



TAHOE FOREST HOSPITAL DISTRICT

# Board Finance Committee

Apr 23, 2015 at 03:00 PM - 05:00 PM

Eskridge Conference Room



TAHOE  
FOREST  
HEALTH  
SYSTEM

# FINANCE COMMITTEE AGENDA

Thursday, April 23, 2015 at 3:00 p.m.  
Eskridge Conference Room, Tahoe Forest Hospital  
10121 Pine Avenue, Truckee, CA

**1. CALL TO ORDER**

**2. ROLL CALL**

Dale Chamblin, Chair; Greg Jellinek, M.D., Board Member

**3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**

**4. INPUT – AUDIENCE**

This is an opportunity for members of the public to address the Committee on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Committee cannot take action on any item not on the agenda. The Committee may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

**5. APPROVAL OF MINUTES OF: 03/24/2015 ..... ATTACHMENT**

**6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION**

**6.1. Financial Reports:**

6.1.1. Financial Report – March 2015 Quarterly Packet..... ATTACHMENT

6.1.2. Quarterly Review Financial Status of Separate Entities ..... ATTACHMENT

6.1.3. Quarterly Review of Revenue Payor Mix..... ATTACHMENT

6.1.4. TIRHR Expenditure Report ..... ATTACHMENT

**6.2. 2016 Budget Update – FTE Report..... ATTACHMENT**

**6.3. Board Education and Updates ..... \*ATTACHMENT**

6.3.1. 96 Hour Physician Certification Rule – Update

6.3.2. State Fiscal Year 2014-15 NDPH IGT Funding

6.3.3. Standard and Poor’s Annual Surveillance for “BBB-” Rating

6.3.4. Refinancing of 2006 Revenue Bonds - Update

**7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS**

**8. AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING..... ATTACHMENT**

**9. NEXT MEETING DATE ..... ATTACHMENT**

**10. ADJOURN**

\*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions.

Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District’s public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.



## FINANCE COMMITTEE

### DRAFT MINUTES

Tuesday, March 24, 2015 at 9:00 a.m.  
Eskridge Conference Room, Tahoe Forest Hospital  
10121 Pine Avenue, Truckee, CA

1. **CALL TO ORDER**

Meeting called to order at 9:44 a.m.

2. **ROLL CALL**

BOARD: Dale Chamblin, Chair; Greg Jellinek, M.D., Board Member

STAFF: Crystal Betts, Chief Financial Officer; Judy Newland, Chief Nursing Officer; Jaye Chasseur, Controller; Martha Simon, Director of Philanthropy; Patricia Barrett, Clerk of the Board.

3. **CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**

None.

4. **INPUT – AUDIENCE**

None.

5. **APPROVAL OF MINUTES OF: 02/23/2015**

**ACTION:** Motion made by Director Chamblin, Seconded by Director Jellinek, to approve the minutes of February 23, 2015 as presented. Approved unanimously.

6. **ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION**

6.1. **Financial Reports:**

6.1.1. **Financial Report – February 2015**

Key indicators were reviewed. CFO recommends redefining the cash collection target as the ongoing variance indicates the target is not correct.

Net Patient Revenue as a percentage of Gross Patient Revenue was 55.8% in the current month compared to budget of 55.2% and to last month's 56.6%. Current year's Net Patient

Revenue as a percentage of Gross Patient Revenue is 55.4%, compared to budget of 55.0% and prior year's 58.3%.

EBIDA was \$45,853 (.3%) for the current month compared to budget of \$573,279 (3.5%), or \$(527,426) (-3.2%) under budget.

Year-to-date EBIDA was \$2,802,833 (2.0%) compared to budget of \$1,976,414 (1.5%) or \$826,419 (.6%) over budget.

Cash Collections for the current month were \$7,634,704 which is 71 % of targeted Net Patient Revenue.

Gross Days in Accounts Receivable were 65.9, compared to the prior month of 70.0. Gross Accounts Receivables are \$33,516,821 compared to the prior month of \$34,647,671. The percent of Gross Accounts Receivable over 120 days old is 26.9%, compared to the prior month of 27.8%.

Working Capital Days Cash on Hand is 22.4 days. S&P Days Cash on Hand is 145.5. Working Capital cash decreased \$1,749,000. Cash collections fell short of target by 29% and Accounts Payable decreased \$1,832,000.

Discussion took place related to impact of weather on hospital financials. As long as weather continues

Discussion took place regarding payor mix. Current month's Gross Revenue Mix was 30.8% Medicare, 19.3% Medi-Cal, .0% County, 3.6% Other, and 46.3% Insurance compared to budget of 34.4% Medicare, 12.8% Medi-Cal, 1.7% County, 7.1 % Other, and 44.0% Insurance. Last month's mix was 34.1 % Medicare, 17.7% Medi-Cal, .0% County, 4.6% Other, and 43.6% Insurance.

It as noted that expenses were managed well in response to the lower volumes.

A review of Incline Village Community Hospital was provided. Bad debt was higher than anticipated. There was a shift in our payor mix with a 3.37% increase in Commercial Insurance, a 5.79% decrease in Medicare, a 7.55% increase in Medicaid, a 4.74% decrease in Other, and a .38% decrease in County. IVCH continues to see an increase in Bad Debt as Aged A/R accounts are worked.

Discussion took place related to how the District needs to respond to the changing payor mix.

**6.1.2. Tahoe Forest Health System Foundation Financial Report – Six Months Ending December 31, 2014**

Martha Simon, Director of Fund Development, provided a review of the TFHS Foundation financials.

Discussion took place related to the distinction between the TFHS Foundation and IVCH Foundation. Discussion took place related to the programs funded through the Best of Tahoe Chef's event.

***Chief Nursing Officer joined the meeting at 9:49 a.m.***

Committee was reminded that the Gene Upshaw event takes place in July, at the start of a new fiscal year, resulting in a number of expenses being recorded in the prior year

while at least a portion of the revenue is recorded in the new fiscal year.

Discussion took place related to the reporting of the Foundation's administrative expenses. CFO is working with the Director of Fund Development to separate out philanthropy functions from system support functions. Recommendation made to split the Director of Fund Development position into two partial FTE. Director of Fund Development provided an overview of an industry standard measurement tool that she would like to see TFHS adopt.

A review of end of year capital expenses was provided and were primarily related to IT.

#### 6.1.3. **2016 Budget Update – Volumes and Gross Revenues**

The projected volumes by department were provided for review and discussion. This data is used to project revenue. A conservative approach was taken in developing the projections. Data holds steady with what was seen in 2014 and anticipated in 2015.

The organization is currently reviewing FTE and staffing requirements. Variable and other expense will be reviewed next.

CFO shared preliminary data provided by Kaufman Hall related to total admissions. Numbers provided by Kaufman Hall are higher than what has conservatively been included in the budget.

Discussion took place related to the Affordable Care Act and its relation to out patient and urban setting services. TFHD is smart to look at what this will look like for a rural hospital as well as ACO model options.

Final budget is targeted to be presented to the Board for approval in early June.

#### 6.2. **Refinancing of Bonds – Revenue Bonds, Series 2006**

CFO provided background related to the issuance of the Revenue Bonds, Series 2006.

On March 31, 2015, the District's Board of Directors will be asked to approve Resolution No. 2015-02 that authorizes the sale and issuance of Hospital Refunding Revenue Bonds in an amount not exceeding the amount necessary to defease and redeem the District's outstanding 2006 Hospital Revenue Bonds and authorizing certain "Designated Officers" of the District to execute documents and take action necessary for the sale and issuance of the 2015 Refunding Bonds.

Adoption of this resolution gives management the authority to negotiate and approve final terms and conditions with the underwriters and/or placement agent (the "Initial Purchasers") of the 2015 Refunding Bonds and to issue the 2015 Refunding Bonds, contingent upon the ability to provide a minimum net present value savings as a percentage of the par amount of the outstanding Bonds to be Refunded (net of costs of issuance) of at least 5%. Current estimated net present value savings is approximately \$2,324,000 or 10.0%.

Management believes that tax-exempt interest rates currently available offer the District an opportunity to generate adequate debt service savings relative to the Bonds to be Refunded without extending the final maturity of said bonds. In fact, the final maturity of the 2015 Refunding Bonds may be shorter than the final maturity of the Bonds to be Refunded. While interest rates for underwritten bonds are not determined until the bonds are sold, the current interest rate environment suggests a likely all-in true interest cost (TIC) of approximately 3.67% based upon discussions with our underwriting syndicate. Given current market conditions, it is estimated that total debt service savings over the life of the Bonds to be Refunded to be approximately \$2,565,000. Final savings may be greater or less than indicated above depending on the final structure of the 2015 Refunding Bonds.

CFO anticipates moving forward with the sale in early April pending Board approval.

### 6.3. **Board Education**

#### 6.3.1. **96 Hour Physician Certification Rule – Potential financial impact**

CFO provided a summary of the potential financial impact related to 96 hour admission.

The Centers for Medicare & Medicaid Services (CMS) finalized policies related to inpatient admission and review criteria, including physician certification and admission order requirements, in the fiscal year 2014 hospital inpatient prospective payment system final rule. The condition of payment requires that the physician must certify that the beneficiary may reasonably be expected to be discharged, or transferred to a hospital, within 96 hours after admission to the CAH.

There is presently proposed legislation to block the enforcement of the 96 hour certification requirement. The outcome of this proposed legislation should be known at the end of March 2015.

The District has conducted an internal audit to review the amount of reimbursement that could be at risk if the 96 hour requirement is enforced. For the period 7/1/2014-2/28/15, 13 Medicare inpatients were determined to be at risk, totaling gross charges of \$928,358, and reimbursement of \$510,597. If the legislation to block the enforcement of the 96 hour certification requirement is not successful, the District will have to record a potential liability to CMS for the repayment of the Medicare Part A reimbursement the District received on these patients. Furthermore, the District may have impact on future services it may be able to provide to the local community and therefore future gross/net revenues.

Discussion took place related to impacts on physicians and importance of documentation to ensure payment eligibility.

#### 6.3.2. **Delivery System Reform Incentive Program (DSRIP)**

CFO provided an overview of the potential opportunity for District Hospitals to

participate in a 2015 Medi-Cal Waiver and Delivery System Reform Incentive Program (DSRIP) currently being developed by the Department of Health Care Services (DHCS). Participating in a DSRIP will allow public district/municipal hospitals to bridge the gap between traditional health care and the health care system of the future for the populations of each community using a pay-for-performance type of initiative. It provides an opportunity for public health care systems to expand upon their existing quality improvement efforts by providing significant funding to support district/municipal hospitals and other providers in changing how these hospitals provide care to Medi-Cal and uninsured beneficiaries.

Unlike funding made available to designated public hospitals in 2012, funding is not being made available to fill a hole created by a change in Medi-Cal reimbursement methodology. Instead district/municipal participation is done so these hospitals can avail themselves of incentive funding when milestones are met for transforming delivery systems and improving care.

**7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS**

Committee recommends Board approval of Resolution 2015-02 authorizing the sale and issuance of Hospital Refunding Revenue Bonds in an amount not exceeding the amount necessary to defease and redeem the District's outstanding 2006 Hospital Revenue Bonds and authorizing certain "Designated Officers" of the District to execute documents and take action necessary for the sale and issuance of the 2015 Refunding Bonds.

**8. AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING**

- Financial Report – March 2015
- Quarterly Review Financial Status of Separate Entities
- Quarterly Review of Revenue Payor Mix
- TIRHR Expenditure Report
- 2016 Budget update – FTE report

**9. NEXT MEETING DATE**

The next meeting of the Board Finance Committee will take place on Thursday, April 23, 2015 at 3:00 p.m.

**10. ADJOURN**

Meeting adjourned at 11:10 a.m.

**TAHOE FOREST HOSPITAL DISTRICT  
MARCH 2015 FINANCIAL REPORT  
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**Board of Directors**  
*Of Tahoe Forest Hospital District*

## **MARCH 2015 FINANCIAL NARRATIVE**

The following is a financial narrative analyzing financial and statistical trends for the nine months ended March 31, 2015.

### **Activity Statistics**

- ❑ TFH acute patient days were 403 for the current month compared to budget of 424. This equates to an average daily census of 13.0 compared to budget of 13.7.
- ❑ TFH Outpatient volumes were above budget in the following departments by at least 5%: Laboratory tests, Oncology Lab, Mammography, Oncology procedures, Nuclear Medicine, Ultrasounds, Cat Scans, PET CT, Pharmacy units, Physical Therapy, and Occupational Therapy.
- ❑ TFH Outpatient volumes were below budget in the following departments by at least 5%: Home Health visits, Surgical cases, Radiation Oncology procedures, Oncology Pharmacy units, Respiratory Therapy, and Speech Therapy.

### **Financial Indicators**

- ❑ Net Patient Revenue as a percentage of Gross Patient Revenue was 58.3% in the current month compared to budget of 55.2% and to last month's 55.8%. Current year's Net Patient Revenue as a percentage of Gross Patient Revenue is 55.7%, compared to budget of 55.0% and prior year's 57.9%.
- ❑ EBIDA was \$563,574 (3.2%) for the current month compared to budget of \$474,410 (2.8%), or \$89,164 (.3%) above budget. Year-to-date EBIDA was \$3,374,598 (2.2%) compared to budget of \$2,450,824 (1.6%) or \$923,774 (.5%) over budget.
- ❑ Cash Collections for the current month were \$9,409,790 which is 91% of targeted Net Patient Revenue.
- ❑ Gross Days in Accounts Receivable were 65.5, compared to the prior month of 65.9. Gross Accounts Receivables are \$33,213,977 compared to the prior month of \$33,516,821. The percent of Gross Accounts Receivable over 120 days old is 24.5%, compared to the prior month of 26.9%.

### **Balance Sheet**

- ❑ Working Capital Days Cash on Hand is 29.0 days. S&P Days Cash on Hand is 151.6. Working Capital cash increased \$2,193,000. Cash collections fell short of target by 9% and Accounts Payable increased \$2,126,000.
- ❑ Net Patients Accounts Receivable decreased approximately \$565,000. Cash collections were at 91% of target and days in accounts receivable were 65.5 days, a .4 days decrease.
- ❑ GO Bond Project Fund decreased \$532,000 after remitting payment to the District for funds advanced on the February Measure C projects.
- ❑ To comply with GASB No. 63, the District has booked an adjustment to the asset and offsetting liability to reflect the fair value of the Piper Jaffray swap transaction at the close of March.
- ❑ Accounts Payable increased \$2,126,000 due to the timing of the final check run in March.
- ❑ Estimated Settlements, Medi-Cal and Medicare decreased after refunding overpayment on our Medicare Inpatient reimbursements.

**Operating Revenue**

- ❑ Current month’s Total Gross Revenue was \$17,844,521, compared to budget of \$16,812,059 or \$1,032,462 over budget.
- ❑ Current month’s Gross Inpatient Revenue was \$6,009,858, compared to budget of \$5,646,650 or \$363,208 above budget.
- ❑ Current month’s Gross Outpatient Revenue was \$11,834,663, compared to budget of \$11,165,409 or \$669,254 over budget. Volumes were up in some departments and down in others. See TFH Outpatient Activity Statistics above.
- ❑ Current month’s Gross Revenue Mix was 33.6% Medicare, 15.4% Medi-Cal, .0% County, 3.5% Other, and 47.5% Insurance compared to budget of 34.3% Medicare, 13.1% Medi-Cal, 1.7% County, 6.8% Other, and 44.1% Insurance. Last month’s mix was 30.8% Medicare, 19.3% Medi-Cal, .0% County, 3.6% Other, and 46.3% Insurance.
- ❑ Current month’s Deductions from Revenue were \$7,442,511 compared to budget of \$7,535,069 or \$92,558 under budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with a .63% decrease in Medicare, a 2.33% increase to Medi-Cal, a 1.74% decrease in County, a 3.35% decrease in Other, and Commercial was over budget 3.40%, 2) revenues exceeded budget by 6.1%, and 3) we continue seeing increased activity on the collection of outsourced, older patient accounts and patients shifting from Self Pay to Medi-Cal or the State Health Insurance Exchange programs which is creating a positive variance in Bad Debt.

**Operating Expenses**

DESCRIPTION	March 2015 Actual	March 2015 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	3,667,936	3,479,788	(188,148)	
Employee Benefits	1,086,476	1,129,713	43,237	
Benefits – Workers Compensation	42,695	51,566	8,871	
Benefits – Medical Insurance	979,322	717,510	(261,813)	
Professional Fees	1,664,579	1,459,043	(205,536)	Legal services provided to the Corporate Compliance and Medical Staff departments, services provided to Patient Accounting/Admitting and Revenue Cycle by Jacobus Consulting, an increase in Inpatient and Outpatient Therapy revenues, and various service line analyses performed for Administration created a negative variance in Professional Fees.
Supplies	1,577,644	1,220,551	(357,092)	Medical Supplies Sold to Patients and Surgery revenues were over budget by 3.28% and Drugs Sold to Patients Revenue also came in above budget by 1.5% creating a negative variance in the Supplies category.
Purchased Services	868,534	840,884	(27,649)	Negative variances in Locum coverage for IP Pharmacy and services provided for network, system, and software maintenance created a negative variance in Purchased Services.
Other Expenses	576,273	544,395	(31,878)	Negative variance in Outside Training & Travel for Jacobus consultants, Other Building rents, and Dues & Subscriptions caused a negative variance in Other Expenses.
Total Expenses	10,463,457	9,443,450	(1,020,007)	

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF NET POSITION  
MARCH 2015

	Mar-15	Feb-15	Mar-14	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
* CASH	\$ 9,610,865	\$ 7,417,436	\$ 12,513,867	1
PATIENT ACCOUNTS RECEIVABLE - NET	15,481,600	16,046,120	20,036,347	2
OTHER RECEIVABLES	4,306,707	3,776,795	3,698,227	
GO BOND RECEIVABLES	653,771	257,264	1,002,488	
ASSETS LIMITED OR RESTRICTED	5,622,680	5,719,035	5,830,995	
INVENTORIES	2,484,421	2,470,281	2,280,452	
PREPAID EXPENSES & DEPOSITS	1,424,987	1,463,629	1,591,680	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	3,389,901	3,313,502	3,481,500	
OTHER CURRENT ASSETS	-	-	-	
<b>TOTAL CURRENT ASSETS</b>	<u>42,974,931</u>	<u>40,464,063</u>	<u>50,435,555</u>	
<b>NON CURRENT ASSETS</b>				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	40,705,163	40,705,163	33,614,370	1
BANC OF AMERICA MUNICIPAL LEASE	2,294,253	2,294,253	2,288,617	
TOTAL BOND TRUSTEE 2002	2	2	2	
TOTAL BOND TRUSTEE 2006	3,027,589	2,868,311	2,962,153	
TOTAL BOND TRUSTEE GO BOND	-	-	-	
GO BOND PROJECT FUND	14,389,630	14,921,275	21,285,583	3
GO BOND TAX REVENUE FUND	549,282	556,531	395,117	
BOARD DESIGNATED FUND	2,297	2,297	2,297	
DIAGNOSTIC IMAGING FUND	2,967	2,967	3,140	
DONOR RESTRICTED FUND	1,115,873	1,115,568	709,241	
WORKERS COMPENSATION FUND	21,983	14,245	8,613	
TOTAL	<u>62,109,038</u>	<u>62,480,612</u>	<u>61,269,131</u>	
LESS CURRENT PORTION	<u>(5,622,680)</u>	<u>(5,719,035)</u>	<u>(5,830,995)</u>	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	<u>56,486,358</u>	<u>56,761,576</u>	<u>55,438,136</u>	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	393,277	393,277	539,521	
PROPERTY HELD FOR FUTURE EXPANSION	836,353	836,353	836,353	
PROPERTY & EQUIPMENT NET	129,395,597	129,996,949	117,764,834	
GO BOND CIP, PROPERTY & EQUIPMENT NET	<u>18,798,045</u>	<u>18,008,052</u>	<u>26,331,068</u>	
<b>TOTAL ASSETS</b>	<u>248,884,561</u>	<u>246,460,269</u>	<u>251,345,467</u>	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	591,524	594,757	630,313	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	<u>2,013,085</u>	<u>1,936,176</u>	<u>1,466,352</u>	4
<b>TOTAL DEFERRED OUTFLOW OF RESOURCES</b>	<u>\$ 2,604,609</u>	<u>\$ 2,530,933</u>	<u>\$ 2,096,664</u>	
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	\$ 5,944,311	\$ 3,818,482	\$ 4,932,109	5
ACCRUED PAYROLL & RELATED COSTS	7,754,534	7,195,309	7,550,448	
INTEREST PAYABLE	393,427	269,396	404,405	
INTEREST PAYABLE GO BOND	779,557	389,820	779,779	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	512,695	1,285,397	996,376	6
HEALTH INSURANCE PLAN	997,635	997,635	860,027	
WORKERS COMPENSATION PLAN	1,006,475	1,006,475	1,392,606	
COMPREHENSIVE LIABILITY INSURANCE PLAN	890,902	890,902	887,362	
CURRENT MATURITIES OF GO BOND DEBT	315,000	315,000	50,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	<u>2,300,830</u>	<u>2,300,830</u>	<u>2,346,265</u>	
<b>TOTAL CURRENT LIABILITIES</b>	<u>20,895,366</u>	<u>18,469,246</u>	<u>20,199,377</u>	
<b>NONCURRENT LIABILITIES</b>				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	33,382,286	33,483,513	35,643,826	
GO BOND DEBT NET OF CURRENT MATURITIES	98,130,000	98,130,000	98,450,220	
DERIVATIVE INSTRUMENT LIABILITY	<u>2,013,085</u>	<u>1,936,176</u>	<u>1,466,352</u>	4
<b>TOTAL LIABILITIES</b>	<u>154,420,737</u>	<u>152,018,935</u>	<u>155,759,774</u>	
<b>NET ASSETS</b>				
NET INVESTMENT IN CAPITAL ASSETS	95,952,561	95,856,699	96,973,116	
RESTRICTED	<u>1,115,873</u>	<u>1,115,568</u>	<u>709,241</u>	
<b>TOTAL NET POSITION</b>	<u>\$ 97,068,433</u>	<u>\$ 96,972,267</u>	<u>\$ 97,682,357</u>	

\* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT  
NOTES TO STATEMENT OF NET POSITION  
MARCH 2015

1. Working Capital is at 29.0 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 151.6 days. Working Capital cash increased \$2,193,000. Cash collections fell short of target by 9% and Accounts Payable (See Note 5) increased \$2,126,000.
2. Net Patient Accounts Receivable decreased approximately \$565,000. Cash collections were 91% of target. Days in Accounts Receivable are at 65.5 days compared to prior months 65.9 days, a .40 day decrease.
3. G.O. Bond Project Fund decreased \$532,000 after reimbursing the District for funds advanced on Measure C projects.
4. To comply with GASB No. 63, the District has booked an adjustment to the asset and offsetting liability to reflect the fair value of the Piper Jaffray swap transaction at the close of March.
5. Accounts Payable increased \$2,126,000 due to the timing of the final check run in the month.
6. Estimated Settlements, Medi-Cal and Medicare decreased after refunding overpayment on our Medicare Inpatient reimbursements. This was known and had been reserved for in prior periods.

**Tahoe Forest Hospital District  
Cash Investment  
March 2015**

<b>WORKING CAPITAL</b>			
US Bank	\$ 9,094,029		
US Bank/Kings Beach Thrift Store	150,456		
US Bank/Truckee Thrift Store	366,380		
Wells Fargo Bank			
Local Agency Investment Fund	<u>-</u>	0.278%	
Total			\$ 9,610,865
 <b>BOARD DESIGNATED FUNDS</b>			
US Bank Savings	\$ 2,297	0.03%	
Capital Equipment Fund	<u>-</u>		
Total			\$ 2,297
 <b>Building Fund</b>			
Cash Reserve Fund	\$ -		
Local Agency Investment Fund	<u>40,705,163</u>	0.278%	
			\$ 40,705,163
 <b>Banc of America Muni Lease</b>			
			\$ 2,294,253
<b>Bonds Cash 1999</b>			
			\$ 2
<b>Bonds Cash 2002</b>			
			\$ -
<b>Bonds Cash 2006</b>			
			\$ 3,027,589
<b>Bonds Cash 2008</b>			
			\$ 14,938,913
 <b>DX Imaging Education</b>			
Workers Comp Fund - B of A	\$ 2,967	0.278%	
	21,983		
 <b>Insurance</b>			
Health Insurance LAIF	-	0.278%	
Comprehensive Liability Insurance LAIF	<u>-</u>	0.278%	
Total			<u>\$ 24,950</u>
<b>TOTAL FUNDS</b>			<b>\$ 70,604,030</b>
 <b>RESTRICTED FUNDS</b>			
<b>Gift Fund</b>			
US Bank Money Market	\$ 8,367	0.03%	
Foundation Restricted Donations	\$ 288,121		
Local Agency Investment Fund	<u>819,384</u>	0.278%	
<b>TOTAL RESTRICTED FUNDS</b>			<u><b>\$ 1,115,873</b></u>
<b>TOTAL ALL FUNDS</b>			<u><u><b>\$ 71,719,902</b></u></u>

**TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF NET POSITION  
KEY FINANCIAL INDICATORS  
MARCH 2015**

	Current Status	Desired Position	Target	Bond Covenants	FY 2015 Jul 14 to Mar 15	FY 2014 Jul 13 to June 14	FY 2013 Jul 12 to June 13	FY 2012 Jul 11 to June 12	FY 2011 Jul 10 to June 11	FY 2010 Jul 09 to June 10	FY 2009 Jul 08 to June 09
<b>Return On Equity:</b> <u>Increase (Decrease) in Net Position</u> Net Position		↑	-2.7% (1)	-0.2	.0%	.001%	-4.0%	8.7%	6.3%	12.4%	9.8%
<b>Days in Accounts Receivable</b> (excludes SNF & MSC) <u>Gross Accounts Receivable</u> 90 Days		↓	FYE 63 Days		66	75	97	64	59	60	58
<u>Gross Accounts Receivable</u> 365 Days					67	75	93	64	59	59	66
<b>Days Cash on Hand Excludes Restricted:</b> <u>Cash + Short-Term Investments</u> (Total Expenses - Depreciation Expense)/ by 365		↑	Budget FYE 150 Days  Projected FYE 154 Days  Projected 3rd Qtr 151 Days  Actual 3 <sup>rd</sup> Qtr 152 Days	60 Days  BBB- 119 Days	152	164	148	203	209	219	163
<b>Accounts Receivable over 120 days</b> (excludes payment plan, legal and charitable balances)		↓	13%		20%	22%	29%	15%	11%	13%	13%
<b>Accounts Receivable over 120 days</b> (includes payment plan, legal and charitable balances)		↓	18%		25%	25%	34%	19%	16%	18%	20%
<b>Cash Receipts Per Day</b> (based on 90 day lag on Patient Net Revenue) excludes managed care reserve	 	↑	FYE Budget \$294,122  End 3rd Qtr Budget \$294,961  End 3rd Qtr Actual \$310,496		\$286,489	\$286,394	\$255,901	\$254,806	\$240,383	\$256,059	\$258,654
<b>Debt Service Coverage:</b> Excess Revenue over Exp + <u>Interest Exp + Depreciation</u> Debt Principal Payments + Interest Expense		↑	Without GO Bond 1.83 With GO Bond 1.07	1.95	2.10  1.17	2.18  1.29	.66  .89	4.83  2.70	4.35  2.45	3.48  3.00	3.23  2.71

Footnotes:

(1) Target Return on Equity was established during the FY15 budgeting process. Fiscal year 2014 ended with a higher net income than projected. Based upon the actual fiscal year end net asset number, our Target Return on Equity was .001%.

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
MARCH 2015

CURRENT MONTH				Note	YEAR TO DATE				PRIOR YTD	
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%	MAR 2014	
\$ 17,844,521	\$ 16,812,059	\$ 1,032,462	6.1%		\$ 155,639,520	\$ 150,396,944	\$ 5,242,575	3.5%	1	\$ 141,261,012
<b>OPERATING REVENUE</b>										
Total Gross Revenue										\$ 141,261,012
<b>Gross Revenues - Inpatient</b>										
\$ 1,825,998	\$ 1,679,006	\$ 146,992	8.8%		\$ 15,435,069	\$ 14,488,954	\$ 946,115	6.5%		\$ 14,224,158
4,183,860	3,967,645	216,216	5.4%		36,306,354	35,399,986	906,369	2.6%		32,622,363
6,009,858	5,646,650	363,208	6.4%		51,741,423	49,888,939	1,852,483	3.7%	1	46,846,521
Total Gross Revenue - Inpatient										46,846,521
<b>Gross Revenue - Outpatient</b>										
11,834,663	11,165,409	669,254	6.0%		103,898,097	100,508,005	3,390,092	3.4%		94,414,491
11,834,663	11,165,409	669,254	6.0%		103,898,097	100,508,005	3,390,092	3.4%	1	94,414,491
Total Gross Revenue - Outpatient										94,414,491
<b>Deductions from Revenue:</b>										
6,736,747	6,290,976	(445,771)	-7.1%		61,157,976	56,538,132	(4,619,844)	-8.2%	2	53,632,837
513,444	571,610	58,166	10.2%		4,782,903	5,113,496	330,593	6.5%	2	4,476,207
-	-	-	0.0%		-	-	-	0.0%	2	-
202,190	672,483	470,293	69.9%		2,693,857	6,015,880	3,322,023	55.2%	2	2,230,998
(9,869)	-	9,869	0.0%		261,055	-	(261,055)	0.0%	2	(829,615)
7,442,511	7,535,069	92,558	1.2%		68,895,792	67,667,508	(1,228,284)	-1.8%		59,510,427
Total Deductions from Revenue										59,510,427
48,508	96,535	(48,027)	-49.8%		609,475	792,819	(183,344)	-23.1%		356,607
576,514	544,336	32,178	5.9%		5,719,851	5,000,200	719,651	14.4%	3	5,410,540
Property Tax Revenue- Wellness Neighborhood										356,607
Other Operating Revenue										5,410,540
11,027,031	9,917,860	1,109,171	11.2%		93,073,054	88,522,455	4,550,599	5.1%		87,517,732
TOTAL OPERATING REVENUE										87,517,732
<b>OPERATING EXPENSES</b>										
3,667,936	3,479,788	(188,148)	-5.4%		30,714,639	30,923,790	209,151	0.7%	4	30,208,496
1,086,476	1,129,713	43,237	3.8%		10,364,275	10,190,807	(173,468)	-1.7%	4	10,069,783
42,695	51,566	8,871	17.2%		453,577	464,098	10,520	2.3%	4	762,764
979,322	717,510	(261,813)	-36.5%		6,724,075	6,457,586	(266,489)	-4.1%	4	6,061,341
1,664,579	1,459,043	(205,536)	-14.1%		15,875,966	14,496,909	(1,379,057)	-9.5%	5	14,113,376
1,577,644	1,220,551	(357,092)	-29.3%		12,410,916	10,810,840	(1,600,076)	-14.8%	6	11,485,738
868,534	840,884	(27,649)	-3.3%		8,103,939	7,553,955	(549,984)	-7.3%	7	7,245,805
576,273	544,395	(31,878)	-5.9%		5,051,068	5,173,647	122,579	2.4%	8	4,450,409
10,463,457	9,443,450	(1,020,007)	-10.8%		89,698,456	86,071,632	(3,626,824)	-4.2%		84,397,712
TOTAL OPERATING EXPENSE										84,397,712
<b>563,574</b>	<b>474,410</b>	<b>89,164</b>	<b>18.8%</b>		<b>3,374,598</b>	<b>2,450,824</b>	<b>923,774</b>	<b>37.7%</b>		<b>3,120,020</b>
<b>NET OPERATING REVENUE (EXPENSE) EBIDA</b>										
<b>NON-OPERATING REVENUE/(EXPENSE)</b>										
399,500	351,473	48,027	13.7%		3,431,241	3,239,253	191,988	5.9%	9	3,815,992
393,903	393,903	-	0.0%		3,545,130	3,545,130	-	0.0%		3,562,248
24,876	23,111	1,765	7.6%		209,877	198,297	11,580	5.8%	10	170,113
2,636	1,248	1,388	111.2%		27,536	18,502	9,034	48.8%		43,259
66,399	60,951	5,448	8.9%		363,015	548,558	(185,543)	-33.8%	11	378,217
-	(56,250)	56,250	0.0%		(67,418)	(168,750)	101,332	0.0%	12	(148,541)
-	-	-	0.0%		-	-	-	0.0%	12	-
-	-	-	0.0%		-	-	-	0.0%	13	-
-	-	-	0.0%		-	-	-	0.0%	14	-
(876,127)	(809,066)	(67,061)	-8.3%		(7,184,416)	(7,281,598)	97,183	1.3%	15	(6,693,427)
(140,513)	(139,820)	(693)	-0.5%		(1,260,405)	(1,258,673)	(1,732)	-0.1%	16	(1,319,821)
(346,272)	(335,365)	(10,906)	-3.3%		(2,634,193)	(1,862,055)	(772,138)	-41.5%		(2,477,699)
(475,599)	(509,815)	34,217	6.7%		(3,569,633)	(3,021,336)	(548,297)	-18.1%		(2,669,659)
TOTAL NON-OPERATING REVENUE/(EXPENSE)										(2,669,659)
<b>\$ 87,975</b>	<b>\$ (35,405)</b>	<b>\$ 123,381</b>	<b>348.5%</b>		<b>\$ (195,035)</b>	<b>\$ (570,512)</b>	<b>\$ 375,477</b>	<b>65.8%</b>		<b>\$ 450,361</b>
<b>INCREASE (DECREASE) IN NET POSITION</b>										<b>\$ 450,361</b>
<b>NET POSITION - BEGINNING OF YEAR</b>										<b>97,263,468</b>
<b>NET POSITION - AS OF MARCH 31, 2015</b>										<b>\$ 97,068,433</b>
<b>3.2%</b>	<b>2.8%</b>	<b>0.3%</b>			<b>2.2%</b>	<b>1.6%</b>	<b>0.5%</b>			<b>2.2%</b>
<b>RETURN ON GROSS REVENUE EBIDA</b>										<b>2.2%</b>

**TAHOE FOREST HOSPITAL DISTRICT**  
**NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**  
**MARCH 2015**

	<b>Variance from Budget</b>	
	<b>Fav / &lt;Unfav&gt;</b>	
	<b>MAR 2015</b>	<b>YTD 2015</b>
<b>1) Gross Revenues</b>		
Acute Patient Days were under budget 4.95% or 21 days. Swing bed days were below budget 44.00% or 11 days. Ancillary Service revenues exceeded budget by 5.40%. We saw a higher acuity level in our patients, especially the Medicare population.	Gross Revenue -- Inpatient	\$ 363,208 \$ 1,852,483
	Gross Revenue -- Outpatient	669,254 3,390,092
	Gross Revenue -- Total	\$ 1,032,462 \$ 5,242,575
Outpatient volumes were over budget in the following departments: Laboratory tests, Oncology Lab, Mammography, Oncology procedures, Nuclear Medicine, MRI, Ultrasound, Cat Scans, PET CT, Pharmacy units, Physical Therapy, and Occupational Therapy.		
<b>2) Total Deductions from Revenue</b>		
The payor mix for March shows a .63% decrease to Medicare, a 2.33% increase to Medi-Cal, 3.35% decrease to Other, a 1.74% decrease to County, and a 3.40% increase to Commercial when compared to budget. Contractual Allowances were over budget as a result of increased revenues.	Contractual Allowances	\$ (445,771) \$ (4,619,844)
	Managed Care Reserve	-
	Charity Care	58,166 330,593
	Charity Care - Catastrophic	-
	Bad Debt	470,293 3,322,023
	Prior Period Settlement	9,869 (261,055)
	Total	\$ 92,558 \$ (1,228,284)
We saw a large pick up in Bad Debt write-off as an increasing patient population retroactively qualifies and becomes insured through the Medi-Cal and State Health Insurance Exchange programs.		
<b>3) Other Operating Revenue</b>		
Retail Pharmacy revenues were above budget 24.10%.	Retail Pharmacy	\$ 49,216 \$ 207,450
	Hospice Thrift Stores	1,026 (5,850)
	The Center (non-therapy)	5,531 17,739
Revenues in The Center (non-therapy) exceeded budget in Sports Performance training, Fitness & Wellness classes, and Gym memberships.	IVCH ER Physician Guarantee	2,156 138,932
	Children's Center	(670) 4,819
IVCH ER Physician Guarantee is tied to collections, which exceeded budget in March.	Miscellaneous	(39,634) 104,549
	Oncology Drug Replacement	-
Refunding of Medi-Cal E.H.R. Incentive payments created a negative variance in Miscellaneous	Grants	14,554 252,012
	Total	\$ 32,178 \$ 719,651
Positive variance in Grants related to funds received on the Wellness Neighborhood HRSA Grant.		
<b>4) Salaries and Wages</b>		
Negative variance in Salaries and Wages was offset by positive variances in PL/SL and Standby.	Total	\$ (188,148) \$ 209,151
<b>Employee Benefits</b>		
Negative variance in Nonproductive is an employee related matter.	PL/SL	\$ 107,143 \$ 208,342
	Nonproductive	(100,918) (227,947)
	Pension/Deferred Comp	316 1,810
	Standby	7,051 (49,037)
	Other	29,646 (106,636)
	Total	\$ 43,237 \$ (173,468)
<b>Employee Benefits - Workers Compensation</b>	Total	\$ 8,871 \$ 10,520
<b>Employee Benefits - Medical Insurance</b>	Total	\$ (261,813) \$ (266,489)
<b>5) Professional Fees</b>		
Negative variance in Corporate Compliance attributed to legal services provided to the department.	Corporate Compliance	\$ (48,741) \$ (671,236)
	Patient Accounting/Admitting	(105,665) (589,530)
	Miscellaneous	(48,701) (313,014)
Patient Accounting/Admitting exceeded budget due to services provided by Jacobus Consulting.	The Center (includes OP Therapy)	(6,491) (155,477)
	TFH/IVCH Therapy Services	(18,394) (111,928)
Negative variance in Miscellaneous related to services provided by Jacobus Consulting and B.E. Smith in the Revenue Cycle and Case Management departments.	Financial Administration	11,835 (94,632)
	Oncology	446 (24,714)
TFH/IVCH Therapy Services revenue exceeded budget by 17.44%, creating a negative variance in this category.	Business Performance	-
	Marketing	1,000 8,875
Negative variance in Medical Staff services related to legal services.	Multi-Specialty Clinics	(7,384) 9,061
	Home Health/Hospice	1,200 9,600
Contracted fees for various service line analyses created a negative variance in Administration.	Multi-Specialty Clinics Admin	(1,406) 10,822
	Medical Staff Services	(13,424) 22,395
	Human Resources	(350) 23,085
	Information Technology	7,438 23,712
	Sleep Clinic	7,179 41,480
	Administration	(21,874) 46,976
	Managed Care	13,324 48,217
	IVCH ER Physicians	(2,965) 68,852
	TFH Locums	10,050 127,088
	Respiratory Therapy	17,387 141,310
	Total	\$ (205,536) \$ (1,376,551)

<b>6) <u>Supplies</u></b>		Patient & Other Medical Supplies	\$	(210,080)	\$	(1,048,985)
Medical Supplies Sold to Patients and Surgery revenues exceeded budget by 3.28% creating a negative variance in Patient & Other Medical Supplies.		Pharmacy Supplies		(142,688)		(606,454)
Oncology Drugs Sold to Patients revenues was over budget by 1.50%, creating a negative variance in Pharmacy Supplies. A more expensive mix of Chemo drugs also aided in the negative variance.		Minor Equipment		(2,578)		(28,495)
Purchases in Nursery, Sterile Processing, Housekeeping, Plant Ops, Retail Pharmacy, and the Gift Tree created a negative variance in Other Non-Medical Supplies.		Other Non-Medical Supplies		(18,909)		(24,388)
		Imaging Film		(170)		6,459
		Office Supplies		3,058		50,469
		Food		14,276		51,319
		<b>Total</b>	<b>\$</b>	<b>(357,092)</b>	<b>\$</b>	<b>(1,600,076)</b>
<b>7) <u>Purchased Services</u></b>		Miscellaneous	\$	467	\$	(406,794)
Locums coverage created a negative variance in Pharmacy IP.		Pharmacy IP		(25,643)		(209,861)
Outsourced management over the retail operations of the Center for Health and Sports Performance created a negative variance in the Center.		Patient Accounting		(1,921)		(84,082)
Negative variance in Information Technology related to system, software, and network maintenance.		Laboratory		8,638		(50,211)
Positive variance in Diagnostic Imaging Services - All related to maintenance agreements and Imaging reads in all departments.		Multi-Specialty Clinics		2,347		(10,302)
		The Center		(9,858)		(10,014)
		Community Development		234		(2,308)
		Human Resources		9,705		852
		Medical Records		1,373		4,784
		Hospice		3,036		10,077
		Department Repairs		(3,873)		33,844
		Information Technology		(35,843)		36,323
		Diagnostic Imaging Services - All		23,687		137,709
		<b>Total</b>	<b>\$</b>	<b>(27,649)</b>	<b>\$</b>	<b>(549,984)</b>
<b>8) <u>Other Expenses</u></b>		Outside Training & Travel	\$	(66,653)	\$	(300,608)
Negative variance in Outside Training & Travel associated with Jacobus Consultants lodging and travel.		Multi-Specialty Clinics Equip Rent		(1,157)		(825)
Other Building Rent exceeded budget due to increased need for off site storage and Employee/Locums housing rentals.		Physician Services		(4)		(97)
Negative variance in Dues and Subscriptions related to a catch up on Prepaid Expense write-offs due to the timing of the submission of invoices.		Innovation Fund		-		-
Electricity, Diesel, and Natural Gas came in below budget due to the mild winter we continue to experience.		Human Resources Recruitment		(1,258)		873
		Other Building Rent		(4,311)		6,329
		Multi-Specialty Clinics Bldg Rent		1,592		20,825
		Equipment Rent		(1,636)		33,255
		Miscellaneous		3,046		33,589
		Dues and Subscriptions		(10,404)		35,004
		Insurance		5,824		47,199
		Utilities		29,278		93,477
		Marketing		13,807		153,558
		<b>Total</b>	<b>\$</b>	<b>(31,878)</b>	<b>\$</b>	<b>122,579</b>
<b>9) <u>District and County Taxes</u></b>		<b>Total</b>	<b>\$</b>	<b>48,027</b>	<b>\$</b>	<b>191,988</b>
<b>10) <u>Interest Income</u></b>		<b>Total</b>	<b>\$</b>	<b>1,765</b>	<b>\$</b>	<b>11,580</b>
<b>11) <u>Donations</u></b>		IVCH	\$	(4,200)	\$	(15,709)
		Operational		9,648		(169,834)
		Capital Campaign		-		-
		<b>Total</b>		<b>5,448</b>		<b>(185,543)</b>
<b>12) <u>Gain/(Loss) on Joint Investment</u></b>		<b>Total</b>	<b>\$</b>	<b>56,250</b>	<b>\$</b>	<b>101,332</b>
<b>12) <u>Gain/(Loss) on Impairment of Asset</u></b>		<b>Total</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>
<b>13) <u>Gain/(Loss) on Sale</u></b>		<b>Total</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>
<b>14) <u>Impairment Loss</u></b>		<b>Total</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>
<b>15) <u>Depreciation Expense</u></b>		<b>Total</b>	<b>\$</b>	<b>(67,061)</b>	<b>\$</b>	<b>97,183</b>
Negative variance in Depreciation Expense related to the true-up of depreciation.		<b>Total</b>	<b>\$</b>	<b>(693)</b>	<b>\$</b>	<b>(1,732)</b>
<b>16) <u>Interest Expense</u></b>						

**TAHOE FOREST HOSPITAL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**KEY FINANCIAL INDICATORS**  
**MARCH 2015**

	Current Status	Desired Position	Target	<u>FY 2015</u> Jul 14 to Mar 15	<u>FY 2014</u> Jul 13 to June 14	<u>FY 2013</u> Jul 12 to June 13	<u>FY 2012</u> Jul 11 to June 12	<u>FY 2011</u> Jul 10 to June 11	<u>FY 2010</u> Jul 09 to June 10	<u>FY 2009</u> Jul 08 to June 09
<b>Total Margin:</b> <u>Increase (Decrease) In Net Position</u> Total Gross Revenue		↑	FYE -1.3% 3rd Qtr -38%	-0.13%	0.0%	-2.2%	5.3%	3.6%	5.8%	4.6%
<b>Charity Care:</b> <u>Charity Care Expense</u> Gross Patient Revenue		↓	FYE 3.4% 3rd Qtr 3.4%	3.1%	3.2%	3.2%	2.6%	3.0%	3.1%	2.5%
<b>Bad Debt Expense:</b> <u>Bad Debt Expense</u> Gross Patient Revenue		↓	FYE 4.0% 3rd Qtr 4.0%	1.7%	1.6%	4.6%	4.3%	3.8%	4.1%	4.6%
<b>Incline Village Community Hospital:</b> EBIDA: Earnings before interest, Depreciation, amortization <u>Net Operating Revenue &lt;Expense&gt;</u> Gross Revenue		↑	FYE 4.0% 3rd Qtr 4.8%	7.2%	4.9%	11.5%	10.8%	12.3%	6.7%	5.0%
<b>Operating Expense Variance to Budget (Under&lt;Over&gt;)</b>		↑	-0-	\$(3,626,824)	\$2,129,279	\$(1,498,683)	\$790,439	\$15,188	\$2,662,695	<\$1,292,399>
<b>EBIDA:</b> Earnings before interest, Depreciation, amortization <u>Net Operating Revenue &lt;Expense&gt;</u> Gross Revenue		↑	FYE 1.0% 3rd Qtr 1.6%	2.2%	2.0%	.9%	5.6%	5.1%	6.6%	4.4%

INCLINE VILLAGE COMMUNITY HOSPITAL  
STATEMENT OF REVENUE AND EXPENSE  
MARCH 2015

CURRENT MONTH				Note	YEAR TO DATE				PRIOR YTD MAR 2014		
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%			
<b>OPERATING REVENUE</b>											
\$ 1,259,379	\$ 1,246,165	\$ 13,215	1.1%		Total Gross Revenue	\$ 11,229,691	\$ 10,890,690	\$ 339,001	3.1%	1	\$ 10,377,392
<b>Gross Revenues - Inpatient</b>											
\$ 2,717	\$ 6,988	\$ (4,271)	-61.1%		Daily Hospital Service	\$ 26,139	\$ 34,940	\$ (8,801)	-25.2%		\$ 42,520
28,354	8,295	20,059	241.8%		Ancillary Service - Inpatient	54,553	56,898	(2,345)	-4.1%		58,359
31,071	15,283	15,788	103.3%		Total Gross Revenue - Inpatient	80,692	91,838	(11,146)	-12.1%	1	100,879
1,228,308	1,230,882	(2,574)	-0.2%		Gross Revenue - Outpatient	11,148,999	10,798,851	350,147	3.2%		10,276,513
1,228,308	1,230,882	(2,574)	-0.2%		Total Gross Revenue - Outpatient	11,148,999	10,798,851	350,147	3.2%	1	10,276,513
<b>Deductions from Revenue:</b>											
410,614	371,148	(39,466)	-10.6%		Contractual Allowances	3,183,804	3,271,567	87,763	2.7%	2	2,945,559
40,760	42,370	1,610	3.8%		Charity Care	362,905	370,284	7,379	2.0%	2	390,823
-	-	-	0.0%		Charity Care - Catastrophic Events	-	-	-	0.0%	2	-
53,195	49,847	(3,348)	-6.7%		Bad Debt	884,202	435,629	(448,573)	-103.0%	2	570,532
(9,869)	-	9,869	0.0%		Prior Period Settlements	5,409	-	(5,409)	0.0%	2	18,147
494,700	463,365	(31,335)	-6.8%		Total Deductions from Revenue	4,436,319	4,077,480	(358,839)	-8.8%	2	3,925,061
67,786	72,635	(4,850)	-6.7%		Other Operating Revenue	648,681	513,700	134,981	26.3%	3	512,468
832,465	855,435	(22,970)	-2.7%		<b>TOTAL OPERATING REVENUE</b>	<b>7,442,052</b>	<b>7,326,909</b>	<b>115,143</b>	<b>1.6%</b>		<b>6,964,799</b>
<b>OPERATING EXPENSES</b>											
244,147	255,839	11,692	4.6%		Salaries and Wages	2,212,878	2,287,040	74,162	3.2%	4	2,218,563
85,254	88,230	2,976	3.4%		Benefits	804,115	808,657	4,542	0.6%	4	797,382
3,075	2,717	(359)	-13.2%		Benefits Workers Compensation	27,841	24,449	(3,392)	-13.9%	4	17,044
56,284	48,049	(8,234)	-17.1%		Benefits Medical Insurance	443,655	432,444	(11,211)	-2.6%	4	369,272
210,201	215,340	5,138	2.4%		Professional Fees	1,882,096	2,002,312	120,216	6.0%	5	1,885,813
51,047	59,679	8,632	14.5%		Supplies	459,260	445,191	(14,069)	-3.2%	6	429,857
32,643	42,747	10,103	23.6%		Purchased Services	361,955	348,972	(12,983)	-3.7%	7	336,128
49,564	50,564	1,000	2.0%		Other	446,885	459,696	12,811	2.8%	8	424,544
732,216	763,164	30,948	4.1%		<b>TOTAL OPERATING EXPENSE</b>	<b>6,638,685</b>	<b>6,808,760</b>	<b>170,075</b>	<b>2.5%</b>		<b>6,478,603</b>
<b>100,249</b>	<b>92,271</b>	<b>7,978</b>	<b>8.6%</b>		<b>NET OPERATING REV(EXP) EBIDA</b>	<b>803,367</b>	<b>518,149</b>	<b>285,218</b>	<b>55.0%</b>		<b>486,196</b>
<b>NON-OPERATING REVENUE/(EXPENSE)</b>											
-	4,200	(4,200)	-100.0%		Donations-IVCH	22,091	37,800	(15,709)	-41.6%	9	77,858
-	-	-	0.0%		Gain/ (Loss) on Sale	-	-	-	0.0%	10	-
(53,943)	(53,601)	(342)	0.6%		Depreciation	(481,067)	(482,412)	1,345	-0.3%	11	(467,175)
(53,943)	(49,401)	(4,542)	-9.2%		<b>TOTAL NON-OPERATING REVENUE/(EXP)</b>	<b>(458,977)</b>	<b>(444,612)</b>	<b>(14,364)</b>	<b>-3.2%</b>		<b>(389,317)</b>
<b>\$ 46,306</b>	<b>\$ 42,870</b>	<b>\$ 3,436</b>	<b>8.0%</b>		<b>EXCESS REVENUE(EXPENSE)</b>	<b>\$ 344,391</b>	<b>\$ 73,537</b>	<b>\$ 270,854</b>	<b>368.3%</b>		<b>\$ 96,879</b>
<b>8.0%</b>	<b>7.4%</b>	<b>0.6%</b>			<b>RETURN ON GROSS REVENUE EBIDA</b>	<b>7.2%</b>	<b>4.8%</b>	<b>2.4%</b>			<b>4.7%</b>

**INCLINE VILLAGE COMMUNITY HOSPITAL  
NOTES TO STATEMENT OF REVENUE AND EXPENSE  
MARCH 2015**

		<b>Variance from Budget</b>	
		<b>Fav&lt;Unfav&gt;</b>	
		<b>MAR 2015</b>	<b>YTD 2015</b>
<b>1) <u>Gross Revenues</u></b>			
Acute Patient Days were above budget by 1 at 3 and Observation Days were under budget by 1 at 1.	Gross Revenue -- Inpatient	\$ 15,788	\$ (11,146)
	Gross Revenue -- Outpatient	(2,574)	350,147
		\$ 13,215	\$ 339,001
Outpatient volumes were below budget in Emergency Department visits, Surgical cases, Radiology exams, and Physical Therapy.			
<b>2) <u>Total Deductions from Revenue</u></b>			
We saw a shift in our payor mix with a 3.58% decrease in Commercial, Insurance, a 6.51% decrease in Medicare, a 10.81% increase in Medicaid, a .36% decrease in Other, and a .35% decrease in County. Negative variance in Contractual Allowances is a result of revenues exceeding budget by 1.1% and the shift to Medicaid from Commercial and Medicare.	Contractual Allowances	\$ (39,466)	\$ 87,763
	Charity Care	1,610	7,379
	Charity Care-Catastrophic Event	-	-
	Bad Debt	(3,348)	(448,573)
	Prior Period Settlement	9,869	(5,409)
	Total	\$ (31,335)	\$ (358,839)
<b>3) <u>Other Operating Revenue</u></b>			
IVCH ER Physician Guarantee is tied to collections which exceeded budget in March.	IVCH ER Physician Guarantee	\$ 2,156	\$ 138,932
	Miscellaneous	(7,006)	(3,951)
	Total	\$ (4,850)	\$ 134,981
<b>4) <u>Salaries and Wages</u></b>	Total	\$ 11,692	\$ 74,162
<b><u>Employee Benefits</u></b>	PL/SL	\$ (1,129)	\$ 14,772
	Standby	3,532	2,826
	Other	2,350	(13,041)
	Nonproductive	(2,093)	(3,174)
	Pension/Deferred Comp	316	3,159
	Total	\$ 2,976	\$ 4,542
<b><u>Employee Benefits - Workers Compensation</u></b>	Total	\$ (359)	\$ (3,392)
<b><u>Employee Benefits - Medical Insurance</u></b>	Total	\$ (8,234)	\$ (11,211)
<b>5) <u>Professional Fees</u></b>			
IVCH OP Occupational Therapy revenues exceeded budget by 38.25%, creating a negative variance in Therapy Services Pro Fees.	Multi-Specialty Clinics	\$ 720	\$ (10,353)
	Foundation	2,115	(7,122)
	Administration	150	1,350
	Miscellaneous	412	2,681
Sleep Clinic Pro Fees are tied to collections which fell short of budget in March.	Therapy Services	(2,473)	23,327
	Sleep Clinic	7,179	41,480
Negative variance in IVCH ER Physicians related to overlap coverage.	IVCH ER Physicians	(2,965)	68,852
	Total	\$ 5,138	\$ 120,216
<b>6) <u>Supplies</u></b>			
Purchases of Vitamin D kits in Laboratory created a negative variance in Patient & Other Medical Supplies.	Patient & Other Medical Supplies	\$ (1,494)	\$ (28,782)
	Non-Medical Supplies	(2,014)	(1,265)
Negative variance in Non-Medical Supplies related to Oxygen purchases.	Minor Equipment	(2,800)	(45)
	Food	166	856
Small equipment purchases for the Sterile Processing Department created a negative variance in Minor Equipment.	Imaging Film	(338)	1,113
	Office Supplies	(376)	1,626
	Pharmacy Supplies	15,489	12,429
	Total	\$ 8,632	\$ (14,069)
Drugs Sold to Patients revenue fell short of budget by 31.24%, creating a positive variance in Pharmacy Supplies. We also received in vendor credits for returned product.			

**INCLINE VILLAGE COMMUNITY HOSPITAL  
NOTES TO STATEMENT OF REVENUE AND EXPENSE  
MARCH 2015**

		<u>Variance from Budget</u>	
		<u>Fav&lt;Unfav&gt;</u>	
		<u>MAR 2015</u>	<u>YTD 2015</u>
<b>7) <u>Purchased Services</u></b>			
Negative variance in Miscellaneous primarily related to Purchased Services paid for outside management of the Medically Managed Fitness program.	Miscellaneous	\$ (3,901)	\$ (30,052)
	EVS/Laundry	1,345	(5,023)
	Pharmacy	(207)	(3,006)
	Engineering/Plant/Communications	5,205	(1,296)
Positive variance in Engineering/Plant/Communications associated with services provided for snow removal.	Surgical Services	-	-
	Multi-Specialty Clinics	491	1,066
	Department Repairs	(1,148)	2,496
	Foundation	333	4,146
Positive variance in Laboratory related to the reclassification of expenses to Prepaids on the Balance Sheet.	Laboratory	5,549	5,739
	Diagnostic Imaging Services - All	2,436	12,947
	<b>Total</b>	<b>\$ 10,103</b>	<b>\$ (12,983)</b>
<b>8) <u>Other Expenses</u></b>			
Negative variance in Dues and Subscriptions attributed to the purchased of clinical manuals for the Lab.	Outside Training & Travel	\$ (425)	\$ (14,142)
	Other Building Rent	(582)	(1,164)
	Equipment Rent	261	(726)
	Multi-Specialty Clinics Equip Rent	-	-
	Physician Services	-	-
	Multi-Specialty Clinics Bldg Rent	-	-
	Dues and Subscriptions	(1,745)	639
	Miscellaneous	515	1,303
	Insurance	213	1,920
	Utilities	13	9,747
	Marketing	2,750	15,233
	<b>Total</b>	<b>\$ 1,000</b>	<b>\$ 12,811</b>
<b>9) <u>Donations</u></b>	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>
<b>10) <u>Gain/(Loss) on Sale</u></b>	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>
<b>11) <u>Depreciation Expense</u></b>	<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>

TAHOE FOREST HOSPITAL DISTRICT  
STATEMENT OF CASH FLOWS

	AUDITED	BUDGET	PROJECTED	ACTUAL	BUDGET		ACTUAL	ACTUAL	ACTUAL	PROJECTED
	FYE 2014	FYE 2015	FYE 2015	MAR 2015	MAR 2015	DIFFERENCE	1ST QTR	2ND QTR	3RD QTR	4TH QTR
Net Operating Rev/(Exp) - EBIDA	\$ 3,742,843	\$ 2,008,740	\$ 2,894,670	\$ 563,574	\$ 474,410	\$ 89,164	\$ 3,469,494	\$ (1,330,346)	\$ 1,213,071	\$ (457,549)
Interest Income	90,129	96,542	96,335	-	-	-	19,503	25,120	26,432	25,279
Property Tax Revenue	5,285,587	5,376,000	5,337,891	-	-	-	237,157	73,132	2,877,602	2,150,000
Donations	1,132,315	600,300	588,160	52,053	59,000	(6,947)	221,165	146,247	143,748	77,000
Debt Service Payments	(4,308,075)	(3,926,699)	(3,685,964)	(264,374)	(271,825)	7,450	(1,123,831)	(790,940)	(955,720)	(815,474)
Bank of America - 2012 Muni Lease	(1,243,647)	(1,243,644)	(1,243,530)	(103,637)	(103,637)	(0)	(310,795)	(310,912)	(310,912)	(310,911)
Bank of America - 2007 Muni Lease	(421,721)	-	-	-	-	-	-	-	-	-
Copier	(100,214)	(105,000)	(33,753)	(1,460)	(8,750)	7,290	(2,393)	(2,197)	(2,912)	(26,250)
2002 Revenue Bond	(633,393)	(664,805)	(496,875)	-	-	-	(332,811)	-	(164,064)	-
2006 Revenue Bond	(1,909,100)	(1,913,250)	(1,911,806)	(159,277)	(159,438)	160	(477,831)	(477,831)	(477,831)	(478,313)
Physician Recruitment	(129,886)	(150,000)	(97,092)	(5,407)	(12,500)	7,093	(27,246)	(16,112)	(16,233)	(37,500)
Investment in Capital										
Equipment	(2,157,004)	(1,748,150)	(2,223,150)	(103,287)	(899,234)	795,947	(270,964)	(334,607)	(205,260)	(1,412,319)
Municipal Lease Reimbursement	748,489	1,250,000	1,250,000	-	-	-	-	-	-	1,250,000
GO Bond Project Personal Property	(703,327)	(747,761)	(582,919)	(3,792)	-	(3,792)	(24,369)	(38,923)	(74,627)	(445,000)
IT	(339,004)	(2,804,763)	(1,440,055)	-	(194,839)	194,839	(113,054)	(1,092,933)	(84,068)	(150,000)
Building Projects	(1,339,652)	(3,557,916)	(2,357,343)	(214,160)	(451,864)	237,704	(617,090)	(596,944)	(543,309)	(600,000)
Health Information/Business System	(349,125)	(1,105,000)	(380,852)	-	(200,000)	200,000	(30,303)	(200,549)	-	(150,000)
Capital Investments										
MOB Suite Acquisition-Unbudgeted	-	-	(600,000)	-	-	-	-	-	-	(600,000)
Change in Accounts Receivable	3,825,683	1,989,042	N1 2,480,937	564,250	126,696	437,554	1,214,891	874,623	(67,768)	459,191
Change in Settlement Accounts	1,070,839	(900,000)	N2 (1,969,861)	(968,240)	-	(968,240)	(310,047)	(368,631)	(1,291,183)	-
Change in Other Assets	527,205	(548,326)	N3 (815,244)	(475,105)	28,318	(503,423)	(997,401)	(1,846,663)	1,957,036	71,785
Change in Other Liabilities	(40,000)	805,000	N4 134,169	2,809,085	1,150,000	1,659,085	547,692	(1,069,219)	755,696	(100,000)
Change in Cash Balance	7,057,017	(3,362,991)	(770,318)	1,954,597	(191,837)	2,146,434	2,195,597	(6,566,746)	3,735,417	(134,587)
Beginning Unrestricted Cash	43,894,743	50,951,760	N5 50,951,760	48,361,431	48,361,431	-	50,951,760	53,147,357	46,580,611	50,316,028
Ending Unrestricted Cash	50,951,760	47,588,769	50,181,442	50,316,028	48,169,594	2,146,434	53,147,357	46,580,611	50,316,028	50,181,442
Expense Per Day	311,010	316,480	326,483	332,048	318,724	13,325	328,735	329,124	332,048	326,483
Days Cash On Hand	164	150	154	152	151	0	162	142	152	154

Footnotes:

- N1 - Change in Accounts Receivable reflects the 60 day delay in collections. For example, in July 2014 we are collecting May 2014.  
N2 - Change in Settlement Accounts reflect cash flows in and out related to prior year and current year Medicare and Medi-Cal settlement accounts.  
N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.  
N4 - Change in Other Liabilities reflect fluctuations in liability accounts on the Balance Sheet that effect cash. For example, an increase in accounts payable effects EBIDA but not cash.  
N5 - Change in Beginning Unrestricted Cash is different than as presented in budget package due to final adjustments for fiscal year end 2014.

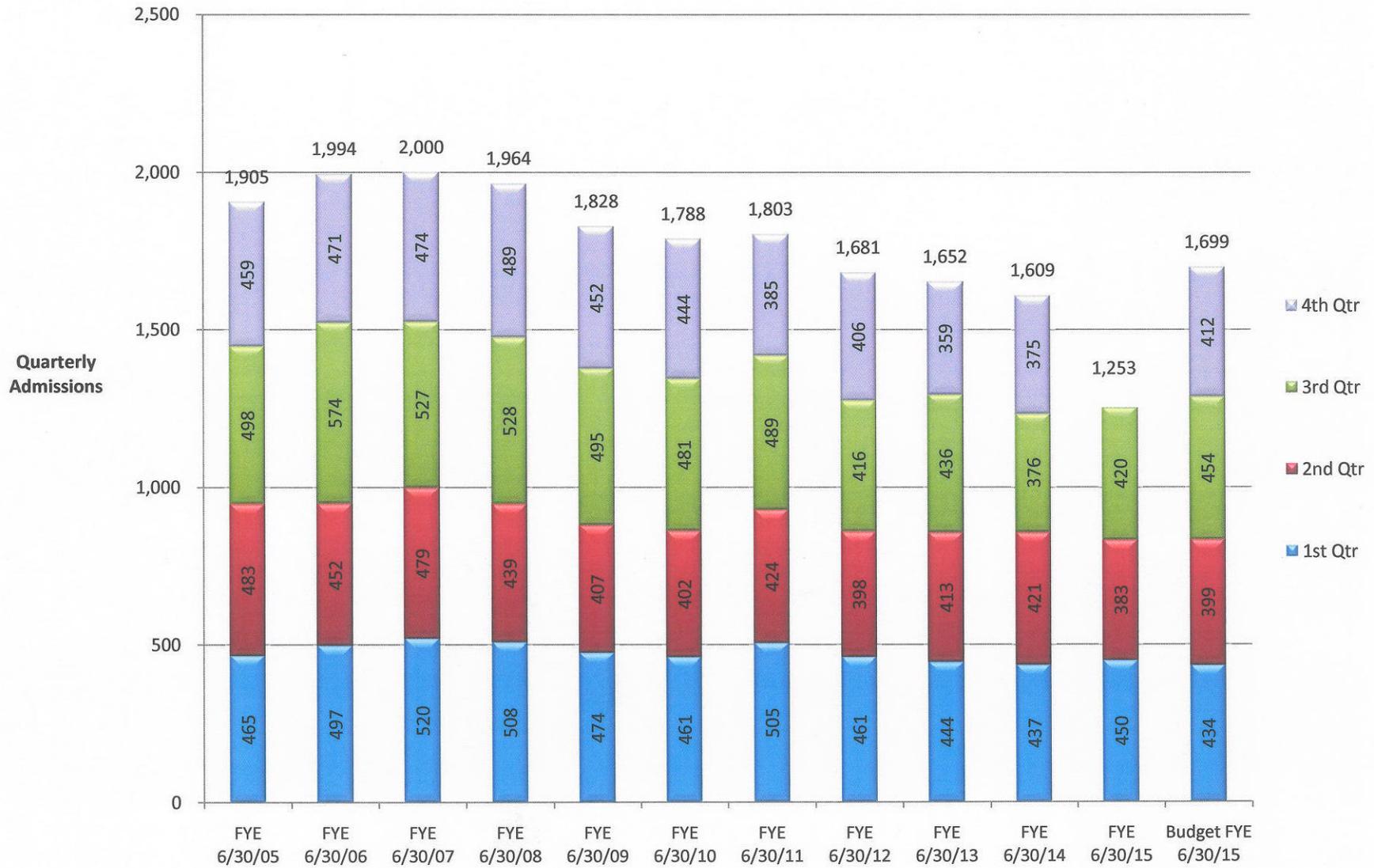
Tahoe Forest Hospital  
 Operating Indicators  
 Inpatient Volumes  
 Month & YTD June 2015  
 March 31, 2015

	Mar-14 Actual	Mar-14 YTD Actual	Jul-14 Actual	Aug-14 Actual	Sep-14 Actual	Oct-14 Actual	Nov-14 Actual	Dec-14 Actual	Jan-15 Actual	Feb-15 Actual	Mar-15 Actual	Mar-15 Budget	Mar-15 Variance	Mar-15 % Variance	Mar-15 YTD Actual	Mar-15 YTD Budget	YTD Variance	YTD % Variance		
<b>Acute</b>																				
Admissions - (Excludes Swing)	115	1,231	167	151	132	131	101	151	140	133	147	152	(5.00)	-3.28%	1,253	1,238	(15)	(1.2%)	(35)	(2.72%)
Swing Admits	5	33	2	5	1	5	0	1	2	3	3	3	0.00	0.00%	22	30	(8)	(26.67%)	(8)	(26.67%)
Total Admissions	120	1,264	169	156	133	136	101	152	142	136	150	155	(5.00)	-3.23%	1,275	1,268	(7)	(0.55%)	(43)	(3.26%)
Length of Stay - Acute	3.12	2.79	2.77	2.72	2.84	2.56	2.77	2.72	2.81	2.58	2.69	2.79	(0.10)	-3.58%	2.72	2.78	(0.06)	(2.16%)	(0.06)	(2.16%)
Length of Stay - Swing	3.20	1.96	16.00	5.50	4.50	5.20	0.00	3.00	0.00	6.25	3.50	8.33	(4.83)	-57.98%	5.71	8.00	(2.29)	(28.83%)	(2.29)	(28.83%)
Length of Stay - Acute & Swing	3.13	2.89	2.85	2.79	2.87	2.85	2.77	2.72	2.85	2.69	2.71	2.90	(0.19)	-5.55%	2.77	2.90	(0.13)	(4.48%)	(0.13)	(4.48%)
LOS - Acute & Swing - Medicare	2.91	3.31	3.08	2.95	2.72	2.98	2.35	2.61	2.92	3.18	3.21	N/A	N/A	N/A	2.92	N/A	N/A	N/A	N/A	N/A
LOS - Acute & Swing - Medicaid	2.80	2.95	2.62	3.12	3.00	2.74	2.48	3.83	3.93	2.37	2.52	N/A	N/A	N/A	3.00	N/A	N/A	N/A	N/A	N/A
LOS - Acute & Swing - Self Pay	3.79	2.54	1.17	1.50	3.67	2.00	1.75	1.00	1.50	2.20	1.50	N/A	N/A	N/A	1.71	N/A	N/A	N/A	N/A	N/A
LOS - Acute & Swing - Commercial	3.77	2.48	3.75	2.27	2.25	2.00	3.89	1.45	2.48	2.50	2.74	N/A	N/A	N/A	2.56	N/A	N/A	N/A	N/A	N/A
LOS - Acute & Swing - Contract	3.11	2.87	2.68	2.67	3.13	2.48	3.29	2.52	2.33	2.51	2.38	N/A	N/A	N/A	2.62	N/A	N/A	N/A	N/A	N/A
Average Daily Census - Acute	13.7	12.7	14.9	13.3	11.6	11.7	9.0	12.6	13.6	12.0	13.0	13.6	(0.60)	-4.41%	12.5	13.0	(0.5)	(3.85%)	(0.5)	(3.85%)
Average Daily Census - Swing	0.5	0.9	0.6	0.7	0.3	0.8	0.0	0.1	0.2	0.8	0.5	0.8	(0.30)	-37.50%	0.4	0.1	0.3	300.00%	0.3	300.00%
Avg Daily Census - Acute & Swing	14.2	13.6	15.4	14.0	11.9	12.5	9.0	12.7	13.8	12.9	13.5	14.4	(0.90)	-6.25%	12.9	13.1	(0.2)	(1.53%)	(0.2)	(1.53%)
Occupancy Percentage - Acute	55.2%	51.0%	59.4%	53.4%	46.3%	46.8%	35.9%	50.6%	54.9%	48.0%	52.0%	54.7%	(0.03)	-4.94%	49.7%	52.4%	(2.7%)	(5.15%)	(2.7%)	(5.15%)
Occupancy Percentage - Swing	2.1%	3.4%	2.1%	2.8%	1.2%	3.4%	0.0%	0.4%	0.9%	3.6%	1.8%	3.2%	(0.01)	-43.75%	1.8%	3.5%	(1.7%)	(48.57%)	(1.7%)	(48.57%)
Occupancy % - Acute & Swing	57.3%	54.4%	61.4%	56.3%	47.5%	50.2%	35.9%	51.0%	55.1%	51.6%	53.8%	57.9%	(0.04)	-7.08%	51.5%	55.9%	(4.4%)	(7.87%)	(4.4%)	(7.87%)
<b>Patient Days (excludes swings)</b>																				
Patient Days (excludes swings)	428	3,492	460	414	347	363	269	392	422	336	493	424	(21.00)	-4.95%	3,406	3,587	(181)	(5.05%)	(181)	(5.05%)
Swing Days (inc swings)	16	235	18	22	9	26	0	3	5	25	14	25	(11.00)	-44.00%	120	240	(120)	(50.00%)	(120)	(50.00%)
Total Patient Days	444	3,727	478	436	356	389	269	395	427	361	417	449	(32.00)	-7.13%	3,526	3,827	(301)	(7.87%)	(301)	(7.87%)
<b>ICU IP Days</b>																				
ICU IP Days	7	190	34	19	22	6	8	28	16	12	14	27	(13.00)	-48.15%	157	211	(54)	(25.59%)	(54)	(25.59%)
ICU Stepdown Days	34	248	30	29	34	25	16	21	34	17	32	37	(6.00)	-13.51%	238	281	(43)	(15.30%)	(43)	(15.30%)
ICU Med/Surg Days	26	251	33	29	35	26	19	34	33	32	32	26	6.00	23.08%	273	240	33	13.75%	33	13.75%
Medical/Surgical Days	270	2,076	272	253	185	216	152	251	286	181	230	259	(23.00)	-8.88%	2,032	2,116	(84)	(3.97%)	(84)	(3.97%)
Medical/Surgical In OB Days	0	6	0	0	0	0	0	0	0	0	0	1	(1.00)	-100.00%	0	8	(8)	(100.00%)	(8)	(100.00%)
Obstetrics Days	91	721	91	84	71	88	74	60	53	94	89	72	17.00	23.61%	704	794	(90)	(11.33%)	(90)	(11.33%)
Nursery Re-Admits	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	2	6	(4)	(66.67%)	(4)	(66.67%)
Total Acute Patient Days (excludes swing)	428	3,492	460	414	347	363	269	392	422	336	493	422	(19.00)	-4.50%	3,406	3,586	(180)	(5.02%)	(180)	(5.02%)
M/S Swing Days	16	235	16	22	9	26	0	3	5	25	14	25	(11.00)	-44.00%	120	239	(119)	(49.79%)	(119)	(49.79%)
Total Patient Days (includes swings)	444	3,727	476	436	356	389	269	395	427	361	417	447	(30.00)	-7.11%	3,526	3,805	(279)	(7.33%)	(279)	(7.33%)
Nursery Days	81	668	90	74	57	92	60	53	55	91	94	49	45.00	91.84%	666	650	16	2.46%	16	2.46%
Deliveries	37	293	33	38	25	35	29	23	27	37	35	30	5.00	16.87%	287	297	(10)	(3.37%)	(10)	(3.37%)
<b>ICU (Med/Surg) Days</b>																				
ICU (Med/Surg) Days	26	251	33	29	35	26	19	34	33	32	32	26	6.00	23.08%	273	240	33	13.75%	33	13.75%
IP Medical / Surgical Days	270	2,076	272	253	185	216	152	251	286	181	236	269	(23.00)	-8.88%	2,032	2,116	(84)	(3.97%)	(84)	(3.97%)
Medical / Surgical Days In OB	0	6	0	0	0	0	0	0	0	0	0	1	(1.00)	-100.00%	0	8	(8)	(100.00%)	(8)	(100.00%)
Total Medical / Surgical Days	266	2333	305	282	220	242	171	285	319	213	268	286	(18.00)	-5.29%	2,305	2,384	(79)	(3.31%)	(79)	(3.31%)
Medical / Surgical Swing Days	16	235	16	22	9	26	0	3	5	25	14	25	(11.00)	-44.00%	120	239	(119)	(49.79%)	(119)	(49.79%)
Total Med/Surg Days (Inc Swings)	312	2568	321	304	229	268	171	288	324	238	282	311	(29.00)	-9.32%	2,425	2,603	(178)	(6.84%)	(178)	(6.84%)
<b>Average Daily Census</b>																				
ICU IP Days	0.2	0.7	1.1	0.6	0.7	0.2	0.3	0.8	0.5	0.4	0.5	0.9	(0.40)	-44.44%	0.6	0.8	(0.2)	(25.00%)	(0.2)	(25.00%)
ICU Stepdown Days	1.1	0.9	1.0	0.9	1.1	0.8	0.5	0.7	1.1	0.8	1.0	1.2	(0.20)	-16.67%	0.9	1.0	(0.1)	(10.00%)	(0.1)	(10.00%)
ICU Boarder Days	0.8	0.9	1.1	0.9	1.2	0.8	0.8	1.1	1.1	1.1	1.0	0.8	0.20	25.00%	1.0	0.9	0.1	11.11%	0.1	11.11%
IP Medical / Surgical Days	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.80)	-8.52%	0.0	0.0	0.0	0.00%	0.0	0.00%
Medical / Surgical Days In OB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00%	0.0	0.0	0.0	0.00%	0.0	0.00%
Obstetrics Days	2.9	2.6	2.9	2.7	2.4	2.8	2.5	1.9	1.7	3.4	2.9	2.3	0.60	26.09%	2.6	2.8	(0.2)	(7.14%)	(0.2)	(7.14%)
Newborn Re-Admits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00%	0.0	0.0	0.0	0.00%	0.0	0.00%
al Acute Patient Average Daily Census	13.7	12.7	14.9	13.3	11.9	11.7	9.0	12.6	13.6	12.0	13.0	13.6	(0.60)	-4.41%	12.5	13.0	(0.5)	(3.85%)	(0.5)	(3.85%)
Medical / Surgical - Swing	0.5	0.9	0.5	0.7	0.3	0.8	0.0	0.1	0.2	0.8	0.5	0.8	(0.30)	-37.50%	0.4	0.1	0.3	300.00%	0.3	300.00%
st Patient Avg Daily Census (inc swing)	14.2	13.6	15.4	14.0	11.9	12.5	9.0	12.7	13.8	12.9	13.5	14.4	(0.90)	-6.25%	12.9	13.1	(0.2)	(1.53%)	(0.2)	(1.53%)
<b>Skilled Nursing Unit</b>																				
Patient Days	1,001	9,239	1,056	1,090	1,030	1,108	1,030	1,051	965	914	1,026	1,054	(28.00)	-2.66%	9,270	9,316	(46)	(0.49%)	(46)	(0.49%)
Average Daily Census	32	34	34	35	34	36	34	34	31	33	33	34	(1.00)	-2.94%	34	34	0	0.00%	0	0.00%
Occupancy Percentage	82.3%	96.3%	97.3%	100.5%	98.1%	102.1%	96.1%	96.9%	88.9%	88.3%	84.6%	87.1%	(0.03)	-2.57%	96.7%	97.1%	(0.4%)	(0.41%)	(0.4%)	(0.41%)
<b>Operating Room</b>																				
Cases	71	649	79	74	66	67	73	76	73	62	71	78	(7.00)	-8.97%	617	698	(81)	(11.62%)	(81)	(11.62%)
Minutes	7,520	22,856	7,665	6,946	7,908	7,244	6,993	8,151	7,270	7,520	7,169	8,630	(1,441.00)	-16.70%	62,149	70,334	(8,185)	(11.64%)	(8,185)	(11.64%)

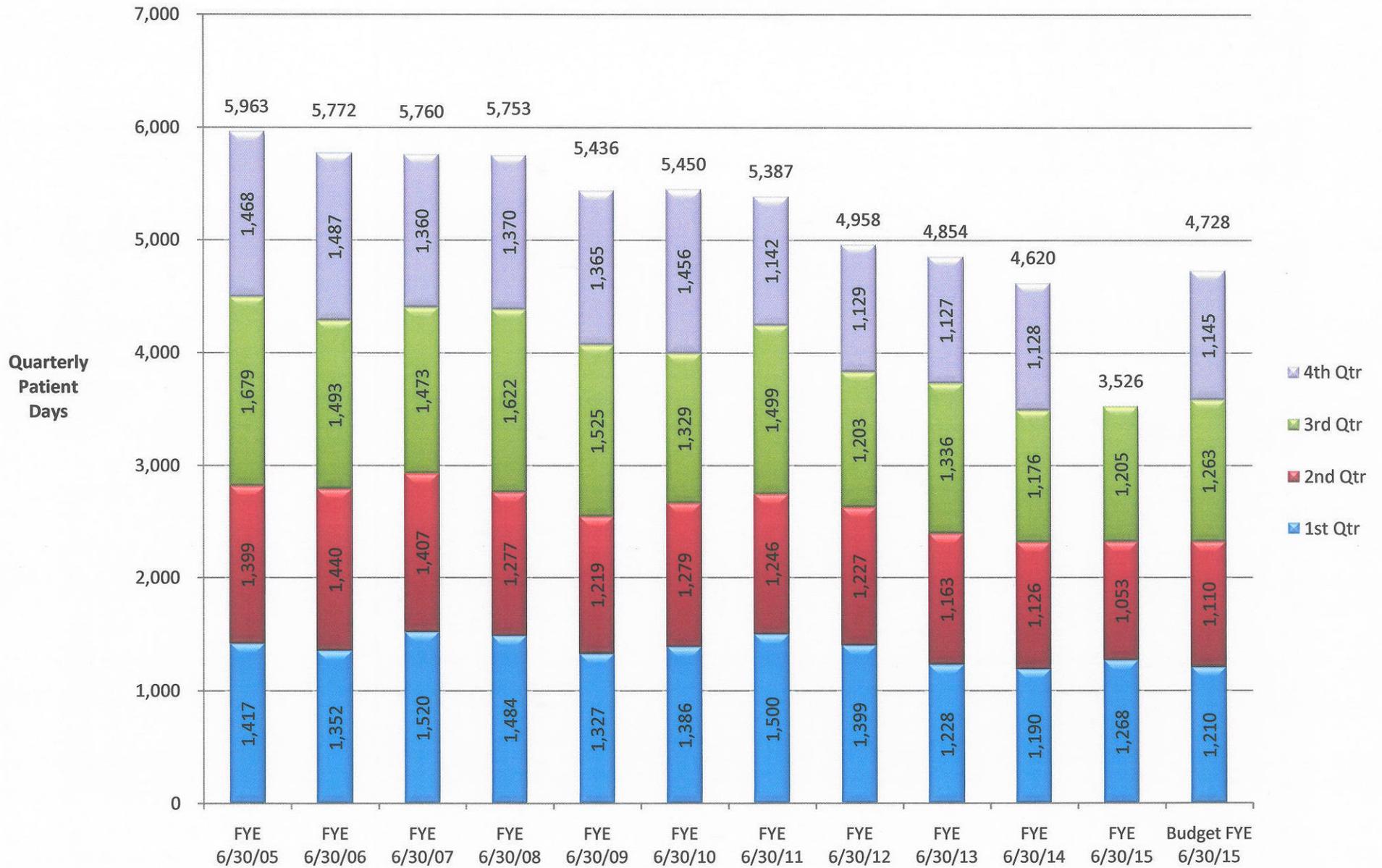
Incline Village Community Hospital  
 Operating Indicators  
 Month & YTD June 2015  
 March 31, 2015

	Mar-14 Actual	Mar-14 YTD Actual	Jul-14 Actual	Aug-14 Actual	Sep-14 Actual	Oct-14 Actual	Nov-14 Actual	Dec-14 Actual	Jan-15 Actual	Feb-15 Actual	Mar-15 Actual	Mar-15 Budget	Mar-15 Variance	Mar-15 % Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance	
Admissions	1	7	4	0	0	0	0	1	1	0	2	1	1.00	100.00%	8	7	1	14.29%	
Registrars	598	7,977	989	885	795	765	622	791	783	710	719	792	(73.00)	-9.22%	7,059	7,461	(402)	-5.39%	
IP Days	1	13	5	0	0	0	0	1	1	0	3	2	1.00	50.00%	10	10	0	0.00%	
Observation Days	2	20	2	1	0	2	0	0	2	3	1	2	(1.00)	-50.00%	11	23	(12)	-52.17%	
Total Days	3	33	7	1	0	2	0	1	3	3	4	4	0.00	0.00%	21	33	(12)	-36.36%	
Emergency Visits	238	2,788	431	382	317	260	227	367	348	292	283	290	(7.00)	-2.41%	2,907	2,863	44	1.54%	
<b>Surgical Services:</b>																			
Cases - Inpatient	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	0	0	0	0.00%	
Cases - Outpatient	8	70	9	10	5	8	5	9	7	8	5	12	(7.00)	-58.33%	66	75	(9)	-12.00%	
Total Cases	8	70	9	10	5	8	5	9	7	8	5	12	(7.00)	-58.33%	66	75	(9)	-12.00%	
Minutes	2,551	22,785	2,668	3,087	1,400	2,024	1,188	2,568	2,283	947	539	3,440	(2,901.00)	-84.33%	16,704	22,276	(5,572)	-25.01%	
Laboratory Tests (inc EKG's)	2,125	18,319	3,126	2,624	2,644	2,438	2,021	2,233	2,335	2,332	2,503	1,858	645.00	34.71%	22,256	18,172	4,084	22.47%	
Radiology - I/P Exams	0	1	0	0	0	0	0	0	0	0	0	1	(1.00)	-100.00%	0	3	(3)	-100.00%	
Radiology - O/P Exams	66	681	82	71	57	66	55	65	52	45	65	81	(18.00)	-19.75%	558	686	(128)	-18.66%	
Radiology - ER Exams	94	1,143	181	172	128	104	59	158	146	145	118	112	6.00	5.36%	1,208	1,111	98	8.82%	
Radiology (inc mammos) Totals	160	1,805	263	243	185	170	114	221	198	190	183	194	(11.00)	-5.67%	1,767	1,800	(33)	-1.83%	
CT - I/P Exams	0	1	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	0	1	(1)	-100.00%	
CT - O/P Exams (inc US)	15	110	23	12	16	8	17	14	13	14	14	11	3.00	27.27%	131	115	16	13.91%	
CT - ER Exams	25	380	45	47	33	30	48	43	50	45	46	40	6.00	15.00%	388	384	4	1.04%	
Total Cat Scan Exams	40	491	69	59	49	38	65	57	63	59	60	51	9.00	17.65%	519	510	9	1.76%	
Pharmacy - IP units	10	408	87	8	0	0	0	23	13	0	47	48	(1.00)	-2.08%	170	238	(68)	-28.57%	
Pharmacy - O/P units	548	6,105	1,043	840	564	521	475	692	798	807	653	637	16.00	2.51%	6,593	6,285	308	4.90%	
Pharmacy Totals	558	6,514	1,130	848	564	521	475	915	811	807	700	685	15.00	2.19%	6,763	6,523	240	3.68%	
IVs - Inpatient	3	55	2	0	0	0	0	0	0	0	5	7	(2.00)	-28.57%	7	34	(27)	-79.41%	
IVs - Outpatient	71	890	12	3	12	2	2	8	25	6	3	95	(82.00)	-96.84%	73	936	(863)	-92.20%	
Total IVs	74	945	14	3	12	2	2	8	25	6	8	102	(84.00)	-92.16%	80	970	(890)	-91.76%	
RT - IP Procedures	5	88	17	0	0	0	0	19	12	0	38	0	38.00	0.00%	96	0	96	0.00%	
RT - O/P Procedures	124	1,184	158	150	81	84	87	153	184	197	140	0	140.00	0.00%	1,235	0	1,235	0.00%	
R/T Totals	129	1,272	175	150	81	84	87	172	196	197	178	0	178.00	0.00%	1,321	0	1,321	0.00%	
Sleep Clinic Visits	7	118	9	13	18	14	7	8	8	7	12	16	(4.00)	-25.00%	96	150	(54)	-36.00%	
<b>Peroperative Services - Minutes:</b>																			
OR - Inpatients	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	0	0	0	0.00%	
OR - Outpatients	712	6,476	804	888	332	619	329	720	674	735	385	899	(484.00)	-55.70%	5,466	5,625	(159)	-2.83%	
OR - Total	712	6,476	804	888	332	619	329	720	674	735	385	899	(484.00)	-55.70%	5,466	5,625	(159)	-2.83%	
Total ASD	1,787	14,148	1,584	1,878	897	1,270	823	1,524	1,366	0	0	2,258	(2,258.00)	-100.00%	9,342	14,625	(5,283)	-36.12%	
IP Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	0	0	0	0.00%	
O/P Recovery	72	2,161	280	286	171	135	36	324	243	212	154	313	(159.00)	-50.80%	1,841	2,026	(185)	-9.13%	
Total Recovery	72	2,161	280	286	171	135	36	324	243	212	154	313	(159.00)	-50.80%	1,841	2,026	(185)	-9.13%	
Pain Clinic	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	0	0	0	0.00%	
Procedure Room	0	0	0	55	0	0	0	0	0	0	0	0	0.00	0.00%	55	0	55	0.00%	
Total Surgicenter Minutes	2,551	22,785	2,668	3,087	1,400	2,024	1,188	2,568	2,283	947	539	3,440	(2,901.00)	-84.33%	16,704	22,276	(5,572)	-25.01%	
<b>Anesthesia - Minutes</b>																			
Inpatient	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	0	0	0	0.00%	
Out Patient	721	6,665	848	926	367	586	342	739	702	759	403	903	(500.00)	-55.37%	5,662	5,850	(188)	-3.21%	
Elsewhere	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	0	0	0	0.00%	
Total Anesthesia - Minutes	721	6,665	848	926	367	586	342	739	702	759	403	903	(500.00)	-55.37%	5,662	5,850	(188)	-3.21%	
<b>Dietary</b>																			
Patient Meals	65	647	96	75	61	62	70	69	65	105	101	1	4.00	3.95%	665	693	(228)	-25.53%	
Pantries	178	1,842	228	201	230	186	155	168	140	166	179	81	98.00	120.99%	1,693	686	947	138.05%	
Non-patient Meals	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	0	0	0	0.00%	
Total Meals	243	2,489	324	276	291	228	217	238	209	231	284	182	102.00	56.04%	2,298	1,579	719	45.54%	
Flu Shots	0	397	0	0	74	317	46	8	4	0	0	1	(1.00)	-100.00%	449	480	(31)	-6.25%	
P/T - 42 076	2,382	23,091	2,463	2,292	2,211	2,547	2,085	2,353	2,466	2,342	2,604	2,722	(118.00)	-4.34%	21,373	23,885	(2,512)	-10.52%	
OT - 42 080	99	921	108	153	175	151	118	87	160	174	176	124	52.00	41.94%	1,300	926	374	40.39%	
Diamond Peak - Patients Seen	42	308	0	0	0	0	0	84	71	53	35	57	(19.00)	-33.33%	246	340	(94)	-27.65%	
Incline Village Health Clinic	80	599	85	115	109	128	108	110	132	117	119	47	72.00	153.19%	1,023	423	600	141.84%	

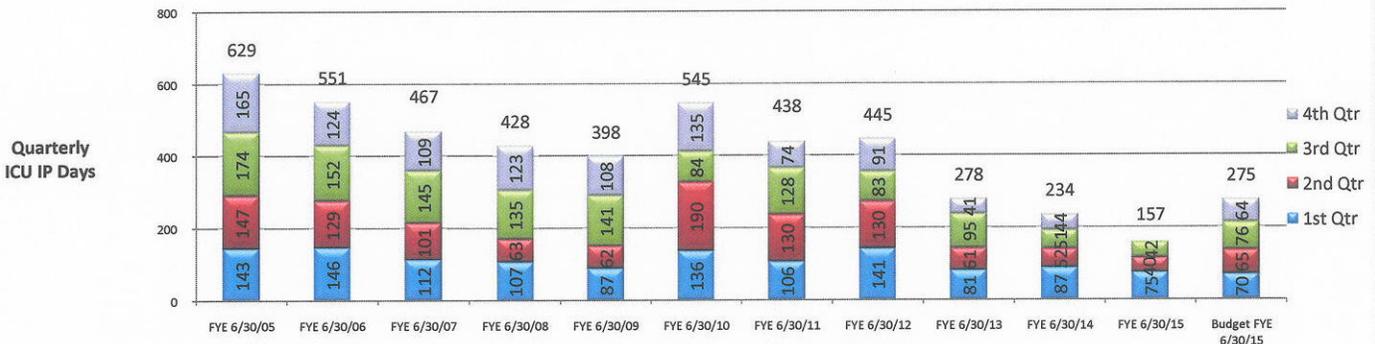
## TOTAL TFH ADMISSIONS



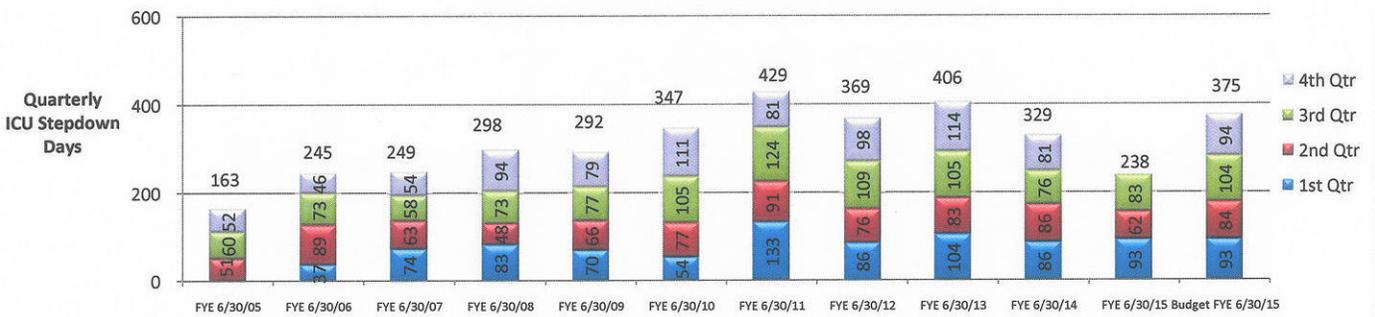
# TOTAL TFH PATIENT DAYS



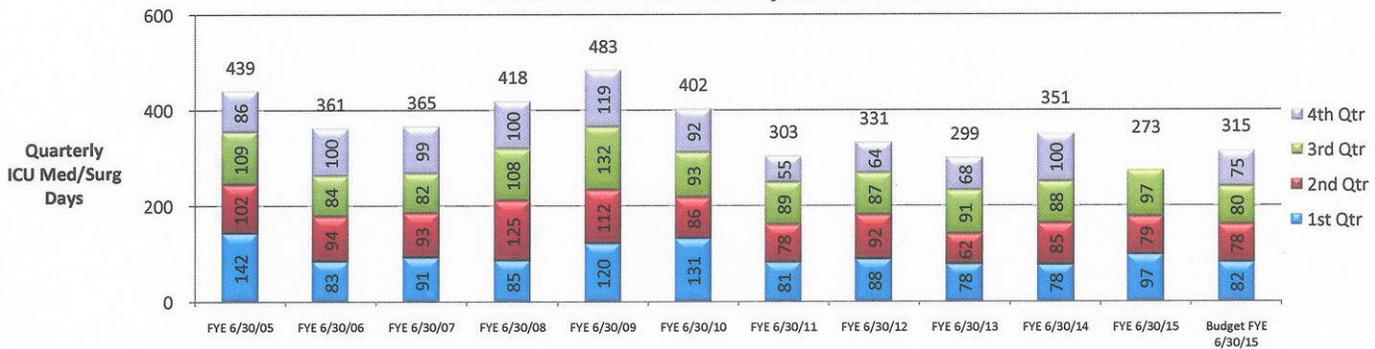
### TOTAL TFH ICU INPATIENT DAYS



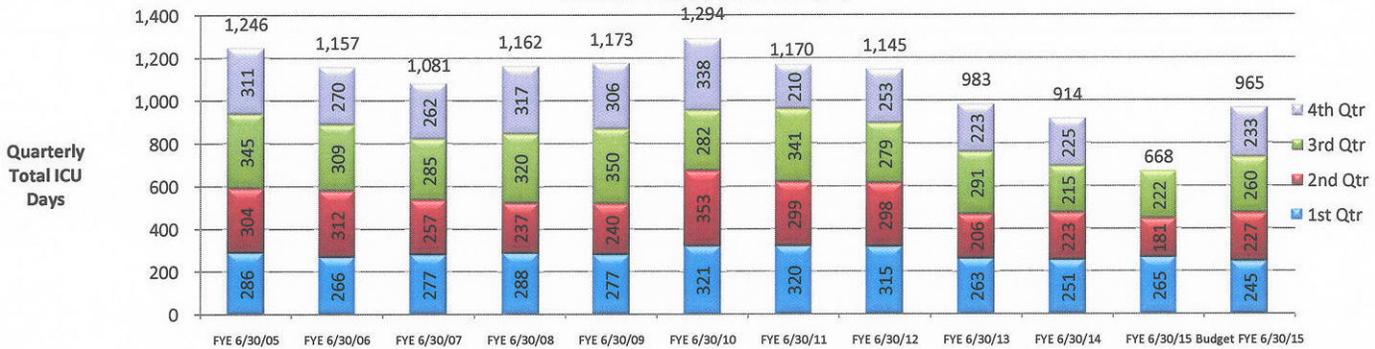
### TOTAL TFH ICU STEPDOWN DAYS



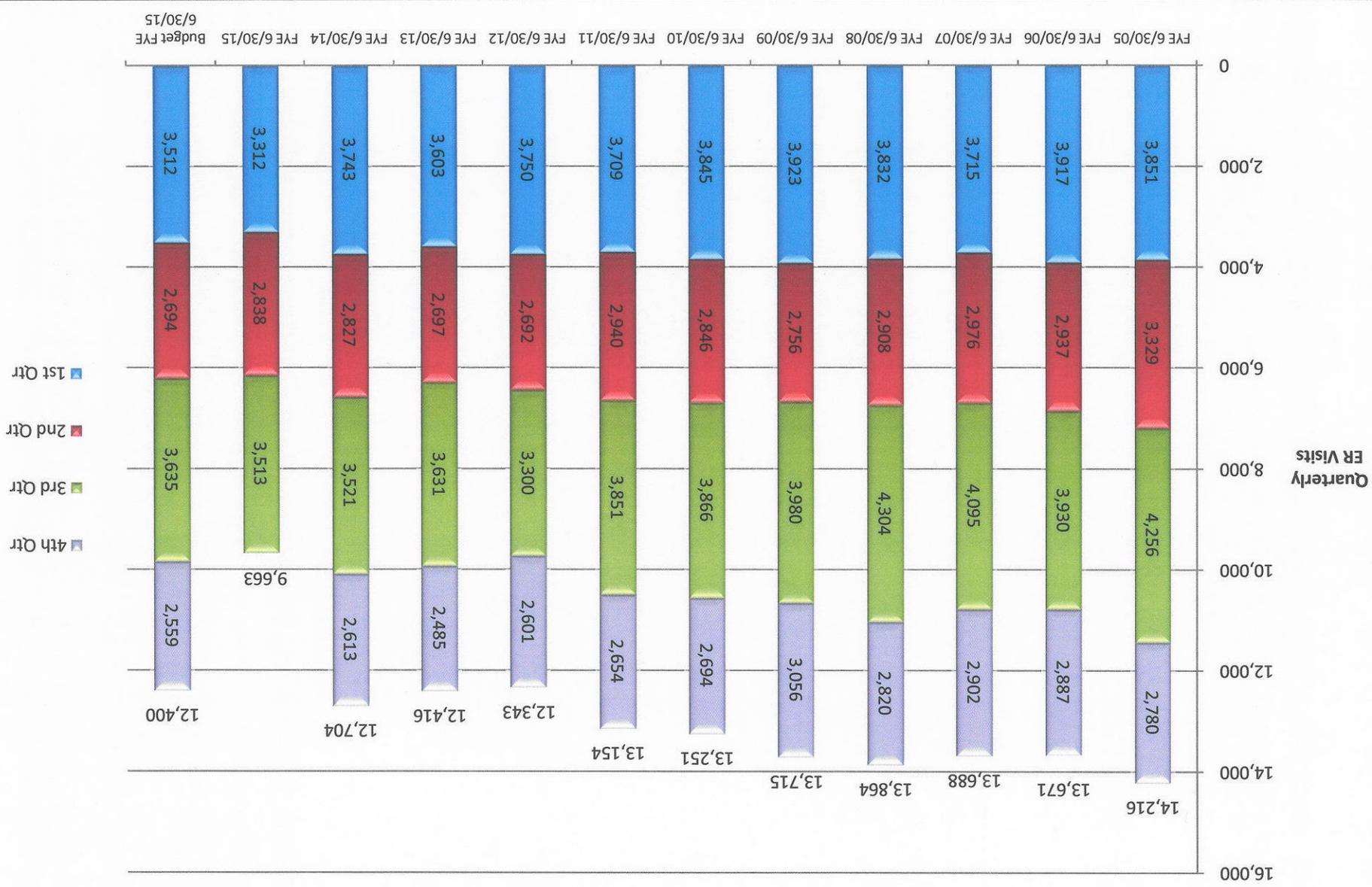
### TOTAL TFH ICU MED/SURG DAYS



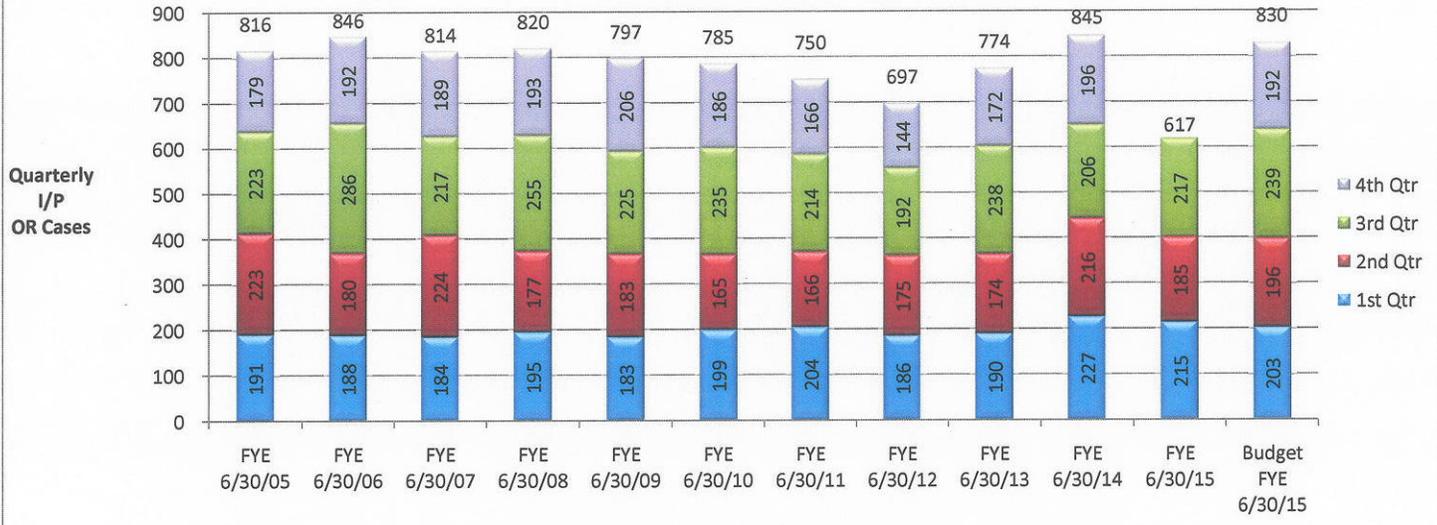
### TOTAL TFH ICU DAYS



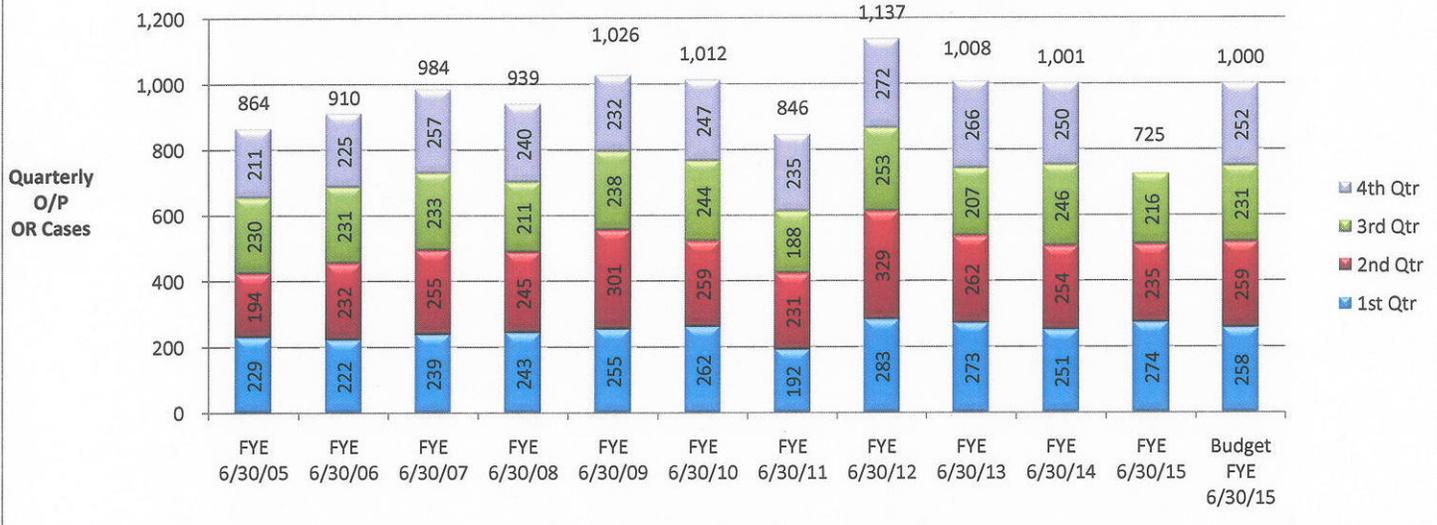
TOTAL TFH ER VISITS



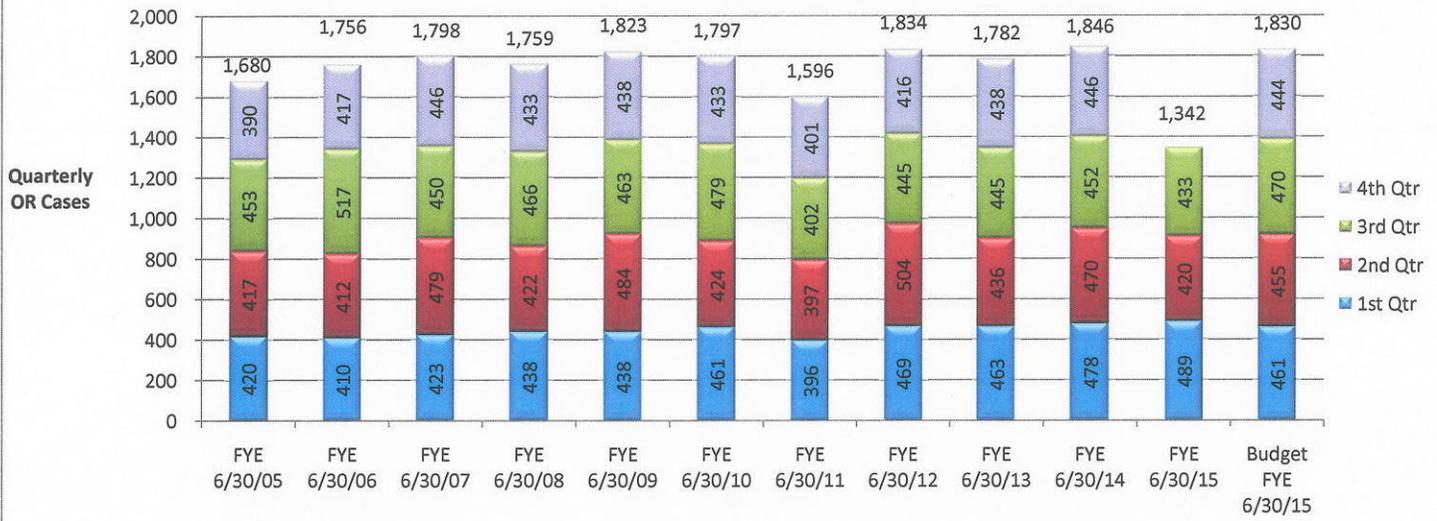
### TOTAL TFH INPATIENT OR CASES



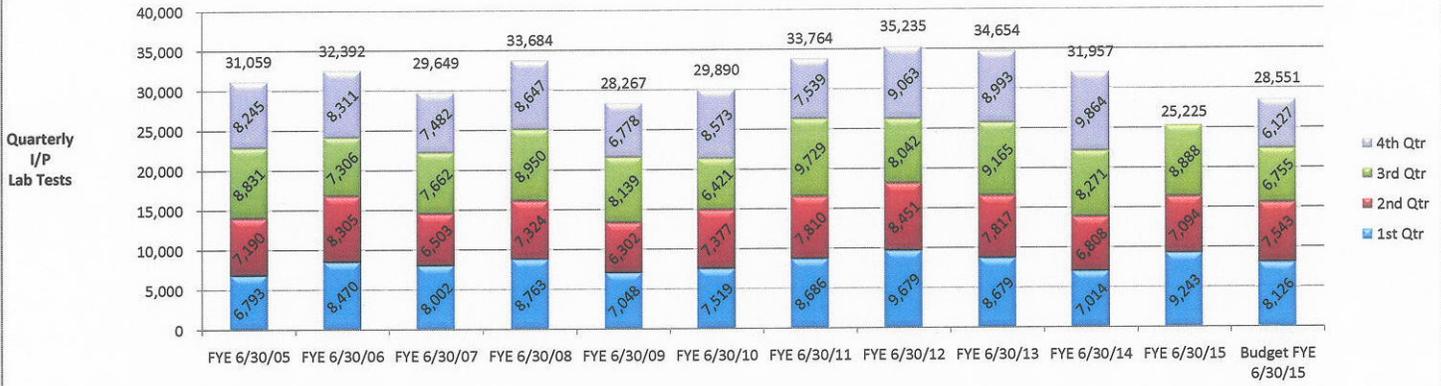
### TOTAL TFH OUTPATIENT OR CASES



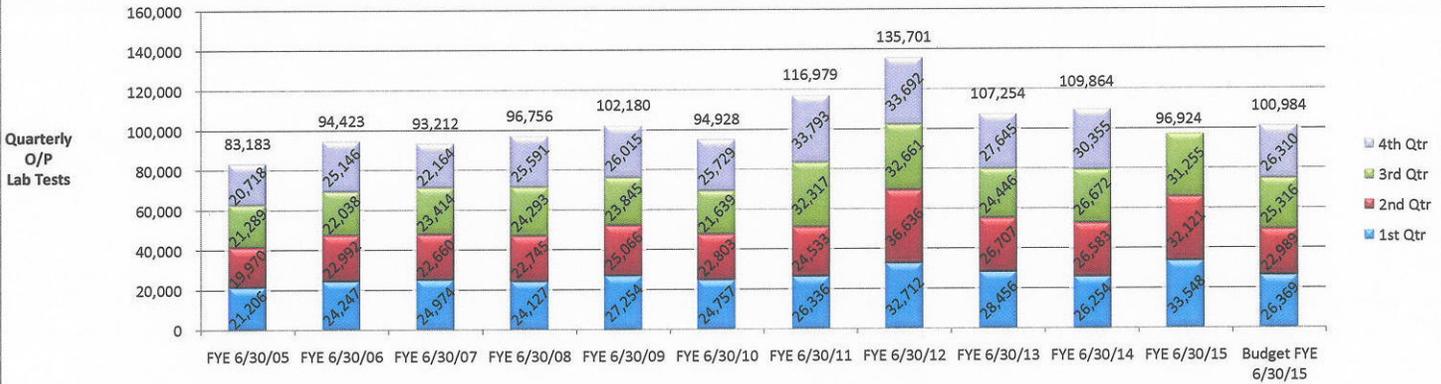
### TOTAL TFH OR CASES



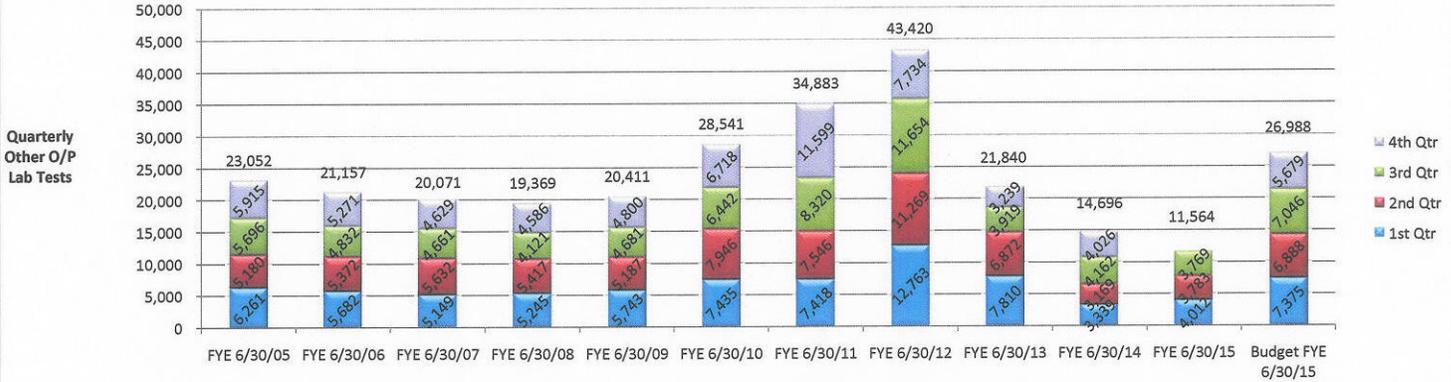
### TOTAL TFH INPATIENT LAB TESTS



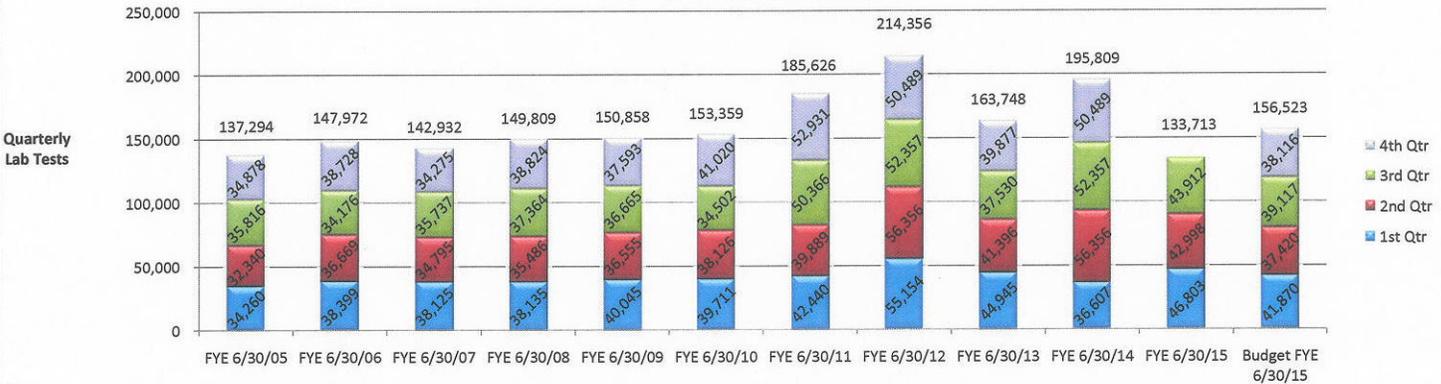
### TOTAL TFH OUTPATIENT LAB TESTS



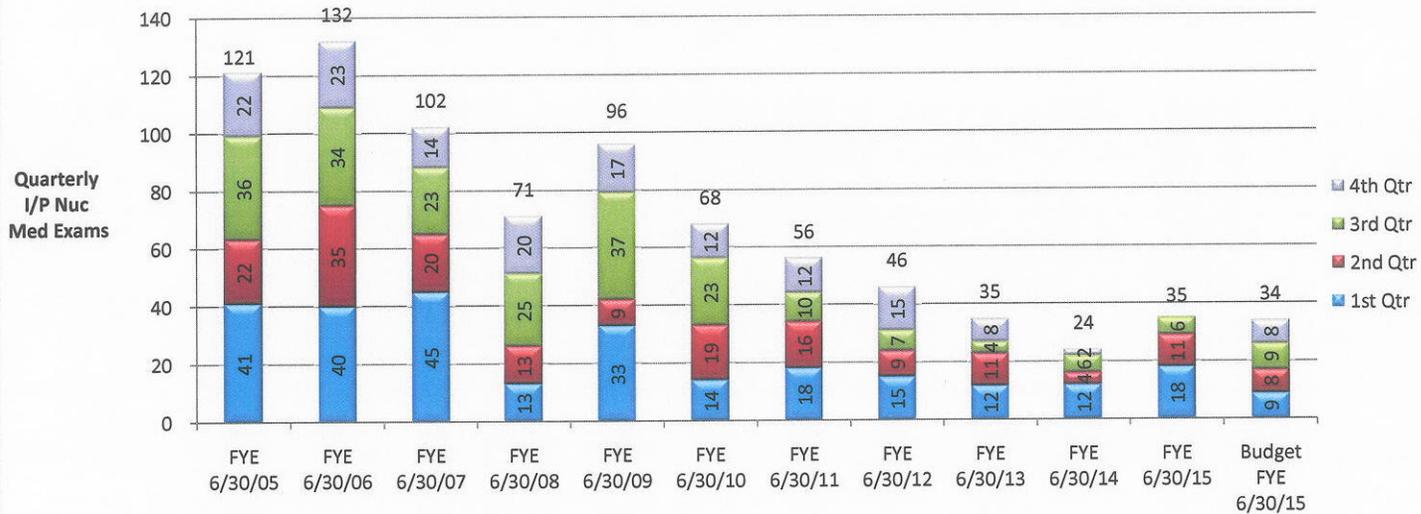
### TOTAL TFH OTHER OUTPATIENT LAB TESTS



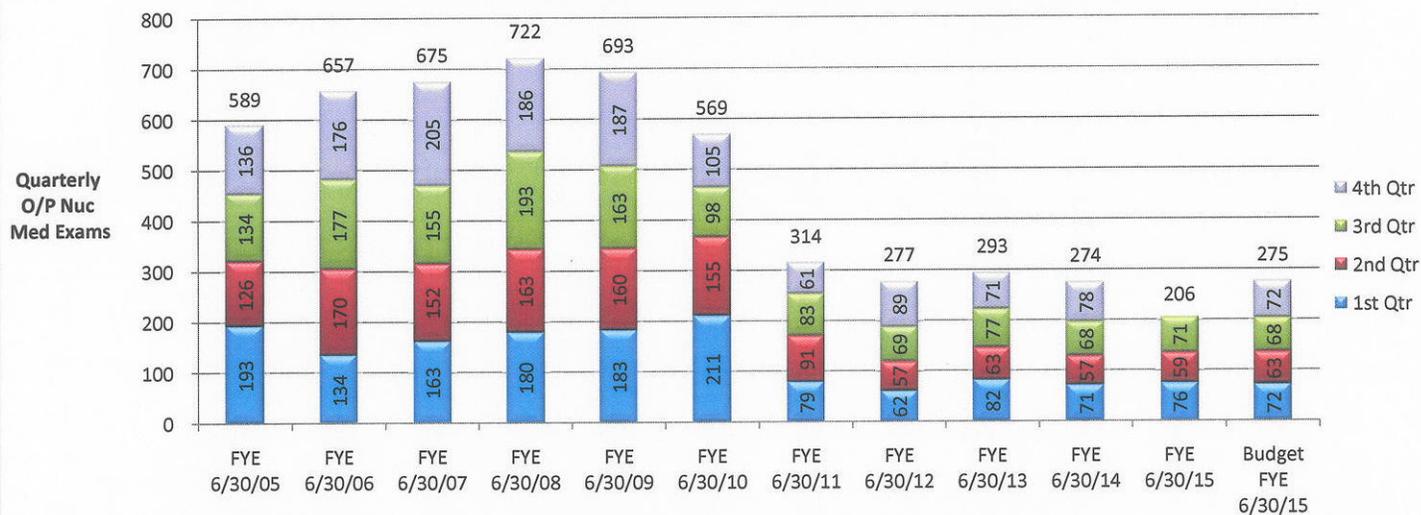
### TOTAL TFH LAB TESTS



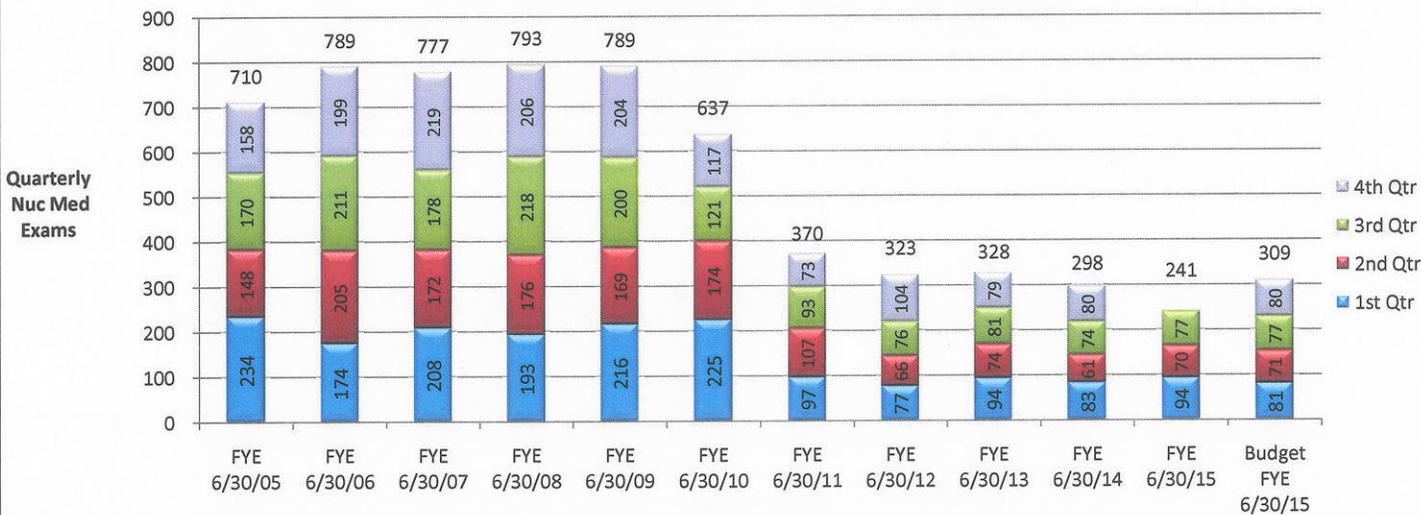
### TOTAL TFH NUCLEAR MEDICINE INPATIENT EXAMS



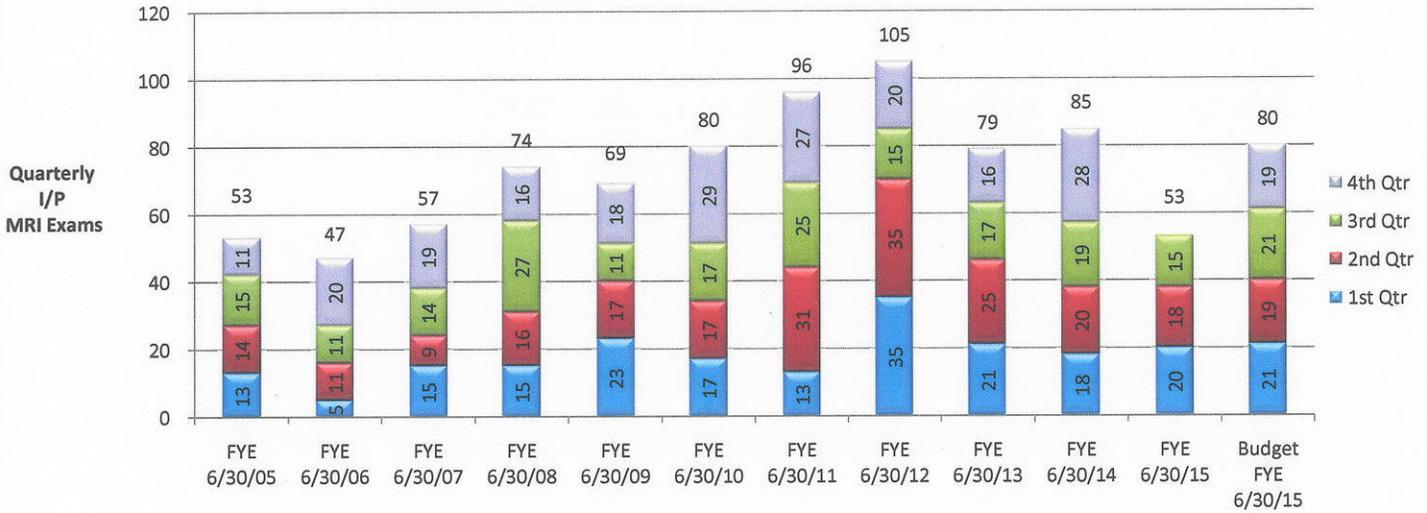
### TOTAL TFH NUCLEAR MEDICINE OUTPATIENT EXAMS



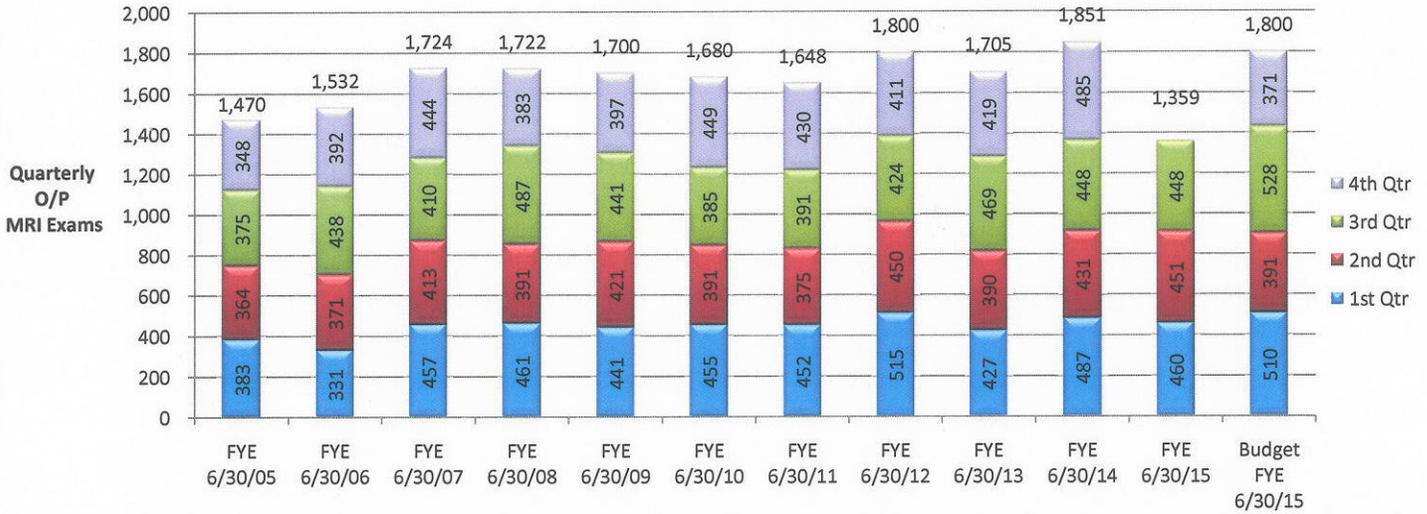
### TOTAL TFH NUCLEAR MEDICINE EXAMS



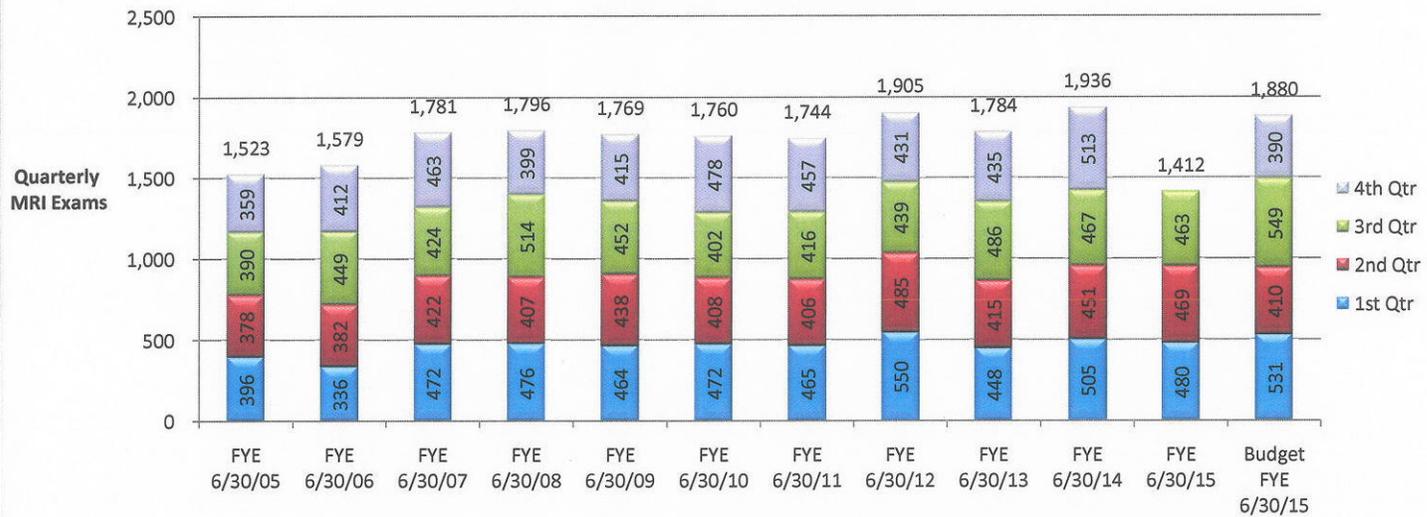
### TOTAL TFH MRI INPATIENT EXAMS



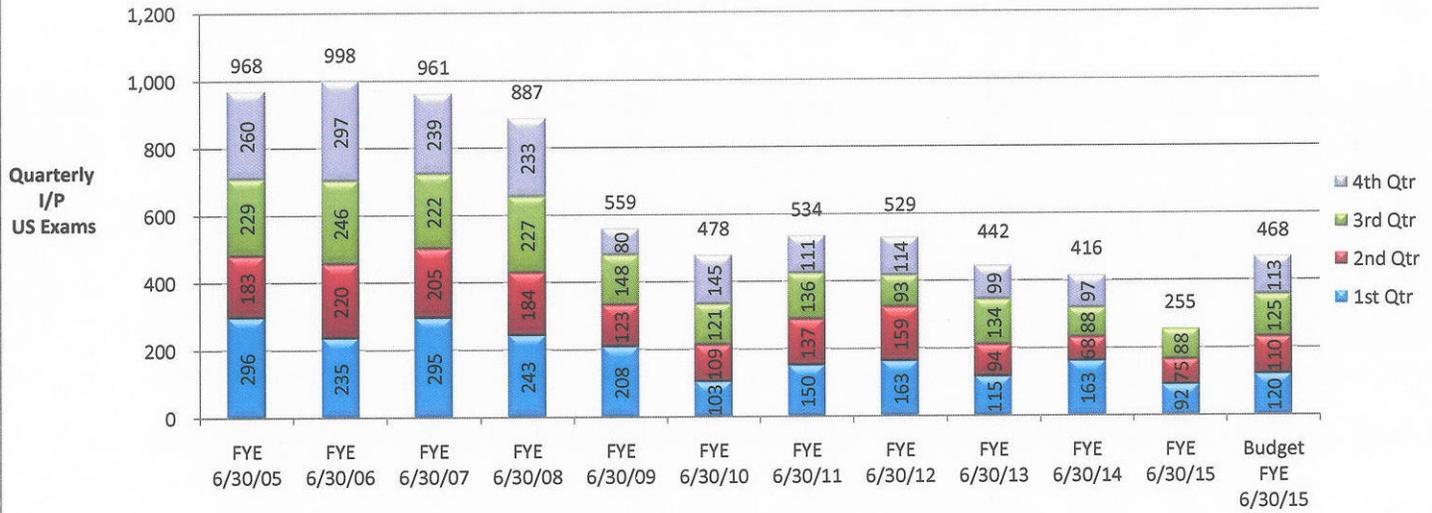
### TOTAL TFH MRI OUTPATIENT EXAMS



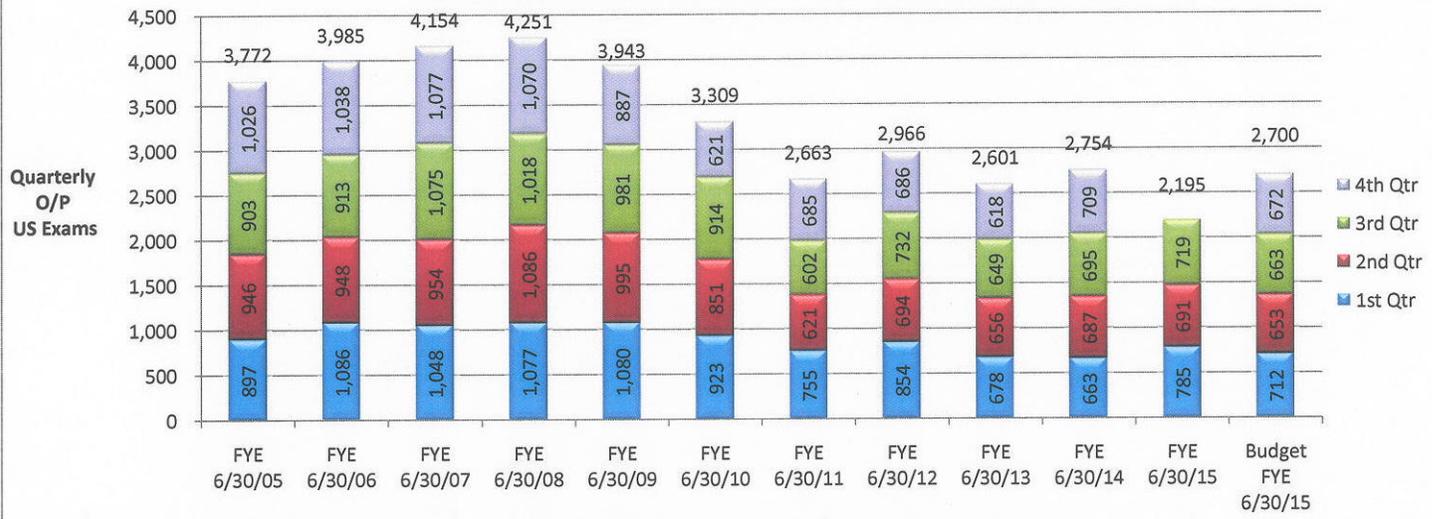
### TOTAL TFH MRI EXAMS



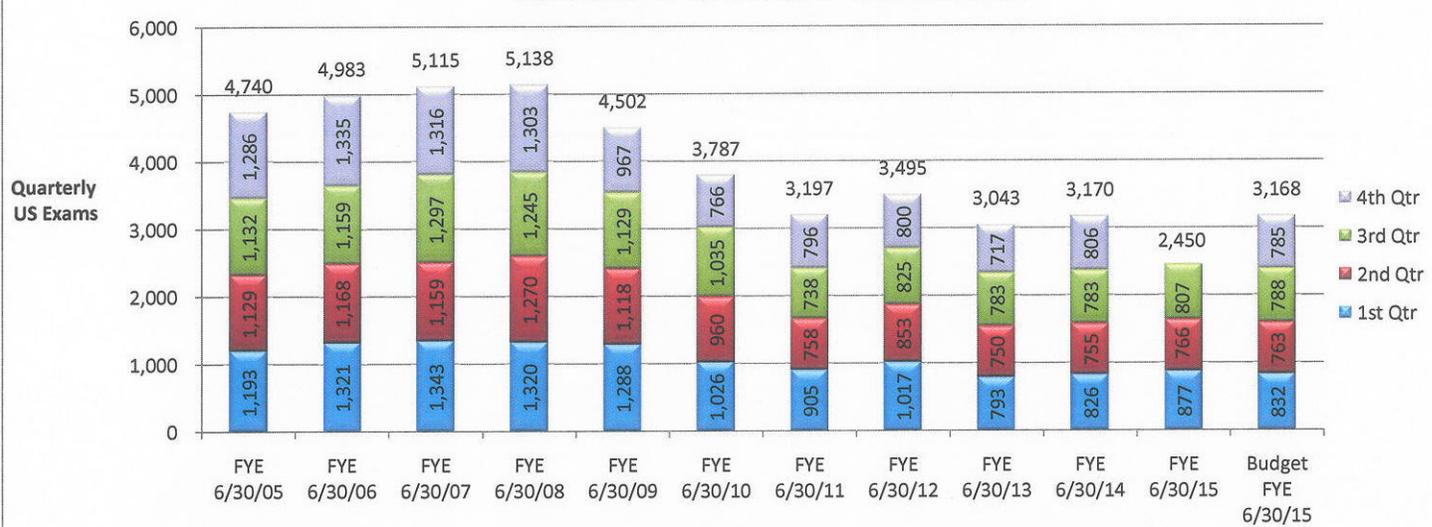
### TOTAL TFH ULTRASOUND INPATIENT EXAMS



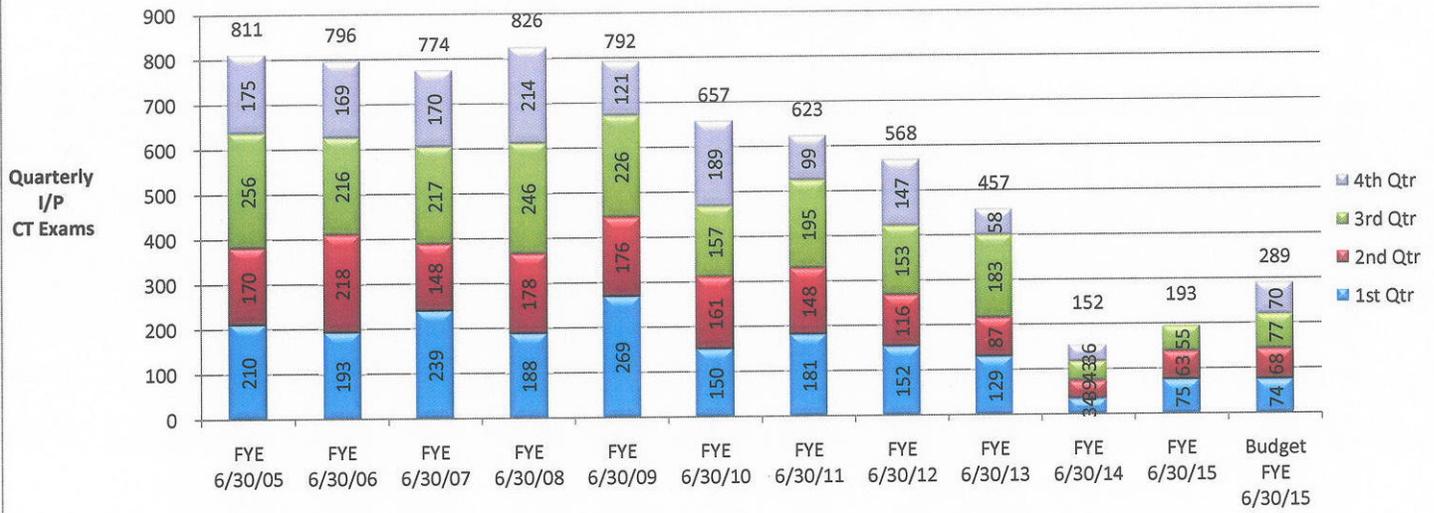
### TOTAL TFH ULTRASOUND OUTPATIENT EXAMS



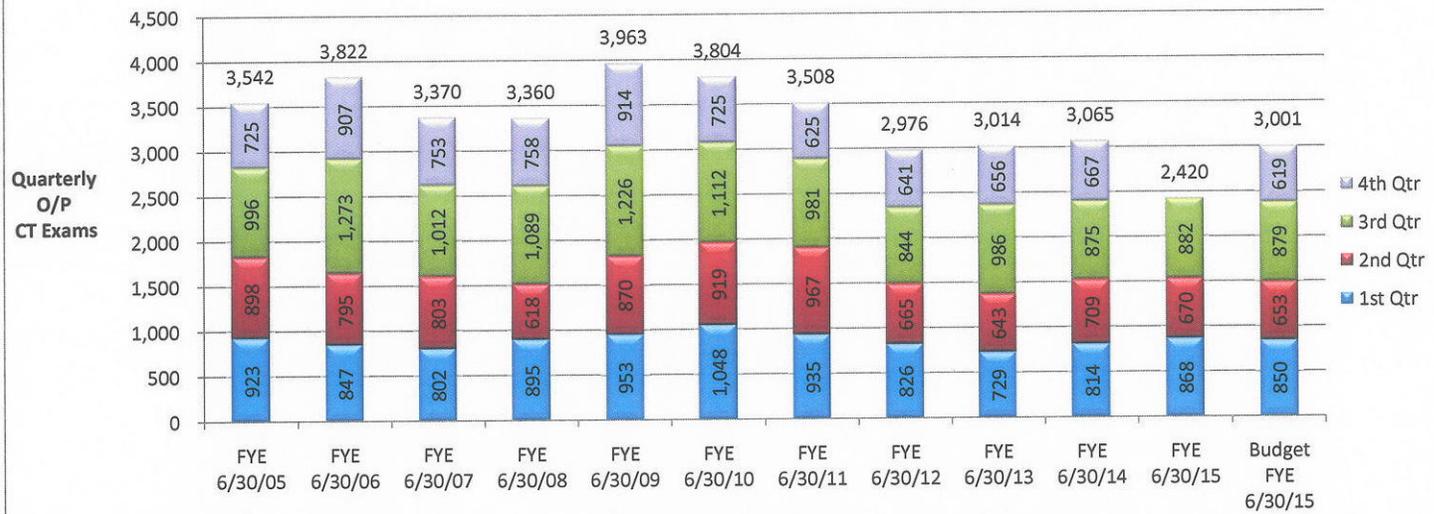
### TOTAL TFH ULTRASOUND EXAMS



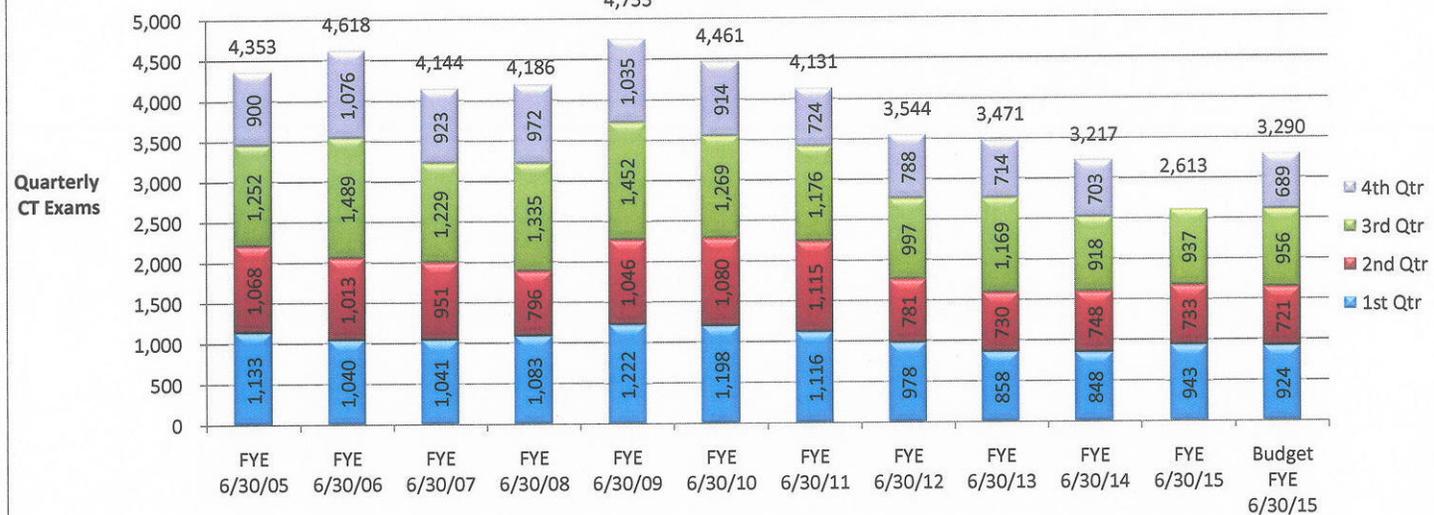
### TOTAL TFH CT INPATIENT EXAMS



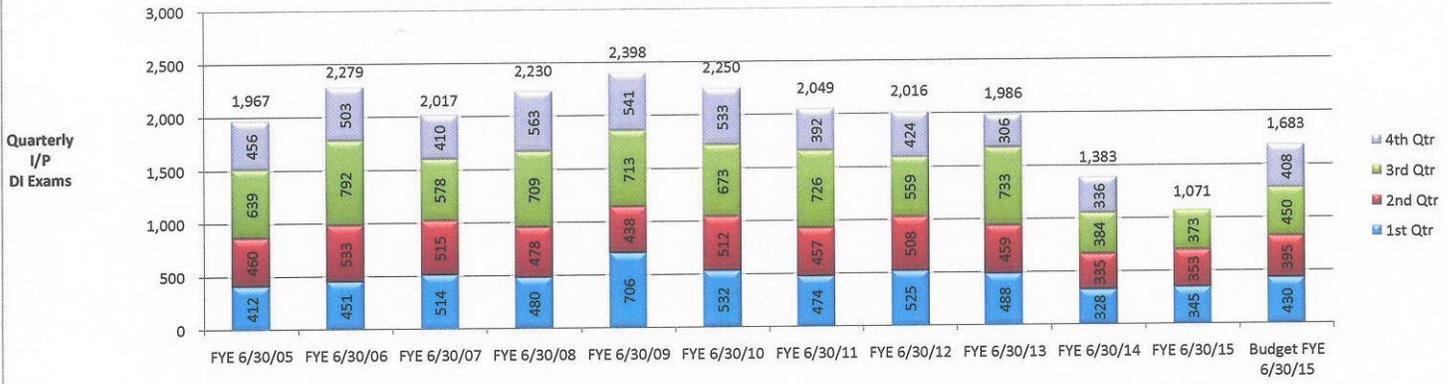
### TOTAL TFH CT OUTPATIENT EXAMS



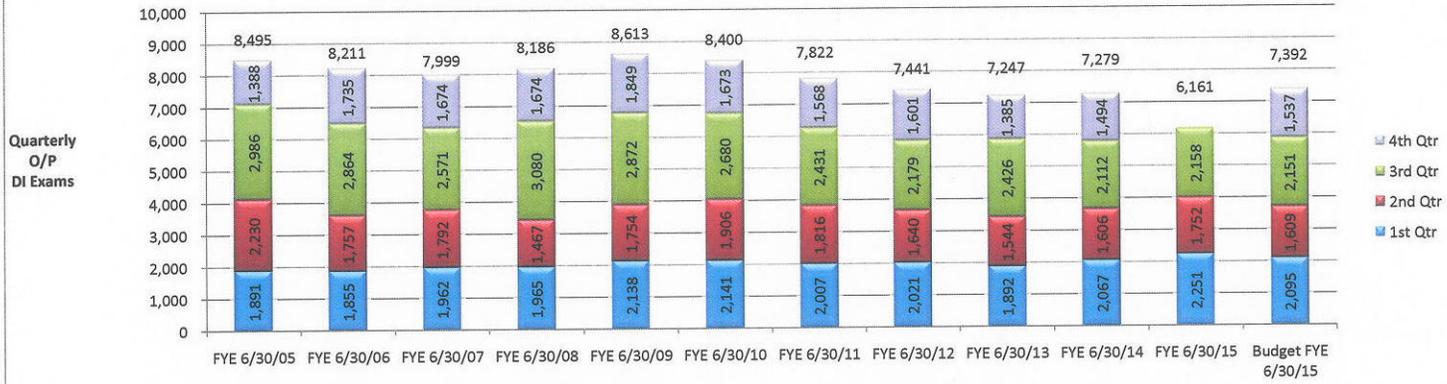
### TOTAL TFH CT EXAMS



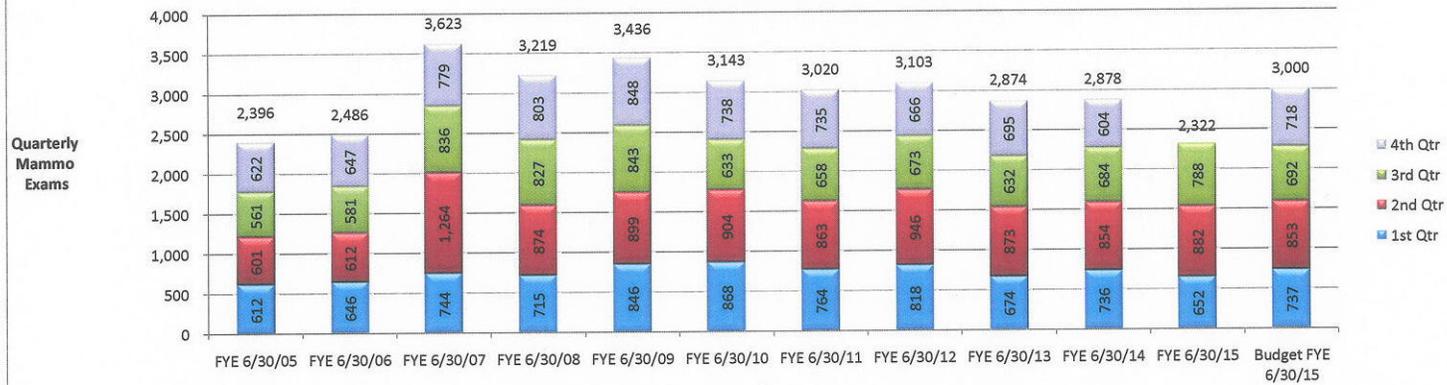
### TOTAL TFH INPATIENT DIAGNOSTIC IMAGING EXAMS



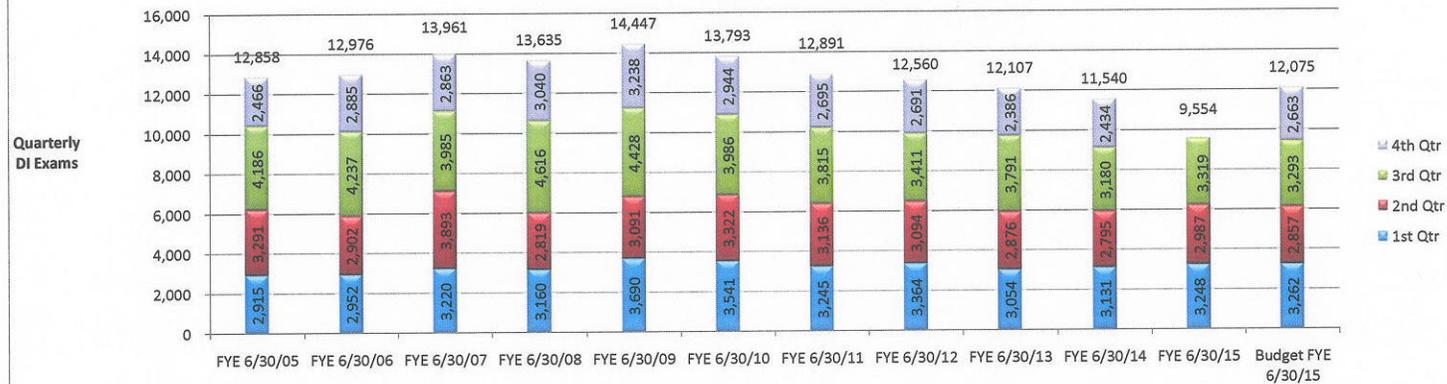
### TOTAL TFH OUTPATIENT DIAGNOSTIC IMAGING EXAMS



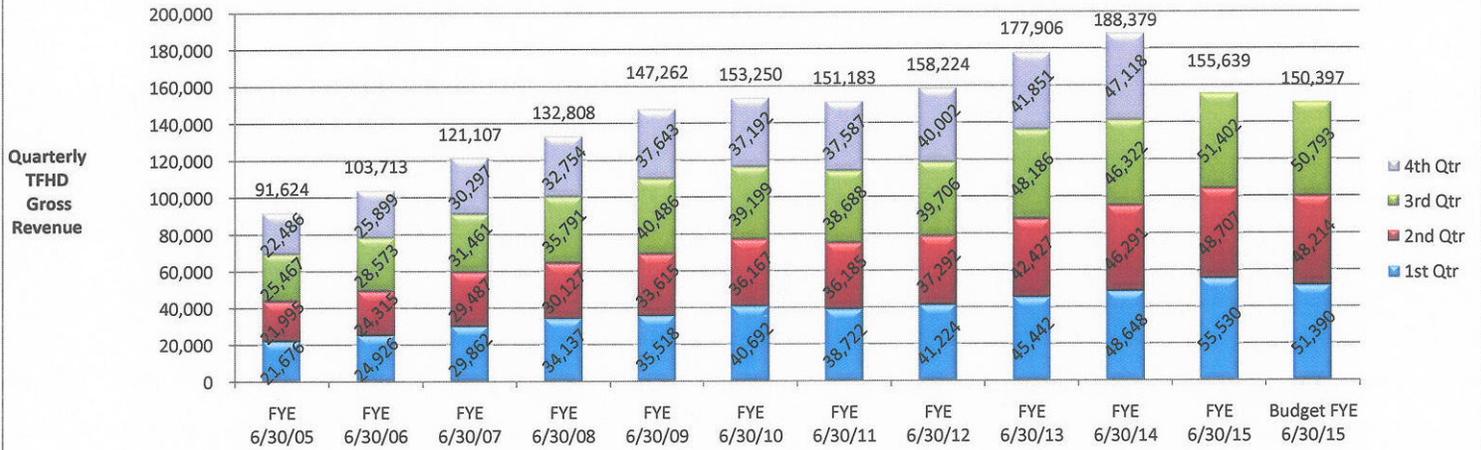
### TOTAL TFH MAMMOGRAPHY EXAMS



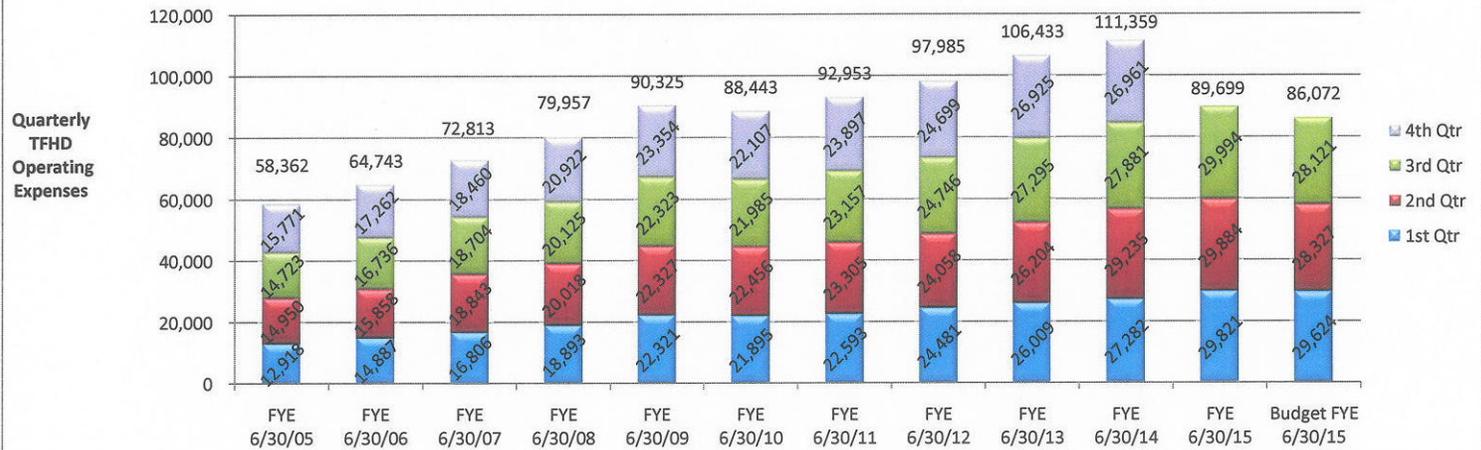
### TOTAL TFH DIAGNOSTIC IMAGING EXAMS



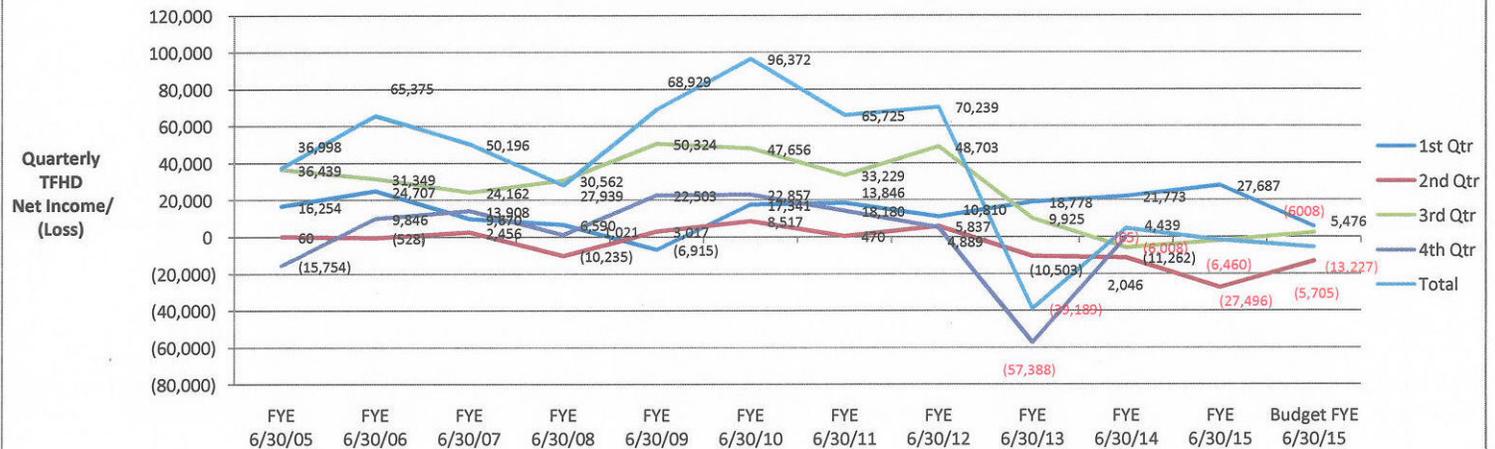
### TAHOE FOREST HOSPITAL DISTRICT TOTAL GROSS REVENUE (In Thousands)



### TAHOE FOREST HOSPITAL DISTRICT TOTAL OPERATING EXPENSES (In Thousands)



### TAHOE FOREST HOSPITAL DISTRICT TOTAL NET INCOME/(LOSS) (In Hundreds)



**TAHOE FOREST HOSPITAL DISTRICT  
SEPARATE BUSINESS ENTERPRISES  
FOR THE NINE MONTHS ENDING MARCH 15, 2015**

	HOME HEALTH				HOSPICE			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014
Gross Operating Revenue	1,316,430	1,467,526	(151,095)	1,446,313	1,100,013	1,568,739	(468,726)	1,213,706
Deduction From Rev	724,743	807,927	83,184	838,037	572,027	815,772	243,746	559,853
Other Operating Revenue	-	-	-	-	-	-	-	-
Total Operating Revenue	591,687	659,599	(67,912)	608,276	527,986	752,966	(224,980)	653,853
<b>Operating Expense:</b>								
Salaries	457,792	444,526	(13,265)	420,609	241,674	376,478	134,805	368,294
Benefits	226,455	198,016	(28,439)	211,196	228,498	259,502	31,003	224,090
Professional Fees	200	300	100	400	9,400	18,900	9,500	18,370
Supplies	12,834	8,014	(4,820)	6,448	55,036	50,671	(4,365)	45,053
Purchased Services	38,448	42,603	4,155	56,064	45,650	55,727	10,077	51,837
Other Expenses	20,683	21,535	852	23,373	41,505	39,957	(1,547)	44,056
Total Operating Expenses	756,412	714,994	(41,418)	718,090	621,764	801,236	179,472	751,700
Net Operating Rev (Exp)	(164,725)	(55,395)	(109,330)	(109,814)	(93,777)	(48,269)	(45,508)	(97,847)
<b>Non - Operating Rev / (Exp)</b>								
Donations	-	75	(75)	100	21,515	30,000	(8,485)	25,523
Thrift Store Net Income	-	-	-	-	332,801	340,261	(7,461)	332,556
Employee Benefit - EE Discounts	-	-	-	-	-	-	-	-
Depreciation	(7,030)	(7,030)	-	(18,418)	(5,598)	(5,598)	-	(4,299)
Total Non-Operating Rev/(Exp)	(7,030)	(6,955)	(75)	(18,318)	348,718	364,663	(15,945)	353,780
Net Income/(Loss)	(171,755)	(62,350)	(109,404)	(128,132)	254,941	316,394	(61,453)	255,933
Units	2,671	2,998	(327)	2,983	2,865	3,557	(692)	3,355
Gross Revenue/Unit	492.86	489.50	3.36	484.85	383.95	441.03	(57.08)	361.76
Total Operating Expense/Unit	283.19	238.49	(44.70)	240.73	217.02	225.26	8.24	224.05

**TAHOE FOREST HOSPITAL DISTRICT  
SEPARATE BUSINESS ENTERPRISES  
FOR THE NINE MONTHS ENDING MARCH 15, 2015**

	CHILDRENS CENTER				OCCUPATIONAL HEALTH			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014
Gross Operating Revenue	624,494	619,675	4,819	600,796	424,402	337,740	86,662	309,467
Deduction From Rev	-	-	-	-	116,075	92,373	(23,702)	66,535
Other Operating Revenue	-	-	-	-	50	750	(700)	550
<b>Total Operating Revenue</b>	<b>624,494</b>	<b>619,675</b>	<b>4,819</b>	<b>600,796</b>	<b>308,376</b>	<b>246,117</b>	<b>62,260</b>	<b>243,482</b>
<b>Operating Expense:</b>								
Salaries	297,427	298,044	617	288,974	122,851	106,303	(16,548)	111,656
Benefits	232,451	244,253	11,802	222,156	50,064	53,283	3,219	69,675
Professional Fees	-	-	-	-	6,742	5,940	(802)	5,968
Supplies	16,582	10,553	(6,029)	10,074	31,406	27,718	(3,688)	30,743
Purchased Services	16,769	13,860	(2,909)	14,876	113,281	110,996	(2,285)	107,140
Other Expenses	25,650	27,463	1,812	27,605	37,096	24,597	(12,499)	49,158
<b>Total Operating Expenses</b>	<b>588,879</b>	<b>594,173</b>	<b>5,293</b>	<b>563,685</b>	<b>361,439</b>	<b>328,836</b>	<b>(32,602)</b>	<b>374,340</b>
<b>Net Operating Rev (Exp)</b>	<b>35,614</b>	<b>25,502</b>	<b>10,113</b>	<b>37,111</b>	<b>(53,063)</b>	<b>(82,720)</b>	<b>29,657</b>	<b>(130,858)</b>
<b>Non - Operating Rev / (Exp)</b>								
Donations	14,285	15,000	(715)	1,285	-	-	-	-
Thrift Store Net Income	-	-	-	-	-	-	-	-
Employee Benefit - EE Discounts	(165,674)	(157,500)	(8,174)	(156,738)	-	-	-	-
Depreciation	(30,416)	(28,816)	(1,600)	(28,327)	(17)	(17)	-	(301)
<b>Total Non-Operating Rev/(Exp)</b>	<b>(181,805)</b>	<b>(171,316)</b>	<b>(10,489)</b>	<b>(183,780)</b>	<b>(17)</b>	<b>(17)</b>	<b>-</b>	<b>(301)</b>
<b>Net Income/(Loss)</b>	<b>(146,190)</b>	<b>(145,814)</b>	<b>(376)</b>	<b>(146,669)</b>	<b>(53,080)</b>	<b>(82,737)</b>	<b>29,657</b>	<b>(131,159)</b>
<b>Units</b>	<b>14,198</b>	<b>13,976</b>	<b>222</b>	<b>13,980</b>	<b>2,054</b>	<b>1,892</b>	<b>162</b>	<b>1,897</b>
Gross Revenue/Unit	43.98	44.34	(0.35)	42.98	206.62	178.51	28.11	163.13
Total Operating Expense/Unit	41.48	42.51	1.04	40.32	175.97	173.80	(2.16)	197.33

**TAHOE FOREST HOSPITAL DISTRICT  
SEPARATE BUSINESS ENTERPRISES  
FOR THE NINE MONTHS ENDING MARCH 15, 2015**

	HEALTH CLINIC				RETAIL PHARMACY			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014
Gross Operating Revenue	407,134	379,331	27,803	345,902	2,080,581	1,873,131	207,450	1,828,872
Deduction From Rev	103,806	96,717	(7,089)	200,623	834,130	636,866	(197,264)	556,826
Other Operating Revenue	-	-	-	-	-	-	-	-
Total Operating Revenue	303,328	282,613	20,714	145,279	1,246,451	1,236,265	10,186	1,272,046
<b>Operating Expense:</b>								
Salaries	248,255	215,977	(32,278)	223,671	249,367	269,353	19,986	280,108
Benefits	117,885	108,781	(9,104)	129,839	142,807	143,970	1,163	146,784
Professional Fees	7,900	7,200	(700)	7,200	-	-	-	3,861
Supplies	14,014	15,302	1,288	15,804	1,058,905	1,005,085	(53,820)	1,054,354
Purchased Services	12,619	10,413	(2,206)	10,346	24,171	24,664	492	24,194
Other Expenses	9,717	18,068	8,351	17,624	49,370	50,053	683	50,141
Total Operating Expenses	410,390	375,741	(34,650)	404,484	1,524,620	1,493,125	(31,496)	1,559,442
Net Operating Rev (Exp)	(107,063)	(93,127)	(13,936)	(259,205)	(278,170)	(256,860)	(21,310)	(287,396)
<b>Non - Operating Rev / (Exp)</b>								
Donations	-	-	-	-	-	-	-	-
Thrift Store Net Income	-	-	-	-	-	-	-	-
Employee Benefit - EE Discounts	-	-	-	-	-	-	-	-
Depreciation	(473)	(473)	-	(211)	-	-	-	-
Total Non-Operating Rev/(Exp)	(473)	(473)	-	(211)	-	-	-	-
Net Income/(Loss)	(107,536)	(93,600)	(13,936)	(259,416)	(278,170)	(256,860)	(21,310)	(287,396)
Units	2,511	2,460	51	2,310	19,895	20,971	(1,076)	20,434
Gross Revenue/Unit	162.14	154.20	7.94	149.74	104.58	89.32	15.26	89.50
Total Operating Expense/Unit	163.44	152.74	(10.70)	175.10	76.63	71.20	(5.43)	76.32

**Employee Drug Plan**

Plan Costs	(616,866)
Captured through Retail Rx	432,378
Net Plan Costs	(184,487)

Net Operating Income	(278,170)
Net Employee Drug Plan Costs	(184,487)
Net Financial Position	(462,657)

**TAHOE FOREST HOSPITAL DISTRICT  
SEPARATE BUSINESS ENTERPRISES  
FOR THE NINE MONTHS ENDING MARCH 15, 2015**

	<b>TOTAL SEPARATE BUSINESS ENTITIES</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET</b>	<b>PRIOR YTD MAR 2014</b>
Gross Operating Revenue	5,953,053	6,246,140	(293,088)	5,745,056
Deduction From Rev	2,350,781	2,449,656	98,874	2,221,874
Other Operating Revenue	50	750	(700)	550
<b>Total Operating Revenue</b>	<b>3,602,321</b>	<b>3,797,235</b>	<b>(194,913)</b>	<b>3,523,732</b>
<b><u>Operating Expense:</u></b>				
Salaries	1,617,366	1,710,681	93,315	1,693,312
Benefits	998,160	1,007,805	9,644	1,003,740
Professional Fees	24,242	32,340	8,098	35,799
Supplies	1,188,777	1,117,343	(71,434)	1,162,476
Purchased Services	250,938	258,262	7,324	264,457
Other Expenses	184,021	181,672	(2,349)	211,957
<b>Total Operating Expenses</b>	<b>4,263,504</b>	<b>4,308,104</b>	<b>44,600</b>	<b>4,371,741</b>
<b>Net Operating Rev (Exp)</b>	<b>(661,183)</b>	<b>(510,869)</b>	<b>(150,314)</b>	<b>(848,009)</b>
<b><u>Non - Operating Rev / (Exp)</u></b>				
Donations	35,800	45,075	(9,275)	26,908
Thrift Store Net Income	332,801	340,261	(7,461)	332,556
Employee Benefit - EE Discounts	(165,674)	(157,500)	(8,174)	(156,738)
Depreciation	(43,534)	(41,934)	(1,600)	(51,556)
<b>Total Non-Operating Rev/(Exp)</b>	<b>159,393</b>	<b>185,902</b>	<b>(26,509)</b>	<b>151,170</b>
<b>Net Income/(Loss)</b>	<b>(501,790)</b>	<b>(324,967)</b>	<b>(176,822)</b>	<b>(696,839)</b>
<b>Units</b>	<b>44,194</b>	<b>45,854</b>	<b>(1,660)</b>	<b>44,959</b>
<b>Gross Revenue/Unit</b>	<b>134.70</b>	<b>136.22</b>	<b>(1.52)</b>	<b>127.78</b>
<b>Total Operating Expense/Unit</b>	<b>96.47</b>	<b>93.95</b>	<b>2.52</b>	<b>97.24</b>

**TAHOE FOREST HOSPITAL DISTRICT  
CENTER FOR HEALTH AND SPORTS PERFORMANCE  
FOR THE NINE MONTHS ENDING MARCH 31, 2015**

	THERAPY SERVICES				SPORTS PERFORMANCE LAB			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 14	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 14
Gross Operating Revenue	\$ 3,118,406	\$ 2,534,144	\$ 584,262	\$ 2,401,464	\$ 9,589	\$ 630	\$ 8,959	\$ 630
Deduction From Rev	1,032,192	838,802	(193,391)	794,885	-	-	-	-
Other Operating Revenue	1,134	1,260	(126)	1,255	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ 2,087,348</b>	<b>\$ 1,696,602</b>	<b>\$ 390,746</b>	<b>\$ 1,607,834</b>	<b>\$ 9,589</b>	<b>\$ 630</b>	<b>\$ 8,959</b>	<b>\$ 630</b>
<b>Operating Expense:</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 2,271	\$ 2,530	\$ 258	\$ 2,315
Benefits	-	-	-	-	1,466	950	(516)	1,079
Professional Fees	1,208,881	1,041,654	(167,227)	1,023,158	-	-	-	-
Supplies	28,509	27,350	(1,159)	27,410	4,036	-	(4,036)	-
Purchased Services	56,645	51,781	(4,863)	52,111	7,315	-	(7,315)	-
Other Expenses	2,569	4,350	1,781	2,924	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 1,296,604</b>	<b>\$ 1,125,136</b>	<b>\$ (171,468)</b>	<b>\$ 1,105,603</b>	<b>\$ 15,089</b>	<b>\$ 3,480</b>	<b>\$ (11,609)</b>	<b>\$ 3,394</b>
<b>Net Operating Rev (Exp)</b>	<b>\$ 790,744</b>	<b>\$ 571,466</b>	<b>\$ 219,278</b>	<b>\$ 502,231</b>	<b>\$ (5,500)</b>	<b>\$ (2,850)</b>	<b>\$ (2,650)</b>	<b>\$ (2,764)</b>
<b>Non - Operating Rev / (Exp)</b>								
Donations	-	-	-	-	-	-	-	-
Depreciation	(6,221)	(6,221)	-	(5,162)	-	-	-	-
<b>Total Non-Operating Rev/(Exp)</b>	<b>(6,221)</b>	<b>(6,221)</b>	<b>-</b>	<b>(5,162)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income/(Loss)</b>	<b>\$ 784,523</b>	<b>\$ 565,245</b>	<b>\$ 219,278</b>	<b>\$ 497,069</b>	<b>\$ (5,500)</b>	<b>\$ (2,850)</b>	<b>\$ (2,650)</b>	<b>\$ (2,764)</b>
Overhead Allocation Based on Sq Ft	\$ (156,188)	\$ (163,028)	6,840	(158,002)	\$ (43,026)	\$ (44,910)	1,884	(43,525)
<b>Adjusted Net Income/(Loss)</b>	<b>\$ 628,336</b>	<b>\$ 402,217</b>	<b>\$ 226,118</b>	<b>\$ 339,067</b>	<b>\$ (48,526)</b>	<b>\$ (47,760)</b>	<b>\$ (766)</b>	<b>\$ (46,289)</b>
<b>Units</b>	<b>41,625</b>	<b>36,888</b>	<b>4,737</b>	<b>36,489</b>	<b>306</b>	<b>8</b>	<b>298</b>	<b>5</b>
Gross Revenue/Unit	\$ 74.92	\$ 68.70	\$ 6.22	\$ 65.81	\$ 31.34	\$ 78.75	\$ (47.41)	\$ 126.00
Total Operating Expense/Unit	\$ 34.90	\$ 34.92	\$ 0.02	\$ 34.63	\$ 189.92	\$ 6,048.73	\$ 5,858.81	\$ 9,383.85

**TAHOE FOREST HOSPITAL DISTRICT  
CENTER FOR HEALTH AND SPORTS PERFORMANCE  
FOR THE NINE MONTHS ENDING MARCH 31, 2015**

	FITNESS CENTER				HP/EDUCATION/WELLNESS			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 14	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 14
Gross Operating Revenue	\$ 138,677	\$ 133,261	\$ 5,417	\$ 134,099	\$ 11,943	\$ 9,368	\$ 2,575	\$ 10,543
Deduction From Rev	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ 138,677</b>	<b>\$ 133,261</b>	<b>\$ 5,417</b>	<b>\$ 134,099</b>	<b>\$ 11,943</b>	<b>\$ 9,368</b>	<b>\$ 2,575</b>	<b>\$ 10,543</b>
<b>Operating Expense:</b>								
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 18,824	\$ 8,098	\$ (10,726)	\$ 14,019
Benefits	-	-	-	-	6,479	4,745	(1,733)	5,149
Professional Fees	-	-	-	-	-	-	-	-
Supplies	3,357	3,019	(337)	3,076	4,644	4,381	(263)	4,222
Purchased Services	142,656	139,867	(2,789)	139,047	14,784	17,119	2,335	16,708
Other Expenses	-	-	-	-	2,718	2,860	142	2,564
<b>Total Operating Expenses</b>	<b>\$ 146,013</b>	<b>\$ 142,886</b>	<b>\$ (3,127)</b>	<b>\$ 142,123</b>	<b>\$ 47,449</b>	<b>\$ 37,203</b>	<b>\$ (10,246)</b>	<b>\$ 42,662</b>
<b>Net Operating Rev (Exp)</b>	<b>\$ (7,336)</b>	<b>\$ (9,626)</b>	<b>\$ 2,290</b>	<b>\$ (8,024)</b>	<b>\$ (35,506)</b>	<b>\$ (27,835)</b>	<b>\$ (7,671)</b>	<b>\$ (32,119)</b>
<b>Non - Operating Rev / (Exp)</b>								
Donations	-	-	-	-	-	-	-	-
Depreciation	(632)	(632)	-	(6,451)	-	-	-	(2,697)
<b>Total Non-Operating Rev/(Exp)</b>	<b>(632)</b>	<b>(632)</b>	<b>-</b>	<b>(6,451)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,697)</b>
<b>Net Income/(Loss)</b>	<b>\$ (7,967)</b>	<b>\$ (10,257)</b>	<b>\$ 2,290</b>	<b>\$ (14,475)</b>	<b>\$ (35,506)</b>	<b>\$ (27,835)</b>	<b>\$ (7,671)</b>	<b>\$ (34,816)</b>
<b>Overhead Allocation Based on Sq Ft</b>	<b>\$ (82,811)</b>	<b>\$ (86,437)</b>	<b>\$ 3,627</b>	<b>\$ (83,772)</b>	<b>\$ (119,643)</b>	<b>\$ (124,882)</b>	<b>\$ 5,240</b>	<b>\$ (121,032)</b>
<b>Adjusted Net Income/(Loss)</b>	<b>\$ (90,778)</b>	<b>\$ (96,695)</b>	<b>\$ 5,917</b>	<b>\$ (98,247)</b>	<b>\$ (155,149)</b>	<b>\$ (152,717)</b>	<b>\$ (2,432)</b>	<b>\$ (155,848)</b>
<b>Units</b>	<b>2,014</b>	<b>1,913</b>	<b>101</b>	<b>1,971</b>	<b>1,791</b>	<b>1,008</b>	<b>783</b>	<b>1,247</b>
<b>Gross Revenue/Unit</b>	<b>\$ 68.86</b>	<b>\$ 69.66</b>	<b>\$ (0.80)</b>	<b>\$ 68.04</b>	<b>\$ 6.67</b>	<b>\$ 9.29</b>	<b>\$ (2.63)</b>	<b>\$ 8.45</b>
<b>Total Operating Expense/Unit</b>	<b>\$ 113.62</b>	<b>\$ 119.88</b>	<b>\$ 6.26</b>	<b>\$ 114.61</b>	<b>\$ 93.30</b>	<b>\$ 160.80</b>	<b>\$ 67.50</b>	<b>\$ 131.27</b>

**TAHOE FOREST HOSPITAL DISTRICT  
CENTER FOR HEALTH AND SPORTS PERFORMANCE  
FOR THE NINE MONTHS ENDING MARCH 31, 2015**

	OCCUPATIONAL HEALTH TESTING				CENTER OPERATIONS			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 14	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 14
Gross Operating Revenue	\$ 98,258	\$ 97,343	\$ 915	\$ 91,218	\$ -	\$ -	\$ -	\$ -
Deduction From Rev	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ 98,258</b>	<b>\$ 97,343</b>	<b>\$ 915</b>	<b>\$ 91,218</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operating Expense:</b>								
Salaries	\$ 10,204	\$ 9,480	\$ (724)	\$ 10,588	\$ -	\$ -	\$ -	\$ -
Benefits	6,945	6,222	(723)	5,310	-	-	-	-
Professional Fees	-	-	-	-	16,150	27,900	11,750	27,150
Supplies	145	227	82	390	389	1,148	759	1,074
Purchased Services	18,089	17,382	(706)	13,371	16,053	18,799	2,746	13,307
Other Expenses	573	300	(273)	127	279,699	282,856	3,157	276,800
<b>Total Operating Expenses</b>	<b>\$ 35,956</b>	<b>\$ 33,611</b>	<b>\$ (2,344)</b>	<b>\$ 29,786</b>	<b>\$ 312,291</b>	<b>\$ 330,703</b>	<b>\$ 18,412</b>	<b>\$ 318,331</b>
<b>Net Operating Rev (Exp)</b>	<b>\$ 62,302</b>	<b>\$ 63,732</b>	<b>\$ (1,430)</b>	<b>\$ 61,432</b>	<b>\$ (312,291)</b>	<b>\$ (330,703)</b>	<b>\$ 18,412</b>	<b>\$ (318,331)</b>
<b>Non - Operating Rev / (Exp)</b>								
Donations	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	(118,784)	(119,250)	466	(117,750)
<b>Total Non-Operating Rev/(Exp)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(118,784)</b>	<b>(119,250)</b>	<b>466</b>	<b>(117,750)</b>
<b>Net Income/(Loss)</b>	<b>\$ 62,302</b>	<b>\$ 63,732</b>	<b>\$ (1,430)</b>	<b>\$ 61,432</b>	<b>\$ (431,074)</b>	<b>\$ (449,953)</b>	<b>\$ 18,879</b>	<b>\$ (436,081)</b>
Overhead Allocation Based on Sq Ft	\$ -	\$ -	\$ -	\$ -	\$ 401,667	\$ 419,257	(17,591)	\$ 406,332
<b>Adjusted Net Income/(Loss)</b>	<b>\$ 62,302</b>	<b>\$ 63,732</b>	<b>\$ (1,430)</b>	<b>\$ 61,432</b>	<b>\$ (29,408)</b>	<b>\$ (30,696)</b>	<b>1,288</b>	<b>\$ (29,749)</b>
Units	1,113	1,129	(16)	1,228				
Gross Revenue/Unit	\$ 88.28	\$ 86.22	\$ 2.06	\$ 74.28				
Total Operating Expense/Unit	\$ 32.31	\$ 29.77	\$ (2.53)	\$ 24.26				

**TAHOE FOREST HOSPITAL DISTRICT  
CENTER FOR HEALTH AND SPORTS PERFORMANCE  
FOR THE NINE MONTHS ENDING MARCH 31, 2015**

	<b>TOTAL CENTER FOR HEALTH &amp; SPORTS PERFORMANCE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>\$ VARIANCE (UNFAVORABLE) BUDGET</b>	<b>PRIOR YTD MAR 14</b>
<b>Gross Operating Revenue</b>	\$ 3,376,873	\$ 2,774,746	\$ 602,127	\$ 2,637,954
<b>Deduction From Rev</b>	1,032,192	838,802	(193,391)	794,885
<b>Other Operating Revenue</b>	1,134	1,260	(126)	1,255
<b>Total Operating Revenue</b>	\$ 2,345,815	\$ 1,937,204	\$ 408,611	\$ 1,844,324
<b><u>Operating Expense:</u></b>				
Salaries	\$ 31,299	\$ 20,107	\$ (11,192)	\$ 26,922
Benefits	14,890	11,918	(2,972)	11,538
Professional Fees	1,225,031	1,069,554	(155,477)	1,050,308
Supplies	41,080	36,125	(4,954)	36,172
Purchased Services	255,542	244,948	(10,593)	234,544
Other Expenses	285,560	290,367	4,807	282,415
<b>Total Operating Expenses</b>	\$ 1,853,402	\$ 1,673,020	\$ (180,381)	\$ 1,641,899
<b>Net Operating Rev (Exp)</b>	\$ 492,413	\$ 264,184	\$ 228,229	\$ 202,425
<b><u>Non - Operating Rev / (Exp)</u></b>				
Donations	-	-	-	-
Depreciation	(125,636)	(126,102)	466	(132,060)
<b>Total Non-Operating Rev/(Exp)</b>	(125,636)	(126,102)	466	(132,060)
<b>Net Income/(Loss)</b>	\$ 366,777	\$ 138,082	\$ 228,696	\$ 70,365
<b>Overhead Allocation Based on Sq Ft</b>	-	-	-	-
<b>Adjusted Net Income/(Loss)</b>	\$ 366,777	\$ 138,082	\$ 228,696	\$ 70,365
<b>Units</b>	46,849	40,946	5,903	40,940
<b>Gross Revenue/Unit</b>	\$ 72.08	\$ 67.77	\$ 4.31	\$ 64.43
<b>Total Operating Expense/Unit</b>	\$ 39.56	\$ 40.86	\$ 1.30	\$ 40.11

**TAHOE FOREST HOSPITAL DISTRICT  
CANCER PROGRAM  
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

	<u>MEDICAL ONCOLOGY</u>				<u>MSC MEDICAL ONCOLOGY</u>			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014
Gross Operating Revenue	1,500,684	1,144,161	356,523	1,082,573	661,211	847,834	(186,623)	662,848
Deduction From Rev	558,437	425,767	(132,670)	452,873	346,860	444,759	97,899	350,987
Other Operating Revenue	-	-	-	-	-	-	-	-
Total Operating Revenue	942,247	718,394	223,853	629,700	314,351	403,075	(88,724)	311,861
<b><u>Operating Expense:</u></b>								
Salaries	1,060,076	938,219	(121,857)	1,077,842	-	-	-	-
Benefits	472,417	450,529	(21,888)	488,850	-	-	-	-
Professional Fees	216,106	199,706	(16,401)	187,556	630,370	618,750	(11,620)	618,750
Supplies	58,361	50,828	(7,533)	51,461	7,080	1,512	(5,568)	1,346
Purchased Services	82,492	77,494	(4,998)	77,110	18,094	4,590	(13,504)	5,424
Other Expenses	162,002	170,332	8,330	146,963	-	-	-	-
Total Operating Expenses	2,051,456	1,887,108	(164,347)	2,029,782	655,544	624,852	(30,692)	625,520
Net Operating Rev (Exp)	(1,109,209)	(1,168,715)	59,506	(1,400,082)	(341,193)	(221,777)	(119,415)	(313,659)
<b><u>Non - Operating Rev / (Exp)</u></b>								
Donations	194,880	123,000	71,880	216,137	-	-	-	-
Depreciation	(89,389)	(89,389)	-	(110,666)	-	-	-	-
Total Non-Operating Rev/(Exp)	105,492	33,611	71,880	105,471	-	-	-	-
Net Income/(Loss)	(1,003,717)	(1,135,104)	131,386	(1,294,612)	(341,193)	(221,777)	(119,415)	(313,659)
Units	5,507	3,890	1,617	3,953	3,732	4,355	(623)	3,811
Gross Revenue/Unit	272.50	294.13	(21.62)	273.86	177.17	194.68	(17.51)	173.93
Total Operating Expense/Unit	372.52	485.12	112.60	513.48	175.65	143.48	(32.18)	164.14

**TAHOE FOREST HOSPITAL DISTRICT  
CANCER PROGRAM  
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

	RADIATION ONCOLOGY				MSC RADIATION ONCOLOGY			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014
Gross Operating Revenue	2,815,421	2,969,271	(153,850)	2,783,900	529,039	601,861	(72,822)	524,655
Deduction From Rev	1,079,188	1,138,160	58,973	1,210,161	275,732	313,686	37,955	251,719
Other Operating Revenue	-	-	-	-	-	-	-	-
Total Operating Revenue	1,736,233	1,831,111	(94,877)	1,573,739	253,307	288,175	(34,868)	272,936
<b>Operating Expense:</b>								
Salaries	322,647	456,829	134,182	273,904	-	-	-	-
Benefits	212,961	245,249	32,288	148,531	-	-	-	-
Professional Fees	137,876	129,562	(8,314)	129,530	391,137	384,000	(7,136)	384,000
Supplies	2,941	3,103	162	2,464	-	-	-	-
Purchased Services	268,292	260,586	(7,706)	240,925	-	-	-	-
Other Expenses	13,214	10,216	(2,998)	10,132	-	-	-	-
Total Operating Expenses	957,932	1,105,546	147,614	805,486	391,137	384,000	(7,136)	384,000
Net Operating Rev (Exp)	778,302	725,565	52,737	768,253	(137,830)	(95,825)	(42,004)	(111,064)
<b>Non - Operating Rev / (Exp)</b>								
Donations	-	-	-	-	-	-	-	-
Depreciation	(779,646)	(779,646)	-	(776,894)	-	-	-	-
Total Non-Operating Rev/(Exp)	(779,646)	(779,646)	-	(776,894)	-	-	-	-
Net Income/(Loss)	(1,345)	(54,081)	52,737	(8,641)	(137,830)	(95,825)	(42,004)	(111,064)
Units	2,550	2,784	(234)	2,899	545	1,529	(984)	1,424
Gross Revenue/Unit	1,104.09	1,066.55	37.54	960.30	970.71	393.63	577.08	368.44
Total Operating Expense/Unit	375.66	397.11	21.45	277.85	717.68	251.14	(466.54)	269.66

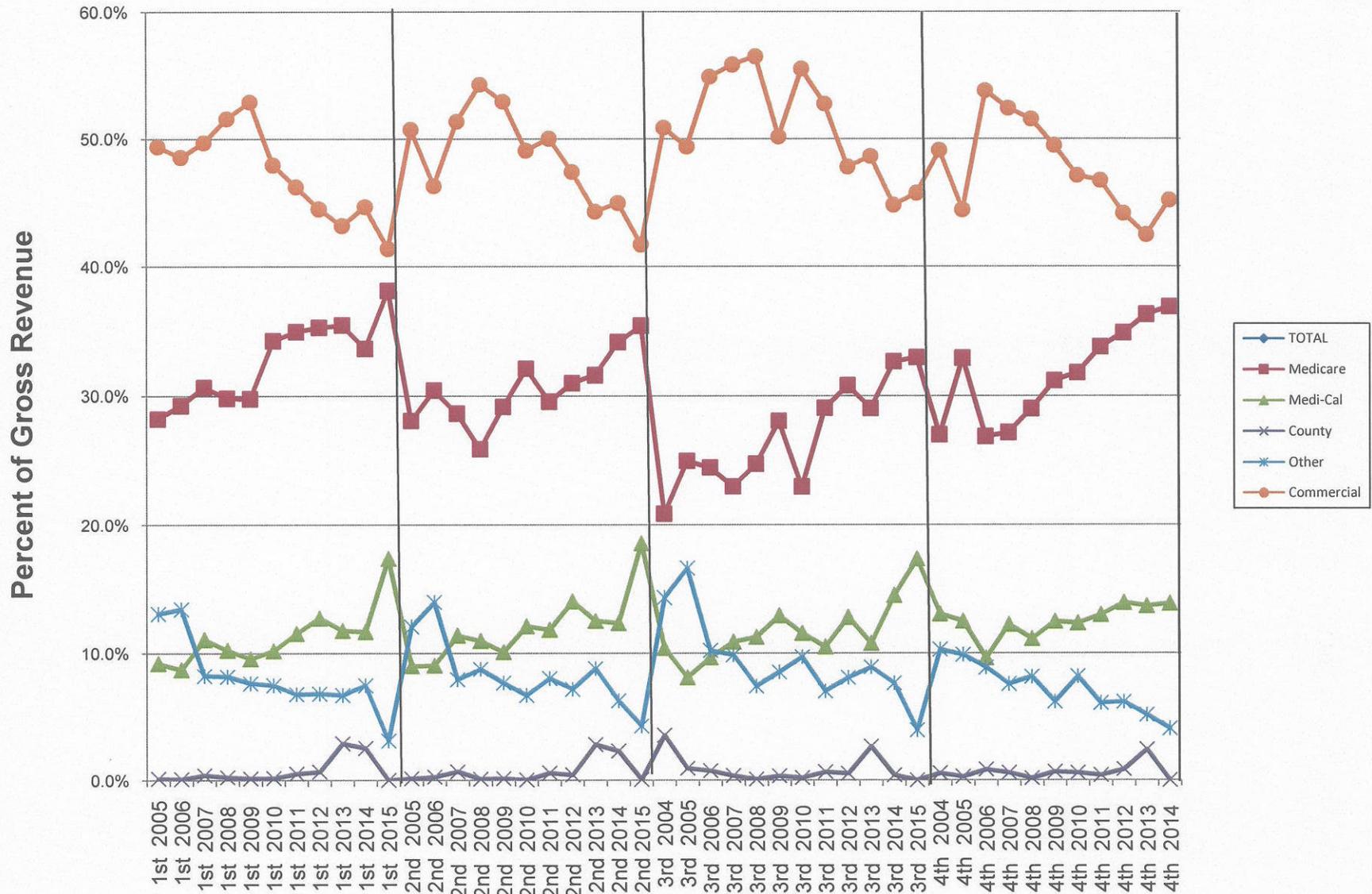
**TAHOE FOREST HOSPITAL DISTRICT  
CANCER PROGRAM  
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

	<u>ONCOLOGY LAB</u>				<u>ONCOLOGY DRUGS</u>			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014
Gross Operating Revenue	195,512	172,297	23,215	170,760	14,155,077	14,333,928	(178,851)	12,693,700
Deduction From Rev	79,273	69,860	(9,413)	71,190	7,613,261	7,709,456	96,195	5,192,019
Other Operating Revenue	-	-	-	-	-	-	-	-
Total Operating Revenue	116,239	102,437	13,802	99,570	6,541,815	6,624,472	(82,657)	7,501,681
<b><u>Operating Expense:</u></b>								
Salaries	79,374	70,956	(8,418)	78,110	-	-	-	-
Benefits	35,395	33,277	(2,118)	39,193	-	-	-	-
Professional Fees	-	-	-	-	-	-	-	-
Supplies	1,584	6,026	4,441	6,819	2,876,908	2,493,042	(383,865)	2,416,479
Purchased Services	-	750	750	135	-	-	-	-
Other Expenses	865	-	(865)	-	-	-	-	-
Total Operating Expenses	117,218	111,009	(6,209)	124,257	2,876,908	2,493,042	(383,865)	2,416,479
Net Operating Rev (Exp)	(979)	(8,572)	7,593	(24,687)	3,664,908	4,131,430	(466,522)	5,085,202
<b><u>Non - Operating Rev / (Exp)</u></b>								
Donations	-	-	-	-	-	-	-	-
Depreciation	(582)	(582)	-	(582)	-	-	-	-
Total Non-Operating Rev/(Exp)	(582)	(582)	-	(582)	-	-	-	-
Net Income/(Loss)	(1,561)	(9,154)	7,593	(25,269)	3,664,908	4,131,430	(466,522)	5,085,202
Units	2,668	2,065	603	2,222	40,006	73,748	(33,742)	68,325
Gross Revenue/Unit	73.28	83.44	(10.16)	76.85	353.82	194.36	159.46	185.78
Total Operating Expense/Unit	43.93	53.76	9.82	55.92	71.91	33.80	(38.11)	35.37

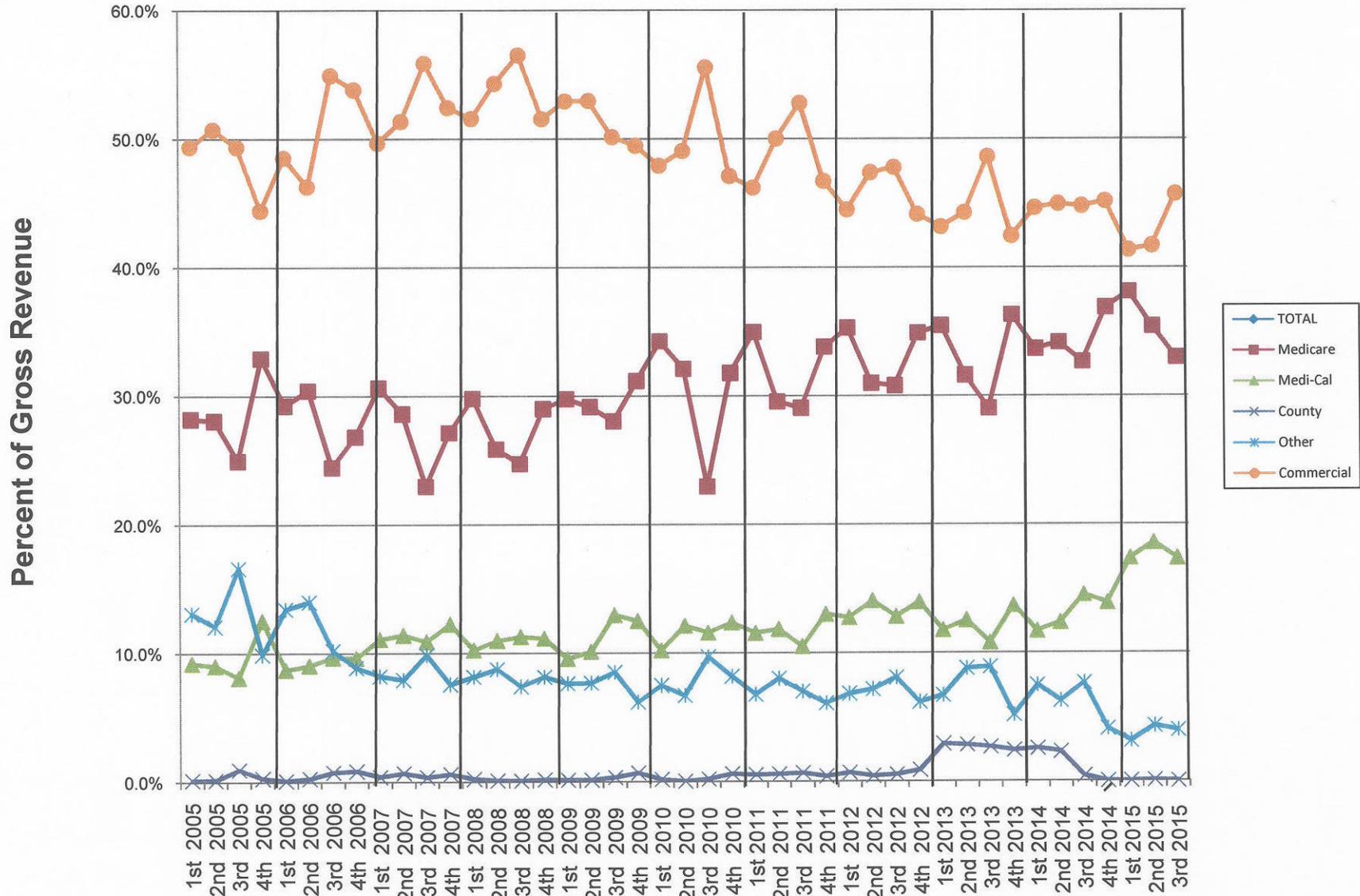
**TAHOE FOREST HOSPITAL DISTRICT  
CANCER PROGRAM  
FOR THE NINE MONTHS ENDED MARCH 31, 2015**

	PET CT				TOTAL CANCER PROGRAM			
	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014	ACTUAL	BUDGET	\$ VARIANCE FAVORABLE/ (UNFAVORABLE) BUDGET	PRIOR YTD MAR 2014
Gross Operating Revenue	1,008,021	914,899	93,122	759,303	20,864,964	20,984,251	(119,286)	18,677,739
Deduction From Rev	399,424	362,525	(36,899)	321,445	10,352,174	10,464,213	(112,039)	7,850,395
Other Operating Revenue	-	-	-	-	-	-	-	-
Total Operating Revenue	608,597	552,374	56,223	437,858	10,512,790	10,520,037	(7,247)	10,827,344
<b>Operating Expense:</b>								
Salaries	27,768	36,666	8,898	-	1,489,866	1,502,671	(12,805)	1,429,856
Benefits	12,028	10,960	(1,068)	-	732,802	740,016	(7,214)	676,574
Professional Fees	-	-	-	-	1,375,488	1,332,018	43,470	1,319,836
Supplies	48,092	37,233	(10,859)	29,290	2,994,966	2,591,744	403,222	2,507,859
Purchased Services	134,177	132,198	(1,979)	135,804	503,056	475,618	27,438	459,398
Other Expenses	160	131	(29)	125	176,241	180,679	(4,438)	157,220
Total Operating Expenses	222,226	217,189	(5,037)	165,219	7,272,419	6,822,746	(449,673)	6,550,743
Net Operating Rev (Exp)	386,371	335,185	51,186	272,639	3,240,371	3,697,291	(456,920)	4,276,601
<b>Non - Operating Rev / (Exp)</b>								
Donations	-	-	-	-	194,880	123,000	71,880	216,137
Depreciation	-	-	-	-	(1,392,962)	(1,392,962)	-	(1,412,394)
Total Non-Operating Rev/(Exp)	-	-	-	-	(1,198,081)	(1,269,962)	71,880	(1,196,257)
Net Income/(Loss)	386,371	335,185	51,186	272,639	2,042,289	2,427,329	(385,039)	3,080,344
Units	226	207	19	179	55,234	88,578	(33,344)	82,813
Gross Revenue/Unit	4,460.27	4,419.80	40.47	4,241.92	377.76	236.90	140.85	225.54
Total Operating Expense/Unit	983.30	1,049.22	65.92	923.01	131.67	77.03	(54.64)	79.10

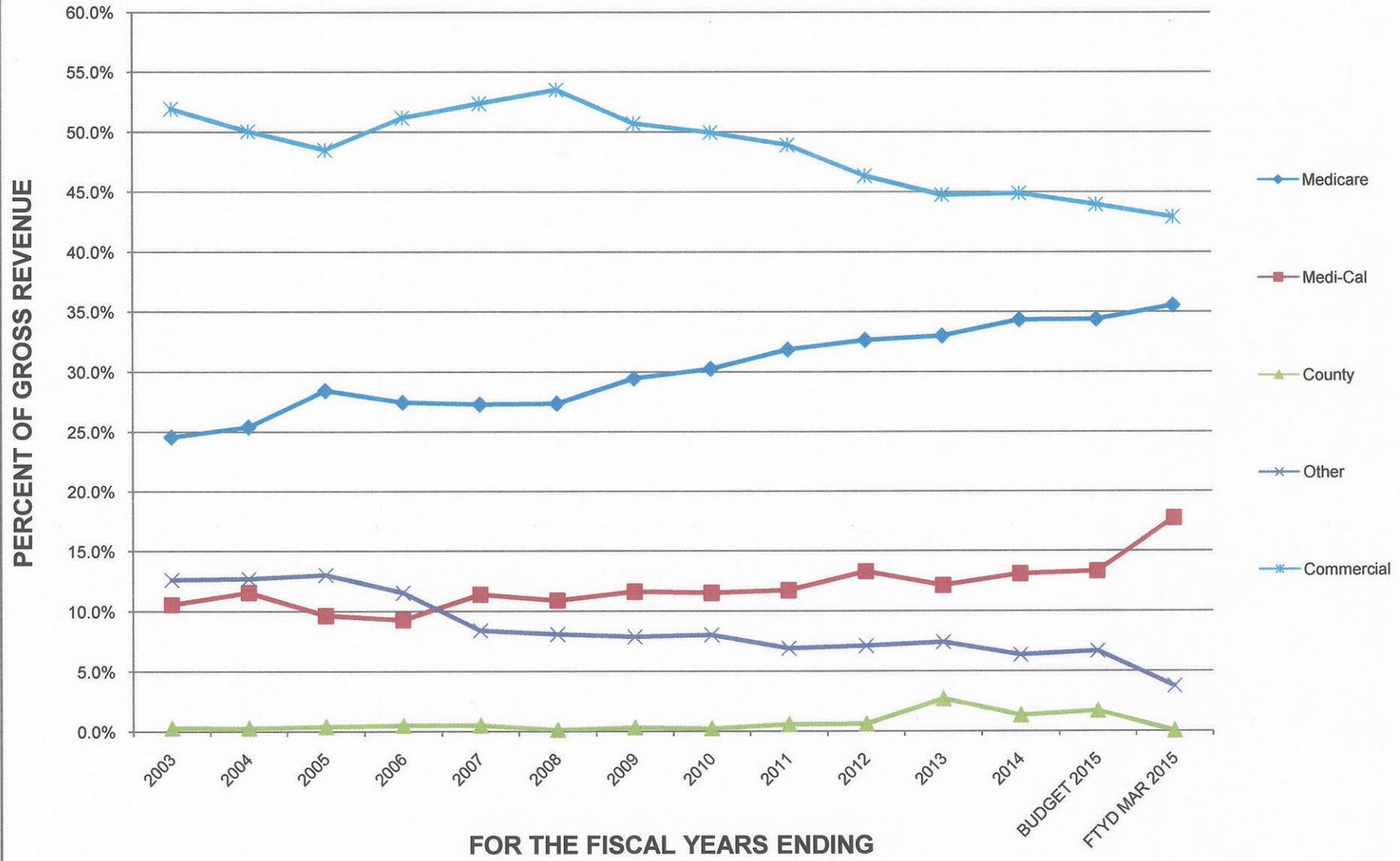
## Total Quarterly Percent of Gross Revenue by Payor



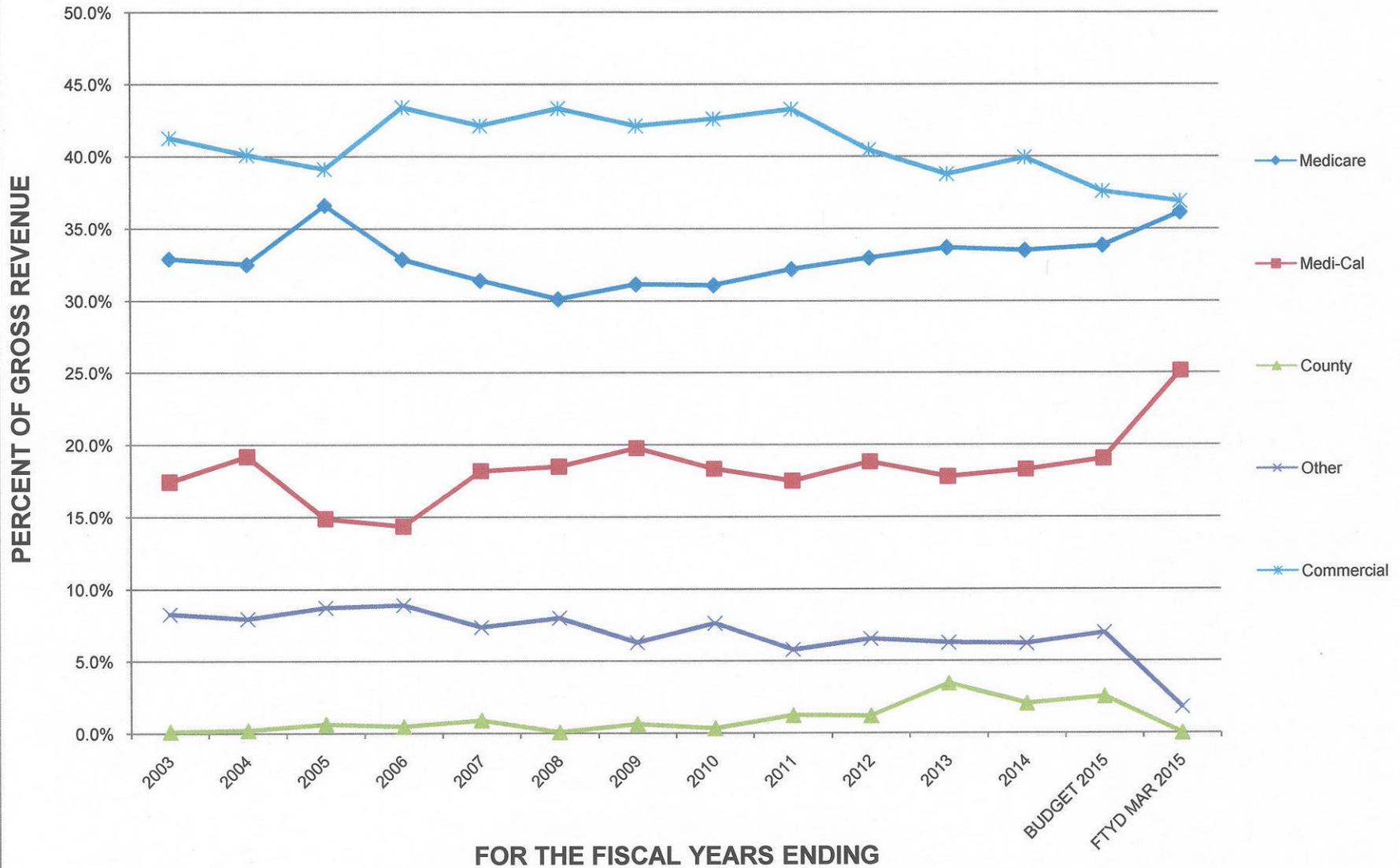
# Total Quarterly Percent of Gross Revenue By Payor by Fiscal Year



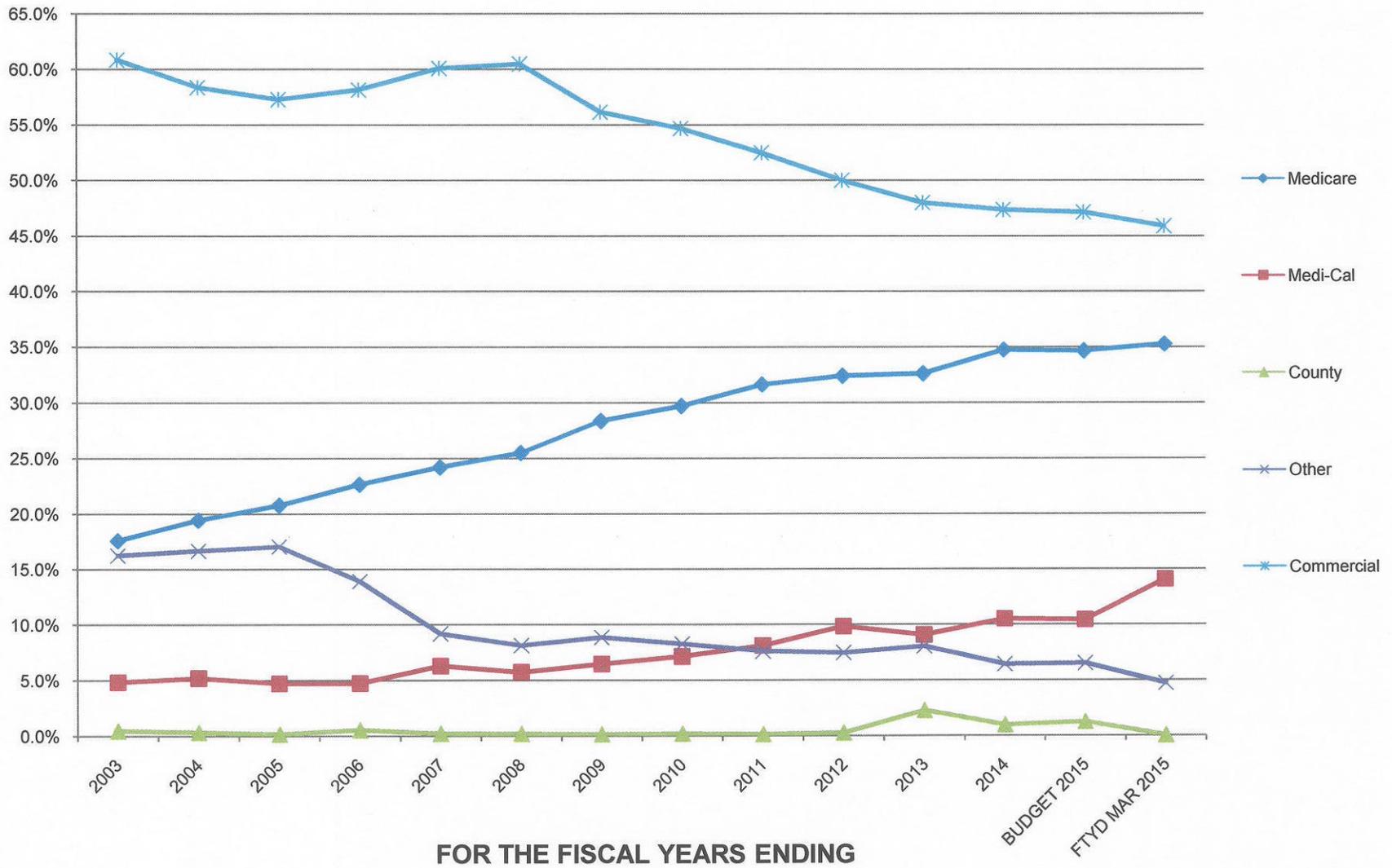
## GROSS REVENUE PAYOR MIX TRENDING



# INPATIENT REVENUE PAYOR MIX TRENDING



# OUTPATIENT REVENUE PAYOR MIX TRENDING



**TAHOE INSTITUTE FOR RURAL HEALTH RESEARCH  
EXPENDITURE REPORT**

	AS OF MARCH 31, 2015				ACTUAL	ACTUAL	ACTUAL	ACTUAL
	ACTUAL	BUDGET	VAR\$	VAR%	FY2014	FY2013	FY2012	FY2011
<b>OPERATING EXPENSES</b>								
Salaries and Wages	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 16,518	\$ 22,142	\$ 20,860
Benefits	-	-	-	0.0%	-	7,550	5,586	5,372
Benefits Workers Compensation	-	-	-	0.0%	-	551	350	531
Benefits Medical Insurance	-	-	-	0.0%	-	3,662	4,317	2,752
Professional Fees	315,367	232,500	(82,867)	-35.6%	524,544	297,311	161,339	78,688
Supplies	2,108	15,014	12,905	86.0%	28,462	5,806	1,059	1,961
Purchased Services	13,395	37,500	24,105	64.3%	18,868	2,600	1,500	-
Other	98,566	4,350	(94,216)	-2165.9%	160,597	230,932	104,828	4,730
Interest Expense	67,425	68,826	1,401	2.0%	61,147	32,059	13,351	2,490
<b>TOTAL OPERATING EXPENSE</b>	<b>\$ 496,861</b>	<b>\$ 358,190</b>	<b>\$ (138,671)</b>	<b>-38.7%</b>	<b>\$ 793,618</b>	<b>\$ 596,989</b>	<b>\$ 314,471</b>	<b>\$ 117,384</b>
<b>GRANT REIMBURSEMENT FOR TBI EXPENSES</b>	<b>\$ (74,349)</b>				<b>\$ (112,424)</b>	<b>\$ (21,987)</b>	<b>\$ (23,624)</b>	<b>\$ (1,250)</b>
<b>TOTAL FUNDS ADVANCED TO TIRHR</b>	<b>(422,512)</b>	<b>(358,190)</b>	<b>138,671</b>	<b>-38.7%</b>	<b>(681,194)</b>	<b>(575,002)</b>	<b>(290,847)</b>	<b>(116,134)</b>
	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CUMULATIVE:**

Letter of Credit	\$ 2,000,000 N1
FY2011 Actual Draw Against Letter of Credit	(113,644)
FY2012 Actual Draw Against Letter of Credit	(277,496)
FY2013 Actual Draw Against Letter of Credit	(542,943)
FY2014 Actual Draw Against Letter of Credit	(620,047)
FY2015 Actual Draw Against Letter of Credit	(355,087)
<b>Balance on Letter of Credit</b>	<u>\$ 90,783</u>

**N1: Draws against the Letter of Credit are exclusive of  
Accrued Interest Expense**

TAHOE FOREST HOSPITAL DISTRICT  
TOTAL FTE SUMMARY - HISTORICAL TREND  
BUDGET FY 2016

Dept #	Dept Name	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	BUDGET FY 2015	FYTD 2015	BUDGET FY 2016	BUDGET FY 2016 vs ACTUAL FY 2015	BUDGET FY 2016 vs BUDGET FY 2015
16010	ICU	13.29	12.93	12.07	11.95	12.01	12.26	11.91	11.04	-0.87	-1.22
16170	Med Surg	21.55	22.80	22.47	23.84	23.21	23.44	23.97	23.30	-0.67	-0.14
17010	Emergency Room	17.17	18.21	17.32	17.53	18.66	16.41	18.64	15.51	-3.13	-0.90
17040	Ambulance RN	0.01	0.01	0.01	0.02	0.00	0.00	0.00	0.00	0.00	0.00
17070	Perinatal	0.91	0.91	0.85	0.78	0.86	0.80	0.83	0.80	-0.03	0.00
17071	Perinatal March of Dimes	0.01	0.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17072	Diabetic Center	0.08	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17400	Labor and Delivery	15.05	15.26	14.55	20.43	17.34	17.17	17.23	17.01	-0.22	-0.16
17420	Surgery	13.86	14.49	14.17	15.70	15.33	14.62	16.69	18.54	1.85	3.92
17428	Pain Clinic	0.61	0.57	0.44	0.27	0.38	0.40	0.37	0.55	0.18	0.15
17429	SPD	5.91	5.77	5.64	5.12	6.05	6.11	6.09	6.25	0.16	0.14
17430	PAAS	9.38	10.05	10.29	11.13	10.88	9.99	10.93	9.77	-1.16	-0.22
17450	Anesthesia	0.00	0.08	0.56	0.52	0.52	0.58	0.06	0.00	-0.06	-0.58
17760	Gastro-Intestinal Services	3.86	3.41	3.18	2.42	3.87	3.80	3.63	4.33	0.70	0.53
17500	Laboratory	18.69	19.35	18.00	20.06	21.37	20.62	20.83	22.53	1.70	1.91
17593	Cardiac Rehab	0.71	0.74	0.69	0.61	0.72	0.62	0.70	0.60	-0.10	-0.02
17595	Pulmonary Rehab	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17630	Diagnostic Imaging	12.80	13.11	14.75	14.75	13.30	13.13	13.61	13.65	0.04	0.52
17632	Womens Imaging Center	3.20	3.95	2.86	2.27	3.13	3.19	3.24	2.58	-0.66	-0.61
17633	MOB Diagnostic Imaging	0.19	0.09	0.00	1.54	1.05	1.00	0.94	1.28	0.34	0.28
17650	Nuc Med	0.98	1.00	0.98	1.52	1.42	1.00	1.16	1.00	-0.16	0.00
17660	MRI	1.92	1.94	1.82	1.79	1.96	1.89	1.92	1.95	0.03	0.06
17670	Ultrasound	2.14	2.41	2.56	3.04	2.76	2.54	2.42	2.29	-0.13	-0.25
17672	Briner Imaging	0.88	0.83	0.81	0.87	0.89	1.05	0.99	1.23	0.24	0.18
17680	CT	2.06	2.19	1.78	3.02	2.72	2.50	2.63	2.95	0.32	0.45
17685	PET CT	0.00	0.00	0.00	0.00	0.00	0.40	0.33	0.40	0.07	0.00
17720	Respiratory Therapy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.43	7.43	7.43
17875	TC Lab Clinic	0.88	0.93	0.92	0.91	0.85	0.80	0.91	0.75	-0.16	-0.05
17876	Ski Aid - Sugar Bowl	0.54	0.39	0.50	0.00	0.46	0.36	0.41	0.35	-0.06	-0.01
17877	Ski Aid - Boreal	0.45	0.37	0.50	0.00	0.43	0.35	0.38	0.35	-0.03	0.00
18280	Ski Aid -Alpine	0.58	0.37	0.51	0.00	0.44	0.37	0.38	0.35	-0.03	-0.02
18240	Medical Post Graduate Education	0.40	0.20	0.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18340	Dietary	24.83	25.96	24.52	28.15	27.93	26.45	29.79	31.61	1.82	5.16
18390	Pharmacy Overhead	7.06	7.92	7.94	10.06	8.89	9.85	8.73	9.13	0.40	-0.72
18400	Materials Management	7.50	7.94	8.34	8.82	9.34	9.01	9.56	8.99	-0.57	-0.02
18440	Housekeeping	19.06	19.08	19.11	22.19	21.46	21.04	22.70	20.90	-1.80	-0.14
18460	Engineering	7.07	8.39	8.60	10.28	10.03	10.81	9.89	10.60	0.71	-0.21
18470	Communications	0.00	0.00	0.00	1.77	1.23	1.70	0.00	0.00	0.00	-1.70
18480	MIS	17.85	21.52	18.03	16.62	17.82	18.63	17.69	21.70	4.01	3.07
18510	Accounting	5.01	5.52	5.61	5.91	5.93	6.62	6.63	6.99	0.36	0.37
18530	Business Services	22.13	21.46	20.09	23.44	23.53	24.21	22.29	22.98	0.69	-1.23
18560	Admitting & Communication	19.82	20.14	19.57	21.26	21.41	20.65	22.84	25.35	2.51	4.70
18590	Financial Administration	1.94	1.00	0.98	1.00	1.00	1.00	1.00	1.00	0.00	0.00
18591	Revenue Cycle	0.00	2.60	1.90	1.01	0.92	1.50	0.99	4.00	3.01	2.50
18610	Administration	3.70	3.75	3.69	3.83	4.07	4.00	4.82	4.00	-0.82	0.00
18612	Corporate Compliance	0.00	0.00	0.00	0.00	0.16	2.00	0.96	0.00	-0.96	-2.00
18616	Star Program	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18620	Board of Directors	0.09	0.10	0.10	0.10	0.10	0.15	0.11	0.15	0.04	0.00
18630	Community Relations/Marketing	1.92	1.83	1.72	2.00	2.00	2.00	2.00	2.00	0.00	0.00
18632	Community Development	0.94	0.97	0.93	1.00	1.00	1.00	1.00	1.00	0.00	0.00
18650	Human Resources	5.85	5.24	3.74	4.65	4.04	4.05	3.88	5.14	1.26	1.09
18651	Education	2.02	1.85	1.95	2.06	2.00	2.00	1.57	1.60	0.03	-0.40
18662	Infection Control/Employee Health	1.27	1.38	1.19	1.06	1.21	1.25	1.18	1.26	0.08	0.01
18700	Med Records	8.42	8.09	7.39	7.64	8.49	8.86	8.64	7.80	-0.84	-1.06
18710	Medical Staff	1.54	1.61	1.65	2.80	2.97	3.00	3.58	4.00	0.42	1.00
18720	Nursing Administration	8.13	9.31	10.67	10.00	11.48	11.77	12.69	13.74	1.05	1.97
18740	Quality	3.87	3.98	3.54	5.15	5.80	5.00	4.81	3.78	-1.03	-1.22
18750	Nursing Case Management	2.35	2.37	2.40	2.60	2.91	3.41	3.88	5.41	1.53	2.00
18751	Community Case Management	0.08	0.03	0.12	0.16	0.15	0.15	0.09	0.00	-0.09	-0.15
18752	Quality Assurance/Customer Service	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00
18771	Community Wellness	0.66	0.64	0.89	0.86	0.66	0.67	0.58	0.53	-0.05	-0.14
18777	Emergency Preparedness	0.36	0.38	0.40	0.11	0.29	0.25	0.21	0.30	0.09	0.05
18795	Managed Care	0.04	0.03	0.60	0.73	0.74	0.50	0.30	0.50	0.20	0.00
<b>TOTAL TFH</b>		<b>319.83</b>	<b>335.76</b>	<b>324.09</b>	<b>355.35</b>	<b>358.19</b>	<b>356.93</b>	<b>363.61</b>	<b>381.25</b>	<b>17.64</b>	<b>24.32</b>

TAHOE FOREST HOSPITAL DISTRICT  
TOTAL FTE SUMMARY - HISTORICAL TREND  
BUDGET FY 2016

Dept #	Dept Name	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	BUDGET FY 2015	FYTD 2015	BUDGET FY 2016	BUDGET FY 2016 vs ACTUAL FY 2015	BUDGET FY 2016 vs BUDGET FY 2015
26170	Med-Surg	4.32	4.42	4.80	4.56	4.86	4.62	5.52	4.60	-0.92	-0.02
27010	Emergency Room	6.90	7.61	5.96	6.48	6.87	6.90	6.44	6.88	0.44	-0.02
27420	Surgery	1.84	2.07	2.01	1.90	1.61	1.50	0.69	0.13	-0.56	-1.37
27428	Pain Clinic	0.19	0.16	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27429	SPD	0.20	0.25	0.29	0.17	0.11	0.10	0.11	0.00	-0.11	-0.10
27430	PAAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27500	Lab	4.03	4.00	3.92	3.99	4.54	4.37	4.70	4.06	-0.64	-0.31
27630	Diagnostic Imaging	2.05	1.46	1.57	1.73	1.79	1.77	1.89	1.34	-0.55	-0.43
27680	Cat Scan	1.01	1.74	1.29	1.11	1.15	1.15	1.15	1.20	0.05	0.05
28282	Diamond Ski Aid	0.00	0.00	0.17	0.00	0.13	0.20	0.19	0.20	0.01	0.00
28340	Dietary	0.91	0.89	0.81	0.89	0.77	0.75	0.73	0.75	0.02	0.00
28390	Pharmacy Overhead	0.10	0.07	0.09	0.28	0.10	0.14	0.12	0.13	0.01	-0.01
28440	EVS	2.09	2.17	1.87	2.04	2.95	2.92	2.98	2.92	-0.06	0.00
28460	Engineering	0.54	0.00	0.00	0.00	0.34	0.30	0.39	0.40	0.01	0.10
28560	Admitting	4.73	5.12	4.49	5.52	5.64	5.29	4.44	5.10	0.66	-0.19
28610	Administration	2.95	1.09	0.99	1.00	1.46	1.60	1.62	1.69	0.07	0.09
28700	Medical Records	0.42	0.41	0.36	0.45	0.47	0.50	0.43	1.35	0.92	0.85
28720	Nursing Administration	0.00	0.99	1.07	0.50	0.50	0.50	0.48	0.00	-0.48	-0.50
<b>TOTAL IVCH</b>		<b>32.28</b>	<b>32.45</b>	<b>29.79</b>	<b>30.62</b>	<b>33.29</b>	<b>32.61</b>	<b>31.88</b>	<b>30.75</b>	<b>-1.13</b>	<b>-1.86</b>
<b>TOTAL SKILLED NURSING FACILITY</b>		<b>30.42</b>	<b>31.25</b>	<b>29.92</b>	<b>33.55</b>	<b>30.07</b>	<b>28.22</b>	<b>29.83</b>	<b>27.40</b>	<b>-2.43</b>	<b>-0.82</b>
<b>TOTAL HOME HEALTH</b>		<b>7.64</b>	<b>7.19</b>	<b>6.43</b>	<b>7.35</b>	<b>6.46</b>	<b>6.43</b>	<b>6.84</b>	<b>5.95</b>	<b>-0.89</b>	<b>-0.48</b>
17310	Hospice	8.19	8.44	7.49	9.17	5.89	6.94	4.99	5.65	0.66	-1.29
18618	Thrift Store Truckee	4.66	5.02	4.87	5.77	5.07	5.01	5.31	6.40	1.09	1.39
18619	Thrift Store Kings Beach	2.02	2.38	2.07	2.18	2.03	2.20	2.08	1.00	-1.08	-1.20
<b>TOTAL HOSPICE AND THRIFT</b>		<b>14.87</b>	<b>15.84</b>	<b>14.43</b>	<b>17.12</b>	<b>12.99</b>	<b>14.15</b>	<b>12.38</b>	<b>13.05</b>	<b>0.67</b>	<b>-1.10</b>
17181	Oncology Lab	0.95	1.18	1.09	1.16	1.14	1.00	1.08	1.00	-0.08	0.00
17641	Oncology	9.24	10.80	11.12	18.35	18.22	14.38	18.12	18.12	0.00	3.74
17642	Radiation Oncology	0.00	0.00	0.00	5.03	4.31	8.05	4.67	3.00	-1.67	-5.05
<b>TOTAL ONCOLOGY PROGRAM</b>		<b>10.19</b>	<b>11.98</b>	<b>12.21</b>	<b>24.54</b>	<b>23.67</b>	<b>23.43</b>	<b>23.87</b>	<b>22.12</b>	<b>-1.75</b>	<b>-1.31</b>
17085	TFH Clinic	3.75	3.92	3.77	4.27	4.14	3.85	4.75	5.01	0.26	1.16
27085	IVCH Clinic	0.00	0.26	0.30	0.96	1.16	1.33	1.41	1.80	0.39	0.47
18660	Occ Health	1.25	1.35	1.27	2.05	2.23	2.02	1.88	1.76	-0.12	-0.26
18664	Lab Draw MOB	0.70	0.70	0.65	0.68	0.72	1.00	0.70	0.70	0.00	-0.30
19514	Placer County	0.07	0.08	0.03	0.13	0.03	0.05	0.00	0.00	0.00	-0.05
<b>TOTAL OCC HEALTH/MEDI-CAL CLINIC</b>		<b>5.77</b>	<b>6.31</b>	<b>6.02</b>	<b>8.09</b>	<b>8.28</b>	<b>8.25</b>	<b>8.74</b>	<b>9.27</b>	<b>0.53</b>	<b>1.02</b>
<b>TOTAL CHILDCARE CENTER</b>		<b>10.78</b>	<b>11.57</b>	<b>11.53</b>	<b>12.07</b>	<b>12.04</b>	<b>12.25</b>	<b>11.73</b>	<b>12.00</b>	<b>0.27</b>	<b>-0.25</b>
17075	MSC - OB/GYN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18715	MSC - Administration	5.90	7.32	7.73	9.53	11.26	12.75	10.02	5.60	-4.42	-7.15
18532	MSC - Business Office	8.91	10.13	7.51	9.11	8.10	8.30	7.10	8.01	0.91	-0.29
17801	MSC - Audiology - Gateway	0.00	0.00	0.25	0.26	0.27	0.30	0.26	0.00	-0.26	-0.30
19513	MSC - ENT/Allergy - MOB Suite	2.85	3.86	4.18	4.55	4.21	4.30	3.20	4.00	0.80	-0.30
19518	MSC - Surgery, General	0.00	0.00	0.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19521	MSC - Int Med/Pulmonology - MOB Suite	4.43	5.54	5.70	5.46	6.19	6.30	6.03	6.00	-0.03	-0.30
19524	MSC - Int Med - Mt. Medical Center	2.29	2.67	2.36	3.47	1.77	0.00	0.00	0.00	0.00	0.00
19525	MSC - Int Med/Cardiology - Gateway	5.22	6.00	9.37	8.42	10.23	13.25	13.52	12.50	-1.02	-0.75
19529	MSC - Urology	0.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19530	MSC - Orthopedics	0.20	0.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19534	MSC - Pediatrics	0.00	7.85	8.82	9.50	9.25	10.30	9.57	12.20	2.63	1.90
29523	MSC - IVCH Int Med/Pediatrics	1.61	1.70	1.53	2.73	2.87	3.10	2.90	1.80	-1.10	-1.30
29532	MSC - Urology	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
59194	MSC - Sports Medicine - Winans	0.56	1.10	1.20	1.24	1.38	1.60	1.86	1.90	0.04	0.30
<b>TOTAL MULTI-SPECIALTY CLINIC SERVICES</b>		<b>32.54</b>	<b>46.26</b>	<b>48.97</b>	<b>54.27</b>	<b>55.53</b>	<b>60.20</b>	<b>54.46</b>	<b>52.01</b>	<b>-2.45</b>	<b>-8.19</b>
<b>TOTAL RETAIL PHARMACY</b>		<b>4.72</b>	<b>4.79</b>	<b>4.67</b>	<b>5.59</b>	<b>5.30</b>	<b>4.47</b>	<b>4.39</b>	<b>4.65</b>	<b>-0.94</b>	<b>0.18</b>

TAHOE FOREST HOSPITAL DISTRICT  
TOTAL FTE SUMMARY - HISTORICAL TREND  
BUDGET FY 2016

Dept #	Dept Name	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	BUDGET FY 2015	FYTD 2015	BUDGET FY 2016	BUDGET FY 2016 vs ACTUAL FY 2015	BUDGET FY 2016 vs BUDGET FY 2015
18615	TFH Foundation	1.94	1.76	2.72	3.71	3.03	3.01	2.78	3.00	0.22	-0.01
28615	IVCH Foundation	0.73	1.00	0.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL FOUNDATIONS</b>		<b>2.67</b>	<b>2.76</b>	<b>3.21</b>	<b>3.71</b>	<b>3.03</b>	<b>3.01</b>	<b>2.78</b>	<b>3.00</b>	<b>0.22</b>	<b>-0.01</b>
<b>TOTAL VOLUNTEERS</b>		<b>0.36</b>	<b>0.37</b>	<b>0.37</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>	<b>0.43</b>	<b>0.45</b>	<b>0.02</b>	<b>0.00</b>
<b>TOTAL CENTER OPERATIONS</b>		<b>6.91</b>	<b>6.56</b>	<b>4.24</b>	<b>0.37</b>	<b>0.49</b>	<b>0.40</b>	<b>0.56</b>	<b>0.40</b>	<b>-0.16</b>	<b>0.00</b>
18010	Tahoe Institute for Rural Health Research	0.00	0.20	0.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18011	HRSA Grant	0.00	0.00	0.66	1.17	0.00	0.00	0.00	0.00	0.00	0.00
18633	Wellness Neighbor	0.00	0.00	0.00	0.16	0.30	0.20	1.28	1.85	0.57	1.65
18595	Innovation Fund	0.96	0.00	0.00	0.90	0.19	0.00	0.00	0.00	0.00	0.00
18215	Baldrige/Process Improvement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18216	Magnet Program	0.03	0.04	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18220	Systems Performance	0.04	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL INITIATIVE PROGRAMS</b>		<b>1.03</b>	<b>0.28</b>	<b>0.97</b>	<b>2.23</b>	<b>0.49</b>	<b>0.20</b>	<b>1.28</b>	<b>1.85</b>	<b>0.57</b>	<b>1.65</b>
18492	CPSI Conversion	0.00	0.00	1.54	1.91	0.25	2.13	2.43	0.00	-2.43	-2.13
18493	EPIC Conversion	0.00	0.00	1.15	2.10	0.21	0.00	0.00	0.00	0.00	0.00
18494	T-Systems Conversion	0.00	0.00	1.50	0.84	0.15	0.00	0.00	0.00	0.00	0.00
18495	System Upgrade	0.68	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18465	Measure C	0.00	0.98	0.96	1.00	0.86	1.00	0.60	0.00	-0.60	-1.00
<b>TOTAL CAPITALIZED LABOR</b>		<b>0.68</b>	<b>1.05</b>	<b>5.15</b>	<b>5.85</b>	<b>1.47</b>	<b>3.13</b>	<b>3.03</b>	<b>0.00</b>	<b>-3.03</b>	<b>-3.13</b>
<b>GRAND TOTAL TFHD</b>		<b>480.69</b>	<b>514.42</b>	<b>502.00</b>	<b>561.16</b>	<b>551.75</b>	<b>554.13</b>	<b>555.81</b>	<b>564.15</b>	<b>8.34</b>	<b>10.02</b>

# RatingsDirect®

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## Tahoe Forest Hospital District, California; Hospital

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# Tahoe Forest Hospital District, California; Hospital

## Credit Profile

### Series 2006

Long Term Rating

BBB-/Negative

Outlook Revised

## Rationale

Standard & Poor's Ratings Services revised its outlook to negative from stable and affirmed its 'BBB-' long-term rating on Tahoe Forest Hospital District (TFHD), Calif.'s series 2006 revenue bonds.

The outlook revision reflects our view of TFHD's weakened financial performance, including depressed cash flow that has persisted since fiscal 2013, due to factors such as lower volumes and increased expenses related to revenue cycle process improvement projects and electronic health record (EHR) investments. We assessed TFHD's enterprise profile as adequate, characterized by a vulnerable service area that, despite good income characteristics, is small in size and susceptible to volume fluctuations driven by seasonal variability. Specifically, the limited snowfall in recent years has depressed activity at area ski resorts, which has in turn affected TFHD's volumes. We also assessed TFHD's financial profile as adequate, driven by its thin margins and high debt load. Also contributing to the rating and outlook is TFHD's limited revenue base, but also its sizable tax support, which secures a large portion of the district's long-term debt outstanding. Combined, we think these factors lead to an indicative rating of 'bbb-' and a final rating of 'BBB-'.

More specifically, the rating reflects our view of:

- TFHD's very thin financial performance, with recent operating losses and lower cash flow resulting in depressed maximum annual debt service (MADS) coverage compared with prior years;
- TFHD's high concentration of admissions among its top 10 admitting physicians;
- The district's elevated debt load, with high debt to capitalization and a high debt burden (including revenue bonds; general obligation, or GO, bonds; and capital leases);
- TFHD's small primary service area (PSA) population, resulting in a limited revenue base; and
- The inherent risks associated with leadership turnover, as since January 2015 TFHD has experienced the departures of its long-time CEO and the interim CEO.

Partly mitigating factors supporting the rating include our view of TFHD's:

- Considerable tax support in the form of levies for GO bonds and operations;
- Fair market share, capturing 60% of its PSA;
- Good unrestricted reserves in terms of days' cash on hand; and
- Sizable recent investments resulting in a fairly young average age of plant.

At Jan. 31, 2015, TFHD had about \$132 million of long-term debt outstanding, including about \$98 million in GO debt and \$34 million in revenue bonds and capital leases. The revenue bonds are secured by TFHD's revenues while the

GO bonds are secured by ad valorem taxes levied on properties located within the district. If tax revenues are insufficient to repay the GO bonds, the district is still legally required to pay the bonds. We understand that the district recently completed a refinancing of its series 2008 GO bonds and is currently evaluating a refinancing of the series 2006 revenue bonds. The 'BBB-' rating reflects our view of TFHD's group credit profile (GCP) and the obligated group's "core" status. Accordingly, we rate the bonds at the same level as the GCP.

## Outlook

The negative outlook reflects our view of TFHD's thin financial performance that has been sustained at a level we consider weak for an extended period, including the last two audited years and the year-to-date period. A lower rating is possible in the one- to two-year outlook period if operations do not improve.

### Downside scenario

We could lower the rating within the outlook period if operating margins and cash flow do not improve substantially. Similarly, deterioration in current balance sheet metrics would likely prompt a lower rating as well.

### Upside scenario

We would consider revising the outlook back to stable if TFHD shows a sustained improvement in margins, including positive operating margins and much more robust cash flow. Also, completion of remaining capital projects within budget while at least maintaining current balance sheet metrics will be important factors. Furthermore, we believe stability with a permanent CEO placement will contribute to a return to a stable outlook.

## Enterprise Profile

### Industry risk

Industry risk addresses the health care sector's overall cyclical and competitive risk and growth by applying various stress scenarios and evaluating barriers to entry; the level and trend of industry profit margins; risk from secular change and substitution of products, services, and technologies; and risk in growth trends. We believe the health care services industry represents an intermediate credit risk when compared to other industries and sectors.

### Economic fundamentals

TFHD's PSA population is small, at roughly 40,000 residents. Due to seasonal influxes of nearby resort visitors, the population can jump to more than 70,000 in the summer and winter. Due to the district's location in the Sierras near several large ski resorts, weather and road conditions can impact patient volumes. Unusually low snowfall during recent years has contributed to TFHD's lower volumes. We consider the small service area population and susceptibility to lower tourism driven by weather as vulnerabilities of the enterprise profile because these respective factors inherently result in a smaller pool of patients and can result in volume fluctuations.

### Market position

TFHD operates Tahoe Forest Hospital (62 beds, 37 of which are skilled nursing) and the four-bed Incline Village Community Hospital, in Incline Village, Nev., about 18 miles southeast of Tahoe Forest Hospital. Located 15 miles northwest of Lake Tahoe, in Truckee, Calif., Tahoe Forest is the only acute-care hospital within TFHD's boundaries.

The health facilities are critical-access hospitals, which provide cost-based reimbursement for Medicare purposes.

According to management, TFHD has a 60% market share in its PSA, a level we consider adequate, but does indicate that there is fairly sizable outmigration. Outmigration occurs for tertiary services, such as neonatology and invasive cardiology, to Renown Health and St. Mary's Regional Medical Center, part of Prime Healthcare Services; both hospitals are located 35 miles northeast, in Reno, Nev.

TFHD has focused on growing its service lines, like oncology. In recent years, TFHD has become a part of the University of California-Davis Cancer Care Network, and management reports that oncology and associated ancillary volumes in both medical and radiation oncology have grown.

We consider TFHD's physician base, with an active medical staff of 58, relatively small. The top 10 admitting physicians account for 58% of admissions, which we consider high and an additional vulnerability, but this elevated percentage is typical for a small hospital.

TFHD's payer mix has deteriorated somewhat in recent years, with a lower percentage of commercial payers. Nevertheless, the district still enjoys a payer mix we consider favorable, which is partly due to the above-average wealth levels of its broader service area. Commercial payers account for 60% of net revenues. Medicare and Medicaid payers have increased, and they account for 29% and 10% of net revenues, respectively.

### Management and governance

TFHD's long-time CEO left the organization in January 2015 after serving the organization for 12 years. His successor was the former chief operating officer, who had served in that role for five years before taking on the role of interim CEO effective Jan. 28, 2015. However, this individual left TFHD in April 2015, resulting in the placement of a second interim CEO in the span of the first quarter of the year. The current interim CEO is the organization's previous chief information officer and is expected to serve in the role while TFHD conducts a national search for a replacement. In our view, the instability in the CEO position is a negative factor, particularly at a time when the health care landscape is evolving and as the organization is experiencing weaker-than-historical operating performance.

**Table 1**

Tahoe Forest Hospital District		<u>Fiscal year ended June 30,</u>			
Selected financial statistics	<b>Seven-month interim ended Jan. 31, 2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	
<b>Enterprise profile</b>					
PSA population	N.A.	40,000	N.A.	N.A.	
PSA market share %	N.A.	60.0	N.A.	N.A.	
Inpatient admissions	N.A.	1,658	1,705	1,716	
Equivalent inpatient admissions	N.A.	N.A.	N.A.	N.A.	
Emergency visits	N.A.	16,264	16,324	15,510	
Inpatient surgeries	N.A.	845	774	697	
Outpatient surgeries	N.A.	1,093	1,132	1,250	
Medicare case mix index	N.A.	N.A.	N.A.	N.A.	
FTE employees	N.A.	N.A.	N.A.	N.A.	
Active physicians	N.A.	58	N.A.	N.A.	

Table 1

Tahoe Forest Hospital District (cont.)				
Top 10 physicians admissions %	N.A.	58.0	N.A.	N.A.
Based on net/gross revenues	Net	Net	Net	Net
Medicare %	29.0	27.0	N.A.	N.A.
Medicaid %	10.0	8.0	N.A.	N.A.
Commercial/blues %	60.0	62.0	N.A.	N.A.

N.A.: Not available. Inpatient admissions exclude Newborns, Psychiatric, and Rehabilitation admissions.

## Financial Profile

### Financial policies

We assess TFHD's financial policies as neutral, which reflects our opinion that financial reporting, investment allocation and liquidity, debt profile, contingent liabilities, and legal structure are appropriate for an organization of its type and size and are not likely to negatively impact the organization's future ability to pay debt service. During the past year, the district caught up on previously delinquent public filings required under its bond continuing disclosure agreements. We view the improved disclosure favorably.

### Financial performance

TFHD's financial performance has weakened considerably since fiscal 2013, when it posted just above break-even results from operations. Financial performance weakened further in fiscal 2014 and year to date in fiscal 2015 in part due to increased depreciation expense and interest expense. However, underlying operations are also much weaker due to factors including lower volumes and higher costs associated with EHR investments, ICD-10 preparation, and revenue cycle process improvement projects.

Our financial performance metrics (including MADS coverage) include TFHD's interest expense associated with both its revenue and GO bonds. Similarly, our analysis includes the tax revenues that TFHD receives. In addition to tax revenue related to its GO debt service, TFHD also receives other tax revenue that can be used for operational purposes. We consider this tax support a credit strength, but believe that TFHD should generate better cash flow given this added revenue source, as it has done in the past. Although improved through the year-to-date period, financial performance is very weak, with a negative 0.3% operating margin and a sufficient EBIDA margin of just below 11%. During the past two years, total tax support was \$9.6 million and \$10.7 million, respectively.

The district's MADS coverage is, in our opinion, very thin. We have evaluated the district's total MADS coverage, including all tax revenues, as well as the debt service on all debt, including the GO bonds, revenue bonds, and other long-term liabilities. Our calculation assumes MADS of \$10.6 million (in 2029), inclusive of all of the long-term liabilities, resulting in MADS coverage of 1.25x to nearly 1.40x based on recent performance. We recognize that actual debt service is lower in the next few years, though, which should help actual cash flow.

### Liquidity and financial flexibility

TFHD's unrestricted reserves declined in fiscal 2013 due to some revenue cycle system issues that occurred during TFHD's EHR and other system conversions. These issues drove days in accounts receivable upward. Unrestricted reserves on an absolute basis have grown and stabilized at about \$50 million in fiscal 2014 and as of Jan. 31, 2015.

Days' cash on hand at Jan. 31, 2015, was 145 days, which we consider fairly good. Because of TFHD's sizable debt load, its unrestricted reserves to debt is very thin compared with those of other similarly rated hospitals. However, our rating on TFHD's revenue bonds recognizes the benefit of the tax support that secures roughly 72% of its bonds outstanding. We consider this a differentiating factor compared to other similarly rated hospitals, and we have factored it into our rating.

TFHD is closing in on the completion of its master facility plan, which was a multiyear, \$95 million project funded from GO debt proceeds. Major components of the project that have been completed and brought into service in recent years include the cancer center building, skilled nursing expansion, and central utility plant improvements. The remaining projects include the second phase of the emergency room project, central sterile supply expansion, and upgrading other portions of its older building that will ultimately house dietary, women's, and environmental services. Management estimates that approximately \$15.9 million of the \$95 million master plan remains to be spent. All of the projects are expected to be wrapped up by December 2016.

Aside from the master facility plan projects, the fiscal 2015 budget includes roughly \$10 million of spending including information technology projects and various facility upgrades. Management expects that this will be funded through cash flow, and we understand it has no plans to issue additional new-money revenue or GO debt within the next several years. Given TFHD's fairly elevated continued routine spending, we don't anticipate material growth in balance sheet metrics, especially with recently weaker cash flow.

#### **Debt and contingent liabilities**

TFHD has contingent liability risk exposures from financial instruments with payment provisions that change upon the occurrence of certain events; however, we consider the risk manageable at the current rating level, given that its contingent liabilities are a small portion of total debt and its unrestricted reserves are much higher than its contingent liabilities.

TFHD's contingent liabilities include the series 2002 variable-rate demand bonds (VRDBs; not rated), which are backed by a letter of credit (LOC) provided by US Bank NA. The LOC expires in October 2016.

TFHD is party to one floating-to-fixed swap. The organization entered into the swap agreement in 2005, locking in a fixed rate of 3.54% for the 2002 VRDBs. The floating-to-fixed-rate swap has a notional amount of \$9.6 million (as of April 21, 2015) with Piper Jaffray Financial Products Inc. We understand that the swap has credit support from Morgan Stanley, through a replacement swap undertaking agreement. A swap termination event could occur if TFHD does not maintain a 1.25x debt service coverage ratio. Standard & Poor's calculation of TFHD's debt service coverage differs from that of the district and those defined in its bond documents.

Table 2

Tahoe Forest Hospital District						
	Seven-month interim ended Jan. 31, 2015	Fiscal year ended June 30,			Medians	
		2014	2013	2012	Stand-alone hospital BBB- 2013	Stand-alone hospital speculative grade 2013
<b>Financial profile</b>						
<b>Financial performance*</b>						
Net patient revenue (\$000s)	67,841	107,664	101,567	99,795	175,825	127,829
Total operating revenue (\$000s)	78,372	124,022	118,414	114,554	MNR	MNR
Total operating expenses (\$000s)	78,606	125,658	117,918	107,636	MNR	MNR
Operating income (\$000s)	(234)	(1,636)	496	6,918	MNR	MNR
Operating margin (%)	(0.30)	(1.32)	0.42	6.04	1.00	(2.80)
Net nonoperating income (\$000s)	391	987	1,079	1,079	MNR	MNR
Excess income (\$000s)	157	(649)	1,575	7,997	MNR	MNR
Excess margin (%)	0.20	(0.52)	1.32	6.92	2.50	(0.80)
Operating EBIDA margin (%)	10.39	10.00	10.29	14.29	8.00	4.90
EBIDA margin (%)	10.84	10.71	11.10	15.09	9.20	6.20
Net available for debt service (\$000s)	8,537	13,383	13,262	17,447	17,300	7,951
Maximum annual debt service (\$000s)	10,629	10,629	10,629	10,629	MNR	MNR
Maximum annual debt service coverage (x)	1.38	1.26	1.25	1.64	2.60	1.70
Operating lease-adjusted coverage (x)	N.A.	1.22	1.21	1.53	2.30	1.50
<b>Liquidity and financial flexibility§</b>						
Unrestricted reserves (\$000s)	49,871	51,730	44,548	57,247	59,602	29,122
Unrestricted days' cash on hand	145.2	161.4	146.9	203.5	127.20	95.20
Unrestricted reserves/total long-term debt (%)	37.9	38.7	32.7	53.1	103.10	56.60
Unrestricted reserves/contingent liabilities (%)	521.9	524.4	438.7	548.9	MNR	MNR
Average age of plant (years)	N.A.	10.6	11.4	15.2	11.50	11.60
Capital expenditures/depreciation and amortization (%)	71.0	167.8	253.9	825.5	85.50	81.00
<b>Debt and liabilities§</b>						
Total long-term debt (\$000s)	131,714	133,792	136,087	107,746	MNR	MNR
Long-term debt/capitalization (%)	57.8	58.1	58.5	51.8	37.50	49.80
Contingent liabilities (\$000s)	9,555	9,865	10,155	10,430	MNR	MNR
Contingent liabilities/total long-term debt (%)	7.3	7.4	7.5	9.7	MNR	MNR
Debt burden (%)	7.87	8.50	8.89	9.19	3.70	4.00
Defined benefit plan funded status (%)	N/A	N/A	N/A	N/A	79.40	75.40

**Table 2**

**Tahoe Forest Hospital District (cont.)**

N/A: Not applicable. N.A.: Not available. MNR: Median not reported. \*Income statement metrics cited by Standard & Poor's include interest expense on GO and revenue debt obligations as well as tax revenues; debt service includes GO and revenue bonds. §Balance sheet metrics include GO and revenue bonds.

## Related Criteria And Research

### Related Criteria

- USPF Criteria: U.S. Not-For-Profit Acute-Care Stand-Alone Hospitals, Dec. 15, 2014
- General Criteria: Group Rating Methodology, Nov. 19, 2013
- USPF Criteria: Contingent Liquidity Risks, March 5, 2012
- General Criteria: Methodology: Industry Risk, Nov. 20, 2013

### Related Research

- Glossary: Not-For-Profit Health Care Ratios, Oct. 26, 2011
- U.S. Not-For-Profit Health Care Outlook Remains Negative Despite A Glimmer Of Relief , Dec. 17, 2014
- U.S. Not-For-Profit Health Care Stand-Alone Ratios: Operating Margin Pressure Signals More Stress Ahead, Aug. 13, 2014
- Health Care Providers And Insurers Pursue Value Initiatives Despite Reform Uncertainties, May 9, 2013
- U.S. Not-For-Profit Small Hospitals Turn In Mixed 2012 Median Performance Ratios As The Industry Grapples With Change, Oct. 23, 2013
- Standard & Poor's Assigns Industry Risk Assessments To 38 Nonfinancial Corporate Industries, Nov. 20, 2013
- Health Care Organizations See Integration And Greater Transparency As Prescriptions For Success, May 19, 2014
- U.S. Not-For-Profit Health Care: Competition And Reform Continue To Spur Mergers, Oct. 24, 2014

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**FINANCE COMMITTEE**

**RECOMMENDED AGENDA ITEMS FOR NEXT FINANCE COMMITTEE MEETING**

1. Financial Report – April 2015
2. Quarterly Review Multi-Specialty Clinics
3. Quarterly Review Truckee Surgery Center, LLC
4. 2016 Budget update

**RECOMMENDED DATE(S) AND TIME(S) FOR NEXT FINANCE COMMITTEE MEETING**

- |                                   |                  |
|-----------------------------------|------------------|
| 1. Thursday, May 21 <sup>st</sup> | 2 hrs – 2-4:00pm |
| 2. Friday, May 22 <sup>nd</sup>   | 2 hrs – 9-11am   |

**RECOMMENDED CALENDAR YEAR SCHEDULE FOR REMAINING FINANCE COMMITTEE MEETINGS**

JUNE 2015	Thursday, June 25 <sup>th</sup>
JULY 2015	Thursday, July 23 <sup>rd</sup>
AUGUST 2015	Thursday, August 20 <sup>th</sup>
SEPTEMBER 2015	Wednesday, September 23 <sup>rd</sup>
OCTOBER 2015	Thursday, October 22 <sup>nd</sup>
NOVEMBER 2015	Thursday, November 19 <sup>th</sup>
DECEMBER 2015	Tuesday, December 22 <sup>nd</sup>