



January 18, 2024

TO: Legal Counsel

News Media

Salinas Californian

El Sol

Monterey County Herald

Monterey County Weekly

KION-TV

KSBW-TV/ABC Central Coast

KSMS/Entravision-TV

The next regular meeting of the **FINANCE COMMITTEE - COMMITTEE OF THE WHOLE** of **SALINAS VALLEY HEALTH**¹ will be held **MONDAY, JANUARY 22, 2024, AT 12:00 P.M., DOWNING RESOURCCE CENTER ROOMS A, B, & C, SALINAS VALLEY HEALTH MEDICAL CENTER, 450 E. ROMIE LANE, SALINAS, CALIFORNIA** or via **TELECONFERENCE** (visit SalinasValleyHealth.com/virtualboardmeeting for Access Information).

A handwritten signature in black ink, appearing to read "Allen Radner", is positioned above the printed name.

Allen Radner, MD

Interim President/Chief Executive Officer

Committee Members: Joel Hernandez Laguna, Chair; Juan Cabrera, Vice Chair; Allen Radner, MD, Interim President/CEO; Augustine Lopez, Chief Financial Officer; Clement Miller, Chief Operating Officer; Tarun Bajaj, M.D. Medical Staff Member; Sanjeev Tandon, Community Member; Harry Wardwell, Community Member

**FINANCE COMMITTEE
COMMITTEE OF THE WHOLE
SALINAS VALLEY HEALTH¹**

**MONDAY, JANUARY 22, 2024, 12:00 P.M.
DOWNING RESOURCE CENTER, ROOMS A, B & C**

**Salinas Valley Health Medical Center
450 E. Romie Lane, Salinas, California
or via Teleconference
(Visit SalinasValleyHealth.com/virtualboardmeeting for Access Information)**

AGENDA

1. Call to Order / Roll Call
2. Public Comment
This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board, which are not otherwise covered under an item on this agenda.
3. Approve Minutes of the Finance Committee Meeting of December 11, 2023 (RADNER)
 - Motion/Second
 - Action by Committee/Roll Call Vote
4. Closed Session
5. Reconvene Open Session/Report on Closed Session
6. Financial and Statistical Review (LOPEZ)
7. Review Balanced Scorecard (LOPEZ)
8. Capital Spending YTD Dec 31, 2023 Update (LOPEZ/NORMAN/SULLIVAN)
9. Adjournment
The next Finance Committee Meeting is scheduled for **Wednesday, February 21, 2024 at 12:00 p.m.**

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

The Committee packet is available at the Committee Meeting, at www.SalinasValleyHealth.com, and in the Human Resources Department of the District. All items appearing on the agenda are subject to action by the Committee.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Clerk during regular business hours at 831-759-3050. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

**FINANCE COMMITTEE MEETING
COMMITTEE OF THE WHOLE
SALINAS VALLEY HEALTH**

AGENDA FOR CLOSED SESSION

Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.

CLOSED SESSION AGENDA ITEMS

REPORT INVOLVING TRADE SECRET

(Government Code §37606 & Health and Safety Code § 32106)

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility):

Trade secrets, strategic planning/proposed new programs and services

Estimated date of public disclosure: (Specify month and year): _____

ADJOURN TO OPEN SESSION

CALL TO ORDER
ROLL CALL

(Chair to call the meeting to order)

PUBLIC COMMENT

SALINAS VALLEY HEALTH¹
FINANCE COMMITTEE
COMMITTEE OF THE WHOLE
MEETING MINUTES DECEMBER 11, 2023

Committee Members Present:

In-person: Chair Joel Hernandez Laguna, Tarun Bajaj, MD., Allen Radner, Augustine Lopez, Clement Miller and Harry Wardwell

Committee Members Present via Teleconference: Vice-Chair Juan Cabrera

Committee Members Absent: Sanjeev Tandon

Other Board Members Present, Constituting Committee of the Whole: Victor Rey (Virtual)

Vice-Chair Juan Cabrera arrived at 12:07 p.m.

1. CALL TO ORDER/ROLL CALL

Chair Joel Hernandez Laguna called the meeting to order at 12:02 p.m. in the Downing Resource Center, Rooms A, B & C.

2. PUBLIC COMMENT:

None

3. MINUTES OF THE FINANCE COMMITTEE NOVEMBER 13, 2023

The Finance Committee meeting minutes of November 13, 2023, were included in the Committee packet.

COMMENTS FROM THE BOARD:

None

PUBLIC COMMENT:

None

MOTION:

Upon motion by Committee member Radner, and second by Lopez the minutes of November 13, 2023 Finance Committee were approved as presented.

ROLL CALL VOTE:

Ayes: Chair Hernandez Laguna, Bajaj, MD., Radner, Lopez, Miller, and Wardwell;

Nays: None;

Abstentions: None;

Absent: J. Cabrera, Tandon.

Motion Carried

**4. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF AMN
HEALTHCARE SOLUTIONS SERVICE JUSTIFICATION AND CONTRACT
RENEWAL AWARD**

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

Augustine Lopez, CFO, and Philip Katzenberger, Director HIM/Privacy Officer, explained the need for continued credentialed coding service. The current contract is with AMN Healthcare Solutions which is primarily a credentialed coding service with comprehensive health information management (HIM) service resources to meeting operational demands of Salinas Valley Health. AMN Healthcare Solutions has clinical credentialed workforce with services covering coding, clinical documentation integrity (CDI) and revenue integrity (RI) who are skilled to accurately decipher diagnosis/procedures. AMN Healthcare Solutions' competitive edge is their commitment to utilizing only vetted personnel by the client. To ensure quality is upheld, AMN provides an in-depth monthly quality validation report to ensure AMN's services are compliant and unified with SVH's claim submission accuracy requirements and reimbursement guidelines. Renewal with AMN is recommended to avoid risk of operational disruption. A full report including the background/situation/rationale and financial implications of the contract were included in the packet.

COMMENTS FROM THE BOARD:

None

PUBLIC COMMENT:

None

MOTION:

Upon motion by Committee member Radner, and second by Vice Chair the Finance Committee recommends the Board of Directors consider approval of the AMN Healthcare Solution contract in the estimated amount of \$1,822,285, over the five-year term.

ROLL CALL VOTE:

Ayes: Chair Hernandez Laguna, Bajaj, MD., J. Cabrera, Radner, Lopez, Miller, Wardwell;

Nays: None;

Abstentions: None

Absent: Tandon.

Motion Carried

5. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF LEASE AGREEMENT TERMS FOR 225 EAST ROMIE LANE, SALINAS, CA BETWEEN SVMHS AND HILLTOP FAMILY MEDICAL GROUP, INC.

Gary Ray, CAO, SVMC, reported Sonia Rodriguez, MD has been operating a women's health clinic in Salinas for many years, providing comprehensive medical care for women in our community. Dr. Rodriguez is retiring and closing her practice effective December 28, 2023. SVMHS is assisting with the winding down of her clinic—assisting with patient transition, taking custody of and managing patient records, acquiring certain assets, and leasing the clinic location for other SVH Clinics programs. SVH Clinics would like to enter into a three (3) year lease, with an additional two (2) year option for the clinic location at 225 East Romie Lane, Salinas. This transaction is aligned with the strategic initiatives outlined in our most recent strategic planning work for growth, in developing healthcare clinics and programs that drive value for our patients. A full report including the financial, quality, safety and regulatory implications of the contract were included in the packet.

COMMENTS FROM THE BOARD: Further discussion with staff clarified the going rate per square feet in the area for other similar businesses is \$1.80-\$2.20. The contract is \$2.00/sf as a mid-range.

PUBLIC COMMENT:

None

MOTION:

Upon motion by Committee member Wardwell, and second by Dr. Radner the Finance Committee recommends the Board of Directors consider approval (pending final review by District Legal Counsel of the Lease Agreement) of the Lease Agreement Terms with Hilltop Family Medical Group, Inc. for 225 East Romie Lane, Salinas, CA, as follows:

1. Lease Commencement Date	January 1, 2024
2. Term of Lease	Three (3) years
3. Option to Extend	One option to extend for 2 years
4. Payment Terms	Rent due the 1 st of each month
5. Initial Rent (per sq. ft.)	\$2.00 per square foot (Negotiation range \$1.80 to \$2.20)
6. Rentable square feet	Approximately 1,660 square feet
7. Initial Rent	Approximately \$3,320/month \$39,840/first year
8. Annual Increases	Negotiation range 2.5 to 3.0% per year
9. Budgeted (Y/N)	No. Not budgeted—new location for SVHC Clinic

ROLL CALL VOTE:

Ayes: Chair Hernandez Laguna, Bajaj, MD., J. Cabrera, Radner, Lopez, Miller, Wardwell;

Nays: None;

Abstentions: None

Absent: Tandon.

Motion Carried

6. CLOSED SESSION

Chair Hernandez Laguna announced that items to be discussed in Closed Session as listed on the posted Agenda are *Report Involving Trade Secrets, strategic planning/proposed new programs and services*.

The meeting recessed into Closed Session under the Closed Session Protocol at 12:14 p.m.

7. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Board reconvened Open Session at 1:11 p.m. Chair Hernandez Laguna announced in Closed Session, the Board received a *Report Involving Trade Secrets, strategic planning/proposed new programs and services*. No action was taken.

8. FINANCIAL PERFORMANCE REVIEW

An update was received from Augustine Lopez, Chief Financial Officer on the Financial Performance Review for the month of November 2023. The report contained revenue highlights for November which summarized that gross revenues were 4.6% favorable to budget, payor mix was unfavorable, and total normalized net patient revenue was \$49.6 million; which was favorable to budget by \$1.1 million. Salinas Valley Health currently has 339 days of cash; up 2 days since last month.

9. REVIEW BALANCED SCORECARD

Augustine Lopez, Chief Financial Officer and team, reviewed the Balanced Scorecard Summary for fiscal year 2024, year-to-date October 2023 which provided an overview of the metrics and performance of the SVMHS organizational goals for Service, People, Quality, Finance, Growth, and Community. This information was included in the Committee packet.

BOARD MEMBER COMMENT: The Robotic program is growing and is a great benefit for our patients.

10. ADJOURNMENT

There being no other business, the meeting was adjourned at 1:17 p.m. The next Finance Committee Meeting is scheduled for **Monday, January 22, 2023 at 12:00 p.m.**

Joel Hernandez Laguna, Chair

CLOSED SESSION

*(Report on Item to be
Discussed in Closed Session)*

*RECONVENE OPEN SESSION/
REPORT ON CLOSED SESSION*

Financial Performance Review

December 2023

Finance Committee - Open Session

Augustine Lopez
Chief Financial Officer

Consolidated Financial Summary

For the Month of December 2023

\$ in Millions	For the Month of December 2023				
			Variance fav (unfav)		
	Actual	Budget	\$VAR	%VAR	
Operating Revenue	\$ 63.2	\$ 59.8	\$ 3.4	5.7%	
Operating Expense	\$ 61.9	\$ 59.6	\$ (2.3)	-3.9%	
Income from Operations	\$ 1.3	\$ 0.2	\$ 1.1	550.0%	
Operating Margin %	2.1%	0.3%	1.8%	600.00%	
Non Operating Income	\$ 6.2	\$ 1.9	\$ 4.3	226.3%	
Net Income	\$ 7.5	\$ 2.1	\$ 5.4	257.1%	
Net Income Margin %	12.0%	3.5%	8.5%	242.9%	

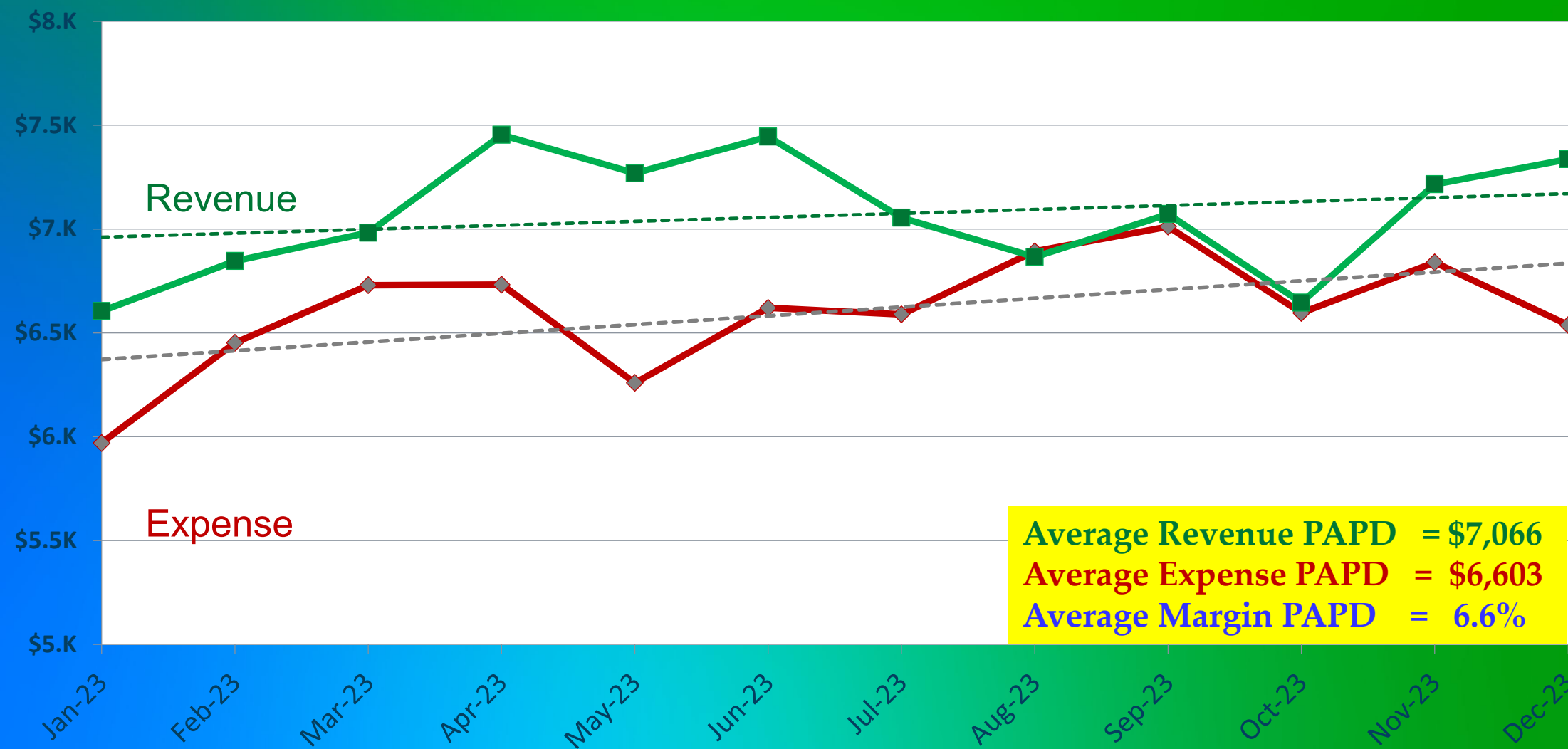
Investment earnings were higher than expected due to a favorable bond market for the period.

Consolidated Financial Summary

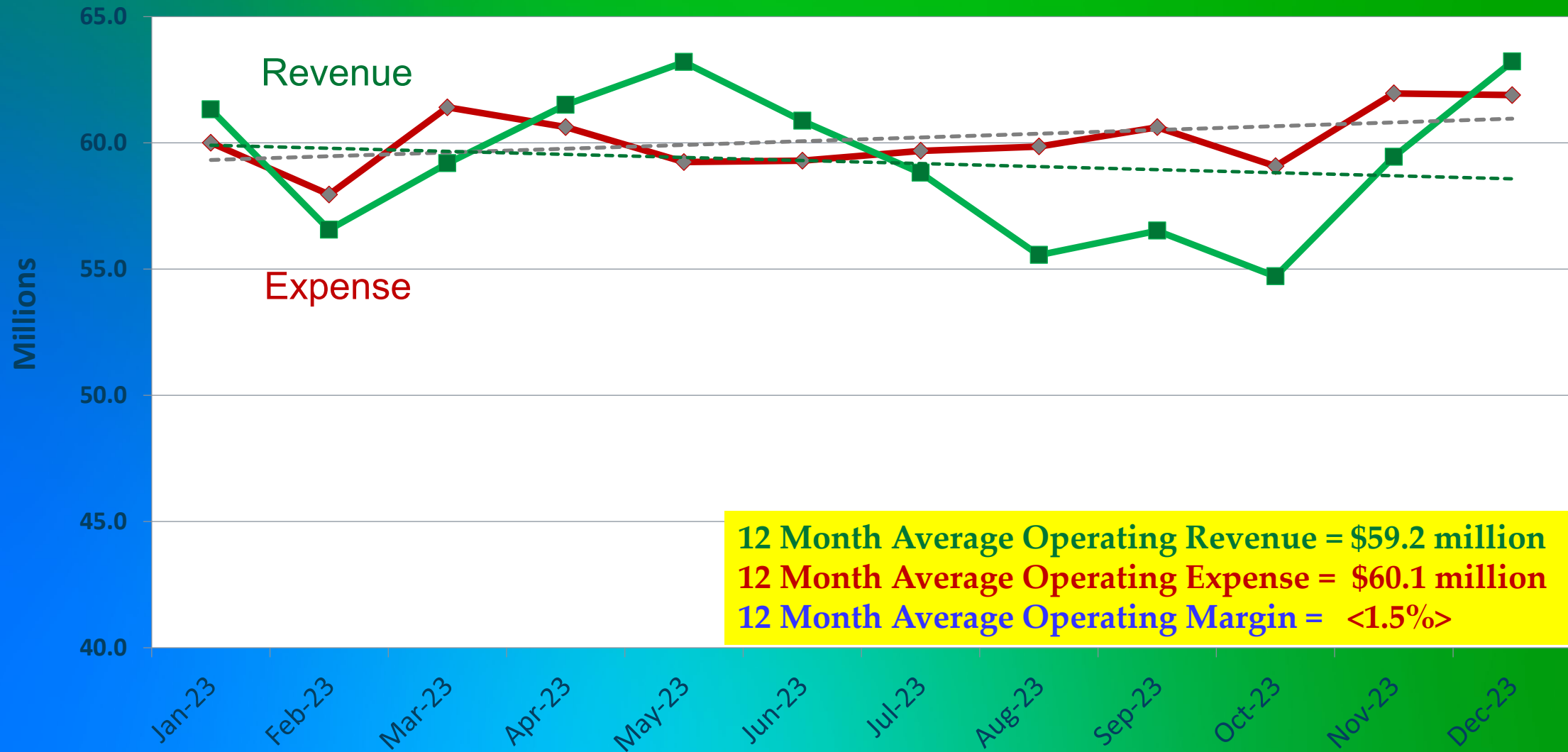
YTD December 2023

\$ in Millions	FY 2023 YTD December					
			Variance fav (unfav)			
	Actual	Budget	\$VAR	%VAR		
Operating Revenue (*)	\$ 347.5	\$ 359.2	\$ (11.7)	-3.3%		
Operating Expense	\$ 362.7	\$ 357.8	\$ (4.9)	-1.4%		
Income from Operations	\$ (15.2)	\$ 1.4	\$ (16.6)	-1185.7%		
Operating Margin %	-4.4%	0.4%	-4.8%	-1200.0%		
Non Operating Income	\$ 22.0	\$ 11.5	\$ 10.5	91.3%		
Net Income	\$ 6.8	\$ 12.9	\$ (6.1)	-47.3%		
Net Income Margin %	2.0%	3.6%	-1.6%	-44.4%		

SVHMC Revenues & Expenses Per Adjusted Patient Day Rolling 12 Months: Jan 23 to December 23



SVH Consolidated Revenues & Expenses Rolling 12 Months: Jan 23 to December 23



Salinas Valley Health Key Financial Indicators

Statistic	YTD 12/31/23	SVH Target	+/-	S&P A+ Rated Hospitals	+/-	YTD 12/31/22	+/-
Operating Margin*	-4.4%	5.0%		4.0%		5.1%	
Total Margin*	2.0%	6.0%		6.6%		6.6%	
EBITDA Margin**	-2.3%	7.4%		13.6%		8.9%	
Days of Cash*	342	305		249		340	
Days of Accounts Payable*	47	45		-		55	
Days of Net Accounts Receivable***	56	45		49		49	
Supply Expense as % NPR	14.3%	14.0%		-		12.6%	
SWB Expense as % NPR	57.2%	53.0%		53.7%		52.5%	
Operating Expense per APD*	6,677	6,739		-		6,166	

All metrics above are consolidated for SVH, except Operating Expense per APD is hospital only

*These metrics have been adjusted for normalizing items

**Metric based on Operating Income (consistent with industry standard)

***Metric based on 90 days average net revenue (consistent with industry standard)

Questions/Comments

SALINAS VALLEY HEALTH MEDICAL CENTER
SUMMARY INCOME STATEMENT
December 31, 2023

	<u>Month of December,</u>		<u>Six months ended December 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 52,888,045	\$ 58,241,312	\$ 289,771,990	\$ 316,158,303
Other operating revenue	<u>1,612,340</u>	<u>671,870</u>	<u>7,246,740</u>	<u>4,478,457</u>
Total operating revenue	<u>54,500,385</u>	<u>58,913,182</u>	<u>297,018,730</u>	<u>320,636,760</u>
Total operating expenses	48,572,361	49,166,829	284,564,849	282,868,063
Total non-operating income	<u>472,100</u>	<u>(3,259,018)</u>	<u>(5,819,773)</u>	<u>(17,083,714)</u>
Operating and non-operating income	<u>\$ 6,400,124</u>	<u>\$ 6,487,335</u>	<u>\$ 6,634,108</u>	<u>\$ 20,684,983</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
December 31, 2023

	<u>Current year</u>	<u>Prior year</u>
ASSETS:		
Current assets	\$ 342,219,681	\$ 408,623,383
Assets whose use is limited or restricted by board	163,788,499	154,427,973
Capital assets	249,761,627	241,345,738
Other assets	287,888,357	182,741,537
Deferred pension outflows	<u>116,911,125</u>	<u>95,857,027</u>
	<u>\$ 1,160,569,289</u>	<u>\$ 1,082,995,658</u>
LIABILITIES AND EQUITY:		
Current liabilities	92,243,404	106,984,890
Long term liabilities	21,647,807	18,514,233
Lease deferred inflows	1,926,317	1,911,058
Pension liability	118,792,064	79,111,485
Net assets	<u>925,959,697</u>	<u>876,473,992</u>
	<u>\$ 1,160,569,289</u>	<u>\$ 1,082,995,658</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF NET PATIENT REVENUE
December 31, 2023

	<u>Month of December,</u>		<u>Six months ended December 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Patient days:				
By payer:				
Medicare	1,997	2,249	10,703	11,972
Medi-Cal	990	1,395	6,136	6,952
Commercial insurance	501	937	3,670	4,863
Other patient	158	169	643	674
Total patient days	<u>3,646</u>	<u>4,750</u>	<u>21,152</u>	<u>24,461</u>
Gross revenue:				
Medicare	\$ 112,377,689	\$ 106,785,458	\$ 657,549,723	\$ 602,700,098
Medi-Cal	70,432,469	75,079,954	406,910,614	405,008,481
Commercial insurance	59,382,383	57,176,529	316,400,725	320,847,404
Other patient	10,336,945	10,060,136	53,583,998	51,045,256
Gross revenue	<u>252,529,486</u>	<u>249,102,077</u>	<u>1,434,445,060</u>	<u>1,379,601,238</u>
Deductions from revenue:				
Administrative adjustment	319,397	360,029	1,625,910	1,602,757
Charity care	339,919	461,311	4,552,671	4,056,276
Contractual adjustments:				
Medicare outpatient	34,517,144	28,314,767	202,962,520	174,865,499
Medicare inpatient	54,614,027	48,597,232	279,174,418	265,824,676
Medi-Cal traditional outpatient	4,254,832	2,803,692	18,044,276	18,896,956
Medi-Cal traditional inpatient	4,739,170	5,176,451	28,116,409	28,555,230
Medi-Cal managed care outpatient	32,420,424	27,123,702	178,533,675	160,178,882
Medi-Cal managed care inpatient	25,988,563	31,092,983	143,882,158	151,382,850
Commercial insurance outpatient	14,355,511	17,666,708	131,435,634	107,367,125
Commercial insurance inpatient	21,057,656	22,836,214	123,803,543	120,172,026
Uncollectible accounts expense	4,205,137	3,993,962	25,312,290	23,548,018
Other payors	2,829,661	2,433,713	7,229,566	6,992,640
Deductions from revenue	<u>199,641,441</u>	<u>190,860,765</u>	<u>1,144,673,070</u>	<u>1,063,442,936</u>
Net patient revenue	<u>\$ 52,888,045</u>	<u>\$ 58,241,312</u>	<u>\$ 289,771,990</u>	<u>\$ 316,158,303</u>
Gross billed charges by patient type:				
Inpatient	\$ 135,188,320	\$ 142,841,344	\$ 730,087,117	\$ 739,753,559
Outpatient	87,759,834	77,957,202	528,127,246	466,609,743
Emergency room	29,581,331	28,303,531	176,230,695	173,237,936
Total	<u>\$ 252,529,485</u>	<u>\$ 249,102,077</u>	<u>\$ 1,434,445,058</u>	<u>\$ 1,379,601,238</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES
December 31, 2023

	<u>Month of December,</u>		<u>Six months ended December 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 52,888,045	\$ 58,241,312	\$ 289,771,990	\$ 316,158,303
Other operating revenue	<u>1,612,340</u>	<u>671,870</u>	<u>7,246,740</u>	<u>4,478,457</u>
Total operating revenue	<u>54,500,385</u>	<u>58,913,182</u>	<u>297,018,730</u>	<u>320,636,760</u>
Operating expenses:				
Salaries and wages	17,051,771	17,415,693	99,337,719	104,507,717
Compensated absences	2,233,673	2,691,799	17,970,675	16,932,625
Employee benefits	9,018,730	8,341,694	49,746,211	45,644,042
Supplies, food, and linen	7,673,685	7,178,051	42,911,259	40,771,325
Purchased department functions	3,300,976	3,943,870	21,541,822	24,704,973
Medical fees	2,198,126	2,189,854	15,138,980	11,741,809
Other fees	2,538,676	3,891,520	13,240,492	17,780,631
Depreciation	2,391,193	1,897,841	14,385,247	11,368,073
All other expense	<u>2,165,531</u>	<u>1,616,507</u>	<u>10,292,444</u>	<u>9,416,868</u>
Total operating expenses	<u>48,572,361</u>	<u>49,166,829</u>	<u>284,564,849</u>	<u>282,868,063</u>
Income from operations	<u>5,928,024</u>	<u>9,746,353</u>	<u>12,453,881</u>	<u>37,768,697</u>
Non-operating income:				
Donations	0	(442,031)	1,333,552	859,346
Property taxes	333,333	333,333	2,000,000	2,000,000
Investment income	4,705,508	(470,856)	17,286,322	(1,978,318)
Taxes and licenses	0	0	0	0
Income from subsidiaries	<u>(4,566,741)</u>	<u>(2,679,464)</u>	<u>(26,439,647)</u>	<u>(17,964,742)</u>
Total non-operating income	<u>472,100</u>	<u>(3,259,018)</u>	<u>(5,819,773)</u>	<u>(17,083,714)</u>
Operating and non-operating income	6,400,124	6,487,335	6,634,108	20,684,983
Net assets to begin	<u>919,559,573</u>	<u>869,986,657</u>	<u>919,325,589</u>	<u>855,789,009</u>
Net assets to end	<u>\$ 925,959,697</u>	<u>\$ 876,473,992</u>	<u>\$ 925,959,697</u>	<u>\$ 876,473,992</u>
Net income excluding non-recurring items	\$ 6,400,124	\$ 6,487,335	\$ 6,634,108	\$ 20,684,983
Non-recurring income (expense) from cost report settlements and re-openings and other non-recurring items	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating and non-operating income	<u>\$ 6,400,124</u>	<u>\$ 6,487,335</u>	<u>\$ 6,634,108</u>	<u>\$ 20,684,983</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
SCHEDULES OF INVESTMENT INCOME
December 31, 2023

	<u>Month of December,</u>		<u>Six months ended December 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Detail of income from subsidiaries:				
Salinas Valley Health Clinics				
Pulmonary Medicine Center	\$ (220,489)	\$ 23,371	\$ (1,199,679)	\$ (885,331)
Neurological Clinic	(77,633)	(59,807)	(438,228)	(364,178)
Palliative Care Clinic	(87,747)	(89,481)	(518,552)	(416,496)
Surgery Clinic	(175,981)	(133,589)	(1,090,961)	(824,203)
Infectious Disease Clinic	(41,327)	(28,030)	(212,536)	(174,440)
Endocrinology Clinic	(231,840)	(124,629)	(1,354,971)	(931,598)
Early Discharge Clinic	0	0	0	0
Cardiology Clinic	(650,667)	(319,912)	(3,397,421)	(2,426,117)
OB/GYN Clinic	(407,702)	(249,211)	(2,368,237)	(1,696,081)
PrimeCare Medical Group	(734,479)	(386,633)	(5,057,924)	(2,780,806)
Oncology Clinic	(372,590)	(276,033)	(1,935,226)	(1,574,785)
Cardiac Surgery	(304,486)	(273,354)	(1,909,249)	(1,476,512)
Sleep Center	(53,347)	(60,227)	(289,014)	(159,823)
Rheumatology	(80,654)	(65,279)	(415,328)	(365,832)
Precision Ortho MDs	(493,193)	(374,293)	(2,820,572)	(2,149,554)
Precision Ortho-MRI	0	0	0	0
Precision Ortho-PT	(39,991)	(43,964)	(254,396)	(225,510)
Vaccine Clinic	0	0	16	(683)
Dermatology	(33,683)	(10,238)	(236,505)	(87,636)
Hospitalists	0	0	0	0
Behavioral Health	(47,319)	(39,105)	(254,301)	(189,269)
Pediatric Diabetes	(38,577)	(62,693)	(281,264)	(291,073)
Neurosurgery	(53,521)	(29,904)	(208,661)	(176,495)
Multi-Specialty-RR	(4,829)	(3,356)	18,563	60,690
Radiology	(436,182)	(167,404)	(1,883,797)	(1,034,036)
Salinas Family Practice	(136,425)	(143,088)	(832,953)	(597,464)
Urology	(170,575)	(199,094)	(1,006,574)	(656,284)
Total SVHC	(4,893,237)	(3,115,953)	(27,947,770)	(19,423,516)
Doctors on Duty	51,461	73,634	293,960	471,409
Vantage Surgery Center	0	0	0	0
LPCH NICU JV	0	0	0	0
Central Coast Health Connect	0	0	0	0
Monterey Peninsula Surgery Center	150,197	246,940	741,903	843,083
Coastal	53,298	65,995	235,686	(66,127)
Apex	0	0	0	0
21st Century Oncology	17,790	(1,448)	(11,393)	(47,658)
Monterey Bay Endoscopy Center	53,750	51,368	247,967	258,067
Total	<u>\$ (4,566,741)</u>	<u>\$ (2,679,464)</u>	<u>\$ (26,439,647)</u>	<u>\$ (17,964,742)</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
December 31, 2023

	<u>Current year</u>	<u>Prior year</u>
A S S E T S		
Current assets:		
Cash and cash equivalents	\$ 222,703,090	\$ 297,265,223
Patient accounts receivable, net of estimated uncollectibles of \$35,035,613	98,096,773	91,267,037
Supplies inventory at cost	8,196,095	7,713,311
Current portion of lease receivable	1,347,190	534,201
Other current assets	<u>11,876,533</u>	<u>11,843,610</u>
Total current assets	<u>342,219,681</u>	<u>408,623,383</u>
Assets whose use is limited or restricted by board	<u>163,788,499</u>	<u>154,427,973</u>
Capital assets:		
Land and construction in process	72,486,366	47,308,745
Other capital assets, net of depreciation	<u>177,275,261</u>	<u>194,036,993</u>
Total capital assets	<u>249,761,627</u>	<u>241,345,738</u>
Other assets:		
Right of use assets, net of amortization	7,151,987	7,137,296
Long term lease receivable	723,298	1,462,610
Subscription assets, net of amortization	8,530,817	0
Investment in Securities	252,336,815	137,538,263
Investment in SVMC	2,772,040	12,815,563
Investment in Coastal	1,917,327	1,577,573
Investment in other affiliates	21,846,598	23,406,844
Net pension asset	<u>(7,390,525)</u>	<u>(1,196,612)</u>
Total other assets	<u>287,888,357</u>	<u>182,741,537</u>
Deferred pension outflows	<u>116,911,125</u>	<u>95,857,027</u>
	<u><u>\$ 1,160,569,289</u></u>	<u><u>\$ 1,082,995,658</u></u>
L I A B I L I T I E S A N D N E T A S S E T S		
Current liabilities:		
Accounts payable and accrued expenses	\$ 60,654,038	\$ 68,219,630
Due to third party payers	5,505,983	17,556,458
Current portion of self-insurance liability	19,095,466	18,272,834
Current subscription liability	4,451,874	0
Current portion of lease liability	<u>2,536,043</u>	<u>2,935,968</u>
Total current liabilities	92,243,404	106,984,890
Long term portion of workers comp liability	13,027,333	14,058,922
Long term portion of lease liability	4,836,895	4,455,311
Long term subscription liability	<u>3,783,579</u>	<u>0</u>
Total liabilities	<u>113,891,211</u>	<u>125,499,123</u>
Lease deferred inflows	1,926,317	1,911,058
Pension liability	<u>118,792,064</u>	<u>79,111,485</u>
Net assets:		
Invested in capital assets, net of related debt	249,761,627	241,345,738
Unrestricted	<u>676,198,070</u>	<u>635,128,254</u>
Total net assets	<u>925,959,697</u>	<u>876,473,992</u>
	<u><u>\$ 1,160,569,289</u></u>	<u><u>\$ 1,082,995,658</u></u>

SALINAS VALLEY HEALTH MEDICAL CENTER
STATEMENTS OF REVENUE AND EXPENSES - BUDGET VS. ACTUAL
December 31, 2023

	Month of December,				Six months ended December 31,			
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var
Operating revenue:								
Gross billed charges	\$ 252,529,486	\$ 235,748,845	16,780,641	7.12%	\$ 1,434,445,060	\$ 1,399,225,517	35,219,543	2.52%
Deductions from revenue	199,641,441	186,136,607	13,504,834	7.26%	1,144,673,070	1,101,130,000	43,543,070	3.95%
Net patient revenue	52,888,045	49,612,238	3,275,807	6.60%	289,771,990	298,095,517	(8,323,527)	-2.79%
Other operating revenue	1,612,340	1,332,540	279,800	21.00%	7,246,740	7,995,240	(748,500)	-9.36%
Total operating revenue	54,500,385	50,944,778	3,555,607	6.98%	297,018,730	306,090,757	(9,072,027)	-2.96%
Operating expenses:								
Salaries and wages	17,051,771	16,833,291	218,480	1.30%	99,337,719	101,372,814	(2,035,095)	-2.01%
Compensated absences	2,233,673	3,465,241	(1,231,568)	-35.54%	17,970,675	19,140,939	(1,170,264)	-6.11%
Employee benefits	9,018,730	7,367,941	1,650,789	22.41%	49,746,211	46,593,864	3,152,347	6.77%
Supplies, food, and linen	7,673,685	6,899,278	774,407	11.22%	42,911,259	40,956,453	1,954,806	4.77%
Purchased department functions	3,300,976	3,539,230	(238,254)	-6.73%	21,541,822	21,235,376	306,446	1.44%
Medical fees	2,198,126	2,359,060	(160,934)	-6.82%	15,138,980	14,154,361	984,619	6.96%
Other fees	2,538,676	2,269,528	269,148	11.86%	13,240,492	13,523,743	(283,251)	-2.09%
Depreciation	2,391,193	2,077,263	313,930	15.11%	14,385,247	12,665,409	1,719,838	13.58%
All other expense	2,165,531	1,841,330	324,201	17.61%	10,292,444	10,969,047	(676,603)	-6.17%
Total operating expenses	48,572,361	46,652,162	1,920,199	4.12%	284,564,849	280,612,006	3,952,843	1.41%
Income from operations	5,928,024	4,292,616	1,635,408	38.10%	12,453,881	25,478,751	(13,024,870)	-51.12%
Non-operating income:								
Donations	0	166,667	(166,667)	-100.00%	1,333,552	1,000,000	333,552	33.36%
Property taxes	333,333	333,333	(0)	0.00%	2,000,000	2,000,000	0	0.00%
Investment income	4,705,508	1,185,806	3,519,702	296.82%	17,286,322	7,114,833	10,171,489	142.96%
Income from subsidiaries	(4,566,741)	(4,053,998)	(512,743)	12.65%	(26,439,647)	(23,817,514)	(2,622,133)	11.01%
Total non-operating income	472,100	(2,368,193)	2,840,293	-119.94%	(5,819,773)	(13,702,681)	7,882,908	-57.53%
Operating and non-operating income \$	6,400,124	\$ 1,924,423	4,475,701	232.57%	\$ 6,634,108	\$ 11,776,070	(5,141,962)	-43.66%

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Dec and six months to date

	Month of Dec		Six months to date		Variance
	2022	2023	2022-23	2023-24	
NEWBORN STATISTICS					
Medi-Cal Admissions	36	32	231	215	(16)
Other Admissions	86	87	529	499	(30)
Total Admissions	122	119	760	714	(46)
Medi-Cal Patient Days	60	51	363	346	(17)
Other Patient Days	138	144	876	847	(29)
Total Patient Days of Care	198	195	1,239	1,193	(46)
Average Daily Census	6.4	6.3	6.7	6.5	(0.3)
Medi-Cal Average Days	1.8	1.5	1.7	1.7	0.0
Other Average Days	0.9	1.6	1.7	1.7	0.0
Total Average Days Stay	1.7	1.5	1.7	1.7	0.0
ADULTS & PEDIATRICS					
Medicare Admissions	424	427	2,382	2,247	(135)
Medi-Cal Admissions	375	276	1,802	1,573	(229)
Other Admissions	419	349	1,908	1,791	(117)
Total Admissions	1,218	1,052	6,092	5,611	(481)
Medicare Patient Days	1,929	1,678	10,017	9,079	(938)
Medi-Cal Patient Days	1,436	1,063	7,202	6,327	(875)
Other Patient Days	1,179	904	6,297	4,559	(1,738)
Total Patient Days of Care	4,544	3,645	23,516	19,965	(3,551)
Average Daily Census	146.6	117.6	127.8	108.5	(19.3)
Medicare Average Length of Stay	4.5	4.2	4.2	4.1	(0.1)
Medi-Cal AverageLength of Stay	3.7	3.3	3.5	3.5	(0.0)
Other Average Length of Stay	2.9	2.1	2.6	2.0	(0.6)
Total Average Length of Stay	3.7	3.1	3.5	3.2	(0.3)
Deaths	32	30	135	156	21
Total Patient Days	4,742	3,840	24,755	21,158	(3,597)
Medi-Cal Administrative Days	3	0	41	5	(36)
Medicare SNF Days	0	0	0	0	0
Over-Utilization Days	0	0	0	0	0
Total Non-Acute Days	3	0	41	5	(36)
Percent Non-Acute	0.06%	0.00%	0.17%	0.02%	-0.14%

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Dec and six months to date

	Month of Dec		Six months to date		Variance
	2022	2023	2022-23	2023-24	
<u>PATIENT DAYS BY LOCATION</u>					
Level I	388	257	1,745	1,429	(316)
Heart Center	388	348	2,096	1,962	(134)
Monitored Beds	748	675	3,958	3,694	(264)
Single Room Maternity/Obstetrics	337	293	2,107	1,923	(184)
Med/Surg - Cardiovascular	1,028	923	5,541	4,976	(565)
Med/Surg - Oncology	324	302	1,602	1,658	56
Med/Surg - Rehab	593	546	3,189	2,720	(469)
Pediatrics	158	159	818	808	(10)
Nursery	198	195	1,239	1,193	(46)
Neonatal Intensive Care	207	142	956	795	(161)
<u>PERCENTAGE OF OCCUPANCY</u>					
Level I	96.28%	63.77%	72.95%	59.74%	
Heart Center	83.44%	74.84%	75.94%	71.09%	
Monitored Beds	89.37%	80.65%	79.67%	74.36%	
Single Room Maternity/Obstetrics	29.38%	25.54%	30.95%	28.25%	
Med/Surg - Cardiovascular	73.69%	66.16%	66.92%	60.10%	
Med/Surg - Oncology	80.40%	74.94%	66.97%	69.31%	
Med/Surg - Rehab	73.57%	67.74%	66.66%	56.86%	
Med/Surg - Observation Care Unit	0.00%	0.00%	0.00%	0.00%	
Pediatrics	28.32%	28.49%	24.70%	24.40%	
Nursery	38.71%	38.12%	20.41%	19.65%	
Neonatal Intensive Care	60.70%	41.64%	47.23%	39.28%	

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Dec and six months to date

	Month of Dec		Six months to date		Variance
	2022	2023	2022-23	2023-24	
<u>DELIVERY ROOM</u>					
Total deliveries	116	116	733	651	(82)
C-Section deliveries	51	37	232	228	(4)
Percent of C-section deliveries	43.97%	31.90%	31.65%	35.02%	3.37%
<u>OPERATING ROOM</u>					
In-Patient Operating Minutes	23,855	17,688	122,771	96,693	(26,078)
Out-Patient Operating Minutes	27,526	26,842	160,494	177,793	17,299
Total	51,381	44,530	283,265	274,486	(8,779)
Open Heart Surgeries	18	18	86	68	(18)
In-Patient Cases	137	111	825	694	(131)
Out-Patient Cases	271	274	1,650	1,758	108
<u>EMERGENCY ROOM</u>					
Immediate Life Saving	38	33	172	220	48
High Risk	595	870	3,397	4,335	938
More Than One Resource	2,974	2,926	17,998	17,153	(845)
One Resource	2,467	1,998	13,880	11,843	(2,037)
No Resources	97	64	561	594	33
Total	6,171	5,891	36,008	34,145	(1,863)

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Dec and six months to date

	Month of Dec		Six months to date		
	2022	2023	2022-23	2023-24	Variance
CENTRAL SUPPLY					
In-patient requisitions	16,780	13,803	90,131	78,342	-11,789
Out-patient requisitions	9,058	9,707	56,478	61,810	5,332
Emergency room requisitions	695	548	3,448	4,455	1,007
Interdepartmental requisitions	7,698	7,278	42,798	39,603	-3,195
Total requisitions	34,231	31,336	192,855	184,210	-8,645
LABORATORY					
In-patient procedures	45,626	40,917	239,429	217,890	-21,539
Out-patient procedures	8,581	33,927	61,972	126,637	64,665
Emergency room procedures	13,588	13,411	79,788	78,182	-1,606
Total patient procedures	67,795	88,255	381,189	422,709	41,520
BLOOD BANK					
Units processed	360	325	2,005	1,862	-143
ELECTROCARDIOLOGY					
In-patient procedures	1,309	1,244	6,669	6,461	-208
Out-patient procedures	309	409	2,060	2,394	334
Emergency room procedures	1,193	1,245	6,719	7,193	474
Total procedures	2,811	2,898	15,448	16,048	600
CATH LAB					
In-patient procedures	107	121	572	731	159
Out-patient procedures	57	130	486	672	186
Emergency room procedures	0	0	1	0	-1
Total procedures	164	251	1,059	1,403	344
ECHO-CARDIOLOGY					
In-patient studies	414	446	2,346	2,237	-109
Out-patient studies	245	302	1,345	1,625	280
Emergency room studies	3	0	8	7	-1
Total studies	662	748	3,699	3,869	170
NEURODIAGNOSTIC					
In-patient procedures	143	144	877	794	-83
Out-patient procedures	14	14	98	115	17
Emergency room procedures	0	0	0	0	0
Total procedures	157	158	975	909	-66

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Dec and six months to date

	Month of Dec		Six months to date		Variance
	2022	2023	2022-23	2023-24	
SLEEP CENTER					
In-patient procedures	0	0	1	0	-1
Out-patient procedures	131	225	850	1,364	514
Emergency room procedures	0	0	1	0	-1
Total procedures	131	225	852	1,364	512
RADIOLOGY					
In-patient procedures	1,777	1,538	8,612	7,828	-784
Out-patient procedures	354	378	2,126	2,385	259
Emergency room procedures	1,650	1,488	9,437	8,962	-475
Total patient procedures	3,781	3,404	20,175	19,175	-1,000
MAGNETIC RESONANCE IMAGING					
In-patient procedures	132	133	916	841	-75
Out-patient procedures	72	97	613	698	85
Emergency room procedures	2	6	39	43	4
Total procedures	206	236	1,568	1,582	14
MAMMOGRAPHY CENTER					
In-patient procedures	3,548	4,021	24,314	24,939	625
Out-patient procedures	3,502	3,957	24,111	24,625	514
Emergency room procedures	3	0	5	9	4
Total procedures	7,053	7,978	48,430	49,573	1,143
NUCLEAR MEDICINE					
In-patient procedures	10	17	115	113	-2
Out-patient procedures	96	134	545	647	102
Emergency room procedures	0	1	1	2	1
Total procedures	106	152	661	762	101
PHARMACY					
In-patient prescriptions	115,027	93,636	575,754	497,415	-78,339
Out-patient prescriptions	14,157	14,682	88,604	94,024	5,420
Emergency room prescriptions	8,983	9,532	54,519	55,877	1,358
Total prescriptions	138,167	117,850	718,877	647,316	-71,561
RESPIRATORY THERAPY					
In-patient treatments	24,664	18,874	103,116	96,812	-6,304
Out-patient treatments	1,009	1,231	6,417	6,447	30
Emergency room treatments	482	606	2,599	3,224	625
Total patient treatments	26,155	20,711	112,132	106,483	-5,649
PHYSICAL THERAPY					
In-patient treatments	2,680	2,436	15,342	15,161	-181
Out-patient treatments	131	265	1,020	1,577	557
Emergency room treatments	0	0	0	0	0
Total treatments	2,811	2,701	16,362	16,738	376

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Dec and six months to date

	Month of Dec		Six months to date		Variance
	2022	2023	2022-23	2023-24	
OCCUPATIONAL THERAPY					
In-patient procedures	1,463	1,189	9,498	8,442	-1,056
Out-patient procedures	109	212	905	1,411	506
Emergency room procedures	0	0	0	0	0
Total procedures	1,572	1,401	10,403	9,853	-550
SPEECH THERAPY					
In-patient treatments	482	611	2,616	3,056	440
Out-patient treatments	10	58	136	232	96
Emergency room treatments	0	0	0	0	0
Total treatments	492	669	2,752	3,288	536
CARDIAC REHABILITATION					
In-patient treatments	0	0	1	9	8
Out-patient treatments	449	462	3,021	2,945	-76
Emergency room treatments	0	0	0	0	0
Total treatments	449	462	3,022	2,954	-68
CRITICAL DECISION UNIT					
Observation hours	577	385	2,423	1,798	-625
ENDOSCOPY					
In-patient procedures	72	84	523	442	-81
Out-patient procedures	65	67	370	358	-12
Emergency room procedures	0	0	0	0	0
Total procedures	137	151	893	800	-93
C.T. SCAN					
In-patient procedures	810	820	4,348	4,256	-92
Out-patient procedures	390	299	2,373	2,127	-246
Emergency room procedures	628	675	4,049	4,381	332
Total procedures	1,828	1,794	10,770	10,764	-6
DIETARY					
Routine patient diets	22,308	14,690	149,474	104,972	-44,502
Meals to personnel	25,414	30,741	152,408	170,705	18,297
Total diets and meals	47,722	45,431	301,882	275,677	-26,205
LAUNDRY AND LINEN					
Total pounds laundered	108,949	101,270	603,030	584,027	-19,003

Balanced Scorecard

Year To Date: November 2023

Monthly Scorecard

Service (30%)

Organizational Goals by Pillar
I. Service
Average of Inpatient HCAHPS Scores
of Total Responses - IP
Emergency Room Press Ganey Score
of Total Responses - ER
Average of Ambulatory HCAHPS Scores
of Total Responses - Ambulatory

Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	FY 2024 Act/Proj	TARGET	Var %
72.5	72.6	74.6	76.8	73.8	74.0	73.1	1.3%
139	189	136	92	138			
63.4	59.4	57.5	53.0	54.8	57.6	58.5	-1.5%
223	193	195	224	169			
92.4	91.6	92.3	90.6	92.9	92.0	92.1	-0.2%
61	72	62	47	54			

FY 2023 Baseline
72.6
58.0
91.6

Notes / Assumptions:

- Source: Press Ganey
- Based on monthly **received date**
- Based on top box scores (highest response possible on the survey scale: Yes, Definitely Yes, Always)
- IP HCAHPS Score FY 2023 Baseline was 72.6. Rationale: Baseline = Threshold is based on FY 2023 Actuals. Target is +0.5 from baseline. Max is +1.0 from baseline.
- ER HCAHPS Score FY 2023 Baseline was 58.0. Rationale: Baseline = Threshold is based on FY 2023 Actuals. Target is +0.5 from baseline. Max is +1.0 from baseline.
- Ambulatory HCAHPS Score FY 2023 Baseline was 91.6. Rationale: Baseline = Threshold is based on FY 2023 Actuals. Target is +0.5 from baseline. Max is +1.0 from baseline.

Monthly Scorecard

Quality & Safety Processes – ER (5%)

Organizational Goals by Pillar	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	FY 2024 Act/Proj	TARGET	Var %	FY 2023 Baseline
Emergency Room Efficiencies									
Median length of stay for non-admits (in minutes)	180.0	189.0	181.0	185.0	183.0	183.0	183.0	0.0%	180.0
Median time from admit decision to time of admission to nursing unit (in minutes)	75.5	71.0	73.0	71.0	76.0	73.0	74.0	1.4%	76.0

Source: Meditech

ER - LOS for Non-Admits in Minutes: Data Criteria: Calculate the median LOS in minutes for ER Outpatients for each month & YTD for cases in ER (excludes inpatients and patients leaving against medical advice or left without being seen.) Maximum is based the FY23 Baseline. The Target is a 3 minute increase from the Max, and the Threshold is a 6 minute increase from the Max. **Rationale:** SVHMC ER has recently experienced a higher volume level, including a surge of patients and provider turnover. According to CMS, the latest available data from 2021 indicates that the State Rate is 196 minutes and the National Rate is 203 minutes for comparable size hospitals.

ER - Time to Admit in Minutes: Data Criteria: Calculate the median time for inpatients from admit decision to time of admission to nursing unit in minutes (includes observation cases). Baseline = Threshold is based on FY 2023 Actuals. The Target is a 2 minute decrease from the Baseline, and the Max is a 4 minute decrease from the Baseline.

Rationale: The ER average daily census is currently averaging at about 186 patients a day compared to the baseline period of 128 (Jul21-Jan22), or a **45%** increase in ER census. We also have continued challenges with COVID and respiratory isolation. The vast increase of volume leads to limited space availability and delays. We have put forth a new initiative called the “Big 5 Handover Process”, which is a streamline handover process between the ED and nursing units, which may reduce admit time.

Monthly Scorecard

Quality & Safety Processes – OR & Cath Lab (5%)

Organizational Goals by Pillar	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	FY 2024 Act/Proj	TARGET	Var %	FY 2023 Baseline
Operating Room Efficiencies									
Turnover Time (Wheels out / Wheels in) (in minutes)	30.2	28.4	30.2	31.0	31.1	30.2	30.5	1.0%	29.6
Cath Lab Efficiencies									
First Case - On Time Start %	N/A	N/A	N/A	N/A	79.5%	79.5%	75.0%	6.0%	49.0%

OR Turnover Time Measurement: Source is from the **PICIS OR Nurse Record**. Calculate minutes elapsed between the wheels out & wheels in of the next case. Only cases where the time difference is less than or equal to 60 minutes will be included because breaks are often scheduled in a day. Due to MD availability, cases that exceed 60 threshold minutes will not count as a turnover. Excludes non-scheduled cases. Measurement applies to cases for the same physician and same room only. Data will be partitioned by actual date rather than previously scheduled date. **National benchmarks range from 25 to 38 minutes.** FY 2024 Goals are set at a level to continue high efficiency performance and strive to maintain sustainability at these levels. Planning to reduce minutes may cause patient safety risks and other concerns, especially considering the Covid-19 ongoing pandemic and the impact it has had in our hospital capacity as well as in our perioperative operations. Additionally, our OPS department has moved over to the other side of the building into 1 Main, which means the nurse, anesthesiologist and surgeon now have to go that distance to interview and mark the patient. While this isn't a huge distance, it can add 1-2 minutes to each start and/or turnover.

Cath Lab Percentage of 1st case On Time Start Time

- Source is from Meditech Community Wide Scheduling for the first case scheduled in each Cath Lab, where the scheduled time is from 7:00 am to 9:00 am
- Conscious sedation patients prepped and draped 5 minutes before the scheduled start time as measured by "Patient Ready" note charted in McKesson/CPACS
- Anesthesia patients prepped and draped within 60 minutes of scheduled start time as measured by "Patient Ready" note charted in McKesson/CPACS
- *Measurement period is from November 2023 through June 2024. This is due to adjustments made to the Cath Lab scheduling policy, provider notification and implementation time.*

Monthly Scorecard

Quality & Safety Processes – HAC & Hand Hygiene (10%)

Organizational Goals by Pillar	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	FY 2024 Act/Proj	TARGET	Var %	FY 2023 Baseline
Hospital Acquired Conditions Index (Weighted Total)	N/A	N/A	9.1	N/A	N/A	9.1	3.9	-135.4%	4.2
Hand Hygiene (Avgerage Number of Observations Per Quarter Per Nursing Unit)	N/A	N/A	N/A	N/A	N/A	N/A	100		60

Hospital Acquired Conditions

Source: National Healthcare Safety Network (NHSN) & BD Health Insight Interface

Hospital Acquired Conditions will be measured **quarterly**

Rationale for Targets: Utilizing CMS/NHSN/Magnet benchmarks and last years FY targets for sustainment and ongoing prevention practices. Process improvement measures for Falls, HAPIs, CLABSI, CAUTI,CDI and SSI processes are in place.

- **Falls with injury:** NDNQI Magnet benchmark 0.5- our outcomes in FY2022 and FY2023 are meeting the benchmarks
- **HAPI-** stage 2 and Deep tissue injuries are added to the CMS measures already reported (currently stage 3,4 and unstageable events are reported)- goal expanded. No current benchmark. We have already improved the outcomes in FY 2023 over FY 2021- we are proposing to keep/sustain the current outcomes. Displayed as a rate: number of pressure injuries /over 1000 patient days.
- **CLABSI** (Central Line Associated Bloodstream Infection), Health & Human Services 2023 Goal for CLABSI: SIR <0.50. An HAI Event can create increases above the benchmark SIR due to low utilization. Example: FY Q2 2021 1 CLABSI increased the SIR to 0.63. We will utilize a rate methodology: number of infections/ over 1000 line days – this rate is not risk adjusted like the SIR rate is but it provides us with the ability to display outcome measures after the close of the month instead of waiting from NHSN for benchmarked data. This is important for rapid continuous improvement work.
- **CAUTI** (Catheter Associated Urinary Tract Infection) Health & Human Services 2023 Goal for CAUTI: SIR <0.75. An HAI Event(s) can create increases above the benchmark SIR due to low utilization. Example: FY Q4 2022 1 CAUTI increased the SIR to 0.72 .We will utilize a rate methodology: number of infections/ over 1000 line days – this rate is not risk adjusted like the SIR rate is but it provides us with the ability to display outcome measures after the close of the month instead of waiting from NHSN for benchmarked data.
- **CDI** (Clostridium Difficile Infection), Health & Human Services 2023 Goal for CDI: SIR <0.70. We will utilize a rate methodology: number of infections/ over 1000 patient days – this rate is not risk adjusted like the SIR rate is but it provides us with the ability to display outcome measures after the close of the month instead of waiting from NHSN for benchmarked data.
- **SSI** (Surgical Site Infections), Health and Human Services 2023 Goal for SSI <0.70. We will utilize a rate methodology: number of infections/ over 1000 procedure days – this rate is not risk adjusted like the SIR rate is but it provides us with the ability to display outcome measures after the close of the month instead of waiting from NHSN for benchmarked data.

Hand Hygiene

Source: Hand Hygiene Auditing Tool populated by SVMHS staff, Goal is to reach 100 observations/quarter/unit –Leapfrog minimum recommended goal

Because this is a new program, the measurement period starts October 1st and the first measurement period will be available for FY24 Q2

Monthly Scorecard

Finance (20%)

Organizational Goals by Pillar
IV. Finance
Income from Operations (Normalized & Adjusted) (\$ in Millions)
Operating Margin (Normalized)

Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	FY 2024 Act/Proj	TARGET	Var %
\$3,317	\$5,915	\$6,601	\$5,278	\$2,646	\$57,016	\$50,681	12.5%
6.6%	11.1%	12.4%	10.2%	5.2%	9.1%	8.2%	11.1%

FY 2023 Baseline
\$79,748
12.4%



Notes / Assumptions:

- Target Methodology is based on SVHMC’s 100% of FY 2024 Board Approved Annual Operating Budget (in dollars).
- *Targets/actuals will be adjusted for FY24 for any negative impacts from the Anthem negotiations.*

Monthly Scorecard

Growth (10%)

Organizational Goals by Pillar	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	FY 2024 Act/Proj	TARGET	Var %	FY 2023 Baseline
V. Growth									
Percentage of Medicare Patients with <u>Post Discharge Follow Ups</u> within 14 days for an Inpatient Encounter (Attributed to SVH Clinics; Medicare Shared Savings Program and Aspire)	N/A	N/A	70.5%	N/A	N/A	70.5%	70%	0.7%	60.7%
Robotic-Assisted Surgeries (DaVinci X1 System Only).	16	21	25	35	28	125	124	0.8%	113
Expand Epic Access for Hospital Departments (view access to Ambulatory Medical Record)	N/A	N/A	3	N/A	N/A	3	6	-50.0%	3

- **Post Discharge Follow Up:** The eligible population is approximately 13,000 (MSSP=9768 and Aspire=3315). The denominator will consist of any hospital discharges for this eligible population. The numerator will consist of those patients with a post-discharge follow-up within 14 days. [Data will be provided quarterly.](#)
- **Robotic Surgery:** The volume of robotic-assisted surgeries attributed to use of DaVinci system only. Currently 4 surgeons are using the robot. Plan for expansion to urology. [Data will be provided monthly](#) and will be broken down by physician and procedure category.
- **Expanded Epic Access:** Plan is to provide access to various hospital departments with emphasis on departments with clinical staff.
 - Areas of emphasis for FY 2024: L&D, ONS (4th Floor), Med Surg (3rd Floor), Critical Care (1Main), 3rd Tower, 4th Tower, ICU, Telemetry
 - Rollout will require implementation plan and resources to ensure success/adoption
 - Important for care continuity, especially medication reconciliation
 - [Data will be provided quarterly.](#)

Monthly Scorecard

Community (5%)

Organizational Goals by Pillar	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	FY 2024 Act/Proj	TARGET	Var %	FY 2023 Baseline
VI. Community									
Increase community engagement through a newly designed employee outreach program resulting in community benefit events involving Salinas Valley Health staff. (Number of events)	0	0	0	0	0	0	2	-100.0%	NA

- The Community Pillar team will engage employees to create an employee outreach program, designing various program elements and characteristics such as:
 - Method of measuring impact/benefit provided to the community
 - Measurement of employee/family/friends engagement
 - Alignment with Community Benefit Funding
 - Addresses issues identified in Community Health Needs Assessment
 - Communication strategy
 - Measurement and reporting structure
 - Objectives and goals
 - Employee driven
 - Sustainability
 - Processes such as applications and approvals
- The Community Pillar team will engage employees to execute the created employee outreach program resulting in community benefit events.
- The December report will show: The first Community Engagement Event was held at Closter Park, in alignment with the Community Funding/Community Benefit process.

Questions / Comments?



APPENDIX

Monthly Scorecard

Quality & Safety Processes – HAC Detail

Organizational Goals by Pillar
Hospital Acquired Conditions Index
Falls With Injury, Occurance Rate (16.7% Weight)
of FALLS EVENTS
HAPI Stages 2-4 and Unstageable Rate (16.7% Weight)
of HAPI EVENTS
Surgical Site Infections Rate (16.6% Weight)
of SSI EVENTS
CLABSI Rate (16.7% Weight)
of CLABSI EVENTS
CAUTI Rate (16.7% Weight)
of CAUTI EVENTS
CDI Rate (16.6% Weight)
of CDI EVENTS
Hospital Acquired Conditions Index (Weighted Total)

Jul-23	Aug-23	Sep-23	FY 2024 Act/Proj	TARGET	Var %
N/A	N/A	0.2	0.2	0.2	-31.0%
0	0	3			
N/A	N/A	2.5	2.5	2.0	-22.1%
6	12	9			
N/A	N/A	4.1	4.1	0.8	-412.1%
2	0	0			
N/A	N/A	1.1	1.1	0.3	-286.0%
0	1	0			
N/A	N/A	1.1	1.1	0.4	-196.0%
1	0	1			
N/A	N/A	0.2	0.2	0.2	14.2%
1	1	0			
N/A	N/A	9.1	9.1	3.9	-135.4%

FY 2023 Baseline
0.3
2.0
0.8
0.4
0.5
0.3
4.2



Capital Spending Update

Active Projects Approved By The Board

Status As Of: December 2023 YTD

Rolf Norman & Dave Sullivan

FY24 YTD December Capital Spending, Active Projects

Board Approvals Capital Projects From BOD Minutes Through December 2023						
	(1) Project Name	(2) Board Approved Month	(3) Board Approved Amount	(4) FY2024 Spend	(5) Total Project Spend Since Inception	(6) Under / (Over) Spend Since Inception
1	Parking Garage Annex Design/Build	Mar 20, Jan 21, Jul 21, & Jan 22	\$32,500,000	\$8,643,134	\$27,246,824	\$5,253,176
1a	Medical Center Campus Painting	Sep. 2023 (transfer from garage)	\$3,500,000	\$7,053	\$7,053	\$3,492,947
2	Surgery Addition + Seismic Retrofit, Master Plan	Aug 2019 & Sep 2019 & April 2022	\$12,821,264	\$468,977	\$7,508,242	\$5,313,022
2a	Surgery Addition/Patient Tower (included in #2)			\$0	\$1,012,462	
2b	Seismic Retrofit (included in #2)			\$471,365	\$1,057,264	
2c	Welcome Center (included in #2)			\$0	\$99,067	
3	Renovations to 559 Abbott Street for Urology Services	Sep. 2022	\$3,379,628	\$1,832,437	\$2,735,031	\$644,597
4	CT Equipment Replacement Project,	Aug 2022	\$3,139,050	\$329,248	\$610,561	\$2,528,489
5	Nuclear Medicine Equipment Replacement	Aug 2022	\$3,002,053	\$708,379	\$1,035,953	\$1,966,100
6	Elevator Modernization	December 2021	\$2,600,000	\$321,992	\$1,318,039	\$1,281,961
7	Bulk Oxygen tank replacement project	Aug 2022, Oct 2022	\$2,800,000	\$235,845	\$751,936	\$2,048,064
8	SVH Rebranding (Capital Portion - Signage)		\$1,878,690	\$66,055	\$116,110	\$1,762,580
9	HR Replacement system - Workday (Capital Portion)	June 2023	\$1,423,692	\$748,661	\$748,661	\$675,031
10	Cath Lab 3 Replacement	October 2023	\$3,600,000	\$15,803	\$15,803	\$3,584,197
11	Angio Suite Replacement	October 2023	\$3,300,000	\$13,819	\$13,819	\$3,286,181
12	212 San Jose Street Renovation Cardio/Vascular	October 2023	\$500,000	\$8,472	\$8,472	\$491,528
Total			\$74,444,377	\$13,399,876	\$42,116,504	\$32,327,873
Other projects:						
13	IT Switches, Servers, Network, Computers, AV Upgrades.	N/A		\$851,264		
14	All Other SVMH/SVMC Capital Spending	N/A		\$1,219,372		
Grand Total				\$15,470,512		

*QUESTIONS /
COMMENTS?*

ADJOURNMENT