



MISSION

It is our mission to deliver quality healthcare to the residents of and visitors to Big Bear Valley through the most effective use of available resources.

VISION

To be the premier provider of emergency medical and healthcare services in our Big Bear Valley.

BOARD OF DIRECTORS FINANCE COMMITTEE MEETING AGENDA TUESDAY, JUNE 05, 2018

**1:00 PM –CLOSED SESSION @ HOSPITAL CONFERENCE ROOM
1:30 PM – OPEN SESSION @ HOSPITALCONFERENCE ROOM
41870 GARSTIN DRIVE, BIG BEAR LAKE, CA. 92315**

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the Chief Executive Officer's Office and are available for public inspection or purchase at 10 cents per page with advance written notice. In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in a District meeting or other services offered by the District, please contact Administration (909) 878-8214. Notification at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service. **DOCUMENTS RELATED TO OPEN SESSION AGENDAS (SB 343)** Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the public counter located in the Administration Office, located at 41870 Garstin Drive, Big Bear Lake, CA 92315. For questions regarding any agenda item, contact Administration at (909) 878-8214.

OPEN SESSION

1. **CALL TO ORDER** **Donna Nicely, Treasurer**
2. **ROLL CALL** **Shelly Egerer, Exec. Assistant**
3. **ADOPTION OF AGENDA***
4. **PUBLIC FORUM FOR CLOSED SESSION**
Opportunity for members of the public to address the Committee on Closed Session items.
(Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration.
Please state your name and city of residence.)
5. **ADJOURN TO CLOSED SESSION***

CLOSED SESSION

1. **REAL PROPERTY NEGOTIATIONS: *Government Code Section 54956.8 / TRADE SECRETS: Pursuant to Health and Safety Code Section 32106, and Civil Code Section 3426.1**
(1) Potential Acquisition (Anticipated Disclosure 06/05/18)

OPEN SESSION

1. **CALL TO ORDER** **Donna Nicely, Treasurer**

2. RESULTS OF CLOSED SESSION*

Donna Nicely, Treasurer

3. PUBLIC FORUM FOR OPEN SESSION

Opportunity for members of the public to address the Committee on Open Session items.
(Government Code Section 54954.3, there will be a three (3) minute limit per speaker. Any report or data required at this time must be requested in writing, signed and turned in to Administration. Please state your name and city of residence.)

4. DIRECTORS COMMENTS

5. APPROVAL OF MINUTES*

A. May 01, 2018

B. May 24, 2018

6. OLD BUSINESS*

A. Discussion and Potential Recommendation to the Board of Directors the Fiscal Year 2018/2019 Operating Budget

B. Discussion and Potential Recommendation to the Board of Directors the Fiscal Year 2018/2019 Capital Budget

7. NEW BUSINESS*

A. Discussion and Potential Recommendation to the Board of Directors of Jerrel Tucker, JWT & Associates Agreement to Complete the FYE June 30, 2018 Audit

B. Discussion and Potential Recommendation to the Board of Directors to Enter Into An Agreement with WIPFLI or Quorum Health Resources to Complete the Productivity Benchmarking Assessment

8. PRESENTATION AND REVIEW OF FINANCIAL STATEMENTS*

A. April 2018 Finances

B. CFO Report

C. WIPFLI Benchmarking Information

D. Revenue Cycle Assessment Update

9. ADJOURNMENT*

*** Denotes Actions Items**

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
FINANCE COMMITTEE MEETING MINUTES
41870 Garstin Drive, Big Bear Lake, Ca. 92315
May 01, 2018**

MEMBERS Donna Nicely, Treasurer
PRESENT: Peter Boss, MD, Secretary
John Friel, CEO

Garth Hamblin, CFO
Shelly Egerer, Exec. Asst.

STAFF: Kerri Jex

**COMMUNITY
MEMBERS:** None

ABSENT: None

OPEN SESSION

1. CALL TO ORDER:

Board Member Nicely called the meeting to order at 1:00 p.m.

2. ROLL CALL:

Donna Nicely and Peter Boss, MD were present. Also present were John Friel, CEO, Garth Hamblin, CFO and Shelly Egerer, Executive Assistant.

3. ADOPTION OF AGENDA:

Board Member Nicely motioned to adopt the May 01, 2018 agenda as presented. Second by Board Member Boss to adopt the May 01, 2018 agenda as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes

CLOSED SESSION

1. PUBLIC FORUM FOR CLOSED SESSION:

Board Member Nicely opened the Hearing Section for Public Comment on Board Member Nicely items at 1:00 p.m. Hearing no request to address the Finance Committee, Board Member Nicely closed the Hearing Section at 1:00 p.m.

2. ADJOURN TO CLOSED SESSION:

Board Member Nicely motioned to adjourn to Closed Session at 1:00 p.m. Second by Board Member Boss to adjourn to Closed Session at 1:00 p.m. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes

OPEN SESSION

1. CALL TO ORDER:

Board Member Nicely called the meeting to order at 1:30 p.m.

2. RESULTS OF CLOSED SESSION:

Board Member Nicely stated there was no reportable action.

3. PUBLIC FORUM FOR OPEN SESSION:

Board Member Nicely opened the Hearing Section for Public Comment on Open Session items at 1:30 p.m. Hearing no request to address the Finance Committee, Board Member Nicely closed the Hearing Section at 1:30 p.m.

4. DIRECTOR'S COMMENTS:

- None

5. APPROVAL OF MINUTES:

A. April 03, 2018

Board Member Nicely motioned to approve the April 03, 2018 minutes. Second by Board Member Boss to approve the April 03, 2018 minutes as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely - yes
- Board Member Boss- yes

6. OLD BUSINESS:

- None

7. NEW BUSINESS*

- None

8. Presentation and Review of Financial Statements:

A. March 2018 Finances:

- Mr. Hamblin reported the following:
 - Cash on hand is \$2,044,038.
 - Surplus of \$263,623.
 - Total patient revenue over budget 2.5% for the month.
 - Net patient revenue was 2.0%.
 - Clinic & ER revenue were near the budgeted levels.

B. CFO Report:

- Mr. Hamblin reported the following information:
 - Healthcare Reform:
 - There is not much movement.
 - 3087 is a non-starter.
 - Contractual Adjustment and Bad Debt Review
 - \$90,000 receivable.

- FY 2019 Budget Preparation – Update
 - Draft capital budget is included in the CFO Report as informational purpose only.
 - Continuing to work on the FY 2019 to present to the Finance Committee & Board of Directors.
 - Facility budget is at approximately \$400,000
 - IT budgeted according to projects
 - Summary of historical statistic trends is included
 - Budgeting small growth in the ER
 - Growth budgeted for the FHC
 - Part time employees needs to be reported add statistics from previous years, a per diem break down will be provided.
 - Pharmacy Department needs to have modifications to meet current regulations; December 2019 is completion date. Potential to surrender compound license; we can continue to do compounding in the ER. There is a potential cost of \$700,000 to bring the Pharmacy Department up to code.
- Revenue Cycle Assessment Update:
 - Continue to work with TruBridge.
- IT Strategic Plan:
 - Draft IT Strategic Plan.
- Productivity Benchmark Assessment by Department:
 - Reached out to two additional vendors & QHR proposals will be obtained.
- HIM Manager:
 - Eva Pierce will begin on May 7.
- The committee asked that a Special Finance Committee Meeting be scheduled to review the FY 2019 Budget. May 24 at 12:00 pm.
- Board Member Nicely asked that Mr. Hamblin ensures to budget a part-time grant writer, add library rental, furniture, fixtures, and any staff that would need to be hired to maintain any new offsite office space. Board Member Nicely also suggested that Administration consider purchasing a home to house physicians or interim staff.

Board Member Nicely motioned to approve the March 2018 Finance Report and the CFO Report as presented. Second by Board Member Boss to approve the March 2018 Finance Report and the CFO Report as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes

9. ADJOURNMENT*

Board Member Nicely motioned to adjourn at 2:00 p.m. Second by Board Member Boss to adjourn. President Robbins called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
SPECIAL FINANCE COMMITTEE MEETING MINUTES
41870 Garstin Drive, Big Bear Lake, Ca. 92315
May 24, 2018**

MEMBERS Donna Nicely, Treasurer
PRESENT: Peter Boss, MD, Secretary
John Friel, CEO

Garth Hamblin, CFO
Shelly Egerer, Exec. Asst.

STAFF: Kerri Jex Mary Norman

**COMMUNITY
MEMBERS:** None

ABSENT: None

OPEN SESSION

1. CALL TO ORDER:

Board Member Nicely called the meeting to order at 1:00 p.m.

2. ROLL CALL:

Donna Nicely and Peter Boss, MD were present. Also present were John Friel, CEO, Garth Hamblin, CFO and Shelly Egerer, Executive Assistant.

3. ADOPTION OF AGENDA:

Board Member Nicely motioned to adopt the May 24, 2018 Finance Committee Agenda as presented. Second by Board Member Boss to adopt the May 24, 2018 Finance Committee Meeting Agenda as presented. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes

4. PUBLIC FORUM FOR OPEN SESSION:

Board Member Nicely opened the Hearing Section for Public Comment on Open Session items at 1:30 p.m. Hearing no request to address the Finance Committee, Board Member Nicely closed the Hearing Section at 1:30 p.m.

5. DIRECTOR'S COMMENTS:

- None

6. APPROVAL OF MINUTES:

- None

7. OLD BUSINESS:

- None

8. NEW BUSINESS*

A. Discussion and Potential Recommendation to the Board of Directors the Fiscal Year 2018/2019 Operating Budget:

- Mr. Hamblin provided a briefing on the process to create the budget and provided information on the 2018/2019 Operating Budget:
 - Uses trend of 7 months which is analyzed through managers
 - Views 7 years of previous budgets
 - Volumes from previous and current year are also viewed
 - Managers have budget meetings
 - Salary & wages are 57% of the budget
 - FTE's are reviewed
 - Expenses did not change
 - Grant writer is added in the budget with \$100,000 expense
 - Increase in depreciation expense
 - SNF daily census budget is for 18
 - Budgeted \$250,000 for residency housing (future purchase)
 - X-ray has decrease in budget on staff; ultrasound is increased
 - SNF shows increase due to transition from Acute
 - RT remains the same
 - PT decrease is .2
 - Medical Records remains the same
 - PRIME Project has 3 FTE's and adding an additional employee that will be paid the wages through the grants received
 - Professional fees and purchased services have increased
- The committee had discussion on the Wage & Salary Structure Report and the potential of wage increases. The committee was informed that the report was going to be presented to the HR Committee in a draft form. The HR Department is working with a consultant at this time, the budget shows an increase of 6% to adjust to new scales, and parameters are being set. Similar hospitals are being compared to our district, UNAC nurses by contract-received increases. The 12.4% salary is budgeted for potential increase and additional cost of benefits. The Finance Committee Members would like details on FTE's, per diem's and part time employees; the total employee number has significantly increased, at this time we have 211 employees. The committee also asked staff to follow up on cross training clinic patient access staff to work in the ER on slow days.
- The committee asked what amount of money from the District goes towards the Mom & Dad Project; previous CFO's have informed the Board that the district covers approximately \$50,000 to the Mom & Dad Project; is to be fully grant funded program.

B. Discussion and Potential Recommendation to the Board of Directors the Fiscal Year 2018/2019 Capital Expenditure Budget:

- Mr. Hamblin reported the following information in regards to the Capital Budget, there are several projects throughout the facility that are on the budget:
 - IT approximately \$300,000
 - \$30,000 disaster – cloud back up and upgrade current system
 - Replace CPSI storage
 - Single sign on solution with badges
 - HIPAA and penetration testing
 - Remodel of administration office of \$50,000 – potential to move walls and make the office more efficient. This will be an OSHPD remodel.

- The committee asked that the cost of the snow blade to be provided. What is the landscaping cost of \$25,000.00 for, this cost for landscaping seems extremely high. The OR upgrade cost seems to be questionable since there is a potential to close the OR. SNF tub replacement cost seems high since the Auxiliary paid for the tub, what is the reason for the additional expenses. The PT Department has asked for an additional laser machine and before this item is purchased, the Finance Committee would like to see a breakdown of patient volume on the current unit and is there a patient volume increase for a second unit.
- Board Member Nicely stated that \$250,000 for a home is lower than what is expected; would like approximately \$300,000 towards the cost. There is no budget for furnishing the home and would like this also added to the budget; appliances, furniture and fixtures for the potential purchase of a home. Maintenance has two line items for cameras and would like to know why and what the items entail. The exterior work at the RHC is on the budget and would like additional information, The sprinkler head replacement needs to be detailed, and how many televisions will be replaced in the patient rooms. The business office paint; is that interior or exterior or booth, cost to purchase practice is not included in the budget, potential office space rental does not have cost for office equipment or if there is additional staff that needs to be hired. Board Member Nicely asked for these items to be addressed at the next committee meeting.

Board Member Nicely motioned to schedule a Special Finance Committee for June 1st at 12:00 pm and would like both agenda items brought back to the meeting. Second by Board Member Boss to schedule a Special Finance Committee for June 1st at 12:00 pm and would like both agenda items brought back to the meeting. Board Member Nicely called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes

9. ADJOURNMENT*

Board Member Nicely motioned to adjourn at 2:45 p.m. Second by Board Member Boss to adjourn. President Robbins called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Nicely- yes
- Board Member Boss- yes



MEMO

Date: 5 June 2018
To: BVCHD Finance Committee
From: Garth M Hamblin, CFO
Re: JWT & Associates, FY 2018 Independent Auditor

Recommended Action

Approve JWT & Associates, to conduct FY 2018 Audit

Background

Jerrel Tucker, CPA, of JWT & Associates, has conducted our independent audit for a number of years. Our recommendation is that he and his firm conduct our audit for fiscal year ending June 30, 2018 (July 1, 2017 through June 30, 2018)

Costs would be \$25,000 audit fee and reimbursement of out-of-pocket expenses.

JWT & Associates, LLP

Advisory Assurance Tax

1111 E. Herndon Avenue, Suite 211, Fresno, CA 93720

Voice: (559) 431-7708 Fax: (559) 431-7685

May 16, 2018

Garth Hamblin, CFO
Bear Valley Community Healthcare District
PO Box 1649
Big Bear Lake, CA 92315

We are pleased to confirm our understanding of the services we are to provide for Bear Valley Community Healthcare District (the District) for the year ended June 30, 2018. We will audit the financial statements of the District, which comprise the statement of net position as of June 30, 2018, the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the board of directors of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

The auditors' procedures do not include testing compliance with laws and regulations in any jurisdiction related to Medicare and Medicaid antifraud and abuse. It is the responsibility of management of the entity, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provision of laws and regulations that determine the reported amounts and disclosures in the entity's financial statements. Therefore, management's responsibilities for compliance with laws and regulations applicable to its operations, include, but are not limited to, those related to Medicare and Medicaid antifraud and abuse statutes.

Other Services

We will also assist in preparing the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon.

Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

HIPAA Business Associate Agreement

You agree that you are solely responsible for the accuracy, completeness, and reliability of all data and information you provide us for our engagement. You agree to provide any requested information on or before the date we commence performance of the services. To protect the privacy and provide for the security of any protected health information, as such is defined by the Health Insurance Portability and Accountability Act of 1996, as amended from time to time, and the regulations and policy guidance thereunder (HIPAA), we shall enter into a HIPAA Business Associate Agreement.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers. We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of JWT & Associates, LLP (JWT) and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to authorized regulators or their designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of JWT personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulators or their designee. The regulators or their designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$25,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered periodically as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

JW7 & Associates, LLP

RESPONSE:

This letter correctly sets forth the understanding of Bear Valley Community Healthcare District.

Signature: _____

Name: _____

Title: _____

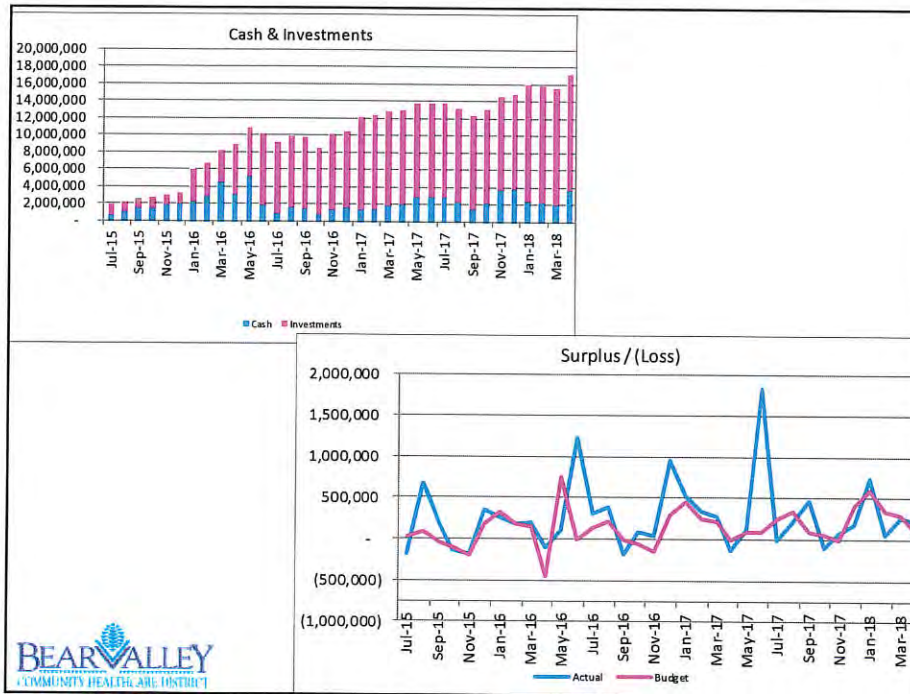
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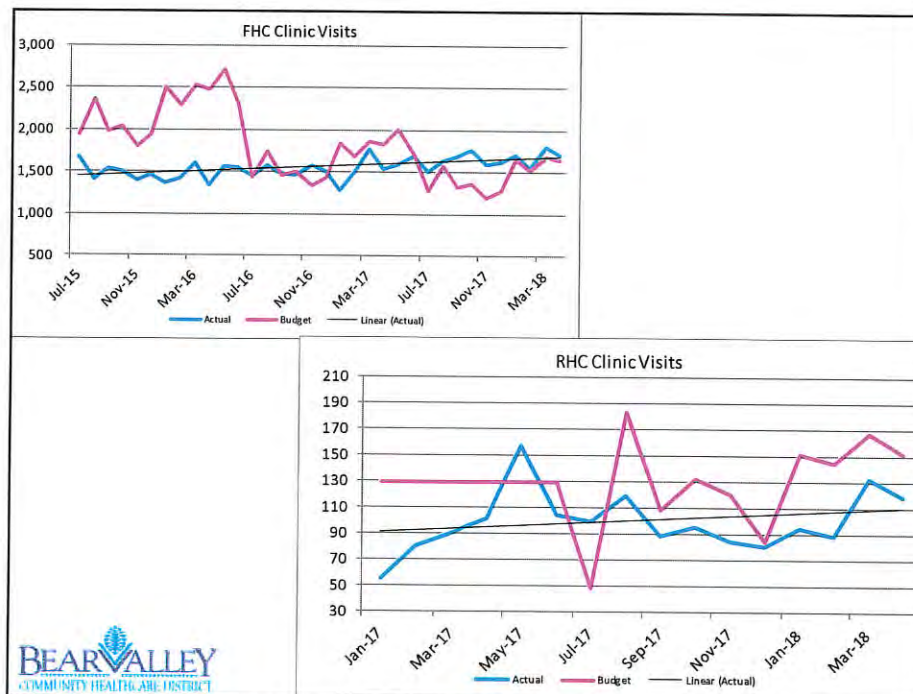
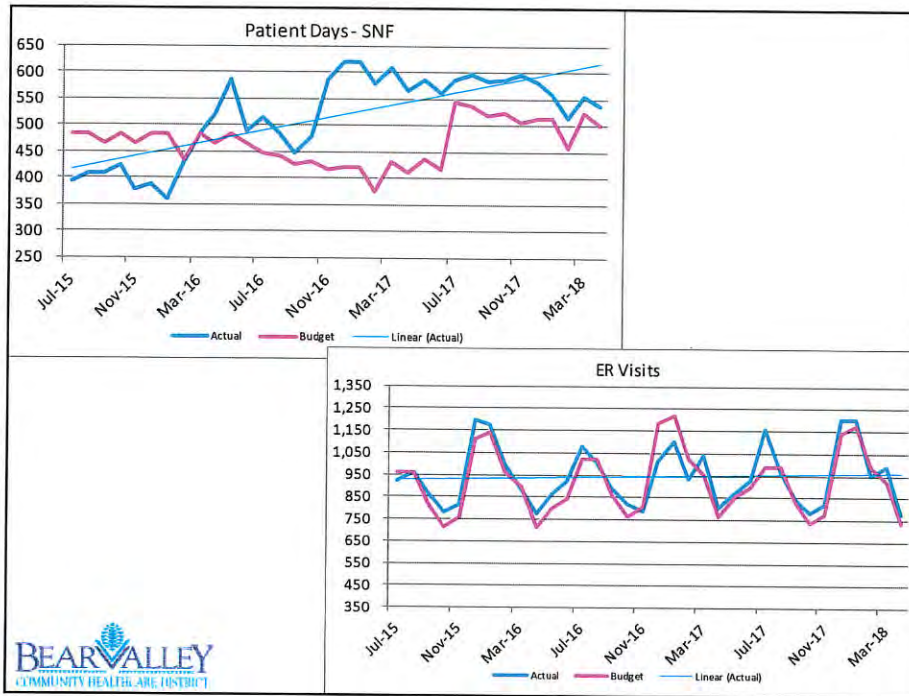


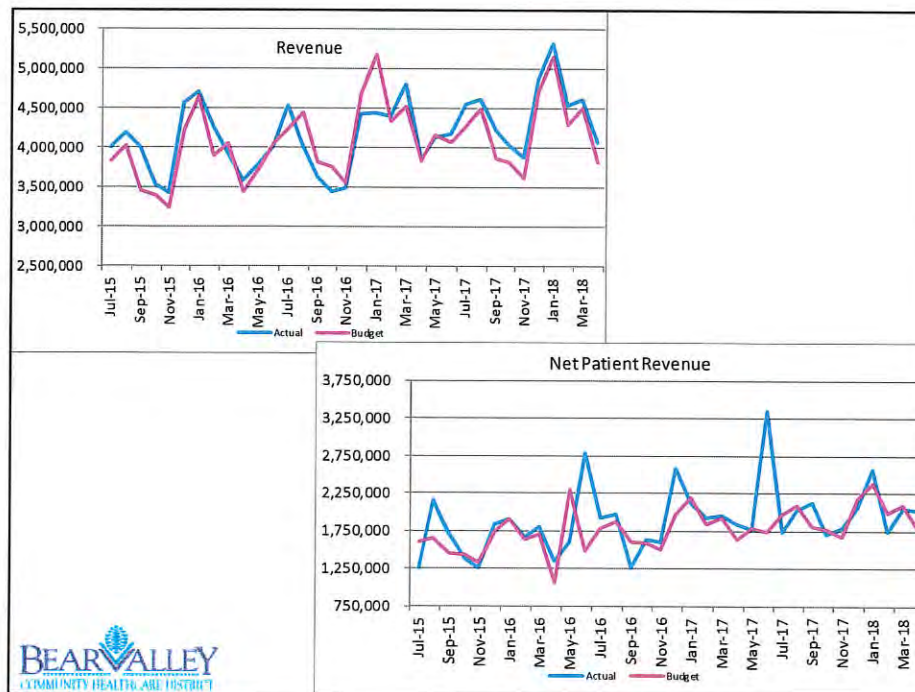
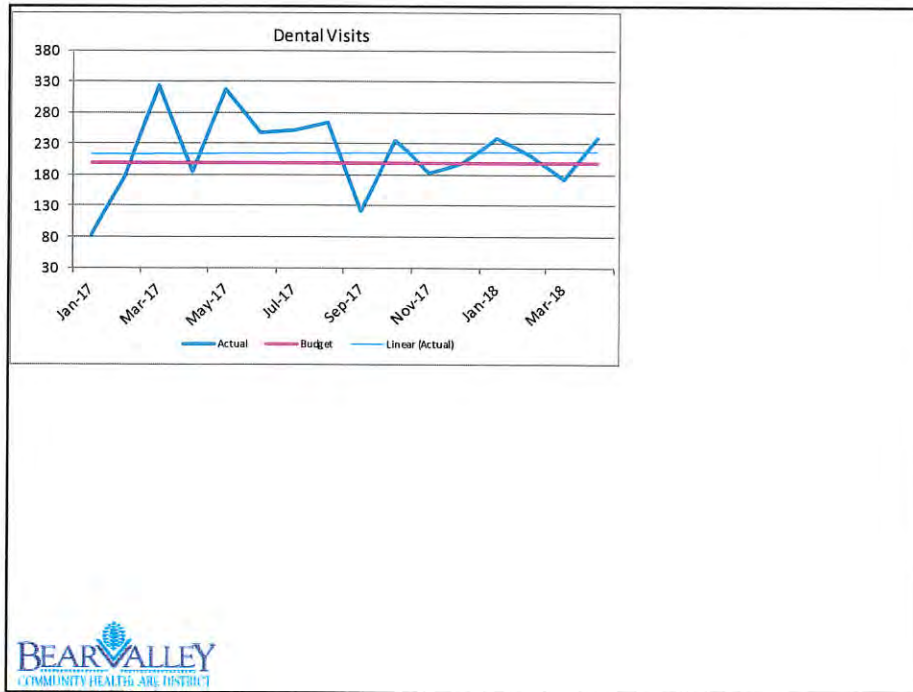
Finance Report
April 2018 Results

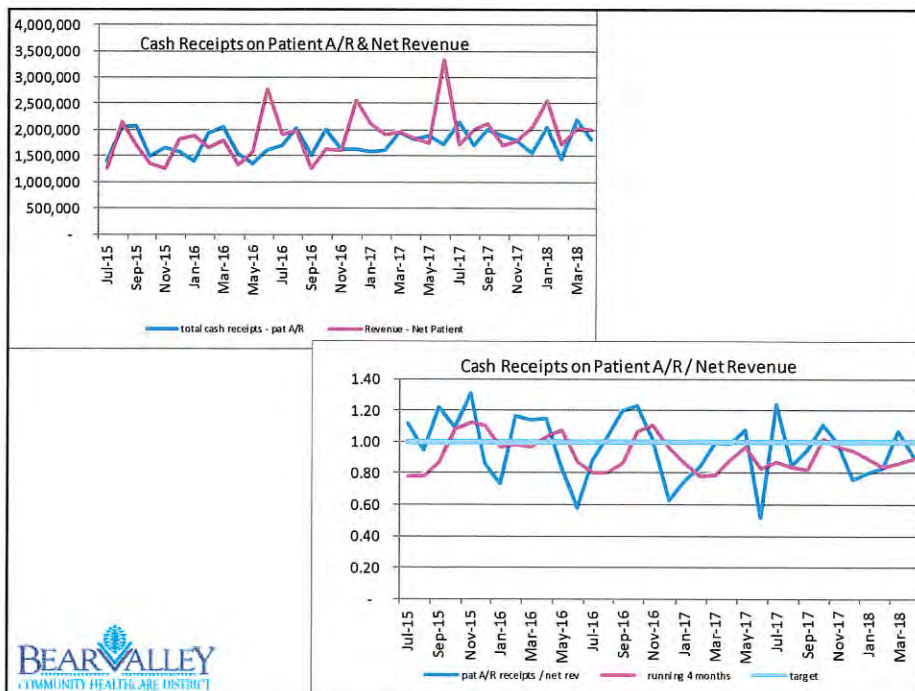
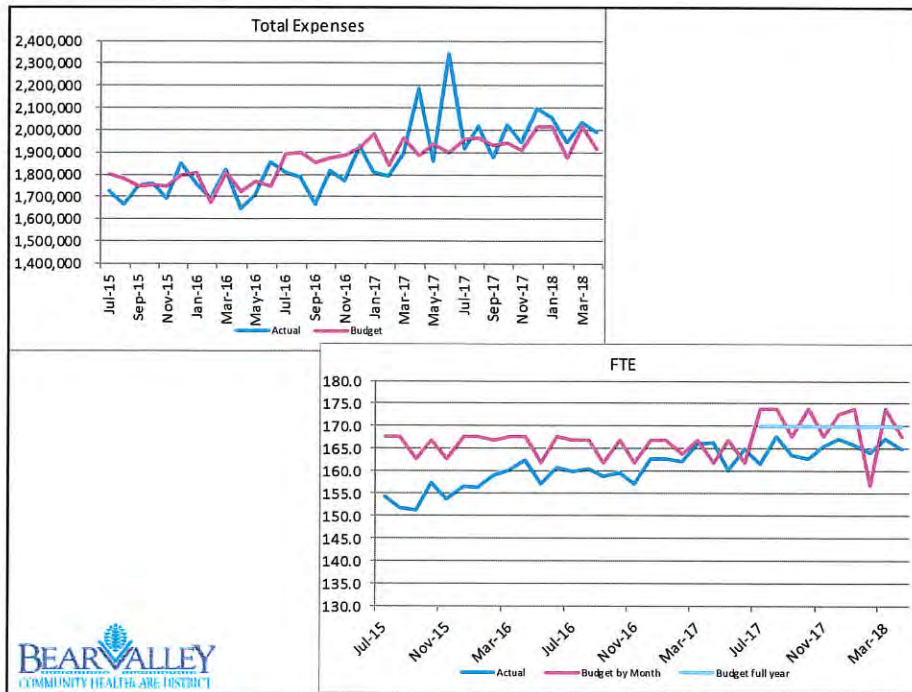
Summary for April 2018

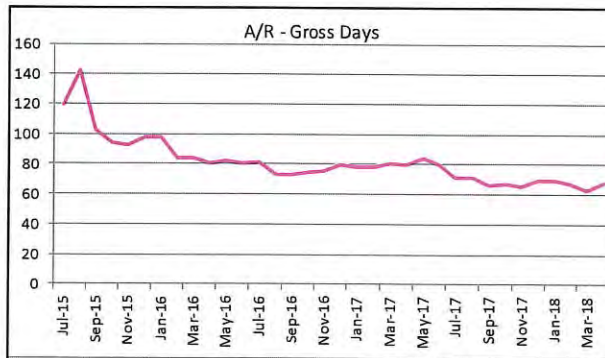
- Cash on Hand - \$3,771,817
- Investments - \$13,497,614
- Days Cash on hand, including investments with LAIF – 273
- Surplus of \$218,011 for the month compared to budgeted surplus of \$94,422.
- Total Patient Revenue over Budget by 6.6% for the month
- Net Patient Revenue was 13.9% over budget.
- Total Expenses 3.9% more than budget













April 2018 Financial Results

For the month . . .

Total Patient Revenue of \$4,081,611 for April was 6.6% over budget. Outpatient revenue, Clinic revenue, Emergency Room revenue, and SNF revenue were all over budget for the month. Inpatient revenue was below budget for the month.

Deductions from Revenue of \$2,055,950 or .3% over budget.

Total operating Revenue of \$2,034,419 was 11.2% over budget.

Total Expenses of \$1,995,680 were 3.9% over budget. Professional fees were higher in FHC due to volumes. Supply expense was significantly under budget in Lab. Purchased Services were over budget with Interim Director in SNF and with payment to WIPFLI for Medi-Cal reporting and reimbursement work.

Our Surplus for the month of April 2018 was \$218,011, this was \$123,589 higher than budget for the month.

Our Operating Cash and Investments total \$17,269,431 as of the end of April 2018 total days cash on hand are 273.

Key Statistics

Acute patient days of 28 for the month were just 1 less than budget. Swing patient days of 29 for the month were 3 lower than budgeted. Patient days on SNF days totaled 540 which was 7% over the budgeted amount. Emergency room visits of 778 were 5.6% over budget.

Through the first ten months of our Fiscal Year . . .

Patient revenue is 5.1% over budget, total revenue deductions are 9.3% more than budget. Net Patient Revenue is 0.4% more than budget. Total expenses are 1.7% higher than budget, and our surplus of \$2,168,282 is \$389,646 lower than budget. We do still have some IGT and prior year settlement amounts to take into income by year end.

Acute and Swing patient days continue significantly lower than budgeted. SNF days are 11% over budget. ER Visits are 4.5% over budget. FTE continue to be under budget.

Bear Valley Community Healthcare District
Financial Statements April 30, 2018

Financial Highlights—Hospital
STATEMENT OF OPERATIONS

		A	B		C	D	E	F	G	H	I	J
		Current Month					Year-to-Date					
		FY 16/17	FY 17/18		VARIANCE		FY 16/17	FY 17/18		VARIANCE		
		Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%	
1	Total patient revenue	3,857,008	4,081,611	3,827,509	254,102	6.6%	41,123,635	44,790,444	42,601,230	2,189,214	5.1%	
2	Total revenue deductions	2,008,652	2,055,950	2,049,121	6,829	0.3%	22,226,473	24,926,259	22,807,289	2,118,970	9.3%	
3	% Deductions	52%	50%	54%			54%	56%	54%			
4	Net Patient Revenue	1,848,356	2,025,661	1,778,388	247,273	13.9%	18,897,162	19,864,185	19,793,941	70,244	0.4%	
5	% Net to Gross	48%	50%	46%			46%	44%	46%			
6	Other Revenue	25,629	8,758	51,584	(42,826)	-83.0%	271,432	302,884	517,425	(214,541)	-41.5%	
7	Total Operating Revenue	1,873,985	2,034,419	1,829,972	204,447	11.2%	19,168,594	20,167,069	20,311,366	(144,297)	-0.7%	
8	Total Expenses	2,178,566	1,995,680	1,921,297	74,383	3.9%	18,421,601	19,949,407	19,610,908	338,499	1.7%	
9	% Expenses	56%	49%	50%			45%	45%	46%			
10	Surplus (Loss) from Operations	(304,581)	38,738	(91,325)	130,063	142.4%	746,993	217,661	700,458	(482,797)	68.9%	
11	% Operating margin	-8%	1%	-2%			2%	0%	2%			
12	Total Non-operating	184,022	179,273	185,747	(6,474)	-3.5%	1,959,170	1,950,620	1,857,470	93,150	5.0%	
13	Surplus/(Loss)	(120,559)	218,011	94,422	123,589	-130.9%	2,706,163	2,168,282	2,557,928	(389,646)	15.2%	
14	% Total margin	-3%	5%	2%			7%	5%	6%			

BALANCE SHEET

	A	B C D E			
		April	April	March	VARIANCE
		FY 16/17	FY 17/18	FY 17/18	Amount %
15 Gross Accounts Receivables	11,783,203	10,279,582	10,228,715	50,867	0.5%
16 Net Accounts Receivables	4,436,270	3,940,291	3,912,162	28,139	0.7%
17 % Net AR to Gross AR	38%	38%	38%		
18 Days Gross AR	80	69	64	6	8.7%
19 Cash Collections	1,826,794	1,836,686	2,202,921	(366,235)	-16.6%
20 Investments	10,852,271	13,497,614	13,497,614	-	0.0%
21 Cash on hand	2,055,415	3,771,817	2,044,038	1,727,779	84.5%
22 Total Cash & Invest	12,907,686	17,269,431	15,541,651	1,727,779	11.1%
23 Days Cash & Invest	218	273	246	27	11.0%
24 Total Cash and Investments	12,907,686	17,269,431			
Increase Current Year vs. Prior Year		4,361,745			

Bear Valley Community Healthcare District
Financial Statements April 30, 2018

Statement of Operations

	A	B	C	D	E	F	G	H	I	J
	Current Month					Year-to-Date				
	FY 15/16	FY 16/17		VARIANCE		FY 15/16	FY 16/17		VARIANCE	
	Actual	Actual	Budget	Amount	%	Actual	Actual	Budget	Amount	%
Gross Patient Revenue										
1 Inpatient	202,673	151,595	195,949	(44,354)	-22.6%	2,361,522	1,645,969	2,407,884	(760,915)	-31.8%
2 Outpatient	820,964	967,226	893,587	73,639	8.2%	8,713,987	10,019,615	9,108,401	911,214	10.0%
3 Clinic Revenue	313,136	381,601	251,745	129,856	51.6%	2,116,272	3,588,904	2,288,624	1,300,280	56.8%
4 Emergency Room	2,263,020	2,338,042	2,244,598	93,444	4.2%	25,459,559	26,989,910	26,343,518	646,392	2.5%
5 Skilled Nursing Facility	257,215	243,147	241,630	1,517	0.6%	2,472,295	2,545,046	2,452,803	92,243	3.8%
6 Total patient revenue	3,857,008	4,081,611	3,827,509	254,102	6.6%	41,123,635	44,790,444	42,601,230	2,189,214	5.1%
Revenue Deductions										
7 Contractual Allow	1,605,694	1,718,143	1,875,726	(157,583)	-8.4%	18,533,017	21,889,168	20,877,358	1,011,810	4.8%
8 Contractual Allow PY	(2,904)	(37,694)	-	(37,694)	#DIV/0!	(24,863)	(252,207)	-	(252,207)	#DIV/0!
9 Charity Care	9,753	9,031	8,197	834	10.2%	89,953	77,012	91,234	(14,222)	-15.6%
10 Administrative	5,807	7,151	7,183	(32)	-0.4%	75,740	322,573	79,943	242,630	303.5%
11 Policy Discount	10,782	11,150	5,850	5,300	90.6%	67,745	112,933	65,116	47,817	73.4%
12 Employee Discount	3,901	5,739	3,183	2,556	80.3%	34,894	63,030	35,428	27,602	77.9%
13 Bad Debts	255,342	274,537	148,962	125,555	84.3%	1,576,967	1,462,038	1,658,210	(196,172)	-11.8%
14 Denials	266,959	67,892	-	67,892	#DIV/0!	1,873,411	1,251,712	-	1,251,712	#DIV/0!
15 Total revenue deductions	2,008,652	2,055,950	2,048,121	6,829	0.3%	22,226,473	24,926,259	22,807,289	2,118,970	9.3%
16 Net Patient Revenue	1,848,356	2,025,661	1,778,388	247,273	13.9%	18,897,162	19,864,185	19,793,941	70,244	0.4%
gross revenue including Prior Year Contractual Allowances as a percent to gross revenue WO PY and Other CA	40.2%	40.2%	-	40.2%	-	40.2%	447.4%	447.4%	0.0%	-
	39.2%	39.2%	-	39.2%	-	39.2%	437.2%	437.2%	0.0%	-
17 Other Revenue	25,629	8,758	51,584	(42,826)	-83.0%	271,432	302,884	517,425	(214,541)	-41.5%
18 Total Operating Revenue	1,873,985	2,034,419	1,829,972	204,447	11.2%	19,168,594	20,167,069	20,311,366	(144,297)	-0.7%
Expenses										
19 Salaries	728,157	795,713	799,351	(3,638)	-0.5%	7,633,976	8,117,610	8,095,530	22,080	0.3%
20 Employee Benefits	357,455	296,588	321,171	(24,583)	-7.7%	2,932,814	3,028,575	3,245,255	(216,680)	-6.7%
21 Registry	-	-	-	-	#DIV/0!	33,285	16,028	-	16,028	#DIV/0!
22 Salaries and Benefits	1,085,611	1,092,301	1,120,522	(28,221)	-2.5%	10,600,074	11,162,212	11,340,785	(178,573)	-1.6%
23 Professional fees	166,886	169,338	154,007	15,331	10.0%	1,481,058	1,682,065	1,597,611	84,454	5.3%
24 Supplies	118,595	88,343	119,407	(31,064)	-26.0%	1,207,412	1,260,888	1,251,169	9,719	3.2%
25 Utilities	49,735	40,945	37,825	3,120	8.2%	447,269	413,312	451,029	(37,717)	-8.4%
26 Repairs and Maintenance	74,634	23,136	22,965	571	2.5%	262,517	280,602	226,062	54,540	24.1%
27 Purchased Services	318,783	406,858	292,204	114,654	39.2%	2,817,727	3,466,821	2,994,848	471,973	15.8%
28 Insurance	25,014	25,912	25,917	(5)	0.0%	250,327	259,878	259,170	707	0.3%
29 Depreciation	50,869	82,710	75,000	7,710	10.3%	482,514	714,036	750,000	(35,964)	-4.8%
30 Rental and Leases	36,822	16,197	16,297	(100)	-0.6%	195,255	232,373	162,970	69,403	42.6%
32 Dues and Subscriptions	7,513	7,941	5,046	2,895	57.4%	48,545	56,201	50,458	5,743	11.4%
33 Other Expense	244,104	42,000	52,507	(10,507)	-20.0%	625,873	391,020	526,656	(135,796)	-25.8%
34 Total Expenses	2,178,566	1,995,680	1,921,297	74,383	3.9%	18,421,601	19,949,407	19,610,908	338,499	1.7%
35 Surplus (Loss) from Operations	(304,581)	38,738	(91,325)	130,063	142.4%	746,993	217,661	700,458	(482,797)	68.9%
Non-Operating Income										
36 Tax Revenue	189,917	196,047	186,047	-	0.0%	1,899,170	1,860,470	1,860,470	-	0.0%
37 Other non-operating	2,000	-	3,283	(3,283)	-100.0%	96,702	52,581	32,830	19,751	60.2%
38 Interest Income	490	884	4,167	(3,283)	-78.8%	43,614	115,657	41,670	73,987	177.6%
Interest Expense	(8,385)	(7,658)	(7,750)	92	-1.2%	(80,316)	(78,088)	(77,500)	(588)	0.6%
39 Total Non-operating	184,022	179,273	185,747	(6,474)	-3.5%	1,959,170	1,950,620	1,857,470	93,150	5.0%
40 Surplus/(Loss)	(120,559)	218,011	94,422	123,589	-130.9%	2,706,163	2,168,282	2,557,928	(389,646)	15.2%

**Bear Valley Community Healthcare District
Financial Statements**

Current Year Trending Statement of Operations

A Statement of Operations—CURRENT YEAR 2018

	1	2	3	4	5	6	7	8	9	10	11	12	
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
Gross Patient Revenue													
1 Inpatient	95,787	98,514	150,843	142,719	77,702	202,529	368,022	205,698	153,559	151,595			1,846,969
2 Outpatient	868,939	1,205,964	1,063,953	1,047,978	997,359	857,747	1,077,117	960,070	973,262	967,226			10,013,615
3 Clinic	347,893	369,602	339,870	391,164	329,577	339,330	370,318	332,540	387,011	381,601			3,588,904
4 Emergency Room	2,985,253	2,686,283	2,407,574	2,203,306	2,221,976	3,207,446	3,260,191	2,822,859	2,856,980	2,338,042			26,989,910
5 Skilled Nursing Facility	261,793	265,487	262,653	261,572	265,920	259,078	248,635	228,695	248,065	243,147			2,545,046
6 Total patient revenue	4,559,665	4,625,850	4,224,893	4,046,739	3,892,534	4,866,130	5,324,283	4,549,861	4,618,877	4,081,511	-	-	44,790,444
Revenue Deductions	C/A	0.56	0.47	0.47	0.44	0.53	0.46	0.58	0.48	0.42	#DIV/0!	#DIV/0!	0.49
7 Contractual Allow	2,548,409	2,192,333	1,994,911	1,909,156	1,696,412	2,569,127	2,429,042	2,617,795	2,213,838	1,718,143			21,889,168
8 Contractual Allow PY	-	463	1,249	(1,739)	-	-	(3)	(132,608)	(81,875)	(37,694)			(252,207)
9 Charity Care	7,675	12,842	-	-	9,999	1,812	7,644	7,866	20,144	9,031			77,012
10 Administrative	(746)	114,668	169,442	10,431	2,860	989	1,974	10,254	5,551	7,151			322,573
11 Policy Discount	11,532	11,940	7,202	10,680	10,915	9,781	13,595	12,725	13,413	11,150			112,933
12 Employee Discount	4,711	9,099	3,938	4,084	4,131	4,202	6,231	10,571	10,324	5,739			63,030
13 Bad Debts	(59,348)	69,295	45,428	236,304	205,433	130,228	201,297	96,436	262,428	274,537			1,462,038
14 Denials	307,852	190,797	(129,516)	169,768	162,874	89,070	93,291	177,257	122,427	67,892			1,251,712
15 Total revenue deductions	2,820,085	2,601,437	2,092,654	2,338,683	2,092,624	2,805,209	2,753,071	2,800,296	2,566,251	2,055,950	-	-	24,926,259
16 Net Patient Revenue	1,739,580	2,024,413	2,132,239	1,708,056	1,799,911	2,060,921	2,571,212	1,749,565	2,052,626	2,025,561	#DIV/0!	#DIV/0!	19,864,185
net / tot pat rev	38.2%	43.8%	50.5%	42.2%	46.2%	42.4%	48.3%	38.5%	44.4%	49.6%	#DIV/0!	#DIV/0!	44.3%
17 Other Revenue	7,162	35,245	20,043	45,312	35,896	16,992	35,338	72,429	25,710	8,758			302,884
18 Total Operating Revenue	1,746,742	2,059,658	2,152,282	1,753,369	1,835,807	2,077,912	2,606,549	1,821,994	2,078,337	2,034,419	-	-	20,167,069
Expenses													
19 Salaries	800,028	842,003	802,366	798,066	721,536	884,119	849,855	786,053	837,872	795,713			8,117,610
20 Employee Benefits	286,721	318,469	300,954	292,526	296,309	316,321	315,442	285,480	319,765	296,598			3,028,575
21 Registry	12,718	-	-	-	-	3,310	-	-	-	-			16,028
22 Salaries and Benefits	1,099,467	1,160,472	1,103,320	1,090,592	1,017,845	1,203,749	1,165,297	1,071,533	1,157,637	1,092,301	-	-	11,162,212
23 Professional fees	163,392	159,514	149,941	191,107	168,319	157,808	173,264	169,956	179,324	169,338			1,682,065
24 Supplies	130,715	136,046	101,350	139,091	134,939	107,112	172,497	150,603	130,192	88,343			1,290,888
25 Utilities	42,342	42,209	43,009	40,689	40,990	39,669	41,326	42,100	39,834	40,945			413,312
26 Repairs and Maintenance	22,461	19,239	35,825	30,007	38,216	28,409	32,513	27,659	23,136	23,136			280,602
27 Purchased Services	302,014	346,148	261,012	373,876	381,162	395,465	308,903	329,029	342,334	406,858			3,466,821
28 Insurance	25,762	25,762	25,762	25,835	25,762	27,345	25,912	25,912	25,912	25,912			259,878
29 Depreciation	48,568	49,162	58,815	61,486	82,456	82,710	82,710	82,710	82,710	82,710			714,036
30 Rental and Leases	46,445	39,979	35,360	23,454	15,317	16,214	14,242	14,670	10,495	16,197			232,373
32 Dues and Subscriptions	5,518	5,427	5,725	5,181	4,523	5,207	2,710	1,944	12,026	7,941			56,201
33 Other Expense	36,147	35,255	43,441	47,022	39,491	38,655	39,225	33,265	36,519	42,000			391,020
34 Total Expenses	1,922,831	2,019,314	1,883,559	2,028,341	1,949,020	2,102,562	2,058,598	1,949,382	2,040,119	1,995,880	-	-	19,949,407
Surplus (Loss) from Operations	(176,089)	40,344	268,723	(274,973)	(113,213)	(24,650)	547,951	(127,388)	38,218	38,738	-	-	217,661
35 Non-Operating Income													
36 Tax Revenue	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047	186,047			1,860,470
37 Other non-operating	-	10,247	(130)	130	20,000	-	12,000	10,000	334	-			52,581
38 Interest Income	1,906	626	30,375	693	965	31,840	1,071	591	46,706	884			115,657
Interest Expense	(7,717)	(7,902)	(8,002)	(7,752)	(7,763)	(8,047)	(7,830)	(7,737)	(7,681)	(7,658)			(78,088)
39 Total Non-operating	180,236	189,018	208,290	179,118	199,249	209,840	191,288	188,902	225,405	179,273	-	-	1,950,820
40 Surplus/(Loss)	4,147	229,362	477,013	(95,654)	86,036	185,190	739,240	61,513	263,623	218,011	-	-	2,168,282

Input Trend Stmt Ops

Monthly Operating Report Apr18

2017-18 Actual BS

BALANCE SHEET

(Reflects 6/30/17 Y/E audit adjustments)

PY BS

ASSETS:

Current Assets

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	June
Cash and Cash Equivalents (Includes CD's)	2,926,360	2,290,992	1,483,027	2,187,881	3,733,239	3,884,817	2,490,708	2,353,707	2,044,038	3,771,817	2,858,405
Gross Patient Accounts Receivable	10,084,033	10,529,969	9,819,853	9,516,577	8,883,930	9,771,838	10,764,545	11,059,822	10,231,024	10,281,906	10,749,524
Less: Reserves for Allowances & Bad Debt	6,481,129	6,632,089	5,818,066	5,954,203	5,590,675	6,111,008	6,570,468	6,769,875	6,318,873	6,341,615	6,824,943
Net Patient Accounts Receivable	3,602,904	3,897,880	4,001,787	3,562,374	3,293,255	3,660,830	4,194,077	4,289,947	3,912,152	3,940,291	3,924,581
Tax Revenue Receivable	2,232,569	2,232,569	2,232,569	2,232,569	1,944,288	970,958	827,168	800,445	768,696	32,882	56,787
Other Receivables	88,537	55,474	750,144	324,224	-1,218,923	-1,160,647	-1,793,802	-1,735,250	-1,036,263	-973,905	107,830
Inventories	217,948	220,580	221,025	226,011	222,712	222,388	229,341	236,269	234,002	234,041	212,805
Prepaid Expenses	330,877	339,259	336,340	352,943	342,699	313,470	295,570	279,301	250,181	260,592	192,216
Due From Third Party Payers	0										
Due From Affiliates/Related Organizations	0										
Other Current Assets	0										
Total Current Assets	9,399,195	9,036,754	9,024,893	8,886,002	8,317,270	7,891,816	6,243,062	6,224,418	6,172,806	7,265,719	7,352,624

Assets Whose Use is Limited

Investments	10,894,184	10,894,184	10,921,640	10,921,640	10,921,640	10,952,520	13,452,520	13,452,520	13,497,614	13,497,614	10,894,184
Other Limited Use Assets	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375	144,375
Total Limited Use Assets	11,038,559	11,038,559	11,066,015	11,066,015	11,066,015	11,096,895	13,596,895	13,596,895	13,641,989	13,641,989	11,038,559

Property, Plant, and Equipment

Land and Land Improvements	547,472	570,615	570,615	570,615	570,615	570,615	570,615	570,615	570,615	570,615	547,472
Building and Building Improvements	9,657,088	9,659,388	9,686,383	9,696,603	9,699,157	9,699,804	9,737,717	9,752,367	9,752,367	9,752,367	9,657,088
Equipment	9,625,066	9,694,652	10,189,492	10,232,207	11,486,278	11,504,275	11,516,840	11,661,203	11,704,839	11,704,839	9,614,476
Construction In Progress	1,058,659	1,101,848	753,103	1,356,225	146,485	146,485	146,485	16,365	16,365	19,206	532,158
Capitalized Interest	0										
Gross Property, Plant, and Equipment	20,888,285	21,026,502	21,199,592	21,855,650	21,902,534	21,921,179	21,971,657	22,000,549	22,044,186	22,047,027	20,351,194
Less: Accumulated Depreciation	12,764,979	12,814,141	12,872,956	12,934,442	13,016,899	13,099,608	13,182,318	13,265,028	13,347,737	13,430,447	12,716,411
Net Property, Plant, and Equipment	8,123,306	8,212,362	8,326,636	8,921,208	8,885,636	8,821,571	8,789,339	8,735,522	8,696,449	8,616,580	7,634,783
TOTAL UNRESTRICTED ASSETS	28,561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	28,629,297	28,556,836	28,511,243	29,524,287	26,025,966
Restricted Assets	0	0	0	0	0	0	0	0	0	0	0
TOTAL ASSETS	28,561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	28,629,297	28,556,836	28,511,243	29,524,287	26,025,966

2017-18 Actual BS

BALANCE SHEET

(Reflects 6/30/17 Y/E audit adjustments)

LIABILITIES:

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	PY BS June
Current Liabilities											
Accounts Payable	1,382,046	985,885	792,559	1,431,694	876,176	956,102	943,576	973,763	711,190	833,399	1,055,031
Notes and Loans Payable											
Accrued Payroll	775,117	846,351	884,291	975,116	996,448	697,894	802,910	817,096	891,764	940,378	684,799
Patient Refunds Payable											
Due to Third Party Payers (Settlements)	709,007	709,470	695,980	695,980	718,109	552,505	718,109	718,109	775,164	1,577,778	649,537
Advances From Third Party Payers											
Current Portion of Def Rev - Tx's,	2,046,518	1,860,471	1,674,424	1,488,377	1,302,330	1,151,283	965,236	779,189	593,142	407,095	-4
Current Portion - LT Debt	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Current Portion of AB915											
Other Current Liabilities (Accrued Interest & Accrued Other)	15,243	23,005	30,785	38,407	46,169	7,621	15,350	23,049	30,731	38,373	7,621
Total Current Liabilities	4,962,931	4,460,183	4,113,039	4,664,574	3,974,233	3,400,405	3,480,181	3,346,206	3,036,991	3,832,023	2,431,984
Long Term Debt											
USDA Loan	2,930,000	2,930,000	2,930,000	2,930,000	2,930,000	2,895,000	2,895,000	2,895,000	2,895,000	2,965,000	2,965,000
Leases Payable	0	0	0	0	0	0	0	0	0	0	0
Less: Current Portion Of Long Term Debt	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Total Long Term Debt (Net of Current)	2,930,000	2,930,000	2,930,000	2,930,000	2,930,000	2,860,000	2,860,000	2,860,000	2,860,000	2,930,000	2,930,000
Other Long Term Liabilities											
Deferred Revenue	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total Other Long Term Liabilities	0	0	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES	7,892,931	7,390,183	7,043,039	7,594,574	6,904,233	6,260,405	6,340,181	6,206,206	5,896,991	6,762,023	5,361,984
Fund Balance											
Unrestricted Fund Balance	20,663,982	20,663,983	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	20,663,982	16,251,126
Temporarily Restricted Fund Balance	0	0	0	0	0	0	0	0	0	0	0
Equity Transfer from FRHG	0	0	0	0	0	0	0	0	0	0	0
Net Revenue/(Expenses)	4,147	233,510	710,523	614,668	700,705	885,895	1,625,134	1,686,648	1,950,271	2,168,282	4,412,856
TOTAL FUND BALANCE	20,668,129	20,897,491	21,374,505	21,278,650	21,364,687	21,549,877	22,289,116	22,350,630	22,614,253	22,832,264	20,663,982
TOTAL LIABILITIES & FUND BALANCE	28,561,060	28,287,674	28,417,544	28,873,224	28,268,920	27,810,282	28,629,297	28,556,836	28,511,243	29,594,287	26,025,966

Units of Service

For the period ending: April 30, 2018

30

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Current Month						Bear Valley Community Hospital		Year-To-Date				
Apr-18		Apr-17	Actual -Budget		Act.-Act.		Apr-18		Apr-17	Actual -Budget		Act.-Act.
Actual	Budget	Actual	Variance	Var %	Var %		Actual	Budget	Actual	Variance	Var %	Var %
28	29	30	(1)	-4.3%	-6.7%	Med Surg Patient Days	311	379	357	(68)	-18.0%	-12.9%
29	32	31	(3)	-8.7%	-6.5%	Swing Patient Days	183	412	434	(229)	-55.6%	-57.8%
540	503	567	37	7.4%	-4.8%	SNF Patient Days	5,714	5,162	5,515	552	10.7%	3.6%
597	564	628	33	5.9%	-4.9%	Total Patient Days	6,208	5,953	6,306	255	4.3%	-1.6%
14	15	10	(1)	-6.7%	40.0%	Acute Admissions	130	150	139	(20)	-13.3%	-6.5%
12	15	12	(3)	-20.0%	0.0%	Acute Discharges	132	150	146	(18)	-12.0%	-9.6%
2.3	-	2.5	2.3	#DIV/0!	-6.7%	Acute Average Length of Stay	2.4	-	2.4	2.4	#DIV/0!	-3.6%
0.9	1.0	1.0	(0.0)	-4.3%	-6.7%	Acute Average Daily Census	1.0	1	1.2	(0.2)	-18.0%	-12.9%
19.0	17.8	19.9	1.1	6.4%	-4.8%	SNF/Swing Avg Daily Census	19.4	18	19.6	1.1	5.8%	-0.9%
19.9	18.8	20.9	1.1	5.9%	-4.9%	Total Avg. Daily Census	20.4	20	20.7	0.8	4.3%	-1.6%
44%	42%	47%	2%	5.9%	-4.9%	% Occupancy	45%	44%	46%	2%	4.3%	-1.6%
12	15	8	(3)	-20.0%	50.0%	Emergency Room Admitted	117	150	122	(33)	-22.0%	-4.1%
766	1,000	800	(234)	-23.4%	-4.3%	Emergency Room Discharged	9,606	10,000	9,387	(394)	-3.9%	2.3%
778	737	808	41	5.6%	-3.7%	Emergency Room Total	9,723	9,306	9,509	417	4.5%	2.3%
26	25	27	1	5.6%	-3.7%	ER visits per calendar day	32	31	31	1	4.5%	2.3%
86%	100%	80%	33%	33.3%	7.1%	% Admits from ER	90%	100%	88%	61%	60.6%	2.5%
-	-	1	-	#DIV/0!	-100.0%	Surgical Procedures I/P	2	-	-	2	0.0%	#DIV/0!
13	20	8	(7)	-35.0%	62.5%	Surgical Procedures O/P	123	202	67	(79)	-39.1%	83.6%
13	20	9	(7)	-35.0%	44.4%	TOTAL Procedures	125	202	67	(77)	-38.1%	86.6%
583	286	822	297	103.8%	-29.1%	Surgical Minutes Total	8,713	2,895	4,440	5,818	201.0%	96.2%

Units of Service

For the period ending: April 30, 2018

Bear Valley Community Hospital												
Current Month						Year-To-Date						
Apr-18	Apr-17	Actual	-Budget	Act.-Act.		Apr-18	Apr-17	Actual	-Budget	Act.-Act.		
Actual	Budget	Actual	Variance	Var %	Var %	Actual	Budget	Actual	Variance	Var %	Var %	
6,212	6,024	5,650	188	3.1%	9.9%	Lab Procedures	61,854	57,644	60,090	4,210	7.3%	2.9%
702	670	747	32	4.8%	-6.0%	X-Ray Procedures	8,032	7,613	8,376	419	5.5%	-4.1%
242	222	208	20	9.0%	16.3%	C.T. Scan Procedures	2,703	2,620	2,626	83	3.2%	2.9%
256	207	202	49	23.7%	26.7%	Ultrasound Procedures	2,374	1,978	2,045	396	20.0%	16.1%
61	50	-	11	0.0%	#DIV/0!	Mammography Procedures	645	500	414	145	29.0%	55.8%
300	254	308	46	18.1%	-2.6%	EKG Procedures	3,140	2,529	2,770	611	24.2%	13.4%
131	112	177	19	17.0%	-26.0%	Respiratory Procedures	1,442	1,054	1,284	388	36.8%	12.3%
1,874	1,728	1,359	146	8.4%	37.9%	Physical Therapy Procedures	13,869	15,783	16,454	(1,914)	-12.1%	-15.7%
1,834	1,808	1,642	26	1.4%	11.7%	Primary Care Clinic Visits	17,645	15,932	15,559	1,713	10.8%	13.4%
240	200	185	40	20.0%	29.7%	Specialty Clinic Visits	2,125	2,000	773	125	6.3%	174.9%
2,074	2,008	1,827	66	3.3%	13.5%	Clinic	19,770	17,932	16,332	1,838	10.2%	21.1%
80	77	70	3	3.3%	13.5%	Clinic visits per work day	109	99	90	10	10.2%	21.1%
20.4%	20.00%	20.70%	0.40%	2.00%	-1.45%	% Medicare Revenue	19.00%	20.00%	20.22%	-1.00%	-5.00%	-6.03%
41.40%	37.00%	44.20%	4.40%	11.89%	-6.33%	% Medi-Cal Revenue	39.35%	37.00%	38.65%	2.35%	6.35%	1.81%
34.10%	38.00%	31.20%	-3.90%	-10.26%	9.29%	% Insurance Revenue	36.83%	38.00%	36.70%	-1.17%	-3.08%	0.35%
4.10%	5.00%	3.90%	-0.90%	-18.00%	5.13%	% Self-Pay Revenue	4.82%	5.00%	4.43%	-0.18%	-3.60%	8.80%
145.2	150.00	146.0	(4.8)	-3.2%	-0.5%	Productive FTE's	145.22	152.00	143.7	(6.8)	-4.5%	1.1%
165.0	168.00	166.6	(3.0)	-1.8%	-1.0%	Total FTE's	165.22	170.40	161.7	(5.2)	-3.0%	2.2%



CFO REPORT for

June 2018 Finance and Board meetings

Healthcare Reform - Assembly Bill 3087

Indications are that Assembly Bill 3087 will not progress during this legislative session. This was the bill that would allow the state to set prices for specific services and procedures provided by hospitals and other health care providers.

Revenue Cycle Assessment update

We have attached the presentation from the Revenue Cycle Review. Eva, our new HIM Director, has begun work on the PAS (Patient Access Services) section of the MAP (Management Action Plan). PFS (Patient Financial Services) staff continue to work with and learn about Rycan, TruBridge's Electronic Claims Management program. Continued use of the software will help us evaluate our Accounts Receivable Management relationship.

Financial and Productivity Benchmarking information

We have attached Financial and Productivity Benchmarking information presented by at a recent conference.



MEMO

Date: 5 June 2018
To: BVCHD Finance Committee
From: Garth M Hamblin, CFO
Re: Financial and Productivity Benchmarking Reports by WIPFLi

Recommended Action

No action, informational only

Background

At a recent conference, WIPFLi, a Healthcare Consultancy, presented Financial and Productivity Benchmarking information for groups of California Critical Access Hospitals. Attached are slides for our group for review and discussion.

California Critical Access Hospitals

Financial Improvement Project Financial Benchmarking Report

March 2018



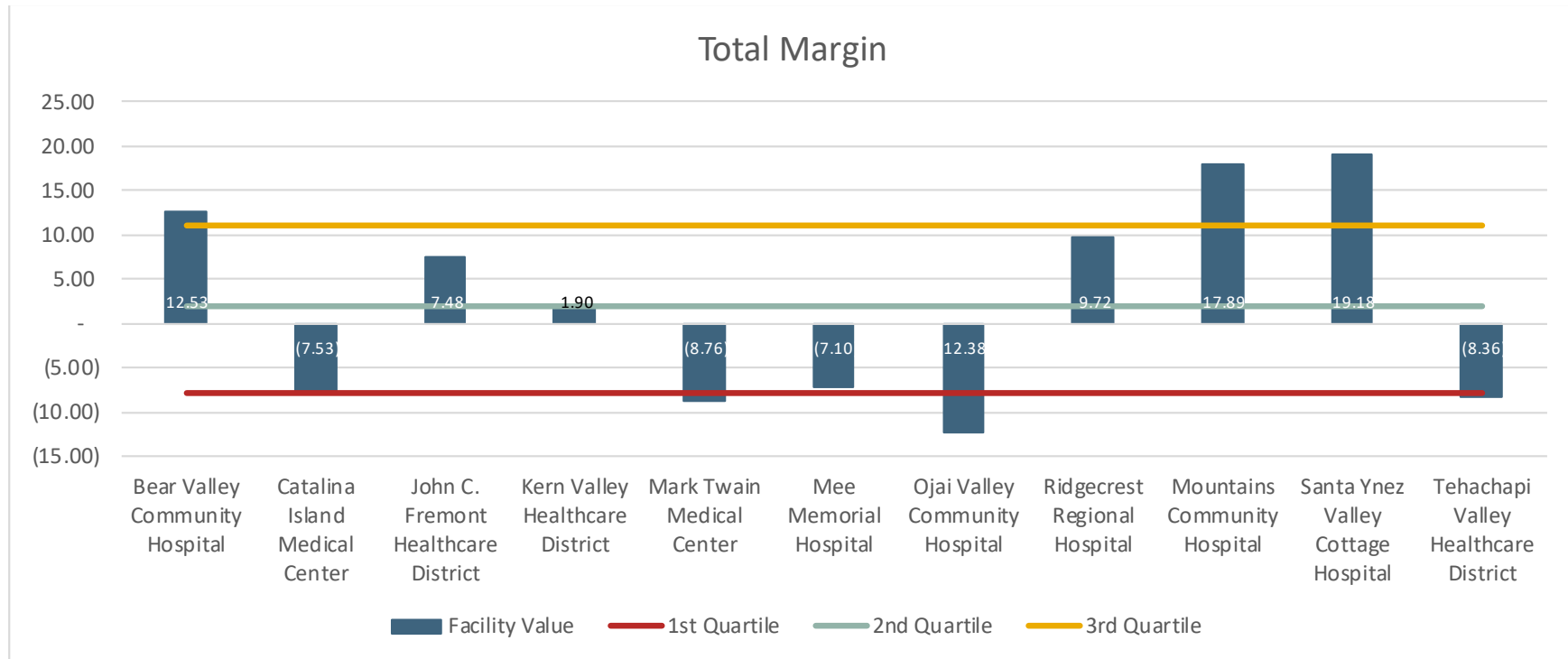
WIPFLi^{LLP}
CPAs and Consultants
HEALTH CARE PRACTICE

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California CAH Benchmarking Groups

Blue Group	Green Group	Yellow Group	Red Group
Fairchild Medical Center Jerold Phelps Community Hospital Mayers Memorial Hospital District Mercy Medical Center Mt Shasta Modoc Medical Center Redwood Memorial Hospital Trinity Hospital	Banner Lassen Medical Center Eastern Plumas Health Care Mammoth Hospital Northern Inyo Hospital Plumas District Hospital Seneca Healthcare District Southern Inyo Hospital Tahoe Forest Hospital District	Adventist Health Howard Memorial Glenn Medical Center Healdsburg District Hospital Mendocino Coast District Hospital Orchard Hospital St. Helena Hospital Sutter Lakeside Hospital	Bear Valley Community Hospital Catalina Island Medical Center John C. Fremont Healthcare District Kern Valley Healthcare District Mark Twain Medical Center Mee Memorial Hospital Ojai Valley Community Hospital Ridgecrest Regional Hospital Mountains Community Hospital Santa Ynez Valley Cottage Hospital Tehachapi Valley Healthcare District

Red Group



Interpretation: Total margin measures the control of expenses relative to revenues. A positive value indicates total expenses are less than total revenues (a profit). Very high positive values may indicate higher patient volumes, which down cost per unit of service. A negative value indicates total expenses are greater than total revenues (a loss). Very high negative values may indicate financial difficulty. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

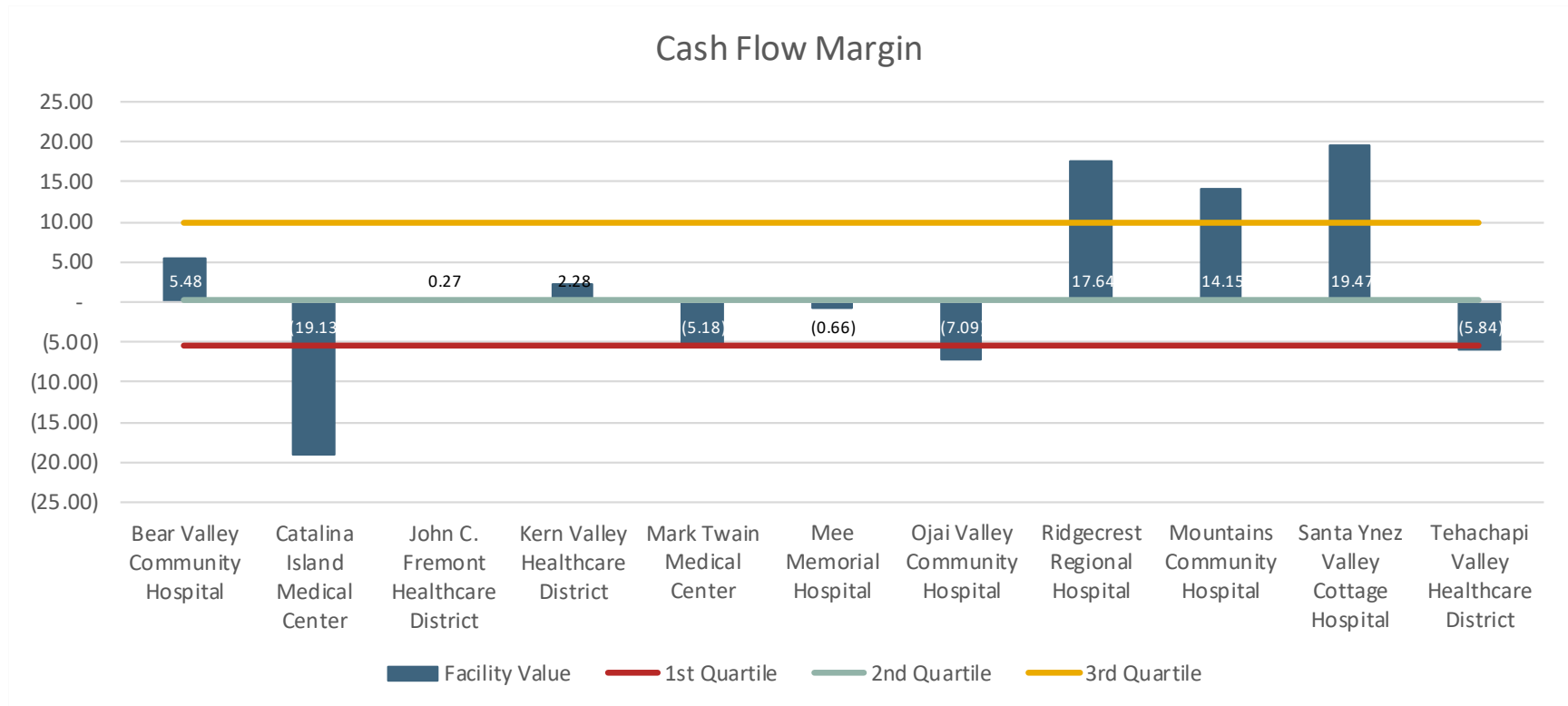
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: Net income / Total revenues (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Cash flow margin measures the cash inflow per dollar of revenue from providing patient care services. A positive value indicates cash outflows are less than cash inflows. A negative value indicates cash outflows are greater than cash inflows.

(Flex Monitoring Team CAH Measurement and Performance Assessment System)

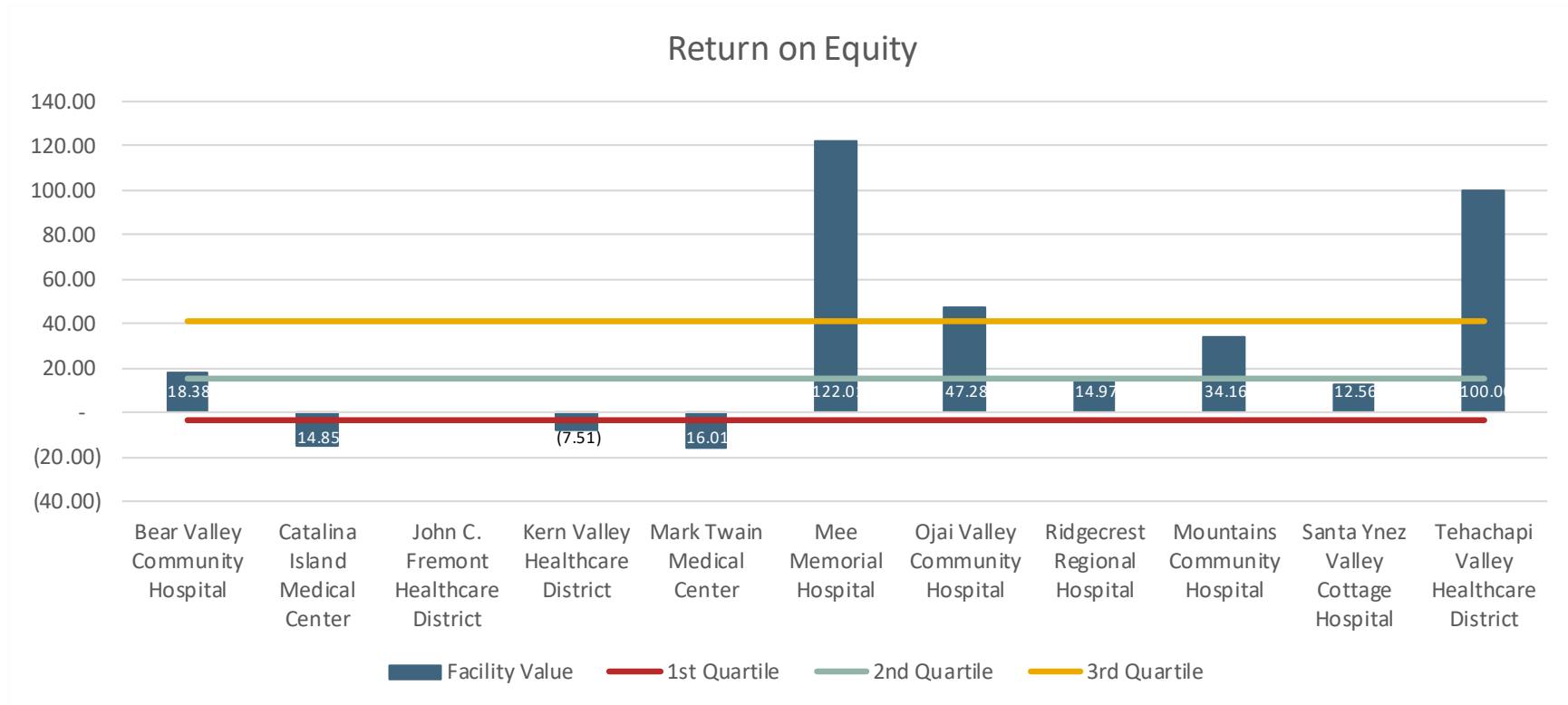
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: $\frac{\text{Net income} - \text{Contributions, investments, and appropriations} + \text{Depreciation expense} + \text{Interest Expense}}{\text{Net patient revenue} + \text{Other income} - \text{Contributions, investments, and appropriations}}$ (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Return on equity measures the net income generated by equity investment (net assets). In a not-for-profit entity, the equity represents the sum of federal, state, and local grants, contributions, and accumulated earnings of the hospital. A positive value indicates net income was generated by equity investment. Very high positive values may indicate an opportunity for debt financing. A negative value indicates a net loss was generated by equity investment. Very high negative values may indicate financial difficulty. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

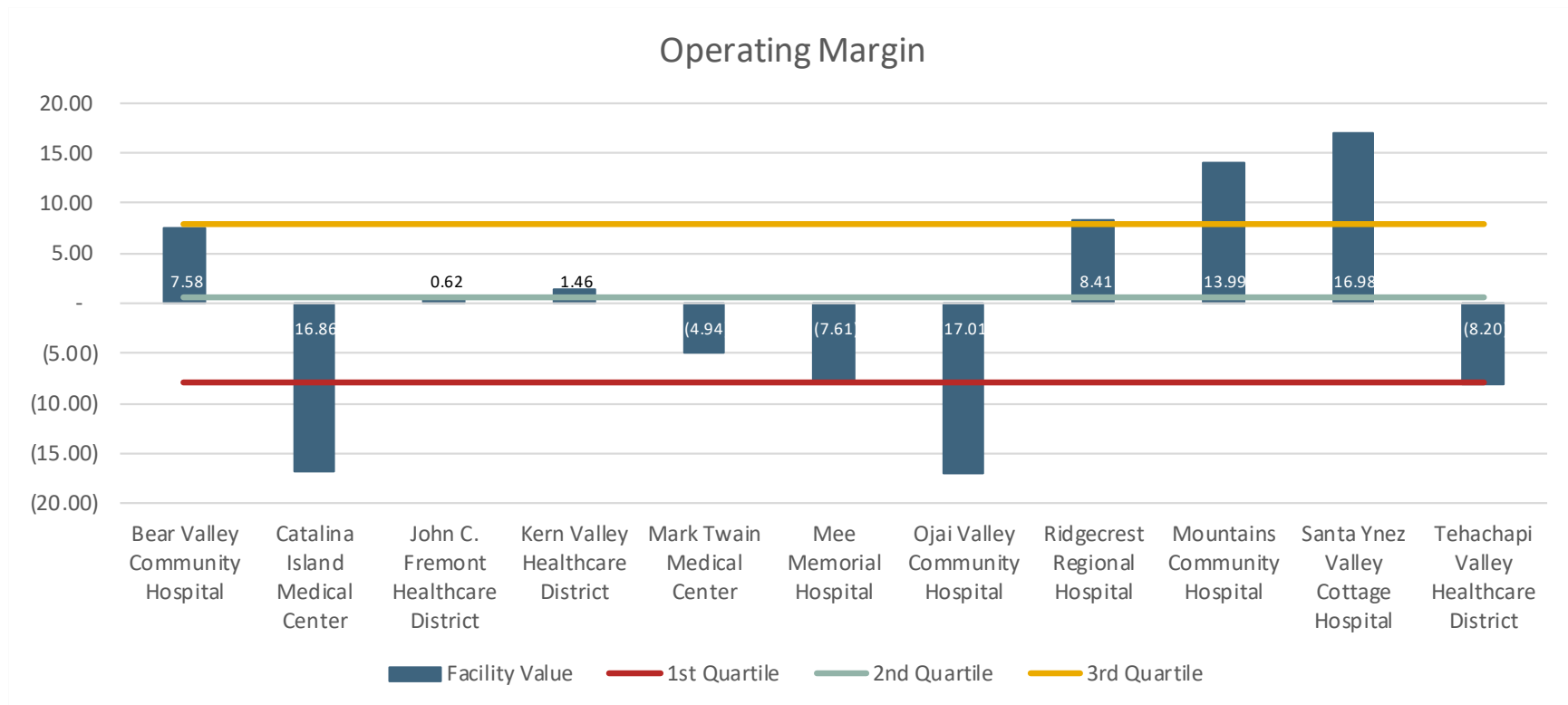
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: Net income / Net assets (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Operating margin measures the control of operating expenses relative to operating revenue (net patient and other revenue). A positive value indicates operating expenses are less than operating revenue (an operating profit). Very positive values may indicate higher patient volumes which drive down the cost per unit of service. A negative value indicates operating expenses are greater than operating revenues (an operating loss). Very high negative values may indicate financial difficulty.

(Flex Monitoring Team CAH Measurement and Performance Assessment System)

Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

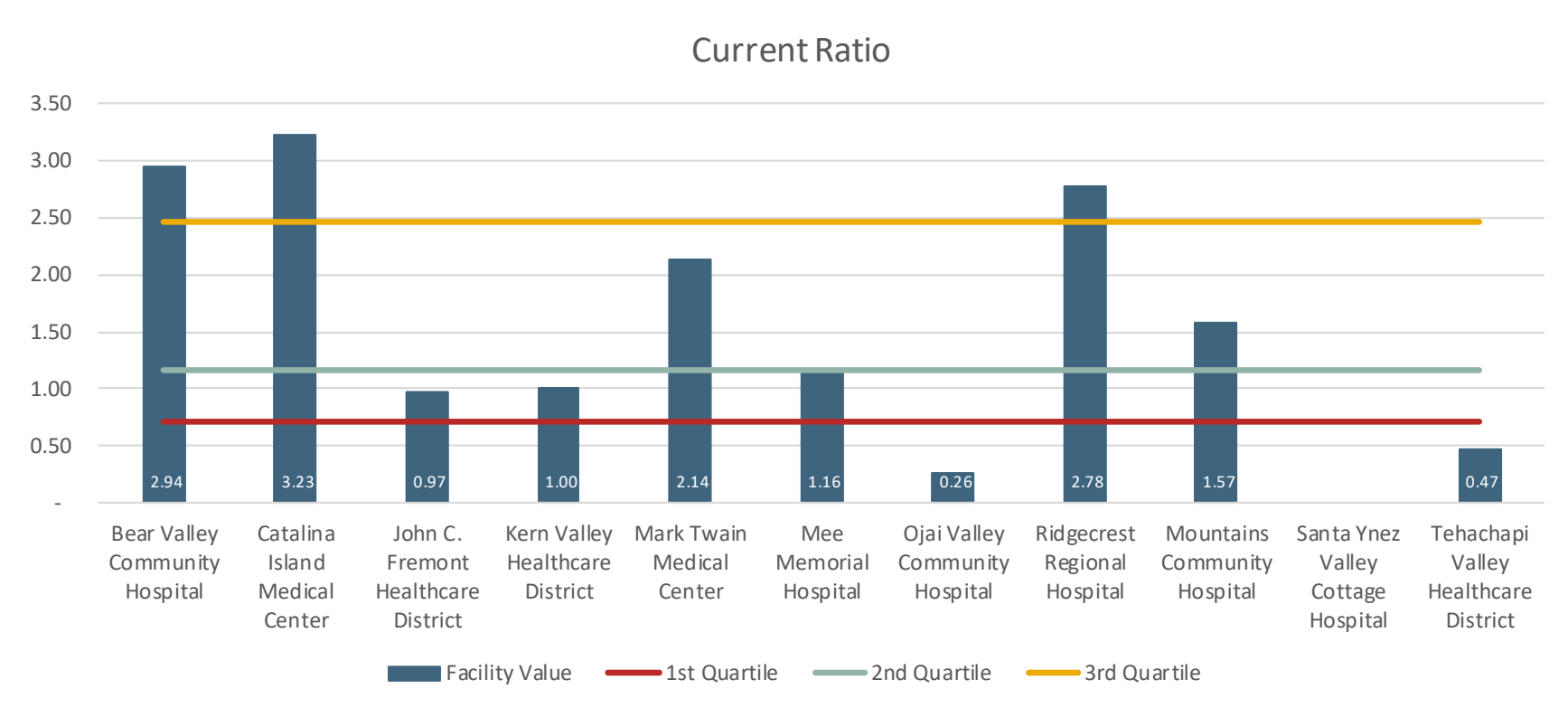
Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: $\text{Net patient revenue} + \text{Other revenue} - \text{Total operating expenses} / \text{Net patient revenue} + \text{Other revenue}$

(Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Current ratio measures the number of times short-term obligations can be paid using short term assets. A value greater than 1 indicates current assets are greater than current liabilities. Very high values may indicate underinvestment in longer-term assets that usually yield returns. A value less than 1 indicates current assets are less than current liabilities. Very low values may indicate financial difficulty. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

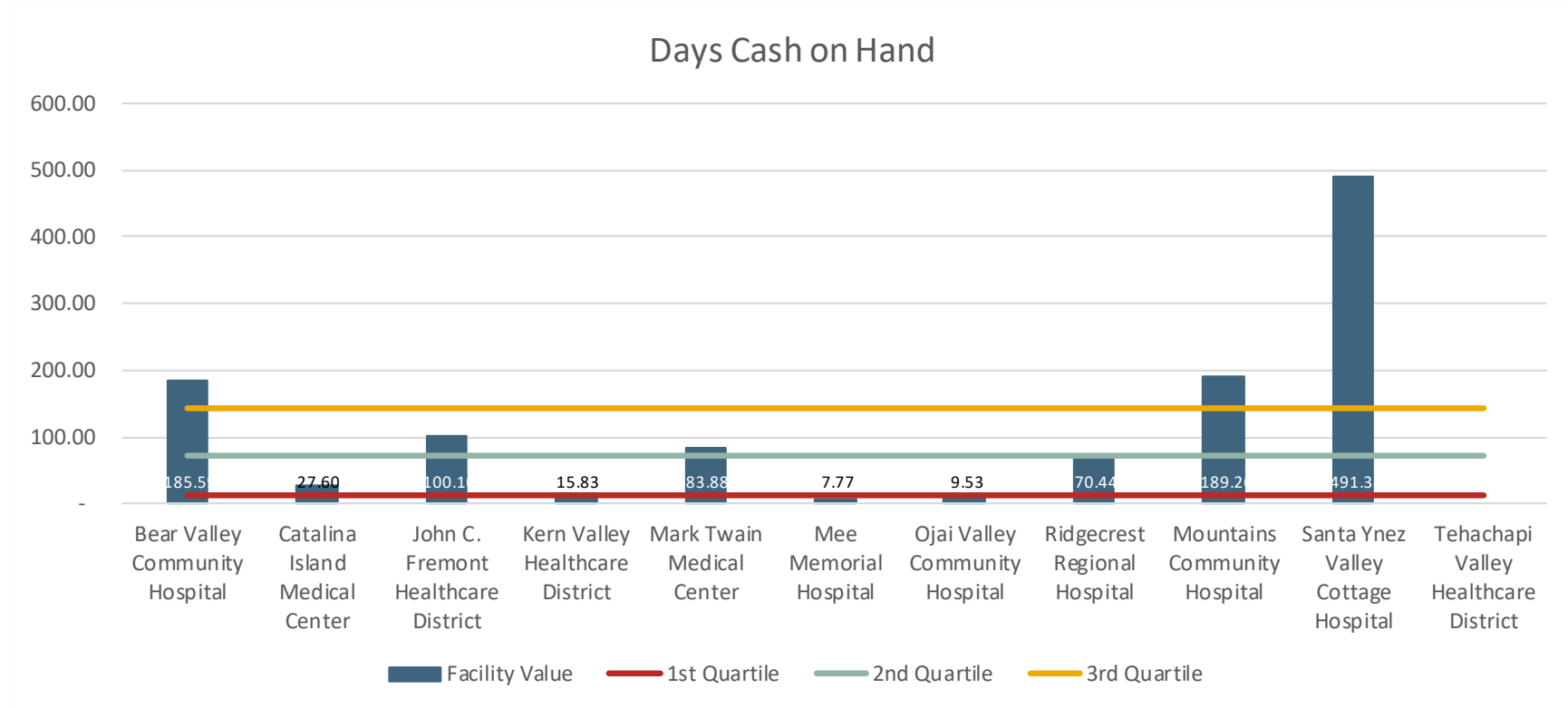
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: Current assets / Current liabilities (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Days cash on hand measures the number of days an organization could operate if no cash was collected or received. A low value indicates only a few days of cash on hand. Very low values may indicate financial difficulty. A high value indicates many days of cash on hand. Very high values may indicate underinvestment in longer-term assets that usually yield higher returns. Days cash on hand is calculated at fiscal year end, which does not reflect uneven cash flows throughout the year.

(Flex Monitoring Team CAH Measurement and Performance Assessment System)

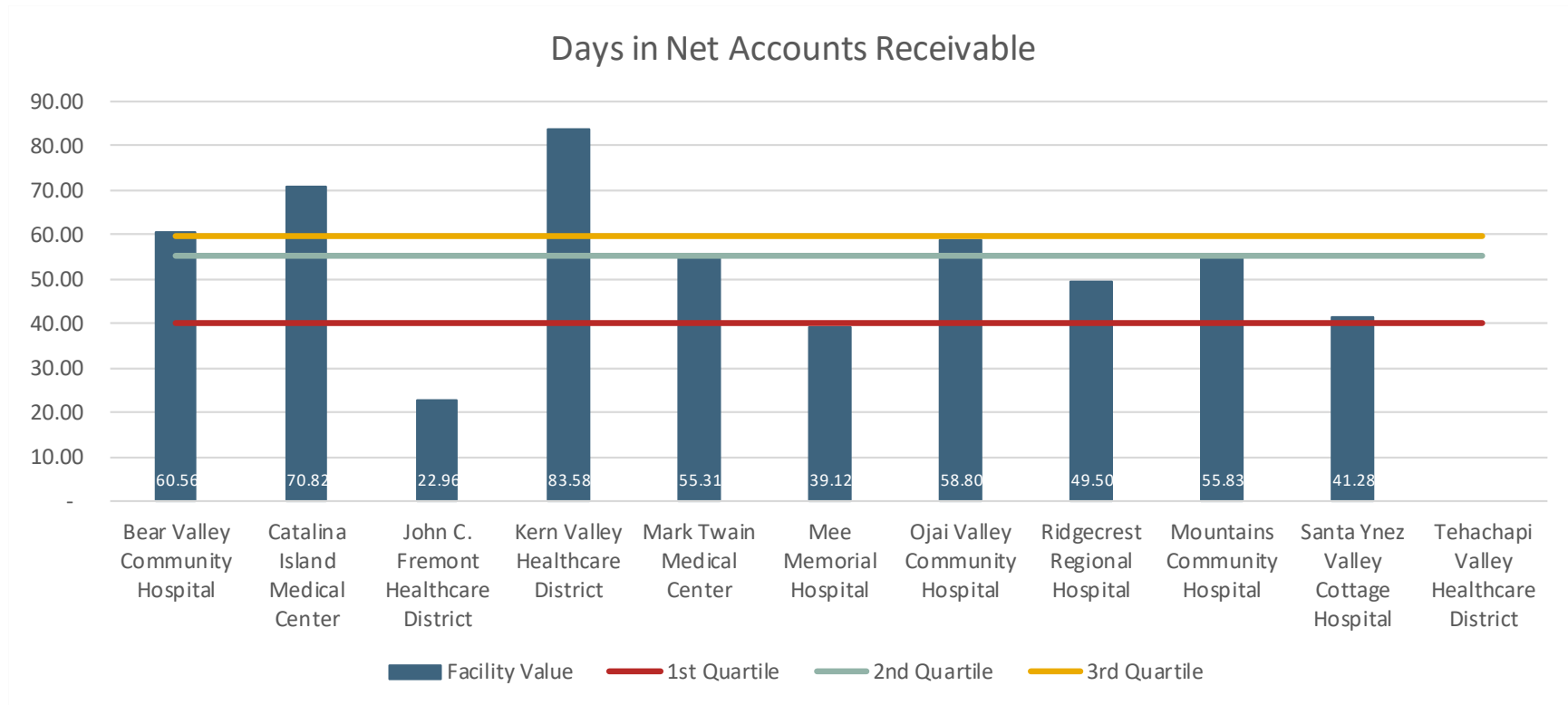
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: $\text{Cash} + \text{Temporary investments} + \text{Investments} / (\text{Total expenses} - \text{Depreciation}) / \text{Days in period}$ (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Net days revenue in accounts receivable measures the number of days that it takes an organization, on average, to collect its receivables. A high value indicates many days to collect receivables. Very high values may indicate need to review collection policies and procedures. A low value indicates only a few days to collect receivables and may indicate a more efficient system for processing accounts receivable, higher Medicare and Medicaid payer mix, offering of long-term care services, or some combination. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

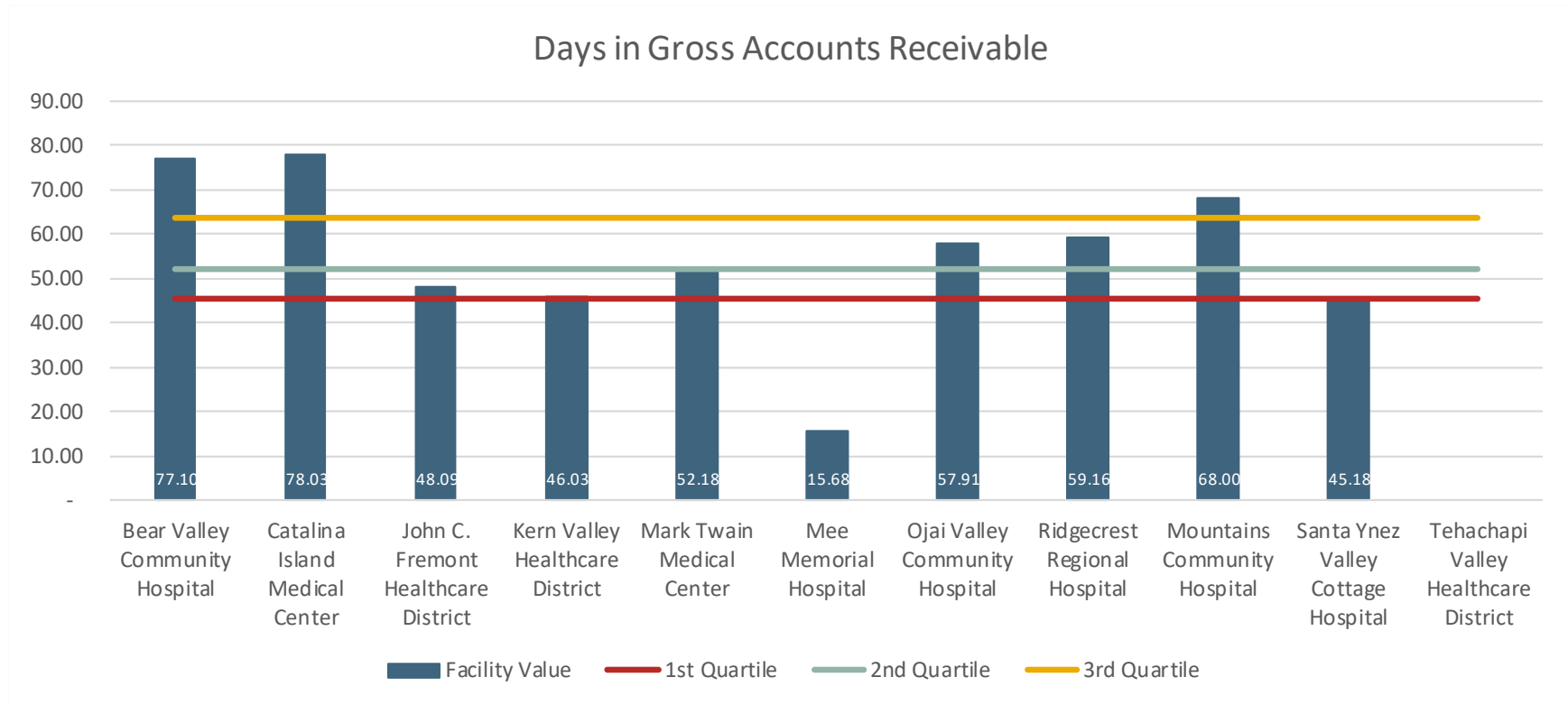
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: $\text{Net patient accounts receivable} / (\text{Net patient revenue}) / \text{Days in period}$ (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Days in gross accounts receivable compared to days in net accounts receivable measures revenue cycle performance. Days in gross and net accounts receivable that are close in value indicate good revenue cycle performance. Days in gross accounts receivable greater than days in net accounts receivable may indicate that the allowances for doubtful accounts require analysis and possible adjustment. (Flex Monitoring Team CAH Measurement and Performance Assessment)

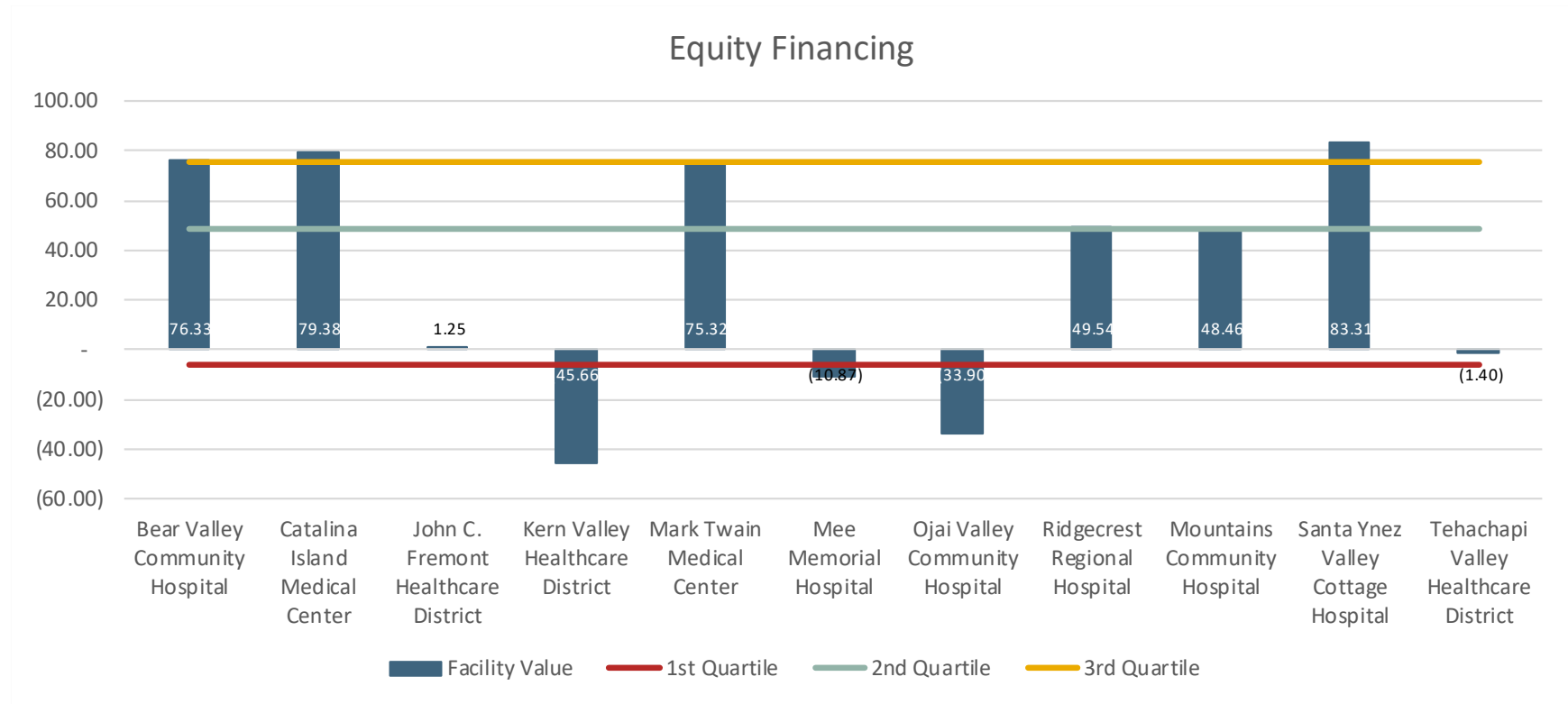
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: $\text{Gross patient accounts receivable} / (\text{Gross patient revenue}) / \text{Days in period}$ (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Equity financing measures the percentage of total assets financed by equity. In a not-for-profit entity, equity represents the sum of federal, state, and local grants, contributions, and the accumulated earnings of the hospital. A value greater than 50 percent indicates that more of the assets are financed by equity than by debt. Very high values may indicate opportunities for debt financing. A value less than 50 percent indicates that more of the assets are financed by debt than by equity. Very low values may indicate exposure to financial risk because debt service is a fixed charge. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

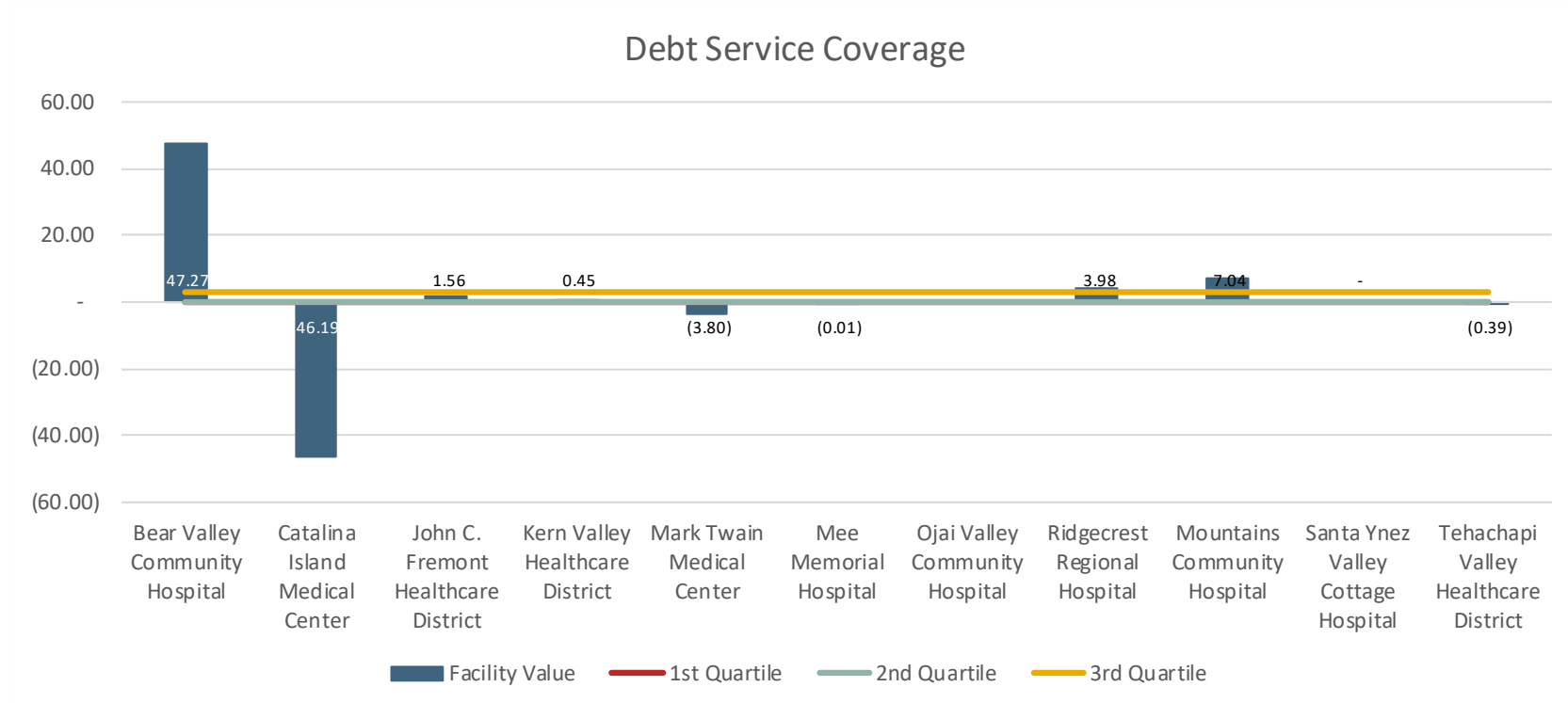
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: Net assets / Total assets (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Debt service coverage measures the cash inflow per dollar of principal payments and interest expense. A positive value greater than 1 indicates cash flow greater than current fixed charge payments. Very high positive values may indicate an opportunity for debt financing. A positive value less than 1 or a negative value indicates cash flow less than current fixed charge payments. Very low values may signal need to reassess debt policies. Refinancing may be an option if interest rates are lower in the current period than when the original debt financing occurred. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

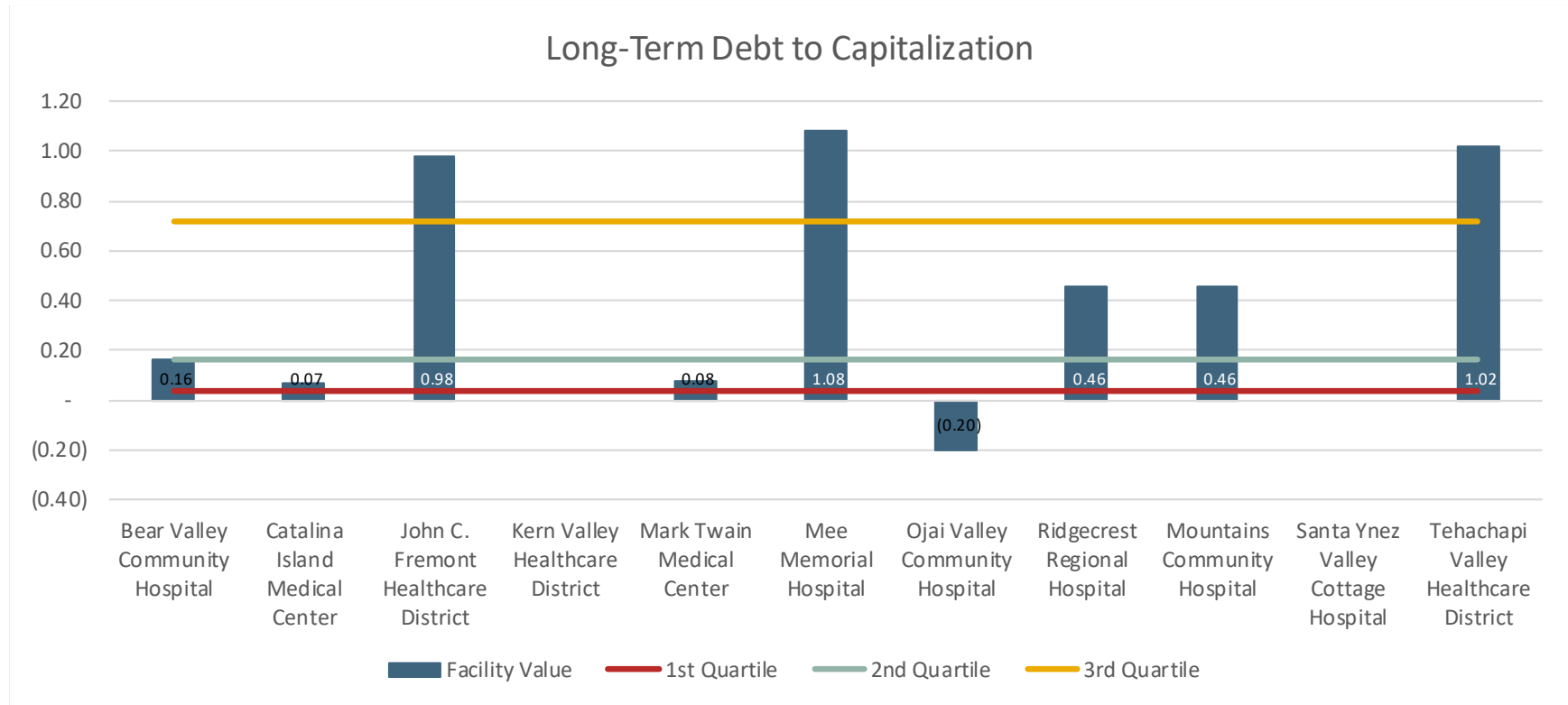
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: $\text{Net income} + \text{Depreciation} + \text{Interest expense} / \text{Notes and loans payable (short term)} * (365 / \text{Days in period}) + \text{Interest expense}$ (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Long-term debt to capitalization measures the percentage of total capital that is debt. A value greater than 50 percent indicates that a majority of capital is debt. Very high values may indicate exposure to financial risk because debt service is a fixed charge. A value less than 50 percent indicates that the majority of capital is equity. Very low values may indicate opportunities for debt financing. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

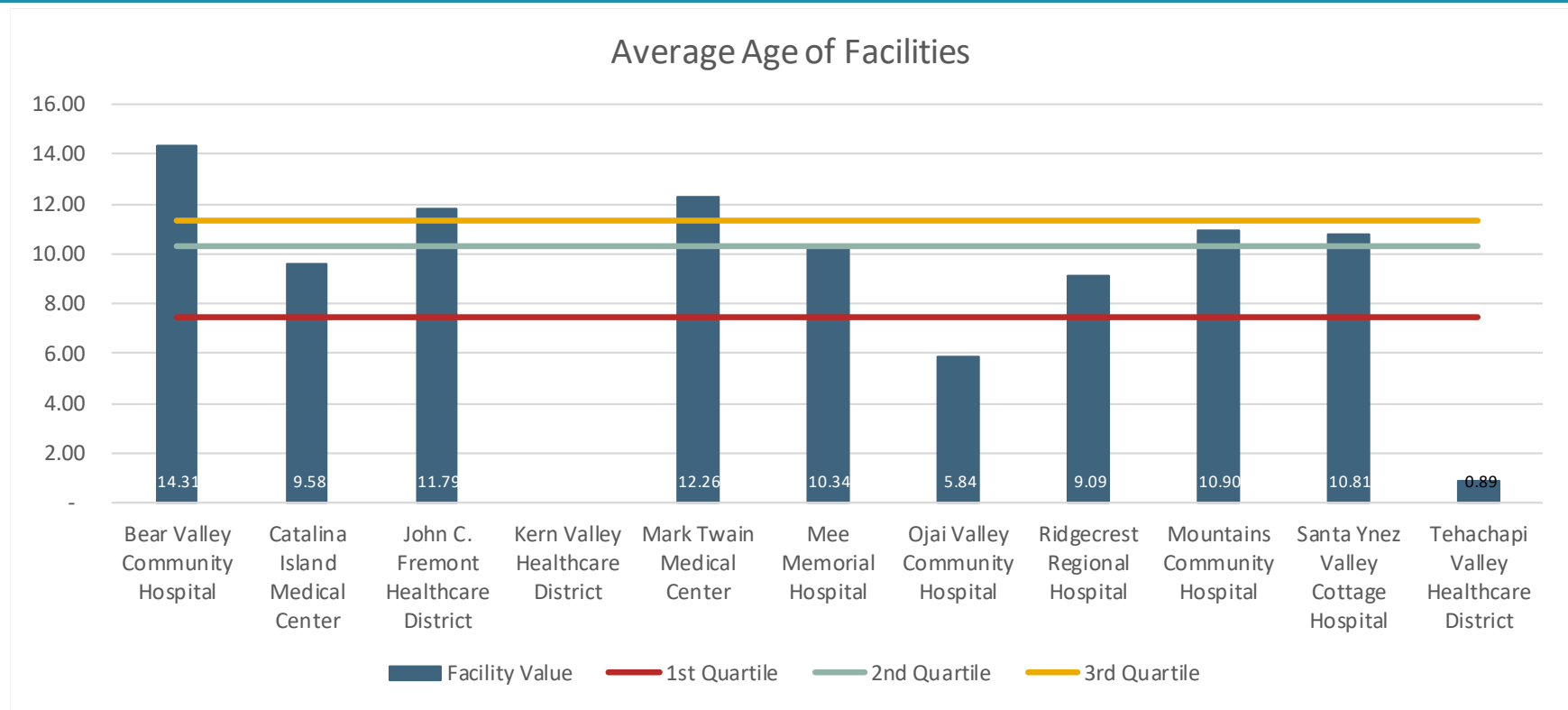
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: Long-term debt / Long-term debt + Net assets (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Average of plant measures the average accounting age in years of the fixed assets of an organization. It may differ from the average chronological age because of depreciation practices. Higher values indicate greater amounts of older assets. Very high values may indicate a need for fixed asset replacement. Lower values indicate greater amounts of newer assets. Very low values may indicate a new building or recent replacement of fixed assets. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

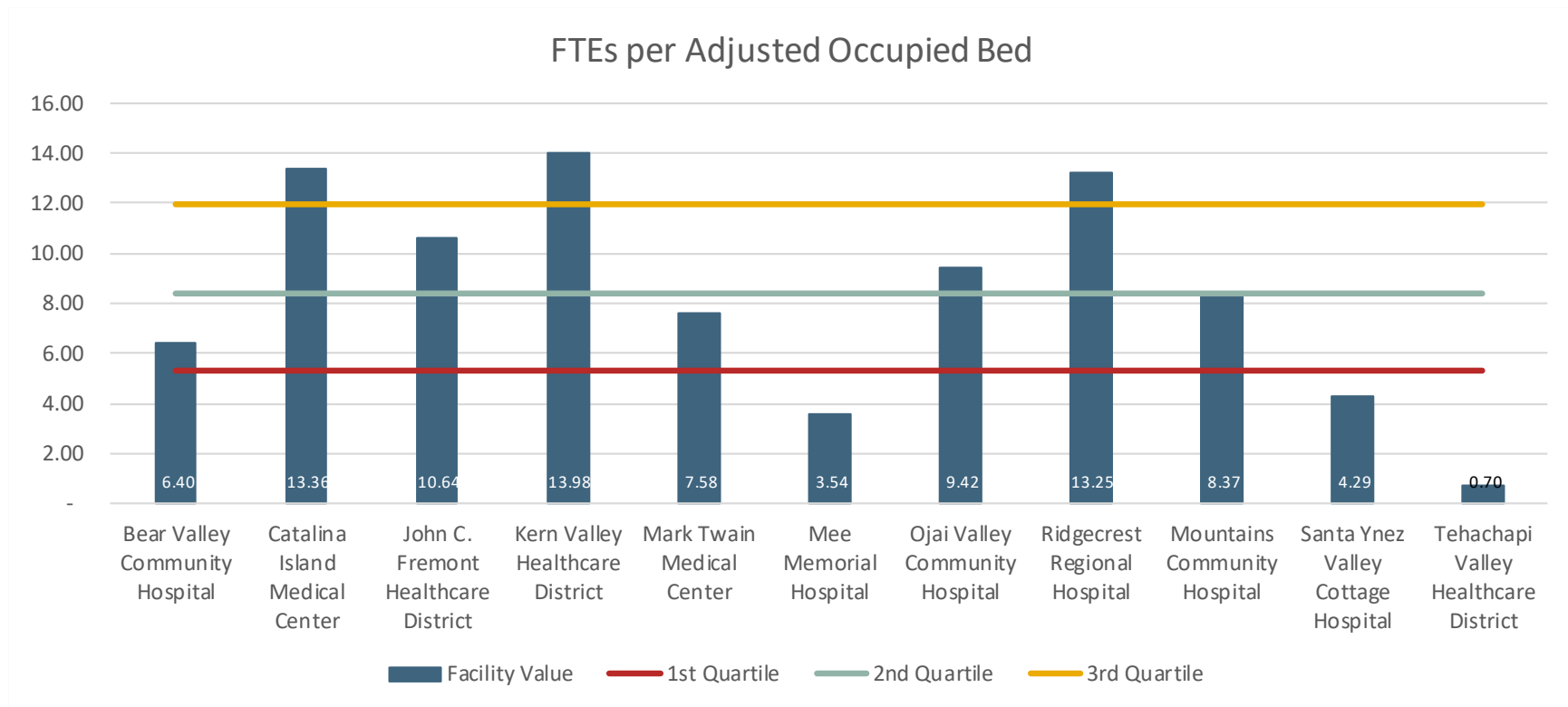
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: $\text{Accumulated depreciation} / \text{Depreciation expense} * (365 / \text{Days in period})$ (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: FTEs per adjusted occupied bed measures the number of full-time employees per each occupied acute care bed. A high value indicates many employees per bed. Very high values may indicate low volume and potential opportunity to evaluate staff productivity. A low value indicates a few employees per bed. Very low values may indicate high volume or a high level of staff productivity. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

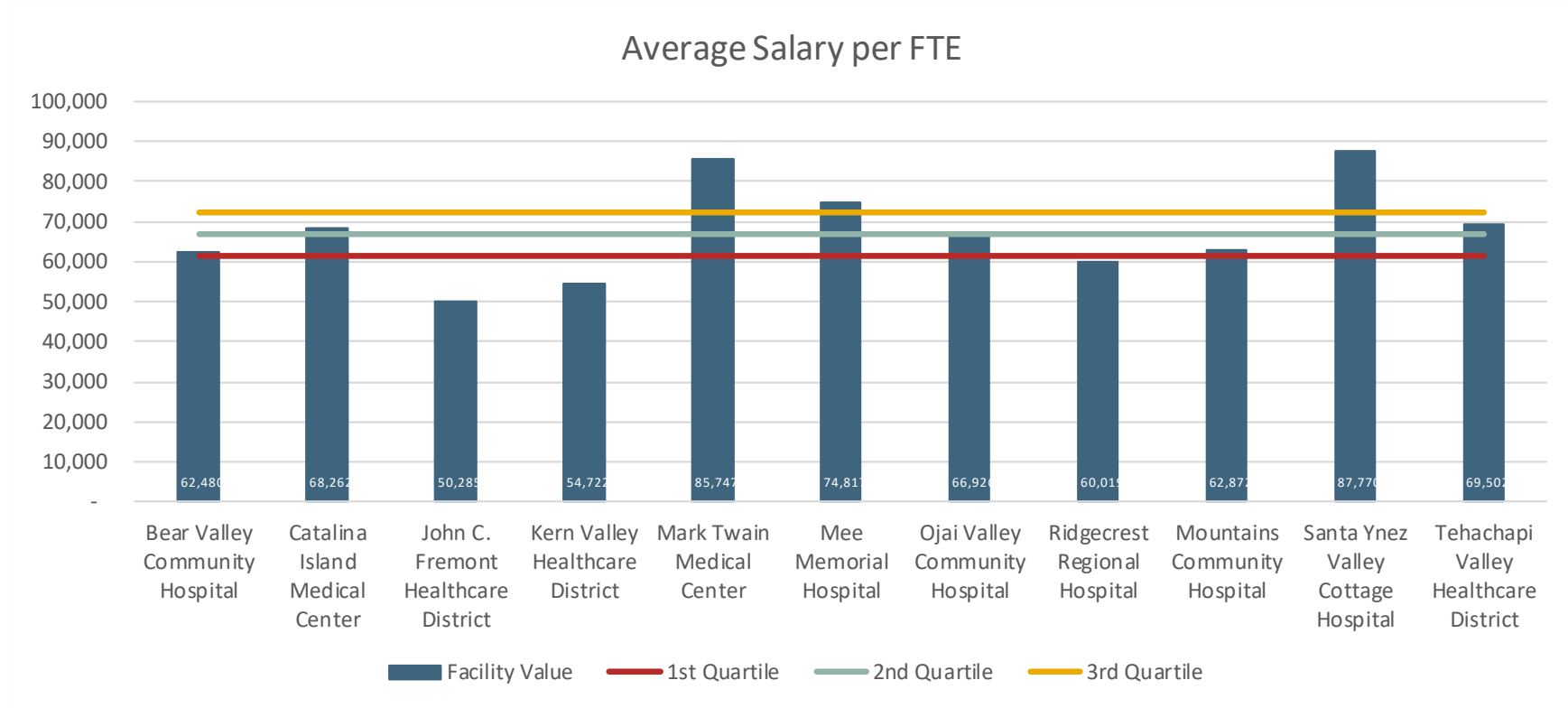
Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: $\text{Number of FTEs} / (\text{Inpatient days} - \text{NF swing days} - \text{Nursery days}) * (\text{Total patient revenue} / (\text{Total inpatient revenue} - \text{inpatient NF revenue} - \text{Other LTC revenue})) / \text{Days in period}$ (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Interpretation: Average salary per FTE measures the price and mix of labor. A high value indicates that a hospital pays above average wages / salaries and/or employs relatively more high-skill occupations and/or experienced staff. A low value indicates that a hospital pays below average wages / salaries and/or employs relatively fewer less high-skill occupations and/or experienced staff. (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group

OSHPD Calculation: $\text{Salary expense} / \text{Number of FTEs}$ (Flex Monitoring Team CAH Measurement and Performance Assessment System)

Facility values that exceed two standard deviations from the mean were excluded.

Contact Information



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Financial Improvement Project Productivity Benchmarking Report

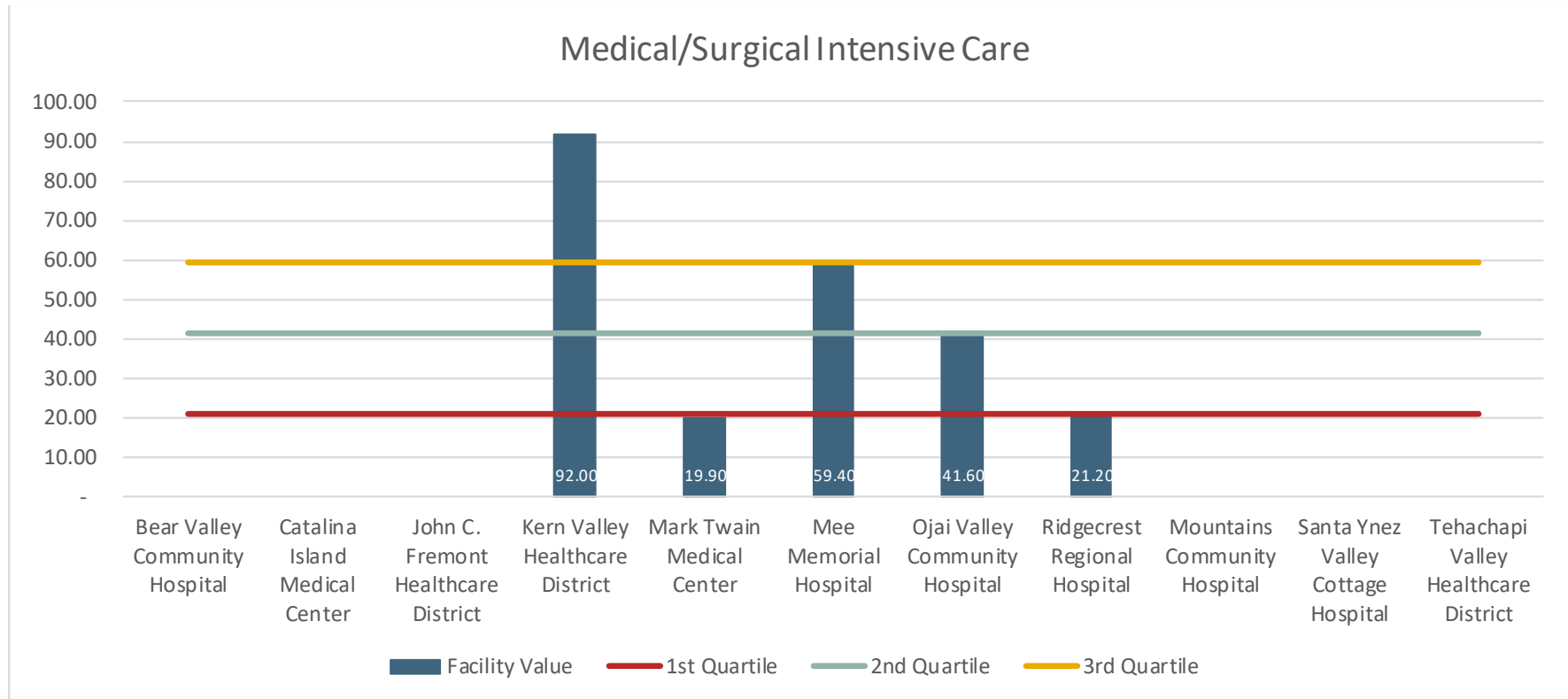
March 2018



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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

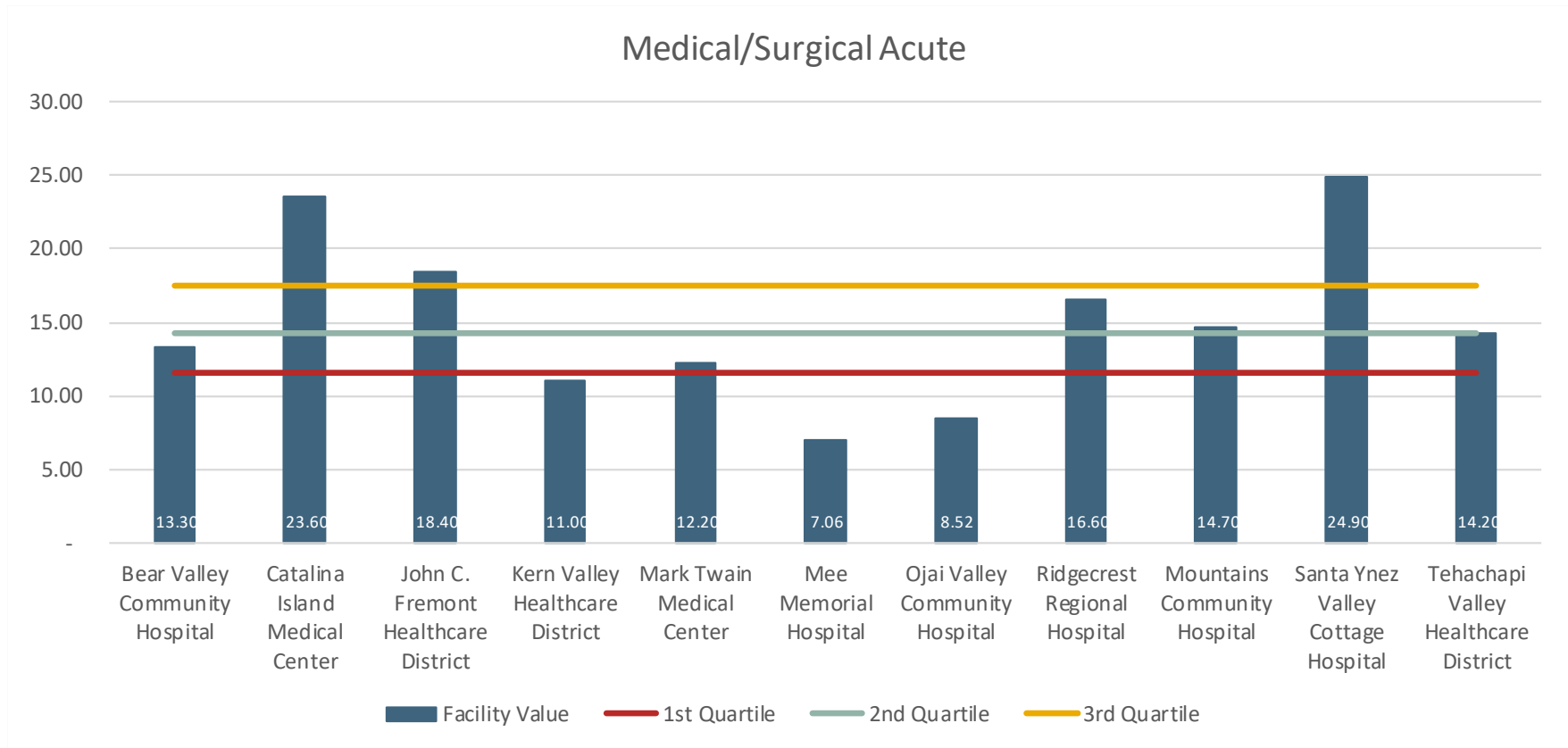
OSHPD Unit of Service: Patient (Census) Days

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

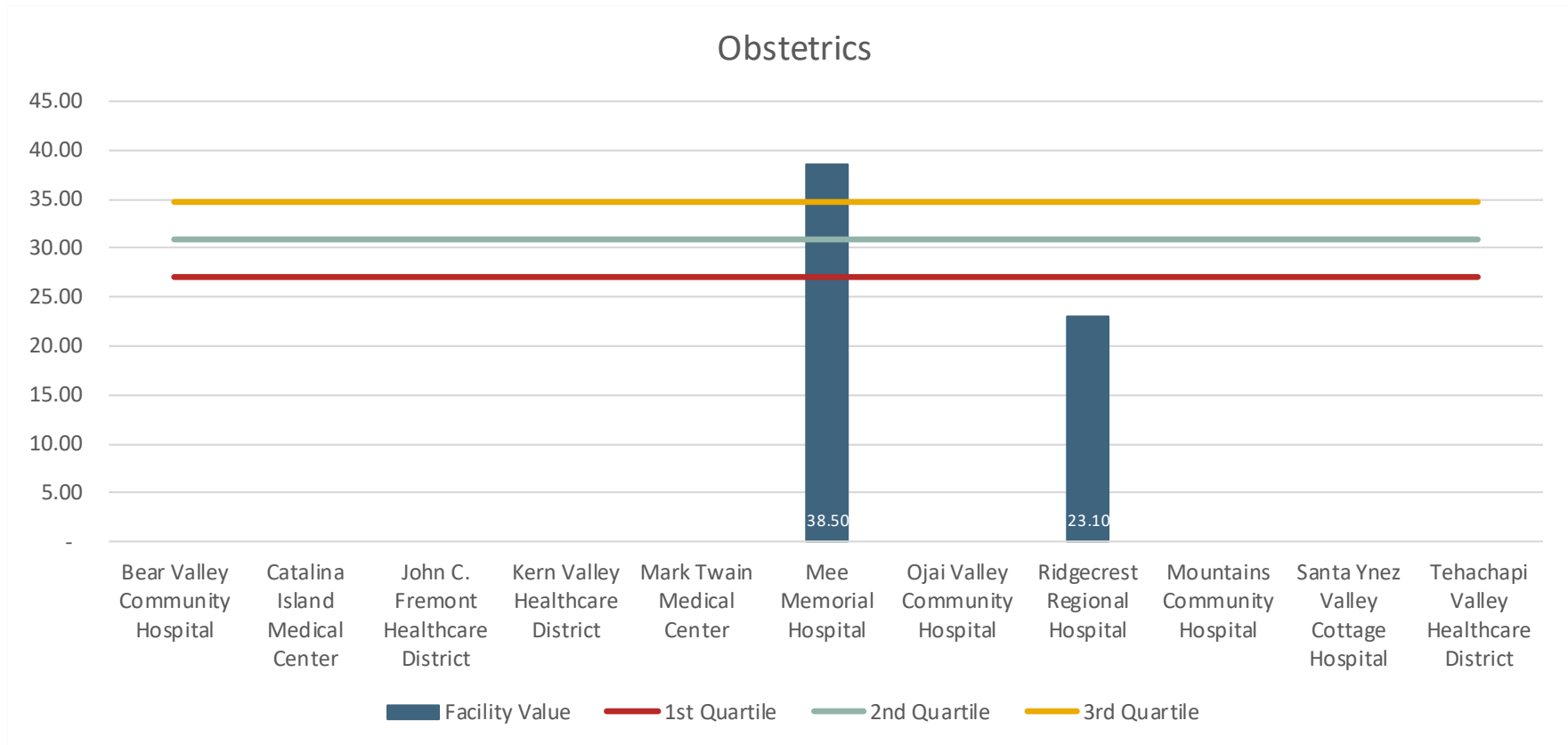
OSHPD Unit of Service: Patient (Census) Days

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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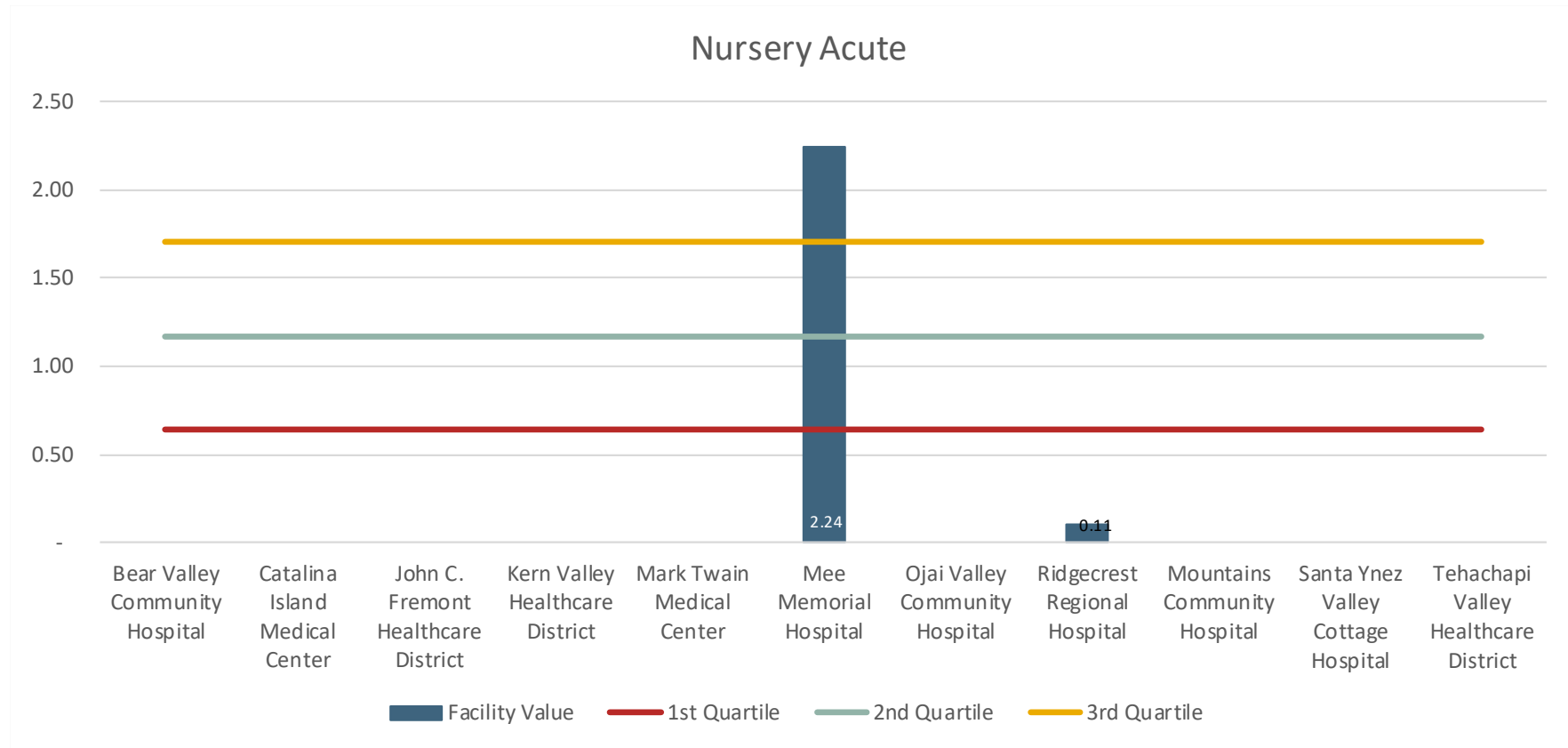
OSHPD Unit of Service: Patient (Census) Days

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

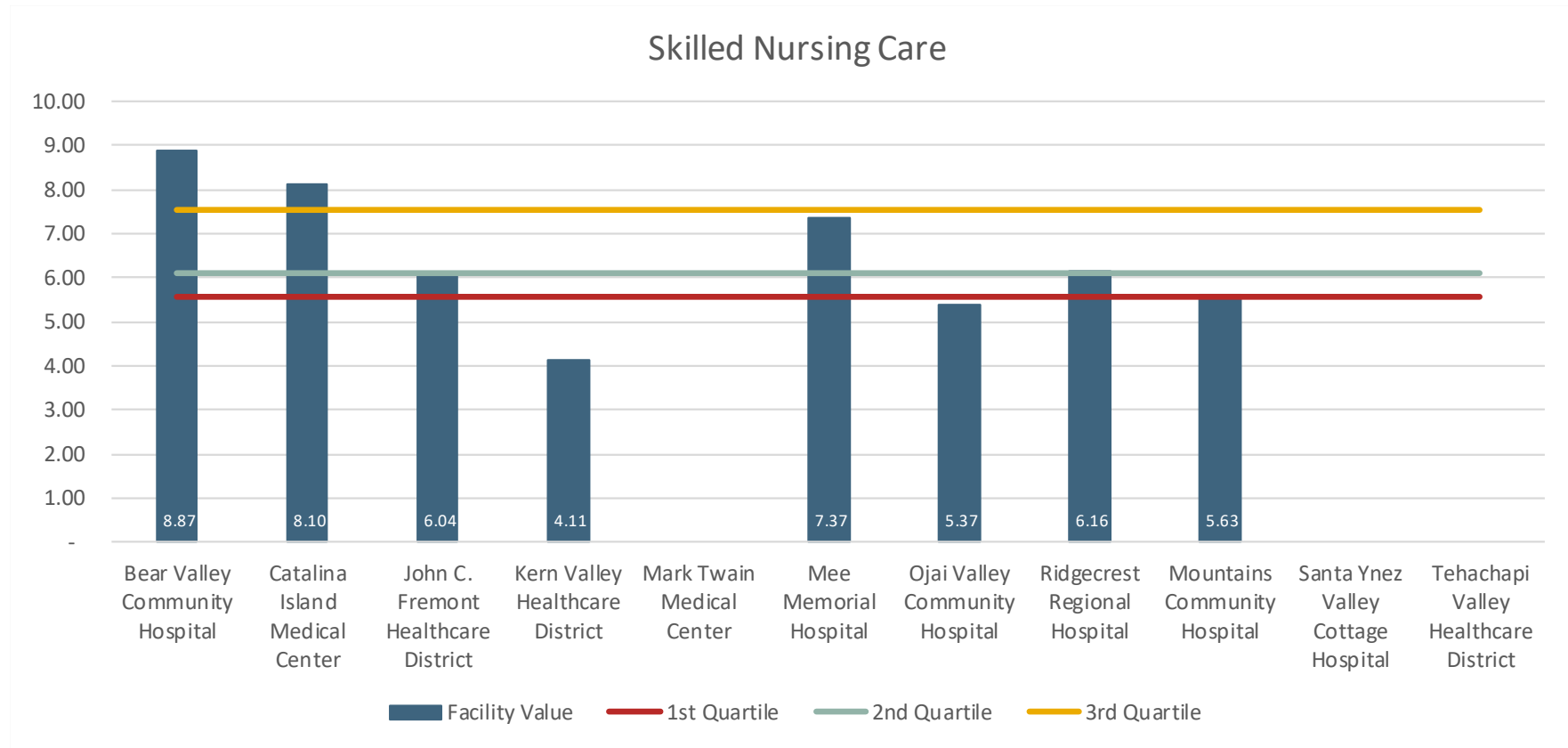
OSHPD Unit of Service: Patient (Census) Days

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

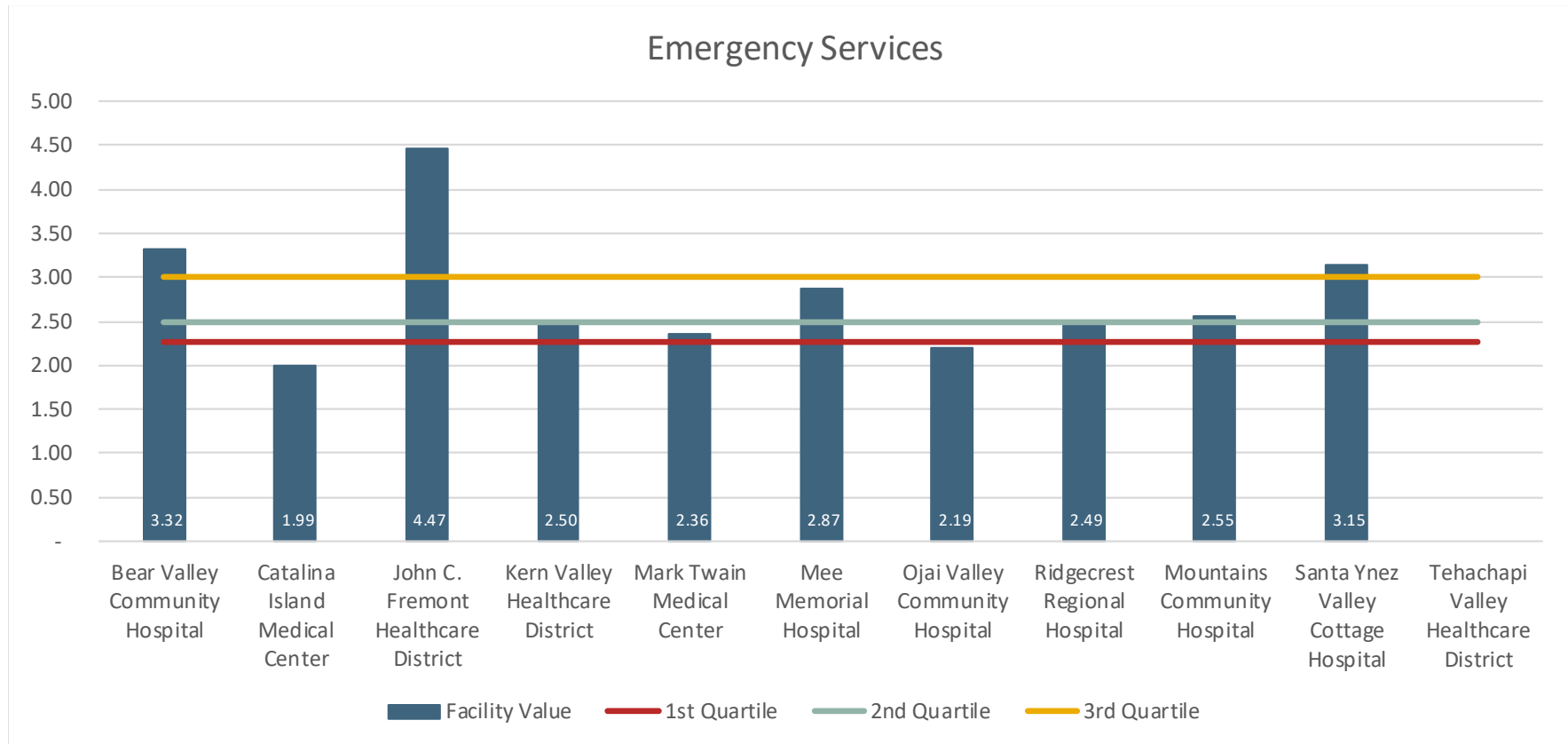
OSHPD Unit of Service: Patient (Census) Days

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

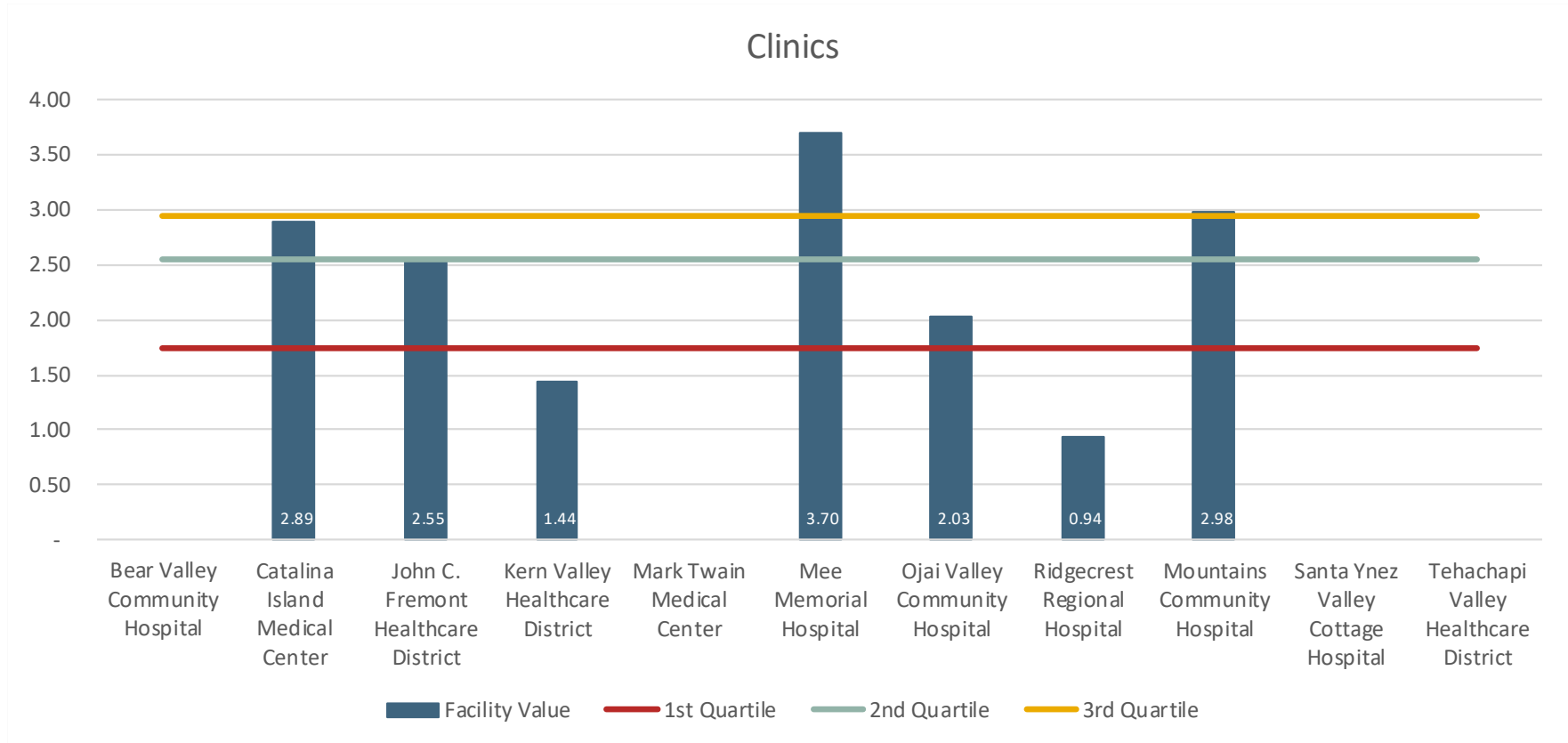
OSHPD Unit of Service: Visits

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

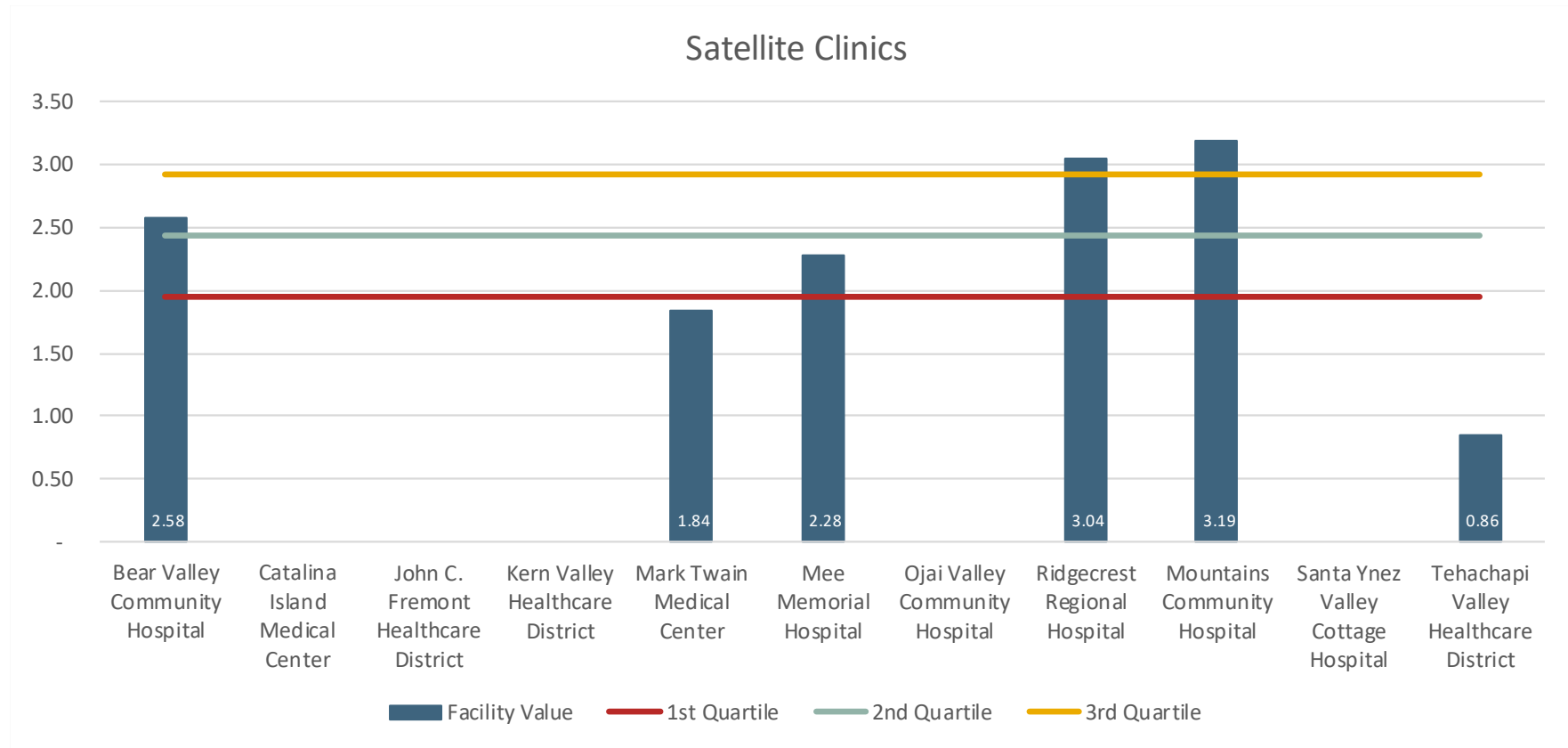
OSHPD Unit of Service: Visits

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

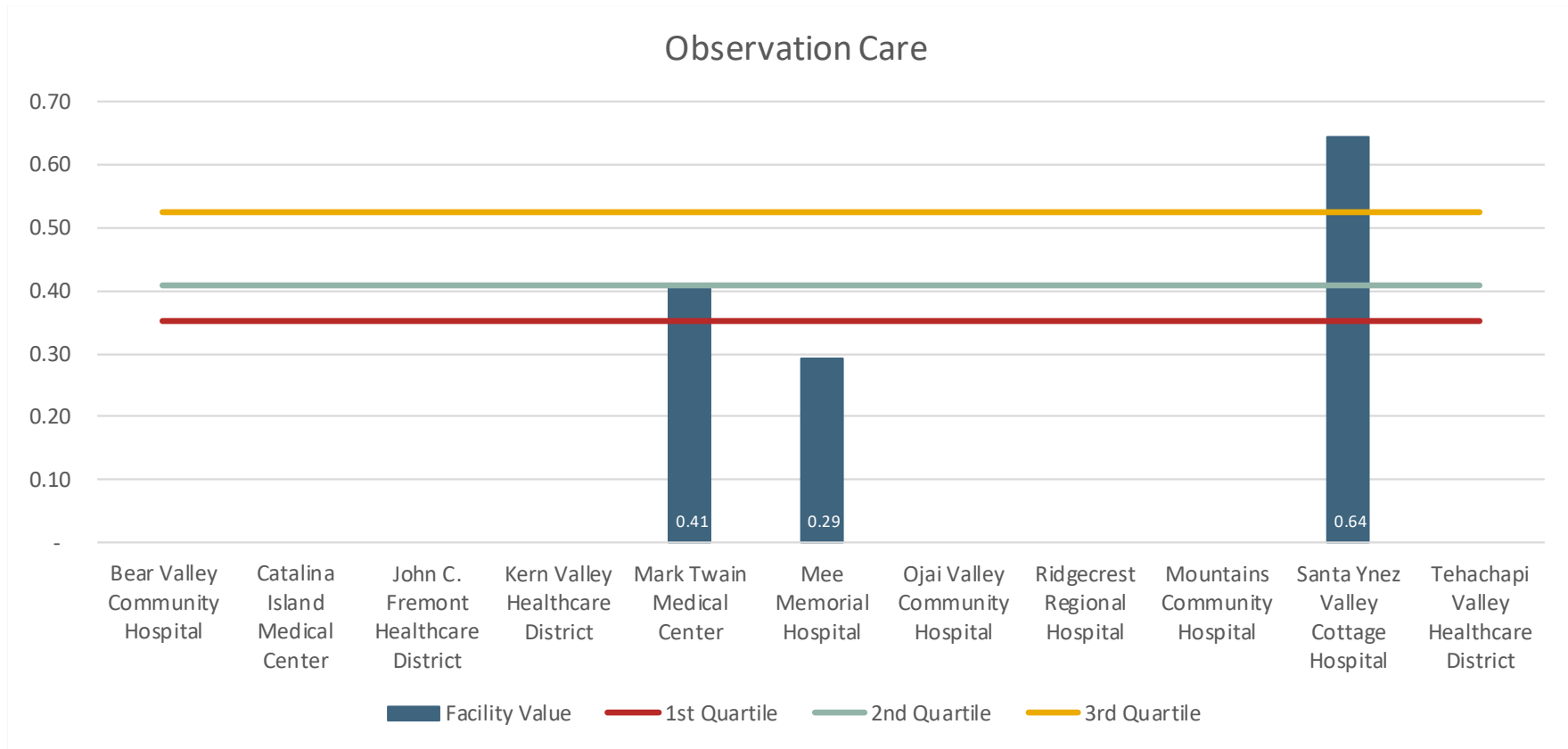
OSHPD Unit of Service: Visits

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

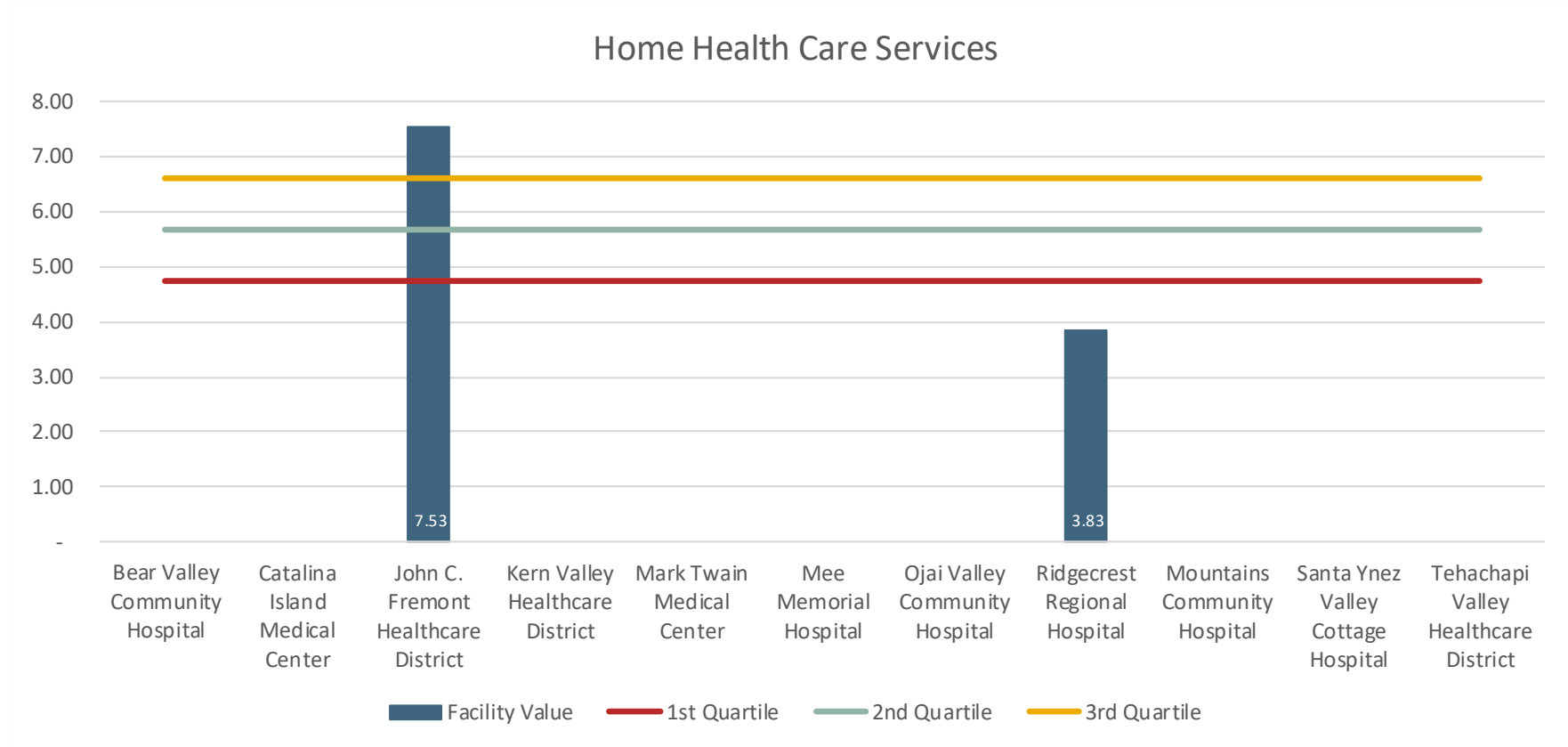
OSHPD Unit of Service: Observation Hours

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

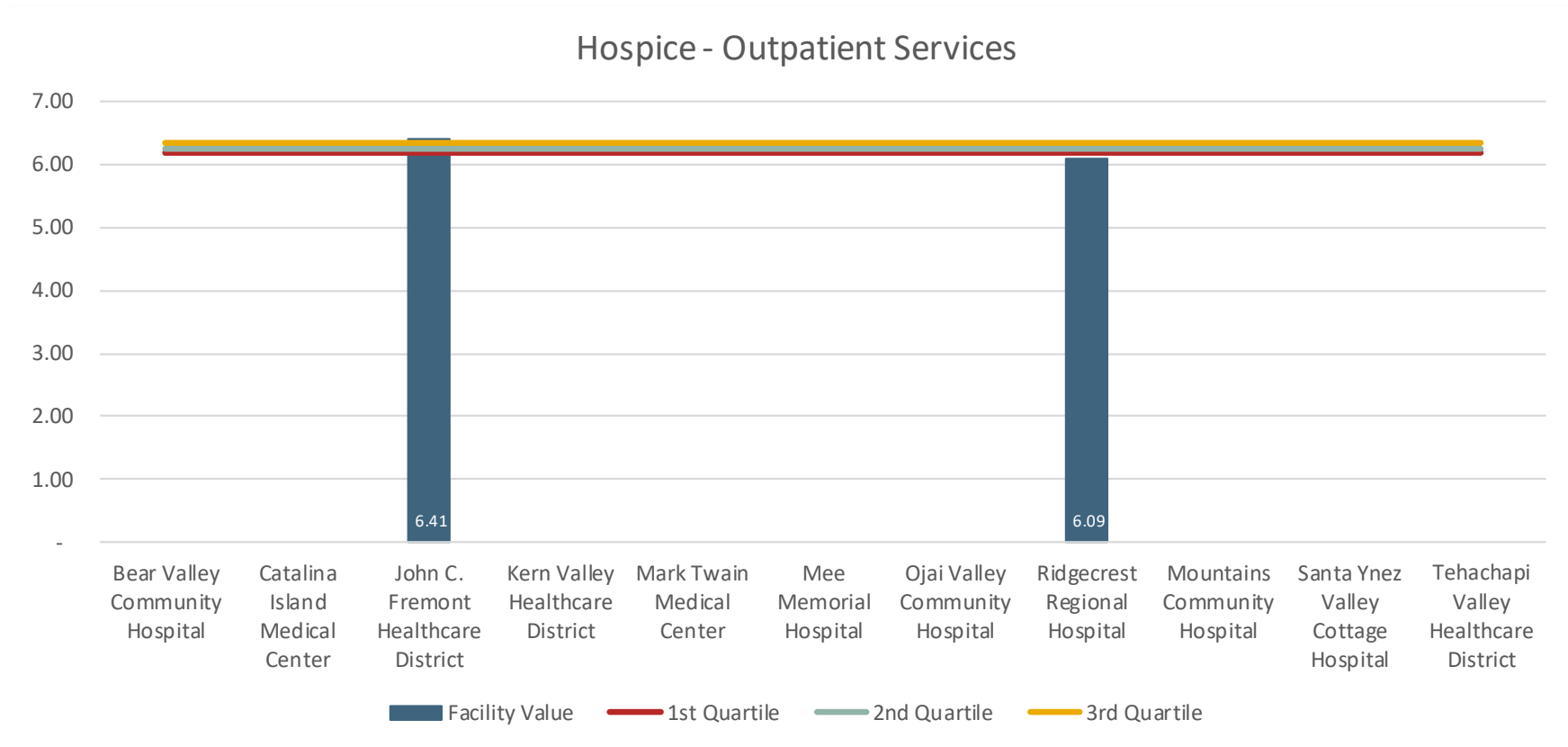
OSHPD Unit of Service: Home Health Visits

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

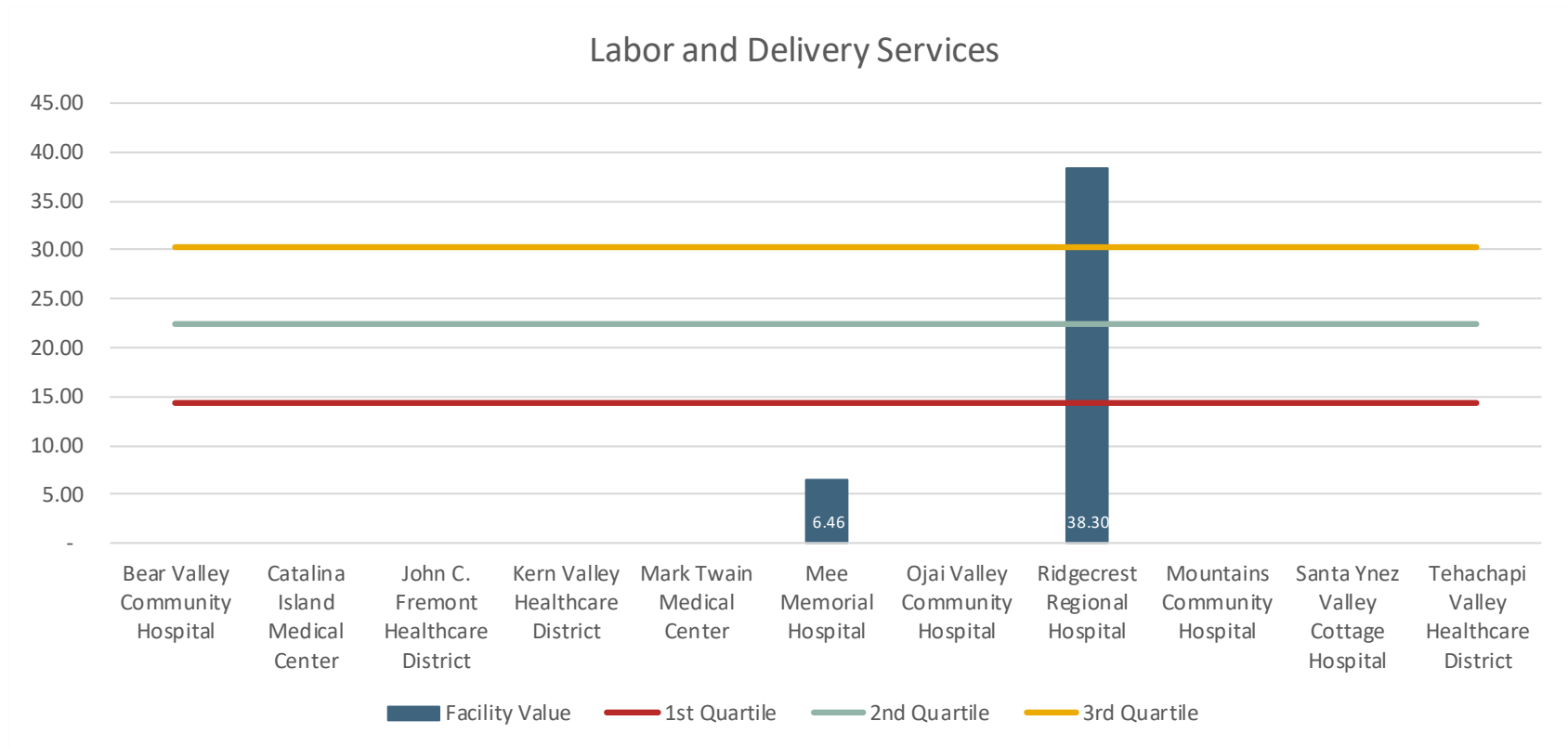
OSHPD Unit of Service: Visits

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

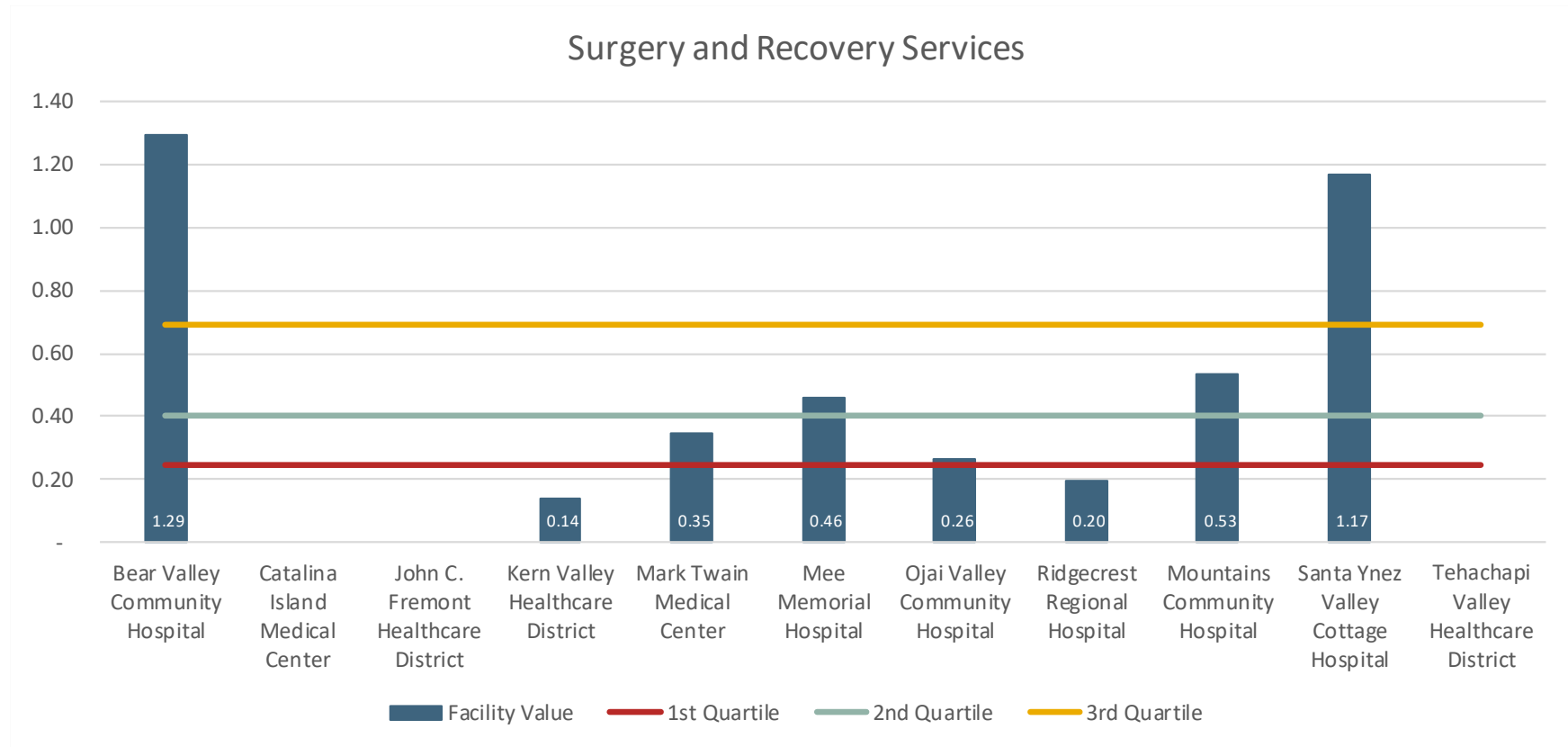
OSHPD Unit of Service: Deliveries

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

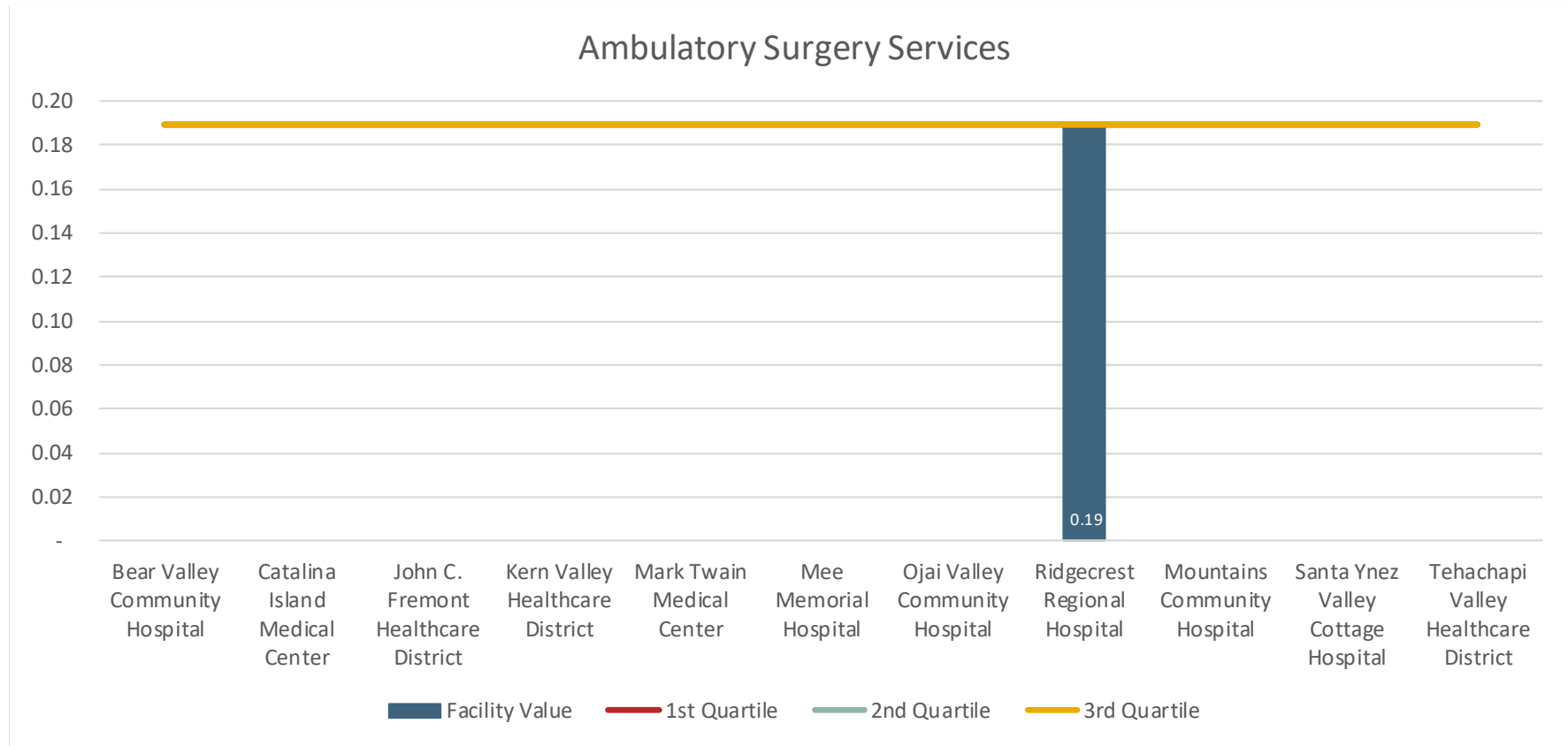
OSHPD Unit of Service: Operating Minutes

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

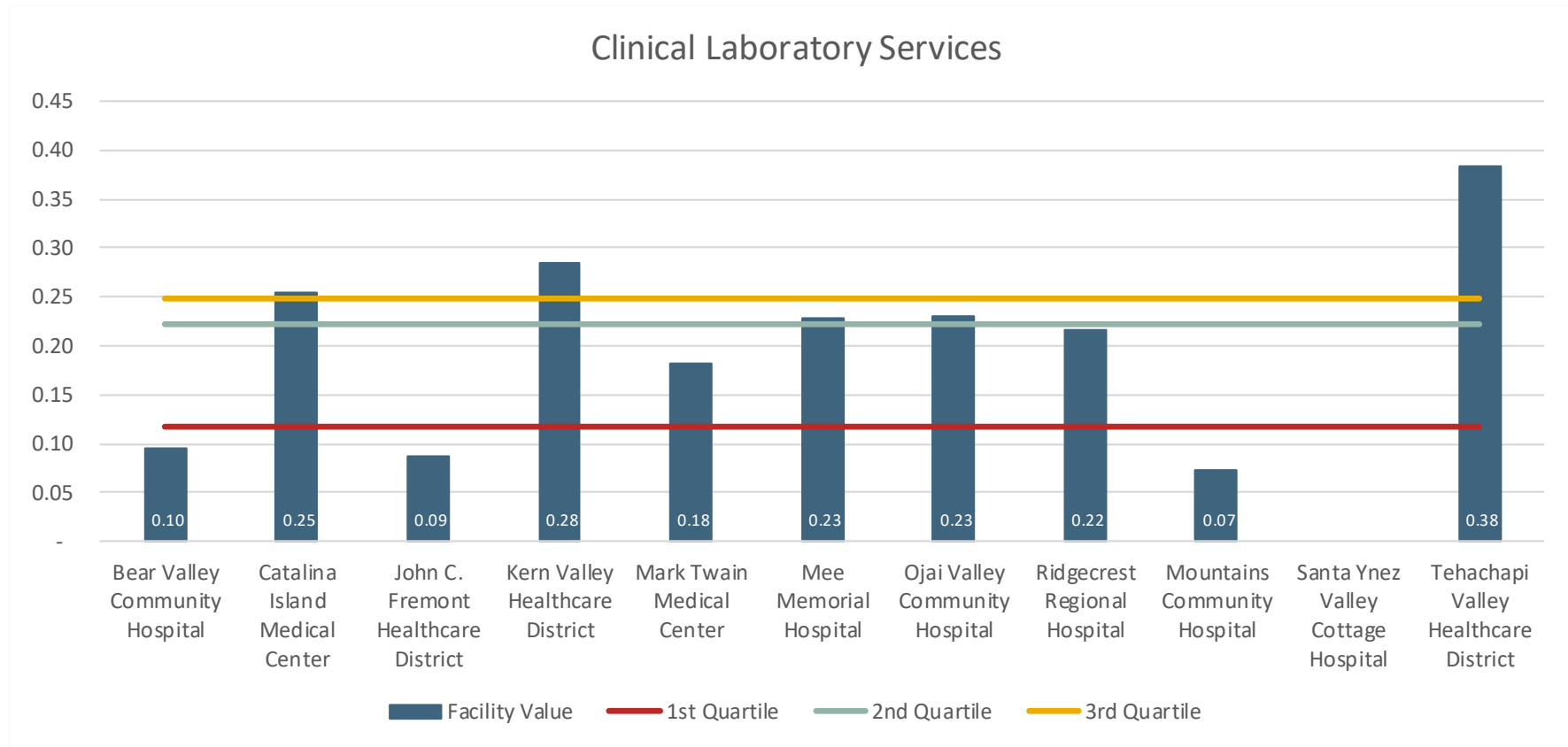
OSHPD Unit of Service: Operating Minutes

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

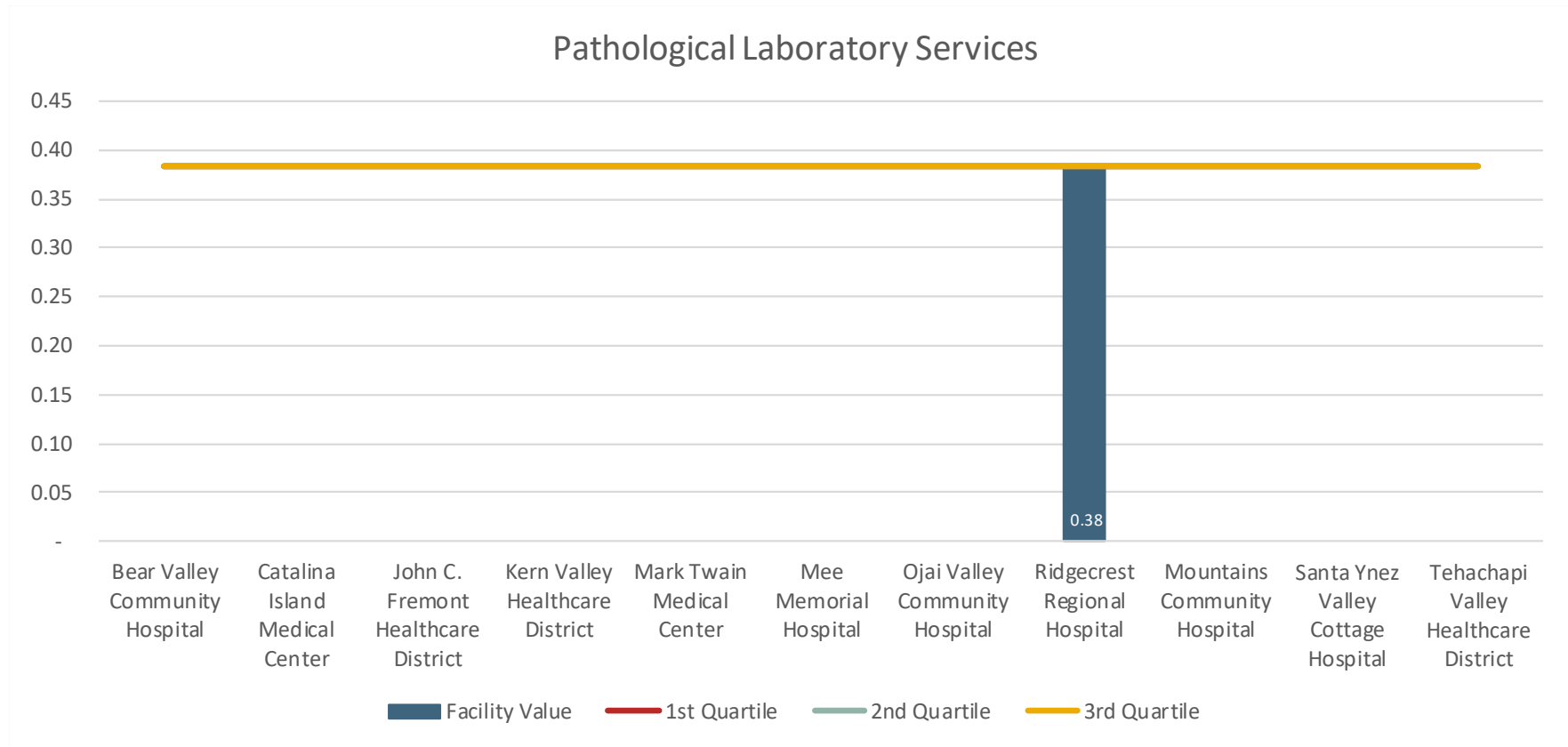
OSHPD Unit of Service: Tests

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

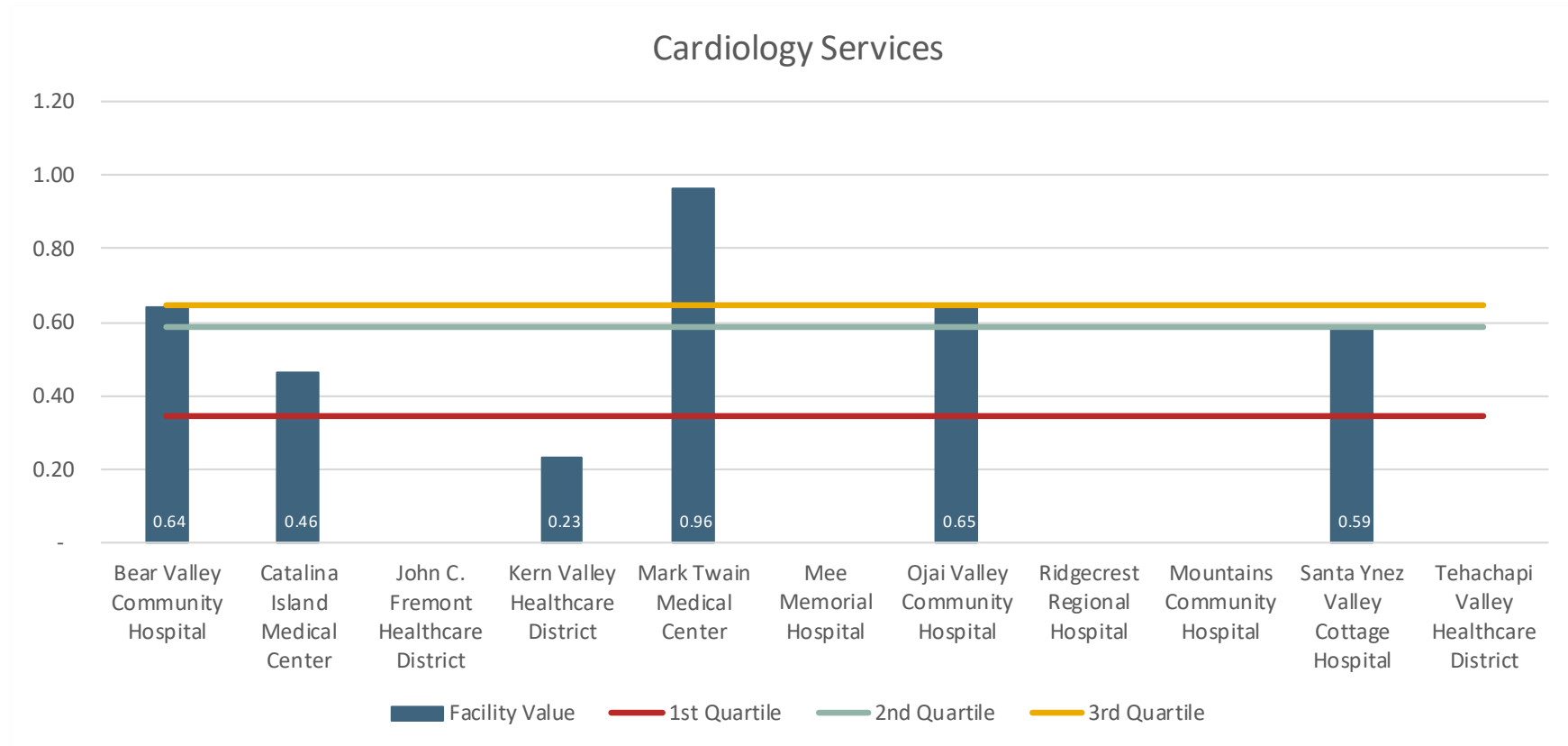
OSHPD Unit of Service: Tests

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

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Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

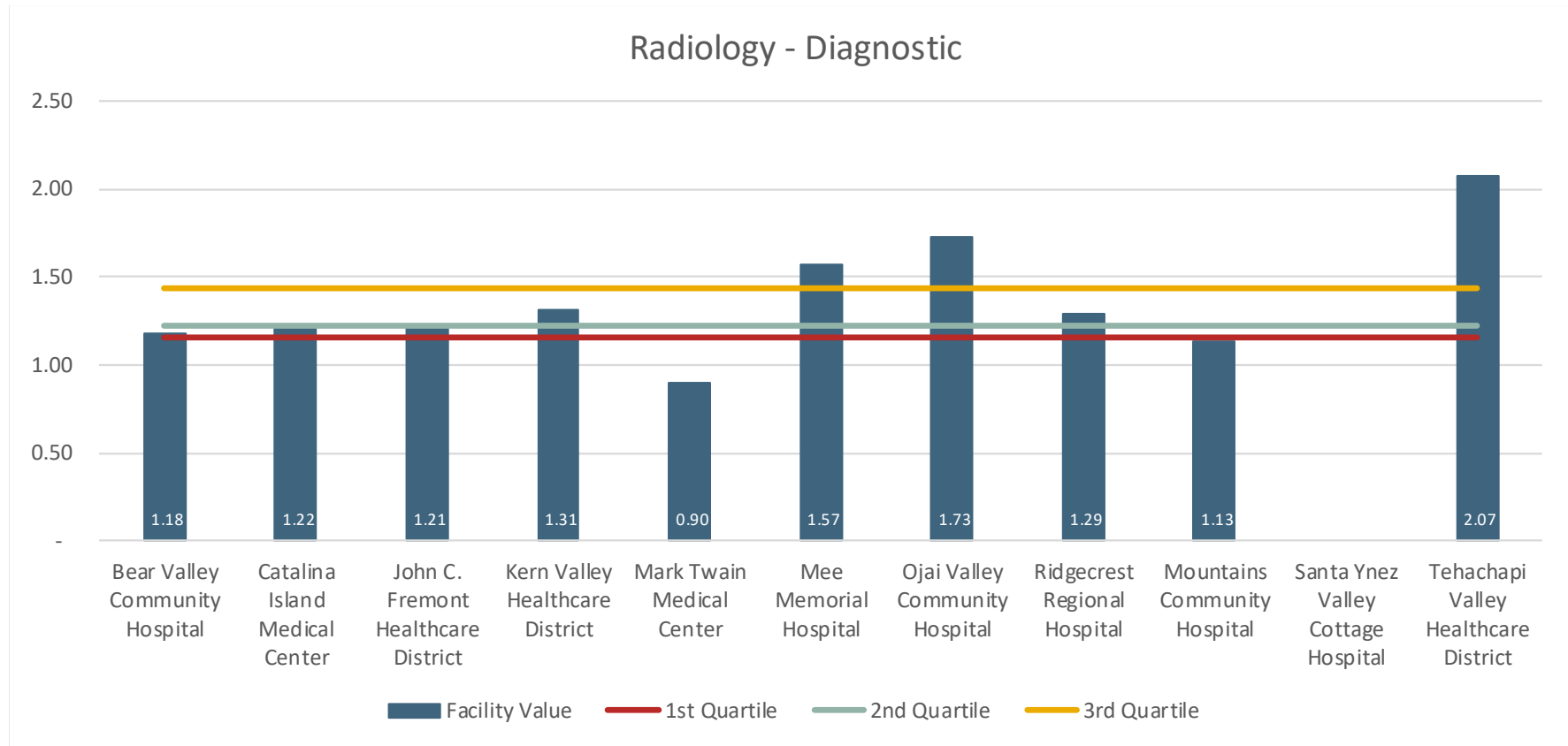
OSHPD Unit of Service: Procedures

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

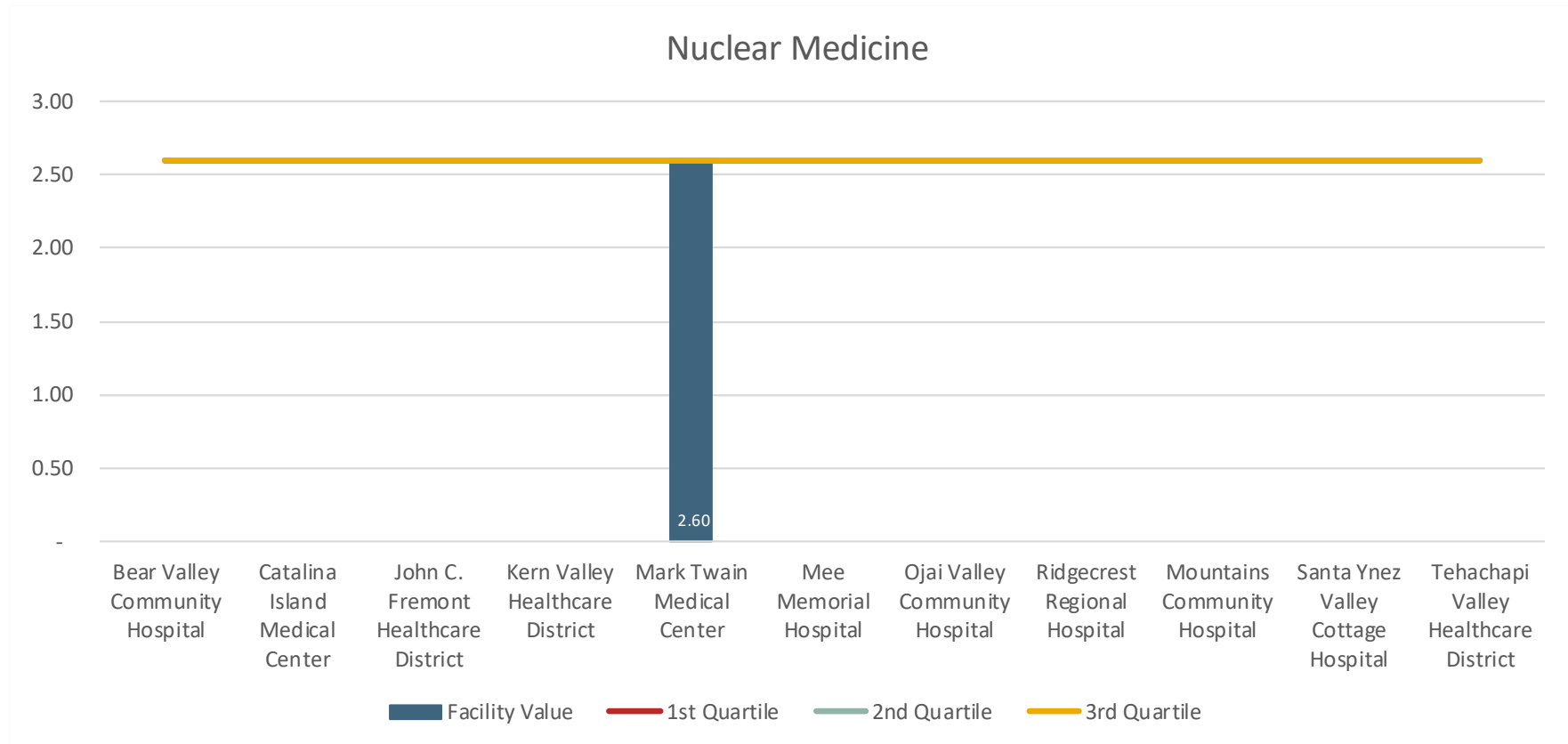
OSHPD Unit of Service: Procedures

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

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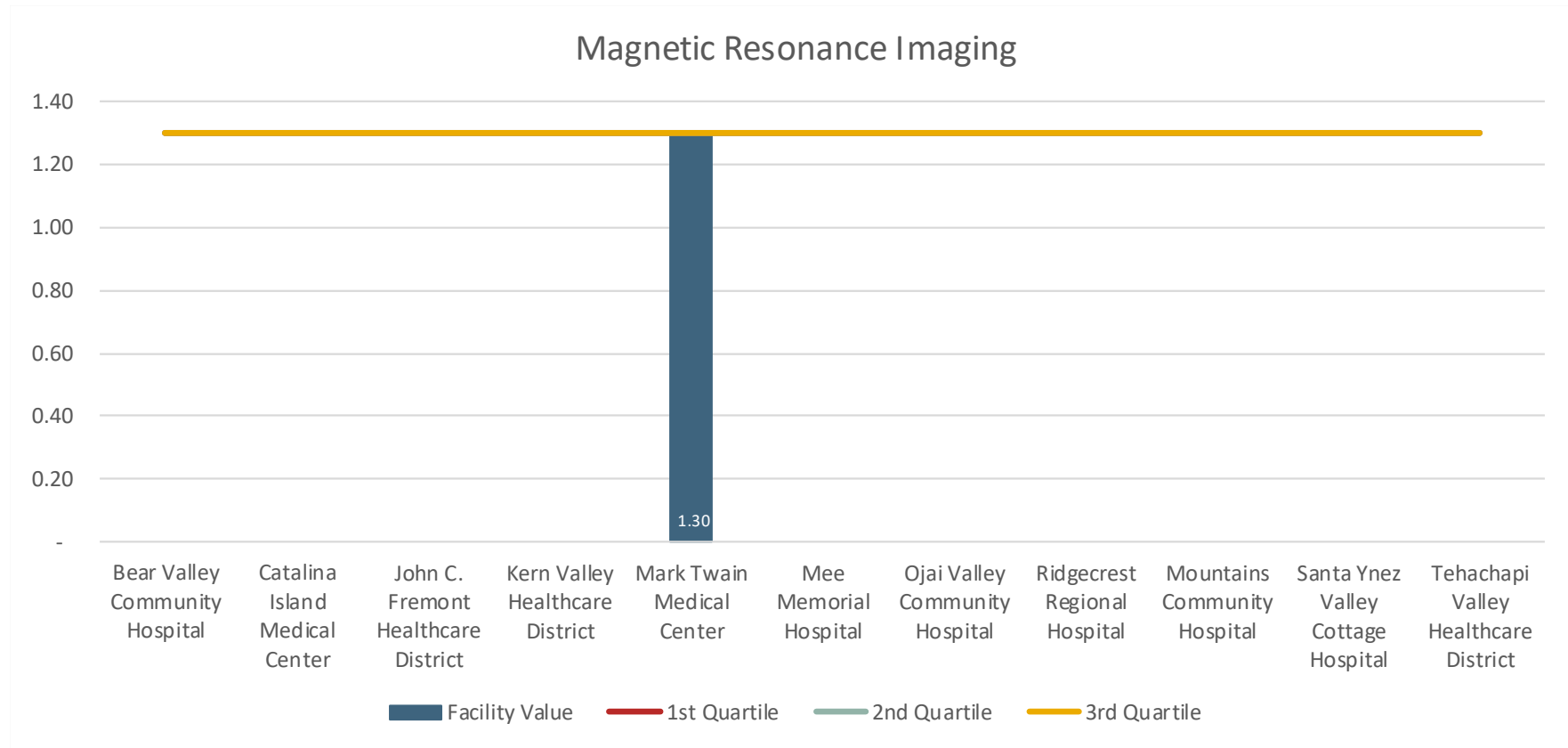
OSHPD Unit of Service: Procedures

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

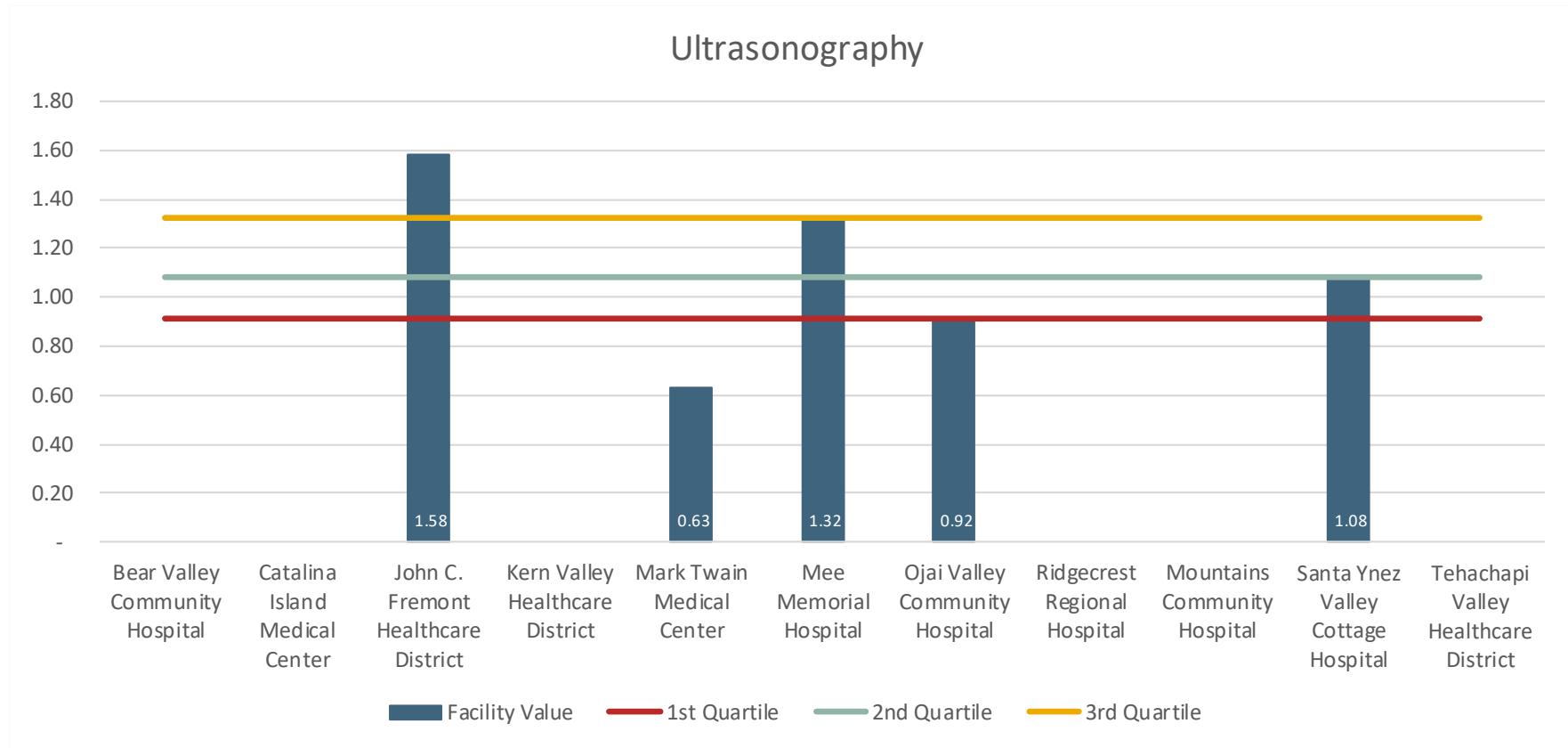
OSHPD Unit of Service: Procedures

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

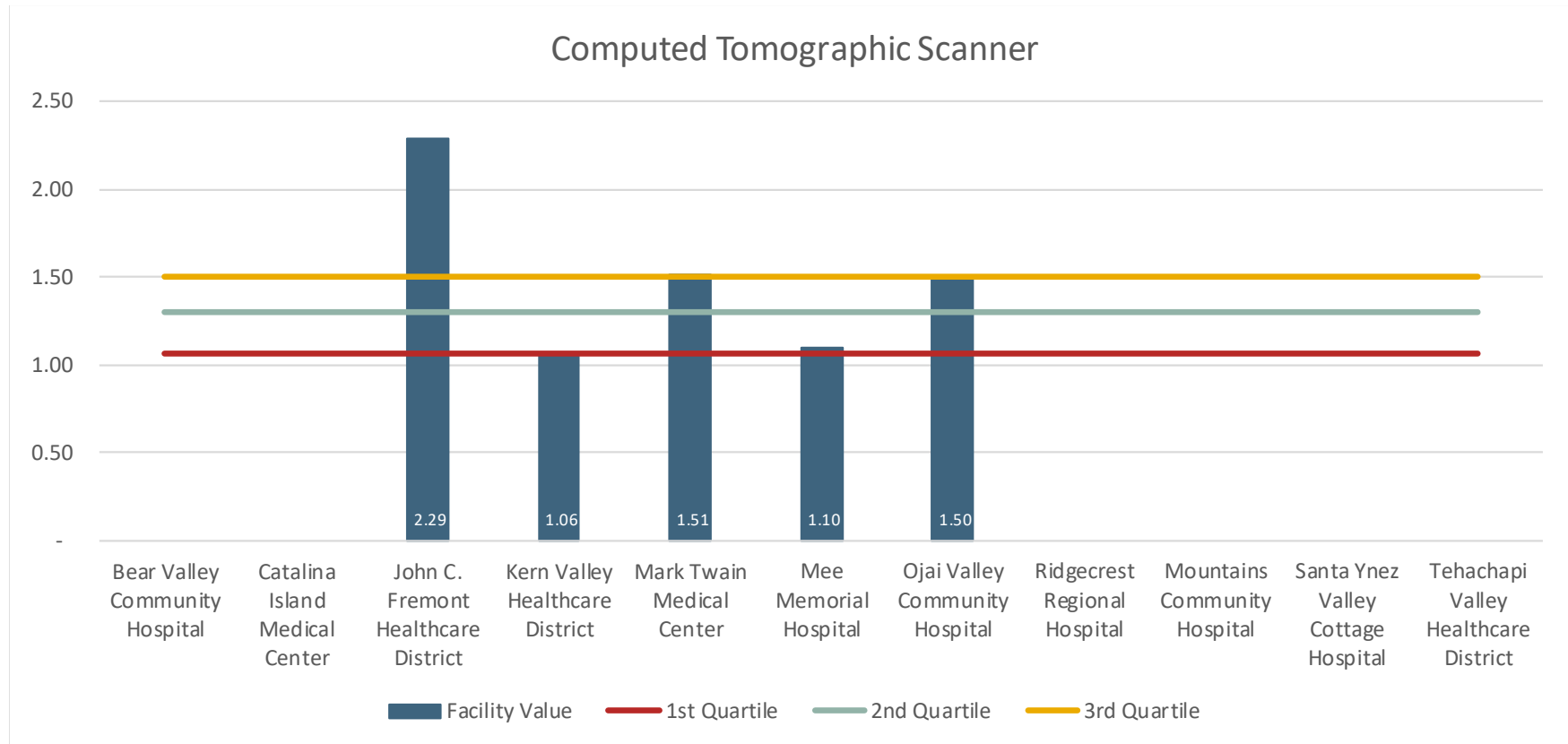
OSHPD Unit of Service: Procedures

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

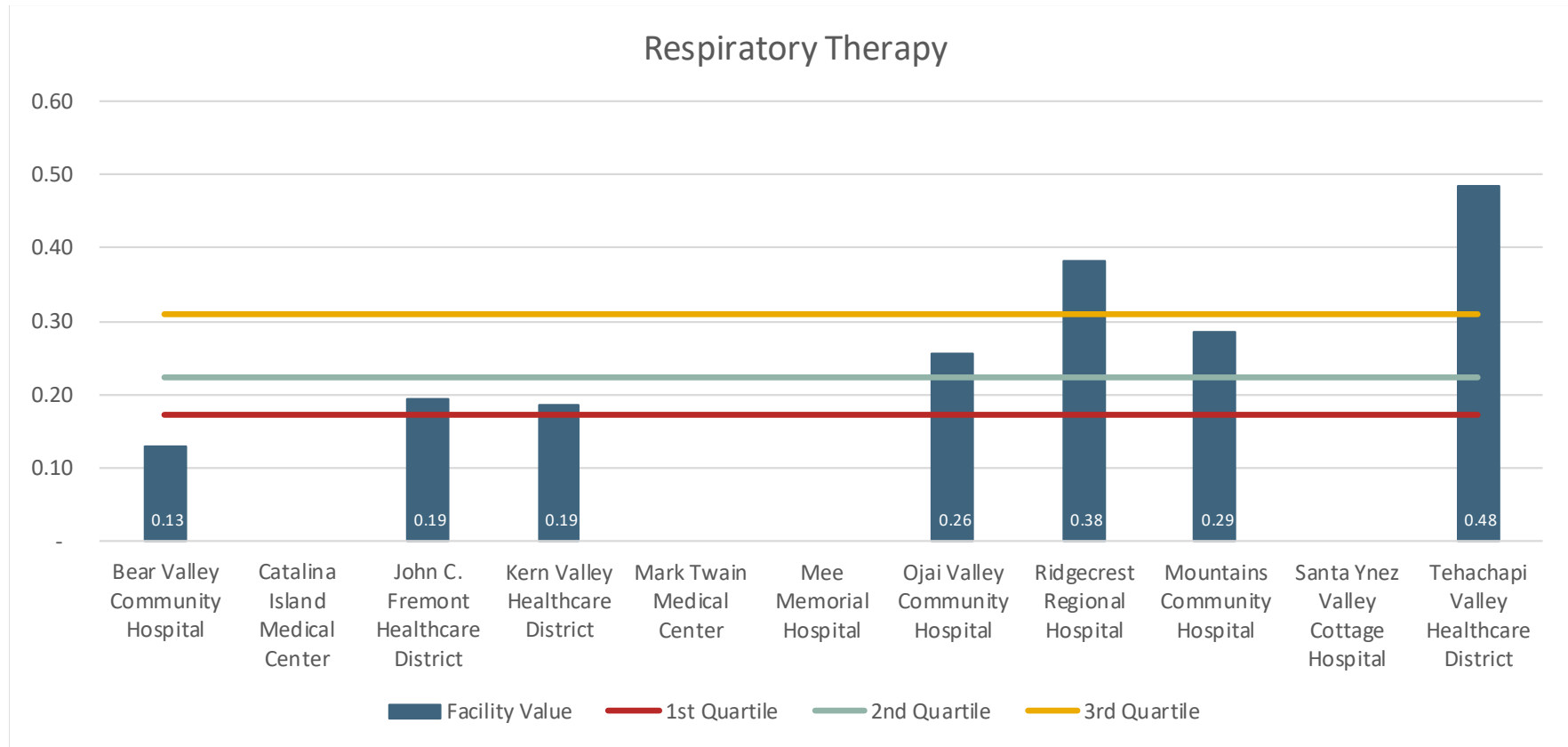
OSHPD Unit of Service: Procedures

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

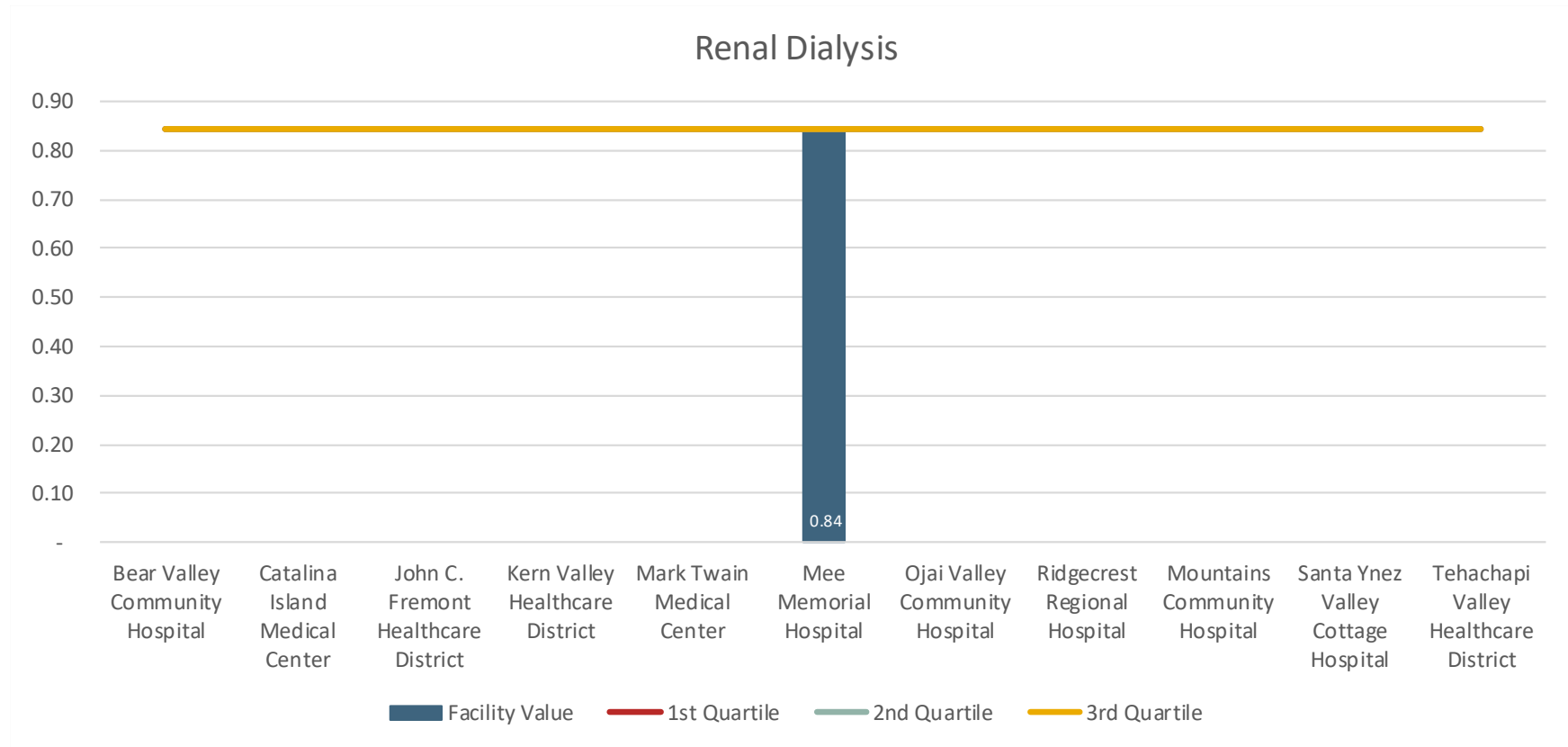
OSHPD Unit of Service: Respiratory Therapy Adj. Inpatient Days

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

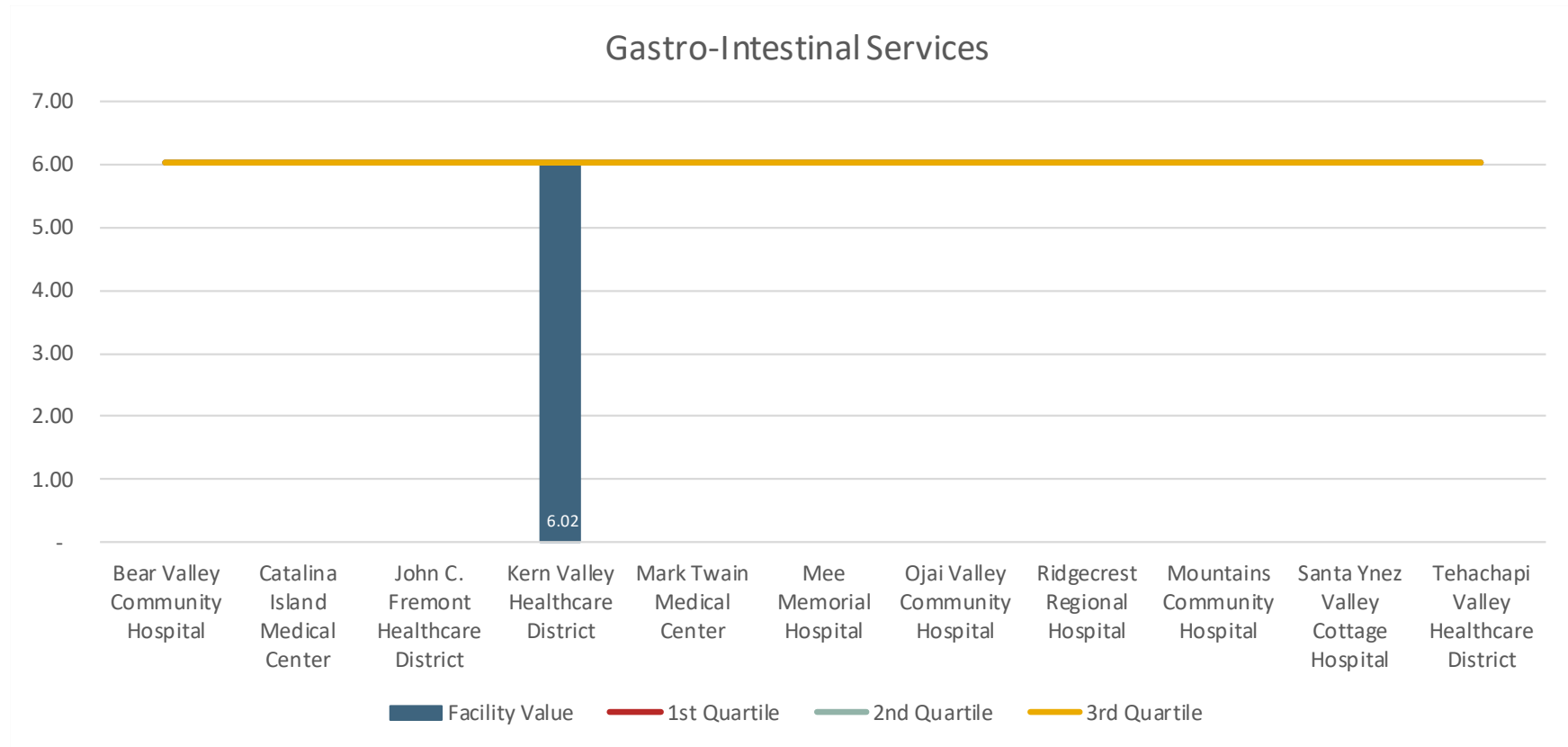
OSHPD Unit of Service: Hours of Treatment

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

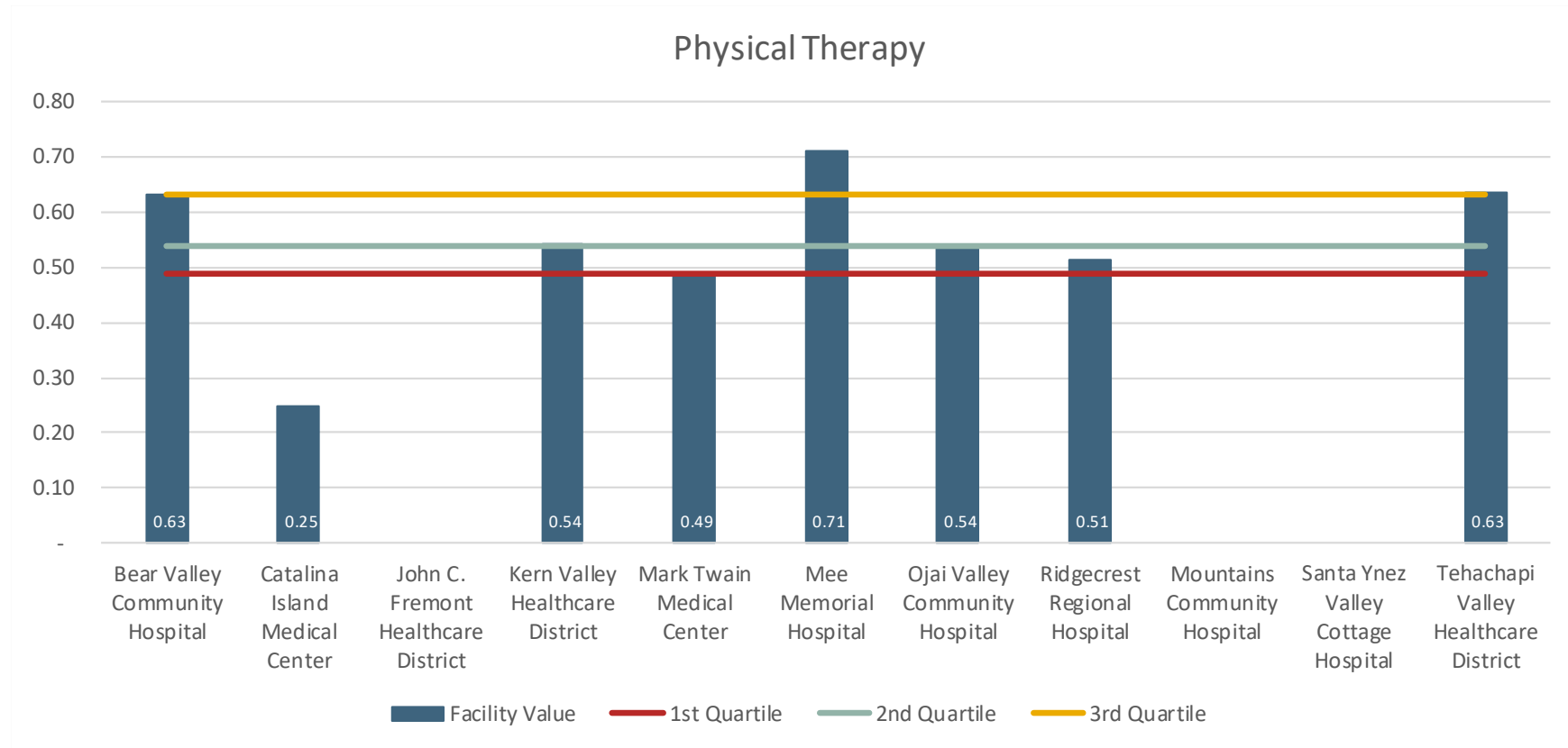
OSHPD Unit of Service: Procedures

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

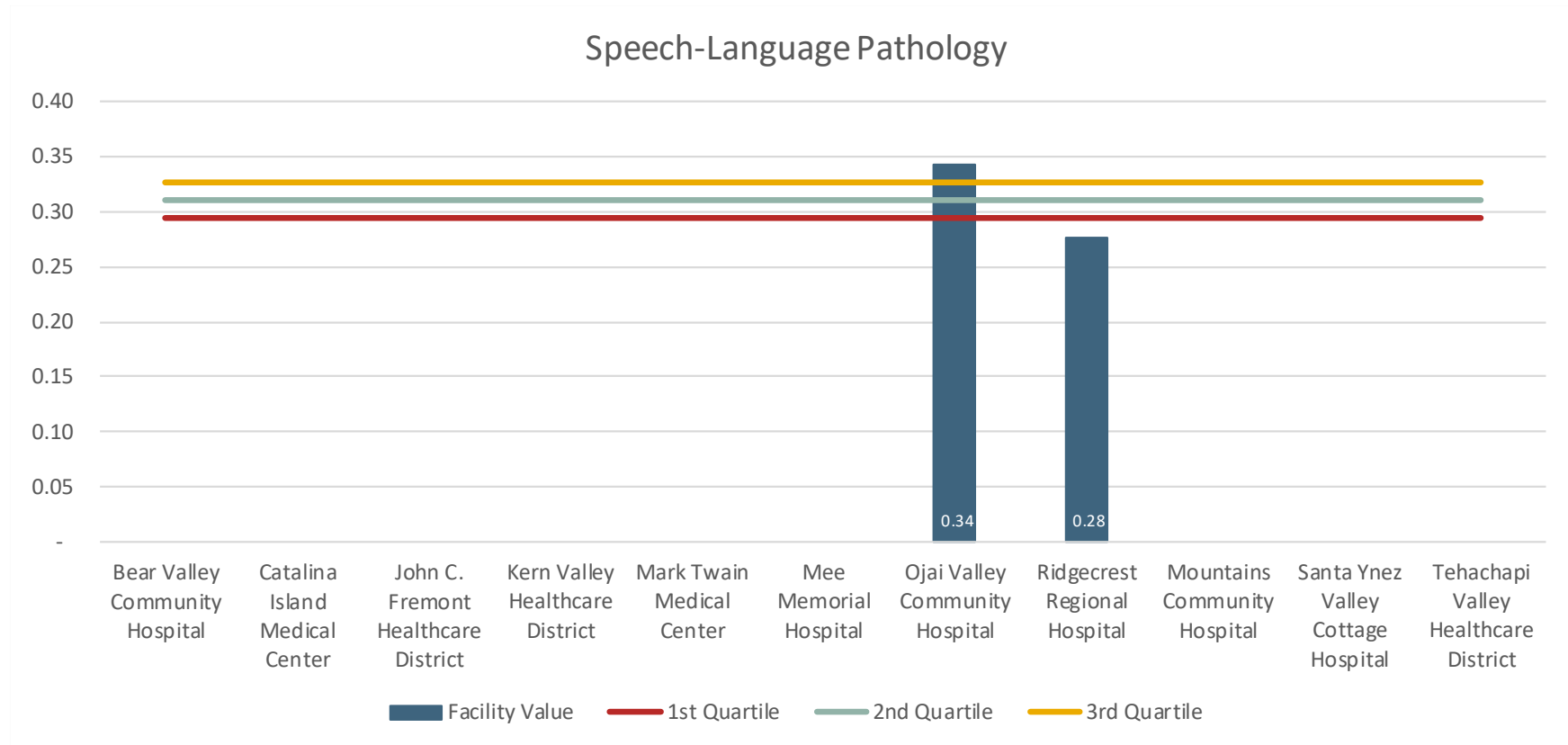
OSHPD Unit of Service: Sessions

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

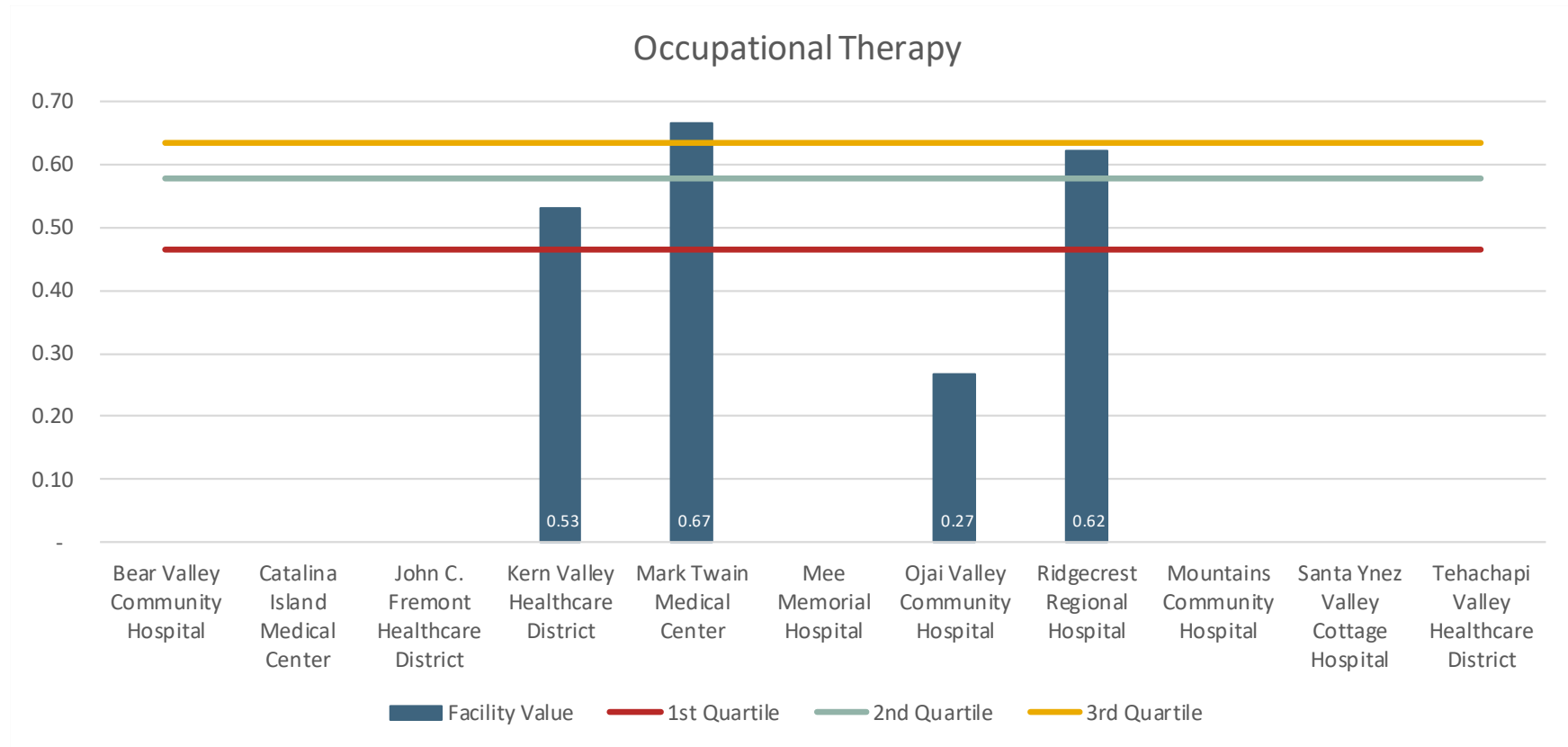
OSHPD Unit of Service: Sessions

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

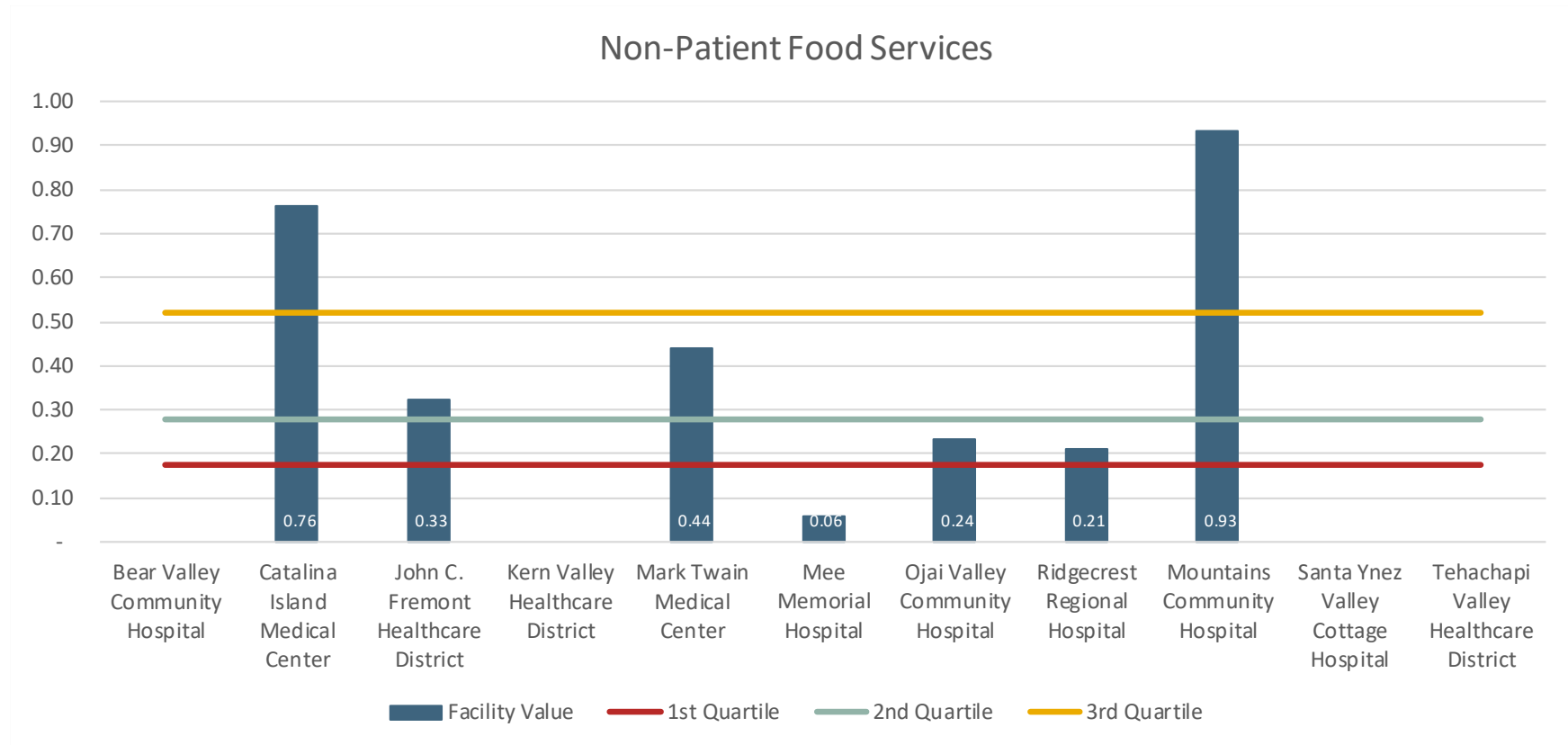
OSHPD Unit of Service: Sessions

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

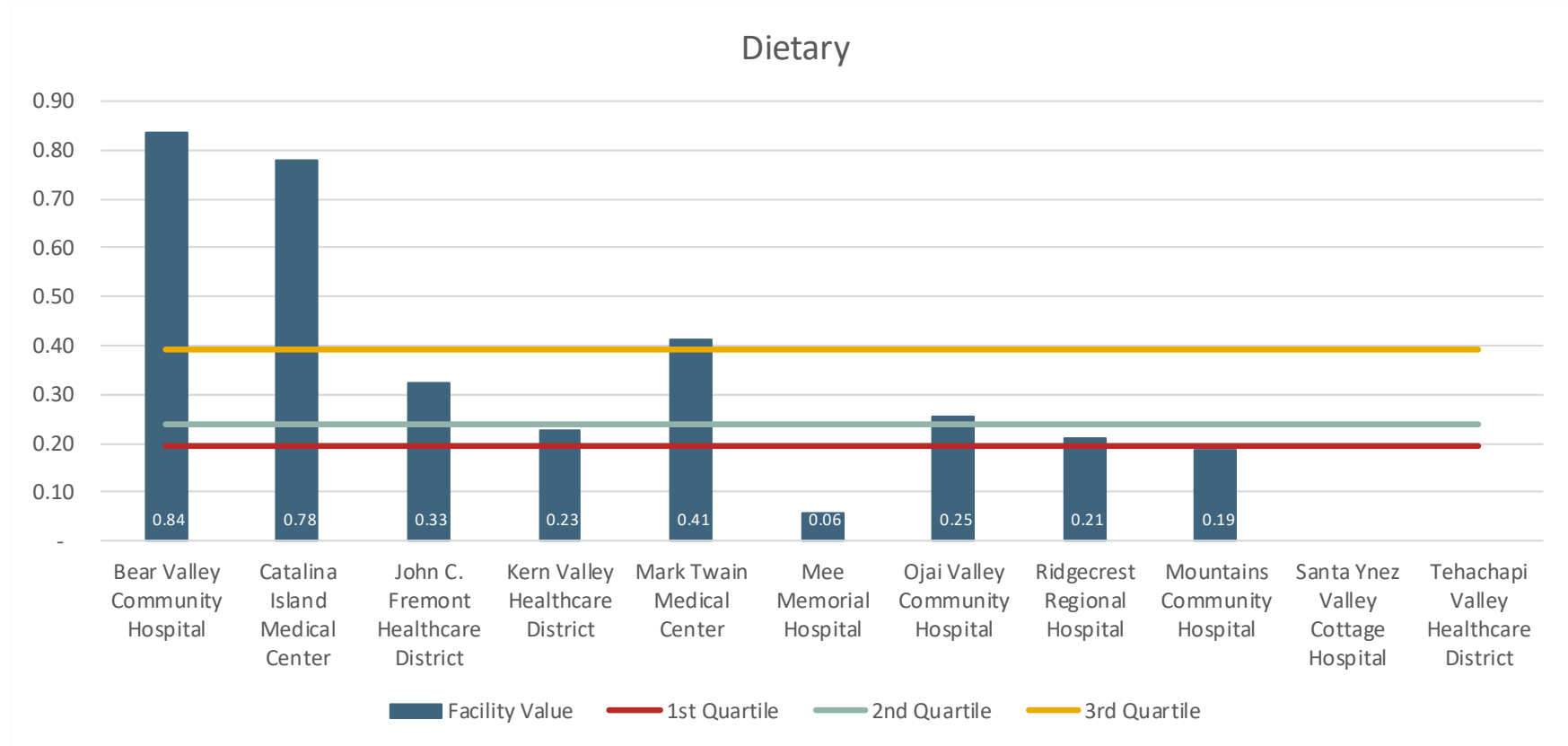
OSHPD Unit of Service: Equivalent Meals Served

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

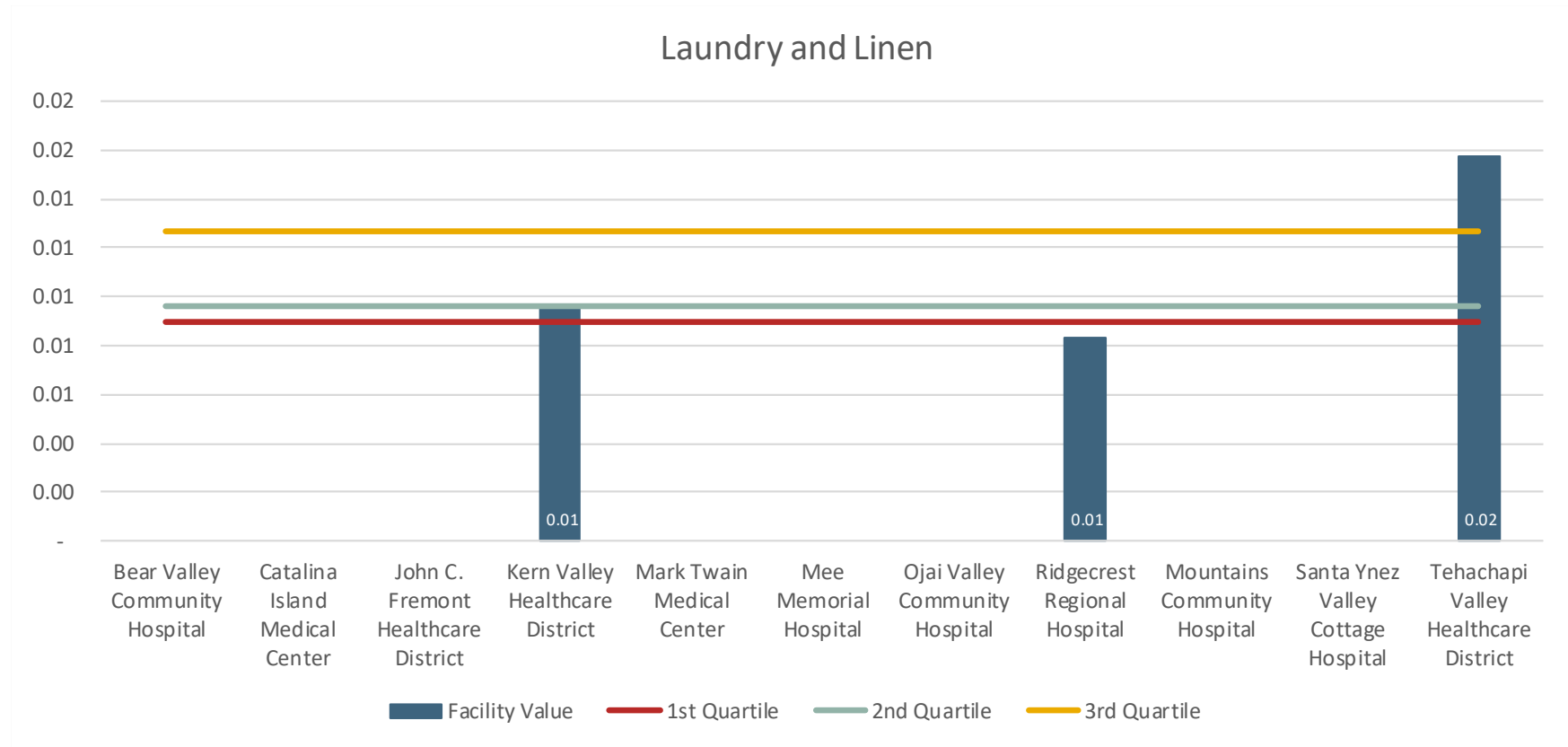
OSHPD Unit of Service: Patient Meals

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

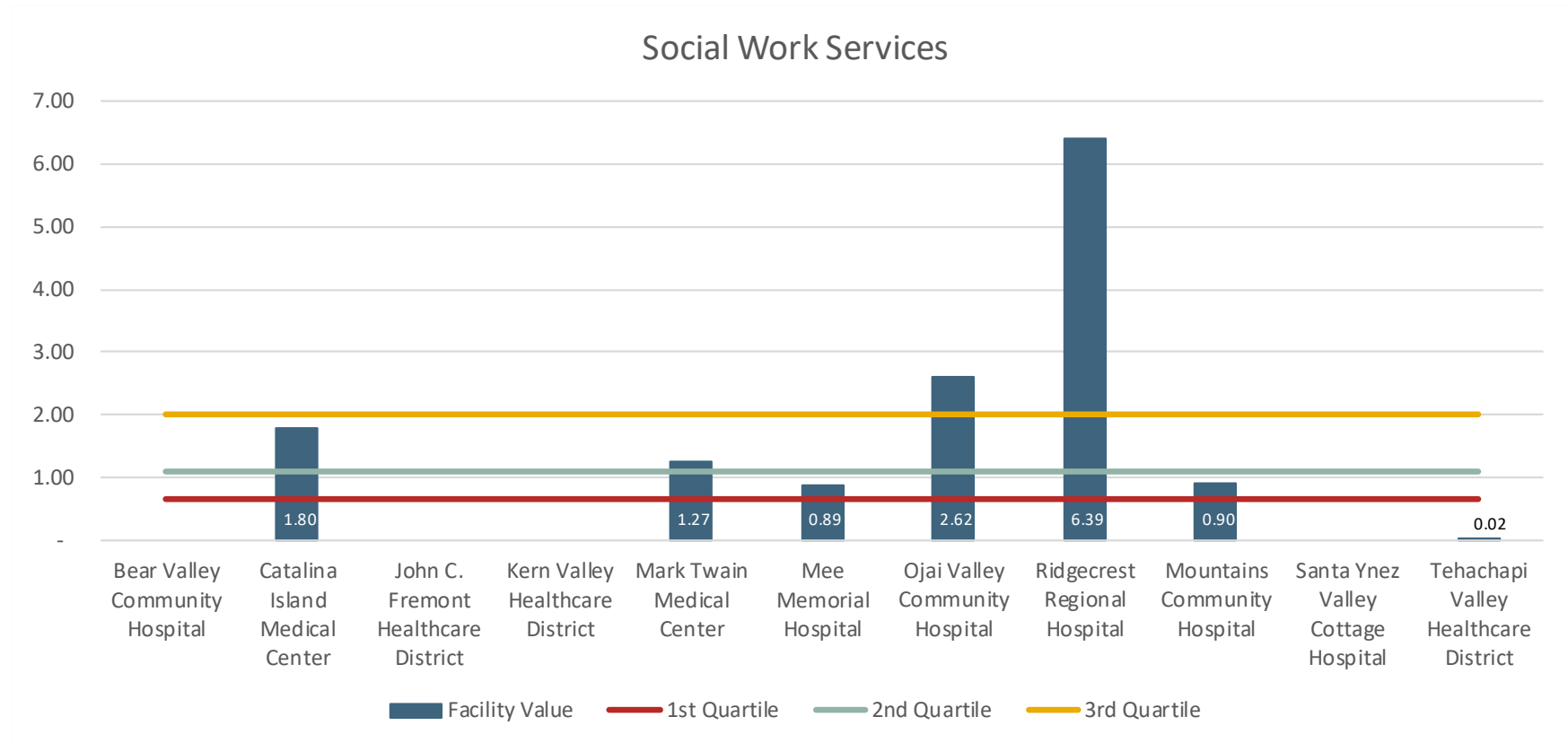
OSHPD Unit of Service: Dry and Clean Pounds Processed

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

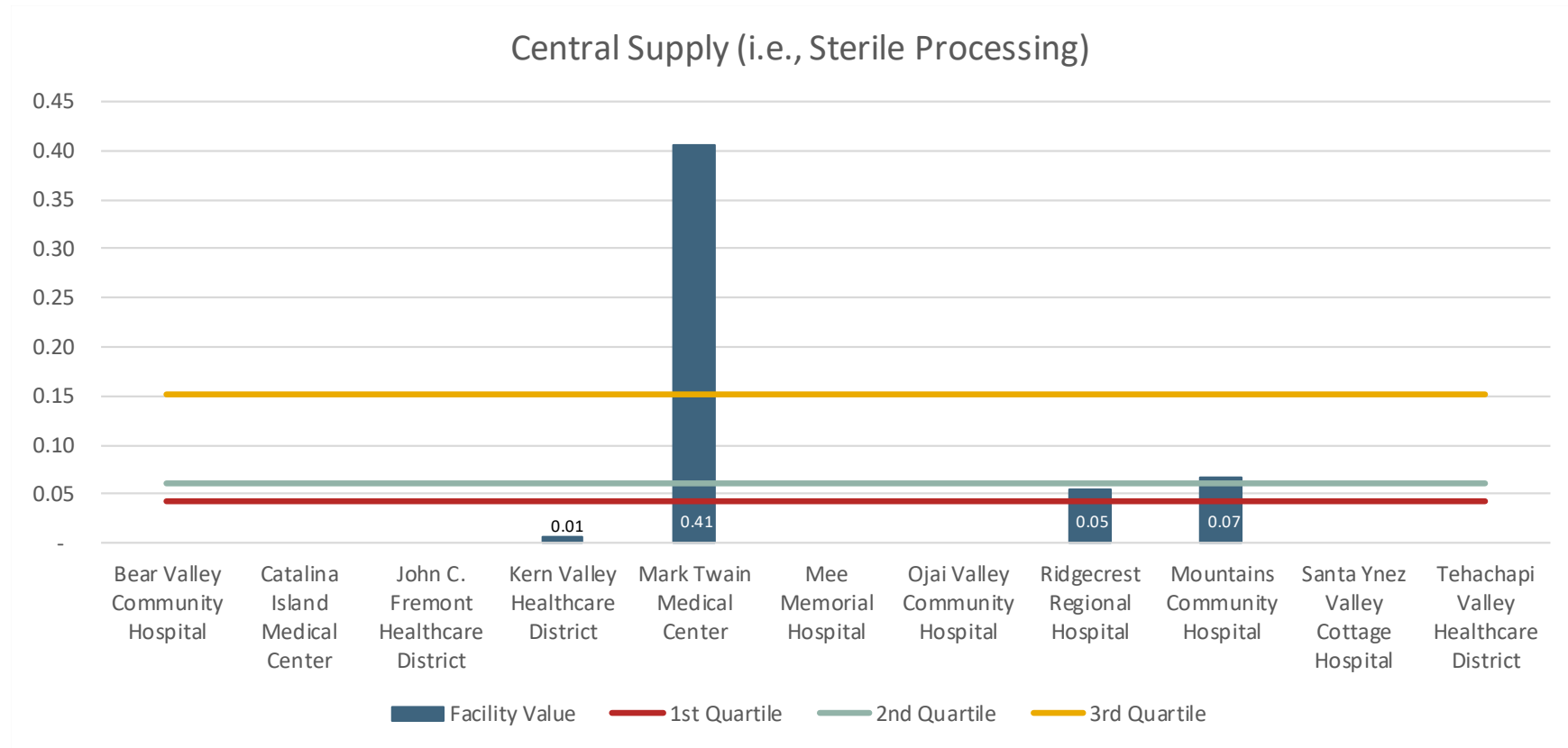
OSHPD Unit of Service: Personal Contacts

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

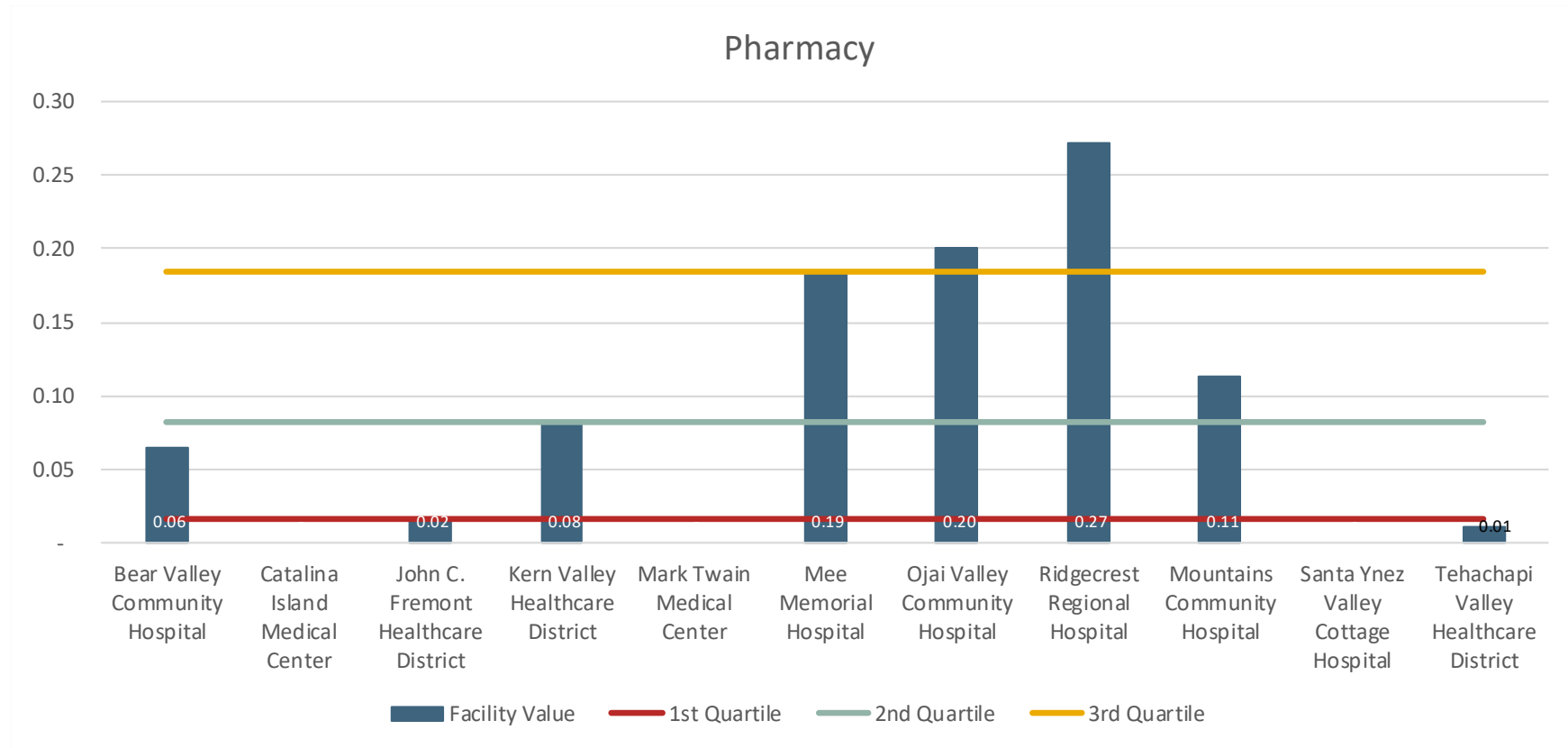
OSHPD Unit of Service: Number of Central Services and Supplies Adjusted Inpatient Days

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

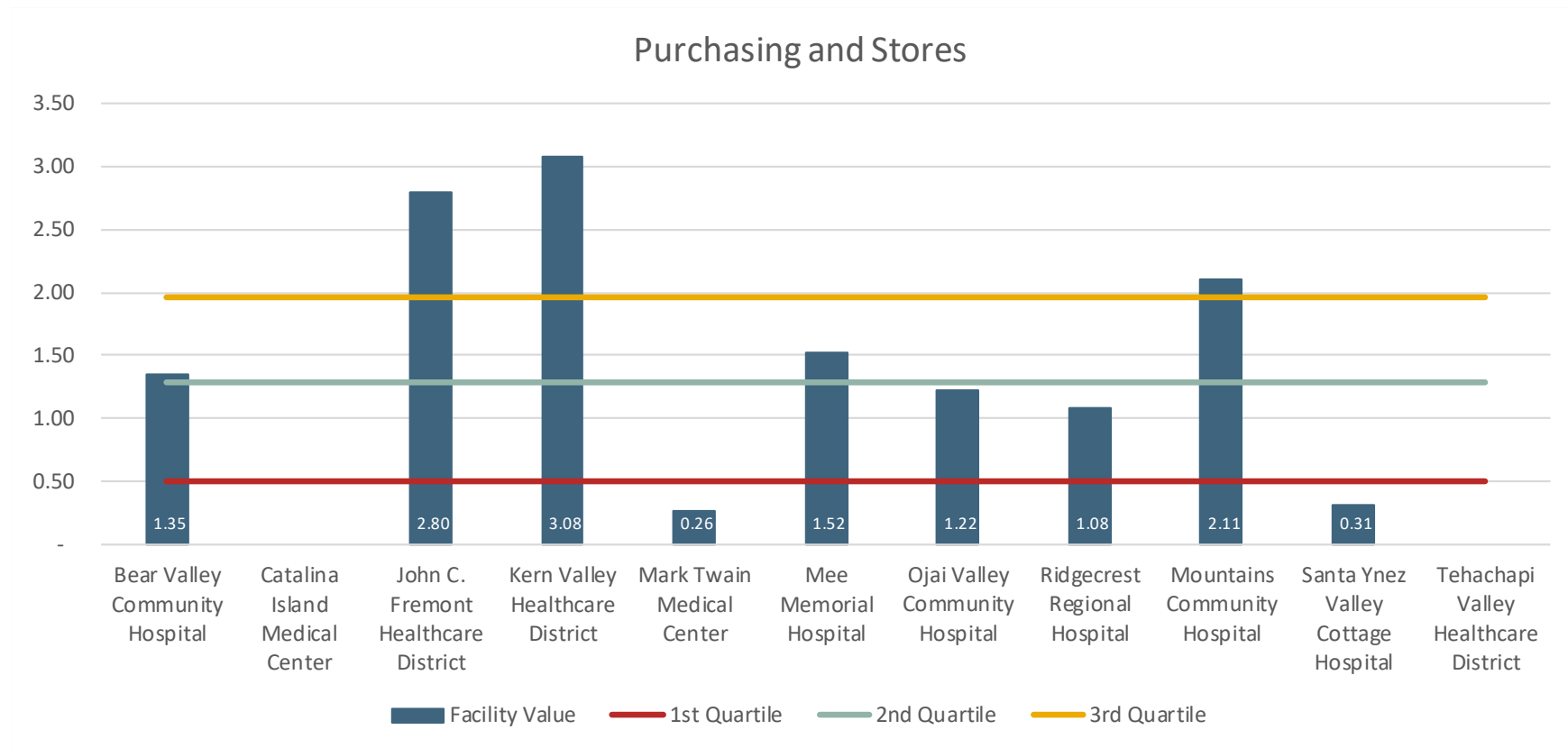
OSHPD Unit of Service: Number of Pharmacy Adjusted Inpatient Days

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

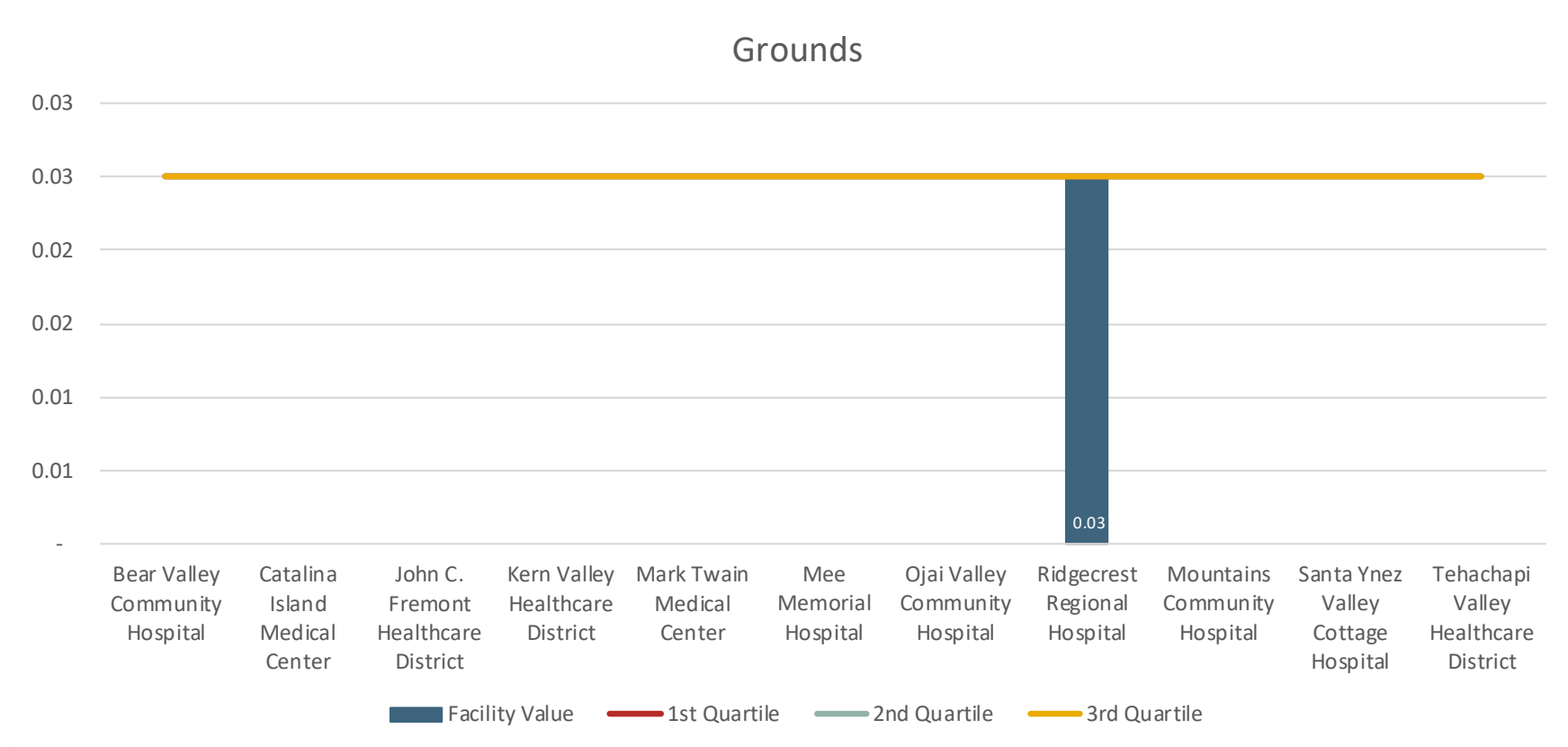
OSHPD Unit of Service: \$1000 of Gross Non-Capitalized Purchases that pass through the purchasing department

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

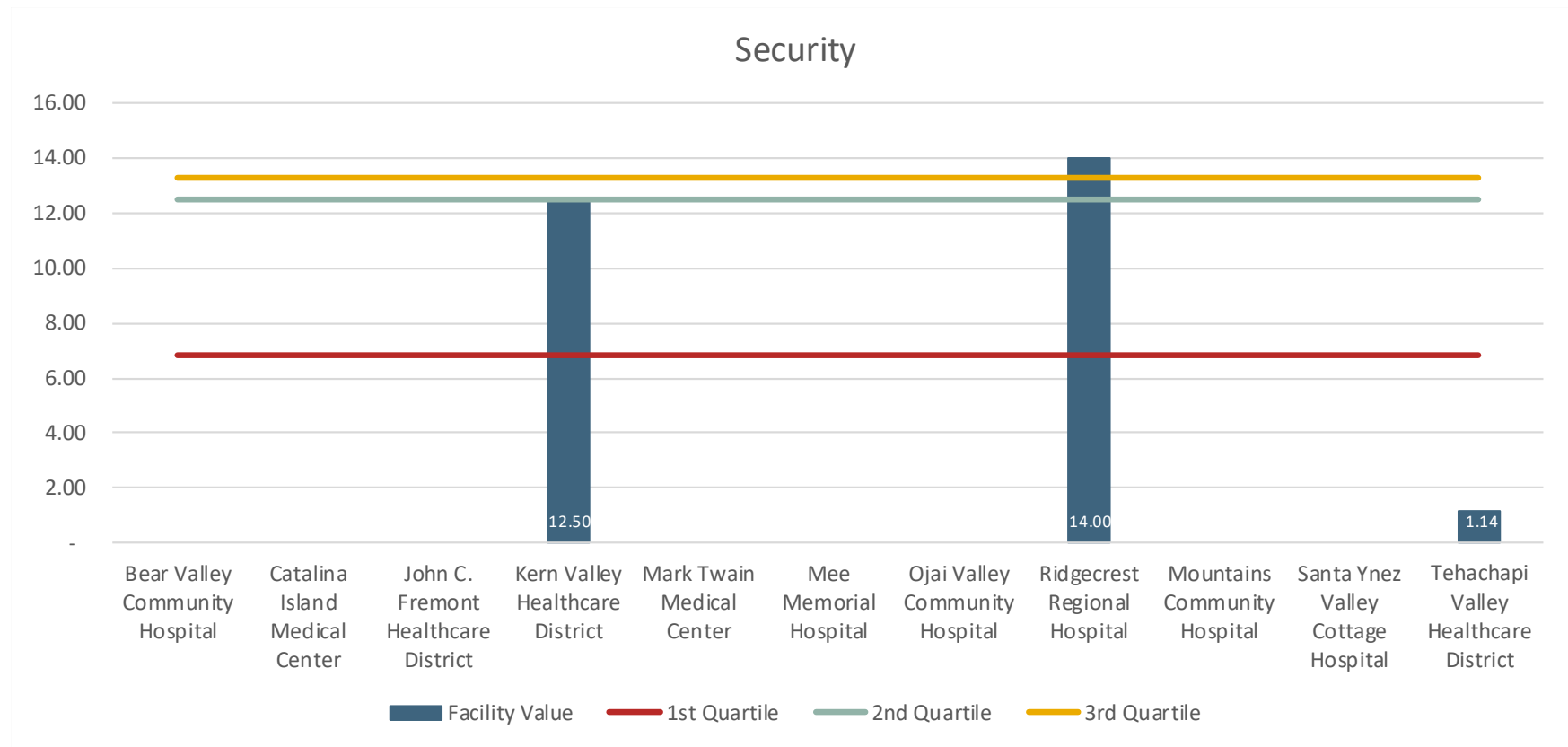
OSHPD Unit of Service: Square Feet of Ground Space

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

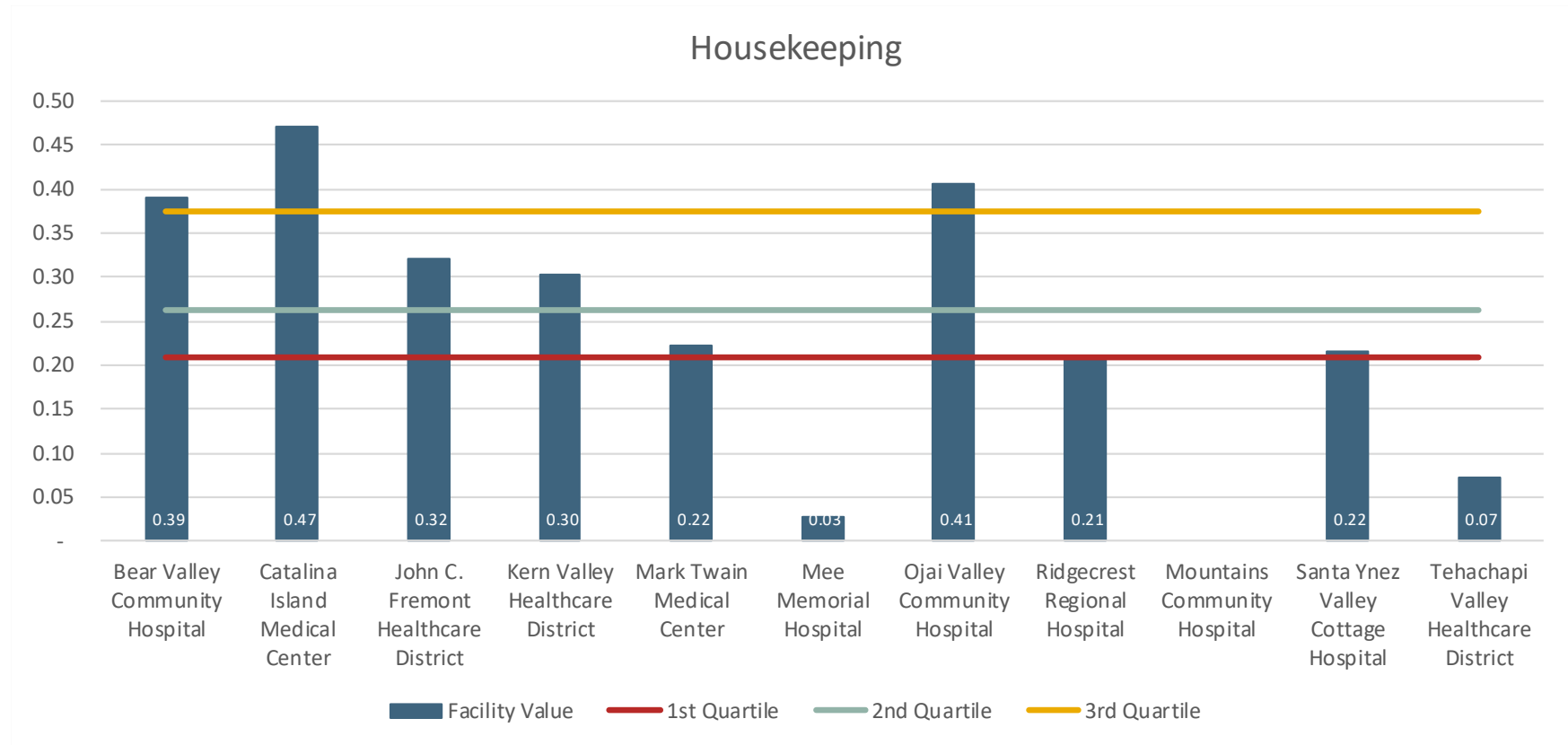
OSHPD Unit of Service: Hospital FTE Employees

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

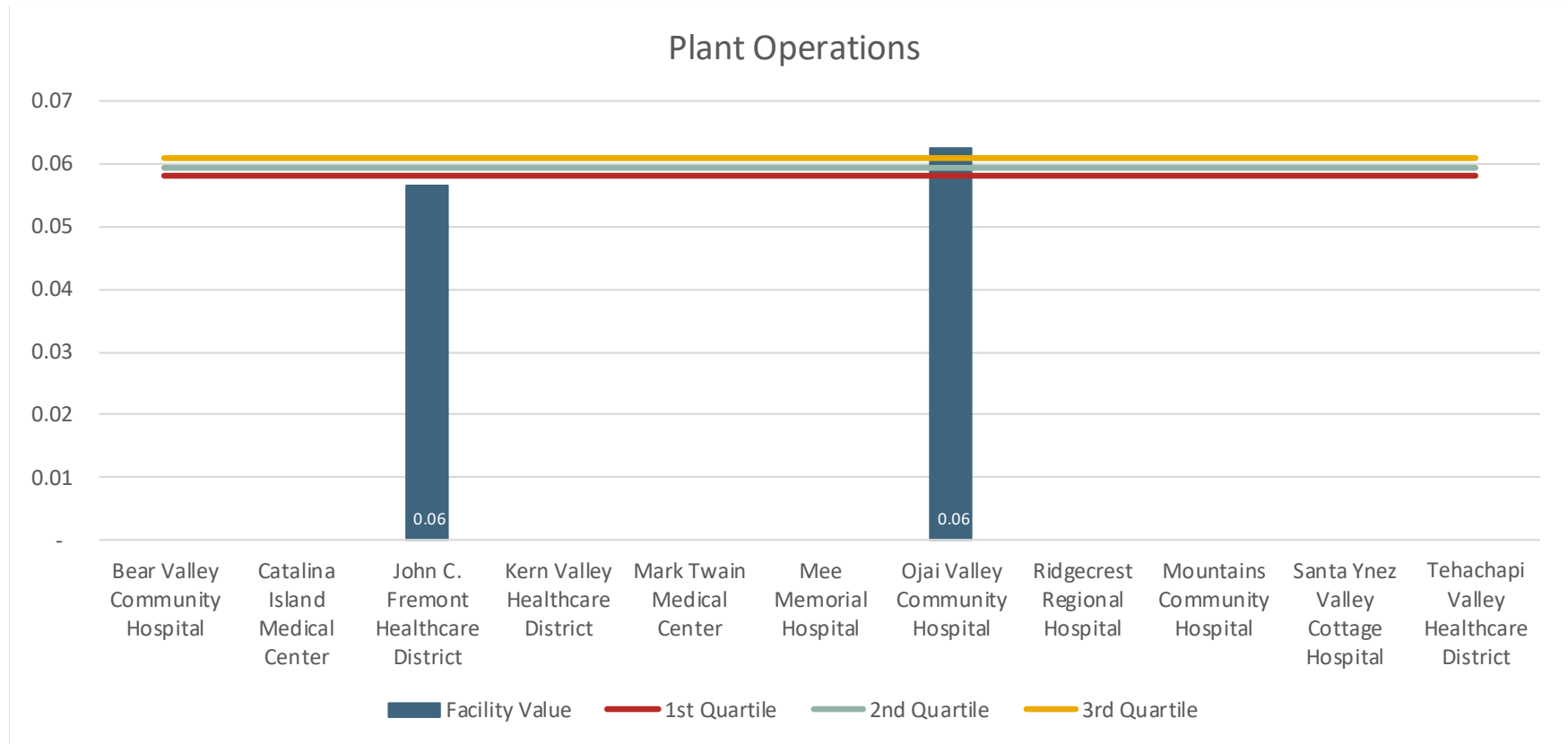
OSHPD Unit of Service: Square Feet Served

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

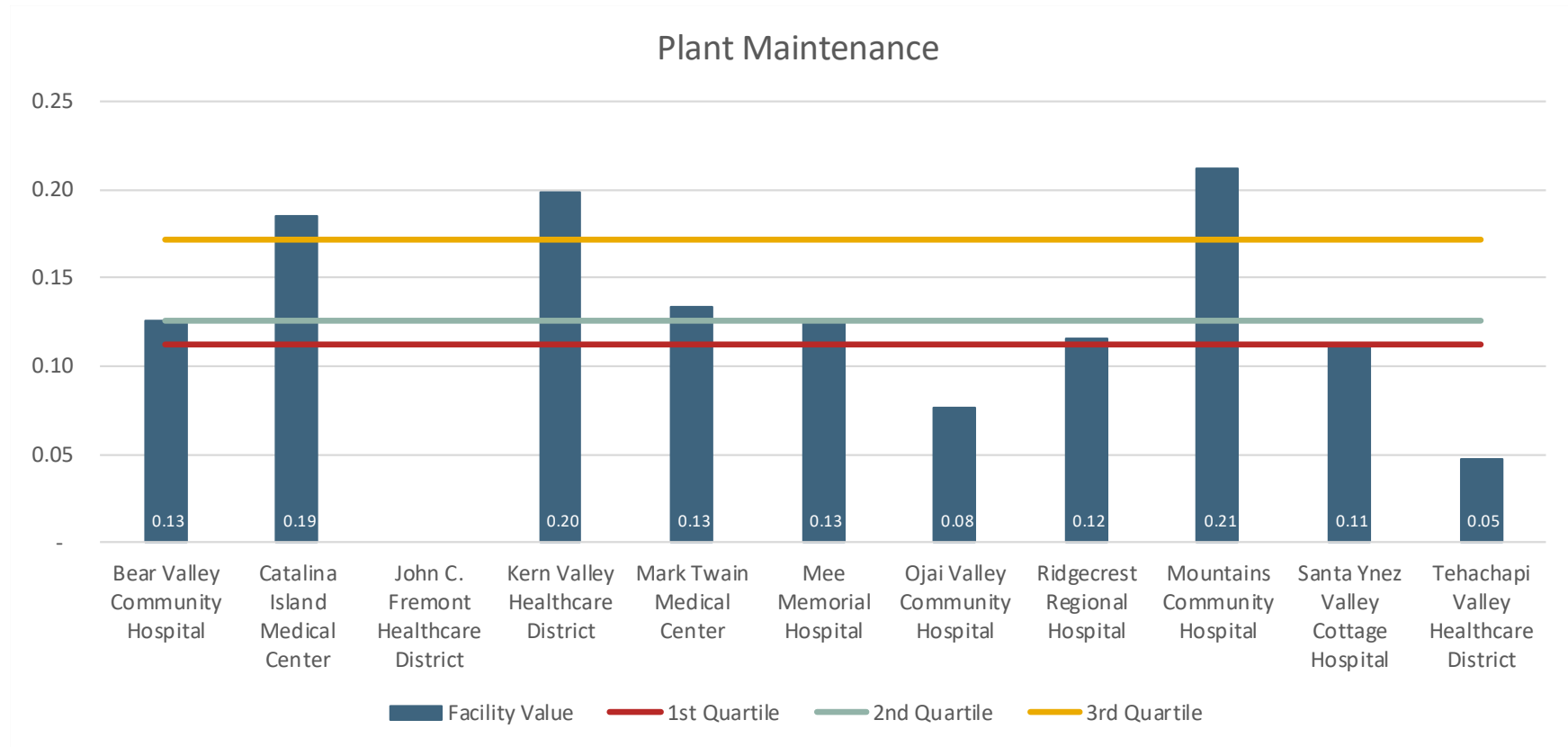
OSHPD Unit of Service: Gross Square Feet

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

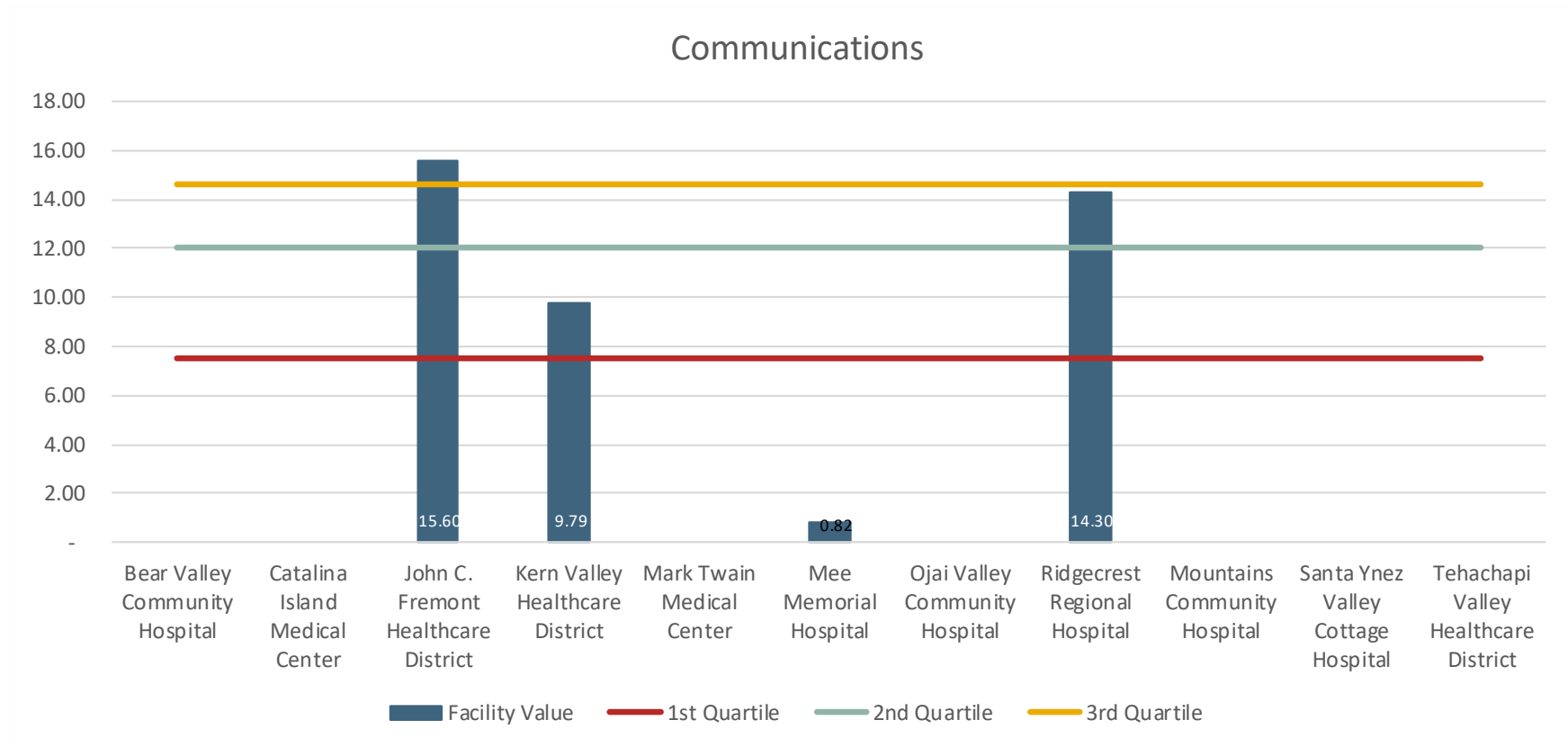
OSHPD Unit of Service: Gross Square Feet

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

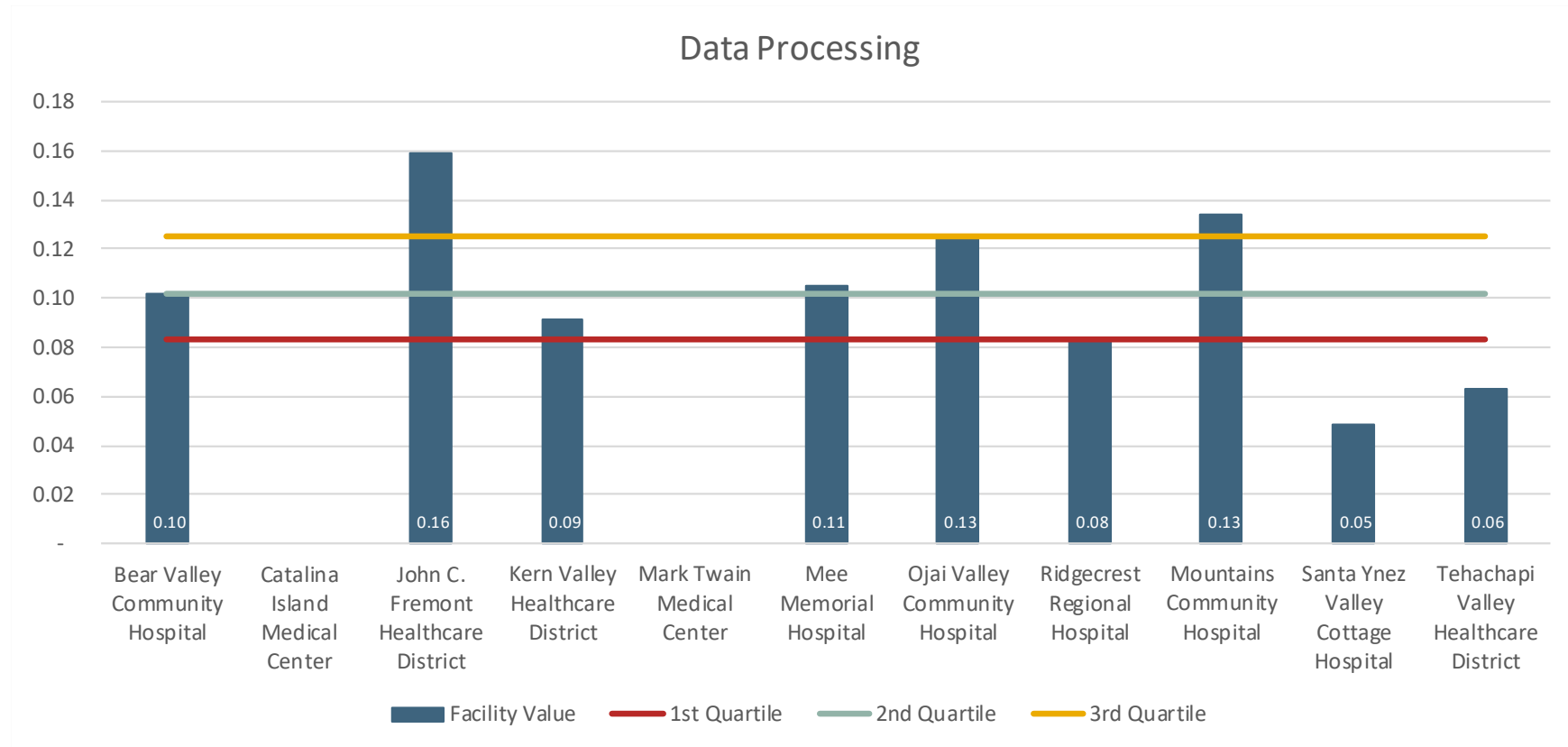
OSHPD Unit of Service: Average Hospital Employees

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

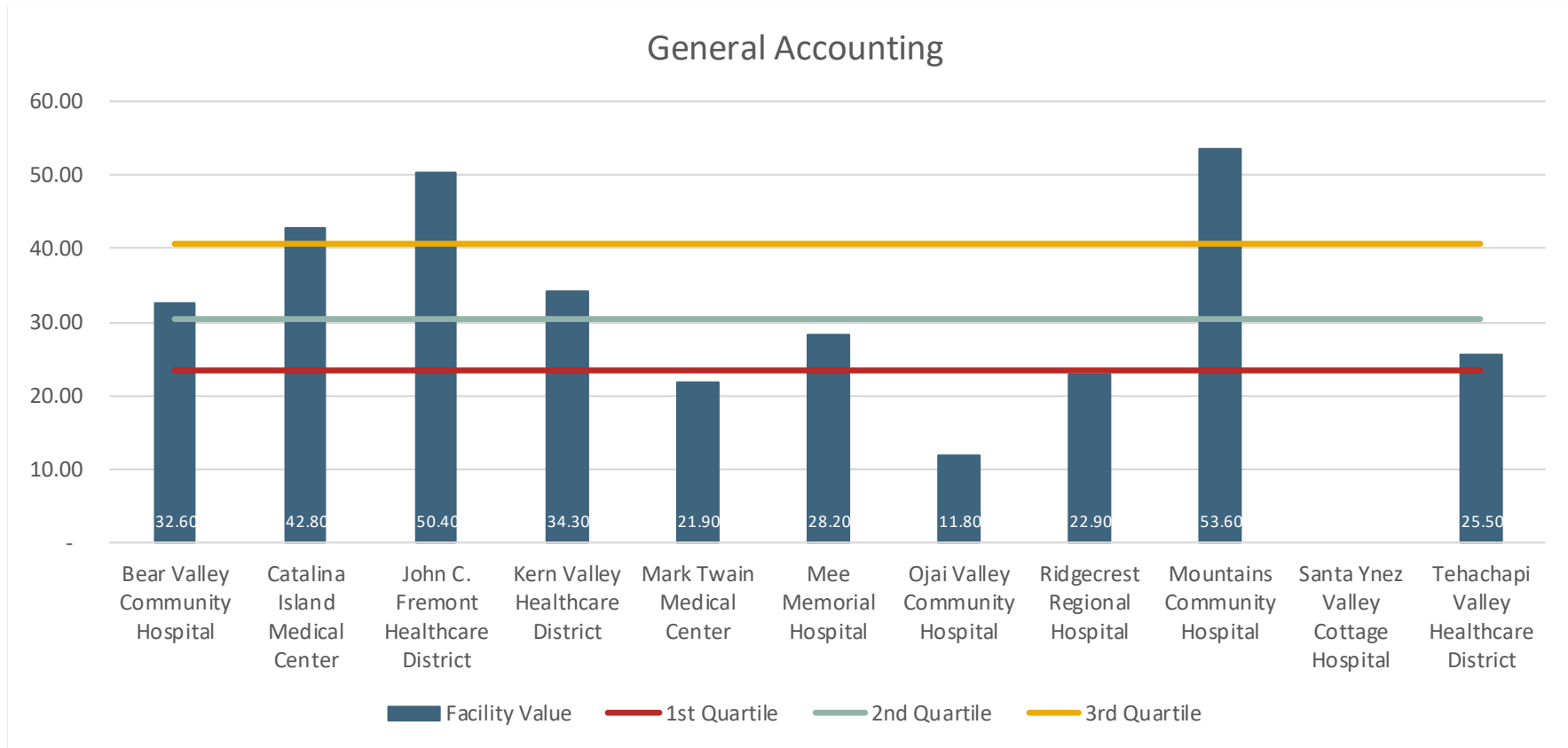
OSHPD Unit of Service: \$1000 of Gross Patient Revenue

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

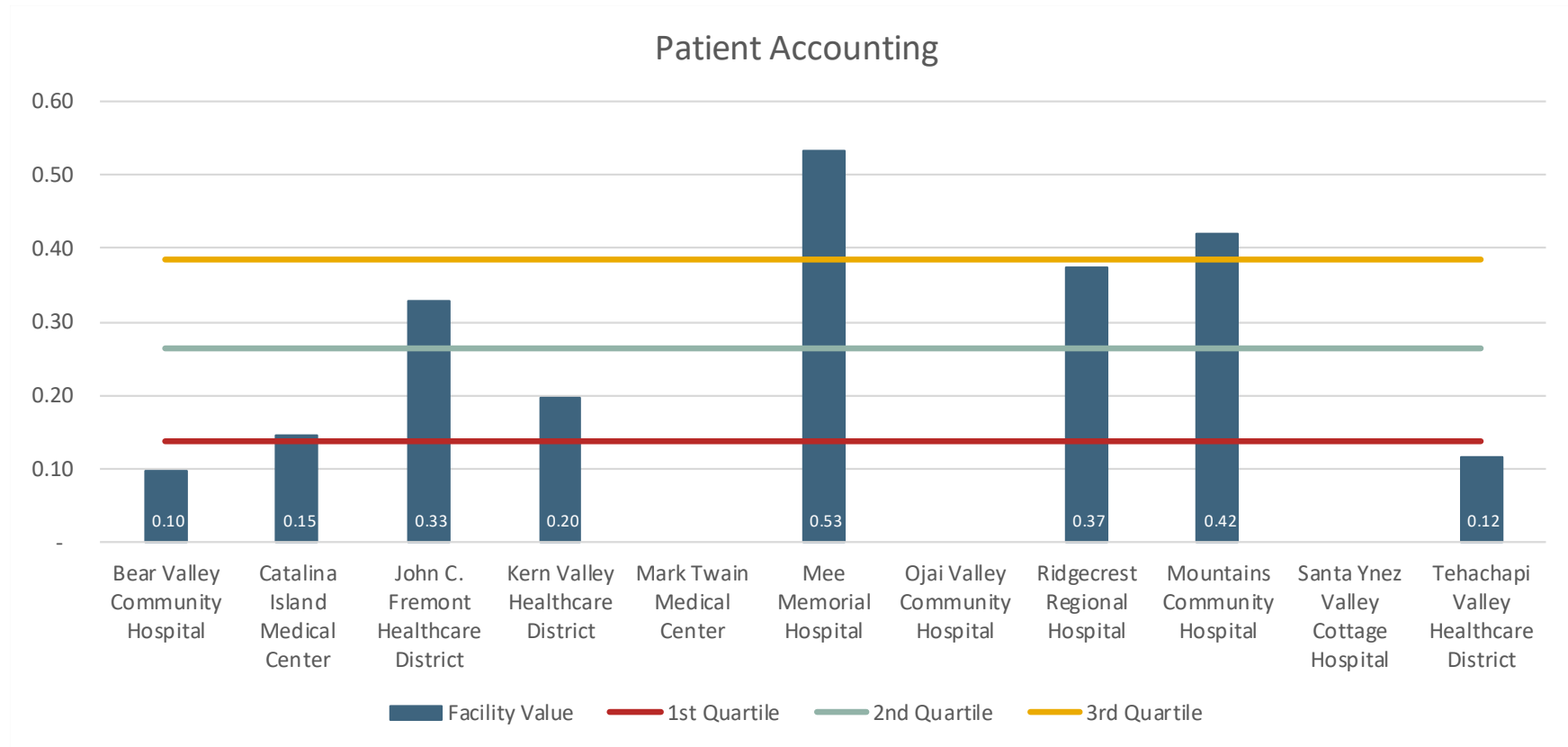
OSHPD Unit of Service: Hospital FTE Employees

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

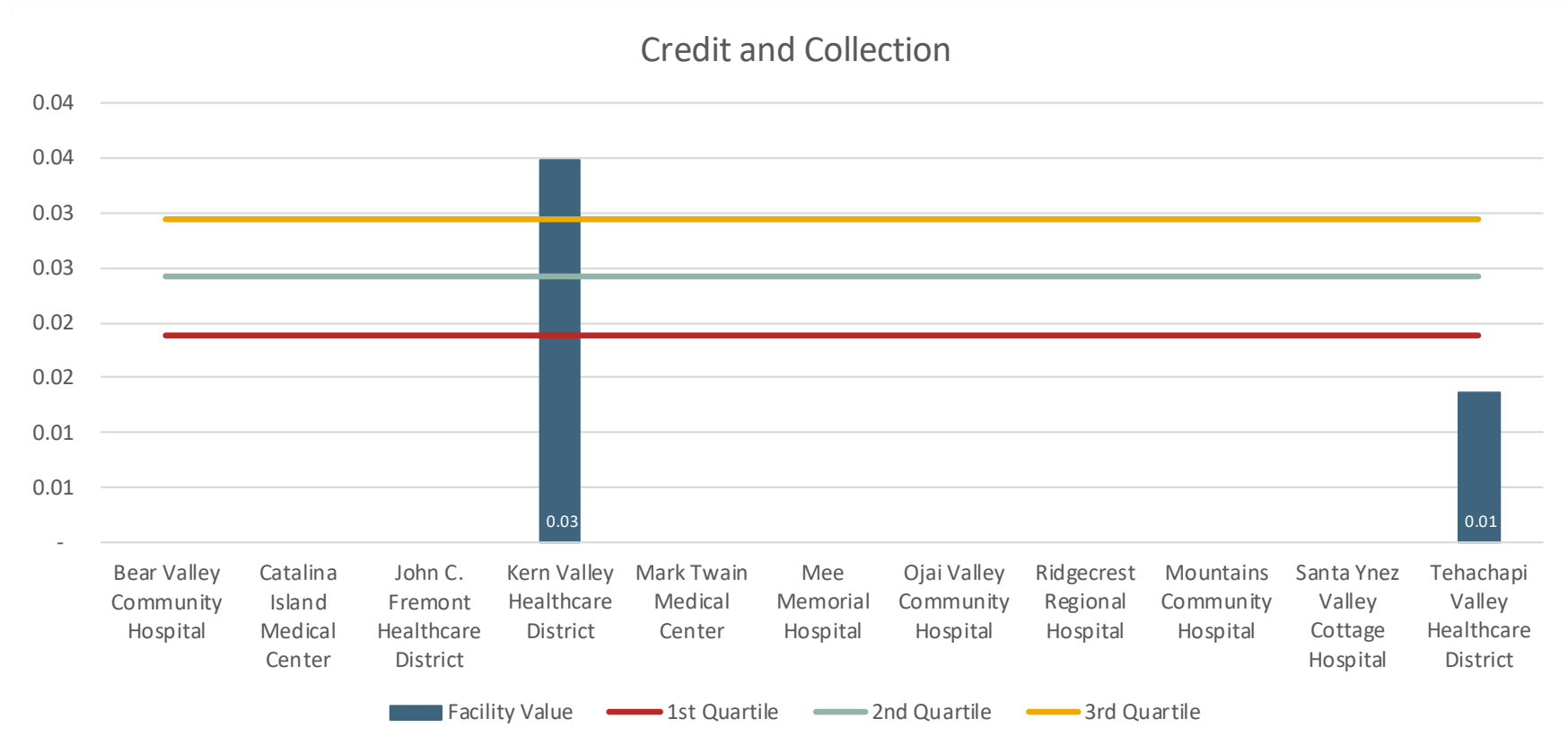
OSHPD Unit of Service: \$1,000 of Gross Patient Revenue

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

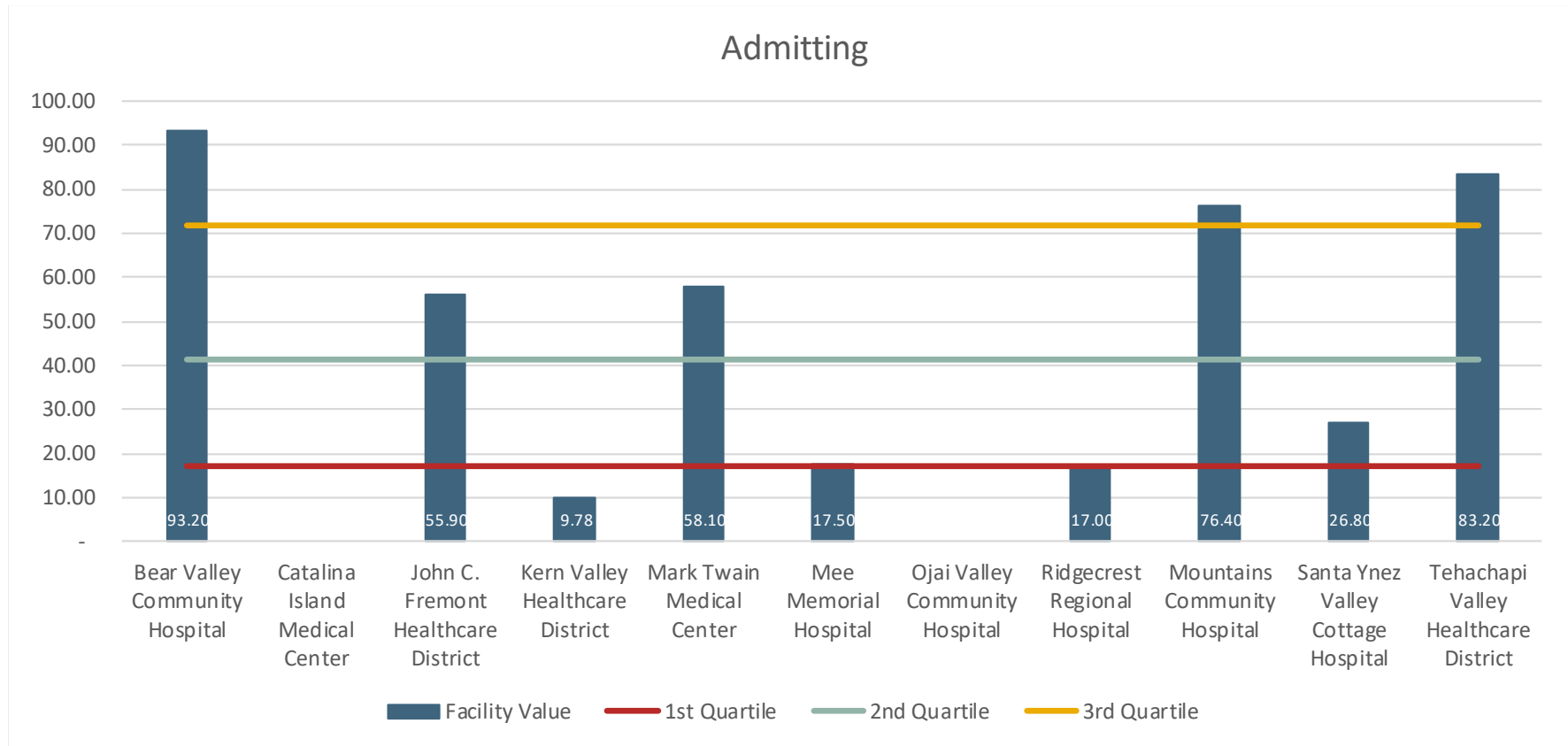
OSHPD Unit of Service: \$1,000 of Gross Patient Revenue

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

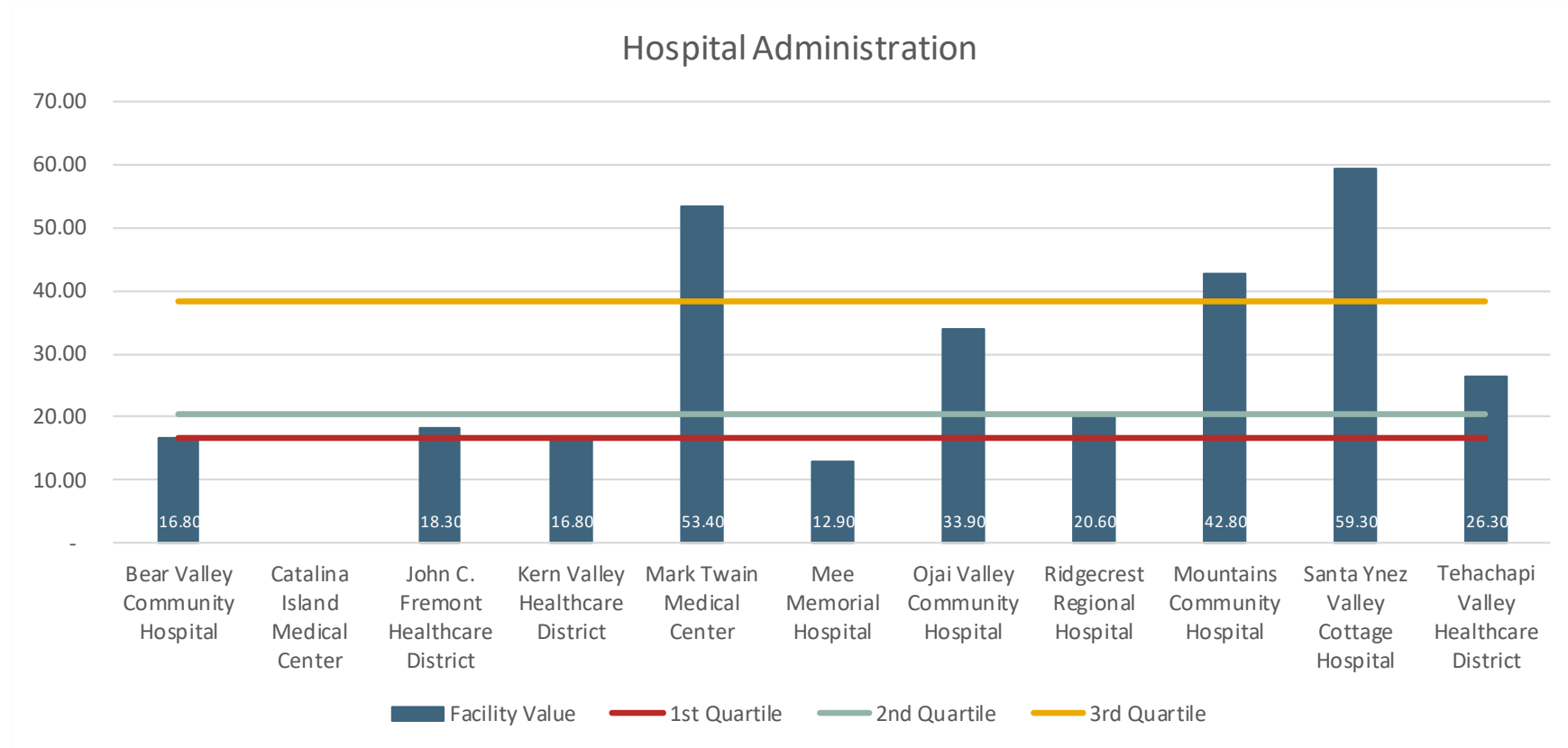
OSHPD Unit of Service: Admissions

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

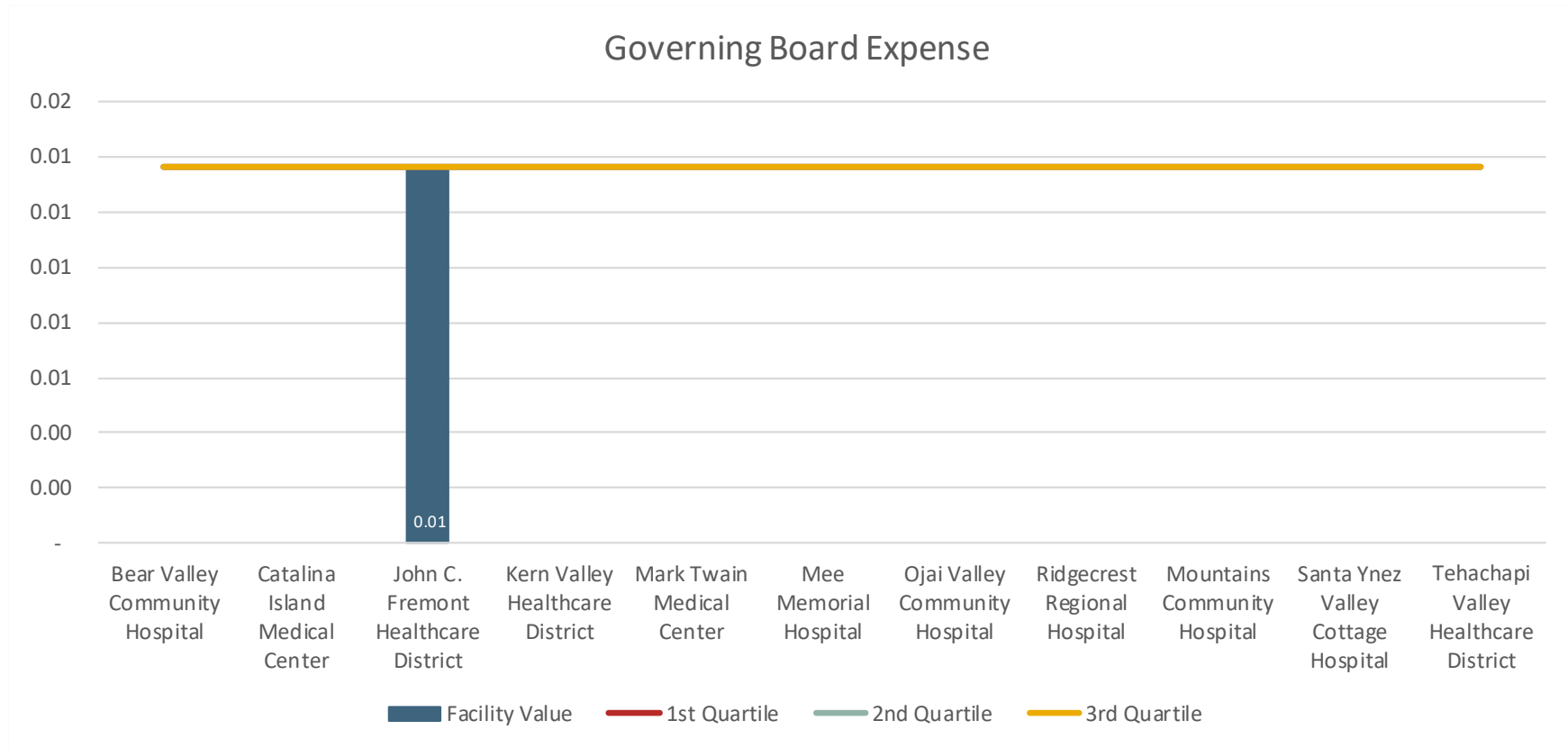
OSHPD Unit of Service: Hospital FTE employees

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

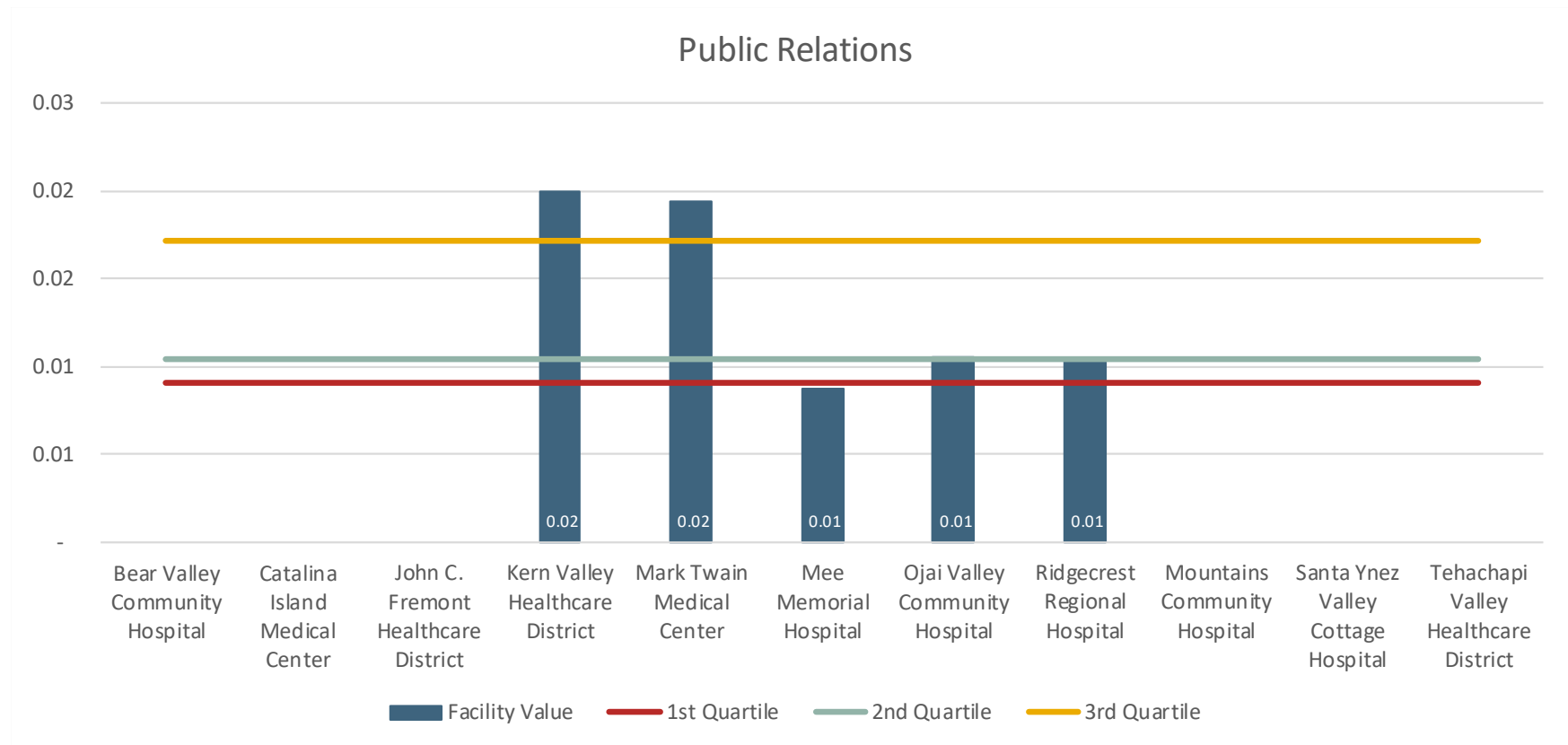
OSHPD Unit of Service: \$1,000 of Total Operating Revenue

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

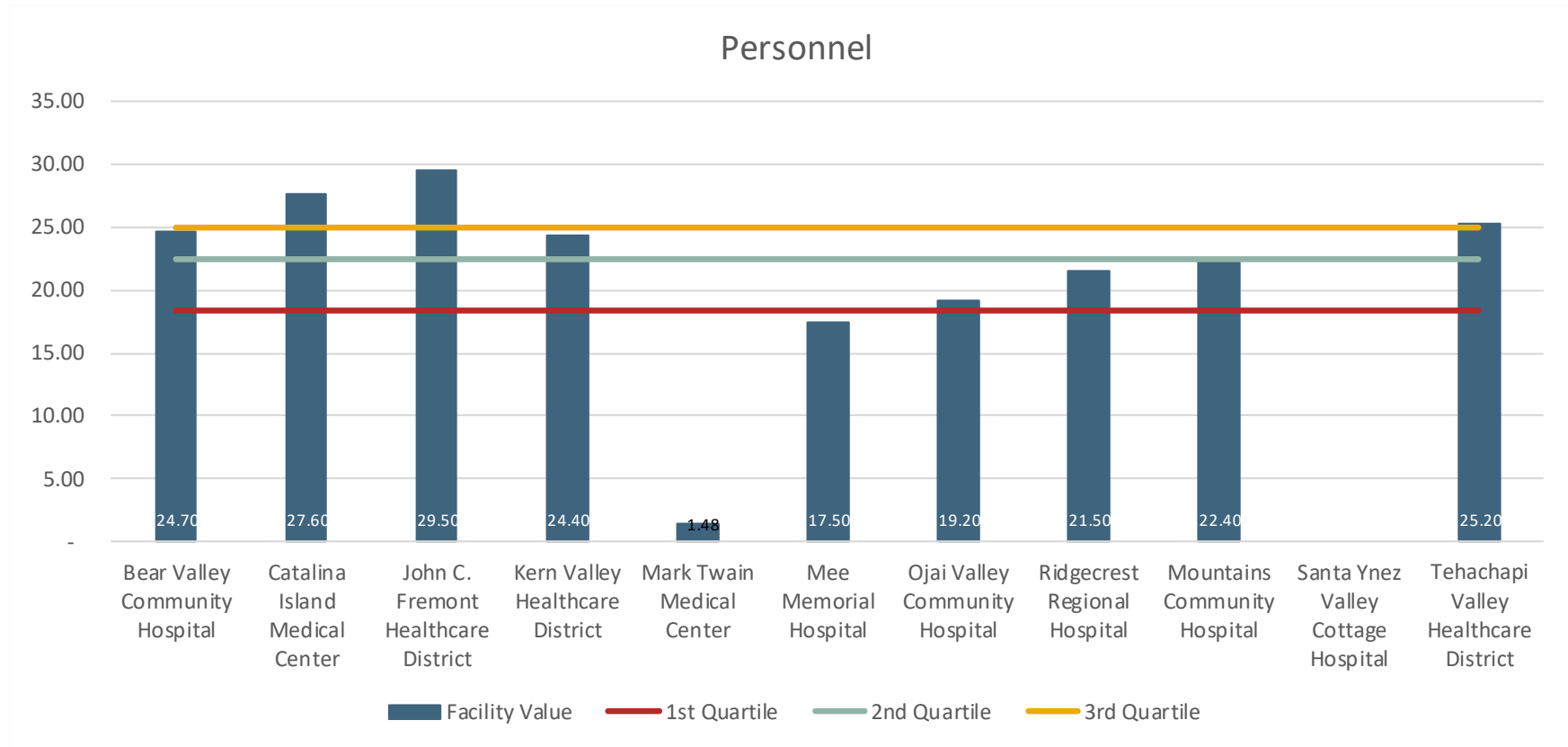
OSHPD Unit of Service: \$1,000 of Total Operating Revenue

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

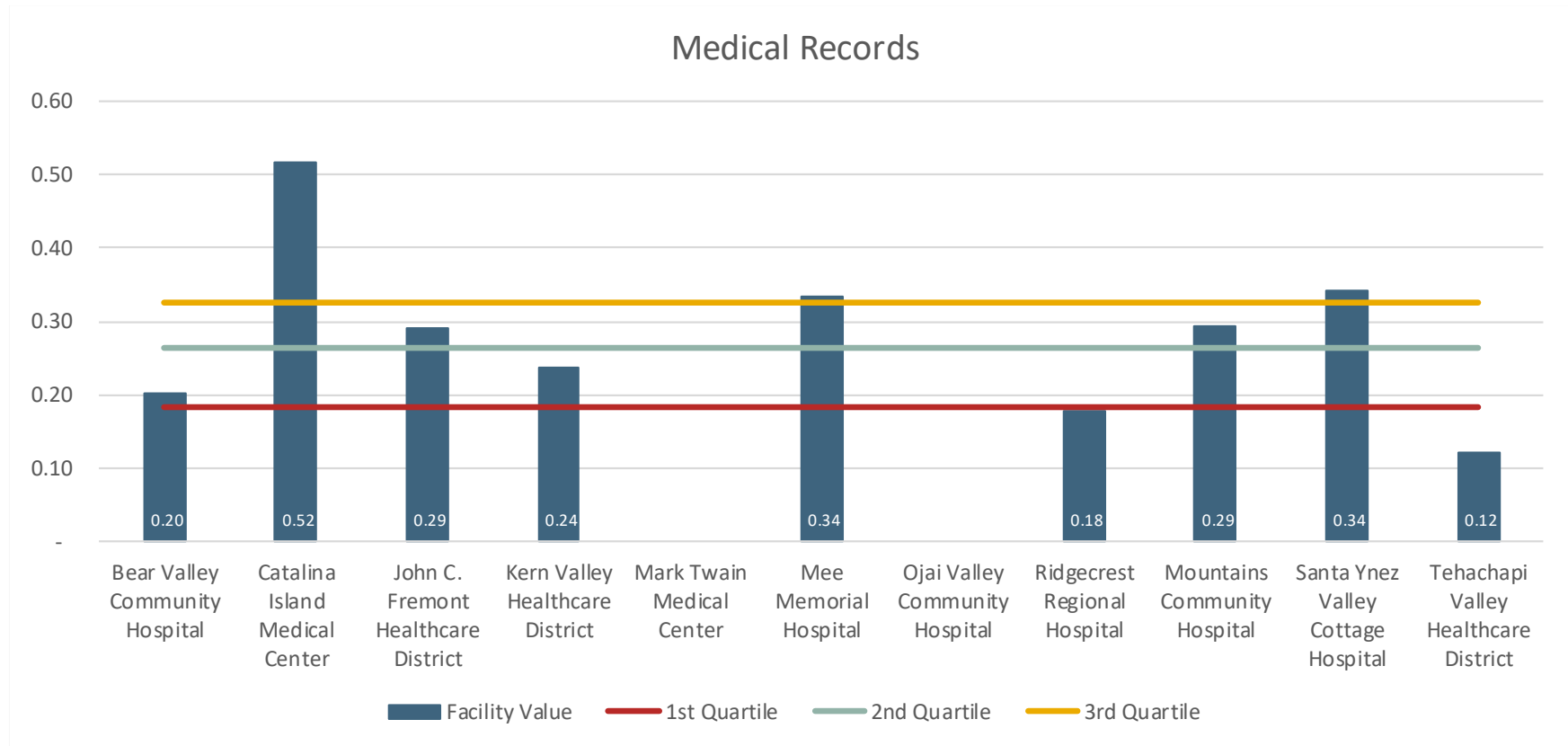
OSHPD Unit of Service: Hospital FTE Employees

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

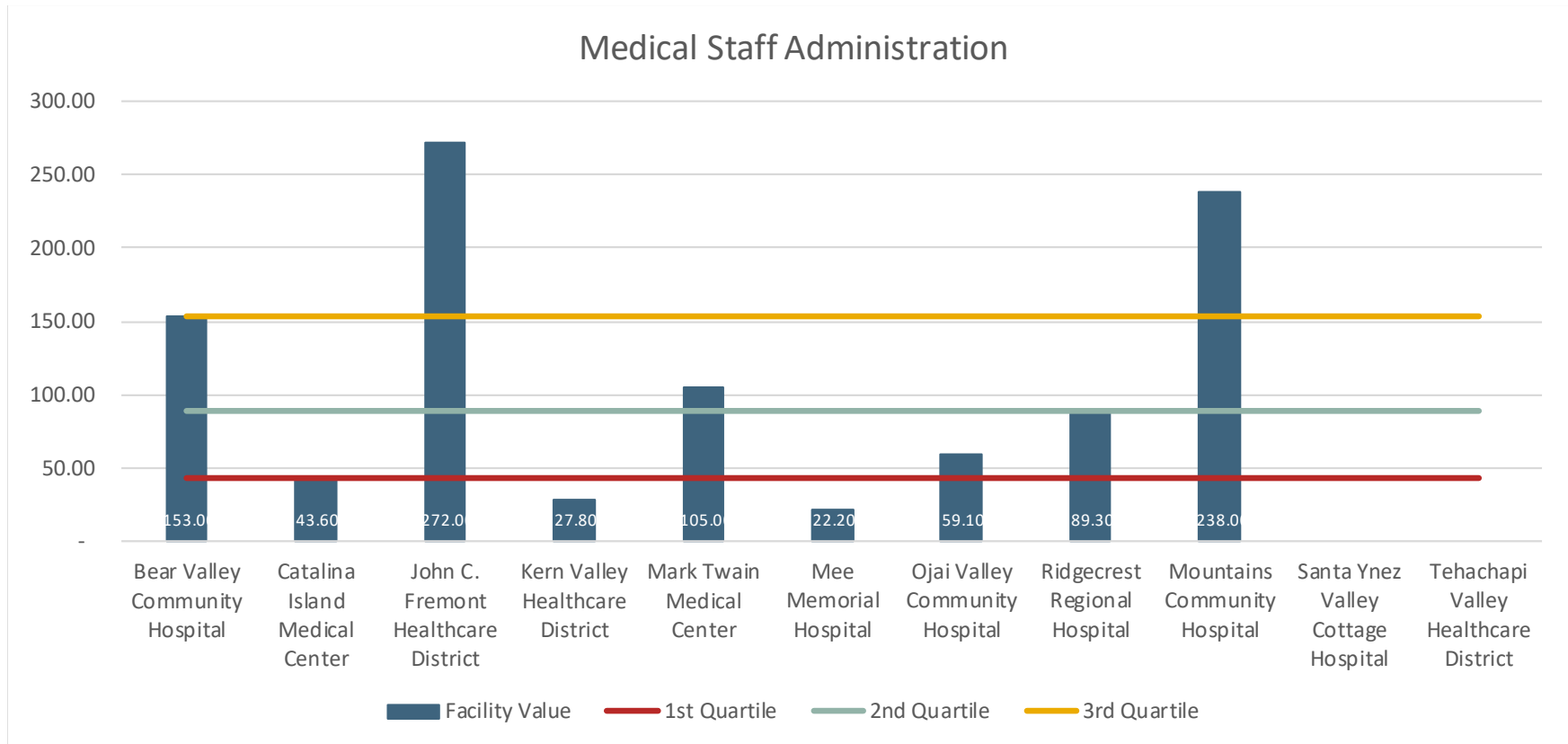
OSHPD Unit of Service: Adjusted Patient Days

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

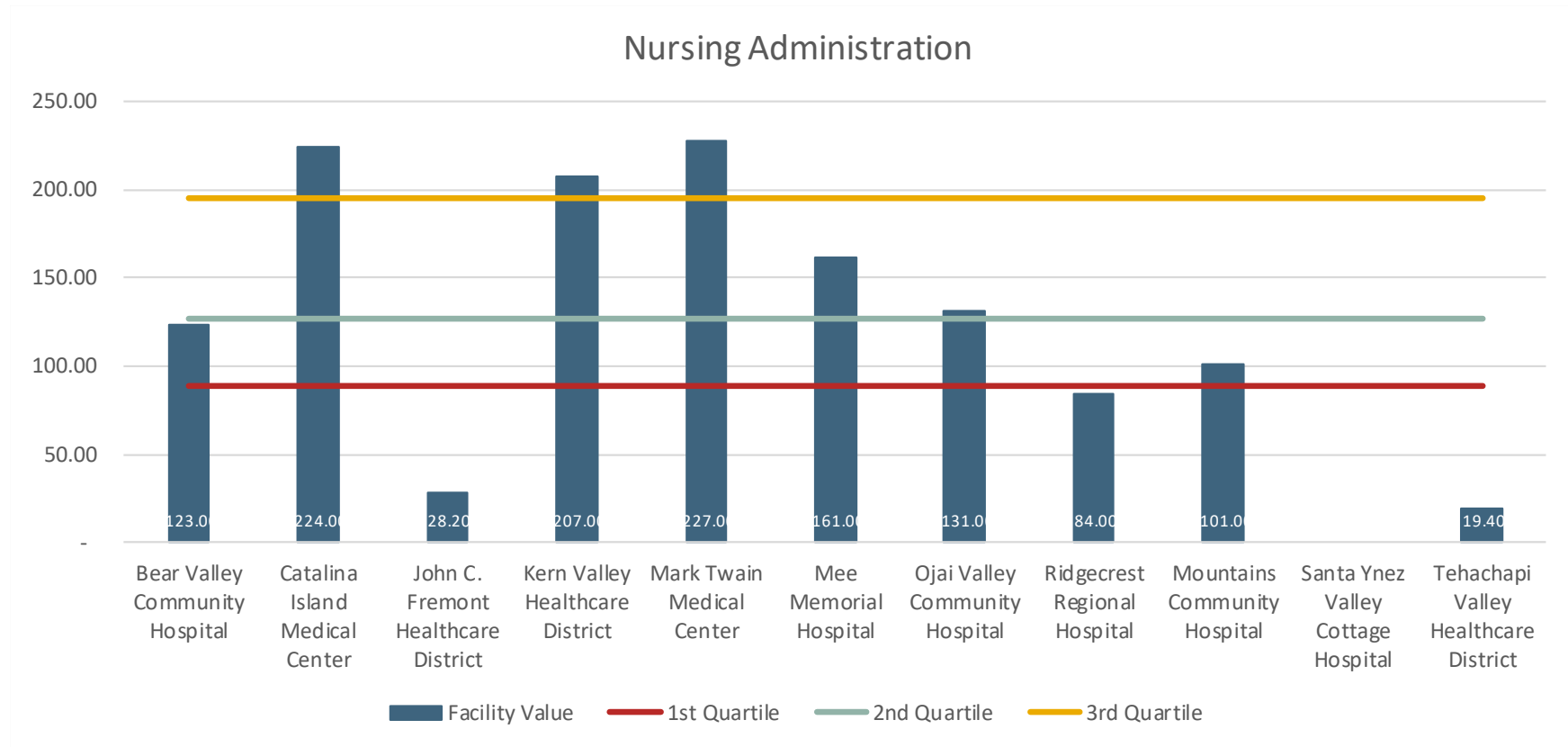
OSHPD Unit of Service: Physicians on Active Staff

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

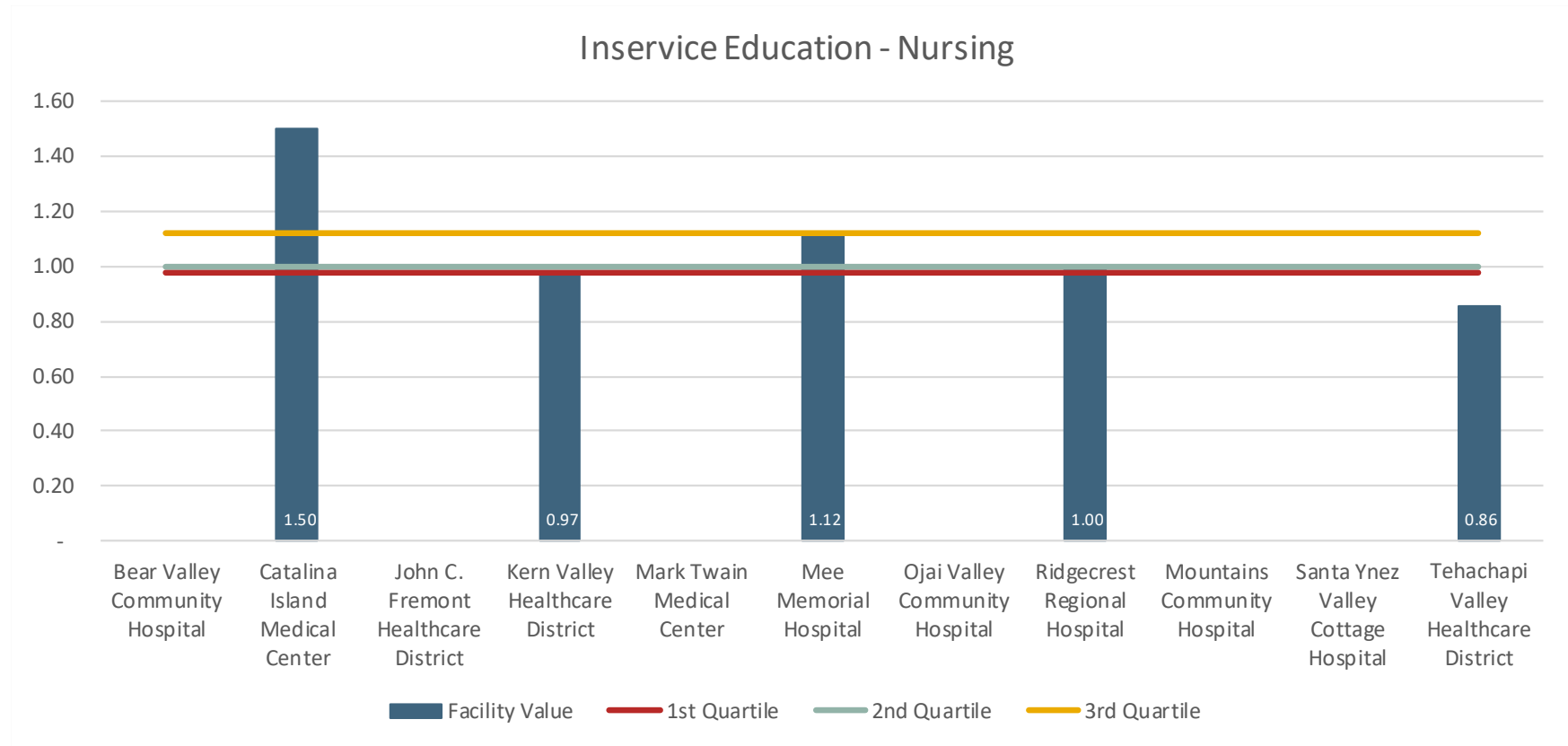
OSHPD Unit of Service: Nursing Service FTE Personnel

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

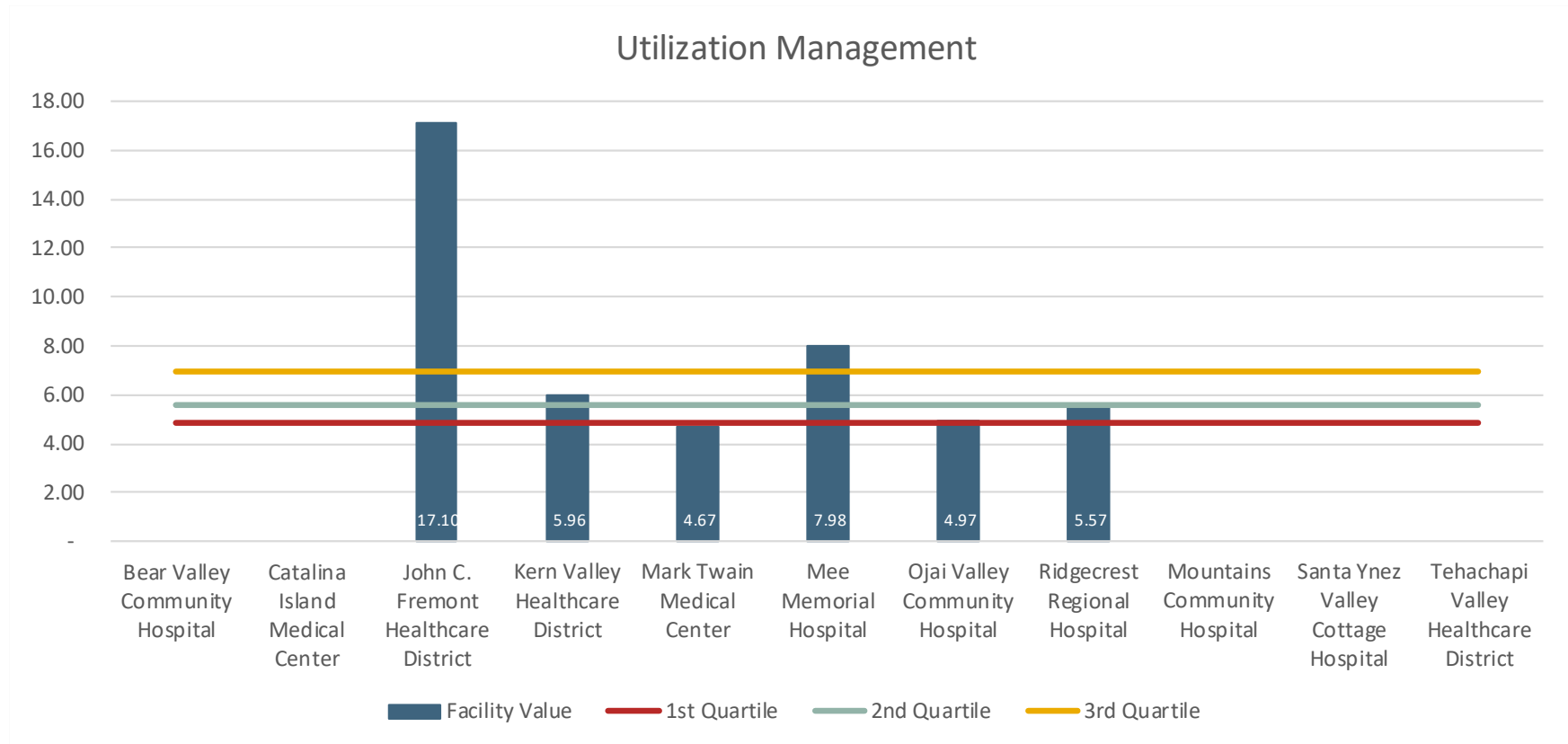
OSHPD Unit of Service: Hours of Nursing

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

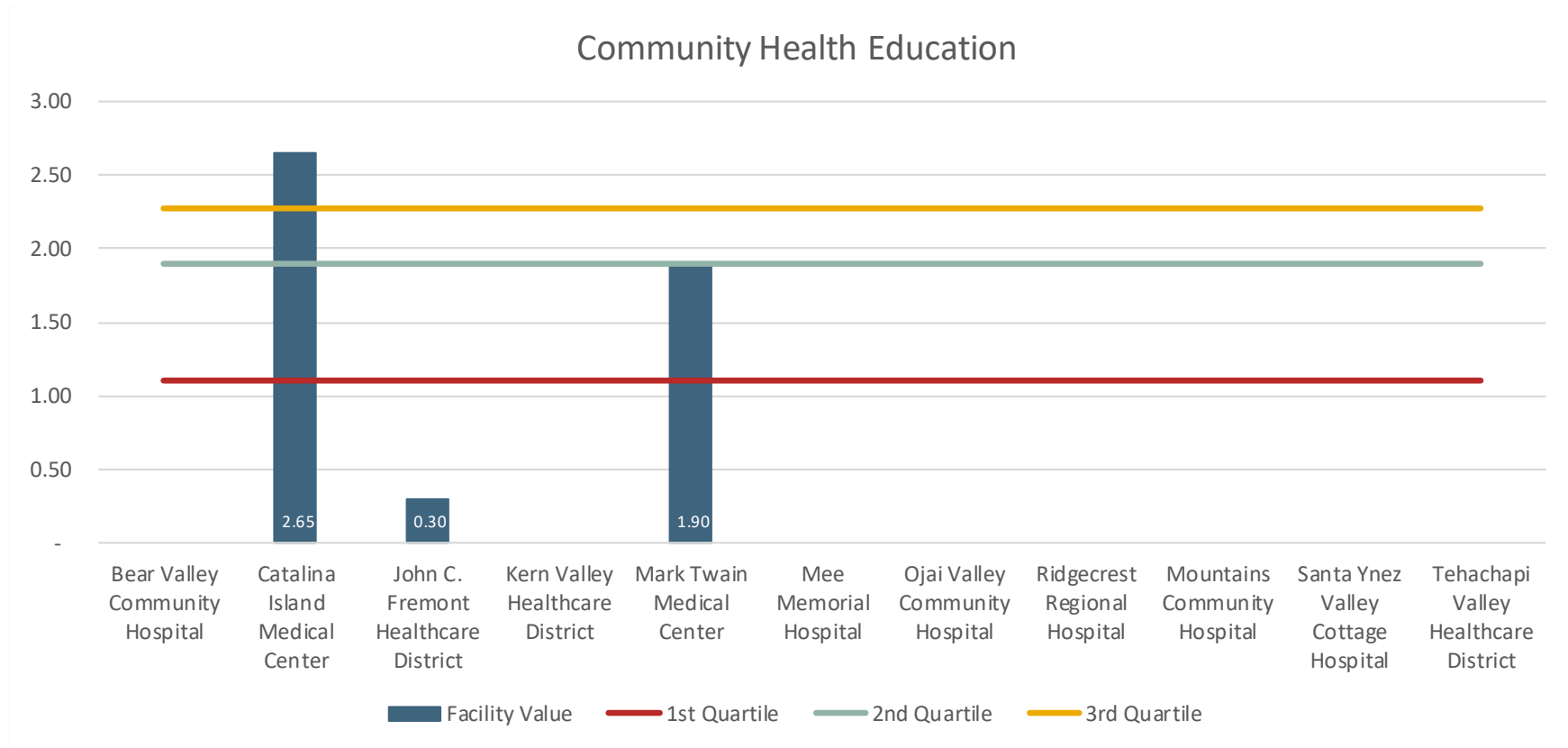
OSHPD Unit of Service: Admissions

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Red Group



Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

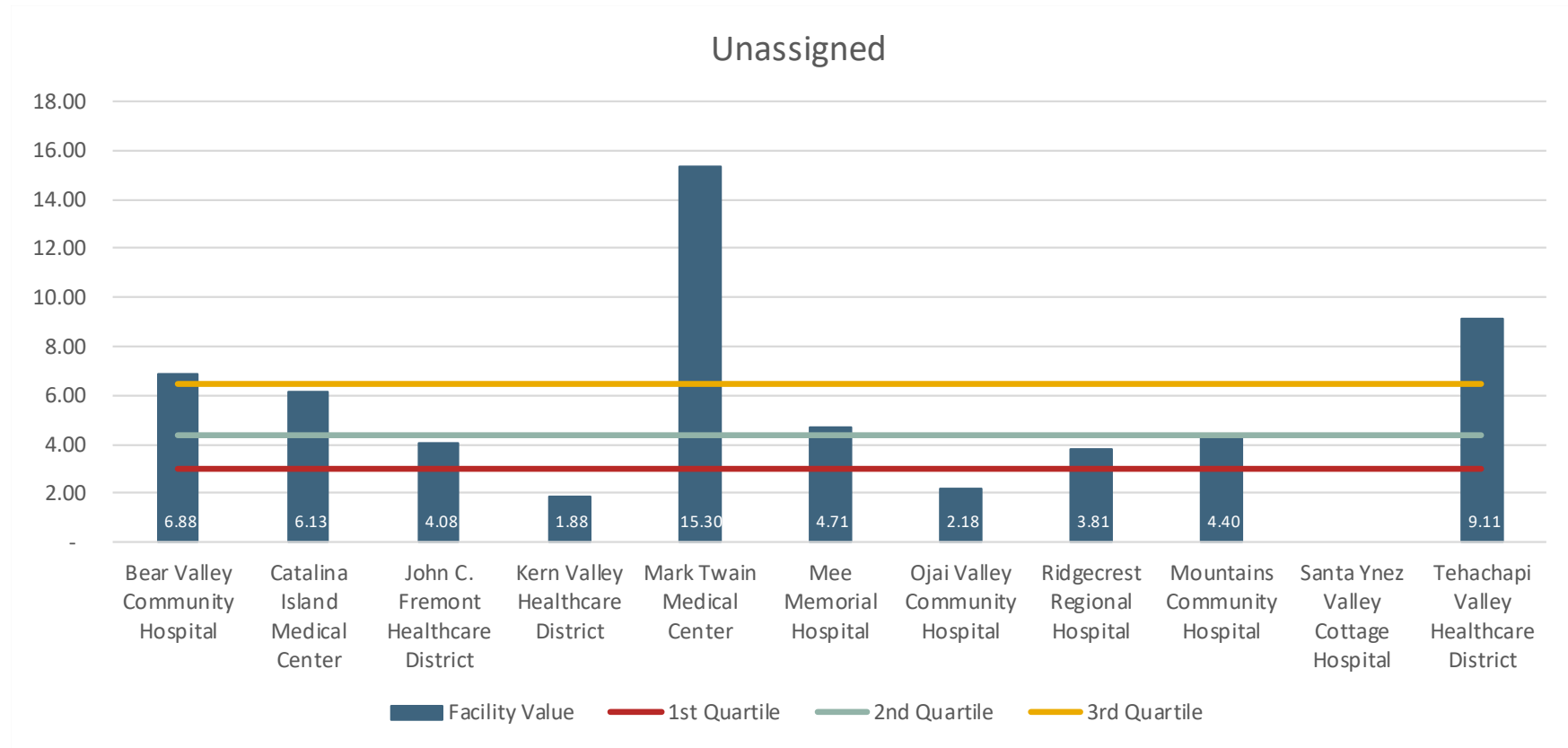
OSHPD Unit of Service: Participants

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

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Data Source: OSHPD Annual Financial Disclosure Report, 2016 Fiscal Year End Date

Calculation Footnotes: Quartiles are calculated based on department values within the group, exclusive of zero values.

OSHPD Unit of Service: Unassigned

OSHPD Calculation: Total Productive Hours divided by Units of Service

OSHPD Total Productive Hours include Contract Staffing, Education, Orientation, Training, and Patient Sitter

Facility values that exceed two standard deviations from the mean were excluded.

Contact Information



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WIPFLI
CPAs and Consultants
HEALTH CARE PRACTICE

Patient Financial Services Follow-up Review 2018



Prepared by:
Daniel V. Hobbs, CRCE
Senior Consultant, Revenue Cycle Solutions
April 13, 2018



KEY QUESTION

*What is BVH's progress in prior PFS
Recommendations and should BVH consider
insourcing Patient Accounts functions?*



STORY AT A GLANCE



PATIENT ACCESS SERVICES

- Process improvement is needed:
 - Registration accuracy;
 - Scheduling
 - Technology enablement
 - POS Collections
- The MAP items were review with the Manager, revised and expanded



INSOURCE CONSIDERATIONS

- Insource = Bringing Patient Accounts functions back in-house
- Cost-to-collect is currently at 9.3% where the industry average range is from 2.8% to 4.3%
- More analysis is needed to estimate an improvement to cost-to-collect



A/R ANALYSIS

- A/R Days have come down from 100 in December 2015 to 67 in January 2018, but there is still some room for improvement of A/R Days.

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PATIENT ACCESS SERVICES (PAS)



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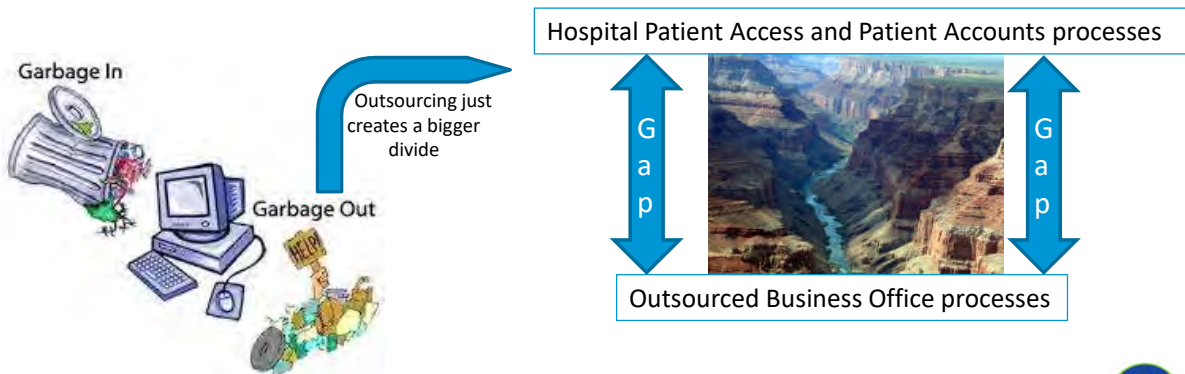
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PATIENT ACCESS SERVICES

Proper Patient Access Services processes are key whether outsourcing or insourcing Billing and Follow-up



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PATIENT ACCESS SERVICES

Clinic registration accuracy is dependent upon timely actionable data for process improvement

- Clinic Registration Accuracy checking is performed through daily manual audits
 - There is a “Registration Quality Report” from the system that the Hospital began using recently
 - This report is actionable in two ways
 - Daily Realtime use to identify needed corrections
 - Monthly lagging metrics for tracking and reporting
- There is no actionable feedback/error reporting from TruBridge activity
 - No claim edit, rejection or final denial percentage reporting

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PATIENT ACCESS SERVICES

Proper patient scheduling processes can improve patient service and increase revenue

- Service scheduling process when Clinic patients are referred to the Hospital is as follows:
 - Patient is instructed to call Hospital department to get scheduled for certain services and others will walk over immediately
 - Orders are transmitted immediately to the Hospital service department
 - Currently “open” orders totaled 4,601 for the past year
 - Mainly for Lab and Radiology services
 - Last two weeks there are 231 open orders
 - There is currently no process set up with the Hospital to notify the Clinic if the patient does not schedule to ordered service

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PATIENT ACCESS SERVICES

Currently all Hospital service scheduling is decentralized out to the service departments

- Hospital patient scheduling has become a function of Patient Access (Registration) within the industry nation wide
 - This can make it easier to combine the scheduling and preregistration functions for the patient
- The facility has Evident's Enterprise Wide Scheduling system but it is currently not being used
- If patient scheduling were moved to Patient Access the patient could preregister at the same time as scheduling

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PATIENT ACCESS SERVICES

Hospital registration accuracy is dependent upon timely actionable data for process improvement

- Historically registration accuracy checking is performed through manual audits
 - The Manager recently discovered the "Registration Quality Report" and could be make their quality review
 - This report is actionable in two ways
 - Daily real-time use to identify needed corrections
 - Monthly lagging metrics for tracking and reporting
- Feedback from billing and follow-up activity comes in the form of specific errors on specific accounts
 - This type of feedback is not actionable as it lacks error frequency of common errors

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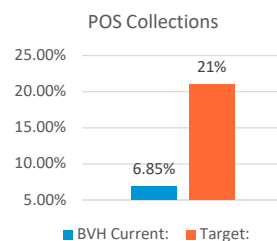
PATIENT ACCESS SERVICES

Boosting point of service collections (POSC) can help reduce AR, bad debt and increase cash flow

- Over the past year POSC has averaged \$2.34 Per Registration
 - This is a total Amount of \$118,659 which is 6.85% of the total private pay cash collections
 - The national median is 21.3%, see HFMA high performance statistics below

2017 MAP Award for High Performance in Revenue Cycle: Hospital, Health System and IDS Winners

	Net Days in A/R	Aged A/R 90 days and greater	DNFB	FBNS	DNBP	Bad Debt Write Off %	Cost to Collect	Cash Collections	POSC Cash Collection	Charity Care Write Off
Median	40.6	19.8%	4.7	0.2	51	0.8%	2.8%	99.4%	21.3%	1.4%
Percentile										
90	34.2	14.0%	2.9	0.0	3.2	0.2%	1.5%	102.9%	51.5%	4.9%
75	38.6	14.8%	3.7	0.0	41	0.2%	2.1%	101.2%	29.1%	2.9%
50	40.6	19.8%	4.7	0.2	51	0.8%	2.8%	99.4%	21.3%	1.4%
25	43.4	23.4%	5.6	0.6	5.9	1.3%	3.7%	97.6%	19.4%	1.0%
10	45.4	27.1%	7.3	1.6	8.3	2.1%	4.3%	95.8%	17.3%	0.3%



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RECOMMENDATIONS

- Contact Evident to see if the “Registration Quality Report” can be used for Clinic Account registration accuracy tracking
- Create actionable feedback/error reporting from TruBridge activity for Clinic Accounts:
 - Clean claim rate and reasons
 - Claim rejection rate and reasons
 - Final denial write-off percentage and reasons
- Create a process to track and resolve open service orders from the Clinic
- Develop a plan to centralize Hospital patient scheduling within Patient Access Services
- Track and trend results from the Hospital Registration Quality Report
- Develop a plan to increase Point of Service Collections
- Maintain the PAS tasks on the MAP, adding new tasks as issues arise

Note: These Recommendations were added to the 2/22/2018 revision to the MAP

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INSOURCE CONSIDERATIONS



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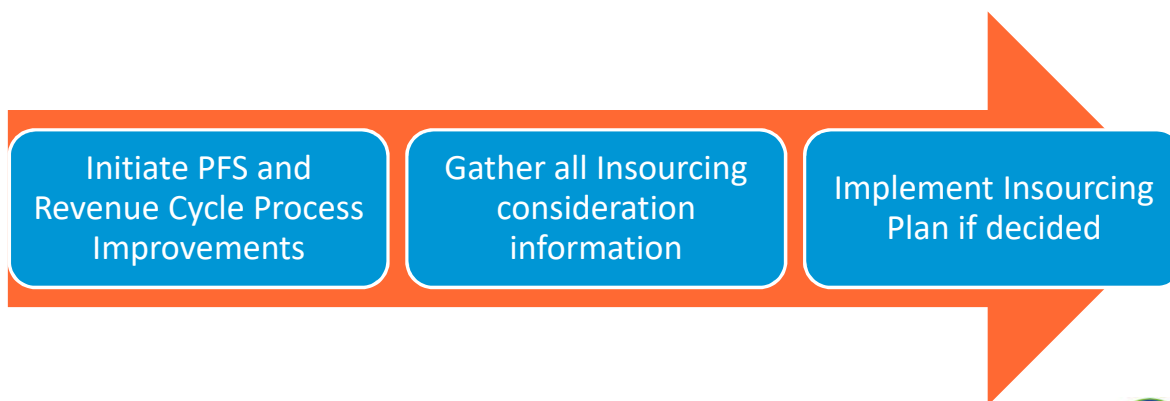
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INSOURCE CONSIDERATIONS

This section will have process improvement recommendations, along with the existing Management Action Plan items, that should be implemented whether Insourcing or not



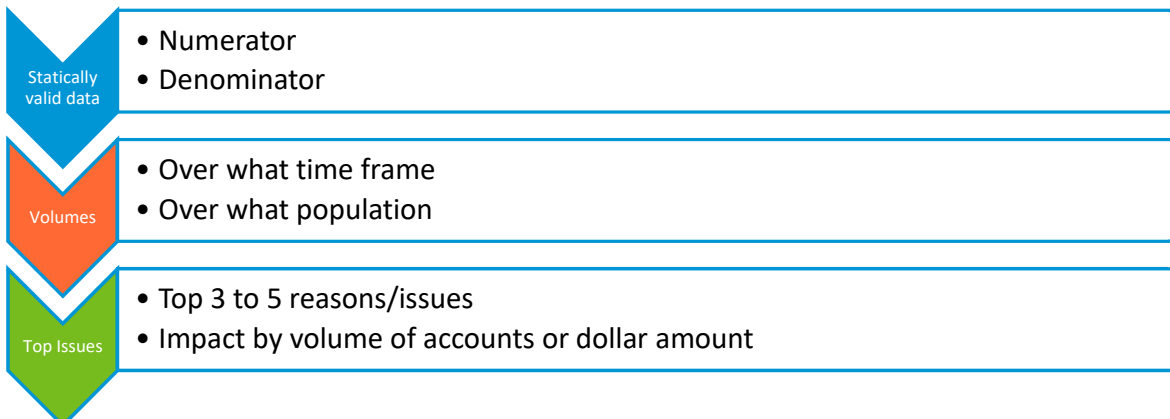
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INSOURCE CONSIDERATIONS

Process improvement relies completely on statistically valid actionable data from Patient Accounts



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INSOURCE CONSIDERATIONS

Clean Claims process improvement begins with the Rycan claim editing processes

Claim Rejection Monitoring Future State				
Claim Flow				
	Level 1	Level 2		Level 3
Source:	Rycan	Medicare	All Electronic Payers	Evident
Tracking:	% Claims First Pass Rate	% Claims RTP's	Payer Negative Response	Final Denial Write-offs
Reporting:	Top 5 Recurring error Reasons	Top 5 Recurring error Reasons	Top 5 Recurring error Reasons	Top avoidable write-offs (by \$'s)
Frequency:	Monthly	Monthly	Monthly	Monthly
Target:	>95%	<2%	<5%	<2% Net Revenue
Who Needs to know:	Related Departments & RCSC	Related Departments, Rycan/Evident & RCSC	Related Departments, Rycan/Evident & RCSC	Related Departments, Rycan/Evident & RCSC

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INSOURCE CONSIDERATIONS

Clean Claims process improvement continues with the Medicare claim processing system

Claim Rejection Monitoring Future State				
Claim Flow				
	Level 1	Level 2		Level 3
Source:	Rycan	Medicare	All Electronic Payers	Evident
Tracking:	% Claims First Pass Rate	% Claims RTP's	Payer Negative Response	Final Denial Write-offs
Reporting:	Top 5 Recurring error Reasons	Top 5 Recurring error Reasons	Top 5 Recurring error Reasons	Top avoidable write-offs (by \$'s)
Frequency:	Monthly	Monthly	Monthly	Monthly
Target:	>95%	<2%	<5%	<2% Net Revenue
Who Needs to know:	Related Departments & RCSC	Related Departments, Rycan/Evident & RCSC	Related Departments, Rycan/Evident & RCSC	Related Departments, Rycan/Evident & RCSC

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RECOMMENDATIONS

- Summarize Situation reporting to be able to monitor work stoppages, their impact and source
- Complete the “Insource Plan Estimates” to help with a final decision on continuing to outsource Patient accounts or bring it back inhouse

Note: These Recommendations were added to the 2/22/2018 revision to the MAP

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A/R ANALYSIS



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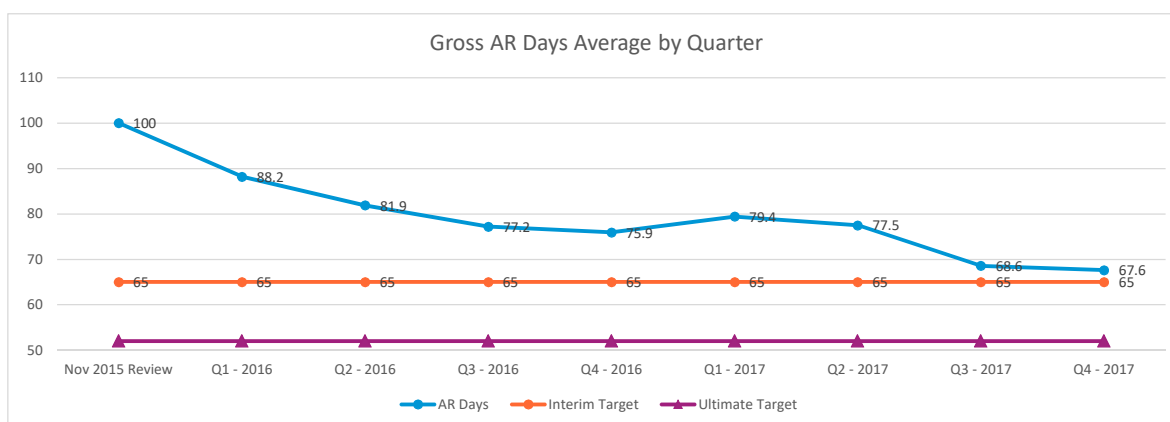
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A/R ANALYSIS

Significant progress on the AR has been made since the last PFS Review by Quorum



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A/R ANALYSIS

Several items show favorable performance, others have a ways to go

Metric	Latest Quarterly Average	Benchmarks	Indicator
AR Days	67.6	65	●
Uncoded Days	0.6	3	●
Unchecked Days - TB	0.6	2	●
Unchecked Days - BV	1.2	2	●
BBUP >90	27%	8-12%	●
Bad Debt Rec %	13.8%	5-10%	●
Charge Close Lag Days	6.1	3	●

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RECOMMENDATIONS

- Revise Score Card reporting
 - Unique score card for PAS
 - Unique score card for Patient Accounts
 - Unique score card for Revenue Cycle Steering Committee
 - See Supporting Documentation
- Create a plan with TruBridge to quickly resolve aged Medicaid and Commercial accounts

Note: These Recommendations were added to the 2/22/2018 revision to the MAP

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SUPPORTING DOCUMENTATION

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SUPPORTING DOCUMENTATION

Superior A/R performance relies upon the Revenue Cycle Team's oversight, they are in the process of building a Score Card



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