

March 17, 2022

TO: Legal Counsel

News Media

Salinas Californian

El Sol

Monterey County Herald

Monterey County Weekly

KION-TV

KSBW-TV/ABC Central Coast

KSMS/Entravision-TV

The next regular meeting of the **QUALITY AND EFFICIENT PRACTICES COMMITTEE - COMMITTEE OF THE WHOLE** of the Salinas Valley Memorial Healthcare System will be held **MONDAY, MARCH 21, 2022, AT 8:30 A.M., IN THE CEO CONFERENCE ROOM, DOWNING RESOURCE CENTER ROOM 117 AT SALINAS VALLEY MEMORIAL HOSPITAL, 450 E. ROMIE LANE, SALINAS, CALIFORNIA, OR BY PHONE OR VIDEO (Visit svmh.com/virtualboardmeeting for Access Information).**

Pursuant to SVMHS Board Resolution No. 2022-02, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.



Pete Delgado
President/Chief Executive Officer

Committee Members: Juan Cabrera, Chair; Joel Hernandez Laguna, Vice Chair; Pete Delgado, President/CEO; Allen Radner, MD, CMO; Clement Miller, COO; Lisa Paulo, CNO; Rakesh Singh, MD, Medical Staff Member; Michele Averill, Community Member

**QUALITY AND EFFICIENT PRACTICES COMMITTEE MEETING – MARCH 2022
COMMITTEE OF THE WHOLE
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

MONDAY, MARCH 21, 2022

**8:30 A.M. – CEO CONFERENCE ROOM, DOWNING RESOURCE CENTER ROOM 117
SALINAS VALLEY MEMORIAL HOSPITAL
450 E. ROMIE LANE, SALINAS, CALIFORNIA
AND BY TELECONFERENCE
(Visit svmh.com/virtualboardmeeting for Access Information)**

Pursuant to SVMHS Board Resolution No. 2022-02, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.

AGENDA

1. Approval of Minutes from the Quality and Efficient Practices Committee Meeting of February 23, 2022 (DELGADO)
 - Motion/Second
 - Action by Committee/Roll Call Vote
2. Patient Care Services Update (PAULO)
3. Financial and Statistical Review (LOPEZ)
4. Public Input

This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board which are not otherwise covered under an item on this agenda.
5. Closed Session

(See Attached Closed Session Sheet information)
6. Reconvene Open Session/Report on Closed Session
7. Adjournment - The April 2022 Quality and Efficient Practices Committee Meeting is scheduled for **Monday, April 25, 2022 at 8:30 a.m.**

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

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

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Executive Assistant during regular business hours at 831-755-0741. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

QUALITY AND EFFICIENT PRACTICES COMMITTEE MEETING OF THE BOARD OF DIRECTORS – COMMITTEE OF THE WHOLE

AGENDA FOR CLOSED SESSION

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

CLOSED SESSION AGENDA ITEMS

[] **LICENSE/PERMIT DETERMINATION**

(Government Code §54956.7)

Applicant(s): (Specify number of applicants) _____

[] **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

(Government Code §54956.8)

Property: (Specify street address, or if no street address, the parcel number or other unique reference, of the real property under negotiation): _____

Agency negotiator: (Specify names of negotiators attending the closed session): _____

Negotiating parties: (Specify name of party (not agent): _____

Under negotiation: (Specify whether instruction to negotiator will concern price, terms of payment, or both): _

[] **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**

(Government Code §54956.9(d)(1))

Name of case: (Specify by reference to claimant's name, names of parties, case or claim numbers): _____, or

Case name unspecified: (Specify whether disclosure would jeopardize service of process or existing settlement negotiations): _____

[] **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**

(Government Code §54956.9)

Significant exposure to litigation pursuant to Section 54956.9(d)(2) or (3) (Number of potential cases): _____

Additional information required pursuant to Section 54956.9(e): _____

Initiation of litigation pursuant to Section 54956.9(d)(4) (Number of potential cases): _____

[] **LIABILITY CLAIMS**

(Government Code §54956.95)

Claimant: (Specify name unless unspecified pursuant to Section 54961): _____

Agency claimed against: (Specify name): _____

[] **THREAT TO PUBLIC SERVICES OR FACILITIES**
(Government Code §54957)

Consultation with: (Specify name of law enforcement agency and title of officer): _____

[] **PUBLIC EMPLOYEE APPOINTMENT**
(Government Code §54957)

Title: (Specify description of position to be filled): _____

[] **PUBLIC EMPLOYMENT**
(Government Code §54957)

Title: (Specify description of position to be filled): _____

[] **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
(Government Code §54957)

Title: (Specify position title of employee being reviewed): _____

[] **PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE**
(Government Code §54957)

(No additional information is required in connection with a closed session to consider discipline, dismissal, or release of a public employee. Discipline includes potential reduction of compensation.)

[] **CONFERENCE WITH LABOR NEGOTIATOR**
(Government Code §54957.6)

Agency designated representative: (Specify name of designated representatives attending the closed session): _____

Employee organization: (Specify name of organization representing employee or employees in question): _____ or

Unrepresented employee: (Specify position title of unrepresented employee who is the subject of the negotiations): _____

[] **CASE REVIEW/PLANNING**
(Government Code §54957.8)

(No additional information is required to consider case review or planning.)

[] **REPORT INVOLVING TRADE SECRET**
(Government Code §37606 & Health and Safety Code § 32106)

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

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

HEARINGS/REPORTS

(Government Code §37624.3 & Health and Safety Code §§1461, 32155)

Subject matter: (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, or report of quality assurance committee):

1. Report of the Medical Staff Quality and Safety Committee

CHARGE OR COMPLAINT INVOLVING INFORMATION PROTECTED BY FEDERAL LAW (Government Code §54956.86)

(No additional information is required to discuss a charge or complaint pursuant to Section 54956.86.)

ADJOURN TO OPEN SESSION

**DRAFT MINUTES OF THE FEBRUARY 2022
QUALITY AND EFFICIENT PRACTICES COMMITTEE MEETING
COMMITTEE OF THE WHOLE
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**WEDNESDAY, FEBRUARY 23, 2022
8:30 A.M. – CEO CONFERENCE ROOM
SALINAS VALLEY MEMORIAL HOSPITAL
450 E. ROMIE LANE, SALINAS, CALIFORNIA
OR BY PHONE OR VIDEO**

Pursuant to SVMHS Board Resolution No. 2022-01, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.

Committee Members Present: In Person: Clement Miller, Lisa Paulo, Rakesh Singh, MD.
Via teleconference: Juan Cabrera, Joel Hernandez Laguna, Michele Averill.

Committee Members Absent: Pete Delgado, Allen Radner, MD.

Other Board Members Present, Constituting Committee of the Whole: None

A quorum was present and the meeting was called to order at 8:33 a.m. by Juan Cabrera, Committee Chair.

A request was made to move Agenda Item #1 – Approval of Minutes after Agenda Item #2 – Patient Care Services Update

PATIENT CARE SERVICES UPDATE

- **Patient Experience:** Lisa Paulo, CNO, presented the Press Ganey (PG) FY2022 to Date scores for “*How Would You Rate.*” SVMH ranked in the 82nd percentile. A chart representing the PG average over time (Sep/16-Jan/22) was shown for context. The industry has not rebounded from pandemic and continues to struggle while SVMH numbers are on an upward trend. Charts were presented of PG FY2002 scores for “*Care Transitions: Described purpose of taking medication.*” Lisa recognized Med/Surg for great work in this area. “*Communication w/Doctors Domain: MD listens carefully to you*” scores and nurse feedback indicate professionalism by the physicians. Lisa recognized the physicians for this. This information was included in the Committee packet.

Joel Hernandez Laguna joined the meeting at 8:49 a.m. via teleconference.

APPROVAL OF MINUTES FROM THE QUALITY AND EFFICIENT PRACTICES COMMITTEE MEETING OF JANUARY 24, 2022

Juan Cabrera, recommended the Quality and Efficient Practices Committee approve the minutes of the Quality and Efficient Practices Committee Meeting of January 24, 2022. This information was included in the Committee packet.

No Public Input.

MOTION: The Quality and Efficient Practices Committee approves the minutes of the Quality and Efficient Practices Committee Meeting of January 24, 2022, as presented.

Moved/Seconded/Roll Call Vote: Ayes: Cabrera, Hernandez Laguna, Miller, Paulo, Singh; Noes: None; Abstentions: None; Absent: Delgado, Radner; Motion Carried.

NUTRITION SERVICES

Jason Giles, Director of Nutrition Services, reported the service goal is to provide healthy, nutritious food to our patients, staff and community while giving the best customer service possible. During the pandemic adjustments were made in the cafeteria for social distance seating, more to-go offerings and increased sanitation practices. Nutrition Services (NS) has successfully embraced room service for patients. Belinda Ruiz, Head Nutrition Services Aide, reported room service includes made-to-order food, expedited delivery (within 30 minutes), customer choice, menu diversity and attractive presentation coupled with the patients' dietary requirements. Michelle Salvador, Nutrition Services Production Manager, reported in 2020 NS embarked on a journey with the Blue Zones Project by adding creative plant-based menu options, fresh whole fruit and side salads for a penny and water replaced soda and sugary beverages in the cafeteria. In June 2021 SVMH became one of the first Blue Zones approved restaurants in Monterey County. NS also helps with national appreciation weeks, pizza parties, milestone anniversary treats, ice cream socials and more. Jason emphasized this has been a team effort with dedicated front-line staff involvement and NS makes a point to celebrate all milestones from 45 years to 1 year.

Michele Averill asked if there has been thought to something other than plastic bottles for water distribution. Jason reported all water is sealed for infection prevention purposes. Boxed water has been researched but is more costly and still needs to be recycled. 8,000 water bottles a week are dispensed in the cafeteria. The plastic bottles NS uses are made from 30-60% recycled materials. Serving trays and paper products are compostable. NS strives to use the most environmentally friendly items possible.

FINANCIAL AND STATISTICAL REVIEW

Augustine Lopez, Chief Financial Officer, provided a financial and statistical performance review for the month ending January 2022. This information was included in the Committee packet

Key highlights of the financial summary for January 2022 were: (1) Income from operations was \$4.4 million with an operating margin of 7.3%, (2) Net income was \$2.4M with a net operating margin of 4.0%; (3) Inpatient gross revenues were favorable to the budget; (4) Emergency Department gross revenues were favorable to the budget; outpatient gross revenues were unfavorable to the budget; (5) Payor mix was unfavorable to the budget; (6) Total net patient revenues were favorable to the budget; outpatient and inpatient surgeries were below budget; (7) Average daily census and total admissions were above budget; (8) Total acute average length of stay (ALOS) was unfavorable to the budget while Medicare traditional ALOS CMI adjusted was favorable; (9) Labor productivity was unfavorable to the budget; contract labor was at its highest to date; (10) Operating revenues were above expenses; (11) Days cash on hand was 379; days of net accounts receivable is 52.

NO PUBLIC INPUT

CLOSED SESSION

Juan Cabrera, Chair, announced that the item to be discussed in Closed Session is *Hearings/Reports – Report of the Medical Staff Quality and Safety Committee*. The meeting was recessed into Closed Session under the Closed Session protocol at 9:10 a.m.

RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Committee reconvened Open Session at 9:28 a.m., Juan Cabrera reported that in Closed Session, the Committee discussed: *Hearings/Reports – Report of the Medical Staff Quality and Safety Committee*. No action was taken in the Closed Session.

ADJOURNMENT

There being no other business, the meeting was adjourned at 9:29 a.m. The March 2022 Quality and Efficient Practices Committee Meeting is scheduled for **Monday, March 21, 2022 at 8:30 a.m.**

Juan Cabrera, Chair,
Quality and Efficient Practices Committee

/KmH

Board Paper: Quality & Efficient Practices Committee

Agenda: Patient Care Services Update
 Executive: Lisa Paulo, MSN/MPA, RN
 Sponsor: Chief Nursing Officer
 Date: March 21, 2022

Pillar/Goal Alignment:

Service People Quality Finance Growth Community

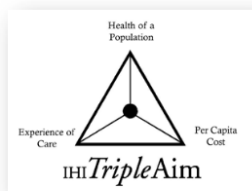
PATIENT EXPERIENCE:

■ TRADITIONAL CUSTOMER SERVICE: THE BUSINESS CASE

- 2008 J.D. Power study revealed hospitals scoring in the top quartile in satisfaction had more than two times the margin of those at the bottom.
- A satisfied patient tells three other people about the positive experience while a dissatisfied patient tells up to 25 people about a less-than-satisfactory experience.
- Models suggest that for every complaint the healthcare organization hears, it could lose up to 18 patients.
- The investments healthcare organizations make in improving the patient experience will be repaid in the new environment of population health management, where coordination, communication and collaboration are rewarded.
- Research has shown that better patient experience correlates with lower medical malpractice risk for physicians and lower staff turnover ratios.
- Hospitals with “excellent” HCAHPS patient ratings between 2008 and 2014 had a net margin of 4.7 percent, on average, as compared to just 1.8 percent for hospitals with “low” ratings.

■ PATIENT EXPERIENCE: THE QUALITY CASE & KEY INFLUENCING AGENCIES

- Institute for Healthcare Improvement (IHI)



- Agency for healthcare Research and Quality (AHRQ)
 - Guide to Patient and Family Engagement: Environmental Scan Report.
 - Funds private research for survey design and evaluation, public reporting and quality assessment & improvement.

- Centers for Medicare & Medicaid Services
 - The Affordable Care Act of 2010, Centers for Medicare & Medicaid Services (CMS) initiated The Hospital Value-Based Purchasing (VBP) Program.
 - Rewards acute-care hospitals across the country with incentive payments for the quality of care provided to the Medicare population.
 - FY2013 Incentive payments to hospitals based on either performance or improvement on each measure, compared to their baseline period.
- The Joint Commission
 - Patient/family engagement is one of the seven foundations identified by The Joint Commission to support safe, quality transitions of care from one setting to another.

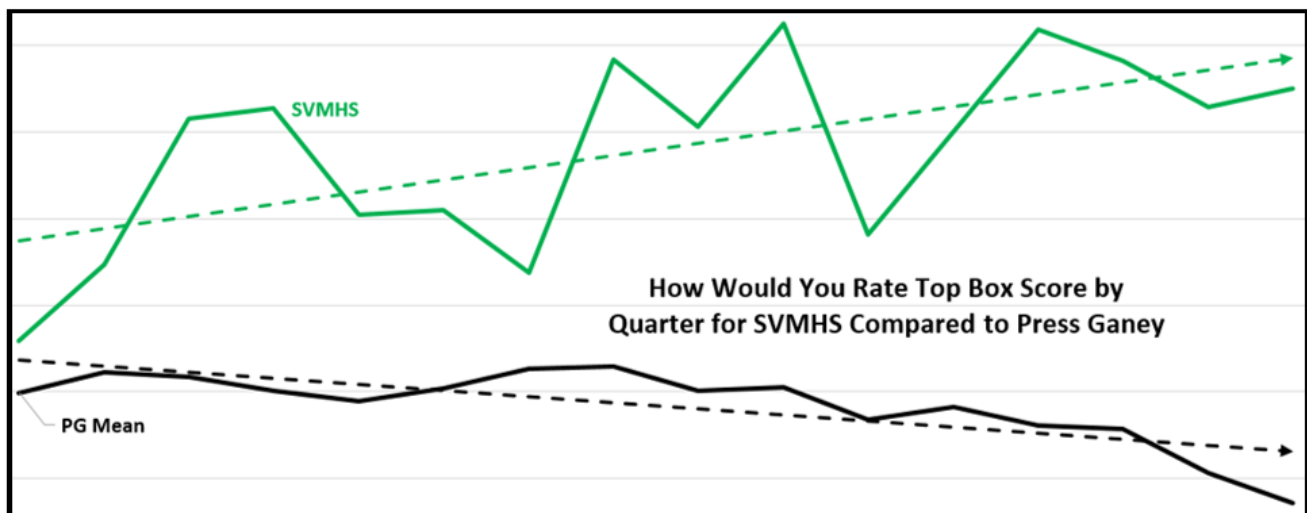
■ **THE QUALITY CASE – WHY DID THEY CARE?**

- 40% of patient deaths are caused by modifiable behavioral issues.
- 49% of patients experience at least one medical error after discharge.
- One in five patients discharged from the hospital suffers an adverse event - half or more of these adverse events are preventable.
- Information transfer and communication deficits at the time of hospital discharge are common, with direct communication between physicians occurring less than 20% of the time.
- Many patients are discharged with test results pending, and left with loose ends after discharge.
- Many patients lack understanding of their hospitalization diagnosis and treatment plans, resulting in patients not being able to care for themselves after discharge.

■ **THE QUALITY CASE – MORE EVIDENCE EMERGED**

- 50% of patients with chronic diseases take just 50% of prescribed doses.
- 50% of patients don't follow referral advice.
- 75% don't keep follow-up appointments.
- Transitions are a high risk for patients in an extremely vulnerable states (potential functional loss, pain, anxiety, or delirium). Studies show that patients in transition risk increased probability of unstable vital signs, medication errors and discrepancies, and recidivism.
- Engaged patients seek information, monitor their wellness, participate in self-care, provide feedback to providers, and are empowered to take greater responsibility for their health.

■ **THE JOURNEY...**



Percentile Ranking	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Rate	47	48	45	72	65	45	54	60	74	77	67	68	60	79	74	84	67	76	85	81	83	85
Comm w/Nurse	37	59	27	38	61	50	51	66	55	61	60	54	53	74	53	66	46	79	62	81	77	77
Responsiveness	51	64	66	56	79	72	65	51	69	56	71	63	51	55	60	84	62	81	70	84	84	82
Cleanliness	48	67	62	71	84	72	71	50	77	68	77	67	72	86	71	84	78	87	83	81	84	90
Quietness	9	13	7	10	20	11	16	2	10	10	28	18	11	14	18	24	32	19	18	10	14	17
Comm a/Meds	61	66	50	42	63	84	43	60	76	80	84	91	68	88	89	92	82	90	88	82	80	94
Discharge Infor	46	37	57	55	52	53	72	44	73	45	56	86	63	77	57	79	62	84	85	87	88	86
Care Transition	50	62	35	57	72	53	60	51	76	69	59	74	56	83	57	73	73	80	87	83	81	87
N Size	453	327	372	305	394	309	302	343	297	336	411	477	586	427	482	465	444	395	367	340	413	367

QUALITY COUNCIL:

Megan Lopez, MSN, RN, CNL, VA-BC & Frances Espino, BSN, RN, CCRN

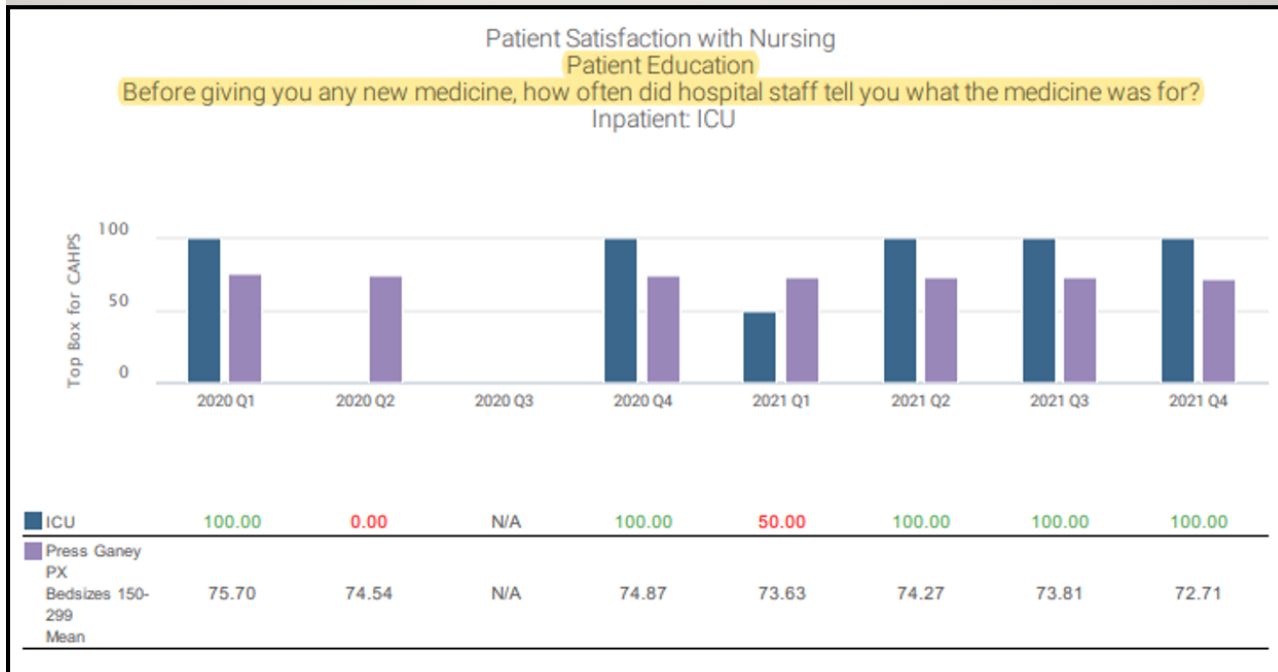
■ AREAS OF FOCUS:

- Patient Experience (PX) Outcomes
 - Patient Feedback from Press Ganey Surveys
 - Organizational PX outcomes and alignment to Quality Council goals
 - Opportunities related to patient comments, complaints and grievances
- Nurse Sensitive Indicators – NDNQI (Falls, infection rates, pressure injuries)
 - Falls Committee
 - Wound Care Committee
 - Stroke, STEMI
 - Infection Prevention
- Peer Feedback Focus-Process/safety measures
- Nursing Engagement Scores
- BSN & Certification Rates

■ COUNCIL PERFORMANCE IMPROVEMENT DATA DISPLAYS:

Data Display for Mar-Aug 2022		Unit: ICU	Peer Feedback Focus: Commit to sit
	Nurse Sensitive Indicator (NSI) Data	Patient Experience (PX) Data	
Area(s) of Excellence	Falls	<p><u>Courtesy & Respect:</u> During your hospital stay, how often did nurses treat you with courtesy and respect? (8/8)</p> <p>ICU is meeting Magnet criteria for all PX domains!</p>	<p>*Peer Feedback is about helping each other learn & grow by helping each other out if we forgot to do something or did something erroneously. It's about working as a team with a common goal of respectful collaboration and quality patient care! ☺</p> <p>Ensure a chair is available in each patient room for nurse to sit (when able) to discuss treatments, meds, plan, etc. with pt/family.</p>
Area(s) of Focus/ Opportunity:	HAPI Stage 2+ and device-related HAPI CAUTI/CLABSI	<p><u>Patient Education:</u> Before giving you any new medicine, how often did hospital staff tell you what the medication was for. (pg. 14)</p> <p><u>Careful Listening:</u> During this hospital stay, how often did nurses listen carefully to you? (pg. 6)</p>	
Goal(s):	Goal: Zero HAPIs and zero device-related HAPIs over the next 2 quarters (per prevalence study data) Goal: Zero CAUTI and zero CLABSI over the next 2 quarters	Goal: Exceed the national benchmark on the above patient experience question(s) over the next 2 quarters	
Strategies/ Interventions:	<ol style="list-style-type: none"> When proning: ensure protective mepilexes to face/ears/other high risk areas as needed (work with RT) Rotate forehead or ear O2 probes q 2 hours. Change clock in Intervention Worklist to set a reminder to rotate the device. Consistently utilize CAUTI/CLABSI bundles 	<ol style="list-style-type: none"> For a&o patients – identify at least one new medication and explain why they are getting it/what it's used for. Ideally, explain any new medication for patients, but also avoid info overload. When available and appropriate, sit down at the patient's bedside to listen to any concerns the patient may have or to deliver any new information/ explain their plan of care. 	
Data:	*See your unit's NSI dashboard (back) & PX graphs	May also view data on STARnet: Shared Governance→Documents→Magnet Data Dashboards or Magnet PX Graphs	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>BSN or higher: Previous → Current</p> <p>Heart Center: 54% → 49%</p> <p>ICU/CCU: 61% → 66%</p> <p>OCU: 68% → 74%</p> <p>1-Main: 70% → 74%</p> <p>5-Tower: 60% → 53%</p> <p>PCR: 62% → 73%</p> <p>Org-Level Goal: 1% increase</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p>Certification Rates: Prev. → Cur.</p> <p>Heart Center: 18% → 12%</p> <p>ICU/CCU: 39% → 42%</p> <p>OCU: 4% → 4%</p> <p>1-Main: 21% → 25%</p> <p>5-Tower: 11% → 14%</p> <p>PCR: 47% → 35%</p> <p>Org-Level Goal: 1% increase</p> </div>
<p>2022 Nurse Satisfaction Focus: I'm involved in quality improvement activities</p> <p>Improvement/Engagement Strategies:</p> <ol style="list-style-type: none"> Follow your UPC on STARnet to receive important announcements, view unit data, and view unit recognitions! Reinforce that being aware of unit data and actively working to improve on focus areas <i>is being involved in quality improvement!</i> Encourage certification! If you are certified, share what you have learned and how it has helped you as a nurse. 			

■ **COUNCIL PATIENT EXPERIENCE BY UNIT TRACKING:**



■ **COUNCIL FALL BY UNIT TRACKING:**

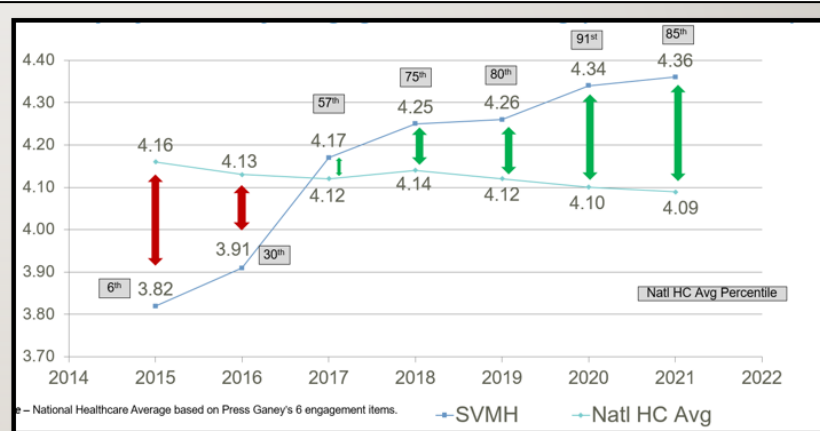
SVMHS Magnet Summary									
Comparison Group for Benchmarks: Bedsize									
All Falls per 1000 Patient Days/ Patient Visits									
Unit	Q1-2020	Q2-2020	Q3-2020	Q4-2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Score
1 Main	0.00	2.87	1.75	1.14	1.23	0.00	1.20	1.75	8 /8
ICU	0.00	1.63	0.00	0.00	0.00	0.00	0.00	0.00	7 /8
HC	2.57	2.62	0.88	0.88	3.65	0.00	1.84	0.00	7 /8
5T Tele	3.19	0.00	0.00	0.00	0.00	2.21	1.23	1.48	7 /8
OBS/OCU	1.24	0.00	4.56	2.45	2.79	1.27	3.57	1.93	5 /8
MS1/3M	2.72	1.56	1.27	1.74	3.02	0.00	0.59	1.06	8 /8
MS2/3T	0.00	0.00	1.70	3.68	0.00	1.26	0.00	0.00	7 /8
ONS/4M	2.83	2.71	1.40	2.57	3.11	1.44	0.67	1.86	7 /8
ONC/4T	3.56	1.26	0.00	0.00	0.00	1.21	0.00	2.13	7 /8
NICU	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8 /8
Peds	0.00	3.21	0.00	0.00	0.00	2.86	2.48	0.00	5 /8
MB	0.00	0.66	0.00	0.00	0.78	0.74	0.70	0.71	3 /8
% of units meeting or exceeding the benchmark in ≥ 5/8 quarters:									91.67%

COUNCIL IMPACT... EMPLOYEE ENGAGEMENT (EE):

ANCC Category Scores by Work Units

ANCC Category*	Percent of Units Above July 2021 Natl Avgs	Number of Units Outperforming July 2021 Natl Avgs
Adequacy of Resources & Staffing	95.65%	22 out of 23
Fundamentals of Quality Nursing Care	95.65%	22 out of 23
Professional Development	86.96%	20 out of 23
Interprofessional Relationships	78.26%	18 out of 23
Leadership Access and Responsiveness	78.26%	18 out of 23
RN to RN Teamwork and Collaboration	73.91%	17 out of 23
Autonomy	69.57%	16 out of 23

*Seven of Seven ANCC Categories have over 50% of units outperforming the national benchmarks.
 Percent of units above benchmark includes All Clinical RNs, RNs w/ <50% of Direct Patient Care, and Nurse Managers



7 of 7 Categories have over 50% outperforming units

COUNCIL EE TRACKING

SVMHS EE TRACKING

COUNCIL IMPACT... HOSPITAL ACQUIRED CONDITIONS (HAC):

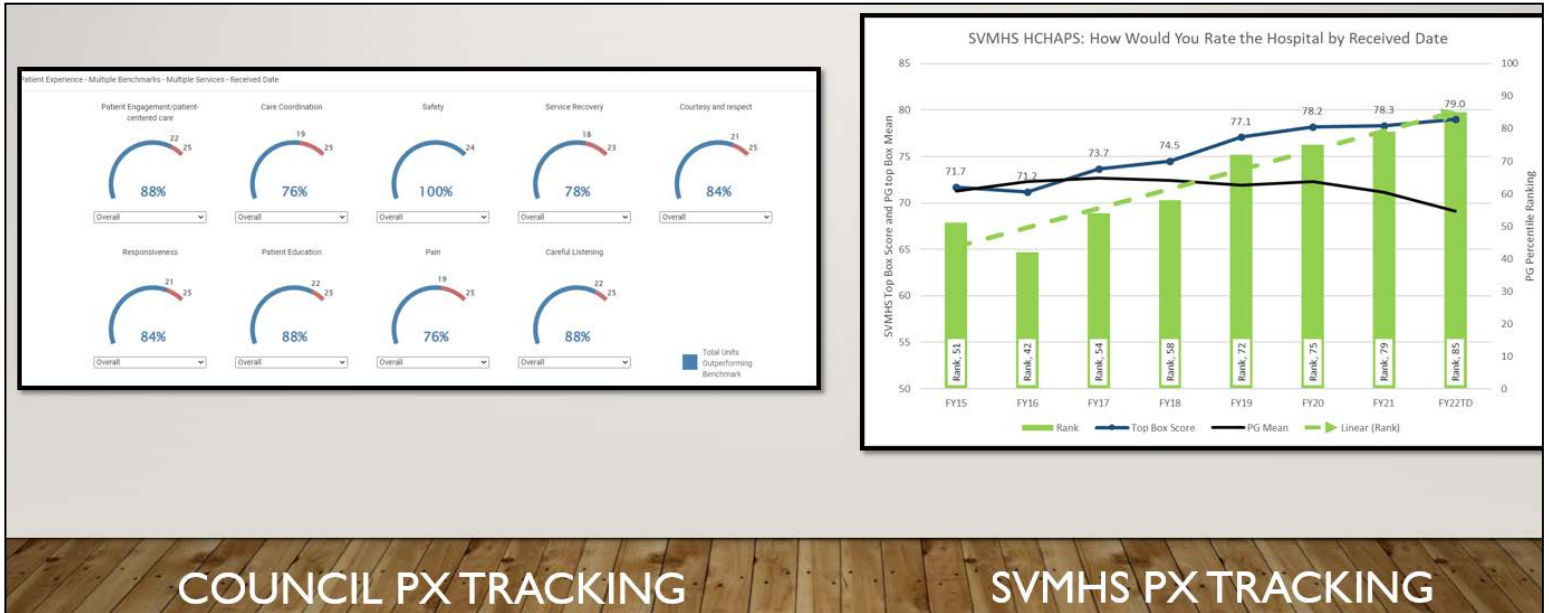


Organizations Goals by Pillar	FY 2022 Act/Ped	TARGET	Var %
Hospital Acquired Conditions			
CLABSI SR (Standard Infection Ratio)	0.31	0.30	-4.5%
# of CLABSI EVENTS			
CAUTI SR (Standard Infection Ratio)	0.31	0.47	36.1%
# of CAUTI EVENTS			
CDI SR (Standard Infection Ratio)	0.41	0.46	9.3%
# of CDI EVENTS			
Hospital Acquired Conditions Average	0.34	0.41	16.8%
Hand Hygiene (Percentage of successful Hand Hygiene observations)	88.0%	76.0%	17.3%

COUNCIL HAC TRACKING

SVMHS HAC TRACKING

■ **COUNCIL IMPACT... PATIENT EXPERIENCE**



COUNCIL PX TRACKING

SVMHS PX TRACKING

■ **WHAT WE DO WITH THE DISPLAYS...**

- Every 6 months, data displays are updated by Quality Champions from each unit/cluster (UPCs)
- Each unit then decide what strategies or interventions their unit will use to improve their outcomes
- Constant assessing, reassessing and intervening to better our patient care and outcomes

■ **QUALITY COUNCIL UPDATES:**

- A new project coming through the Quality Council will be the implementation of Hand Hygiene audit practices for all bedside nursing staff.
- New in 2022- updates from Disease Specific Care coordinators
 - Stroke, STEMI, Joint
- Reducing the number of interventions to allow for more specific and targeted goals.

Financial Performance Review

February 2022

Augustine Lopez
Chief Financial Officer



Consolidated Financial Summary

For the Month of February 2022

Profit/Loss Statement

\$ in Millions	For the Month of February 2022				
			Variance fav (unfav)		
	Actual	Budget	\$VAR	%VAR	
Operating Revenue	\$ 64.2	\$ 49.8	\$ 14.4	28.9%	
Operating Expense	\$ 55.2	\$ 48.7	\$ (6.5)	-13.3%	
Income from Operations*	\$ 9.0	\$ 1.1	\$ 7.9	718.2%	
<i>Operating Margin %</i>	14.0%	2.0%	12.0%	600.00%	
Non Operating Income**	\$ (2.0)	\$ 1.1	\$ (3.1)	-281.8%	
Net Income	\$ 7.0	\$ 2.2	\$ 4.8	218.2%	
<i>Net Income Margin %</i>	10.9%	4.2%	6.7%	159.5%	

*** Income from Operations includes:**

\$3.9M Hospital Quality Assurance Fee (CY 2021)

**Non-operating income was below budget predominately due to mark-to-market adjustments in investment portfolios.

Consolidated Financial Summary

For the Month of February 2022 - Normalized

Profit/Loss Statement

\$ in Millions	For the Month of February 2022					
			Variance fav (unfav)			
	Actual	Budget	\$VAR	%VAR		
Operating Revenue	\$ 60.3	\$ 49.8	\$ 10.5	21.1%		
Operating Expense	\$ 55.2	\$ 48.7	\$ (6.5)	-13.3%		
Income from Operations	\$ 5.1	\$ 1.1	\$ 4.0	363.6%		
<i>Operating Margin %</i>	8.5%	2.0%	6.5%	325.0%		
Non Operating Income	\$ (2.0)	\$ 1.1	\$ (3.1)	-281.8%		
Net Income	\$ 3.1	\$ 2.2	\$ 0.9	40.9%		
<i>Net Income Margin %</i>	5.1%	4.2%	0.9%	21.4%		

Operating Performance highlights:

- Total Net Revenues were \$10.5M (21%) above budget
- Very strong Inpatient and Outpatient activity for the month
- Admissions and ADC were both above budget by 13%
- The average revenue collection rate was 4.0% favorable to budget
- Inpatient Surgeries were 30% above budget

The above was partially offset by the following:

- The Contract labor was at a record high at \$3.2M coupled with high utilization of overtime which was needed to support the continued high amount of COVID patient activity and acuity
- FTE's on a unit by unit level were 31 over budget to support increased patient acuity and Covid patients

Consolidated Financial Summary

Year-to-Date February 2022

Profit/Loss Statement

\$ in Millions	FY 2022 YTD February				
	Actual		Budget		Variance fav (unfav)
				\$VAR	%VAR
Operating Revenue	\$ 463.4	\$ 419.3	\$	44.1	10.5%
Operating Expense	\$ 423.1	\$ 410.3	\$	(12.8)	-3.1%
Income from Operations*	\$ 40.3	\$ 9.0	\$	31.3	347.8%
Operating Margin %	8.7%	2.1%		6.6%	314.3%
Non Operating Income**	\$ (1.4)	\$ 8.7	\$	(10.1)	-116.1%
Net Income	\$ 38.9	\$ 17.7	\$	21.2	119.8%
Net Income Margin %	8.4%	4.2%		4.2%	100.0%

*** Income from Operations includes:**

\$1.9M AB113 Intergovernmental Transfer Payment (FY 20-21)

<\$1.0M> Medi-Cal Cost Report Final Settlement (FY18)

\$0.5M AB113 Intergovernmental Transfer Payment (FY 19-20)

\$3.9M Hospital Quality Assurance Fee (CY 2021)

\$5.3M Total Normalizing Items, Net

**** Non Operating Income includes:**

\$1.1M Doctors on Duty Forgiven Paycheck Protection Program Loan

Consolidated Financial Summary

Year-to-Date February 2021 - Normalized

Profit/Loss Statement

\$ in Millions	FY 2022 YTD February					
			Variance fav (unfav)			
	Actual	Budget	\$VAR	%VAR		
Operating Revenue	\$ 458.2	\$ 419.3	\$ 38.9	9.3%		
Operating Expense	\$ 423.1	\$ 410.3	\$ (12.8)	-3.1%		
Income from Operations	\$ 35.1	\$ 9.0	\$ 26.1	290.0%		
<i>Operating Margin %</i>	7.7%	2.1%	5.6%	266.7%		
Non Operating Income	\$ (2.5)	\$ 8.7	\$ (11.2)	-128.7%		
Net Income	\$ 32.6	\$ 17.7	\$ 14.9	84.2%		
<i>Net Income Margin %</i>	7.2%	4.2%	3.0%	71.4%		

SVMH Financial Highlights February 2022

Gross Revenues were favorable

- **Gross Revenues** were 14% favorable to budget
- **IP gross revenues** were 17% favorable to budget
- **ED gross revenues** were 20% above budget
- **OP gross revenues** were 8% favorable to budget in the following areas:

- Infusion Therapy
- Other OP Pharmacy
- Surgery
- Cardiology
- Radiology
- Other OP Services

- **Commercial:** 3% above budget
- **Medicaid:** 2% below budget
- **Medicare:** 34% above budget

Payor Mix – unfavorable to budget

Total Normalized Net Patient Revenues were \$51.8M, which was favorable to budget by \$9.4M or 22%

Financial Summary – February 2022



1) Higher than expected Inpatient business:

- Average daily census was at 129, 13% above budget of 115

2) Total admissions were 13% (99 admits) above budget

- ER admissions were 11% above budget (62 admits)
- ER admissions (including OB ED) were 84% of total acute admissions

3) ER Outpatient visits were above budget by 23% (616 visits)

4) Inpatient Surgeries cases were 30% (38 cases) above budget predominately in General Surgery, Cardiovascular and Gynecology

5) Higher than expected Outpatient business:

- Predominantly due to higher than expected volumes in Infusion Therapy, Cardiology, Radiology, and Other Outpatient Services

6) Medicare Traditional ALOS CMI adjusted 7% favorable at 2.3 days with a Case Mix Index of 2.0



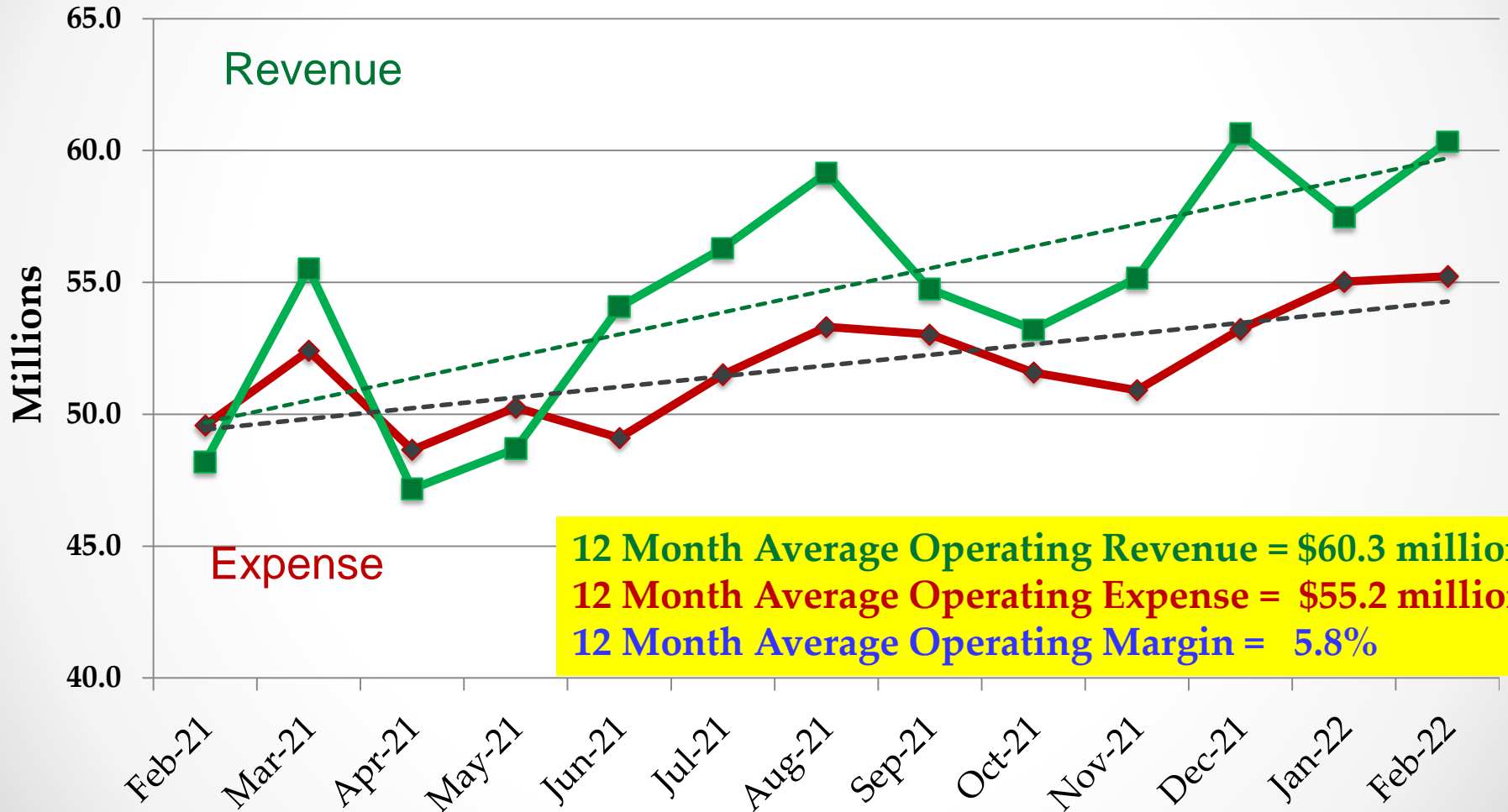
7) Outpatient Surgeries were 9% (25 cases) below budget

8) Deliveries were 2% (2 deliveries) below budget at 128

9) OP Observation cases were 9% (13 cases) above budget at 131

SVMHS Operating Revenues & Expenses (Normalized)

Rolling 12 Months: February 21 to February 22



12 Month Average Operating Revenue = \$60.3 million
12 Month Average Operating Expense = \$55.2 million
12 Month Average Operating Margin = 5.8%

SVMHS Key Financial Indicators

Statistic	YTD	SVMHS		S&P A+ Rated		YTD	
	Feb-22	Target	+/-	Hospitals	+/-	Feb-21	+/-
Operating Margin*	7.7%	9.0%		4.0%		6.4%	
Total Margin*	7.2%	10.8%		6.6%		8.6%	
EBITDA Margin**	11.7%	13.4%		13.6%		10.5%	
Days of Cash*	376	305		249		344	
Days of Accounts Payable*	46	45		-		46	
Days of Net Accounts Receivable***	52	45		49		55	
Supply Expense as % NPR	12.8%	15.0%		-		12.9%	
SWB Expense as % NPR	50.5%	53.0%		53.7%		53.5%	
Operating Expense per APD*	6,321	4,992		-		6,248	

*These metrics have been adjusted for normalizing items

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

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

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

QUESTIONS / COMMENTS

PUBLIC INPUT

CLOSED SESSION

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

*RECONVENE OPEN SESSION/
REPORT ON CLOSED SESSION*

*ADJOURNMENT – THE APRIL 2022
QUALITY AND EFFICIENT
PRACTICES COMMITTEE MEETING IS
SCHEDULED FOR MONDAY,
APRIL 25, 2022, AT 8:30 A.M.*