



November 9, 2023

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 the **SALINAS VALLEY HEALTH**¹ will be held **MONDAY, NOVEMBER 13, 2023, AT 12:00 P.M., DOWNING RESOURCCE CENTER ROOM A, B, & C, SALINAS VALLEY HEALTH MEDICAL CENTER, 450 E. ROMIE LANE, SALINAS, CALIFORNIA** or via **TELECONFERENCE** (*visit [SalinasValleyHealth.com/virtualboardmeeting](https://www.SalinasValleyHealth.com/virtualboardmeeting) for Access Information*).

A handwritten signature in black ink, appearing to read "Pete Delgado", written in a cursive style.

Pete Delgado
President/Chief Executive Officer



Committee Members: Joel Hernandez Laguna, Chair; Juan Cabrera, Vice Chair; Pete Delgado, 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, NOVEMBER 13, 2023, 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](https://www.salinasvalleyhealth.com/virtualboardmeeting) for Access Information)

AGENDA

1. Call to Order / Roll Call
2. Approve Minutes of the Finance Committee Meeting of September 25, 2023 (DELGADO)
 - Motion/Second
 - Public Comment
 - Action by Committee/Roll Call Vote
3. Approve Minutes of the Finance Committee Meeting of October 23, 2023 (DELGADO)
 - Motion/Second
 - Public Comment
 - Action by Committee/Roll Call Vote
4. Closed Session
5. Reconvene Open Session/Closed Session Report
6. Financial and Statistical Review (LOPEZ)
7. Review Balanced Scorecard (LOPEZ)
8. 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.

9. Adjournment

The next Finance Committee Meeting is scheduled for **Monday, December 11, 2023 at 12:00 p.m.**

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): Unknown

ADJOURN TO OPEN SESSION

CALL TO ORDER
ROLL CALL

(Chair to call the meeting to order)

DRAFT SALINAS VALLEY HEALTH¹
FINANCE COMMITTEE
COMMITTEE OF THE WHOLE
MEETING MINUTES SEPTEMBER 25, 2023

Committee Members Present:

In-person:, Vice Chair Juan Cabrera, Tarun Bajaj, MD., Pete Delgado, Augustine Lopez, Clement Miller, and Harry Wardwell

Via teleconference: Chair Joel Hernandez Laguna

Committee Members Absent: Sanjeev Tandon

Other Board Members Present, Constituting Committee of the Whole: Directors Catherine Carson, Rolando Cabrera, MD., Victor Rey Jr. (via teleconference)

Director Juan Cabrera in at 12:06 p.m.

Director Victor Rey Jr. in at 12:07 p.m.

Director Catherine Carson out at 12:58 p.m.

1. CALL TO ORDER/ROLL CALL

A quorum was present and Chair Joel Hernandez Laguna called the meeting to order at 12:01 p.m. in the Downing Resource Center, Rooms B & C.

2. APPROVE MINUTES OF THE FINANCE COMMITTEE AUGUST 21, 2023

The Finance Committee meeting minutes of August 21, 2023, were included in the Committee packet.

COMMENTS FROM THE BOARD:

None

PUBLIC COMMENT:

None

MOTION:

Upon motion by Committee member Delgado, and second by Committee member Lopez the minutes of August 21, 2023 Finance Committee were approved as presented.

ROLL CALL VOTE:

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

Noes: None;

Abstentions: None;

Absent: Vice-Chair Cabrera and Tandon.

Motion Carried

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

3. CONSIDER RECOMMENDATION FOR BOARD OF DIRECTORS APPROVAL OF PRELIMINARY PROJECT BUDGET FOR THE MEDICAL CENTER CAMPUS COLORIZATION PROJECT.

Received a verbal presentation from Clement Miller, Chief Operating Officer. The purpose of this project is to modernize the medical center buildings with a fresh color scheme consistent with the re-branding campaign. The project also has to comply with current rules and regulations enforced by all agencies having jurisdiction, primarily the City of Salinas. The execution of this project is expected to take about 10 months.

COMMENTS FROM THE BOARD:

None

PUBLIC COMMENT:

No public comment

MOTION:

Upon motion by Vice-Chair Cabrera, and second by Committee member Delgado, the Finance Committee recommends the Board of Directors approve the total estimated project budget for the Medical Center Campus Colorization Project in the budgeted amount of \$3,500,000.

ROLL CALL VOTE:

Ayes: Chair Hernandez Laguna, Vice-Chair Cabrera, Bajaj, MD., Delgado, Lopez, Miller, and Wardwell;

Noes: None;

Abstentions: None;

Absent: Tandon

Motion Carried

4. 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 12:12 p.m.

5. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Finance Committee reconvened Open Session at 1:00 p.m.

Chair Hernandez Laguna announced in Closed Session, the Board *Report Involving Trade Secrets - Trade secrets, strategic planning/proposed new programs and services*. No action was taken.

6. FINANCIAL PERFORMANCE REVIEW

Received an update from Augustine Lopez, Chief Financial Officer on the Financial Performance Review for the month of August 2023. The report contained revenue highlights for August which summarized that gross revenues were 3% favorable to budget, payor mix was unfavorable, and

total normalized net patient revenue was \$46.2 million; which was unfavorable to budget by \$4.3 million. Salinas Valley Health currently has 345 days of cash.

7. PUBLIC INPUT

No public comment

8. ADJOURNMENT

There being no other business, the meeting was adjourned at 1:02 p.m. The next Finance Committee Meeting is scheduled for **Monday, October 23, 2023 at 12:00 p.m.**

Joel Hernandez Laguna, Chair

DRAFT SALINAS VALLEY HEALTH¹
FINANCE COMMITTEE
COMMITTEE OF THE WHOLE
MEETING MINUTES OCTOBER 23, 2023

Committee Members Present:

In-person: Chair Joel Hernandez Laguna, Vice Chair Juan Cabrera, Tarun Bajaj, MD., Pete Delgado, Augustine Lopez and Clement Miller

Committee Members Absent: Sanjeev Tandon and Harry Wardwell

Other Board Members Present, Constituting Committee of the Whole: Directors Rolando Cabrera, MD., Victor Rey and Catherine Carson (via teleconference)

Director Juan Cabrera arrived at 12:07 p.m.

1. CALL TO ORDER/ROLL CALL

A quorum was present and Chair Joel Hernandez Laguna called the meeting to order at 12:01 p.m. in the Downing Resource Center, Rooms A, B & C.

A request was made to move Agenda Items #7, #8, #9 to the top of the agenda. There was no objection to this request.

2. 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 12:05 p.m.

3. RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Board reconvened Open Session at 12:43 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.

4. FINANCIAL PERFORMANCE REVIEW

An update was received from Augustine Lopez, Chief Financial Officer on the Financial Performance Review for the month of September 2023. The report contained revenue highlights for September which summarized that gross revenues were 0.4% favorable to budget, payor mix was favorable, and total normalized net patient revenue was \$46 million; which was unfavorable to budget by \$3 million. Salinas Valley Health currently has 343 days of cash.

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

5. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF THE OPTUM360 LYNX SOFTWARE SERVICE AGREEMENT RENEWAL

Augustine Lopez, CFO, and Philip Katzenberger, Director/HIM, made a verbal presentation for the Optum™ LYNX outpatient charge capture software licenses and rationale for sole source justification.

COMMENTS FROM THE BOARD: Further discussion with staff clarified the following: Interfaces have been customized to maximize revenue benefit.

PUBLIC COMMENT

No public comment

MOTION:

Upon motion by Vice-Chair Cabrera, and second by Committee member Delgado, the Finance Committee recommends the Board of Directors approve the Optum™ Lynx software contract renewal as sole source justification and contract award in the estimated amount of \$1,528,770, over the five-year term. A full report was included in the Board packet. Background, situation and rationale were discussed.

ROLL CALL VOTE:

Ayes: Bajaj, MD., Vice-Chair Cabrera, Delgado, Lopez, Miller, Chair Hernandez Laguna,

Noes: None;

Abstentions: None;

Absent: Tandon and Wardwell

Motion Carried

6. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF PROJECT BUDGET FOR THE SALINAS VALLEY HEALTH CLINIC REFRESH AND EXPANSION AT 212 SAN JOSE STREET, SUITES 301 AND 302 (CARDIOTHORACIC/VASCULAR SURGERY)

Allen Radner, MD, CMO, and Gary Ray, Esq., CAO/Salinas Valley Health, made a verbal presentation to pursue tenant improvements for two suites at 212 San Jose Street to include renovations and procurement of furnishings and equipment. A full report was included in the Board packet. Background, situation and rationale were discussed.

BOARD MEMBER COMMENT: Further discussion with staff clarified the following: This refresh will benefit the cardiology and vascular service lines as more physicians are added and more access to care is provided. This provides more office space and more exam rooms by reconfiguring existing offices, which brings more revenue. There will be a quick return on investment. In partnership with the Cath Lab 3/Interventional Radiology request next on the agenda, this will benefit our vascular program.

PUBLIC COMMENT:

No public comment

MOTION:

Upon motion by Delgado and second by Committee member Vice-Chair Cabrera, the Finance Committee recommends the Board of Directors approve the total estimated project budget for the

Salinas Valley Health Clinic Refresh and Expansion at 212 San Jose Street, Suites 301 and 302 (Cardiothoracic/Vascular Surgery) in the budgeted amount of \$500,000.

ROLL CALL VOTE:

Ayes: Bajaj, MD., Vice-Chair Cabrera, Delgado, Lopez, Miller, Chair Hernandez Laguna,

Noes: None;

Abstentions: None;

Absent: Tandon and Wardwell

Motion Carried

7. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF AWARDING CONTRACT FOR DESIGN AND ENGINEERING SERVICES IN CONJUNCTION WITH THE CATHETERIZATION LABORATORY 3 AND INTERVENTIONAL RADIOLOGY EQUIPMENT REPLACEMENT PROJECTS

Clement Miller, COO, explained the fluoroscopy equipment in catheterization lab 3 (Cath lab 3) and the interventional radiology special procedures room (IR Room) have reached the end of useful life and will soon be no longer serviceable by the vendor (Siemens). Current project planning encompasses full replacement of existing equipment and building components within the procedure area, control rooms, equipment closets and adjacencies. A full report was included in the Board packet. Background, situation and rationale were discussed. The aging equipment in CL3 has affected patient care. Angio has been end-of-life since 2018.

BOARD MEMBER COMMENT: Further discussion with staff clarified the following:

Construction will be one room at time. The 2-room renovation is cost effective over renovating each room as a separate project. This service line is growing and this is an investment. The request is a mission critical request due to equipment capability and end-of-life technology.

PUBLIC COMMENT:

No public comment.

MOTION:

Upon motion by Vice-Chair Cabrera, and second by Committee member Delgado, the Finance Committee recommends the Board of Directors approve the overall project budgets for Cardiac Catheterization Laboratory 3 in the amount of \$3.6m and the IR Room/Special Procedures room in the amount of \$3.3m. In addition we recommend approving the award of the professional services agreement to Smith-Karng Architecture for Catheterization Laboratory 3 and Interventional Radiology Equipment Replacement Projects, in the amount of \$682,466.

ROLL CALL VOTE:

Ayes: Bajaj, MD., Vice-Chair Cabrera, Delgado, Lopez, Miller, Chair Hernandez Laguna,

Noes: None;

Abstentions: None;

Absent: Tandon and Wardwell

Motion Carried

8. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF A MANAGEMENT SERVICE AND SUPPLY AGREEMENT WITH ARAMARK FOR FOOD AND NUTRITION SERVICES INCLUDING STARBUCKS

Clement Miller, COO, explained Salinas Valley Health is seeking an agreement with Aramark Healthcare for Food and Nutrition Services management services and supply of food/related items. This partnership is aimed at enhancing the hospital's dietary offerings and improving patient and staff dining experiences, while reducing the cost associated with procuring quality produce. A full report was included in the Board packet. Background, situation and rationale were discussed. Est 2.3M savings. 900K improvements including a new dishwasher which is needed. Will meet nutritional label requirements coming.

BOARD MEMBER COMMENT: Further discussion with staff clarified the following: Aramark has another client that is Blue Zones certified. Administration will develop a monitoring plan to assess savings, establish metrics and review financials. The goal is to improve patient experience and be cost effective.

PUBLIC COMMENT:

No public comment.

MOTION:

Upon motion by Vice-Chair Cabrera, and second by Committee member Miller, the Finance Committee recommends the Board of Directors award the contract to Aramark Healthcare, for management services for the management of the Food and Nutrition Services Department and Starbucks, includes delivery of food/nutritional supplies in the estimated amount of \$4.8m the first year and up to \$32.7m over 6 years, pending final contract negotiations and legal review.

ROLL CALL VOTE:

Ayes: Bajaj, MD., Vice-Chair Cabrera, Delgado, Lopez, Miller, Chair Hernandez Laguna,

Noes: None;

Abstentions: None;

Absent: Tandon and Wardwell

Motion Carried

9. FINANCIAL PERFORMANCE REVIEW

An update was received from Augustine Lopez, Chief Financial Officer on the Financial Performance Review for the month of September 2023. The report contained revenue highlights for September which summarized that gross revenues were 0.4% favorable to budget, payor mix was favorable, and total normalized net patient revenue was \$46 million; which was unfavorable to budget by \$3 million. Salinas Valley Health currently has 343 days of cash.

10. FY2024 CAPITAL SPENDING UPDATE

Mr. Sullivan reported on the seven major capital projects; updated as follows:

1. Parking Garage: Usage is projected for early November and is under budget.
2. Seismic Upgrade: Is on target.
3. 559 Abbott renovations are under budget.

4. CT equipment replacement has started and is April delivery.
5. Nuclear medicine, same as above.
6. Elevator Modernization: All needed equipment is on roof and the project is scheduled to complete in the next fiscal year.
7. Bulk Oxygen Tank Replacement: is on target

A full report was provided in the packet.

11. PUBLIC COMMENT

No public comment

12. ADJOURNMENT

There being no other business, the meeting was adjourned at 1:25 p.m. The next Finance Committee Meeting is scheduled for **Monday, November 13, 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

October 2023

Augustine Lopez
Chief Financial Officer

Consolidated Financial Summary

For the Month of October 2023

\$ in Millions	For the Month of October 2023					
			Variance fav (unfav)			
	Actual	Budget	\$VAR	%VAR		
Operating Revenue (*)	\$ 54.7	\$ 60.7	\$ (6.0)	-9.9%		
Operating Expense	\$ 59.1	\$ 60.8	\$ 1.7	2.8%		
Income from Operations	\$ (4.4)	\$ (0.1)	\$ (4.3)	-4300.0%		
<i>Operating Margin %</i>	<i>-8.0%</i>	<i>-0.2%</i>	<i>-7.8%</i>	<i>-3900.00%</i>		
Non Operating Income	\$ 1.2	\$ 1.9	\$ (0.7)	-36.8%		
Net Income	\$ (3.2)	\$ 1.8	\$ (5.0)	-277.8%		
<i>Net Income Margin %</i>	<i>-5.7%</i>	<i>3.0%</i>	<i>-8.7%</i>	<i>-290.0%</i>		

Consolidated Financial Summary

YTD October 2023

\$ in Millions	FY 2023 YTD October				
			Variance fav (unfav)		
	Actual	Budget	\$VAR	%VAR	
Operating Revenue (*)	\$ 225.4	\$ 240.8	\$ (15.4)	-6.4%	
Operating Expense	\$ 238.8	\$ 239.8	\$ 1.0	0.4%	
Income from Operations	\$ (13.4)	\$ 1.0	\$ (14.4)	-1440.0%	
<i>Operating Margin %</i>	<i>-6.0%</i>	<i>0.4%</i>	<i>-6.4%</i>	<i>-1600.0%</i>	
Non Operating Income	\$ 9.9	\$ 7.6	\$ 2.3	30.3%	
Net Income	\$ (3.5)	\$ 8.6	\$ (12.1)	-140.7%	
<i>Net Income Margin %</i>	<i>-1.6%</i>	<i>3.6%</i>	<i>-5.2%</i>	<i>-144.4%</i>	

SVHMC Revenue Highlights October 2023

Gross Revenues were 2.2% favorable to budget

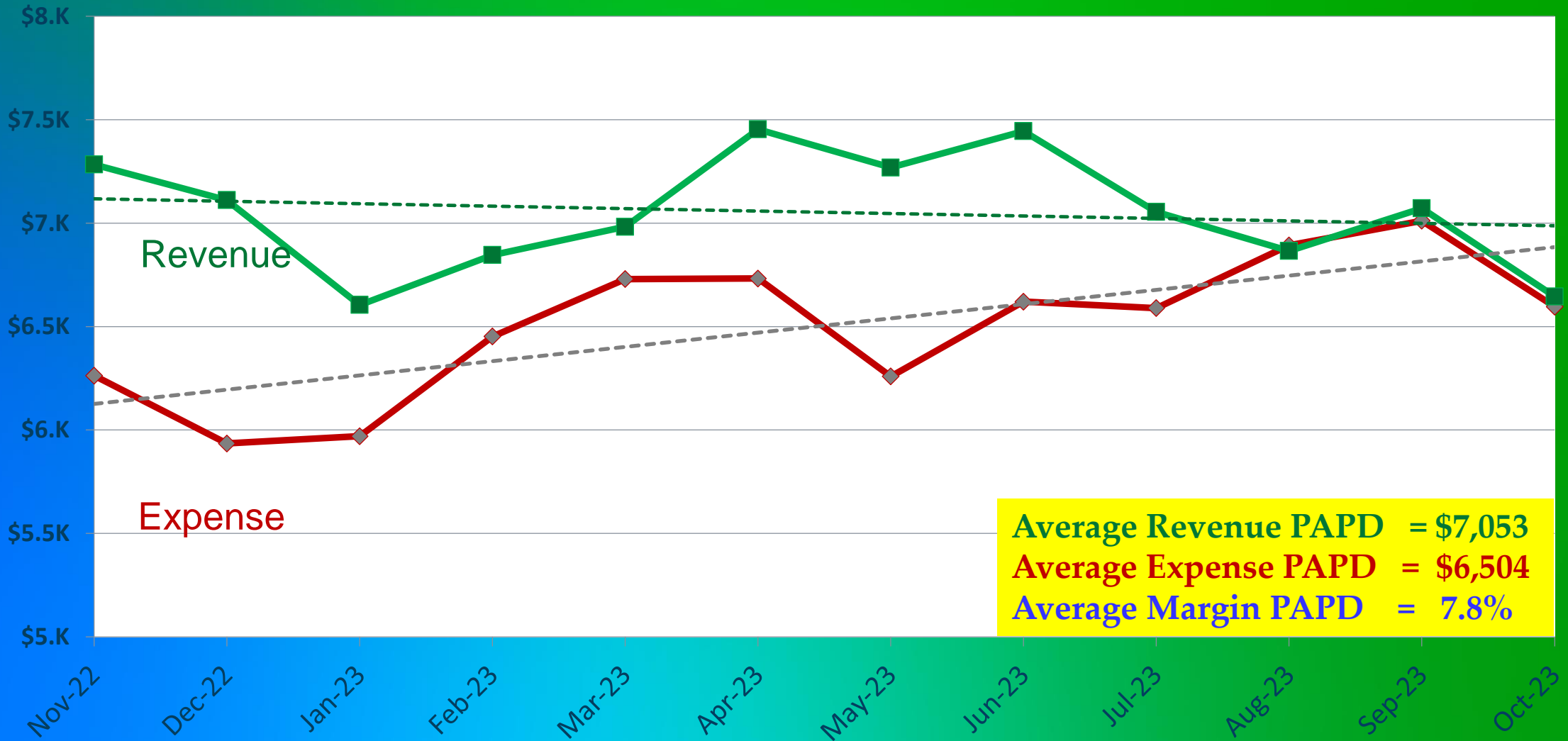
- IP Gross Revenues were 6% unfavorable to budget
- ED Gross Revenues were 1% unfavorable to budget
- OP Gross Revenues were 16% favorable to budget in the following areas:
 - OP Infusion
 - OP Surgery
 - Cath Lab
 - Mammography

- Commercial: 5% below budget
- Medicaid: 4% above budget
- Medicare: 6% above budget

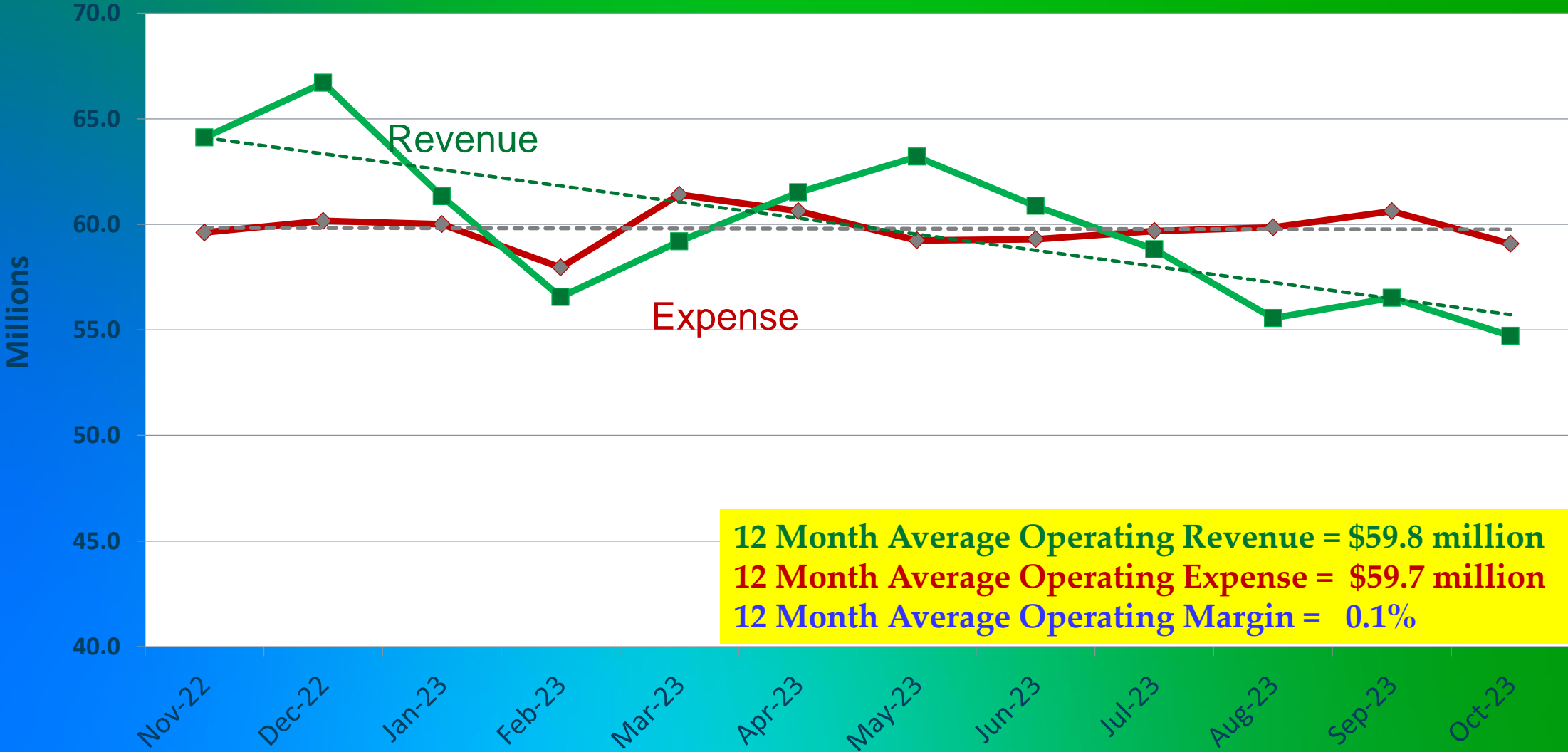
Payor Mix – Unfavorable

Total Normalized Net Patient Revenues were \$45.8M, which was unfavorable to budget by \$4.6M or 9.1%

SVHMC Revenues & Expenses Per Adjusted Patient Day Rolling 12 Months: Nov 22 to October 23



SVH Consolidated Revenues & Expenses Rolling 12 Months: Nov 22 to October 23



Salinas Valley Health Key Financial Indicators

Statistic	YTD	SVH		S&P A+ Rated		YTD	
	10/31/23	Target	+/-	Hospitals	+/-	10/31/22	+/-
Operating Margin*	-7.7%	5.0%		4.0%		4.2%	
Total Margin*	1.6%	6.0%		6.6%		4.3%	
EBITDA Margin**	-0.9%	7.4%		13.6%		8.1%	
Days of Cash*	337	305		249		340	
Days of Accounts Payable*	46	45		-		53	
Days of Net Accounts Receivable***	55	45		49		49	
Supply Expense as % NPR	14.3%	14.0%		-		13.0%	
SWB Expense as % NPR	58.7%	53.0%		53.7%		54.0%	
Operating Expense per APD*	6,782	6,739		-		6,291	

*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)

Days of Cash and Accounts Payable metrics have been adjusted to **exclude** accelerated insurance payments (COVID-19 assistance)

Questions / Comments

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

	<u>Month of October,</u>		<u>Four months ended October 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 45,775,024	\$ 50,289,316	\$ 187,298,780	\$ 202,630,079
Other operating revenue	1,164,498	708,887	4,485,356	2,832,430
Total operating revenue	<u>46,939,522</u>	<u>50,998,203</u>	<u>191,784,136</u>	<u>205,462,509</u>
Total operating expenses	46,591,831	46,906,308	187,903,965	185,327,828
Total non-operating income	<u>(2,820,446)</u>	<u>(4,949,934)</u>	<u>(6,919,489)</u>	<u>(13,005,285)</u>
Operating and non-operating income	<u>\$ (2,472,754)</u>	<u>\$ (858,039)</u>	<u>\$ (3,039,318)</u>	<u>\$ 7,129,396</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
 BALANCE SHEETS
 October 31, 2023

	<u>Current year</u>	<u>Prior year</u>
ASSETS:		
Current assets	\$ 333,221,641	\$ 387,369,106
Assets whose use is limited or restricted by board	159,428,816	150,622,423
Capital assets	249,059,773	240,456,794
Other assets	287,119,788	189,926,803
Deferred pension outflows	<u>116,911,125</u>	<u>95,857,027</u>
	<u>\$ 1,145,741,143</u>	<u>\$ 1,064,232,154</u>
LIABILITIES AND EQUITY:		
Current liabilities	88,330,725	101,776,975
Long term liabilities	20,095,669	18,514,233
Lease deferred inflows	2,236,413	1,911,058
Pension liability	118,792,064	79,111,485
Net assets	<u>916,286,272</u>	<u>862,918,403</u>
	<u>\$ 1,145,741,143</u>	<u>\$ 1,064,232,154</u>

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

	Month of October,		Four months ended October 31,	
	current year	prior year	current year	prior year
Patient days:				
By payer:				
Medicare	1,770	2,012	6,981	7,670
Medi-Cal	1,062	1,204	3,943	4,475
Commercial insurance	618	779	2,617	3,031
Other patient	41	112	416	407
Total patient days	3,491	4,107	13,957	15,583
Gross revenue:				
Medicare	\$ 111,861,110	\$ 100,067,777	\$ 435,016,498	\$ 397,358,669
Medi-Cal	72,269,584	69,289,259	265,522,537	260,048,351
Commercial insurance	50,764,131	51,767,295	207,746,023	208,520,709
Other patient	5,945,542	9,370,137	34,985,267	32,999,936
Gross revenue	240,840,367	230,494,468	943,270,325	898,927,665
Deductions from revenue:				
Administrative adjustment	345,030	89,863	995,072	700,155
Charity care	1,137,235	889,140	3,339,493	3,142,609
Contractual adjustments:				
Medicare outpatient	32,370,856	28,526,083	135,005,458	120,285,952
Medicare inpatient	45,454,280	47,649,599	180,714,692	173,350,023
Medi-Cal traditional outpatient	3,079,984	3,028,934	10,995,770	12,977,361
Medi-Cal traditional inpatient	5,121,884	4,814,343	18,224,509	17,997,061
Medi-Cal managed care outpatient	30,889,399	28,317,415	117,574,636	103,814,679
Medi-Cal managed care inpatient	23,804,305	25,868,830	89,909,016	97,178,833
Commercial insurance outpatient	28,092,912	17,428,652	93,807,839	70,749,488
Commercial insurance inpatient	21,742,113	18,022,711	84,674,506	76,735,571
Uncollectible accounts expense	4,256,551	3,713,662	16,977,482	15,636,031
Other payors	(1,229,206)	1,855,919	3,753,072	3,729,824
Deductions from revenue	195,065,343	180,205,151	755,971,545	696,297,587
Net patient revenue	\$ 45,775,024	\$ 50,289,316	\$ 187,298,780	\$ 202,630,079
Gross billed charges by patient type:				
Inpatient	\$ 119,490,021	\$ 124,454,276	\$ 474,132,357	\$ 473,155,211
Outpatient	91,663,337	76,791,223	349,820,626	311,875,590
Emergency room	29,687,009	29,248,969	119,317,343	113,896,865
Total	\$ 240,840,367	\$ 230,494,468	\$ 943,270,326	\$ 898,927,665

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

	<u>Month of October,</u>		<u>Four months ended October 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 45,775,024	\$ 50,289,316	\$ 187,298,780	\$ 202,630,079
Other operating revenue	<u>1,164,498</u>	<u>708,887</u>	<u>4,485,356</u>	<u>2,832,430</u>
Total operating revenue	<u>46,939,522</u>	<u>50,998,203</u>	<u>191,784,136</u>	<u>205,462,509</u>
Operating expenses:				
Salaries and wages	17,316,172	17,109,510	65,709,240	70,169,492
Compensated absences	3,733,512	3,240,154	12,440,217	11,199,200
Employee benefits	7,406,798	7,705,239	33,344,319	29,868,786
Supplies, food, and linen	7,420,540	6,494,538	27,987,266	26,965,431
Purchased department functions	2,141,107	4,530,945	14,500,016	16,103,028
Medical fees	2,025,614	2,033,674	9,695,478	7,453,948
Other fees	1,990,310	2,543,794	8,412,234	9,710,704
Depreciation	3,565,600	1,779,457	9,409,010	7,463,055
All other expense	992,178	1,468,997	6,406,185	6,394,184
Total operating expenses	<u>46,591,831</u>	<u>46,906,308</u>	<u>187,903,965</u>	<u>185,327,828</u>
Income from operations	<u>347,691</u>	<u>4,091,895</u>	<u>3,880,171</u>	<u>20,134,681</u>
Non-operating income:				
Donations	54,244	(500,000)	1,186,931	1,801,378
Property taxes	333,333	333,333	1,333,333	1,333,333
Investment income	1,326,514	(769,695)	7,015,808	(4,144,335)
Taxes and licenses	0	0	0	0
Income from subsidiaries	(4,534,537)	(4,013,572)	(16,455,561)	(11,995,661)
Total non-operating income	<u>(2,820,446)</u>	<u>(4,949,934)</u>	<u>(6,919,489)</u>	<u>(13,005,285)</u>
Operating and non-operating income	(2,472,754)	(858,039)	(3,039,318)	7,129,396
Net assets to begin	<u>918,759,027</u>	<u>863,776,442</u>	<u>919,325,589</u>	<u>855,789,007</u>
Net assets to end	<u>\$ 916,286,272</u>	<u>\$ 862,918,403</u>	<u>\$ 916,286,272</u>	<u>\$ 862,918,403</u>
Net income excluding non-recurring items	\$ (2,472,754)	\$ (858,039)	\$ (3,039,318)	\$ 7,129,396
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>\$ (2,472,754)</u>	<u>\$ (858,039)</u>	<u>\$ (3,039,318)</u>	<u>\$ 7,129,396</u>

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

	<u>Month of October,</u>		<u>Four months ended October 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	\$ (190,308)	\$ (300,762)	\$ (756,288)	\$ (796,932)
Neurological Clinic	(75,925)	(60,546)	(271,408)	(292,324)
Palliative Care Clinic	(91,337)	(64,509)	(324,335)	(247,764)
Surgery Clinic	(150,672)	(175,155)	(727,228)	(556,396)
Infectious Disease Clinic	(30,130)	(33,367)	(124,674)	(119,959)
Endocrinology Clinic	(186,720)	(142,675)	(816,873)	(612,348)
Early Discharge Clinic	0	0	0	0
Cardiology Clinic	(507,023)	(562,968)	(2,099,420)	(1,667,913)
OB/GYN Clinic	(392,482)	(160,098)	(1,444,125)	(1,045,650)
PrimeCare Medical Group	(779,642)	(485,566)	(3,289,907)	(1,635,577)
Oncology Clinic	(294,875)	(436,387)	(1,217,149)	(1,190,934)
Cardiac Surgery	(348,814)	(47,016)	(1,267,006)	(834,416)
Sleep Center	(43,679)	15,357	(162,110)	(44,032)
Rheumatology	(66,637)	(50,470)	(255,402)	(236,168)
Precision Ortho MDs	(520,151)	(594,911)	(1,726,403)	(1,430,465)
Precision Ortho-MRI	0	0	0	0
Precision Ortho-PT	(35,268)	(55,345)	(166,527)	(175,414)
Vaccine Clinic	0	571	0	(683)
Dermatology	(55,310)	(33,015)	(159,760)	(76,055)
Hospitalists	0	0	0	0
Behavioral Health	(55,202)	(45,151)	(165,387)	(117,487)
Pediatric Diabetes	(49,616)	(42,106)	(192,882)	(182,254)
Neurosurgery	(30,859)	(57,727)	(112,813)	(128,692)
Multi-Specialty-RR	5,202	26,284	20,834	47,221
Radiology	(347,064)	(221,988)	(877,791)	(635,736)
Salinas Family Practice	(150,620)	(163,626)	(535,775)	(401,037)
Urology	(182,444)	(303,218)	(671,721)	(477,344)
Total SVHC	(4,579,576)	(3,994,394)	(17,344,150)	(12,858,359)
Doctors on Duty	(113,284)	23,786	187,029	313,105
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	73,090	63,502	429,379	464,955
Coastal	38,901	(93,502)	147,588	(57,525)
Apex	0	0	0	0
21st Century Oncology	6,892	(55,946)	(14,709)	(27,945)
Monterey Bay Endoscopy Center	39,440	42,981	139,302	170,108
Total	<u>\$ (4,534,537)</u>	<u>\$ (4,013,572)</u>	<u>\$ (16,455,561)</u>	<u>\$ (11,995,661)</u>

SALINAS VALLEY HEALTH MEDICAL CENTER
BALANCE SHEETS
October 31, 2023

	Current year	Prior year
A S S E T S		
Current assets:		
Cash and cash equivalents	\$ 221,133,651	\$ 276,777,968
Patient accounts receivable, net of estimated uncollectibles of \$26,676,525	87,188,314	88,830,207
Supplies inventory at cost	8,001,510	7,596,948
Current portion of lease receivable	1,538,727	534,201
Other current assets	15,359,439	13,629,782
Total current assets	333,221,641	387,369,106
Assets whose use is limited or restricted by board	159,428,816	150,622,423
Capital assets:		
Land and construction in process	68,332,034	43,531,753
Other capital assets, net of depreciation	180,727,739	196,925,042
Total capital assets	249,059,773	240,456,794
Other assets:		
Right of use assets, net of amortization	5,043,074	7,137,296
Long term lease receivable	854,047	1,462,610
Subscription assets, net of amortization	9,131,508	0
Investment in Securities	247,644,024	141,829,047
Investment in SVMC	6,851,416	14,518,570
Investment in Coastal	1,829,229	1,586,175
Investment in other affiliates	20,516,116	23,321,886
Net pension asset	(4,749,626)	71,219
Total other assets	287,119,788	189,926,803
Deferred pension outflows	116,911,125	95,857,027
	\$ 1,145,741,143	\$ 1,064,232,154
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	\$ 58,871,639	\$ 63,194,431
Due to third party payers	5,308,933	17,755,329
Current portion of self-insurance liability	17,862,738	17,891,246
Current subscription liability	4,465,124	0
Current portion of lease liability	1,822,291	2,935,968
Total current liabilities	88,330,725	101,776,975
Long term portion of workers comp liability	13,027,333	14,058,922
Long term portion of lease liability	3,418,351	4,455,311
Long term subscription liability	3,649,985	0
Total liabilities	108,426,394	120,291,208
Lease deferred inflows	2,236,413	1,911,058
Pension liability	118,792,064	79,111,485
Net assets:		
Invested in capital assets, net of related debt	249,059,773	240,456,794
Unrestricted	667,226,499	622,461,609
Total net assets	916,286,272	862,918,403
	\$ 1,145,741,143	\$ 1,064,232,154

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

	Month of October,				Four months ended October 31,			
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var
Operating revenue:								
Gross billed charges	\$ 240,840,367	\$ 235,748,845	5,091,522	2.16%	\$ 943,270,325	\$ 935,361,603	7,908,722	0.85%
Deductions from revenue	195,065,343	185,390,067	9,675,276	5.22%	755,971,545	735,395,722	20,575,823	2.80%
Net patient revenue	45,775,024	50,358,778	(4,583,754)	-9.10%	187,298,780	199,965,881	(12,667,101)	-6.33%
Other operating revenue	1,164,498	1,332,540	(168,042)	-12.61%	4,485,356	5,330,160	(844,804)	-15.85%
Total operating revenue	46,939,522	51,691,318	(4,751,796)	-9.19%	191,784,136	205,296,041	(13,511,905)	-6.58%
Operating expenses:								
Salaries and wages	17,316,172	17,525,260	(209,088)	-1.19%	65,709,240	68,169,051	(2,459,811)	-3.61%
Compensated absences	3,733,512	2,834,756	898,756	31.70%	12,440,217	12,337,350	102,867	0.83%
Employee benefits	7,406,798	8,022,822	(616,024)	-7.68%	33,344,319	31,926,280	1,418,039	4.44%
Supplies, food, and linen	7,420,540	6,899,278	521,262	7.56%	27,987,266	27,377,505	609,761	2.23%
Purchased department functions	2,141,107	3,539,230	(1,398,123)	-39.50%	14,500,016	14,156,918	343,098	2.42%
Medical fees	2,025,614	2,359,060	(333,446)	-14.13%	9,695,478	9,436,241	259,237	2.75%
Other fees	1,990,310	2,269,528	(279,218)	-12.30%	8,412,234	9,031,399	(619,165)	-6.86%
Depreciation	3,565,600	2,107,438	1,458,162	69.19%	9,409,010	8,503,451	905,559	10.65%
All other expense	992,178	1,841,330	(849,152)	-46.12%	6,406,185	7,325,854	(919,669)	-12.55%
Total operating expenses	46,591,831	47,398,702	(806,871)	-1.70%	187,903,965	188,264,050	(360,085)	-0.19%
Income from operations	347,691	4,292,616	(3,944,925)	-91.90%	3,880,171	17,031,991	(13,151,820)	-77.22%
Non-operating income:								
Donations	54,244	166,667	(112,423)	-67.45%	1,186,931	666,667	520,264	78.04%
Property taxes	333,333	333,333	(0)	0.00%	1,333,333	1,333,333	(0)	0.00%
Investment income	1,326,514	1,185,806	140,709	11.87%	7,015,808	4,743,222	2,272,586	47.91%
Income from subsidiaries	(4,534,537)	(4,350,243)	(184,294)	4.24%	(16,455,561)	(15,864,079)	(591,482)	3.73%
Total non-operating income	(2,820,446)	(2,664,438)	(156,008)	5.86%	(6,919,489)	(9,120,857)	2,201,368	-24.14%
Operating and non-operating income	\$ (2,472,755)	\$ 1,628,178	(4,100,933)	-251.87%	\$ (3,039,318)	\$ 7,911,135	(10,950,452)	-138.42%

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Oct and four months to date

	<u>Month of Oct</u>		<u>Four months to date</u>		<u>Variance</u>
	<u>2022</u>	<u>2023</u>	<u>2022-23</u>	<u>2023-24</u>	
<u>NEWBORN STATISTICS</u>					
Medi-Cal Admissions	39	35	153	136	(17)
Other Admissions	79	79	345	329	(16)
Total Admissions	118	114	498	465	(33)
Medi-Cal Patient Days	58	59	239	221	(18)
Other Patient Days	134	141	568	556	(12)
Total Patient Days of Care	192	200	807	777	(30)
Average Daily Census	6.2	6.5	6.6	6.3	(0.2)
Medi-Cal Average Days	1.5	1.7	1.6	1.7	0.1
Other Average Days	1.1	1.8	1.6	1.7	0.1
Total Average Days Stay	1.7	1.8	1.6	1.7	0.1
<u>ADULTS & PEDIATRICS</u>					
Medicare Admissions	387	361	1,544	1,459	(85)
Medi-Cal Admissions	368	254	1,153	977	(176)
Other Admissions	388	292	1,258	1,153	(105)
Total Admissions	1,143	907	3,955	3,589	(366)
Medicare Patient Days	1,733	1,486	6,370	5,942	(428)
Medi-Cal Patient Days	1,243	1,058	4,644	4,053	(591)
Other Patient Days	975	734	4,047	2,996	(1,051)
Total Patient Days of Care	3,951	3,278	15,061	12,991	(2,070)
Average Daily Census	127.5	105.7	122.4	105.6	(16.8)
Medicare Average Length of Stay	4.6	4.2	4.1	4.1	(0.0)
Medi-Cal Average Length of Stay	3.4	3.5	3.5	3.6	0.1
Other Average Length of Stay	2.6	2.1	2.6	2.1	(0.5)
Total Average Length of Stay	3.5	3.2	3.4	3.2	(0.2)
Deaths	22	31	86	100	14
Total Patient Days	4,143	3,478	15,868	13,768	(2,100)
Medi-Cal Administrative Days	5	0	32	5	(27)
Medicare SNF Days	0	0	0	0	0
Over-Utilization Days	0	0	0	0	0
Total Non-Acute Days	5	0	32	5	(27)
Percent Non-Acute	0.12%	0.00%	0.20%	0.04%	-0.17%

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Oct and four months to date

	<u>Month of Oct</u>		<u>Four months to date</u>		<u>Variance</u>
	<u>2022</u>	<u>2023</u>	<u>2022-23</u>	<u>2023-24</u>	
<u>PATIENT DAYS BY LOCATION</u>					
Level I	290	232	1,086	941	(145)
Heart Center	342	312	1,367	1,308	(59)
Monitored Beds	640	583	2,573	2,422	(151)
Single Room Maternity/Obstetrics	333	307	1,376	1,257	(119)
Med/Surg - Cardiovascular	922	843	3,625	3,217	(408)
Med/Surg - Oncology	307	264	982	1,082	100
Med/Surg - Rehab	529	462	2,078	1,732	(346)
Pediatrics	138	127	504	498	(6)
Nursery	192	200	807	777	(30)
Neonatal Intensive Care	163	148	533	534	1
<u>PERCENTAGE OF OCCUPANCY</u>					
Level I	71.96%	57.57%	67.92%	58.85%	
Heart Center	73.55%	67.10%	74.09%	70.89%	
Monitored Beds	76.46%	69.65%	77.48%	72.93%	
Single Room Maternity/Obstetrics	29.03%	26.77%	30.24%	27.62%	
Med/Surg - Cardiovascular	66.09%	60.43%	65.49%	58.12%	
Med/Surg - Oncology	76.18%	65.51%	61.41%	67.67%	
Med/Surg - Rehab	65.63%	57.32%	64.98%	54.16%	
Med/Surg - Observation Care Unit	0.00%	0.00%	0.00%	0.00%	
Pediatrics	24.73%	22.76%	22.76%	22.49%	
Nursery	37.54%	39.10%	19.88%	19.14%	
Neonatal Intensive Care	47.80%	43.40%	39.39%	39.47%	

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Oct and four months to date

	<u>Month of Oct</u>		<u>Four months to date</u>		<u>Variance</u>
	<u>2022</u>	<u>2023</u>	<u>2022-23</u>	<u>2023-24</u>	
<u>DELIVERY ROOM</u>					
Total deliveries	123	111	485	452	(33)
C-Section deliveries	41	38	143	147	4
Percent of C-section deliveries	33.33%	34.23%	29.48%	32.52%	3.04%
<u>OPERATING ROOM</u>					
In-Patient Operating Minutes	24,188	16,214	80,075	64,377	(15,698)
Out-Patient Operating Minutes	25,030	31,511	103,309	120,790	17,481
Total	49,218	47,725	183,384	185,167	1,783
Open Heart Surgeries	14	9	52	39	(13)
In-Patient Cases	166	127	569	478	(91)
Out-Patient Cases	263	307	1,081	1,184	103
<u>EMERGENCY ROOM</u>					
Immediate Life Saving	26	36	106	147	41
High Risk	560	677	2,165	2,774	609
More Than One Resource	3,074	2,842	11,965	11,384	(581)
One Resource	2,380	2,054	8,324	7,642	(682)
No Resources	93	123	371	452	81
Total	<u>6,133</u>	<u>5,732</u>	<u>22,931</u>	<u>22,399</u>	<u>(532)</u>

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Oct and four months to date

	Month of Oct		Four months to date		Variance
	2022	2023	2022-23	2023-24	
CENTRAL SUPPLY					
In-patient requisitions	15,071	12,414	59,035	52,341	-6,694
Out-patient requisitions	9,437	10,555	37,940	41,856	3,916
Emergency room requisitions	490	632	2,300	3,273	973
Interdepartmental requisitions	6,919	6,572	27,981	25,495	-2,486
Total requisitions	31,917	30,173	127,256	122,965	-4,291
LABORATORY					
In-patient procedures	39,630	34,762	153,219	140,091	-13,128
Out-patient procedures	10,435	21,788	43,761	55,171	11,410
Emergency room procedures	13,191	12,989	51,603	52,069	466
Total patient procedures	63,256	69,539	248,583	247,331	-1,252
BLOOD BANK					
Units processed	401	298	1,367	1,236	-131
ELECTROCARDIOLOGY					
In-patient procedures	1,096	1,037	4,306	4,130	-176
Out-patient procedures	290	398	1,401	1,564	163
Emergency room procedures	1,125	1,139	4,479	4,808	329
Total procedures	2,511	2,574	10,186	10,502	316
CATH LAB					
In-patient procedures	93	142	380	479	99
Out-patient procedures	73	123	344	413	69
Emergency room procedures	0	0	1	0	-1
Total procedures	166	265	725	892	167
ECHO-CARDIOLOGY					
In-patient studies	371	381	1,544	1,401	-143
Out-patient studies	202	296	881	1,022	141
Emergency room studies	1	6	4	6	2
Total studies	574	683	2,429	2,429	0
NEURODIAGNOSTIC					
In-patient procedures	132	135	579	511	-68
Out-patient procedures	16	23	67	78	11
Emergency room procedures	0	0	0	0	0
Total procedures	148	158	646	589	-57

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Oct and four months to date

	<u>Month of Oct</u>		<u>Four months to date</u>		<u>Variance</u>
	<u>2022</u>	<u>2023</u>	<u>2022-23</u>	<u>2023-24</u>	
SLEEP CENTER					
In-patient procedures	1	0	1	0	-1
Out-patient procedures	133	273	576	909	333
Emergency room procedures	1	0	1	0	-1
Total procedures	135	273	578	909	331
RADIOLOGY					
In-patient procedures	1,335	1,233	5,329	4,979	-350
Out-patient procedures	310	387	1,432	1,622	190
Emergency room procedures	1,710	1,492	6,080	5,970	-110
Total patient procedures	3,355	3,112	12,841	12,571	-270
MAGNETIC RESONANCE IMAGING					
In-patient procedures	141	130	645	571	-74
Out-patient procedures	101	108	437	499	62
Emergency room procedures	5	5	28	30	2
Total procedures	247	243	1,110	1,100	-10
MAMMOGRAPHY CENTER					
In-patient procedures	4,332	4,470	16,999	16,704	-295
Out-patient procedures	4,305	4,381	16,864	16,517	-347
Emergency room procedures	0	2	2	6	4
Total procedures	8,637	8,853	33,865	33,227	-638
NUCLEAR MEDICINE					
In-patient procedures	19	17	85	73	-12
Out-patient procedures	75	102	372	419	47
Emergency room procedures	0	0	1	0	-1
Total procedures	94	119	458	492	34
PHARMACY					
In-patient prescriptions	95,057	82,059	367,398	322,819	-44,579
Out-patient prescriptions	14,182	15,743	59,939	63,803	3,864
Emergency room prescriptions	9,348	9,423	35,080	36,752	1,672
Total prescriptions	118,587	107,225	462,417	423,374	-39,043
RESPIRATORY THERAPY					
In-patient treatments	18,074	14,275	62,679	59,355	-3,324
Out-patient treatments	1,205	471	4,155	4,385	230
Emergency room treatments	460	831	1,473	2,067	594
Total patient treatments	19,739	15,577	68,307	65,807	-2,500
PHYSICAL THERAPY					
In-patient treatments	2,588	2,606	9,841	9,951	110
Out-patient treatments	148	248	717	1,015	298
Emergency room treatments	0	0	0	0	0
Total treatments	2,736	2,854	10,558	10,966	408

SALINAS VALLEY HEALTH MEDICAL CENTER

PATIENT STATISTICAL REPORT

For the month of Oct and four months to date

	<u>Month of Oct</u>		<u>Four months to date</u>		<u>Variance</u>
	<u>2022</u>	<u>2023</u>	<u>2022-23</u>	<u>2023-24</u>	
OCCUPATIONAL THERAPY					
In-patient procedures	1,660	1,520	6,561	6,031	-530
Out-patient procedures	152	239	643	926	283
Emergency room procedures	0	0	0	0	0
Total procedures	<u>1,812</u>	<u>1,759</u>	<u>7,204</u>	<u>6,957</u>	<u>-247</u>
SPEECH THERAPY					
In-patient treatments	417	531	1,736	1,926	190
Out-patient treatments	18	55	99	143	44
Emergency room treatments	0	0	0	0	0
Total treatments	<u>435</u>	<u>586</u>	<u>1,835</u>	<u>2,069</u>	<u>234</u>
CARDIAC REHABILITATION					
In-patient treatments	1	1	1	3	2
Out-patient treatments	599	499	1,948	2,007	59
Emergency room treatments	0	0	0	0	0
Total treatments	<u>600</u>	<u>500</u>	<u>1,949</u>	<u>2,010</u>	<u>61</u>
CRITICAL DECISION UNIT					
Observation hours	<u>444</u>	<u>260</u>	<u>1,454</u>	<u>1,151</u>	<u>-303</u>
ENDOSCOPY					
In-patient procedures	88	65	385	274	-111
Out-patient procedures	91	73	223	224	1
Emergency room procedures	0	0	0	0	0
Total procedures	<u>179</u>	<u>138</u>	<u>608</u>	<u>498</u>	<u>-110</u>
C.T. SCAN					
In-patient procedures	734	667	2,824	2,742	-82
Out-patient procedures	395	271	1,637	1,558	-79
Emergency room procedures	701	774	2,801	3,032	231
Total procedures	<u>1,830</u>	<u>1,712</u>	<u>7,262</u>	<u>7,332</u>	<u>70</u>
DIETARY					
Routine patient diets	21,797	13,508	105,951	77,157	-28,794
Meals to personnel	25,877	28,135	101,279	112,526	11,247
Total diets and meals	<u>47,674</u>	<u>41,643</u>	<u>207,230</u>	<u>189,683</u>	<u>-17,547</u>
LAUNDRY AND LINEN					
Total pounds laundered	<u>102,898</u>	<u>97,871</u>	<u>391,314</u>	<u>385,464</u>	<u>-5,850</u>

Balanced Scorecard

Year To Date: September 2023

Monthly Scorecard Service (30%)

Organizational Goals by Pillar	Jul-23	Aug-23	Sep-23	FY 2024 Act/Proj	TARGET	Var %	FY 2023 Baseline
I. Service							
Average of Inpatient HCAHPS Scores	72.5	72.6	74.6	73.2	73.1	0.2%	72.6
<i># of Total Responses - IP</i>	139	189	136				
Emergency Room Press Ganey Score	63.4	59.4	57.5	60.1	58.5	2.7%	58.0
<i># of Total Responses - ER</i>	223	193	195				
Average of Ambulatory HCAHPS Scores	92.4	91.6	92.3	92.1	92.1	0.0%	91.6
<i># of Total Responses - Ambulatory</i>	61	72	62				

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

People (15%)

Organizational Goals by Pillar
II. People
Employee Indicator Score
Safety Culture Index: Prevention and Reporting
Safety Culture Index: Resources and Teamwork

Jul-23	Aug-23	Sep-23	FY 2024 Act/Proj	TARGET	Var %
N/A	N/A	N/A	N/A	4.29	
N/A	N/A	N/A	N/A	4.18	
N/A	N/A	N/A	N/A	3.84	

FY 2023 Baseline
4.28
4.14
3.81

Notes / Assumptions:

- Source: Press Ganey
- Employee Engagement Survey results are expected to be available on or before July 15, 2024
- Achieve Engagement Indicator score in the range of 4.22 to 4.35 as measured by the 2024 Employee Engagement Survey.
- Achieve Prevention and Reporting score in the range of 4.14 to 4.20 as measured by the 2024 Employee Engagement Survey, Safety Culture Index.
- Achieve Resources and Teamwork score in the range of 3.81 to 3.87 as measured by the 2024 Employee Engagement Survey, Safety Culture Index.

Monthly Scorecard

Quality & Safety Processes – ER (5%)

Organizational Goals by Pillar	Jul-23	Aug-23	Sep-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	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	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:** SVMH 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
Operating Room Efficiencies
Turnover Time (Wheels out / Wheels in) (in minutes)
Cath Lab Efficiencies
First Case - On Time Start %

Jul-23	Aug-23	Sep-23	FY 2024 Act/Proj	TARGET	Var %
30.2	28.4	30.2	29.6	30.5	2.9%
N/A	N/A	N/A	N/A	75.0%	

FY 2023 Baseline
29.6
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
Hospital Acquired Conditions Index (Weighted Total)
Hand Hygiene (Number of Observations Per Quarter Per Nurs. Unit)

Jul-23	Aug-23	Sep-23	FY 2024 Act/Proj	TARGET	Var %
N/A	N/A	9.1	9.1	3.9	-135.4%
N/A	N/A	N/A	N/A	100	

FY 2023 Baseline
4.2
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

Hand Hygiene will be measured monthly to show progress towards the goal. *Because this is a new program, the measurement period starts October 1st.*

Monthly Scorecard

Finance (20%)

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

<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>FY 2024</u> <u>Act/Proj</u>	TARGET	<u>Var %</u>
\$3,317	\$5,915	\$6,601	\$63,330	\$50,681	25.0%
6.6%	11.1%	12.4%	8.4%	8.2%	1.9%

<u>FY 2023</u> <u>Baseline</u>
\$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
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)
Robotic-Assisted Surgeries (DaVinci X1 System Only).
Expand Epic Access for Hospital Departments (view access to Ambulatory Medical Record)

Jul-23	Aug-23	Sep-23	FY 2024 Act/Proj	TARGET	Var %
N/A	N/A	63.3%	63.3%	70%	-9.5%
16	21	25	62	124	-50.0%
N/A	N/A	3	3	6	-50.0%

FY 2023 Baseline
60.7%
113
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
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)

<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>FY 2024 Act/Proj</u>	<u>TARGET</u>	<u>Var %</u>
0	0	0	0	2	-100.0%

<u>FY 2023 Baseline</u>
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.

	Organizational Goals by Pillar	FY 2024 Act/Proj	TARGET	Var %		FY 2023 Baseline
30%	I. Service					
	Average of Inpatient HCAHPS Scores	73.2	73.1	0.2%	🌞	72.6 🌞
	Emergency Room Press Ganey Score	60.1	58.5	2.7%	🌞	58.0 🌞
	Average of Ambulatory HCAHPS Scores	92.1	92.1	0.0%	🌞	91.6 🌞
15%	II. People					
	Employee Indicator Score	N/A	4.29			4.28
	Safety Culture Index: Prevention and Reporting	N/A	4.18			4.14
	Safety Culture Index: Resources and Teamwork	N/A	3.84			3.81
20%	III. Quality & Safety Processes					
	Emergency Room Efficiencies					
	Median length of stay for non-admits (in minutes)	183.0	183.0	0.0%	🌞	180.0 🌞
	Median time from admit decision to time of admission to nursing unit (in minutes)	73.0	74.0	1.4%	🌞	76.0 🌞
	Operating Room Efficiencies					
	Turnover Time (Wheels out / Wheels in) (in minutes)	29.6	30.5	2.9%	🌞	29.6 🌞
	Cath Lab Efficiencies					
	First Case - On Time Start %	N/A	75.0%			49.0%
	Hospital Acquired Conditions Index (Weighted Total)	9.1	3.9	-135.4%	☁️	4.2 ☁️
	Hand Hygiene (Number of Observations Per Quarter Per Nurs. Unit)	N/A	100			60
20%	IV. Finance					
	Income from Operations (Normalized & Adjusted) (\$ in Millions)	\$63,330	\$50,681	25.0%	🌞	\$79,748 ☁️
	Operating Margin (Normalized)	8.4%	8.2%	1.9%		12.4%
10%	V. Growth					
	Percentage of Medicare Patients with Post Discharge Follow Ups within 14 days for an Inpatient Encounter (Attributed to SVH Clinics; Medicare Shared Savings Program and Aspire)	63.3%	70%	-9.5%		60.7%
	Robotic-Assisted Surgeries (DaVinci X1 System Only)	62	124	-50.0%		113
	Expand Epic Access for Hospital Departments (view access to Ambulatory Medical Record)	3	6	-50.0%		3
5%	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	2	-100.0%		NA

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)
<i># of FALLS EVENTS</i>
HAPI Stages 2-4 and Unstageable Rate (16.7% Weight)
<i># of HAPI EVENTS</i>
Surgical Site Infections Rate (16.6% Weight)
<i># of SSI EVENTS</i>
CLABSI Rate (16.7% Weight)
<i># of CLABSI EVENTS</i>
CAUTI Rate (16.7% Weight)
<i># of CAUTI EVENTS</i>
CDI Rate (16.6% Weight)
<i># of CDI EVENTS</i>
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



PUBLIC COMMENT

ADJOURNMENT