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

BOARD OF DIRECTORS' MEETING
AGENDA
THURSDAY, MARCH 2, 2017
REGULAR SESSION 6:00 P.M.

COMMUNITY MEETING ROOM
177 First St. W., Sonoma, CA

In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact Interim District Clerk Vivian Woodall at (707) 935.5005 at least 48 hours prior to the meeting.	**RECOMMENDATION**	
AGENDA ITEM		
1. CALL TO ORDER	*Hirsch*	
2. PUBLIC COMMENT SECTION	*Hirsch*	
3. CONSENT CALENDAR A. Board Minutes 01.05.17 B. Board Minutes 02.02.17 C. Executed Policies & Procedures D. Medical Staff Credentialing Report	*Hirsch*	Action
4. SUSTAINABLE SONOMA PRESENTATION	*Sonoma Ecology Center*	Inform
5. CHIEF REVENUE OFFICER'S QUARTERLY REPORT	*Donaldson*	Inform
6. SOUTH LOT APPRAISAL	*Boerum*	Inform/Action
7. SOUTH LOT RFP REVIEW PROCESS	*Hirsch*	Inform
8. FINANCIAL REPORT JANUARY 31, 2016	*Jensen*	Inform
9. ADMINISTRATIVE REPORT FEBRUARY 2017	*Mather*	Inform
10. COMMITTEE REPORTS • Governance Committee Report	*Hohorst*	Inform/Action
11. BOARD COMMENTS	*Board Members*	Inform
12. ADJOURN	*Hirsch*	

3.

CONSENT

BOARD OF DIRECTORS' MEETING
MINUTES
THURSDAY, JANUARY 5, 2017
CLOSED SESSION 5:30 PM
REGULAR SESSION 6:00 P.M.

COMMUNITY MEETING ROOM
177 First Street West Sonoma CA

	RECOMMENDATION	
MISSION STATEMENT The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.		
1. CALL TO ORDER The meeting was called to order at 6:02 p.m. Ms. Hirsch announced a change to the agenda. The code citation for the closed session should read: Calif. Government Code § 54956.9(d)(2): Conference Regarding One Matter of Potential Litigation.	*Hirsch*	
2. PUBLIC COMMENT ON CLOSED SESSION	*Hirsch*	
3. CLOSED SESSION Calif. Government Code § 54956.9(d)(2): Conference Regarding One Matter of Potential Litigation	*Hirsch*	Action
4. REPORT OF CLOSED SESSION	*Hirsch*	Action
Ms. Hirsch reported that the claim discussed in closed session was denied.		
5. PUBLIC COMMENT SECTION	*Hirsch*	
6. CONSENT CALENDAR	*Hirsch*	Action
A. Board Minutes 12.01.16 B. Board Minutes 12.08.16 C. FC Minutes 10.25.16 D. QC Minutes 12.14.16 E. GC Minutes 10.25.16 F. GC Minutes 11.15.16 G. Executed Policies & Procedures		**MOTION** by Boerum and 2nd by Nevins to approve all except item 6.A. All in favor.
Mr. Boerum requested that the Board minutes of 12.01.16 be removed from the Consent Calendar. He asked that the word "Strategy" be added to the Code Title in the report of closed session, and that the phrase "has become too broad" be changed to "is too broad."		
7. DISCUSSION AND APPROVAL OF LETTER REQUESTING PROPOSALS TO DEVELOP THE SOUTH LOT	*Jensen*	Action
Mr. Boerum made a motion to table this agenda item to another meeting. He had submitted a complaint letter alleging a Brown Act Violation to the County DA's office and it is under review. Until that review is complete, he would like the item tabled. Mr. Boerum felt the Board did not have an opportunity to discuss it publicly. He said his own preference was not to have the property sold and to develop possibilities for health care-related uses along with housing.		

Ms. Hirsch clarified the agenda item, saying that no decision had been made. The letter was included with the agenda so that the Board could move forward after tonight's discussion. Mr. Rymer said a motion had been made and wondered if there was a second. Mr. Boerum said a tabling motion did not require a second. Ms. Hirsch then asked for public comment on the motion to table the item. Perri Ellis Pariagua: There definitely needs to be more discussion. There could be more suggestions on what to do with the land than sell it off. Norman Gilroy: After all we've been through over the years, we should be erring on the side of caution before we move on. He would like to hear the Board members' opinions on the land. Ed Clay: I would like to support Bill's motion. He has a perception there is a rush to sell this property. He feels it is a mistake for a government entity to sell an asset like that. There needs to be more time to think of creative ways to hold on to this asset. Elaine Forte: It appears the hospital is trying to make a profit from the sale. She asked about zoning, which is residential. She agreed there should be more time. She asked if the RFP had gone out; Ms. Mather said it had not. John Kelly: The parcel is of interest since it is in close proximity to Sassarini School and within walking distance to Prestwood and Creekside. Some development such as a teachers' housing project in could be discussed. As far as I know, there has been no effort at inter-governmental discussion to develop the parcel. Ms. Hirsch called for a vote on Mr. Boerum's motion to table the item. All four remaining Board members were opposed to the motion. Ms. Mather proceeded with discussion. The GO bonds funded approximately $2 million of the project. The parcel is currently zoned residential, so the majority of interested developers were residential developers over the years. The Hospital exercised the option to purchase the property in August 2016. The District cannot carry a mortgage and did not have the money to purchase the property, so a private lender loaned the hospital $2 million; repayment of that loan is due in August 2018. The south lot committee was disbanded so that the Board could make their own decision. The letter tonight before the Board is one option. The decision is up to the Board as to whether this letter is used and sent out. Ms. Hirsch said about 35-40 people attended the October town hall meeting. The Board received suggestions for affordable housing, such as tiny houses or senior housing, midrise housing with retail space, market housing, an urgent care facility, or retaining at least a portion of the land for future needs.		**MOTION** by Boerum to table item 7, no 2nd. Motion failed 4-1.

Mr. Boerum said the Board directed Ms. Mather to research the options, and he did not see other options listed in the proposal. He also thought concern about the loan repayment in 20 months was premature. Ms. Mather said the hospital would have to save $100,000 a month to pay this loan off, and it does not have that money. Another $2 million in debt is concerning. Mr. Boerum also objected to the proposal deadline of March 15, 2017. Ms. Hirsch said it was important to give any developers adequate time to consider proposals, but we do not have to accept any of them, and we need adequate time to consider other options. Mr. Hohorst thanked Mr. Gilroy for his list of submitted questions and asked that that text be added to the minutes. Ms. Hirsch asked for public comments again. Norman Gilroy: As it stands now the RFP is misleading. The District has to protect itself and the community and make sure you get what you need. I haven't seen anything yet about how much land you would need for upgrading or construction before or in 2030. Are we better to upgrade this older building or are we better to build a new bed wing, which would be up to date, competitive, and possibly cheaper than a remodel. Approximately half of the 4 acres of land was used for staging during the last construction. Even if you disagree with me, we are pre-enacting the discussion the 2020 Board will have. Mr. Rymer commented he has trouble with the idea of keeping this property for so many years. Mr. Gilroy said he was not suggesting not using the property during that time, but to at least maintain that need in the RFP and ask proposers to show how they could do that. If you do not ask for it, it won't appear. It is important to get it right in the RFP. John Kelly: I understand the need for a deadline in the RFP and also understand the problem with the District spending money every month on the land. The geographic location of this parcel serves the public interest. Staff and teachers need affordable housing. There is a unique opportunity here for the School District and Health Care District to work together. Fred Allebach: I agree with the comment about affordable housing, and suggested adding some language to the RFP about affordable or senior housing, etc. A motion was made by Mr. Boerum to bring the letter back to the February Board meeting with revisions, it was seconded and passed. Ms. Mather and Mr. Jensen would work with Mr. Hohorst and Ms. Nevins on revisions.		**MOTION** by Boerum, 2nd by Hohorst, to bring the revised letter back to the February meeting. All in favor.
8. SVH CAPACITY AND UTILIZATION ASSESSMENT	*Kobe*	Inform
Mr. Kobe discussed surgical operations for FY2016. Surgery was		

open 4 days a week, 8 hours a day, with on call staff the rest of the time. There were 1732 surgical cases which took 1823 hours. Including turnover time of 602 hours, the total surgical hours for FY2016 were 2425. Utilization was 50.5%. 80% is considered full capacity. He then compared FY2016 to the 12-month period Dec. 2015 – Nov. 2016. On July 1, 2016, surgery began working a 5-day week and cases increased by 4.5%. In FY2016 cases averaged 2.9 per day. Marin General (a much larger hospital) was comparable with 3 cases per day. Mr. Kobe then discussed increasing the surgical capacity, which is what the Board had requested. 35 cases per week are currently done in 4800 hours for a 50.5% utilization. 44 cases could conceivably be done in 6000 hours for a utilization of 51.3%. Asked by Mr. Boerum to speak to the assessment report, Dr. Chamberlin (Hospital Chief of Staff) commented that expanding hours really bore no relationship as to whether those hours could be filled. This issue is very complex and we need to remain profitable. The goal is to bring services to serve the community so people do not have to leave to receive care elsewhere. Pressed by Mr. Boerum to comment upon the utilization rate of the surgical suite, Dr. Chamberlin commented that 65% would be a good goal, but further noted that at 80% there could be challenges as identified in a report by the Association of Operating Room Nurses Mr. Kobe then briefly discussed acute care and Skilled Nursing capacity for the period Nov. 2015 – Nov. 2016. Bed occupancy for various departments was: OB 11%; Medical/Surgical 41%; ICU 56%; Skilled Nursing 76%. Thus, the annual average occupancy was 46.6%.		
9. CHIEF OF STAFF REPORT	*Chamberlin*	Inform
Dr. Chamberlin reported the medical staff had contributed to the parcel tax campaign committee. Regulatory compliance is successful, with improvements in dictating reports and completing charts. A joint replacement registry has recently been established, allowing SVH to compare data reliably with CMS; it will take a year to accumulate enough data. The Hospital maintained its contract with the current radiology group after discussions. Staff credentialing is a process which needs to be respected, even though it is time consuming, and the staff understand this now.		
10. BOARD COMMITTEE APPOINTMENTS 2017	*Hirsch*	Action
Ms. Hirsch suggested maintaining the same Committee appointments as the previous year.		**MOTION** by Hohorst, 2nd by Rymer. All in favor.
11. FINANCIAL REPORT NOVEMBER 30, 2016	*Jensen*	Inform
Total revenue for November was better than budget by $268,595. After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net income for November was ($271,552) vs. a budgeted net loss of ($401,505). The total net income for November after all activity was ($64,925) vs. a budgeted net loss of ($244,164).		

Inpatient volume is up 22% with increased surgeries. There has also been an increase in bad debt primarily due to high insurance deductibles. The major variance in expenses was in supplies, primarily due to the increase in surgery volumes and negotiations with the supplier of bariatric staples. EBIDA for the month of November was 1.1% vs. a budget of (1.7%).		
12. ADMINISTRATIVE REPORT DECEMBER 2016	*Mather*	Inform
The administrative report contains updates on strategic priorities when there is movement on those items. The Canopy Health initiative is exciting. SVH is a member of the group (UCSF and John Muir) which has developed a health plan option to hopefully compete with Sutter and Kaiser in future. November was the first month Mr. Kobe ran the surgery department without a director, and they had 161 surgeries (the highest ever). Two coordinators in surgery moved up to Leaders, and Michelle Donaldson has picked up most of the surgery business relationships. The 1206(b) clinic is running well, and surgeon Dr. Sabrina Kidd is doing extremely well. The November dashboard result for service excellence was updated to 4 of 9 in October. The ER result also went to 2 of 7. Plans for a new quality pillar for next year were rolled out to managers. The staff satisfaction survey goes out on January 23rd. Salary increases will take place in January and a letter regarding compensation will go out to staff on January 17th. Ms. Nevins asked for a brief update on SCAN and WHA insurance, as well as St. Joseph Health. Ms. Mather said she would get back to the Board with that information.		
13. COMMITTEE REPORTS	*Hohorst*	Action
Approve Revision of Conflict of Interest Code for the District: The County has requested a change in policy calling for Form 700 for only the Board members and CEO to be filed with the County; Form 700 for all others will be filed with the District.		**MOTION** by Boerum, 2nd by Rymer. All in favor.
14. BOARD COMMENTS	*All*	Inform/Discussion
Mr. Boerum reported the JPA acted as a conduit issuer of debt securities in December for the Northern Sonoma County Health Care District in order to raise capital for Healdsburg District Hospital. This transaction netted a fee of $7,500 for the JPA.		
15. ADJOURN	*Hirsch*	

January 4, 2017

To: SVHCD Board Members Hirsch, Nevins, Boerum, Hohorst and Rymer, and to CEO Mather

From: Norman Gilroy

Subject: Item 7 on the January 2017 Board meeting agenda – Letter to Bidders and Draft RFP for the Sale of a Portion of the South Lot

This letter is written to pose some questions which seem relevant to the proposal to circulate an invitation to bidders in what appears to be the District's "rush to sell the South Lot" as reflected in the staff report and attachments for Item 7 on your agenda for the Board meeting of Thursday, January 5, 2017.

In posing these questions, I should clarify that I understand very well the hospital's need to turn the South Lot into a productive asset. As I understand it, that would include, at a minimum:

a. removing the annual payment on the private loan as an obligation on the operating costs of the hospital,
b. paying off the present private loan within the two year period stipulated,
c. where possible, minimizing or eliminating the cost of real estate taxes for the property during the period when the property is undeveloped,
d. generating uses for the property, and related revenues, that are consistent with the objectives and obligations of the District and that produce significant benefits to the ability of the District to provide health-care services to its constituency in the Sonoma Valley.

My own research indicates that there are several ways for the District to do all of those things without losing control of the property. I would expect that other creative minds in the health-care business could also come up with similar, or even better, solutions if they were allowed to work on it.

However, recent remarks made by the hospital's CEO, and even by some members of the Board at Sonoma Valley Hospital, now confirmed by the draft RFP documents being presented to the Board for consideration and action, seems to indicate a strong pre-disposition at the hospital to sell off all or part of the South Lot property to the highest bidder, with no conditions imposed and no requirement that the District maintain any long-term control of, or rights or interest, in the property.

That pre-disposition is what causes me, as an interested citizen and a stakeholder in the District, to raise the following questions. On behalf of myself and other members of the public who I know are equally concerned, I would appreciate it if the Board and/or administration of the hospital would provide specific answers in writing to each of the questions raised here before a decision is made on how to use, or dispose of, the balance of the South Lot not yet developed for hospital purposes:

1. What serious thought has been given to alternatives for the South Lot that would allow the District to retain title to all, or a designated portion, of the land for the long term future? If thought has been given to any such alternatives, where

are the reports, by what experts were they prepared, and what public consideration (with appropriate public comment) was given to them before arriving at the decision to proceed with the preparation of an RFP for the sale of the property?

2. Is it good policy in principle, or even appropriate, for the Board to consider selling off publically-owned real-property assets to cover short term operating deficits?

Background: The word out in the community is that the hospital needs the profits from the sale of the South Lot to pay off its outstanding operating costs. Quite apart from questioning whether selling long term real property assets to pay off short term operating costs is an appropriate action, I am concerned that, in contemplating selling off the property, the Board is merely repeating the mistakes made by previous Boards which sold off real property assets to cover short term costs. All later lived to regret that decision themselves, or saw the absence of the properties they sold off create serious difficulties for the Boards of Directors who followed them.

3. The first responsibility of a Health Care District is to enhance health-care related services for the people of its constituency – in this case the people of the Sonoma Valley.

How does selling this property off to highest bidder, with no strings attached and with the likely use being construction of market-price housing, accomplish that?

Are there no options available to the District that would combine providing enhanced health-care services with making the South Lot into a productive financial and real property asset? What studies have been carried out that indicate that?

4. What priority is the Board giving in its decision to the needs of future Boards and administrations of the hospital when the time comes, as it inevitably will, for additional construction on the hospital site (e.g. upgrading to meet 2030 State earthquake laws, upgrading to meet changing market trends and technologies, upgrading an aging bed-wing to remain competitive in the healthcare marketplace in the North Bay area, etc.)?

Without the South Lot, where will the District place the staging areas and contractors yards that will inevitably be needed during construction? Where will it relocate any departments undergoing renovation or replacement on an already crowded site? Where will it relocate (permanently or temporarily) any parking displaced by the construction?

Background: Those of us who were intimately involved in the search for the staging- and parking-space necessary to the construction of the newly completed ER-OR building and the new CUP know how hard it was to find suitable property close enough to the hospital, and of a size big enough, to meet the construction needs. The solution

at that time was the acquisition of the South Lot, first by a lease-option arrangement during construction, now by purchase under the terms negotiated some five years ago. However, those of us who were directly involved, as I was, in the negotiations at that time know very well that the 4 acre South Lot was the only remaining property in the vicinity that would serve the District's needs this time around, and that is also likely to be true when construction is again contemplated in the future, as it inevitably will be.

The expectation that there will be a future need for construction and upgrades at the hospital is well documented. It was even predicted in the long-range plan prepared by the architects as part of the package for the new ER-OR building when it was approved. That plan projected that the present West Wing would be inadequate by 2030, both competitively and seismically, for use as the primary acute-care bed-wing for the hospital, and it recommended construction of a limited-size (30 beds?) replacement bed-wing to be located on the present parking lot to the west of the new building (the new, and adjacent ER-OR wing is of a standard to allow its use indefinitely under current State of California regulations). However, that relocation, and the construction process associated with it, would permanently displace a significant portion of the parking to the west of the present buildings, and would require some realignment and new improvements on Fourth Street between Bettencourt and Andrieux.

As far as I know, those expectations for new construction the future remain in place – and in fact a "spokeswoman" for the hospital is even quoted in the January 1, 2017 edition of the Press Democrat as saying that "the hospital's West Wing, which is also rated SPC-2 … will be upgraded to an SPC-4 building by 2030". This further confirms the realistic expectation of additional construction in the future, requiring staging areas and replacement parking areas, along with further relocation of departments and functions at the hospital.

So, without the availability of the South Lot, where would the Board expect any future hospital administration to locate the services necessary to such construction? And if the South Lot is sold off, as is proposed in the draft RFP, is the Board comfortable with condemning a future Board to the task of solving the relocation and construction staging problem with its own money and resources available at the time, when the solution lay in the hands of this Board in 2017 and was squandered for lack of an imaginative solution?

5. When was the formal decision made to proceed with requesting offers for the purchase of the property? What has been the public process that has allowed the public in the Sonoma Valley (the primary stakeholders in the hospital and its real property) to comment before a decision was made?

6. Price, and the assumption that a profit is to be made, seems to be a significant driving force in the rush to sell the South Lot. Yet a significant factor that enabled the District to acquire the South Lot at an advantageous price was that the District's stated interest in the acquiring the property had the effect of driving other buyers away. Now, in moving to sell off the parcel for profit only weeks after it finally acquired it at that advantageous price, could the District be subject to criticism for its perceived tactics in the real estate market?

Background: Over the years there have been complaints from previous owners that the "shadow of the District's interest in acquiring the property" has limited the number of interested buyers, and so has driven-down the purchase price that the sellers would be willing to take. Now, only weeks after taking advantage of that negotiated price to purchase the property, the District proposes to "roll the property over" by selling it quickly to the highest bidder, enabling it to take the benefits of that "shadow" for itself. Is that either ethical or appropriate?

7. Is the District even allowed to offer the South Lot property for sale without first declaring it "surplus", as is required of other Districts and public agencies like the Schools? What public hearings have been called to discuss such a designation for the property, and what rationale has been developed to justify the sale?

8. The draft RFP makes the point that the District has to sell the property at "fair market value", but why is it that the appraisal of the property that defines fair market value, and that was completed only a few months ago, is not a part of the notice to potential bidders?

9. If a "sale" is to be the solution, what provisions will the Board make to disqualify as bidders any individuals and companies who have acted as inside advisors to the hospital in the process of making the decision to offer the property for sale?

Background: In numerous recent meetings, it has been noticeable that certain individuals who seem likely to be bidders have spoken of their internal dealings with the hospital administration, and even with some Board members. Some have also demonstrated a very thorough understanding of the internal needs of the hospital and its operation, and of the circumstances that seem to be causing the present rush to sell. One individual who seems to have an inside track even went so far as to say that he already "has a proposal on the table" at the hospital - all this well before the competitive RFP document or statement of intent has been finalized or released.

Any potential conflicts-of-interest in this regard should be resolved before an RFP is issued, even if only to eliminate any impression of a conflict-of-interest in what should be a clean-cut public process.

10. What are the factors that are causing such a rush to sell the property only weeks after it was purchased by the District? Why is there such urgency to sell?

Background: The word on the street, some of it based on comments made by the individuals mentioned in the previous question, is that "the hospital is desperate for money right now, and has to sell the property for a profit as quickly as possible to pay off its operating debts". Those statements seem to be in sharp contrast with the many glowing reports about the hospital's progress, and its operating condition, that are in the hospital's recent press releases and mailers that were distributed in the pre-holiday period. If there are new emergencies to be dealt with, and if the sale of the South Lot is

now considered to be the only way to solve them, then the public needs to know what they are. After all, it is our hospital and we are the stakeholders in the decision.

11. If such factors exist, have they been discussed with the Finance Committee and, as financial experts, do the members of the committee have suggestions for solutions? If they have been discussed, where are the staff reports and minutes related to those discussions? If they have not been discussed with the Finance Committee, why not?

12. What assurance does the District have that any excess proceeds from a sale of real property purchased with GO Bond money could in fact be used for operating expenses, as is apparently planned?

Background: All of the cash (other than the recent loan) that has been used so far to acquire the South Lot has come from the proceeds of the $35M GO Bond that was approved six years ago by the voters of the District for construction of the ER-OPR building and the new CUP. The bond was the source of capital for:

a. the initial down-payment on the entire property (which payment was later applied as part of the purchase price),
b. several of the costs of the transaction, including appraisals and fees and closing costs,
c. several of the annual payments on the lease-purchase agreement which led to the purchase recently completed,
d. over $1 million in improvements for the new on-site parking lot, including installation of utility connections, street and landscape improvements, and construction of the temporary parking lot and construction staging area used during the construction period recently ended.

Since State law is very careful about how public funds raised through general obligation bonds are used, what assurances does the Board have that any excess proceeds from the sale the South Lot (as a property that was acquired and improved with GO Bond money) can be used to pay operating costs, and not used, say, to pay down the outstanding balance of the GO Bond from which the funds came in the first place? Clearly this is a legal question, and I would presume that the District's bond attorney could provide an opinion on it that would clarify the District's options in this regard. Is such an opinion available?

*** * ***

In closing, I should add that, under normal circumstances, I would have brought all of these questions up at a meeting of the South Lot Committee, the committee which was established to advise the hospital on matters of this kind. As you may know, I have served as the only citizen representative on that committee since it was first formed some years ago when Carl Gerlach was CEO, and again when it was reconvened by the present CEO. I also served for several years before that on the Facilities Advisory Committee that advised the Board and CEO on planning and construction matters, including the planning, bidding and construction of the new ER-OR building and the new CUP now in place.

However I now understand that, though I have never been officially informed in any way of the move, the South Lot Committee was dissolved some weeks ago by the CEO, only to be re-formed shortly after that to contain no community members, and to leave out the two members (including myself) who had expressed concerns regarding the future that seemingly were contrary to those of the hospital administration.

I have questions as to whether those tactics are appropriate in a democratic society, and particularly in a public facility like a community hospital, but the fact is that that reorganization left me with no way to express my views, and to ask my questions, other than through a letter like this to the Board. I apologize if my approach may seem disruptive to some, but it seems to be the only way to ensure discussion of the various issues listed here, issues that I believe affect the interests of all future SVHCD Boards and eventually the public in the Sonoma Valley which our hospital serves.

I look forward to receiving your responses to the questions raised in this letter.

Sincerely,

Norman Gilroy, 2572 Acacia Avenue, Sonoma CA 95476.

BOARD OF DIRECTORS' MEETING
MINUTES
THURSDAY, FEBRUARY 2, 2016
CLOSED SESSION 5:45 PM
REGULAR SESSION 6:00 P.M.

COMMUNITY MEETING ROOM
175 First Street West Sonoma CA

	RECOMMENDATION	
MISSION STATEMENT The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.		
1. CALL TO ORDER Jane Hirsch is excused.	*Hohorst*	
2. PUBLIC COMMENT ON CLOSED SESSION	*Hohorst*	
3. CLOSED SESSION • Calif. Government Code § 54956.9(d)(2): Conference Regarding One Matter of Potential Litigation	*Hohorst*	Action
4. REPORT OF CLOSED SESSION	*Hohorst*	Action
The only item discussed was a request to allow a late claim on a malpractice allegation. The Board voted to deny the application.		
5. PUBLIC COMMENT SECTION	*Hohorst*	
Mr. Hohorst announced that Item 8 is about a request for proposals for uses of the south lot. If you are here for any other reason, please make your comments now. There were no public comments.		
6. UPDATE ON BROWN ACT COMPLAINT	*Hohorst*	Inform
The Board has received a copy of the District Attorney's report, and the ruling was that the Board did not violate the Brown Act.		
7. CONSENT CALENDAR A. Board Minutes 12.01.16 B. Board Minutes 01.05.17 C. Executed Policies & Procedures D. Medical Staff Credentialing Report	*Hohorst*	Action
Mr. Boerum asked to withdrawn item 7.B. since he had changes to the January minutes. Those changes were provided to the Clerk.		**MOTION:** by Nevins and 2nd by Rymer to approve all except Item 7.B. All in favor. Item 7.B. was deferred to the March meeting to allow time to check Dr. Chamberlin's comments.
8. LETTER REQUESTING PROPOSALS TO DEVELOP THE SOUTH LOT	*Mather*	Action
Mr. Hohorst asked for public comment on item 8. Norman Gilroy: I think the new wording is a considerable		

improvement. It opens the door to many different kinds of proposals and to discussions with the City and the School District. It might be useful to meet with them. The wording does not ask proposers to provide opportunities for health care related programs. If you don't ask for it, a normal developer will not ask for these things. It would be wise to add it to the RFP. There also seems to be no wording for future boards to locate a half acre of short-term construction staging or temporary parking. If you do end up taking parking from the front of the hospital and displace existing parking permanently, that would eat up extra parking in the parking lot. All we can do is look at the previous construction experience. This point has been brought up three times now, and I think it is being ignored. I also think there should be language leaving the title of the land in the District's name. I would suggest that those three items be in the letter. This seems not so much an RFP as a request for expressions of interest. Normally this is called an expression of interest letter. You also talk about sending a letter to interested parties. That sounds like the District will decide who will get a copy of the letter and the RFP. The District should perhaps be publishing the letter and RFP in the newspaper. John Kelly: Thank you for looking this letter over and bringing it back tonight. I think the community is aware that every month the District continues to hold this property, there is a carrying cost. I spoke last month about a housing project in Santa Clara County. This land might allow for a similar project between the School District and the Healthcare District. As of January 1st under SB 1413 (Leno), School Districts are now empowered to construct housing for teachers and staff and are also allowed to cooperate with other agencies. We did not have this statutory authority last fall; now we do. It is my opinion that the right time for discussions would be after you issue this RFP. There is an interest in doing this. The land would remain in trust rather than being purchased; only the right to occupy would be sold. No property taxes would be assessed because it is a government property. It is difficult for any government agencies to increase salaries enough to keep pace with landlord increases. Mr. Hohorst asked for comments on the cover letter. He indicated that the Board would decide tonight on the wording and distribution of the letter and RFP. There were no revisions to the cover letter. Mr. Boerum said that, not knowing what the current market value of the property is, he would bring back a request to do a new appraisal. Revisions to the RFP were discussed at length, and those changes were provided to the Clerk. Mr. Boerum requested that documents be submitted with changes tracked in the future. Ms. Nevins requested legal counsel review of the final draft; she also suggested deferring to legal counsel on options for distribution. Mr. Boerum asked Hospital administration to report at the next meeting on distribution.		**MOTION:** by Nevins and 2nd by Rymer to approve the letter and RFP as revised and subject to legal review. All in favor.
9. FINANCIAL REPORT DECEMBER 31, 2016	*Jensen*	Inform
Mr. Jensen reviewed the payer mix and reported that days cash were 25.2 days due to receipt of parcel tax funds and 75% of IGT funds. AB915 funds of $900,000 will arrive in two weeks. Accounts		

receivable was 50.8 days, and accounts payable at 49.7 days. Half of the accounts payable over 120 days have been paid. However, SVH has many 15-30 day accounts due and pays those first. Both Skilled Nursing and Medicare volumes have been down. Total operating revenue was $773,000 worse than expected; however, expenses were well controlled. The operating margin was ($934,000) vs. a budgeted loss of ($465,000).		
10. ADMINISTRATIVE REPORT JANUARY 2017	*Mather*	Inform
Ms. Mather gave an update on the strategic plan initiatives; the Hospital is six months into the year and almost every strategy put forth has been executed. The Strategic Plan Committee is now meeting to draft the plan for the coming year. SVH will be undergoing a major EHR upgrade for the next four months.		
11. COMMITTEE REPORTS • Finance Committee: 2017 Work Plan	*Nevins*	Inform/Action
Ms. Nevins reported that a new item was being added to the Committee meetings in February – review of debt. The Finance Committee did not submit an annual review for 2016, and it would continue those reports in the future.		
12. BOARD COMMENTS	All	Inform/Discussion
Mr. Boerum mentioned support of Measure B for renewal of the parcel tax. Mr. Hohorst attended the staff recognition luncheon last week, and said staff received service pins for 40, 35, 30, and 25 years (among others). He also mentioned his support for the parcel tax. Ms. Nevins said while we focus on the land issue, let us remember we're a hospital. She read the mission statement and said there is a lot of relevant and diverse experience among the Board members. The complementary part of it is what we need to work on – the stewardship. Integral to good stewardship is good communication, and I think we have informed the community. She also said she was proud of Hospital administration.		
13. ADJOURN The meeting adjourned at 7:40 p.m.	*Hohorst*	

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

February 15, 2017

Attention: All Interested Parties

Subject: **Offer of Land for Development or Joint Venture**

Dear Interested Party:

The Sonoma Valley Health Care District (District) is offering to make available up to 2.83 acres of vacant land near downtown Sonoma and the Sonoma Valley Hospital. This letter provides your introduction to the process related to the selection of the buyer/partner for the property.

The general terms and conditions of the 2.83 acres and information about the property are set forth in the following pages. Any deal terms you wish the District to consider must be noted in your letter of intent/term sheet in response to this notice and clearly defined.

Sincerely,

Board of Directors
Sonoma Valley Health Care District

Land Available for Development or Joint Venture

The Sonoma Valley Health Care District is offering for development or joint venture approximately 2.83 acres of vacant land near downtown Sonoma and the Sonoma Valley Hospital. Salient features of the parcel are:

1. Currently zoned for residential use SR including medium density, with a current annual allocation of twenty (20) residential units under City of Sonoma growth ordinance. An additional 20 units could be applied for in September 2017;

2. Located between West McArthur Street to the south, Fourth Street West to the east, Hayes Street to the west, and Randolph Street/Arroyo Way to the north near downtown Sonoma (see attached map);

3. The parcel is part of a two legal parcels of land owned by the District, the northern portion of which it has improved with a parking lot and related facilities for Sonoma Valley Hospital – the parcel available could be created as a separate legal parcel by the District as a public agency or via a lot-line adjustment; and

4. The parcel is not subject to any CC&Rs or other restrictions or any facilities or improvement districts.

The District invites written offers for the purchase, joint venture or other proposed use of all or a part of the available parcel. Offers by developers and government entities for joint ventures or joint powers authorities, or by community-based groups for projects, feasibility studies or conceptual design will all be considered. As a healthcare district under California law, the District must receive fair market value for the parcel, and will put a premium on offers that provide for a reasonable feasibility period, deposit structure, and the earliest possible completion.

Please direct all written offers/proposed term sheets to:

Sonoma Valley Health Care District
Attention: Ken Jensen, CFO
347 Andrieux Street
Sonoma, CA 95476

Offers and other proposals, in the form of a letter of intent or term sheet, must be submitted to the District by no later than 5:00 PM, Pacific Standard Time on April 15, 2017.

Additional Terms/Information

The issuance of this notice and the District's receipt of information in response to this document shall not cause the District to incur any liability or obligation to you, financial or otherwise. The District assumes no obligation to reimburse or in any way compensate you for expenses incurred in connection with your response to this notice.

The District reserves the right to use information submitted in response to this notice in any manner it may deem appropriate in evaluating the fitness of the offers for the property. Materials submitted by an interested party that are considered confidential must be clearly marked as such. In the event that confidentiality cannot be afforded, the interested party will be notified and will be permitted to withdraw its letter of intent/term sheet. You should be aware that, as a public agency, the District is subject to the California Public Records Act.

The information contained in this notice and any additional information provided to you by the District during negotiations is proprietary to the District. The District is not conveying any ownership to any party by disclosing such information. All interested parties, in consideration of being given this opportunity, agree to treat all the information contained in this notice and as may be disclosed by the District during negotiations as strictly confidential. The information is to be used by each interested party only for the purpose of preparing a purchase, joint venture or other use proposal in response to this notice. The information in this notice or as may be disclosed by the District during negotiations may not be used or shared with any other parties for any other purpose, without first obtaining the District's prior written consent. If you need to disclose any information to a third party in order to prepare your proposal, contact Ken Jensen at 707-935-5003 or kjensen@svh.com. You will return this notice, and all copies you have made of it to the District if you should decline to submit a proposal.

Arrangements may be made for visiting the parcel project area by contacting Ken Jensen.

All supporting documentation submitted in response to this notice will become the property of the District unless otherwise requested by the interested party at the time of submission.

The District may choose to negotiate with one or more interested parties. Any acceptance of a letter of intent or term sheet is contingent upon the execution of a definitive written agreement and the District shall not be contractually bound to any interested party prior to the execution of such written agreement.

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
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Policy and Procedure - Approvals Signature Page

Review and Approval Requirements

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

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

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

Organizational: Multiple Policies October List	
APPROVED BY:	DATE: **10-03-16**
Director's/Manager's Signature	Printed Name **Mark Kobe, RN MPA**

Michael Brown, MD
Chair Surgery Committee — Date: 2/16/2017

Douglas S Campbell, MD
Chair Medicine Committee — Date: 10-13-16

Keith J. Chamberlin, MD MBA
President of Medical Staff — Date

Kelly Mather
Chief Executive Officer — Date: 2/16/17

Jane Hirsch
Chair, Board of Directors — Date

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
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Policy Submission Summary Sheet

Title of Document: **Organizational Policies**

New Document or Revision written by: **Multiple-October List**

Date of Document: **10-03-16**

Type:	**Regulatory:**
X **Revision** ❑ **New Policy**	X **CIHQ** X **CDPH** X **CMS** ❑ **Other:**
Organizational:	
X **Clinical** ❑ **Non-Clinical**	❑ **Departmental** ❑ **Interdepartmental** (list departments effected)

Please briefly state changes to existing document/form or overview of new document/form here:
(include reason for change(s) or new document/form)

IC8610-105 Aerosol Transmissible Diseases Exposure Control Plan- Reviewed; no changes

IC8610-130 Exposure, Patient and/or Visitor To Blood or Body Fluids Follow-Up- Revised; updated protocol for needlestick; complete eNotification describing incident; modified attendees responsibilities notifying patient

IC8610-132 Foodborne Illness Investigation- Reviewed; no changes

NS8610-106 Nursing Services Education Plan- Revised; removed MCN processes; updated references

PR8610-100 Advanced Directives- Reviewed; no changes

PR8610-104 Assessment and Disposition for Psychiatric Patients in the ED and Inpatient Departments- New Policy

PR8610-134 Informed Consent- Revised; added definition: Informed Consent: the provision of medical information in such a way that the patient has enough information to determine whether or not to submit to medical treatment

PR8610-140 Patient Abuse Reporting- Revised; If the Suspected Abuse occurred in a nursing home, adult residential facility, adult day program, residential care facility for the elderly or adult day health care center, complete the SOC 341 (attached) and FAX to CDPH at (707) 576 - 2418 and call the Long Term Care Ombudsman Program as soon as possible at (707) 526-4108. Notify Law enforcement if the patient is in immediate danger, threatened, or has sustained harm from physical abuse. The social worker or administrative coordinator can assist with obtaining and completing the SOC 341 form, but it is the primary responsibility of the mandated reporter to complete the necessary notifications

PR8610-144 Patient Abuse Prohibition for Patients at SVH-Revised; added Neglect: Failure to provide goods and services necessary to prevent physical harm, mental anguish or mental illness.

PR8610-170 Persons Injured on Hospital Premises Policy-Reviewed; no changes

Reviewed by:	Date	Approved (Y/N)	Comment
Policy & Procedure Team		N/A	
Surgery Committee	11/02/2016	Y	
Medicine Committee	10/13/2016	Y	
P.I. or P. T. Committee			
Medical Executive Committee	11/17/2016	Y	
Board Quality	11/23/2016		
Board of Directors	12/01/2016		

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
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Policy and Procedure - Approvals Signature Page

Review and Approval Requirements

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

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

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

Organizational: Multiple Policies November 2016 List	
APPROVED BY:	DATE: **01-09-17**
Director's/Manager's Signature	Printed Name **Mark Kobe, RN MPA**

Michael Brown, MD
Chair Surgery Committee

2-16-2017
Date

Keith J. Chamberlin, MD MBA
President of Medical Staff

Date

Kelly Mather
Chief Executive Officer

2/16/17
Date

Jane Hirsch
Chair, Board of Directors

Date

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
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Policy Submission Summary Sheet

Title of Document: **Organizational/Department Policies**
New Document or Revision written by: **Multiple-November List**
Date of Document: **01-11-17**

Type:	**Regulatory:**
X **Revision** X **New Policy**	X **CIHQ** X **CDPH** X **CMS** ❑ **Other:**
Organizational:	
X **Clinical** ❑ **Non-Clinical**	❑ **Departmental** ❑ **Interdepartmental** (list departments effected)

Please briefly state changes to existing document/form or overview of new document/form here:
(include reason for change(s) or new document/form)

AN8610-102 Procedural Sedation- Revised; removed pentobarbital and chloral hydrate from Pediatric dosage

HR8610-366 Job Shadow/Healthcare Observer Requirements- New Policy

LB8610-110 Nursing Blood Product Administration Part 1-Patient Identification for Sample Collection- Revised; additional information regarding Blood Sample for Crossmatching; **Blood Bank Pre-Op Form**

OI8610-104 Surgical/Invasive Procedure and Site Confirmation/Verification- Reviewed; no changes

PC8610-141 Lidocaine Injection Prior to the Insertion of an IV Catheter, Use of - Reviewed; no changes

Reviewed by:	Date	Approved (Y/N)	Comment
Policy & Procedure Team	10/27/2016	y	
Surgery Committee	01/11/2017	y	
Medicine Committee	n/a		
P.I. or P. T. Committee	n/a		
Medical Executive Committee	2/16/17	y	
Board Quality	2/22/17		
Board of Directors	3/2/17		

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

SUBJECT: Job Shadow/Healthcare Observer Requirements	POLICY # HR8610-366
	PAGE 1 OF 7
DEPARTMENT: Organizational	EFFECTIVE:
APPROVED BY: Director of Human Resources	REVIEW/REVISED:

Purpose:
Healthcare Observations are intended as a time limited arrangement to allow persons to observe clinical or non-clinical staff for education purposes.

Policy:
The following must be complete before the observation event can be scheduled:

- ☐ Review/sign/return the fact sheet entitled HIPAA Training Observers/Vendors – see Attachment A.
- ☐ Review/sign/return the Confidentiality and Non-Disclosure Agreement, see Attachement B.
- ☐ Obtain a signature and return the Mentor Agreement (mandatory if you are observing a physician, see Attachment C.
- ☐ Signed Parental Consent form if you are less than 18 years old, see attachment D.
- ☐ Produce evidence of the following Immunizations:
  - TB test within the last year prior to placement at SVH or a negative chest x-ray within the last year if TB skin test is positive
  - Documentation of 2 doses of MMR vaccine or documentation of positive antibody titers
  - Documentation of Tdap (tetanus, diphtheria and pertussis) vaccine, unless Td (tetanus and siphtheria toxiods) vaccine has been received within the past 2 years or less
  - Documentation of positive history of chickenpox, or positive antibody titer; if negative history and/or titer, 2 doses of varivax vaccine is required.
  - Documentation of seasonal flu vaccine
  - Hepatis B Vaccine or signed SVH declination.

Key Points
- Arrive on time to the designated location.
- Observers do not participate in patient care in any manner.
- Dress should be appropriate to the setting and/or as specified when scheduled.
- Observers should not carry cell phones or other electronic personal devices during the experience.
- Observers are not allowed to enter isolation rooms.
- Observation experiences are not allowed or will be suspended in the event of type of incident such as a disaster, or if the observer has evidence of any illness such as cough, fever, etc.
- Once all requirements are met the observation experience will be scheduled.
- Observers are expected to be respectful of patients, staff, and others they encounter and follow appropriate Standards of Behavior.

- Patients have the right to refuse having an observer in their room; respect this right and remain flexible if a patient is uncomfortable having you observe.

Reference:

CIHQ Standard of Care HR-4: Management of Contract / Volunteer Staff; CMS 482.23
CIHQ Standard of Care PR-7: Personal Privacy; CMS 482.13
Sonoma County Public Health Order October 2014
CDC, NHSN Healthcare Personnel Vaccination Module

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
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SUBJECT: Job Shadow/Healthcare Observer Requirements	POLICY # HR8610-366
	PAGE 3 OF 7
DEPARTMENT: Organizational	EFFECTIVE:
APPROVED BY: Director of Human Resources	REVIEW/REVISED:

Attachment A

HIPAA Training Observers/Vendors

HIPAA is a Federal law 3 Key Areas:

- Privacy of Protected Health Information (PHI)
- Security of electronically stored health care data
- Electronic transaction standards (financial billing standards)

PHI – Protected Health Information

- PHI includes demographic information such as: Name, address, phone, date of birth, Social Security Number and any other information that could identify the individual.
- PHI can be used for treatment, payment and operations only without authorization from the patient.

Mum's The Word

- Keep conversations out of elevators, cafeteria, and individuals not involved in the treatment of the patient.
- Do not view, share, discuss PHI without a need to know, or unless it is for the following: treatment, payment and operations.

Key Patient Rights:

- Notice of Privacy Practice – document outlining ways patient information can be used, shared and disclosed by law.
- Request Restriction – Patient may request a restriction such as "confidential status" no information given out to visitors.
- Access to PHI – Patient may request a copy of their medical record, refer patient to Health Information Management (HIM).
- Amendment to PHI – A patient requests a change in their medical record due to incorrect/inaccurate data. Refer to Privacy Officer.
- Accounting of the uses/disclosures of PHI – A patient may request a listing of disclosures of PHI made by the organization. Exceptions: treatment, payment and operations and applicable laws.
- Right to file a complaint - Privacy complaints are investigated by the Privacy Officer.

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
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SUBJECT: Job Shadow/Healthcare Observer Requirements	POLICY # HR8610-366
	PAGE 4 OF 7
DEPARTMENT: Organizational	EFFECTIVE:
APPROVED BY: Director of Human Resources	REVIEW/REVISED:

All Patient Rights have corresponding policies; you may request a copy of any policy, or contact the Privacy Officer, Rosemary Pryzmant, x5254 for any questions/concerns.

SVH Expectations:

- We take privacy seriously and our patients expect our Hospital to demonstrate this commitment.
- As a Vendor/Observer we expect compliance with our Confidentiality Agreement. Any inappropriate sharing, copying, and disclosing of PHI will result in the termination of your experience at SVH.

I have reviewed the above information and agree to coply with its contents.

Signed_____Date_____

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

SUBJECT: Job Shadow/Healthcare Observer Requirements	POLICY # HR8610-366
	PAGE 5 OF 7
DEPARTMENT: Organizational	EFFECTIVE:
APPROVED BY: Director of Human Resources	REVIEW/REVISED:

Attachment B

Sonoma Valley Hospital
Confidentiality and Non-Disclosure Agreement
Non-Computer Access Version

Organizational information that may include, but is not liited to, financial, patient identifiable and, employee identifiable, from any source or in any form may be considered confidential. Information's confidentiality and integrity are to be preserved and its availability maintained. The value and sensitivity of information is protected by law and by the strict policies of SVH.

The intent of these laws and policies is to assure that confidential information will remain confidential through its use, only as a necessity to accomplish SVH's organizational mission.

1. I will not access or request any information I have no responsibilities for. In addition, I will not access any other confidential information, including personnel, billing, financial, health or other private information I do not need to perform the duties assigned me by SVH.
2. I will not disclose or communicate any Confidential Information to any person whatsoever, except in connection with the performance of my assigned duties.
3. I will not copy or reproduce, in whole or in part, or permit any other person to copy or reproduce, in whole orin part, any Confidential Information other than in the regular course of SVH business.
4. I will comply with all policies and procedures about the confidentiality of information.
5. I will not disclose protected health information or other information that is considered proprietary, sensitive, or confidential unless there is a need to know basis or unless I am otherwise required by law to do so.
6. I agree that disclosure of confidential information is prohibited indefinitely, even after termination of business relationship, unless specifically waived in writing by the authorized party.

I further understand and agree that my failure to fulfill any of the obligations set forth in this Confidentiality Agreement or my violation of any terms of this Agreement may result in my being subjected to: 1) Volunteer opportunities would be terminated for the individual, in accordance with SVH policies and procedures, 2) termination of the individual and/or contract, 3) appropriate legal action and/or 4) other action as deemed appropriate by Hospital Administration.

Name_____ Date:_____
(Please Print)

Signature_____
Department_____

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

SUBJECT: Job Shadow/Healthcare Observer Requirements	POLICY # HR8610-366
	PAGE 6 OF 7
DEPARTMENT: Organizational	EFFECTIVE:
APPROVED BY: Director of Human Resources	REVIEW/REVISED:

Attachment C

SONOMA VALLEY HOSPITAL MENTOR AGREEMENT

Participant Name:_____
(Please Print)

Name of Mentoring Physician:_____
(Please Print)

I have been in communication with the above person who would like to do an observation experience with me on this
date:_____

I agree to act as their mentor while they are in SVH. As such, I assume responsibility for directing this individual in their interactions with patients and staff.

I will be responsible for:

- Obtaining observation consent from patients for this person
- Facilitating this individual's learning objectives
- Encouraging his/her adherence to SVH behavior standards
- Helping him/her maintain patient confidentiality

I realize that SVH has a process for allowing observers, which includes necessary vaccinations, appropriate dress, and prior notification of units where observational activities will take place (among other requirements). I understand that permission for this observation experience will not be granted until these requirements have been satisfied by the individual to be mentored.

Signature of
Mentor:_____

Signature of
Participant:_____

Date:_____

SONOMA VALLEY HOSPITAL
SONOMA VALLEY HEALTH CARE DISTRICT
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SUBJECT: Job Shadow/Healthcare Observer Requirements	POLICY # HR8610-366
	PAGE 7 OF 7
DEPARTMENT: Organizational	EFFECTIVE:
APPROVED BY: Director of Human Resources	REVIEW/REVISED:

Attachment D

SONOMA VALLEY HOSPITAL PARENTAL CONSENT FORM

<u>If observer is under 18 years of age, parent/guardian must complete</u>

Permission is granted for my son/daughter:

- To participate in a job shadowing experience with Sonoma Valley Hospital
- To be provided emergency medical care if injured while participating in the Job Shadow/Observer experience.

Observer's Name:_____

Parent/Guardian Name (please print):_____

Parent/Guardian Signature:_____

Date: _____

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

Policy and Procedure - Approvals Signature Page

Review and Approval Requirements

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

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

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

Organizational: Infection Prevention Policies October 2016	
APPROVED BY:	DATE: **10-03-16**
Director's/Manager's Signature Kathy Mathews	Printed Name **Kathy Mathews RN CIC**

Michael Brown, MD
Chair Surgery Committee — 2/16/2017 Date

Douglas S Campbell, MD
Chair Medicine Committee — 10-13-16 Date

Keith J. Chamberlin, MD MBA
President of Medical Staff — Date

Kelly Mather
Chief Executive Officer — 2/16/17 Date

Jane Hirsch
Chair, Board of Directors — Date

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

Policy Submission Summary Sheet

Title of Document: **Infection Prevention & Control Policies**

New Document or Revision written by: **Kathy Mathews RN, CIC**

Date of Document: **10-03-16**

Type:	**Regulatory:**
X **Revision** ❑ **New Policy**	X **CIHQ** X **CDPH** X **CMS** ❑ **Other:**
Organizational:	
X **Clinical** ❑ **Non-Clinical**	❑ **Departmental** ❑ **Interdepartmental** (list departments effected)

Please briefly state changes to existing document/form or overview of new document/form here:
(include reason for change(s) or new document/form)

Organizational Policies:

IC8610-108 Bloodborne Pathogen Exposure Prevention & Control Plan- Revised; The plan was revised to identify the roles of Human Resources, Infection Prevention and Occupational Health during post exposure evaluation and follow up. References to Employee Health were removed. A Sharps Injury Log will be maintained by Occupational Health

IC8610-142 Influenza Vaccination Program for Staff- Revised; Healthcare workers that decline the influenza vaccination must wear a surgical mask in patient care areas during flu season i.e., November 1, 2016 through March 31, 2017.
Influenza Consent Form- updated
Influenza Declination Form- updated

IC8610-146 Management of MDRO Policy- Revised; Added ESBL and CRE to the Purpose; Unless otherwise indicated, patients that can ambulate may do so if accompanied by staff (to decrease the chance of contact with others). If a patient is incontinent of feces or urine, the patient needs to either wear an adult diaper or remain in their room until it is under control. Patients should complete a bath or shower, don a clean gown and any wounds should be covered. Observed hand washing by the patient is required before leaving their room. The patient may not have direct contact with other patients or environmental surfaces outside of their isolation room; Patients may be removed from isolation on a case by case basis with the approval of the Infectious Disease physician or Infection Preventionist; Upon discharge, secondary disinfection with the Xenex ultra violet light robot will be utilized after terminal cleaning

IC8610-148 MRSA Active Surveillance Culture (ASC)- Reviewed; no changes

Department Policy:

IC8750-137 Criteria for Defining Hospital-Acquired Infections- Reviewed; no changes

Reviewed by:	Date	Approved (Y/N)	Comment
Policy & Procedure Team		N/A	
Surgery Committee	11/02/2016	Y	
Medicine Committee	10/13/2016	Y	
P.I. or P. T. Committee			
Medical Executive Committee	11/17/2016	Y	
Board Quality	11/23/2016	Y	
Board of Directors	12/01/2016		

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

Policy Submission Summary Sheet

Title of Document: **Engineering Department Policies**

New Document or Revision written by: **Kimberly Drummond**

Date of Document: **11-25-16**

Type:	**Regulatory:**
X Revision **❑ New Policy**	**X CIHQ** **X CDPH** **X CMS** **❑ Other:**
Organizational:	**X Departmental**
❑ Clinical **X Non-Clinical**	**❑ Interdepartmental** (list departments effected)

Please briefly state changes to existing document/form or overview of new document/form here:
(include reason for change(s) or new document/form)

8450-39 Department Phone Tree- Revised; updated contact information

8450-63 Electrical Failure- Revised; changed generator asset numbers and added capacity of the fuel tanks for both generators

8450-65 Emergency Generator Testing- Revised; changed parameters of the annual load bank test based on NFPA 110 2012 edition

Reviewed by:	Date	Approved (Y/N)	Comment
Policy & Procedure Team	n/a		
Surgery Committee	n/a		
Medicine Committee	n/a		
P.I. or P. T. Committee	n/a		
Medical Executive Committee	n/a		
Board Quality	**2/22/17**		
oard of Directors	**3/02/17**		

4.

SUSTAINABLE SONOMA PRESENTATION

5.

CHIEF REVENUE OFFICER'S QUARTERLY REPORT

6.

SOUTH LOT APPRAISAL

Meeting Date: March 2, 2017

Prepared by: Bill Boerum, Board Member

Agenda Item Title: South Lot Appraisal

Recommendations: A current appraisal of the land owned by the District known as the "South Lot" be conducted to determine its fair market value as required by state law in the event that it be conveyed, sold or developed in connection with the recently issued request for proposals.

Background: An appraisal was conducted almost two years ago in May 2015 with an estimated value reported in the amount of $2,600,000. Taking into consideration the then current (and present) zoning by the City of Sonoma and comparables the value reflected the entire acreage of the land. The District is considering development of 2.83 acres of the total 4.0 acres.

By the time that the District will be considering any proposals offered by the deadline of April 15, it will have been almost two years since an appraisal had been conducted. Any appraisal is strictly at a point in time. The real estate market may have changed in the meantime, the number and location of comparables may have changed, and the size of the land under consideration will have been different than that under the last appraisal – which was for the entire property. The new appraisal should be threefold: the entire property; the acreage under consideration; and an estimate of value for alternative uses than current zoning.

As to determining the fair market value, we should not consider only the value indicated by any proposals offered (which could be few) but also that estimated by a licensed appraiser. It will be delegated to the CEO to identify and select the appraiser whose fee should not exceed $6,000, the previous fee being $4,500. It would be ideal to select the appraiser from the last survey to conduct the appraisal, but he is in retirement. However, the appraiser, who provided comparables for the last survey is available.

Consequences of Negative Action/Alternative Actions: By not conducting a new appraisal we will not be fulfilling our fiduciary and legal obligation to determine the fair market value.

Financial Impact: Unless we determine the current fair market value we could lose hundreds of thousands of dollars in negotiation.

Attachment: None

8.

FINANCIAL REPORT
MONTH ENDING
JANUARY 31, 2017

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

To: **SVHCD Board of Directors**
From: **Ken Jensen, CFO**
Date: **February 28, 2017**
Subject: **Financial Report for the Month Ending January 31, 2017**

The actual loss of ($488,597) from operations for January was $55,865 favorable to the budgeted loss of ($544,462). The year-to date actual loss from operations is ($3,005,928) compared to the expected loss of ($2,889,078). After accounting for all other activity, the January net loss was ($107,802) vs. the budgeted net loss of ($196,231) with a monthly EBIDA of 1.3% vs. a budgeted -0.6%. Year-to-date the total net income is $140,365 favorable to budget with a year to date EBIDA of 2.2% vs. the budgeted 2.5%.

Gross patient revenue for January was $22,650,860, $1,704,189 better than expected. Inpatient gross revenue was over budget by $1,063,648. Inpatient days were over budgeted expectations by 63 days and inpatient surgeries were over budget by 6 cases. Outpatient revenue was under budget by ($227,403). Outpatient visits were under budgeted expectations by (118) visits and outpatient surgeries were close to budget at 110 cases. The Emergency Room gross revenue is over budget by $1,223,845, with ER visits over budget by 136 visits. SNF was under budgeted expectations by ($374,264) due to SNF patient days being under budgeted expectations by (118) days. Home Health was over budget by $18,363 with visits close to budget at 877.

Deductions from revenue were unfavorable to budgeted expectations by ($1,748,075). The unfavorable variance is primarily due to inpatient and ER gross revenue being significantly over budgeted expectations. Furthermore, the length of stay in the ICU was 10.2 days on a budgeted expectation of 4.7 days contributing to the increase in revenue deductions. The revenue deductions were offset by January's accrual of the Prime grant of $125,000.

After accounting for all other operating revenue, the **total operating revenue** was unfavorable to budget by ($82,490).

Operating Expenses of $5,026,383 were favorable to budget by $138,355. Salaries and wages were under budget by $13,212 and employee benefits are over budget by ($41,098) due to employee health benefits being over budgeted expectations ($31,232). Physician costs were under budget in January due to a subsidy refund from Prima doctors. Supplies are under budget in January due to the pharmacy's participation of the 340b drug pricing program, the pharmacy's drug costs were better than budget by $48,004. Purchase services were under budget by $38,166 due to budgeted services not used in the

month of January. Interest expense is over budget in January due to the unbudgeted interest expense related to the south lot loan ($12,694) and the fluoroscopy project ($3,398).

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for January was ($277,612) vs. a budgeted net loss of ($353,572). The total net loss for January after all activity was ($107,802) vs. a budgeted net loss of ($196,231).

EBIDA for the month of January was 1.3% vs. the budgeted -0.6%.

Patient Volumes – January

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	**119**	**124**	**-5**	**124**
Newborn Discharges	**11**	**16**	**-5**	**17**
Acute Patient Days	**465**	**402**	**63**	**404**
SNF Patient Days	**592**	**710**	**-118**	**710**
Home Care Visits	**877**	**872**	**5**	**933**
OP/ER/HHA Gross Rev.	**$13,500**	**$12,493**	**$1,007**	**$12,184**
Surgical Cases	**148**	**143**	**5**	**124**

Gross Revenue Overall Payer Mix – January

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	**43.7%**	**47.9%**	**-4.2%**	**45.9%**	**47.3%**	**-1.4%**
Medicare Mgd Care	**14.8%**	**7.3%**	**7.5%**	**10.2%**	**7.2%**	**3.0%**
Medi-Cal	**17.7%**	**19.0%**	**-1.3%**	**17.2%**	**19.0%**	**-1.8%**
Self Pay	**1.3%**	**1.1%**	**0.2%**	**1.6%**	**1.2%**	**0.4%**
Commercial	**18.3%**	**19.6%**	**-1.3%**	**20.5%**	**20.0%**	**0.5%**
Workers Comp	**2.3%**	**2.5%**	**-0.2%**	**2.6%**	**2.7%**	**-0.1%**
Capitated	**1.9%**	**2.6%**	**-0.7%**	**2.0%**	**2.6%**	**-0.6%**
Total	**100.0%**	**100.0%**		**100.0%**	**100.0%**	

Cash Activity for January:

For the month of January the cash collection goal was $3,730,020 and the Hospital collected $3,554,144, or under the goal by ($175,876). The year-to-date cash collection goal was $24,909,637 and the hospital has collected $25,948,826, or over goal by $1,039,189. Days of cash on hand are 20.2 days at January 31, 2017. Accounts Receivable decreased from December, from 50.8 days to 49.7 days in January. Accounts Payable decreased by $512,901 from December and Accounts Payable days are at 43.1.

ATTACHMENTS:

-Attachment A is the Payer Mix Analysis which includes the projected collection percentage by payer.

-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. The line number tie to the Statement of Revenue and Expense line numbers and explains any significant variances.

Sonoma Valley Hospital

Net Revenue by Payer for the month of January 31, 2017

ATTACHMENT A

	January-17				YTD			
Gross Revenue:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	9,893,221	10,015,554	-122,333	-1.2%	69,351,114	68,632,517	718,597	1.0%
Medicare Managed Care	3,357,941	1,515,759	1,842,182	121.5%	15,364,770	10,549,755	4,815,015	45.6%
Medi-Cal	3,999,368	3,965,971	33,397	0.8%	26,064,082	27,720,856	-1,656,774	-6.0%
Self Pay	291,084	237,772	53,312	22.4%	2,464,172	1,718,059	746,113	43.4%
Commercial & Other Government	4,161,977	4,152,679	9,298	0.2%	31,333,014	29,317,276	2,015,738	6.9%
Worker's Comp.	514,966	525,302	-10,336	-2.0%	3,933,153	3,963,398	-30,245	-0.8%
Capitated	432,303	533,634	-101,331	-19.0%	3,022,850	3,851,937	-829,087	-21.5%
Total	**22,650,860**	**20,946,671**	**1,704,189**		**151,533,155**	**145,753,798**	**5,779,357**	

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Net Revenue:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	1,592,519	1,695,778	-103,259	-6.1%	10,958,114	11,731,144	-773,030	-6.6%
Medicare Managed Care	429,481	208,457	221,024	106.0%	2,086,098	1,598,737	487,361	30.5%
Medi-Cal	511,519	578,435	-66,916	-11.6%	3,559,181	4,200,448	-641,267	-15.3%
Self Pay	98,619	95,109	3,510	3.7%	914,368	674,577	239,791	35.5%
Commercial & Other Government	1,510,078	1,717,104	-207,026	-12.1%	10,651,121	11,660,459	-1,009,338	-8.7%
Worker's Comp.	115,867	119,812	-3,945	-3.3%	883,711	881,813	1,898	0.2%
Capitated	13,185	25,459	-12,274	-48.2%	93,315	135,301	-41,986	-31.0%
Prior Period Adj/IGT	125,000	-	125,000	*	1,969,626	-	1,969,626	*
Total	**4,396,268**	**4,440,154**	**(43,886)**	**-1.0%**	**31,115,534**	**30,882,479**	**233,055**	**0.8%**

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Percent of Net Revenue:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	36.3%	38.2%	-1.9%	-5.0%	35.3%	37.8%	-2.6%	-6.9%
Medicare Managed Care	9.8%	4.7%	5.1%	108.5%	6.7%	5.2%	1.5%	28.8%
Medi-Cal	11.6%	13.0%	-1.4%	-10.8%	11.4%	13.7%	-2.3%	-16.5%
Self Pay	2.2%	2.1%	0.1%	4.8%	2.9%	2.2%	0.7%	31.8%
Commercial & Other Government	34.4%	38.7%	-4.3%	-11.1%	34.3%	37.8%	-3.5%	-9.3%
Worker's Comp.	2.6%	2.7%	-0.1%	-3.7%	2.8%	2.9%	-0.1%	-3.4%
Capitated	0.3%	0.6%	-0.3%	-50.0%	0.3%	0.4%	-0.1%	-25.0%
Prior Period Adj/IGT	2.8%	0.0%	2.8%	*	6.3%	0.0%	6.4%	*
Total	**100.0%**	**100.0%**	**0.0%**		**100.0%**	**100.0%**	**0.0%**	

Projected Collection Percentage:	**Actual**	**Budget**	**Variance**	**% Variance**	**Actual**	**Budget**	**Variance**	**% Variance**
Medicare	16.1%	16.9%	-0.8%	-4.7%	15.8%	17.1%	-1.3%	-7.6%
Medicare Managed Care	12.8%	13.8%	-1.0%	-7.2%	13.6%	15.2%	-1.6%	-10.5%
Medi-Cal	12.8%	14.6%	-1.8%	-12.3%	13.7%	15.2%	-1.5%	-9.9%
Self Pay	33.9%	40.0%	-6.1%	-15.3%	37.1%	39.3%	-2.2%	-5.6%
Commercial & Other Government	36.3%	41.3%	-5.0%	-12.1%	34.0%	39.8%	-5.8%	-14.6%
Worker's Comp.	22.5%	22.8%	-0.3%	-1.3%	22.5%	22.2%	0.3%	1.4%
Capitated	3.0%	4.8%	-1.8%	-37.5%	3.1%	3.5%	-0.4%	-11.4%
Prior Period Adj/IGT	0.6%	0.0%	0.6%	*	1.3%	0.0%	1.3%	*

ATTACHMENT C

Sonoma Valley Health Care District
Balance Sheet
As of January 31, 2017

		Current Month	Prior Month	Prior Year
	Assets			
	Current Assets:			
1	Cash	$ 3,224,109	$ 4,034,999	$ 2,077,644
2	Trustee Funds	1,691,454	1,691,161	2,970,872
3	Net Patient Receivables	8,118,058	8,483,511	8,216,147
4	Allow Uncollect Accts	(1,202,373)	(1,291,168)	(633,564)
5	Net A/R	6,915,685	7,192,343	7,582,583
6	Other Accts/Notes Rec	4,687,699	5,279,179	4,849,282
7	3rd Party Receivables, Net	1,750,015	1,406,133	647,488
8	Inventory	821,117	792,747	897,951
9	Prepaid Expenses	839,826	823,015	683,022
10	Total Current Assets	$ 19,929,905	$ 21,219,577	$ 19,708,842
12	Property,Plant & Equip, Net	$ 53,542,041	$ 53,749,264	$ 53,157,893
13	Specific Funds	326,047	326,018	584,122
14	Other Assets	-	-	143,691
15	Total Assets	$ 73,797,993	$ 75,294,859	$ 73,594,548
	Liabilities & Fund Balances			
	Current Liabilities:			
16	Accounts Payable	$ 3,130,186	$ 3,643,087	$ 3,259,693
17	Accrued Compensation	4,559,155	4,230,152	4,338,309
18	Interest Payable	661,595	551,329	685,537
19	Accrued Expenses	1,404,470	1,342,994	1,295,728
20	Advances From 3rd Parties	142,811	134,655	1,165,198
21	Deferred Tax Revenue	2,484,543	2,981,452	2,463,887
22	Current Maturities-LTD	1,708,979	1,706,832	1,708,979
23	Line of Credit - Union Bank	6,973,734	7,823,534	5,923,734
24	Other Liabilities	1,386	1,386	155,448
25	Total Current Liabilities	$ 21,066,859	$ 22,415,421	$ 20,996,514
26	Long Term Debt, net current portion	$ 37,358,649	$ 37,399,151	$ 36,825,822
27	Fund Balances:			
28	Unrestricted	$ 12,078,136	$ 12,219,105	$ 12,717,565
29	Restricted	3,294,350	3,261,183	3,054,648
30	Total Fund Balances	$ 15,372,485	$ 15,480,287	$ 15,772,213
31	Total Liabilities & Fund Balances	$ 73,797,993	$ 75,294,859	$ 73,594,548

ATTACHMENT D

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended January 31, 2017

	Month					Year-To- Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	$	%		Actual	Budget	$	%	Prior Year
					Volume Information					
1	119	124	(5)	-4%	Acute Discharges	716	691	25	4%	691
2	592	710	(118)	-17%	SNF Days	3,845	4,428	(583)	-13%	4,428
3	877	872	5	1%	Home Care Visits	6,506	6,288	218	3%	6,730
4	13,500	12,493	1,007	8%	Gross O/P Revenue (000's)	$ 92,383	$ 89,967	2,416	3%	$ 87,686
					Financial Results					
					Gross Patient Revenue					
5	$ 7,080,982	$ 6,017,334	1,063,648	18%	Inpatient	$ 45,617,978	$ 40,271,741	5,346,237	13%	$ 37,029,633
6	6,976,915	7,204,318	(227,403)	-3%	Outpatient	47,619,716	51,913,329	(4,293,613)	-8%	50,242,736
7	6,215,584	4,991,739	1,223,845	25%	Emergency	42,684,350	35,913,438	6,770,912	19%	35,486,057
8	2,061,971	2,436,235	(374,264)	-15%	SNF	13,326,241	15,514,910	(2,188,669)	-14%	15,168,101
9	315,408	297,045	18,363	6%	Home Care	2,284,870	2,140,380	144,490	7%	2,207,794
10	**$ 22,650,860**	**$ 20,946,671**	**1,704,189**	**8%**	**Total Gross Patient Revenue**	**$ 151,533,155**	**$ 145,753,798**	**5,779,357**	**4%**	**$ 140,134,321**
					Deductions from Revenue					
11	$ (18,207,332)	$ (16,404,298)	(1,803,034)	-11%	Contractual Discounts	$ (121,367,154)	$ (114,155,786)	(7,211,368)	-6%	$ (110,600,547)
12	(150,000)	(66,250)	(83,750)	-126%	Bad Debt	(840,000)	(463,750)	(376,250)	-81%	(410,000)
13	(22,260)	(35,969)	13,709	38%	Charity Care Provision	(180,093)	(251,783)	71,690	28%	(207,166)
14	125,000	-	125,000	*	Prior Period Adj/Government Program Revenue	1,969,626	-	1,969,626	*	1,802,827
15	**$ (18,254,592)**	**$ (16,506,517)**	**(1,748,075)**	**11%**	**Total Deductions from Revenue**	**$ (120,417,621)**	**$ (114,871,319)**	**(5,546,302)**	**5%**	**$ (109,414,886)**
16	**$ 4,396,268**	**$ 4,440,154**	**(43,886)**	**-1%**	**Net Patient Service Revenue**	**$ 31,115,534**	**$ 30,882,479**	**233,055**	**1%**	**$ 30,719,435**
17	$ 131,281	$ 155,771	(24,490)	-16%	Risk contract revenue	$ 910,789	$ 1,090,397	(179,608)	-16%	$ 1,050,171
18	$ 4,527,549	$ 4,595,925	(68,376)	-1%	Net Hospital Revenue	$ 32,026,323	$ 31,972,876	53,447	0%	$ 31,769,606
19	$ 10,237	$ 24,351	(14,114)	**-58%**	Other Op Rev & Electronic Health Records	$ 254,604	$ 170,457	84,147	49%	$ 179,036
20	**$ 4,537,786**	**$ 4,620,276**	**(82,490)**	**-2%**	**Total Operating Revenue**	**$ 32,280,927**	**$ 32,143,333**	**137,594**	**0%**	**$ 31,948,642**
					Operating Expenses					
21	$ 2,334,758	$ 2,347,970	13,212	1%	Salary and Wages and Agency Fees	$ 15,481,908	$ 15,833,186	351,278	2%	$ 15,280,666
22	981,817	$ 940,719	(41,098)	-4%	Employee Benefits	6,169,073	5,978,160	(190,913)	-3%	5,879,882
23	$ 3,316,575	$ 3,288,689	(27,886)	-1%	Total People Cost	$ 21,650,981	$ 21,811,346	160,365	1%	$ 21,160,548
24	$ 342,255	$ 396,457	54,202	14%	Med and Prof Fees (excld Agency)	$ 2,704,882	$ 2,740,306	35,424	1%	$ 2,395,958
25	463,007	506,115	43,108	9%	Supplies	3,927,235	3,664,806	(262,429)	-7%	3,588,686
26	313,092	351,258	38,166	11%	Purchased Services	2,167,843	2,433,233	265,390	11%	1,934,094
27	283,222	293,214	9,992	3%	Depreciation	1,959,104	2,052,498	93,394	5%	2,034,222
28	86,851	100,684	13,833	14%	Utilities	706,407	697,807	(8,600)	-1%	678,384
29	29,292	33,417	4,125	12%	Insurance	205,044	233,666	28,622	12%	176,740
30	53,565	34,882	(18,683)	-54%	Interest	279,710	244,789	(34,921)	-14%	362,739
31	138,524	160,022	21,498	13%	Other	938,288	1,153,960	215,672	19%	1,169,215
32	-	-	-	*	Matching Fees (Government Programs)	747,361	-	(747,361)	*	368,026
33	**$ 5,026,383**	**$ 5,164,738**	**138,355**	**3%**	**Operating expenses**	**$ 35,286,855**	**$ 35,032,411**	**(254,444)**	**-1%**	**$ 33,868,612**
34	**$ (488,597)**	**$ (544,462)**	**55,865**	**10%**	**Operating Margin**	**$ (3,005,928)**	**$ (2,889,078)**	**(116,850)**	**-4%**	**$ (1,919,970)**

ATTACHMENT D

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended January 31, 2017

	Month						Year-To- Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	$	%		Actual	Budget	$	%	Prior Year
					Non Operating Rev and Expense					
35	$ (18,483)	$ (21,610)	3,127	-14%	Miscellaneous Revenue/(Expenses)	$ (78,993)	$ (130,349)	51,356	*	$ 20,377
36	16,968	-	16,968	0%	Donations	70,855	-	70,855	0%	0
37	(37,500)	(37,500)	-	0%	Physician Practice Support-Prima	(262,500)	(262,500)	-	0%	(262,500)
38	250,000	250,000	-	0%	Parcel Tax Assessment Rev	1,750,378	1,750,000	378	0%	1,751,954
39	**$ 210,985**	**$ 190,890**	**20,095**	**11%**	**Total Non-Operating Rev/Exp**	**$ 1,479,740**	**$ 1,357,151**	**122,589**	**9%**	**$ 1,509,831**
40	**$ (277,612)**	**$ (353,572)**	**75,960**	**-21%**	**Net Income / (Loss) prior to Restricted Contributions**	**$ (1,526,188)**	**$ (1,531,927)**	**5,739**	**0%**	**$ (410,139)**
41	$ 33,167	$ 20,698	12,469	60%	Capital Campaign Contribution	$ 99,679	$ 144,886	(45,207)	-31%	$ 554,273
42	$ -	$ -	-	0%	Restricted Foundation Contributions	$ 179,832	$ -	179,832	100%	$ -
43	**$ (244,445)**	**$ (332,874)**	**88,429**	**-27%**	**Net Income / (Loss) w/ Restricted Contributions**	**$ (1,246,677)**	**$ (1,387,041)**	**140,364**	**-10%**	**$ 144,134**
44	246,909	246,909	-	0%	GO Bond Tax Assessment Rev	1,728,363	1,728,363	-	0%	1,699,439
45	(110,266)	(110,266)	-	0%	GO Bond Interest	(787,505)	(787,506)	1	0%	(803,465)
46	**$ (107,802)**	**$ (196,231)**	**88,429**	**-45%**	**Net Income/(Loss) w GO Bond Activity**	**$ (305,819)**	**$ (446,184)**	**140,365**	**-31%**	**$ 1,040,108**
	$ 59,175	$ (25,476)			**EBIDA - Not including Restricted Contributions**	$ 712,626	$ 765,360			$ 1,986,822
	1.3%	-0.6%				2.2%	2.5%			6.2%
	$ 5,610	$ (60,358)			**EBDA - Not including Restricted Contributions**	$ 432,916	$ 520,571			
	0.1%	-1.3%				1.3%	1.6%			

Sonoma Valley Health Care District **ATTACHMENT E**
Statement of Revenue and Expenses Variance Analysis
For the Period Ended January 31, 2017

		YTD	MONTH	
	Description	**Variance**	**Variance**	
	Volume Information			
1	Acute Discharges	25	(5)	
2	SNF Days	(583)	(118)	
3	Home Care Visits	218	5	
4	Gross O/P Revenue (000's)	2,416	1,007	
	Financial Results			
	Gross Patient Revenue			
5	Inpatient	5,346,237	1,063,648	Patient Days are 465 vs. budgeted expectations of 402 and inpatient surgeries are 38 vs. budgeted expectations of 32.
6	Outpatient	(4,293,613)	(227,403)	Outpatient surgeries are 110 vs. budgeted expectations 111.
7	Emergency	6,770,912	1,223,845	ER visits are 1000 vs. budgeted visits of 864.
8	SNF	(2,188,669)	(374,264)	SNF patient days are 592 vs. budgeted expected days of 710.
9	Home Care	144,490	18,363	HHA visits are 877 vs. budgeted expectations of 872.
10	**Total Gross Patient Revenue**	**5,779,357**	**1,704,189**	
	Deductions from Revenue			
11	Contractual Discounts	(7,211,368)	(1,803,034)	
12	Bad Debt	(376,250)	(83,750)	
13	Charity Care Provision	71,690	13,709	
14	Prior Period Adj/Government Program Revenue	1,969,626	125,000	Prime grant accrual for January.
15	**Total Deductions from Revenue**	**(5,546,302)**	**(1,748,075)**	
16	**Net Patient Service Revenue**	**233,055**	**(43,886)**	
17	Risk contract revenue	(179,608)	(24,490)	Blue Shield capitation received was under budget.
18	Net Hospital Revenue	**53,447**	**(68,376)**	
19	Other Op Rev & Electronic Health Records	84,147	(14,114)	
20	**Total Operating Revenue**	**137,594**	**(82,490)**	
	Operating Expenses			
21	Salary and Wages and Agency Fees	351,278	13,212	
22	Employee Benefits	(190,913)	(41,098)	Employee health benefits are over budgeted expectations ($31,232) .
23	Total People Cost	**160,365**	**(27,886)**	
24	Med and Prof Fees (excld Agency)	35,424	54,202	
25	Supplies	(262,429)	43,108	Supplies are under budget primarily due to the pharmacy's participation in the 340b drug pricing program ($48,004 better than budget).
26	Purchased Services	265,390	38,166	Budgeted purchased services not used in January.
27	Depreciation	93,394	9,992	
28	Utilities	(8,600)	13,833	
29	Insurance	28,622	4,125	
30	Interest	(34,921)	(18,683)	Interest on the South lot loan ($12,694) and the flouroscopy project ($3,398) were unbudgeted for FY 2017.
31	Other	215,672	21,498	Budgeted other costs not used in January.
32	Matching Fees (Government Programs)	(747,361)	-	
33	**Operating expenses**	**(254,444)**	**138,355**	
34	**Operating Margin**	**(116,850)**	**55,865**	
	Non Operating Rev and Expense			
35	Miscellaneous Revenue	51,356	3,127	
36	Donations	70,855	16,968	Foundation grants received for employee education and training and for OP diagnostic center architect fees.
37	Physician Practice Support-Prima	-	-	
38	Parcel Tax Assessment Rev	378	-	
39	**Total Non-Operating Rev/Exp**	**122,589**	**20,095**	
			-	
40	**Net Income / (Loss) prior to Restricted Contributions**	**5,739**	**75,960**	
			-	

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended January 31, 2017

ATTACHMENT E

	Description	YTD Variance	MONTH Variance	
41	Capital Campaign Contribution	(45,207)	12,469	Capital campaign donations received from the Foundation are over budgeted expectations for January.
42	Restricted Foundation Contributions	179,832	-	
43	**Net Income / (Loss) w/ Restricted Contributions**	**140,364**	**88,429**	
44	GO Bond Tax Assessment Rev	-	-	
45	GO Bond Interest	**1**	-	
46	**Net Income/(Loss) w GO Bond Activity**	**140,365**	**88,429**	

9.

ADMINISTRATIVE REPORT FEBRUARY 2017

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

To: **SVHCD Board of Directors**
From: **Kelly Mather**
Date: **2/23/17**
Subject: **Administrative Report**

Summary
We are very excited to share that 90% of the staff completed the annual employee satisfaction survey this year. This is the highest participation to date. We had a very positive quarterly medical staff meeting this month, and the physicians seem very engaged and excited about the future of SVH and the new physicians in Sonoma. A new physician has taken over Dr. Olness' practice; his name is Dr. Delorefice. The outpatient volumes were up in January with Emergency at an all time high seeing 1000 patients. Of note, mammography volumes were cut in half since the beginning of the year due to regulation changes and we can no longer bill for CAD.

Dashboard and Trended Results

The patient satisfaction results continue to improve; however because we made the goal higher, we have not met the goal yet. We expect the staff satisfaction results to be here the first week of April; those will be shared with the leadership first and then I share the organization wide results at the staff forums in May. We are on track to meet our budget for FY 2017, even with a low volume month this December. Surgery volume is up 11% over the prior year. We are actually doing surgeries we have not done in the past few years. February was heart health month and Dr. Price and the Cardiopulmonary team did some great health education talks in the community.

Strategic Update from FY 2017 Strategic Plan:

Strategic Priorities	Update
Satisfaction	We added the patient advisor to the patient experience team. Physician satisfaction surveys were completed in November. Salary increases went into effect in January. Staff satisfaction survey results will be here in April.
Quality & Safety	We completed the CalHEN evidence based medicine projects for several diagnoses. Leaders are updating their Quality Assurance/Performance Improvement plans for review with me in April. The medical directors of the departments are comparing SVH to national benchmarks.
Physician Alignment	The physicians are doing well. The pain management service has increased surgery volume.
Regional Services	Bariatrics, Wound Care, Skilled Nursing, Colorectal Surgery and Occupational Health are all seeing patients from outside the district.
Technology Upgrades	We are moving to remote hosting to upgrade the Electronic Health Record this spring. We have selected an outpatient rehab EHR.
Financial Health	We have purchased the south lot. We also had a strong year in fundraising. The service lines are showing positive margins. The parcel tax committee continues to go strong with many positive endorsements and testimonials.
Community Health	The community care network is under way and health coaches have been recruited.

JANUARY 2017

PILLAR	PERFORMANCE GOAL	METRIC	ACTUAL RESULT	GOAL LEVEL
Service Excellence	Highly satisfied Inpatients	Rolling 12 month average of at least 5 out of 9 HCAHPS domain results above the 70th percentile	3 out of 9 through December	>7 = 5 (stretch) 6 = 4 5 = 3 (Goal) 4 = 2 <4=1
Service Excellence	Highly satisfied Emergency Patients	Rolling 12 month average of at least 4 out of 7 ERCAPS domain results above the 70th percentile	3 out of 7 through December	6 = 5 (stretch) 5 = 4 4 = 3 (Goal) 3 = 2 2 = 1
Quality	Excellent Clinical Outcomes	Value Based Purchasing Safety Score at 75% or higher	68%	>85 = 5 (stretch) >80 =4 >75 =3 (Goal) >70=2 <70 =1
People	Highly Engaged and Satisfied Staff	Press Ganey percentile ranking of 75th percentile or higher	4.33/5 or the 84th percentile	>80th = 5 (stretch) >77th=4 >75th=3 (Goal) >72nd=2 <70th =1
Finance	Financial Viability	YTD EBIDA	2.2%	>4% (stretch) >3.5%=4 >3.0% (Goal) >2.5%=2 <2.5%=1
	Efficiency and Financial Management	Meet FY 2017 Budgeted Expenses (excluding IGT)	$34,539,494 (actual) $35,032,411 (budget)	<2% =5 (stretch) <1% = 4 <Budget=3 (Goal) >1% =2 >2% = 1
Growth	Surgical Cases	Increase surgeries by 2% over prior year	1308 YTD FY2017 1164 YTD FY2016	>2% = 5 >1% = 3 < 1% = 2
	Outpatient & Emergency Volumes	2% increase (gross outpatient revenue over prior year)	$92.6 mm YTD $87.9 mm prior year	>5% = 5 (stretch) >3% = 4 >2% = 3 (Goal) <2% = 2
Community	Community Benefit Hours	Hours of time spent on community benefit activities per year	782.5 hours for 7 months	>1500 = 5 >1200 = 4 >1000 = 3 >750 = 2 >500 = 1

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

FY 2017 TRENDED RESULTS

MEASUREMENT	Goal FY 2017	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016
Inpatient Satisfaction	5/9	0	0	1	2	3	3						
Emergency Satisfaction	4/7	1	1	1	1	2	3						
VBP Safety score	>75	77.5	77.5	67	67	67	67						
Staff Satisfaction	>75th	84	84	84	84	84	84	84	91	84	84	84	84
FY YTD Turnover	<10%	.9	1.5	1.8	3.6	4.2	4.8	5.6	6.1	6.7	7.9	8.8	10
YTD EBIDA	>4%	4.5	3.8	4.2	5.2	4.4	1.5	2.2	6	5.6	5.2	4.7	4.4
Operating Revenue	>5m	5.1	5.0	4.5	4.7	4.5	3.7	4.5	4.6	4.5	4.3	4.6	4.9
Expense Management	<5m	4.9	5.1	4.8	4.9	5.0	4.7	5.0	4.9	4.9	5.1	5.2	5.4
Net Income	>50k	59	-23	94	336	-270	-599	-107	203	-131	-99	-403	-132
Days Cash on Hand	>20	11	15	6	11	10	25	20	12	12	13	9	9
A/R Days	<50	55	50	50	50	53	51	50	52	50	50	55	57
Total FTE's	<315	320	321	319	316	319	309	316	324	326	324	332	324
FTEs/AOB	<4.0	4.28	3.86	3.54	4.11	4.35	4.03	3.74	3.58	3.5	3.7	4.16	4.08
Inpatient Discharges	>100	103	105	95	99	95	100	119	101	99	97	85	95
Outpatient Revenue	>$13m	12.6	13.3	13.5	13.3	13.1	12.9	13.5	12.1	14.2	12.5	13.8	13.5
Surgeries	>130	116	124	118	126	161	126	148	127	141	118	123	124
Home Health	>950	960	890	1042	880	938	919	877	889	879	999	844	942
Births	>15	14	17	14	9	8	9	11	9	17	17	13	14
SNF days	>600	563	608	624	512	446	500	592	671	580	578	529	526
MRI	>120	105	97	104	140	118	130	115	119	127	105	122	120
Cardiology (Echos)	>50	41	53	66	60	51	51	55	60	67	61	52	68
Laboratory	>12	11.2	12.2	11.4	12.6	12.1	12.0	12.5	12.1	12.4	12.0	11.9	11.8
Radiology	>850	902	944	1001	898	870	934	1012	961	1010	963	926	1000
Rehab	>2700	2618	3008	3136	2575	2286	2117	2530	2708	2979	2780	2782	2948
CT	>300	365	327	412	367	306	340	341	352	398	333	373	348
ER	>900	940	918	897	852	850	942	1000	919	945	912	940	907
Mammography	>425	400	475	421	434	435	399	171	437	432	384	457	420
Ultrasound	>300	281	310	288	288	290	271	253	304	317	325	285	255
Occupational Health	>650	602	724	741	797	636	601	484	597	757	663	679	651
Wound Care	>200	221	312	253	226	199	225	228	232	222	276	235	264