



## Board Informational Report

**By: Harry Weis**  
President and CEO

**DATE: August 13, 2021**

---

The month of July was very busy overall for our health system and August has also been very busy through the first 13 days of the month.

We are continuing to show further “overall” patient volume growth in Fiscal Year 2022 versus Fiscal Year 2021. Again, last year we grew approximately 14% overall versus Fiscal Year 2020 with provider office visits growing by 32%. It is likely we are seeing provider visits grow 8 to 10% more this fiscal year than last fiscal year, but the trend is still too early to call. We are out of space to provide the volume and timeliness of patient care we strongly believe needs to occur in clinic settings. Data through August 31 will be more helpful to predict year over year volume changes.

We are seeing a weekly uptick in COVID-19 positive lab tests in our three county region right now. The number of inpatient hospitalizations is very different (higher) to the west than in our local region, for which we are very grateful and we hope our volumes remain low.

This pandemic shows no short-term indicators that it wants to completely go away soon, so I am encouraging our team to take these challenges one day at a time, and together, we can always handle challenges quite well, one day at a time.

We did cancel our annual team member picnic with great regret, which was scheduled for today to keep our team members and their families safer, even though it was an outdoor event.

Our team has had to react and execute on at least two statewide health orders, the first relative to vaccinations or testing of all healthcare workers, and second, on new visitor restrictions. We are actively monitoring actions and conversations in the state of Nevada as well.

We hope to learn in late August how our team fared relative to TFHS being the Best Place to Work, extra-large employer category.

I am really looking at turnover rates, “time to fill” open positions and other challenges for our team as external factors relative to recruitment and retainage of employees keep changing and causing challenges for many employers.

We are gearing up for a more rapid process during the months of September through February of next year to complete our new three-year Strategic Plan. We will learn a lot during the next two months, which will be influential in the content of this next three-year Strategic Plan.

We are really focused on making sure we have the right strategy focus and that includes making sure our clinical and business model of care is optimal too, to deal with the status quo in healthcare or with nearly all new radical models of healthcare.

We remain very active on our Master Plan, which really looks forward 10 to 30 years to deal with equipment, clinic office space and patient parking in many communities we serve. If history is any teacher to me, it is sending the very strong message that nearly all health systems were not courageous enough in their future planning for office space, patient parking and equipment needs. We really need for our community to allow history to teach and guide them too as they reflect on the patient experience they want for their families, 10, 20 or 30 years into the future. Building these new facilities takes years to plan and to obtain approval on, so all stakeholders need great courage to speak about what is really needed not just for the present but how much growth should we plan for in the future, recognizing that we generally were never courageous enough?

Again, every dollar we are proposing to spend in our Master Plan is for the care and safety of our patients. It's not about us, if we were internally focused about "us," I'd say, let's not spend a dime, but it's nearly all outward focused on the health and safety of our patients. We are required to be their public voice based on the health and safety services they expect us to provide.

There are some trends in large cities that are very unlikely in rural, mountainous, harsh four season weather locations. One such trend is "transportation as a service" (TAAS) where in some large cities, individuals or families might conclude they no longer need to own a vehicle anymore. They will join a subscription service to have access for transportation. This trend from the large cities is very unlikely even in the next 20 years in a rural mountain town. Further, even Lyft, Uber or taxi services seem to be less available too, year over year. They are very difficult businesses to be profitable in rural, mountainous regions with ice and snow. So every individual needs to be more accountable, not less in future years for how they will travel to complete their needs for living. Certainly cycling will become more popular as bike trails become more complete.

Also, healthcare is required from a licensure perspective to be up and operational 24/7 no matter what is happening with the weather, or whether the regional utility providers are operational or not. Lives matter, and minutes matter to save lives, so we have a special burden that nearly no other industry has other than first responders and our need is much more long lasting and complex.

After 72 years of existence, TFHS is having to invest significant dollars for the first time to make sure our outlying buildings have back up power in Truckee and in the various other towns we operate in. This is a major new expenditure as the "up time percent" from public utilities is likely lower now over the course of a year than it was decades ago. Our Master Plan also includes many updates to our storage tanks for fuel for our emergency generators too.

While we support "green" concepts, healthcare must have "absolute utility reliability all the time," not most of the time, a very different need, not a want, versus any other business or home setting.

We continue to see how vital 24/7 hospitals are in rural (and urban) areas, to be fully functional, all the time, not just most of the time, due to the fires, due to the pandemic and for many other illness and injury needs that occur in each community.

Our team continues to monitor new multi-state and federal legislation and is promoting new legislation to fix key problems, which are arising as well.