



Board Informational Report

By: Harry Weis
CEO

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Finance Strategies:

Our volumes continue to be very high against budget and prior year in the month of June. June volumes exceeded budget by an estimated 27%. Our health system overall had volume growth of 28% over the prior fiscal year performance.

We have talked in the past about broad based growth year over year, which we believe creates a very strong and lower risk platform for a steadier volume of patient care activities throughout the year in the future. It should lower seasonality fluctuations of distant years. We are expecting more modest year over year growth percentages in the future.

It appears 2019 could be the best fiscal year in our 70-year health system history. Previously, fiscal year 2017 was the record year in our history.

After year one, we will be significantly ahead of the 10 year forecast (provided last year). If we achieve and beat the board approved budget for fiscal year 2020, we will also be well ahead of the cumulative performance expected after completing two years of the original 10-year financial forecast when June 30, 2020 arrives.

People Strategies:

We have now completed 16 well received team member Town Hall meetings. We have three more scheduled in late July. Based on the questions our team members asked, we believe there is a noticeable positive climate change among our team members this year versus last year. We believe there is a positive improving trend each year we've held these Town Halls.

I would like to thank the entire senior leadership team for their leadership and active involvement in these Town Halls. I believe our staff really enjoyed getting to know us better as each senior leader shared about themselves and really provided an opportunity for the senior leadership to engage with staff.

Service Strategies:

Managing an ever improving patient satisfaction and patient experience is a very strong, "forever" journey our team is on. We are focusing on additional customer service training for our team this year. I am quite proud of the year over year improvements our team is making in patient satisfaction scores. We are in a very high patient satisfaction performance zone that

most hospitals in America never achieve and we do not take our present place for granted and keep working hard to continually improve it each year.

We have many detailed strategies underway which are shared in the monthly board reports of other C-Suite members. Again, we are rapidly moving towards a clinical model of care that is highly stable even if major external market force or regulatory changes occur.

Quality Strategies:

We have many specific strategy actions items we are managing to ever improve all aspects of Quality year over year. Please see other C-Suite leader's reports on this critical topic, which is the center of all that we do!

Growth Strategies:

We grew provider office visits from 67,609 in fiscal year 2018 to 80,848 office visits in fiscal year 2019. This change represents a 21% growth rate. Within 2 years, we should have doubled our provider office visits from where they were in fiscal year 2015.

Construction continues on schedule for the third floor of the medical office building and on the 2nd floor of the Cancer Center for new patient exams rooms and provider services space.

We are continuing our search to find new locations to lease for temporary staff parking, as parking will be one of our biggest challenges possibly for many years to come.

We also continue our strong focus on workforce housing. We are partnering with important, large community employers and are hopeful we will have something substantial to share in the next three years with our team members regarding new legitimate opportunities to live and work in Truckee. We appreciate the Board's support last month on the Joint Powers Agency Term Sheet and initial capitalization approval.

The Health System continues to be focused on federal, state and other regional legislative changes that could harm or help our health system, coupled with how we can improve both healthcare in America and the quality of life for all Americans.