



**North Sonoma County Healthcare District
dba Healdsburg District Hospital
Critical Access Hospital Report 2018**

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Section 1: Review of Services -In-Patient

2017 Summary of In-Patient Services

	2017	2018
Patient Days		
ICU (4 beds)	459	779
Acute Care (17 beds)	2,096	1,666
Swing	297	515
Total Patient Days	2,852	2,960
Sub-Acute (17 beds)	4,963	5,483
Admissions		
ICU (4 beds)	105	169
Acute Care (17 beds)	569	478
Swing	62	65
Total Admissions	736	712
Sub-Acute (17 beds)	13	5
Discharges		
ICU (4 beds)	64	124
Acute Care (17 beds)	628	511
Swing	66	64
Total Discharges	758	699
Sub-Acute (17 beds)	13	1
Average Length of Stay		
Acute Care / MS & ICU	3.7 days	3.49
Swing	4.5 days	7.92
ICU	4.37	4.61
Surgery		
Total Surgeries	919	2630

Section 2: Review of Services - Out-Patient

2017 Summary of Out-Patient Services

	2017	2018
Emergency Department		
Visits	8,839	8,621
Admissions from ED	460	588
Admission Rate (percent)	5.2%	6.8%
Radiology		
IP / OP Procedures	7,335	6,567
IP / OP MRI	586	676
IP / OP Ultra Sound	2,553	2,405
IP / OP CT	2,697	2,701
IP / OP Mammogram	1,150	1,119
Total Radiology Procedures	14,321	13,468
Clinical Laboratory		
IP / OP Tests	7,740	6,170
IP / OP Pathology	713	909
IP / OP Blood	148	129
EKG		
IP / OP EKG	1,926	1,817
Respiratory Therapy		
IP / OP Treatments	1,114	1,087
PT/OT/Speech		
IP/OP PT Visits	2,147 / 1,295	3,784
IP / OP OT	1,013 / 778	2,159
IP / OP ST	136/135	389
Total PT/OT/ST	3,926 / 2,208	6,332
Cloverdale PT Visits	3,402	4,995

	2017	2018
Healdsburg PT Visits	7,201	8,483
Wound Care Visits	5,431	4,737
HPG Visits	8,063	8,706
Specialty Visits	1,505	3,518
Occupational Medicine Visits	5,655	3,814
HBH (Behavioral) Visits	2,073	1,777
Women's Clinic Visits	224	424

Section 3: Revenue

Revenue by Payer

Payer	2017	2018
Medicare	49,564,600	\$52,465,000
Medi-Cal	30,743,500	\$33,768,000
HMO/PPO/COMM	25,724,400	\$19,866,000
Self-Pay	2,456,700	\$3,386,000
All Other	1,692,000	\$843,800

Section 4: Review of Key Financial Indicators

- ICU admissions increased by 61%.
- Med-Surg admissions decreased by 16%.
- Swing Bed admissions increased by 5%.

- ICU average length of stay increased from 4.37 days to 4.61 days.
- Med-Surg average length of stay decreased from 3.68 days to 3.49 days.
- Swing Bed average length of stay increased from 4.50 days to 7.92 days.

- Surgeries increased by 186% (From 919 to 2630).

- Clinic visits increased in total by 25 visits (Healdsburg Primary Care, Wound Care, Specialty, BHC, Center for Women's Health, and Occ Med).

- In 2018, there was a negative bottom line of – (\$29,924).

- The balance sheet was stronger overall.

- Gross accounts receivable in 2018 was \$22,738,000. Wrote off old bad debt and had a higher % of collections.

- Total cash collected in 2018 was \$41,478,000.

- Salaries and wages increased by 15% (\$2,916,000). Market basket adjustments were given throughout the year. Benefits increased by 6% (\$566,643) as a result of market basket increases and an increase in worker's comp liability.

- Supply expense increased by \$1,194,000 due to higher surgery volume that required implants.

- Healdsburg District Hospital contracted with CPA firm, RSM (former Mc Gladrey) to perform the annual audit. An unmodified, or clean opinion was issued on the financial statements.

Section 5: Volume and Utilization of Services

A. Capacity

Healdsburg District Hospital has a total of 17 available in-patient / observation beds with 5 beds in suspension. ICU has a total of 4 beds. There are 10 beds available for use as swing beds. Transfer agreements are in place with area hospitals to be able to accept patients if volume exceeds capacity.

B. Volume

Inpatient days (ICU and Med Surg) decreased from 2,096 in 2017 to 2,445 in 2018. This decrease is related to decreased volume in orthopedic surgery. Swing bed volume increased from 297 in 2017 to 515 in 2018. The use of swing beds are being monitored by the CNO and Case Management on a daily basis.

C. Utilization of Services

The average length of stay decreased 3.68 days in 2017 to 3.49 days in 2018.

Case Management, Revenue Cycle Director, and the Chief Nursing Officer (CNO) meet daily to review all patients in ICU and Medical Surgical Units. Length of stay is reviewed and those individuals that have accumulated at least a three day inpatient stay and qualify for Swing status are transferred to this accommodation.

Case Management accomplishments for 2018 include:

- One Manager, two part-time RN case managers, and one medical social worker staff the department. These staff members allow the department to provide optimal and highly proficient discharge planning and utilization review.
- Milliman Care Guidelines (MCG) implemented in 2016 continues to be utilized by the RN case managers. The MCG product purchased by HDH includes Inpatient and Surgical Care, General Recovery Care and Recovery Facility Care guidelines. These guidelines allow for case managers to decipher appropriate admission status for patients and comprehensive utilization review for all patients. The MCG guideline reviews have been sent to all contracted payers, providing information to the payer about appropriate level of care and clinical status of patients.
- MOON (Medicare Outpatient Observation Notice) implementation started on October 1, 2016 per CMS guidelines. RN case managers have ensured that all Medicare patients in observation status have received a thorough explanation of this notice and have assured that the patient has

signed/dated the notice and a copy has been retained in their electronic record.

- The Case Management Department began strategizing and planning for the discharge planning of the homeless patients according to the California Hospital Association required elements.
- Utilization Review Committee has been meeting bi-weekly.

D. Transfers

2018 HDH Emergency Department (ED) Transfers:

In 2018 a total of 255 patients or 2.95% of ED Admissions were transferred from HDH ED to other facilities. This is an equivalent percentage compared to 2017. There were no EMTALA violations related to ED transfers.

Transfers from the Emergency Department to other facilities, which include, but are not limited to, Santa Rosa Memorial Hospital, Sutter Regional Medical Center Santa Rosa, Kaiser Santa Rosa, Oakland Children's and California Pacific Medical Center.

Section 6: Medical Records and Quality / Performance Improvement

A. Medical Records –

A primary focus for Health Information Management (HIM) during calendar year 2018 was enhanced regulatory and facility policy compliance. Of particular note were the efforts toward 100% compliance with hospital medical bylaws, governmental regulatory agency guidelines/requirements and The Joint Commission standards.

Analysis of the current state and establishment of desired metric goals yielded a work plan with two primary areas of improvement opportunity.

1. Post-operative Reports – A goal was established at 98% of post-operative report dictation completed within 24 hours of surgery conclusion. The rate for 2018 was 95.3%. This was a 3% increase from previous year and we continue to push for 98% compliance for 2019.
2. Verbal Orders – Policy and standards state that physician verbal orders should be signed within 48 hours. The compliance rate for 2018 was 87.16%. Year-to-date compliance for 2019 is currently at 94.31%. The push toward 100% compliance with this standard will continue through CY 2019.

Coding audits performed in early 2017 yielded an accuracy rate of less than 90%. As a result all medical coding was outsourced to a firm called Healthcare Coding and Consulting Services (HCCS). Since the change accuracy rates have consistently been in the 96% to 98% range. The coding company was used throughout CY 2018.

B. Electronic Health Record(EHR)

Healdsburg District Hospital met and submitted criteria for Meaningful Use Stage 2 in 2018. Meaningful Use Stage 3 is in process for implementation in 2019. Documentation screens, protocols and order sheets continue to be developed, revised and improved. Electronic Prescribing has been implemented for all patients being discharged. Patient data is available for view, download or transmit through our Patient Portal. Secure messaging with providers outside of the hospital is planned for October, 2019. We are improving our infrastructure with a rebuild of our Data Center routers, switches and cabling, scheduled to be completed by the end of 2019. This will improve the speed of accessing patient data and reduce charting time for clinicians. The Emergency Department Electronic Health Record (EDIS) was upgraded to improve the time it takes to get a patient admitted to the hospital. We built an interface for lab results to be sent directly into the patient's electronic chart in Wound Care (WoundExpert), eliminating the need to scan in paper results into the chart, reducing costs and improving patient care. Peri-Operative Information Management System (PIMS), Picture Archiving and Communication System (PACS), and Point of Issue (POI) were fully implemented and operational in 2016. In 2017, eClinicalWorks (eCW) was optimized in the clinics.

C. Quality/ Performance Improvement

- Monthly reporting by all departments within the organization. The integration of the Healdsburg Physician Group and Women's Health Clinic into the HDH QAPI process to be achieved in 2019.
- Quarterly employee forums achieved.
- Culture of Safety and Employee Engagement surveys completed August, 2018. An evaluation of the findings was performed by the executive leadership team and action for 2019 created October, 2018.
- Developed HCAHPS initiatives focusing on the lowest rated items from our report.
- Outpatient provider CAHPS agreement signed with Press Ganey for data collection and reporting beginning 1st Quarter 2019.
- The 2018 Infection Prevention Plan updated to include high level disinfection, decontamination, handwashing monitoring for all providers, and ISLMs in order to comply with The Joint Commission standards.
- The Joint Commission's 2018 National Patient Safety Goals were monitored by the appropriate department and reported to the Patient Safety Committee, Medicine Committee, and Surgery Committee, Quality Council and to the Board of Directors on a quarterly basis. The newly revised, updated Fall

Prevention Program implementation in February, 2018 was followed by 180 days without an inpatient fall.

D. Compliance

A compliance risk assessment was completed in 2018 and quarterly reporting of identified high risk topics was continued. Work groups were established to construct mitigation plans for all areas of risk. Implementation of the mitigation plans began by the managers of the areas or services involved. Board members are serving on the committee and working alongside staff. A focus on education was added to all regular quarterly committee meetings and will continue into 2019.

E. Risk Management

Optima performed risk assessments onsite for the following departments, the findings for which were provided with recommendations:

- Emergency Department – March, 2018
- Perioperative Services – May, 2018

An Information Systems assessment was requested by Optima and performed by the HDH IT Department and the Risk Management Department in September, 2018. Optima subsequently provided a comparison of electronic medical records platforms between member hospitals. Although no system performed highly, the findings rated EPIC as the highest performing system for patient safety in member hospitals.

Medical Staff Ongoing Peer Review

Peer review for year 2018:

In order to comply with The Joint Commission, Ongoing Professional Practice Evaluation (OPPE) and Focused Professional Practice Evaluation (FPPE) standards, the OPPE and FPPE policy and procedures were revised to convert the two-year re-credentialing process into an ongoing 8-month OPPE process for all medical staff beginning November, 2018. The OPPE requirements apply to all practitioners granted privileges via the medical staff license and privilege renewal process, including allied health practitioners, such as Physician Assistants and Advanced Practice Nurses. OPPE allows HDH to identify professional practice trends that impact the quality and safety of patient care. Focused Professional Practice Evaluation, an ongoing process is performed for proctoring and prospectively, concurrent, and retrospectively on an as needed basis per the Chief of Medical Staff, Quality Review Committee, Medical Executive Committee, and the Board of Directors.

The medical staff peer review process was conducted, and oversight provided, by the physician-chaired Quality Review Committee on a quarterly and as needed basis. Case summaries and findings were provided to the Medical Executive Committee.

Section 7: Survey Readiness and Regulatory Issues

Surveys:

1. DHCS – Department of Health Care Services – D/P SNF Long Term Subacute Medi-Cal Contract Annual Survey (completed April, 2018)
2. Kaiser Contract for Subacute and Acute – Triennial On-Site (completed August, 2016 and due for resurvey August, 2019)
3. Subacute annual CMS Recertification Survey – completed 12/18
4. Subacute annual State Relicensing Survey – completed 12/18
5. Life Safety Survey – Annual (completed January, 2018)
6. Kitchen Survey – Sonoma County Department of Public Health – Biannual (due September, 2018)
7. Pharmacy Compounding Survey – Annual (completed July, 2018)
8. State Relicensing Survey – Triennial – completed November, 2016
9. CMS Validation Survey – completed February, 2017 (due in 2019)

Accreditation:

1. CAH - Joint Commission Accreditation 3 years completed January, 2019.
2. CAH Joint Commission Inter-cycle Monitoring Requirement completed November, 2017
3. Clinical Laboratory Inter-cycle Monitoring Requirement to be completed December, 2018
4. Clinical Laboratory Joint Commission Accreditation due December, 2019.

Section 8: Employee Resources

At the end of 2018, there were 361 active employees. During 2018, there were 136 new hires and 116 separations; and as a result our turnover rate for 2018 was 33.62%. The hospital continues to focus on improving employee turnover, specifically on recruiting and hiring employees that are qualified, a fit with the HDH culture and committed to a long-term career with the hospital. Pre-employment assessments were introduced into the hiring process to help managers improve the quality of their hires. An ongoing major concern is the cost of living in the Healdsburg area that limits the ability to attract and retain qualified, experienced staff in all departments. A second ongoing major concern is the Hospital's established salary ranges in comparison to the three major healthcare systems in Santa Rosa, which also limits the ability to attract and retain qualified, experienced staff in all departments.

In addition to working on recruitment and selection as a way to improve employee turnover, the Hospital also focused on employee engagement. The bi-annual employee engagement survey was conducted and the Hospital achieved a 66% participation rate and engagement indicator of 3.91. Results were shared with managers and employees and action plans were developed to continue to build on strengths and work on employee’s areas of concern.

Section 9: Physician Recruitment and Community Involvement

Healdsburg District Hospital now has five (5) employed physicians and another twelve (12) under contract for specialized services. A physician’s needs assessment was completed for the district that revealed a huge need for primary care. This has been a challenge for HDH to meet this need as everyone is short primary care providers. Currently we are supplementing our needs with the use of mid-level practitioners.

Within the community, we have had an active involvement with our opioid program. Dr. David Anderson (Board Member) has worked closely with Mimi Le, Director of Pharmacy, regarding opioid use and safety within the community. We have placed Fentanyl strip detectors in the Emergency Department that is free to anyone that has this need. Our Pharmacy Department has also secured a medication disposal bin for any person needing to dispose of medications that they no longer need or are outdated. HDH also has a program in place for needle disposal for the community.

A feasibility study of building a new hospital versus retrofitting the current building is being discussed within the community.

HDH participated within the community in their annual FFA parade with a float.

A community needs assessment will be completed in 2019.

Section 10: Strategic Plan

A strategic plan was developed in late 2016 and was approved by the Board in December 2016. Quarterly reports will be presented to the Board. The major areas of focus in the plan include:

1. People	Increase employee engagement; leadership development; timely performance reviews; and reduce employee turnover.
2. Risk / Compliance	Improve contract review process; minimize board involvement; enhance compliance.
3. Quality / Service	Increase HCAHPS scores; Maximize PRIME scores; Successful Joint Commission Survey.

4. Finance	Maintain operating budget; enhance revenue; increase cash collections.
5. Community Service	Enhance community service; Complete community needs assessment.
6. Information Technology	Enable remote access services; Compliance with regulation.
7. Board / Governance	To ensure that the Board fulfills its legal, ethical, and functional responsibilities through adequate governance, policy development, recruitment strategies, training programs, monitoring of Board activities, and evaluation of Board members' performance. Enhance communication, collaboration, and dissemination of information.
8. Strategic Partnerships	Enhance the long-term viability of the organization to provide additional and specialized services to the community that connects care with NSCHD and other organizations. Leverage partnerships for sustainability/expansion.