



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

**AGENDA**

**THURSDAY, AUGUST 4, 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=enBpRWIyYkNlbnENlYkdqbWFvRmZTUT09>

**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 <a href="mailto:jfontes@sonomavalleyhospital.org">jfontes@sonomavalleyhospital.org</a> at least 48 hours prior to the meeting.</p>	<b>RECOMMENDATION</b>		
<b>AGENDA ITEM</b>			
<p><b>MISSION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</i></p>			
<p><b>1. CALL TO ORDER</b></p>	<i>Rymer</i>		
<p><b>2. CLOSED SESSION</b> RECOMMENDATION FOR CEO INCENTIVE AWARD FOR 2022</p>			
<p><b>3. PUBLIC COMMENT</b> <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration.</i></p>			
<p><b>4. BOARD CHAIR COMMENTS</b></p>	<i>Rymer</i>		
<p><b>5. CONSENT CALENDAR</b></p> <ul style="list-style-type: none"> <li>a. Board Minutes 07.07.22</li> <li>b. Finance Committee Minutes 06.28.22</li> <li>c. Quality Committee Minutes 06.29.22</li> <li>d. Governance Committee Minutes 05.18.22</li> <li>e. Resolution 362: Brown Act Amendment AB 361 -Flexibility for Virtual Meetings</li> <li>f. Medical Staff Credentialing</li> </ul>		Action	

g. Policy and Procedures			
<b>6. HOSPITAL TRANSFORMATION – MARK FINUCANE, MANAGING DIRECTOR, ALVAREZ &amp; MARSAL</b>	<i>Finucane</i>	Inform	
<b>7. RECOMMENDATION FOR CEO INCENTIVE AWARD FOR 2022 AND SALARY ADJUSTMENT</b>	<i>Rymer</i>	Action	
<b>8. UNISON AGREEMENT</b>	<i>Armfield/ Hennelly</i>	Action	
<b>9. UCSF AFFILIATION UPDATE</b>	<i>Hennelly</i>	Inform	
<b>10. CEO REPORT</b>	<i>Hennelly</i>	Inform	
<b>11. ODC UPDATE</b>	<i>Drummond/ Hennelly</i>	Inform	
<b>12. FINANCE COMMITTEE QUARTERLY REPORT</b>	<i>Boerum</i>	Inform	
<b>13. FINANCIALS FOR MONTH END JUNE 2022</b>	<i>Armfield</i>	Inform	
<b>14. BOARD COMMENTS</b>	<i>Board Members</i>	Inform	
<b>15. ADJOURN</b>	<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, JULY 7, 2022

**HELD VIA ZOOM VIDEOCONFERENCE**

	<b>RECOMMENDATION</b>	
<b>SONOMA VALLEY HOSPITAL BOARD MEMBERS</b> 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		
<b>MISSION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>		
<b>1. CALL TO ORDER</b>	<i>Rymer</i>	
The meeting was called to order at 6:01p.m. Mr. Rymer and the Board thanked Mr. Kobe for his service as the CNO at Sonoma Valley Hospital. Mr. Kobe said it was an honor to work for and serve such a great hospital. Mr. Rymer congratulated Ms. Winkler on her new role as the CNO.		
<b>2. PUBLIC COMMENT ON CLOSED SESSION</b>	<i>Rymer</i>	
None		
<b>3. CLOSED SESSION</b>		
CEO Evaluation		
<b>4. REPORT ON CLOSED SESSION</b>		
The closed session was held to discuss the CEO Evaluation and to gather feedback. No decisions were made.		
<b>5. CONSENT CALENDAR</b>	<i>Rymer</i>	Action
a. Board Minutes 06.02.22 b. Joint Board-Finance Minutes 05.24.22 c. Finance Committee Minutes 05.24.22 d. Quality Committee Minutes 05.25.22 e. Resolution 362: Brown Act Amendment AB 361 Flexibility for Virtual Meetings f. Policy and Procedures g. Medical Staff Credentialing	<i>Rymer</i>	<b>MOTION:</b> by Boerum to approve, 2 <sup>nd</sup> by Kornblatt-Idell. All in favor.
<b>6. VALLEY OF THE MOON POST ACUTE SEMI-ANNUAL REPORT</b>	<i>Tully</i>	Inform
Mr. Tully gave his semiannual report for quarter two of 2022. The report included a review of quality measures for percent patients returned home, re-hospitalization rates, residents who self-report moderate to severe pain, discharged residents with ER visits within 30 days, catheter associated urinary tract infections, central line		

bloodstream infections and D Diff infection rates. He reviewed average daily census, COVID-19, and the subacute status. There have been no Covid positive patients in 2021.		
<b>7. QUALITY COMMITTEE QUARTERLY REPORT</b>	<i>Cooper/ Kornblatt Idell</i>	Inform
Ms. Kornblatt Idell and Ms. Cooper reported on the Quarterly Board Quality Committee Report. Ms. Kornblatt Idell said there is an opening for a committee member position on Quality Committee. Ms. Cooper reviewed hospital wide quality initiatives including a focus on the emergency department, inpatient services, the pharmacy, and readmissions. Ms. Cooper mentioned the hospital received the silver plus award from the American Heart Association for stroke care. The hospital wide quality initiatives helped achieve this award. Ms. Cooper reviewed core measures, patient experience HCAHPS, and HCAHPS initiatives.		
<b>8. CEO REPORT – Q &amp; A</b>	<i>Armfield</i>	Inform
There were no questions for Mr. Armfield regarding the CEO Report.		
<b>9. ODC UPDATE</b>	<i>Drummond</i>	Inform
Ms. Drummond gave a report on the CT. The electrical coordination study was accepted by HCAI. The work will be completed on July 14. The final test and balance are in progress.  Ms. Drummond reported on the MRI. A formal bid process is in progress. The architects have stated the location where the MRI is expected to go is not ideal. They are looking at different locations within the hospital and determining space according to a cost, time, and risk standpoint.		
<b>10. APPROVAL EXPANSION OF ODC PHASE I</b>	<i>Drummond</i>	Action
Ms. Drummond is seeking approval of the expansion of ODC phase I. This request was recommended by the Finance Committee and approved by the Board of Directors.		<b>MOTION:</b> by Boerum to approve, 2 <sup>nd</sup> by Bjorndal. All in favor.
<b>11. PIVOT POINT UPDATE</b>	<i>Armfield</i>	Inform
Mr. Armfield verbally reviewed the Pivot Point agreement. Mr. Rymer said the Finance Committee had requested more detail on the scope of the original agreement and stated the description is closer to their expectations.		
<b>12. EPIC IMPLEMENTATION UPDATE</b>	<i>Resendez</i>	Inform
Mr. Resendez reviewed his Epic Implementation presentation. He said in the last few weeks the teams have completed their data gathering and discovery sessions with CT. They have identified areas that need analysis, and those areas are being reviewed. The 3 <sup>rd</sup> party systems are in review, they are currently going over contracting and quoting activities that are being extended or moved. The first Pharmacy scanning was complete. IT is putting 90 monitors in place, there are no concerns regarding equipment at this point. CDM first review will be finalized for Finance in July. Mr. Resendez is going to adjust the slides to interpret the acronyms.		

<b>13. FINANCIALS FOR MONTH END MAY 2022</b>	<i>Armfield</i>	Inform
Mr. Armfield reviewed the Financial Report for month end May 2022. There was a positive net income of 11K in the month of May. May's net revenue was \$4.15M, 10% greater than what the FY rate has been. There was an uptick in utilities in May, inpatient surgery volumes increased, and there were 923 ER visits. Mr. Armfield said there are positive trends emerging in net revenue and volumes.		
<b>14. BOARD COMMENTS</b>	<i>Board Members</i>	Inform
Mr. Rymer and the Board thanked Mark Kobe again for his work as CNO and Sarah Dungan for her work and service in the Finance Department at Sonoma Valley Hospital.		
<b>15. ADJOURN</b>	<i>Rymer</i>	
Adjourned at 6:12 pm		



**SVHCD**  
**FINANCE COMMITTEE MEETING**  
**MINUTES**  
**TUESDAY, JUNE 28, 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 Art Grandy via Zoom Peter Hohorst via Zoom Subhash Mishra (MD) via Zoom Wendy Lee via Zoom Joshua Rymer via Zoom		Ben Armfield via Zoom Kimberly Drummond via Zoom Sarah Dungan via Zoom Jenny Fontes via Zoom John Hennelly via Zoom Dawn Kuwahara via Zoom Celia Kruse De La Rosa via Zoom	Judy Bjorndal via Zoom	
AGENDA ITEM	DISCUSSION		ACTIONS	FOLLOW-UP
<b>MISSION &amp; VISION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>				
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Rymer</i>			
	Called to order at 5:01 p.m.			
<b>2. PUBLIC COMMENT SECTION</b>	<i>Boerum</i>			
	None			
<b>3. CONSENT CALENDAR (ACTION)</b>	<i>Rymer</i>		Action	
a. Finance Committee Minutes 05.24.22			<b>MOTION:</b> by Grandy to approve 2 <sup>Nd</sup> by Flynn. All in favor.	
<b>4. ADDENDUM REVIEW PIVOTPOINT</b>	<i>Hennelly</i>		Inform	

<p>Mr. Hennelly and Mr. Grandy discussed the contract specs regarding additional fees should a client convert a Pivot Point contractor to an employee. Mr. Hennelly and Mr. Rymer said that it is standard procedure. Mr. Gerlach stated the CIO should be the EPIC lead. Ms. Lee agreed and said a tri-partnership between the CEO, CMO, and CIO is a recipe for success. Mr. Resendez said IT needs to be tied in and is important for a successful EPIC implementation.</p>			
<p><b>5. EPIC UPDATE</b></p>	<p><i>Hennelly/Resendez</i></p>	<p>Inform</p>	
<p>Mr. Resendez is a Project Manager and has been working with EPIC for many years at multi hospital sites and small and large organizations. He said the team is doing well at Sonoma Valley Hospital and CT is in a data discovery stage. They are looking for potential gaps to ensure the build is done to properly to support Sonoma Valley Hospital. The Pharmacy has completed the first round of formulary, and departments and 3<sup>rd</sup> parties are being identified and documented. Mr. Resendez and Ms. Kruse De La Rosa are working together on communications for the EPIC project. Mr. Rymer asked if the community will receive information about MyChart. Mr. Resendez said MyChart information and other communications will be available to the community. Ms. Lee said data strategy, clinical workflows, integrations with other systems, and revenue management is important to the hospital, and she would like Mr. Resendez to write down and document opportunities that he sees.</p>			
<p><b>6. ODC UPDATE – TIMELINE ADJUSTMENT</b></p>	<p><i>Drummond</i></p>	<p>Action</p>	
<p>The CT is currently tracking under budget and application training will take place the first week of August. The electrical coordination study was submitted and accepted by HCAI; the corrective work is happening before occupancy. The final test and balance are currently in progress.</p> <p>The architects have concerns with the current location plans for the MRI. They are submitting additional location options to the hospital. Mr. Hennelly said the cost of risks will be more expensive than a new location for the MRI. He said they are looking at options right now.</p> <p>Ms. Drummond presented a memo requesting an extension of the emergency contract with GMH and SKA for additional work. The request was approved by the committee.</p>		<p><b>MOTION:</b> by Flynn to approve 2<sup>Nd</sup> by Boerum. All in favor.</p>	
<p><b>7. UNISON ENERGY AGREEMENT</b></p>	<p><i>Armfield</i></p>	<p>Action <i>Not Approved</i></p>	

<p>Mr. Armfield reviewed the Unison Energy Agreement. He included a historical recommendation to the committee. In September 2020, the BOD approved a 20-year agreement with Unison for the installation of a heat and power system on the campus that could save 1.5M in utility costs over 20 years. Since the execution of the agreement, several conditions have changed which presented an overall loss on the project. Unison asked SVH to modify the agreement with the choice of three new options. Mr. Armfield said all options project favorably, but option number two is the best choice. Mr. Grandy asked how far along the project is. Ms. Drummond said they have design plans which have been approved by HCAI and a building permit. Ms. Lee suggested signing the amended agreement after a successful implementation. Mr. Gerlach would like to see a risk assessment done. The committee has concerns with the company amending the contract so soon and would like Unison to attend the next Finance Committee meeting to discuss the agreement. The amended agreement was not approved by the committee.</p>			
<p><b>8. PROPOSED CAPITAL PLAN FY 2023</b></p>	<p><i>Armfield</i></p>	<p>Inform</p>	
<p>Mr. Armfield reviewed the 5-year capital spending plan. The capital items on the plan are those that will be funded directly by the hospital and excludes items funded by the Foundation. About \$10.5M is expected to be spent on capital items in the next 5 years. The capital plan estimate is driven by two main investments, the EPIC implementation, and the completion of the ODC project. Cash on hand considers the capital spending plan. The projected operational margin analysis includes IGT but excludes parcel tax revenues and appreciation expenses. In FY 2027 the hospital is expected to break even from a \$3.6M operating loss in 2023. This is a \$400K per year improvement from FY 2024 through FY 2027. Ms. Lee would like a column that says original project cost and a revised project cost, and the start year of the project. She would also like an assumptions and risk analysis column on the capital plan. Mr. Armfield said he plans on bringing the capital plan back next month and would like to incorporate the plan into the annual budget analysis and have quarterly updates. Mr. Grandy suggested reconciling the volatility of cash on hand in actual cash dollars with the average days of cash on hand, because it masks how much operating cash the hospital has and what minimum level is needed to maintain.</p>			
<p><b>9. FINANCIAL REPORT FOR MONTH END MAY 2022</b></p>	<p><i>Armfield</i></p>	<p>Inform</p>	
<p>Mr. Armfield reviewed the Financial Report for month end May 2022. There was a positive net income of 11K in the month of May. May's net revenue was \$4.15M, 10% greater than what the FY rate has been. There</p>			



was an uptick in utilities in May, inpatient surgery volumes increased, and there were 923 ER visits. Mr. Armfield said there are positive trends emerging in net revenue and volumes.			
<b>10. ADJOURN</b>	<i>Rymer</i>		
	Meeting adjourned at 6:57 p.m.		



**SONOMA VALLEY HEALTH CARE DISTRICT  
QUALITY COMMITTEE  
June 29, 2022 5:00 PM  
MINUTES  
Via Zoom Teleconference**

<b>Members Present – Via Zoom</b>	<b>Members Present cont.</b>	<b>Excused</b>	<b>Public/Staff – Via Zoom</b>
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 Judy Bjordal, Board Member Jenny Fontes, Board Clerk and EA Philip Brown, ED Director

<b>AGENDA ITEM</b>	<b>DISCUSSION</b>	<b>ACTION</b>
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Kornblatt Idell</i>	
	Meeting called to order at 5:00 p.m.	
<b>2. PUBLIC COMMENT</b>	<i>Kornblatt Idell</i>	
	None	
<b>3. CONSENT CALENDAR</b>	<i>Kornblatt Idell</i>	<b>ACTION</b>
<ul style="list-style-type: none"> <li>QC Minutes 05.25.22</li> </ul>		<b>MOTION:</b> by Eisenstark to approve, 2 <sup>nd</sup> by Sheets. All in favor.
<b>4. ED QA/PI</b>	<i>Brown</i>	<b>INFORM</b>
	Mr. Brown presented slides on Emergency Services. He covered data points for quality specific to ER. First, he reviewed the continues observation for Psych Patients. He said audits will remain, and traditionally the scores are at 100%. NIHSS scoring sheet dated and times had a target of 100%, NIHSS Disposition accuracy remains at 100%. He said 100% of blood culture contamination is audited and that fatigue or	

	<p>sloppiness may have something to do with contamination. Mr. Brown said they do real time review of sepsis cases and Ms. Cooper, and Mr. Brown congratulated Sonoma Valley Hospital staff for receiving the stroke silver plus award. The hospital will be eligible for the gold award next year.</p>	
<b>5. QUALITY INDICATOR PERFORMANCE AND PLAN</b>	<i>Cooper</i>	<b>INFORM</b>
	<p>Ms. Cooper reviewed the Quality Indicator Performance and Plan for May 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.</p> <p>Ms. Cooper also reviewed the rate your hospital scores and said it is a continuous improvement project.</p>	
<b>6. POLICIES AND PROCEDURES</b>	<i>Cooper</i>	<b>REVIEW/ RECOMMEND</b>
	<p><i>Ms. Cooper reviewed the following policies:</i></p> <p><b><u>Policies with changes made:</u></b></p> <ul style="list-style-type: none"> <li>• Community Resources, Relationship of Case Management</li> <li>• Neutropenic Precautions, Guidelines for Care of the Immunocompromised Patient</li> <li>• Physician Suspension: Medical Records</li> <li>• RETIRE::Care Transitions Program</li> <li>• RETIRE::Case Management in Skilled Nursing Unit</li> <li>• S aureus Decolonization Protocol for Patients Undergoing Total Joint Replacement Surgery</li> <li>• Scabies Infestation and Outbreak Management</li> <li>• Sterile Compounding</li> <li>• Sterile Compounding Procedures 8390-03</li> </ul>	

	<ul style="list-style-type: none"> <li>• Toy Cleaning Policy</li> </ul>	
<b>8. CLOSED SESSION/REPORT ON CLOSED SESSION</b>	<i>Kornblatt Idell</i>	<b>ACTION</b>
a. Calif. Health & Safety Code §32155: Medical Staff Credentialing & Peer Review Report	Medical Staff Credentialing was reviewed and approved.	<b>MOTION:</b> by Eisenstark to approve, 2 <sup>nd</sup> by Sheets. All in favor.
<b>9. ADJOURN</b>	<i>Kornblatt Idell</i>	
	Meeting adjourned at 5:44 pm	



**SVHCD GOVERNANCE  
COMMITTEE MEETING  
MINUTES  
WEDNESDAY MAY 18, 2022**

<b>Present</b>	<b>Not Present</b>	<b>Staff</b>	<b>Public</b>	
Bill Boerum via Zoom Judith Bjordal via Zoom Amy Jenkins via Zoom		Jenny Fontes via Zoom		
<b>AGENDA ITEM</b>	<b>DISCUSSION</b>		<b>ACTIONS</b>	<b>FOLLOW-UP</b>
<b>MISSION &amp; VISION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>				
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Boerum</i>			
	Called to order at 6:00 p.m.			
<b>2. PUBLIC COMMENT SECTION</b>	<i>Boerum</i>			
	None			
<b>3. CONSENT CALENDAR</b>	<i>Boerum</i>		Action	
Governance Committee Minutes 04.20.22			<b>MOTION:</b> by Bjordal to approve, 2 <sup>nd</sup> by Boerum. All in favor.	
<b>4. CONFLICT OF INTEREST POLICY REVIEW – HR EDITS</b>	<i>Boerum</i>		Action	
	Mr. Boerum will speak with Mr. Hennelly and Ms. McKissock about the Conflict-of-Interest Policy as it relates to the organization chart. Ms. Bjordal would like Mr. Boerum to ask if there can be edits when the organization chart changes. The policy also lists the public members of the Finance and Quality committee. Ms. Bjordal is questioning if committee members are filing form 700's and if they should attend Ethics training. The committee will create text at their next Governance meeting for the July board meeting for			

	expectations of committee member obligations. Mr. Boerum believes the text will go into the bylaws and said we can add a section with committee terms.		
<b>5. STANDING COMMITTEE MEMBER TERMS</b>	<i>Boerum</i>	Inform	
	Governance will discuss the “Roles and responsibilities of board advisory community members” on the June agenda. Ms. Fontes will check with BBK to see if Committee Members need to fill out the form 700, it is in the conflict-of-interest policy. Ms. Jenkins will research and review code of conducts and expectations of community appointees of other agencies. Mr. Boerum suggests, committee chairs will recommend members to the board, following the organization meeting. Committees would be subject to a 2-year appointment. The committee will discuss if this subject goes in the bylaws or if it is a policy.		
<b>6. ADDITIONAL POLICY REVIEWS AND POLICY UPDATE PLANNING</b>	<i>Boerum</i>	Action	
<ul style="list-style-type: none"> <li>• <b>BOARD LEGISLATIVE AND REGULATORY POSITIONS</b></li> <li>• <b>GIFT TICKET AND HONORARIA</b></li> <li>• <b>ETHICS TRAINING FOR DISTRICT BOARD MEMBERS</b></li> </ul>			
	<p>The Committee reviewed the following policies:</p> <ul style="list-style-type: none"> <li>• Board Legislative and Regulatory Positions Policy - no changes.</li> <li>• Gift Ticket and Honoraria – Ms. Jenkins thinks the policy needs revisions because of duplication and improper codes. She will provide redlined edits at the next GC meeting in June. Ms. Bjorndal suggests checking the dollar amounts and whether it is a hospital policy or government code.</li> <li>• Ethics Training for District Board Members- The committee suggested developing a system to report Ethics Training. We will add this topic to the this to the November 2022</li> </ul>		

	workplan. The committee suggested a minor editorial change.		
<b>7. ADJOURN</b>			
	Adjourned at 6:58 p.m.		

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 1<sup>ST</sup>, 2021 TO OCTOBER 31<sup>ST</sup>, 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 16<sup>th</sup> 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 6<sup>th</sup>, 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 4th day of August, 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: 08/01/2022 9:45 AM

### 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: 46

**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
<b>Admission-Discharge</b> <i>SCU (Surgical Care Unit Dept)</i>	Pending Approval	8/1/2022	0
Summary Of Changes: <b>Per last survey, added verbiage defining history and physical requirement to be in place within 24 hours of procedure-24 hours starts at patient admission to the hospital for said procedure.</b>  <b>Changed verbiage:</b> Former:: "Weigh patient and assist him/her into bed" NEW::"3. Document both height and weight. Unless a bariatric patient, weigh patient and assist them into bed. (for bariatric patients, latest weight documented in H&P will be used for the perioperative record)"  Added clarification for discharge due to potential patient safety risk : No public transport home (Uber, Taxi, etc.) unless accompanied.  CN: Changed instances of gendered pronouns (him/her) to gender neutral (them/they) as appropriate  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)			
<b>Alcoholic Beverages Policy</b> <i>Patient Care Policy</i>	Pending Approval	8/1/2022	0
Summary Of Changes: <b>Revised: removed section 4.a. - that says patient may have up to 3 drinks per meal. This is not on the order (if we want to keep this statement, the order will need to be amended.)</b>  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) -> 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: 08/01/2022 9:45 AM

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

<b>Biological Indicator Use 7471-102</b>	Pending Approval	8/1/2022	0
<i>Central Sterile Dept</i>			
<p>Summary Of Changes: <b>Removed all references that related to a specific brand of Rapid Readout Biological Indicators (RBI) and replaced with 'per manufacturer's instructions or guidelines'. Removed brand names including color changes related to that brand. Removed verbiage about specific logbook and location of log book. Made policy more general and usable in the event of a change to actual products used or company that supplies products.</b></p>			
<b>Changed approvers</b>			
Moderators: <b>Newman, Cindi (cnewman)</b>			
Lead Authors: <b>Fry, Dana (dfry)</b>			
Approvers: <b>Kobe, Mark (mkobe) -&gt; 01 P&amp;P Committee - (Committee) -&gt; 03 MS-Surgery Department - (Committee) -&gt; 05 MS-Medical Executive - (Committee) -&gt; 07 BOD-Quality (P&amp;P Review) - (Committee) -&gt; 09 BOD-Board of Directors - (Committee)</b>			
<b>CAIR Utilization</b>	Pending Approval	8/1/2022	0
<i>Medical Records Services Policies(MR)</i>			
Summary Of Changes: <b>Reviewed, no changes</b>			
Moderators: <b>Newman, Cindi (cnewman)</b>			
Lead Authors: <b>Cooper, Kylie (kcooper)</b>			
ExpertReviewers: <b>Kutza, Chris (ckutza), Kuwahara, Dawn (dkuwahara)</b>			
Approvers: <b>Kobe, Mark (mkobe) -&gt; 01 P&amp;P Committee - (Committee) -&gt; 07 BOD-Quality (P&amp;P Review) - (Committee) -&gt; 09 BOD-Board of Directors - (Committee)</b>			
<b>Case Management Intervention</b>	Pending Approval	8/1/2022	0
<i>Discharge Planning (DP)</i>			
Summary Of Changes: <b>Reviewed, no major changes, just some grammar and the change in business hours</b>			
Moderators: <b>Newman, Cindi (cnewman)</b>			
Lead Authors: <b>Kobe, Mark (mkobe)</b>			
Approvers: <b>00 Clinical P&amp;P multidisciplinary review -&gt; 01 P&amp;P Committee - (Committee) -&gt; 02 MS-Medicine Department - (Committee) -&gt; 05 MS-Medical Executive - (Committee) -&gt; 07 BOD-Quality (P&amp;P Review) - (Committee) -&gt; 09 BOD-Board of Directors - (Committee)</b>			
<b>Change in Patient Condition</b>	Pending Approval	8/1/2022	0
<i>Patient Care Policy</i>			
Summary Of Changes: <b>Spelled out acronyms, updated e-notification to Midas entry. Updated call procedure for escalation of concerns.</b>			
Moderators: <b>Newman, Cindi (cnewman)</b>			
Lead Authors: <b>Winkler, Jessica (jwinkler), Kobe, Mark (mkobe)</b>			
ExpertReviewers: <b>Medical Director-Patient Care Services</b>			
Approvers: <b>Kobe, Mark (mkobe) -&gt; 01 P&amp;P Committee - (Committee) -&gt; 02 MS-Medicine Department - (Committee) -&gt; 03 MS-Surgery Department - (Committee) -&gt; 05 MS-Medical Executive - (Committee) -&gt; 07 BOD-Quality (P&amp;P Review) - (Committee) -&gt; 09 BOD-Board of Directors - (Committee)</b>			
<b>Code Blue Management for Patient Emergency</b>	Pending Approval	8/1/2022	0
<i>Emergency Code Alerts Policies</i>			
Summary Of Changes: <b>Deleted reference to Skilled Nursing Unit, Updated reference to 2020 guidelines</b>			
Moderators: <b>Newman, Cindi (cnewman)</b>			
Lead Authors: <b>Kobe, Mark (mkobe)</b>			

## Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 08/01/2022 9:45 AM

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

ExpertReviewers: **Safety Committee**  
 Approvers: **00 Clinical P&P multidisciplinary review -> 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)**

<b>Color Coded Wristbands and Door Placards</b> <i>Patient Care Policy</i>	<b>Pending Approval</b>	8/1/2022	0
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Summary Of Changes: **Reviewed. Added language for yellow strips to indicate fall risk in the door placards. Removed reference to "labels, stickers or other visual cues in the patient chart" as we do not use any other indicators in the chart. Removed language about patient signing a waiver if they refuse to remove social cause bracelets.**

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) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

<b>Condition Code 44 Inpatient to Observation Status</b> <i>Case Management/UM Dept</i>	<b>Pending Approval</b>	8/1/2022	0
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Summary Of Changes: **Reviewed, added location of documentation in Midas system; clarified role responsibilities and workflow. Condition Code 44 is for change of patient status from inpatient to outpatient, as required by Medicare**

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)**

<b>Critical Value Reporting</b> <i>Targeted Quality &amp; Safety Initiatives Policies (QS)</i>	<b>Pending Approval</b>	8/1/2022	0
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Summary Of Changes: **Added Testing Specifications  
 Clarification regarding Critical Values for BUN, Creatinine, Procalcitonin, WBC, and Platelets**

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

Lead Authors: **Kuwahara, Dawn (dkuwahara)**

ExpertReviewers: **Medical Director-Lab**

Approvers: **06 CMO/Designee for signature -> 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)**

<b>Dress Code, Central Sterile</b> <i>Central Sterile Dept</i>	<b>Pending Approval</b>	8/1/2022	0
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Summary Of Changes: **updated verbiage to reflect names of restricted areas for surgery, deleted "C.S., workroom". Included "bunny suit" as acceptable covering for restricted area. ;  
 C.S. = Central Sterile**

**some changes on use of bunny suit, and lab coats, added more specifics about jewelry**

**added :natural nails should be short, no synthetic nails, or chipped nail polish allowed**

**updated references and authors/ approvers**

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

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

## Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 08/01/2022 9:45 AM

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

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)**

<b>Employment Conditions</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Human Resources Policies (HR)</i>			

Summary Of Changes: **Updated definitions of employment and benefit dates to reflect current conditions/system.**

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

Lead Authors: **McKissock, Lynn (lmckissock)**

Approvers: **Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

<b>Filing and Recording of Patients</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Patient Rights Policies (PR)</i>			

Summary Of Changes: **Reviewed- No changes**

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

Lead Authors: **Cooper, Kylie (kcooper)**

Approvers: **06 CMO/Designee for signature -> 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)**

<b>General Food Service Information</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Food (Nutrition) Services Policies (NU)</i>			

Summary Of Changes: **Changed title from General Food Service Information to be more specific and line up with CIHQ policy requirements. Changed from department specific to organizational, due to scope. Tray delivery procedures added.**

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

Lead Authors: **Harleman, Anna (aharleman)**

Approvers: **00 Clinical P&P multidisciplinary review -> 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)**

<b>Important Message from Medicare Guideline PR8750-108</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Case Management/UM Dept</i>			

Summary Of Changes: **Reviewed, minor changes**

**In procedure section changed responsibility regarding copy of IM letter placed in chart from Unit Secretary to admitting staff will place signed copy in patient record.**

**After 2 days length of stay added that the case manager must send patient census with tentative discharge dates of all patient to Admitting each morning after multidisciplinary huddle to ensure follow up copy of IM letter is provided to patient.**

**Updated appropriate staff titles.**

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)**

<b>Intensity of Service Severity of Illness Screening Process</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Case Management/UM Dept</i>			

## Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 08/01/2022 9:45 AM

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

Summary Of Changes: **Reviewed sentence structure and grammar; removed all sections involving referrals to the Executive Health Resources UR Physicians that we used to contract with and replaced with Attending Physician. Renumbered sections. Removed references of accountability to Nursing Supervisors**

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)**

<b>Intravenous Contrast Admin 7630-159</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Diagnostic Services Dept Policies</i>			

Summary Of Changes: **Updated to match current American College of Radiology and UCSF guidelines. Mostly with screening guidelines. Removed MRI Gadolinium contrast from policy and created new policy for MRI contrast. Updated formulas to metric. Added maximum dose amounts. Updated authors/reviewers/owner**

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

Lead Authors: **Young, Dave (dyoung)**

ExpertReviewers: **Medical Director-Diagnostic Radiology**

Approvers: **Kuwahara, Dawn (dkuwahara) -> 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)**

<b>Leaving Against Medical Advice</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Patient Care Policy</i>			

Summary Of Changes: **Reviewed. Minor changes to grammar and wording**

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) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)**

<b>Mercury-free Purchasing</b>	<b>Pending Approval</b>	<b>7/5/2022</b>	<b>27</b>
<i>Governance and Leadership Policies</i>			

Summary Of Changes: **12/22/2021 - No changes at this time.**

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

Lead Authors: **Dugger, James (jdugger)**

ExpertReviewers: **Armfield, Ben (barmfield), Dungan, Sarah (sdungan)**

Approvers: **Hennelly, John (jhennelly) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)**

<b>Multidisciplinary Teams</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Case Management/UM Dept</i>			

Summary Of Changes: **Reviewed. Deleted reference to Skill Nursing. No other changes.**

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: 08/01/2022 9:45 AM

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

<b>NEW Version:: Patient Abuse Reporting</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Patient Rights Policies (PR)</i>			
Summary Of Changes:	<b>New Policy:</b> To consolidate previous policies to describe the process for identifying, investigating, reporting, and caring for suspected victims of Domestic Abuse, Child Abuse and Neglect, and Elder Abuse and Neglect		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Cooper, Kylie (kcooper)		
ExpertReviewers:	Gatenian, Grigory (ggatenian), McKissock, Lynn (lmckissock)		
Approvers:	00 Clinical P&P multidisciplinary review -> 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)		
<b>Nursing Screening for Nutritional Risk</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Food (Nutrition) Services Policies (NU)</i>			
Summary Of Changes:	clarified language; removed directions for RN to call RD at 707-935-5287 as there is automatic notification trigger; removed "Pt request to talk to RD" from the list of risks as it is also stated in the procedures section.		
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)		
<b>Observation Status</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Case Management/UM Dept</i>			
Summary Of Changes:	Removed references to Skilled Nursing and Maternity patients.  Under procedure defined the 4 outpatient/observation status order categories- Place in observation (brief stay), Place patient as outpatient in bed (refers to patient in ED that cannot be safely discharged due to safety concerns/social needs, medical necessity is not met), Place in SCU for same day surgery and Place patient in observation for extended recovery (patient that needs overnight hospital stay following surgery".		
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)		
<b>Oral Care</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Patient Care Policy</i>			
Summary Of Changes:	Recommend retiring in favor of EBSCO. EBSCO has procedures for ICU and MS oral care. EBSCO skills/procedures provide rationales and care considerations, patient education, and documentation. The oral care protocol is titled "Providing Oral Hygiene." There is also a specific protocol called "Providing Oral Care to Adults Requiring Mechanical Ventilation." Oral hygiene is also listed in the EBSCO "Preventing Adverse Effects of Mechanical Ventilation"		
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) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)		
<b>Paging Codes Overhead</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Emergency Code Alerts Policies</i>			



## Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 08/01/2022 9:45 AM

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

Summary Of Changes: **No changes made to existing policy**

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

Lead Authors: **Gatenian, Grigory (ggatenian), Drummond, Kimberly (kdrummond), Kobe, Mark (mkobe)**

ExpertReviewers: **Finn, Stacey (sfinn), Gatenian, Grigory (ggatenian)**

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

<b>Patient Status Determination</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Utilization Review Policies (UR)</i>			

Summary Of Changes: **Reviewed. Changes below**

**Inpatient Acute section updated to include CPOE order sets for Med/Surg or ICU admit and stated that patients are admitted to the hospital based on the attending physician's documentation of both medical decision making regarding the need for treatment and a statement indicating the patient needs medical necessity or 2 or more midnight stay.**

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

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

ExpertReviewers: **Duarte, Lisa (lduarte)**

Approvers: **00 Clinical P&P multidisciplinary review -> 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)**

<b>Philosophy of Resource and Case Management DC8750- 114</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Case Management/UM Dept</i>			

Summary Of Changes: **Grammatical changes. Removed SNF details and the contracted behavioral health consultant**

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)**

<b>Physician Advisor</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Utilization Review Policies (UR)</i>			

Summary Of Changes: **Reviewed, no changes**

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)**

<b>Respiratory Care Practitioner (RCP) Protocols</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Respiratory Therapy Dept</i>			

Summary Of Changes: **Reviewed. Removed references to a paper RT specific care plan form. Updated language references MD Order Forms to include entry of orders into the electronic health record; updated references to documenting med admin, including that medications are scanned and documented in the electronic MAR; added the mechanical ventilation requires MD orders; added reference to documenting patient education.**

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)**

## Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 08/01/2022 9:45 AM

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

<b>RETIRE::Implanted Port Access and Management</b>	<b>Pending Approval</b>	8/1/2022	0
<i>Patient Care Policy</i>			
Summary Of Changes:	<b>Retire, policy is redundant--the unique maintenance process here was incorporated into PC8610-120 Central Venous Catheter and Implanted Port Access and Management.which was approved in 2019</b>		
Moderators:	<b>Newman, Cindi (cnewman)</b>		
Lead Authors:	<b>Winkler, Jessica (jwinkler)</b>		
Approvers:	<b>Kobe, Mark (mkobe) -&gt; 01 P&amp;P Committee - (Committee) -&gt; 02 MS-Medicine Department - (Committee) -&gt; 03 MS-Surgery Department - (Committee) -&gt; 05 MS-Medical Executive - (Committee) -&gt; 07 BOD-Quality (P&amp;P Review) - (Committee) -&gt; 09 BOD-Board of Directors - (Committee)</b>		
<b>RETIRE::Patient Abuse and Neglect Protection</b>	<b>Pending Approval</b>	8/1/2022	0
<i>Patient Rights Policies (PR)\Patient Abuse policies</i>			
Summary Of Changes:	<b>RETIRE All patient abuse policies are included in one new policy. Historically, Skilled Nursing required patient abuse policies to be separated out to individual policies, no longer necessary</b>		
Moderators:	<b>Newman, Cindi (cnewman)</b>		
Lead Authors:	<b>Cooper, Kylie (kcooper)</b>		
Approvers:	<b>00 Clinical P&amp;P multidisciplinary review -&gt; 01 P&amp;P Committee - (Committee) -&gt; 02 MS-Medicine Department - (Committee) -&gt; 03 MS-Surgery Department - (Committee) -&gt; 05 MS-Medical Executive - (Committee) -&gt; 07 BOD-Quality (P&amp;P Review) - (Committee) -&gt; 09 BOD-Board of Directors - (Committee)</b>		
<b>RETIRE::Patient Abuse Prohibition at Sonoma Valley Hospital</b>	<b>Pending Approval</b>	8/1/2022	0
<i>Patient Rights Policies (PR)\Patient Abuse policies</i>			
Summary Of Changes:	<b>RETIRE All patient abuse policies are included in one new policy. Historically, Skilled Nursing required patient abuse policies to be separated out to individual policies, no longer necessary</b>		
Moderators:	<b>Newman, Cindi (cnewman)</b>		
Lead Authors:	<b>Cooper, Kylie (kcooper)</b>		
Approvers:	<b>00 Clinical P&amp;P multidisciplinary review -&gt; 01 P&amp;P Committee - (Committee) -&gt; 02 MS-Medicine Department - (Committee) -&gt; 03 MS-Surgery Department - (Committee) -&gt; 05 MS-Medical Executive - (Committee) -&gt; 07 BOD-Quality (P&amp;P Review) - (Committee) -&gt; 09 BOD-Board of Directors - (Committee)</b>		
<b>RETIRE::Patient Abuse Prohibition Prevention</b>	<b>Pending Approval</b>	8/1/2022	0
<i>Patient Rights Policies (PR)\Patient Abuse policies</i>			
Summary Of Changes:	<b>RETIRE All patient abuse policies are included in one new policy. Historically, Skilled Nursing required patient abuse policies to be separated out to individual policies, no longer necessary</b>		
Moderators:	<b>Newman, Cindi (cnewman)</b>		
Lead Authors:	<b>Cooper, Kylie (kcooper)</b>		
Approvers:	<b>00 Clinical P&amp;P multidisciplinary review -&gt; 01 P&amp;P Committee - (Committee) -&gt; 02 MS-Medicine Department - (Committee) -&gt; 03 MS-Surgery Department - (Committee) -&gt; 05 MS-Medical Executive - (Committee) -&gt; 07 BOD-Quality (P&amp;P Review) - (Committee) -&gt; 09 BOD-Board of Directors - (Committee)</b>		
<b>RETIRE::Patient Abuse Prohibition-Identification</b>	<b>Pending Approval</b>	8/1/2022	0
<i>Patient Rights Policies (PR)\Patient Abuse policies</i>			
Summary Of Changes:	<b>RETIRE All patient abuse policies are included in one new policy. Historically, Skilled Nursing required patient abuse policies to be separated out to individual policies, no longer necessary</b>		

## Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 08/01/2022 9:45 AM

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

Moderators: Newman, Cindi (cnewman)  
 Lead Authors: Cooper, Kylie (kcooper)  
 Approvers: 00 Clinical P&P multidisciplinary review -> 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)

<b>RETIRE::Patient Abuse Prohibition-Investigating Instructions</b>	<b>Pending Approval</b>	8/1/2022	0
<i>Patient Rights Policies (PR)\Patient Abuse policies</i>			

Summary Of Changes: **RETIRE**  
 All patient abuse policies are included in one new policy. Historically, Skilled Nursing required patient abuse policies to be separated out to individual policies, no longer necessary

Moderators: Newman, Cindi (cnewman)  
 Lead Authors: Cooper, Kylie (kcooper)  
 Approvers: 00 Clinical P&P multidisciplinary review -> 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)

<b>RETIRE::Patient Abuse Prohibition-Protection during Investigation</b>	<b>Pending Approval</b>	8/1/2022	0
<i>Patient Rights Policies (PR)\Patient Abuse policies</i>			

Summary Of Changes: **RETIRE**  
 All patient abuse policies are included in one new policy. Historically, Skilled Nursing required patient abuse policies to be separated out to individual policies, no longer necessary

Moderators: Newman, Cindi (cnewman)  
 Lead Authors: Cooper, Kylie (kcooper)  
 Approvers: 00 Clinical P&P multidisciplinary review -> 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)

<b>RETIRE::Patient Abuse Prohibition-Screening</b>	<b>Pending Approval</b>	8/1/2022	0
<i>Patient Rights Policies (PR)\Patient Abuse policies</i>			

Summary Of Changes: **RETIRE**  
 All patient abuse policies are included in one new policy. Historically, Skilled Nursing required patient abuse policies to be separated out to individual policies, no longer necessary

Moderators: Newman, Cindi (cnewman)  
 Lead Authors: Cooper, Kylie (kcooper)  
 Approvers: 00 Clinical P&P multidisciplinary review -> 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)

<b>RETIRE::Patient Abuse Prohibition-Training</b>	<b>Pending Approval</b>	8/1/2022	0
<i>Patient Rights Policies (PR)\Patient Abuse policies</i>			

Summary Of Changes: **RETIRE**  
 All patient abuse policies are included in one new policy. Historically, Skilled Nursing required patient abuse policies to be separated out to individual policies, no longer necessary

Moderators: Newman, Cindi (cnewman)  
 Lead Authors: Cooper, Kylie (kcooper)  
 Approvers: 00 Clinical P&P multidisciplinary review -> 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)

## Document Tasks by Committee

Sonoma Valley Hospital

Run by: Newman, Cindi (cnewman)

Run date: 08/01/2022 9:45 AM

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

<b>RETIRE::Patient Abuse Reporting-legacy pp</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Patient Rights Policies (PR)\Patient Abuse policies</i>			
Summary Of Changes:	<b>RETIRE</b> All patient abuse policies are included in one new policy. Historically, Skilled Nursing required patient abuse policies to be separated out to individual policies, no longer necessary		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Cooper, Kylie (kcooper)		
Approvers:	00 Clinical P&P multidisciplinary review -> 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)		
<b>RETIRE::Patient Rights</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Respiratory Therapy Dept</i>			
Summary Of Changes:	This department policy is redundant-request to retire, organizational policy is to be followed.		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Winkler, Jessica (jwinkler)		
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)		
<b>RETIRE::Patient Rights &amp; Responsibilities</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Patient Rights Policies (PR)</i>			
Summary Of Changes:	Reviewed- No changes		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Cooper, Kylie (kcooper)		
Approvers:	Hennelly, John (jhennelly) -> 01 P&P Committee - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)		
<b>RETIRE::Pediatric Assessment</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Patient Care Policy</i>			
Summary Of Changes:	Recommend retiring - we do not admit pedi patients		
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) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)		
<b>Social Work Referrals</b>	<b>Pending Approval</b>	<b>8/1/2022</b>	<b>0</b>
<i>Discharge Planning (DP)</i>			
Summary Of Changes:	Removed references to SNF and Birthing Center. Changed contact pager number to cell phone number of social worker. Added Domestic Violence, palliative care, behavioral health issues and unsafe discharges to moderate risk referrals. Added to low risk referrals- Family meetings for goals of care.		
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: 08/01/2022 9:45 AM

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

Standby, Call-back, Call-in and Call-off Pay	Pending Approval	8/1/2022	0
<i>Human Resources Policies (HR)</i>			
Summary Of Changes:	<b>Updated the length of time expected to report onsite, when called in while on Standby.                      Updated department names and gender references, as applicable                      Added References                      Updated schedule of standby pay rates (Attachment A)</b>		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	McKissock, Lynn (lmckissock)		
Approvers:	Cooper, Kylie (kcooper) -> 01 P&P Committee - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)		
Texting by Case Managers PR8750-122	Pending Approval	8/1/2022	0
<i>Case Management/UM Dept</i>			
Summary Of Changes:	<b>Reviewed. Removed references to Cortex as Case Managers and social works now have hospital issued phones and no longer use their personal cell phones with Cortex.</b>		
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)		
Wound Care Protocol	Pending Approval	8/1/2022	0
<i>Nursing Services Policies (NS)</i>			
Summary Of Changes:	<b>Removal of Skilled Nursing. Title Changes, Removal of Staff Names</b>		
Moderators:	Newman, Cindi (cnewman)		
Lead Authors:	Kuwahara, Dawn (dkuwahara)		
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)		

From: Bill Boerum, Treasurer – Sonoma Valley Health Care District

To: Board of Directors

August 4, 2022

Introduction of Mark Finucane – Hospital / Healthcare Transformation

It is a pleasure to introduce Mark Finucane, Managing Director at the Alvarez & Marsal firm, Los Angeles. Mark and I first did work together years ago at strategy sessions of the Association of California Healthcare Districts (ACHD) when I was on the Board of Directors there. Since then, I learned of his work for certain of the UC health systems (currently San Diego), but also previously at UCSF Health and closely with Marc Laret, retired Chief Executive Officer (with whom he stays actively in touch) and with Shelby Decosta, Senior Vice President of Strategy for UCSF Health and President of the Affiliates Network, of which we are a part. Mark has been an insightful, no-nonsense consulting practitioner. I thought that his current focus on healthcare transformation rather than process improvement would be of interest to our Board and Administration as we approach definition of our strategy.

Before joining A&M, he spent seven years with a Big Four accounting firm as the National Account Leader and Co-Director of the company's Academic Medical Center practice. His clients have included: academic medical centers, major teaching hospitals, integrated health systems, university health systems, managed care systems and physician practices. Strategy, operations improvement, financial management, program development, federal waivers and other policy developments are most often the focus of his engagements.

Besides his advisory experience, Mark has had extensive operating responsibility. Before becoming a healthcare adviser, he served five and a half years as the CEO of the Los Angeles County Healthcare System, recruiting to direct the transformation of the system. He also held various positions in the San Francisco Department of Health, and from 1984 to 1996, he was the Director of Health for Contra Costa County, California.

He has served on the board of the Integrated Health Association of California, the California Association of Hospitals and Health Systems, the National Association of Public Hospitals and Health Systems, LA Care, the California Association of Hospitals and Health Systems, the Public Health Law and Policy Institute and the University of Southern California Hospital System. This governance experience has been particularly valuable to the senior executives and leaders with whom he has worked.

Mark has been recognized by the healthcare industry for his extensive leadership, executive capability and policy creativity. He is frequently asked to testify before state and federal legislative bodies on a variety of health policy and management topics.



**Meeting Date:** August 4th, 2022  
**Prepared by:** Joshua Rymer & Judith Bjorndal  
**Agenda Item Title:** CEO FY2022 Incentive Award and Salary Adjustment Recommendations

**Recommendations:**

Each year, working within this framework, the Board and the CEO have jointly established key operating objectives that define the areas of particular importance for the operation of the Hospital in the year ahead. Performance against these objectives is a key element in the CEO's evaluation process.

We recognize that John Hennelly had a large number of very significant accomplishments in FY 2022 (July 2021-June 2022) during a very challenging time for our community and hospital. This was John's first full fiscal year in the position and upon arrival, he was faced with a pandemic that was impacting healthcare across the country and a large construction project that had been mired in delays (some due to COVID) and possible cost overruns. In addition, several senior members of the hospital's leadership team departed the organization early in his tenure leaving John to rebuild his team during a very challenging time.

John was able to maintain quality of care and customer service during this period and has begun the process of rebuilding volumes and revenues. John has done a terrific job of reaching out and becoming an important member of the community. He has really restored confidence in the hospital. John has also continued to invest in the affiliation with UCSF and is working towards building a vision for our community hospital going forward. However, the hospital's financial performance for FY2022 was well below budget and well below the level needed to sustain the organization's capital needs.

For these reasons, we recommend that the board approve a recommendation to UCSF to adjust John's salary for FY2023 (retroactive to July 1<sup>st</sup> 2022) by +2%. This increase is in keeping the general salary adjustments being anticipated for the organization overall and recognizes John's strong contributions as the leader of the hospital.

We also recommend that UCSF award John with 66% of his total potential Individual Incentive Award for FY2022. This reflects the fact that the organization achieved superior results in four out of six of the goals for the first 11 months of the fiscal year, or two-thirds (see attached).

**Background:**

The job description for the Sonoma Valley Hospital CEO position is comprehensive and challenging:

The Chief Executive Officer provides the leadership, direction and administration of hospital operations for Sonoma Valley Health Care District. They have an unwavering commitment to the mission, vision and values. This includes responsibilities for strategy, patient quality and safety outcomes, board and physician relations, staff engagement, fund raising as a partner with the hospital foundation, and community engagement. This position provides sound financial management for the long-term success of the organization. Sonoma Valley Hospital became a UCSF Health affiliate in 2018 with a vision to combine the expertise and resources of both organizations to share best practices and collectively enhance the quality of health care services in Sonoma Valley. The CEO will be charged with ongoing management and implementation of the affiliation on behalf of SVHCD and UCSF Health.





## FY 2022 CEO GOALS

Performance through 6/30/22

PERFORMANCE GOAL	OBJECTIVE	METRIC	Outlook	FY2022 GOAL LEVEL
<b>Growth</b>	Expand medical services in Sonoma	Start a new program in collaboration w UCSF Bring a new physician practice to market	GI agreement set with UCSF. Position posted. Program will start when recruitment complete.	2 new starts+ pending = 5 2 new starts = 4 1 new start = 3 <b>1 start pending = 2</b> <b>0 starts scheduled = 1</b>
<b>Service Excellence</b>	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	<b>&gt;4.7 = 5</b> >4.6=4 ≥4.5= 3 <4.5 = 2 < 4.4 = 1
<b>Quality</b>	Excellent Patient Safety and Outcomes	Meet or exceed the national benchmark in all measured quality outcomes on a 12-month rolling average	Composite score for all measures was met 11 out of 12 months.	12 quality metrics met = 5 <b>11 met = 4</b> 10 met = 3 9 met = 2 8 or less met = 1
<b>People</b>	Engaged and Satisfied Staff	<b>75% staff participate</b> and rate their satisfaction at 3.8/5 or higher	<b>57%</b> of employees responded. Overall hospital score 4.19. Higher than last two surveys (4.05/4.17)	<b>&gt;4 = 5</b> >3.9=4 ≥3.8=3 <3.8=2 <3.5 = 1
<b>Finance</b>	Financial Viability	Exceed Budgeted Operating Income, Before Depreciation and Amortization (EBDA) prior to restricted donations and GO bond by year end	Though revenues exceeded budget by \$700k, expenses were also over by \$1.1m. Budget missed by \$440k. (Sched D line 30)	> \$2 million = 5 > \$1.5 million = 4 > \$1 million better = 3 = met budget = 2 <b>&lt; did not meet budget = 1</b>
<b>Finance</b>	Financial Stability	Maintain a rolling average of days of cash on hand	Through 11 months we've averaged just over 50 days COH. May ended at 60 days.	<b>&gt;50 = 5*</b> >45 = 4 ≥42 = 3 < 42 = 2 < 35 = 1

\*Days cash through 11 months.



## FY 2022 CEO GOALS

Performance through 6/30/22

PERFORMANCE GOAL	OBJECTIVE	METRIC	Outlook	FY2022 GOAL LEVEL
<b>Growth</b>	Expand medical services in Sonoma	Start a new program in collaboration w UCSF Bring a new physician practice to market	GI agreement set with UCSF. Position posted. Program will start when recruitment complete.	2 new starts+ pending = 5 2 new starts = 4 1 new start = 3 <b>1 start pending = 2</b> <b>0 starts scheduled = 1</b>
<b>Service Excellence</b>	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	<b>&gt;4.7 =5</b> >4.6=4 ≥4.5= 3 <4.5 = 2 < 4.4 = 1
<b>Quality</b>	Excellent Patient Safety and Outcomes	Meet or exceed the national benchmark in all measured quality outcomes on a 12-month rolling average	Composite score for all measures was met 11 out of 12 months.	12 quality metrics met = 5 <b>11 met =4</b> 10 met = 3 9 met = 2 8 or less met = 1
<b>People</b>	Engaged and Satisfied Staff	<b>75% staff participate</b> and rate their satisfaction at 3.8/5 or higher	<b>57%</b> of employees responded. Overall hospital score 4.19. Higher than last two surveys (4.05/4.17)	<b>&gt;4 = 5</b> >3.9=4 ≥3.8=3 <3.8=2 <3.5 = 1
<b>Finance</b>	Financial Viability	Exceed Budgeted Operating Income, Before Depreciation and Amortization (EBDA) prior to restricted donations and GO bond by year end	Though revenues exceeded budget by \$700k, expenses were also over by \$1.1m. Budget missed by \$440k. (Sched D line 30)	> \$2 million = 5 > \$1.5 million = 4 > \$1 million better = 3 = met budget = 2 <b>&lt; did not meet budget = 1</b>
<b>Finance</b>	Financial Stability	Maintain a rolling average of days of cash on hand	Through 11 months we've averaged just over 50 days COH. May ended at 60 days.	<b>&gt;50 = 5*</b> >45 = 4 ≥42 = 3 < 42 = 2 < 35 = 1

\*Days cash through 11 months.



**To:** Sonoma Valley Health Care District Board of Directors  
**From:** Ben Armfield, Chief Financial Officer; Kimberly Drummond, Director of Facilities  
**Date:** August 4, 2022  
**Subject:** Unison Energy, LLC – Amended Energy Services Agreement

**Historical Background:** In September 2020, the Sonoma Valley Health Care District Finance Committee recommended to the Board of Directors that they approve a 20-year Energy Service Agreement (ESA) with Unison Energy, LLC and install a Combined Heat and Power (CHP) system. By entering into this arrangement and installing a CHP system, it was projected that the hospital would realize cost savings up to \$1.5 million (~\$27K per year) over the course of the 20-year agreement. The Board of Directors approved this agreement on September 3<sup>rd</sup>, 2020.

**Current State:** External conditions have shifted since the execution of this agreement which has resulted in a significant change to Unison’s position on this project. The driving forces are as follows:

- PG&E interconnectivity requires Unison to upgrade their substation as part of our project.
- Significant supply chain cost increases due to COVID-19 that were unanticipated at the time of contract negotiations.
- Unison Energy covered 50% (\$150,000) of the cost to upgrade the existing boiler room at the request of the hospital, which depleted their contingency funding allocated for this project.

These changes have now caused Unison to project an overall loss on this project, and while the hospital has no contractual obligation to share in the responsibility of these costs, they have requested we consider a change in our agreement that would allow them to mitigate their overall risk while at the same time, avoid negatively impacting the overall opportunity for the hospital.

**Options:** Unison Energy presented the following proposal, which includes three potential adjustments to our overall agreement with them:

- **Option #1** - Increase annual ESA escalator from 2.50% to 3.25%.
- **Option #2** - Extend term from 20 years to 25 years. No change to any rates or other terms.
- **Option #3** – Increase electric ESA rate from \$.074/kWh to \$.080/kWh

#	Option	Year 1 Savings	ESA Term (years)	Year 1 ESA \$/kWh	Annual Escalator	Projected Savings (years 1-20)	Chg in Proj Savings vs Original ProForma (years 1-20)
-	Original Pro Forma	\$ 49,422	20	\$0.0739	2.50%	\$ 2,146,298	-
1	Increase annual ESA escalator to 3.25%	\$ 49,422	20	\$0.0739	3.25%	\$ 1,593,477	\$ (552,882)
2	Extend ESA term to 25 years	\$ 49,422	25	\$0.0739	2.50%	\$ 2,146,298 *	-
3	Raise electric ESA rate by 0.65 cents/kWh	\$ 30,015	20	\$0.0804	2.50%	\$ 1,650,544	\$ (495,755)

\*Projected savings based on first 20 years of agreement. Total projected savings over full 25 year term is \$3,216,662.

**Financial Impact:** All three options still project to be very favorable financially for the hospital compared to our current utility rates. That said, only Option #2 preserves our originally agreed to annual escalator and per kWh electricity rates, and due to the projected annual escalation of our current utility costs, offers more financial upside than Options #1 & #3.

Option	Option 1	Option 2	Option 3
Description	3.25% Escalator	Extend Term to 25 Yrs	Increase ESA Rate by \$0.65/kWh
Annual Escalator	3.25%	2.50%	2.50%
Term	20 Year Term	25 Year Term	20 Year Term

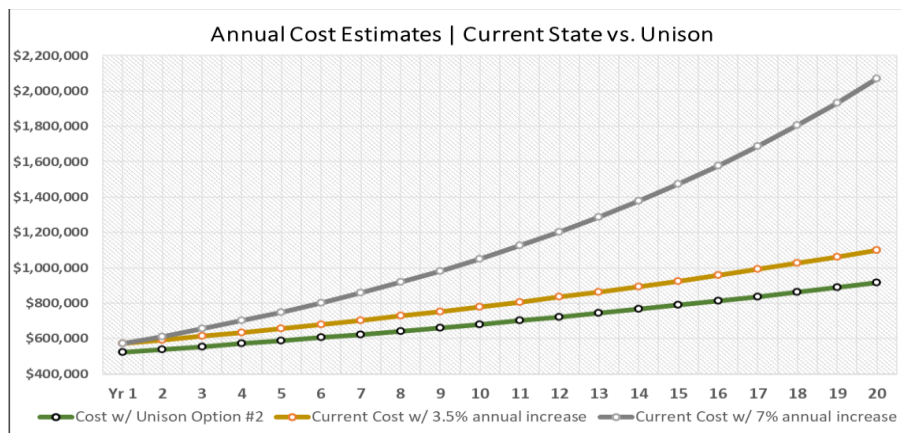
Cost Comparison	20 Year Costs	Average/Yr	20 Year Costs	Average/Yr	20 Year Costs	Average/Yr
Current Cost / Status Quo	\$ 16,172,078	\$ 808,604	\$ 16,172,078	\$ 808,604	\$ 16,172,078	\$ 808,604
New Cost (Unison)	\$ 14,578,601	\$ 728,930	\$ 14,025,780	\$ 701,289	\$ 14,521,534	\$ 726,077
<b>Total Savings</b>	<b>\$ 1,593,477</b>	<b>\$ 79,674</b>	<b>\$ 2,146,298</b>	<b>\$ 107,315</b>	<b>\$ 1,650,544</b>	<b>\$ 82,527</b>

There is additional upside as well, due to the fact that we feel these savings projections are conservative. Annual cost increases with Unison would range from 2.5%-3.25% depending on option. This is compared to an estimated 3.5% annual increase in our current utility costs if we were to maintain status-quo and not move forward with Unison. In all reality, we anticipate utility costs will likely be higher than what the proforma currently estimates.

The table and graph below provides a snapshot of the financial impact of moving forward with Unison Option #2 compared to our current utility rates. As was mentioned above, the proforma assumes a 3.5% annual increase in our current utility costs. Based on this, our estimated cost savings with Unison is projected to exceed \$2 million over the course of the first 20 years. If our current utility costs were to increase by 7% each year instead of 3.5% (our average utility costs have increased +10% annually from 2020-2022), total cost savings at the end of year 20 would be nearing \$9.5 million, or ~\$470,000 annually.

Option	Option 2   Extend Term to 25 Years					
Current Utility Cost Assumption	Current utility rates (electricity & thermal) increase by 3.5% on average years 1-20			Current utility rates (electricity & thermal) increase by 7% on average years 1-20		
	Total Costs (Years 1-20)	Annual Cost @ Yr 20	Avg Annual Cost (Years 1-20)	Total Costs (Years 1-20)	Annual Cost @ Yr 20	Avg Annual Cost (Years 1-20)
Current State / Status Quo	\$ 16,172,078	\$ 1,099,406	\$ 808,604	\$ 23,443,768	\$ 2,068,155	\$ 1,172,188
Unison	\$ 14,025,780	\$ 915,744	\$ 701,289	\$ 14,025,780	\$ 915,744	\$ 701,289
<b>Total Savings</b>	<b>\$ 2,146,298</b>	<b>\$ 183,662</b>	<b>\$ 107,315</b>	<b>\$ 9,417,988</b>	<b>\$ 1,152,411</b>	<b>\$ 470,899</b>

% Savings: 20%      15%      126%      67%



**Recommendation:** Management proposes to move forward with Option #2 – Extend ESA term from 20 to 25 years, and to also recommend to the Board of Directors that they approve staff to review the Amended Unison Energy, LLC (“Unison”) Energy Services Agreement (“ESA”) with the Hospital’s legal firm. If the legal firm deems the agreement acceptable, the Board of Director’s should approve that the Hospital sign the 25 year ESA with Unison and install a Combined Heat and Power (CHP) system and connect to the Hospital’s Central Utility Plant (“CUP”).

**Attachments:**

- SVH/Unison Original Finance Committee Recommendation (May 2020)
- Revised SVH/Unison ESA ProForma



**To:** Sonoma Valley Hospital Finance Committee  
**Meeting Date:** May 26, 2020  
**Prepared by:** Ken Jensen, CFO; Kimberly Drummond, Director of Facilities  
**Agenda Item Title:** Unison Energy, LLC – 20 year Energy Services Agreement

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**Recommendation:** Management proposes that the Finance Committee recommends to the Board of Directors that they approve staff to review the Unison Energy, LLC (“Unison”) Energy Services Agreement (“ESA”) with the Hospital’s legal firm. If the legal firm deems the agreement acceptable, the Board of Director’s should approve that the Hospital sign the 20 year ESA with Unison and install a Combined Heat and Power (CHP) system and connect to the Hospital’s Central Utility Plant (“CUP”).

**Background:** In February 2020, the Finance Committee reviewed the October 2019 proforma from Unison Energy that showed a \$27K annual/\$1.5M lifetime utility savings by installing a CHP system. The Finance Committee approved the recommendation to enter into a letter of agreement (“LOA”) with Unison to conduct an on-site feasibility study to validate the proforma. The LOA stated that if the proforma is validated, SVH has the choice to move forward with a 20 year ESA with Unison or bear \$15K of the feasibility costs and walk away.

The feasibility study was conducted in March 2020 and validated the original proforma. In Unison Energy’s April 2020 updated proforma, it reflects a greater savings of \$40K annual/\$1.8M lifetime utility savings. The added savings is due to SVH not having a Direct Access agreement in place and that our agreements are with PG&E/Sonoma Clean Power for electricity and Commercial Energy for gas.

**Benefits of proceeding with the Unison Energy 20 year ESA:**

- Savings projections are conservative with Unison cost increases at 2.5% annually vs. 3.5% Utility cost increase. In reality, annual Utility cost increases will likely be higher than the proforma projections.
- No capital investment required by the Hospital.
- No maintenance investment or labor required by the Hospital for the life of the agreement.
- Unison provides Engineered Drawings, Permitting, OSHPD Approval, and Project Management for the installation of the system and connection to the Hospital’s infrastructure.
- Unison’s CHP system will power 80% of the Main Hospital (West, Central, East Wing) during a planned PG&E or unplanned power shutdown. The existing back-up diesel generator will power all services connected to the Emergency Power outlets.
- Unison’s CHP system will power the Chillers in the Main Hospital CUP and allow for temperature regulation of patient rooms during a power outage during hot weather. High temperatures can trigger patient evacuation if room temperature cannot be controlled.

- Unison projects 92% uptime of the CHP system. Unison ESA is structured so that maximum CHP uptime is an incentive as they are paid for the energy they are generating.
- Unison provides a 24 hour/365 day monitoring center including instant communications with technicians, engineers and engine experts.
- Rates are not affected by commodity price fluctuations.

The feasibility study showed that it was not financially viable to install a 2<sup>nd</sup> CHP system to power the New Wing. The trenching, copper costs and OSHPD fees made the break even beyond 5 years. The Hospital's electrician was unsure that the connection was even possible.

The cost projected by Vertran Associates for the Hospital to install additional back-up power for the New Wing to power its cooling tower is projected at \$527K (no escalation). This project is being tracked on the 10 yr. Master Facility and Infrastructure Plan to be completed as deemed necessary by Hospital Management and Governance.

**Contract Terms ESA:**

- 20 years (but flexible with pricing adjustment)
- Electricity billed at actual usage per kWh
- Thermal output billed at per therm rate for actual usage
- Natural gas can be purchased by the Hospital from any source or purchased by Unison and passed through with no mark-up
- All capital and maintenance costs paid by Unison
- Early termination – SVH can pay to relocate the system to a new site or pay down the remaining principle on Unison's debt
- Construction with Engineering/Permitting – 10-15 months

Unison Energy has no direct competitor as they currently are the only company who's business model manages/provides the Equipment, Finance and Operation/Maintenance of Equipment. Other companies are a single/double source of equipment, finance or maintenance but not everything.

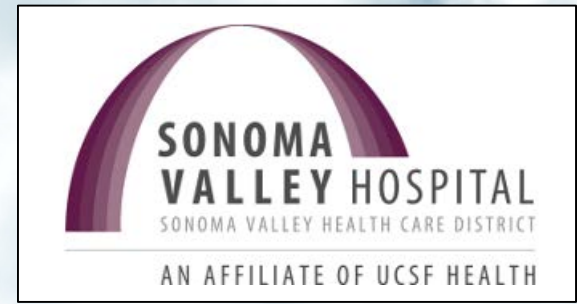
**Consequences of Negative Action/Alternative Actions:**

The Hospital can take no action on the ESA and pay Unison \$15,000 for the feasibility study. If the Hospital opts to walk away, it will not receive:

- A no cost back-up power source for the Main Hospital.
- Fixed annual price increases for majority of electrical costs for 20 years.

**Financial Impact:**

The financial impact is \$15,000 if the Hospital does not opt to sign the ESA agreement. The financial impact is \$0 if the Hospital proceeds with the ESA agreement.



# Reliable energy

*Using on-site microgrids*

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December 2021

# Executive Summary

## Sonoma Valley's savings have improved since we signed the contract due to 2 market events

- California Public Utilities Commission mandated that the utilities (including PG&E) remove any standby charges for microgrids such as the one we are installing at Sonoma Valley Hospital
- PG&E costs have increased substantially over the past 2 years

## Unison Energy has had significant cost overruns for the Sonoma Valley project due to

- PG&E interconnect requires substation upgrade
- COVID-19 supply chain issues have caused significant cost increases
- Unison Energy covered the cost for ½ of the cost to upgrade the existing boiler room out of our contingency which left the project contingency depleted

**Sonoma Valley Hospital is under no obligation to cover these costs; however, we request that Sonoma Valley adjust the contract for one of the two options listed below which will still provide resiliency and savings to the hospital**

#	Option	Year 1 Savings	Lifetime Savings	ESA Term (years)	Year 1 ESA \$/kWh	Annual Escalator
1	Increase annual ESA escalator to 3.25%	49,422	1,593,477	20	\$0.0739	3.25%
2	Extend ESA term to 25 years	49,422	3,216,662	25	\$0.0739	2.50%
3	Raise electric ESA rate by 0.65 cents/kWh	30,015	1,650,544	20	\$0.0804	2.50%

*Detailed pro formas are provided on the following pages*



# Option 1: Increase ESA escalator to 3.25% – The hospital’s first year energy savings are projected to be approximately **\$49k**

## Year 1 Pro Forma, 20-year ESA

UTILITY			
<b>Electric</b>			
	<u>Consumption kWh</u>	<u>Unit Cost USD/kWh</u>	<u>Total Cost USD</u>
<i>Electricity - Utility</i>	<b>3,311,431</b>	<b>0.1459</b>	<b>483,226</b>
Total Current Electric Cost ----->			<b>483,226</b>
<b>Addressable Thermal</b>			
	<u>Consumption Therms</u>	<u>Unit Cost USD/Therm</u>	<u>Total Cost USD</u>
<i>Natural gas - Utility</i>	<b>137,634</b>	<b>0.644</b>	<b>88,636</b>
Total Current Thermal Cost ----->			<b>88,636</b>
<b>TOTAL CURRENT ENERGY COST</b>			<b>571,862</b>

UNISON ENERGY			
<b>Electric (incl. electric offsets)</b>			
	<u>Consumption kWh</u>	<u>Unit Cost USD/kWh</u>	<u>Total Cost USD</u>
<i>Electricity - Unison</i>	<b>2,985,749</b>	<b>0.1190</b>	<b>355,310</b>
Unison - generation ESA	2,985,749	0.0739	220,545
Unison - fuel <sup>1,2</sup>	2,985,749	0.0451	134,765
<i>Electricity - Utility</i>	<b>325,682</b>	<b>0.2780</b>	<b>90,527</b>
Total New Electric Cost ----->			<b>445,837</b>
<b>Addressable Thermal</b>			
	<u>Consumption Therms</u>	<u>Unit Cost USD/Therm</u>	<u>Total Cost USD</u>
<i>Natural gas - Utility</i>	<b>36,364</b>	<b>0.644</b>	<b>23,418</b>
<i>Hot water - Unison</i>	<b>91,143</b>	<b>0.584</b>	<b>53,185</b>
Unison - hot water ESA	91,143	0.584	53,185
Total New Thermal Cost ----->			<b>76,603</b>
<b>TOTAL NEW ENERGY COST</b>			<b>522,440</b>



**Combined Year 1 Energy Savings:**  
**\$49,422**

Note 1: Generation fuel usage billed in conjunction with remaining thermal fuel usage in the form of USD/therm (total USD is the same as presented above)  
 Note 2: Generation natural gas usage is 319,356 therms at a unit price of \$0.422 per therm

# Option 1: Increase ESA escalator to 3.25% – Over the course of a 20-year ESA, the facility is expected to save approximately **\$1.6M**

## Lifetime Pro Forma, 20-year ESA

Nominal year	0	1	2	3	4	17	18	19
<b>PRO-FORMA: PROJECT LIFETIME</b>								
<b>Electric (incl. electric offsets)</b>								
<i>Electricity - current</i>								
Current consumption (kWh)	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431
<b>Current cost (USD)</b>	<b>483,226</b>	<b>500,139</b>	<b>517,643</b>	<b>535,761</b>	<b>554,513</b>	<b>867,233</b>	<b>897,586</b>	<b>929,002</b>
Current unit cost (USD/kWh)	0.146	0.151	0.156	0.162	0.167	0.262	0.271	0.281
<i>Electricity - new</i>								
New consumption (kWh)	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431
<b>New cost (USD)</b>	<b>445,837</b>	<b>460,890</b>	<b>476,452</b>	<b>492,540</b>	<b>509,172</b>	<b>784,190</b>	<b>810,687</b>	<b>838,080</b>
New unit cost (USD/kWh)	0.135	0.139	0.144	0.149	0.154	0.237	0.245	0.253
<b>Total electricity savings (USD)</b>	<b>37,389</b>	<b>39,249</b>	<b>41,192</b>	<b>43,221</b>	<b>45,341</b>	<b>83,043</b>	<b>86,900</b>	<b>90,922</b>
<b>Thermal</b>								
<i>Natural gas - current</i>								
Current consumption (Therms)	137,634	137,634	137,634	137,634	137,634	137,634	137,634	137,634
<b>Current cost (USD)</b>	<b>88,636</b>	<b>91,739</b>	<b>94,950</b>	<b>98,273</b>	<b>101,712</b>	<b>159,074</b>	<b>164,641</b>	<b>170,404</b>
Current unit cost (USD/Therm)	0.644	0.667	0.690	0.714	0.739	1.156	1.196	1.238
<i>Natural gas - new</i>								
New consumption (Therms)	36,364	36,364	36,364	36,364	36,364	36,364	36,364	36,364
<b>New cost (USD)</b>	<b>23,418</b>	<b>24,238</b>	<b>25,086</b>	<b>25,964</b>	<b>26,873</b>	<b>42,028</b>	<b>43,499</b>	<b>45,022</b>
New unit cost (USD/Therm)	0.644	0.667	0.690	0.714	0.739	1.156	1.196	1.238
<i>Unison hot water - new</i>								
New consumption - hot water (Therms)	91,143	91,143	91,143	91,143	91,143	91,143	91,143	91,143
<b>New cost - hot water (USD)</b>	<b>53,185</b>	<b>54,913</b>	<b>56,698</b>	<b>58,541</b>	<b>60,443</b>	<b>91,605</b>	<b>94,582</b>	<b>97,656</b>
New unit cost - hot water (USD/Therm)	0.584	0.602	0.622	0.642	0.663	1.005	1.038	1.071
<b>Total thermal savings (USD)</b>	<b>12,033</b>	<b>12,587</b>	<b>13,165</b>	<b>13,768</b>	<b>14,396</b>	<b>25,440</b>	<b>26,560</b>	<b>27,726</b>
<b>Total savings</b>								
<b>Total energy savings (USD)</b>	<b>49,422</b>	<b>51,836</b>	<b>54,357</b>	<b>56,989</b>	<b>59,737</b>	<b>108,484</b>	<b>113,459</b>	<b>118,647</b>

### ASSUMPTIONS

**Utility unit cost:**  
 ↑ 3.5%/year  
 Source: historical increases are 5-11% so 3.5% is conservative assumption

**Unison unit cost:**  
 ↑ 2.5%/year  
 Source: Long-term CPI

**Residual utility cost:**  
 ↑ 3.5%/year  
 Source: matches Utility assumption

**Gas cost:**  
 ↑ 3.5%/year  
 Source: matches Utility assumption

Lifetime savings: **\$1,593,477**

# Option 2: Increase ESA term to 25 years – The hospital’s first year energy savings are projected to be approximately \$49k

## Year 1 Pro Forma, 25-year ESA

UTILITY			
<b>Electric</b>			
	<u>Consumption</u> kWh	<u>Unit Cost</u> USD/kWh	<u>Total Cost</u> USD
<i>Electricity - Utility</i>	<b>3,311,431</b>	<b>0.1459</b>	<b>483,226</b>
Total Current Electric Cost ----->			<b>483,226</b>
<b>Addressable Thermal</b>			
	<u>Consumption</u> Therms	<u>Unit Cost</u> USD/Therm	<u>Total Cost</u> USD
<i>Natural gas - Utility</i>	<b>137,634</b>	<b>0.644</b>	<b>88,636</b>
Total Current Thermal Cost ----->			<b>88,636</b>
<b>TOTAL CURRENT ENERGY COST</b>			<b>571,862</b>

UNISON ENERGY			
<b>Electric (incl. electric offsets)</b>			
	<u>Consumption</u> kWh	<u>Unit Cost</u> USD/kWh	<u>Total Cost</u> USD
<i>Electricity - Unison</i>	<b>2,985,749</b>	<b>0.1190</b>	<b>355,310</b>
Unison - generation ESA	2,985,749	0.0739	220,545
Unison - fuel <sup>1,2</sup>	2,985,749	0.0451	134,765
<i>Electricity - Utility</i>	<b>325,682</b>	<b>0.2780</b>	<b>90,527</b>
Total New Electric Cost ----->			<b>445,837</b>
<b>Addressable Thermal</b>			
	<u>Consumption</u> Therms	<u>Unit Cost</u> USD/Therm	<u>Total Cost</u> USD
<i>Natural gas - Utility</i>	<b>36,364</b>	<b>0.644</b>	<b>23,418</b>
<i>Hot water - Unison</i>	<b>91,143</b>	<b>0.584</b>	<b>53,185</b>
Unison - hot water ESA	91,143	0.584	53,185
Total New Thermal Cost ----->			<b>76,603</b>
<b>TOTAL NEW ENERGY COST</b>			<b>522,440</b>



**Combined Year 1 Energy Savings:**  
**\$49,422**

Note 1: Generation fuel usage billed in conjunction with remaining thermal fuel usage in the form of USD/therm (total USD is the same as presented above)

Note 2: Generation natural gas usage is 319,356 therms at a unit price of \$0.422 per therm

# Option 1: Increase ESA term to 25 years – Over the course of a 20-year ESA, the facility is expected to save approximately **\$3.2M**

## Lifetime Pro Forma, 25-year ESA

Nominal year	0	1	2	3	4	22	23	24
<b>PRO-FORMA: PROJECT LIFETIME</b>								
<b>Electric (incl. electric offsets)</b>								
<i>Electricity - current</i>								
Current consumption (kWh)	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,065,803
<b>Current cost (USD)</b>	<b>483,226</b>	<b>500,139</b>	<b>517,643</b>	<b>535,761</b>	<b>554,513</b>	<b>1,030,001</b>	<b>1,066,051</b>	<b>1,021,520</b>
Current unit cost (USD/kWh)	0.146	0.151	0.156	0.162	0.167	0.311	0.322	0.333
<i>Electricity - new</i>								
New consumption (kWh)	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,065,803
<b>New cost (USD)</b>	<b>445,837</b>	<b>459,236</b>	<b>473,048</b>	<b>487,288</b>	<b>501,968</b>	<b>859,896</b>	<b>886,196</b>	<b>847,929</b>
New unit cost (USD/kWh)	0.135	0.139	0.143	0.147	0.152	0.260	0.268	0.277
<b>Total electricity savings (USD)</b>	<b>37,389</b>	<b>40,903</b>	<b>44,595</b>	<b>48,473</b>	<b>52,545</b>	<b>170,105</b>	<b>179,856</b>	<b>173,591</b>
<b>Thermal</b>								
<i>Natural gas - current</i>								
Current consumption (Therms)	137,634	137,634	137,634	137,634	137,634	137,634	137,634	128,735
<b>Current cost (USD)</b>	<b>88,636</b>	<b>91,739</b>	<b>94,950</b>	<b>98,273</b>	<b>101,712</b>	<b>188,930</b>	<b>195,542</b>	<b>189,300</b>
Current unit cost (USD/Therm)	0.644	0.667	0.690	0.714	0.739	1.373	1.421	1.470
<i>Natural gas - new</i>								
New consumption (Therms)	36,364	36,364	36,364	36,364	36,364	36,364	36,364	34,397
<b>New cost (USD)</b>	<b>23,418</b>	<b>24,238</b>	<b>25,086</b>	<b>25,964</b>	<b>26,873</b>	<b>49,916</b>	<b>51,663</b>	<b>50,579</b>
New unit cost (USD/Therm)	0.644	0.667	0.690	0.714	0.739	1.373	1.421	1.470
<i>Unison hot water - new</i>								
New consumption - hot water (Therms)	91,143	91,143	91,143	91,143	91,143	91,143	91,143	84,904
<b>New cost - hot water (USD)</b>	<b>53,185</b>	<b>54,515</b>	<b>55,877</b>	<b>57,274</b>	<b>58,706</b>	<b>91,562</b>	<b>93,851</b>	<b>89,612</b>
New unit cost - hot water (USD/Therm)	0.584	0.598	0.613	0.628	0.644	1.005	1.030	1.055
<b>Total thermal savings (USD)</b>	<b>12,033</b>	<b>12,986</b>	<b>13,986</b>	<b>15,034</b>	<b>16,133</b>	<b>47,452</b>	<b>50,028</b>	<b>49,109</b>
<b>Total savings</b>								
<b>Total energy savings (USD)</b>	<b>49,422</b>	<b>53,889</b>	<b>58,581</b>	<b>63,507</b>	<b>68,678</b>	<b>217,557</b>	<b>229,884</b>	<b>222,700</b>

### ASSUMPTIONS

**Utility unit cost:**  
 ↑ 3.5%/year  
 Source: historical increases are 5-11% so 3.5% is conservative assumption

**Unison unit cost:**  
 ↑ 2.5%/year  
 Source: Long-term CPI

**Residual utility cost:**  
 ↑ 3.5%/year  
 Source: matches Utility assumption

**Gas cost:**  
 ↑ 3.5%/year  
 Source: matches Utility assumption

Lifetime savings: **\$3,216,662**

# Option 3: Raise electric ESA rate by 0.65 cents/kWh – The hospital's first year energy savings are projected to be approximately \$30k

## Year 1 Pro Forma, 20-year ESA

UTILITY			
<b>Electric</b>			
	<u>Consumption</u>	<u>Unit Cost</u>	<u>Total Cost</u>
	<i>kWh</i>	<i>USD/kWh</i>	<i>USD</i>
<i>Electricity - Utility</i>	<b>3,311,431</b>	<b>0.1459</b>	<b>483,226</b>
Total Current Electric Cost ----->			<b>483,226</b>
<b>Addressable Thermal</b>			
	<u>Consumption</u>	<u>Unit Cost</u>	<u>Total Cost</u>
	<i>Therms</i>	<i>USD/Therm</i>	<i>USD</i>
<i>Natural gas - Utility</i>	<b>137,634</b>	<b>0.644</b>	<b>88,636</b>
Total Current Thermal Cost ----->			<b>88,636</b>
<b>TOTAL CURRENT ENERGY COST</b>			<b>571,862</b>

UNISON ENERGY			
<b>Electric (incl. electric offsets)</b>			
	<u>Consumption</u>	<u>Unit Cost</u>	<u>Total Cost</u>
	<i>kWh</i>	<i>USD/kWh</i>	<i>USD</i>
<i>Electricity - Unison</i>	<b>2,985,749</b>	<b>0.1255</b>	<b>374,718</b>
Unison - generation ESA	2,985,749	0.0804	239,953
Unison - fuel <sup>1,2</sup>	2,985,749	0.0451	134,765
<i>Electricity - Utility</i>	<b>325,682</b>	<b>0.2780</b>	<b>90,527</b>
Total New Electric Cost ----->			<b>465,244</b>
<b>Addressable Thermal</b>			
	<u>Consumption</u>	<u>Unit Cost</u>	<u>Total Cost</u>
	<i>Therms</i>	<i>USD/Therm</i>	<i>USD</i>
<i>Natural gas - Utility</i>	<b>36,364</b>	<b>0.644</b>	<b>23,418</b>
<i>Hot water - Unison</i>	<b>91,143</b>	<b>0.584</b>	<b>53,185</b>
Unison - hot water ESA	91,143	0.584	53,185
Total New Thermal Cost ----->			<b>76,603</b>
<b>TOTAL NEW ENERGY COST</b>			<b>541,847</b>



**Combined Year 1 Energy Savings:**  
**\$30,015**

Note 1: Generation fuel usage billed in conjunction with remaining thermal fuel usage in the form of USD/therm (total USD is the same as presented above)  
 Note 2: Generation natural gas usage is 319,356 therms at a unit price of \$0.422 per therm

# Option 3: Raise electric ESA rate by 0.65 cents/kWh – Over the course of a 20-year ESA, the facility is expected to save approximately **\$1.7M**

## Lifetime Pro Forma, 20-year ESA

Nominal year	0	1	2	3	4	17	18	19
<b>PRO-FORMA: PROJECT LIFETIME</b>								
<b>Electric (incl. electric offsets)</b>								
<i>Electricity - current</i>								
Current consumption (kWh)	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431
<b>Current cost (USD)</b>	<b>483,226</b>	<b>500,139</b>	<b>517,643</b>	<b>535,761</b>	<b>554,513</b>	<b>867,233</b>	<b>897,586</b>	<b>929,002</b>
Current unit cost (USD/kWh)	0.146	0.151	0.156	0.162	0.167	0.262	0.271	0.281
<i>Electricity - new</i>								
New consumption (kWh)	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431	3,311,431
<b>New cost (USD)</b>	<b>465,244</b>	<b>479,128</b>	<b>493,438</b>	<b>508,188</b>	<b>523,390</b>	<b>769,442</b>	<b>792,721</b>	<b>816,724</b>
New unit cost (USD/kWh)	0.140	0.145	0.149	0.153	0.158	0.232	0.239	0.247
<b>Total electricity savings (USD)</b>	<b>17,981</b>	<b>21,010</b>	<b>24,205</b>	<b>27,573</b>	<b>31,123</b>	<b>97,792</b>	<b>104,866</b>	<b>112,278</b>
<b>Thermal</b>								
<i>Natural gas - current</i>								
Current consumption (Therms)	137,634	137,634	137,634	137,634	137,634	137,634	137,634	137,634
<b>Current cost (USD)</b>	<b>88,636</b>	<b>91,739</b>	<b>94,950</b>	<b>98,273</b>	<b>101,712</b>	<b>159,074</b>	<b>164,641</b>	<b>170,404</b>
Current unit cost (USD/Therm)	0.644	0.667	0.690	0.714	0.739	1.156	1.196	1.238
<i>Natural gas - new</i>								
New consumption (Therms)	36,364	36,364	36,364	36,364	36,364	36,364	36,364	36,364
<b>New cost (USD)</b>	<b>23,418</b>	<b>24,238</b>	<b>25,086</b>	<b>25,964</b>	<b>26,873</b>	<b>42,028</b>	<b>43,499</b>	<b>45,022</b>
New unit cost (USD/Therm)	0.644	0.667	0.690	0.714	0.739	1.156	1.196	1.238
<i>Unison hot water - new</i>								
New consumption - hot water (Therms)	91,143	91,143	91,143	91,143	91,143	91,143	91,143	91,143
<b>New cost - hot water (USD)</b>	<b>53,185</b>	<b>54,515</b>	<b>55,877</b>	<b>57,274</b>	<b>58,706</b>	<b>80,927</b>	<b>82,950</b>	<b>85,024</b>
New unit cost - hot water (USD/Therm)	0.584	0.598	0.613	0.628	0.644	0.888	0.910	0.933
<b>Total thermal savings (USD)</b>	<b>12,033</b>	<b>12,986</b>	<b>13,986</b>	<b>15,034</b>	<b>16,133</b>	<b>36,118</b>	<b>38,192</b>	<b>40,358</b>
<b>Total savings</b>								
<b>Total energy savings (USD)</b>	<b>30,015</b>	<b>33,997</b>	<b>38,191</b>	<b>42,608</b>	<b>47,256</b>	<b>133,910</b>	<b>143,057</b>	<b>152,636</b>

### ASSUMPTIONS

**Utility unit cost:**  
 ↑ 3.5%/year  
 Source: historical increases are 5-11% so 3.5% is conservative assumption

**Unison unit cost:**  
 ↑ 2.5%/year  
 Source: Long-term CPI

**Residual utility cost:**  
 ↑ 3.5%/year  
 Source: matches Utility assumption

**Gas cost:**  
 ↑ 3.5%/year  
 Source: matches Utility assumption

Lifetime savings: **\$1,650,544**



To: SVHCD Board of Directors  
From: John Hennelly  
Date: 08.04.22  
Subject: Administrative Report

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July brought several great accomplishments that will significantly influence FY23. First, we hired our next **Chief Nursing Officer**, Jessica Winkler. Jessica has served as the Director of Patient Care Services, managing the ICU, Med/Surg, and Respiratory Therapy for the last 3 years. She is a doctoral prepared nurse and has broad experience beyond healthcare. Second, we received occupancy on our new **128 slice CT scanner**. This first phase of the Outpatient Diagnostic Center has struggled through numerous quagmires, Covid, contractor challenges, and executive leadership change. None the less, we have arrived at the goal line. The system has been approved for use. It will be scanning patients later this month.

**COVID** continues to dominate our environment. July witnessed another significant surge. Staff positivity rate is a telling indicator. Through much of the pandemic, staff positivity rates, the rate at which staff tested positive at our testing center, fluctuated between 10 and 30%. The second half of July's positivity rate was **80%**. We are currently removing 4 people every day from service. They are typically held out of service for 10 days to ensure they are not infectious. The latest variants, Omicron and BA.4 and BA.5 are causing more severe illness in the 'walking sick.' The stress on the system continues to be very high. Hospitalizations are up, though not at rates seen earlier in the pandemic.

SVH continues to require masking by everyone in the hospital in addition to the expectation of being vaccinated or having a recent negative PCR (lab) test.

The **Outpatient Diagnostic Center (ODC)** CT phase has achieved signoff by HCAI. The final approval will come from the State of California. We expect to begin scanning patients in the third week of August.

We continue to review/revise the plan for installing the MRI. The plan, as drawn, poses risks related to retrofitting of the structure. The team is reviewing this plan as well as identifying alternative locations should the plan be prohibitively expensive or time consuming. Once this plan review is completed, reviewed, and approved by the Board, we will proceed with a bid process to complete the project.

The hospital's **quality** performance through June remained strong. Ongoing measures related to outcomes, readmissions, hospital acquired conditions are very positive. The team is performing exceptionally and, when there is an unexpected event, they are leaning in – to identify the opportunity and make corrections.

June's **financial results** were strong, exceeding our operating targets for the third month in a row. Operating margin exceeded budget by 21% and EBDA by 26%. FY22 closed with an operating margin only 7% behind budget after a strong June. Q4 operating margin exceeded budget by \$479,000.

The hospital is 2 months into a 6-month project to replace our medical records system. The Epic implementation is on time and will go live 12/3/22.

### Update from 2025 Strategic Plan:

Strategic Priorities	Update
Enhance Quality and Services through the affiliation with UCSF Health	<ul style="list-style-type: none"> <li>➤ We focus on building our relationship around provider recruitment               <ul style="list-style-type: none"> <li>○ GI – contract executed with UCSF to recruit</li> <li>○ Primary Care</li> </ul> </li> <li>➤ CMO (Chief Medical Officer) recruitment is underway. A selection should occur in August.</li> </ul>
Exceed Community Expectations especially in Emergency Services	<ul style="list-style-type: none"> <li>➤ The hospital continues to provide guidance to our community regarding Covid guidelines.</li> <li>➤ The hospital has expanded the availability of testing to the community through the hospital drive through.</li> <li>➤ Phase 1 of the ODC is complete. Occupancy planned for August.</li> <li>➤ Engagement continues with community groups and community members.</li> </ul>
Ensure Patients receive Excellent, Safe care	<ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ Implementation of Epic is in the data collection phase. Teams have begun meeting and gathering data. Go live scheduled for December 2022.</li> </ul>
Provide Access to Excellent Physicians	<ul style="list-style-type: none"> <li>➤ The team continues to work on recruitment efforts to bring MDs to Sonoma. Focus currently on primary care and surgery.</li> </ul>
Be a Healthy Hospital	<ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ The hospital continues to review emergency drills including Active Shooter.</li> </ul>



# SVH Performance Score Card

## 1. Quality and Safety

Objective	Target	MAY.22	JUN.22	Trend	Supporting detail
<b>Infection Prevention</b>					
Central Line Blood Stream Infection CLABSI per 10k pt days	<1	0.0	0.0	↔	
Catheter Associated Urinary Tract Infection- CAUTI per 10k pt days	<1	0.0	0.0	↔	
CDIFF Infection per 10k pt days	<0.9	0.0	0.0	↔	
<b>Safety</b>					
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	↔	

<b>Core Measures</b>					
Sepsis Early Management Bundle % compliant	>81%	100 (n=7)	100 (n=7)	↔	
Severe Sepsis 3 hour Bundle % compliant	>94%	100 (n=7)	100 (n=7)	↔	
Severe Sepsis 6 hr Bundle % compliant	100.00	100 (n=5)	100 (n=4)	↔	
Core OP 23- Head CT within 45 mins % compliant	100.00	100 (n=3)	66.7 (n=3)	↓	1 fall out, CT read at 62 mins

<b>Mortality</b>					
Acute Care Mortality Rate %	<15.3	2.9	2.9	↔	

<b>ED</b>					
Core OP 18b Median Time ED arrival to ED Departure mins	<132	213 (n=30)	180 (n=30)	↑	High volumes, 860 ER vists
Core Op 22 ED Left without being seen LWBS	<2%	3.8	2.8	↑	

<b>PSI 90</b>					
PSI 90 Composite Acute Care Admissions	0.00	0.0	0.0	↔	

<b>Preventable Harm</b>					
Preventable Harm Events Rate % of risk events graded Minor-Major	0.00	0.000	0.000	↔	

<b>Readmissions</b>					
Readmissions to Acute Care within 30 days %	<15.3	6.25	4.69	↑	Lower is better



## 2. Employees

Objective	Target	MAY.22	JUN.22	Trend	Supporting Detail
Turnover	<3%	0.9	0.9	↔	
Workplace Injuries	<20 Per Year	1 (QTR2)	1 (QTR2)	↔	Injuries reported per Quarter

## 3. Patient Experience

Objective	Target	APR.22	MAY.22	Trend	Supporting Detail
<b>Outpatient Ambulatory Services</b>					
Recommend Facility	>50%	88 (n=24)	1 (n=20)	↓	
Communication	>60%	16 (n=24)	6 (n=20)	↓	
Discharge Instructions	>70%	38 (n=24)	7 (n=20)	↓	
<b>HCAHPS</b>					
Recommend the hospital	>50%	67 (n=15)	98 (n=13)	↑	
Communication with Nurse	>50%	89 (n=15)	94 (n=13)	↑	
Communication with Doctor	>50%	58 (n=15)	91 (n=13)	↑	
Cleanliness of Hospital	>50%	35 (n=15)	86 (n=13)	↑	
Communication about medicines	>60%	15 (n=15)	99 (n=13)	↑	
Discharge Information	>50%	5 (n=15)	34 (n=34)	↑	

## 4. Volume

Objective	Target	MAY.22	JUN.22	Trend	Supporting Detail
<b>Patient Visits</b>					
Emergency Visits	>750	923.0	860.0	↓	
Surgical Volume Outpatient	>80	103.0	89.0	↓	
Surgical Volume Inpatient	>13	18.0	16.0	↓	
Inpatient Discharges	>50	73.0	73.0	↔	

## 5. Financial

Objective	Target	MAY.22	JUN.22	Trend	Supporting Detail
EBDA in %	0.5	-1.8	29.4	↑	
Days Cash on Hand month end	42	62.7	54.9	↓	
Net Revenue (\$M)	\$ 49.0	\$ 47.2	\$ 50.2	↑	

## 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, documentation 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.

To: Sonoma Valley Health Care District Board of Directors

Meeting Date: August 4, 2022

Prepared by: Bill Boerum, Board Member & Treasurer, Finance Committee Chair

Agenda Item Title: Quarterly Report for the Finance Committee

#### Background:

The Finance Committee, with a full complement of authorized members including seven community members, met regularly by Zoom with very high attendance every month of the past quarter at 5PM on the fourth Tuesday of the month. It received administrative and financial reports – on an Inform basis - from the hospital CEO and the CFO, for example, updates on the Outpatient Diagnostic Center (ODC) project as well as the routine Monthly Financial Report by the CFO. Generally, the same reports are delivered the following week to the Board of Directors, the Committee routinely meeting the week before the Board.

As per setting each monthly agenda with the financial staff, the Committee confers and considers various financial and contractual matters, taking Action as needed for recommendations to the Board. It should be recognized that the Board does receive the minutes of Finance Committee meetings, summarizing discussions, matters reported as Inform, and of course recording Actions taken.

#### Results:

For the 2022 fourth fiscal quarter (ended 6/30/22), the financial performance of the enterprise – as measured by the operating margin (line 30 in the monthly Attachment D, Statement of Revenue & Expenses) – continued to show the negative results of the hospital's fundamental imbalance in its payer and patient mix, and low utilization of its surgical suites, and as further reflected in the now full year (12 months) results.

Net Operating Margin	Actual	Budget	Year-ago
12 months	(7,017,390)	(6,573,480)	(6,402,371)
4th Quarter	(1,994,084)	(2,463,531)	1,593,262

The negative margin (loss) for the quarter was \$469,447 less than budgeted. Comparison to last's year's quarter is distorted by Covid-related government payments received in April 2021.

Of course, there are other indicators and metrics of financial viability (e.g., cash collections and cash-on-hand) plus volumetric trends, all of which are closely monitored by the Committee in concert with the Administration and given increased analysis by staff. Cash-on-hand at quarter-end was equivalent to 44.6 days. Volumetric trends were encouraging during the quarter.

An important activity of the Committee jointly with the full Board was consideration of the 2022-23 budget which was done at the end of May, essentially recommending the budget submitted by the Administration. The net operating margin budgeted was a negative (loss) of \$6,368,291.

During the quarter, the Committee's sub-committee of four of its members discussed and presented considerations for revised financial statement presentation and relevant financial and operating management metrics. This resulted in a changed format of the Monthly Financial Report narrative which goes to the Board. Other minor changes are under consideration.

Actions, in addition to the 2023 Budget recommendation, taken or deferred for recommendation to the Board were:

- Approval for an update to the timeline for the ODC project
- Postponement of the long-term capital spending plan by one month
- Approval for an extension of the Unison Energy Services Agreement by five years to 25 years as recommended by the Administration, and before the Board at this meeting.

This concludes the Quarterly Report.

However, it is requested that the Board and Administration consider the relevance and usefulness of these Quarterly Reports. This reporting period actually is not used as a management or oversight tool. The Committee and the Board both receive the same monthly Financial Reports as well as concurrently, updates on capital programs within 10 days of each other. Recommendations by the Committee to the Board for Action are quickly forwarded for consideration the following week. And the Board does receive the Minutes of the Committee's meetings. Quarterly Reports may be redundant depending on the Board's need for reporting.



**To:** Sonoma Valley Health Care District Board of Directors  
**From:** Ben Armfield, Chief Financial Officer  
**Date:** August 4, 2022  
**Subject:** Financial Report for June 2022

**OVERALL PERFORMANCE – MONTH:**

Financial performance from operations in the month of June dipped compared to April and May, but it was still favorable compared to budget and marks the third straight month where the hospital’s operating performance exceeded the monthly target. The operating margin of (\$753,785) in June was 21% better than what was budgeted for the month, while our Operating EDBA (operating margin excluding depreciation) of (\$524,027) was 26% better than budget as well.

After accounting for all operating and non-operating revenues and expenses (including parcel tax and GO bond activity), SVH posted a positive net income of \$920,627 for the month, which far exceeded the \$80,602 that was budgeted. Much of this is due to the Provider Relief Funds we booked in June. We did recognize \$1,377,724 in Provider Relief Funds that we have received this year as non-operating revenue in June (*Attachment D, Line 31*). This did not impact operating cash since funds had already been received, but we completed the necessary reporting that allowed the hospital to recognize the funds on the income statement.

**OVERALL PERFORMANCE – YEAR TO DATE:**

Closing the books on June marks the end of our fiscal year 2022. While still needing to go through the financial audit, the hospital posted an operating loss of (\$7.0M) for FY2022, which fell short of our budget & prior year by 7% and 10%, respectively. It is worth noting that much of this variance for the year relates to changes in our Intergovernmental Transfer Program (IGT) funding. Without accounting for the net proceeds of the IGT, our operating margin for FY2022 exceeded both the current year budget and prior year by 4% and 15%, respectively.

**Table 1 | Operating Margin - June 2022**

	Month of June 2022				Year To Date June 2022							
	Current Year		Variance		Current Year		Variance		Prior Year		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
<b>Operating Margin</b>	\$ (753,785)	\$ (958,630)	\$ 204,845	21%	\$ (7,017,390)	\$ (6,573,480)	\$ (443,910)	-7%	\$ (6,402,371)	\$ (615,019)	-10%	
<b>Operating EDBA*</b>	\$ (524,027)	\$ (705,750)	\$ 181,723	26%	\$ (4,234,432)	\$ (3,538,920)	\$ (695,512)	-20%	\$ (3,346,102)	\$ (888,330)	-27%	

\* Operating Margin less Depreciation

**Table 2 | 4<sup>th</sup> Quarter Operating Margin**

	Actual	Budget	Variance	%
<b>April 2022</b>	\$ (630,363)	\$ (712,451)	\$ 82,088	12%
<b>May 2022</b>	\$ (609,936)	\$ (792,444)	\$ 182,508	23%
<b>June 2022</b>	\$ (753,785)	\$ (958,630)	\$ 204,845	21%
<b>4th Quarter FY22</b>	\$ (1,994,084)	\$ (2,463,525)	\$ 469,441	19%

**NET REVENUE:**

Despite not quite reaching the levels of recent months, net revenue continues to trend in the right direction and remains positive compared to budget. The \$3.82M of net patient revenue in June was +4% compared to budget, and year-to-date we are favorable to both the budget and prior year.

### OPERATING EXPENSES:

Operating expenses of \$4.68M tracked close to budget for the month, ending up favorable by about \$40,000, or 1%. As in similar months, we continue to see cost overages in some of the same areas that have been reported on throughout the fiscal year – purchased services due to unbudgeted UCSF IT director and mgmt. costs, supplies due to increased volumes as well as ongoing COVID testing, and utilities due to continued increases in our PG&E utility costs.

Year to date, our operating expenses are 2% over budget and 3% higher than the prior year.

**Table 3 | Operating Revenues & Expenses - June 2022**

	Month of June 2022				Year To Date June 2022						
	Current Year		Variance		Current Year		Variance		Prior Year		Variance
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%
Net Patient Revenue	\$ 3,823,941	\$ 3,682,225	\$ 141,716	4%	\$ 50,004,206	\$ 49,423,987	\$ 580,219	1%	\$ 49,151,216	\$ 852,990	2%
Total Operating Revenue	\$ 3,925,811	\$ 3,759,862	\$ 165,949	4%	\$ 51,159,893	\$ 50,445,763	\$ 714,130	1%	\$ 50,186,231	\$ 973,662	2%
Total Operating Expenses	\$ 4,679,596	\$ 4,718,492	\$ 38,896	1%	\$ 58,177,283	\$ 57,019,243	\$ (1,158,040)	-2%	\$ 56,588,602	\$ (1,588,681)	-3%

### VOLUMES:

We did see a bit of a dip in overall volumes in the month of June. After reaching a 2-year high in May, our inpatient volumes ran 7% under budget for the month. Total surgeries were also down, primarily on the outpatient side. Inpatient surgeries continue to trend in a positive direction after a slow start to the year. ER volumes continue to be high, despite pulling back from an incredibly busy May.

For the fiscal year end, most key statistical indicators either met and/or exceeded both budget and prior year – especially on the outpatient side. Patient days were basically flat, although still favorable to both budget and prior year. We significantly outpaced the prior year in both ER and total OP visits. Surgical volumes are pretty much flat compared to budget. They do trail FY21 when looking year over year, although when you add-in special procedures we are basically flat compared to prior fiscal year as well.

**Table 4 | Patient Volumes - June 2022**

	Month of June 2022				Year To Date June 2022						
	Current Year		Variance		Current Year		Variance		Prior Year		Variance
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%
Acute Discharges	71	80	(9)	-11%	776	917	(141)	-15%	787	(11)	-1%
Acute Patient Days	243	261	(18)	-7%	3,188	3,165	23	1%	3,168	20	1%
IP Surgeries	16	17	(1)	-6%	158	198	(40)	-20%	197	(39)	-20%
OP Surgeries	89	103	(14)	-14%	1,219	1,189	30	3%	1,221	(2)	0%
<b>Total Surgeries</b>	<b>105</b>	<b>120</b>	<b>(15)</b>	<b>-13%</b>	<b>1,377</b>	<b>1,387</b>	<b>(10)</b>	<b>-1%</b>	<b>1,418</b>	<b>(41)</b>	<b>-3%</b>
Special Procedures	45	45	-	0%	624	518	106	20%	587	37	6%
Total Outpatient Visits	4,511	4,709	(198)	-4%	55,809	55,069	740	1%	48,705	7,104	15%
Total ER Visits	862	716	146	20%	9,308	7,750	1,558	20%	8,689	619	7%

### CASH ACTIVITY:

We missed our cash goal for the month, collecting 96%, or \$3.4M, of the \$3.5M target. For the year, we fell just short of the fiscal year goal, collecting 99%, or \$42.7M compared to our annual target of \$43.1M. Average days cash on hand still above our target of 50.0.

**Table 5 | Cash / Revenue Cycle Indicators- June 2022**

	Current Year		Variance		Prior Year	Variance	
	Jun-22	May-22	Var	%		Jun-21	Var
Days Cash on Hand - Avg	58.6	60.6	(2.0)	-3%	65.5	(6.9)	-11%
A/R Days	41.2	39.9	1.3	3%	48.8	(7.6)	-16%
A/P Days	50.0	51.7	(1.7)	-3%	46.3	3.7	8%

**MONTHLY FINANCE UPDATES:**

Please see below for a summary of key initiatives and highlights pertaining to our finance team and the work we are prioritizing in the month ahead:

**Departmental Collaboration Opportunities:**

As mentioned last month, we are evaluating opportunities to engage third-party partners to help us identify management solutions related to operational and clinical best practices in a couple different areas. We have a similar arrangement in place with Pharmacy and we have experienced much success with that partnership. We are in the process of receiving statements of work and proposal bids from multiple vendors as we vet them for value and fit. We plan to finish our due diligence over the next month and bring our recommendation to both the Finance Committee and Board of Directors in August and September, respectively.

**Revenue Cycle Payor Contracting Review:**

Our work continues in performing due diligence with potential partners to engage in this initiative. We are working with multiple third-party firms to assess our opportunities within the managed care contracting space. We are finishing up receiving statements of work and competitive bids, are targeting next month to bring our recommendations to both the Finance Committee and Board of Directors.

**Healthcare Expansion Loan Program II (HELP II):**

We are finalizing the application process on the Healthcare Expansion Loan Program II (HELP II) and will have it submitted for review in the following weeks. As mentioned last month, the HELP II program provides low, fixed interest loans for the capital needs of California's nonprofit small and rural health facilities. These loans can be used for a variety of sources, and eligible health facilities can borrow up to \$2 million. Once the application process is complete we would like to bring this forward to the Board with our recommendation on proceeding.

**Cyber-Attack Insurance Claim:**

We have received a response after our preliminary review has been performed on our ransomware insurance claim. Our total claim submitted was \$1.5M and much of that claim is still outstanding based on the initial correspondence received. We are now in the process of working with technical experts responding to their requests for additional correspondence and detail. As we re-engage this process to move this forward we will keep the Board updated on progress.

**Financial Audit:**

Pre-work has begun on our FY2022 financial audit with Armanino LLP. Efforts will ramp up this next month as fieldwork is set to begin August 15<sup>th</sup>.

**Departmental Staffing Updates:**

We are in the process of recruiting a replacement for Sarah Dungan, who officially departed SVH last week. At this point in time we are not looking to replace with a controller level position.

In addition to Sarah, we had another vacancy in our accounting department we have been trying to fill as our AP accountant, Elizet Gutierrez, took a promotional opportunity elsewhere. I am happy to report we successfully filled this position and our new hire will begin transitioning this week. We are very



appreciative of Elizet's efforts through this transition. She was instrumental in helping us land her replacement, and has also agreed to continue assisting us on a per-diem basis to help train through the transition.

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**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 June 30, 2022**

ATTACHMENT A

Gross Revenue	Month			
	Actual	Budget	Variance	% Variance
Medicare	10,134,378	9,246,691	887,687	9.6%
Medicare Managed Care	5,653,072	3,613,651	2,039,421	56.4%
Medi-Cal	4,393,653	4,487,795	-94,142	-2.1%
Self Pay	354,049	261,862	92,187	35.2%
Commercial & Other Gov't	6,237,846	5,123,352	1,114,494	21.8%
Worker's Comp.	878,306	720,996	157,310	21.8%
<b>Total</b>	<b>27,651,304</b>	<b>23,454,347</b>	<b>4,196,957</b>	<b>17.9%</b>

	Year-to-Date			
	Actual	Budget	Variance	% Variance
	106,873,767	106,756,152	117,615	0.1%
	53,279,343	41,585,318	11,694,025	28.1%
	50,296,555	51,367,174	-1,070,619	-2.1%
	4,577,500	2,905,690	1,671,810	57.5%
	70,235,949	58,674,840	11,561,109	19.7%
	9,668,775	8,307,146	1,361,629	16.4%
<b>Total</b>	<b>294,931,889</b>	<b>269,596,320</b>	<b>25,335,569</b>	<b>9.4%</b>

Net Revenue	Month			
	Actual	Budget	Variance	% Variance
Medicare	990,444	1,062,358	-71,914	-6.8%
Medicare Managed Care	513,485	392,015	121,470	31.0%
Medi-Cal	388,715	457,565	-68,850	-15.0%
Self Pay	197,205	98,801	98,404	99.6%
Commercial & Other Gov't	1,710,983	1,538,030	172,953	11.2%
Worker's Comp.	137,894	133,456	4,438	3.3%
Prior Period Adj./IGT	(114,785)	-	-114,785	*
<b>Total</b>	<b>3,823,941</b>	<b>3,682,225</b>	<b>141,716</b>	<b>3.8%</b>

	Year-to-Date			
	Actual	Budget	Variance	% Variance
	11,923,439	12,677,298	-753,859	-5.9%
	5,507,433	4,748,945	758,488	16.0%
	5,022,337	5,363,964	-341,627	-6.4%
	1,969,139	1,096,317	872,822	79.6%
	18,990,102	16,927,224	2,062,878	12.2%
	1,563,645	1,525,209	38,436	2.5%
	5,028,111	7,085,030	-2,056,919	-29.0%
<b>Total</b>	<b>50,004,206</b>	<b>49,423,987</b>	<b>580,219</b>	<b>1.2%</b>

Percent of Net Revenue	Month			
	Actual	Budget	Variance	% Variance
Medicare	25.9%	28.9%	-3.0%	-10.4%
Medicare Managed Care	13.4%	10.6%	2.8%	26.4%
Medi-Cal	10.2%	12.4%	-2.2%	-17.7%
Self Pay	5.2%	2.7%	2.5%	92.6%
Commercial & Other Gov't	44.7%	41.8%	2.9%	6.9%
Worker's Comp.	3.6%	3.6%	0.0%	0.0%
Prior Period Adj./IGT	-3.0%	0.0%	-3.0%	*
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>

	Year-to-Date			
	Actual	Budget	Variance	% Variance
	23.8%	25.7%	-2.0%	-7.8%
	11.1%	9.6%	1.5%	15.6%
	10.0%	10.9%	-0.9%	-8.3%
	3.9%	2.2%	1.7%	77.3%
	38.0%	34.2%	3.8%	11.1%
	3.1%	3.1%	0.0%	0.0%
	10.1%	14.3%	-4.2%	-29.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.1%</b>	<b>-0.1%</b>

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

**ATTACHMENT B**

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual 06/30/22</u>	<u>Budget 06/30/22</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual 06/30/22</u>	<u>Budget 06/30/22</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 06/30/21</u>
<b>Inpatient Utilization</b>								
<b>Discharges</b>								
1	57	64	(7)	Med/Surg	596	732	(136)	617
2	16	16	-	ICU	182	185	(3)	170
3	73	80	(7)	Total Discharges	778	917	(139)	787
<b>Patient Days:</b>								
4	189	173	16	Med/Surg	2,100	2,078	22	2,116
5	99	88	11	ICU	1,133	1,087	46	1,052
6	288	261	27	Total Patient Days	3,233	3,165	68	3,168
7	10	-	10	<b>Observation days</b>	203	-	203	233
<b>Average Length of Stay:</b>								
8	3.3	2.7	0.6	Med/Surg	3.5	2.8	0.7	3.4
9	6.2	5.5	0.7	ICU	6.2	5.9	0.3	6.2
10	3.9	3.3	0.7	Avg. Length of Stay	4.2	3.5	0.7	4.0
<b>Average Daily Census:</b>								
11	6.3	5.8	0.5	Med/Surg	5.8	5.7	0.1	5.8
12	3.3	2.9	0.4	ICU	3.1	3.0	0.1	2.9
13	9.6	8.7	0.9	Avg. Daily Census	8.9	8.7	0.2	8.7
<b>Other Utilization Statistics</b>								
<b>Emergency Room Statistics</b>								
14	862	716	146	Total ER Visits	9,308	7,750	1,558	8,689
<b>Outpatient Statistics:</b>								
15	4,511	4,709	(198)	Total Outpatients Visits	55,809	55,069	740	48,705
16	16	17	(1)	IP Surgeries	158	198	(40)	197
17	89	103	(14)	OP Surgeries	1,219	1,189	30	1,221
18	45	45	-	Special Procedures	624	518	106	587
19	277	301	(24)	Adjusted Discharges	3,296	3,332	(36)	3,016
20	1,092	981	112	Adjusted Patient Days	13,735	11,475	2,261	12,041
21	36.4	32.7	3.7	Adj. Avg. Daily Census	37.6	31.4	6.2	33.0
22	1.5561	1.4000	0.156	Case Mix Index - Medicare	1.4571	1.4000	0.057	1.5359
23	1.4873	1.4000	0.087	Case Mix Index - All payers	1.4297	1.4000	0.030	1.4779
<b>Labor Statistics</b>								
24	205	214	9	FTE's - Worked	205	210	4.6	207
25	234	237	2	FTE's - Paid	228	232	3.9	229
26	47.10	45.79	(1.31)	Average Hourly Rate	46.75	45.13	(1.62)	46.55
27	6.44	7.24	0.80	FTE / Adj. Pat Day	6.06	7.38	1.32	6.93
28	36.7	41.3	4.6	Manhours / Adj. Pat Day	34.5	42.1	7.5	39.5
29	144.8	134.6	(10.2)	Manhours / Adj. Discharge	144.0	144.9	0.9	157.6
30	23.7%	24.7%	1.0%	Benefits % of Salaries	24.5%	24.6%	0.2%	22.4%
<b>Non-Labor Statistics</b>								
31	17.5%	15.5%	-2.0%	Supply Expense % Net Revenue	16.6%	13.7%	-2.9%	13.6%
32	2,417	1,900	(517)	Supply Exp. / Adj. Discharge	2,302	2,034	(268)	2,216
33	17,093	15,978	(1,114)	Total Expense / Adj. Discharge	17,908	17,418	(490)	19,125
<b>Other Indicators</b>								
34	54.9			Days Cash - Operating Funds				
35	41.2	50.0	(8.8)	Days in Net AR	41.3	50.0	(8.7)	48.8
36	100%			Collections % of Cash Goal	99%			102.2%
37	50.0	55.0	(5.0)	Days in Accounts Payable	50.0	55.0	(5.0)	46.3
38	13.8%	15.7%	-1.9%	% Net revenue to Gross revenue	15.5%	18.4%	-2.9%	19.6%
39	14.7%			% Net AR to Gross AR	14.7%			17.5%

**Sonoma Valley Health Care District**  
**Balance Sheet**  
**As of June 30, 2022**  
**UNAUDITED**

**ATTACHMENT C**

		<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<b>Assets</b>				
Current Assets:				
1	Cash	\$ 2,493,558	\$ 3,687,036	\$ 4,044,067
2	Cash - Money Market	5,845,329	5,845,048	5,638,551
3	Net Patient Receivables	6,701,039	6,458,134	6,320,618
4	Allow Uncollect Accts	(1,426,077)	(1,401,209)	(1,440,050)
5	Net A/R	5,274,962	5,056,925	4,880,568
6	Other Accts/Notes Rec	1,604,206	1,737,108	1,723,815
7	Parcel Tax Receivable	4,007,928	207,928	3,854,846
8	GO Bond Tax Receivable	2,485,089	260,172	3,317,232
9	3rd Party Receivables, Net	10,905	173,533	(46,595)
10	Inventory	1,037,598	1,035,056	934,048
11	Prepaid Expenses	828,299	873,195	871,737
12	Total Current Assets	<u>\$ 23,587,874</u>	<u>\$ 18,876,001</u>	<u>\$ 25,218,269</u>
13	Property, Plant & Equip, Net	\$ 52,121,398	\$ 52,153,382	\$ 52,588,887
14	Trustee Funds - GO Bonds	5,752,065	5,751,245	5,935,165
15	Designated Funds - Board Approved	1,000,000	1,000,000	1,000,000
16	Total Assets	<u><u>\$ 82,461,337</u></u>	<u><u>\$ 77,780,628</u></u>	<u><u>\$ 84,742,321</u></u>
<b>Liabilities &amp; Fund Balances</b>				
Current Liabilities:				
17	Accounts Payable	\$ 4,187,686	\$ 4,328,839	\$ 3,572,451
18	Accrued Compensation	3,694,715	4,193,635	4,112,966
19	Interest Payable - GO Bonds	217,400	165,504	448,640
20	Accrued Expenses	1,845,632	1,834,206	1,724,407
21	Advances From 3rd Parties	-	-	-
22	Deferred Parcel Tax Revenue	3,800,000	316,667	3,800,004
23	Deferred GO Bond Tax Revenue	2,485,090	231,813	3,317,236
24	Current Maturities-LTD	301,957	348,292	263,571
25	Line of Credit - Union Bank	5,473,734	5,473,734	5,473,734
26	Other Liabilities	106,158	1,492,509	252,412
27	Total Current Liabilities	<u>\$ 22,112,372</u>	<u>\$ 18,385,199</u>	<u>\$ 22,965,421</u>
28	Long Term Debt, net current portion	\$ 25,476,513	\$ 25,443,604	\$ 27,102,345
29	Fund Balances:			
30	Unrestricted	\$ 18,822,273	\$ 17,979,645	\$ 19,456,999
31	Restricted	16,050,179	15,972,180	15,217,556
32	Total Fund Balances	<u>\$ 34,872,452</u>	<u>\$ 33,951,825</u>	<u>\$ 34,674,555</u>
33	Total Liabilities & Fund Balances	<u><u>\$ 82,461,337</u></u>	<u><u>\$ 77,780,628</u></u>	<u><u>\$ 84,742,321</u></u>

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

ATTACHMENT D

	Month				Volume Information	Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
<b>1</b>	71	80	(9)	-11%	Acute Discharges	776	917	(141)	-15%	787	
<b>2</b>	243	261	(18)	-7%	Patient Days	3,188	3,165	23	1%	3,168	
<b>3</b>	28	-	28	0%	Observation Days	221	-	221	*	223	
<b>4</b>	\$ 20,367	\$ 17,220	\$ 3,148	18%	Gross O/P Revenue (000's)	\$ 224,910	\$ 195,361	\$ 29,549	15%	\$ 184,796	
<b>Financial Results</b>											
<b>Gross Patient Revenue</b>											
<b>5</b>	\$ 7,284,343	\$ 6,234,831	\$ 1,049,512	17%	Inpatient	\$ 70,021,823	\$ 74,235,061	(4,213,238)	-6%	\$ 65,918,617	
<b>6</b>	11,099,226	10,726,075	373,151	3%	Outpatient	133,329,913	123,035,765	10,294,148	8%	112,384,102	
<b>7</b>	9,267,735	6,493,441	2,774,294	43%	Emergency	91,580,153	72,325,494	19,254,659	27%	72,733,266	
<b>8</b>	\$ 27,651,304	\$ 23,454,347	4,196,957	18%	<b>Total Gross Patient Revenue</b>	\$ 294,931,889	\$ 269,596,320	25,335,569	9%	\$ 251,035,985	
<b>Deductions from Revenue</b>											
<b>9</b>	(23,529,978)	(19,594,551)	(3,935,427)	-20%	Contractual Discounts	\$ (247,702,407)	\$ (225,126,511)	(22,575,896)	-10%	\$ (208,666,503)	
<b>10</b>	(150,000)	(150,000)	-	0%	Bad Debt	(2,000,000)	(1,800,000)	(200,000)	-11%	(1,370,000)	
<b>11</b>	(32,600)	(27,571)	(5,029)	-18%	Charity Care Provision	(253,387)	(330,852)	77,465	23%	(266,903)	
<b>12</b>	(114,785)	-	(114,785)	*	Prior Period Adj/Government Program Revenue	5,028,111	7,085,030	(2,056,919)	-29%	8,418,637	
<b>13</b>	\$ (23,827,363)	\$ (19,772,122)	(4,055,241)	21%	<b>Total Deductions from Revenue</b>	\$ (244,927,683)	\$ (220,172,333)	(24,755,350)	11%	\$ (201,884,769)	
<b>14</b>	\$ 3,823,941	\$ 3,682,225	141,716	4%	<b>Net Patient Service Revenue</b>	\$ 50,004,206	\$ 49,423,987	580,219	1%	\$ 49,151,216	
<b>15</b>	\$ 101,870	\$ 77,637	24,233	31%	Other Op Rev & Electronic Health Records	\$ 1,155,687	\$ 1,021,776	133,911	13%	\$ 1,035,015	
<b>16</b>	\$ 3,925,811	\$ 3,759,862	165,949	4%	<b>Total Operating Revenue</b>	\$ 51,159,893	\$ 50,445,763	\$ 714,130	1%	\$ 50,186,231	
<b>Operating Expenses</b>											
<b>17</b>	\$ 1,887,972	\$ 1,852,712	(35,260)	-2%	Salary and Wages and Agency Fees	\$ 22,178,925	\$ 21,778,192	(400,733)	-2%	\$ 22,124,844	
<b>18</b>	676,833	705,553	28,720	4%	Employee Benefits	8,285,901	8,270,828	(15,073)	0%	7,927,255	
<b>19</b>	\$ 2,564,805	\$ 2,558,265	(6,540)	0%	Total People Cost	\$ 30,464,826	\$ 30,049,020	(415,806)	-1%	\$ 30,052,099	
<b>20</b>	\$ 486,540	\$ 513,137	26,597	5%	Med and Prof Fees (excl Agency)	\$ 6,683,040	\$ 6,151,222	(531,818)	-9%	\$ 5,466,815	
<b>21</b>	669,196	571,103	(98,093)	-17%	Supplies	7,584,712	6,774,922	(809,790)	-12%	6,681,948	
<b>22</b>	434,900	405,818	(29,082)	-7%	Purchased Services	5,230,851	4,810,661	(420,190)	-9%	5,137,072	
<b>23</b>	229,758	252,880	23,122	9%	Depreciation	2,782,958	3,034,560	251,602	8%	3,056,269	
<b>24</b>	159,858	123,400	(36,458)	-30%	Utilities	1,589,238	1,341,561	(247,677)	-18%	1,351,614	
<b>25</b>	48,877	46,914	(1,963)	-4%	Insurance	614,362	562,913	(51,449)	-9%	540,195	
<b>26</b>	21,164	17,973	(3,191)	-18%	Interest	211,239	215,599	4,360	2%	207,731	
<b>27</b>	64,498	103,612	39,114	38%	Other	1,364,054	1,228,005	(136,049)	-11%	1,276,285	
<b>28</b>	-	125,390	125,390	-100%	Matching Fees (Government Programs)	1,652,003	2,850,780	1,198,777	-42%	2,818,574	
<b>29</b>	\$ 4,679,596	\$ 4,718,492	38,896	1%	<b>Operating expenses</b>	\$ 58,177,283	\$ 57,019,243	(1,158,040)	-2.0%	\$ 56,588,602	
<b>30</b>	\$ (753,785)	\$ (958,630)	\$ 204,845	21%	<b>Operating Margin</b>	\$ (7,017,390)	\$ (6,573,480)	(443,910)	-7%	\$ (6,402,371)	

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

ATTACHMENT D

	Month					Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
<b>31</b>	\$ 1,360,001	\$ 973	1,359,028	*							
<b>32</b>	-	-	-	0%							
<b>33</b>	-	-	-	*							
<b>34</b>	316,667	316,663	4	0%							
<b>35</b>	-	-	-	0%							
<b>36</b>	\$ 1,676,668	\$ 317,636	1,359,032	*							
					<b>Non Operating Rev and Expense</b>						
					Miscellaneous Revenue/(Expenses)	\$ 1,249,958	\$ 11,709	1,238,249	*	\$ (9,429)	
					Donations	26,864	-	26,864	0%	498	
					Physician Practice Support-Prima	-	-	-	*	0	
					Parcel Tax Assessment Rev	3,800,004	3,800,000	4	0%	3,669,468	
					Extraordinary Items	(97,933)	-	(97,933)	0%	36	
					<b>Total Non-Operating Rev/Exp</b>	\$ 4,978,893	\$ 3,811,709	1,265,117	31%	\$ 3,660,573	
<b>37</b>	\$ 922,883	\$ (640,994)	1,563,877	-244%	<b>Net Income / (Loss) prior to Restricted Contributions</b>	\$ (2,038,497)	\$ (2,761,771)	821,207	-30%	\$ (2,741,798)	
					Capital Campaign Contribution	\$ -	\$ -	-	0%	\$ -	
					Restricted Foundation Contributions	\$ 832,623	\$ 6,285,641	(5,453,018)	100%	\$ 5,922,623	
<b>40</b>	\$ 1,000,882	\$ (117,186)	1,118,068	-954%	<b>Net Income / (Loss) w/ Restricted Contributions</b>	\$ (1,205,874)	\$ 3,523,870	(4,729,744)	-134%	\$ 3,180,825	
					GO Bond Activity, Net	1,683,746	2,367,373	(683,627)	-29%	2,176,792	
<b>42</b>	\$ 920,627	\$ 80,602	840,025	1042%	<b>Net Income/(Loss) w GO Bond Activity</b>	\$ 477,872	\$ 5,891,243	(5,413,371)	-92%	\$ 5,357,617	
	\$ 1,152,641	\$ (388,114)	1,540,755		<b>EBDA - Not including Restricted Contributions</b>	\$ 744,461	\$ 272,789	471,672		\$ 314,471	
	29.4%	-10.3%				1.5%	0.5%			0.6%	
	\$ (524,027)	\$ (705,750)	181,723	26%	<b>Operating EBDA - Not including Restricted Contributions</b>	\$ (4,234,432)	\$ (3,538,920)	(695,512)	-20%	\$ (3,346,102)	

\* Operating Margin without Depreciation expense:

\$ (753,785)	\$ (958,630)	\$ 204,845	21%	<b>Operating Margin</b>	\$ (7,017,390)	\$ (6,573,480)	\$ (443,910)	-7%	\$ (6,402,371)
229,758	252,880	23,122	9%	Add back Depreciation	2,782,958	3,034,560	251,602	8%	3,056,269
\$ (524,027)	\$ (705,750)	\$ 227,967	26%	<b>Operating Margin without Depreciation expense</b>	\$ (4,234,432)	\$ (3,538,920)	\$ (192,308)	-20%	\$ (3,346,102)

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

**ATTACHMENT E**

<b>Operating Expenses</b>	<b>YTD Variance</b>	<b>Month Variance</b>	
Salary and Wages and Agency Fees	(400,733)	(35,260)	Salaries and wages are under budget by \$123,977 and agency fees are over by (\$159,237). Agency fees are over budget in ICU, Med-Surg, Emergency room, EKG, Radiology, Respiratory Therapy, and OP physical therapy.
Employee Benefits	(15,073)	28,720	
<b>Total People Cost</b>	<b>(415,806)</b>	<b>(6,540)</b>	
Med and Prof Fees (excl Agency)	(531,818)	26,597	Professional fees are under budget due to a true-up in UCSF management fees.
Supplies	(809,790)	(98,093)	Patient chargeable supplies are over budget in surgery (\$58,910) and in the Emergency department (\$11,753).
Purchased Services	(420,190)	(29,082)	Purchased services are over budget primarily due to higher than budgeted costs in IT (\$20,565).
Depreciation	251,602	23,122	
Utilities	(247,677)	(36,458)	Utilities are over budget due to higher monthly electrical costs.
Insurance	(51,449)	(1,963)	
Interest	4,360	(3,191)	
Other	(136,049)	39,114	Other costs are under budget due to a credit received from a recruiting invoice (\$41,000)
Matching Fees (Government Programs)	1,198,777	125,390	
<b>Operating expenses</b>	<b>(1,158,040)</b>	<b>38,896</b>	

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	Actual May	Actual Jun	TOTAL
<b>Hospital Operating Sources</b>													
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	4,052,749	3,767,039	45,154,665
2 Other Operating Revenue	50,926	33,133	27,360	158,301	168,773	44,417	57,192	298,629	63,676	264,816	56,618	130,465	1,354,307
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	17,119	4,118	126,621
4 Unrestricted Contributions	14,875			6,564	12,201		8,303	6,126	279	15,416	2,225	860	66,848
5 Line of Credit												1,942	1,942
<b>Sub-Total Hospital Sources</b>	<b>3,844,535</b>	<b>3,647,375</b>	<b>3,778,079</b>	<b>3,731,610</b>	<b>4,091,253</b>	<b>4,132,951</b>	<b>3,727,358</b>	<b>3,809,097</b>	<b>4,115,273</b>	<b>3,793,717</b>	<b>4,128,711</b>	<b>3,904,424</b>	<b>46,704,383</b>
<b>Hospital Uses of Cash</b>													
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	3,771,660	5,113,643	55,155,859
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	97,328	13,427	559,529
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	301,819	92,621	2,259,988
<b>Total Hospital Uses</b>	<b>5,917,571</b>	<b>4,470,037</b>	<b>4,227,821</b>	<b>4,086,949</b>	<b>3,926,275</b>	<b>5,869,260</b>	<b>4,533,429</b>	<b>4,892,464</b>	<b>4,619,059</b>	<b>6,042,012</b>	<b>4,170,808</b>	<b>5,219,691</b>	<b>57,975,376</b>
<b>Net Hospital Sources/Uses of Cash</b>	<b>(2,073,036)</b>	<b>(822,662)</b>	<b>(449,742)</b>	<b>(355,339)</b>	<b>164,978</b>	<b>(1,736,310)</b>	<b>(806,072)</b>	<b>(1,083,367)</b>	<b>(503,786)</b>	<b>(2,248,295)</b>	<b>(42,097)</b>	<b>(1,315,267)</b>	<b>(11,270,994)</b>
<b>Non-Hospital Sources</b>													
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	129,168	73,946	798,673
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		1,980,127
14 Other:													-
15 IGT			51,360				2,717,483	1,298,801			86,363	47,843	4,201,850
16 IGT - AB915			70,338							386,922			457,259
17 QIP					42,180					340,880			383,060
<b>Sub-Total Non-Hospital Sources</b>	<b>271,080</b>	<b>101,291</b>	<b>1,149,040</b>	<b>2,019,084</b>	<b>50,438</b>	<b>2,308,094</b>	<b>864,010</b>	<b>1,298,801</b>	<b>17,940</b>	<b>2,353,799</b>	<b>817,933</b>	<b>121,789</b>	<b>11,373,299</b>
<b>Non-Hospital Uses of Cash</b>													
18 Matching Fees		29,494		1,096,301		398,059		78,482		41,568	8,911		1,652,815
<b>Sub-Total Non-Hospital Uses of Cash</b>	<b>-</b>	<b>29,494</b>	<b>-</b>	<b>1,096,301</b>	<b>-</b>	<b>398,059</b>	<b>-</b>	<b>78,482</b>	<b>-</b>	<b>41,568</b>	<b>8,911</b>	<b>-</b>	<b>1,652,815</b>
<b>Net Non-Hospital Sources/Uses of Cash</b>	<b>271,080</b>	<b>71,797</b>	<b>1,149,040</b>	<b>922,783</b>	<b>50,438</b>	<b>1,910,035</b>	<b>864,010</b>	<b>1,220,319</b>	<b>17,940</b>	<b>2,312,231</b>	<b>809,022</b>	<b>121,789</b>	<b>9,720,484</b>
<b>Net Sources/Uses</b>	<b>(1,801,956)</b>	<b>(750,865)</b>	<b>699,298</b>	<b>567,444</b>	<b>215,416</b>	<b>173,725</b>	<b>57,939</b>	<b>136,952</b>	<b>(485,846)</b>	<b>63,937</b>	<b>766,925</b>	<b>(1,193,478)</b>	
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	3,687,036	
<b>Operating Cash at End of Period</b>	<b>2,242,111</b>	<b>1,491,246</b>	<b>2,190,544</b>	<b>2,757,988</b>	<b>2,973,404</b>	<b>3,147,129</b>	<b>3,205,068</b>	<b>3,342,020</b>	<b>2,856,174</b>	<b>2,920,110</b>	<b>3,687,036</b>	<b>2,493,558</b>	
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	5,845,048	5,845,329	
<b>Total Cash at End of Period</b>	<b>7,880,935</b>	<b>7,130,361</b>	<b>6,829,917</b>	<b>5,397,552</b>	<b>6,816,883</b>	<b>6,990,813</b>	<b>9,048,991</b>	<b>9,186,205</b>	<b>8,700,650</b>	<b>8,764,858</b>	<b>9,532,084</b>	<b>8,338,887</b>	
<b>Average Days of Cash on Hand</b>													
	58.8	52.3	45.5	40.0	36.6	46.3	54.3	58.5	58.8	59.2	60.6	58.6	
<b>Days of Cash on Hand at End of Month</b>													
	54.6	50.1	47.3	35.3	45.1	46.0	59.7	60.0	57.2	57.5	62.7	54.9	