	4,115,273	3,793,717	3,652,630	3,674,178	45,998,056
Hospital Uses of Cash													
6 Operating Expenses	5,686,921	4,339,055	4,171,999	4,009,059	3,881,749	5,466,683	4,329,164	4,812,819	4,572,839	5,000,268	4,256,798	4,216,081	54,743,434
7 Add Capital Lease Payments	116,550	26,560	34,320	20,919	15,355	93,827	13,280	13,280	13,280	101,402	14,502	82,109	545,384
8 Additional Liabilities/LOC													-
9 Capital Expenditures	114,099	104,421	21,501	56,972	29,172	308,751	190,985	66,365	32,940	940,342	525,512	1,225,512	3,616,572
Total Hospital Uses	5,917,571	4,470,037	4,227,821	4,086,949	3,926,275	5,869,260	4,533,429	4,892,464	4,619,059	6,042,012	4,796,812	5,523,702	58,905,391
Net Hospital Sources/Uses of Cash	(2,073,036)	(822,662)	(449,742)	(355,339)	164,978	(1,736,310)	(806,072)	(1,083,367)	(503,786)	(2,248,295)	(1,144,182)	(1,849,524)	(12,907,335)
Non-Hospital Sources													
10 Restricted Cash/Money Market			1,000,000	2,000,000	(1,203,742)		(2,000,000)						(203,742)
11 Restricted Capital Donations	107,079	101,291	27,342	19,084	8,258		146,527		17,940	168,037	525,512	525,511	1,646,582
12 Parcel Tax Revenue	164,000					2,134,112				1,457,960			3,756,072
13 Other Payments - Ins. Claims/HHS/Grants/Loans					1,203,742	173,982					602,403	850,000	2,830,127
14 Other:													-
15 IGT			51,360				2,717,483	1,298,801				257,922	4,325,566
16 IGT - AB915			70,338							386,922			457,259
17 QIP					42,180					340,880			383,060
Sub-Total Non-Hospital Sources	271,080	101,291	1,149,040	2,019,084	50,438	2,308,094	864,010	1,298,801	17,940	2,353,799	1,127,915	1,633,433	13,194,924
Non-Hospital Uses of Cash													
18 Matching Fees		29,494		1,096,301		398,059		78,482		41,568	8,911		1,652,815
Sub-Total Non-Hospital Uses of Cash	-	29,494	-	1,096,301	-	398,059	-	78,482	-	41,568	8,911	-	1,652,815
Net Non-Hospital Sources/Uses of Cash	271,080	71,797	1,149,040	922,783	50,438	1,910,035	864,010	1,220,319	17,940	2,312,231	1,119,004	1,633,433	11,542,110
Net Sources/Uses	(1,801,956)	(750,865)	699,298	567,444	215,416	173,725	57,939	136,952	(485,846)	63,937	(25,178)	(216,091)	
Operating Cash at beginning of period	4,044,067	2,242,111	1,491,246	2,190,544	2,757,988	2,973,404	3,147,129	3,205,068	3,342,020	2,856,174	2,920,110	2,894,932	
Operating Cash at End of Period	2,242,111	1,491,246	2,190,544	2,757,988	2,973,404	3,147,129	3,205,068	3,342,020	2,856,174	2,920,110	2,894,932	2,678,841	
Money Market Account Balance - Undesignated	5,638,824	5,639,115	4,639,373	2,639,564	3,843,478	3,843,684	5,843,923	5,844,185	5,844,476	5,844,748	5,844,748	6,844,748	
Total Cash at End of Period	7,880,935	7,130,361	6,829,917	5,397,552	6,816,883	6,990,813	9,048,991	9,186,205	8,700,650	8,764,858	8,739,680	9,523,589	
Average Days of Cash on Hand	58.8	52.3	45.5	40.0	36.6	46.3	54.3	58.5	58.8	59.2			
Days of Cash on Hand at End of Month	54.6	50.1	47.3	35.3	45.1	46.0	59.7	60.0	57.2	57.5	58.7	63.9	

RESOLUTION NO. 366

DATED June 2, 2022

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
Sonoma Valley Health Care DISTRICT, COUNTY OF SONOMA
STATE OF CALIFORNIA, ORDERING AN ELECTION TO
BE HELD AND REQUESTING CONSOLIDATION
WITH THE NOVEMBER 8, 2022,
GENERAL DISTRICT ELECTION

WHEREAS, an election will be held on NOVEMBER 8, 2022, in the
Sonoma Valley Health Care DISTRICT for the purpose of electing District Directors to
fill positions that will expire in 2026;

BE IT RESOLVED THAT, the District Directors of said district hereby request consolidation with any
election that may be held on the same day, in the same territory or in territory that is in part the same.

THE FOREGOING RESOLUTION was introduced by Director Rymer,
who moved its adoption, seconded by Director Bjorndal and then adopted on
roll call by the following vote:

Director Rymer Aye _____ No _____ Abstain _____
Director Bjorndal Aye _____ No _____ Abstain _____
Director Mainardi Aye _____ No _____ Abstain _____
Director Baerum Aye _____ No _____ Abstain _____
Director Kornblatt Idell Aye _____ No _____ Abstain _____

AYES _____ NOES _____ ABSTAIN _____ ABSENT _____

WHEREUPON, the Chairperson declared the foregoing resolution adopted and SO ORDERED

Joshua Rymer
District Administrator

MEMORANDUM

TO: DEVA MARIE PROTO, COUNTY CLERK & REGISTRAR OF VOTERS
FROM: Sonoma Valley Health Care DISTRICT
SUBJECT: NOTICE OF OFFICES TO BE FILLED AND STATEMENT OF RESPONSIBILITY FOR STATEMENTS OF QUALIFICATIONS

Notice is hereby given that, pursuant to Elections Code Section 10509 (which requires notification prior to the 125th day before the election, *July 6, 2022), the following are the elected office holders of this district whose terms will expire in 2022, and whose successors will be required to be elected at the upcoming election to be held on NOVEMBER 8, 2022.

DIRECTOR	LENGTH OF NEXT TERM (Commencing 12/07/22)
1. <u>Joshua Rymer</u>	<u>4</u> YEARS
2. <u>Michael Mainardi</u>	<u>4</u> YEARS
3. _____	_____ YEARS
4. _____	_____ YEARS
5. _____	_____ YEARS

(MARK APPROPRIATE OPTIONS BELOW)

- The length of Statements of Qualifications shall not exceed 200 words.
- The costs incurred in the printing of the optional Statements of Qualifications in the Voter Information Guide is the responsibility of the (select one):
 - District
 - Candidate
 a. If the candidate is responsible for costs of the Statement of Qualifications, the district opts to (select one):
 - Require payment in advance to the District Administrators.
 - Bill the candidate after the date of the election.

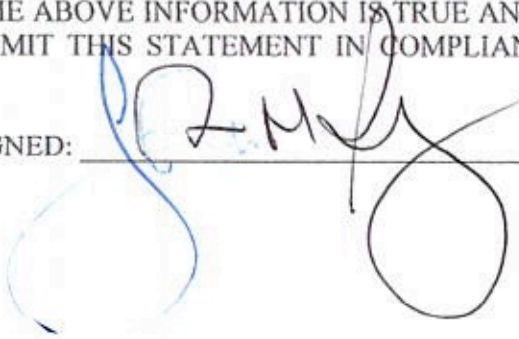
Note: It is the responsibility of the District to collect the costs of Statements of Qualifications from the candidates whether payment in advance or payment after the fact is required. **If advance payment is required, candidates must present a receipt from the district at the time the Statement of Qualifications is filed with the Registrar of Voters Office. Multi-county districts please be advised that the estimated cost reflects only the Sonoma County portion of the cost.**

I HEREBY CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND SUBMIT THIS STATEMENT IN COMPLIANCE WITH ELECTIONS CODE SECTIONS 10509 AND 13307.

SEAL

SIGNED: _____

DATE: 5-25-22




MEMORANDUM

TO: DEVA MARIE PROTO, COUNTY CLERK & REGISTRAR OF VOTERS
FROM: Sanoma Valley Health Care DISTRICT
SUBJECT: NOTICE OF DISTRICT BOUNDARIES/STATEMENT IN LIEU OF MAP
DATE: June 2, 2022

Pursuant to Elections Code Section 10522 (which requires notification prior to the 125th day before the election (*July 6, 2022)) regarding district boundaries in the above named district), we are hereby notifying the Registrar of Voters Office that:

- As of this date, there has been no change in the boundaries of this district since the date of the last election. A map of the district is already on file with your office; therefore, this notice is in lieu of providing a duplicate map.
- A map of the above district, with all annexations and detachments shown thereon, is attached to this notification and incorporated for reference herein.
- There have been changes in the boundaries of this district since the date of the last election. A verified map of the above district containing all recent annexations and details shown thereon, is already on file with your office.

Submitted by


District Administrator

SEAL

PLEASE COMPLETE AND RETURN IN THE PRE-ADDRESSED ENVELOPE.

*Deadline falls on a weekend or state holiday; it does not move forward to the next business day.