



TAHOE FOREST HOSPITAL DISTRICT

# Special Meeting of the Board of Directors

Jun 18, 2015 at 03:00 PM - 06:00 PM

Eskridge Conference Room



# SPECIAL MEETING OF THE BOARD OF DIRECTORS OF TAHOE FOREST HOSPITAL DISTRICT

## Revised AGENDA

Thursday, June 18, 2015 at 3:00 p.m.  
Eskridge Conference Room,  
Tahoe Forest Hospital, 10121 Pine Avenue, Truckee, CA

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA** ◆

**4. INPUT – AUDIENCE**

This is an opportunity for members of the public to address the Board on items which are or are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Board cannot take action on any item not on the agenda. The Board may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

**5. INPUT FROM EMPLOYEE ASSOCIATIONS**

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

**6. CLOSED SESSION:**

**6.1.** Government Code Section 54956.8: Conference with Real Property Negotiator(s), agency designated representatives: Rick McConn; negotiating party: David G. Kitts MD, Inc.

**7. OPEN SESSION:**

**8. CONSENT CALENDAR** ◆

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

**8.1.** Resolution Authorizing The Purchase Of Medical Office Building Condominium Unit #210, 10956 Donner Pass Road, Truckee, California And Authorizing A Signatory On Behalf Of The District..... ATTACHMENT

**9. ITEMS FOR BOARD DISCUSSION AND ACTION** ◆

- 9.1.** Approval of TFHD Budget FY 2016..... ATTACHMENT
- 9.2.** Approval of TFHD Rate Increase Proposal..... ATTACHMENT
- 9.3.** Approval of TFHD 3 Year Capital Plan – FY 17-19..... ATTACHMENT

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

**11. ITEMS FOR NEXT MEETING**

**12. BOARD MEMBERS REPORTS/CLOSING REMARKS**

**13. MEETING EFFECTIVENESS ASSESSMENT..... ATTACHMENT**

The Board will identify and discuss any occurrences during the meeting that impacted the effectiveness and value of the meeting.

**14. ADJOURN**

*The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is June 30, 2015, 11603 Donner Pass Rd., Truckee, CA. A copy of the Board meeting agenda is posted on the District's web site ([www.tfhd.com](http://www.tfhd.com)) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting.*

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

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

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



## Board Executive Summary

**By: Patricia Barrett**  
Clerk of the Board

**DATE:** June 15, 2015

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### **ISSUE:**

To close on the purchase of Dr Kitts' unit in the Medical Office Building (MOB), the title company needs to see the minutes or a resolution that authorized the purchase agreement and providing authority to Rick McConn to act as the signatory.

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### **BACKGROUND:**

In closed session the Board took action to appoint Rick McConn as the MOB Real Property Negotiator as noted in the report out of the action referenced below.

*ACTION: Motion made by Director Zipkin, seconded by Director Jellinek, to designate Rick McConn as Medical Office Building Suite 210 Real Property Negotiator. Roll call vote taken. Approved unanimously.*

During the Closed Session of the March 31, 2015 regular meeting of the Board of Directors the Board provided further direction and authority to Mr. McConn related to this negotiation.

In order to address the needs of the title company, a resolution is required to confirm the Board's approval to enter into the Purchase and Sale Agreement and to authorize the District's Chief Facilities Development, Rick McConn, to execute and deliver all necessary documents to complete the purchase of said MOBC Unit.

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### **ACTION REQUESTED:**

Approval of the draft resolution 2015-03 Authorizing The Purchase Of Medical Office Building Condominium Unit #210, 10956 Donner Pass Road, Truckee, California And Authorizing A Signatory On Behalf Of The District.

### **Alternatives:**

Delay in closing to allow for a formal report out in open session to occur and minutes to be provided to the title company in lieu of the proposed resolution.

**TAHOE FOREST HOSPITAL DISTRICT  
RESOLUTION NO. 2015-\_\_\_\_\_**

**AUTHORIZING THE PURCHASE OF MEDICAL OFFICE BUILDING CONDOMINIUM  
UNIT #210, 10956 DONNER PASS ROAD, TRUCKEE, CALIFORNIA  
AND  
AUTHORIZING A SIGNATORY ON BEHALF OF THE DISTRICT**

WHEREAS, on \_\_\_\_\_ date the District’s Board of Directors determined it would be in the best interests of the District to purchase the Medical Office Building Condominium Unit #210, 10956 Donner Pass Road, Truckee, California (“MOBC”), from Dr. Kitts;

WHEREAS, pursuant to such action by the Board of Directors, the district entered into that certain Purchase and Sale Agreement by and between Tahoe Forest Hospital District and Dr. Kitts, dated \_\_\_\_\_ for the purchase of said MOBC Unit #210, attached hereto as Exhibit A;

WHEREAS, it is necessary to confirm and ratify the decision of the District’s Board of Directors to enter into the Purchase and Sale Agreement through the adoption of a resolution, and to authorize the District’s Chief-Facilities Development, Rick McConn, to execute and deliver all necessary documents to complete the purchase of said MOBC Unit.

NOW, THEREFORE BE IT RESOLVED, by the Tahoe Forest Hospital District Board of Directors as follows:

1. The above recitals are true and correct.
2. The District’s Chief-Facilities Development, Rick McConn, is authorized and directed to execute and deliver all documents necessary to complete the purchase of Dr. Kitt’s MOB Unit #210.

Passed and adopted this \_\_\_\_ day of June, 2015 at a meeting of the Board of Directors of Tahoe Forest Hospital District by the following vote:

AYES: \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
          \_\_\_\_\_, \_\_\_\_\_  
NOES: \_\_\_\_\_, \_\_\_\_\_  
ABSENT: \_\_\_\_\_, \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_, \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_, Board Clerk

**Tahoe Forest Hospital District  
Strategic Plan, Operating & Capital Budget, and Financial Forecasts  
Fiscal Year 2016**

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**Tahoe Forest Hospital District  
Strategic Plan, Operating & Capital Budget, and Financial Forecasts  
Fiscal Year 2016**

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**Tahoe Forest Hospital District  
Strategic Plan, Operating and Capital Budget, and Financial Forecasts  
Fiscal Year 2015-16**

**Executive Summary**

The operating and capital budget for Fiscal Year (FY) 2015-16 was prepared in collaboration with the Administrative Council and the Department Directors of Tahoe Forest Hospital District (TFHD). The budget assumptions, which follow this executive summary, were the guidelines the Finance Department used in building this budget.

FY 2014-15 was another challenging year for TFHD. Management focused on effectively controlling operating expenses, while navigating through a terrible winter season, all in an effort to balance the TFHD's financial position. The year was plagued by multiple challenges in market conditions. Notwithstanding the dismal winter season, our market began to realize the impact of the second year implementation of the Affordable Care Act with the continuation of both the California and Nevada Insurance Exchanges, as well as the expansion of the California MediCal program, and its transition to MediCal managed care. Statewide, Tahoe Forest and similar hospitals with Distinct Part Skilled Nursing Facilities (DP/NF) worked diligently to mitigate the threat of retroactive reimbursement reductions, and are still faced with these threats in FY 2015-16.

Management also continues to see significant changes to the organization's payor mix, driven primarily by the Insurance Exchanges, MediCal expansion, and aging population utilizing Medicare. We will continue to feel pressure from various insurance companies to renegotiate our payor contracts driving down our levels of reimbursement. Management will continue to push back to try to maintain successfully negotiated contracts with maximum reimbursement levels, inclusive of the products offered on the State Exchanges (California and Nevada), as well as with the California MediCal managed care plans and Nevada Medicaid payors.

Multiple departments worked together to deploy and implement the software and hardware changes required to meet the Meaningful Use Stage 1 requirements. TFHD will meet all the required metrics and attest as a meaningful user by June 30, 2015. TFHD has been preparing for the coming change from ICD-9 to ICD-10 by upgrading and testing our current systems that will be affected by this change, and also training physicians and staff for the new changes. Many upgrades to our network and wireless infrastructure were successfully deployed in FY 2014-15 preparing our District in meeting future security and stability requirements. TFHD commissioned an outside security audit of our network and data repositories and will be refining the remediation plan for the findings in FY 2015-16. The phone system for the District was also upgraded to the most current software version and measures were implemented to install redundancy in the system.

TFHD is in the planning stages to meet Meaningful Use Stage 2 and we are currently performing market research into the long term application of our hospital's electronic health record (EHR) as directed by the strategic plan. We will have a recommendation on how to proceed in the first quarter of FY 2015-16. New systems that will be implemented in the coming year will be a secure identification system for our patients, a new mobile application aimed at improved wellness and health status, computer aided coding, voice recognition, denials management, payment estimation and authorizations.



The Tahoe Forest Hospital Facilities Development Plan continues to be executed within the general board approved budgets for each project. During 2014-15, we were able to occupy the new emergency department and sterile processing expansions, the interim birthing area in the Western Addition, and initiate the final phase of the Measure C projects with the demolition of 1952 building and beginning construction of the Women and Family Center. However, TFHD may be challenged by the Office of Statewide Planning and Development (OSHPD) in regards to requirements imposed on us after the new Women and Family Center is complete, and the interim birthing area is vacated. The estimated costs of these potential requirements are approximately \$1 million.

The 2015-16 fiscal year is an aggressive year. Management is projecting earnings from operations (EBIDA) of only around \$2 million and a drop in cash reserves of approximately \$1.4 million, however, the day's cash on hand target remains at 157 days due to a reduction in our expense per day. Management is projecting \$8.5 million in favorable cash flow from operations, philanthropic activities and property tax revenues.


The largest impact on cash is the exceptional number of capital projects that are scheduled to be staged during the fiscal year. The scope of projects includes the continuation of information system transitions, funding of personal property for Measure C project occupancies, installation of the surgical lights and booms, replacement of the nurse call system, and significant projects for Incline Village Community Hospital. The IVCH projects include the replacement of the siding, enhancements to the HVAC system for the isolation room, second floor upgrades that will be funded by donor support, replacing the 30 year old chiller system, and replacing a portion of the roof. Just these noted capital projects exceed over \$6.5 million in capital investment for the District.

Combined with the phase-in of the third year of the Affordable Care Act and the predictable pressure on shifting payor reimbursements associated with the new large deductible commercial products, management will continue its efforts to reduce overall operating expense to maintain level operating margins.

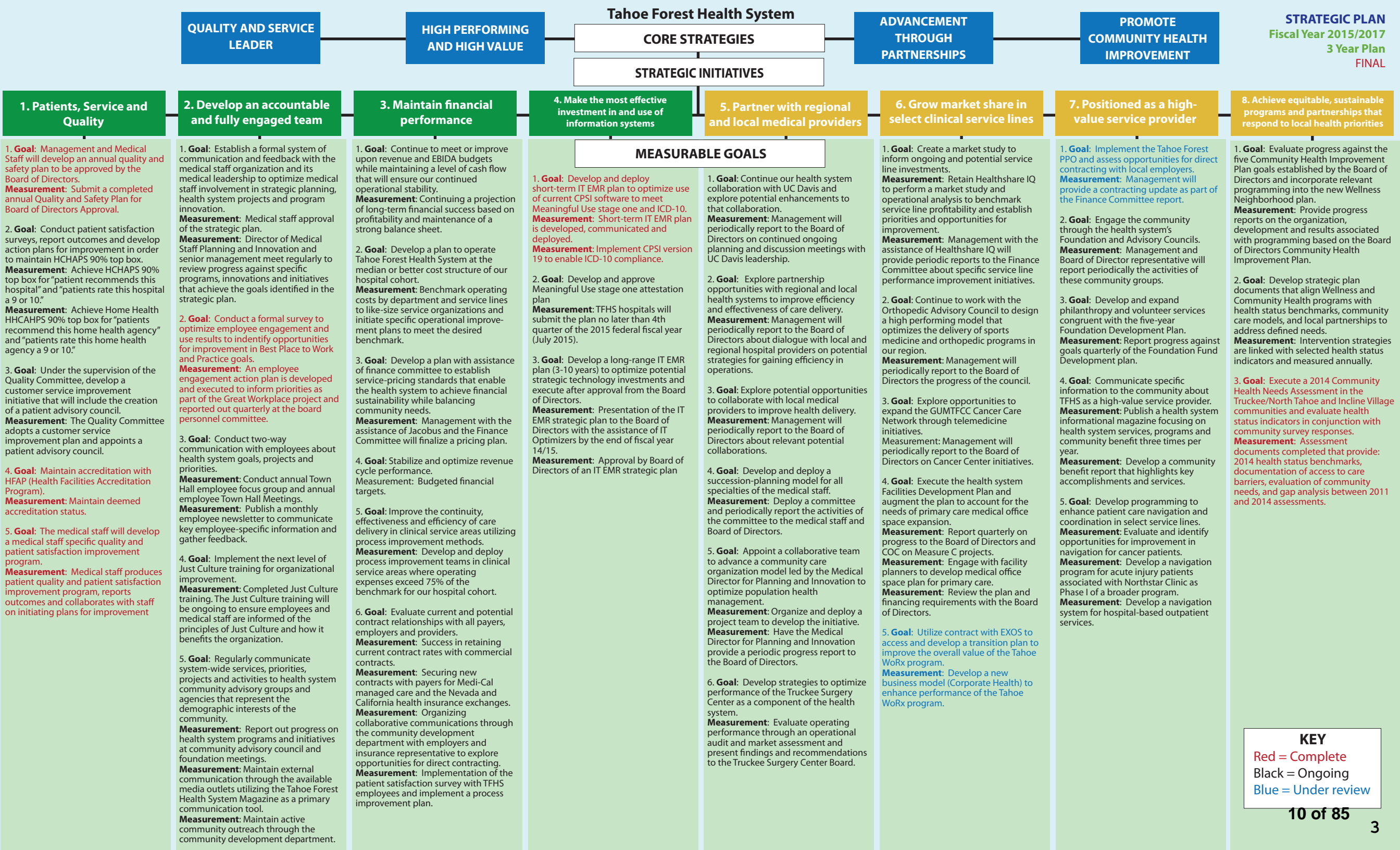
Our budget assumptions for FY 2015-16 have been carefully constructed to balance key investments with a conservative approach to the maintenance of our strong, yet fragile capital structure. To complement this approach, management will continue to take an aggressive and proactive position on managing controllable expenses in FY 2015-16 to assure that we are able to balance our budget in this dynamic era of health reform. Balance sheet management and organization redesign will continue to be dominant themes as we lead our health system through these challenging times.

Respectfully submitted,

  
\_\_\_\_\_  
Jake Dorst  
Interim Chief Executive Officer

  
\_\_\_\_\_  
Crystal Betts  
Chief Financial Officer

June 18, 2015



**QUALITY AND SERVICE LEADER**

**HIGH PERFORMING AND HIGH VALUE**

**Tahoe Forest Health System**  
**CORE STRATEGIES**  
**STRATEGIC INITIATIVES**

**ADVANCEMENT THROUGH PARTNERSHIPS**

**PROMOTE COMMUNITY HEALTH IMPROVEMENT**

**1. Patients, Service and Quality**

**1. Goal:** Management and Medical Staff will develop an annual quality and safety plan to be approved by the Board of Directors.  
**Measurement:** Submit a completed annual Quality and Safety Plan for Board of Directors Approval.

**2. Goal:** Conduct patient satisfaction surveys, report outcomes and develop action plans for improvement in order to maintain HCHAPS 90% top box.  
**Measurement:** Achieve HCHAPS 90% top box for "patient recommends this hospital" and "patients rate this hospital a 9 or 10."  
**Measurement:** Achieve Home Health HHCAHPS 90% top box for "patients recommend this home health agency" and "patients rate this home health agency a 9 or 10."

**3. Goal:** Under the supervision of the Quality Committee, develop a customer service improvement initiative that will include the creation of a patient advisory council.  
**Measurement:** The Quality Committee adopts a customer service improvement plan and appoints a patient advisory council.

**4. Goal:** Maintain accreditation with HFAP (Health Facilities Accreditation Program).  
**Measurement:** Maintain deemed accreditation status.

**5. Goal:** The medical staff will develop a medical staff specific quality and patient satisfaction improvement program.  
**Measurement:** Medical staff produces patient quality and patient satisfaction improvement program, reports outcomes and collaborates with staff on initiating plans for improvement

**2. Develop an accountable and fully engaged team**

**1. Goal:** Establish a formal system of communication and feedback with the medical staff organization and its medical leadership to optimize medical staff involvement in strategic planning, health system projects and program innovation.  
**Measurement:** Medical staff approval of the strategic plan.  
**Measurement:** Director of Medical Staff Planning and Innovation and senior management meet regularly to review progress against specific programs, innovations and initiatives that achieve the goals identified in the strategic plan.

**2. Goal:** Conduct a formal survey to optimize employee engagement and use results to identify opportunities for improvement in Best Place to Work and Practice goals.  
**Measurement:** An employee engagement action plan is developed and executed to inform priorities as part of the Great Workplace project and reported out quarterly at the board personnel committee.

**3. Goal:** Conduct two-way communication with employees about health system goals, projects and priorities.  
**Measurement:** Conduct annual Town Hall employee focus group and annual employee Town Hall Meetings.  
**Measurement:** Publish a monthly employee newsletter to communicate key employee-specific information and gather feedback.

**4. Goal:** Implement the next level of Just Culture training for organizational improvement.  
**Measurement:** Completed Just Culture training. The Just Culture training will be ongoing to ensure employees and medical staff are informed of the principles of Just Culture and how it benefits the organization.

**5. Goal:** Regularly communicate system-wide services, priorities, projects and activities to health system community advisory groups and agencies that represent the demographic interests of the community.  
**Measurement:** Report out progress on health system programs and initiatives at community advisory council and foundation meetings.  
**Measurement:** Maintain external communication through the available media outlets utilizing the Tahoe Forest Health System Magazine as a primary communication tool.  
**Measurement:** Maintain active community outreach through the community development department.

**3. Maintain financial performance**

**1. Goal:** Continue to meet or improve upon revenue and EBIDA budgets while maintaining a level of cash flow that will ensure our continued operational stability.  
**Measurement:** Continuing a projection of long-term financial success based on profitability and maintenance of a strong balance sheet.

**2. Goal:** Develop a plan to operate Tahoe Forest Health System at the median or better cost structure of our hospital cohort.  
**Measurement:** Benchmark operating costs by department and service lines to like-size service organizations and initiate specific operational improvement plans to meet the desired benchmark.

**3. Goal:** Develop a plan with assistance of finance committee to establish service-pricing standards that enable the health system to achieve financial sustainability while balancing community needs.  
**Measurement:** Management with the assistance of Jacobus and the Finance Committee will finalize a pricing plan.

**4. Goal:** Stabilize and optimize revenue cycle performance.  
**Measurement:** Budgeted financial targets.

**5. Goal:** Improve the continuity, effectiveness and efficiency of care delivery in clinical service areas utilizing process improvement methods.  
**Measurement:** Develop and deploy process improvement teams in clinical service areas where operating expenses exceed 75% of the benchmark for our hospital cohort.

**6. Goal:** Evaluate current and potential contract relationships with all payers, employers and providers.  
**Measurement:** Success in retaining current contract rates with commercial contracts.  
**Measurement:** Securing new contracts with payers for Medi-Cal managed care and the Nevada and California health insurance exchanges.  
**Measurement:** Organizing collaborative communications through the community development department with employers and insurance representative to explore opportunities for direct contracting.  
**Measurement:** Implementation of the patient satisfaction survey with TFHS employees and implement a process improvement plan.

**4. Make the most effective investment in and use of information systems**

**1. Goal:** Develop and deploy short-term IT EMR plan to optimize use of current CPSI software to meet Meaningful Use stage one and ICD-10.  
**Measurement:** Short-term IT EMR plan is developed, communicated and deployed.  
**Measurement:** Implement CPSI version 19 to enable ICD-10 compliance.

**2. Goal:** Develop and approve Meaningful Use stage one attestation plan  
**Measurement:** TFHS hospitals will submit the plan no later than 4th quarter of the 2015 federal fiscal year (July 2015).

**3. Goal:** Develop a long-range IT EMR plan (3-10 years) to optimize potential strategic technology investments and execute after approval from the Board of Directors.  
**Measurement:** Presentation of the IT EMR strategic plan to the Board of Directors with the assistance of IT Optimizers by the end of fiscal year 14/15.  
**Measurement:** Approval by Board of Directors of an IT EMR strategic plan

**5. Partner with regional and local medical providers**

**1. Goal:** Continue our health system collaboration with UC Davis and explore potential enhancements to that collaboration.  
**Measurement:** Management will periodically report to the Board of Directors on continued ongoing planning and discussion meetings with UC Davis leadership.

**2. Goal:** Explore partnership opportunities with regional and local health systems to improve efficiency and effectiveness of care delivery.  
**Measurement:** Management will periodically report to the Board of Directors about dialogue with local and regional hospital providers on potential strategies for gaining efficiency in operations.

**3. Goal:** Explore potential opportunities to collaborate with local medical providers to improve health delivery.  
**Measurement:** Management will periodically report to the Board of Directors about relevant potential collaborations.

**4. Goal:** Develop and deploy a succession-planning model for all specialties of the medical staff.  
**Measurement:** Deploy a committee and periodically report the activities of the committee to the medical staff and Board of Directors.

**5. Goal:** Appoint a collaborative team to advance a community care organization model led by the Medical Director for Planning and Innovation to optimize population health management.  
**Measurement:** Organize and deploy a project team to develop the initiative.  
**Measurement:** Have the Medical Director for Planning and Innovation provide a periodic progress report to the Board of Directors.

**6. Goal:** Develop strategies to optimize performance of the Truckee Surgery Center as a component of the health system.  
**Measurement:** Evaluate operating performance through an operational audit and market assessment and present findings and recommendations to the Truckee Surgery Center Board.

**6. Grow market share in select clinical service lines**

**1. Goal:** Create a market study to inform ongoing and potential service line investments.  
**Measurement:** Retain Healthshare IQ to perform a market study and operational analysis to benchmark service line profitability and establish priorities and opportunities for improvement.  
**Measurement:** Management with the assistance of Healthshare IQ will provide periodic reports to the Finance Committee about specific service line performance improvement initiatives.

**2. Goal:** Continue to work with the Orthopedic Advisory Council to design a high performing model that optimizes the delivery of sports medicine and orthopedic programs in our region.  
**Measurement:** Management will periodically report to the Board of Directors the progress of the council.

**3. Goal:** Explore opportunities to expand the GUMTFCC Cancer Care Network through telemedicine initiatives.  
**Measurement:** Management will periodically report to the Board of Directors on Cancer Center initiatives.

**4. Goal:** Execute the health system Facilities Development Plan and augment the plan to account for the needs of primary care medical office space expansion.  
**Measurement:** Report quarterly on progress to the Board of Directors and COC on Measure C projects.  
**Measurement:** Engage with facility planners to develop medical office space plan for primary care.  
**Measurement:** Review the plan and financing requirements with the Board of Directors.

**5. Goal:** Utilize contract with EXOS to access and develop a transition plan to improve the overall value of the Tahoe WoRx program.  
**Measurement:** Develop a new business model (Corporate Health) to enhance performance of the Tahoe WoRx program.

**7. Positioned as a high-value service provider**

**1. Goal:** Implement the Tahoe Forest PPO and assess opportunities for direct contracting with local employers.  
**Measurement:** Management will provide a contracting update as part of the Finance Committee report.

**2. Goal:** Engage the community through the health system's Foundation and Advisory Councils.  
**Measurement:** Management and Board of Director representative will report periodically the activities of these community groups.

**3. Goal:** Develop and expand philanthropy and volunteer services congruent with the five-year Foundation Development Plan.  
**Measurement:** Report progress against goals quarterly of the Foundation Fund Development plan.

**4. Goal:** Communicate specific information to the community about TFHS as a high-value service provider.  
**Measurement:** Publish a health system informational magazine focusing on health system services, programs and community benefit three times per year.  
**Measurement:** Develop a community benefit report that highlights key accomplishments and services.

**5. Goal:** Develop programming to enhance patient care navigation and coordination in select service lines.  
**Measurement:** Evaluate and identify opportunities for improvement in navigation for cancer patients.  
**Measurement:** Develop a navigation program for acute injury patients associated with Northstar Clinic as Phase I of a broader program.  
**Measurement:** Develop a navigation system for hospital-based outpatient services.

**8. Achieve equitable, sustainable programs and partnerships that respond to local health priorities**

**1. Goal:** Evaluate progress against the five Community Health Improvement Plan goals established by the Board of Directors and incorporate relevant programming into the new Wellness Neighborhood plan.  
**Measurement:** Provide progress reports on the organization, development and results associated with programming based on the Board of Directors Community Health Improvement Plan.

**2. Goal:** Develop strategic plan documents that align Wellness and Community Health programs with health status benchmarks, community care models, and local partnerships to address defined needs.  
**Measurement:** Intervention strategies are linked with selected health status indicators and measured annually.

**3. Goal:** Execute a 2014 Community Health Needs Assessment in the Truckee/North Tahoe and Incline Village communities and evaluate health status indicators in conjunction with community survey responses.  
**Measurement:** Assessment documents completed that provide: 2014 health status benchmarks, documentation of access to care barriers, evaluation of community needs, and gap analysis between 2011 and 2014 assessments.

**KEY**  
 Red = Complete  
 Black = Ongoing  
 Blue = Under review

**Tahoe Forest Hospital District  
Demographic/Market Share Summary**

Our last Strategic and Market Position update conducted by Kaufman Hall was presented to the Board of Directors on June 10, 2015.

**Tahoe Forest Hospital District  
Statement of Revenue and Expense**

The following contains a detailed five year historical Statement of Revenue and Expense, as well as projected FY 2015 and Budget 2016 for Tahoe Forest Hospital District and Incline Village Community Hospital. In addition, we have included FY 2016 budgets for the Separate Business Units; Tahoe Center for Health and Sports Performance, Cancer Center program, Multi-Specialty Clinics, The Tahoe Institute for Rural Health Research, and the Wellness Neighborhood.

The following are the highlights of the budget for FY 2016 for Tahoe Forest Hospital District:

• Gross Revenue	\$207,251,848
• Deductions from Revenue	( 96,783,245)
• Other Operating Revenue	6,620,358
• Wellness Neighborhood Revenue	800,000
• Total Operating Revenue	117,888,961
• Operating Expenses	(115,834,826)
• <b>EBIDA</b>	<b>2,054,135</b>
• Non-Operating Expense	( 9,641,151)
• Property Tax Revenue	4,626,479
• <b>Net Income/(Loss)</b>	<b>( 2,960,537)</b>
• <b>Return on Equity</b>	<b>-3.1%</b>
• <b>Return on Gross Revenue EBIDA</b>	<b>1.0%</b>

**Gross Revenue** was developed using a Gross Revenue per Unit calculation.

**Deductions from Revenue** was developed by breaking the gross revenue down by entity, and by payor, and then applying the relevant contractual allowance percentage to the gross revenue. Deductions from Revenue also include a component for Charity Care, which is budgeted at 3.25% and Bad Debt, which is budgeted at 2.4%. Please see the “Deductions from Revenue” for more details.

**Other Operating Revenue** consists of revenue from separate entities such as the Retail Pharmacy, Hospice Thrift Stores, Tahoe Center for Health and Sports Performance, Children’s Center, Cafeteria Sales, Rental income, Rebates & Refunds, and the IVCH Emergency Department contract. We are anticipating a decrease in FY 2016 when compared to FY 2015 projected, which is due to decreases in Patient Account Interest, Medicare E.H.R. Incentive payments, and Grant Funding.

**Salaries, Wages and Benefits** reflect implications from the renegotiated contracts with the employee associations. The wage percentage increases from these contracts range from a minimum of 2.80% to as high as 10.0% based on market survey shifts. Those benefits that are calculated based upon wages such as employer taxes, deferred compensation, and pension have also been adjusted to account for these increases in wages. We have also incorporated increases for the exempt and non-represented employees.

## Tahoe Forest Hospital District Statement of Revenue and Expense

Management has developed a similar FTE plan as was seen in the 2015 Budget. When comparing the 2016 FTE Budget to the 2015 FTE Budget, an 8.67 FTE increase is reflected and an increase of 6.99 FTEs when compared to projected FY 2015. The increase in budgeted FY 2016 FTEs is a result of converting the Respiratory Therapists to employees from independent contractors, a purposeful decision made to reduce operating expenses.

**Workers Compensation** is being budgeted to reflect an increase in high dollar claims we are experiencing in FY 2015. With the exception of FY 2015, the District has experienced seven years of steadily declining claims, however, our future claims are expected to remain consistent through FY 2016. As with every year, the District completes an actuarial study in regards to our IBNR (Incurred but Not Reported) claims liability. Based upon retired, older claims history, our IBNR liability should remain steady for FY 2016, therefore having no impact on our expense.

**Health Insurance** is also being budgeted to reflect continued increases in our health insurance claims. The increase also reflects the growth in budgeted FY 2016 FTE's over FY 2015 projected.

**Professional Fees** reflect a decrease of 17.8% when compared to projected FY 2015. We have budgeted for decreases in RNFA fees, Respiratory Therapy fees, Corporate Compliance legal and consulting fees, Revenue Cycle & ICD-10 consulting, and Meaningful Use Attestation consulting.

**Supplies** reflect a 6.5% decrease when compared to projected FY 2015, primarily related to new vendor terms on the purchase of certain implant items. We have also applied an inflation factor of 3.0% to 4.3% for medical supplies, pharmaceutical supplies, food/dietary supplies and non-medical/office supplies.

**Purchased Services** reflect a 3.4% decrease compared to projected FY 2015 due to the following:

1. Decrease of \$55,000 in Surgical Services for Perioperative Advisory services which concluded in FY2015
2. Increase of \$11,000 in Dietary for consulting and cleaning services.
3. Decrease in Ultrasound of \$48,000 related to maintenance cost coverage on newly purchased equipment.
4. Decrease of \$21,000 in TIRHR for branding and marketing services.
5. HRSA Grant decrease of \$271,000 as grant period ended in August 2014.
6. Decrease of \$164,000 in Inpatient Pharmacy for relief coverage needed in FY 2015 for the CPOE conversion.
7. Increase in Materials Management of \$63,000 for Interim Director Fees.
8. Increase of \$72,000 in Plant Maintenance for snow removal.

## Tahoe Forest Hospital District Statement of Revenue and Expense

9. An increase of \$169,000 in Information Technology related to network maintenance and new technology to support access and customer service for our patients.
10. A decrease of \$40,000 in Patient Financial Services for outsourced collection activities and related software support.
11. Increase in Administration of \$100,000 for Contract Management software and support.
12. Increase of \$32,000 in Governing Board for Media support, District meeting space rental and television coverage.
13. Decrease of \$155,000 for services provided to the Wellness Neighborhood.
14. Decrease of \$13,000 in Quality Assurance for survey services.
15. A decrease of \$20,000 in IVCH Administration related to community needs assessments that were conducted in FY 2015.
16. Decrease of \$21,000 in Retail Fitness Center management.

**Other Expenses** reflect a 4.1% decrease compared to projected FY 2015. This is comprised of increases in some areas and deliberate decreases in other categories. Highlights of these changes are listed below:

1. Utilities are up \$97,000 due to an anticipated 3% to 5% rise in inflation.
2. Insurance costs are projected to increase 4%, or \$22,000, with the addition of the Emergency Department remodel and reappraisal of our property values.
3. Marketing and Community Relations budget was increased \$204,000 over projected FY 2015, however, this is a discretionary expense controlled closely by Management.
4. Outside Training & Travel associated with Jacobus Consulting, BE Smith, and HSM has decreased \$614,000 over projected FY 2015.
5. Recruitment fees for the CEO and physicians increased \$162,000.
6. Equipment rent for the temporary Cat Scan machine has decreased \$110,000.

**District and County Taxes** The revenue from projected FY 2015 taxes is \$5.3 million. We are slightly increasing the FY 2016 budget to \$5.4 million, of which a component is included in the Other Operating Revenue section to offset Community Health and Wellness Neighborhood expenses. We are also budgeting property tax revenues in FY 2016 with no reserves to cover the entire GO Bond Debt Service payment for the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> series.

**Interest Income** is expected to come in lower in FY 2016 to what we are seeing in FY 2015. LAIF interest rates in FY 2015 have ranged from 0.283% to 0.244%, this in comparison to LAIF interest rates in FY 2014 that ranged 0.371% to 0.233%. April 2015 reflected a rate of 0.283%. In May 2015 the District refunded its 2006 Revenue Bonds and was able to use Guaranteed Investment funds held with Citibank to pay down a portion of the principal during the refunding. FY 2016 will no longer realize interest income on these Guaranteed Investment funds. We are also anticipating a decrease in

**Tahoe Forest Hospital District  
Statement of Revenue and Expense**

interest income related to the GO Bonds as the final phase of projects starts and we continue to draw on the GO Bond Project funds.

**Donations** from the TFHS Foundation are expected to approximate a net \$364,000, generated from the following events/campaigns: \$252,000 from Best of Tahoe Chefs and the Gene Upshaw Memorial Golf Tournament, \$29,000 to support the Hospice program, \$14,000 to support the Wellness Neighborhood, and \$69,000 from various campaigns and donation drives. Donations from the IVCH Foundation are expected to approximate \$52,000 in support of Medical Equipment needs, Community Wellness and the IVCH Health Clinic.

**Gain/(Loss) on Joint Venture** is expected to remain constant to what we are witnessing in FY 2015 and FY 2014. We are anticipating no changes in outpatient surgical volumes at the Truckee Surgery Center for FY 2016.

**Depreciation** is expected to be higher than projected FY 2015 due to capital additions, as well as Measure C and Non-Measure C projects starting their depreciable life.

**Interest Expense** is expected to decrease 17.7% compared to projected FY 2015 due to debt being paid down or refunded at lower interest rates. In addition, we are budgeting interest expense related to the GO Bond based upon its debt service schedule for the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> series. GO Bond interest is funded through property tax revenues as noted above.

**TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF REVENUE AND EXPENSE  
FOR THE YEARS ENDED JUNE 30, 2010, 2011, 2012, 2013, 2014, BUDGET 2015, PROJECTED 2015, and BUDGET 2016**

	<u>AUDITED FYE 6/30/10</u>	<u>AUDITED FYE 6/30/11</u>	<u>AUDITED FYE 6/30/12</u>	<u>AUDITED FYE 6/30/13</u>	<u>AUDITED FYE 6/30/14</u>	<u>BUDGET FYE 6/30/15</u>	<u>PROJECTED FYE 6/30/15</u>	<u>BUDGET FYE 6/30/16</u>	<u>VARIANCE \$</u>	<u>VARIANCE %</u>
<b>OPERATING REVENUE</b>										
Total Gross Revenue	\$ 153,249,520	\$ 151,182,547	\$ 158,223,647	\$ 177,905,726	\$ 188,378,523	\$ 196,580,908	\$ 204,034,994	\$ 207,251,848	\$ 3,216,854	1.6%
Gross Revenues - Inpatient										
Daily Hospital Service	15,627,369	15,580,655	17,992,179	19,232,255	19,155,747	19,233,943	20,190,467	21,848,043	1,457,576	7.2%
Ancillary Service - Inpatient	44,412,594	42,753,101	42,675,528	43,399,664	43,242,323	46,598,586	47,170,129	46,968,073	(202,056)	-0.4%
Total Gross Revenue - Inpatient	60,039,963	58,333,756	60,667,707	62,631,919	62,398,070	65,832,529	67,360,596	68,816,116	1,255,520	1.9%
Gross Revenue - Outpatient	93,209,558	92,848,791	97,555,940	115,273,807	125,980,453	130,748,379	136,674,398	138,635,732	1,981,334	1.4%
Total Gross Revenue - Outpatient	93,209,558	92,848,791	97,555,940	115,273,807	125,980,453	130,748,379	136,674,398	138,635,732	1,981,334	1.4%
Deductions from Revenue:										
Contractual Allowances	50,328,623	48,702,232	50,646,661	62,615,706	72,706,243	73,900,950	80,550,821	85,031,893	4,481,072	5.6%
Managed Care Reserve/CAH Reserve	-	-	-	-	-	-	-	-	-	0.0%
Charity Care	4,892,141	4,637,210	4,139,984	5,663,679	6,074,298	6,683,751	6,263,192	6,770,107	506,915	8.1%
Bad Debt	6,337,718	5,606,817	6,727,911	8,110,057	2,995,454	7,863,237	3,884,881	4,981,245	1,096,364	28.2%
Proposition 99	-	-	-	-	-	-	-	-	-	0.0%
Prior Period Settlements	(731,585)	(2,143,456)	(3,129,373)	26,966	(1,081,758)	-	151,042	-	(151,042)	-100.0%
Total Deductions from Revenue	60,826,897	56,802,603	58,385,183	76,416,408	80,714,237	88,447,938	90,849,935	96,783,245	5,933,310	6.5%
Other Operating Revenue	6,558,361	6,815,488	6,927,845	6,560,475	7,197,177	6,613,440	7,397,472	6,620,358	(777,114)	-10.5%
Wellness Neighborhood-RPT, Grants, Donations	-	-	-	94,038	636,620	1,102,265	804,658	800,000	(4,658)	-0.6%
<b>TOTAL OPERATING REVENUE</b>	<b>98,980,984</b>	<b>101,195,432</b>	<b>106,766,309</b>	<b>108,143,831</b>	<b>115,498,083</b>	<b>115,848,675</b>	<b>121,387,188</b>	<b>117,888,961</b>	<b>(3,498,227)</b>	<b>-2.9%</b>
<b>OPERATING EXPENSES</b>										
Salaries, Wages & Benefits	44,686,921	45,655,454	48,916,454	52,048,877	53,009,256	54,779,554	54,866,223	57,541,175	2,654,952	4.8%
Benefits Workers Compensation	512,172	760,840	595,199	563,874	218,832	618,797	610,778	726,490	115,712	18.9%
Benefits Medical Insurance	5,714,866	7,135,664	7,497,383	6,425,652	8,026,166	8,610,115	8,545,486	9,001,185	455,699	5.3%
Professional Fees	12,230,428	12,688,270	15,142,691	18,147,762	19,209,522	18,761,537	20,847,554	18,727,166	(4,120,388)	-19.8%
Supplies	12,948,610	13,899,820	12,921,463	15,212,680	14,968,262	14,289,052	16,193,174	15,255,640	(937,534)	-5.8%
Purchased Services	6,737,293	7,107,036	7,366,626	7,683,361	10,235,914	10,008,734	10,807,252	10,242,480	(564,772)	-5.2%
Other	5,612,497	5,711,330	5,512,408	6,460,012	6,121,247	6,772,151	6,677,348	6,340,690	(336,658)	-5.0%
<b>TOTAL OPERATING EXPENSE</b>	<b>88,442,787</b>	<b>92,958,414</b>	<b>97,952,224</b>	<b>106,542,218</b>	<b>111,789,199</b>	<b>113,839,940</b>	<b>118,567,815</b>	<b>115,834,826</b>	<b>(2,732,989)</b>	<b>-2.3%</b>
<b>NET OPERATING REV(EXP) EBIDA</b>	<b>\$ 10,538,196</b>	<b>\$ 8,237,018</b>	<b>\$ 8,814,085</b>	<b>\$ 1,601,613</b>	<b>\$ 3,708,884</b>	<b>\$ 2,008,735</b>	<b>\$ 2,819,373</b>	<b>\$ 2,054,135</b>	<b>\$ (765,238)</b>	<b>-27.1%</b>
<b>NON-OPERATING REVENUE</b>										
District and County Taxes	4,633,377	4,906,170	4,824,796	5,622,796	4,265,626	4,273,831	4,580,082	4,626,479	46,397	1.0%
District and County Taxes - GO Bond	1,589,924	2,917,548	3,222,798	4,986,760	4,744,356	4,726,840	4,726,840	4,712,296	(14,544)	-0.3%
Interest Income	318,715	249,542	225,284	247,239	229,540	267,558	283,631	208,802	(74,829)	-26.4%
Interest Income - GO Bond	535,973	30,305	74,787	82,839	51,034	21,100	36,140	12,549	(23,591)	-65.3%
Donations	795,706	725,506	822,752	945,347	1,327,603	731,411	725,460	416,053	(309,407)	-42.6%
Gain/(Loss) on Joint Venture	-	30,747	59,378	(30,517)	(191,666)	(225,000)	(123,668)	(150,000)	(26,332)	21.3%
Loss on Impairment of Asset	-	-	-	(1,066,498)	-	-	-	-	-	0.0%
Gain/(Loss) on Sale of Equip/Property	31,772	(145,663)	24,125	(11,867)	1,000	-	-	-	-	0.0%
Impairment Loss	-	-	-	(4,612,580)	-	-	-	-	-	0.0%
Depreciation	(5,449,938)	(5,517,017)	(5,168,635)	(7,358,535)	(8,714,689)	(9,708,797)	(9,560,115)	(10,262,137)	(702,022)	7.3%
Interest Expense	(2,139,911)	(1,922,283)	(1,818,981)	(1,822,655)	(1,751,126)	(1,675,418)	(1,678,514)	(1,381,568)	296,946	-17.7%
Interest Expense - GO Bond	(1,216,623)	(2,945,163)	(2,664,840)	(2,611,591)	(3,639,081)	(3,011,234)	(3,803,400)	(3,197,148)	606,254	-15.9%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>(901,005)</b>	<b>(1,670,308)</b>	<b>(398,538)</b>	<b>(5,829,262)</b>	<b>(3,677,403)</b>	<b>(4,599,709)</b>	<b>(4,813,545)</b>	<b>(5,014,672)</b>	<b>(201,127)</b>	<b>4.2%</b>
<b>EXCESS REVENUE(EXPENSE)</b>	<b>\$ 9,637,191</b>	<b>\$ 6,566,710</b>	<b>\$ 8,415,547</b>	<b>\$ (4,027,649)</b>	<b>\$ 31,481</b>	<b>\$ (2,590,974)</b>	<b>\$ (1,994,172)</b>	<b>\$ (2,960,537)</b>	<b>\$ (966,365)</b>	<b>48.5%</b>



TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF REVENUE AND EXPENSE  
FOR THE YEARS ENDED JUNE 30, 2010, 2011, 2012, 2013, 2014, BUDGET 2015, PROJECTED 2015, and BUDGET 2016

	AUDITED FYE 6/30/10	AUDITED FYE 6/30/11	AUDITED FYE 6/30/12	AUDITED FYE 6/30/13	AUDITED FYE 6/30/14	BUDGET FYE 6/30/15	PROJECTED FYE 6/30/15	BUDGET FYE 8/30/16	VARIANCE \$	VARIANCE %
RETURN ON GROSS REVENUE EBIDA	8.9%	5.4%	5.6%	0.9%	2.0%	1.0%	1.4%	1.0%	-0.4%	
RETURN ON EQUITY	12.5%	7.6%	9.0%	-4.0%	0.0%	-2.7%	-2.1%	-3.1%	-1.1%	
RETURN ON EQUITY (excluding donations)	11.4%	8.7%	8.1%	-4.9%	-1.3%	-3.4%	-2.8%	-3.5%	-0.7%	
INPATIENT REV AS A % OF GROSS REV	39.2%	38.6%	38.3%	35.2%	33.1%	33.5%	33.0%	33.1%		
OUTPATIENT REV AS A % OF GROSS REV	60.8%	61.4%	61.7%	64.8%	66.9%	66.5%	67.0%	66.9%		
CONTRACTUAL ADJ AS A % OF GROSS REV	32.8%	32.2%	32.0%	35.2%	36.6%	37.6%	39.5%	41.0%		
CHARITY CARE AS A % OF GROSS REV	3.2%	3.1%	2.6%	3.2%	3.2%	3.4%	3.1%	3.3%		
BAD DEBT AS A % OF GROSS REV	4.1%	3.7%	4.3%	4.6%	1.6%	4.0%	1.9%	2.4%		
SALARIES, WAGES & BEN AS A % OF NET REV	45.1%	45.1%	45.8%	48.1%	45.9%	47.3%	45.2%	48.8%		
WORKERS COMP AS A % OF NET REV	0.5%	0.8%	0.6%	0.5%	0.2%	0.5%	0.5%	0.6%		
MEDICAL INSURANCE AS A % OF NET REV	5.8%	7.1%	7.0%	5.9%	6.9%	7.4%	7.0%	7.6%		
PROFESSIONAL FEES AS A % OF NET REV	12.4%	12.5%	14.2%	16.8%	18.6%	16.2%	17.2%	14.2%		
SUPPLIES AS A % OF NET REV	13.1%	13.7%	12.1%	14.1%	13.0%	12.3%	13.3%	12.9%		
PURCHASED SVCS AS A % OF NET REV	6.8%	7.0%	6.9%	7.1%	8.9%	8.6%	8.9%	8.7%		
OTHER AS A % OF NET REV	5.7%	5.6%	5.2%	6.0%	5.3%	5.8%	5.5%	5.4%		

**INCLINE VILLAGE COMMUNITY HOSPITAL  
STATEMENT OF REVENUE AND EXPENSE  
FOR THE YEARS ENDED JUNE 30, 2010, 2011, 2012, 2013, 2014, BUDGET 2015, PROJECTED 2015 and BUDGET 2016**

	<u>AUDITED FYE 6/30/10</u>	<u>AUDITED FYE 6/30/11</u>	<u>AUDITED FYE 6/30/12</u>	<u>AUDITED FYE 6/30/13</u>	<u>AUDITED FYE 6/30/14</u>	<u>BUDGET FYE 6/30/15</u>	<u>PROJECTED FYE 6/30/15</u>	<u>BUDGET FYE 6/30/16</u>	<u>VARIANCE \$</u>	<u>VARIANCE %</u>
<b>OPERATING REVENUE</b>										
Total Gross Revenue	\$ 12,218,399	\$ 13,094,805	\$ 13,401,794	\$ 14,407,551	\$ 13,812,942	\$ 14,172,426	\$ 14,855,097	\$ 15,018,476	\$ 163,379	1.1%
Gross Revenues - Inpatient										
Daily Hospital Service	22,976	45,467	22,724	60,033	74,931	34,940	33,538	35,133	1,595	4.8%
Ancillary Service - Inpatient	75,441	88,914	33,735	71,103	94,479	67,994	58,938	54,128	(4,810)	-8.2%
Total Gross Revenue - Inpatient	98,417	134,381	56,459	131,136	169,410	102,934	92,476	89,261	(3,215)	-3.5%
Gross Revenue - Outpatient	12,119,982	12,960,424	13,345,335	14,276,415	13,643,532	14,069,492	14,762,621	14,929,215	166,594	1.1%
Total Gross Revenue - Outpatient	12,119,982	12,960,424	13,345,335	14,276,415	13,643,532	14,069,492	14,762,621	14,929,215	166,594	1.1%
Deductions from Revenue:										
Contractual Allowances	3,066,577	3,219,429	3,445,253	3,631,414	3,936,244	4,269,209	4,355,114	4,119,019	(236,095)	-5.4%
Charity Care	380,426	263,125	283,527	453,545	549,470	481,863	481,250	522,523	41,273	8.6%
Bad Debt	703,739	798,387	988,333	1,107,591	797,146	566,897	1,115,968	1,045,045	(70,923)	-6.4%
Prior Period Settlements	(166,228)	(259,880)	(145,559)	21,671	14,581	-	5,409	-	(5,409)	-100.0%
Total Deductions from Revenue	3,984,514	4,021,061	4,571,554	5,214,221	5,297,441	5,317,969	5,957,740	5,686,587	(271,153)	-4.6%
Other Operating Revenue	600,254	724,697	710,793	653,939	645,735	688,876	833,894	762,270	(71,624)	-8.6%
<b>TOTAL OPERATING REVENUE</b>	<b>8,834,139</b>	<b>9,798,441</b>	<b>9,541,033</b>	<b>9,847,269</b>	<b>9,161,236</b>	<b>9,543,333</b>	<b>9,731,251</b>	<b>10,094,159</b>	<b>362,908</b>	<b>3.7%</b>
<b>OPERATING EXPENSES</b>										
Salaries, Wages & Benefits	3,730,324	3,860,232	3,799,874	3,687,061	3,931,914	4,091,630	3,976,779	4,165,118	188,339	4.7%
Benefits Workers Compensation	32,857	29,503	39,527	23,695	(6,850)	32,598	36,735	29,883	(6,852)	-18.7%
Benefits Medical Insurance	398,010	452,080	469,302	410,900	489,372	576,582	575,817	575,027	(790)	-0.1%
Professional Fees	2,091,430	2,053,604	2,151,377	2,475,448	2,452,575	2,620,635	2,510,149	2,788,497	276,348	11.0%
Supplies	529,267	732,541	628,550	608,836	598,519	582,400	634,908	621,130	(13,778)	-2.2%
Purchased Services	389,010	447,945	434,244	395,137	450,655	458,015	481,137	496,515	15,378	3.2%
Other	803,534	653,534	576,780	596,279	570,061	618,175	609,840	624,508	14,668	2.4%
<b>TOTAL OPERATING EXPENSE</b>	<b>7,974,432</b>	<b>8,029,439</b>	<b>8,099,654</b>	<b>8,197,356</b>	<b>8,486,246</b>	<b>8,980,045</b>	<b>8,825,365</b>	<b>9,298,678</b>	<b>473,313</b>	<b>5.4%</b>
<b>NET OPERATING REV(EXP) EBIDA</b>	<b>\$ 859,707</b>	<b>\$ 1,769,002</b>	<b>\$ 1,441,379</b>	<b>\$ 1,649,913</b>	<b>\$ 674,990</b>	<b>\$ 563,288</b>	<b>\$ 905,886</b>	<b>\$ 795,481</b>	<b>\$ (110,405)</b>	<b>-12.2%</b>
<b>NON-OPERATING REVENUE</b>										
Donations	176,133	184,224	185,975	407,615	691,114	50,400	22,091	51,999	29,908	135.4%
Gain/(Loss) on Sale of Equip/Property	3,222	-	22,000	-	-	-	-	-	-	0.0%
Depreciation	(308,665)	(414,737)	(452,165)	(584,079)	(613,299)	(643,217)	(640,021)	(700,312)	(60,291)	9.4%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>(129,310)</b>	<b>(230,513)</b>	<b>(244,190)</b>	<b>(176,464)</b>	<b>77,815</b>	<b>(592,817)</b>	<b>(617,930)</b>	<b>(648,313)</b>	<b>(30,383)</b>	<b>4.9%</b>
<b>EXCESS REVENUE(EXPENSE)</b>	<b>\$ 730,397</b>	<b>\$ 1,538,489</b>	<b>\$ 1,197,189</b>	<b>\$ 1,473,449</b>	<b>\$ 752,805</b>	<b>\$ (29,529)</b>	<b>\$ 287,956</b>	<b>\$ 147,168</b>	<b>\$ (140,788)</b>	<b>-48.9%</b>

INCLINE VILLAGE COMMUNITY HOSPITAL  
STATEMENT OF REVENUE AND EXPENSE  
FOR THE YEARS ENDED JUNE 30, 2010, 2011, 2012, 2013, 2014, BUDGET 2015, PROJECTED 2015 and BUDGET 2016

	AUDITED FYE 6/30/10	AUDITED FYE 6/30/11	AUDITED FYE 6/30/12	AUDITED FYE 6/30/13	AUDITED FYE 6/30/14	BUDGET FYE 6/30/15	PROJECTED FYE 6/30/15	BUDGET FYE 6/30/16	VARIANCE \$	VARIANCE %
RETURN ON GROSS REVENUE EBIDA	7.0%	13.5%	10.8%	11.5%	4.9%	4.0%	6.1%	5.3%	-0.8%	
RETURN ON EQUITY	20.0%	35.1%	20.2%	20.7%	6.8%	-0.3%	3.1%	1.5%	-1.6%	
RETURN ON EQUITY (excluding donations)	15.2%	30.9%	17.1%	15.0%	0.7%	-0.9%	2.6%	1.0%	-1.9%	
INPATIENT REV AS A % OF GROSS REV	0.8%	1.0%	0.4%	0.9%	1.2%	0.7%	0.6%	0.6%		
OUTPATIENT REV AS A % OF GROSS REV	99.2%	99.0%	99.6%	99.1%	98.8%	99.3%	99.4%	99.4%		
CONTRACTUAL ADJ AS A % OF GROSS REV	25.1%	24.8%	25.7%	25.2%	28.5%	30.1%	29.3%	27.4%		
CHARITY CARE AS A % OF GROSS REV	3.1%	2.0%	2.1%	3.1%	4.0%	3.4%	3.2%	3.5%		
BAD DEBT AS A % OF GROSS REV	5.8%	6.1%	7.4%	7.7%	5.8%	4.0%	7.5%	7.0%		
SALARIES, WAGES & BEN AS A % OF NET REV	42.2%	37.4%	39.8%	37.4%	42.9%	42.9%	40.9%	41.3%		
WORKERS COMP AS A % OF NET REV	0.4%	0.3%	0.4%	0.2%	-0.1%	0.3%	0.4%	0.3%		
MEDICAL INSURANCE AS A % OF NET REV	4.5%	4.6%	4.9%	4.2%	5.3%	6.0%	5.9%	5.7%		
PROFESSIONAL FEES AS A % OF NET REV	23.7%	21.0%	22.5%	25.1%	26.8%	27.5%	25.8%	27.6%		
SUPPLIES AS A % OF NET REV	6.0%	7.5%	6.6%	6.2%	6.5%	6.1%	6.5%	6.2%		
PURCHASED SVCS AS A % OF NET REV	4.4%	4.6%	4.6%	4.0%	4.9%	4.8%	4.9%	4.9%		
OTHER AS A % OF NET REV	9.1%	6.7%	6.0%	6.1%	6.2%	6.5%	6.3%	6.2%		

**TAHOE FOREST HOSPITAL DISTRICT  
SEPARATE BUSINESS UNITS  
BUDGET FY 2016**

	<u>HOME HEALTH</u>	<u>HOSPICE</u>	<u>CHILDRENS CENTER</u>	<u>OCCUPATIONAL HEALTH</u>	<u>HEALTH CLINIC</u>	<u>RETAIL PHARMACY</u>	<u>TOTAL SEPARATE BUSINESS UNITS</u>
<b>Gross Operating Revenue</b>	\$ 2,127,259	\$ 1,810,238	\$ 763,419	\$ 547,776	\$ 529,502	\$ 2,709,124	\$ 8,487,318
<b>Deduction From Rev</b>	1,169,992	941,324	-	149,817	135,023	1,006,862	3,403,018
<b>Other Operating Revenue</b>	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	\$ 957,267	\$ 868,914	\$ 763,419	\$ 397,959	\$ 394,479	\$ 1,702,262	\$ 5,084,300
<b>Operating Expense:</b>							
Salaries & Benefits	\$ 845,645	\$ 752,309	\$ 732,107	\$ 212,333	\$ 526,303	\$ 580,057	\$ 3,648,754
Professional Fees	600	12,000	-	9,600	9,600	-	31,800
Supplies	17,435	76,419	17,328	40,590	18,986	1,477,134	1,647,892
Purchased Services	55,500	66,480	18,280	127,370	15,492	32,700	315,822
Other Expenses	25,729	52,409	34,146	32,209	22,892	78,290	245,675
<b>Total Operating Expenses</b>	\$ 944,909	\$ 959,617	\$ 801,861	\$ 422,102	\$ 593,273	\$ 2,168,181	\$ 5,889,943
<b>Net Operating Rev (Exp)</b>	\$ 12,358	\$ (90,703)	\$ (38,442)	\$ (24,143)	\$ (198,794)	\$ (465,919)	\$ (805,643)
<b>Non - Operating Rev / (Exp)</b>							
Donations	-	28,800	3,000	-	-	-	31,800
Thrift Store Net Income	-	378,154	-	-	-	-	378,154
Employee Benefit - EE Discounts	-	-	(223,000) *	-	-	-	(223,000)
Depreciation	(12,724)	(6,453)	(47,907)	-	(619)	-	(67,703)
<b>Total Non-Operating Rev/(Exp)</b>	(12,724)	400,501	(267,907)	-	(619)	-	119,251
<b>Net Income/(Loss)</b>	\$ (366)	\$ 309,798	\$ (306,349)	\$ (24,143)	\$ (199,413)	\$ (465,919)	\$ (686,392)
<b>Units</b>	3,710	4,340	19,000	2,600	3,300	27,400	
<b>Gross Revenue/Unit</b>	\$ 573.39	\$ 417.11	\$ 40.18	\$ 210.68	\$ 160.46	\$ 98.87	
<b>Total Operating Expense/Unit</b>	\$ 254.69	\$ 221.11	\$ 42.20	\$ 162.35	\$ 179.78	\$ 79.13	

**Employee Drug Plan**

Plan Costs	(822,000)
Captured through Retail Rx	576,500
<b>Net Plan Costs</b>	<b>(245,500)</b>

Net Operating Income	(465,919)
Net Employee Drug Plan Costs	(245,500)
<b>Net Financial Position</b>	<b>(711,419)</b>

\* The Children's Center provides a 40% discount to employees of the Health System.  
This is considered a benefit for our employees.

**TAHOE FOREST HOSPITAL DISTRICT  
TAHOE CENTER FOR HEALTH AND SPORTS PERFORMANCE  
BUDGET FY 2016**

	<u>THERAPY SERVICES</u>	<u>SPORTS PERFORMANCE LAB</u>	<u>FITNESS CENTER</u>	<u>FITNESS &amp; WELLNESS **</u>	<u>OCCUPATIONAL HEALTH TESTING</u>	<u>CENTER OPERATIONS</u>	<u>TOTAL TCHSP</u>
<b>Gross Operating Revenue</b>	\$ 3,815,931	\$ 11,000	\$ 109,000	\$ 16,600	\$ 116,430	\$ -	\$ 4,068,961
<b>Deduction From Rev</b>	1,259,257	-	-	-	-	-	1,259,257
<b>Other Operating Revenue</b>	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	\$ 2,556,674	\$ 11,000	\$ 109,000	\$ 16,600	\$ 116,430	\$ -	\$ 2,809,704
<b>Operating Expense:</b>							
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 22,106	\$ 22,739	\$ -	\$ 44,845
Professional Fees	1,480,784	-	-	-	-	30,000	1,510,784
Supplies	36,351	5,132	4,637	5,896	205	561	52,782
Purchased Services	68,293	8,800	141,120	15,380	21,045	46,221	300,859
Other Expenses	6,851	-	-	4,076	600	356,272	367,799
<b>Total Operating Expenses</b>	\$ 1,592,279	\$ 13,932	\$ 145,757	\$ 47,458	\$ 44,589	\$ 433,054	\$ 2,277,069
<b>Net Operating Rev (Exp)</b>	\$ 964,395	\$ (2,932)	\$ (36,757)	\$ (30,858)	\$ 71,841	\$ (433,054)	\$ 532,635
<b>Non - Operating Rev / (Exp)</b>							
Donations	-	-	-	-	-	-	-
Depreciation	-	-	(1,110)	-	-	(145,297)	(146,407)
<b>Total Non-Operating Rev/(Exp)</b>	-	-	(1,110)	-	-	(145,297)	(146,407)
<b>Net Income/(Loss)</b>	\$ 964,395	\$ (2,932)	\$ (37,867)	\$ (30,858)	\$ 71,841	\$ (578,351)	\$ 386,228
<b>Overhead Allocation Based on Sq Ft</b>	\$ (209,549)	\$ (57,725)	\$ (111,103)	\$ (160,518)	\$ -	\$ 538,896	\$ -
<b>Adjusted Net Income/(Loss)</b>	\$ 754,845	\$ (60,657)	\$ (148,970)	\$ (191,376)	\$ 71,841	\$ (39,455)	\$ 386,228
<b>Units</b>	51,100	200	2,600	1,780	1,380		57,060
<b>Gross Revenue/Unit</b>	\$ 74.68	\$ 55.00	\$ 41.92	\$ 9.33	\$ 84.37		\$ 71.31
<b>Total Operating Expense/Unit</b>	\$ 31.16	\$ 69.66	\$ 56.06	\$ 26.66	\$ 32.31		\$ 39.91
<b>Total Op Exp &amp; O.H. Alloc/Unit</b>	\$ 35.26	\$ 358.29	\$ 98.79	\$ 116.84	\$ 32.31		\$ 42.47

\*\* Fitness and Wellness is comprised of Nutrition Consultations, Weight Loss Clinics, Body Bugg Consultations, and Prenatal/Breastfeeding classes.

**TAHOE FOREST HOSPITAL DISTRICT  
CANCER PROGRAM  
BUDGET FY 2016**

	<u>MEDICAL ONCOLOGY</u>	<u>MSC MEDICAL ONCOLOGY</u>	<u>RADIATION ONCOLOGY</u>	<u>MSC RADIATION ONCOLOGY</u>	<u>ONCOLOGY LAB</u>	<u>ONCOLOGY DRUGS</u>	<u>PET CT</u>	<u>TOTAL CANCER PROGRAM</u>
<b>Gross Operating Revenue</b>	\$ 1,807,134	\$ 865,593	\$ 4,393,152	\$ 552,188	\$ 245,789	\$ 21,841,526	\$ 1,323,194	\$ 31,028,576
<b>Deduction From Rev</b>	820,788	465,689	2,082,723	437,167	108,564	9,511,935	636,110	14,062,977
<b>Other Operating Revenue</b>	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	\$ 986,346	\$ 399,904	\$ 2,310,429	\$ 115,021	\$ 137,225	\$ 12,329,591	\$ 687,084	\$ 16,965,599
<b>Operating Expense:</b>								
Salaries & Benefits	\$ 1,988,687	\$ -	\$ 864,212	\$ -	\$ 180,521	\$ -	\$ 63,876	\$ 3,097,296
Professional Fees	319,063	840,492	207,400	521,520	-	-	1,374	1,889,849
Supplies	106,115	10,787	8,028	-	2,172	3,916,716	64,604	4,108,422
Purchased Services	109,220	24,572	334,260	-	-	-	180,469	648,521
Other Expenses	216,874	-	17,261	-	1,200	-	200	235,535
<b>Total Operating Expenses</b>	\$ 2,739,959	\$ 875,851	\$ 1,431,161	\$ 521,520	\$ 183,893	\$ 3,916,716	\$ 310,523	\$ 9,979,623
<b>Net Operating Rev (Exp)</b>	\$ (1,753,613)	\$ (475,947)	\$ 879,268	\$ (406,499)	\$ (46,668)	\$ 8,412,875	\$ 376,561	\$ 6,985,976
<b>Non - Operating Rev / (Exp)</b>								
Donations	-	-	-	-	-	-	-	253,020
Depreciation	(119,677)	-	(603,170)	-	(777)	-	(436,358)	(1,860,559)
<b>Total Non-Operating Rev/(Exp)</b>	(119,677)	-	(603,170)	-	(777)	-	(436,358)	(1,607,539)
<b>Net Income/(Loss)</b>	\$ (1,873,290)	\$ (475,947)	\$ 276,097	\$ (406,499)	\$ (47,445)	\$ 8,412,875	\$ (59,797)	\$ 5,378,437
<b>Units</b>	5,980	4,718	3,600	1,400	3,344	54,717	273	74,032
<b>Gross Revenue/Unit</b>	\$ 302.20	\$ 183.47	\$ 1,220.32	\$ 394.42	\$ 73.50	\$ 399.17	\$ 4,846.86	\$ 419.12
<b>Total Operating Expense/Unit</b>	\$ 458.19	\$ 185.64	\$ 397.54	\$ 372.51	\$ 54.99	\$ 71.58	\$ 1,137.45	\$ 134.80

**TAHOE FOREST HOSPITAL DISTRICT  
MULTI-SPECIALTY CLINICS  
BUDGET FY 2016**

	MOB - ENT/AUDIOLOGY CLINIC		MOB - INTERNAL MEDICINE/ PULMONOLOGY CLINIC	GATEWAY - INTERNAL MEDICINE/CARDIOLOGY/GASTROINTESTINAL/GENRAL SURGERY CLINIC					
	MSC CHASE	MSC AUDIOLOGY	MSC TIRDEL	MSC LOMBARD/SCHOLNICK	MSC COOPER/CONYERS	SCHAFFER	MSC BURKHOLDER	CLINIC SHARED COSTS	CLINIC SUMMARY
Gross Operating Revenue	\$ 884,502	\$ 239,440	\$ 1,338,964	\$ 1,306,189	\$ 1,248,389	\$ 786,293	\$ 511,171	\$ -	\$ 3,852,042
Deduction From Rev	648,782	111,531	964,590	948,424	980,610	592,786	369,526	-	2,891,345
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Total Operating Revenue	\$ 235,720	\$ 127,909	\$ 374,374	\$ 357,765	\$ 267,779	\$ 193,507	\$ 141,645	\$ -	\$ 960,697
<b>Operating Expense:</b>									
Salaries & Benefits	\$ 201,550	\$ -	\$ 486,648	\$ -	\$ -	\$ -	\$ -	\$ 880,062	\$ 880,062
Professional Fees	349,495	44,671	344,543	509,474	728,234	341,644	216,930	-	1,796,282
Supplies	24,030	13,108	56,274	-	-	-	-	100,785	100,785
Purchased Services	34,652	2,836	55,664	-	-	-	-	89,260	89,260
Other Expenses	65,227	-	80,486	-	-	-	-	176,091	176,091
Total Operating Expenses	\$ 674,954	\$ 60,615	\$ 1,023,615	\$ 509,474	\$ 728,234	\$ 341,644	\$ 216,930	\$ 1,246,198	\$ 3,042,480
Net Operating Rev (Exp)	\$ (439,234)	\$ 67,294	\$ (649,241)	\$ (151,709)	\$ (460,455)	\$ (148,137)	\$ (75,285)	\$ (1,246,198)	\$ (2,081,783)
<b>Non - Operating Rev / (Exp)</b>									
Donations	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Total Non-Operating Rev(Exp)	-	-	-	-	-	-	-	-	-
Net Income/(Loss)	\$ (439,234)	\$ 67,294	\$ (649,241)	\$ (151,709)	\$ (460,455)	\$ (148,137)	\$ (75,285)	\$ (1,246,198)	\$ (2,081,783)
Units	2,558	262	5,762	5,181	1,655	1,194	1,985	10,015	10,015
Gross Revenue/Unit	\$ 345.78	\$ 913.89	\$ 232.38	\$ 252.11	\$ 754.31	\$ 658.54	\$ 257.52	\$ -	\$ 384.83
Total Operating Expense/Unit	\$ 263.86	\$ 231.35	\$ 177.65	\$ 98.34	\$ 440.02	\$ 286.13	\$ 109.28	\$ 124.43	\$ 303.79

**TAHOE FOREST HOSPITAL DISTRICT  
MULTI-SPECIALTY CLINICS  
BUDGET FY 2016**

	CANCER CENTER MEDICAL & RADIATION ONCOLOGY				MOB - PEDIATRICS CLINIC	IVCH INTERNAL MEDICINE/ PEDIATRICS CLINIC	TCHSP - SPORTS MEDICINE & NEUROLOGY CLINIC	ALL CLINICS SUBTOTAL
	MSC HEIFETZ /KAIME	MSC KOPPEL	MSC PALMER	CANCER CENTER SUMMARY	MSC ARTH, BROWN, UGLUM, VAYNER	MSC SCHOLNICK/VAYNER	MSC WINANS/FORNER	
Gross Operating Revenue	\$ 517,625	\$ 347,968	\$ 552,188	\$ 1,417,781	\$ 3,831,952	\$ 531,813	\$ 601,510	\$ 12,698,004
Deduction From Rev	278,482	187,207	437,167	902,856	2,750,958	385,245	363,853	9,019,162
Other Operating Revenue	-	-	-	-	-	-	-	-
Total Operating Revenue	\$ 239,143	\$ 160,761	\$ 115,021	\$ 514,925	\$ 1,080,994	\$ 146,568	\$ 237,657	\$ 3,678,842
<b>Operating Expense:</b>								
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ 833,829	\$ 128,616	\$ 200,514	\$ 2,731,219
Professional Fees	540,492	300,000	521,520	1,362,012	705,256	134,523	285,082	5,021,864
Supplies	6,451	4,336	-	10,787	351,331	64,158	38,014	658,487
Purchased Services	14,694	9,878	-	24,572	102,000	13,604	17,720	340,308
Other Expenses	-	-	-	-	101,080	24,126	5,280	452,290
Total Operating Expenses	\$ 561,637	\$ 314,214	\$ 521,520	\$ 1,397,371	\$ 2,093,496	\$ 365,027	\$ 546,610	\$ 9,204,168
Net Operating Rev (Exp)	\$ (322,494)	\$ (153,453)	\$ (406,499)	\$ (882,446)	\$ (1,012,502)	\$ (218,459)	\$ (308,953)	\$ (5,525,326)
<b>Non - Operating Rev / (Exp)</b>								
Donations	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Total Non-Operating Rev/(Exp)	-	-	-	-	-	-	-	-
Net Income/(Loss)	\$ (322,494)	\$ (153,453)	\$ (406,499)	\$ (882,446)	\$ (1,012,502)	\$ (218,459)	\$ (308,953)	\$ (5,525,326)
<b>Units</b>	2,821	1,897	1,400	6,118	9,480	1,707	2,150	38,052
Gross Revenue/Unit	\$ 183.47	\$ 183.47	\$ 394.42	\$ 231.74	\$ 404.21	\$ 311.55	\$ 279.77	\$ 333.70
Total Operating Expense/Unit	\$ 199.07	\$ 165.67	\$ 372.51	\$ 228.40	\$ 220.83	\$ 213.84	\$ 254.24	\$ 241.88



**TAHOE FOREST HOSPITAL DISTRICT  
MULTI-SPECIALTY CLINICS  
BUDGET FY 2016**

	MSC ADMIN	MSC BUSINESS OFFICE	OVERHEAD SUBTOTAL	TOTAL MSC
Gross Operating Revenue	\$ -	\$ -	\$ -	\$ 12,698,004
Deduction From Rev	-	-	-	9,019,162
Other Operating Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	\$ 3,678,842
<b>Operating Expense:</b>				
Salaries & Benefits	\$ 693,757	\$ 637,795	\$ 1,331,552	\$ 4,062,771
Professional Fees	150,620	-	150,620	5,172,484
Supplies	1,703	2,694	4,397	682,884
Purchased Services	185,100	3,660	188,760	529,068
Other Expenses	142,273	65,470	207,743	660,033
Total Operating Expenses	\$ 1,173,453	\$ 709,619	\$ 1,883,072	\$ 11,087,240
Net Operating Rev (Exp)	\$ (1,173,453)	\$ (709,619)	\$ (1,883,072)	\$ (7,408,398)
<b>Non - Operating Rev / (Exp)</b>				
Donations	-	-	-	-
Depreciation	-	-	-	-
Total Non-Operating Rev/(Exp)	-	-	-	-
Net Income/(Loss)	\$ (1,173,453)	\$ (709,619)	\$ (1,883,072)	\$ (7,408,398)
Units	38,052	38,052	38,052	38,052
Gross Revenue/Unit	\$ 30.84	\$ 18.65	\$ 49.49	\$ 333.70
Total Operating Expense/Unit	\$ 30.84	\$ 18.65	\$ 49.49	\$ 291.37

**TAHOE FOREST HOSPITAL DISTRICT  
TAHOE INSTITUTE FOR RURAL HEALTH RESEARCH  
BUDGET FY 2016**

	<u>BUDGET FY2016</u>	<u>PROJECTED FY2015</u>	<u>ACTUAL FY2014</u>	<u>ACTUAL FY2013</u>	<u>ACTUAL FY2012</u>	<u>ACTUAL FY2011</u>
<b><u>Operating Expense:</u></b>						
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 16,518	\$ 22,142	\$ 20,860
Benefits	-	-	-	7,550	5,586	5,372
Benefits Workers Compensation	-	-	-	551	350	531
Benefits Health Insurance	-	-	-	3,662	4,317	2,752
Professional Fees	-	425,546	524,544	297,311	161,339	78,688
Supplies	-	2,108	28,462	5,806	1,059	1,961
Purchased Services	-	17,446	18,868	2,600	1,500	-
Other Expenses	-	101,016	160,597	230,932	104,828	4,730
Interest Expense	-	93,228	61,147	32,059	13,351	2,490
<b>Total Operating Expenses</b>	<b>\$ -</b>	<b>\$ 639,344</b>	<b>\$ 793,619</b>	<b>\$ 596,989</b>	<b>\$ 314,472</b>	<b>\$ 117,384</b>
Grant Reimbursement For TBI Expenses	-	(100,247)	(112,424)	(21,987)	(23,624)	(1,250)
<b>Amount Drawn Against Credit Line</b>	<b>\$ -</b>	<b>\$ (539,097)</b>	<b>\$ (681,195)</b>	<b>\$ (575,002)</b>	<b>\$ (290,848)</b>	<b>\$ (116,134)</b>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Cumulative:**

Letter of Credit	\$ 2,000,000
FY2011 Actual Draw Against Credit Line	(113,644)
FY2012 Actual Draw Against Credit Line	(277,497)
FY2013 Actual Draw Against Credit Line	(542,943)
FY2014 Actual Draw Against Credit Line	(620,047)
FY2015 Projected Draw Against Credit Line	(445,869)
<b>Balance on Letter of Credit</b>	<b>\$ (0)</b>

**TAHOE FOREST HOSPITAL DISTRICT  
WELLNESS NEIGHBORHOOD/COMMUNITY HEALTH PROGRAM  
BUDGET FY 2016**

	<u>WELLNESS NEIGHBORHOOD</u>	<u>COMMUNITY HEALTH</u>	<u>TOTAL WELLNESS/COMM HEALTH PROGRAM</u>
Gross Operating Revenue	\$ -	\$ -	\$ -
Deduction From Rev	-	-	-
Other Operating Revenue	-	5,500	5,500
Total Operating Revenue	\$ -	\$ 5,500	\$ 5,500
<b><u>Operating Expense:</u></b>			
Salaries & Benefits	\$ 234,061	\$ 133,215	\$ 367,276
Professional Fees	13,200	-	13,200
Supplies	10,639	6,491	17,130
Purchased Services	279,000	82,898	361,898
Other Expenses	22,899	17,597	40,496
Total Operating Expenses	\$ 559,799	\$ 240,201	\$ 800,000
Net Operating Rev (Exp)	\$ (559,799)	\$ (234,701)	\$ (794,500)
<b><u>Non - Operating Rev / (Exp)</u></b>			
Donations	-	14,400	14,400
Grants	-	-	-
Property Tax Revenues	559,799	220,301	780,100
Depreciation	-	-	-
Total Non-Operating Rev/(Exp)	559,799	234,701	794,500
Net Income/(Loss)	\$ -	\$ -	\$ -

## Tahoe Forest Hospital District Volumes

The budget process began with reviewing annual historical volumes as well as the last five years 12 month historical spreads noting the highs and lows of each month. From this review process we were able to project volumes for FY 2016 that are conservative and reflect trends we have witnessed over the past several fiscal years, as well as the first seven months of actual volumes in FY 2015. In addition, we spread the FY 2016 volumes over the 12 months by averaging the historical five years monthly spreads to help smooth the seasonality we experience within the Health System.

Acute admissions are budgeted at 1,690, which will remain consistent with projected FY 2015 and acute inpatient days for FY 2016 are budgeted at 4,590, which represents a 1.1% decrease over projected FY 2015. We are anticipating our average length of stay to remain at 2.74 for FY 2016 as well as a continuation of lower acuity patients in ICU and Med/Surg stays in FY 2016 due to the Medicare CAH Certification rules.

We are anticipating changes in some of our outpatient areas when compared to actual FY 2015. Some of the larger anticipated outpatient volume increases or decreases for FY 2016 are as follows:

Department	Projected FY 2015	Budget FY 2016	Variance	Percent Increase/ (Decrease)
Tahoe Forest Health Clinic	3,366	3,300	(66)	(2.0%)
Tahoe City Occupational Therapy	1,183	1,120	(63)	(5.9%)
Tahoe City Physical Therapy	14,891	14,450	(441)	(3.1%)
Surgical Cases	986	1,000	14	1.4%
Diagnostic Imaging	7,556	7,470	(86)	(1.2%)
Vascular Imaging	239	200	(39)	(19.5%)
Mammography	2,981	2,900	(81)	(2.7%)
Medical Oncology Procedures	6,359	5,980	(379)	(7.4%)
Radiation Oncology Procedures	3,513	3,600	87	2.4%
Ultrasounds	2,822	2,780	(42)	(1.6%)
Briner Ultrasounds	1,253	1,160	(93)	(8.5%)
Cat Scans	3,053	3,013	(40)	(1.3%)
PET CT's	278	265	(13)	(5.2%)

Department (cont.)	Projected FY 2015	Budget FY 2016	Variance	Percent Increase/ (Decrease)
Oncology Pharmacy Units	56,345	54,717	(1,628)	(1.7%)
Endoscopy Cases	1,333	1,350	17	1.2%
Occupational Health Visits	2,731	2,600	(131)	(5.0%)
Physical Therapy	44,421	43,125	(1,296)	(3.1%)
Occupational Therapy	5,592	5,125	(467)	(10.6%)
<b>Multi-Specialty Clinics</b>				
Enterology	2,509	2,558	49	1.9%
General Surgery	1,625	1,655	30	1.9%
Internal Medicine/Pulmonology	6,028	5,762	(266)	(4.5%)
Internal Medicine/Cardiology	5,335	5,181	(154)	(2.6%)
Medical Oncology	4,630	4,718	88	1.6%
Radiation Oncology	1,238	1,400	162	8.1%
Internal Medicine	1,948	1,985	37	2.0%
Gastroenterology	1,172	1,194	22	1.8%
Pediatrics	9,302	9,480	178	1.7%
Audiology	270	262	(8)	(1.4%)
IVCH Internal Medicine/Pediatrics	1,775	1,707	(68)	(4.3%)
Sports Medicine/Nephrology	2,136	2,150	14	.8%
<b>Incline Village Community Hospital</b>				
Laboratory Tests	24,102	23,350	(752)	(3.5%)
Radiology Exams	2,289	2,315	26	1.1%
Cat Scans	644	633	(11)	(1.7%)
EKG	522	500	(22)	(4.4%)
Occupational Therapy	1,553	1,200	(353)	(27.2%)
Sleep Clinic	158	155	(3)	(1.5%)
<b>CHSP</b>				
Occupational Health Testing	1,410	1,380	(30)	(2.2%)

DEPARTMENTAL VOLUME TRENDS

	2010	2011	2012	2013	2014	2015	2015	2016	Variance	%
	Actual	Actual	Actual	Actual	Actual	Budget	Annualized	Budget	Inc/(Dec)	Inc/(Dec)
<b>16010 ICU</b>										
ICU - Inpatient Days	545	438	445	278	234	275	244	200	(44)	-16.0%
ICU - Med/Surg Days	402	303	331	299	351	315	336	335	(1)	-0.3%
ICU - Stepdown Days	347	429	369	406	329	375	358	360	2	0.5%
ICU - Swing Days	0	0	0	0	0	0	0	0	0	0.0%
ICU - Short Stays - Ambulatory	1	0	0	0	0	0	0	0	0	0.0%
ICU - Short Stays - Observation	66	27	27	19	43	30	21	20	(1)	-3.3%
ICU TFHD Summary	1,361	1,197	1,172	1,002	957	995	959	915	(44)	-4.4%
<b>16170 Med Surg</b>										
M/S - Inpatient Days	3,029	3,086	2,989	2,990	2,779	2,775	2,785	2,780	(5)	-0.2%
M/S - Swing Days	151	204	211	252	283	325	216	220	4	1.2%
M/S 3170- Short Stay-Ambulatory	123	85	31	85	190	175	147	150	3	1.7%
M/S 3170- Short Stays-Observation	223	293	329	433	440	475	312	315	3	0.6%
Med-Surg TFHD Summary	3,526	3,668	3,560	3,760	3,692	3,750	3,460	3,465	5	0.1%
<b>16380 Obstetrics</b>										
OB/GYN Patient Days	915	731	695	872	920	950	912	910	(2)	-0.2%
Med/Surg Days in OB	51	196	129	9	14	10	5	5	0	0.0%
OB - Swing Days	0	0	0	0	0	0	0	0	0	0.0%
OB - Short Stays - Ambulatory	0	0	0	0	0	0	0	0	0	0.0%
OB - Short Stays - Observation	3	4	1	28	23	30	33	30	(3)	-10.0%
OB Days TFHD Summary	969	931	825	909	957	990	950	945	(5)	-0.5%
<b>16530 Nursery</b>										
Newborn days	870	788	773	797	877	880	839	840	1	0.1%
Nursery Re-admits	10	8	5	12	2	5	4	4	0	0.0%
Newborn Days TFHD Summary	880	796	778	809	879	885	843	844	1	0.1%
<b>16580 Skilled Nursing Facility</b>										
SNF days	12,366	11,446	11,828	11,723	12,133	12,410	12,430	12,410	(20)	-0.2%
<b>17010 Emergency Room</b>										
Admits from E/R	1,231	1,247	963	1,113	1,181	1,290	1,118	1,121	3	0.2%
E/R Visits - Total Registrations	13,251	13,154	12,343	12,416	12,704	12,400	12,455	12,450	(5)	0.0%
<b>17070 Perinatal</b>										
Perinatal O/P visits	8,262	10,142	8,033	7,791	7,246	7,425	6,590	6,600	10	0.1%
<b>17072 Diabetic Center</b>										
Diabetic Center TFHD Summary	0	0	0	0	0	0	0	0	0	0.0%
<b>17085 TFH Clinic</b>										
Medi-Cal Clinic O/P visits	3,366	3,740	3,595	3,072	3,106	3,300	3,366	3,300	(66)	-2.0%
Flu Shots - Medi-Cal Clinic	614	173	188	132	30	125	25	25	0	0.0%
<b>17090 TC Occupational Therapy</b>										
OT - TC O/P Procedures	600	805	864	1,130	1,047	1,075	1,183	1,120	(63)	-5.9%
<b>17180 TC Physical Therapy</b>										
PT - TC O/P Procedures	7,380	8,130	8,960	11,919	16,540	14,450	14,891	14,450	(441)	-3.1%
<b>17181 Oncology Lab</b>										
Oncology Lab tests	2,387	2,560	2,344	2,558	3,016	2,827	3,349	3,344	(5)	-0.2%

DEPARTMENTAL VOLUME TRENDS

	2010	2011	2012	2013	2014	2015	2015	2016	Variance	%
	Actual	Actual	Actual	Actual	Actual	Budget	Annualized	Budget	Inc/(Dec)	Inc/(Dec)
<b>17290 Home Health</b>										
Home Health Nursing Units	2,233	2,072	2,082	2,239	2,191	2,275	2,163	2,175	12	0.5%
Home Health Aide Units	874	725	695	500	341	450	257	300	43	9.6%
Home Health Speech Therapy Units	14	32	26	3	2	5	0	0	0	0.0%
Home Health Occupational Therapy Units	184	172	244	355	416	390	429	425	(4)	-1.0%
Home Health Social Services Units	251	273	168	115	95	100	82	90	8	8.0%
Home Health PT Units	867	806	803	768	733	775	764	755	(9)	-1.2%
Home Health - Dietary Counseling	0	0	0	0	0	0	0	0	0	0.0%
Home Health - Medicare Visits	3,310	3,110	3,271	3,269	2,860	3,060	2,789	2,800	11	0.4%
Home Health - MediCal Visits	51	96	62	7	33	30	56	40	(16)	-53.3%
Home Health - Commercial Visits	942	766	626	639	825	825	775	800	25	3.0%
Home Health - Self Pay Visits	120	108	59	65	64	75	81	70	(11)	-14.7%
Home Health Units TFHD Summary	4,423	4,080	4,018	3,980	3,782	3,990	3,701	3,710	9	0.2%
<b>17310 Hospice</b>										
Hospice Medicare Visits	2,781	3,006	2,492	7,214	4,599	5,625	5,017	5,000	(17)	-0.3%
Hospice MediCal Visits	354	162	66	140	903	540	464	475	11	2.0%
Hospice Commercial Visits	228	397	110	827	1,027	1,040	934	940	6	0.6%
Hospice Other Visits	58	31	11	68	11	70	34	30	(4)	-5.7%
Hospice Medicare Days	4,306	5,398	4,842	4,624	3,152	3,695	3,346	3,350	4	0.1%
Hospice MediCal Days	501	334	26	94	598	340	310	300	(10)	-2.9%
Hospice Commercial Days	510	676	55	530	742	710	641	650	9	1.3%
Hospice Other Days	132	147	77	57	35	90	42	40	(2)	-2.2%
Hospice Days TFHD Summary	5,449	6,555	5,000	5,305	4,527	4,835	4,339	4,340	1	0.0%
<b>17400 Labor and Delivery</b>										
Total Deliveries	404	379	348	365	366	400	377	375	(2)	-0.5%
<b>17420 Surgery</b>										
OR I/P minutes	89,295	85,935	75,164	81,680	87,515	91,300	86,914	85,575	(1,339)	-1.5%
OR O/P minutes	74,196	58,890	81,352	73,537	68,250	68,750	67,282	68,200	918	1.3%
OR I/P Cases	785	750	697	774	845	830	822	815	(7)	-0.8%
OR O/P Cases	1,012	846	1,137	1,008	1,001	1,000	986	1,000	14	1.4%
Surgey Minutes TFHD	163,491	144,825	156,516	155,217	155,765	160,050	154,196	153,775	(421)	-0.3%
Surgey Cases TFHD	1,797	1,596	1,834	1,782	1,846	1,830	1,808	1,815	7	0.4%
<b>17428 Pain Clinic</b>										
Pain Center minutes	36,826	41,299	30,164	27,859	24,553	27,000	25,009	25,000	(9)	0.0%
<b>17429 SPD</b>										
SPD - I/P minutes	89,295	85,935	75,164	81,680	87,515	87,565	87,672	86,798	(874)	-1.0%
SPD - O/P minutes	74,196	58,890	81,352	73,537	70,050	71,250	63,129	65,000	1,871	2.6%
Sterile Processing TFHD Summary	163,491	144,825	156,516	155,217	157,565	158,815	150,801	151,798	997	0.6%
<b>17430 PAAS</b>										
I/P Recovery minutes	53,594	51,120	46,190	49,158	56,914	58,183	50,966	51,345	379	0.7%
O/P Recovery minutes	27,086	19,660	31,365	30,209	30,032	28,250	27,148	27,500	352	1.2%
Procedure Room minutes	4,405	8,956	7,434	4,393	5,347	4,600	5,482	5,350	(132)	-2.9%
ASD minutes	250,323	225,644	260,349	247,841	281,223	255,000	302,939	290,000	(12,939)	-5.1%
Total PAAS Minutes Summary	335,408	305,380	345,338	331,601	373,516	346,033	386,535	374,195	(12,340)	-3.6%

DEPARTMENTAL VOLUME TRENDS

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	Actual	Actual	Actual	Actual	Actual	Budget	Annualized	Budget	Inc/(Dec)	Inc/(Dec)
<b>17450 Anesthesia</b>										
Anesthesia - I/P minutes	94,954	90,086	79,028	87,469	92,912	96,944	94,018	93,114	(904)	-0.9%
Anesthesia - O/P minutes	76,669	62,007	87,750	81,743	76,337	73,000	65,727	66,650	923	1.3%
Anesthesia - Elsewhere minutes	17,176	16,942	15,341	15,697	16,731	18,000	17,316	17,063	(253)	-1.4%
Anesthesia - G/I I/P Minutes	1,666	2,004	2,140	1,262	3,264	3,680	3,279	3,250	(29)	-0.8%
Anesthesia - G/I O/P Minutes	15,869	12,763	9,567	8,944	10,715	10,920	10,458	10,530	72	0.7%
Anesthesia TFHD Summary	206,334	183,802	193,826	195,115	199,959	202,544	190,798	190,607	(191)	-0.1%
<b>17500 Laboratory</b>										
Lab - TFH I/P Tests	26,205	29,831	31,692	31,048	28,297	25,279	27,724	27,780	56	0.2%
Lab - TFH O/P Tests	70,959	86,524	105,004	79,290	83,447	78,000	92,091	91,596	(495)	-0.6%
Lab - MOB O/P Tests - 8664	4,518	4,987	6,202	5,656	4,723	4,500	5,022	5,000	(22)	-0.5%
Lab - Tahoe City O/P Tests - 7875	12,779	12,571	11,721	9,643	9,985	9,050	10,561	10,400	(161)	-1.8%
Lab - Incline Village O/P Tests	4,771	4,835	4,558	4,774	4,599	4,650	4,552	4,550	(2)	0.0%
Lab - Clinic Accounts	6,473	8,062	8,216	7,891	7,056	7,600	7,074	7,050	(24)	-0.3%
Lab - Send Outs IP	3,685	3,933	3,543	3,606	3,660	3,309	4,702	4,200	(502)	-15.2%
Lab - Send Outs OP	23,969	34,883	43,420	21,840	23,000	15,419	19,208	19,200	(8)	-0.1%
Laboratory TFHD Summary	153,359	185,626	214,356	163,748	164,767	147,807	170,934	169,776	(1,158)	-0.8%
<b>17540 Blood Bank</b>										
Total Blood Units	623	550	687	530	627	625	626	625	(1)	-0.2%
<b>17590 EKG</b>										
EKG - I/P Procedures	623	658	593	563	483	544	540	541	1	0.2%
EKG - O/P Procedures	1,679	1,679	1,616	1,810	1,798	1,800	1,920	1,800	(120)	-6.7%
EKG TFHD Summary	2,302	2,337	2,209	2,373	2,281	2,344	2,460	2,341	(119)	-5.1%
<b>17592 Stress EKG</b>										
Stress EKG - I/P Procedures	12	6	2	0	1	0	0	0	0	0.0%
Stress EKG - O/P Procedures	104	46	27	40	38	40	42	40	(2)	-5.0%
Stress EKG TFHD Summary	116	52	29	40	39	40	42	40	(2)	-5.0%
<b>17593 Cardiac Rehab</b>										
Cardiac Rehab - Phase II	489	480	251	310	565	375	567	565	(2)	-0.5%
Cardiac Rehab - Phase III	2,970	3,160	3,151	2,498	2,364	2,675	2,362	2,360	(2)	-0.1%
Cardiac Rehab TFHD Summary	3,459	3,640	3,402	2,808	2,929	3,050	2,929	2,925	(4)	-0.1%
<b>17595 Pulmonary Rehab</b>										
Pulmonary Rehab	12	6	0	20	0	0	0	0	0	0.0%
<b>17630 Diagnostic Imaging</b>										
Diagnostic Imaging - I/P Exams	2,130	1,950	1,867	1,865	1,288	1,581	1,398	1,352	(46)	-2.9%
Diagnostic Imaging - O/P Exams	8,297	7,649	7,211	7,068	7,095	7,192	7,556	7,470	(86)	-1.2%
Vascular I/P Exams	120	99	149	121	95	102	161	127	(34)	-33.3%
Vascular O/P Exams	103	173	230	179	184	200	239	200	(39)	-19.5%
Diagnostic Imaging TFHD Summary	10,427	9,599	9,078	8,933	8,383	8,773	8,954	8,822	(132)	-1.5%
Vascular Image TFHD Summary	223	272	379	300	279	302	400	327	(73)	-24.2%
<b>17632 Womens Imaging Center</b>										
Dexa Exams	393	398	408	352	399	375	442	406	(36)	-9.6%
Mammography Exams	3,143	3,020	3,103	2,874	2,878	3,000	2,981	2,900	(81)	-2.7%
Womens Imaging TFHD Summary	3,536	3,418	3,511	3,226	3,277	3,375	3,423	3,306	48	1.4%
<b>17633 MOB Diagnostic Imaging</b>										
MOB O/P Exams - Xrays -17633	906	926	945	889	1,027	960	1,054	1,025	(29)	-3.0%
MOB Diagnostic TFHD Summary	1,836	1,675	945	889	1,027	960	1,054	1,025	(29)	-3.0%
<b>17641 Oncology</b>										
Oncology Procedures	3,803	4,655	3,870	6,044	5,537	5,100	6,359	5,980	(379)	-7.4%



DEPARTMENTAL VOLUME TRENDS

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	Actual	Actual	Actual	Actual	Actual	Budget	Annualized	Budget	Inc/(Dec)	Inc/(Dec)
<b>17642 Radiation Oncology</b>										
<i>Radiation Oncology Procedures</i>	0	0	0	3,599	4,174	3,650	3,513	3,600	87	2.4%
<b>17650 Nuclear Medicine</b>										
<i>Nuclear Med - I/P Exams</i>	68	56	46	35	24	34	45	34	(11)	-32.4%
<i>Nuclear Med - O/P Exams</i>	569	314	277	293	274	275	272	275	3	1.1%
<i>Nuc Med TFHD Summary</i>	637	370	323	328	298	309	317	309	(8)	-2.6%
<b>17660 MRI</b>										
<i>MRI - I/P Exams</i>	80	96	105	79	85	80	75	78	3	3.8%
<i>MRI - O/P Exams</i>	1,680	1,648	1,800	1,705	1,851	1,800	1,787	1,793	6	0.3%
<i>MRI TFHD Summary</i>	1,760	1,744	1,905	1,784	1,936	1,880	1,862	1,871	9	0.5%
<b>17670 Ultrasound</b>										
<i>Ultrasound - I/P Exams</i>	478	534	529	442	416	468	396	406	10	2.1%
<i>Ultrasound - O/P Exams</i>	2,703	2,663	2,966	2,601	2,754	2,700	2,822	2,780	(42)	-1.6%
<i>Ultrasound TFHD Summary</i>	3,181	3,197	3,495	3,043	3,170	3,168	3,218	3,186	(32)	-1.0%
<b>17672 Briner Ultrasound</b>										
<i>Breast Ultrasound Exams</i>	839	1,003	1,113	1,057	1,094	1,095	1,253	1,160	(93)	-8.5%
<b>17680 CT</b>										
<i>CT - I/P Exams</i>	657	623	568	457	152	289	287	287	0	0.0%
<i>CT - O/P Exams</i>	3,804	3,508	2,976	3,014	3,065	3,001	3,053	3,013	(40)	-1.3%
<i>Cat Scan TFHD Summary</i>	4,461	4,131	3,544	3,471	3,217	3,290	3,340	3,300	(40)	-1.2%
<b>17685 PET CT</b>										
<i>PET CT - I/P Exams</i>	3	4	6	12	7	12	6	8	2	16.7%
<i>PET CT - O/P Exams</i>	170	172	218	262	258	250	278	265	(13)	-5.2%
<i>PET Cat Scan TFHD Summary</i>	173	176	224	274	265	262	284	273	(11)	-4.2%
<b>17690 Vascular Imaging</b>										
<i>Vascular I/P Exams</i>	120	99	149	121	95	102	161	127	(34)	-33.3%
<i>Vascular O/P Exams</i>	103	173	230	179	184	200	239	200	(39)	-19.5%
<i>Vascular Image TFHD Summary</i>	223	272	379	300	279	302	400	327	(73)	-24.2%
<b>17710 Pharmacy</b>										
<i>Pharmacy - I/P units</i>	117,634	118,089	116,441	111,490	97,331	99,225	97,823	97,230	(593)	-0.6%
<i>Pharmacy - O/P units</i>	91,047	190,880	88,415	79,935	63,204	62,000	70,727	70,343	(384)	-0.6%
<i>Pharmacy TFHD Summary</i>	208,681	308,969	204,856	191,425	160,535	161,225	168,550	167,573	(977)	-0.6%
<b>17711 Oncology Drugs Sold to Patients</b>										
<i>Oncology Pharmacy Units</i>	120,293	182,999	138,239	224,551	81,446	96,685	56,345	54,717	(1,628)	-1.7%
<b>17712 IV</b>										
<i>IV - I/P units</i>	12,702	11,957	13,588	11,632	9,649	11,293	10,623	10,464	(159)	-1.4%
<i>IV - O/P units</i>	10,811	8,792	9,258	8,857	7,095	8,705	8,230	8,155	(75)	-0.9%
<i>IV TFHD Summary</i>	23,513	20,749	22,846	20,489	16,744	19,998	18,853	18,619	(234)	-1.2%
<b>17720 Respiratory Therapy</b>										
<i>RT - I/P Minutes</i>	207,504	215,904	195,960	171,576	129,408	135,608	128,401	128,714	313	0.2%
<i>RT - O/P Minutes</i>	22,056	18,840	19,464	24,600	18,384	21,948	17,489	17,430	(59)	-0.3%
<i>RT TFHD Summary</i>	229,560	234,744	215,424	196,176	147,792	157,556	145,890	146,144	254	0.2%
<b>17730 Pulmonary Function</b>										
<i>Pulmonary - I/P Procedures</i>	927	770	762	261	74	147	98	93	(5)	-3.4%
<i>Pulmonary - O/P Procedures</i>	262	302	274	179	186	235	188	185	(3)	-1.3%
<i>CPL TFHD Summary</i>	1,189	1,072	1,036	440	260	382	286	278	(8)	-2.1%

DEPARTMENTAL VOLUME TRENDS

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	Actual	Actual	Actual	Actual	Actual	Budget	Annualized	Budget	Inc/(Dec)	Inc/(Dec)
<b>17760 Gastro-Intestinal Services</b>										
<i>Gastro/Int OR I/P Minutes</i>	4,905	5,224	6,777	3,990	9,489	10,960	8,595	8,719	124	1.1%
<i>Gastro/Int OR O/P Minutes</i>	31,844	31,395	34,083	30,665	40,180	39,900	39,731	39,150	(581)	-1.5%
<i>Gastro/Int I/P Recovery Minutes</i>	437	211	220	96	636	600	712	688	(24)	-4.0%
<i>Gastro/Int O/P Recovery Minutes</i>	366	483	103	113	537	420	247	270	23	5.5%
<i>Gastro/Int I/P ASD Minutes</i>	42	95	204	185	258	296	113	119	6	2.0%
<i>Gastro/Int O/P ASD Minutes</i>	105,737	101,549	112,819	100,009	129,546	134,400	136,060	132,300	(3,760)	-2.8%
<i>Gastro/Int OR I/P Cases</i>	78	86	108	62	125	160	123	125	2	1.3%
<i>Gastro/Int OR O/P Cases</i>	1,275	1,143	1,226	1,088	1,380	1,400	1,333	1,350	17	1.2%
<i>Gastro/Int Total Minutes Summary</i>	143,331	138,957	154,206	135,058	180,646	186,576	185,458	181,246	(4,212)	-2.3%
<i>Total Gastro/Int Total Cases Summary</i>	1,353	1,229	1,334	1,150	1,505	1,560	1,456	1,475	19	1.2%
<b>17770 Physical Therapy</b>										
<i>PT - TK I/P Procedures</i>	5,799	4,806	4,475	4,606	5,123	4,725	5,417	5,278	(139)	-2.9%
<i>PT - TK - SNF Procedures</i>	1,339	1,862	1,395	927	1,835	1,241	2,420	2,110	(310)	-25.0%
<i>Physical Therapy Procedures Summary</i>	7,138	6,668	5,870	5,533	6,958	5,966	7,837	7,388	(449)	-7.5%
<b>17780 Speech Therapy</b>										
<i>ST - I/P Procedures</i>	27	36	42	41	68	66	45	55	10	15.2%
<i>ST - SNF Procedures</i>	72	52	20	38	66	30	104	75	(29)	-96.7%
<i>Speech Therapy TFHD Summary</i>	99	88	62	79	134	96	149	130	(19)	-19.8%
<b>17790 Occupational Therapy</b>										
<i>OT - I/P Procedures</i>	4,125	3,652	3,562	3,953	4,132	4,016	4,095	4,074	(21)	-0.5%
<i>OT - SNF Procedures</i>	1,138	1,394	975	853	1,674	1,117	1,614	1,613	(1)	-0.1%
<i>Occupational Therapy IP TFHD Summary</i>	5,263	5,046	4,537	4,806	5,806	5,133	5,709	5,687	(22)	-0.4%
<b>18340 Dietary</b>										
<i>Patient Meals</i>	53,589	52,556	53,537	53,699	56,494	41,863	50,021	71,214	21,193	50.6%
<i>Pantries</i>	16,360	16,629	16,379	16,117	15,387	13,200	16,020	28,647	12,627	95.7%
<i>Non-Patient Meals</i>	215,136	239,218	243,100	253,884	237,680	246,300	236,476	237,000	524	0.2%
<i>Dietary TFHD Summary</i>	285,085	308,403	313,016	323,700	309,561	301,363	302,517	336,861	34,344	11.4%
<b>18350 Laundry &amp; Linen</b>										
<i>Pounds</i>	269,196	259,631	222,651	245,358	255,659	286,000	299,787	299,000	(787)	-0.3%
<b>18490 Child Care Center</b>										
<i>Child Care Days</i>	18,561	18,721	17,971	17,956	18,902	18,900	19,099	19,000	(99)	-0.5%
<b>18560 Admitting &amp; Communication</b>										
<i>Registrations</i>	56,680	55,447	53,327	49,480	53,858	55,000	57,132	59,350	2,218	4.0%
<b>18590 Financial Administration</b>										
<i>Acute Admissions</i>	1,761	1,789	1,681	1,652	1,606	1,700	1,687	1,690	3	0.2%
<i>Swing Admissions</i>	27	34	31	44	41	40	32	40	8	20.0%
<i>Acute Patient Days</i>	5,289	5,183	4,963	4,866	4,629	4,750	4,640	4,590	(50)	-1.1%
<i>Swing Days</i>	151	204	211	252	283	325	216	220	4	1.2%
<i>Adjusted Patient Days</i>	12,818	12,601	12,403	13,405	14,736	15,109	13,975	12,518	(1,457)	-9.6%
<i>ICU Average Daily Census</i>	4	3	3	3	3	3	3	3	(0)	-0.4%
<i>OB/GYN Average Daily Census</i>	3	3	2	2	3	3	3	3	0	0.0%
<i>Medical / Surgical - Acute - ADC</i>	8	9	8	8	8	8	8	8	(0)	-0.1%
<i>Medical / Surgical - Swing - ADC</i>	0	1	1	1	1	1	1	1	0	1.1%
<i>Acute Discharges</i>	1,756	1,776	1,679	1,643	1,624	1,700	1,687	1,690	3	0.2%
<i>Swing Discharges</i>	27	33	30	45	42	40	32	40	8	20.0%
<i>Avg Length of Stay</i>	3	3	3	3	3	3	3	3	(0)	-0.4%
<i>Total Admissions TFHD</i>	1,788	1,823	1,712	1,696	1,647	1,740	1,719	1,730	11	0.6%
<i>Total Discharges TFHD</i>	1,783	1,809	1,709	1,688	1,666	1,740	1,719	1,730	11	0.6%

DEPARTMENTAL VOLUME TRENDS

	2010	2011	2012	2013	2014	2015	2015	2016	Variance	%
	Actual	Actual	Actual	Actual	Actual	Budget	Annualized	Budget	Inc/(Dec)	Inc/(Dec)
<b>18660 Occ Health</b>										
Occupational Health Visits - 18660	1,897	2,219	2,489	2,507	2,567	2,600	2,731	2,600	(131)	-5.0%
Flu Shots - Occupational Health	237	278	358	290	247	250	321	250	(71)	-28.4%
Occ Health TFHD Summary	2,134	2,497	2,847	2,797	2,814	2,850	3,052	2,850	(202)	-7.1%
<b>18662 Infection Control/Employee Health</b>										
Employee Wellness Visits - 18662	825	1,192	1,202	1,236	1,352	1,370	1,260	1,300	40	2.9%
Flu Shots - Infection Control	514	834	737	841	817	800	913	850	(63)	-7.9%
<b>18664 Lab Draw MOB</b>										
Lab Draw Test - OH - 18664	3,884	3,660	4,503	4,082	4,677	4,475	4,546	4,500	(46)	-1.0%
<b>19513 MSC - ENT</b>										
Chase Visits	2,683	2,565	2,435	2,461	2,630	2,625	2,509	2,558	49	1.9%
<b>19518 MSC - SURGERY</b>										
Cooper/Conyers Visits	0	0	645	751	1,539	1,600	1,625	1,655	30	1.9%
<b>19521 MSC - IM Pulmonary</b>										
Tirdel Visits	5,905	6,464	6,632	6,359	5,909	5,900	6,028	5,762	(266)	-4.5%
<b>19525 MSC - IM Cardiology</b>										
T. Lombard/Scholnick Visits	5,009	4,462	5,584	4,941	5,669	5,900	5,335	5,181	(154)	-2.6%
<b>19527 MSC - Oncology</b>										
Heifetz/Koppel/Kairne Visits	2,192	2,880	2,927	3,424	4,730	5,400	4,630	4,718	88	1.6%
<b>17081 MSC - Radiation Oncology</b>										
Palmer Visits	0	0	0	658	1,629	2,000	1,238	1,400	162	8.1%
<b>19531 MSC - Burkholder</b>										
Burkholder Visits	1,070	1,406	1,930	1,803	2,094	1,850	1,948	1,985	37	2.0%
<b>19533 MSC - G.I. Schaffer</b>										
Schaffer Visits	0	389	735	677	1,212	1,250	1,172	1,194	22	1.8%
<b>19534 MSC - Pediatrics</b>										
North Lake Pediatrics Visits	0	3,029	9,483	9,998	10,308	10,500	9,302	9,480	178	1.7%
<b>17801 MSC - Audiology</b>										
Audiology	114	474	562	649	645	566	270	262	(8)	-1.4%
<b>19550 Retail Pharmacy</b>										
Prescriptions	35,023	33,552	30,387	27,633	26,270	27,800	27,409	27,400	(9)	0.0%

DEPARTMENTAL VOLUME TRENDS

	2010	2011	2012	2013	2014	2015	2015	2016	Variance	%
	Actual	Actual	Actual	Actual	Actual	Budget	Annualized	Budget	Inc/(Dec)	Inc/(Dec)
<b>26170 Med-Surg</b>										
<i>Inpatient Days</i>	10	22	10	16	25	10	11	10	(1)	-10.0%
<i>Observation Days</i>	36	40	36	25	25	30	19	25	6	20.0%
<i>Med Surg Days IVCH Summary</i>	46	62	46	41	50	40	30	35	5	12.5%
<b>27010 Emergency Room</b>										
<i>Total Emergency Visits</i>	4,121	4,194	3,892	3,908	3,560	3,600	3,690	3,675	(15)	-0.4%
<i>Flu Shots</i>	889	448	436	362	397	400	449	400	(49)	-12.3%
<b>27085 IVCH Clinic</b>										
<i>IVCH Clinic Visits</i>	0	0	0	345	858	564	1,022	1,020	(2)	-0.4%
<b>27420 Surgery</b>										
<i>OR IP Minutes</i>	0	0	0	0	0	0	0	0	0	0.0%
<i>OR OP Minutes</i>	14,535	17,339	15,742	12,630	8,794	7,500	7,577	7,505	(72)	-1.0%
<i>OR IP Cases</i>	0	0	0	0	0	0	0	0	0	0.0%
<i>OR OP Cases</i>	119	155	152	124	92	100	96	95	(1)	-1.0%
<i>Surgery Cases IVCH Summary</i>	119	155	152	124	92	100	96	95	(1)	-1.0%
<i>Surgery Minutes IVCH Summary</i>	14,535	17,339	15,742	12,630	8,794	7,500	7,577	7,505	(72)	-1.0%
<b>27428 Pain Clinic</b>										
<i>Pain Clinic Minutes</i>	7,145	8,367	390	0	0	0	0	0	0	0.0%
<b>27429 SPD</b>										
<i>Surgery Cases IVCH Summary</i>	119	155	152	124	92	100	96	95	(1)	-1.0%
<b>27430 PAAS</b>										
<i>PACU IP Minutes</i>	0	0	0	0	0	0	0	0	0	0.0%
<i>PACU OP Minutes</i>	3,046	4,796	4,587	3,778	2,693	2,700	2,637	2,636	(1)	0.0%
<i>Total ASD Minutes</i>	28,877	34,714	35,064	26,097	18,424	19,500	17,741	17,765	24	0.1%
<i>PAAS IVCH Summary</i>	31,923	39,510	39,651	29,875	21,117	22,200	20,378	20,401	23	0.1%
<b>27450 Anesthesia</b>										
<i>Anesthesia IP Minutes</i>	0	0	0	0	0	0	0	0	0	0.0%
<i>Anesthesia OP Minutes</i>	14,882	18,021	16,311	13,883	9,040	7,800	7,859	7,838	(21)	-0.3%
<i>Anesthesia Elsewhere Minutes</i>	0	0	0	0	0	0	0	0	0	0.0%
<i>Anesthesia Minutes IVCH Summary</i>	14,882	18,021	16,311	13,883	9,040	7,800	7,859	7,838	(21)	-0.3%
<b>27470 Med Supplies sold to Patients</b>										
<i>Total Emergency Visits</i>	4,121	4,194	3,892	3,908	3,560	3,600	3,690	3,675	(15)	-0.4%
<b>27500 Lab</b>										
<i>Lab - Inpatient Billable Tests</i>	16	83	81	123	92	20	9	8	(1)	-5.0%
<i>Lab - Outpatient Billable Tests</i>	21,320	21,357	20,927	22,068	23,844	21,400	24,102	23,350	(752)	-3.5%
<i>EKG</i>	595	580	486	483	484	500	522	500	(22)	-4.4%
<i>Reference Lab</i>	2,082	2,673	2,717	2,021	1,968	2,000	1,840	1,900	60	3.0%
<i>Blood</i>	4	0	1	3	0	0	0	0	0	0.0%
<i>Laboratory IVCH Summary</i>	24,017	24,693	24,212	24,698	26,388	23,920	26,473	25,758	(715)	-3.0%
<b>27540 Blood</b>										
<i>Blood</i>	4	0	1	3	0	0	0	0	0	0.0%
<b>27590 EKG</b>										
<i>EKG</i>	595	580	486	483	484	500	522	500	(22)	-4.4%
<b>27630 Diagnostic Imaging</b>										
<i>Radiology - I/P Exams</i>	1	5	3	7	3	3	1	0	(1)	-33.3%
<i>Radiology - O/P Exams (Inc. Mammo &amp; U/S)</i>	1,202	1,055	1,030	923	835	900	817	825	8	0.9%
<i>Radiology - ER Exams</i>	1,473	1,606	1,536	1,483	1,459	1,397	1,472	1,490	18	1.3%
<i>Diagnostic Imaging IVCH Summary</i>	2,676	2,666	2,569	2,413	2,297	2,300	2,290	2,315	25	1.1%

DEPARTMENTAL VOLUME TRENDS

	2010	2011	2012	2013	2014	2015	2015	2016	Variance	%
	Actual	Actual	Actual	Actual	Actual	Budget	Annualized	Budget	Inc/(Dec)	Inc/(Dec)
<b>27680 Cat Scan</b>										
CT - I/P Exams	3	2	1	1	3	1	0	0	0	0.0%
CT - O/P Exams	385	230	162	152	157	150	160	155	(5)	-3.3%
CT - ER Exams	469	548	473	461	471	496	484	478	(6)	-1.2%
CT IVCH Summary	857	780	636	614	631	647	644	633	(11)	-1.7%
<b>27710 Drugs Sold to Patients</b>										
Pharmacy - I/P Units	89	332	115	262	649	238	219	199	(20)	-8.4%
Pharmacy - O/P Units	12,343	11,647	11,043	11,296	7,859	7,901	8,109	8,085	(24)	-0.3%
Pharmacy IVCH Summary	12,432	11,979	11,158	11,558	8,508	8,139	8,328	8,284	(44)	-0.5%
<b>27712 IV</b>										
IV's - I/P Units	6	38	28	59	63	34	16	15	(1)	-2.9%
IV's - O/P Units	2,403	2,632	2,510	1,946	893	1,176	507	515	8	0.7%
IV IVCH Summary	2,409	2,670	2,538	2,005	956	1,210	523	530	7	0.6%
<b>27720 Respiratory Therapy</b>										
RT - I/P Procedures	44	81	0	0	0	0	0	0	0	0.0%
RT - O/P Procedures	2,309	2,533	0	0	0	0	0	0	0	0.0%
RT IVCH Summary	2,353	2,614	0	0	0	0	0	0	0	0.0%
<b>27770 Physical Therapy</b>										
PT - Procedures	25,430	25,081	25,614	30,054	29,640	32,400	30,105	30,000	(105)	-0.3%
<b>27790 Occupational Therapy</b>										
OT - Procedures	759	1,185	1,168	1,212	1,195	1,300	1,553	1,200	(353)	-27.2%
<b>27874 Sleep Clinic</b>										
Sleep Clinic Visits	221	197	202	193	143	200	158	155	(3)	-1.5%
<b>28282 Diamond Ski Aid</b>										
Diamond Peak - Patient Seen	281	249	329	329	308	350	332	325	(7)	-2.0%
<b>28340 Dietary</b>										
Patient Meals	881	948	883	889	869	900	867	860	(7)	-0.8%
Pantry	1,534	2,116	1,984	2,210	2,421	2,350	2,226	2,200	(26)	-1.1%
Non-Patient Meals	0	0	0	0	0	0	0	0	0	0.0%
Dietary IVCH Summary	2,415	3,064	2,867	3,099	3,290	3,250	3,093	3,060	(33)	-1.0%
<b>28560 Admitting</b>										
Registrations	10,119	9,984	9,723	9,753	9,314	9,700	9,442	9,584	142	1.5%
<b>28610 Administration</b>										
Acute Admissions	6	9	9	9	11	10	10	10	0	0.0%
<b>29523 MSC - IM Peds</b>										
IM/Peds Visits	2,068	1,785	1,298	1,389	1,641	1,600	1,775	1,707	(68)	-4.3%
<b>29530 MSC - Orthopedics</b>										
Osgood Visits	0	0	0	182	361	300	357	0	(357)	-119.0%

DEPARTMENTAL VOLUME TRENDS

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2015 Annualized	2016 Budget	Variance Inc/(Dec)	% Inc/(Dec)
<b>57770 Physical Therapy</b> <i>PT - TK O/P Procedures</i>	35,702	38,921	36,855	38,193	42,712	42,250	44,421	43,125	(1,296)	-3.1%
<b>57771 Aquatic Therapy</b> <i>PT - Aquatic Visits</i>	1,996	3,047	2,831	3,087	1,632	2,400	2,478	2,400	(78)	-3.3%
<b>57780 Speech Therapy</b> <i>ST - O/P Procedures</i>	58	133	130	163	440	575	451	450	(1)	-0.2%
<b>57790 Occupational Therapy</b> <i>OT - O/P Procedures</i>	4,263	3,771	3,520	4,723	5,023	4,400	5,592	5,125	(467)	-10.6%
<b>57802 Sports Performance Training &amp; Testing</b> <i>TCHSP - Sports Lab</i>	740	545	7	6	7	10	216	200	(16)	-160.0%
<b>58660 Occupational Health Testing</b> <i>TCHSP - Occupational Hlth Testing</i>	1,129	1,526	1,067	1,166	1,364	1,350	1,410	1,380	(30)	-2.2%
<b>58771 Fitness Center</b> <i>TCHSP - Memberships</i>	2,782	2,362	2,802	2,546	2,649	2,800	2,578	2,600	22	0.8%
<b>58775 HP Fitness/Wellness/Massage</b> <i>TCHSP - Fitness/Weight/Nutrition/Other</i>	1,495	1,860	2,490	1,773	1,898	1,550	1,790	1,780	(10)	-0.6%
<b>59194 MSC - Sports Medicine</b> <i>Winans Visits</i>	802	1,465	1,424	1,408	1,971	1,660	2,136	2,150	14	0.8%

**Tahoe Forest Hospital District  
Gross Revenue - Payor Mix**

We anticipate bringing forward a 5% rate increase in Room Rates and Emergency Department Level charges only effective August 1, 2015.

For the most part we have budgeted volumes to remain fairly static to what we have witnessed during the first seven months of FY 2015. We are **projecting our budgeted gross revenue for FY 2016 to be \$207.3 million**. This is a \$3.2 million increase to our Gross Revenue when compared to projected FY 2015 and a \$10.7 million increase when compared to budgeted Gross Revenue for FY 2015.

**Budgeted EBIDA for FY 2016 is \$2.05 million**, representing a \$818,000 decrease from projected FY 2015. This net decrease is reflective of a budgeted rate increase in August 2015 to help offset rising costs related to salaries, wages & benefits, inflation, and declining payor reimbursement. Return on Gross Revenue **EBIDA is 1.0%**, projecting slightly lower than how we anticipate finishing out in FY 2015.

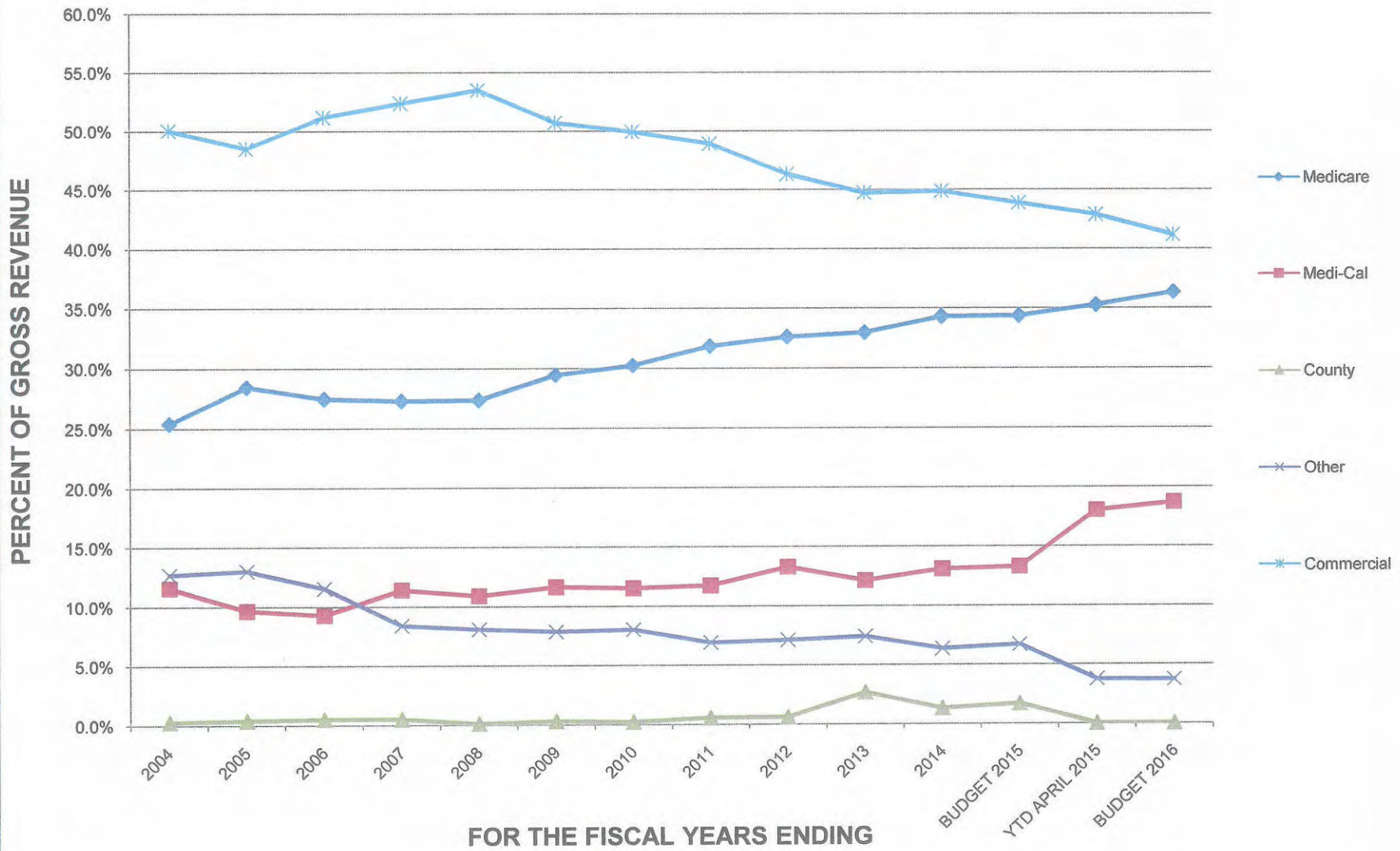
**Budgeted Net Income/(Loss) for FY 2016 is a loss of \$2.96 million**, an increase of \$925,000 from projected FY 2015. The increase stems from an increase in costs as outlined above along with continued increases to our Depreciation Expense brought on by Measure C projects going live in FY 2015 and FY 2016.

**Return on Equity is estimated to be -3.1%**, a decrease of 1% from the projected FY 2015 Return on Equity. This decrease is due to the budgeted lower Net Income combined with a higher Net Asset (Fund) Balance.

Total Gross Revenue **Payor Mix** for the FY 2016 budget reflects similar trending that we witnessed through April 2015 along with continued shifts as a result of Healthcare Reform and expansion of the Medi-Cal program. We made slight adjustments to our Medicare, Medi-Cal, Other and Commercial percentages to be more conservative and in line with the respective upward and downward trends. See table below.

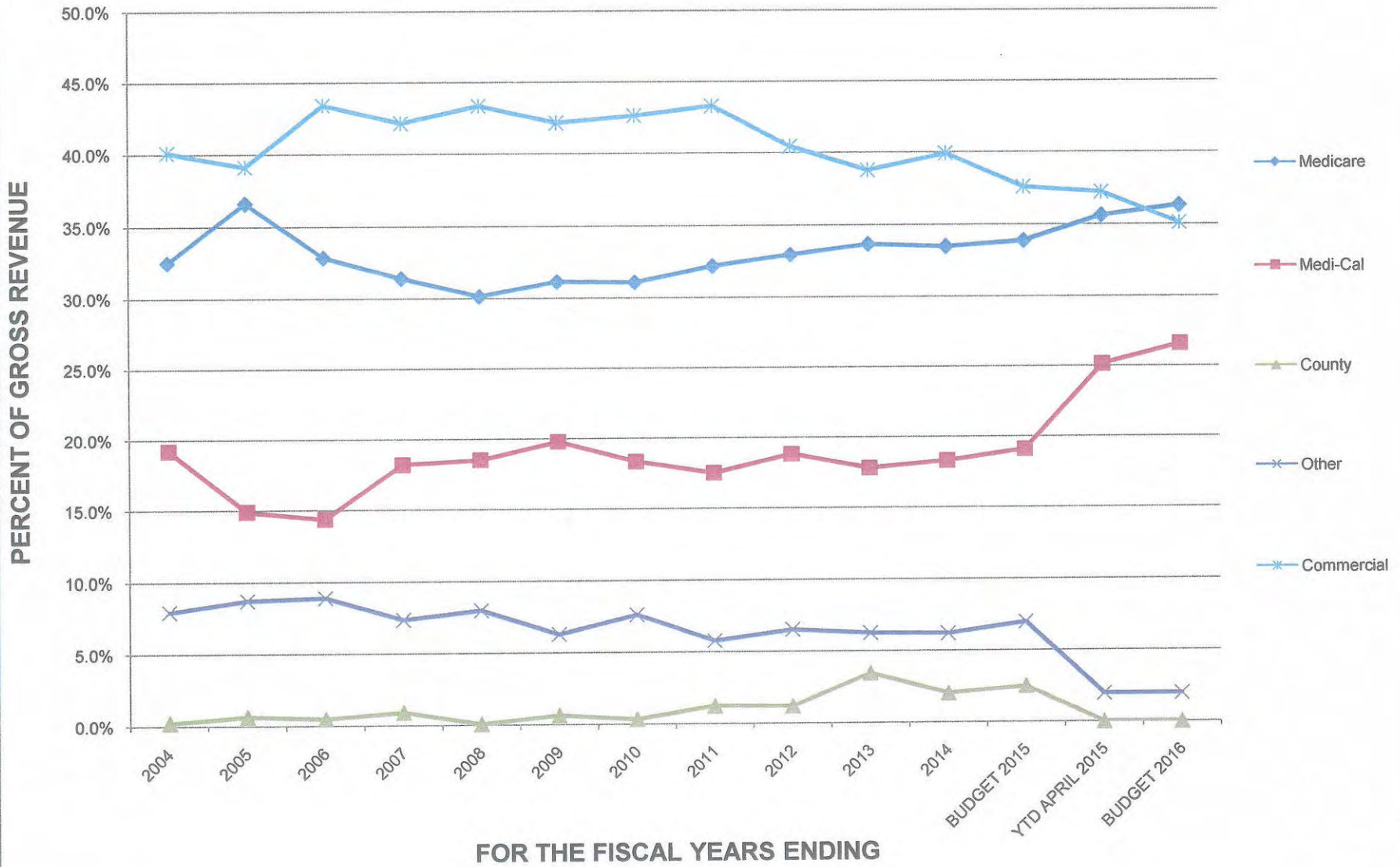
<b>Payor Mix</b>	<b>Budget FY 2016</b>	<b>Projected FY 2015</b>
Medicare	36.3%	35.3%
Medi-Cal	18.7%	18.0%
County	0.0%	0.0%
Other	3.7%	3.8%
Commercial	41.2%	42.9%

# GROSS REVENUE PAYOR MIX TRENDING

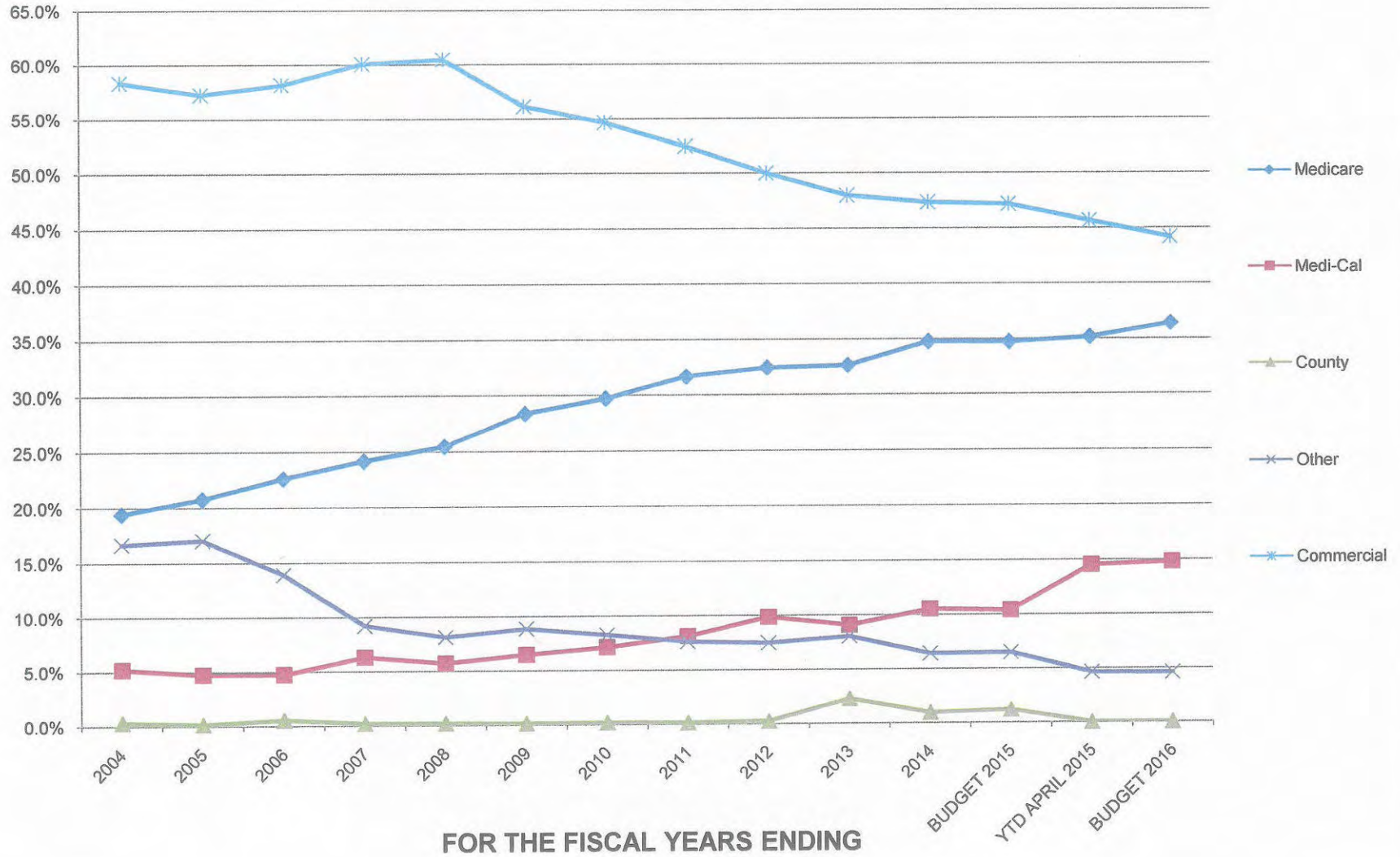




# INPATIENT REVENUE PAYOR MIX TRENDING



# OUTPATIENT REVENUE PAYOR MIX TRENDING



FOR THE FISCAL YEARS ENDING



Tahoe Forest Hospital District  
Room Rate Historical Trending

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>Budget FY 2015</u>	<u>As of April FY 2015</u>	<u>Proposed % Increase Aug 2016</u>	<u>Proposed New Room Rate Aug 2016</u>	<u>Budget FY 2016</u>
Private Room	\$ 1,608	\$ 1,608	\$ 2,000	\$ 2,500	\$ 2,500	\$ 2,875	\$ 3,019	\$ 3,019	5%	\$ 3,170	\$ 3,170
Semi-Private Room	\$ 1,512	\$ 1,512	\$ 1,800	\$ 2,250	\$ 2,250	\$ 2,588	\$ 2,717	\$ 2,717	5%	\$ 2,853	\$ 2,853
Isolation	\$ 1,816	\$ 1,816	\$ 2,200	\$ 2,750	\$ 2,750	\$ 3,163	\$ 3,321	\$ 3,321	5%	\$ 3,487	\$ 3,487
Intensive Care	\$ 3,344	\$ 3,344	\$ 4,100	\$ 5,125	\$ 5,125	\$ 5,894	\$ 6,189	\$ 6,189	5%	\$ 6,498	\$ 6,498
Step Down	\$ 2,621	\$ 2,621	\$ 3,200	\$ 4,000	\$ 4,000	\$ 4,600	\$ 4,830	\$ 4,830	5%	\$ 5,072	\$ 5,072
Delivery	\$ 1,603	\$ 1,603	\$ 3,030	\$ 3,636	\$ 3,636	\$ 3,840	\$ 4,032	\$ 4,032	0%	\$ 4,032	\$ 4,032
Pediatric	\$ 1,512	\$ 1,512	\$ 1,800	\$ 2,250	\$ 2,250	\$ 2,588	\$ 2,717	\$ 2,717	5%	\$ 2,853	\$ 2,853
Nursery	\$ 733	\$ 733	\$ 850	\$ 850	\$ 850	\$ 850	\$ 893	\$ 893	5%	\$ 938	\$ 938
Extended Care	\$ 370	\$ 370	\$ 410	\$ 410	\$ 410	\$ 410	\$ 431	\$ 431	0%	\$ 431	\$ 431
Swing Bed	\$ 370	\$ 370	\$ 410	\$ 410	\$ 410	\$ 410	\$ 431	\$ 431	0%	\$ 431	\$ 431

TAHOE FOREST HOSPITAL DISTRICT (TFHD)  
CHARGE COMPARISON

Note Reference	CPT Code	Current TFHD	8/1/2015 Proposed TFHD	Percentile Ranking	Inclusive of TFHD Average Median		CALIFORNIA								NEVADA			11 Hospital Average	11 Hospital Median	11 Hospital Average % Var.	11 Hospital Median % Var.	
							Barton Memorial	Sutter Auburn Faith	Marshall Medical	Banner Lassen Medical	Mammoth Hospital	Dignity Sierra Nevada	Plumas District	Eastern Plumas	Renown	Prime St. Mary's Regional	Northern Nevada					
(A)	99281	\$ 318	\$ 334	64%	\$ 334	\$ 333	\$ 359	\$ 618	\$ 706	\$ 267	\$ 158	\$ 390	\$ 170	\$ 182	\$ 332	\$ 333	\$ 163	\$ 334	\$ 332	-0.1%	0.5%	
	(A) (B)	99282	\$ 540	\$ 567	45%	\$ 580	\$ 610	\$ 652	\$ 954	\$ 1,119	\$ 426	\$ 226	\$ 775	\$ 269	\$ 345	\$ 686	\$ 654	\$ 291	\$ 582	\$ 652	-2.5%	-15.0%
	(A) (B)	99283	\$ 825	\$ 866	45%	\$ 952	\$ 878	\$ 1,043	\$ 1,588	\$ 1,985	\$ 746	\$ 414	\$ 1,259	\$ 447	\$ 524	\$ 1,047	\$ 889	\$ 615	\$ 960	\$ 889	-9.7%	-2.6%
	(A) (B)	99284	\$ 1,332	\$ 1,399	55%	\$ 1,572	\$ 1,392	\$ 2,150	\$ 2,432	\$ 2,785	\$ 1,386	\$ 958	\$ 2,517	\$ 671	\$ 773	\$ 1,704	\$ 1,166	\$ 930	\$ 1,588	\$ 1,386	-11.9%	0.9%
	(A)	99285	\$ 2,156	\$ 2,264	55%	\$ 2,311	\$ 2,198	\$ 3,101	\$ 2,915	\$ 3,900	\$ 2,132	\$ 1,442	\$ 3,870	\$ 989	\$ 1,013	\$ 2,602	\$ 1,636	\$ 1,864	\$ 2,315	\$ 2,132	-2.2%	5.8%
(B)	80048	\$ 97	\$ 97	18%	\$ 162	\$ 119	\$ 260	\$ 222	\$ 112	\$ 117	\$ 92	\$ 62	\$ 130	\$ 97	\$ 206	\$ 121	\$ 430	\$ 168	\$ 121	-42.3%	-25.1%	
	(B)	82805	\$ 208	\$ 208	60%	\$ 235	\$ 201	N/A	\$ 509	\$ 88	\$ 246	\$ 157	\$ 168	\$ 225	\$ 127	\$ 112	\$ 201	\$ 238	\$ 185	-12.5%	11.3%	
	(B)	85027	\$ 69	\$ 69	27%	\$ 97	\$ 90	\$ 177	\$ 170	\$ 55	\$ 100	\$ 52	\$ 39	\$ 85	\$ 74	\$ 105	\$ 94	\$ 99	\$ 94	-30.3%	-36.2%	
	(B)	85025	\$ 88	\$ 88	27%	\$ 123	\$ 118	\$ 231	\$ 203	\$ 63	\$ 104	\$ 47	\$ 41	\$ 123	\$ 137	\$ 130	\$ 112	\$ 201	\$ 127	\$ 123	-30.4%	-39.8%
	(B)	80053	\$ 120	\$ 120	27%	\$ 177	\$ 152	\$ 246	\$ 281	\$ 181	\$ 103	\$ 81	\$ 64	\$ 151	\$ 123	\$ 220	\$ 152	\$ 396	\$ 182	\$ 152	-33.9%	-26.7%
	(B)	82550	\$ 80	\$ 80	27%	\$ 112	\$ 104	\$ 194	\$ 170	\$ 68	\$ 165	\$ 109	\$ 45	\$ 99	\$ 74	\$ 126	\$ 94	\$ 118	\$ 115	\$ 109	-30.3%	-36.3%
	(B)	80061	\$ 151	\$ 151	55%	\$ 169	\$ 149	\$ 194	\$ 415	\$ 124	\$ 106	\$ 96	\$ 83	\$ 146	\$ 157	\$ 141	\$ 191	\$ 228	\$ 171	\$ 146	-11.7%	3.3%
	(B)	85730	\$ 74	\$ 74	36%	\$ 119	\$ 105	\$ 180	\$ 157	\$ 64	\$ 172	\$ 71	\$ 62	\$ 122	\$ 72	\$ 147	\$ 87	\$ 217	\$ 123	\$ 122	-39.8%	-64.9%
	(B)	85610	\$ 49	\$ 49	9%	\$ 77	\$ 66	\$ 95	\$ 105	\$ 55	\$ 55	\$ 71	\$ 47	\$ 93	\$ 86	\$ 62	\$ 50	\$ 156	\$ 80	\$ 71	-38.4%	-44.9%
	(B)	84443	\$ 190	\$ 190	45%	\$ 190	\$ 193	\$ 197	\$ 445	\$ 136	\$ 113	\$ 74	\$ 99	\$ 169	\$ 195	\$ 196	\$ 213	\$ 250	\$ 190	\$ 195	0.2%	-2.6%
	(B)	84484	\$ 174	\$ 174	55%	\$ 188	\$ 165	\$ 290	\$ 262	\$ 149	\$ 156	\$ 109	\$ 76	\$ 177	\$ 115	\$ 268	\$ 141	\$ 340	\$ 189	\$ 156	-8.1%	10.5%
	(B)	81002-81003	\$ 30	\$ 30	10%	\$ 51	\$ 44	\$ 93	N/A	\$ 29	\$ 65	\$ 44	\$ 36	\$ 47	\$ 68	\$ 72	\$ 32	\$ 43	\$ 53	\$ 46	-43.3%	-51.7%
	(B)	81000-81001	\$ 37	\$ 37	22%	\$ 63	\$ 61	N/A	N/A	\$ 32	\$ 86	\$ 76	\$ 34	\$ 93	\$ 82	\$ 106	\$ 46	\$ 40	\$ 66	\$ 76	-44.0%	-105.4%
(B)	71020	\$ 303	\$ 303	27%	\$ 342	\$ 362	\$ 460	\$ 100	\$ 191	\$ 389	\$ 357	\$ 452	\$ 239	\$ 306	\$ 440	\$ 366	\$ 504	\$ 346	\$ 366	-12.4%	-20.8%	
	(B)	72110	\$ 551	\$ 551	36%	\$ 706	\$ 697	\$ 803	\$ 192	\$ 1,143	\$ 672	\$ 529	\$ 1,023	\$ 407	\$ 443	\$ 722	\$ 1,023	\$ 963	\$ 720	\$ 722	-23.5%	-31.0%
	(B)	70553	\$ 3,674	\$ 3,674	45%	\$ 3,872	\$ 3,863	\$ 5,090	\$ 4,052	\$ 5,211	\$ 2,437	\$ 3,148	\$ 3,301	\$ 2,965	\$ 1,863	\$ 4,475	\$ 4,844	\$ 5,400	\$ 3,890	\$ 4,052	-5.5%	-10.3%
	(B)	77057	\$ 276	\$ 276	75%	\$ 257	\$ 267	\$ 402	\$ 170	\$ 437	\$ 267	\$ 115	\$ 268	\$ 125	\$ 256	N/A	N/A	N/A	\$ 255	\$ 261	8.3%	5.3%
	(B)	76805	\$ 695	\$ 695	36%	\$ 812	\$ 749	\$ 933	\$ 630	\$ 813	\$ 564	\$ 799	\$ 661	\$ 425	\$ 699	\$ 1,022	\$ 1,284	\$ 1,218	\$ 822	\$ 799	-15.5%	-15.0%
	(B)	76700	\$ 695	\$ 695	18%	\$ 1,073	\$ 1,129	\$ 1,540	\$ 1,173	\$ 1,294	\$ 981	\$ 732	\$ 1,525	\$ 534	\$ 659	\$ 1,175	\$ 1,084	\$ 1,484	\$ 1,107	\$ 1,173	-37.2%	-68.8%
	(B)	72193	\$ 2,122	\$ 2,122	40%	\$ 2,591	\$ 2,598	\$ 3,377	\$ 4,308	\$ 3,327	\$ 1,626	\$ 2,862	\$ 1,719	\$ 1,593	\$ 2,107	\$ 2,865	\$ 2,598	N/A	\$ 2,638	\$ 2,730	-19.6%	-28.7%
	(B)	70450	\$ 1,394	\$ 1,394	27%	\$ 2,028	\$ 2,214	\$ 2,616	\$ 2,815	\$ 2,673	\$ 1,307	\$ 2,123	\$ 1,189	\$ 1,030	\$ 1,453	\$ 2,304	\$ 2,476	\$ 2,955	\$ 2,086	\$ 2,304	-33.2%	-65.3%
(B)	74160	\$ 2,122	\$ 2,122	36%	\$ 2,847	\$ 2,824	\$ 3,749	\$ 4,931	\$ 3,817	\$ 1,759	\$ 2,914	\$ 1,719	\$ 1,395	\$ 2,107	\$ 3,023	\$ 2,734	\$ 3,893	\$ 2,913	\$ 2,914	-27.1%	-37.3%	
(B)	Intensive Care Unit	\$ 6,189	\$ 6,498	57%	\$ 6,664	\$ 6,414	\$ 7,663	\$ 8,715	\$ 9,184	\$ 3,101	\$ 5,636	\$ 6,329	N/A	N/A	N/A	\$ 6,188	N/A	\$ 6,688	\$ 6,329	-2.8%	2.6%	
	Medical/Surgical Unit - Private	\$ 2,717	\$ 2,853	56%	\$ 2,873	\$ 2,828	\$ 3,329	\$ 3,732	\$ 4,200	\$ 1,929	\$ 2,314	\$ 2,804	\$ 1,397	\$ 2,663	N/A	\$ 3,507	N/A	\$ 2,875	\$ 2,804	-0.8%	1.7%	
	Nursery Unit	\$ 893	\$ 938	29%	\$ 1,466	\$ 1,017	\$ 1,006		\$ 3,570	\$ 1,028	\$ 846	\$ 2,369	\$ 425	N/A	N/A	\$ 1,550	N/A	\$ 1,542	\$ 1,028	-39.2%	-9.6%	
	Skilled Nursing Facility	\$ 431	\$ 431	100%	\$ 400	\$ 420	\$ 420	N/A	N/A	N/A	N/A	N/A	N/A	\$ 350	N/A	N/A	N/A	\$ 385	\$ 385	11.9%	10.7%	
Average of all 25 common outpatient procedures noted by (B) above		\$ 636	\$ 641	27%	\$ 790	\$ 773	\$ 1,086	\$ 1,143	\$ 1,038	\$ 566	\$ 666	\$ 690	\$ 468	\$ 522	\$ 890	\$ 857	\$ 914	\$ 772	\$ 678	-17.0%	-5.7%	

Note Reference:

(A) Level 1 - low severity - example a toothache with treatment other than a prescription, Plan B Rx.  
 Level 2 - low to moderate severity - minor illness with no lab or x-ray other than a simple strep screen or UTI, abrasions, small cuts with no suturing  
 Level 3 - moderate severity - labs, x-rays, medications simple lacerations with sutures, simple asthma that resolves, sprains  
 Level 4 - moderate to high severity - IV's for hydration, IV medications, splinting of fractures that are straight forward, simple chest pain, asthma that needs repeated breathing treatment or medications  
 Level 5 - high severity - traumas, transfers, GI bleeds, overdoses, sedation for fracture reductions

(B) Charge is listed in the 25 most common outpatient procedures performed in a hospital per the OSHPD web site listed below under Source.

(C) Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Laboratory reflects the Outpatient pricing.

(D) Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Diagnostic Imaging reflects the Outpatient pricing.

Charge is lower than TFHD  
 Charge is higher than TFHD  
 TFHDs percentile ranking is lower than the 50th  
 TFHDs percentile ranking is higher than the 50th

Source: California Hospitals - Office of Statewide Health Planning and Development (OSHPD) Healthcare Information Division - Annual Financial Data - Hospital Chargemasters ( http://www.oshpd.ca.gov/Chargemaster ), charges effective 6/1/2014.  
 Nevada Hospitals - MedAssets, 2013 data  
 Charges for Tahoe Forest Hospital District are as of today.

Definitions: Median - is the middle value in a list ordered from smallest to largest.  
 N/A - Not Applicable or Not Available

		Note Reference	CPT Code	Current TFHD	8/1/2015 Proposed TFHD	Percentile Ranking	Inclusive of TFHD Average Median		CALIFORNIA								8 Hospital Average	8 Hospital Median	8 Hospital Average % Var.	8 Hospital Median % Var.
									Barton Memorial	Sutter Auburn Faith	Marshall Medical	Banner Lassen Medical	Mammoth Hospital	Dignity Sierra Nevada	Plumas District	Eastern Plumas				
Emergency Room	Visit - Level 1	(A)	99281	\$ 318	\$ 334	50%	\$ 354	\$ 300	\$ 359	\$ 618	\$ 706	\$ 267	\$ 158	\$ 390	\$ 170	\$ 182	\$ 356	\$ 313	-6.2%	6.4%
	Visit - Level 2	(A) (B)	99282	\$ 540	\$ 567	50%	\$ 593	\$ 497	\$ 652	\$ 954	\$ 1,119	\$ 426	\$ 226	\$ 775	\$ 269	\$ 345	\$ 596	\$ 539	-4.8%	4.9%
	Visit - Level 3	(A) (B)	99283	\$ 825	\$ 866	50%	\$ 986	\$ 806	\$ 1,043	\$ 1,588	\$ 1,985	\$ 746	\$ 414	\$ 1,259	\$ 447	\$ 524	\$ 1,001	\$ 895	-13.4%	-3.3%
	Visit - Level 4	(A) (B)	99284	\$ 1,332	\$ 1,399	50%	\$ 1,674	\$ 1,392	\$ 2,150	\$ 2,432	\$ 2,785	\$ 1,386	\$ 958	\$ 2,517	\$ 671	\$ 773	\$ 1,709	\$ 1,768	-18.2%	-26.4%
	Visit - Level 5	(A)	99285	\$ 2,156	\$ 2,264	50%	\$ 2,403	\$ 2,198	\$ 3,101	\$ 2,915	\$ 3,900	\$ 2,132	\$ 1,442	\$ 3,870	\$ 989	\$ 1,013	\$ 2,420	\$ 2,524	-6.5%	-11.5%
Laboratory	Basic Metabolic Panel	(B)	80048	\$ 97	\$ 97	25%	\$ 132	\$ 105	\$ 260	\$ 222	\$ 112	\$ 117	\$ 92	\$ 62	\$ 130	\$ 97	\$ 136	\$ 115	-28.9%	-18.2%
	Blood Gas Analysis, including O <sub>2</sub> saturation	(B)	82805	\$ 208	\$ 208	43%	\$ 268	\$ 208	N/A	\$ 509	\$ 88	\$ 246	\$ 544	\$ 157	\$ 168	\$ 225	\$ 277	\$ 225	-24.8%	-8.2%
	Complete Blood Count, automated	(B)	85027	\$ 69	\$ 69	38%	\$ 91	\$ 72	\$ 177	\$ 170	\$ 55	\$ 100	\$ 52	\$ 39	\$ 85	\$ 74	\$ 94	\$ 80	-26.6%	-15.2%
	Complete Blood Count, with differential WBC, automated	(B)	85025	\$ 88	\$ 88	38%	\$ 115	\$ 96	\$ 231	\$ 203	\$ 63	\$ 104	\$ 47	\$ 41	\$ 123	\$ 137	\$ 119	\$ 113	-25.8%	-28.9%
	Comprehensive Metabolic Panel	(B)	80053	\$ 120	\$ 120	38%	\$ 150	\$ 122	\$ 246	\$ 281	\$ 181	\$ 103	\$ 81	\$ 64	\$ 151	\$ 123	\$ 154	\$ 137	-22.0%	-14.2%
	Cratine Kinase (CK), (CPK), Total	(B)	82550	\$ 80	\$ 80	38%	\$ 112	\$ 90	\$ 194	\$ 170	\$ 68	\$ 165	\$ 109	\$ 45	\$ 99	\$ 74	\$ 116	\$ 104	-30.8%	-30.0%
	Lipid Panel	(B)	80061	\$ 151	\$ 151	63%	\$ 164	\$ 135	\$ 194	\$ 415	\$ 124	\$ 106	\$ 96	\$ 83	\$ 146	\$ 157	\$ 165	\$ 135	-8.5%	10.6%
	Partial Thromboplastin Time	(B)	85730	\$ 74	\$ 74	50%	\$ 108	\$ 73	\$ 180	\$ 157	\$ 64	\$ 172	\$ 71	\$ 62	\$ 122	\$ 72	\$ 113	\$ 97	-34.3%	-31.1%
	Prothrombin Time	(B)	85610	\$ 49	\$ 49	13%	\$ 73	\$ 63	\$ 95	\$ 105	\$ 55	\$ 55	\$ 71	\$ 47	\$ 93	\$ 86	\$ 76	\$ 79	-35.4%	-60.5%
	Thyroid Stimulating Hormone (TSH)	(B)	84443	\$ 190	\$ 190	63%	\$ 180	\$ 153	\$ 197	\$ 445	\$ 136	\$ 113	\$ 74	\$ 99	\$ 169	\$ 195	\$ 178	\$ 153	6.5%	19.7%
	Troponin, Quantitative	(B)	84484	\$ 174	\$ 174	63%	\$ 168	\$ 152	\$ 290	\$ 262	\$ 149	\$ 156	\$ 109	\$ 76	\$ 177	\$ 115	\$ 167	\$ 152	4.4%	12.4%
	Urinalysis, without microscopy	(B)	81002-81003	\$ 30	\$ 30	14%	\$ 52	\$ 44	\$ 93	N/A	\$ 29	\$ 65	\$ 44	\$ 36	\$ 47	\$ 68	\$ 55	\$ 47	-45.1%	-56.7%
	Urinalysis, with microscopy	(B)	81000-81001	\$ 37	\$ 37	33%	\$ 63	\$ 57	N/A	N/A	\$ 32	\$ 86	\$ 76	\$ 34	\$ 93	\$ 82	\$ 67	\$ 79	-44.9%	-113.5%
	Diagnostic Imaging	Xray - Chest two views	(B)	71020	\$ 303	\$ 303	38%	\$ 311	\$ 305	\$ 460	\$ 100	\$ 191	\$ 389	\$ 357	\$ 452	\$ 239	\$ 306	\$ 312	\$ 332	-2.8%
Xray - Lower Back - four views		(B)	72110	\$ 551	\$ 551	50%	\$ 640	\$ 540	\$ 803	\$ 192	\$ 1,143	\$ 672	\$ 529	\$ 1,023	\$ 407	\$ 443	\$ 652	\$ 600	-15.4%	-8.9%
MRI - Head or Brain without contrast followed by contrast		(B)	70553	\$ 3,674	\$ 3,674	63%	\$ 3,527	\$ 3,225	\$ 5,090	\$ 4,052	\$ 5,211	\$ 2,437	\$ 3,148	\$ 3,301	\$ 2,965	\$ 1,863	\$ 3,508	\$ 3,225	4.7%	12.2%
Mammography - Screening, Bilateral		(B)	77057	\$ 276	\$ 276	75%	\$ 257	\$ 261	\$ 402	\$ 170	\$ 437	\$ 267	\$ 115	\$ 268	\$ 125	\$ 256	\$ 255	\$ 261	8.3%	5.3%
US - OB, 14 weeks or more, transabdominal		(B)	76805	\$ 695	\$ 695	50%	\$ 691	\$ 678	\$ 933	\$ 630	\$ 813	\$ 564	\$ 799	\$ 661	\$ 425	\$ 699	\$ 690	\$ 680	0.7%	2.2%
US - Abdomen complete		(B)	76700	\$ 695	\$ 695	25%	\$ 1,015	\$ 856	\$ 1,540	\$ 1,173	\$ 1,294	\$ 981	\$ 732	\$ 1,525	\$ 534	\$ 659	\$ 1,055	\$ 1,077	-34.1%	-54.9%
CT Scan - Pelvis, with contrast		(B)	72193	\$ 2,122	\$ 2,122	50%	\$ 2,560	\$ 2,115	\$ 3,377	\$ 4,308	\$ 3,327	\$ 1,626	\$ 2,862	\$ 1,719	\$ 1,593	\$ 2,107	\$ 2,615	\$ 2,485	-18.8%	-17.1%
CT Scan - Head or Brain without contrast		(B)	70450	\$ 1,394	\$ 1,394	38%	\$ 1,844	\$ 1,424	\$ 2,616	\$ 2,815	\$ 2,673	\$ 1,307	\$ 2,123	\$ 1,189	\$ 1,030	\$ 1,453	\$ 1,901	\$ 1,788	-26.7%	-28.3%
CT Scan - Abdomen with contrast		(B)	74160	\$ 2,122	\$ 2,122	50%	\$ 2,724	\$ 2,115	\$ 3,749	\$ 4,931	\$ 3,817	\$ 1,759	\$ 2,914	\$ 1,719	\$ 1,395	\$ 2,107	\$ 2,799	\$ 2,511	-24.2%	-18.3%
Room Rates	Intensive Care Unit			\$ 6,189	\$ 6,498	50%	\$ 6,732	\$ 6,414	\$ 7,663	\$ 8,715	\$ 9,184	\$ 3,101	\$ 5,636	\$ 6,329	N/A	N/A	\$ 6,771	\$ 6,996	-4.0%	-7.7%
	Medical/Surgical Unit - Private			\$ 2,717	\$ 2,853	63%	\$ 2,802	\$ 2,734	\$ 3,329	\$ 3,732	\$ 4,200	\$ 1,929	\$ 2,314	\$ 2,804	\$ 1,397	\$ 2,663	\$ 2,796	\$ 2,734	2.0%	4.2%
	Nursery Unit			\$ 893	\$ 938	43%	\$ 1,273	\$ 938	\$ 1,006	\$ -	\$ 3,570	\$ 1,028	\$ 846	\$ 2,369	\$ 425	N/A	\$ 1,321	\$ 1,006	-29.0%	-7.3%
	Skilled Nursing Facility			\$ 431	\$ 431	100%	\$ 400	\$ 385	\$ 420	N/A	N/A	N/A	N/A	N/A	N/A	\$ 350	\$ 385	\$ 385	11.9%	10.7%
Average of all 25 common outpatient procedures noted by (B) above				\$ 636	\$ 641	38%	\$ 758	\$ 653	\$ 1,086	\$ 1,143	\$ 1,038	\$ 566	\$ 666	\$ 690	\$ 468	\$ 522	\$ 772	\$ 678	-17.0%	-5.7%

**Note Reference:**  
**(A)** Level 1 - low severity - example a toothache with treatment other than a prescription, Plan B Rx.  
Level 2 - low to moderate severity - minor illness with no lab or x-ray other than a simple strep screen or UTI, abrasions, small cuts with no suturing  
Level 3 - moderate severity - labs, x-rays, medications simple lacerations with sutures, simple asthma that resolves, sprains  
Level 4 - moderate to high severity - IV's for hydration, IV medications, splinting of fractures that are straight forward, simple chest pain, asthma that needs repeated breathing treatment or medications  
Level 5 - high severity - traumas, transfers, GI bleeds, overdoses, sedation for fracture reductions

**(B)** Charge is listed in the 25 most common outpatient procedures performed in a hospital per the OSHPD web site listed below under Source.  
**(C)** Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Laboratory reflects the Outpatient pricing.  
**(D)** Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Diagnostic Imaging reflects the Outpatient pricing.

Charge is lower than TFHD  
Charge is higher than TFHD  
TFHDs percentile ranking is lower than the 50th  
TFHDs percentile ranking is higher than the 50th

**Source:** California Hospitals - Office of Statewide Health Planning and Development (OSHPD) Healthcare Information Division - Annual Financial Data - Hospital Chargemasters ( <http://www.oshpd.ca.gov/Chargemaster> ), charges effective 6/1/2014.  
Nevada Hospitals - MedAssets, 2013 data  
Charges for Tahoe Forest Hospital District are as of today.

**Definitions:** Median - is the middle value in a list ordered from smallest to largest.  
N/A - Not Applicable or Not Available

TAHOE FOREST HOSPITAL DISTRICT (TFHD)  
CHARGE COMPARISON

	Note Reference	CPT Code	Current TFHD	8/1/2015 Proposed TFHD	Percentile Ranking	Inclusive of TFHD		NEVADA		2 Hospital Average	% TFHD is Higher or (Lower) than the 2 NV Hospital Average	
						Average	Median	Renown	Prime St. Mary's Regional			
Emergency Room	Visit - Level 1	(A)	99281	\$ 318	\$ 334	100%	\$ 333	\$ 333	\$ 332	\$ 333	\$ 333	0.4%
	Visit - Level 2	(A) (B)	99282	\$ 540	\$ 567	0%	\$ 636	\$ 654	\$ 686	\$ 654	\$ 670	-15.4%
	Visit - Level 3	(A) (B)	99283	\$ 825	\$ 866	0%	\$ 934	\$ 889	\$ 1,047	\$ 889	\$ 968	-10.5%
	Visit - Level 4	(A) (B)	99284	\$ 1,332	\$ 1,399	50%	\$ 1,423	\$ 1,399	\$ 1,704	\$ 1,166	\$ 1,435	-2.5%
	Visit - Level 5	(A)	99285	\$ 2,156	\$ 2,264	50%	\$ 2,167	\$ 2,264	\$ 2,602	\$ 1,636	\$ 2,119	6.8%
Laboratory	Basic Metabolic Panel	(B)	80048	\$ 97	\$ 97	0%	\$ 141	\$ 121	\$ 206	\$ 121	\$ 163	-40.7%
	Blood Gas Analysis, including O <sub>2</sub> saturation	(B)	82805	\$ 208	\$ 208	100%	\$ 149	\$ 127	\$ 127	\$ 112	\$ 120	74.1%
	Complete Blood Count, automated	(B)	85027	\$ 69	\$ 69	0%	\$ 89	\$ 94	\$ 105	\$ 94	\$ 99	-30.5%
	Complete Blood Count, with differential WBC, automated	(B)	85025	\$ 88	\$ 88	0%	\$ 110	\$ 112	\$ 130	\$ 112	\$ 121	-27.2%
	Comprehensive Metabolic Panel	(B)	80053	\$ 120	\$ 120	0%	\$ 164	\$ 152	\$ 220	\$ 152	\$ 186	-35.5%
	Cratine Kinase (CK), (CPK), Total	(B)	82550	\$ 80	\$ 80	0%	\$ 100	\$ 94	\$ 126	\$ 94	\$ 110	-27.3%
	Lipid Panel	(B)	80061	\$ 151	\$ 151	50%	\$ 161	\$ 151	\$ 141	\$ 191	\$ 166	-9.1%
	Partial Thromboplastin Time	(B)	85730	\$ 74	\$ 74	0%	\$ 103	\$ 87	\$ 147	\$ 87	\$ 117	-36.8%
	Prothrombin Time	(B)	85610	\$ 49	\$ 49	0%	\$ 54	\$ 50	\$ 62	\$ 50	\$ 56	-12.2%
	Thyroid Stimulating Hormone (TSH)	(B)	84443	\$ 190	\$ 190	0%	\$ 200	\$ 196	\$ 196	\$ 213	\$ 204	-7.0%
	Troponin, Quantitative	(B)	84484	\$ 174	\$ 174	50%	\$ 194	\$ 174	\$ 268	\$ 141	\$ 205	-14.9%
	Urinalysis, without microscopy	(B)	81002-81003	\$ 30	\$ 30	0%	\$ 45	\$ 32	\$ 72	\$ 32	\$ 52	-42.3%
Urinalysis, with microscopy	(B)	81000-81001	\$ 37	\$ 37	0%	\$ 63	\$ 46	\$ 106	\$ 46	\$ 76	-51.3%	
Diagnostic Imaging	Xray - Chest two views	(B)	71020	\$ 303	\$ 303	0%	\$ 370	\$ 366	\$ 440	\$ 366	\$ 403	-24.8%
	Xray - Lower Back - four views	(B)	72110	\$ 551	\$ 551	0%	\$ 765	\$ 722	\$ 722	\$ 1,023	\$ 873	-36.8%
	MRI - Head or Brain without contrast followed by contrast	(B)	70553	\$ 3,674	\$ 3,674	0%	\$ 4,331	\$ 4,475	\$ 4,475	\$ 4,844	\$ 4,660	-21.2%
	Mammography - Screening, Bilateral	(B)	77057	\$ 276	\$ 276	100%	\$ 276	\$ 276	N/A	N/A	N/A	N/A
	US - OB, 14 weeks or more, transabdominal	(B)	76805	\$ 695	\$ 695	0%	\$ 1,000	\$ 1,022	\$ 1,022	\$ 1,284	\$ 1,153	-39.7%
	US - Abdomen complete	(B)	76700	\$ 695	\$ 695	0%	\$ 985	\$ 1,084	\$ 1,175	\$ 1,084	\$ 1,130	-38.5%
	CT Scan - Pelvis, with contrast	(B)	72193	\$ 2,122	\$ 2,122	0%	\$ 2,528	\$ 2,598	\$ 2,865	\$ 2,598	\$ 2,732	-22.3%
	CT Scan - Head or Brain without contrast	(B)	70450	\$ 1,394	\$ 1,394	0%	\$ 2,058	\$ 2,304	\$ 2,304	\$ 2,476	\$ 2,390	-41.7%
	CT Scan - Abdomen with contrast	(B)	74160	\$ 2,122	\$ 2,122	0%	\$ 2,626	\$ 2,734	\$ 3,023	\$ 2,734	\$ 2,879	-26.3%
Room Rates	Intensive Care Unit			\$ 6,189	\$ 6,498	100%	\$ 6,343	\$ 6,343	N/A	\$ 6,188	\$ 6,188	5.0%
	Medical/Surgical Unit - Private			\$ 2,717	\$ 2,853	0%	\$ 3,180	\$ 3,180	N/A	\$ 3,507	\$ 3,507	-18.7%
	Nursery Unit			\$ 893	\$ 938	0%	\$ 1,244	\$ 1,244	N/A	\$ 1,550	\$ 1,550	-39.5%
	Skilled Nursing Facility			\$ 431	\$ 431	100%	\$ 431	\$ 431	N/A	N/A	N/A	N/A
Average of all 25 common outpatient procedures noted by (B) above				\$ 636	\$ 641	0%	\$ 796	\$ 857	\$ 890	\$ 857	\$ 874	-26.6%

**Note Reference:**

- (A) Level 1 - low severity - example a toothache with treatment other than a prescription, Plan B Rx.  
 Level 2 - low to moderate severity - minor illness with no lab or x-ray other than a simple strep screen or UTI, abrasions, small cuts with no suturing  
 Level 3 - moderate severity - labs, x-rays, medications simple lacerations with sutures, simple asthma that resolves, sprains  
 Level 4 - moderate to high severity - IV's for hydration, IV medications, splinting of fractures that are straight forward, simple chest pain, asthma that needs repeated breathing treatment or medications  
 Level 5 - high severity - traumas, transfers, GI bleeds, overdoses, sedation for fracture reductions

(B) Charge is listed in the 25 most common outpatient procedures performed in a hospital per the OSHPD web site listed below under Source.

Charge is lower than TFHD  
 Charge is higher than TFHD  
 TFHDs percentile ranking is lower than the 50th  
 TFHDs percentile ranking is higher than the 50th

**Source:** Nevada Hospitals - MedAssets, 2013 data  
 Charges for Tahoe Forest Hospital District are as of today.

**Definitions:** Median - is the middle value in a list ordered from smallest to largest.  
 N/A - Not Applicable or Not Available

Tahoe Forest Hospital District  
 Percentage Price Increase History

<u>Fiscal Year</u>	<u>Percentage Increase</u>	<u>Note</u>
1989	13%	
1990	10%	
1991	7%	
1992	4%	
1993	8%	
1994	7%	
1995	6%	
1996	3%	
1997	0%	
1998	5%	
1999	4%	
2000	3%	
2001	6%	
2002	5%	
2003	7%	
2004	12%	
2005	10%	
2006	10%	
2007	10%	
2008	0%	(A)
2009	5%	(B)
2010	0%	(C)
2011	5%	(D)
2012	0%	(E)
2013	0%	
2014	5%	(F)
2015	5%	(G)
2016	5%	(H)

- (A) The proposed rate increase effective 02/01/08 was not implemented.
- (B) The proposed rate increase represents a 5% increase effective 07/01/08, and another 5% increase effective 02/01/09.
- (C) Rate changes that should have taken place in FY 2009 for Lab and Supplies did not occur until FY 2010.
- (D) Rate increases were implemented in April 2011 based on the completed chargemaster review. The increases/(decreases) did not affect all departments of the health system.
- (E) No rate increases were proposed in the FY 2012 Budget. Rate increases were applied to Inpatient Pharmacy and Emergency Department in February 2012 and to Room and Board charges in March 2012.
- (F) The proposed rate increase represents 5% effective 02/01/14.
- (G) The proposed rate increase represents 5% effective 08/01/14.
- (H) The proposed rate increase represents 5% effective 08/01/15 and only applies to ER Level Rates and Room Rates. In addition, we decreased total joint procedure costs by 10% effective 08/01/15.

Note: Percentages are either in aggregate or across the board increases.



## **Tahoe Forest Hospital District Deductions from Revenue**

Deductions from Revenue have been budgeted at \$96.8 million for FY 2016, representing an increase of \$6.0 million from projected FY 2015 and a \$8.3 million increase over budget FY2015. The rise in our Deductions from Revenue is attributed to the increase in budgeted Gross Revenue in FY 2016, accounting for continued shifts in our payor mix as witnessed in FY 2015 and decreases in our Medicare, Medi-Cal and Commercial Insurance rates in FY 2016 as a result of Healthcare Reform and changes in the reimbursement structure from the Medi-Cal program. Our Medicare Inpatient reimbursement remained the same throughout the first ten months of FY 2015 at TFH and as of January 2015 our Medicare outpatient rate decreased to 46%. For Incline Village Community Hospital, our Medicare inpatient rates remained the same and the outpatient rate decreased 3% as of May 2015 from the beginning of the fiscal year. In regards to Medi-Cal, our Skilled Nursing Facility – Extended Care Center rate remained the same for FY 2015 and swing bed reimbursement increased by 3.6%. We have planned for cuts from the Medi-Cal program for Tahoe Forest Hospital and have incorporated additional increases in our contractual allowances based on reimbursement analyses we performed since the state implemented inpatient DRG reimbursement on January 1, 2014 along with Medi-Cal managed care contracts being placed into practice. We have also planned for cuts in our Commercial Insurance reimbursement rates as a result of the state health insurance exchanges.

As a percentage of gross revenue, our Deductions from Revenue are 46.7%, which is slightly higher when compared to projected FY 2015 (44.4%). The increase relates to shifts in our payor mix, intentional decreases to our Medi-Cal and Commercial contractual reimbursement rates, and Bad Debt now being a component of Deductions from Revenue.

Charity Care is a component of Deductions from Revenue and has been budgeted at 3.3% of gross revenue totaling \$6.8 million and Bad Debt has been budgeted at 2.4% of gross revenue or \$5.0 million. We believe these percentages represent a truer picture of what we will see in FY 2016 after the stabilization of our Revenue Cycle in FY 2015.

A summary page of our contractual allowance percentages is presented on the following page.

**Tahoe Forest Hospital District  
Analysis of Contractual Allowance Percentages**

**FY 2016 Budget**

	<u>TFH</u>	<u>IVCH</u>	<u>Skilled Nursing Facility</u>	<u>TFHD</u>	<u>Contractual Allowances</u>
Inpatient Medicare	63%	10%	63%	61%	\$ 15,179,750
Outpatient Medicare	57%	42%	0%	53%	26,548,014
Inpatient Medi-Cal	60%	0%	5%	47%	8,541,889
Outpatient Medi-Cal	89%	94%	0%	89%	18,348,128
Inpatient County Indigent	62%	0%	0%	62%	-
Outpatient County Indigent	92%	96%	0%	92%	41,519
Inpatient Commercial	18%	18%	20%	18%	4,568,952
Outpatient Commercial	18%	18%	0%	18%	10,888,311
Inpatient Other	2%	7%	2%	2%	1,370,537
Outpatient Other	2%	7%	0%	3%	3,519,175
Charity as a percent of Gross Revenue	3%	4%	3%	3%	6,770,108
					<u>\$ 95,776,383</u>

**FY 2015 Budget**

	<u>TFH</u>	<u>IVCH</u>	<u>Skilled Nursing Facility</u>	<u>TFHD</u>	<u>Contractual Allowances</u>
Inpatient Medicare	59%	0%	59%	59%	\$ 12,673,476
Outpatient Medicare	56%	50%	0%	55%	23,829,351
Inpatient Medi-Cal	57%	0%	5%	60%	4,714,274
Outpatient Medi-Cal	88%	90%	0%	88%	11,701,422
Inpatient County Indigent	62%	0%	0%	62%	1,034,628
Outpatient County Indigent	90%	93%	0%	90%	1,465,991
Inpatient Commercial	21%	21%	0%	21%	5,421,905
Outpatient Commercial	21%	21%	0%	21%	13,059,903
Inpatient Other	4%	4%	4%	4%	2,633,301
Outpatient Other	4%	4%	0%	4%	5,229,936
Charity as a percent of Gross Revenue	3%	3%	0.0%	3%	6,683,751
					<u>\$ 88,447,938</u>

**Tahoe Forest Hospital District  
Resource Allocation/FTE's**

Management has budgeted an overall increase of 6.99 FTEs when compared to projected FY 2015, and an 8.67 FTE increase when compared to the budget FY 2015 FTEs.

Increases in our FTEs for FY 2016 are related to additional staffing requirements identified for the next phase of Measure C projects, converting Respiratory Therapists from independent contractors, staffing positions currently being filled through registry agencies and consulting firms, and meeting ever increasing regulatory requirements. Increases in certain service lines have been offset by decreases in other service lines as reporting responsibilities were reallocated amongst department directors in FY 2015.

The "Total FTE Summary" following this narrative reflects the allocation of FTE resources as was discussed in the "Statement of Revenue and Expense" summary under "Salaries, Wages and Benefits".

The approximate overall net increase for FY 2016 is outlined below:

<b>Additional FTEs added to Programs or Services:</b>	
Surgical Services	1.62
Respiratory Therapy	7.43
Dietary	1.82
Information Technology	2.92
Patient Registration	2.51
Revenue Cycle	3.00
Human Resources & Education	1.39
Nursing Administration	1.05
Community Case Management	.91
IVCH Medical Records	.92
SOFT & PICIS System Upgrades	3.39
<b>FTE Decreases to Core Staffing Levels:</b>	
Emergency Department	3.13
PAAS	1.24
Housekeeping	1.80
Corporate Compliance	.96
Quality	1.03
IVCH Medical/Surgical Unit	.92
Skilled Nursing Facility	2.43
Cancer Center Program	2.00
Multi-Specialty Clinics and Administration	2.60
Retail Pharmacy	.94
Foundations	.98
CPSI Conversion	2.43
<b>Total</b>	<b>6.50</b>

It is important to note that the increase in our FTEs over the last several years has been due to thoughtful and deliberate changes in programs and services provided at Tahoe Forest Hospital District.

Management intends to use its discretion to appropriately balance the projected FTE requirements for FY 2016 with the financial well-being of the District, as was demonstrated during FY 2015.

TAHOE FOREST HOSPITAL DISTRICT  
TOTAL FTE SUMMARY - HISTORICAL TREND  
BUDGET FY 2016

Dept #	Dept Name	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	BUDGET FY 2015	FYTD 2015	BUDGET FY 2016	BUDGET FY 2016 vs PROJECTE D FY 2015	BUDGET FY 2016 vs BUDGET FY 2015
16010	ICU	13.29	12.93	12.07	11.95	12.01	12.26	11.91	11.04	-0.87	-1.22
16170	Med Surg	21.55	22.80	22.47	23.84	23.21	23.44	23.97	23.30	-0.67	-0.14
17010	Emergency Room	17.17	18.21	17.32	17.53	18.66	16.41	18.64	15.51	-3.13	-0.90
17040	Ambulance RN	0.01	0.01	0.01	0.02	0.00	0.00	0.00	0.00	0.00	0.00
17070	Perinatal	0.91	0.91	0.85	0.78	0.86	0.80	0.83	0.80	-0.03	0.00
17071	Perinatal March of Dimes	0.01	0.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17072	Diabetic Center	0.08	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17400	Labor and Delivery	15.05	15.26	14.55	20.43	17.34	17.17	17.23	17.01	-0.22	-0.16
17420	Surgery	13.86	14.49	14.17	15.70	15.33	14.62	16.69	18.31	1.62	3.69
17428	Pain Clinic	0.61	0.57	0.44	0.27	0.38	0.40	0.37	0.40	0.03	0.00
17429	SPD	5.91	5.77	5.64	5.12	6.05	6.11	6.09	6.10	0.01	-0.01
17430	PAAS	9.38	10.05	10.29	11.13	10.88	9.99	10.93	9.69	-1.24	-0.30
17450	Anesthesia	0.00	0.08	0.56	0.52	0.52	0.58	0.06	0.00	-0.06	-0.58
17760	Gastro-Intestinal Services	3.86	3.41	3.18	2.42	3.87	3.80	3.63	3.63	0.00	-0.17
17500	Laboratory	18.69	19.35	18.00	20.06	21.37	20.62	20.83	20.53	-0.30	-0.09
17593	Cardiac Rehab	0.71	0.74	0.69	0.61	0.72	0.62	0.70	0.60	-0.10	-0.02
17595	Pulmonary Rehab	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17630	Diagnostic Imaging	12.80	13.11	14.75	14.75	13.30	13.13	13.61	13.65	0.04	0.52
17632	Womens Imaging Center	3.20	3.95	2.86	2.27	3.13	3.19	3.24	2.58	-0.66	-0.61
17633	MOB Diagnostic Imaging	0.19	0.09	0.00	1.54	1.05	1.00	0.94	1.28	0.34	0.28
17650	Nuc Med	0.98	1.00	0.98	1.52	1.42	1.00	1.16	1.00	-0.16	0.00
17660	MRI	1.92	1.94	1.82	1.79	1.96	1.89	1.92	1.95	0.03	0.06
17670	Ultrasound	2.14	2.41	2.56	3.04	2.76	2.54	2.42	2.29	-0.13	-0.25
17672	Briner Imaging	0.88	0.83	0.81	0.87	0.89	1.05	0.99	1.23	0.24	0.18
17680	CT	2.06	2.19	1.78	3.02	2.72	2.50	2.63	2.95	0.32	0.45
17685	PET CT	0.00	0.00	0.00	0.00	0.00	0.40	0.33	0.40	0.07	0.00
17720	Respiratory Therapy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.43	7.43	7.43
17875	TC Lab Clinic	0.88	0.93	0.92	0.91	0.85	0.80	0.91	0.75	-0.16	-0.05
17876	Ski Aid - Sugar Bowl	0.54	0.39	0.50	0.00	0.46	0.36	0.41	0.35	-0.06	-0.01
17877	Ski Aid - Boreal	0.45	0.37	0.50	0.00	0.43	0.35	0.38	0.35	-0.03	0.00
18280	Ski Aid -Alpine	0.58	0.37	0.51	0.00	0.44	0.37	0.38	0.35	-0.03	-0.02
18240	Medical Post Graduate Education	0.40	0.20	0.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18340	Dietary	24.83	25.96	24.52	28.15	27.93	26.45	29.79	31.61	1.82	5.16
18390	Pharmacy Overhead	7.06	7.92	7.94	10.06	8.89	9.85	8.73	9.13	0.40	-0.72
18400	Materials Management	7.50	7.94	8.34	8.82	9.34	9.01	9.56	8.91	-0.65	-0.10
18440	Housekeeping	19.06	19.08	19.11	22.19	21.46	21.04	22.70	20.90	-1.80	-0.14
18460	Engineering	7.07	8.39	8.60	10.28	10.03	10.81	9.89	10.60	0.71	-0.21
18470	Communications	0.00	0.00	0.00	1.77	1.23	1.70	0.00	0.00	0.00	-1.70
18480	MIS	17.85	21.52	18.03	16.62	17.82	18.63	17.69	20.61	2.92	1.98
18510	Accounting	5.01	5.52	5.61	5.91	5.93	6.62	6.63	6.99	0.36	0.37
18530	Patient Financial Services	22.13	21.46	20.09	23.44	23.53	24.21	22.29	22.98	0.69	-1.23
18560	Patient Registration & Communications	19.82	20.14	19.57	21.26	21.41	20.65	22.84	25.35	2.51	4.70
18590	Financial Administration	1.94	1.00	0.98	1.00	1.00	1.00	1.00	1.00	0.00	0.00
18591	Revenue Cycle	0.00	2.60	1.90	1.01	0.92	1.50	0.99	3.99	3.00	2.49
18610	Administration	3.70	3.75	3.69	3.83	4.07	4.00	4.82	4.07	-0.75	0.07
18612	Corporate Compliance	0.00	0.00	0.00	0.00	0.16	2.00	0.96	0.00	-0.96	-2.00
18616	Star Program	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18620	Board of Directors	0.09	0.10	0.10	0.10	0.10	0.15	0.11	0.15	0.04	0.00
18630	Community Relations/Marketing	1.92	1.83	1.72	2.00	2.00	2.00	2.00	1.99	-0.01	-0.01
18632	Community Development	0.94	0.97	0.93	1.00	1.00	1.00	1.00	1.80	0.80	0.80
18650	Human Resources	5.85	5.24	3.74	4.65	4.04	4.05	3.88	5.04	1.16	0.99
18651	Education	2.02	1.85	1.95	2.06	2.00	2.00	1.57	1.80	0.23	-0.20
18662	Infection Control/Employee Health	1.27	1.38	1.19	1.06	1.21	1.25	1.18	1.26	0.08	0.01
18700	Med Records	8.42	8.09	7.39	7.64	8.49	8.86	8.64	7.80	-0.84	-1.06
18710	Medical Staff	1.54	1.61	1.65	2.80	2.97	3.00	3.58	3.51	-0.07	0.51
18720	Nursing Administration	8.13	9.31	10.67	10.00	11.48	11.77	12.69	13.74	1.05	1.97
18740	Quality	3.87	3.98	3.54	5.15	5.80	5.00	4.81	3.78	-1.03	-1.22
18750	Nursing Case Management	2.35	2.37	2.40	2.60	2.91	3.41	3.88	4.00	0.12	0.59
18751	Community Case Management	0.08	0.03	0.12	0.16	0.15	0.15	0.09	1.00	0.91	0.85
18752	Quality Assurance/Customer Service	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00
18771	Community Wellness	0.66	0.64	0.89	0.86	0.66	0.67	0.58	0.95	0.37	0.28
18777	Emergency Preparedness	0.36	0.38	0.40	0.11	0.29	0.25	0.21	0.30	0.09	0.05
18795	Managed Care	0.04	0.03	0.60	0.73	0.74	0.50	0.30	0.50	0.20	0.00
<b>TOTAL TFH</b>		<b>319.83</b>	<b>335.76</b>	<b>324.09</b>	<b>355.35</b>	<b>358.19</b>	<b>356.93</b>	<b>363.61</b>	<b>377.24</b>	<b>13.63</b>	<b>20.31</b>

TAHOE FOREST HOSPITAL DISTRICT  
 TOTAL FTE SUMMARY - HISTORICAL TREND  
 BUDGET FY 2016

Dept #	Dept Name	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	BUDGET FY 2015	FYTD 2015	BUDGET FY 2016	BUDGET FY 2016 vs PROJECTED FY 2015	BUDGET FY 2016 vs BUDGET FY 2015
26170	Med-Surg	4.32	4.42	4.80	4.56	4.86	4.62	5.52	4.60	-0.92	-0.02
27010	Emergency Room	6.90	7.61	5.96	6.48	6.87	6.90	6.44	6.88	0.44	-0.02
27420	Surgery	1.84	2.07	2.01	1.90	1.61	1.50	0.69	0.69	0.00	-0.81
27428	Pain Clinic	0.19	0.16	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27429	SPD	0.20	0.25	0.29	0.17	0.11	0.10	0.11	0.11	0.00	0.01
27430	PAAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27500	Lab	4.03	4.00	3.92	3.99	4.54	4.37	4.70	4.70	0.00	0.33
27630	Diagnostic Imaging	2.05	1.46	1.57	1.73	1.79	1.77	1.89	1.34	-0.55	-0.43
27680	Cat Scan	1.01	1.74	1.29	1.11	1.15	1.15	1.15	1.20	0.05	0.05
28282	Diamond Ski Aid	0.00	0.00	0.17	0.00	0.13	0.20	0.19	0.20	0.01	0.00
28340	Dietary	0.91	0.89	0.81	0.89	0.77	0.75	0.73	0.75	0.02	0.00
28390	Pharmacy Overhead	0.10	0.07	0.09	0.28	0.10	0.14	0.12	0.13	0.01	-0.01
28440	EVS	2.09	2.17	1.87	2.04	2.95	2.92	2.98	2.92	-0.06	0.00
28460	Engineering	0.54	0.00	0.00	0.00	0.34	0.30	0.39	0.40	0.01	0.10
28560	Admitting	4.73	5.12	4.49	5.52	5.64	5.29	4.44	5.10	-0.66	-0.19
28610	Administration	2.95	1.09	0.99	1.00	1.46	1.60	1.62	1.69	0.07	0.09
28700	Medical Records	0.42	0.41	0.36	0.45	0.47	0.50	0.43	1.35	0.92	0.85
28720	Nursing Administration	0.00	0.99	1.07	0.50	0.50	0.50	0.48	0.00	-0.48	-0.50
<b>TOTAL IVCH</b>		<b>32.28</b>	<b>32.45</b>	<b>29.79</b>	<b>30.62</b>	<b>33.29</b>	<b>32.61</b>	<b>31.88</b>	<b>32.06</b>	<b>0.18</b>	<b>-0.55</b>
<b>TOTAL SKILLED NURSING FACILITY</b>		<b>30.42</b>	<b>31.25</b>	<b>29.92</b>	<b>33.55</b>	<b>30.07</b>	<b>28.22</b>	<b>29.83</b>	<b>27.40</b>	<b>-2.43</b>	<b>-0.82</b>
<b>TOTAL HOME HEALTH</b>		<b>7.64</b>	<b>7.19</b>	<b>6.43</b>	<b>7.35</b>	<b>6.46</b>	<b>6.43</b>	<b>6.84</b>	<b>5.95</b>	<b>-0.89</b>	<b>-0.48</b>
17310	Hospice	8.19	8.44	7.49	9.17	5.89	6.94	4.99	5.65	0.66	-1.29
18618	Thrift Store Truckee	4.66	5.02	4.87	5.77	5.07	5.01	5.31	6.40	1.09	1.39
18619	Thrift Store Kings Beach	2.02	2.38	2.07	2.18	2.03	2.20	2.08	1.00	-1.08	-1.20
<b>TOTAL HOSPICE AND THRIFT</b>		<b>14.87</b>	<b>15.84</b>	<b>14.43</b>	<b>17.12</b>	<b>12.99</b>	<b>14.15</b>	<b>12.38</b>	<b>13.05</b>	<b>0.67</b>	<b>-1.10</b>
17181	Oncology Lab	0.95	1.18	1.09	1.16	1.14	1.00	1.08	1.00	-0.08	0.00
17641	Oncology	9.24	10.80	11.12	18.35	18.22	14.38	18.12	17.87	-0.25	3.49
17642	Radiation Oncology	0.00	0.00	0.00	5.03	4.31	8.05	4.67	3.00	-1.67	-5.05
<b>TOTAL ONCOLOGY PROGRAM</b>		<b>10.19</b>	<b>11.98</b>	<b>12.21</b>	<b>24.54</b>	<b>23.67</b>	<b>23.43</b>	<b>23.87</b>	<b>21.87</b>	<b>-2.00</b>	<b>-1.56</b>
17085	TFH Clinic	3.75	3.92	3.77	4.27	4.14	3.85	4.75	4.77	0.02	0.92
27085	IVCH Clinic	0.00	0.26	0.30	0.96	1.16	1.33	1.41	1.70	0.29	0.37
18660	Occ Health	1.25	1.35	1.27	2.05	2.23	2.02	1.88	1.76	-0.12	-0.26
18664	Lab Draw MOB	0.70	0.70	0.65	0.68	0.72	1.00	0.70	0.70	0.00	-0.30
19514	Placer County	0.07	0.08	0.03	0.13	0.03	0.05	0.00	0.00	0.00	-0.05
<b>TOTAL OCC HEALTH/MEDI-CAL CLINIC</b>		<b>5.77</b>	<b>6.31</b>	<b>6.02</b>	<b>8.09</b>	<b>8.28</b>	<b>8.25</b>	<b>8.74</b>	<b>8.93</b>	<b>0.19</b>	<b>0.68</b>
<b>TOTAL CHILDCARE CENTER</b>		<b>10.78</b>	<b>11.57</b>	<b>11.53</b>	<b>12.07</b>	<b>12.04</b>	<b>12.25</b>	<b>11.73</b>	<b>12.00</b>	<b>0.27</b>	<b>-0.25</b>
17075	MSC - OB/GYN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18715	MSC - Administration	5.90	7.32	7.73	9.53	11.26	12.75	10.02	5.26	-4.76	-7.49
18532	MSC - Business Office	8.91	10.13	7.51	9.11	8.10	8.30	7.10	7.50	0.40	-0.80
17801	MSC - Audiology - Gateway	0.00	0.00	0.25	0.26	0.27	0.30	0.26	0.00	-0.26	-0.30
19513	MSC - ENT/Allergy - MOB Suite	2.85	3.86	4.18	4.55	4.21	4.30	3.20	3.20	0.00	-1.10
19518	MSC - Surgery, General	0.00	0.00	0.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19521	MSC - Int Med/Pulmonology - MOB Suite	4.43	5.54	5.70	5.46	6.19	6.30	6.03	6.10	0.07	-0.20
19524	MSC - Int Med - Mt. Medical Center	2.29	2.67	2.36	3.47	1.77	0.00	0.00	0.00	0.00	0.00
19525	MSC - Int Med/Cardiology - Gateway	5.22	6.00	9.37	8.42	10.23	13.25	13.52	12.70	-0.82	-0.55
19529	MSC - Urology	0.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19530	MSC - Orthopedics	0.20	0.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19534	MSC - Pediatrics	0.00	7.85	8.82	9.50	9.25	10.30	9.57	11.60	2.03	1.30
29523	MSC - IVCH Int Med/Pediatrics	1.61	1.70	1.53	2.73	2.87	3.10	2.90	2.20	-0.70	-0.90
29532	MSC - Urology	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
59194	MSC - Sports Medicine - Winans	0.56	1.10	1.20	1.24	1.38	1.60	1.86	3.30	1.44	1.70
<b>TOTAL MULTI-SPECIALTY CLINIC SERVICES</b>		<b>32.54</b>	<b>46.26</b>	<b>48.97</b>	<b>54.27</b>	<b>55.53</b>	<b>60.20</b>	<b>54.46</b>	<b>51.86</b>	<b>-2.60</b>	<b>-8.34</b>
<b>TOTAL RETAIL PHARMACY</b>		<b>4.72</b>	<b>4.79</b>	<b>4.67</b>	<b>5.59</b>	<b>5.30</b>	<b>4.47</b>	<b>4.39</b>	<b>4.65</b>	<b>-0.94</b>	<b>0.18</b>

TAHOE FOREST HOSPITAL DISTRICT  
 TOTAL FTE SUMMARY - HISTORICAL TREND  
 BUDGET FY 2016

Dept #	Dept Name	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	BUDGET FY 2015	FYTD 2015	BUDGET FY 2016	BUDGET FY 2016 vs PROJECTE D FY 2015	BUDGET FY 2016 vs BUDGET FY 2015
18615	TFH Foundation	1.94	1.76	2.72	3.71	3.03	3.01	2.78	1.80	-0.98	-1.21
28615	IVCH Foundation	0.73	1.00	0.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL FOUNDATIONS</b>		<b>2.67</b>	<b>2.76</b>	<b>3.21</b>	<b>3.71</b>	<b>3.03</b>	<b>3.01</b>	<b>2.78</b>	<b>1.80</b>	<b>-0.98</b>	<b>-1.21</b>
<b>TOTAL VOLUNTEERS</b>		<b>0.36</b>	<b>0.37</b>	<b>0.37</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>	<b>0.43</b>	<b>0.45</b>	<b>0.02</b>	<b>0.00</b>
<b>TOTAL CENTER OPERATIONS</b>		<b>6.91</b>	<b>6.56</b>	<b>4.24</b>	<b>0.37</b>	<b>0.49</b>	<b>0.40</b>	<b>0.56</b>	<b>0.40</b>	<b>-0.16</b>	<b>0.00</b>
18010	Tahoe Institute for Rural Health Research	0.00	0.20	0.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18011	HRSA Grant	0.00	0.00	0.66	1.17	0.00	0.00	0.00	0.00	0.00	0.00
18633	Wellness Neighbor	0.00	0.00	0.00	0.16	0.30	0.20	1.28	1.75	0.47	1.55
18595	Innovation Fund	0.96	0.00	0.00	0.90	0.19	0.00	0.00	0.00	0.00	0.00
18215	Baldrige/Process Improvement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18216	Magnet Program	0.03	0.04	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18220	Systems Performance	0.04	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL INITIATIVE PROGRAMS</b>		<b>1.03</b>	<b>0.28</b>	<b>0.97</b>	<b>2.23</b>	<b>0.49</b>	<b>0.20</b>	<b>1.28</b>	<b>1.75</b>	<b>0.47</b>	<b>1.55</b>
18492	CPSI Conversion	0.00	0.00	1.54	1.91	0.25	2.13	2.43	0.00	-2.43	-2.13
18493	SOFT Upgrade - In FY2016	0.00	0.00	1.15	2.10	0.21	0.00	0.00	2.53	2.53	2.53
18494	PICIS Upgrade - In FY2016	0.00	0.00	1.50	0.84	0.15	0.00	0.00	0.86	0.86	0.86
18495	System Upgrade	0.68	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18465	Measure C	0.00	0.98	0.96	1.00	0.86	1.00	0.60	0.00	-0.60	-1.00
<b>TOTAL CAPITALIZED LABOR</b>		<b>0.68</b>	<b>1.05</b>	<b>5.15</b>	<b>5.85</b>	<b>1.47</b>	<b>3.13</b>	<b>3.03</b>	<b>3.39</b>	<b>0.36</b>	<b>0.26</b>
<b>GRAND TOTAL TFHD</b>		<b>480.69</b>	<b>514.42</b>	<b>502.00</b>	<b>561.16</b>	<b>551.75</b>	<b>554.13</b>	<b>555.81</b>	<b>562.80</b>	<b>6.99</b>	<b>8.67</b>

**Tahoe Forest Hospital District  
Statement of Cash Flows**

The District is projecting that as of June 30, 2016 we will have approximately \$50.5 million in cash available for the Standard & Poor's (S&P) Days Cash on Hand calculation, which represents 157 days.

According to rating information provided by S&P called "U.S. Not-For-Profit Small Hospitals Turn in Mixed 2012 Median Performance Ratios as the Industry Grapples With Changes", dated October 23, 2013, the following represent median ratios for Days Cash on Hand (DCOH) by rating:

A-	384 DCOH
BBB+	236 DCOH
BBB	205 DCOH
BBB-	147 DCOH

S&P defines "Small Hospitals" as organizations with less than \$90 million in annual net patient revenue. In my discussion with them regarding our BBB- rating, they stated that even though our net patient revenue exceeds the \$90 million, they are still using this cohort for comparisons. Our annual review with S&P concluded in May 2015, with affirmation of our BBB- rating, but with a revised outlook from stable to negative.



TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF CASH FLOWS

	PROJECTED FYE 2015		BUDGET FYE 2016	BUDGET 1ST QTR	BUDGET 2ND QTR	BUDGET 3RD QTR	BUDGET 4TH QTR
Net Operating Rev/(Exp) - EBIDA	\$ 2,819,373		\$ 2,054,135	\$ 1,927,570	\$ 2,218	\$ 1,133,045	\$ (1,008,698)
Interest Income	97,528		107,488	26,470	27,087	27,104	26,827
Property Tax Revenue	5,339,001		5,420,000	235,000	70,000	2,890,000	2,225,000
Donations	722,115		923,000	115,000	105,000	90,000	613,000
Debt Service Payments	(3,342,140)		(3,565,581)	(1,246,439)	(742,435)	(870,355)	(706,351)
Bank of America - 2012 Muni Lease	(1,243,531)		(1,243,644)	(310,911)	(310,911)	(310,911)	(310,911)
Copier	(8,963)		(8,760)	(2,190)	(2,190)	(2,190)	(2,190)
2002 Revenue Bond	(496,875)		(668,008)	(504,004)	-	(164,004)	-
2006 Revenue Bond	(1,592,771)		-	-	-	-	-
2015 Revenue Bond	-		(1,645,169)	(429,334)	(429,334)	(393,250)	(393,250)
Physician Recruitment	(155,813)		(311,000)	(221,000)	(30,000)	(30,000)	(30,000)
Investment in Capital							
Equipment	(2,569,055)		(1,418,900)	(208,650)	(443,250)	(767,000)	-
Municipal Lease Reimbursement	-		2,295,723	1,272,139	500,000	523,584	-
GO Bond Project Personal Property	(138,222)		(500,180)	(125,045)	(125,045)	(125,045)	(125,045)
IT	(1,517,706)		(559,300)	(131,800)	(222,500)	(130,000)	(75,000)
Building Projects	(2,399,183)		(4,487,480)	(1,717,440)	(2,084,040)	(301,000)	(385,000)
Health Information/Business System	(230,852)		(500,000)	-	-	(250,000)	(250,000)
Capital Investments							
Properties	(600,000)		-	-	-	-	-
Measure C Scope Modifications	-		(749,287)	(204,307)	(27,868)	(258,556)	(258,556)
Change in Accounts Receivable	4,503,335	N1	282,832	259,868	(630,204)	217,927	435,241
Change in Settlement Accounts	(618,261)	N2	500,000	-	-	250,000	250,000
Change in Other Assets	(180,630)	N3	(768,000)	(673,000)	125,000	(75,000)	(145,000)
Change in Other Liabilities	(885,932)	N4	(71,000)	975,000	(556,000)	(325,000)	(165,000)
Change in Cash Balance	863,558		(1,347,550)	283,366	(4,032,037)	1,999,704	401,418
Beginning Unrestricted Cash	50,951,760		51,815,318	51,815,318	52,098,685	48,066,647	50,066,351
Ending Unrestricted Cash	51,815,318		50,467,769	52,098,685	48,066,647	50,066,351	50,467,769
Expense Per Day	329,442		321,141	322,729	319,041	322,441	321,141
Days Cash On Hand	157		157	161	151	155	157

Footnotes:

N1 - Change in Accounts Receivable reflects the 30 day delay in collections. For example, in July 2015 we are collecting June 2015.

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

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

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

## **Tahoe Forest Hospital District Capital Expenditures**

The District has restricted capacity to fund any capital expenditures from operations for FY 2016 after performing a detailed analysis of the Statement of Cash Flows for FY 2016. On the following pages is a complete list of capital requests for FY 2016. Of this list, the following is recommended for approval as the 2016 Capital Budget:

1. Prioritized capital requests up to \$1,418,900, of which \$1,250,000 is funded by the municipal lease
2. IT Infrastructure and other prioritized projects up to \$559,300
3. Health Information (EMR)/Business Systems totaling \$500,000
4. Building projects for TFH & IVCH totaling \$4,487,480
5. GO Bond project personal property not funded by Measure C totaling \$500,180
6. Measure C Scope Modifications not funded by Measure C totaling \$749,287

It is recommended that District management be provided the discretion to prioritize and approve any capital item request, provided the cash position of the District reflects the ability to due so and as long as it's within the scope described above.

In addition, we have included the District's multi-year capital plan through FY 2019.

Tahoe Forest Hospital District  
 Capital Budget Funding Source  
 FY 2016

	Funded by Operations	Funded by Muni Lease	Funded by Donations	Total Capital Budget
<b>Total Capital Requests:</b>				
TFH Equipment	\$ 3,353,666	\$ 319,584	\$ -	\$ 3,673,250
IVCH Equipment	98,750	71,000	-	169,750
TCHSP Equipment	-	40,500	-	40,500
GO Bond Project Equipment	387,680	112,500	-	500,180
TFH Computer/Software	3,173,300	-	-	3,173,300
IVCH Computer/Software	2,500	-	-	2,500
TCHSP Computer/Software	-	-	-	-
TFH Projects - Construction/Remodel/Etc	2,372,980	480,000	37,000	2,889,980
TFH Projects - Measure C Scope Modifications	749,287	-	-	749,287
IVCH Projects - Construction/Remodel/Etc	2,759,500	-	471,000	3,230,500
TCHSP Projects - Construction/Remodel/Etc	16,000	-	-	16,000
<b>Total</b>	<b>\$ 12,913,663</b>	<b>\$ 1,023,584</b>	<b>\$ 508,000</b>	<b>\$ 14,445,247</b>

<b>Recommended Approved 2016 Capital Budget:</b>				
Prioritized Capital Requests	\$ 987,816	\$ 431,084	\$ -	\$ 1,418,900
IT Infrastructure, Prioritized Projects	559,300	-	-	559,300
Health Information/Business Systems	500,000	-	-	500,000
TFH Construction /Remodel Projects	1,839,480	480,000	37,000	2,356,480
IVCH Construction /Remodel Projects	1,655,000	-	471,000	2,126,000
TCHSP Projects - Construction/Remodel/Etc	5,000	-	-	5,000
TFH Projects - Measure C Scope Modifications	749,287	-	-	749,287
GO Bond Project Personal Property	387,680	112,500	-	500,180
<b>Total</b>	<b>\$ 6,683,563</b>	<b>\$ 1,023,584</b>	<b>\$ 508,000</b>	<b>\$ 8,215,147</b>

Tahoe Forest Hospital District  
 Cash Flow Schedule of 2016 Capital Budget

	FY 2016	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
<b>Recommended Approved 2016 Capital Budget:</b>					
Prioritized Capital Requests	\$ 1,418,900	\$ 208,650	\$ 443,250	\$ 767,000	\$ -
IT Infrastructure, Prioritized Projects	559,300	131,800	222,500	130,000	75,000
Health Information/Business Systems	500,000	-	-	250,000	250,000
TFH Construction /Remodel Projects	2,356,480	1,012,440	884,040	75,000	385,000
IVCH Construction /Remodel Projects	2,126,000	700,000	1,200,000	226,000	-
TCHSP Projects - Construction/Remodel/Etc	5,000	5,000	-	-	-
TFH Projects - Measure C Scope Modifications	749,287	204,307	27,868	258,556	258,556
GO Bond Project Personal Property	500,180	125,045	125,045	125,045	125,045
	<b>\$ 8,215,147</b>	<b>\$ 2,387,242</b>	<b>\$ 2,902,703</b>	<b>\$ 1,831,601</b>	<b>\$ 1,093,601</b>