



Board Informational Report

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Finance Strategies:

To review, our Health System experienced overall estimated volume increases on a broad basis, of about 28% in fiscal year 2019 versus fiscal year 2018. Now, based on the first four months of fiscal 2020, we are seeing approximately 8% additional growth over the prior year.

We finished last fiscal year with 81,417 provider office visits and so far this fiscal year we are on track to achieve at least 88,000 provider office visits this year. I believe this annualized trend for FY20 will continue to elevate as the second half of our fiscal year is completed.

This growth is across the Health System and not in a single area. It is broad based, which is very important. As we have shared in the past, it is being achieved by a very focused effort on meeting unmet healthcare needs of our full-time residents in our primary service areas. Influxes of visitors or part time residents only add to this broad based growth.

We believe our Health System has grown over 65% in the last four years or so.

Also, as we shared in the past, last year FY19 was our best financial year ever. FY20 is also showing very strong continuing financial performance year to date.

People Strategies:

This month we have been honoring our employees several ways. We are honoring their years of service working in the Health System and we are honoring them for the critical team effort that is required to generate the tenfold improvements on an annual basis that our Health System has been illustrating over the last years. We will cap off this calendar year with our annual team member holiday party.

We are conducting our Press Ganey physician engagement survey this fiscal year to continue to obtain critical feedback on our inclusive journey of truly being the Best Team of 1 as "everyone" strives to work together, first focusing on our patients and then producing the best sustainable results.

Service Strategies:

Our team continues to deliver higher year over year patient satisfaction scores in the six areas measured. These results cover our two hospital campuses, physician office services and components within our hospitals.

Quality Strategies:

In the most focused metric on quality, we continue to show improvements in the Core Measure bundle of the most critical areas of quality we measure.

Growth Strategies:

Parking remains our single most important growth project to complete before December 31, 2020. The new 3 level parking structure and all of the other parking expansions need to move through various external agency approvals to have this completed by December of next year. If we can pull this off, we will need to have a great team celebration to honor our community by better providing convenient patient parking near our hospital and then to have our employees and physicians parking in a new structure on Levon Ave.

We continue to shuttle our employees from locations in Truckee to our hospital from 6 AM to 8 PM, Monday through Friday. We will need more team members to voluntarily park offsite after November 25, 2019.

All four partners of the Workforce Housing JPA have obtained their respective board approvals so we will see if we can have our first formative JPA board meeting no later than December of this year. This topic and need will grow ever more urgent for us to be able to recruit and retain the quality workforce we will need for the long term.

We are still working on the content and the distribution of a survey to our team members who live in or outside of the Truckee area to better understand their needs should they wish to live in more appropriate housing in Truckee to better meet their family needs.

The federal government has financial forecasts which reduce Medicare and Medicaid spending by hundreds of billions of dollars in future years.

Even with these large Medicare and Medicaid cuts it is estimated that Medicare and Medicaid will not have enough funds to pay its bills by 2026 and that Social Security payments may be at risk after 2037.

So we continue to be very active on where the real savings lie and what will put the majority of providers at risk in the years ahead.

Increased competition and increased excess capacity in healthcare are both very inflationary to the annual growth rate of healthcare expenditures versus deflationary. We do believe “there is one very tough strategic trail for success for healthcare in the years ahead and there many, many well paved highways for failure in the years ahead!”

We are building that one model of care that can successfully navigate this single tough strategic trail for success.