SONOMA VALLEY HEALTH CARE DISTRICT

BOARD OF DIRECTORS

AGENDA

THURSDAY, NOVEMBER 3, 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=enBpRWIyYkNlbENIYkdqbWFvRmZTUT09

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

In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact Interim District Clerk Stacey Finn at sfinn@sonomavalleyhospital.org at least 48 hours prior to the meeting.	**RECOMMENDATION**		
AGENDA ITEM			
MISSION STATEMENT *The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.*			
1. CALL TO ORDER	*Rymer*		
4. PUBLIC COMMENT *At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration.*			
5. BOARD CHAIR COMMENTS	*Rymer*		
6. CONSENT CALENDAR a. Board Minutes 10.06.22 b. Finance Committee Minutes 09.27.22 c. Quality Committee Minutes 09.28.22 d. Medical Staff Credentialing e. Policy and Procedures		Action	Pg. 3-14
7. NATIONAL PACE ASSOCIATION PRESENTATION	*Susan Kornblatt Idell/ Peter Fitzgerald*	Inform	Pg. 15-46

9. FINANCE COMMITTEE QUARTERLY UPDATE	*Boerum*	Inform	Pg. 47
10. CEO REPORT	*Hennelly*	Inform	Pg. 48-52
11. UCSF AFFILIATION UPDATE	*Hennelly*	Inform	Pg. 53
12. EPIC UPDATE	*Hennelly/ Resendez*	Inform	Pg. 54-62
12. ODC UPDATE	*Drummond/ Hennelly*	Inform	
13. FINANCIALS FOR MONTH END OCTOBER 2022 • **Capital Spending Summary**	*Armfield*	Inform	Pg. 63-77
14. BOARD COMMENTS	*Board Members*	Inform	
15. ADJOURN	*Rymer*		

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, OCTOBER 6, 2022
HELD VIA ZOOM VIDEOCONFERENCE

	RECOMMENDATION	
SONOMA VALLEY HOSPITAL BOARD MEMBERS 1. Joshua Rymer, Chair, Present 2. Judith Bjorndal, First Vice Chair, Present 3. Michael Mainardi, Second Vice Chair, Present 4. Bill Boerum, Treasurer, Present at 6:40 pm 5. Susan Kornblatt Idell, Secretary, Absent		
MISSION STATEMENT *The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.*		
1. CALL TO ORDER	*Rymer*	
Meeting called to order at 6:01 p.m.		
2. PUBLIC COMMENT ON CLOSED SESSION	*Rymer*	
None		
3. CLOSED SESSION		
Discussion on existing litigation, no decisions		
4. REPORT ON CLOSED SESSION		
5. CONSENT CALENDAR	*Rymer*	Action
a. Board Minutes 09.02.22 b. Finance Committee Minutes 08.24.22 c. Quality Committee Minutes 08.24.22 f. Medical Staff Credentialing e. Policy and Procedures		**MOTION:** by Mainardi to approve, 2nd by Bjorndal . All in favor.
6. MARKETING AND PR UPDATE	*Kruse De La Rosa*	Inform
Ms. Kruse De La Rosa presented the overall strategy for public relations and marketing for the hospital. She said the COVID response support affirmed the critical role in community relations. She spoke about how marketing and PR broadened the hospital voice with community outreach. Community outreach is an investment into the hospital future. This included presentations and internships at Sonoma Valley High School. The goal of these is to inspire students regarding all aspects of healthcare jobs. The stragetgies include		

Top of the line, health experts UCSF affiliation and resource Community Outreach and Partnerships The marketing events that have been highlighted were the The marking growth volumes introduced were the reimplementation and broaden the following: Health talks Brown bag medication reviews, Conversations with a doctor, board chair repot CEO community letter UCSF heal reader spot What is ahead in community outreach is to maintain and strengthen existing relationships. Marketing opportunities are collaborations with UCSF, Outreach programs with the community health center and building referrals for community physicians. The focus coming up is		
7. CEO REPORT	*Hennelly*	Action
Mr. Hennelly reported that the COVID levels have significantly decreased. He reviewed the current quality metrics which overall continues to be extraordinary. He said no major UCSF affiliation updates have occurred. The hope is the CMO candidate will be finalized this week. He reported that GI recruitment is ongoing and gaining some traction.		
8. BOARD RETREAT AGNEDA/PROCESS DISCUSSION	*Rymer*	Inform
Mr. Hennelly introduced the idea to separate Board retreat to two separate meetings. The first being a Zoom strategic discussion with Sg2 and then have a separate in person meeting to make a decision. Next Thursday's Board retreat will move from in person to a Zoom meeting with a second date in early November.		
9. SUPPLY CHAIN MANAGEMENT AGREMENT- COMPREHENSIVE PHARMACY SERVICES	*Armfield*	Inform
Mr. Armfield presented a potential supply chain arrangement with Comprehensive Pharmacy Services (CPS). The current relationship with Pharmacy management has shown great success and has the potential to be expanded into our supply chain management. The proposal would be for a five year agreement, with an opt out at three years. The Supply Chain Director would become a CPS employee and would potentially achieve an annual cost savings of at least $400,000.		**MOTION**: by Boerum to approve the CPS proposal 2nd by Bjorndal All in favor
10. ODC UPDATE – MRI PLAN APPROVAL	*Hennelly*	Action
Mr. Hennelly presented the MRI plan moving forward. This included the MRI current state and risks, the overall plan and analysis of options. The proposal Mr. Hennelly made was to do a new build outside of the current Imaging Department. This plan would allow for potential first scan in Q1 2025. This would include Cardiology Diagnostic clinic space. The project cost would be $9.8M. Current funding for the project is at $9.5M. Because the new build would be considered separate to the hospital, it would not require HCAI approvals, but rather city approvals. The other options Mr. Hennelly proposed would have significant overage in budget and HCAI approvals. The expected timeline would have occupation in Q1 2025.		Motion to approve the plan for the MRI with additional funding project by Boerum. 2nd by Mainardi. All in favor

Mr. Hennelly also spoke about an opportunity to have a temporary structure, prefabbed building, to house the MRI and be up and running in 18 months. The cost of this build and potential revenue is currently being researched. This concept will be brought back to the Board for further discussion.		
11. EPIC UPDATE – REQUEST FOR FUNDING	*Hennelly/ Armfield*	Action
Mr. Hennelly said that while the current project in on track for the December go live, there have underfunded areas identified. This included third party contractors, training, project management, hardware and miscellaneous items. These area total above approximately $653,000. Mr. Armfield presented and ODC, Epic project ROI and Debt analysis. This included review of CHFFA bridge loans and insurance claims which could potentially bring in $3M. He also spoke about the increase in incremental revenue with the go live with Epic. The overage of budget would then be approximately $800k.		Motion to approve request for additional funding by Boerum. 2nd by Mainardi. All in favor.
12. QUALITY COMMITTEE QUARTERLY REPORT	*Rymer*	Inform
Because Ms. Kornblatt Idell was unable to be present, the Board accepts the report as presented in the agenda packet.		
13. FINANCIALS FOR MONTH END AUGUST 201	*Armfield*	Inform
Mr. Armfield reported that August exceeded budget targets. The operating margin, EBDA and….. all exceeded budget. After accounting for all operating and non-operating revenues an expensed the net income exceeded budgeted at $277,820. Year to date we up 6% net revenue compared to budget and down 1% from the prior year. Operating expenses tracked very close to budget. Year to date it is basically flat with budget and above prior year. Volumes overall tracked very close to budget in August. Cash collection for August was $4.6M, which was 117% of the monthly goal. We are notw at 105% of our FYTD goal through the first two months of the FY. Days of cash on hand dropped below 50 in August due to the Epic EHR implementation deposit. The days of cash on hand is still on track to be favorable to budget.		
19. BOARD COMMENTS	*Board Members*	
None		
20. ADJOURN	*Rymer*	
Adjourned at 8:02 pm		

SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, SEPTEMBER 27, 2022
Via Zoom Teleconference

Present	Not Present/Excused	Staff	Public
Bill Boerum via Zoom Bruce Flynn via Zoom Art Grandy via Zoom Peter Hohorst via Zoom Wendy Lee via Zoom Carl Gerlach via Zoom Subhash Mishra via Zoom	Catherine Donahue Joshua Rymer	Ben Armfield via Zoom Kimberly Drummond via Zoom John Hennelly via Zoom Dawn Kuwahara via Zoom Jessica Winkler via Zoom Dave Pier via Zoom	Judy Bjorndal via Zoom Denise Kalos via Zoom Brian Resendez via Zoom

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT *The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.*			
1. CALL TO ORDER/ANNOUNCEMENTS	*Boerum*		
	Called to order at 5:04 p.m. Mr. Boerum spoke about the mission of the Finance Committee and that it is a recommending body for the Board of Directors and that it provides input to the hospital administration. Mr. Boerum introduced Ms. Denise Kalos, future Board of Directors member.		
2. PUBLIC COMMENT SECTION	*Boerum*		
	None		
3. CONSENT CALENDAR (ACTION)	*Boerum*	Action	
a. Finance Committee Minutes August 23, 2022		**MOTION:** by Flynn to approve 2Nd by Gerlach. All in favor.	

4. ODC UPDATE – MRI Plan Approval	*Drummond/Hennelly*	Inform/Action	
	Mr. Hennelly presented the MRI project planning update and status. Ms. Lee made a recommendation to do a retrospective review of the CT project. Ms. Drummond reviewed the current state of the CT project as well as the next steps for correction of HCAI identified deficiencies. The MRI suite decision matrix was reviewed and discussed. This included the following factors: first scan date (Q1 2025), location (the original location poses several issues, another location within the hospital, or a completely new build.) patient experience for MRI, staff experience (maneuverability in the dept) These were all weighed in the final decision to do a new build just outside of the hospital. The committee reviewed and discussed at length the three design options with risks and cost compared. Committee suggested presentation updates for the Board. Committee discussed the funding, risks and consideration of other financial needs. Committee had a consensus on recommending to the Board moving forward on the proposal without the alternative proposal.	**MOTION:** by Hohorst to approve the proposal for alternate 2 with additional detail included 2Nd by Gerlach. All in favor.	
5. EPIC UPDATE – REQUEST FOR FUNDING	*Hennelly*	Inform/Action	
	Mr. Hennelly presented identified areas that are currently under funded for EPIC project. The additional request is for funding totals $653,000. The items include third party contracts, training, project management, hardware, and miscellaneous items. In response the additional costs Mr. Hennelly presented a new source of funding focused primarily on the revenue enhancements realized by the full implementation of EPIC. The estimated conservative enhancement of	**MOTION**: by Lee to approve funding with revision of the last paragraph to include specific funding options, 2nd Gerlach. All in favor	

	2.5% in revenues which would contribute approximately $1.24m pr year. The committee did not feel that the increased revenue was a sufficient source for pay back of the additional funds requested. Mr. Gerlach and Mr. Grandy recommended that a CHFFA loan and state funds be used for the funding. Request for the last paragraph of the presentation of funding be re written to identify actual funding options.		
6. MANAGEMENT SERVICES PROPOSAL – SUPPLY CHAIN MANAGEMENT SERVICES AGREEMENT	*Armfield*	Inform/Action	
	Mr. Armfield presented a statement of work for a supply chain management agreement from Comprehensive Pharmacy Services. He said that due to the overall success of the current CPS arrangement SVH management initiated a potential engagement to develop additional department relations with our supply chain department. Mr. Armfield proposes a five-year agreement with CPS. The financial impact based on preliminary data was that SVH can achieve annual cost savings of at least $400,000. Committee recommends requesting benchmarking data, early term out clause of the contract and who pays for the costs of implementation	**MOTION:** by to approve with caveats discussed Grandy 2Nd by Hohorst. All in favor.	
7. PAYOR CONTRACTING STRATEGY UPDATE	*Armfield*	Inform	
	To be presented at the next meeting		
8. UCSF AFFILIATION UPDATE	*Hennelly*	Inform	
	To be presented at the next meeting		
9. AUDIT UPDATE	*Armfield*	Inform	
	Mr. Armfield reported that the audit is in the final stages.		

10. FINANCIAL REPORT FOR MONTH END AUGUST 2022	*Armfield*	Inform	
	August followed recent trend of exceeding budget. Year to date is tracking positively with net income. Operating margin, Operating EBDA and Total Net Income (loss) all exceed budget from a year-to-date perspective by at least 20%. There is a 60% over budget in interest expense year to date. This is due to interest rates increasing in July. Volumes increased in August in surgery and outpatients. Cash collections were the largest they have been in two years. Cash on hand decreased below 50 due to Epic down payment.		
11. COMMITTEE MEETING DATE NOVEMBER	*Boerum*	Inform/Action	
	The November meeting date is scheduled for the 22nd, which is the same week as Thanksgiving. Committee has no objections to keeping that date.		
12. ADJOURN			
	Meeting adjourned at 7:06 p.m.		

SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE
September 28, 2022, 5:00 PM
MINUTES
Via Zoom Teleconference

Members Present – Via Zoom	Members Present cont.	Excused	Public/Staff – Via Zoom
Susan Kornblatt Idell Carol Snyder Carl Speizer, MD Kathy Beebe, RN PhD Michael Mainardi, MD		Ingrid Sheets, EdD, MS, RN Howard Eisenstark, MD	John Hennelly, CEO Jessica Winkler, DNP, RN, NEA-BC, CCRN-K, CNO Kylie Cooper, RN, BSN, CPHQ, MBA, Quality and Risk Mgmt. Ako Walther, MD, Vice Chief of Staff Celia Kruse De La Rosa

AGENDA ITEM	DISCUSSION	ACTION
1. CALL TO ORDER/ANNOUNCEMENTS	*Kornblatt Idell*	
	Meeting called to order at 5:00 p.m. Ms. Kornblatt Idell introduced the new members of the committee, Carl Speizer, MD, and Kathy Beebe, PhD.	
2. PUBLIC COMMENT	*Kornblatt Idell*	
	None	
3. CONSENT CALENDAR	*Kornblatt Idell*	**ACTION**
• QC Minutes 08.24.22		**MOTION:** by Mainardi to approve with revisions, 2nd by Kornblatt Idell. All in favor.
4. REHAB SERVICES QI/PI	*Gallo*	**INFORM**
	Mr. Gallo gave an overview of the rehab services offered. He spoke about the staffing improvements that have been made, which has been a significant struggle in the past years. He reviewed the outpatient and	

	inpatient volumes for the past year compared to the year prior. Quality indicators reviewed have shown deterioration in distance ambulated per plan of care. Mr. Gallo spoke to clinical reasons that impacted this. Indicators have been adjusted to be more patient specific to assist in improvements. Discussion regarding when patients are ambulated post op, plan of care pre op considerations with ambulation and how the metrics are created. Inpatient knee extensor ROM improved, while inpatient knee flexion ROM showed deterioration. Outpatient chart audits showed improvement as did outpatient functional ability monitored PT. The target for outpatient function ability monitored OT had an undefined target and the outpatient timed get up and go score recorded for total knee patients deteriorated. Mr. Gallo did note that utilization of rehab services has increased whilst there has been a decrease in staff in last 12 months. Staffing is now stabilizing. Mr. Gallo said that the goals for the rehab services department are to develop aquatic program in conjunction with Sonoma Splash, develop vestibular/concussion program and EPIC integration. Discussion on patient status surrounding ambulation and how the metrics were captured were raised by Dr. Speizer and Ms. Beebe.	
5. QUALITY INDICATOR PERFORMANCE AND PLAN	*Cooper*	**INFORM**
	Ms. Cooper reviewed the quality indicator performance plan. Mortality rate of 1.6% meeting the target Patient Safety Indicator – no events reported Falls – no falls reported Readmissions showed improvements from the previous month. Blood Cultures – showed improvements. RN contamination rate met the target after much work in the Emergency Department. The overall rate is below target.	

	Stroke Measures – all targets met. Utilization management – showed deterioration in 1 day stay for Medicare and MediCal, MS DRG case mix index and CMI. The CMI is likely tied to longer length of stays for the month. Core measures for Sepsis – all targets met Infection Prevention – 1 CAUTI in the last month. All other metrics were met In patient satisfaction showed improvement in the response from hospital staff. Other metrics showed deterioration. Ambulatory Surgery Satisfaction – showed improvements in recommendations, cleanliness treatment, and communication.	
6. PATIENT SATISFACTION	*Cooper*	**INFORM**
	Ms. Cooper reviewed the Rate My Hospital scores: the Emergency Department had an average score of 4.65 out of 5. In Patient Care had an average score of 4.54. Medical Imaging average score was 4.77 out of 5. Hand and PT had an average score of 4.81. Outpatient Surgery had average score of 4.95.	
7. POLICIES AND PROCEDURES	*Cooper*	**REVIEW/ RECOMMEND**
	<u>Ms. Cooper reviewed the following policies:</u> Change for Natural gas to Propane COVID -19 Surge Planning Pharmacy Critical Tests Results Medical Imaging Electrical Lock Out Procedure Electrical Safety Emergency Battery Powered Lights Emergency Operations Plan Hospital Evacuation During Disaster Annual Performance Evaluations FNS Department Employee meals Delegation of Responsibilities, Clinical Lab- Ms. Cooper addressed Dr. Eisenstark's comments regarding verbiage.	

	Medical Cannabis use in the Terminally Ill – Ms. Cooper addressed Dr. Eisenstark's comments. The committee had no issues or concerns with the policy revisions and the new policies. Recommend for the Board approval.	
8. MEETING SCHEDULE NOVEMBER & DECEMBER	*Kornblatt Idell*	**ACTION**
	Ms. Kornblatt Idell recommends the November and December meeting be combined to either December 7th or December 14th. She will follow up with Dr. Eisenstark and Ms. Sheets on their preference for date.	**MOTION:** No action taken
9. CLOSED SESSION/REPORT ON CLOSED SESSION	*Kornblatt Idell*	**ACTION**
a. Calif. Health & Safety Code §32155: Medical Staff Credentialing & Peer Review Report	Medical Staff Credentialing was reviewed and approved.	**MOTION:** by Mainardi to approve, 2nd by Snyder. All in favor.
10. ADJOURN	*Kornblatt Idell*	
	Pm	

Document Tasks By Committee

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

Sonoma Valley Hospital

Run by: Finn, Stacey (sfinn)
Run date: 10/26/2022 11:53 AM

Report Parameters

Filtered by: Document Set: - All Available Document Sets -
Committee: 09 BOD-Board of Directors
Include Current Tasks: Yes
Include Upcoming Tasks: No

Grouped by: Committee

Sorted by: Document Title

Report Statistics

Total Documents: 3

Committee: **09 BOD-Board of Directors**

Committee Members: **Finn, Stacey (sfinn), Newman, Cindi (cnewman)**

Current Approval Tasks (due now)

Document	Task/Status	Pending Since	Days Pending
Conduct *Food & Nutrition Services Dept Policies*	**Pending Approval**	10/11/2022	15

Summary Of Changes: **Removed line item #2 that break and lunch periods are posted. Adjusted numbering of line items.**
Moderators: **Newman, Cindi (cnewman)**
Lead Authors: **Finn, Bridget (bfinn)**
Approvers: **Finn, Bridget (bfinn) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Document	Task/Status	Pending Since	Days Pending
Credit Card Use in Cafe *Food & Nutrition Services Dept Policies*	**Pending Approval**	10/11/2022	15

Summary Of Changes: **Updated to reflect that cashier no longer swipes cards, patrons insert card into card reader or utilize tap to pay function of card reader**
Moderators: **Newman, Cindi (cnewman)**
Lead Authors: **Finn, Bridget (bfinn)**
Approvers: **Finn, Bridget (bfinn) -> 01 P&P Committee - (Committee) -> 09 BOD-Board of Directors - (Committee)**

Document	Task/Status	Pending Since	Days Pending
new: Organizational ScreenSaver Appropriate Use, Submission and Publishing *Governance and Leadership Policies*	**Pending Approval**	10/11/2022	15

Summary Of Changes: **New Policy**
To provide the process and guidelines for companywide screensavers on Sonoma Valley Hospital (SVH) hardware and the assurance of standards for content and design compliance. Additionally to establish procedures for submissions, approvals, and publication.
Moderators: **Newman, Cindi (cnewman)**
Lead Authors: **Hennelly, John (jhennelly)**
Approvers: **01 P&P Committee -> 09 BOD-Board of Directors - (Committee)**

PACE

Program of All-inclusive Care for the Elderly

An Overview

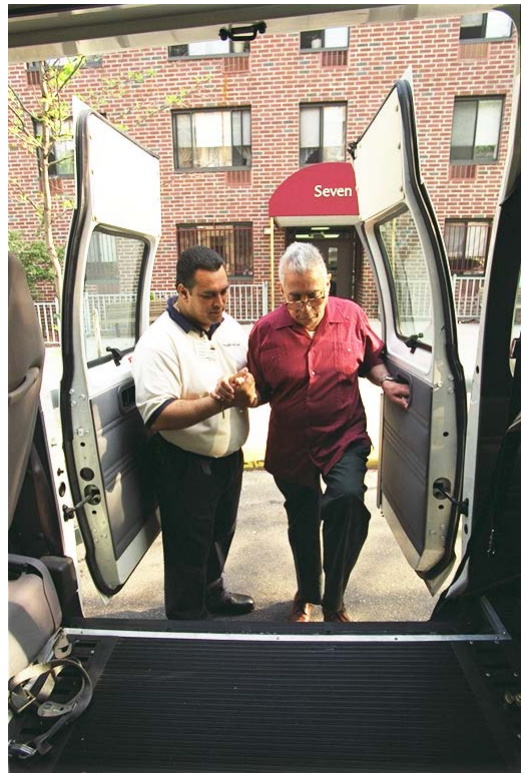
2022

What is PACE?

Program of All-Inclusive Care for the Elderly

An integrated system of care for the frail elderly that is:

- Community-based
- Comprehensive
- Capitated
- Coordinated



Who Does It Serve?

- 55 years of age or older
- Living in a PACE service area
- Certified as needing nursing home care
- Able to live safely in the community with the services of the PACE program at the time of enrollment

Milestones in the PACE Model History

1986

Legislation authorizing PACE Demonstration

1990

First demonstration sites operational

1997

Congress authorizes permanent provider status

1999

Publication of interim final PACE regulations

2001

First program achieves permanent PACE provider status

2002

Publication of 2nd interim final PACE regulations enhancing opportunity for program flexibility

2006

Final PACE rule

2014

Reached first 100 PACE programs

2015

PACE Innovation Act is signed into law

2016

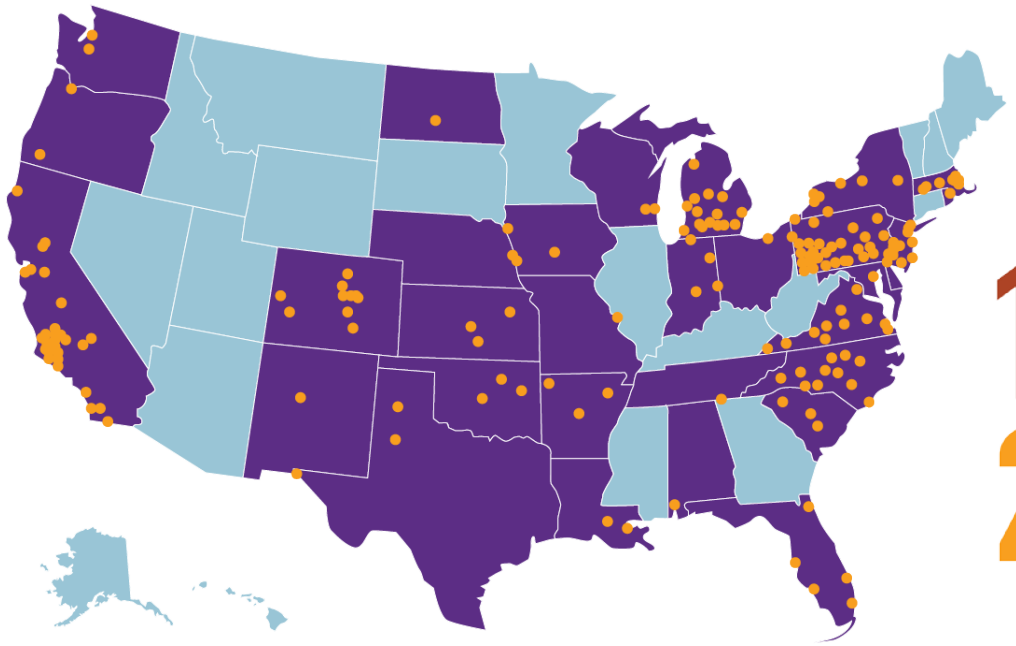
CMS issues proposed PACE rule

2019

New PACE Regulation

Status of PACE Development

(as of May 2022)



31 states have PACE programs

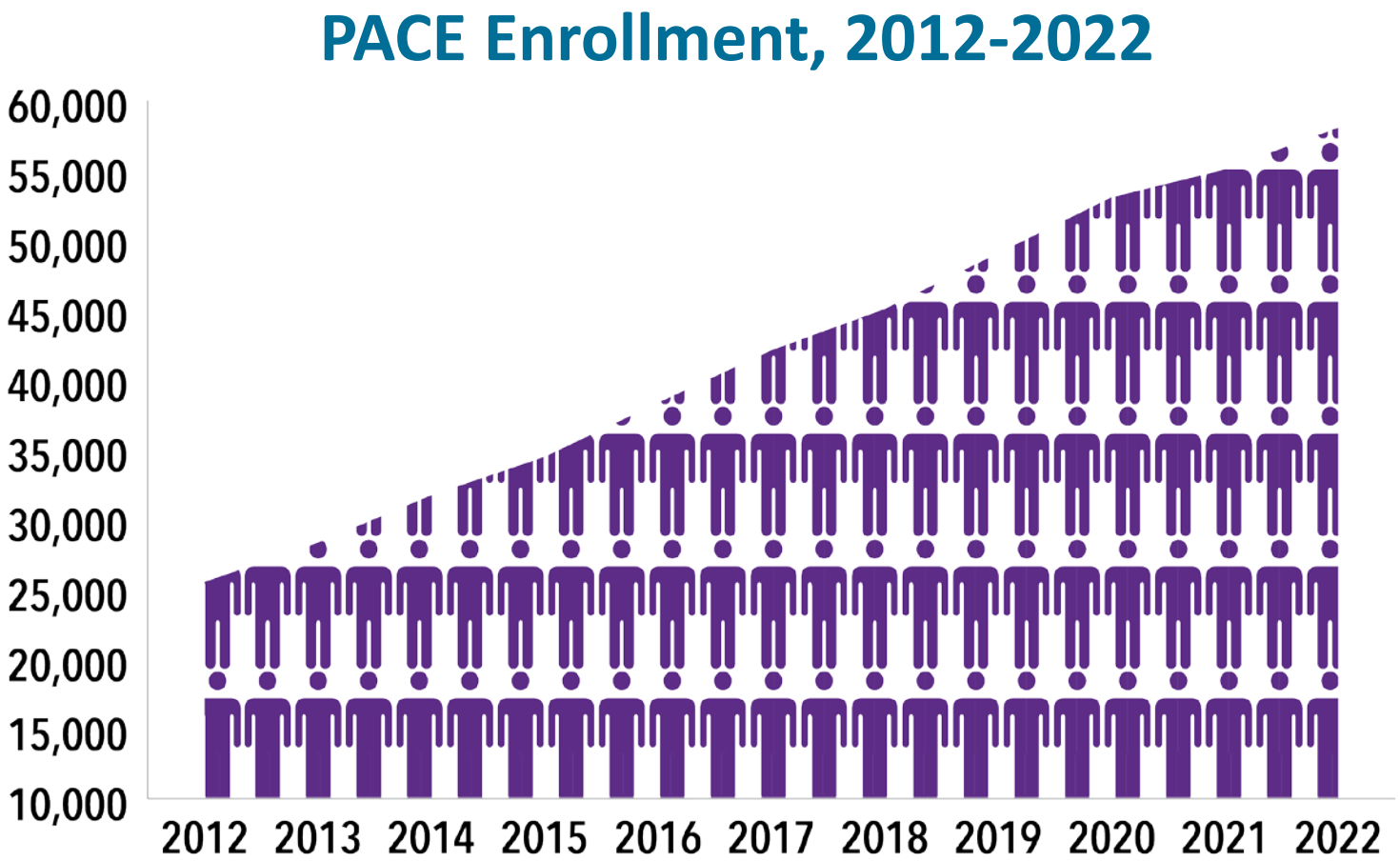
145 Sponsoring Organizations

273 PACE Centers

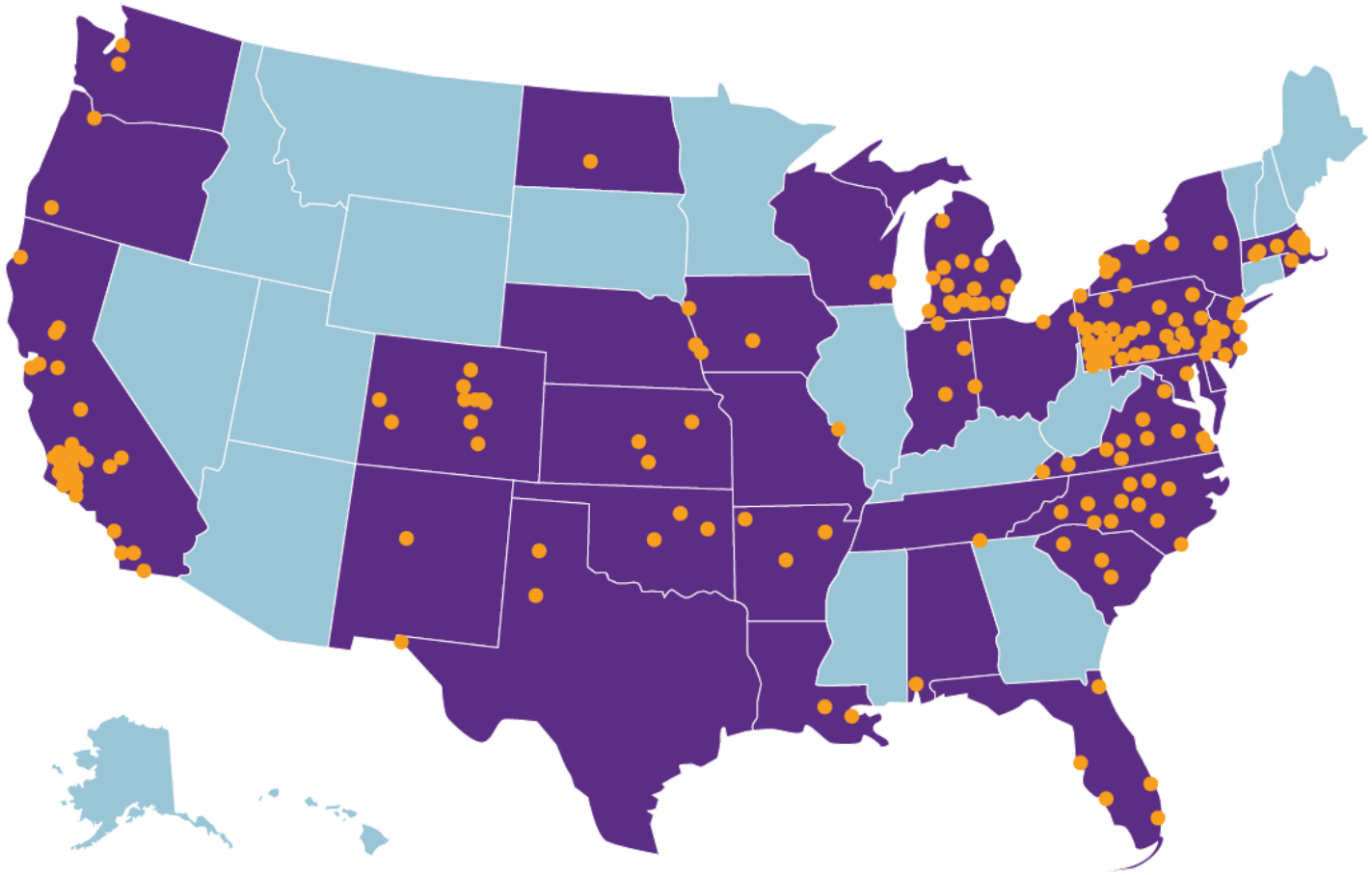
as of May 2022

National Census Growth

2012 – 2022



PACE Programs Around The Country



31 states have PACE programs

Philosophy

Honors what frail elders want

- To stay in familiar surroundings
- To maintain autonomy
- To maintain a maximum level of physical, social, and cognitive function

The PACE Model

PACE Provides Transportation

The PACE Model

PACE Provides PT & OT

The PACE Model

PACE is Small in Scale

Each PACE center and Interdisciplinary Team can serve up to about 200 enrollees

The PACE Model

Services Provided

- nursing
- physical therapy
- occupational therapy
- recreational therapy
- meals
- nutritional counseling
- social work
- medical care
- home health care
- personal care
- prescription drugs
- social services
- audiology
- dentistry
- optometry
- podiatry
- speech therapy
- respite care

Hospital and nursing home care when necessary

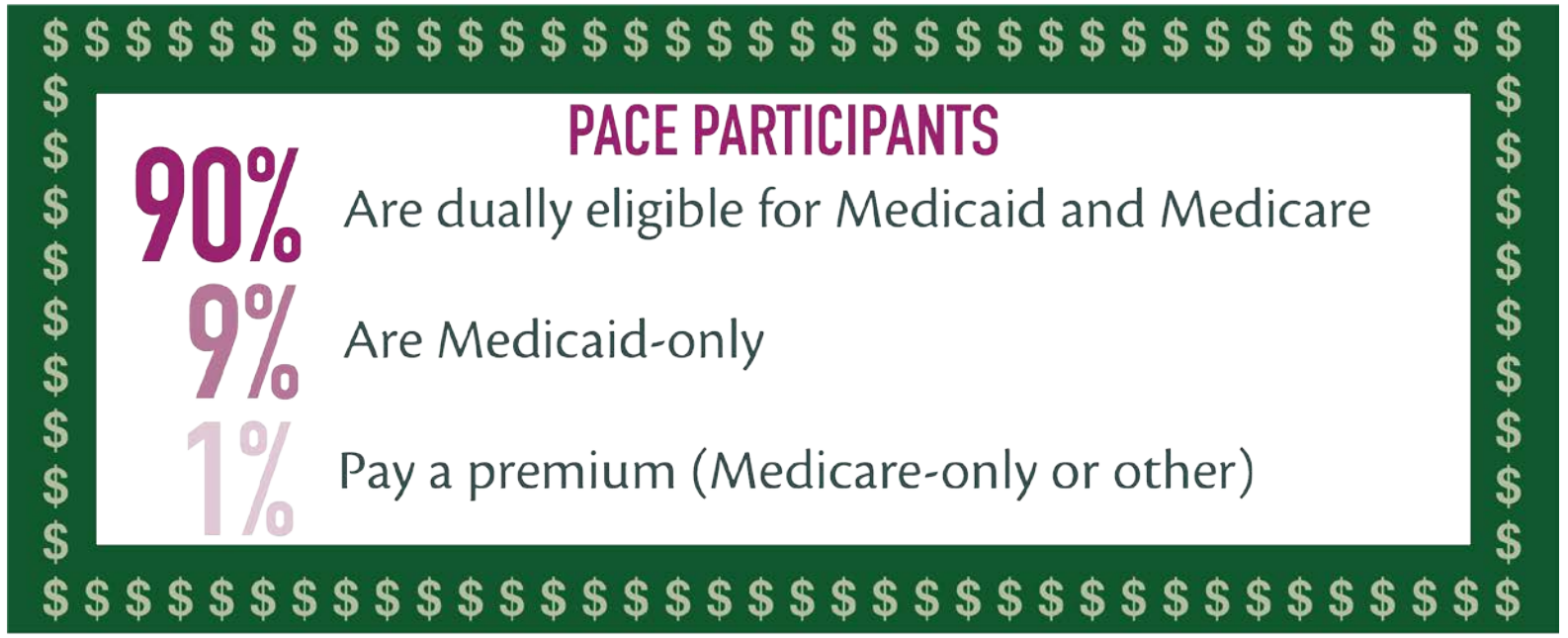
Integrated, Team Managed Care

- An interdisciplinary team
- Team managed care vs. individual case manager
- Continuous process of assessment, treatment planning, service provision and monitoring
- Focus on primary, secondary, tertiary prevention

Integrated Service Delivery and Team Managed Care

Capitated, Pooled Financing

- Medicare capitation rate adjusted for the frailty of the PACE enrollees
- Integration of Medicare, Medicaid and private pay payments



Source of Service Revenue

- PACE Programs receive approximately:
  - 60% of its revenue from Medicaid
  - 40% from Medicare

    (A small percentage of program revenue comes from private sources or enrollees paying privately)
    - 2020 Mean Medicare PMPM Rate: $2,797
    - 2020 Mean Medicaid PMPM Rate: $3,981
- PACE Programs are Medicare D providers

PACE Core Competencies

- Provider based model
- Tightly controlled care management and utilization systems
- Serves largely a nursing home eligible population in the community when enrolled
- Good care outcomes, high enrollee satisfaction and low disenrollment rates
- Established existing program with a proven track record

Challenges for New Providers

- Begin to think in terms of People vs. Sentinel Events.
- Abandon the assumption that more is better.
- Understand that not all aspects of care are clinically based, some require simple creativity.
- Embrace the importance of a consistent care delivery system over time.

National PACE Association Resources

www.NPAonline.org

- Core Resources Set for PACE (CRSP) (copyright NPA)
  - Core operational program components (i.e. policies, procedures and model materials)
  - Model PACE provider applications
- Financial Planning Tools (copyright NPA)
  - Case studies of successful sites
  - Baseline Scenario
  - Financial Proforma and Users Guide
  - Business Planning Checklist
- Exploring PACE Membership Category
- Resources for States

Questions?

CENTERS FOR MEDICARE & MEDICAID SERVICES

Quick Facts about Programs of All-inclusive Care for the Elderly (PACE)

What are Programs of All-inclusive Care for the Elderly (PACE)?

PACE is a Medicare program for older adults and people over age 55 living with disabilities. This program provides community-based care and services to people who otherwise need nursing home level of care. PACE was created as a way to provide you, your family, caregivers, and professional health care providers flexibility to meet your health care needs and to help you continue living in the community.

An interdisciplinary team of professionals will give you the coordinated care you need. These professionals are also experts in working with older people. They will work together with you and your family (if appropriate) to develop your most effective plan of care.

PACE provides all the care and services covered by Medicare and Medicaid, as authorized by the interdisciplinary team, as well as additional medically-necessary care and services not covered by Medicare and Medicaid. PACE provides coverage for prescription drugs, doctor care, transportation, home care, check ups, hospital visits, and even nursing home stays whenever necessary. With PACE, your ability to pay will never keep you from getting the care you need.

Who can join a PACE Plan?

You can join PACE if you meet the following conditions:

- You are 55 years old or older.
- You live in the service area of a PACE organization.
- You are certified by the state in which you live as meeting the need for the nursing home level of care.
- You are able to live safely in the community when you join with the help of PACE services.

Note: You can leave a PACE program at any time.

PACE services include but aren't limited to the following:

- Primary Care (including doctor and nursing services)
- Hospital Care
- Medical Specialty Services
- Prescription Drugs
- Nursing Home Care
- Emergency Services
- Home Care
- Physical therapy
- Occupational therapy
- Adult Day Care
- Recreational therapy
- Meals
- Dentistry
- Nutritional Counseling
- Social Services
- Laboratory / X-ray Services
- Social Work Counseling
- Transportation

PACE also includes all other services determined necessary by your team of health care professionals to improve and maintain your overall health.

You should know this about PACE:

PACE Provides Comprehensive Care

PACE uses Medicare and Medicaid funds to cover all of your medically-necessary care and services. You can have either Medicare or Medicaid or both to join PACE.

The Focus is on You

You have a team of health care professionals to help you make health care decisions. Your team is experienced in caring for people like you. They usually care for a small number of people. That way, they get to know you, what kind of living situation you are in, and what your preferences are. You and your family participate as the team develops and updates your plan of care and your goals in the program.

PACE Covers Prescription Drugs

PACE organizations offer Medicare Part D prescription drug coverage. If you join a PACE program, you'll get your Part D-covered drugs and all other necessary medication from the PACE program.

Note: If you are in a PACE program, you don't need to join a separate Medicare drug plan. If you do, you will lose your PACE health and prescription drug benefits.

You should know this about PACE: (continued)

PACE Supports Family Caregivers

PACE organizations support your family members and other caregivers with caregiving training, support groups, and respite care to help families keep their loved ones in the community.

PACE Provides Services in the Community

PACE organizations provide care and services in the home, the community, and the PACE center. They have contracts with many specialists and other providers in the community to make sure that you get the care you need. Many PACE participants get most of their care from staff employed by the PACE organization in the PACE center. PACE centers meet state and Federal safety requirements and include adult day programs, medical clinics, activities, and occupational and physical therapy facilities.

PACE is Sponsored by the Health Care Professionals Who Treat You

PACE programs are provider sponsored health plans. This means your PACE doctor and other care providers are also the people who work with you to make decisions about your care. No higher authorities will overrule what you, your doctor, and other care providers agree is best for you. If you disagree with the interdisciplinary team about your care plan, you have the right to file an appeal.

Preventive Care is Covered and Encouraged

The focus of every PACE organization is to help you live in the community for as long as possible. To meet this goal, PACE organizations focus on preventive care. Although all people enrolled in PACE are eligible for nursing home care, only 7% live in nursing homes.

PACE Provides Medical Transportation

PACE organizations provide all medically-necessary transportation to the PACE center for activities or medical appointments. You can also get transportation to appointments in the community.

You should know this about PACE: (continued)

What You Pay for PACE Depends on Your Financial Situation

If you qualify for Medicare, all Medicare-covered services are paid for by Medicare. If you also qualify for your State's Medicaid program, you will either have a small monthly payment or pay nothing for the long-term care portion of the PACE benefit. If you don't qualify for Medicaid you will be charged a monthly premium to cover the long-term care portion the PACE benefit and a premium for Medicare Part D drugs. However, in PACE there is never a deductible or copayment for any drug, service, or care approved by the PACE team.

For more information about PACE do the following:

- Visit www.npaonline.org on the web. This website is sponsored by the National PACE Association.
- Visit www.medicare.gov/Nursing/Alternatives/PACE.asp on the web.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

My Health.
My Medicare.

CMS Publication No. 11341
January 2008

National PACE Association

UNDERSTANDINGPACE

New PACE Providers: The Path from Interest to Start-Up

Organizations make the choice to develop PACE programs based on a thorough decision-making process. Past experience tells us that PACE programs pass through three general phases in completing this process.

1. Understanding the PACE Model
2. Organizational Assessment and Decision-Making
3. Planning and Development/PACE Provider Application

This guide is designed to help organizations navigate through each of these distinct phases, identify what they should be accomplishing in each phase and access educational and technical assistance resources available to assist them. Each phase is explained in this guide through objectives, activities, milestones and resources particular to that stage of decision-making.

Developing a PACE program requires a sound understanding of the model. The National PACE Association (NPA) and PACE Technical Assistance Centers (TACs) are available to provide the necessary expertise, support and counsel through the developmental phases. This guide provides a framework for thinking about how organizations move through the process of planning a new PACE program.

The last part of the guide describes how the interested organization translates its plan into actual care provision. Throughout the entire process, NPA and the TACs are ready to assist providers.

If you have any questions, please call NPA at (703) 535-1517. For further information regarding TACs please visit our web site at www.NPAOnline.org. Understanding the PACE Model

First Stage

Understanding the PACE Model

OBJECTIVES

1. Gain an understanding of the PACE model's program and service requirements.
2. Understand scope and extent of current PACE experience.
3. Understand the stages of development for initiating a new PACE program.
4. Assess availability and cost of resources to assist in decision-making and start-up.

ACTIVITIES

1. Acquire and review information about the PACE model and PACE providers.
2. Assemble internal work group/team.
3. Establish a timeline and workplan for completing a self-assessment.

TECHNICAL ASSISTANCE OPPORTUNITIES

Prospective PACE providers can benefit enormously from the expertise of existing PACE programs that have had firsthand experience in the development and implementation of PACE. One of the best ways to understand the PACE model is to visit an operating PACE program. Technical Assistance Centers can arrange these site visits as well as initial on-site presentations and assessment.

FIRST STAGE MILESTONE

Based on its understanding of the PACE model and internal interest, the organization receives commitment from its governing body to complete the self-assessment.

Resoures for Development

Public Resources

1. NPA Membership Brochure
2. PACE Program Fact Sheet
3. NPA Calendar of Events
4. PACE FAQs
5. Program of All-inclusive Care for the Elderly (PACE) Fact Sheet
6. National PACE Association (NPA) Fact Sheet
7. PACE in the News
8. Developing PACE Education Series Library
9. An Overview of Self-Assessment Considerations

Second Stage

Organizational Assessment and Decision-Making

OBJECTIVES

1. Assess federal and state regulatory requirements and implications for PACE.
2. Describe the organization's critical factors for moving forward and assess the need for outside support.
3. Outline the key questions/factors to be addressed by the decision- making plan.
4. Complete a business plan that will present a recommendation to the organization's governing body.

ACTIVITIES

1. Gather information and complete self-assessment.
2. Establish a timeline and work plan for developing a business plan.
3. Engage community organizations to assess preliminary response to PACE.
4. Identify state liaison and key agencies.
5. Develop a business plan and present it to the organization's governing body.

TECHNICAL ASSISTANCE OPPORTUNITIES

One of the first activities an organization will undertake as a part of this decision-making process is an in-depth assessment of whether the community and the sponsoring organization will be able to support and benefit from the development of a PACE program. PACE TACs conduct organizational and market assessments and assist with the development of a business plan and other materials for presentation to the organization's stakeholders and governing body.

SECOND STAGE MILESTONE

Based on the business plan, the organization commits resources to a timeline and workplan for start-up.

Resoures for Development

Public Resources

1. PACE Planning Resource Checklist
2. PACE Program Development Considerations:
   - Organizational and Market Self- Assessment for PACE
   - Sources for Financing
   - Program Start-up and Development Costs
   - An Overview of PACE Site Selection and Center Development
3. Summary of the PACE Provider Regulation
4. Case Studies
5. Business Planning Checklist for New PACE Programs
6. Online, high-level PACE Financial Proforma

NPA Membership Resources

7. Demographic Report
8. Developing PACE Education Series
9. Exploring PACE List Serve
10. Guide to PACE Site Selection and Center Development

Third Stage

Planning and Development/ PACE Provider Application

OBJECTIVES

1. Secure financing and risk insurance.
2. Obtain approval of PACE provider application to establish PACE provider status with state and federal agencies.
3. Establish effective marketing strategies.
4. Establish an operational day center.

ACTIVITIES

1. Develop program policies and procedures.
2. Prepare PACE provider application.
3. Identify target audiences for development of referral network.
4. Develop marketing plan and materials.
5. Design, construct and equip PACE day center.
6. Hire and train staff.
7. Select, install and train staff on information system.
8. Establish financial accounting system and procedures.

TECHNICAL ASSISTANCE OPPORTUNITIES

Once an organization has decided to proceed with PACE, TACs are available to assist with the initial planning and development of the PACE program, including the development of the PACE center, hiring and training center staff, start-up and preparation of the PACE provider application. TACs also provide ongoing consultation once an organiza- tion is fully operational and has begun providing services to partici- pants. TACs provide support through telephone consultation, on-site visits, intensive trainings and resource materials.

THIRD STAGE MILESTONE

PACE provider application is approved and provider agreement signed. Organization is ready to offer services and begins enrolling participants. Day center is operational.

Resoures for Development

NPA Membership Resources

1. Core Resource Set for PACE (CRSP) - a compendium of PACE program operational resources to assist providers in PACE development and expansion
    - PACE Operating Resources - resources for administering and operating a PACE program
2. Networking list serves
3. Federal and state policy updates & advocacy
4. NPA communications
5. Discounted NPA conference registration fees
6. CMS-sponsored meetings
7. Keeping the PACE newsletter
8. Monthly Educational Teleconference Series

Looking Ahead: Enrollment and Ongoing Operations

With federal approval of the PACE provider application, and a signed agreement between the organization, the state and the federal government, the program acquires PACE provider status. At this point in the program's development, activities shift from planning to operations. NPA and the Technical Assistance Centers (TACs) continue to provide resources to support the success of new PACE programs as they move into this operational mode.

Early in the program's operations, the organization will need to focus on building its census. During this time it also is important to establish the interdisciplinary care team, systems for integrating services and service allocation. Provider status also requires the establishment of quality improvement mechanisms and readiness for on-site reviews by state and federal agencies.

As the program matures, the PACE program continues to build upon and improve existing operations, increase census and consider plans for future expansion.

The Centers for Medicare and Medicaid Services (CMS) and the state will continue ongoing monitoring of the program. The PACE program will be responsible for meeting evolving state and federal regulatory requirements.

Resources available to start-up and operational PACE programs include:

- Updated and expanded resources for PACE start-up and operations in the Core Resource Set for PACE (CRSP)
- Performance benchmarking for service outcomes, utilization and costs
- Networking list serves
- Federal and state policy updates & advocacy
- NPA communications
- Discounted NPA conference registration fees
- Keeping the PACE newsletter

The National PACE Association (NPA) exists to advance the efforts of Programs of All- inclusive Care for the Elderly (PACE). PACE programs coordinate and provide all needed preventive, primary, acute and long term care services so that older individuals can continue living in the community.

How NPA Supports PACE Programs

Public Policy and Advocacy

NPA works closely with members of Congress, senior administration officials and their staff, and state policy makers to educate and promote a reimbursement and regulatory environment that enables PACE programs to continue to provide high quality, individualized and innovative care.

Educational Opportunities

NPA hosts two conferences per year and a bi-monthly teleconference series, so members can learn from one another and from leading experts in the long term care field.

Start-up and Operational Resources

NPA facilitates networking list serves for staff from various disciplines within PACE programs, and produces other communications vehicles to assist developing and operational programs.

NPA members have access to the Core Resource Set for PACE (CRSP), a compendium of resources for PACE program development, expansion and operations.

NPA provides guidance and support for a range of policy and operational issues and challenges.

Quality Assurance

NPA collects data from participating PACE programs to help them compare the provision of services and participant characteristics across PACE programs. This benchmarking data is helpful in allowing PACE program staff to continuously improve their delivery of services.

Research

NPA is committed to supporting the study of innovative and integrated models of care with the goal of improving the lives of seniors and their families, regardless of the health care setting.

For additional information and assistance, visit the National PACE Association website at www.NPAonline.org or a technical assistance center to discuss options for constructing a business plan for PACE.

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Well

THE NEW OLD AGE

Meet the Underdog of Senior Care

The Program of All-Inclusive Care for the Elderly, funded by Medicare and Medicaid, has quietly succeeded in enabling some older Americans to age in place.

By PAULA SPAN

Felicia Biteranta was struggling when, five years ago, she enrolled in a PACE program operated by Lutheran Senior Life in Jersey City, N.J.

Having suffered a stroke, she found it hard to eat without choking. She fell frequently; her diabetes was out of control; she had pulmonary disease and asthma. She might miss a medical appointment if she could not arrange or afford a taxi. Her family lived far away.

She was, in short, a candidate for a nursing home. But such a move is what PACE — the Program of All-Inclusive Care for the Elderly — was designed to prevent.

"The main goal is to let people age in place," said Maria Iavarone, executive director of the PACE program that Ms. Biteranta participates in. "Nobody wants to give up their home. It's where you're most comfortable. It's where you should stay."

Ms. Biteranta now receives all of her health care through PACE, which monitors her, along with 120 other seniors, meticulously. PACE supplies much of her social life, too.

"Here, they schedule you for appointments," said Ms. Biteranta, 74, a retired nurse. "They send someone to take you and bring you home."

Carpal tunnel syndrome in her wrists and arms makes personal care and household chores difficult, so PACE sends an aide to her home 12 hours a week. "She cleans and does my laundry and the shopping," Ms. Biteranta said. "She knows the food I like."

PACE provided the portable oxygen unit that freed her from dependence on the larger oxygen tanks she uses at home. It arranged cataract surgery and regularly ferries her to a podiatrist, a cardiologist, an endocrinologist and other specialists. It delivers a host of medications at no charge, including asthma inhalers and diabetes-testing supplies. A staff social worker helped her apply for and move into an apartment in a subsidized building for seniors.

BRIAN FRASER FOR THE NEW YORK TIMES

Felicia Biteranta, left, a retired nurse who has had limited mobility since she suffered a stroke, with her home health aide, Altagracia Garcia-Reyes. "She cleans and does my laundry and the shopping," Ms. Biteranta said of Ms. Garcia-Reyes. "She knows the food I like."

As a Medicaid beneficiary, she pays nothing for this care — no co-pays, deductibles or other out-of-pocket care expenses, and no caps on benefits. Should she require more home care hours or, eventually, a nursing home, PACE will cover those costs, too.

"It's worry-free," said Ms. Biteranta, who was preparing to have lunch at the PACE Center as she spoke. "They worry for me."

Yet both the state and federal government also save money. PACE programs receive a set amount monthly from Medicare and Medicaid to provide nearly everything for people over 55 whose needs qualify them for a nursing home but who don't want to enter one. This includes doctors' visits, tests,

procedures, physical, occupational and speech therapy, social workers, home care, transportation, medication, dentistry and hearing aids. Participants typically visit a PACE center like the one in Jersey City several times a week for meals and social activities as well as therapy and health monitoring.

That monthly payment is 15 percent lower, on average, than Medicaid would ordinarily pay to care for what are primarily low-income seniors, the National PACE Association said.

Research has shown that PACE programs reduce hospitalization, emergency room visits and nursing home stays. Participants survive longer than similar patients in less comprehensive programs. A study last year by the federal Department of Health and Human Services noted that the PACE program "stands out from our analysis as a consistently 'high performer.' "

Why, then, do so few PACE programs exist — and enroll so few older Americans? Almost three decades after Medicare and Medicaid began funding PACE programs — today, there are 144, operating 272 centers in 30 states — the endeavor collectively serves fewer than 60,000 people, the National PACE Association reports.

The association estimates that 1.6 million Medicare beneficiaries might meet PACE eligibility requirements. As a list of current programs shows, however, 21 states have no PACE program, and 11 have just one.

Professionals in elder care tend to be fans. "Every geriatrician loves this model," said Mark Lachs, co-chief of geriatrics and palliative medicine at Weill Cornell Medicine.

Specialists like Dr. Lachs have complained for years that traditional Medicare will cover costly surgery to repair broken hips but won't pay to install inexpensive grab bars that might prevent falls. With PACE's fixed payments, "there might be less money, but you spend it the way you want to, without getting on the phone for insurance company approval," Dr. Lachs said.

At the ArchCare PACE program in New York City, for instance, "if a person's air-conditioner breaks during a heat wave, we replace it," said Walid Michelen, the program's chief medical officer. "If there's a snowstorm and they need food, we send it."

With coordinated care and close observation, "you head off a urinary tract infection before it becomes sepsis," said Jay Luxenberg, the former chief medical officer of the On Lok PACE program in San Francisco. "Or pneumonia when it can still be treated by antibiotics, before you desperately need a hospital."

BRIAN FRASER FOR THE NEW YORK TIMES

Ms. Biteranta and her aide, Ms. Garcia-Reyes, on the way to lunch.

Yet growth has been slow. "We've had a lot of headwinds over the years," said Shawn Bloom, the association's chief executive.

Persuading state legislators to expand PACE enrollment or authorize new programs has proved challenging; such moves represent new expenditures, even if they eventually reduce costs.

For individuals, the enrollment process — which involves a state assessment to determine whether their medical conditions, cognitive status and functional limitations would warrant a nursing home — can take weeks. A family needing elder care immediately may be unable to wait.

Moreover, agreeing to receive all health care from PACE often means relinquishing one's individual doctor, and some patients balk at that demand. Programs can evade that barrier by allowing PACE programs to work with community physicians.

But prospective patients may not know about PACE at all. "We're trying to expand awareness, but we don't have a 'Got Milk?' budget," Mr. Bloom said.

Still, the pandemic has intensified older Americans' desire for alternative forms of long-term care. "If people didn't want to be in nursing homes before Covid, they really don't want to be there now," Dr. Lachs said. According to the association, Covid deaths among PACE participants have been about one-third those of nursing home residents.

So PACE's growth is picking up, with 45 new programs expected to begin enrollment in the next two years, in part because of higher federal incentives. Moreover, for-profit companies are starting to establish or acquire PACE programs, although skeptics worry that for-profit status will lower quality.

Several bills introduced in Congress would remove barriers to growth; one would build partnerships with Veterans Affairs hospitals to make PACE more accessible to veterans.

Another intriguing possibility: Encouraging middle-class patients, for whom long-term care costs can also be ruinous, to enroll in PACE. Older adults who aren't poor enough to qualify for Medicaid can already participate, but few do because their monthly premiums would be high — in many states, $4,000 to $5,000 a month.

But that is still less than they would pay for nursing homes or assisted living in many locations. Policy analysts are looking into ways to reduce costs and expand PACE eligibility for the middle class.

In Jersey City, Ms. Biteranta is doing well, although she misses concerts, Zumba classes, birthday parties and other events at the PACE center. Administrators curtailed such activities during the pandemic but hope to restore them as Covid rates decline.

"Oh, my God, I'd be so depressed" without PACE, Ms. Biteranta said. "It gives me a life."

To: SVHCD Board of Directors

From: Bill Boerum, Board Member & Treasurer, Finance Committee Chair

Date: 11.03.22

Subject: Quarterly Report for the Finance Committee

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, with insightful questions and recommendations as to the items on the agenda. As needed, service providers relative to Action items under consideration attended. No members of the public attended. First Vice Chair Judith Bjorndal attended the meetings as a member of the public without comment, as did most recently Susan Kornblatt Idell, Board Secretary.

The Committee 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 and progress on the EPIC installation, 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 conferred and considered 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 for recommendations to the Board.

The Committee adhering strictly to items on its agenda limited its discussions thereto. However as so related this quarter, the Committee discussed and recommended minor, revised financial statement presentation as well as relevant financial and operating management metrics, and in the instances of specific matters going to the Board, made suggestions for clarity in tables and slides, one example being the display of the quarterly capital spending review. We are pleased by the cooperation of the CFO in taking such suggestions and incorporating them into presentations and comments.

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

To:	SVHCD Board of Directors
From:	John Hennelly
Date:	11.03.22
Subject:	Administrative Report

The hospital is fully engaged in preparation for the upcoming EHR conversion from Allscripts to Epic. Management is reviewing protocols, super users are validating processes, and line staff are going through end user training. The organization is fully engaged in being prepared for 12/3 while concurrently ensuring the community continues to be served both related to routine care as well as Covid.

Covid

We continue to see cases, but reported acute infections remain low. Hospitalizations remain low. We have begun vaccinations using the new bivalent vaccine (addressing the original Covid strains as well as Omicron) along with a new flu vaccine which will be mandated for healthcare workers this fall. Everyone in the hospital continues to be required to be masked.

We have seen a nominal increase in both flu and RSV as summer turns to fall.

Operations

Dr Sujatha Sankaran, faculty at UCSF, has accepted the position of CMO at Sonoma Valley Hospital. Dr Sankaran brings a wealth of experience in both community and hospital medicine. She begins 11/1/22.

Recruitment for a GI continues. We are focusing on the 2nd floor of the hospital as a clinic location.

The Finance team is embarking on a new round of contract reviews with our primary insurers. We expect improvements in key areas during CY2023.

Capital

The new CT scanner is operational effective 8/23/22.

Since Board approval of the 'MRI project' relocation, we have engaged the state agencies (and city) to begin plan development and review schedule. Given the unit will officially live outside of the walls of the hospital, the City of Sonoma will have a more prominent role in review and approval of the plan. A temporary location is still being considered to expedite activation. Any temporary plan will be brought to the Board for review.

Architectural and engineering work has begun on the ICU upgrade. It is expected that the work will be completed in mid 2023.

We are less than 45 days from go live of our new electronic health record, Epic. Hospital teams are preparing for the technical dress rehearsal which will take place on 11/1 & 2. Go live will take place on 12/3/22.

Strategic Planning

Outside consultants Sg2 presented an overview of the industry. They further touched on tactics employed by community hospitals as our environment evolves. The SVH team will be finalizing our strategic plan over the coming weeks in anticipation of the November 10th Board retreat. Thanks to all who have provided input.

Community

Dr Carolyn Ho, chief resident in family medicine at UCSF Fresno will be joining Dr Sebastian's group in the spring. We are excited to have another primary care doctor to serve our community.

Update from 2025 Strategic Plan:

Strategic Priorities	Update
Enhance Quality and Services through the affiliation with UCSF Health	➢ We focus on building our relationship around provider recruitment o GI – recruits are being identified and vetted. o Primary Care ➢ CMO (Chief Medical Officer) selection complete! Sujatha Sankaran MD has been selected to fill the role.
Exceed Community Expectations especially in Emergency Services	➢ The hospital continues to provide guidance to our community regarding Covid guidelines. ➢ The hospital has expanded the availability of testing to the community through the hospital drive through. ➢ Phase 1 (CT) of the ODC is complete. The MRI project is moving from planning to implementation phase.
Ensure Patients receive Excellent, Safe care	➢ Covid screening protocols continue to be deployed throughout the hospital. Masking is the primary tool used to prevent transmission. Screening has transitioned to self-attestation. ➢ Implementation of Epic is in testing phase. Teams are preparing for the Tech Dress Rehearsal in early November. Go live December 3, 2022.
Provide Access to Excellent Physicians	➢ The team continues to work on recruitment efforts to bring MDs to Sonoma. Focus currently on primary care and surgery.

	➢ Dr Cathryn Ho, family medicine, will be joining Marin Health on 1st street in the spring.
Be a Healthy Hospital	➢ All staff must be vaccinated against Covid or have a waiver. SVH employees and medical staff are 98% vaccinated. Provision of the new Omicron booster to qualifying individuals is under way. Those without vaccines or boosters are either exempted or on leaves of absences. ➢ The hospital is planning de-escalation training for key frontline workers and management in January.

SVH Performance Score Card

1. Quality and Safety

Objective	Target	AUG.22	SEP.22	Trend	Supporting detail
Infection Prevention					
Central Line Blood Stream Infection CLABSI per 10k pt days	<1	0.0	0.00	⇆	
Catheter Associated Urinary Tract Infection- CAUTI per 10k pt days	<1	1.0	0.00	↑	
CDIFF Infection per 10k pt days	<0.9	0.0	0.00	⇆	
Safety					
Patient Fall per 1000 pt days	<3.75	0.0	3.97	↓	1 fall, no injury
Patient fall with injury per 1000 pt days	<3.75	0.0	0.00	⇆	
Surgical Site Infections per 1000 Acute Care Admissions	0.00	0.0	0.00	⇆	
Core Measures					
Sepsis Early Management Bundle % compliant	>81%	85.7 (n=7)	54.5 (n-11)	↓	
Severe Sepsis 3 hour Bundle % compliant	>94%	100 (n=7)	90.0 (n=11)	↓	
Severe Sepsis 6 hr Bundle % compliant	100.00	100 (n=5)	87.5 (n=8)	↓	
Core OP 23- Head CT within 45 mins % compliant	100.00	N/A	N/A		
Mortality					
Acute Care Mortality Rate %	<15.3	1.6	1.60	⇆	
ED					
Core OP 18b Median Time ED arrival to ED Departure mins	<132	154 (n=30)	160 (n=31)	↓	
Core Op 22 ED Left without being seen LWBS	<2%	1.9	2.70	↓	
PSI 90					
PSI 90 Composite Acute Care Admissions	0.00	0.0	0.00	⇆	
Preventable Harm					
Preventable Harm Events Rate % of risk events graded Minor-Major	0.00	0.190	0.00	↑	
Readmissions					
Readmissions to Acute Care within 30 days %	<15.3	7.14	5.45	↑	Lower is better

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

2. Employees

Objective	Target	AUG.22	SEP.22	Trend	Supporting Detail
Turnover	<3%	1.4	0.0	↑	
Workplace Injuries	<20 Per Year	1 (QTR3)	1 (QTR3)	⇆	TOTAL 6 YTD

3.Patient Experience

Objective	Target	JUL.22	AUG.22	Trend	Supporting Detail
Outpatient Ambulatory Services					
Recommend Facility	>50%	97 (n=19)	43 (n=19)	↓	
Communication	>60%	73 (n=19)	98 (n=19)	↑	
Discharge Instructions	**>70%**	1 (n=19)	62 (n=19)	↑	
HCAHPS					
Recommend the hospital	>50%	58 (n=14)	98 (n=11)	↑	
Communication with Nurse	>50%	22 (n=14)	99 (n=11)	↑	
Communication with Doctor	>50%	3 (n=14)	51 (n=11)	↑	
Cleanliness of Hospital	>50%	81 (n=14)	99 (n=11)	↑	
Communicaiton about medicines	>60%	84 (n=14)	1 (n=11)	↓	
Discharge Information	>50%	35 (n=14)	88 (n=11)	↑	

4. Volume

Objective	Target	AUG.22	SEP.22	Trend	Supporting Detail
Patient Visits					
Emergency Visits	>750	840.0	837.0	↓	
Surgical Volume Outpatient	>80	99.0	100.0	↑	
Surgical Volume Inpatient	>13	18.0	15.0	↓	
Inpatient Discharges	>50	63.0	65.0	↑	

5. Financial

Objective	Target	AUG.22	SEP.22	Trend	Supporting Detail
EBDA in %	>0.5	-0.1	-0.4	↓	
Days Cash on Hand month end	>42	51.8	35.2	↓	
Net Revenue ($M) (YTD)	>$46	$ 46.7	$ 46.4	⇆	

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 hospitization, or that results in death.This is a percentage of risk events that have a significance level of minor-major harm.
Derived from the risk events entered into our risk reporting platform.
Examples of risk events are- patient falls, surgical complications, mis-diagnosis, repeat visits, code blue, AMA, transfers to other facilities, documentaiton issues.
Goal is 0. Alarm is set at 5.0 which is the benchmark set by UCSF and chosen by Dr Kidd

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

Revision Date: 08/25/22

Tactic Completed	Tactics under way now	Tactics to begin in the next 12 months	Tactics in conceptual form

UCSF/SVH Joint Operating Dashboard

Strategic Objective		Initiative	Description/Tactic	Benefits/Impact	Start Date	Target Completion Date	Update	Updated
1 Increase Access to San Francisco based UCSF Care - ability for Sonomans to access care at UCSF in the city has been difficult. This objective seeks to improve pathways to access care.	1.1	Expansion of Telemedicine Services with UCSF Affiliate Network	Neurology coverage for stroke and inpatient care	24/7 availability of neuro consult for stroke cases in ED	2019	2019	complete	2019
			Infectious Disease coverage for hospital	Specialty coverage for ED and inpatient units			complete	2019
			Intensivist Coverage of ICU	Expanded medical team would expand the types of cases that could be treated at SVH.	2022	2023	Discussing the viability of concept	8/22
	1.2	Beta Site for Capacity Management (transfer) Center	Integration of SVH into the UCSF/Phillips capacity management system	The integration will improve both site's ability to place patients in the right setting for their needs.	Summer 2023	2023-2024	UCSF/Phillips building the system now. Internal go-live Q1 2023. SVH first affiliate site. Scheduled for Q2 2023.	8/22
2 Increase Access to Locally Provided Specialists/Primary Care - establishment of care sites in Sonoma will aid in access to UCSF care.	2.1	Physician Employment	Joint recruitment of GI specialists based in Sonoma	Provision of service currently unavailable in Sonoma and highly in demand.	2021	in process	Agreement finalized, position advertised via UBCP 06/22. Clinic location identified, 2nd floor SVH, 08/22. Recruitment continues 09/22.	9/22
			Joint recruitment of orthopedic surgeon based in Sonoma	Orthopedics is in strong demand in Sonoma. Planning to insure availablity over coming years.		2023-25	This is in concept stage at this point. Discussions will occur between existing partners to develop a plan.	8/22
			Engagement of UCSF faculty in growth or under represented service lines	Engagement can increase the types of care available in Sonoma and increase connectivity with programs at UCSF.	2022	2023	Issuance of RFP to faculty to identify programs which could be cited in Sonoma. Proposals must address market need.	9/22
	2.2	Expansion of Clinically Integrated Network	Opportunity to contractually link Sonoma providers to UCSF network improving network access, quality oversight, and financial stability for practices	Helps insure stability of practices in Sonoma and improved access to broader network.		2023	UCSF revising program	8/22
3 Increase Facility Utilization - objective is to use available space and resources at SVH to alleviate capacity issues at UCSF where needs align. The result will be more availability of services in Sonoma.	3.1	Grow UCSF surgical presence in Sonoma	Objective is to engage UCSF surgicians to practice in Sonoma and at SVH.	Increase availability of surgical services in Sonoma/Increase utilization of SVH operating rooms			Next steps, ODC, EPIC go live to provide common working platform	8/22
	3.2	Explore collaborative opportunites in orthopedics	Details listed in section 2. Listed here to note it serves this objective.					
	3.3	Increase utilization of ODC by UCSF	Online scheduling	UCSF is moving to self scheduling which enables the patient to select the best location for their service based upon availability or location. This could optimize utilization of SVH assets.	2022	2023	On going conversations with UCSF Affiliates team on build requirements.	10/22
	3.4	Development of Post Acute program	Objective is to insure adequate postacute care is abvailable in Sonoma	Meeting market demand and insuring Sonoma has the right setting for care. Activation of dormant space at SVH.		2024	This is in concept stage at this point.	8/22
4 Enhance IT Integration - maximize connectivity between two organizations to improve integration of data available to community and patients	4.1	Maximize data availability between sites	EPIC implementation	Installation of EPIC will improve connectivity between UCSF and SVH.	January 2022	12/3/2022	Implementation underway	8/22
			Optimize EPIC data transfer between instances	Maximizing data integration between SVH Epic and UCSF Epic will optimize utilization by clinicians and patients	Summer 2023	2025	Once SVH is live on Epic, SVH team will poll users to identify biggest opportunities for improvement.	8/22
	4.2	Integration of IT management	Contract executed between UCSF and SVH for the provision of management services to SVH		2022	2022	Complete	1/22
5 Share Resources/Reduce Costs - by collaborating, can the two organizations save money?	5.1	Integration of coordination of care w UCSF and/or Marin Health						
	5.2	Leadership Development	Sound leadership yields high performing organization	Investment in leadership is paramount in a high performing organization. Impact is more innovatinon (growth), better staff and patient satisfaction, increased market competitiveness, higher employee retention.	2022	ongoing	New Leader Orientation launched 8/22 and will be held monthly. UCSF resources for executive support being investigated.	9/22
	5.3	Explore JV opportunities around ODC	Develop a business case for a joint venture between SVH and UCSF around the ODC and surgical services	A joint venture would provide both capital and focus from UCSF on Sonoma.	CY2023	2024	Investment models under review	10/22
Parking Lot		Exploration of ways to integrate purchase of goods and services		Cooperating with UCSF on purchasing could yelid signicant savings			Management continually on the look out for such opportunities. Supplies were reviewed in 2022 - no opportunity. Reimbursement rates - not allowed unless UCSF has a controlling interest.	9/22

Sonoma Valley Hospital

Epic Update

November 2022

PIVOT POINT CONSULTING
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Scoring & Assessment Criteria

BLUE ✓: Complete and ready for go-live

GREEN ●: On track for December 2022

YELLOW ●: Slight off track/minor risk

RED ●: Significantly off track/major risk

Technical Readiness

Area	Current Status	Comments
Device Procurement		Bracelet printers will not be received by Technical Dress Rehearsal on Nov 1 & 2. Team is tracking delivery closely and has plan to test when received.
Devices deployed		IT is working to complete deployment to meet Nov 1st and 2nd Technical Dress Rehearsal requirement.
Printers / Printer Mapping		Mappings complete. Will be tested Nov 1 and 2nd.
Network / Connectivity		No concerns currently identified
Business Continuity / Downtime Hardware		Hardware has been identified and installed for downtime operations.
Hardware Testing		Technical Dress Rehearsal which tests all equipment with Epic is taking place Nov 1 and 2nd.
TDR (Technical Dress Rehearsal)		Scheduled for November 1 and 2nd.

Operational Readiness

Area	Current Status	Comments
Champions Identified		CMO position has been filled.
Future State Workflows Designed		Team has been working through future state workflows and has made very good progress.
Impact to Policies & Procedures Determined		This work is underway. Once impacts are understood may need additional communication from leadership to support
Role / Scope of Practice Changes Identified		Future state workflow has been defined. Final details are being operationalized.
Per Protocol Orders / Processes		No concerns at this time but will continue to assess as we document future state workflows
Occupational Health		Team has been working through concerns / issues and has plan for go-live.

Clinical Readiness

Area	Current Status	Comments
Provider Ordering Workflows		Need to evaluate Social Hold & Hospice workflows and map to future state
Provider Documentation Workflows		There are weekly provider meetings. Physician Liaison has been onboarded.
Nursing / Ancillary Documentation Workflows		Crosswalks have been completed and challenging workflows have been identified and are now developing Tip Sheets.
Lab		On track with no issues or concerns at this time. Lab team is working on final conversion documents for go-live.
Pharmacy		Working to provide pharmacists with Imprivata for go-live.
Radiology		Eric from CT plans to be onsite for 3-4 weeks to support go-live.
Operating Room		Pref Cards are on track with build. Goal is to have everything needed for schedule / registration conversion weekend is on track.

Configuration Readiness – Revenue Cycle Workflows

Area	Current Status	Comments
Charging		On track. Teams are going through training for operational staff to take lead on charge review for go-live and beyond.
Claims		On track. No major risks or concerns raised at this time.
Denial Management		On track. No major risks or concerns raised at this time.
Customer Service		On track. No major risks or concerns raised at this time.
Medical Records / Release of Information		On track. No major risks or concerns raised at this time.
Compliance / Legal		On track. No major risks or concerns raised at this time.

Configuration Readiness – Registration / Patient Access Workflows

Area	Current Status	Comments
Admission Registration		On track No major risks or concerns raised at this time
Emergency Dept. Admission		On track No major risks or concerns raised at this time
Scheduled Surgical Encounter		On track No major risks or concerns raised at this time
Unscheduled Surgical Encounter		On track No major risks or concerns raised at this time
Referral / Authorization Workflows		On track No major risks or concerns raised at this time

Top 5 Risks

	Key Risks	Next Steps	Owner	Due Date
1	Lisa D (Patient Access department) will no longer be with the organization	Position has been filled		CLOSED
2	Community Physician Workflows	Workflows have been identified. Process to keep receiving electronic faxes will be in place. Results will be faxed to office. Work continues on results interfaces which will be delivered post live.		CLOSED
3	Limited opportunity to review clinical content has been made available by CT and only after request	Details have been provided and sandbox is being provided at the end of training.		CLOSED
4	Texture modification options for Diets do not align with what we can provide in our dietary services. EPIC uses IDDSI (international dysphagia diet standardization initiative) for Diet ordering, our food service provides NDD (national dysphagia diet). This is not customizable for our instance.	Team has identified workaround and crosswalk has been completed.		CLOSED
5	Third-party interfaces were not fully scoped at the time of initial project budgeting	Interfaces are on track with some being delivered post live. Workarounds in place / low volume activities.		CLOSED

SONOMA VALLEY HOSPITAL

Questions & Next Steps

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

To: Sonoma Valley Health Care District Board of Directors
From: Ben Armfield, Chief Financial Officer
Date: November 3, 2022
Subject: **Financial Report for September 2022**

1. OVERALL PERFORMANCE:

Financial performance from operations in September was a step back from our recent trend where we had exceeded our budget targets five consecutive months. September's operating margin of ($1,475,312) was unfavorable to our budget of ($1,031,391), missing the target by $443,900. Most of this relates to operating expenses which will get described in detail below.

Despite the unfavorable results for the month itself, year-to-date we are still tracking with budget from an Operating Margin and Operating EBDA perspective.

Table 1 | Operating Margin - September 2022

	Month of September 2022				Year To Date September 2022						
	Current Year		Variance		Current Year		Variance		Prior Year	Variance	
	Actual	Budget	$	%	Actual	Budget	$	%	Actual	$	%
Operating Margin	$ (1,475,312)	$ (1,031,391)	$(443,921)	-43%	$ (3,109,459)	$ (3,104,537)	$ (4,922)	0%	$ (2,086,020)	$(1,023,439)	-49%
Operating EBDA*	$ (1,244,861)	$ (802,304)	$(442,557)	-55%	$ (2,419,013)	$ (2,417,276)	$ (1,737)	0%	$ (1,344,194)	$(1,074,819)	-80%
Total Net Income (Loss)	$ (994,773)	$ (69,805)	$(924,968)	-1325%	$ (1,007,073)	$ (224,799)	$ (782,274)	-348%	$ (600,606)	$ (406,467)	-68%

** Operating Margin less Depreciation*

2. NET REVENUE and OPERATING EXPENSES:

Table 2 | Operating Revenues & Expenses - September 2022

	Month of September 2022				Year To Date September 2022						
	Current Year		Variance		Current Year		Variance		Prior Year	Variance	
	Actual	Budget	Var	%	Actual	Budget	$	%	Actual	$	%
Net Patient Revenue	$ 3,564,228	$ 3,621,207	$ (56,979)	-2%	$ 11,357,785	$ 10,941,596	$ 416,189	4%	$ 11,704,490	$ (346,705)	-3%
NPR as a % of Gross	13.7%	15.2%	-10%		14.7%	15.2%	-3%		16.1%	-9%	
Total Operating Revenue	$ 3,661,707	$ 3,725,930	$ (64,223)	-2%	$ 11,614,683	$ 11,255,765	$ 358,918	3%	$ 11,936,808	$ (322,125)	-3%
Total Operating Expenses	$ 5,137,019	$ 4,757,321	$(379,698)	-8%	$ 14,724,142	$ 14,360,302	$ (363,840)	-3%	$ 14,022,828	$ (701,314)	-5%

OPERATING EXPENSE SUMMARY:

The main driver in the results for the month can be attributed to operating expenses, which accounts for 85% of the overall variance. Operating expenses were $380K, or 8% over budget in September. It is important to note that roughly half of this variance ($150K) relates to prior month supply and implant expenses that were booked into September.

Table 3 | Operating Expense Variances – September 2022

	CY Actual	CY Budget	Var	%		
Operating Expenses	5,137,019	4,757,321	379,698	8%		
Line Item	CY Actual	CY Budget	Var	% of Total Variance	% Line Item Over Budget	Drivers
1 Supplies	804,223	610,362	193,861	51%	32%	$150,000 or 80% of overall variance is due to a prior month catch-up in Implant costs. Implant costs were 70% over budget in September but they are flat with budget year-to-date.
2 Total People Cost	2,654,851	2,550,424	104,427	28%	4%	The $100K overage all relates to agency fees as we have had to dip into the agency/traveler pool more than anticipated. Agency fees were $233,000 in Sept which exceeded budget by $100,000. Our internal salary and wages were flat with budget.
3 Utilities	188,202	148,921	39,281	10%	26%	Unseasonable weather at beginning of month significantly drove up utility costs - specifically electricity, in September
4 Interest	29,166	18,703	10,463	3%	56%	Interest Rate Flucuation - current line of credit interest rate 5.5% vs. PY of ~2.5%

OPERATING EXPENSE DRIVERS:

1) **Supplies (Implants)** – 50% of the overall variance in operating expenses is from supplies and specifically, a catch-up from the prior month related to implant costs. Implant costs for the month were $150K or 70% over budget, yet they are exactly flat with budget year-to-date.

2) **People Cost** – 30% of the overall variance relates to people cost, specifically agency and traveler fees as we have had to rely more heavily on these resources to fill much needed gaps in our staffing. The majority of these resources are being utilized in critical clinical positions in the emergency room, and also in our med-surg and intensive care units. These resources can be very valuable as they can quickly backfill or backstop a current vacancy that becomes difficult to fill internally, but they come at a higher cost - roughly ~25-30% higher than a direct hire. Our internal salaries and FTEs ran flat with budget in the month but the increase in agency usage pushed us over budget in total people cost by 4%.

3) **Utilities** – Our utility costs were over budget due to the heat wave that occurred at the beginning of the month. The $40,000 overage compared to budget is all directly related to PG&E electricity costs.

4) **Interest** – We continue to see an increase in interest expense due to fluctuation and recent changes in interest rates. Our interest expense is +56% over budget for the year and based on recent trajectory we could see our annual total exceed both budget and prior year by $130,000.

NET REVENUE SUMMARY:

Table 4 | Net Patient Revenue – Actual vs. Budget - September 2022

	Month of September 2022				Year To Date September 2022			
	Current Year		Variance		Current Year		Variance	
	Actual	Budget	Var	%	Actual	Budget	$	%
Net Patient Revenue	$ 3,564,228	$ 3,621,207	$ (56,979)	-2%	$ 11,357,785	$ 10,941,596	$ 416,189	4%
NPR as a % of Gross	13.7%	15.2%	-10%		14.7%	15.2%	-3%	

Despite our gross revenues exceeding budget by nearly 10%, total net patient revenue missed budget by 2%, or ~$57,000. Net patient revenue as a % of gross revenue was 13.7%, which was 10% off budget.

Despite the month we are still positive compared to budget for the year. Through September our total net patient revenue is +4% compared to budget.

NET REVENUE DRIVERS:

1) **Payor Mix** – We experienced a shift in payor mix during September as we saw a higher than normal spike in Medi-Cal volumes and revenues. Medi-Cal revenues accounted for nearly 20% of our overall business during the month. This is up from the ~16% that was budgeted.

2) **Case Mix** – Case mix acuity did exceed budget in September but fell short of our recent trend.

3) **Surgical Volumes** – While our volumes have remained relatively consistent the past two months, our surgical volumes have been playing catch-up this fiscal year due to a slower than normal start in July. Through September, our year-to-date surgical volumes are nearly 10% off both budget and prior year.

4) **Managed Care Contracts** – Our managed care contracts have not been amended and/or seen an increase in rates for at least 3 years.

3. VOLUMES:

A silver lining in September is that overall volumes tracked very close to budget and recent monthly trends. We have also seen material volume increases in specific targeted areas such OP Therapy and Orthopedic Surgery. That is significant and bodes well for future months.

Surgical volumes stayed consistent with recent run-rate and ended up just short of budget for the month. YTD we are 9% below both the budget and prior year, but that gap has closed significantly since July where we were nearly 30% off budget to start the year.

Orthopedic Surgery | We continue to see increases in our orthopedic service line, which is encouraging as we have been facilitating growth through continued engagement of both new and existing providers. Orthopedic surgeries are up by nearly 20% year over year.

Table 5 | Patient Volumes - September 2022

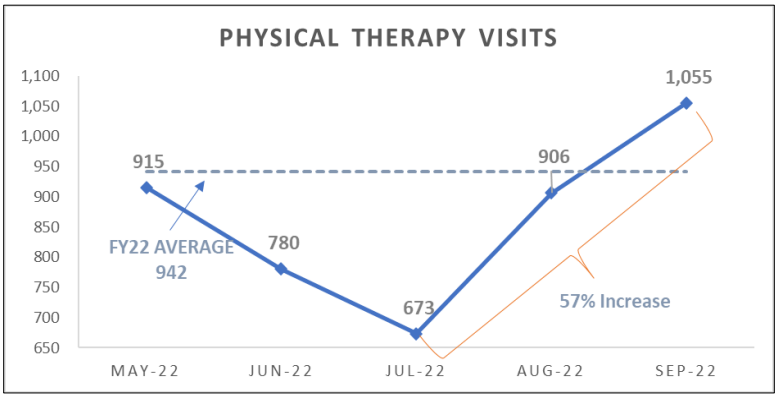
	Month of September 2022				Year To Date September 2022						
	Current Year		Variance		Current Year		Variance		Prior Year	Variance	
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%
Acute Discharges	65	61	4	7%	188	184	4	2%	186	2	1%
Acute Patient Days	252	254	(2)	-1%	774	765	9	1%	731	43	6%
IP Surgeries	15	13	2	15%	51	39	12	31%	29	22	76%
OP Surgeries	100	106	(6)	-6%	275	318	(43)	-14%	330	(55)	-17%
Total Surgeries	**115**	**119**	**(4)**	**-3%**	**326**	**357**	**(31)**	**-9%**	**359**	**(33)**	**-9%**
Special Procedures	50	48	2	4%	154	145	9	6%	161	(7)	-4%
Total Outpatient Visits	4,639	3,997	642	16%	13,387	13,195	192	1%	14,062	(675)	-5%
Total ER Visits	837	752	85	11%	2,495	2,281	214	9%	2,394	101	4%

Our emergency room continues to remain busy and volumes remain consistent and up across the board compared to budget and prior year. Outpatient visits were positive as total volumes were +16% compared to budget for the month. We are flat with budget year-to-date and trail the prior year by 5%. Similar to operating room volumes, much of the gap between this year and last relates to July.

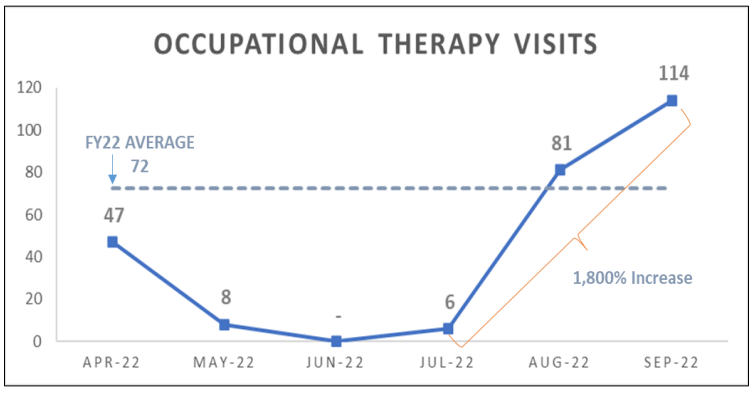
Physical Therapy | One of the biggest drivers in our OP growth the past couple months and a silver lining in the context of the month itself, is the growth in OP therapy – specifically PT and OT. Earlier this fiscal year both departments were experiencing significant challenges in staffing and recruitment. These staffing constraints were a barrier to facilitate further growth. SVH made an intentional investment to address these challenges through strategic market adjustments for our therapists. We also implemented the usage of therapy aides into the department, which provides a cost-effective approach to help supplement the overall work in the area and further alleviate constraints related to staffing.

So far, the results are very encouraging. Our 1,055 PT visits in September were +12% compared to the prior year monthly average and are up 60% compared to the low point of this fiscal year. OT volumes have seen a significant change – September's 114 visits were ~60% higher than our prior year average and 1,800% up from the beginning of the fiscal year.

Table 6 | Trended Volumes – OP Physical Therapy and OP Occupational Therapy - September 2022



1,055 OP PT Visits in September were up 60% from July's low and exceeded our FY22 monthly average by 12%



114 OP OT Visits in September were up 1,800% from July's low and exceeded our FY22 monthly average by 60%

This is encouraging but there is further opportunity as well. Current wait times for a physical therapy appointment at SVH is around 4 weeks (it was 2+ months for most of 2021) so there is certainly opportunity for continued volume growth in this area.

4. CASH ACTIVITY:

We collected $3.7M in September which was 95% of the monthly goal. Year-to-date we are sitting at 102% of our overall goal, primarily due to August when we collected $4.6M.

Days cash on hand averaged 35.2 for the month and ended at 34.1. This dip is due to a couple factors; 1) cash collections being ~$1M less than the prior month; 2) higher than normal operating expenses which has already been discussed; and 3) quarterly payments such as the UCSF Management Fee invoice got paid in September.

Still, our days cash on hand trajectory tracks favorable to budget when looking at where we are projected to end the year.

Table 7 | Cash / Revenue Cycle Indicators - September 2022

	Current Year		Variance	
	Sep-22	Aug-22	Var	%
Days Cash on Hand - Avg	35.2	45.1	(9.9)	-22%
A/R Days	36.6	36.5	0.1	0%
A/P Days	50.9	53.6	(2.7)	-5%

5. OPERATIONAL PRIORITIES / NEXT STEPS

REVENUE / REVENUE CYCLE NEXT STEPS:

1) **Payor Contracting Review/Renegotiation**
   a. Vendor Selection / Agreement Execution – November 2022
   b. Priority Contract Review, Action Plan Developed – December 2022/January 2023
      i. Focus on Blue Cross, Blue Shield Agreements

2) **Epic Implementation**
   a. Training, Pre-Go Live, Readiness – October 2022 – December 2022
   b. Epic Implementation Go-Live – December 2022
   c. Epic Revenue Cycle Validation Focus – December 2022 – 1st Quarter CY 2023

3) **Strengthen Front and Back-End Revenue Cycle Processes**
   a. Develop Revenue Cycle Leadership Structure – October 2022
   b. Charter Revenue Cycle Steering Committee – November/December 2022
   c. FY23 Post-Epic Initiatives Developed – 1st Quarter CY 2023

OPERATIONAL / COST MANAGEMENT NEXT STEPS:

1) **Reduce Agency and Traveler Costs**
   a. Revise Traveler/Agency Approval Process – October 2022
   b. Develop Plan and Reduce Registry Spend by 25% by end of December 2022

2) **Supply Chain Optimization**
   a. Operationalize Supply Chain Management Services Agreement – October 2022

3) **Departmental Reviews**
   a. Re-implement Department Monthly Operating Reviews (MORs) – January 2023, Post-Epic Go-Live

4) **Contract Review Workgroup / Process**
   a. Initiate workgroup to review SVH vendor contracts – November 2022

ATTACHMENTS:

- Attachment A is the Payer Mix Analysis
- Attachment B is the Operating Indicators Report
- Attachment C is the Balance Sheet
- Attachment D (two pages) is the Statement of Revenue and Expense. The first page breaks out the hospital operations and page two includes all other activity.
- Attachment E is the Variance Analysis
- Attachment F is the Cash Projection

Sonoma Valley Hospital
Payer Mix for the month of September 30, 2022

ATTACHMENT A

	Month				Year-to-Date			
Gross Revenue	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	8,575,385	8,892,864	-317,479	-3.6%	25,324,270	26,862,062	-1,537,792	-5.7%
Medicare Managed Care	4,752,282	3,982,065	770,217	19.3%	14,483,582	12,033,089	2,450,493	20.4%
Medi-Cal	5,187,740	3,951,272	1,236,468	31.3%	14,956,102	11,953,101	3,003,002	25.1%
Self Pay	265,472	415,484	-150,011	-36.1%	1,073,232	1,257,745	-184,513	-14.7%
Commercial & Other Gov't	6,221,610	5,912,162	309,447	5.2%	18,333,591	17,861,182	472,409	2.6%
Worker's Comp.	1,062,596	721,966	340,630	47.2%	3,193,875	2,178,010	1,015,865	46.6%
Total	**26,065,084**	**23,875,812**	**2,189,272**	**9.2%**	**77,364,653**	**72,145,189**	**5,219,464**	**7.2%**

	Month				Year-to-Date			
Net Revenue	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	792,426	1,037,406	-244,979	-23.6%	2,678,860	3,143,516	-464,656	-14.8%
Medicare Managed Care	476,417	459,530	16,887	3.7%	1,462,979	1,387,905	75,074	5.4%
Medi-Cal	461,096	416,069	45,026	10.8%	1,408,977	1,258,016	150,961	12.0%
Self Pay	66,368	124,645	-58,277	-46.8%	248,310	377,130	-128,820	-34.2%
Commercial & Other Gov't	1,555,402	1,449,920	105,482	7.3%	4,940,262	4,372,085	568,177	13.0%
Worker's Comp.	212,519	133,636	78,883	59.0%	618,397	402,943	215,454	53.5%
Total	**3,564,228**	**3,621,207**	**(56,978)**	**-1.6%**	**11,357,786**	**10,941,595**	**416,190**	**3.8%**

	Month			Year-to-Date		
Payor Mix	**Actual**	**Budget**	**% Variance**	**Actual**	**Budget**	**% Variance**
Medicare	32.9%	37.2%	-11.7%	32.7%	37.2%	-12.1%
Medicare Managed Care	18.2%	16.7%	9.3%	18.7%	16.7%	12.2%
Medi-Cal	19.9%	16.5%	20.3%	19.3%	16.6%	16.7%
Self Pay	1.0%	1.7%	-41.5%	1.4%	1.7%	-20.4%
Commercial & Other Gov't	23.9%	24.8%	-3.6%	23.7%	24.8%	-4.3%
Worker's Comp.	4.1%	3.0%	34.8%	4.1%	3.0%	36.7%
Total	**100.0%**	**100.0%**	**0.0%**	**100.0%**	**100.0%**	**0.0%**

	Month				Year-to-Date			
Percent of Net Revenue	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	22.2%	28.6%	-6.4%	-22.4%	23.6%	28.7%	-5.2%	-18.3%
Medicare Managed Care	13.4%	12.7%	0.7%	5.3%	12.9%	12.7%	0.2%	1.5%
Medi-Cal	12.9%	11.5%	1.4%	12.6%	12.4%	11.5%	0.9%	7.9%
Self Pay	1.9%	3.4%	-1.6%	-45.9%	2.2%	3.4%	-1.3%	-36.6%
Commercial & Other Gov't	43.6%	40.0%	3.6%	9.0%	43.5%	40.0%	3.5%	8.9%
Worker's Comp.	6.0%	3.7%	2.3%	61.6%	5.4%	3.7%	1.8%	47.8%
Prior Period Adj/IGT	0.0%	0.0%	0.0%	*	0.0%	0.0%	0.0% *	
Total	**100.0%**	**100.0%**	**0.0%**	**0.0%**	**100.0%**	**100.0%**	**-0.1%**	**-0.1%**

	Month				Year-to-Date			
Net Revenue as a % of Gross	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	9.2%	11.7%	-2.4%	-20.8%	10.6%	11.7%	-1.1%	-9.6%
Medicare Managed Care	10.0%	11.5%	-1.5%	-13.1%	10.1%	11.5%	-1.4%	-12.4%
Medi-Cal	8.9%	10.5%	-1.6%	-15.6%	9.4%	10.5%	-1.1%	-10.5%
Self Pay	25.0%	30.0%	-5.0%	-16.7%	23.1%	30.0%	-6.8%	-22.8%
Commercial & Other Government	25.0%	24.5%	0.5%	1.9%	26.9%	24.5%	2.5%	10.1%
Worker's Comp.	20.0%	18.5%	1.5%	8.0%	19.4%	18.5%	0.9%	4.7%
TOTAL	**13.7%**	**15.2%**			**14.7%**	**15.2%**		

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

ATTACHMENT B

	CURRENT MONTH				YEAR-TO-DATE			YTD
	Actual 09/30/22	Budget 09/30/22	Favorable (Unfavorable) Variance		Actual 09/30/22	Budget 09/30/22	Favorable (Unfavorable) Variance	Prior Year 09/30/21
				Inpatient Utilization				
				Discharges				
1	48	47	1	Med/Surg	135	143	(8)	143
2	17	14	3	ICU	53	41	12	43
3	65	61	4	Total Discharges	188	184	4	186
				Patient Days:				
4	161	169	(8)	Med/Surg	477	509	(32)	487
5	91	85	6	ICU	297	256	41	244
6	252	254	(2)	Total Patient Days	774	765	9	731
7	19	-	19	**Observation days**	44	-	44	83
				Average Length of Stay:				
8	3.4	3.6	(0.2)	Med/Surg	3.53	3.57	(0.03)	3.4
9	5.4	6.2	(0.8)	ICU	5.60	6.20	(0.60)	5.7
10	3.9	4.2	(0.3)	Avg. Length of Stay	4.12	4.16	(0.04)	3.9
				Average Daily Census:				
11	5.4	5.6	(0.3)	Med/Surg	5.2	5.5	(0.3)	5.3
12	3.0	2.8	0.2	ICU	3.2	2.8	0.4	2.7
13	8.4	8.5	(0.1)	Avg. Daily Census	8.4	8.3	0.1	7.9
				Other Utilization Statistics				
				Emergency Room Statistics				
14	837	752	85	Total ER Visits	2,495	2,281	214	2,394
				Outpatient Statistics:				
15	4,639	3,997	642	Total Outpatients Visits	13,387	13,195	192	14,062
16	15	13	2	IP Surgeries	51	39	12	29
17	100	106	(6)	OP Surgeries	275	318	(43)	330
18	50	48	2	Special Procedures	154	145	9	161
19	296	248	47	Adjusted Discharges	811	752	58	909
20	1,146	1,035	112	Adjusted Patient Days	3,309	3,128	181	3,580
21	38.2	34.5	3.7	Adj. Avg. Daily Census	36.0	34.0	2.0	38.9
22	1.4794	1.4000	0.079	Case Mix Index -Medicare	1.5630	1.4000	0.163	1.3385
23	1.4498	1.4000	0.050	Case Mix Index - All payers	1.4990	1.4000	0.099	1.3121
				Labor Statistics				
24	211	214	3	FTE's - Worked	201	213	11.9	204
25	234	235	1	FTE's - Paid	227	234	7.4	231
26	49.46	46.54	(2.92)	Average Hourly Rate	49.27	46.49	(2.78)	44.39
27	6.13	6.83	0.70	FTE / Adj. Pat Day	6.30	6.89	0.58	5.93
28	34.9	38.9	4.0	Manhours / Adj. Pat Day	35.9	39.2	3.3	33.8
29	135.5	162.0	26.6	Manhours / Adj. Discharge	146.6	163.2	16.5	133.2
30	24.6%	25.8%	1.3%	Benefits % of Salaries	24.6%	25.5%	0.8%	24.8%
				Non-Labor Statistics				
31	22.6%	16.9%	-5.7%	Supply Expense % Net Revenue	16.7%	16.8%	0.0%	15.5%
32	2,720	2,456	(264)	Supply Exp. / Adj. Discharge	2,346	2,440	93	1,998
33	17,538	19,338	1,801	Total Expense / Adj. Discharge	18,346	19,283	937	15,840
				Other Indicators				
34	35.2			Days Cash - Operating Funds				
35	36.6	50.0	(13.4)	Days in Net AR	38.0	50.0	(12.0)	41.3
36	94%			Collections % of Cash Goal	102%			93.7%
37	50.9	55.0	(4.1)	Days in Accounts Payable	50.9	55.0	(4.1)	41.1
38	13.7%	15.2%	-1.5%	% Net revenue to Gross revenue	14.7%	15.2%	-0.5%	16.2%
39	13.3%			% Net AR to Gross AR	13.3%			18.4%

ATTACHMENT C

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

		Current Month	Prior Month	Prior Year
	Assets			
	Current Assets:			
1	Cash	$ 1,847,571	$ 2,286,262	$ 2,190,544
2	Cash - Money Market	3,346,052	4,345,843	4,639,373
3	Net Patient Receivables	5,959,156	6,091,295	6,896,918
4	Allow Uncollect Accts	(1,546,025)	(1,487,786)	(1,540,144)
5	Net A/R	4,413,131	4,603,509	5,356,774
6	Other Accts/Notes Rec	1,563,119	1,263,336	1,861,476
7	Parcel Tax Receivable	3,800,000	3,800,000	3,800,000
8	GO Bond Tax Receivable	2,601,816	2,601,816	2,601,816
9	3rd Party Receivables, Net	97,905	97,905	10,903
10	Inventory	1,037,568	1,041,884	956,962
11	Prepaid Expenses	718,638	1,138,075	936,852
12	Total Current Assets	$ 19,425,802	$ 21,178,629	$ 22,354,700
13	Property,Plant & Equip, Net	$ 53,091,009	$ 53,184,824	$ 52,035,381
14	Trustee Funds - GO Bonds	3,512,793	5,977,256	3,714,802
15	Designated Funds - Board Approved	1,000,000	1,000,000	1,000,000
16	Total Assets	$ 77,029,604	$ 81,340,709	$ 79,104,883
	Liabilities & Fund Balances			
	Current Liabilities:			
17	Accounts Payable	$ 4,914,964	$ 5,557,721	$ 3,519,605
18	Accrued Compensation	3,650,892	3,462,719	3,719,865
19	Interest Payable - GO Bonds	51,758	316,998	56,023
20	Accrued Expenses	537,844	444,815	1,809,503
21	Advances From 3rd Parties	-	-	-
22	Deferred Parcel Tax Revenue	3,483,333	3,483,333	2,850,003
23	Deferred GO Bond Tax Revenue	1,230,484	1,754,214	2,086,309
24	Current Maturities-LTD	217,475	217,475	417,385
25	Line of Credit - Union Bank	5,473,734	5,473,734	5,473,734
26	Other Liabilities	106,158	106,158	243,786
27	Total Current Liabilities	$ 19,666,642	$ 20,817,168	$ 20,176,213
28	Long Term Debt, net current portion	$ 23,369,667	$ 25,541,947	$ 25,134,696
29	Fund Balances:			
30	Unrestricted	$ 17,245,522	$ 18,235,304	$ 18,325,831
31	Restricted	16,747,773	16,746,290	15,468,143
32	Total Fund Balances	$ 33,993,295	$ 34,981,594	$ 33,793,974
33	Total Liabilities & Fund Balances	$ 77,029,604	$ 81,340,709	$ 79,104,883

ATTACHMENT D

Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended September 30, 2022

	Month						Year-To- Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	$	%		Actual	Budget	$	%	Prior Year
					Volume Information					
1	65	61	4	7%	Acute Discharges	188	184	4	2%	186
2	252	254	(2)	-1%	Patient Days	774	765	9	1%	731
3	19	-	19	0%	Observation Days	44	-	44	*	83
4	$ 20,344	$ 18,019	$ 2,326	13%	Gross O/P Revenue (000's)	$ 59,297	$ 54,516	$ 4,781	9%	$ 57,620
					Financial Results					
					Gross Patient Revenue					
5	$ 5,721,015	$ 5,857,025	$ (136,010)	-2%	Inpatient	$ 18,067,944	$ 17,629,422	438,522	2%	$ 14,826,363
6	11,354,551	11,320,878	33,673	0%	Outpatient	33,288,321	34,180,287	(891,966)	-3%	35,233,112
7	8,989,518	6,697,909	2,291,609	34%	Emergency	26,008,388	20,335,480	5,672,908	28%	22,442,404
8	**$ 26,065,084**	**$ 23,875,812**	**2,189,272**	**9%**	**Total Gross Patient Revenue**	**$ 77,364,653**	**$ 72,145,189**	**5,219,464**	**7%**	**$ 72,501,879**
					Deductions from Revenue					
9	(22,320,566)	(20,031,712)	(2,288,854)	-11%	Contractual Discounts	$ (65,544,032)	$ (60,544,763)	(4,999,269)	-8%	$ (60,189,937)
10	(150,598)	(200,000)	49,402	25%	Bad Debt	(400,665)	(600,000)	199,335	33%	(700,000)
11	(29,692)	(22,893)	(6,799)	-30%	Charity Care Provision	(62,171)	(58,830)	(3,341)	-6%	(29,150)
12	-	-	-	*	Prior Period Adj/Government Program Revenue	-	-	-	*	121,698
13	**$ (22,500,856)**	**$ (20,254,605)**	**(2,246,251)**	**11%**	**Total Deductions from Revenue**	**$ (66,006,868)**	**$ (61,203,593)**	**(4,803,275)**	**8%**	**$ (60,797,389)**
14	**$ 3,564,228**	**$ 3,621,207**	**(56,979)**	**-2%**	**Net Patient Service Revenue**	**$ 11,357,785**	**$ 10,941,596**	**416,189**	**4%**	**$ 11,704,490**
15	$ 97,479	$ 104,723	(7,244)	**-7%**	Other Op Rev & Electronic Health Records	$ 256,898	$ 314,169	(57,271)	-18%	$ 232,318
16	**$ 3,661,707**	**$ 3,725,930**	**(64,223)**	**-2%**	**Total Operating Revenue**	**$ 11,614,683**	**$ 11,255,765**	**$ 358,918**	**3%**	**$ 11,936,808**
					Operating Expenses					
17	$ 1,980,499	$ 1,873,463	(107,036)	-6%	Salary and Wages and Agency Fees	$ 5,857,093	$ 5,708,056	(149,037)	-3%	$ 5,371,158
18	674,352	676,961	2,609	0%	Employee Benefits	2,087,964	2,039,241	(48,723)	-2%	2,054,626
19	$ 2,654,851	$ 2,550,424	(104,427)	-4%	Total People Cost	$ 7,945,057	$ 7,747,297	(197,760)	-3%	$ 7,425,784
20	$ 591,478	$ 595,706	4,228	1%	Med and Prof Fees (excld Agency)	$ 1,702,526	$ 1,787,633	85,107	5%	$ 1,705,406
21	804,223	610,362	(193,861)	-32%	Supplies	1,902,013	1,835,655	(66,358)	-4%	1,815,585
22	441,715	428,041	(13,674)	-3%	Purchased Services	1,334,043	1,284,124	(49,919)	-4%	1,356,763
23	230,451	229,087	(1,364)	-1%	Depreciation	690,446	687,261	(3,185)	0%	741,826
24	188,202	148,921	(39,281)	-26%	Utilities	527,836	437,408	(90,428)	-21%	425,260
25	53,384	52,833	(551)	-1%	Insurance	162,113	158,499	(3,614)	-2%	152,643
26	29,166	18,703	(10,463)	-56%	Interest	84,244	51,917	(32,327)	-62%	48,442
27	143,549	123,244	(20,305)	-16%	Other	375,864	370,508	(5,356)	-1%	321,625
28	-	-	-	*	Matching Fees (Government Programs)	0	-	-	*	29,494
29	**$ 5,137,019**	**$ 4,757,321**	**(379,698)**	**-8%**	**Operating expenses**	**$ 14,724,142**	**$ 14,360,302**	**(363,840)**	**-2.5%**	**$ 14,022,828**
30	**$ (1,475,312)**	**$ (1,031,391)**	**$ (443,921)**	**-43%**	**Operating Margin**	**$ (3,109,459)**	**$ (3,104,537)**	**(4,922)**	**0%**	**$ (2,086,020)**

ATTACHMENT D

Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended September 30, 2022

	Month					Year-To- Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	$	%		Actual	Budget	$	%	Prior Year
					Non Operating Rev and Expense					
31	$ 3,001	$ (12,971)	15,972	*	Miscellaneous Revenue/(Expenses)	$ (19,181)	$ (39,741)	20,560	*	$ (39,839)
32	-	-	-	0%	Donations	-	-	-	0%	0
33	-	-	-	*	Physician Practice Support-Prima	-	-	-	*	0
34	316,667	316,667	-	0%	Parcel Tax Assessment Rev	950,001	950,001	-	0%	950,001
35	-	-	-	0%	Extraordinary Items	-	-	-	0%	0
36	**$ 319,668**	**$ 303,696**	**15,972**	**5%**	**Total Non-Operating Rev/Exp**	**$ 930,820**	**$ 910,260**	**20,560**	**2%**	**$ 910,162**
37	**$ (1,155,644)**	**$ (727,695)**	**(427,949)**	**-59%**	**Net Income / (Loss) prior to Restricted Contributions**	**$ (2,178,639)**	**$ (2,194,277)**	**15,638**	**1%**	**$ (1,175,858)**
38	$ -	$ -	-	0%	Capital Campaign Contribution	$ -	$ -	-	0%	$ -
39	$ 1,483	$ 493,593	(492,110)	0%	Restricted Foundation Contributions	$ 697,594	$ 1,480,779	(783,185)	100%	$ 250,587
40	**$ (1,154,161)**	**$ (234,102)**	**(920,059)**	**-393%**	**Net Income / (Loss) w/ Restricted Contributions**	**$ (1,481,045)**	**$ (713,498)**	**(767,547)**	**-108%**	**$ (925,271)**
41	159,388	164,297	(4,909)	-3%	GO Bond Activity, Net	473,972	488,699	(14,727)	-3%	324,665
42	**$ (994,773)**	**$ (69,805)**	**(924,968)**	**-1325%**	**Net Income/(Loss) w GO Bond Activity**	**$ (1,007,073)**	**$ (224,799)**	**(782,274)**	**-348%**	**$ (600,606)**
	$ (925,193)	$ (498,608)	(426,585)		**EBDA - Not including Restricted Contributions**	$ (1,488,193)	$ (1,507,016)	18,823		$ (434,032)
	$ (1,244,861)	**$ (802,304)**	**(442,557)**	**-55%**	**Operating EBDA - Not including Restricted Contributions**	**$ (2,419,013)**	**$ (2,417,276)**	**(1,737)**	**0%**	**$ (1,344,194)**

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

ATTACHMENT E

	YTD		MONTH		
Operating Expenses	**Variance**	**Variance %**	**Variance**	**Variance %**	**Variance %**
Salary and Wages and Agency Fees	(149,037)	-2.6%	(107,036)	-5.7%	For the month, salaries and wages were flat with budget and agency fees were over by ($101,000). Agency fees were over budget in Emergency Room, MedSurg, and ICU. Year-to-date, we are over budget in agency fees by ($290,000). This is mitigated by being under budget in salaries and wages by $144,000.
Supplies	(66,358)	-4%	(193,861)	-32%	$150,000 of the supply overage in the month relates to prior month catch-up in implant costs. Implant costs were 70% higher than budget in September, but year-to-date they are flat with budget.
Utilities	(90,428)	-21%	(39,281)	-26%	Unseasonable weather at beginning of month significantly drove utility costs, specifically electricity, in September.
Interest	(32,327)	-62%	(10,463)	-56%	Interest Rate Fluctuation - current line of credit interest rate 5.5% vs. PY of ~2.5%.
Other	(5,356)	-1%	(20,305)	-16%	We had $11,000 in pharmacy rental costs that were booked into September that should have been expensed in August. We have setup an accrual so moving forward to correct.

Sonoma Valley Hospital **ATTACHMENT F**
Cash Forecast
FY 2023

	Actual July	Actual Aug	Actual Sept	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources													
Patient Payments Collected	3,924,051	4,613,392	3,735,746	3,989,228	3,869,771	3,366,701	3,299,367	3,464,335	3,637,552	3,928,556	4,242,840	4,667,125	46,738,664
Other Operating Revenue	19,072	182,649	33,561	104,723	104,723	104,723	104,723	104,723	104,723	104,723	104,723	104,732	1,177,799
Other Non-Operating Revenue	10,204	12,925	10,096	10,801	10,801	10,801	10,801	10,801	10,801	10,801	10,801	10,806	130,440
Unrestricted Contributions													-
Line of Credit													-
Sub-Total Hospital Sources	**3,953,328**	**4,808,966**	**3,779,404**	**4,104,752**	**3,985,295**	**3,482,225**	**3,414,891**	**3,579,859**	**3,753,076**	**4,044,080**	**4,358,364**	**4,782,663**	**48,046,902**
Hospital Uses of Cash													
Operating Expenses	4,913,977	4,894,375	5,088,864	4,678,557	4,594,131	4,649,093	4,779,230	4,598,493	5,073,479	4,946,353	5,034,948	4,993,654	58,245,154
Add Capital Lease Payments	13,501	13,354	13,280										40,135
Additional Liabilities/LOC													-
Capital Expenditures	774,009	749,295	117,435	95,000	95,000	932,667	932,667	1,677,667	95,000	95,000	95,000	75,261	5,734,000
Total Hospital Uses	**5,701,487**	**5,657,024**	**5,219,578**	**4,773,557**	**4,689,131**	**5,581,760**	**5,711,897**	**6,276,160**	**5,168,479**	**5,041,353**	**5,129,948**	**5,068,915**	**64,019,289**
Net Hospital Sources/Uses of Cash	**(1,748,159)**	**(848,058)**	**(1,440,175)**	**(668,805)**	**(703,836)**	**(2,099,535)**	**(2,297,006)**	**(2,696,301)**	**(1,415,403)**	**(997,273)**	**(771,584)**	**(286,253)**	**(15,972,387)**
Non-Hospital Sources													
Restricted Cash/Money Market	750,000	750,000	1,000,000		500,000			(1,500,000)					1,500,000
Restricted Capital Donations	210	696,111	1,483				650,000						1,347,804
Parcel Tax Revenue	192,601					2,134,000				1,502,000			3,828,601
Other Payments - Ins. Claims/HHS/Grants/Loans				-			1,500,000						1,500,000
Other:													-
IGT								5,400,000	688,278			41,568	6,129,846
IGT - AB915										227,253			227,253
QIP											380,000		380,000
HELP II LOAN						2,000,000							2,000,000
BRIDGE LOAN YR 2							300,000						300,000
BOARD DESIGNATED FUNDS						1,000,000							1,000,000
Sub-Total Non-Hospital Sources	**942,811**	**1,446,111**	**1,001,483**	**-**	**500,000**	**5,134,000**	**2,450,000**	**3,900,000**	**688,278**	**1,729,253**	**380,000**	**41,568**	**18,213,504**
Non-Hospital Uses of Cash													
Matching Fees					-	2,258,179	240,898	-	-	-	20,784		2,519,861
Sub-Total Non-Hospital Uses of Cash	-	-	-	-	-	2,258,179	240,898	-	-	-	20,784	-	2,519,861
Net Non-Hospital Sources/Uses of Cash	**942,811**	**1,446,111**	**1,001,483**	**-**	**500,000**	**2,875,821**	**2,209,102**	**3,900,000**	**688,278**	**1,729,253**	**359,216**	**41,568**	**15,693,643**
Net Sources/Uses	**(805,349)**	**598,053**	**(438,691)**	**(668,805)**	**(203,836)**	**776,286**	**(87,904)**	**1,203,699**	**(727,125)**	**731,980**	**(412,368)**	**(244,685)**	
Operating Cash at beginning of period	2,493,558	1,688,209	2,286,262	1,847,571	1,178,766	974,930	1,751,216	1,663,312	2,867,011	2,139,886	2,871,866	2,459,498	
Operating Cash at End of Period	**1,688,209**	**2,286,262**	**1,847,571**	**1,178,766**	**974,930**	**1,751,216**	**1,663,312**	**2,867,011**	**2,139,886**	**2,871,866**	**2,459,498**	**2,214,813**	
Money Market Account Balance - Undesignated	5,095,597	4,345,597	3,346,052	3,346,052	2,846,052	2,846,052	2,846,052	4,346,052	4,346,052	4,346,052	4,346,052	4,346,052	
Total Cash at End of Period	**6,783,806**	**6,631,859**	**5,193,623**	**4,524,818**	**3,820,982**	**4,597,268**	**4,509,364**	**7,213,063**	**6,485,938**	**7,217,918**	**6,805,550**	**6,560,866**	
Average Days of Cash on Hand	**54.2**	**45.1**	**35.2**										
Days of Cash on Hand at End of Month	**53.8**	**42.0**	**34.1**	*30.0*	*25.0*	*30.7*	*29.2*	*48.6*	*39.6*	*45.2*	*41.9*	*40.7*	

Sonoma Valley Hospital

Capital Spending Summary - 1st Qtr FY23

Capital Spending and Planned, CIP, and Capital Leases

Historical Capital Spend For Fiscal Years Ending June 30, 2019, 2020, 2021. 2022 & YTD FY 2023

Foundation Support:			**Historical Capital Spend**				**Current FY**
Dept #	**Department**	**DESCRIPTION**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FYTD 2023**
8340	Dietary	Walk in Freezer	8,498				
7500	Laboratory	ABL Flex Plus Analyzer	16,049				
8450	Engineering/Plant Ops	Infrared Thermal Imager		10,336			
6010	ICU	Patient Lift for ICU		8,605			
8450	Engineering/Plant Ops	A Women's Place - Building Improvements	22,601				
8450	Engineering/Plant Ops	A Women's Place - Equipment and Furniture	33,280				
6170	Med-Surg	MDM Patient Journey System		71,155			
8440	Environmental Services	Xenex - Lightstrike Germ Zapping Robot			87,960		
7420	Surgery	Olympus America - Refurbished Bronchoscope			13,088		
6010/6170	ICU/Med-Surg	Third floor move (Closed CIP in FY 2021)	233,942				
6010/6170	ICU/Med-Surg	Gentherm Medical - Hypothermia unit blanketrol				7,652	
7771	OP Physical Therapy	Rehab V2 Max Reformer Bundle				5,320	
7630	Medical Imaging	Bone Densitometer				87,166	
7775	Occ Health	Audiometer & Sound Room				12,916	
7420	Surgery	Xprezzon Monitor Anesthesia				38,726	
7010	Emergency Room	Fujifilm Sonosite Ultrasound System					74,240
		Foundation Support Sub-total	**$ 314,371**	**$ 90,096**	**$ 101,048**	**$ 151,780**	**$ 74,240**

Equipment:			**Historical Capital Spend**				**Current FY**
Dept #	**Department**	**DESCRIPTION**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FYTD 2023**
8340	Dietary	Mobile shelving - Uline	6,909				
8480	Information Systems	GHA Technologies UCSF Telemedicine Cart	8,265				
7420	Surgery	Stryker Medical - Refurbished PI drive/attachments	15,415				
7420	Surgery	Olympus - EVIS EXERA III	29,716				
8450	Engineering/Plant Ops	UCSF signage - multiple sites	8,182				
7420	Surgery	Stryker Medical - System 8 Drill/saws	107,487				
Various		Celtic **Lease payoff** - various equipment		421,904			
7420	Surgery	Zimmer Biomet Intellicart System w/Evac Station		22,034			
7420	Surgery	Alcon Centurian Phaco Machine		65,250			
7420	Surgery	Olympus America - Urology equipment		62,118			
8340	Dietary	Commercial Blenders - 2		4,838			
6010	ICU	Smart IV Pumps - 27		56,994			
8450	Engineering/Plant Ops	Security Camera system - South Lot			11,660		
7500	Laboratory	Bactec FX40 Blood Culture Unit			36,759		
8610	Administration	History Wall Panels - Hallway			18,819		
6010	ICU	Series 980S Ventilator			36,921		
6010	ICU	CAPR Hood Ventilator (PPE)			14,777		
7420	Surgery	Stryker Medical - Eye Surgery Stretcher			13,140		
8340	Dietary	Alladin Temp Rite - Activator/base/dome/heating unit			5,475		
7630	Medical Imaging	Stryker Medical - Transport Gurney			4,569		
7630	Medical Imaging	Stryker Medical - OB Gyn Stretcher			7,250		
7500	Laboratory	Fisher Healthcare - Logic Purifier Bio-safety cab			11,397		
7420	Surgery	Steris Corp - Surgical table				42,724	

Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FY 2022	FYTD 2023
7420	Surgery	Depuy - Monobloc flexible reamers				14,997	
7630	Medical Imaging	Barco Niodsply 21.3 monitor				8,713	
7740	Wound Care	Carts/exam table Wound Care (Closed CIP in FY 2021)				6,824	
7740	Wound Care	IPADS/IS Costs for Wound Care (Closed CIP in FY 2021)				35,555	
8390	Pharmacy	Compounding aseptic isolater system (used)				5,000	
7680	Central Service/Durable med eqt	Somotom Xray Tube Replacement				172,651	
7420	Surgery	Mizuho OSI Surgical Table				105,151	
7420	Surgery	Endoscopy Cabinet/Scopes					13,990
		Equipment Sub-total	**$ 175,974**	**$ 633,138**	**$ 160,767**	**$ 391,615**	**$ 13,990**

Information Systems/Electronic Health Records:			**Historical Capital Spend**				**Current FY**
Dept #	**Department**	**DESCRIPTION**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FYTD 2023**
8480	Information Systems	Dell Computers - 20		17,252			
8480	Information Systems	Dragon One Speech Recognition - Physician dictation		11,300			
8480	Information Systems	Lenovo Thinkpads - Laptops			8,760		
8480	Information Systems	Dell computers with monitors			25,311		
8480	Information Systems	Vx Rail Server Upgrades			24,981		
8480	Information Systems	Dell computers with monitors			21,450		
8480	Information Systems	Vx Rail Server Upgrades			10,376		
8480	Information Systems	Dell computers (Optiplex 7080)			37,261		
8480	Information Systems	Cisco catalyst network switch upgrade				40,820	
8480	Information Systems	TrueNAS Network Storage Server				32,474	
8480	Information Systems	E.H.R. Close CIP in FY 2021				44,955	
		Information Systems Sub-total	**$ -**	**$ 28,552**	**$ 128,139**	**$ 118,249**	**$ -**

Building/Leasehold Improvements			**Historical Capital Spend**				**Current FY**
Dept #	**Department**	**DESCRIPTION**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FYTD 2023**
7073	SFP Clinic - Perkins	Conklin Bros Flooring	16,859				
8450	Engineering/Plant Ops	Conversion of Rooms - 215-217 - Closed CIP	87,317				
8450	Engineering/Plant Ops	SNF Courtyard walkway (1/2)		5,240			
8610	Administration	Garden Murals			9,336		
8450	Engineering/Plant Ops	Energy mgt system BAS upgrade			30,214		
7740	Wound Care	Painting & wiring for Wound care (Closed CIP in FY 2021)				2,940	
8450	Engineering/Plant Ops	Roof Restoration - Advanced Foam Roofing				134,956	
8450	Engineering/Plant Ops	Automatic Transfer Switch Replacement (Closed CIP)				55,159	
8450	Engineering/Plant Ops	Roof Restoration - Advanced Foam Roofing GMH					38,072
		Infrastructure Sub-total	**$ 104,176**	**$ 5,240**	**$ 39,550**	**$ 193,055**	**$ 38,072**
		Total Capital Assets	**$ 594,521**	**$ 757,026**	**$ 429,504**	**$ 854,699**	**$ 126,302**
		Recap:					
		Capital Spend - Hospital	280,150	666,930	328,456	702,919	52,062
		Capital Spend - Foundation	314,371	90,096	101,048	151,780	74,240
		Total Capital Assets	**$ 594,521**	**$ 757,026**	**$ 429,504**	**$ 854,699**	**$ 126,302**

Account #	Construction In Progress (CIP)	CIP Budget	CIP Balance at 6/30/2022	Spend FYTD 2023	CIP Balance FYTD 2023	Funding
1258-0050	ODC - Project CT & MRI	21,000,000	11,676,277	621,777	12,298,054	**Foundation**
1258-0840	CT Epic Implementation	4,191,000	18,013	915,344	933,356	**Split**
	CIP Balance	**$ 25,294,400**	**$ 11,716,337**	**$ 1,548,991**	**$ 13,265,328**	

Dept #	Department	DESCRIPTION	Original Principal	Origination - Fiscal Year	Term - Months	Monthly Cost	Balance at 9/30/2022	Final Payment	
8450	CEC Loan Phase 1	California Energy Commission loan	443,774	2012	180		42,568	6/22/2023	Bi-annual Payments
8480	Information Systems	Dell Financing - Recovery labor costs	522,032	2021	36	14,502	206,087	2/1/2024	Interest free
8510	Finance	NDPH Bridge Loan - Yr 1 #1	308,000	2022	24	-	308,000	4/30/2024	Interest free
8510	Finance	NDPH Bridge Loan - Yr 1 #2	300,487	2022	24	-	300,487	4/30/2024	Interest free
		Capital Financing/Leasing Total	**$ 1,574,294**			**$ 14,502**	**$ 857,142**		