



Board Informational Report

By: Harry Weis
President and CEO

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We continue to see, as I reported last month, much lower year over year total health system growth of about 7% and not the high double-digit growth we have seen in the previous six years.

We estimate we will probably grow about 2000 provider office visits this fiscal year versus last fiscal year. Patient access and experience is a number one concern for us as we have very limited building space to handle additional patient visits. We are concerned patient access and experience will be a huge challenge for us over the next three years due to very limited office space and growing difficulty to recruit providers.

We are looking at all options relative to expanding office hours, days of the week and recruiting additional physicians to the area. Recruitment is becoming much more difficult each year due to retirements in the medical field across the US, as well as the rapidly growing cost of housing and living in the North Lake Tahoe region.

We hope to be able to announce the arrival of more medical staff members in the second half of this calendar year.

We are grateful for the Board's approval last month of a very limited number of down payment assistance resource tools each year.

We have not yet heard of any physicians or staff who left our health system to go and work at the new hospital in Reno that opened in April.

We are excited to host four large in-person Town Hall sessions in late June. The sessions were deferred to the end of the month as we estimate a slowdown in new COVID-19 cases by then.

We saw low levels of new daily COVID-19 positive lab tests in March, April and May. There had been an increase in the first two weeks in June.

Our Managers, Directors and AC members have been working really hard on the budget for Fiscal Year 2023. The presentation is complete and ready for June 23. We will also include an improving 10 year forecast of the Balance Sheet and Income Statement. We are working to only improve the 10-year forecast versus cause any regression.

We really appreciate having Dr. Gary Gray here as a full time interim CMO since May 16. He has been working more than full time since his arrival and our needs are great as we support

the changing and growing needs of our medical staff. We are using a recruiter to assist with the CMO search and in recruitment of hard to find physician specialties.

We are hopeful to share some important research findings on senior unmet needs in our region which if the schedule permits, will be shared at the June Board meeting. We are looking at all angles or categories of unmet healthcare related needs in our region.

It does appear the US is truly in a recession cycle. We are expecting another large interest rate increase by the Feds and at least one more after that in September. As shared last month, we are seeing the repeat of some concerning trends that caused struggles for Americans in the 70's and early 80's.

We are focused on being nimble and keeping this health system strong. We will adjust as needed to assure this remains the case.

We continue to remain active on many state and federal new bills or rules that may be damaging to healthcare or our economy.