



Special Meeting of the Budget Hearing

Public Hospital District No. 4, King County

Snoqualmie Valley Hospital

Thursday, November 11, 2021 – 4:30pm

Zoom Link by request

Call In Phone Number: 1-253-215-8782

Meeting ID: 935 3896 6638 / Passcode: 873530

BUDGET HEARING AGENDA

1. **4:30pm – CALL TO ORDER/ROLL CALL**
2. **4:32pm PRESENTATION OF THE BUDGET – *Patrick Ritter, CFO***
3. **5:00pm – QUESTIONS/COMMENT FROM COMMISSIONERS**
4. **5:15pm– PUBLIC COMMENT**
 - a. Public Comment (please limit comments to 3 minutes)
5. **5:30pm ADJOURNMENT**

Upcoming Meetings - *Information*

- Monthly Business Meeting – Thursday November 11, 2021 6:30pm
- Facilities Committee Meeting – Wednesday November 24, 2021 12:00pm
- Finance Committee Meeting – Tuesday November 30, 2021 11:30pm
- Medical Committee Meeting – Tuesday November 30, 2021 4:00pm
- Regular Work Study Session - Thursday December 9, 2021 4:30pm
- Regular Board of Commissioners Meeting - Thursday December 9, 2021 6:30pm
- Quality Steering Committee Meeting – Thursday December 16, 2021 3:00pm
- Facilities Committee Meeting – Wednesday December 22, 2021 12:00pm
- Finance Committee Meeting – Tuesday December 28, 2021 11:30pm

Renée K. Jensen, Chief Executive Officer

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Owned and Operated by King County Public Hospital District No. 4

SVH is an equal opportunity provider and employer.

2022 Budget Presentation

PUBLIC HOSPITAL DISTRICT NO 4, KING COUNTY



Budget Accomplishments

- ❑ Chargemaster rate increase of 5%
- ❑ Market Rate Pay Increases for Employees
- ❑ Recruitment and Retention Bonus for Employees
- ❑ Increased contribution to Family Medical
 - ❑ Family Medical premium lowered from \$900/month to \$400/Month
- ❑ Paid Time Off
 - ❑ All hours in one bank for greater flexibility
 - ❑ Flex Holiday
 - ❑ Annual Cash-out Option
- ❑ Increased Retirement Matching to 1% to 3%
- ❑ Increase in Operating Revenue by \$2,500,000 over 2021
- ❑ Year End Net Income of ~\$348,000 increase of \$500,000 over 2020

	2022. BUDGET
Patient Revenue	\$ 68,322,949
Less: Contractual Adjustment	(21,337,961)
Less: Bad Debt & Charity Care	(1,380,016)
Net Patient Revenue	45,604,972
Other Revenue	466,982
LTGO Property Taxes For Operations	1,170,422
Interest Revenue	83,323
Other Operating Revenue	1,720,727
Total Revenue	47,325,700
Expenses:	
Salaries	20,627,223
Benefits	4,361,003
Professional Fees	5,378,441
Supplies	4,004,688
Repairs and Maintenance	428,884
Utilities	600,744
Purchased Services	4,313,637
Leases and Rentals	588,576
Insurance	182,616
Advertising	30,288
Other Expenses	769,190
Depreciation	3,734,424
Interest	5,113,443
Total Department Expenses	50,133,157
Operating Income	(2,807,458)
Non Operating - Provider Relief Funds	
LTGO Property Taxes For Bond P&I	3,082,413
Non Operating Revenue	73,144
Total Non Operating	3,155,557
Total Net Income	\$ 348,099

Revenue Assumptions

- ❑ 23 Inpatients Per Day
 - ❑ 1 Acute
 - ❑ 22 Swing Patients
 - ❑ \$~24,000,000 Projected Revenue
 - ❑ 2% Increase over 2021 Annualized

- ❑ 12.5 Emergency Room Patients Per Day
 - ❑ 12/day Jan-June
 - ❑ 13/day July-December
 - ❑ \$10,000,000 in Revenue
 - ❑ 18% Increase 2021 Annualized

- ❑ Tax Revenues up ~167,000

Revenue Assumptions (cont)

❑ Outpatient Services

- ❑ Lab/Endo/Imaging Flat Volumes
- ❑ Rehab Increased Volumes 1/day
- ❑ 8% increase over 2021 Annualized

❑ Clinic Volumes

- ❑ Urgent Care 9/day
 - ❑ 8/day Jan-June
 - ❑ 10/day July-December
- ❑ SRMC/Hospital Clinic Flat Volumes
- ❑ 6% increase over 2021 Annualized due to addition of Urgent Care

Expense Assumptions

- ❑ Salaries
 - ❑ Decrease in FTE by 6.0 FTE
 - ❑ Patient Transitions
 - ❑ Accounting
 - ❑ MedSurg
 - ❑ Covid
 - ❑ Employee Market Rate Adjustments
 - ❑ \$432,000 Increase over 2021
 - ❑ Provider COLA per Contract
 - ❑ \$120,000 Increase over 2021
- ❑ Retention Bonus
 - ❑ \$500,000
- ❑ Prelim Budget has Salary Expense ~21,000,000

Expense Assumptions (Cont)

- ❑ Benefits decrease to ~\$4,400,000
 - ❑ Self Insured Health Plan
 - ❑ Savings of ~\$200,000
 - ❑ Increasing contribution to Family Medical
 - ❑ Sunset Affordable Access Program
- ❑ Rolling Holidays into PTO Bank
 - ❑ Cost Neutral
 - ❑ Increases Morale
- ❑ Increasing Match to 3% maintaining \$1500 Cap
 - ❑ Benefits lower income wage earners
 - ❑ Encourage broader participation

Expense Assumptions (Cont)

- ❑ Supplies
 - ❑ 14% Increase
 - ❑ Volume Driven
 - ❑ Estimated Inflation projections from Vendors
 - ❑ Continued COVID Impacts
- ❑ Repairs and Maintenance
 - ❑ \$135,000 Increase
 - ❑ Elevator Repairs
 - ❑ MRI
- ❑ Pro Fees Increase
 - ❑ 1% Increase in Pro Fees
 - ❑ Budgeted for workforce shortage

Expense Assumptions (Cont)

☐ Purchased Services

- ☐ \$152,000 Increase due to Revenue Projection
 - ☐ Trubridge Billing Services
 - ☐ SML
 - ☐ Covid Vaccine (Reimbursed by FEMA)
 - ☐ Covid Testing

☐ Depreciation

- ☐ Decrease
 - ☐ No Major Equipment purchases due to EPIC
 - ☐ EPIC is Construction in Progress until Completion

☐ Advertising, Insurance Leases,

☐ Other Expenses

- ☐ Increase to \$764,198 to add \$100,000 in sign on bonuses for critical needs areas.

☐ Interest Expense

- ☐ Decrease by \$107,000
 - ☐ Continued payment of Bonds