



# SVHCD FINANCE COMMITTEE

## AGENDA

TUESDAY, October 25, 2022

5:00 p.m. Regular Session

Join Zoom Meeting

<https://sonomavalleyhospital-org.zoom.us/j/93270771849?pwd=ViszUTROdE0ralRkZnhKcGRtUTF1dz09>

Meeting ID: 932 7077 1849

Passcode: 582460

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<p>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 <a href="mailto:sfinn@sonomavalleyhospital.org">sfinn@sonomavalleyhospital.org</a> or (707) 935.5005 at least 48 hours prior to the meeting.</p>		
<p><b>AGENDA ITEM</b></p>	<p><b>RECOMMENDATION</b></p>	
<p><b>MISSION STATEMENT</b> <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i></p>		
<p><b>1. CALL TO ORDER/ANNOUNCEMENTS</b></p>	<p><i>Boerum</i></p>	
<p><b>2. PUBLIC COMMENT SECTION</b> <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration.</i></p>	<p><i>Boerum</i></p>	
<p><b>3. CONSENT CALENDAR</b> a. Finance Committee Minutes 09.27.22</p>	<p><i>Boerum</i></p>	<p>Action</p>
<p><b>4. ODC UPDATE</b></p>	<p><i>Drummond/ Hennelly</i></p>	<p>Inform</p>
<p><b>5. EPIC UPDATE</b></p>	<p><i>Hennelly</i></p>	<p>Inform</p>
<p><b>6. PAYOR CONTRACTING STRATEGY UPDATE</b></p>	<p><i>Armfield</i></p>	<p>Inform</p>
<p><b>7. UCSF AFFILIATION UPDATE</b></p>	<p><i>Hennelly</i></p>	<p>Inform</p>

<b>8. AUDIT UPDATE</b>	<i>Armfield</i>	Inform
<b>9. FINANCIAL REPORT FOR MONTH END SEPTEMBER 2022</b> <ul style="list-style-type: none"><li>• <b>Capital Spending Q1 Review</b></li></ul>	<i>Armfield</i>	Inform
<b>10. ADJOURN</b>	<i>Boerum</i>	

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**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		Ben Armfield via Zoom Kimberly Drummond via Zoom John Hennelly via Zoom Dawn Kuwahara via Zoom Jessica Winkler via Zoom Dave Pier viz Zoom	Judy BJORNDAL via Zoom Denise Kalos via Zoom Brian Resendez via Zoom	
AGENDA ITEM	DISCUSSION		ACTIONS	FOLLOW-UP
<b>MISSION &amp; VISION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>				
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Boerum</i>			
	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.			
<b>2. PUBLIC COMMENT SECTION</b>	<i>Boerum</i>			
	None			
<b>3. CONSENT CALENDAR (ACTION)</b>	<i>Boerum</i>		Action	
a. Finance Committee Minutes August 23, 2022			<b>MOTION:</b> by Flynn to approve 2 <sup>Nd</sup> by Gerlach. All in favor.	

<p><b>4. ODC UPDATE – MRI Plan Approval</b></p>	<p><i>Drummond/Hennelly</i></p>	<p>Inform/Action</p>	
	<p>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.</p>	<p><b>MOTION:</b> by Hohorst to approve the proposal for alternate 2 with additional detail included 2<sup>nd</sup> by Gerlach. All in favor.</p>	
<p><b>5. EPIC UPDATE – REQUEST FOR FUNDING</b></p>	<p><i>Hennelly</i></p>	<p>Inform/Action</p>	
	<p>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</p>	<p><b>MOTION:</b> by Lee to approve funding with revision of the last paragraph to include specific funding options, 2<sup>nd</sup> Gerlach. All in favor</p>	

	<p>2.5% in revenues which would contribute approximately \$1.24m pr year.</p> <p>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.</p> <p>Request for the last paragraph of the presentation of funding be re written to identify actual funding options.</p>		
<b>6. MANAGEMENT SERVICES PROPOSAL – SUPPLY CHAIN MANAGEMENT SERVICES AGREEMENT</b>	<i>Armfield</i>	Inform/Action	
	<p>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.</p> <p>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.</p> <p>Committee recommends requesting benchmarking data, early term out clause of the contract and who pays for the costs of implementation</p>	<b>MOTION:</b> by to approve with caveats discussed Grandy 2 <sup>Nd</sup> by Hohorst. All in favor.	
<b>7. PAYOR CONTRACTING STRATEGY UPDATE</b>	<i>Armfield</i>	Inform	
	To be presented at the next meeting		
<b>8. UCSF AFFILIATION UPDATE</b>	<i>Hennelly</i>	Inform	
	To be presented at the next meeting		
<b>9. AUDIT UPDATE</b>	<i>Armfield</i>	Inform	
	Mr. Armfield reported that the audit is in the final stages.		

<b>10. FINANCIAL REPORT FOR MONTH END AUGUST 2022</b>	<i>Armfield</i>	Inform	
	<p>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%.</p> <p>There is a 60% over budget in interest expense year to date. This is due to interest rates increasing in July.</p> <p>Volumes increased in August in surgery and outpatients. Cash collections were the largest they have been in two years.</p> <p>Cash on hand decreased below 50 due to Epic down payment.</p>		
<b>11. COMMITTEE MEETING DATE NOVEMBER</b>	<i>Boerum</i>	Inform/Action	
	<p>The November meeting date is scheduled for the 22<sup>nd</sup>, which is the same week as Thanksgiving. Committee has no objections to keeping that date.</p>		
<b>12. ADJOURN</b>			
	Meeting adjourned at 7:06 p.m.		

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				
	Initiative	Description/Tactic	Benefits/Impact	Start Date	Target Completion Date	Update	
Strategic Objective							
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 Specialty coverage for ED and inpatient units	2019	2019	complete
			Infectious Disease coverage for hospital				complete
			Intensivist Coverage of ICU	Expanded medical team would expand the types of cases that could be treated at SVH. The integration will improve both site's ability to place patients in the right setting for their needs. Impact to SVH increased transfers both in and out as needed.	2022	2023	Discussing the viability of concept
	1.2	Beta Site for Capacity Management (transfer) Center	Integration of SVH into the UCSF/Phillips capacity management system		Summer 2023	2023-2024	UCSF/Phillips building the system now.
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 UCSF
			Joint recruitment of orthopedic surgeon based in Sonoma	Orthopedics is in strong demand in Sonoma. Planning to insure availability over coming years.		2023-25	This is in concept stage at this point. Discussions will occur between existing partners to develop a plan.
			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.
	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
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 surgeons 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
	3.2	Explore collaborative opportunities 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	
	3.4	Development of Post Acute program	Objective is to insure adequate postacute care is available 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.
							Engage BTB Health on this?
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
			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.
	4.2	Integration of IT management	Contract executed between UCSF and SVH for the provision of management services to SVH		2022	2022	Complete
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 innovation (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.
	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	
Parking Lot		Exploration of ways to integrate purchase of goods and services		Cooperating with UCSF on purchasing could yield significant 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.



**To:** Sonoma Valley Health Care District Finance Committee  
**From:** Ben Armfield, Chief Financial Officer  
**Date:** October 25, 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	\$	%
<b>Net Patient Revenue</b>	\$ 3,564,228	\$ 3,621,207	\$ (56,979)	-2%	\$ 11,357,785	\$ 10,941,596	\$ 416,189	4%
<b>NPR as a % of Gross</b>	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**

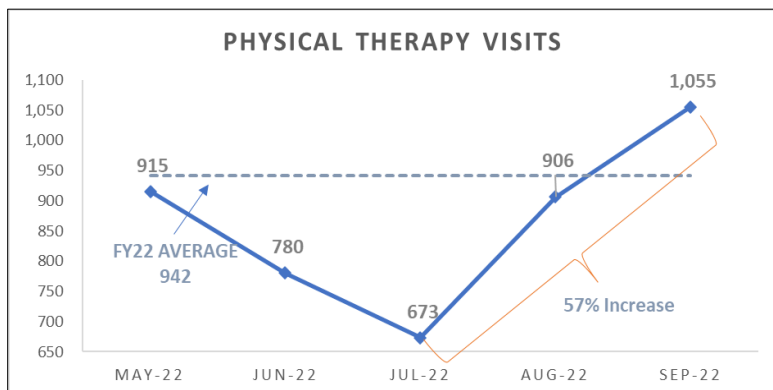
	Month of September 2022				Year To Date September 2022						
	Current Year		Variance		Current Year		Variance		Prior Year		Variance
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%
Acute Discharges	65	61	4	7%	188	184	4	2%	186	2	1%
Acute Patient Days	252	254	(2)	-1%	774	765	9	1%	731	43	6%
IP Surgeries	15	13	2	15%	51	39	12	31%	29	22	76%
OP Surgeries	100	106	(6)	-6%	275	318	(43)	-14%	330	(55)	-17%
<b>Total Surgeries</b>	<b>115</b>	<b>119</b>	<b>(4)</b>	<b>-3%</b>	<b>326</b>	<b>357</b>	<b>(31)</b>	<b>-9%</b>	<b>359</b>	<b>(33)</b>	<b>-9%</b>
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.

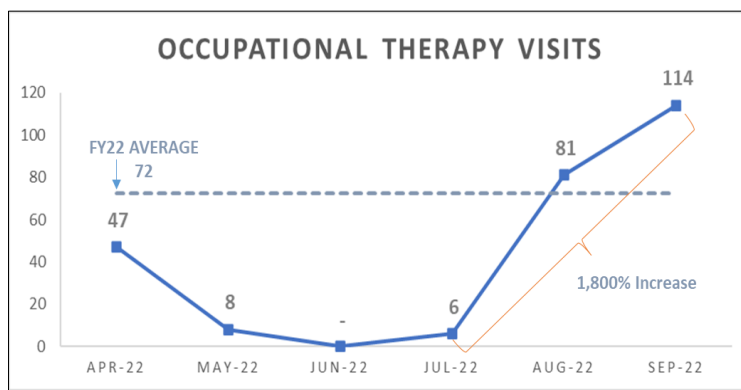
**Physical Therapy** | One of the biggest drivers in our OP growth the past couple months and a silver lining in the context of the month itself, is the growth in OP therapy – specifically PT and OT. Earlier this fiscal year both departments were experiencing significant challenges in staffing and recruitment. 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 – 1<sup>st</sup> 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 – 1<sup>st</sup> 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

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**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

Gross Revenue	Month				Year-to-Date			
	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%
<b>Total</b>	<b>26,065,084</b>	<b>23,875,812</b>	<b>2,189,272</b>	<b>9.2%</b>	<b>77,364,653</b>	<b>72,145,189</b>	<b>5,219,464</b>	<b>7.2%</b>

Net Revenue	Month				Year-to-Date			
	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%
<b>Total</b>	<b>3,564,228</b>	<b>3,621,207</b>	<b>(56,978)</b>	<b>-1.6%</b>	<b>11,357,786</b>	<b>10,941,595</b>	<b>416,190</b>	<b>3.8%</b>

Payor Mix	Month			Year-to-Date		
	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%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

Percent of Net Revenue	Month				Year-to-Date			
	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%	*
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.1%</b>	<b>-0.1%</b>

Net Revenue as a % of Gross	Month				Year-to-Date			
	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%
<b>TOTAL</b>	<b>13.7%</b>	<b>15.2%</b>			<b>14.7%</b>	<b>15.2%</b>		

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

**ATTACHMENT B**

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual</u> <u>09/30/22</u>	<u>Budget</u> <u>09/30/22</u>	<u>Favorable</u> <u>(Unfavorable)</u> <u>Variance</u>		<u>Actual</u> <u>09/30/22</u>	<u>Budget</u> <u>09/30/22</u>	<u>Favorable</u> <u>(Unfavorable)</u> <u>Variance</u>	<u>Prior</u> <u>Year</u> <u>09/30/21</u>
<b>Inpatient Utilization</b>								
<b>Discharges</b>								
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
<b>Patient Days:</b>								
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	<b>Observation days</b>	44	-	44	83
<b>Average Length of Stay:</b>								
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
<b>Average Daily Census:</b>								
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
<b>Other Utilization Statistics</b>								
<b>Emergency Room Statistics</b>								
14	837	752	85	Total ER Visits	2,495	2,281	214	2,394
<b>Outpatient Statistics:</b>								
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
<b>Labor Statistics</b>								
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%
<b>Non-Labor Statistics</b>								
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
<b>Other Indicators</b>								
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%

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

**ATTACHMENT C**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<b>Assets</b>			
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
<b>Liabilities &amp; Fund Balances</b>			
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

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

ATTACHMENT D

	Month				Year-To-Date				YTD	
	This Year		Variance		This Year		Variance		Prior Year	
	Actual	Budget	\$	%	Actual	Budget	\$	%		
<b>Volume Information</b>										
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
<b>Financial Results</b>										
<b>Gross Patient Revenue</b>										
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%	<b>Total Gross Patient Revenue</b>	\$ 77,364,653	\$ 72,145,189	5,219,464	7%	\$ 72,501,879
<b>Deductions from Revenue</b>										
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%	<b>Total Deductions from Revenue</b>	\$ (66,006,868)	\$ (61,203,593)	(4,803,275)	8%	\$ (60,797,389)
<b>Net Patient Service Revenue</b>										
14	\$ 3,564,228	\$ 3,621,207	(56,979)	-2%		\$ 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%	<b>Total Operating Revenue</b>	\$ 11,614,683	\$ 11,255,765	\$ 358,918	3%	\$ 11,936,808
<b>Operating Expenses</b>										
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 (excl'd 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%	<b>Operating expenses</b>	\$ 14,724,142	\$ 14,360,302	(363,840)	-2.5%	\$ 14,022,828
30	\$ (1,475,312)	\$ (1,031,391)	(443,921)	-43%	<b>Operating Margin</b>	\$ (3,109,459)	\$ (3,104,537)	(4,922)	0%	\$ (2,086,020)



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

	Month			
	This Year		Variance	
	Actual	Budget	\$	%
31	\$ 3,001	\$ (12,971)	15,972	*
32	-	-	-	0%
33	-	-	-	*
34	316,667	316,667	-	0%
35	-	-	-	0%
36	<b>\$ 319,668</b>	<b>\$ 303,696</b>	<b>15,972</b>	<b>5%</b>
37	<b>\$ (1,155,644)</b>	<b>\$ (727,695)</b>	<b>(427,949)</b>	<b>-59%</b>
38	\$ -	\$ -	-	0%
39	\$ 1,483	\$ 493,593	(492,110)	0%
40	<b>\$ (1,154,161)</b>	<b>\$ (234,102)</b>	<b>(920,059)</b>	<b>-393%</b>
41	159,388	164,297	(4,909)	-3%
42	<b>\$ (994,773)</b>	<b>\$ (69,805)</b>	<b>(924,968)</b>	<b>-1325%</b>
	\$ (925,193)	\$ (498,608)	(426,585)	
	<b>\$ (1,244,861)</b>	<b>\$ (802,304)</b>	<b>(442,557)</b>	<b>-55%</b>

<b>Non Operating Rev and Expense</b>
Miscellaneous Revenue/(Expenses)
Donations
Physician Practice Support-Prima
Parcel Tax Assessment Rev
Extraordinary Items
<b>Total Non-Operating Rev/Exp</b>
<b>Net Income / (Loss) prior to Restricted Contributions</b>
Capital Campaign Contribution
Restricted Foundation Contributions
<b>Net Income / (Loss) w/ Restricted Contributions</b>
GO Bond Activity, Net
<b>Net Income/(Loss) w GO Bond Activity</b>
<b>EBDA - Not including Restricted Contributions</b>
<b>Operating EBDA - Not including Restricted Contributions</b>

	Year-To- Date				YTD
	This Year		Variance		Prior Year
	Actual	Budget	\$	%	
	\$ (19,181)	\$ (39,741)	20,560	*	\$ (39,839)
	-	-	-	0%	0
	-	-	-	*	0
	950,001	950,001	-	0%	950,001
	-	-	-	0%	0
	<b>\$ 930,820</b>	<b>\$ 910,260</b>	<b>20,560</b>	<b>2%</b>	<b>\$ 910,162</b>
	<b>\$ (2,178,639)</b>	<b>\$ (2,194,277)</b>	<b>15,638</b>	<b>1%</b>	<b>\$ (1,175,858)</b>
	\$ -	\$ -	-	0%	\$ -
	\$ 697,594	\$ 1,480,779	(783,185)	100%	\$ 250,587
	<b>\$ (1,481,045)</b>	<b>\$ (713,498)</b>	<b>(767,547)</b>	<b>-108%</b>	<b>\$ (925,271)</b>
	473,972	488,699	(14,727)	-3%	324,665
	<b>\$ (1,007,073)</b>	<b>\$ (224,799)</b>	<b>(782,274)</b>	<b>-348%</b>	<b>\$ (600,606)</b>
	\$ (1,488,193)	\$ (1,507,016)	18,823		\$ (434,032)
	<b>\$ (2,419,013)</b>	<b>\$ (2,417,276)</b>	<b>(1,737)</b>	<b>0%</b>	<b>\$ (1,344,194)</b>

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

**ATTACHMENT E**

Operating Expenses	YTD		MONTH		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  
Cash Forecast  
FY 2023

ATTACHMENT F

	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
<b>Hospital Operating Sources</b>													
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													-
<b>Sub-Total Hospital Sources</b>	<b>3,953,328</b>	<b>4,808,966</b>	<b>3,779,404</b>	<b>4,104,752</b>	<b>3,985,295</b>	<b>3,482,225</b>	<b>3,414,891</b>	<b>3,579,859</b>	<b>3,753,076</b>	<b>4,044,080</b>	<b>4,358,364</b>	<b>4,782,663</b>	<b>48,046,902</b>
<b>Hospital Uses of Cash</b>													
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
<b>Total Hospital Uses</b>	<b>5,701,487</b>	<b>5,657,024</b>	<b>5,219,578</b>	<b>4,773,557</b>	<b>4,689,131</b>	<b>5,581,760</b>	<b>5,711,897</b>	<b>6,276,160</b>	<b>5,168,479</b>	<b>5,041,353</b>	<b>5,129,948</b>	<b>5,068,915</b>	<b>64,019,289</b>
<b>Net Hospital Sources/Uses of Cash</b>	<b>(1,748,159)</b>	<b>(848,058)</b>	<b>(1,440,175)</b>	<b>(668,805)</b>	<b>(703,836)</b>	<b>(2,099,535)</b>	<b>(2,297,006)</b>	<b>(2,696,301)</b>	<b>(1,415,403)</b>	<b>(997,273)</b>	<b>(771,584)</b>	<b>(286,253)</b>	<b>(15,972,387)</b>
<b>Non-Hospital Sources</b>													
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
<b>Sub-Total Non-Hospital Sources</b>	<b>942,811</b>	<b>1,446,111</b>	<b>1,001,483</b>	<b>-</b>	<b>500,000</b>	<b>5,134,000</b>	<b>2,450,000</b>	<b>3,900,000</b>	<b>688,278</b>	<b>1,729,253</b>	<b>380,000</b>	<b>41,568</b>	<b>18,213,504</b>
<b>Non-Hospital Uses of Cash</b>													
Matching Fees					-	2,258,179	240,898	-	-	-	20,784		2,519,861
<b>Sub-Total Non-Hospital Uses of Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,258,179</b>	<b>240,898</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,784</b>	<b>-</b>	<b>2,519,861</b>
<b>Net Non-Hospital Sources/Uses of Cash</b>	<b>942,811</b>	<b>1,446,111</b>	<b>1,001,483</b>	<b>-</b>	<b>500,000</b>	<b>2,875,821</b>	<b>2,209,102</b>	<b>3,900,000</b>	<b>688,278</b>	<b>1,729,253</b>	<b>359,216</b>	<b>41,568</b>	<b>15,693,643</b>
<b>Net Sources/Uses</b>	<b>(805,349)</b>	<b>598,053</b>	<b>(438,691)</b>	<b>(668,805)</b>	<b>(203,836)</b>	<b>776,286</b>	<b>(87,904)</b>	<b>1,203,699</b>	<b>(727,125)</b>	<b>731,980</b>	<b>(412,368)</b>	<b>(244,685)</b>	
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	
<b>Operating Cash at End of Period</b>	<b>1,688,209</b>	<b>2,286,262</b>	<b>1,847,571</b>	<b>1,178,766</b>	<b>974,930</b>	<b>1,751,216</b>	<b>1,663,312</b>	<b>2,867,011</b>	<b>2,139,886</b>	<b>2,871,866</b>	<b>2,459,498</b>	<b>2,214,813</b>	
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	
<b>Total Cash at End of Period</b>	<b>6,783,806</b>	<b>6,631,859</b>	<b>5,193,623</b>	<b>4,524,818</b>	<b>3,820,982</b>	<b>4,597,268</b>	<b>4,509,364</b>	<b>7,213,063</b>	<b>6,485,938</b>	<b>7,217,918</b>	<b>6,805,550</b>	<b>6,560,866</b>	
<b>Average Days of Cash on Hand</b>	<b>54.2</b>	<b>45.1</b>	<b>35.2</b>										
<b>Days of Cash on Hand at End of Month</b>	<b>53.8</b>	<b>42.0</b>	<b>34.1</b>	<b>30.0</b>	<b>25.0</b>	<b>30.7</b>	<b>29.2</b>	<b>48.6</b>	<b>39.6</b>	<b>45.2</b>	<b>41.9</b>	<b>40.7</b>	