



Board Informational Report

By: Harry Weis
President and CEO

DATE: 10 14 20

Finance Strategies:

September is the fourth month in a row with strong volumes and revenues. Overall gross revenues are estimated to be 1 M higher in September than we experienced in August. We have illustrated a very strong first quarter this fiscal year.

We have admitted about 220 patients for “rule out” or confirmed COVID-19 care pandemic to date. We are happy to report that all patients went home alive.

We have really seen a gradual decline in inpatient COVID-19 census since late June and early July. In the past seven months, our highest individual day was 8 inpatients for a few days. Many, many days have been zero or 1 to 4 inpatients. Even though we are entering the normal flu season, we remain hopeful that we’ll see a continuing gradual decline in COVID-19 activity.

The new peak positive COVID-19 lab test day worldwide was October 10. By contrast we are happy to report as we did last month that the highest positive lab test day in the US is still 7/24, in CA it’s still 7/22 and in NV it’s still 7/16. We remain hopeful these date volume levels are never breached!

We will be making a special note on where we stand on overall volumes, and provider office visits as we complete the first six months of this fiscal year. We do expect to see some positive growth trends versus FY20.

Preparing a budget with all of the massive changes to date and still future possible changes has been some really prolonged hard work this year for our team. We are happy our budget for FY21 and our updated 10 year forecasts will also be included too, this month for Board review and approval.

Our health system remains a tremendous financial value vs the Reno, NV area and all CA hospitals as illustrated in our budget report relative to very low IP gross revenues per patient day, per inpatient discharge, and per outpatient visit as compared to other rural hospitals and CA hospitals in general. This finding is very rare in the healthcare industry. In my 43 years, I have never seen a health system this low versus statewide averages in CA that was successful.

As I shared last month, one major performance marker for our team is to see if we can double our Fund Balance or Net Worth at 6/30/21 vs where it was back on 6/31/15, when back in 2015 the organization was 66 years old. If this goal is achieved, it will truly be an amazing great team achievement in just 6 short years!! This achievement is not about the money, but about empowering this health system to more powerfully walk daily its Mission and Vision Statements, with the improved capacity to really improve the care it provides to our patients.

People Strategies:

We are happy to report, our team won 2nd place overall versus all industries in the Best Place to Work Award for all of N. Nevada and the Tahoe region. We came in second to the Dolan Auto Group, and the 3rd place winner was Carson Tahoe Health. So we were # 1 in healthcare and # 2 overall. As we were # 1 in 2019 and now # 2 in 2020, this is confirmation of a very special and uncommon positive culture here at TFHS. I'm really proud of our team and the results we've built together!

Our partnership in Workforce Housing is growing in focus, complexity and size as it examines the tough and ever changing housing needs of our team members as we seek to have new and improving, realistic housing options to recruit and retain our team members. We will have important information to share with the Board in October.

We continue to work on focused training and engagement with our team members consistent with our Strategic Plan. We will plan for possible increases in patient clinical complexity as well in the future.

We continue to engage with other community businesses and stakeholders and are trying to anticipate any future change in services we might be asked to assist with.

As we shared in the past, our theme this year is on Gratitude and Thankfulness as we continue to focus on being the very best Team of 1 of any health system in the country.

Our last most important theme for our team and our community is "successfully living with COVID-19!"

Service Strategies:

Our team continues to deliver on year over year over year improving patient satisfaction score performance, always with the recognition that this is a never-ending journey of improvement. This is a team commitment we intensify every year. We are operating in rare positive space and we want to keep the positive forward progress going.

Quality Strategies:

We continue to focus on improving all results relative to our Quality of care as we examine external "report cards" and our internal reports. This size of our efforts on this topic area are increasing each year, with the expectation of steady improving results, too each year.

These efforts are in line with our Strategic Plan.

Growth Strategies:

In alignment with our Strategic Plan under Growth, we continue to actively collaborate with many area health systems to the north, south, east and west of our health system, always looking for ways we can learn from each other and to also begin to examine and act on ways we can deliver high quality care with greater efficiency each new year. These activities are ongoing. One such related collaborative action is coming to the Board in October.

We have slowed our media and community group outreach discussions on COVID-19 a bit in recent weeks as the inpatient hospital volumes have really been tapering downward the last three months.

We will be working on thoughtful, focused community engagement seeking to hear what type of experience they wish to have as they access healthcare here. We as a system have to be planning years ahead for the trends we are seeing relative to the increasing demand for healthcare from residents in our region. This topic will continue for many months.

I remain active at the state level working on behalf of all CA District Health Systems and that involvement will increase a bit over the next year as there are many new critical issues facing CA District health systems.

We are also very active on state and federal regulation matters to assure that great rural healthcare can continue here and across America in sustainable ways.