



TAHOE FOREST HOSPITAL DISTRICT

2018-12-20 Regular Meeting of the Board of Directors

Thursday, December 20, 2018 at 4:00 p.m.

Tahoe Truckee Unified School District

11603 Donner Pass Road, Truckee, CA 96161

Meeting Book - 2018-12-20 Regular Meeting of the Board of Directors

12/20/18 Agenda Packet Contents

AGENDA

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ITEMS 1 - 11 See Agenda

12. BOARD MEMBER ELECTION

No related materials.

13. SAFETY FIRST

No related materials.

14. ACKNOWLEDGMENTS

14.1. Outgoing Board President Presentation

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14.3. 2018 TFHS Employee of the Year.pdf Page 8

14.4. Medical Staff Acknowledgements

15. CONSENT CALENDAR

15.1. Approval of Meeting Minutes

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15.2. Financial Report

15.2.1. Financial Statements - November 2018.pdf Page 14

15.3. Board Reports

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15.3.3. CNO Board Report - December 2018.pdf Page 32

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16. ITEMS FOR BOARD DISCUSSION

16.1. 2018 Cancer Center Quality Report 12.12.2018.pdf Page 35

17. ITEMS FOR BOARD ACTION

17.1. Chief Executive Officer Employment Agreement
Materials to be distributed at a later time.

17.2. Fiscal Year 2018 CEO Incentive Compensation
Materials (if needed) to be distributed at a later time.

18. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

19. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR
DISCUSSION AND/OR ACTION

19.1. 2018-12-17 Board Finance Committee_FINAL Agenda.pdf

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ITEMS 20 - 25: See Agenda

26. ADJOURN



REGULAR MEETING OF THE BOARD OF DIRECTORS AGENDA

Thursday, December 20, 2018 at 4:00 p.m.
Tahoe Truckee Unified School District
11603 Donner Pass Road, Truckee, CA 96161

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

4. **INPUT AUDIENCE**

This is an opportunity for members of the public to comment on any closed session item appearing before the Board on this agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Clerk of the Board 24 hours prior to the meeting to allow for distribution.

5. **CLOSED SESSION**

5.1. **Hearing (Health & Safety Code § 32155)**

Subject Matter: Quality Assurance Reports

Number of items: Two (2)

5.2. **Hearing (Health & Safety Code § 32155) ♦**

Subject Matter: Third Quarter 2018 Quality Report

Number of items: One (1)

5.3. **Report Involving Trade Secrets (Health & Safety Code § 32106)**

Discussion will concern: Proposed new programs and facilities

Estimated date of disclosure: February 2019

5.4. **Approval of Closed Session Minutes ♦**

11/29/2018

5.5. **TIMED ITEM – 5:30PM – Hearing (Health & Safety Code § 32155) ♦**

Subject Matter: Medical Staff Credentials

6. **DINNER BREAK**

APPROXIMATELY 6:00 P.M.

7. **OPEN SESSION – CALL TO ORDER**

8. **REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

9. **DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

10. **INPUT – AUDIENCE**

This is an opportunity for members of the public to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the

Regular Meeting of the Board of Directors of Tahoe Forest Hospital District
December 20, 2018 AGENDA – Continued

Board cannot take action on any item not on the agenda. The Board President may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

11. INPUT FROM EMPLOYEE ASSOCIATIONS

This is an opportunity for members of the Employee Associations to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes.

12. BOARD OFFICER ELECTION

12.1. Election of 2019 Board Officers

13. SAFETY FIRST

13.1. December Safety First Topic

14. ACKNOWLEDGMENTS

14.1. Outgoing Board Chair Presentation

14.2. December 2018 Employee of the MonthATTACHMENT

14.3. TFHS Employee of the YearATTACHMENT

14.4. Medical Staff Acknowledgements

15. CONSENT CALENDAR ♦

These items are expected to be routine and non-controversial. They will be acted upon by the Board without discussion. Any Board Member, staff member or interested party may request an item to be removed from the Consent Calendar for discussion prior to voting on the Consent Calendar.

15.1. Approval of Minutes of Meetings

15.1.1. 11/29/2018ATTACHMENT

15.2. Financial Reports

15.2.1. Financial Report – November 2018ATTACHMENT

15.3. Staff Reports

15.3.1. CEO Board ReportATTACHMENT

15.3.2. COO Board Report.....ATTACHMENT

15.3.3. CNO Board Report.....ATTACHMENT

15.3.4. CIIO Board ReportATTACHMENT

15.3.5. CMO Board Report.....ATTACHMENT

16. ITEMS FOR BOARD DISCUSSION

16.1. Cancer Center Quality Report Presentation..... ATTACHMENT

The Board of Directors will receive a Cancer Center Quality Report.

17. ITEMS FOR BOARD ACTION ♦

17.1. Chief Executive Officer Employment Agreement ♦ ATTACHMENT*

The Board of Directors will review and consider for approval the CEO Employment Agreement.

17.2. Fiscal Year 2018 CEO Incentive Compensation ♦ ATTACHMENT*

The Board of Directors will decide award of fiscal year 2018 CEO Incentive Compensation.

18. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

19. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION

19.1. Finance Committee Meeting – 12/17/2018 ATTACHMENT

Regular Meeting of the Board of Directors of Tahoe Forest Hospital District
December 20, 2018 AGENDA – Continued

19.2. Quality Committee Meeting – No meeting held in December.

19.3. Governance Committee Meeting – No meeting held in December.

19.4. Executive Compensation Committee Meeting – No meeting held in December.

20. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS

21. ITEMS FOR NEXT MEETING

22. BOARD MEMBERS REPORTS/CLOSING REMARKS

23. CLOSED SESSION CONTINUED, IF NECESSARY

24. OPEN SESSION

25. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY

26. ADJOURN

The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is January 24, 2019 at Tahoe Forest Hospital District, 10121 Pine Avenue, Truckee, CA. A copy of the board meeting agenda is posted on the District's web site (www.tfhd.com) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting.

*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions. Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.



Employee of the Month, December 2018
Esperanza Espinoza – Access Center Representative I

We are honored to announce Esperanza Espinoza – Access Center Representative as our December 2018 Employee of the Month!

Esperanza is always so helpful with our patients & questions. It can be very time consuming to get cases approved and deal with appeals and for that we are very appreciative for all of her hard work. Esperanza is always available and if busy she responds in a timely manner. It's always pleasant working with her.

Esperanza always makes sure that the patient feels heard, and works hard to obtain authorization so the patient receives treatment as soon as possible.

We cannot thank Esperanza enough for her dedication that is provided with the highest of standards, care and concern for her teammates as well as patients, and always with a great big smile on her face!

Please join us in congratulating all of our Terrific Nominees!

Adriana Jimenez
Blanca Lopez
Coni Schaffarzick
Dan Dotta
Hilary Ward
Jane Day
Lourdes Sandoval

**2018 TFHS Employee of the Year
Kathy Avis, Care Coordinator, Ortho/Sports Med
Community Case Management**



We are honored to announce Kathy Avis, Care Coordinator Ortho/Sports Med, Community Case Management, as our 2018 Employee of the Year!

Kathy has been a part of Tahoe Forest Health System for 3 years.

This year, Kathy helped develop and implement a new education and support program for our orthopedic patients. This program has helped patients tremendously through the transitions of pre op, post op, and with discharge.

Kathy demonstrates our values by going above and beyond through assisting not only the patients, but also with communication tactics, and clarifies questions other staff members have. This adds value to the overall patient experience here at Tahoe Forest Hospital, while simultaneously contributing to success through teamwork. Multiple patients have commended Kathy for her help and support.

Please join us in congratulating all of our terrific 2018 Employees of the Month!

**Greg Szabo – Technical Support, IT
Brenda Kegebein – Medical Assistant, GI/GS
Donn Demostene – Facilities Engineer, Facilities Management
Jessica Dias – Diagnostic Imaging Assistant, DI
Julie Lorrain – Accounts Payable Clerk, Accounting
Arlette Tormey – Lead Staff Nurse, Cancer Center
Jose Mendieta – Cook, Dietary (IVCH and TFHD)
Stephen Hicks – Patient Care Tech, Med/Surg
Katrina Nunez – Medical Assistant, Urology
Dennis Clark – Courier, Materials Management
Esperanza Espinoza – Access Center Representative, Access Center**



**REGULAR MEETING OF THE
BOARD OF DIRECTORS
DRAFT MINUTES**

Thursday, November 29, 2018 at 4:00 p.m.
Tahoe Truckee Unified School District
11603 Donner Pass Road, Truckee, CA 96161

1. CALL TO ORDER

Meeting was called to order at 4:01 p.m.

2. ROLL CALL

Board: Dale Chamblin, Board President; Randy Hill, Vice President; Charles Zipkin, M.D., Treasurer; Alyce Wong, Secretary; Mary Brown, Board Member

Staff in attendance: Harry Weis, Chief Executive Officer; Crystal Betts, Chief Financial Officer; Judy Newland, Chief Operating Officer; Karen Baffone, Chief Nursing Officer; Matt Mushet, In-House Counsel; Janet Van Gelder, Director of Quality and Regulations; Lorna Tirman, Patient Experience Specialist; Martina Rochefort, Clerk of the Board

Other: David Ruderman, Assistant General Counsel

3. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

No changes were made to the agenda.

4. INPUT AUDIENCE

No public comment was received.

Open Session recessed at 4:02 p.m.

5. CLOSED SESSION

5.1. Hearing (Health & Safety Code § 32155)

Subject Matter: Third Quarter 2018 Service Excellence Report

Number of items: One (1)

Discussion was held on a privileged item.

5.2. Hearing (Health & Safety Code § 32155)

Subject Matter: Quality Summary Report

Number of items: One (1)

Discussion was held on a privileged item.

5.3. Conference with Real Property Negotiator (Gov. Code § 54956.8)

APN: 18-570-58

Agency Negotiator: Judith Newland

Negotiating Parties: Gateway Properties

Under Negotiation: Price

Discussion was held on a privileged item.

5.4. Approval of Closed Session Minutes

10/25/2018

Discussion was held on a privileged item.

5.5. TIMED ITEM – 5:30PM – Hearing (Health & Safety Code § 32155)

Subject Matter: Medical Staff Credentials

Discussion was held on a privileged item.

6. DINNER BREAK

7. OPEN SESSION – CALL TO ORDER

Open Session reconvened at 5:59 p.m.

8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

General Counsel reported the board considered five items in closed session. There was no reportable action on items 5.1-5.3. Both 5.4 and 5.5 were approved on a 5-0 vote.

9. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

No changes were made to the agenda.

10. INPUT – AUDIENCE

Public comment was received by Peter Beaupre.

11. INPUT FROM EMPLOYEE ASSOCIATIONS

No public comment was received.

12. SAFETY FIRST

12.1. Karen Baffone, Chief Nursing Officer, presented SBAR communication for the November Safety First topic.

13. ACKNOWLEDGMENTS

13.1. Dennis Clark was named November 2018 Employee of the Month.

13.2. TFH received HHS 2018 Achievement Award for C-Section rate of 23.9% or lower.

13.3. National Nurse Practitioner Week was November 11-17, 2018.

13.4. Wildfire relief donations can be made through the North Valley Community Foundation (nvcf.org) in Chico.

14. MEDICAL STAFF EXECUTIVE COMMITTEE

14.1. Medical Executive Committee (MEC) Meeting Consent Agenda

MEC recommends the following for approval by the Board of Directors: *DMNT-12 Neutropenic Diet Precautions Policy*

Board directed the following edits be made:

-Change “should” to “shall” in Procedure section, item C.

-Add “guidelines” to end of sentence in Procedure section, item C.

ACTION: Motion made by Director Zipkin, seconded by Director Wong, to approve the Medical Executive Committee Meeting Consent Calendar with changes discussed.
AYES: Directors Brown, Wong, Zipkin, Hill and Chamblin
Abstention: None
NAYS: None
Absent: None

15. CONSENT CALENDAR

These items are expected to be routine and non-controversial. They will be acted upon by the Board without discussion. Any Board Member, staff member or interested party may request an item to be removed from the Consent Calendar for discussion prior to voting on the Consent Calendar.

15.1. Approval of Minutes of Meetings

15.1.1. 10/25/2018

15.2. Financial Reports

15.2.1. Financial Report – October 2018

15.3. Staff Reports

15.3.1. CEO Board Report

15.3.2. COO Board Report

15.3.3. CNO Board Report

15.3.4. CIO Board Report

15.3.5. CMO Board Report

15.3.6. CHRO Board Report

15.4. Policy Review

15.4.1. Second Reading of Proposed Revisions to TFHD Board of Directors Bylaws

15.5. Contracts

15.5.1. Jeffrey Dodd, MD – Professional Services Agreement

15.5.2. Andrew P. Ringnes, Inc – Second Amendment to Professional Services Agreement

15.5.3. Paul Haeder, MD – First Amendment to Professional Services Agreement

Director Zipkin pulled item 15.2. and Director Hill pulled item 15.4.1.

ACTION: Motion made by Director Wong, seconded by Director Brown, to approve the Consent Calendar excluding item 15.2. and item 15.4.1.
AYES: Directors Brown, Wong, Zipkin, Hill and Chamblin
Abstention: None
NAYS: None
Absent: None

16. ITEMS FOR BOARD DISCUSSION

16.1. Board Education

16.1.1. Mental & Behavioral Health

CNO and Scott Baker, Executive Director of Physician Services, presented on mental and behavioral health. Discussion was held.

16.2. PRIME Update

Eileen Knudson, Director of PRIME, provided an update on the PRIME program. Discussion was held.

16.3. Annual Accomplishments Report – Fiscal Year 2018

TFHD Administrative Council presented accomplishments from fiscal year 2018. Discussion was held.

17. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

Item 15.2. was discussed.

ACTION: Motion made by Director Zipkin, seconded by Director Wong, to approve Consent Calendar item 15.2, Financial Reports.

No public comment was received.

AYES: Directors Brown, Wong, Zipkin, Hill and Chamblin

Abstention: None

NAYS: None

Absent: None

Item 15.4.1. was discussed.

ACTION: Motion made by Director Hill, seconded by Director Brown, to approve Consent Calendar item 15.4.1, Board of Director Bylaws.

No public comment was received.

AYES: Directors Brown, Wong, Zipkin, Hill and Chamblin

Abstention: None

NAYS: None

Absent: None

18. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION

18.1. Executive Compensation Committee Meeting – 10/29/2018

Director Wong provided an update from the recent Executive Compensation Committee.

18.2. Quality Committee Meeting – 11/06/2018

Director Wong provided an update from the recent Quality Committee.

18.3. Governance Committee Meeting – No meeting held in November.

18.4. Finance Committee Meeting – No meeting held in November.

19. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS

None.

20. ITEMS FOR NEXT MEETING

None.

21. BOARD MEMBERS REPORTS/CLOSING REMARKS

Thank you to CFO for her update and work on the customer service program.

22. CLOSED SESSION CONTINUED, IF NECESSARY

Not applicable.

23. OPEN SESSION

24. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY

25. ADJOURN

Meeting adjourned at 8:28 p.m.

DRAFT

**TAHOE FOREST HOSPITAL DISTRICT
NOVEMBER 2018 FINANCIAL REPORT
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13	STATEMENT OF CASH FLOWS

Board of Directors
Of Tahoe Forest Hospital District
NOVEMBER 2018 FINANCIAL NARRATIVE

The following is the financial narrative analyzing financial and statistical trends for the five months ended November 30, 2018.

Activity Statistics

- ❑ TFH acute patient days were 491 for the current month compared to budget of 390. This equates to an average daily census of 16.4 compared to budget of 13.
- ❑ TFH Outpatient volumes were above budget in the following departments by at least 5%: Emergency Department visits, Surgical services, Medical Supplies Sold to Patients, Oncology Lab, Pathology, Cardiac Rehab, Diagnostic Imaging, Mammography, Medical & Radiation Oncology, MRI, Briner Ultrasound, Cat Scan, Drugs Sold to Patients, Endoscopy, Tahoe City Physical Therapy and Occupational Therapy, and Speech Therapy.

Financial Indicators

- ❑ Net Patient Revenue as a percentage of Gross Patient Revenue was 56.2% in the current month compared to budget of 53.8% and to last month's 47.4%. Current year's Net Patient Revenue as a percentage of Gross Patient Revenue is 50.6%, compared to budget of 53.7% and prior year's 51.6%.
- ❑ EBIDA was \$1,999,013 (7.3%) for the current month compared to budget of \$(222,586) (-1.0%), or \$2,221,599 (8.2%) above budget. Year-to-date EBIDA was \$9,589,741 (6.6%) compared to budget of \$4,019,718 (3.2%), or \$5,570,023 (3.5%) above budget.
- ❑ Cash Collections for the current month were \$13,875,248 which is 100% of targeted Net Patient Revenue.
- ❑ EPIC Gross Accounts Receivables were \$78,480,979 at the end of November compared to \$75,427,795 at the end of October.

Balance Sheet

- ❑ Working Capital Days Cash on Hand is 11.9 days. S&P Days Cash on Hand is 139.9. Working Capital cash increased \$975,000. Accounts Payable increased \$781,000, Accrued Payroll & Related Costs decreased \$3,296,000 after issuing the annual Gain Share and Director/Manager Incentive Comp bonuses. Cash Collections met target at 100% and the District transferred \$5m from its Cash Reserve Fund sitting in LAIF.
- ❑ Net Patients Accounts Receivable increased approximately \$71,000 and Cash collections were at 100% of target. EPIC Days in A/R at the close of November were 81.6.
- ❑ Estimated Settlements, Medi-Cal and Medicare increased \$1,822,000 after booking estimated amounts due from the HQAF and IGT Rate Range programs and the District booked an amount due from the Medicare program based on the "As Filed" FY18 cost report.
- ❑ Accounts Payable increased \$781,000 due to the timing of the final check run in November.
- ❑ Accrued Payroll & Related Costs decreased \$3,296,000 after issuing the annual Gain Share and Director/Manager Incentive Comp Bonuses.
- ❑ A reclassifying adjustment was made to Current Maturities of Long Term Debt to capture the current portion of the newly acquired Municipal Lease debt.

Operating Revenue

- ❑ Current month’s Total Gross Revenue was \$27,470,467, compared to budget of \$23,016,394 or \$4,454,073 above budget.
- ❑ Current month’s Gross Inpatient Revenue was \$8,196,207, compared to budget of \$6,585,116 or \$1,611,091 above budget.
- ❑ Current month’s Gross Outpatient Revenue was \$19,274,260 compared to budget of \$16,431,277 or \$2,842,982 above budget.
- ❑ Current month’s Gross Revenue Mix was 38.5% Medicare, 16.5% Medi-Cal, .0% County, 3.3% Other, and 41.7% Insurance compared to budget of 36.4% Medicare, 17.9% Medi-Cal, .0% County, 3.7% Other, and 42.0% Insurance. Last month’s mix was 39.1% Medicare, 18.0% Medi-Cal, .0% County, 2.3% Other, and 40.6% Insurance. Year-to-date Gross Revenue Mix was 40.3% Medicare, 15.9% Medi-Cal, .0% County, 3.3% Other, and 40.5% Insurance compared to budget of 36.4% Medicare, 17.5% Medi-Cal, .0% County, 3.7% Other, and 42.4% Commercial.
- ❑ Current month’s Deductions from Revenue were \$12,019,431 compared to budget of \$10,626,572 or \$1,392,859 above budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with a 2.17% increase in Medicare, a 1.40% decrease to Medi-Cal, County at budget, a .40% decrease in Other, and Commercial was below budget .37%, 2) Revenues exceeded budget by 19.4%, and 3) the District booked \$1,374,688 to Prior Period Settlements based on the receivable calculated on the “As Filed” FY18 cost reports.

DESCRIPTION	November 2018 Actual	November 2018 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	4,662,067	5,049,269	387,202	
Employee Benefits	1,932,014	1,649,124	(282,890)	
Benefits – Workers Compensation	54,231	55,820	1,589	
Benefits – Medical Insurance	1,078,914	598,402	(480,512)	Increased usage of our self-insured health insurance plan created a negative variance in Benefits-Medical Insurance.
Professional Fees	2,174,897	2,232,259	57,362	We saw positive variances in Emergency Department call coverage, MSC Physician fees, Radiology Income Guarantee fees, and legal fees budgeted for TIRHR.
Supplies	2,249,911	1,701,695	(548,217)	Negative variance in Supplies related to Drugs Sold to Patients. Revenues exceeded budget by 37.53%.
Purchased Services	1,386,057	1,374,114	(11,943)	Negative variance in Purchased Services related to HIPAA Risk Assessment services, software licensing, record retention and retrieval services provided to Medical Records, Employee Wellness at Work screenings, District wide maintenance projects, and services provided to Education and Accounting.
Other Expenses	772,511	782,353	9,841	Negative variances in Outside Travel & Training, Building Rent, and Dues & Subscriptions were offset by positive variances in most of the remaining Other Expenses categories. Controllable costs continue to be monitored closely by Senior Leadership, aiding in this positive variance.
Total Expenses	14,310,602	13,443,035	(867,567)	

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF NET POSITION
NOVEMBER 2018

	Nov-18	Oct-18	Nov-17	
ASSETS				
CURRENT ASSETS				
* CASH	\$ 5,343,823	\$ 4,368,653	\$ 6,810,220	1
PATIENT ACCOUNTS RECEIVABLE - NET	30,624,955	30,553,538	15,714,694	2
OTHER RECEIVABLES	8,441,476	7,653,227	7,920,358	
GO BOND RECEIVABLES	1,462,055	1,087,170	1,629,036	
ASSETS LIMITED OR RESTRICTED	7,616,805	7,418,024	7,076,626	
INVENTORIES	3,127,781	3,129,392	3,019,892	
PREPAID EXPENSES & DEPOSITS	2,109,748	2,054,038	1,894,200	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	8,549,632	6,727,272	8,255,174	3
TOTAL CURRENT ASSETS	<u>67,276,276</u>	<u>62,991,314</u>	<u>52,320,202</u>	
NON CURRENT ASSETS				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	57,460,296	62,460,296	61,539,114	1
MUNICIPAL LEASE 2018	5,818,864	5,818,864	32,222	
TOTAL BOND TRUSTEE 2017	20,025	19,999	19,809	
TOTAL BOND TRUSTEE 2015	826,222	689,124	957,788	
GO BOND PROJECT FUND	-	-	1	
GO BOND TAX REVENUE FUND	837,019	837,019	1,425,443	
DIAGNOSTIC IMAGING FUND	3,246	3,246	3,195	
DONOR RESTRICTED FUND	1,127,596	1,127,602	1,689,722	
WORKERS COMPENSATION FUND	(9,012)	1,450	22,991	
TOTAL	<u>66,084,255</u>	<u>70,957,600</u>	<u>65,690,285</u>	
LESS CURRENT PORTION	<u>(7,616,805)</u>	<u>(7,418,024)</u>	<u>(7,076,626)</u>	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	<u>58,467,449</u>	<u>63,539,576</u>	<u>58,613,658</u>	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	551,785	501,785	-	
PROPERTY HELD FOR FUTURE EXPANSION	894,951	894,951	836,353	
PROPERTY & EQUIPMENT NET	166,653,269	166,536,018	132,982,819	
GO BOND CIP, PROPERTY & EQUIPMENT NET	<u>1,843,332</u>	<u>1,841,394</u>	<u>33,414,455</u>	
TOTAL ASSETS	<u>295,687,063</u>	<u>296,305,038</u>	<u>278,167,487</u>	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	449,300	452,533	488,089	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	899,886	899,886	1,446,560	
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	5,864,564	5,888,268	6,149,020	
GO BOND DEFERRED FINANCING COSTS	458,415	460,349	481,629	
DEFERRED FINANCING COSTS	<u>182,049</u>	<u>183,089</u>	<u>194,532</u>	
TOTAL DEFERRED OUTFLOW OF RESOURCES	<u>\$ 7,854,213</u>	<u>\$ 7,884,125</u>	<u>\$ 8,759,830</u>	
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	\$ 5,983,041	\$ 5,202,462	\$ 5,151,685	4
ACCRUED PAYROLL & RELATED COSTS	9,898,649	13,194,937	15,428,462	5
INTEREST PAYABLE	475,633	391,572	429,454	
INTEREST PAYABLE GO BOND	1,271,369	953,527	1,604,074	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	220,128	262,512	47,577	
HEALTH INSURANCE PLAN	1,463,491	1,463,491	1,211,751	
WORKERS COMPENSATION PLAN	1,887,153	1,886,955	1,703,423	
COMPREHENSIVE LIABILITY INSURANCE PLAN	1,184,419	1,184,419	858,290	
CURRENT MATURITIES OF GO BOND DEBT	1,330,000	1,330,000	860,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	2,331,208	1,454,876	1,049,645	6
TOTAL CURRENT LIABILITIES	<u>26,045,091</u>	<u>27,324,751</u>	<u>28,344,360</u>	
NONCURRENT LIABILITIES				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	32,509,472	33,512,687	27,345,653	6
GO BOND DEBT NET OF CURRENT MATURITIES	<u>100,924,033</u>	<u>100,937,454</u>	<u>102,700,081</u>	
DERIVATIVE INSTRUMENT LIABILITY	899,886	899,886	1,446,560	
TOTAL LIABILITIES	<u>160,378,482</u>	<u>162,674,777</u>	<u>159,836,655</u>	
NET ASSETS				
NET INVESTMENT IN CAPITAL ASSETS	142,035,198	140,386,784	125,400,940	
RESTRICTED	<u>1,127,596</u>	<u>1,127,602</u>	<u>1,689,722</u>	
TOTAL NET POSITION	<u>\$ 143,162,794</u>	<u>\$ 141,514,386</u>	<u>\$ 127,090,662</u>	

* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF NET POSITION
NOVEMBER 2018

1. Working Capital is at 11.9 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 139.9 days. Working Capital cash increased a net \$975,000. Accounts Payable increased \$781,000 (See Note 4), Accrued Payroll & Related Costs decreased \$3,296,000 (See Note 5) after issuing the annual Gain Share and Director/Manager Incentive Comp bonuses. Cash Collections met target at 100% and the District transferred \$5m from its Cash Reserve Fund sitting in LAIF.
2. Net Patient Accounts Receivable increased approximately \$71,000 and Cash collections were 100% of target. EPIC Days in A/R were 81.6 compared to 78.0 at the close of October, a 3.60 days increase.
3. Estimated Settlements, Medi-Cal and Medicare increased a net \$1,822,000 after booking our estimated receivable for November from the HQAF and IGT Rate Range programs. The District also booked an amount due from the Medicare program based on the FY18 "As Filed" cost report receivable calculation.
4. Accounts Payable increased \$781,000 due to the timing of the final check run in the month.
5. Accrued Payroll & Related Costs decreased \$3,296,000 after issuing the annual Gain Share and Director/Manager Incentive Comp bonuses.
6. A reclassifying adjustment was made to Current Maturities of Other Long Term Debt to capture the current portion of the newly acquired Municipal Lease debt.

**Tahoe Forest Hospital District
Cash Investment
November 2018**

WORKING CAPITAL

US Bank	\$ 4,179,769		
US Bank/Kings Beach Thrift Store	17,149		
US Bank/Truckee Thrift Store	139,528		
US Bank/Payroll Clearing	-		
Umpqua Bank	<u>1,007,378</u>	0.40%	
Total			\$ 5,343,823

BOARD DESIGNATED FUNDS

US Bank Savings	\$ -	0.03%	
Capital Equipment Fund	<u>-</u>		
Total			\$ -

Building Fund	\$ -		
Cash Reserve Fund	<u>57,460,296</u>	2.21%	
Local Agency Investment Fund			\$ 57,460,296

Municipal Lease 2018			\$ 5,818,864
Bonds Cash 2017			\$ 20,025
Bonds Cash 2015			\$ 826,222
GO Bonds Cash 2008			\$ 837,019

DX Imaging Education	\$ 3,246		
Workers Comp Fund - B of A	(9,012)		
Insurance			
Health Insurance LAIF	-		
Comprehensive Liability Insurance LAIF	<u>-</u>		
Total			<u>\$ (5,766)</u>

TOTAL FUNDS			\$ 70,300,481
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RESTRICTED FUNDS

Gift Fund			
US Bank Money Market	\$ 8,359	0.03%	
Foundation Restricted Donations	34,641		
Local Agency Investment Fund	<u>1,084,596</u>	2.21%	
TOTAL RESTRICTED FUNDS			<u>\$ 1,127,596</u>

TOTAL ALL FUNDS			<u><u>\$ 71,428,077</u></u>
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TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NOVEMBER 2018

CURRENT MONTH				YEAR TO DATE				PRIOR YTD NOV 2017			
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%			
					OPERATING REVENUE						
\$ 27,470,467	\$ 23,016,394	\$ 4,454,073	19.4%	Total Gross Revenue	\$ 144,513,253	\$ 126,399,514	\$ 18,113,739	14.3%	1	\$ 108,844,244	
				Gross Revenues - Inpatient							
\$ 2,787,004	\$ 2,516,788	\$ 270,217	10.7%	Daily Hospital Service	\$ 14,295,912	\$ 12,704,965	\$ 1,590,947	12.5%		\$ 10,728,047	
5,409,203	4,068,329	1,340,874	33.0%	Ancillary Service - Inpatient	24,314,376	20,885,349	3,429,027	16.4%		18,587,850	
8,196,207	6,585,116	1,611,091	24.5%	Total Gross Revenue - Inpatient	38,610,288	33,590,314	5,019,975	14.9%	1	29,315,897	
				Gross Revenue - Outpatient							
19,274,260	16,431,277	2,842,982	17.3%	Gross Revenue - Outpatient	105,902,964	92,809,200	13,093,764	14.1%		79,528,348	
19,274,260	16,431,277	2,842,982	17.3%	Total Gross Revenue - Outpatient	105,902,964	92,809,200	13,093,764	14.1%	1	79,528,348	
				Deductions from Revenue:							
12,689,269	9,623,992	(3,065,276)	-31.9%	Contractual Allowances	67,175,278	53,027,643	(14,147,635)	-26.7%	2	48,370,461	
910,265	727,730	(182,535)	-25.1%	Charity Care	4,696,245	3,982,571	(713,675)	-17.9%	2	3,372,228	
-	-	-	0.0%	Charity Care - Catastrophic Events	-	-	-	0.0%	2	63,941	
(205,414)	274,850	480,264	174.7%	Bad Debt	1,057,354	1,509,757	452,403	30.0%	2	898,102	
(1,374,688)	-	1,374,688	0.0%	Prior Period Settlements	(1,470,265)	-	1,470,265	0.0%	2	(14,825)	
12,019,431	10,626,572	(1,392,859)	-13.1%	Total Deductions from Revenue	71,458,613	58,519,972	(12,938,642)	-22.1%		52,689,906	
80,105	87,143	7,038	8.1%	Property Tax Revenue- Wellness Neighborhood	423,514	438,736	(15,222)	-3.5%		336,400	
778,475	743,485	34,990	4.7%	Other Operating Revenue	4,287,689	3,820,352	467,337	12.2%	3	3,412,494	
16,309,615	13,220,449	3,089,166	23.4%	TOTAL OPERATING REVENUE	77,765,843	72,138,631	5,627,212	7.8%		59,903,232	
				OPERATING EXPENSES							
4,662,067	5,049,269	387,202	7.7%	Salaries and Wages	24,009,852	25,696,674	1,686,822	6.6%	4	22,490,306	
1,932,014	1,649,124	(282,890)	-17.2%	Benefits	7,889,639	7,526,882	(362,757)	-4.8%	4	7,397,047	
54,231	55,820	1,589	2.8%	Benefits Workers Compensation	304,721	279,102	(25,619)	-9.2%	4	282,511	
1,078,914	598,402	(480,512)	-80.3%	Benefits Medical Insurance	4,866,371	2,992,008	(1,874,364)	-62.6%	4	2,875,784	
2,174,897	2,232,259	57,362	2.6%	Professional Fees	10,601,770	10,999,936	398,166	3.6%	5	9,933,830	
2,249,911	1,701,695	(548,217)	-32.2%	Supplies	10,387,171	10,050,772	(336,398)	-3.3%	6	8,791,519	
1,386,057	1,374,114	(11,943)	-0.9%	Purchased Services	6,678,519	6,957,481	278,962	4.0%	7	5,966,897	
772,511	782,353	9,841	1.3%	Other	3,438,059	3,616,057	177,998	4.9%	8	3,356,182	
14,310,602	13,443,035	(867,567)	-6.5%	TOTAL OPERATING EXPENSE	68,176,102	68,118,913	(57,189)	-0.1%		61,094,077	
1,999,013	(222,586)	2,221,599	998.1%	NET OPERATING REVENUE (EXPENSE) EBIDA	9,589,741	4,019,718	5,570,023	138.6%		(1,190,845)	
				NON-OPERATING REVENUE/(EXPENSE)							
562,853	555,815	7,038	1.3%	District and County Taxes	2,791,277	2,776,055	15,222	0.5%	9	2,863,970	
374,886	374,886	0	0.0%	District and County Taxes - GO Bond	1,874,429	1,874,429	0	0.0%		1,664,405	
129,367	126,754	2,613	2.1%	Interest Income	645,287	643,615	1,672	0.3%	10	367,639	
-	-	-	0.0%	Interest Income-GO Bond	-	-	-	0.0%		-	
82,262	86,961	(4,699)	-5.4%	Donations	119,108	441,556	(322,448)	-73.0%	11	111,221	
-	-	-	0.0%	Gain/ (Loss) on Joint Investment	-	-	-	0.0%	12	-	
-	-	-	0.0%	Loss on Impairment of Asset	-	-	-	0.0%	12	-	
-	-	-	0.0%	Gain/ (Loss) on Sale of Equipment	5,850	-	5,850	0.0%	13	-	
-	-	-	0.0%	Impairment Loss	-	-	-	0.0%	14	-	
(1,059,977)	(1,059,977)	(0)	0.0%	Depreciation	(5,299,885)	(5,299,885)	(0)	0.0%	15	(4,891,329)	
(109,936)	(87,091)	(22,845)	-26.2%	Interest Expense	(490,686)	(435,454)	(55,232)	-12.7%	16	(418,472)	
(330,061)	(323,929)	(6,132)	-1.9%	Interest Expense-GO Bond	(1,640,868)	(1,572,104)	(68,765)	-4.4%		(1,616,293)	
(350,606)	(326,580)	(24,025)	-7.4%	TOTAL NON-OPERATING REVENUE/(EXPENSE)	(1,995,489)	(1,571,789)	(423,700)	-27.0%		(1,918,859)	
\$ 1,648,408	\$ (549,166)	\$ 2,197,574	-400.2%	INCREASE (DECREASE) IN NET POSITION	\$ 7,594,252	\$ 2,447,929	\$ 5,146,323	210.2%		\$ (3,109,703)	
				NET POSITION - BEGINNING OF YEAR	135,568,542						
				NET POSITION - AS OF NOVEMBER 30 2018	\$ 143,162,794						
7.3%	-1.0%	8.2%		RETURN ON GROSS REVENUE EBIDA	6.6%	3.2%	3.5%			-1.1%	

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
NOVEMBER 2018

		Variance from Budget	
		Fav / <Unfav>	
		NOV 2018	YTD 2019
1) Gross Revenues			
<p>Acute Patient Days were above budget 25.89% or 101 days. Swing Bed days were over budget 23.80% or 10 days. Inpatient Ancillary revenues exceeded budget by 33% due to the higher acuity levels in our Medicare patient population.</p> <p>Outpatient volumes were above budget in the following departments: Emergency Department visits, Surgical services, Medical Supplies Sold to Patients, Oncology Lab tests, Pathology, Cardiac Rehab, Diagnostic Imaging, Mammography, Medical & Radiation Oncology, MRI, Briner Ultrasounds, Cat Scans, Drugs Sold to Patients, Gastroenterology, Speech Therapy, and Tahoe City Physical Therapy and Occupational Therapy.</p>	<p>Gross Revenue -- Inpatient</p> <p>Gross Revenue -- Outpatient</p> <p>Gross Revenue -- Total</p>	<p>\$ 1,611,091</p> <p>2,842,982</p> <p><u>\$ 4,454,073</u></p>	<p>\$ 5,019,975</p> <p>13,093,764</p> <p><u>\$ 18,113,739</u></p>
2) Total Deductions from Revenue			
<p>The payor mix for November shows a 2.17% increase to Medicare, a 1.40% decrease to Medi-Cal, .40% decrease to Other, County at budget, and a .37% decrease to Commercial when compared to budget. Contractual Allowances were over budget due to a shift in Payor Mix from Commercial to Medicare and revenues exceeding budget by 19.40%.</p> <p>The District completed its FY18 "As Filed" cost reports for the Medicare program which resulted in a higher reimbursement from the program than estimated during the FY18 year-end close. This resulted in a positive variance in Prior Period Settlements.</p>	<p>Contractual Allowances</p> <p>Charity Care</p> <p>Charity Care - Catastrophic</p> <p>Bad Debt</p> <p>Prior Period Settlements</p> <p>Total</p>	<p>\$ (3,065,276)</p> <p>(182,535)</p> <p>-</p> <p>480,264</p> <p>1,374,688</p> <p><u>\$ (1,392,859)</u></p>	<p>\$ (14,147,635)</p> <p>(713,675)</p> <p>-</p> <p>452,403</p> <p>1,470,265</p> <p><u>\$ (12,938,642)</u></p>
3) Other Operating Revenue			
<p>Retail Pharmacy revenues exceeded budget by 8.89%.</p> <p>Hospice Thrift Store revenues exceeded budget by 19.08% in November.</p> <p>The Center (non-therapy) revenues exceeded budget for the month in Occupational Health testing and Fitness Center memberships.</p> <p>Rebates & Refunds fell short of budget, creating a negative variance in Miscellaneous.</p>	<p>Retail Pharmacy</p> <p>Hospice Thrift Stores</p> <p>The Center (non-therapy)</p> <p>IVCH ER Physician Guarantee</p> <p>Children's Center</p> <p>Miscellaneous</p> <p>Oncology Drug Replacement</p> <p>Grants</p> <p>Total</p>	<p>18,946</p> <p>17,115</p> <p>29,215</p> <p>2,084</p> <p>9,930</p> <p>\$ (42,300)</p> <p>-</p> <p>-</p> <p><u>\$ 34,990</u></p>	<p>129,225</p> <p>134,389</p> <p>(9,094)</p> <p>80,362</p> <p>32,807</p> <p>90,649</p> <p>-</p> <p>9,000</p> <p><u>\$ 467,337</u></p>
4) Salaries and Wages			
<p>Positive variance in Salaries and Wages was offset by negative variances in PL/SL, Nonproductive, and Standby.</p>	<p>Total</p>	<p>\$ 387,202</p>	<p>\$ 1,686,822</p>
Employee Benefits			
<p>Negative variance in PL/SL related to greater usage of Paid Leave during the Thanksgiving Holiday.</p> <p>Negative variance in Nonproductive associated with an employment related matter.</p>	<p>PL/SL</p> <p>Nonproductive</p> <p>Pension/Deferred Comp</p> <p>Standby</p> <p>Other</p> <p>Total</p>	<p>\$ (89,828)</p> <p>(117,618)</p> <p>(30,010)</p> <p>(16,291)</p> <p>(29,144)</p> <p><u>\$ (282,890)</u></p>	<p>\$ (198,529)</p> <p>(254,782)</p> <p>105,836</p> <p>(47,713)</p> <p>32,431</p> <p><u>\$ (362,757)</u></p>
Employee Benefits - Workers Compensation			
	<p>Total</p>	<p>\$ 1,589</p>	<p>\$ (25,619)</p>
Employee Benefits - Medical Insurance			
<p>The District's health insurance plan is self-funded. We are witnessing an increased amount of employee claims being processed by our Third Party Administrator.</p>	<p>Total</p>	<p>\$ (480,512)</p>	<p>\$ (1,874,364)</p>
5) Professional Fees			
<p>Negative variance in TFH/IVCH Therapy Services arose from an increase in volumes over budget for Tahoe City Physical and Occupational Therapy.</p> <p>Negative variance in Home Health/Hospice related to outsourced Therapist fees.</p> <p>Sleep Clinic Pro Fees are tied to collections which exceeded budget for the first five months in FY19.</p> <p>Legal services, compensation reviews, and pension consulting created a negative variance in Human Resources.</p> <p>Emergency Department coverage fell short of budget creating a positive variance in TFH Locums.</p> <p>MSC physician fees came in below budget, creating a positive variance in Multi-Specialty Clinics.</p>	<p>TFH/IVCH Therapy Services</p> <p>Home Health/Hospice</p> <p>The Center (includes OP Therapy)</p> <p>Information Technology</p> <p>Sleep Clinic</p> <p>IVCH ER Physicians</p> <p>Patient Accounting/Admitting</p> <p>Respiratory Therapy</p> <p>Marketing</p> <p>Corporate Compliance</p> <p>Multi-Specialty Clinics Administration</p> <p>Financial Administration</p> <p>Medical Staff Services</p> <p>Administration</p> <p>Human Resources</p> <p>TFH Locums</p> <p>Oncology</p> <p>Managed Care</p> <p>Miscellaneous</p> <p>Multi-Specialty Clinics</p> <p>Total</p>	<p>\$ (44,454)</p> <p>(18,240)</p> <p>8,370</p> <p>11,371</p> <p>(50,844)</p> <p>225</p> <p>-</p> <p>-</p> <p>2,167</p> <p>250</p> <p>3,412</p> <p>(5,000)</p> <p>3,783</p> <p>16,111</p> <p>(33,562)</p> <p>40,621</p> <p>3,849</p> <p>6,805</p> <p>27,722</p> <p>84,775</p> <p><u>\$ 57,362</u></p>	<p>\$ (51,328)</p> <p>(45,949)</p> <p>(45,090)</p> <p>(18,259)</p> <p>(17,991)</p> <p>(3,623)</p> <p>-</p> <p>-</p> <p>6,442</p> <p>10,675</p> <p>14,133</p> <p>14,362</p> <p>15,594</p> <p>17,837</p> <p>25,796</p> <p>27,179</p> <p>34,740</p> <p>49,574</p> <p>111,591</p> <p>252,484</p> <p><u>\$ 398,166</u></p>

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
NOVEMBER 2018

		<u>Variance from Budget</u>	
		<u>Fav / <Unfav></u>	
		<u>NOV 2018</u>	<u>YTD 2019</u>
6) <u>Supplies</u>	Patient & Other Medical Supplies	\$ 15,889	\$ (233,127)
Drugs Sold to Patients and Oncology Drugs Sold to Patients revenues exceeded budget by 37.53%, creating a negative variance in Pharmacy Supplies.	Minor Equipment	(10,751)	(102,149)
	Food	(2,352)	(42,223)
	Other Non-Medical Supplies	(2,770)	(9,490)
	Imaging Film	40	235
	Pharmacy Supplies	(549,193)	21,787
	Office Supplies	920	28,568
	Total	\$ (548,217)	\$ (336,398)
7) <u>Purchased Services</u>	Laboratory	\$ (5,241)	\$ (63,675)
HIPAA Risk Assessment services coupled with additional licensing needs for the District is creating a negative variance in Information Technology.	Information Technology	(14,314)	(47,134)
Record retention and retrieval services created a negative variance in Medical Records.	Diagnostic Imaging Services - All Medical Records	(750)	(28,193)
	Home Health/Hospice	(13,939)	(16,101)
Services provided to MSC Orthopedics and Employee Wellness at Work screenings created a negative variance in Multi-Specialty Clinics.	Pharmacy IP	(3,621)	(2,646)
	Community Development	2,338	(2,238)
Employee pre-employment health screenings fell short of budget, creating a positive variance in Human Resources.	Department Repairs	(73)	(205)
	Multi-Specialty Clinics	12,840	1,292
Services provided to Education, Facilities and Accounting created a negative variance in Miscellaneous.	Multi-Specialty Clinics	(34,268)	4,051
	The Center	4,647	27,940
	Human Resources	44,224	86,713
	Miscellaneous	(12,314)	95,408
	Patient Accounting	8,526	223,748
	Total	\$ (11,943)	\$ 278,962
8) <u>Other Expenses</u>	Outside Training & Travel	\$ (35,775)	\$ (72,091)
Tuition reimbursements, outside training for Cardiac Rehab staff, and travel costs in Human Resources, Business Office, Medical Records, and Revenue Cycle created a negative variance in Outside Training & Travel.	Equipment Rent	(3,681)	(32,380)
Negative variance in Other Building Rent related to Hospice Thrift Store moves requiring duplicate rental expense while new space is readied for occupancy. Part of the additional expense is offset by subleasing out prior used Thrift Store space.	Other Building Rent	(12,512)	(22,815)
	Dues and Subscriptions	(11,885)	(9,825)
Participation in the Town of Truckee's Phase II commitment and Mountain Housing membership created a negative variance in Dues and Subscriptions.	Multi-Specialty Clinics Bldg Rent	(7,334)	(5,326)
	Multi-Specialty Clinics Equip Rent	36	123
Space expansion needs for MSC Administration created a negative variance in Multi-Specialty Clinics Building Rent.	Physician Services	1,309	5,609
	Insurance	(163)	5,823
Physician Recruitment costs created a negative variance in Miscellaneous.	Miscellaneous	(12,029)	58,021
	Human Resources Recruitment	15,348	71,224
Electricity, Water/Sewer, and Natural Gas/Propane expenses came in below budget, creating a positive variance in Utilities.	Marketing	37,284	79,315
	Utilities	39,242	100,319
	Total	\$ 9,841	\$ 177,998
9) <u>District and County Taxes</u>	Total	\$ 7,038	\$ 15,222
10) <u>Interest Income</u>	Total	\$ 2,613	\$ 1,672
11) <u>Donations</u>	IVCH	\$ (36,961)	\$ (184,524)
	Operational	32,262	(137,924)
	Capital Campaign		
	Total	\$ (4,699)	\$ (322,448)
12) <u>Gain/(Loss) on Joint Investment</u>	Total	\$ -	\$ -
13) <u>Gain/(Loss) on Sale</u>	Total	\$ -	\$ 5,850
15) <u>Depreciation Expense</u>	Total	\$ -	\$ -
16) <u>Interest Expense</u>	Total	\$ (22,845)	\$ (55,232)
The addition of the new, unbudgeted Municipal Lease is creating a negative variance in Interest Expense.			

INCLINE VILLAGE COMMUNITY HOSPITAL
STATEMENT OF REVENUE AND EXPENSE
NOVEMBER 2018

CURRENT MONTH				YEAR TO DATE				PRIOR YTD NOV 2017		
ACTUAL	BUDGET	VAR\$	VAR%	ACTUAL	BUDGET	VAR\$	VAR%			
				OPERATING REVENUE						
\$ 1,582,224	\$ 1,601,861	\$ (19,636)	-1.2%	Total Gross Revenue	\$ 9,861,771	\$ 9,579,309	\$ 282,461	2.9%	1	\$ 7,588,593
				Gross Revenues - Inpatient						
\$ -	\$ 12,670	\$ (12,670)	-100.0%	Daily Hospital Service	\$ 14,601	\$ 38,662	\$ (24,061)	-62.2%		\$ 16,080
-	4,342	(4,342)	-100.0%	Ancillary Service - Inpatient	\$ 15,124	33,308	(18,184)	-54.6%		23,262
-	17,011	(17,011)	-100.0%	Total Gross Revenue - Inpatient	29,725	71,969	(42,244)	-58.7%	1	39,342
1,582,224	1,584,850	(2,625)	-0.2%	Gross Revenue - Outpatient	\$ 9,832,046	9,507,340	324,706	3.4%		7,549,251
1,582,224	1,584,850	(2,625)	-0.2%	Total Gross Revenue - Outpatient	9,832,046	9,507,340	324,706	3.4%	1	7,549,251
				Deductions from Revenue:						
1,015,733	617,256	(398,477)	-64.6%	Contractual Allowances	\$ 3,859,582	3,791,110	(68,472)	-1.8%	2	2,926,662
78,072	63,880	(14,192)	-22.2%	Charity Care	\$ 393,522	361,145	(32,377)	-9.0%	2	255,410
-	-	-	0.0%	Charity Care - Catastrophic Events	\$ -	-	-	0.0%	2	19,729
19,907	60,705	40,798	67.2%	Bad Debt	\$ 246,376	341,555	95,179	27.9%	2	274,802
74,873	-	(74,873)	0.0%	Prior Period Settlements	\$ 74,873	-	(74,873)	0.0%	2	-
1,188,585	741,840	(446,745)	-60.2%	Total Deductions from Revenue	4,574,353	4,493,809	(80,544)	-1.8%	2	3,476,602
58,498	56,801	1,698	3.0%	Other Operating Revenue	\$ 472,352	391,862	80,490	20.5%	3	456,189
452,138	916,822	(464,684)	-50.7%	TOTAL OPERATING REVENUE	5,759,769	5,477,362	282,407	5.2%		4,568,179
				OPERATING EXPENSES						
258,038	352,038	94,000	26.7%	Salaries and Wages	\$ 1,519,763	1,673,513	153,750	9.2%	4	1,502,820
126,820	91,666	(35,154)	-38.3%	Benefits	\$ 525,232	474,596	(50,636)	-10.7%	4	514,187
3,052	4,912	1,860	37.9%	Benefits Workers Compensation	\$ 21,149	24,562	3,413	13.9%	4	11,783
65,180	35,246	(29,933)	-84.9%	Benefits Medical Insurance	\$ 288,264	176,231	(112,032)	-63.6%	4	182,035
302,137	265,879	(36,258)	-13.6%	Professional Fees	\$ 1,323,895	1,374,068	50,173	3.7%	5	1,217,757
51,217	60,219	9,002	14.9%	Supplies	\$ 279,021	362,358	83,337	23.0%	6	250,777
53,508	44,561	(8,947)	-20.1%	Purchased Services	\$ 233,475	222,669	(10,806)	-4.9%	7	200,880
66,491	68,441	1,950	2.8%	Other	\$ 362,703	336,325	(26,379)	-7.8%	8	281,660
926,442	922,962	(3,481)	-0.4%	TOTAL OPERATING EXPENSE	4,553,503	4,644,323	90,820	2.0%		4,161,900
(474,304)	(6,140)	(468,164)	-7624.6%	NET OPERATING REV(EXP) EBIDA	1,206,267	833,039	373,227	44.8%		406,279
				NON-OPERATING REVENUE/(EXPENSE)						
-	36,961	(36,961)	-100.0%	Donations-IVCH	\$ 7,032	191,556	(184,524)	-96.3%	9	13,500
-	-	-	0.0%	Gain/ (Loss) on Sale	\$ -	-	-	0.0%	10	
(59,302)	(59,302)	-	0.0%	Depreciation	\$ (296,511)	(296,511)	-	0.0%	11	(306,542)
(59,302)	(22,341)	(36,961)	-165.4%	TOTAL NON-OPERATING REVENUE/(EXP)	(289,479)	(104,955)	(184,524)	-175.8%		(293,042)
\$ (533,607)	\$ (28,481)	\$ (505,125)	-1773.5%	EXCESS REVENUE(EXPENSE)	\$ 916,788	\$ 728,084	\$ 188,704	25.9%		\$ 113,237
-30.0%	-0.4%	-29.6%		RETURN ON GROSS REVENUE EBIDA	12.2%	8.7%	3.5%			5.4%

**INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
NOVEMBER 2018**

		<u>Variance from Budget</u>	
		<u>Fav<Unfav></u>	
		<u>NOV 2018</u>	<u>YTD 2019</u>
1) <u>Gross Revenues</u>			
Acute Patient Days were below budget by 2 at 0 and Observation Days were 2 days below budget at 0.	Gross Revenue -- Inpatient	\$ (17,011)	\$ (42,244)
	Gross Revenue -- Outpatient	(2,625)	324,706
		<u>\$ (19,636)</u>	<u>\$ 282,461</u>
Outpatient volumes fell short of budget in Surgical Services, Laboratory tests, Cat Scans, and Sleep Clinic studies.			
2) <u>Total Deductions from Revenue</u>			
We saw a shift in our payor mix with a 3.18% decrease in Commercial Insurance, a 3.92% increase in Medicare, a 1.42% increase in Medicaid, a 2.16% decrease in Other, and County was at budget. We saw a negative variance in Contractual Allowances as a result of a shift in our Commercial Aged A/R to over 120 days.	Contractual Allowances	\$ (398,477)	\$ (68,472)
	Charity Care	(14,192)	(32,377)
	Charity Care-Catastrophic Event	-	-
	Bad Debt	40,798	95,179
	Prior Period Settlement	(74,873)	(74,873)
	Total	<u>\$ (446,745)</u>	<u>\$ (80,544)</u>
The District completed its FY18 "As Filed" cost reports for the Medicare and Medicaid programs. The result was a net negative amount due to the programs creating a negative variance in Prior Period Settlements.			
3) <u>Other Operating Revenue</u>			
IVCH ER Physician Guarantee is tied to collections which exceeded budget in November.	IVCH ER Physician Guarantee	\$ 2,084	\$ 80,362
	Miscellaneous	(386)	128
	Total	<u>\$ 1,698</u>	<u>\$ 80,490</u>
4) <u>Salaries and Wages</u>			
Positive variance in Salaries and Wages was partially offset by negative variances in PL/SL.	Total	<u>\$ 94,000</u>	<u>\$ 153,750</u>
<u>Employee Benefits</u>	PL/SL	\$ (28,815)	\$ (43,907)
Negative variance in PL/SL related to greater usage of Paid Leave during the Thanksgiving Holiday season.	Standby	652	2,157
	Other	3,263	2,325
	Nonproductive	(100)	(1,057)
	Pension/Deferred Comp	(10,154)	(10,154)
	Total	<u>\$ (35,154)</u>	<u>\$ (50,636)</u>
<u>Employee Benefits - Workers Compensation</u>	Total	<u>\$ 1,860</u>	<u>\$ 3,413</u>
<u>Employee Benefits - Medical Insurance</u>	Total	<u>\$ (29,933)</u>	<u>\$ (112,032)</u>
The District's health insurance plan is self-funded. We are witnessing an increased amount of employee claims being processed by our Third Party Administrator.			
5) <u>Professional Fees</u>			
Negative variance in Sleep Clinic Pro Fees related to increased collections against budget for the first five months of FY19.	Sleep Clinic	\$ (50,844)	\$ (17,991)
	IVCH ER Physicians	225	(3,623)
	Administration	-	-
	Foundation	-	-
	Miscellaneous	-	2,331
We saw positive variances in MSC physician fees in the IVCH Health Clinic, MSC IM/Pediatrics, and MSC Orthopedic Surgery.	Therapy Services	1,272	16,331
	Multi-Specialty Clinics	13,089	53,126
	Total	<u>\$ (36,258)</u>	<u>\$ 50,173</u>
6) <u>Supplies</u>			
Positive variance in Patient & Other Medical Supplies related to Implants supply costs.	Non-Medical Supplies	\$ 1,138	\$ (6,029)
	Minor Equipment	596	(3,299)
	Imaging Film	-	-
	Office Supplies	646	2,331
	Food	574	3,906
Drugs Sold to Patients revenues exceeded budget by 78.24%, creating a negative variance in Pharmacy Supplies.	Pharmacy Supplies	(5,375)	32,196
	Patient & Other Medical Supplies	11,422	54,234
	Total	<u>\$ 9,002</u>	<u>\$ 83,337</u>

**INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
NOVEMBER 2018**

		<u>Variance from Budget</u>	
		<u>Fav<Unfav></u>	
		<u>NOV 2018</u>	<u>YTD 2019</u>
7) <u>Purchased Services</u>			
Negative variance in Department Repairs arose from mechanical work and normal operational repairs to Lab equipment.	Multi-Specialty Clinics	\$ (1,633)	\$ (8,806)
	Department Repairs	(7,717)	(7,705)
	EVS/Laundry	(2,227)	(4,876)
	Engineering/Plant/Communications	711	(4,401)
	Surgical Services	-	-
	Pharmacy	-	-
	Foundation	227	314
	Diagnostic Imaging Services - All	829	4,344
	Laboratory	512	4,718
	Miscellaneous	351	5,607
	Total	<u>\$ (8,947)</u>	<u>\$ (10,806)</u>
8) <u>Other Expenses</u>			
Tuition Assistance reimbursements created a negative variance in Outside Training & Travel.	Miscellaneous	\$ (916)	\$ (34,338)
	Outside Training & Travel	(4,025)	(10,692)
	Insurance	(78)	(310)
	Other Building Rent	-	-
	Physician Services	-	-
Oxygen tank rentals fell short of budget, creating a positive variance in Equipment Rent.	Dues and Subscriptions	810	550
	Multi-Specialty Clinics Bldg Rent	(94)	3,588
	Marketing	1,023	3,623
	Equipment Rent	3,150	4,587
	Utilities	2,079	6,613
	Total	<u>\$ 1,950</u>	<u>\$ (26,379)</u>
9) <u>Donations</u>			
Capital Campaign donations fell short of budget estimations, creating a negative variance in Donations.	Total	<u>\$ (36,961)</u>	<u>\$ (184,524)</u>
10) <u>Gain/(Loss) on Sale</u>			
	Total	<u>\$ -</u>	<u>\$ -</u>
11) <u>Depreciation Expense</u>			
	Total	<u>\$ -</u>	<u>\$ -</u>

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF CASH FLOWS

	AUDITED		BUDGET	PROJECTED	ACTUAL	BUDGET		ACTUAL	PROJECTED	PROJECTED	PROJECTED
	FYE 2018		FYE 2019	FYE 2019	NOV 2018	NOV 2018	DIFFERENCE	1ST QTR	2ND QTR	3RD QTR	4TH QTR
Net Operating Rev/(Exp) - EBIDA	\$ 9,897,289		\$ 8,876,838	\$ 14,431,060	\$ 1,999,013	\$ (222,586)	\$ 2,221,599	\$ 7,158,158	\$ 3,215,802	\$ 1,911,636	\$ 2,145,464
Interest Income	667,478		1,232,724	1,221,937	-	-	-	231,207	334,416	331,763	324,550
Property Tax Revenue	6,938,847		6,965,000	6,994,130	-	-	-	442,497	91,633	3,660,000	2,800,000
Donations	1,449,325		800,000	786,348	99,616	80,000	19,616	-	111,348	250,000	425,000
Debt Service Payments	(2,078,463)		(3,058,371)	(4,612,652)	(284,845)	(138,057)	(146,788)	(1,012,051)	(850,431)	(1,046,486)	(1,703,685)
Property Purchase Agreement	-		-	(405,966)	-	-	-	-	-	(202,983)	(202,983)
2018 Municipal Lease	(103,515)		-	(1,148,644)	(146,871)	-	(146,871)	-	(289,981)	(429,332)	(429,332)
Copier	(11,482)		(11,520)	(11,190)	(878)	(960)	82	(2,714)	(2,715)	(2,880)	(2,880)
2017 VR Demand Bond	(319,664)		(1,401,687)	(1,401,687)	-	-	-	(598,045)	(146,443)	-	(657,199)
2015 Revenue Bond	(1,643,802)		(1,645,164)	(1,645,166)	(137,097)	(137,097)	(0)	(411,292)	(411,292)	(411,291)	(411,291)
Physician Recruitment	(160,536)		(187,500)	(185,863)	-	-	-	(145,863)	-	(20,000)	(20,000)
Investment in Capital											
Equipment	(2,766,680)		(2,911,369)	(2,911,369)	(382,955)	(222,598)	(160,357)	(936,378)	(721,882)	(1,039,643)	(213,466)
Municipal Lease Reimbursement	219,363		-	5,081,136	-	-	-	-	2,181,136	1,500,000	1,400,000
IT/EMR/Business Systems	(4,182,129)		(3,986,507)	(3,986,507)	(32,366)	(680,921)	648,555	(844,873)	(708,079)	(1,323,555)	(1,110,000)
Building Projects/Properties	(4,415,940)		(15,438,772)	(15,438,772)	(762,986)	(3,809,920)	3,046,934	(1,819,774)	(4,062,079)	(7,295,774)	(2,261,144)
Capital Investments	(475,000)		(452,000)	(452,000)	-	-	-	-	-	(452,000)	-
Change in Accounts Receivable	(6,540,593)	N1	3,103,131	3,107,260	(71,417)	3,452,306	(3,523,723)	(8,013,339)	2,201,808	7,172,497	1,746,294
Change in Settlement Accounts	6,898,578	N2	1,609,698	3,016,842	(1,864,744)	(3,032,288)	1,167,544	853,760	(2,511,126)	(1,250,000)	5,924,208
Change in Other Assets	(6,700,275)	N3	(2,812,500)	(3,982,911)	(292,496)	(185,000)	(107,496)	(1,651,139)	(1,261,773)	(535,000)	(535,000)
Change in Other Liabilities	(857,461)	N4	375,000	335,000	(2,431,648)	(500,000)	(1,931,648)	694,254	(3,984,254)	2,525,000	1,100,000
Change in Cash Balance	(2,106,197)		(5,884,628)	3,403,638	(4,024,829)	(5,259,064)	1,234,234	(5,043,542)	(5,963,480)	4,388,438	10,022,221
Beginning Unrestricted Cash	72,911,743		70,805,546	70,805,546	66,828,949	66,828,949	-	70,805,546	65,762,004	59,798,524	64,186,963
Ending Unrestricted Cash	70,805,546		64,920,918	74,209,184	62,804,119	61,569,885	1,234,234	65,762,004	59,798,524	64,186,963	74,209,184
Expense Per Day	414,300		448,115	448,821	448,803	447,119	1,683	432,620	449,966	448,046	448,821
Days Cash On Hand	171		145	165	140	138	2	152	133	143	165

Footnotes:

N1 - Change in Accounts Receivable reflects the 60 day delay in collections.

N2 - Change in Settlement Accounts reflect cash flows in and out related to prior year and current year Medicare and Medi-Cal settlement accounts.

N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.

N4 - Change in Other Liabilities reflect fluctuations in liability accounts on the Balance Sheet that effect cash. For example, an increase in accounts payable effects EBIDA but not cash.



Board Informational Report

By: Harry Weis
CEO

DATE: 12/12/18

We continue to experience higher overall patient volumes for three months in a row, which includes September, October and November, where we continue to be achieving individual monthly overall patient volumes and patient revenues approximately 20% higher than budget. We are humbled and grateful for patients who choose our healthcare system for their healthcare needs.

Last fiscal year, we generated approximately 67,598 provider office visits. Fiscal year to date, we are on pace to achieve approximately 80,000 provider office visits. TFHS has also been offering 7 days a week primary care provider services at the Gateway Center on Donner Pass Road.

TFHS had very strong financial performance in the month of November and year to date compared to budget. These improved performance levels are very important for the Health System to have the capacity to reinvest in building space, equipment and other essential technology needed to meet the growing and diverse healthcare needs of our community.

We have seen our Patient Satisfaction scores continue to grow each year since June 30, 2016. At that point, we achieved an overall score of 93.76. Last fiscal year we achieved 94.11 and during the first quarter of this fiscal year we are at 94.77. These are very, very high scores for any health system in the US.

The new patient and team member parking (approximately 58 parking spaces) where the old Administration building was located are generally full nearly every week day during business hours.

We are conducting an in-depth parking demand study for present and future needs. Many health system campuses are experiencing strong growth year over year in the number of patient visits per day and per year, coupled with an increasing healthcare team to serve the growing healthcare needs in most communities.

As we have a very small campus compared to most healthcare systems, it is vital that we attempt to estimate future patient and team member parking demand up to 40 years or so into the future relative to where and how these growing and changing needs can be met.

Our team continues to be very focused on the important elements of our new Strategic Plan.

We had the largest annual team member Christmas party ever in the history of the Health System with approximately 600 individuals in attendance.

TFHS recently completed our biannual Employee Engagement survey with an 82% response rate which is the highest response rate ever. Two years ago, the response rate was 51%.

We have begun a major refresh and remodel of our Extended Care Center with new public area flooring and wall painting. We are planning to remodel all patient rooms two at a time beginning in 3-4 months.

Construction buildouts are taking place on the 3rd floor of the Medical Office Building and on the 2nd floor of the Cancer Center.

We have many other capital improvements underway at the Health System as well, including a new fire alarm system and an amplification system for police and fire wireless radios to work throughout the hospital.

Keeping you informed.

Harry



Board COO Report

By: Judith B. Newland

DATE: December 2018

Quality: Pursue Excellence in Quality, Safety and Patient Experience

Focus on our culture of safety

As part of the Health System's commitment to safety and being a high reliability organization, a formal kick-off of the Collaborative Culture of Safety Program occurred on December 4th. This program will advance safety throughout our Health System through implementation of processes and procedures. The kick-off began with an over view of the program to our Administrative Council. This was followed by a two-day training for the multidisciplinary Collaborative Culture of Safety Team. The team includes clinical, nonclinical, and medical staff.

People: Strengthen a Highly Engaged Culture that Inspires Team Work

Build Trust

Hospital and medical staff have been educated to the Strategic Plan Framework that the Board of Directors approved on September 27th, 2018. Each Director/Manager were given talking points to assure all important information is shared to staff. Additionally, members of the Administrative Team gave presentations to departments and medical staff as requested.

There were 111 comments from employees on what breaks down and hinders teamwork throughout the organization from our Town Hall meetings in spring of 2018. To prioritize those ideas, employees were invited to participate in one of four Merry Teamwork Forums in December. Each employee was asked to stop by a forum and take a couple minutes to let us know what they feel is important to improve teamwork throughout the organization. Forums were held at Tahoe Forest Hospital, Incline Village Community Hospital, and the Pioneer Center. Thank you to the staff who participated.

Service: Optimize Deliver Model to Achieve Operational and Clinical Efficiency

Implement a focused master plan

Report provided by Dylan Crosby, Manger Facilities and Construction Management

Moves:

- The TFHS Foundation moved to a new location at 11075 Donner Pass Road.
- The Physician Services leadership has moved to the old TFHS Foundation location at 10976 Donner Pass Road.
- The offices for Medical Staff, Chief Medical Officer, Marketing, Governance and Compliance have moved to 10895 Spring Lane.

Projects in Progress:

Project: TFH Fire Alarm Replacement Project

Start of Construction: 3/12/2018

Estimated Completion: 7/12/2019

Summary of Work: Remove and replace existing Fire Alarm System.

Update Summary: All work is 100% completed, we are proceeding with OSHPD final inspection scheduled for 1/3/2019.

Project: TFHD Pharmacy Clean Room, OSHPD S170926-29-00

Estimated Start of Construction: 4/30/2018

Estimated Completion: Spring 2019

Summary of Work: To meet new federal USP 800 regulations the surgical special procedures room will be reconstructed to house pharmacy compounding during construction, Phase 1. Phase 2 will be to reconstruct the Pharmacy to meet USP 800 requirements.

Update Summary: OSHPD has granted occupancy of the temporary room, Board of Pharmacy and CDPH approval is in progress. Board of Pharmacy is scheduled to inspect 12/19/2018.

Project: IM Cardiology Expansion

Estimated Start of Construction: 6/11/2018

Estimated Completion: 2/1/2019

Summary of Work: Construct 3 new exam rooms and a MD/MA office in the west end of IM Cardiology to increase access for care.

Update Summary: Project has been given occupancy and providers are working in the area. There is one punch list item remaining which is in progress.

Project: 3rd Floor MOB Phase 1

Estimated Start of Construction: 11/19/2018

Estimated Completion: Fall 2019

Summary of Work: Phase 1 reconstruct the 3rd Floor MOB 2 western suites for increased flexibility and additional exam rooms.

Update Summary: Demolition is scheduled to complete 12/21/2018.

Project: Cancer Center 2nd Floor

Estimated Start of Construction: 10/18/2018

Estimated Completion: Fall 2019

Summary of Work: Construct the 2nd floor of the Cancer Center for expansion of Rural Health Clinic Services.

Update Summary: Crews are continuing to working at night downstairs for utility installation. Upstairs rough framing is 25% completed.

Project: Tahoe City Physical Therapy Expansion

Estimated Start of Construction: February 2019

Estimated Completion: May 2019

Summary of Work: Lease and renovate the remainder of the second floor of existing building.

Update Summary: Permit has been approved. The project is out to bid.

Project: Center for Health and Sports Performance Renovation

Estimated Start of Construction: February 2019

Estimated Completion: May 2019

Summary of Work: Transform existing center into open floor concept and provide additional treatment tables.

Update Summary: Permit has been approved. The project is out to bid.

Projects in Permitting:

Project: Campus Water Improvements

Estimated Start of Construction: June 2019

Estimated Completion: August 2019

Summary of Work: Move the PRV station to Donner Pass Rd allowing the Hospital campus to tie into the high pressure water line in Donner Pass Rd. This will allow for a higher average of water pressure throughout the campus.

Update Summary: Permit has yet to be approved by PUD. We have withdrawn the project from public bidding and will send out bids late winter for spring construction.

Projects in Design:

Project: Day tank and Underground Storage tank replacement.

Estimated Start of Construction: TBD

Estimated Completion: TBD

Summary of Work: Remove and replace the 30-year-old underground storage tank and existing day tank.

Update Summary: Project is in the process of being designed.

Project: 2nd Floor MOB

Estimated Start of Construction: TBD

Estimated Completion: TBD

Summary of Work: Remodel 3 suites of the 2nd floor of the MOB.

Update Summary: Project is in the process of being designed.

Project: ECC Interior Upgrades

Estimated Start of Construction: TBD

Estimated Completion: TBD

Summary of Work: Remodel all patient rooms and dining area of the 1985 building of the ECC

Update Summary: Project is in the process of being designed.



Board CNO Report

By: Karen Baffone, RN, MS
Chief Nursing Officer

DATE: December 2018

Service: Optimize delivery model to achieve operational and clinical efficiency

Use technology to improve efficiencies

- EPIC kick off for the Cancer Center
- Care Coordination Mercy EPIC determined the appropriate coding as well as reports that will identify readmissions to the hospital
- EAP Codes for wound care have been corrected for appropriate charging

Quality: Provide clinical excellence in clinical outcomes

Identify and promote best practice and evidence-based medicine

- Trauma Coordinator started her employment with the District
- 4 additional quality indicators added to the CALNOC outcome reporting group
- Reviewed the ED Bridge Program components with all ED physicians
- Surgery Center Conversion to and HOD had its project kick off. All inventory and expenses have been reviewed as well as the overall operations of the Center.

Growth: Meets the needs of the community

Enhance and promote our value to the community

- First phase of the Behavioral Health Strategic Planning has been completed with a 6-month work plan
- Further role delineation completed for Nursing Departments
- ECC hallway renovations will be completed soon
- We had a great outpouring of donations through our TFHS angel tree and ECC gingerbread tree. There was a lot of caring and compassion demonstrated by the employees and physicians of the District.



Board Informational Report

By: Jake Dorst

DATE: 12/12/2018

Chief Information Innovation Officer

-
- Xcelera-Cardiology software for Echocardiograms project complete.
 - Epic Cancer Center/Beacon project underway:
 - Discovery in process
 - Weekly Treatment Protocol Validation meetings
 - Weekly Integrated Team Call with Mercy
 - Interface and Radiation Oncology Varian integration planning meetings and contracts development.
 - CancerLinQ (Oncology Big Data-Nationwide) Project Call. Current Data source is Varian. Will redo this project for Epic. 18 Data Extract files with Secure File transfer.
 - Kaufmann Hall Project involving many data file transfers.
 - Rash Curtis Associates (replacing Med Assist) Project-data file transfers.
 - Imprivata-Single sign on/tap card/rapid access to Epic project underway.
 - Varian Server Virtualization Project actively underway.
 - Dietary Software project underway. Interfacing to Epic ADT and Orders.
 - Fortify HIPAA Meaningful Use Security Audit this week.
 - ASAP-Emergency department nursing focused Epic refresher classes underway this week. 2-hour classes for each nurse for high risk, low volume Epic use workflows.
 - Epic Cancer Center Beacon Clinical Analyst contract will start January 7th.
 - Interviews underway for Physician Informatics Coordinator position.
 - Epic Version 2018 upgrade house wide April 2019. Planning beginning for training needs for each module.
 - Interdisciplinary effort to streamline Epidural Anesthesia for labor patients and improve Epic workflow.
 - Job Description developed for two MSC Analyst positions (EHR Applications and Revenue Analyst, Auditor) in collaboration with MSC.
 - Infrastructure Refresh continues to configure and test in preparation for final hardware installations (January).
 - Truckee Surgery Center project will kick off on December 18th.
 - Resolute PB/HB implementation project will kick off on January 23.
 - MyChart Steering Committee will have it 1st quarterly meeting on December 19.
 - Billing Issues PI team will complete its improvement phase in December. 1st BOD report out expected in January.
 - Orthopedics PI team is in its Measurement/Analysis phase in conjunction with Mercy Partners.
 - Access Center implementation and engagement with consultant BlueTree Completed as of 12/14. Rolling over to operations.



Board Informational Report

By: Shawni L. Coll D.O., FACOG
Chief Medical Officer

DATE: December 11, 2018

1. PEOPLE: Strengthen a highly-engaged culture that inspires teamwork

Administration purchased mugs from Riverside Studios (locally made artist) with TFHD logo and locally roasted coffee beans. The Medical Staff provided much appreciation for this gesture.

2. SERVICE: Optimize delivery model to achieve operational and clinical efficiency

Medical Staff will benefit from a new program being put in place by Jake Dorst, CIO, and Crystal Betts, CFO, with Mercy for Physician Satisfaction improvement and utilization with Mercy Epic, as well as Revenue Cycle Management improvements. It will be a 3-month project.

The Primary Care Committee has begun meeting on a regular basis. This committee is made up of all primary care providers and will target increased efficiency, closing care gaps, and other projects to further improve our primary care service line.

3. QUALITY: Pursue excellence in quality, safety, and patient experience

A key group of stakeholders went through a two-day High Reliability Organization (HRO) training along with collaborative culture of safety. This was extremely valuable and we plan to work towards being the safest most reliable organization possible.

4. FINANCE: Ensure a highly sustainable financial future

See #2 SERVICE for the new program being implemented to improve revenue cycle.

5. GROWTH: Foster and grow community and regional relationships

The hospital orchestrated another very successful Winter Injury Symposium with multiple providers, Paul LeSage, and others to bring together local EMS and Ski Patrol along with nurses and providers for a comprehensive educational program. The program was well received with lots of positive feedback.

Gene Upshaw Memorial Tahoe Forest Cancer Center 2018 Quality Report to Board

Melissa Kaime, M.D.

Medical Oncologist

Cancer Committee/Quality Program Chair

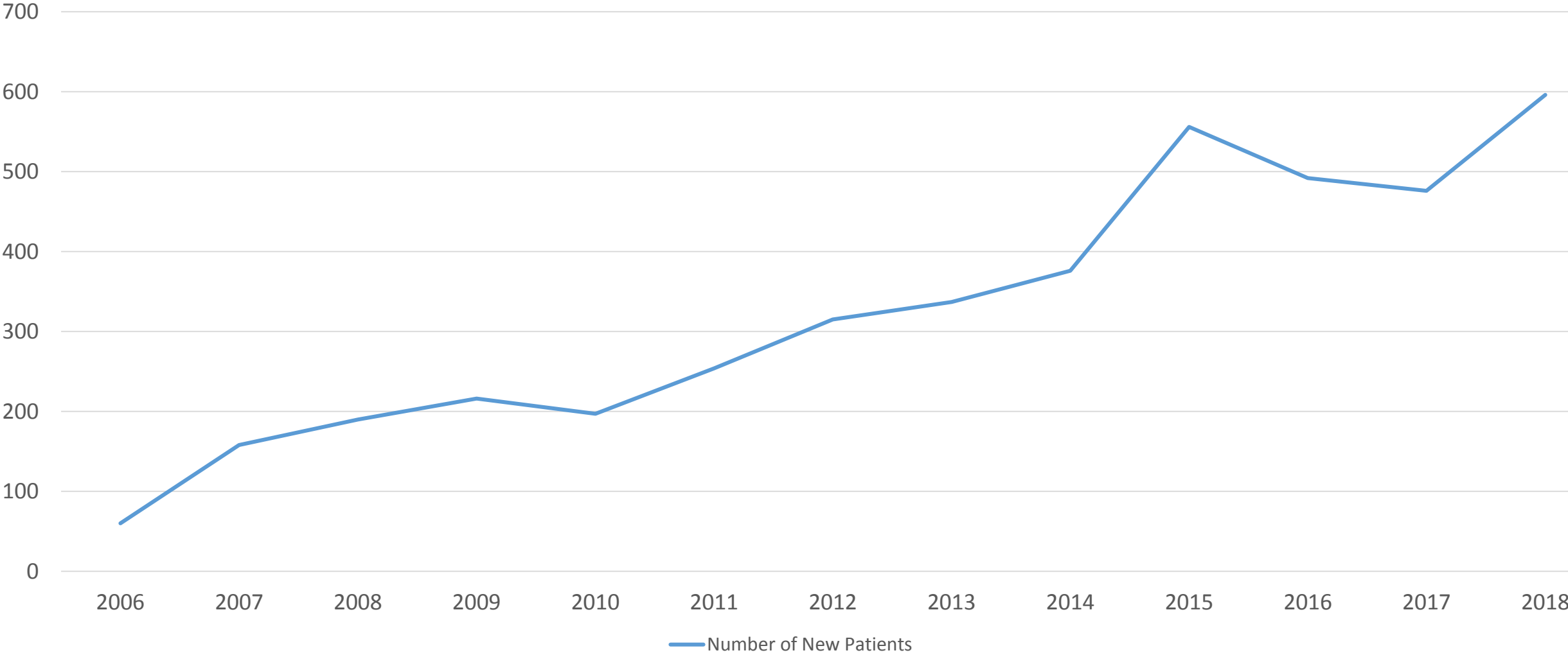
and

Kelley Bottomley, CTR

Coordinator, Quality Improvement Outcomes & Accreditation Compliance

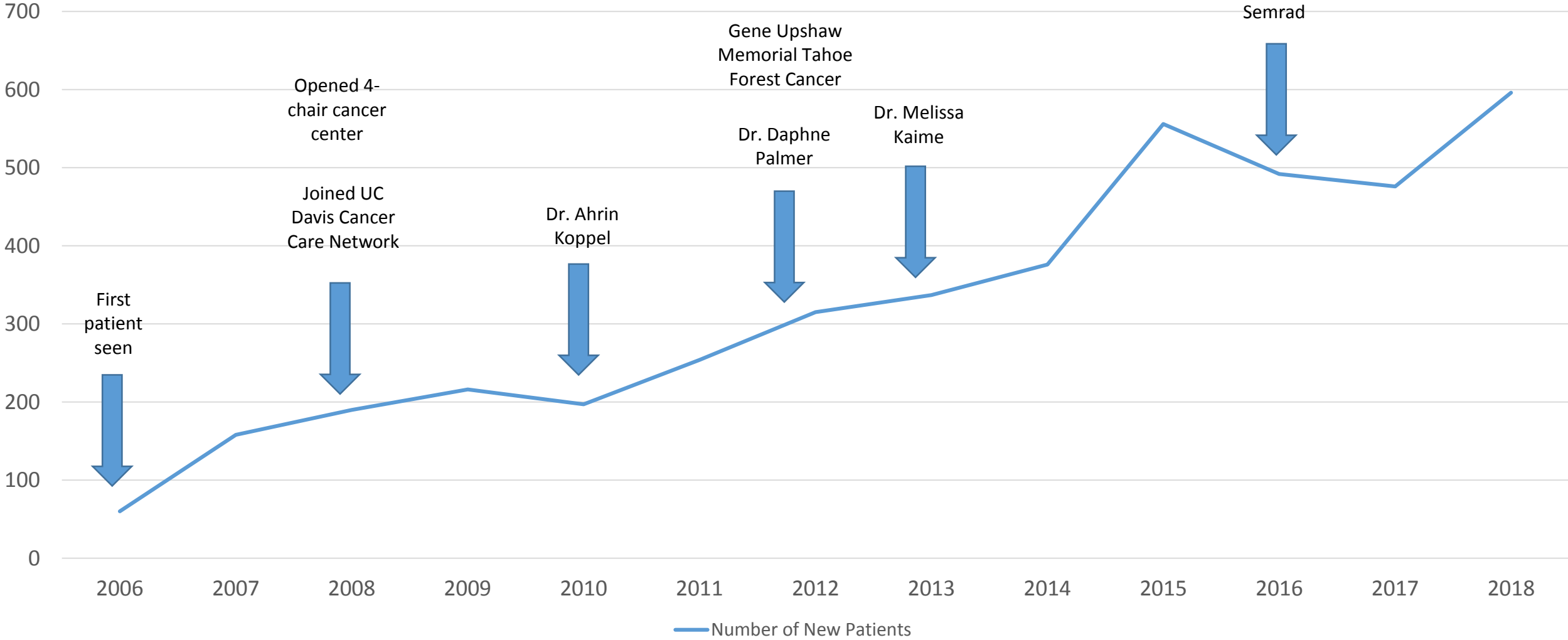
Cancer Center Milestones

Number of New Patients 2006 to 2018



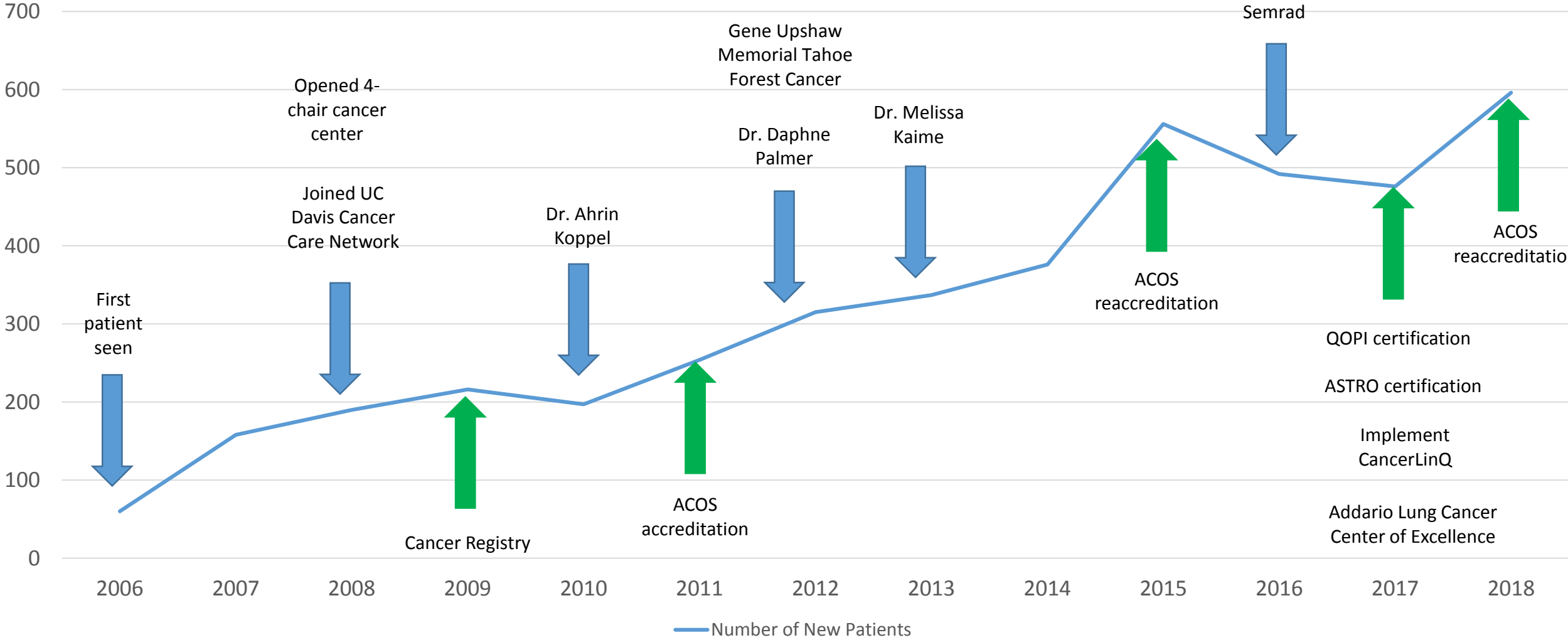
Cancer Center Milestones

Number of New Patients 2006 to 2018



Cancer Center Milestones

Number of New Patients 2006 to 2018



Cancer Program Accreditations & Affiliations

Accreditation/Affiliation	Status
<p>American College of Surgeons - Commission on Cancer (CoC) Accreditation Reaccreditation Years 2015-2017 and 2018-2020 Annual Compliance with 27 Standards</p>	<p>Fully Accredited with Commendation In 2011, 2015 and 2018</p>
<p>American Society of Clinical Oncology (ASCO) Quality Oncology Practice Initiative (QOPI) Certification Compliance with 26 Quality Measures, of 195 potential Quality Measures</p>	<p>Certification Granted February 2017</p>
<p>American Society of Radiation Oncology (ASTRO) Accreditation Program for Excellence (APEX) 3-Year Accreditation Annual Compliance with 156 Standards</p>	<p>Fully Accredited March 2017</p>
<p>Addario Lung Foundation Center of Excellence Annual Submission of 22 Quality Measures</p>	<p>Center of Excellence Member 2017</p>
<p>Implementation of CancerLinQ Data System Assessment of 17 Quality Measures</p>	<p>Completed January 2017</p>
<p>National Accreditation Program for Breast Centers (NAPBC) Program Development for Accreditation Annual Compliance with 29 Standards</p>	<p>2018 Apply for On-Site Survey Accreditation Pending</p>

American College of Surgeons Commission on Cancer

- Accreditation Survey Performance Report, 31 October 2018
- From the surveyor:

“I was very impressed with the participation at the survey by the administration and cancer program members. Everyone seemed genuinely interested in maintaining their accreditation. The program provides excellent services to their cancer patients. They have been very pro-active in developing the resources needed to meet the standards.....It was readily apparent that quality is very important to this cancer program as they have implemented many programs to assure patients receive the highest quality care possible....Overall, I felt this was an excellent cancer program and is a model for providing high quality cancer care in a community setting.”

Quality Program and Improvement

Cancer Program general and specialty accreditations help shape the quality program for the cancer center

- Accreditation requires compliance with required standards
- Data analysis and outcome studies for identified national measures
- Program goal setting completed annually
- Quality studies identified through Cancer Committee program review
- Quality improvement projects identified annually and in “real time”

CoC Quality of Care Measures

- Cancer registry data elements are nationally standardized and endorsed by
 - CoC – Commission on Cancer
 - NQF – National Quality Forum
 - CMS – Centers for Medicare & Medicaid Services
- The CoC uses the registry data to assess quality of care
- Measures assess performance at the hospital, not just the Cancer Center
 - Accountability measures can be used for public reporting, payment incentives, selection of providers by consumers, health plans, purchasers
 - Quality improvement measures are intended for internal monitoring of performance within an organization
- Responsibility of Cancer Committee to annually assess and monitor measure outcomes

Commission on Cancer CP3R Quality Measures

Number of CP3R Quality Measures	
Breast Cancer	6
Colon Cancer	2
Rectal Cancer	1
Gastric Cancer	1
Lung Cancer	3
Cervical Cancer	3
Endometrial Cancer	2
Ovarian Cancer	2
2016 Total Quality Measures	20

CP3R: Cancer Program Practice Profile Reports
Description of all measures available for review in handout

Breast Cancer Outcomes

CoC Measures for Quality of Breast Cancer Care – 2016 Cases

Measure Description	Expected Performance Rate	TFH 2016 Performance Rate	ACS Div/State Calif	All CoC Programs
(NQF #219) Radiation therapy is administered within 1 year (365 days) of diagnosis for women under age 70 receiving breast conserving surgery for breast cancer	90%	100%	89%	93%
(NQF #559) Combination chemotherapy is recommended or administered within 4 months (120 days) or stage IB-III hormone receptor negative breast cancer	90%	100%	89.2%	93%
(NQF #220) Tamoxifen or third generation aromatase inhibitor is recommended or administered within 1 year (365 days) of diagnosis for women with AJCC T1N0M0, or stage IB-III hormone positive breast cancer	90%	100%	89.3%	95%
Radiation Therapy is recommended or administered following any mastectomy within 1 year (365 days) of diagnosis of breast cancer for women with ≥ 4 positive regional lymph nodes	90%	100%	83.1%	88%

CoC Measures for Quality of Breast Cancer Care – 2016 Cases

Measure Description	Expected Performance Rate	TFH 2016 Performance Rate	ACS Div/State Calif	All CoC Programs
Image or palpation-guided needle biopsy to the primary site is performed to establish diagnosis of breast cancer	80% Quality Improvement	94.7% Increase after action plan implemented	92.9%	92%
Breast conservation surgery rate for women with AJCC clinical stage 0, I, or II breast cancer	NA Surveillance	100%	66.1%	67%

Colon Cancer Outcomes

CoC Measure for Colon Cancer Care – 2016 Cases

Measure Description	Expected Performance Rate	TFH 2016 Performance Rate	ACS Div/State Calif	All CoC Programs
(NQF #0225) At least 12 regional lymph nodes are removed and pathologically examined for resected colon cancer	85% Quality Improvement	100% Maintain Increase after action plan	92.7%	92.2%
(NQF #0223) Adjuvant chemotherapy is recommended or administered within 4 months (120 days) of diagnosis for patients under the age of 80 with AJCC Stage III (lymph node positive) colon cancer	90% Accountability	No Eligible Cases	94%	94%
Preoperative chemo and radiation are administered for clinical AJCC T3N0, T4N0, or Stage III; or Postoperative chemo and radiation are administered within 180 days of diagnosis for clinical AJCC T1-2N0 with pathologic T3N0, T4N0 or Stage III; or treatment is recommended; for patients under the age of 80 receiving resection for rectal cancer	85% Quality Improvement	No Eligible Cases	N/A	N/A

Quality Oncology Practice Initiative

An oncologist-led, practice-based quality assessment program designed to promote excellence in cancer care by helping practices create a culture of self-examination and improvement

195 quality measures

Assessed Spring 2016 with a performance score of 92.5%

Assessed Spring 2017 with a performance score over 90%

Next assessment for recertification will occur Spring 2019

Anticipate this will be done with an electronic data pull, vice a manual chart review, with the implementation of CancerLinQ

ASCO CancerLinQ[®]

- CancerLinQ[®] is a system that continually learns from itself and enables change:
- Tracks the quality of care in real time to ensure that patients receive evidence based care
- Gains insights from real world de-identified data on hundreds of thousands of patients, potentially identifying important trends and increasing the confidence of care decisions
- Visualizes patients' medical histories in powerful new ways



My Patients

<p>My Patient Dashboard</p> <p>3,232</p> <p>Patients</p>	<p>My Priority Patients My actionable patients</p> <p>15</p> <p>Patients</p>	<p>My Practice's Priority Patients My practice's actionable patients</p> <p>48</p> <p>Patients</p>	<p>My Patients Case Mix My patients' population characteristics</p>	<p>My Patients Age Distribution My patients' age distribution by diagnosis</p>	<p>My Patients Encounters My patients' frequency of encounters</p>
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Quality Performance Analytics

<p>Quality Performance Indicators Explore your clinical quality measures</p> <p>18</p> <p>Measures</p>	<p>Quality Performance Indicators - Practice My practice's clinical quality measures</p> <p>18</p> <p>Measures</p>
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Quality Performance Analytics

Quality Performance Indicators
Explore your clinical quality measures

18

Measures

Data Exploration

Program Driven Improvements

- Nurse Navigation
- Public Reporting of Outcomes: Community Report
- Colorectal Cancer Screening
- HPV vaccination
- Lung Cancer Screening

Nurse Navigation

- Oncology Nurse reaches out to patients and providers prior to Cancer Center appointment; focus is on breast cancer
 - Initial assessment of barriers due to language, transportation, cost/financials and overall access to care
- In 2017 66 patients had a BIRADS 4/5 mammogram; all 66 had biopsies and 26 were diagnosed with breast cancer
 - Some patients have received biopsy results via email, MyChart or not at all
 - Results review by the PCM was up to 21 days in some instances
- To date the Nurse Navigator has attended 40 breast biopsies within the Briner imaging center
- Collaboration between services has resulted in decreased time from biopsy to primary care review of results with patients, now within 7 days
- Patients are getting their results, seeing a surgeon and medical oncologist within one week

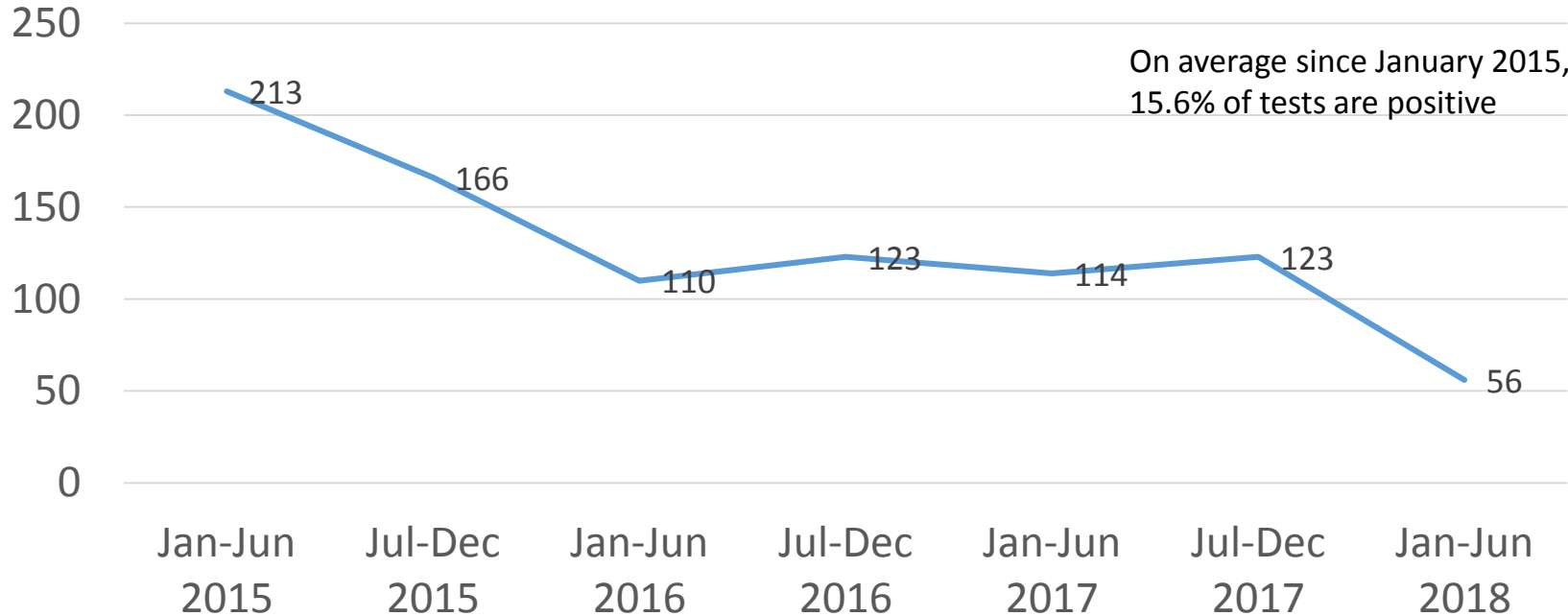
Public Reporting of Outcomes

- Community Report, distributed
- Website
 - Always updating information
 - Outcomes measurements are included
 - Considering a “facelift” in collaboration with UC Davis

Colon Cancer Screening

- 50% of colorectal cancer patients are diagnosed at Stage III/IV
- These rates are higher for rural area vs Truckee community patients
- The rates of non-invasive screening with iFOB has decreased in the last year
- With new EMR difficult to do population health

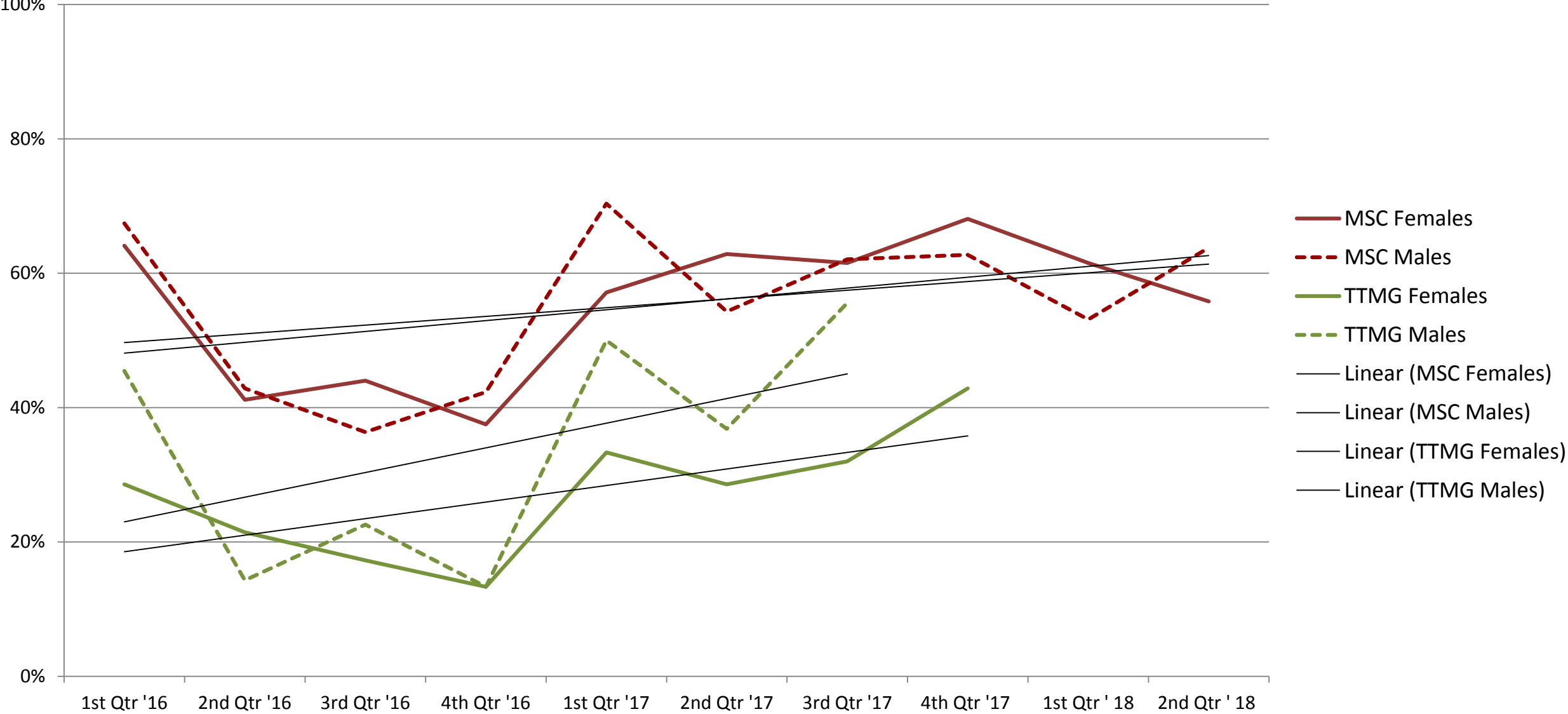
Number of unique patients screened via iFOB



HPV vaccination

- HPV is an important cause of several head and neck cancers, as well as cancers of the cervix, penis, anus, vagina and vulva
- Prevention of HPV related disease can be done with vaccination
- The Truckee/Tahoe Immunization Coalition and Wellness Neighborhood of Tahoe Forest Health System have sponsored outreach through newspaper articles and social media to increase back to school vaccination rates, boost awareness of SB277 (which removes personal belief exemptions to vaccination requirements to start school or daycare), and encourage HPV vaccination

HPV Series Completed (13-15 year olds)



Lung Cancer Screening

- A study was performed to identify number of patients eligible for lung screening in order to assess the need within the community (Dr. Semrad/Dr. Heifetz/Dr. Fountain)
 - Report was run in EPIC to identify potential patients
 - This report identified 342 potential patients within the healthcare system
- Need to identify group of key stakeholders for review of lung cancer screening program
 - Primary care, Pulmonary, Radiology, Cancer Program
- Collaborate with UC Davis Lung Screening program; initial meeting has been scheduled
- Will likely need funding for software and administrative support
- Lung Screening Program will be a CoC Clinical Goal in 2019

Cancer Program Accreditations & Affiliations

Accreditation/Affiliation	Number of US Participating Practices
American College of Surgeons - Commission on Cancer (CoC) Accreditation	1500
American Society of Clinical Oncology (ASCO) Quality Oncology Practice Initiative (QOPI) Certification	389
American Society of Radiation Oncology (ASTRO) Accreditation Program for Excellence	60
Addario Lung Foundation Center of Excellence Membership	11
Implementation of CancerLinQ Data System	100



FINANCE COMMITTEE

AGENDA

Monday, December 17, 2018 at 10:00 a.m.
Eskridge Conference Room - Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA 96161

1. **CALL TO ORDER**
2. **ROLL CALL**
Chuck Zipkin, M.D., Chair; Mary Brown, Board Member
3. **CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**
4. **INPUT – AUDIENCE**
This is an opportunity for members of the public to address the Committee on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Committee cannot take action on any item not on the agenda. The Committee may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.
5. **APPROVAL OF MINUTES OF: 09/21/2018** ATTACHMENT
6. **ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION**
 - 6.1. **Financial Reports**
Finance Committee will review the following financial reports:
 - 6.1.1. November 2018 Financial Report ATTACHMENT
 - 6.1.2. 10-year Financial Forecast ATTACHMENT
 - 6.1.3. Accounts Receivables - Post Conversion
 - 6.2. **Policy Review**
Finance Committee will review the following board policies:
 - 6.2.1. ABD-05 Bond Fiscal Policy ATTACHMENT
 - 6.2.2. ABD-15 Investment Policy ATTACHMENT
7. **REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS**
8. **AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING**
9. **NEXT MEETING DATE**
10. **ADJOURN**

*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions.

Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.