



Board Informational Report

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President and CEO

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Our health system overall volume slowed a bit in October, causing our fiscal year to date overall volumes, per early estimates to now be similar to the prior fiscal year for the same four months. Last month we had reported that we believed we were about 8% high in overall volume this fiscal year vs the previous fiscal year.

The fiscal year over year, YTD growth in provider office visits has also dropped off moderately from what we reported last month as well.

With limited space capacity and limited staff, our team is being asked to spend additional time developing new patient friendly processes that will achieve the best patient experience possible, as untimely healthcare isn't great healthcare.

Our Strategic Plan is a critical guide for the future and our leadership team is working hard on improving the focus, urgency and results of all items in the draft new Strategic Plan, based on the input of many, many stakeholders.

We do have an important upcoming Board presentation of our draft Master Plan for TFHS over the next 30 years or so. Executing timely on this Master Plan is critical and there are many external approvals, which must happen first, before we can act on this plan.

We are concerned that the slowness of the essential space buildouts noted in our Master Plan can be equally frustrating for our patients and our team as has been the pandemic over the past 21 months. So time urgency is very important to all of us in moving quickly on our Master Plan.

We are seeing material external market force and regulatory force changes, which are making life far more challenging now and for an unknown period of time into the future for our team. Many categories of high inflation are happening as to food, gasoline, housing and many other types of goods. These high inflation issues really impact all employers and even a Best Place to Work employer like TFHS. Many employers are also being impacted by vaccine mandates across America, too.

Healthcare systems are having to track and act on a growing variety of new state and/or federal regulations on many topics. So the attention to operational change due to new regulations is growing a lot. It's likely the growing volume of regulations will have a very negative effect on year over year, cost efficient healthcare delivery.

We are also having to track and understand the changing behaviors of health insurance companies as well, so that we better understand any new negative impacts on patients in our larger rural region.

We will be watching how the pandemic performs in the entire month of November as last year, two weeks after Veterans Day, we had our 3rd spike in new cases in this region during November last year. We are hopeful that comings and goings of the holidays will look very different this year.

Since the pandemic began, to right now, we have averaged 45 new positive lab tests per week in our 3 county area that best represents our service area. We have had many weeks well in excess of 100 new positive lab tests per week during the past 20 months, and in the last four weeks, we have been in the 50's and 60's per week in terms of new positive lab tests. We all hope to see these numbers decline and remain much lower. It is likely this disease can be around for a very long time; though hopefully at much lower levels in future years. So living happily, efficiently and safely for the future is important.

We are focused on new ways to help our team experience gratitude and joy each day and we wish this for every person in our region as well!