



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022
1:00 p.m.

Agenda



Board Members

Mary Rose Garrido Wilcox, Chairman, District 5
J. Woodfin Thomas, Vice Chairman, District 4
Mary A. Harden, RN, Director, District 1
Mark G. Dewane, Director, District 2
Susan Gerard, Director, District 3

President & Chief Executive Officer

Stephen A. Purves, FACHE

Clerk of the Board

Melanie Talbot

Meeting Location

Valleywise Health Medical Center
2601 East Roosevelt Street
Phoenix, Arizona 85008
Conference and Administration Center
Auditoriums 1 through 4

AGENDA – Formal Meeting

**Maricopa County Special Health Care District
Board of Directors**

Mission Statement

The Valleywise Health's mission is to provide exceptional care, without exception, every patient, every time.

Welcome

The Board of Directors is the governing body for the Maricopa County Special Health Care District. Each member represents one of the five districts in Maricopa County. Members of the Board are public officials, elected by the voters of Maricopa County. The Board of Directors sets policy and the President & Chief Executive Officer, who is hired by the Board, directs staff to carry out the policies.

How Citizens Can Participate

Each meeting is open to the public and there is a "Call to the Public" at the beginning of each meeting. An individual may address the Board of Directors at this time or when the agenda item to be addressed is reached. If you wish to address the Board, please complete a Request to Speak form Speaker's Slip and deliver it to the Clerk of the Board prior to the Call to the Public. If you have anything that you wish distributed to the Board and included in the official record, please hand it to the Clerk who will distribute the information to the Board members and Valleywise Health Senior Staff.

Speakers will be called in the order in which requests to speak are received. Your name will be called when the Call to the Public has been opened or when the Board reaches the agenda item which you wish to speak. As mandated by the Arizona Open Meeting Law, officials may not discuss items not on the agenda, but may direct staff to follow-up with the citizen.

Public Rules of Conduct

The Board Chair shall keep control of the meeting and require the speakers and audience to refrain from abusive or profane remarks, disruptive outbursts, applause, protests, or other conduct which disrupts or interferes with the orderly conduct of the business of the meeting. Personal attacks on Board members, staff, or members of the public are not allowed. It is inappropriate to utilize the Call to the Public or other agenda item for purposes of making political speeches, including threats of political action. Engaging in such conduct and failing to cease such conduct upon request of the Board Chair will be grounds for ending a speaker's time at the podium or for removal of any disruptive person from the meeting room, at the direction of the Board Chair.

Agendas are available within 24 hours of each meeting via the Clerk's Office, Valleywise Health Medical Center, 2601 East Roosevelt, Phoenix, Arizona 85008, Monday through Friday between the hours of 9:00 a.m. and 4:00 p.m. and on the internet at <https://valleywisehealth.org/about/board-of-directors/>. Accommodations for individuals with disabilities, alternative format materials, sign language interpretation, and assistive listening devices are available upon 72 hours advance notice via the Clerk's Office, Valleywise Health Medical Center, 2601 East Roosevelt, Phoenix, Arizona 85008, (602) 344-5177. To the extent possible, additional reasonable accommodations will be made available within the time constraints of the request.

• Valleywise Health Medical Center •
• 2601 East Roosevelt Street • Phoenix, Arizona 85008 •
• Conference and Administration Center • Auditoriums 1 through 4 •

Tuesday, November 22, 2022
1:00 p.m.

One or more members of the Board of Directors of the Maricopa County Special Health Care District may be in attendance by technological means. Board members attending by technological means will be announced at the meeting.

Pursuant to A.R.S. § 38-431.03(A)(3), or any applicable and relevant state or federal law, the Board may vote to recess into an Executive Session for the purpose of obtaining legal advice from the Board's attorney or attorneys on any matter listed on the agenda. The Board also may wish to discuss any items listed for Executive Session discussion in General Session, or the Board may wish to take action in General Session on any items listed for discussion in Executive Session. To do so, the Board will recess Executive Session on any particular item and reconvene General Session to discuss that item or to take action on such item.

Please silence any cell phone, computer, etc., to minimize disruption of the meeting.

1:00 **Call to Order**

Roll Call

Pledge of Allegiance

Call to the Public

This is the time for the public to comment. The Board of Directors may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling a matter for further consideration and decision at a later date.

ITEMS MAY BE DISCUSSED IN A DIFFERENT SEQUENCE

General Session, Presentation, Discussion and Action:

- 1:15 1. Approval of Consent Agenda: 15 min
Note: Approval of contracts, minutes, IGA's, proclamations, etc. Any matter on the Consent Agenda will be removed from the Consent Agenda and discussed as a regular agenda item upon the request of any Board member.
- a. Minutes:
 - i. **Approve** Maricopa County Special Health Care District Board of Directors meeting minutes dated October 26, 2022
Melanie Talbot, Chief Governance Officer; and Clerk of the Board
 - b. Contracts:
 - i. **Approve** amendment #1 to the subcontract (90-22-096-1-01) between Mercy Care and the Maricopa County Special Health Care District dba Valleywise Health, for additional grant funding for the First Episode Center
Michael D. White, MD, MBA, Executive Vice President, Chief Clinical Officer

General Session, Presentation, Discussion and Action, cont.:

1:15 1. Approval of Consent Agenda, cont.:

b. Contracts, cont.:

- ii. **Approve** amendment #62 to the professional services agreement (90-12-084-1-62) between District Medical Group and the Maricopa County Special Health Care District dba Valleywise Health
Claire Agnew, CPA, MBA, Executive Vice President, Chief Financial Officer
- iii. **Approve** a new equipment lease schedule (90-20-028-10) between Flex Financial, a division of Stryker Sales LLC, and the Maricopa County Special Health Care District dba Valleywise Health, for new and upgraded equipment for the Operating Rooms
Sherry Stotler, MSN, RN, Senior Vice President, Chief Nursing Officer
- iv. **Approve** amendment #2 to the contract (MCO-20-022-02) between Medica Insurance Company and the Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
Renee Clarke, MBA, Senior Vice President, Managed Care
- v. **Approve** a new contract (MCO-20-032-MSA) between Humana Insurance Company, Humana Health Plan, Inc., and the Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
Renee Clarke, MBA, Senior Vice President, Managed Care
- vi. **Approve** amendment #1 (MCO-20-024-01) between Imperial Insurance Company, Inc., and the Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
Renee Clarke, MBA, Senior Vice President, Managed Care
- vii. **Approve** a master services agreement (90-23-099) between ADP, Inc., and the Maricopa County Special Health Care District dba Valleywise Health, for payroll services with automated online payroll, tax calculations, integration with employee information
Kelly Summers, CHCIO, Senior Vice President, Chief Information Officer
- viii. **Approve** a new agreement (90-23-095-1) between PHI Health, LLC dba PHI Air Medical, and the Maricopa County Special Health Care District dba Valleywise Health, for use of the Simulation Center/Lab for clinical training
Michael D. White, MD, MBA, Executive Vice President, Chief Clinical Officer
- ix. **Approve** a new intergovernmental agreement (IGA) (90-23-100-1) between Maricopa County and the Maricopa County Special Health Care District dba Valleywise Health, for Maricopa County to provide \$10,600,000 in American Rescue Plan Act funding to Valleywise Health to be used for employee sign-on and retention bonuses in order to staff and reopen behavioral health units
Warren Whitney, MBA, Senior Vice President, Government Relations
- x. **Approve** amendment #63 to the professional services agreement (90-12-084-1-63) between District Medical Group and the Maricopa County Special Health Care District dba Valleywise Health
Claire Agnew, CPA, MBA, Executive Vice President, Chief Financial Officer

General Session, Presentation, Discussion and Action, cont.:

1:15 1. Approval of Consent Agenda, cont.:

c. Governance:

- i. **Approve** Valleywise Health's Code of Conduct and Ethics for calendar year 2023
L.T. Slaughter, CPA, MBA, Chief Compliance Officer
- ii. **Accept** the Maricopa County Special Health Care District dba Valleywise Health, annual audit for fiscal year ending June 30, 2022
Claire Agnew, CPA, MBA, Executive Vice President, Chief Financial Officer
- iii. **Accept** the Maricopa County Special Health Care District dba Valleywise Health, uniform guidance audit for fiscal year ending June 30, 2021
Claire Agnew, CPA, MBA, Executive Vice President, Chief Financial Officer
- iv. **Approve** insurance premium payments and policy renewals for the following Maricopa County Special Health Care District insurance programs:
 - Professional/General Liability (Chubb, Berkley, MedPro)
 - Worker's Compensation/Employers Liability (Sentry)
 - Directors and Officers Liability/Fiduciary Liability (Beazley, RSUI, Berkley, RLI)
 - Crime Insurance (Beazley)
 - Cyber/Privacy Liability (Beazley)
 - Aviation Liability (ACE)
 - Environmental Liability (Ironshore)
 - Business Automobile Liability (Sentry)*Martin C. Demos, JD, Senior Vice President, General Counsel*
- v. **Approve** renewal to the following Board policies:
 - a. Policy 99005 G – Surety Bonds
 - b. Policy 99101 G – CEO Evaluation
 - c. Policy 99302 G Non-Retaliation
 - d. Policy 99009 G – Internal Audit
 - e. Policy 99013 G – Selection of External Auditors*Melanie Talbot, Chief Governance Officer; and Clerk of the Board*

d. Medical Staff:

- i. **Approve** Valleywise Health's Medical Staff credentials for November 2022
Mark M. MacElwee, MD, Vice Chief of Staff
- ii. **Approve** Valleywise Health's Advanced Practice Clinician/Allied Health Professional Staff credentials for November 2022
Mark M. MacElwee, MD, Vice Chief of Staff
- iii. **Approve** proposed revisions to Department of Internal Medicine – Pulmonary Medicine Delineation of Privileges
Mark M. MacElwee, MD, Vice Chief of Staff

General Session, Presentation, Discussion and Action, cont.:

- 1:15 1. Approval of Consent Agenda, cont.:
- e. Care Reimagined Capital:
 - i. **Approve** capital expenditure request (CER #19-947T) for SIRVA Worldwide Commercial Moving equipment relocation and placement services within the new acute care hospital and support services building, for a total cost of \$471,868
Lia Christiansen, MBC, Executive Vice President, Chief Administrative Officer
 - ii. **Approve** amendment #56 to the contract (480-90-18-012) with Kitchell Contractors, Inc. of Arizona, Construction Manager at Risk (CMAR), for project contract change order (PCCO) numbers 007, 008, and 009, for west lot fence design change, medical air compressor for the hyperbaric chamber, provisions for pumping out the grease interceptors in the basement, and non-medical air piping at the central sterile area for a total amount of \$397,468 (CERs #19-937 and #19-947)
Lia Christiansen, MBC, Executive Vice President, Chief Administrative Officer
 - f. Capital:
 - i. INTENTIONALLY LEFT BLANK

End of Consent Agenda

- 1:30 2. Discuss and Review the Quarterly Quality Report and Metrics Dashboard including but not limited to Patient Satisfaction Survey Results/Hospital Consumer Assessment of Healthcare Providers and Systems **10 min**
Crystal Garcia, RN, Vice President, Surgical, Specialty, Quality and Safety
- 1:40 3. Discuss and Review Quarterly Infection Control Quality Metrics Dashboard **10 min**
Crystal Garcia, RN, Vice President, Surgical, Specialty, Quality and Safety
- 1:50 4. Discuss and Review Update on Behavioral Health Programs and Services at Valleywise Health **20 min**
Gene Cavallo, MC, LPC, Senior Vice President, Behavioral Health Services
Martha Steiner, MSN-L, RN, Vice President, Behavioral Health Nursing and Clinical Care
- 2:10 5. Discuss and Review Valleywise Health's October 2022 Financials and Statistical Information **15 min**
Claire Agnew, CPA, MBA, Executive Vice President, Chief Financial Officer
- 2:25 6. Monthly Update on Care Reimagined Projects **10 min**
Lia Christiansen, MBC, Executive Vice President, Chief Administrative Officer
- 2:35 7. Consideration, Discussion, and **Possible Action** on the Performance Evaluation and Attainment of Performance Goals for Steve Purves, Valleywise Health's President & Chief Executive Officer, for Fiscal Year 2022 **5 min**
Board of Directors

General Session, Presentation, Discussion and Action, cont.:

- 2:40 8. Consideration, Discussion and **Possible Action** on the Performance Evaluation for Melanie Talbot, Maricopa County Special Health Care District's Chief Governance Officer and Clerk of the Board, for Fiscal Year 2022 5 min
Board of Directors
- 2:45 9. Review and **Possible Action** on the Following Reports to the Board of Directors: 15 min
- a. Monthly Marketing and Communications Report (October 2022)
Runjhun Nanchal, MHA, Senior Vice President, Strategy, Marketing and Communications
 - b. Monthly Care Reimagined Capital Purchases Report (October 2022)
Claire Agnew, CPA, MBA, Executive Vice President, Chief Financial Officer
 - c. Monthly Valleywise Health Employee Turnover Report (October 2022)
Susan Lara-Willars, HCS, MBA, Senior Vice President, Chief Human Resources Officer
 - d. Quality Management Council Meeting Minutes (October 2022)
Crystal Garcia, RN, Vice President, Surgical, Specialty, Quality and Safety
 - e. Quarterly Compliance Officer's Activities Report; Valleywise Health' Finance, Audit and Compliance Committee Activities Report
L.T. Slaughter, CPA, MBA, Chief Compliance Officer
 - f. Quarterly Valleywise Health Foundation's Tasks Status Report to Valleywise Health's President & Chief Executive Officer
Lisa Hartsock, MPH, CFRE, Foundation Relations Executive
 - g. Fiscal Year to Date Operational Dashboard for Valleywise Health's Federally Qualified Health Centers Clinics
Barbara Harding, RN, MPS, Senior Vice President, Ambulatory Services; and Federally Qualified Health Center Clinics Chief Executive Officer
- 3:00 10. Concluding Items 10 min
- a. Old Business:
- June 16, 2022**
Fiscal Year 2023 Operating and Capital Budget
- Share results of analysis on whether nutrition and environmental services should remain outsourced with the Board, prior to issuing requests for proposals.
- August 24, 2022**
Monthly Update on Care Reimagined Projects
- Work with organized neighborhood groups near Valleywise Health Medical Center to build connections and invite to opening of new hospital
- Engineering and Construction Projects at Valleywise Health
- Provide the landscaping plans included in the renovations of Valleywise Community Health Center-Guadalupe

General Session, Presentation, Discussion and Action, cont.:

3:00 10. Concluding Items, cont.

a. Old Business:

September 28, 2022

Concluding Items

- Explore options to include a ramada or outdoor seating at Valleywise Community Health Center-Guadalupe
- b. Board Member Requests for Future Agenda Items or Reports
- c. Comments
 - i. Chairman and Member Closing Comment
 - ii. President and Chief Executive Officer Summary of Current Events

3:10 **Adjourn**



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 1.

Consent Agenda



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.a.i.

**Minutes
October 26, 2022**

Minutes

DRAFT

**Maricopa County Special Health Care District
Board of Directors Meeting
Valleywise Health Medical Center
Conference and Administration Center, Auditoriums 1 through 4
October 26, 2022
1:00 p.m.**

Present: Mary Rose Garrido Wilcox, Chairman, District 5
J. Woodfin Thomas, Vice Chairman, District 4
Mary A. Harden, RN, Director, District 1 – *participated remotely*
Mark G. Dewane, Director, District 2
Susan Gerard, Director, District 3

Others Present: Steve Purves, FACHE, President & Chief Executive Officer
Michael D. White, MD, MBA, Executive Vice President, Chief Clinical Officer
Claire Agnew, CPA, MBA, Executive Vice President, Chief Financial Officer
Lia Christiansen, MBC, Executive Vice President, Chief Administrative
Officer
Sherry Stotler, RN, MSN, Senior Vice President, Chief Nursing Officer
Mark M. MacElwee, MD, Vice Chief of Staff
Martin C. Demos, JD, Senior Vice President, General Counsel

Guest Presenters: Crystal Garcia, RN, Vice President, Surgical, Specialty, Quality and Safety
Susan Lara-Willars, HCS, MBA, Senior Vice President, Chief Human
Resources Officer
Barbara Harding, RN, MPA, Senior Vice President, Ambulatory Services;
and Federally Qualified Health Center Clinics Chief Executive Officer

Recorded by: Melanie Talbot, Chief Governance Officer; Clerk of the Board
Cynthia Cornejo, Deputy Clerk of the Board

Call to Order:

Chairman Wilcox called the meeting to order at 1:02 p.m.

Roll Call

Ms. Talbot called roll. Following roll call, she noted that all five voting members of the Maricopa County Special Health Care District Board of Directors were present, which represented a quorum.

For the benefit of all participants, Ms. Talbot announced the Board member participating remotely.

Pledge of Allegiance

Vice Chairman Thomas led the Pledge of Allegiance.

Call to the Public

Chairman Wilcox called for public comment. There were no comments.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

Mission Statement

Director Gerard read the mission statement aloud.

General Session, Presentation, Discussion and Action:

1. Approval of Consent Agenda:
 - a. Minutes:
 - i. Approve Maricopa County Special Health Care District Board of Directors meeting minutes dated September 28, 2022
 - b. Contracts:
 - i. Approve amendment #61 to the professional services agreement (90-12-084-1-61) between District Medical Group and the Maricopa County Special Health Care District dba Valleywise Health
 - ii. Approve amendment #3 to the memorandum of understanding (MOU) (90-21-021-1-03) between Central Arizona Shelter Services, Inc. (CASS) and the Maricopa County Special Health Care District dba Valleywise Health, for emergency shelter beds and a healthcare navigator
 - iii. Approve a new funds flow agreement (90-23-073-1) between Banner Health dba Banner University Medical Center Phoenix Campus, and the Maricopa County Special Health Care District dba Valleywise Health, for redistribution of newly generated graduate medical education funding
 - iv. Approve a new agreement (MCO-20-030-MSA) between NaphCare, Inc., and the Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive medical and behavioral health services
 - v. Approve a new facility agreement (MCO-20-031-MSA) between NaphCare, Inc., and the Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive medical and behavioral health services
 - vi. Approve a new contract (90-22-294-1) between Transportation Equipment Sales Corporation (TESCO) and the Maricopa County Special Health Care District dba Valleywise Health, for a mobile health unit utilizing Health Resources and Services Administration (HRSA) American Rescue Plan Act funding (H8F)
 - c. Governance:
 - i. Approve revisions/renewal to the following Board policies:
 - a. Policy 99001 G – Annual External Audit
 - b. Policy 99400 G – Accrediting Bodies
 - ii. Approve Valleywise Health Foundation’s ALL IN Campaign donor recognition requests
 - iii. Approve application of Jane Atherton Wilson as potential member to the Valleywise Community Health Centers Governing Council

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

General Session, Presentation, Discussion and Action, cont.:

1. Approval of Consent Agenda, cont.:
 - d. Medical Staff:
 - i. Approve Valleywise Health’s Medical Staff credentials for October 2022
 - ii. Approve Valleywise Health’s Advanced Practice Clinician/Allied Health Professional Staff credentials for October 2022
 - iii. Approve proposed revisions to the Department of Surgery Delineation of Privileges
 - iv. Approve proposed revisions to Policy #39026 T – Operational Credentialing Policy and Procedure
 - e. Care Reimagined Capital:
 - i. INTENTIONALLY LEFT BLANK
 - f. Capital:
 - i. Approve capital expenditure request (CER #23-420) to replace porcelain toilets at Valleywise Behavioral Health Center-Maryvale, for a total cost of \$252,617
 - ii. Approve capital expenditure request (CER #23-305) for capital improvements and renovations at Valleywise Community Health Center-South Central, for a total cost of \$289,000, utilizing Health Resources and Services Administration (HRSA) American Rescue Plan - Health Center Construction and Capital Improvements (C8E) funding
 - iii. Approve capital expenditure request (CER #23-306) for capital improvements and renovations at Valleywise Community Health Center-Avondale, for a total cost of \$596,400, utilizing Health Resources and Services Administration (HRSA) American Rescue Plan - Health Center Construction and Capital Improvements (C8E) funding
 - iv. Approve capital expenditure request (CER #23-308) for capital improvements and renovations at Valleywise Community Health Center-Chandler, for a total cost of \$375,758, utilizing Health Resources and Services Administration (HRSA) American Rescue Plan - Health Center Construction and Capital Improvements (C8E) funding
 - v. Approve capital expenditure request (CER #23-422) for replacement endoscopy scopes at Valleywise Health Medical Center for a total cost of \$425,862
 - vi. Approve capital expenditure request (CER #23-423) for additional endoscopy scopes at Valleywise Comprehensive Health Center-Peoria for a total cost of \$388,309
 - vii. Approve capital expenditure request (CER #23-005) to complete rough-in plumbing on the 10th floor new acute care tower shelled space for a total cost of \$802,839, utilizing funding from the Valleywise Health Foundation

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

General Session, Presentation, Discussion and Action, cont.:

1. Approval of Consent Agenda, cont.:

Chairman Wilcox requested consent agenda items 1.b.vi. and 1.c.ii. be removed and voted on separately.

MOTION: Director Dewane moved to approve the consent agenda minus 1.b.vi. and 1.c.ii. Vice Chairman Thomas seconded.

VOTE: 5 Ayes: Chairman Wilcox, Vice Chairman Thomas, Director Dewane, Director Gerard, Director Harden
0 Nays
Motion passed.

Dr. White addressed consent agenda item 1.b.vi., a new contract with Transportation Equipment Sales Corporation (TESCO), for a mobile health unit utilizing Health Resources and Services Administration (HRSA) American Rescue Plan Act funding (H8F). He explained the mobile health unit would be able to provide clinical services throughout Maricopa County and it was expected to be operational in 2024.

Chairman Wilcox expressed her appreciation for the efforts to offer healthcare services throughout Maricopa County. Due to the size of Maricopa County, it was difficult to provide access to care for our patients just through the Valleywise Community Health Centers.

She then highlighted consent agenda item 1.c.ii., Valleywise Health Foundation's ALL IN Campaign donor recognition requests and was grateful for the support provided through donations. She congratulated the Valleywise Health Foundation on the success of the recent fundraising event, A Night in the Valley.

MOTION: Vice Chairman Thomas moved to approve the consent agenda items 1.b.vi. and 1.c.ii. Director Dewane seconded.

VOTE: 5 Ayes: Chairman Wilcox, Vice Chairman Thomas, Director Dewane, Director Gerard, Director Harden
0 Nays
Motion passed.

2. Discuss and Review Vizient Clinical Database Annual Performance Scorecard for Valleywise Health

Ms. Garcia provided an overview of Valleywise Health's Vizient Clinical Database annual performance scorecard. The scorecard contained the Institute of Medicine's six domains of care: safety, timeliness, effectiveness, efficiency, equity, and patient centeredness.

She noted that Valleywise Health began participating in the annual performance scorecard in 2019, and she showcased the scores received in previous years and reviewed the timeframe the data was collected. She highlighted continuous improvement, year over year in the overall scores, with the 2022 results demonstrating the greatest improvement over prior year.

She provided detail related to the organization's quality and accountability results, noting the highest improvements over prior years were achieved within mortality and safety categories. The organization improved its overall ranking and was now in the 64th percentile, down from prior year's ranking of the 74th percentile.

The scores and percentile rankings for individual domains were discussed, noting areas of opportunity within the efficiency and effectiveness categories. She stated a strategic planning committee was recently developed and would create plans to address those areas.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

General Session, Presentation, Discussion and Action, cont.:

2. Discuss and Review Vizient Clinical Database Annual Performance Scorecard for Valleywise Health, cont.

Ms. Garcia stated that Vizient annually reviewed the methodology used to calculate the scores and applied any revised methodology to previous year's data, to ensure comparisons to prior year were accurate. By applying the most current methodology to prior year's data, Valleywise Health had significant improvement in its scores, particularly in catheter associated urinary tract infections (CAUTI), mortality-gastroenterology, and patient safety indicators. She focused on patient centeredness and noted improvements in all areas compared to prior years.

She outlined the actions in place to ensure continual improvement. The monthly strategic planning committee was tasked to develop actions for infections, length of stay, patient safety indicators, and clinical documentation.

To reduce methicillin-resistant staphylococcus aureus (MRSA) bacteremia infections, the process related to admissions orders was revised. As a result, there were no MRSA infections in three months. The urinalysis ordering process was also updated which yielded positive results.

In an effort to maintain progress made in patient experience, staff continually worked on incorporating the patient experience standard, ACCEPT (Acknowledge, Connect, Communicate, Every Person, Every Time) into the workplace culture. In addition, patient experience provider scorecards were developed and implemented, and leaders rounded the clinical areas to connect with patients and immediately answer questions and address concerns.

Chairman Wilcox asked if the strategic planning meetings included various departments to offer varying viewpoints.

Ms. Garcia said the strategic planning meetings includes multiple disciplinaries who focused on implementing plans quickly and efficiently.

Director Gerard appreciated that the reports contained multiple years, as it demonstrated trends. She asked if staff was aware of how the results compared to similar hospitals.

Ms. Garcia explained that the report included individual scores, as well as the ranking when compared to other hospitals within the same cohort.

Vice Chairman Thomas asked if hospitals included in the cohort were based on similar services provided.

Ms. Garcia said all hospitals that were compared to Valleywise Health were considered complex medical centers and followed specific criteria to meet that classification.

3. Discuss and Review Valleywise Health's September 2022 Financials and Statistical Information, and Quarterly Investment of Funds Report

Ms. Agnew reviewed statistical information for September 2022, noting overall admissions were 2.5% better than budget. There were more acute admissions due to higher emergency department visits and more deliveries than anticipated. Behavioral health had a longer length of stay and some COVID positive patients, resulting in fewer admissions for the month.

Director Gerard asked if the longer length of stay within behavioral health was attributed to limited options for discharge facilities. She asked if the Regional Behavioral Health Authority (RBHA) was providing adequate assistance in locating step-down care for patients.

Ms. Agnew said that there had been challenges in discharge options for both behavioral health and acute patients. Staff continued to work with the RBHA for assistance in securing safe discharge options.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

General Session, Presentation, Discussion and Action, cont.:

3. Discuss and Review Valleywise Health's September 2022 Financials and Statistical Information, and Quarterly Investment of Funds Report, cont.

Dr. White concurred, noting that staffing shortages impacted every aspect of the healthcare industry and were causing disruptions at every level of care.

Ms. Agnew stated overall emergency department visits were 17.3% better than budget, and ambulatory visits were 3.6% better than budget. She highlighted specific areas that had experienced high volumes, including dental and outpatient behavioral health. On a year-to-date basis, admissions, emergency department visits, and ambulatory visits were all performing better than budget.

She discussed the payor mix, highlighting higher utilization in the state's Medicaid program, Arizona Health Care Cost Containment System (AHCCCS), and less commercial utilization.

Director Gerard questioned what attributed to shifts in the payor mix.

Ms. Agnew said that there were various factors, including higher than budgeted emergency department visits and deliveries. She explained that many of the deliveries utilized AHCCCS or other government payor sources. She explained the longer length of stay within behavioral health also contributed to the shift in payor mix, as many behavioral health patients utilized AHCCCS as well.

Chairman Wilcox stated that there are many people with commercial insurance that are under the assumption that they can not be treated at Valleywise Health. She asked if there was a way to communicate the insurance plans Valleywise Health accepted.

Ms. Agnew said that there was a significant outreach effort to educate the public, specifically in the ambulatory setting. However, due the current volumes and staffing shortages, staff would have to balance marketing toward commercial patients, as to not overwhelm the available resources. She mentioned that Valleywise Health had increased the number of contracted payors, and a comprehensive list of accepted insurance plans was available on the Valleywise Health website.

Director Harden asked if someone did not have access to the internet, did the hospital operator have the insurance information to provide patients.

Ms. Stotler stated the hospital operators would transfer patient calls with questions related to their insurance plan to the Patient Access Center, to assist and answer their questions.

Ms. Agnew reviewed the income statement, stating the high volumes throughout the organization did not translate to increased net patient service revenue, due to the payor mix. Total operating revenue missed budget by 3.7 percent. Operating expenses had a negative 0.6% variance.

The major contributing factors for the negative operating expenses were associated with contract labor and rent for medical equipment. She highlighted various areas with a positive variance and attributed the savings to numerous margin improvement projects that were being implemented throughout the organization.

The operating loss for the month was \$15,072,864 compared to a budgeted loss of \$12,650,879, for an unfavorable variance of \$2,421,984. After factoring in non-operating revenue and expenses and removing bond related activity, the overall decrease in net assets was \$8,359,514 compared to a budgeted loss of \$5,960,755, for an unfavorable variance of \$2,398,739.

On a year-to-date basis, the decrease in net assets was \$23,674,867 compared to a budgeted loss of \$18,049,952, for a \$5,624,915 unfavorable variance with 105.2 days cash on hand, and 71.3 days in accounts receivable.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

General Session, Presentation, Discussion and Action, cont.:

3. Discuss and Review Valleywise Health's September 2022 Financials and Statistical Information, and Quarterly Investment of Funds Report, cont.

Director Harden highlighted the increase in operating room procedures, including the endoscopy volumes at Valleywise Comprehensive Health Center-Peoria.

Ms. Agnew reviewed the investment performance for the fiscal year 2023, noting the annual yield, for the first quarter, was 1.17% or \$447,788. That was a significant improvement from prior year. She reminded the Board that investments were conservative and within U.S. bonds, treasury notes and short-term bills.

Director Dewane expressed interest in learning more about the investment portfolio, as there may be options to increase the yield.

4. Monthly Update on Care Reimagined Projects

Ms. Christiansen provided an update on Care Reimagined, noting over 11.4 million manhours had been accumulated throughout the course of the various projects. There were no changes to the timeline related to the opening of the acute towers, however, the decommissioning dates of specific buildings were noted.

There were no major concerns on the project dashboard, while mitigation plans continued to be in place for budget and long-lead equipment items.

She reviewed the progress of the acute tower, highlighting the tasks that has been completed and those that were scheduled to take place within the next 30 days. Focus was now shifting to activation plans. Information technology (IT) was heavily involved in the planning processes, as technology was instrumental in every aspect of the new tower. Nursing was coordinating training and education to ensure new workflows and processes would transition seamlessly into the new building upon opening.

She expressed her appreciation to the project manager, Vanir, and the construction manager-at-risk (CMAR), Kitchell, for their dedication to safety, as there have been 631 days with no incident or lost time.

Ms. Christiansen highlighted the rough-in work that was underway on the eighth floor, noting through the consent agenda, the Board approved a capital expenditure request to complete the rough-in work on the tenth floor. The funding for that project was provided by donations through the Valleywise Health Foundation.

The activation plan was outlined, noting various departments coordinated together to avoid duplicative work and transition to the acute tower as efficiently as possible.

She provided an update on the progress related to the Support Services Building, noting tasks to be completed within the next 30 days.

Mr. Purves recalled a conversation that he had with a nurse on the medical intensive care unit (MICU), related to the move to the new building. While there was excitement surrounding the move, there was also nerves and a bit of trepidation with change. Staff was cognizant of those concerns and would work to ease them as the move-in date approached.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

General Session, Presentation, Discussion and Action, cont.:

5. Review and Possible Action on the Following Reports to the Board of Directors:
 - a. Monthly Marketing and Communications Report (September 2022)
 - b. Monthly Care Reimagined Capital Purchases Report (September 2022)
 - c. Monthly Valleywise Health Employee Turnover Report (September 2022)
 - d. Quality Management Council Meeting Minutes (September 2022)
 - e. Quarterly Valleywise Community Health Centers Governing Council Member Structure Report
 - f. Quarterly Employee Engagement Survey Action Plans

Ms. Lara-Willars addressed item 5.f., the Employee Engagement Survey Action Plans, noting the recent employee engagement survey results were shared with the Board in August 2022. Staff was in the process of developing action plans and would provide an update next quarter.

She announced the Red Hand Program, a new initiative scheduled to begin November 2022. A red hand would be placed on new employee badges for the first 90 days of employment. The goal was to encourage introductions and patience with new employees. After 90 days, there would be a ceremony to remove the hand, celebrate the milestone achieved, and reinforce Valleywise Health values.

Director Dewane applauded the efforts to welcome new employees into the system. He noted that individuals sought a safe, welcoming, and low-stress work environment. While healthcare is a high-stress industry, the organization can be safe and welcoming to all staff.

Mr. Purves noted that entering a healthcare organization can be very intimidating and staff was exploring ways to make new employees more comfortable. There were also plans to highlight specific benefits, such as the Arizona State Retirement System (ASRS), that sets Valleywise Health apart from other hospitals.

Ms. Lara-Willars addressed item 5.c., the Valleywise Health Employee Turnover Report, and highlighted a slight improvement over prior month.

She noted that between June 1 and September 30, 2022, 100 behavioral health technicians and nurses were hired. However, during that timeframe, 55 employees parted ways with Valleywise Health. While that was a significant turnover percentage, that was an improvement over previous periods, when turnover in behavioral health was upward of 90 percent. She attributed the reduction in turnover to the compensation adjustments, and coordinating recruitment and retention efforts with behavioral health leadership.

Chairman Wilcox noted during the consent agenda, the Board approved capital expenditure requests for the renovations at Valleywise Community Health Centers-Avondale, Chandler and South Central. The renovations were made possible through Health Resources and Services Administration (HRSA) grant funds C8E.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

General Session, Presentation, Discussion and Action, cont.:

6. Concluding Items

a. Old Business:

June 16, 2022

Fiscal Year 2023 Operating and Capital Budget

- Share results of analysis on whether nutrition and environmental services should remain outsourced with the Board, prior to issuing requests for proposals.

August 24, 2022

Monthly Update on Care Reimagined Projects

- Provide a timeline of the demolition of Conference and Administration Center/Hogan Building
- Work with organized neighborhood groups near Valleywise Health Medical Center to build connections and invite to opening of new hospital

Engineering and Construction Projects at Valleywise Health

- Provide the landscaping plans included in the renovations of Valleywise Community Health Center-Guadalupe

September 28, 2022

Nursing Related Quality Metrics

- What agency establishes the benchmark for Blood Bank Specimen Labeling Errors
- When reporting any patient falls, indicate how many of those fall required surgical intervention

Valleywise Community Health Centers Governing Council Annual Report

- When reporting statistics, include arrows of desired direction

Concluding Items

- Explore options to include a ramada or outdoor seating at Valleywise Community Health Center-Guadalupe
- Write an op-ed related to the approval of the Amended and Restated Creighton University Arizona Health Education Alliance Agreement, highlighting Valleywise Health's contributions

b. Board Member Requests for Future Agenda Items or Reports

c. Comments

i. Chairman and Member Closing Comment

ii. President and Chief Executive Officer Summary of Current Events

Ms. Talbot reviewed old business, reiterated the outstanding items and noting the items that had been completed.

Chairman Wilcox referenced the request from September 28, 2022, related to exploring options to include a ramada or outdoor seating at Valleywise Community Health Center-Guadalupe. She noted she offered to keep Guadalupe officials updated on the plans for that location.

Ms. Christiansen stated that after reviewing the renovation budget, there were no funds allocated to a ramada or outdoor seating. However, should additional funds be acquired, the exterior landscaping would be evaluated.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

General Session, Presentation, Discussion and Action, cont.:

6. Concluding Items, cont.

Vice Chairman Thomas commented on the Valleywise Health Foundation's fundraising event, A Night in the Valley, and congratulated all involved on a successful evening. He mentioned that he attended the Arizona Hospital and Healthcare Association's Annual conference, which highlighted the various factors impacting the healthcare industry. He mentioned that all factors contributed to the daily operations of the organization.

Mr. Purves thanked Chairman Wilcox and Vice Chairman Thomas for attending the conference. He also shared recent accolades achieved by Valleywise Health and its physicians. The Arizona Burn Center received the ASU College of Health Solutions 1st Annual Health Equity Award in mid-October.

The Cancer Support Community of Arizona presented the Spirit of Healing Award to physicians from the oncology and radiology departments. The Valleywise Health Foundation was also highlighted for funding cancer resource and bilingual hospital navigators.

The Arizona Public Health Association awarded Dr. Frank LoVecchio with the Public Health Research Award.

Ms. Agnew was a finalist for the 2022 CFO of the Year, presented by the Arizona chapter of Financial Executive International and AZ Business magazine.

The Arizona Burn Center at Valleywise Health received national news coverage reporting on the recovery of a 12-year old girl that was struck by lightning. There was also news coverage after several Arizona Cardinal players visited the Arizona Burn Center, including cornerback Antonio Hamilton. Mr. Hamilton was treated at the Arizona Burn Center after a cooking accident resulted in burns.

Mr. Purves announced the passing of two long-time members of the medical staff members, Dr. Jan Mangalat and Dr. Alan R. Frechette.

He provided a status update on the efforts to create a safety net hospital designation, after a technicality prevented Valleywise Health from receiving safety net funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. He noted *The Wall Street Journal* was working on a story related to the matter.

BREAK 2:35 p.m. – 2:45 p.m.

MOTION: Director Dewane moved to recess general session and convene in executive session at 2:45 p.m. Vice Chairman Thomas seconded.

VOTE: 5 Ayes: Chairman Wilcox, Vice Chairman Thomas, Director Dewane, Director Gerard, Director Harden
0 Nays
Motion passed.

General Session, Presentation, Discussion and Action, cont.

Chairman Wilcox reconvened general session at 3:18 p.m.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 26, 2022**

Adjourn

MOTION: Vice Chairman Thomas moved to adjourn the October 26, 2022 Maricopa County Special Health Care District Board of Directors Formal Meeting. Director Dewane seconded.

VOTE: 5 Ayes: Chairman Wilcox, Vice Chairman Thomas, Director Dewane, Director Gerard,
Director Harden
0 Nays
Motion passed.

Meeting adjourned at 3:19 p.m.

Mary Rose Garrido Wilcox, Chairman
Maricopa County Special Health Care District
Board of Directors



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.i.

**Contracts
90-22-096-1-01**

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Wednesday, November 2, 2022 10:11 AM
To: Melanie Talbot
Subject: Contract Approval Request: Amendment #1 - Mental Health Block (MHBG) First Episode of Psychosis (FEP) Mercy Care

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

Do not click links or open attachments unless you recognize the sender and know the content is safe.





Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Amendment #1 - Mental Health Block (MHBG) First Episode of Psychosis (FEP) Mercy Care
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Attachments

Name	Description	Type	Current File / URL
SAM - Mercy Care 2022		File	 SAM - Mercy Care 2022.pdf
OIG - Mercy Care 2022		File	 OIG - Mercy Care 2022.pdf
RFBA		File	 RFBA - Amend 1.pdf
Amendment #1 - Pending BOARD signature		File	 Mercy Care 1st Amend FEP MHBG Grant - includes revised budget.pdf

Contract Information

Division Contracts Division
Folder Amendments
Status Pending Approval
Title Amendment #1 - Mental Health Block (MHBG) First Episode of Psychosis (FEP)
Contract Identifier Board - Amendment
Contract Number 90-22-096-1-01
Primary Responsible Party Tymczynna, Katherine

Departments GRANTS ADMINISTRATION

Product/Service Subcontract with Mercy Care for the Mental Health Block Grant First Episode
Description of Psychosis

Action/Background Approve Amendment #1 to the subcontract between Mercy Care and Maricopa County Special Health Care District dba Valleywise Health. This amendment is to update the Budget and Justification period of October 1, 2021 to September 30, 2022 to ensure the proper funding that was allocated to Valleywise Health is recorded. The new "Valleywise First Episode Center (FEP) Mental Health Block Grant (MHBG) Budget and Justification 10/01/2021 – 09/30/2022" that was approved by AHCCCS on August 26, 2022, hereby replaces the previous version in its entirety. AHCCCS allocated additional funding in the amount of \$175,855.00, as well as Mercy Care allocating additional funding in the amount of \$55,000.00, for a combined increase of \$230,855.00; making the total grant funds of \$630,855.00 for this period. All other term and provisions remain the same and in full effect.

This Amendment #1 to the subcontract award is sponsored by Dr. Michael White, EVP & Chief Clinical Officer.

Evaluation Process The Contractor was determined to meet the requirements of the requesting department and Valleywise Health. Procurement has been satisfied pursuant to HS-102B(2) of the Procurement Code in that any Valleywise Health compliance with the terms and conditions of a grant, gift or bequest is exempt from the solicitation requirements of the Procurement Code.

Category Other

Effective Date 9/30/2022

Term End Date

Annual Value \$230,855.00

Expense/Revenue Revenue

Budgeted Travel Type N/A

Procurement Number

Primary Vendor Mercy Care

Responses

Member Name	Status	Comments
Melton, Christopher C.	Approved	
Joiner, Jennifer L.	Approved	
Landas, Lito S.	Approved	
White, Michael	Approved	
Demos, Martin C.	Approved	
Agnew, Claire F.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	
Cavallo, Gene A.	Approved	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.ii.

**Contracts
90-12-084-1-62**



2601 E. Roosevelt
Phoenix, AZ 85008
Phone: (602) 344-8551

DATE: October 26, 2022

TO: Maricopa County Special Health Care District Board of Directors

cc: Steve Purves, President and Chief Executive Officer
Martin Demos, Sr. VP & General Counsel
Melanie Talbot, Chief Governance Officer

FROM: Claire Agnew, Executive Vice President and Chief Financial Officer
Dr. Michael White, Executive Vice President and Chief Clinical Officer

SUBJECT: District Medical Group Contract - Amendment #62

A request for approval of Amendment #62 to the contract between District Medical Group (DMG) and Valleywise Health has been included in the November 22, 2022, Formal Meeting Consent Agenda. This amendment will be effective August 15, 2022, unless otherwise noted. The following requests are segregated by those that have or do not have a financial impact.

Amendment #62 Requests with a Financial Impact

- **Add a Pathology Assistant 1.0 FTE to the Service Line, Effective August 15, 2022**
Valleywise Health is requesting to add 1.0 FTE Pathology Assistant to the Service Line.

	FTE	Rate	Total	FY23 Total
Pathology	1.00	\$156,840	\$156,840	\$137,235

Fiscal Year 2023 Calculation

Designated Dept. / Service Line	FY2023 Physician and Mid-Level Staffing Fees	FY2023 Estimated Gross Professional Fee Collections	Fiscal Year 2023 Billing Fee	FY2023 Net Staffing Fees
Pathology	\$137,235			\$137,235

Full 12 Months Calculation

Designated Dept. / Service Line	Annual Physician and Mid-Level Staffing Fees	Annual Estimated Gross Professional Fee Collections	Annual Billing Fee	Annual Net Staffing Fees
Pathology	\$156,840			\$156,840

The cost to Fiscal Year 2023 for the above FTE is \$137,235 in staffing fees. The estimated net staffing fees for Fiscal Year 2023 are \$137,235.

Amendment #62 Requests without a Financial Impact

The following items have no impact to the cost of the DMG contract with Valleywise Health and consists of corrections or modifications to the language of the contract:

- N/A

	Addition of Pathology	
	Assistant	Amendment #62 Total
Total FY2023 Financial Impact	\$137,235	\$137,235

The total **Fiscal Year 2023** financial impact of Amendment #62 to the Valleywise Health-DMG Contract is: \$137,235.

The total additional annual cost is estimated to be: \$156,840.

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Wednesday, November 2, 2022 10:11 AM
To: Melanie Talbot
Subject: Contract Approval Request: Amendment #62 to the Professional Medical Services District Medical Group (DMG)

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

Do not click links or open attachments unless you recognize the sender and know the content is safe.


Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Amendment #62 to the Professional Medical Services District Medical Group (DMG)
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Attachments

Name	Description	Type	Current File / URL
V2.Board Narrative VH-DMG Agreement-Amendment 62-November 2022.pdf		File	 V2.Board Narrative VH-DMG Agreement-Amendment 62-November 2022.pdf

Contract Information

Division Contracts Division
Folder Amendments
Status Pending Approval
Title Amendment #62 to the Professional Medical Services
Contract Identifier Board - Amendment
Contract Number 90-12-084-1-62
Primary Responsible Party Pardo, Laela N.
Departments
Product/Service Description Amendment #62 to the Professional Medical Services

Action/Background A request for approval of Amendment #62 to the contract between District Medical Group (DMG) and Valleywise Health has been included in the November 22, 2022, Formal Meeting Consent Agenda. This amendment will be effective August 15, 2022, unless otherwise noted. The following requests are segregated by those that have or do not have a financial impact.

Amendment #62 Requests with a Financial Impact:

- Add a Pathology Assistant 1.0 FTE to the Service Line, Effective August 15, 2022

Valleywise Health is requesting to add 1.0 FTE Pathology Assistant to the Service Line.

The cost to Fiscal Year 2023 for the above FTE is \$137,235 in staffing fees. The estimated net staffing fees for Fiscal Year 2023 are \$137,235.

Amendment #62 Requests without a Financial Impact:

N/A

The total Fiscal Year 2023 financial impact of Amendment #62 to the Valleywise Health-DMG Contract is: \$137,235.

The total additional annual cost is estimated to be: \$156,840.

Evaluation Process

Category Other

Effective Date

Term End Date

Annual Value \$156,840.00

Expense/Revenue Expense

Budgeted Travel Type Yes

Procurement Number

Primary Vendor District Medical Group (DMG)

Responses

Member Name	Status	Comments
Melton, Christopher C.	Approved	
Fowler, Pamela S.	Approved	
Demos, Martin C.	Approved	
White, Michael	Approved	
Agnew, Claire F.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.iii.

**Contracts
90-20-028-10**

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Tuesday, November 8, 2022 9:56 AM
To: Melanie Talbot
Subject: Contract Approval Request: Schedule 010 - Small and Large Power Flex Financial, a division of Stryker Sales, LLC

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

Do not click links or open attachments unless you recognize the sender and know the content is safe.




Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Schedule 010 - Small and Large Power Flex Financial, a division of Stryker Sales, LLC
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Attachments

Name	Description	Type	Current File / URL
90-20-028-10 (unsigned).pdf		File	 90-20-028-10 (unsigned).pdf
OIG Flex Financial 2022.pdf		File	 OIG Flex Financial 2022.pdf
SAM Flex Financial 2022.pdf		File	 SAM Flex Financial 2022.pdf

Contract Information

Division Contracts Division
Folder Contracts \ Leases - Equipment
Status Pending Approval
Title Schedule 010 - Small and Large Power
Contract Identifier Board - New Contract
Contract Number 90-20-028-10
Primary Responsible Party Pardo, Laela N.
Departments PERIOPERATIVE BUSINESS SUPPORT
Product/Service Description Schedule 010 - Small and Large Power

Action/Background Approve a new Schedule between Flex Financial, a division of Stryker Sales LLC and Maricopa County Special Health Care District dba Valleywise Health for new, upgraded small and large power equipment. This Schedule 010 is to upgrade our power equipment for the OR from system 7 to system 9, because the system 7 will be obsolete as of December 31, 2022. Term of this Equipment Schedule 010 is forty-eight (48) months from date of delivery and acceptance of equipment. Cost of this agreement is \$31,838.93 monthly, for an annual spend \$382,067.16 which is budgeted for operational expenditures by the OR department. There is a \$1.00 Buyout option at the end of this Schedule if Valleywise Health wishes to exercise this option.

This lease schedule is sponsored by Sherry Stotler, SVP & CNO.

Evaluation Process The Contractor was determined to meet the requirements of the requesting department and Valleywise Health. Procurement has been satisfied pursuant to HS-102(B)(3) of the Procurement Code in that any agreements with professional association memberships and medical research projects are exempt from the solicitation requirements of the Procurement Code.

Category GPO

Effective Date

Term End Date

Annual Value \$382,067.16

Expense/Revenue Expense

Budgeted Travel Type Yes

Procurement Number

Primary Vendor Flex Financial, a division of Stryker Sales, LLC

Responses

Member Name	Status	Comments
Melton, Christopher C.	Approved	Reviewed and approve
Hixson, Jeffrey B.	Approved	
Mongelluzzo, Marc A.	Approved	
Stotler, Sherry A.	Approved	
Demos, Martin C.	Approved	
White, Michael	Approved	
Meier, Matthew P.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.iv.

**Contracts
MCO-20-022-02**

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Tuesday, November 8, 2022 12:41 PM
To: Melanie Talbot
Subject: Contract Approval Request: Medica Amendment 2 Medica Insurance Company

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

Do not click links or open attachments unless you recognize the sender and know the content is safe.

Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Medica Amendment 2 Medica Insurance Company
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Contract Information

Division Contracts Division
Folder Amendments
Status Pending Approval
Title Medica Amendment 2
Contract Identifier Board - Amendment
Contract Number MCO-20-022-02
Primary Responsible Party Tucker, Collee K.
Departments
Product/Service Description
Action/Background Approve a new Amendment (MCO-20-022-02) between Medica Insurance Company and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
Evaluation Process This Amendment is between Medica Insurance Company and Maricopa County Special Health Care District dba Valleywise Health. The Amendment will add terms to the agreement for the commercial product as well as updating terms for exchange product allowing members to receive comprehensive healthcare services through Valleywise Health facilities and providers. Medical inpatient and outpatient hospital and medical clinic services are included, professional services for Medica are contracted through the current relationship with Arizona Care Network and behavioral health services are contracted through a separate entity.

Category **Other**

Effective Date 1/1/2023

Term End Date

Annual Value \$0.00

Expense/Revenue

Budgeted Travel Type

Procurement Number

Primary Vendor **Medica Insurance Company**

Responses

Member Name	Status	Comments
Clarke, Renee R.	Approved	
Demos, Martin C.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.v.

**Contracts
MCO-20-032-MSA**

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Tuesday, November 8, 2022 11:49 AM
To: Melanie Talbot
Subject: Contract Approval Request: Humana Insurance Company and Humana Health Plan, Inc. Humana Insurance Company and Humana Health Plan, Inc.

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

Do not click links or open attachments unless you recognize the sender and know the content is safe.

Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Humana Insurance Company and Humana Health Plan, Inc. Humana Insurance Company and Humana Health Plan, Inc.
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Contract Information

Division Contracts Division
Folder Contracts \ Managed Care/Revenue
Status Pending Approval
Title Humana Insurance Company and Humana Health Plan, Inc.
Contract Identifier Board - New Contract
Contract Number MCO-20-032-MSA
Primary Responsible Party Tucker, Collee K.
Departments
Product/Service Description Commercial, Medicare Advantage
Action/Background Approve a new contract (MCO-20-032-MSA) between Humana Insurance Company and Humana Health Plan, Inc. and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services.
Evaluation Process This contract is between Humana Insurance Company and Humana Health Plan, Inc., the second largest Medicare Advantage health plan in Arizona, and Maricopa County Special Health Care District dba Valleywise Health allowing commercial and Medicare Advantage members to receive comprehensive healthcare services through Valleywise Health facilities and providers

including medical and behavioral inpatient and outpatient hospital, medical and behavioral clinic, and professional services.

Category Other

Effective Date 1/1/2023

Term End Date

Annual Value \$0.00

Expense/Revenue

Budgeted Travel Type

Procurement Number

Primary Vendor Humana Insurance Company and Humana Health Plan, Inc.

Responses

Member Name	Status	Comments
Clarke, Renee R.	Approved	
Demos, Martin C.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.vi.

**Contracts
MCO-20-024-01**

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Tuesday, November 8, 2022 11:49 AM
To: Melanie Talbot
Subject: Contract Approval Request: Imperial - Amendment 2 Imperial Insurance Companies, Inc.

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

Do not click links or open attachments unless you recognize the sender and know the content is safe.

Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Imperial - Amendment 2 Imperial Insurance Companies, Inc.
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Contract Information

Division Contracts Division
Folder Amendments
Status Pending Approval
Title Imperial - Amendment 2
Contract Identifier Board - Amendment
Contract Number MCO-20-024-01
Primary Responsible Party Tucker, Collee K.
Departments
Product/Service Description Commercial/ Exchange
Action/Background Approve a new Amendment (MCO-20-024-01) between Imperial Insurance Company, Inc. and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services.
Evaluation Process This Amendment is between Imperial Insurance Company, Inc. and Maricopa County Special Health Care District dba Valleywise Health. The Amendment will add terms of Agreement for the health insurance marketplace in Arizona (Maricopa County only) allowing members to receive comprehensive healthcare services through Valleywise Health facilities and providers including medical and behavioral inpatient and outpatient hospital, medical and behavioral clinic, and professional services.
Category Other

Effective Date 1/1/2023

Term End Date

Annual Value \$0.00

Expense/Revenue

Budgeted Travel Type N/A

Procurement Number

Primary Vendor Imperial Insurance Companies, Inc.

Responses

Member Name	Status	Comments
Clarke, Renee R.	Approved	
Demos, Martin C.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.vii.

**Contracts
90-23-099**

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Wednesday, November 9, 2022 5:38 AM
To: Melanie Talbot
Subject: Contract Approval Request: Comprehensive Payroll Services Master Services Agreement ADP, Inc.

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

Do not click links or open attachments unless you recognize the sender and know the content is safe.





Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Comprehensive Payroll Services Master Services Agreement ADP, Inc.
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Attachments

Name	Description	Type	Current File / URL
OIG ADP 2022.pdf		File	 OIG ADP 2022.pdf
SAM ADP 2022.pdf		File	 SAM ADP 2022.pdf
RFBA - Payroll Svcs.pdf		File	 RFBA - Payroll Svcs.pdf
90-23-099 (final redlines).pdf		File	 90-23-099 (final redlines).pdf

Contract Information

Division Contracts Division
Folder Contracts \ Services - Software
Status Pending Approval
Title Comprehensive Payroll Services Master Services Agreement
Contract Identifier Board - New Contract
Contract Number 90-23-099
Primary Responsible Party Pardo, Laela N.
Departments HOSPITAL ADMINISTRATION, OFFICE OF THE CIO
Product/Service Description Comprehensive Payroll Services Master Services Agreement

Action/Background Approve a Master Services Agreement between ADP, Inc. ("ADP") and Maricopa County Special Health Care District dba Valleywise Health for Comprehensive Payroll Services. This agreement will replace the current platform, with automated online payroll, tax calculations, integration with employee information and easy-to-use self-service. This agreement will be effective on November 22, 2022, for an Initial Term of five (5) years and will automatically renew for five (5) year terms ("Renewal Term"), unless non-renewal notice is given at least ninety (90) days prior to the then current term. There are one-time start-up costs which include: \$149,400.00 in Implementation Fees, and \$45,000.00 for Professional Services, and annual Services Fees are \$769,660.00; for a total first year cost of \$964,060.00. The ongoing annual cost will be \$769,660.00. This agreement is budgeted for operational expenditures from the IT department.

This Agreement is sponsored by Kelly Summers, SVP & Chief Information Officer.

Evaluation Process The Contractor was determined to meet the requirements of the requesting department and Valleywise Health. Procurement has been satisfied pursuant to HS-102(B)(1) of the Procurement Code in that contracts between Valleywise Health and other political subdivisions, cooperative purchasing agreements with governmental entities or other governments are exempt from the solicitation requirements of the Procurement Code.

Category Co-op

Effective Date 11/22/2022

Term End Date 11/21/2027

Annual Value \$964,060.00

Expense/Revenue Expense

Budgeted Travel Type Yes

Procurement Number

Primary Vendor ADP, Inc.

Responses

Member Name	Status	Comments
Melton, Christopher C.	Approved	
Wynn, Diane J.	Approved	
Summers, Kelly R.	Approved	
Demos, Martin C.	Approved	
Meier, Matthew P.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	
Christiansen, Lia K.	Approved	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.viii.

**Contracts
90-23-095-1**

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Wednesday, November 9, 2022 8:58 AM
To: Melanie Talbot
Subject: Contract Approval Request: Clinical Education Training Affiliation Agreement-Simulation Lab PHI Health, LLC d/b/a PHI Air Medical

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

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Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Clinical Education Training Affiliation Agreement-Simulation Lab PHI Health, LLC d/b/a PHI Air Medical
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Attachments

Name	Description	Type	Current File / URL
OIG-PHI Air Medical-2022.pdf		File	 OIG-PHI Air Medical-2022.pdf
SAM-PHI Air Medical-2022.pdf		File	 SAM-PHI Air Medical-2022.pdf
Valleywise Health Clinical Education Training Affiliation Agreement PHI Air Medical-Unsigned.docx		File	 Valleywise Health Clinical Education Training Affiliation Agreement PHI Air Medical-Unsigned.docx
RFBA		File	 RFBA-PHI Sim Lab Agreement.pdf

Contract Information

Division Contracts Division
Folder Contracts \ Expired Contracts
Status Pending Approval
Title Clinical Education Training Affiliation Agreement-Simulation Lab
Contract Identifier Board - New Contract
Contract Number 90-23-095-1
Primary Responsible Party Hammer, Mary P.

Departments NURSING ADMINISTRATION

Product/Service Description Clinical Education Training Affiliation Agreement-Simulation Lab

Action/Background Approve a new Agreement between APHI Health, LLC d/b/a PHI Air Medical, and Maricopa County Special Health Care District dba Valleywise Health to rent the Simulation Lab for Clinical Training to develop qualified professionals in the field of critical care transport medicine and to serve the needs of the profession and the community.
This Agreement is effective upon last date of signature and will continue until December 31, 2023 or may be terminated upon thirty (30) days prior written notice to the other party.
Anticipated annual revenue is a range of \$4,000.00 - \$12,000.00.
This Agreement is sponsored by Dr. White, EVP & Chief Clinical Officer

Evaluation Process The Contractor was determined to meet the requirements of the requesting department and Valleywise Health. Procurement has been satisfied pursuant to HS-102B(3) of the Procurement Code in that any agreements with professional association memberships and medical research projects are exempt from the solicitation requirements of the Procurement Code.

Category Other

Effective Date

Term End Date 12/31/2023

Annual Value \$4,000.00

Expense/Revenue Revenue

Budgeted Travel Type N/A

Procurement Number

Primary Vendor PHI Health, LLC d/b/a PHI Air Medical

Responses

Member Name	Status	Comments
Melton, Christopher C.	Approved	
Beardsley, Sherrie L.	Approved	
Garcia, Crystal D.	Approved	
Stotler, Sherry A.	Approved	
Demos, Martin C.	Approved	
White, Michael	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	
Meier, Matthew P.	Approved	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.ix.

**Contracts
90-23-100-1**

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Wednesday, November 9, 2022 12:17 PM
To: Melanie Talbot
Subject: Contract Approval Request: IGA - ARPA State and Local Recovery Funds - Staff Incentives for Mesa BH Center Maricopa County (IGA)

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Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: IGA - ARPA State and Local Recovery Funds - Staff Incentives for Mesa BH Center Maricopa County (IGA)
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Attachments

Name	Description	Type	Current File / URL
90-23-100-1 (unsigned).pdf		File	 90-23-100-1 (unsigned).pdf

Contract Information

Division Contracts Division
Folder Contracts \ Services - Consulting/Auditing & Other
Status Pending Approval
Title IGA - ARPA State and Local Recovery Funds - Staff Incentives for Mesa BH Center
Contract Identifier Board - New Contract
Contract Number 90-23-100-1
Primary Responsible Party Pardo, Laela N.
Departments HOSPITAL ADMINISTRATION
Product/Service IGA - ARPA State and Local Recovery Funds - Staff Incentives for Mesa BH Center
Description Center
Action/Background Approve a new Intergovernmental Agreement ("IGA") between Maricopa County and Maricopa County Special Health Care District dba Valleywise

Health. The purpose of this IGA is to provide Valleywise Health, as Subrecipient, a total of \$10.6 Million in ARPA funds. Due to the COVID-19 pandemic, Valleywise Health was forced to close five (5) of its inpatient behavioral health units because of staffing challenges during the pandemic. These ARPA funds will be spent on sign-on and retention bonuses so that Valleywise Health may reopen its closed units. Funds will be distributed to Valleywise Health in annual installments to begin following the execution of this documents and all funds must be incurred by December 31, 2026. Either Party may terminate this Agreement at any time by giving the other Party at least thirty (30) calendar days prior written notice.

This new IGA is sponsored by Warren Whitney, Sr. VP Government Relations.

Evaluation Process

Category IGA

Effective Date

Term End Date 12/31/2026

Annual Value \$0.00

Expense/Revenue Revenue

Budgeted Travel Type

Procurement Number

Primary Vendor Maricopa County (IGA)

Responses

Member Name	Status	Comments
Melton, Christopher C.	Approved	
Whitney, Warren W.	Approved	
Demos, Martin C.	Approved	
Meier, Matthew P.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.b.x.

**Contracts
90-12-084-1-63**

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Tuesday, November 8, 2022 11:40 AM
To: Melanie Talbot
Subject: Contract Approval Request: Amendment #63 to the Professional Medical Services - Term Extension District Medical Group (DMG)

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

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Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Amendment #63 to the Professional Medical Services - Term Extension District Medical Group (DMG)
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Attachments

Name	Description	Type	Current File / URL
Valleywise-DMG Mothership Contract Extension Amendment #63.pdf		File	 Valleywise-DMG Mothership Contract Extension Amendment 63.pdf

Contract Information

Division Contracts Division
Folder Amendments
Status Pending Approval
Title Amendment #63 to the Professional Medical Services - Term Extension
Contract Identifier Board - Amendment
Contract Number 90-12-084-1-63
Primary Responsible Party Pardo, Laela N.
Departments
Product/Service Description Amendment #63 to the Professional Medical Services - Term Extension
Action/Background Approve Amendment #63 to the contract between District Medical Group (DMG) and Maricopa County Special Health Care District dba Valleywise

Health to extend the contract. This amendment will modify Section I.2. "Term and Biennial Review" to extend the contract Term through the earlier of (i) the date that the Parties enter into a new agreement that replaces and supersedes the 2016 Contract or (ii) June 30, 2023. Amendment will be effective upon approval and signature at the November Board meeting. All other terms and conditions of the contract remain the same and in full effect.

Evaluation Process

Category **Other**

Effective Date

Term End Date

Annual Value **\$0.00**

Expense/Revenue

Budgeted Travel Type

Procurement Number

Primary Vendor **District Medical Group (DMG)**

Responses

Member Name	Status	Comments
Melton, Christopher C.	Approved	
Demos, Martin C.	Approved	
White, Michael	Approved	
Meier, Matthew P.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.c.i.

**Governance
Code of Conduct and Ethics for
Calendar Year 2023**



**Maricopa County Special Health Care District
Code of Conduct and Ethics**

20222023

Summary of Approvals

Approval Signatures:

Chairman, Board of Directors
Maricopa County Special Health Care District

November 23, 2024
Date

President and Chief Executive Officer
Valleywise Health

November 23, 2024
Date

Chief Compliance Officer
Valleywise Health

November 23, 2024
Date

Code of Conduct and Ethics Effective November ~~22~~²³, 202~~1~~²

I. PURPOSE

This Code of Conduct and Ethics (Code) has been adopted by the Maricopa County Special Health Care District d/b/a Valleywise Health to provide standards by which the District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, officers, medical staff and agents will conduct themselves to protect and promote organization-wide integrity and to enhance Valleywise Health's ability to achieve its organizational mission. The Code is intended to serve as a guide to assist the District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, officers, medical staff, and agents to make sound decisions in carrying out their day-to-day responsibilities.

II. RESPONSIBILITIES UNDER THE CODE OF CONDUCT and ETHICS

Who must comply with the District's Code of Conduct and Ethics?

The Code applies to all members of the District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, officers, medical staff, agents of Valleywise Health and Valleywise Health's Business Partners. Valleywise Health recognizes the different missions and services that each Business Partner provides in developing policies and procedures to achieve the standards and goals set forth in the Code while maintaining each Business Partners unique mission and services.

What are your responsibilities as a Valleywise Health employee with regard to the Code of Conduct and Ethics?

Foster and support an atmosphere of compliance by:

- Reading the Standards of Conduct and Ethics contained in the Code and think about their application to your work. You should have a basic understanding of issues covered by each Standard and the supplemental compliance policies that apply to your job function.
- Seeking assistance from your supervisor(s), the Administration, the Chief Compliance Officer, the General Counsel or other Valleywise Health leadership resources when you have questions about the application of the standards and other Valleywise Health policies to your work.
- Understanding the numerous options that Valleywise Health makes available to you for raising conduct or ethical concerns and promptly raise such concerns. You should raise such concerns with your immediate supervisor or Valleywise Health's Chief Compliance Officer or its General Counsel. If you prefer to raise your concerns anonymously, call the Valleywise Health Compliance Hotline Line 1-866-333-6447 and/or you can file a concern on the Valleywise Health website under "Report a Compliance Concern".
- Cooperating in Valleywise Health's investigations concerning potential violations of law, government payer regulations and rules, the Code, the Valleywise Health Compliance Program and Valleywise Health's policies and procedures.
- Completing all required compliance training.

- Understanding that accessing their personal health information (PHI) in EPIC would be a violation of our privacy policies. Employees should only use MyChart to access their PHI. Additionally, employees should not access relatives or anyone else's PHI where they are not involved in their care (See Policy 01261 S).

What are your responsibilities as Valleywise Health's officers, managers and other supervisors?

Build and maintain a culture of compliance by:

- Leading by example, using your own behavior as a model for all employees.
- Knowing, understanding and following the statutes, rules and regulations that govern your area(s) of responsibility.
- Encouraging employees to raise conduct and ethical questions and concerns.
- Ensuring that all employees, volunteers and contractors complete all required compliance training.

Prevent compliance problems by:

- Identifying potential compliance risks and proposing appropriate policies, procedures and actions to address such risks.
- Identifying employees whose activities involve issues covered by Valleywise Health's policies and procedures.
- Providing education, role playing and counseling to assist employees to understand the Code, Valleywise Health policies and procedures and applicable law, and government payer regulations and rules.

Detect compliance problems by:

- Maintain appropriate controls to monitor compliance and mechanisms that foster the effective reporting of potential compliance issues.
- Promoting an environment that permits employees to raise concerns without fear of retaliation.
- Arranging periodic compliance reviews that are conducted with the assistance of the Valleywise Health Chief Compliance Officer to assess the effectiveness of Valleywise Health's compliance measures and to identify methods of improving them.

Respond to compliance problems by:

- Pursuing prompt corrective action to address weaknesses in compliance issues.
- Applying corrective action(s) and disciplinary plans when necessary.
- Consulting with Valleywise Health's Chief Compliance Officer so that compliance issues are

promptly and effectively addressed.

What are your responsibilities as the District's Board of Directors or as Valleywise Community Health Centers Governing Council Members?

Build and maintain a culture of compliance by:

- Reading the Standards of Conduct and Ethics contained in the Code, thinking about them and their application to your work.
- Leading by example, using your own behavior as a model for others.
- Making decisions that are in the best interest of Valleywise Health and that are not affected by conflicts of interest.
- Being knowledgeable about the Valleywise Health Compliance Program and exercise governance and oversight over it.
- Requiring appropriate reports from management concerning the status of the Valleywise Health Compliance Program, the resources required to maintain its vitality and Valleywise Health's response to identified compliance deficiencies.
- Receiving and acting on compliance issues, upon advice from management, including Valleywise Health's Chief Executive Officer, General Counsel, and Chief Compliance Officer.
- Assuring that the Compliance Program is free from undue restraints and influences through direct reporting by the Chief Compliance Officer to the Board of Directors regarding compliance issues that promote the integrity of the Compliance Program and raising any concerns with the Chief Compliance Officer or General Counsel.
- Maintaining the confidentiality of all compliance-related information provided to them, subject to the requirements of applicable law.
- Complete required compliance training.

What are your responsibilities as medical staff?

Assist Valleywise Health to foster an atmosphere of compliance by:

- Reading the Standards of Conduct and Ethics contained in the Code and think about their application to your work. You should have an understanding of issues covered by each Standard and the supplemental compliance policies that apply to the services you furnish to Valleywise Health and our patients.
- Actively participating in compliance activities as requested by Valleywise Health's

administration.

- Maintaining the confidentiality of information provided to you relating to compliance issues.
- Assisting Valleywise Health in identifying possible compliance issues and in developing possible solutions to address those issues.
- Understanding the various options that Valleywise Health makes available for raising conduct or ethical concerns and promptly raise such concerns. You should raise such concerns with Valleywise Health’s Chief Compliance Officer or General Counsel. If you prefer to raise your concerns anonymously, call the Valleywise Health Compliance Hotline 1-866- 333-6447 and/or you can file a concern on the Valleywise Health website under “Report a Compliance Concern”.
- Cooperating in Valleywise Health investigations concerning potential violations of law, the District’s Code of Conduct and Ethics, the Valleywise Health Compliance Program and Valleywise Health’s policies and procedures.
- Completing required compliance training.
- [Understanding that accessing their personal health information \(PHI\) in EPIC would be a violation of our privacy policies. Medical Staff should only use MyChart to access their PHI. Additionally, Medial Staff should not access relatives or anyone else’s PHI where they are not involved in their care \(See Policy 01261 S\).](#)

What are your responsibilities as agents and other committee members?

Agents are responsible to participate in the Valleywise Health compliance program by:

- Understanding and applying the Standards of Conduct and Ethics contained in the Code and think about their application to the services you furnish to Valleywise Health. You should have an understanding of issues covered by each standard and the supplemental compliance policies that apply to the services you furnish to Valleywise Health.
- Actively participating in compliance activities, such as education, role playing and training, as requested by Valleywise Health.
- Understanding the various options that Valleywise Health makes available for raising conduct or ethical concerns and promptly raise such concerns. You should raise such concerns with Valleywise Health’s Compliance Officer or General Counsel. If you prefer to raise your concerns anonymously, call the Valleywise Health Compliance Hotline 1-866-333-6447 and/or you can file a concern on the Valleywise Health website under “Report a Compliance Concern”.
- Cooperating in Valleywise Health investigations concerning potential violations of law, the District Code of Conduct and Ethics, the Valleywise Health Compliance Program and Valleywise Health policies and procedures.
- Completing required compliance training.

How May the Code of Conduct and Ethics Be Revised?

This Code may be amended, modified or waived only after a review by the Chief Executive Officer and the approval of the District Board of Directors.

How Frequently will the Compliance Program Be Reviewed?

The Compliance Program (including the Code of Conduct and Ethics) will be reviewed annually by the Finance, Audit & Compliance Committee to foster its effectiveness and at such times when changes to it are necessitated by changes in laws and regulations applicable to Valleywise Health. Suggested changes to the Valleywise Health Compliance Program will be presented to the District Board of Directors for approval.

III. STANDARDS OF CONDUCT AND ETHICS

Patient Relationships: We are committed to providing a high quality of healthcare and services to our patients, their families, visitors and the community. We treat all patients with respect and dignity and provide care that is necessary and appropriate.

Principles:

- We will recognize the right of our patients to receive quality and appropriate services provided by competent individuals in an efficient, cost effective and safe manner.
- We will continually monitor the clinical quality of the services we provide and will endeavor to improve the quality of the services provided.
- We will support every patient's right to be free from all types of abuse and will not tolerate patient abuse in any form.
- We will apply our admission, treatment, transfer and discharge policies equally to all patients based upon identified patient needs and regardless of a patient's ability to pay.
- We will listen to our patients, families and visitors to understand any concerns or complaints and will involve patients in the decision-making process about their care.
- We will demonstrate our commitment to patient safety by continuously reviewing systems, processes and policies to detect and prevent medical errors.
- [We will provide treatment and medical services in accordance with the U.S. Equal Employment Opportunity Commission \(EEOC\) and the protected discrimination types, such as age, disability,](#)

equal pay/compensation, genetic information, harassment, national origin, pregnancy, race/color, religion, retaliation, sex, sexual harassment, sexual orientation and gender identity.

- ~~• We will provide treatment and medical services in accordance with the U.S. Equal Employment Opportunity Commission (EEOC) and the protected discrimination types, such as without discrimination based on race, color, religion, sex, sexual orientation, national origin, marital status, political belief, age, veteran status or disability, age, disability, equal pay/compensation, genetic information, harassment, national origin, pregnancy, race/color, religion, retaliation, sex, sexual harassment, sexual orientation and gender identity.~~
- We will remain sensitive to our position as a regional leader in tertiary and specialty care and research, and to our consequent obligation as a health care leader to all segments of our community.
- We will maintain policies and procedures (i.e., EMTALA policies) to complete logging in the central log, performing a medical screening exam and stabilizing all patients presenting to our Emergency Department (ED) [i.e., Roosevelt (including trauma) and Maryvale] and at our Dedicated Emergency Departments (DED) [i.e., Bum, Labor and Delivery].
- We will fully and fairly evaluate requests to transfer patients to our care from our colleagues and providers in outlying areas, and will accept such transfers as clinically appropriate (i.e., EMTALA transfers-in). Additionally, we will fully and fairly transfer patients to external entities (i.e., EMTALA transfers-out) as clinically appropriate as directed by our physician staff.
- We will maintain licensure and credentialing standards to further the provision of clinical services by properly trained and experienced practitioners.
- We will perform background checks of existing and potential Valleywise Community Health Centers Governing Council members, other Valleywise Health committee members (as appropriate), employees, medical staff members, contractors, agents and consultants to verify credentials and to assess whether such individuals and entities have ever been excluded from participation in any of the federal or state health care programs, including the Medicare, Medicaid, and AHCCCS programs.
~~employees, medical staff members, contractors and consultants to verify credentials and to assess whether such individuals and entities have ever been excluded from participation in any of the federal or state health care programs, including the Medicare, Medicaid, and AHCCCS programs.~~
- We will respect the privacy of our patients, and we will treat all patient information with confidentiality, in accordance with all applicable laws, regulations and professional standards.

General Legal and Regulatory Compliance: Valleywise Health will continuously and vigorously promote full compliance with applicable laws.

Principles:

- We will continuously study our legal obligations and create policies and procedures that

facilitate compliance by our District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, officers, medical staff and agents with such legal obligations.

- We will recognize the critical role of research in improving the health status of our community, and we are committed to conducting all research activities in compliance with the highest ethical, moral, and legal standards.
- We will engage in open and fair competition and marketing practices, based on the needs of our community and consistent with the furtherance of our mission.
- We will treat our employees with respect and will engage in human relations practices that promote the personal and professional advancement of each employee.
- We will recognize that our employees work in a variety of situations and with a variety of materials, some of which may pose a risk of injury. We are committed to providing a safe work environment and will maintain and monitor policies and procedures for workplace safety that are designed to comply with federal and state safety laws, regulations, and workplace safety directives.
- We will recognize that the provision of health care may in some instances produce hazardous waste products or other risks involving environmental impact. We are committed to compliance with applicable environmental laws and regulations and will follow proper procedures with respect to handling and disposing of hazardous and bio-hazardous waste.
- We will expect our Board of Directors, Valleywise Community Health Centers Governing Council members, employees, officers, medical staff and agents to understand the basic legal obligations that pertain to their individual job functions or services they furnish to Valleywise Health and our patients, and will require that they strive to make certain that their decisions and actions are conducted in conformity with such laws, regulations, policies and procedures.
- We will support educational and other training sessions to teach the District's Board of Directors, Valleywise Community Health Centers Governing Council members, employees, officers, and as warranted medical staff and agents, about the impact of the law on their duties and to promote compliance with our collective legal obligations.
- We will support and maintain multiple resources for District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, officers, medical staff and agents to voice any questions about the proper interpretation of a particular law, regulation, policy or procedure.

Avoidance of Conflicts of Interest: District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, officers, medical staff, ~~and~~ agents and other committee members maintain a duty of loyalty to Valleywise Health and to all of the citizens of Maricopa County and, as a result, must avoid any activities that may involve (or may appear to involve) a conflict of interest or that may influence or appear to influence the ability of the District Board member, Valleywise Health Centers Governing Council member, employee, officer, medical staff member, ~~or~~ agent and other committee members to render objective decisions in the course of their job responsibilities, or other services they furnish to Valleywise Health.

Principles:

- We will maintain policies and procedures that make clear when an individual’s private interests may inappropriately interfere with Valleywise Health’s interests; and will provide support through which the District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, officers, medical staff, ~~and agents~~ and other committee members may pose questions about whether a particular activity or relationship could be construed as a conflict of interest or otherwise improper.
- We will articulate expectations of the conduct that must be demonstrated by the District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, management, officers, medical ~~staff~~ staff, agents and other committee members ~~staff, and agents~~ in the performance of services for Valleywise ~~Health, and~~ Health and will require that such individuals remain free of conflicts of interest in the performance of their responsibilities and services to Valleywise Health.
- The Valleywise Health Conflicts of Interest and Gift Policy establishes the policy and procedure for the District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, management, officers, medical ~~staff~~ staff, agents and other committee members ~~staff, and agents~~ to evaluate, analyze, and properly remediate potential and apparent conflicts of interest.
- We will require the District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, management, officers, medical ~~staff~~ staff, agents and other committee members ~~staff, and agents~~ to inform Valleywise Health of personal business ventures and other arrangements that could be perceived as conflicts of interest and will provide for policies and procedures for doing so.
- We will not permit the District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, management, officers, medical ~~staff, agents and other committee members~~ staff, agents and other committee members ~~staff or agents~~ to use any proprietary or non-public information acquired as a result of a relationship with Valleywise Health for person gain or for the benefit of another business opportunity.
- We will render decisions about the purchase of outside services and goods based on the supplier’s ability to best satisfy Valleywise Health’s needs and not based on personal relationships.
- District Board of Directors, Valleywise Community Health Centers Governing Council members, Valleywise Health officers, management, and employees shall not use their official position for personal gain. Public influence and confidential or “inside” information must never be used for personal advantage. Conflict of interest laws, A.R.S. § 38-501 *et. seq.* must be scrupulously observed. The conflict of interest laws prohibit participation by public officers, elected officials, management, or employees in a decision or contract in which they have a direct or indirect pecuniary or proprietary interest.

Relationship with Payers: Valleywise Health will consistently strive to satisfy the conditions of payment required by the payers with which Valleywise Health transacts business.

- We will promote compliance with laws governing the submission and review of bills for our services and will deal with billing inquiries in an honest and forthright manner.
- We will maintain reasonable measures to prevent the submission or filing of inaccurate, false or fraudulent claims to payers.
- We will utilize systematic methods for analyzing the payments we receive and will reconcile inaccurate payments in a timely manner after discovery and review.
- When warranted, we will investigate potential or reported inaccurate billings and payments to determine whether changes to current protocol or other remedial steps are necessary.
- We will maintain documentation systems sufficient to create and maintain complete and accurate documentation of services provided.
- We will review cost reports to be filed with the federal and state health care programs to determine whether such reports accurately and completely reflect the operations and services provided to beneficiaries and to confirm that such reports are completed in accordance with applicable federal and state regulations and Valleywise Health's policies and procedures.
- We will, as necessary, rely on internal and external sources to help improve Valleywise Health's billing and coding protocol and to identify potential areas of noncompliance.
- We will compensate billing and coding staff and consultants for services rendered, in a manner that is permitted under law and will not compensate such persons in any way related to collections or maximization of revenues.

Relationship with Physicians and Other Providers: Valleywise Health will monitor its business dealings to structure relationships in ways that satisfy the needs of the community.

- We will maintain relationships with physicians and other referral sources based only on the needs of our community and consistent with our mission.
- We will treat referral sources fairly and consistently, and will not provide remuneration that could be considered payment for referrals, including:
 - Free or below-market rents; Administrative or staff services at no- or below-cost;
 - Grants in excess of amounts for *bona fide* research or other services rendered;
 - Interest-free loans; or
 - Gifts, “perks” or other payments intended to induce referrals.
- We will maintain policies, procedures and other protocol which require fair market value determinations for services rendered by referral sources and for services rendered by Valleywise

Health.

- We will maintain procedures to require all agreements with referral sources to be reduced to writing and reviewed and approved as appropriate under law and Valleywise Health's policies and procedures.
- We will train the appropriate personnel on the primary laws and regulations governing the referral of patients and other legal restrictions on the manner in which Valleywise Health transacts business, including the penalties that may result for violations of such laws.

Respect for Our Culture: We recognize that a diverse workforce enriches the life experience of all employees and our community and will promote diversity consistent with Valleywise Health's Diversity Plan.

- We will provide equal employment opportunities to employees and applicants for employment without regard to race, color, religion, sex, sexual orientation, [gender identity](#) national origin, marital status, political belief, age, veteran status, or disability, in accordance with applicable law.
- We will maintain policies and procedures that promote compliance with laws governing nondiscrimination in personnel actions, including recruiting, hiring, training, evaluation, transfer, workforce reduction, termination, compensation, counseling, discipline, and promotion of employees.
- We will promote diversity with respect to individuals with disabilities and will make reasonable accommodations to any individual as required by law.
- We will recognize the right of our employees to a workplace free of violence and harassment and will not tolerate any form of harassment or violence toward our employees.
- We will maintain policies and procedures that promote appropriate conduct in the workplace and prohibit unwanted or hostile interaction, including degrading or humiliating jokes, physical or verbal intimidation, slurs, or other harassing conduct.
- We will not tolerate any form of sexual harassment, either overt, such as request for sexual favors in return for promotions, or less obvious forms of harassment, such as sexual comments.
- We will maintain policies and procedures prohibiting workplace violence, including robbery, stalking, assault, terrorism, hate crimes, or violence [against any employees.](#) ~~directed at supervisors.~~
- We will maintain policies, procedures, and practices prohibiting retaliation in any form for reporting.

Information Systems: We recognize that the provision of healthcare services generates business, financial, and patient-related information that requires special protection. We will establish systems that ensure such information is used appropriately and safeguarded zealously.

- We are committed to the security and integrity of documents and records in our possession, and will develop systems, policies and procedures sufficient to safeguard the security and integrity of our documents and records, including systems, policies and procedures to:
- Establish retention periods and protocols for business, financial, and patient records in the Valleywise Health system. [We will maintain required documentation to meet all record retention standards, including but not limited to Medicare Parts A, B, C \(ten years\), D and Medicaid.](#)
- Prevent the altering, removal, or destruction of records or documents—except according to our records retention policy and applicable ethical and legal standards.
- Promote the accurate, thorough, detailed, and complete documentation of all business, financial, and patient transactions.
- Control and monitor access to Valleywise Health’s [information system](#), communications systems, electronic mail, internet access, and voicemail to ensure that such systems are accessed appropriately and used in accordance with Valleywise Health’s policies and procedures.
- Protect the privacy and security of patient medical, billing, and claims information by maintaining sufficient physical, systemic, and administrative measures to prevent unauthorized access to or use of patient information, and to track disclosures of such information as required by law.
- Provide access to medical, billing, and claims information for our patients and their legal representatives as required by law.
- Safeguard the personal and human resources information of our employees, including salary, benefits, medical, and other information retained within the human resources system as required by law.

IV. VIOLATIONS OF THE CODE OF CONDUCT AND ETHICS

Valleywise Health is committed to providing the District Board of Directors, Valleywise Community Health Centers Governing Council members, employees, management, officers, medical ~~staff~~, ~~and agents~~, [and other committee members](#) -with a means of raising questions and concerns, and reporting any conduct that the District Board member, Valleywise Community Health Centers Governing Council member, management, employee, officer, medical staff member, ~~or agent~~ [or other committee member](#) suspects is in violation of this Code. District Board members, Valleywise Community Health Centers Governing Council members, employees, management, officers, medical [staff, agents, and other committee members](#) ~~staff and agents~~ are expected and required to communicate any suspected, detected or reported violations of the Code to a direct supervisor, the Chief Compliance Officer or General Counsel, as applicable. If you prefer, you can anonymously call the Valleywise Health Compliance Hotline 1-866-333-6447 and/or you can file a concern on the Valleywise Health website under “Report a Compliance

Concern”. The Chief Compliance Officer will maintain primary responsibility for investigating reports received on this hotline.

The following list, while not exhaustive, describes the type of concerns and questions that you should raise with your supervisor, the Chief Compliance Officer, General Counsel or through the Valleywise Health Compliance Hotline:

- Allegations, discrimination or retaliation.
- The possible submission of false, inaccurate or questionable claims to Medicare, Medicaid, AHCCCS or any other payer.
- The provision or acceptance of payments, discounts or gifts in exchange for referrals of patients.
- The utilization of improper physician recruitment techniques under applicable law.
- Situations that could raise conflict-of- interest concerns.
- Potential breaches of confidentiality or privacy.



PERSONAL COMMITMENT AND CERTIFICATION

I acknowledge and certify that I have received and read the Maricopa County Special Health Care District d/b/a Valleywise Health’s Code of Conduct and Ethics and I understand my obligations to comply with the Code.

I agree to comply with the Maricopa County Special Health Care District d/b/a Valleywise Health’s Code of Conduct and Ethics.

Board of Directors and Valleywise Community Health Centers Governing Council: I understand that compliance with this Code is essential to my service on the Board of Directors of the Maricopa County Special Health Care District or my service on the Valleywise Community Health Centers Governing Council. I hereby attest that I have performed my duties as a member of the Board of Directors or Valleywise Community Health Centers Governing Council in a manner consistent with the current version of the Co-Applicant Operational Arrangement between the Maricopa County Special Health Care District and the Valleywise Community Health Centers Governing Council.

~~* I hereby attest that I have performed my duties as a member of the Board of Directors or Valleywise Community Health Centers Governing Council in a manner consistent with the 2020 Revised Co-Applicant Operational Arrangement between the Maricopa County Special Health Care District and the Valleywise Community Health Centers Governing Council.~~

Initials: _____

Employees, Management, and Officers: I understand that compliance with this Code is a condition of my continued employment. I further understand that violation of the Code of Conduct and Ethics may result in disciplinary action up to and including termination.

Initials: _____

Medical Staff: I understand that compliance with this Code is a condition to my ability to practice my profession at Valleywise Health. I further understand that violation of the Code of Conduct and Ethics may result in disciplinary action as provided in the Bylaws of the Medical Staff.

Initials: _____

Agents and Other Committee Members: I understand that compliance with this Code is a condition of my continued ability to furnish services to Valleywise Health. I further understand that violation of the Code of Conduct and Ethics may result in a termination by Valleywise Health of any relationship I have with Valleywise Health.

Initials: _____

Please sign here: _____

Date: _____

Please print your name: _____

Dept: _____



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.c.ii.

Governance

**Annual Audit for Fiscal Year ending
June 30, 2022**

Maricopa County Special Health Care District (Valleywise Health)

2022 Audit Results

November 22, 2022



Building a better
working world

Executive summary

2022 Audit Results

We have completed our audit procedures on the 2022 Valleywise Health financial statements and will issue an unmodified opinion.

- ▶ No material corrected or uncorrected audit differences were identified.
- ▶ No material weaknesses were identified.

We also completed our 2021 Uniform Guidance audit of Valleywise Health and have included those results herein.

Digital Audit Delivery

We incorporated the following digital tools within our audit process:

- ▶ Health Revenue Analyzer
- ▶ General Ledger Analyzer
- ▶ Enhanced use of EY's Canvas Client Portal to facilitate transmission and tracking of support

Areas of Audit Emphasis

We identified the following areas of emphasis, which we considered in performing the 2022 audit:

- ▶ Patient service revenue and accounts receivable
- ▶ Proposition 480 bond funds and capital expenditures
- ▶ Self-insured accruals, including professional, general and workers' compensation liabilities
- ▶ Leases (adoption of GASB 87)
- ▶ Pension plan liabilities
- ▶ Risk of management override of controls

Looking Forward

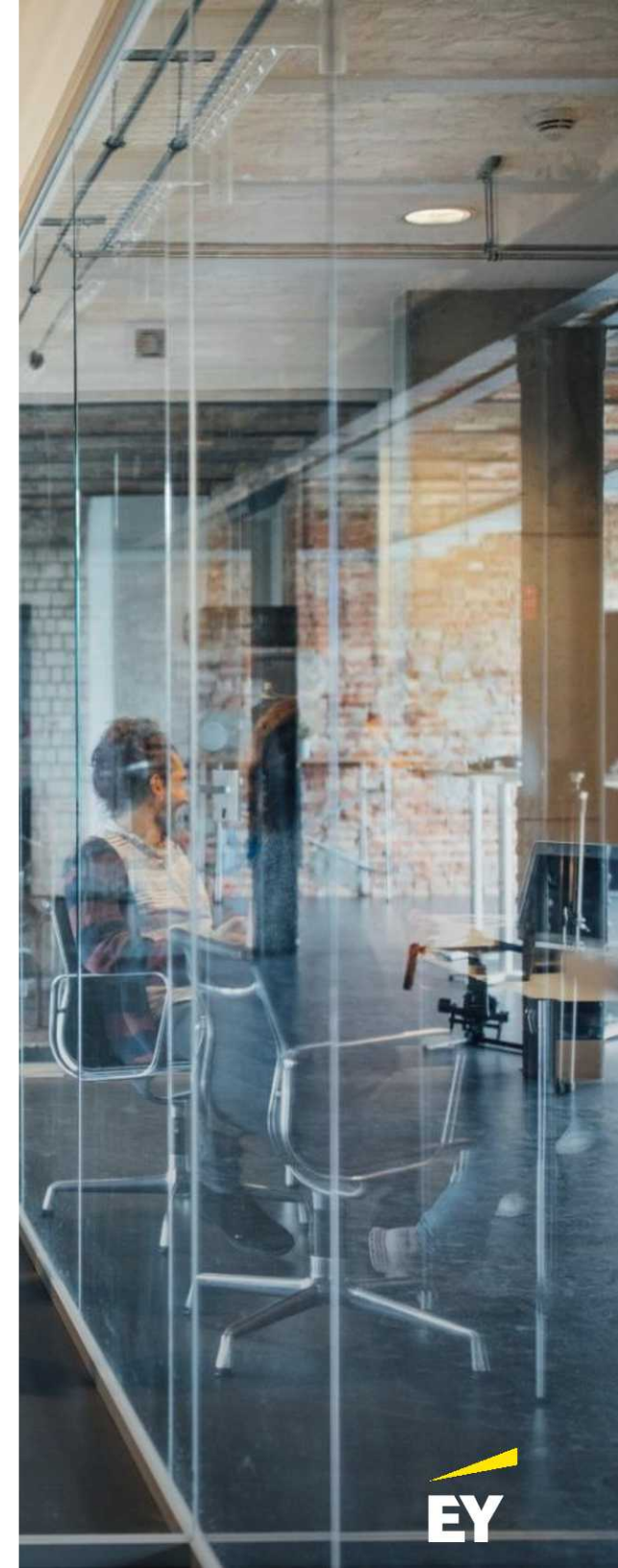
Uniform Guidance audit for the 2022 Schedule of Expenditures of Federal Awards:

- ▶ Due by March 31, 2023

Required communications

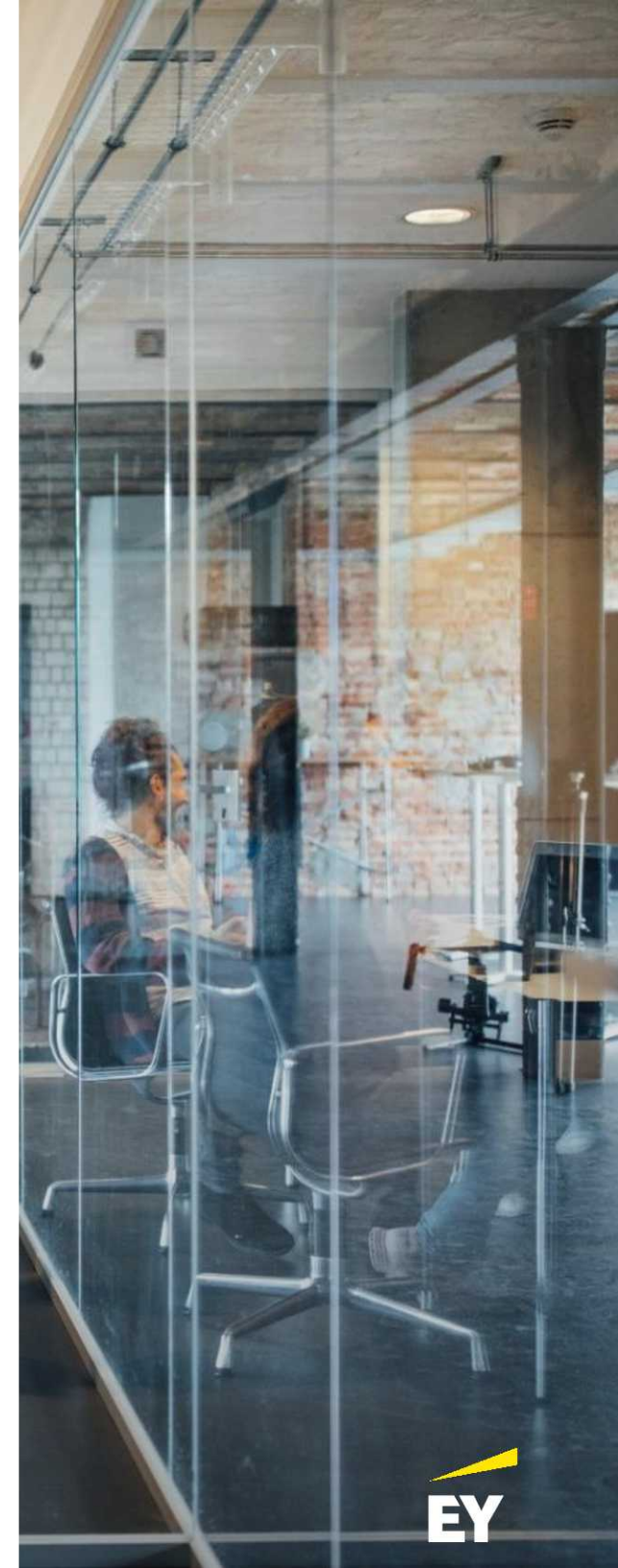
Required communications

Area	Comments
<ul style="list-style-type: none">▶ Auditor's responsibility under generally accepted auditing standards, including our discussion of the type of auditor's report we are issuing	<p>Our responsibilities are included in our audit engagement agreement. A copy of such agreement can be provided upon request.</p> <p>We will issue an unmodified opinion on Valleywise's financial statements as of and for the year ended June 30, 2022.</p>
<ul style="list-style-type: none">▶ Changes to the audit strategy, timing of the audit and significant risks identified	<p>Our audit strategy is consistent with the plan communicated during the April 2022 FAC committee meeting.</p>
<ul style="list-style-type: none">▶ Matters relevant to our evaluation of the entity's ability to continue as a going concern	<p>We did not identify any events or conditions that led us to believe there was substantial doubt about Valleywise's ability to continue as a going concern.</p>



Required communications

Area	Comments
<p>Our views about the qualitative aspects of the entity's significant accounting practices, including:</p> <ul style="list-style-type: none"> ▶ Accounting policies ▶ Accounting estimates 	<p>Management adopted GASB 87 <i>Leases</i>, which required retroactive application to prior periods presented in the financial statements. Management appropriately recorded Valleywise's leases and disclosed the impact in the financial statements in accordance with this accounting standard. Management has not selected or changed any other significant policies or changed the application of those policies in the current year.</p>
<ul style="list-style-type: none"> ▶ Related party relationships and transactions* 	<p>We noted no significant matters regarding Valleywise's relationships and transactions with related parties.</p>
<ul style="list-style-type: none"> ▶ Changes to the terms of the audit with no reasonable justification for the change 	<p>None.</p>
<ul style="list-style-type: none"> ▶ Significant unusual transactions** 	<p>We are not aware of any significant unusual transactions executed by Valleywise.</p>
<ul style="list-style-type: none"> ▶ Difficult or contentious matters subject to consultation outside of the audit team 	<p>None.</p>



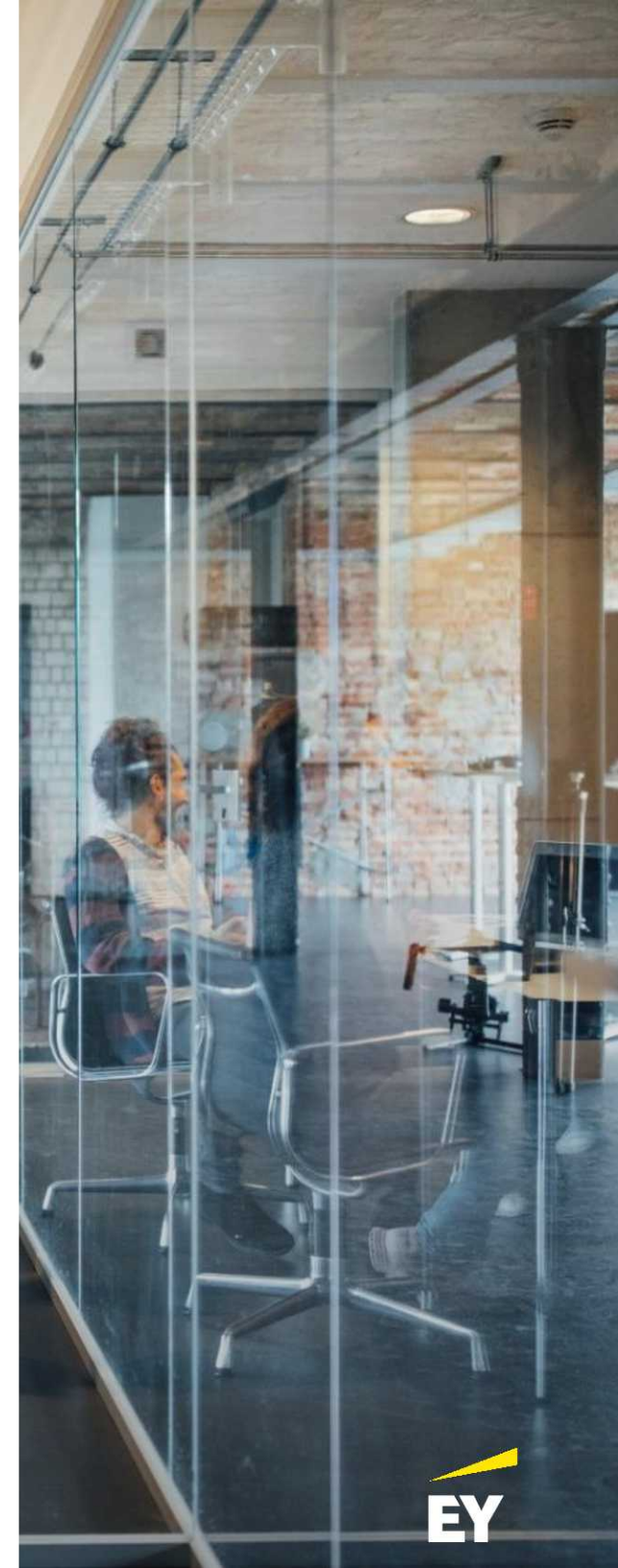
Required communications

Area	Comments
<ul style="list-style-type: none"> ▶ Material corrected misstatements related to accounts and disclosures ▶ Uncorrected misstatements related to accounts and disclosures, considered by management to be immaterial 	<p>There are no material corrected or uncorrected misstatements.</p>
<ul style="list-style-type: none"> ▶ Significant deficiencies and material weaknesses in internal control over financial reporting* 	<p>No material weaknesses have been identified.</p>
<ul style="list-style-type: none"> ▶ Our responsibility, procedures performed, the results of those procedures and any reporting to be included in our auditor's report relating to other information included in the annual report 	<p>We have reviewed Valleywise's Supplementary Information and did not identify anything requiring communication.</p>
<ul style="list-style-type: none"> ▶ Fraud and noncompliance with laws and regulations (illegal acts)** 	<p>We are not aware of any matters that require communication.</p>
<ul style="list-style-type: none"> ▶ Obtain information relevant to the audit 	<p>Inquiries regarding matters relevant to the audit are to be performed at this meeting.</p>
<ul style="list-style-type: none"> ▶ Independence matters* 	<p>We are not aware of any matters that in our professional judgment would impair our independence.</p>



Required communications

Area	Comments
<ul style="list-style-type: none"> ▶ New accounting pronouncements 	<p>No issues have been identified regarding management's planned application of new accounting pronouncements.</p>
<ul style="list-style-type: none"> ▶ Significant issues discussed with management in connection with the auditor's initial appointment or recurring retention** ▶ Disagreements with management and significant difficulties encountered in dealing with management when performing the audit** ▶ Management's consultations with other accountants** 	<p>None.</p>
<ul style="list-style-type: none"> ▶ Other material written communications with management 	<p>There are no other findings or issues arising from the audit that are, in our judgment, significant and relevant to those charged with governance regarding the oversight of the financial reporting process.</p>
<ul style="list-style-type: none"> ▶ Other matters** 	<p>There are no other matters arising from the audit that are significant and relevant to those charged with governance regarding the oversight of the financial reporting process.</p>



Required communications

Area	Comments
<ul style="list-style-type: none"> ▶ AICPA ethics ruling regarding third-party service providers 	<p>From time to time, and depending on the circumstances, (1) we may subcontract portions of the Audit Services to other EY firms, who may deal with the Company or its affiliates directly, although EY alone will remain responsible to you for the Audit Services and (2) personnel (including non-certified public accountants) from an affiliate of EY or another EY firm or any of their respective affiliates, or from independent third-party service providers (including independent contractors), may participate in providing the Audit Services. In addition, third-party service providers may perform services for EY in connection with the Audit Services.</p>
<ul style="list-style-type: none"> ▶ Representations we are requesting from management 	<p>The letter of representations signed by management and related to the audit can be provided upon request.</p>

As required, provided above is a summary of required communications between the audit team and those charged with governance, as required by AICPA Clarified US Auditing Standard (AU-C) 260, *The Auditor's Communication With Those Charged With Governance*, and other applicable auditing standards. This communication is intended solely for the information and use of the audit committee and, if appropriate, management, and is not intended to be, and should not be, used by anyone other than these specified parties.

All communications are to be made annually unless marked otherwise.

* Communicate at least annually or when event occurs.

** Communicate when event occurs, and consider need for separate communications within the presentation.



Industry insights



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Health industry insights



Future focus

- ▶ Existing pressure to reduce costs combined with higher inflation will lead to the growth of integrated care models (e.g., value-oriented contracting).
- ▶ Staffing pressures will push health care enterprises to adopt new operating models and open the door for innovative technology platform solutions.
- ▶ Hospital systems continue to explore both traditional and nontraditional partnerships to embrace personalized care and digital innovation.
- ▶ Health care services will go beyond the traditional acute and post-acute care settings to include technology-enabled capabilities that allow hospitals to treat patients in the comfort of their homes.
- ▶ Regulatory and legislative reforms, such as the Inflation Reduction Act, create new care delivery and financing opportunities for both existing entities and new entrants.



Maricopa County Special Health Care District (Valleywise Health)

2021 Uniform Guidance audit results

2021 Uniform Guidance audit results

A summary of the results of the Office of Management and Budget Uniform Guidance audit is presented below:

Summary of audit results	2021
Financial statement section - Government Auditing Standards	
Type of auditor's report issued (unmodified, qualified, adverse, or disclaimer)	Unmodified
Internal control over financial reporting:	
▶ Material weakness(es) identified	No
▶ Significant deficiency(ies) identified	No
▶ Noncompliance material to financial statements noted	No
Federal award expenditures tested	
Assistance Listing Number 93.461 – COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund	\$2,090,838
Assistance Listing Number 93.498 – COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	\$8,597,135
Assistance Listing Number 93.918 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	\$889,690
Total Expenditures of Federal Awards	\$20,710,106

2021 Uniform Guidance audit results (continued)

Summary of audit results		2021
Federal awards section		
Internal control over major programs:		
▶ Material weakness(es) identified		Yes
▶ Significant deficiency(ies) identified		No
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)		Yes
Major programs and type of auditor's report on compliance for major programs (unmodified, qualified, adverse, or disclaimer)		
Major Program	Type of opinion	Finding type and description
▶ Assistance Listing Number 93.461 – COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund	Unmodified	<u>Noncompliance:</u> In our testing over eligibility for reimbursement from HRSA, we observed a patient in our sample had insurance, but HRSA was billed. This resulted in a noncompliance finding, but not a control finding.
▶ Assistance Listing Number 93.498 – COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	Unmodified	<u>Noncompliance and material weakness:</u> In our testing over the SEFA, we observed management did not have an effective internal control in place to ensure accurate reporting of the payments received on the SEFA, which resulted in an overstatement of the amount reported on the SEFA. This resulted in a noncompliance and internal control finding. In our testing of the HRSA reporting portal submission, we noted management incorrectly reported (understated) lost revenue attributable to Covid-19 in the Period 1 submission. This resulted in a noncompliance and internal control finding.
▶ Assistance Listing Number 93.918 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	Qualified	<u>Noncompliance and material weakness:</u> In our testing, we observed management did not have an internal control in place to ensure accurate reporting of program income and was unable to provide us support for program income on an accrual basis. This resulted in a noncompliance and internal control finding and a qualified opinion as we were unable to test program income. In our testing, we noted management had not completed a suspension and debarment search for the vendor used in the program during the fiscal year. This resulted in a noncompliance and internal control finding.

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About EY's Assurance Services

Our assurance services help our clients meet their reporting requirements by providing an objective and independent examination of the financial statements that are provided to investors and other stakeholders. Throughout the audit process, our teams provide a timely and constructive challenge to management on accounting and reporting matters and a robust and clear perspective to audit committees charged with oversight.

The quality of our audits starts with our 90,000 assurance professionals, who have the breadth of experience and ongoing professional development that come from auditing many of the world's leading companies.

For every client, we assemble the right multidisciplinary team with the sector knowledge and subject matter knowledge to address your specific issues. All teams use our Global Audit Methodology and latest audit tools to deliver consistent audits worldwide.



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

**Item 1.c.ii.
Updated Information**

**Governance
Annual Audit for Fiscal Year ending
June 30, 2022**

FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION

Maricopa County Special Health Care District
d/b/a Valleywise Health
Years Ended June 30, 2022 and 2021
With Reports of Independent Auditors

Ernst & Young LLP



Maricopa County Special Health Care District
d/b/a Valleywise Health

Financial Statements and Required Supplementary Information

Years Ended June 30, 2022 and 2021

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Report of Independent Auditors

Management and the Board of Directors
Maricopa County Special Health Care District
d/b/a Valleywise Health

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Maricopa County Special Health Care District d/b/a Valleywise Health (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District at June 30, 2022, and the changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Adoption of GASB Statement No. 87, Leases

As discussed in Note 1 to the basic financial statements, the District adopted Government Accounting Standards Board Statement No. 87, *Leases*, which changed its method for reporting leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4-17, the Schedule of District's Proportionate Share of the Net Pension Liability on page 56, the Schedule of District's Share of the Net OPEB (Asset) Liability on page 57, the Schedule of Contributions – Pension Plan on page 58, and the schedule of Contributions – OPEB Plan on page 59 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Ernst + Young LLP

November 18, 2022

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis

Years Ended June 30, 2022 and 2021

The following discussion and analysis of the operational and financial performance of Maricopa County Special Health Care District d/b/a Valleywise Health (the District) provides an overview of the financial position and activities for the years ended June 30, 2022 and 2021. This discussion has been prepared by management and should be read in conjunction with the accompanying financial statements, as well as the notes to the financial statements, which follow this section. The financial statements discussed in this section offer short-term and long-term financial information about the District's activities, including:

Statements of Net Position: This statement includes all of the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position and provides information about the nature and amounts of investments in resources (assets) and the obligations of the District to creditors (liabilities). It also provides the basis for evaluating the capital structure, and assessing the liquidity and financial flexibility of the District.

Statements of Revenues, Expenses, and Changes in Net Position: This statement accounts for all of the current year's revenues and expenses, measures changes in operations over the past two years, and can be used to determine whether the District has been able to recover all of its costs through several revenue sources.

Statements of Cash Flows: The primary purpose of this statement is to answer questions such as where cash came from, what cash was used for, and what was the change in the cash balance during the reporting period.

Organizational Overview

Founded in 1877, the District has served as Maricopa County's public teaching hospital and safety net system, filling critical gaps in care for underserved populations. In partnership with District Medical Group, an unrelated not-for-profit entity, the District provides care throughout Maricopa County.

The District is an academic training center, a regional provider of primary and specialized medical services, and a leading provider of mental health services. It provides clinical rotations each year for allopathic and osteopathic medical students, nursing students, and allied health professionals.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Licensed for 758 beds, the District provides a full range of inpatient acute and intensive care, inpatient and outpatient behavioral health, and a full complement of ancillary, support, and ambulatory services. The facilities that are housed on the District's main campus include:

- Valleywise Health Medical Center
- Valleywise Health – Arizona Burn Center
- Valleywise Comprehensive Health Center – Phoenix
- Valleywise Behavioral Health Center – Phoenix

The facilities that are located external to the main campus include:

- Valleywise Behavioral Health Center – Maryvale
- Valleywise Behavioral Health Center – Mesa
- Valleywise Comprehensive Health Center – Peoria

Ambulatory care is also provided at ten Community Health Centers located throughout Maricopa County. In addition to ambulatory services, many of these locations offer outpatient behavioral health and dental services.

COVID-19

In 2020, the world was introduced to the Coronavirus Disease 2019 (COVID-19), creating a new historic public health crisis. The District met this challenge through many actions, including:

- Added Incident Decision Units to isolate and treat patients with the disease;
- Established protocols for addressing COVID-19 positive behavioral health patients;
- Formed rapid testing capabilities;
- Acquired personal protective equipment despite disrupted supply chain;
- Created telehealth visits for ambulatory care to provide safe patient access; and
- Implemented work-from-home options to provide social distancing for support staff.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Through the passage of the Families First Coronavirus Response Act (Families First) and the Coronavirus Aid, Relief and Economic Security (CARES) Act, Congress provided financial support to hospitals and health care providers during the pandemic for financial stabilization. Additional information related to the financial support are included in the District's financial statements (Note 15).

Care Reimagined

On November 4, 2014, the voters of Maricopa County approved Proposition 480. Proposition 480 allows the District to issue up to \$935,000,000 in general obligation bonds to be repaid in 30 years to fund outpatient health facilities, including improvement or replacement of existing outpatient health centers, a behavioral health hospital, and the construction of a new acute medical center

In 2017, the District Board set a roadmap for our organization's future by receiving the final report resulting from the Proposition 480 implementation planning initiative. This plan, known as Care Reimagined, will ensure our organization continues to be recognized for high-quality care, innovation, and service. It creates a better model of patient care and medical education that improves access, quality, cost, and outcomes for patients and increases the supply of future health care professionals.

The implementation of this capital plan is well underway; as of June 30, 2022, \$706,000,000 of the bond proceeds have been expended. During fiscal year 2022, the majority of project funds were expended on the main campus for the construction of the new hospital scheduled to be complete in October 2023. The Comprehensive Health Center-Peoria (Peoria) project has been completed and opened on January 2021. Peoria includes an outpatient surgery center, endoscopy suites, dialysis services, primary and specialty clinics, and a family learning center. Two new Community Health Centers, in Mesa and West Maryvale, also opened during fiscal year 2022, replacing old clinics at Mesa and Maryvale locations.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

The District was authorized to issue \$935,000,000, in aggregate, principal amount toward the Care Reimagined projects. At June 30, 2022, all of the District's authorized amount has been issued.

Financial Highlights

**Year Ended June 30, 2022, Compared to
Year Ended June 30, 2021**

Net patient services revenue increased by \$5.4 million or 1.1% from the prior year 2021. Other operating revenue increased by \$3.5 million or 2.9%, largely due to an increase in the new Arizona Health Care Cost Containment System (AHCCCS) program, HEALTHII, and grant program related revenues.

Operating expense increased from \$755.1 million in 2021 to \$815.3 million in 2022, a \$60.2 million or 8.0% increase from the prior year. These are largely due to the increase in salaries and outside contract labor usage as a result of staffing shortage and increase usage of supplies as part of higher cost of treating patients with COVID-19 and related illnesses.

**Year Ended June 30, 2021, Compared to
Year Ended June 30, 2020**

Net patient services revenue increased by \$35 million or 7.7% from the prior year 2020. Other operating revenue increased \$23.1 million, largely due to an increase in Graduate Medical Education (GME) revenue, contract pharmacy, and the new Arizona Health Care Cost Containment System (AHCCCS) program, HEALTHII.

Operating expense increased from \$669.7 million in 2020 to \$755.1 million in 2021, a \$85.4 million or 12.8% increase from the prior year. This is largely due to the increase in salaries and benefits as a result of the higher cost of treating patients with COVID-19 and related illnesses as well as an increase in depreciation due to the accelerated depreciation expense related to the anticipated decommissioning of the current medical center building.

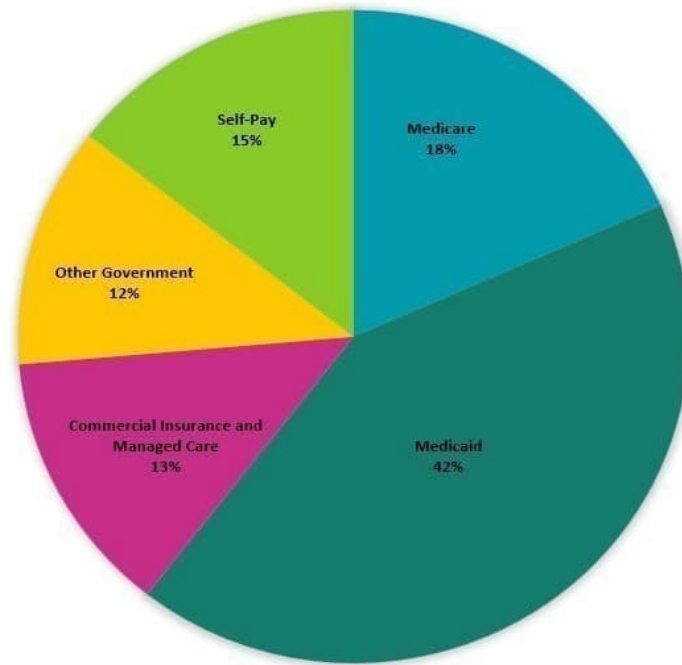
Maricopa County Special Health Care District
d/b/a Valleywise Health

Management’s Discussion and Analysis (continued)

Gross charges by major payor financial class for fiscal years 2022, 2021, and 2020 are as follows:

	Year Ended June 30		
	2022	2021	2020
Medicare	18.4%	18.5%	17.4%
Medicaid	42.2	44.4	45.7
Commercial insurance and managed care	13.0	12.2	12.7
Other government	11.9	12.8	12.3
Self-pay	14.5	12.1	11.9
Total	100.0%	100.0%	100.0%

The District’s payor mix has stayed relatively stable over the past years prior to 2022. During fiscal year 2022, the District experienced an increased number of self pay/uninsured patients and significant decrease of Medicaid patients.



Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Financial Statements

Statements of Net Position

Condensed Statements of Net Position

	Year Ended June 30		
	2022	2021	2020
Assets			
Current assets	\$ 517,466,741	\$ 526,969,313	\$ 547,204,175
Other assets	236,513,174	409,633,599	187,887,636
Capital assets	723,183,812	594,155,126	501,967,393
Total assets	<u>1,477,163,727</u>	<u>1,530,758,038</u>	<u>1,237,059,204</u>
Deferred outflows of resources	84,873,429	89,357,989	48,799,387
Liabilities			
Current liabilities	236,666,466	206,915,919	185,465,444
Risk claims payable, less current portion	12,512,090	9,283,822	10,660,315
Net pension and OPEB liability	287,090,884	394,175,117	311,945,423
Long-term debt	682,637,421	736,509,938	475,854,671
Total liabilities	<u>1,218,906,861</u>	<u>1,346,884,796</u>	<u>983,925,853</u>
Deferred inflows of resources	104,660,022	3,972,294	23,950,283
Net position			
Unrestricted deficit	(394,856,298)	(510,048,594)	(213,062,448)
Net investment in capital assets	296,238,100	298,100,940	242,926,918
Restricted for bonds	306,922,948	477,027,521	245,576,963
Restricted for grants	30,165,523	4,179,070	2,541,022
Total net position	<u>\$ 238,470,273</u>	<u>\$ 269,258,937</u>	<u>\$ 277,982,455</u>

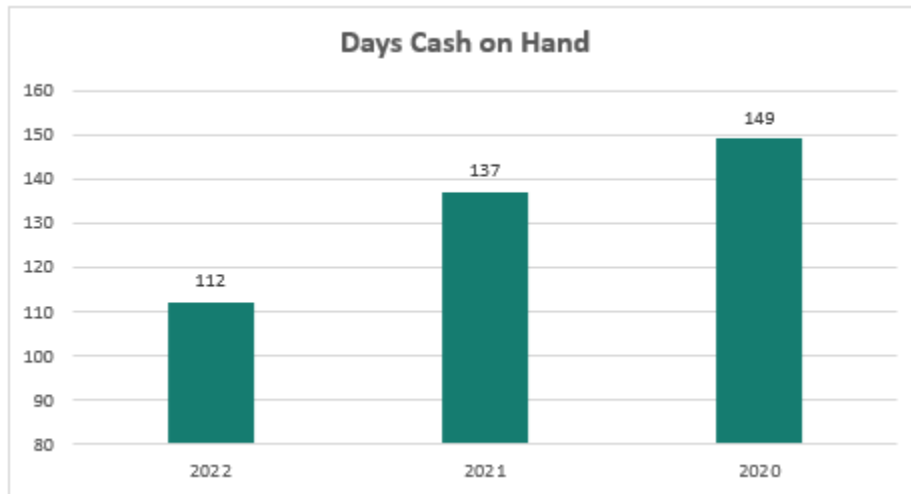
Maricopa County Special Health Care District
d/b/a Valleywise Health

Management’s Discussion and Analysis (continued)

Cash and Cash Equivalents

Unrestricted cash and cash equivalents for fiscal year 2022 were approximately \$233.4 million, a decrease of approximately \$28.8 million from the \$262.2 million in fiscal year 2021. Days cash on hand decreased 25.8 days to 111.7 days in fiscal year 2022 from the fiscal year 2021 days of 137.5. The timing of the receipt of the Provider Relief Funds and the repayments of the Medicare Advanced, coupled with increased operating expenses, including contract labor costs, contributed to the decrease in days cash on hand. Unrestricted cash and cash equivalents for fiscal year 2021 were approximately \$262.2 million, an increase of approximately \$1.3 million from fiscal year 2020. Days cash on hand decreased 12.2 days to 137.5 days in fiscal year 2021 from the fiscal year 2020 days of 149.7. Increased operating expenses primarily in labor costs contributed to the decrease in days cash on hand.

Days Cash on Hand

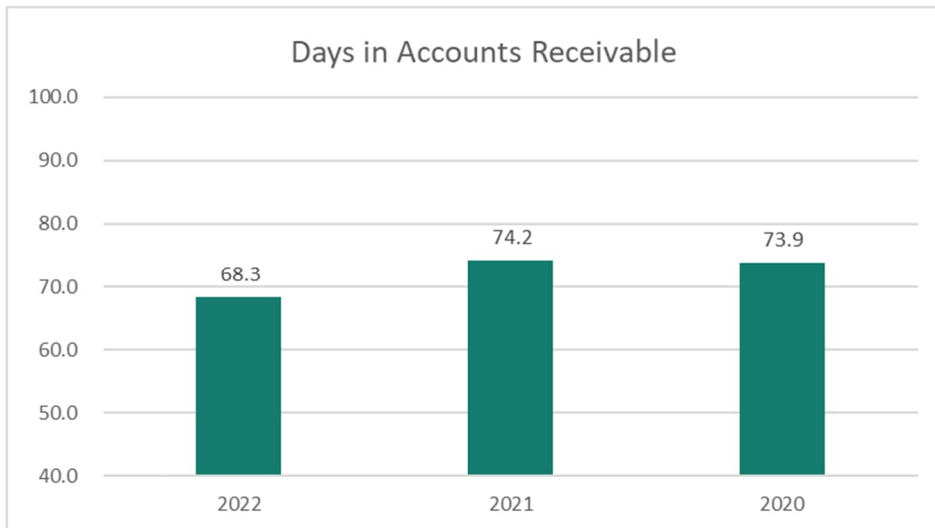


Maricopa County Special Health Care District
d/b/a Valleywise Health

Management’s Discussion and Analysis (continued)

Accounts Receivable – Days Outstanding

While net accounts receivable decreased by approximately \$6.8 million, net days in accounts receivable decreased from the prior year by approximately 7.9%, from 74.2 to 68.3 days. Increase in cash collections contributed to the decrease in account receivable and net days in accounts receivable. Net account receivable in fiscal year 2021 increased by \$7.8 million from fiscal year 2020 and net days also increased by 0.4% from 73.9 to 74.2 days. Increases in the amounts of charges in treating patients with COVID-19 related illnesses contributed to the increase in accounts receivable.



Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Capital Assets

As of June 30, 2022 and 2021, the District had \$723.2 million and \$594.2 million, respectively, invested in capital assets, net of accumulated depreciation. For the years ended June 30, 2022, 2021 and 2020, the District purchased capital assets amounting to \$181.3 million, \$151.3 million, and \$173.9 million, respectively. The organization has made significant investments in new facilities through the Care Reimagined project and plans to continue this investment within the coming years. These investments include:

- Valleywise Comprehensive Health Center – Peoria, which opened in January 2021, providing ambulatory care and outpatient surgery.
- New Community Health Centers, which opened in 2022, providing ambulatory care in different cities of Maricopa County.
- New acute care hospital (Valleywise Health Medical Center), currently under construction and planned to be completed in October 2023.

Debt

As of June 30, 2022, 2021, and 2020, the District had bonds payable of \$718.3 million, \$763.0 million, and \$493.1 million, respectively. As set forth in the voter-approved Proposition 480 language, bond proceeds are used to purchase various equipment and to fund various improvement projects on the District's existing acute behavioral health facilities and outpatient health centers. A portion of the bond proceeds, \$36.0 million, was used to reimburse the District's general fund for prior capital asset purchases.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Statements of Revenues, Expenses, and Changes in Net Position

The following table summarizes net operating revenues, operating expenses, and non-operating revenues (expenses) for the fiscal years ended June 30, 2022, 2021, and 2020.

	Year Ended June 30		
	2022	2021	2020
Operating revenues			
Net patient service revenue	\$ 494,650,061	\$ 489,209,495	\$ 454,144,793
AHCCCS medical education revenue	47,113,700	51,866,779	42,516,595
Other	74,234,388	66,022,660	52,295,096
Total operating revenues	615,998,149	607,098,934	548,956,484
Operating expenses			
Salaries and wages	287,796,627	278,443,621	267,919,233
Employee benefits	82,744,342	105,599,319	81,795,822
Purchased services	209,273,236	144,360,745	138,223,397
Medical claims and other expenses	81,838,190	72,572,408	59,751,185
Supplies and other expenses	101,359,687	95,262,465	90,233,509
Depreciation	52,241,569	58,845,414	31,806,516
Total operating expenses	815,253,651	755,083,972	669,729,662
Operating loss	(199,255,502)	(147,985,038)	(120,773,178)
Nonoperating revenues (expenses)			
Property tax receipts	147,491,236	139,606,198	143,303,021
Noncapital grants	5,930,243	5,890,625	11,915,514
Noncapital subsidies from State	3,547,896	3,547,896	3,547,896
Other nonoperating revenues (expenses), net	27,834,946	3,212,369	(12,868,425)
Investment income, net	3,731,217	2,031,886	8,344,261
Interest expense	(20,068,700)	(15,027,454)	(13,737,990)
Total nonoperating revenues	168,466,838	139,261,520	140,504,277
(Decrease) increase in net position	(30,788,664)	(8,723,518)	19,731,099
Net position, beginning of year	269,258,937	277,982,455	258,251,356
Net position, end of year	\$ 238,470,273	\$ 269,258,937	\$ 277,982,455

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management’s Discussion and Analysis (continued)

Revenues

Net Patient Services Revenue

Net patient service revenue is derived from inpatient, outpatient, ambulatory, and emergency services provided to patients. Net patient service revenue for the year ended June 30, 2022, was \$494.7 million, an increase from the prior year net patient service revenue of \$489.2 million. Net patient service revenue increased \$5.4 million or 1.1% in the year ended June 30, 2022, mainly due to changes in payor mix and volume increases in the ambulatory areas. Net patient service revenue for the year ended June 30, 2021, was \$489.2 million, an increase from the prior year net patient service revenue of \$454.1 million. Net patient service revenue increased \$35.1 million or 7.7% in the year ended June 30, 2021, due to changes in payor mix, COVID-19 acute patient volume surges, and recovery from the elective case mandated pause experienced in late fiscal year 2020.

	Year Ended June 30		
	2022	2021	Increase (Decrease)
Gross charges	\$ 2,562,415,380	\$ 2,336,814,374	9.7%
Contractual deductions	1,728,490,890	1,650,131,212	4.7%
As a percentage of gross charges	(67.5)%	(70.6)%	
Charity care	312,132,097	165,752,428	88.3%
As a percentage of gross charges	(12.2)%	(7.1)%	
Bad debt	27,142,332	31,721,239	(14.4)%
As a percentage of gross charges	(1.1)%	(1.4)%	
Net patient service revenue	\$ 494,650,061	\$ 489,209,495	1.1%
As a percentage of gross charges	19.3%	20.9%	

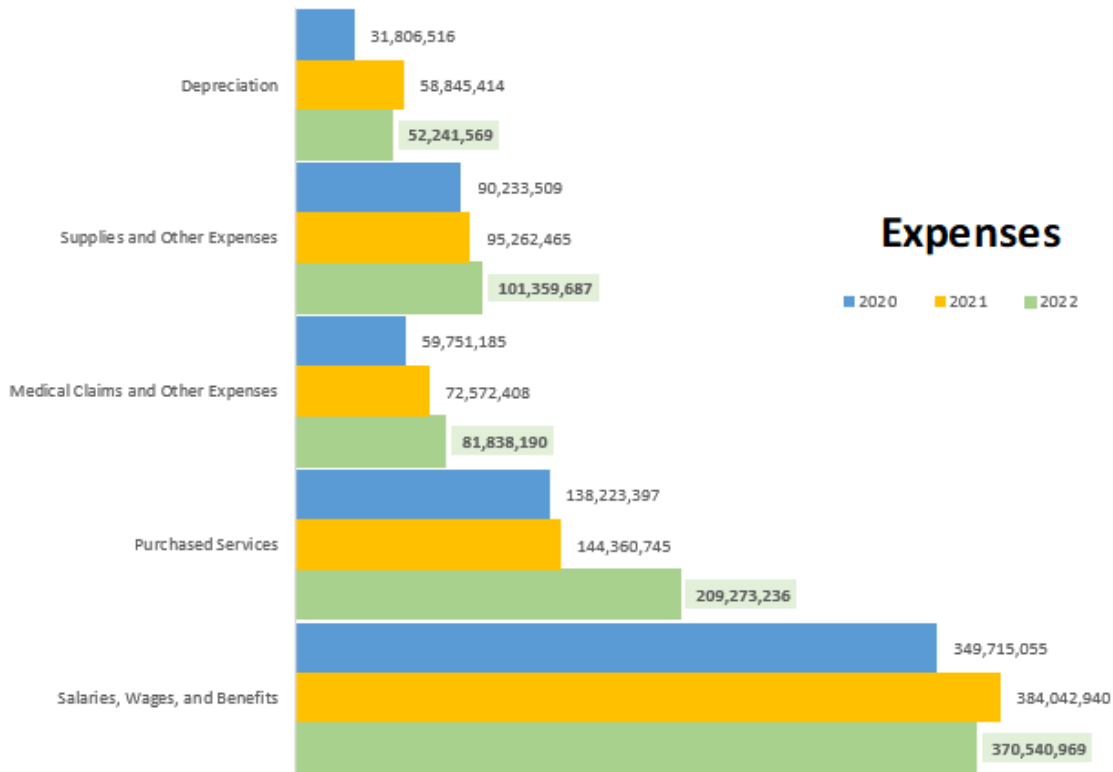
Total operating revenues in fiscal year 2022 were \$616.0 million in comparison with the prior year of \$607.1 million, due in great part to the quality of gross revenue and improved payor mix as noted above and increased other revenues, mainly in the new AHCCCS program, HEALTHII and increased grant programs related revenues.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management’s Discussion and Analysis (continued)

Operating Expenses

Total operating expenses in fiscal year 2022 were \$815.3 million, which is an increase of \$60.2 million (8.0%) over the prior year operating expenses of \$755.1 million. Of the total increase, \$45.6 million or 6.0% of the increase is related to increased salaries and wages and purchased services (contract labor) usage due to higher acuity of patients and staff shortage. Total operating expenses in fiscal year 2021 were \$755.1 million, which is an increase of \$85.4 million (12.8%) over fiscal year 2020 operating expenses of \$669.7 million.



Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses consist primarily of property tax receipts, both for maintenance and operation, bond debt service, and CARES Act funding. These amounts were \$89.5 million, \$58.0 million and \$43.9 million, respectively, for the year ended June 30, 2022, \$84.2 million, \$55.4 million and \$18.2 million, respectively, for the year ended June 30, 2021, and \$80.5 million, \$62.8 million and \$9.8 million, respectively, for the year ended June 30, 2020. Also included in nonoperating revenues are noncapital grants and noncapital subsidies from the state. These amounts were \$5.9 million and \$3.5 million, respectively, for the year ended June 30, 2022, \$5.9 million and \$3.5 million, respectively, for the year ended June 30, 2021, and \$11.9 million and \$3.5 million, respectively, for the year ended June 30, 2020. Other nonoperating revenues and expenses consisted primarily of interest income, interest expense and other nonoperating expenses. These amounts were \$3.7 million, \$20.1 million and \$15.9 million, respectively, for the year ended June 30, 2022, \$2.0 million, \$15.1 million and \$14.8 million, respectively, for the year ended June 30, 2021, and \$8.3 million, \$13.7 million and \$24.9 million, respectively, for the year ended June 30, 2020.

Contacting the District's Financial Management

This financial report is designed to provide the District's patients, suppliers, community members, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions about this report and requests for additional financial information should be directed to District Administration by telephoning (602) 344-8425.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statements of Net Position

	Year Ended June 30	
	2022	2021
	<i>As adjusted (Note 1)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 233,412,109	\$ 262,238,041
Restricted cash – bond	77,286,783	76,137,914
Patient accounts receivable, net of allowances	92,605,989	99,414,043
Receivable from AHCCCS for medical education, net	46,875,590	51,866,779
Other receivables	39,377,126	12,161,962
Due from related parties	1,721,769	1,766,465
Supplies	11,730,777	9,812,194
Prepaid expenses	14,456,598	13,571,915
Total current assets	<u>517,466,741</u>	<u>526,969,313</u>
Other assets:		
Restricted cash – bond	229,636,165	400,889,608
Right-to-use assets	6,877,009	8,743,991
Total other assets	<u>236,513,174</u>	<u>409,633,599</u>
Capital assets:		
Land	35,615,279	26,342,487
Depreciable capital assets, net of accumulated depreciation	687,568,533	567,812,639
Total capital assets, net of accumulated depreciation	<u>723,183,812</u>	<u>594,155,126</u>
Total assets	<u>1,477,163,727</u>	<u>1,530,758,038</u>
Deferred outflows of resources		
Employer contributions made after measurement date	34,248,240	31,099,745
Difference between expected and actual experience	4,677,652	3,717,510
Changes in assumptions	39,477,696	1,096,313
Net difference between projected and actual investment earnings	–	39,875,175
Change in proportion and differences between employer contributions and proportionate share of contributions	6,469,841	13,569,246
Total deferred outflows of resources	<u>84,873,429</u>	<u>89,357,989</u>
Total assets and deferred outflows of resources	<u>\$ 1,562,037,156</u>	<u>\$ 1,620,116,027</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statements of Net Position (continued)

	Year Ended June 30	
	2022	2021
	<i>As adjusted (Note 1)</i>	
Liabilities and net position		
Current liabilities:		
Current maturities of long-term debt	\$ 40,351,007	\$ 32,500,000
Current portion of lease liabilities	2,177,940	2,696,434
Accounts payable	56,365,202	48,614,945
Accrued payroll and expenses	38,205,132	43,855,191
Risk claims payable, current portion	553,457	1,747,762
Overpayments from third-party payors	29,549,513	42,445,374
Other current liabilities	69,464,215	35,056,213
Total current liabilities	<u>236,666,466</u>	<u>206,915,919</u>
Risk claims payable less current portion	12,512,090	9,283,822
Net pension and OPEB liability	287,090,884	394,175,117
Long-term lease liabilities	4,699,069	6,047,557
Long-term debt	677,938,352	730,462,381
Total liabilities	<u>1,218,906,861</u>	<u>1,346,884,796</u>
Deferred inflows of resources		
Difference between expected and actual experience	3,937,296	3,270,330
Change in assumptions	1,052,464	-
Difference between projected and actual investment earnings	98,870,631	-
Change in proportion and differences between employer contributions and proportionate share of contributions	799,631	701,964
Total deferred inflows of resources	<u>104,660,022</u>	<u>3,972,294</u>
Net position		
Unrestricted deficit	(394,856,298)	(510,048,594)
Net investment in capital assets	296,238,100	298,100,940
Restricted for bonds	306,922,948	477,027,521
Restricted for grants	30,165,523	4,179,070
Total net position	<u>238,470,273</u>	<u>269,258,937</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,562,037,156</u>	<u>\$ 1,620,116,027</u>

See accompanying notes.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statement of Revenues, Expenses and Changes in Net Position

	Year Ended June 30	
	2022	2021
Operating revenues:		
Net patient service revenue	\$ 494,650,061	\$ 489,209,495
AHCCCS medical education revenue	47,113,700	51,866,779
Other revenue	74,234,388	66,022,660
Total operating revenues	615,998,149	607,098,934
Operating expenses:		
Salaries and wages	287,796,627	278,443,621
Employee benefits	82,744,342	105,599,319
Purchased services	209,273,236	144,360,745
Medical claims and other expenses	81,838,190	72,572,408
Supplies	101,359,687	95,262,465
Depreciation	52,241,569	58,845,414
Total operating expenses	815,253,651	755,083,972
Operating loss	(199,255,502)	(147,985,038)
Nonoperating revenues (expenses):		
Property tax receipts	147,491,236	139,606,198
Noncapital grants	5,930,243	5,890,625
Noncapital subsidies from State	3,547,896	3,547,896
Other nonoperating revenues, net	27,834,946	3,212,369
Interest income	3,731,217	2,031,886
Interest expense	(20,068,700)	(15,027,454)
Total nonoperating revenues, net	168,466,838	139,261,520
Decrease in net position	(30,788,664)	(8,723,518)
Net position, beginning of year	269,258,937	277,982,455
Net position, end of year	\$ 238,470,273	\$ 269,258,937

See accompanying notes.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statements of Cash Flows

	Year Ended June 30	
	2022	2021
Operating activities		
Receipts from and on behalf of patients	\$ 501,458,115	\$ 481,451,905
Payments to suppliers and contractors	(388,718,427)	(316,212,087)
Payments to employees	(478,790,701)	(331,114,271)
Other operating receipts	237,497,910	114,732,144
Other operating payments	(12,895,861)	(43,607,203)
Net cash used in operating activities	(141,448,964)	(94,749,512)
Noncapital financing activities		
Property tax receipts supporting operations	89,530,796	84,240,979
Noncapital contributions and grants received	5,930,243	5,890,625
Noncapital subsidies and other nonoperating receipts	31,382,842	6,760,265
Net cash provided by noncapital financing activities	126,843,881	96,891,869
Capital and related financing activities		
Property tax receipts for debt service	57,960,440	55,365,219
Principal payments on long-term debt and capital leases	(44,678,125)	(28,001,938)
Purchase of capital assets	(181,270,255)	(151,033,147)
Bond proceeds	-	297,291,568
Interest paid on long-term debt	(20,068,700)	(15,027,454)
Net cash (used in) provided by capital and related financing activities	(188,056,640)	158,594,247
Investing activities		
Proceeds from sale of investments	-	305,783,289
Purchases of investments	-	(184,911,434)
Interest from investments	3,731,217	2,031,886
Net cash provided by investing activities	3,731,217	122,903,741
(Decrease) increase in cash and cash equivalents	(198,930,506)	283,640,345
Cash and cash equivalents, beginning of year	739,265,563	455,625,217
Cash and cash equivalents, end of year	\$ 540,335,057	\$ 739,265,563

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statements of Cash Flows (continued)

	Year Ended June 30	
	2022	2021
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (199,255,502)	\$ (147,985,038)
Depreciation	52,241,569	58,845,414
Changes in operating assets and liabilities:		
Patient and other accounts receivable, and other assets	(15,415,921)	(43,674,997)
Due from related parties	44,696	(562,306)
Supplies and prepaid expenses	(2,803,266)	1,554,826
Overpayments from third-party payors	(12,895,861)	8,661,874
Risk claims payable	2,033,963	(1,113,662)
Accounts payable and accrued expenses	34,601,358	29,524,377
Net cash used in operating activities	\$ (141,448,964)	\$ (94,749,512)

See accompanying notes.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements

June 30, 2022

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations and Reporting Entity

Maricopa County Special Health Care District d/b/a Valleywise Health (the District) is a health care district and political subdivision of the state of Arizona. The District is located in Phoenix, Arizona, and is governed by a five-member Board of Directors elected by voters within Maricopa County, Arizona (the County).

The District was created in November 2003 by an election of the voters of the County. In November 2004, the voters first elected the District's governing board. An Intergovernmental Agreement (IGA) between the District and the County was entered into in November 2004, which, among other things, specified the terms by which the County transferred essentially all of the assets, liabilities, and financial responsibility of the medical center facility to the District effective January 1, 2005. The District operates a medical center facility (the Medical Center), which was formerly owned and operated by the County, three freestanding inpatient behavioral health facilities located on the Medical Center campus and in Maryvale, Arizona and Mesa, Arizona; a specialty clinic located on the Medical Center campus; and various outpatient health centers throughout Maricopa County. The District has the authority to levy ad valorem taxes. The District had no significant operations prior to January 1, 2005. In conjunction with the IGA, the County and the District entered into a 20-year lease for the Medical Center real estate.

On September 3, 2013, a second Amended and Restated Intergovernmental Agreement (the Amended IGA) was entered into by the District, whereby all the land and real property located at the Maricopa Medical Center and Desert Vista campuses (the Property) subject to the prior 20-year lease were donated to the District. The Property was recorded at its fair value at the date of donation, determined by a third-party valuation services firm, totaling \$117,075,000. The Property donated consisted of land of \$9,000,000, buildings of \$104,375,000 and land improvements of \$3,700,000.

The Amended IGA also provided for the District's purchase of supplies from the County and the sublease of certain space to the County, and for the County to be able to purchase supplies and utilize the District's services, among other items.

If the Property is not used for county hospital purposes, the Property shall (at the election of the County) revert to the County.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Effective October 1, 2019, as a part of a rebranding initiative, the District, which was formerly known as Maricopa Integrated Health System, is now officially called Valleywise Health.

Basis of Accounting and Presentation

The District prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB). The financial statements of the District have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets, and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated and voluntary non-exchange transactions (principally federal and state grants and appropriations from the County) are recognized when all applicable eligibility requirements are met. Operating revenues and expenses include exchange transactions and interest on capital assets-related debt are included in nonoperating revenues and expenses. The District first applies its restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available. The District primarily earns revenues by providing inpatient and outpatient medical services.

Use of Estimates

The preparation of these basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents and Restricted Cash

For purposes of the statements of cash flows, the District considers all liquid investments, including those that are restricted, with original maturities of three months or less, to be cash equivalents. At June 30, 2022 and 2021, the District had approximately \$540,335,000 and \$739,266,000, respectively, of cash and cash equivalents and restricted cash. Restricted cash includes cash and cash equivalents that are restricted for use and includes approximately \$77,287,000 and \$76,138,000 as of June 30, 2022 and 2021, respectively, of tax proceeds restricted

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

for debt service on the general obligation bonds and approximately \$229,636,000 and \$400,890,000 as of June 30, 2022 and 2021, respectively, of bond proceeds restricted for use under the bond agreement. A portion of the restricted cash has been classified as a long-term asset as the funds will be used to purchase long-term assets.

Risk Management

The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries; medical malpractice; and natural disasters. The District participated in the County's self-insurance program through December 3, 2012. The IGA between the District and County was amended to reflect that the District would no longer participate in the County's self-insurance program effective December 4, 2012, except for workers' compensation claims. The Amended IGA also stipulated that the County would provide a mutually agreed-upon amount to fund estimated outstanding losses and estimated future claim payments for the period January 1, 2005 through December 3, 2012. In return, the District accepted responsibility for the payment and management of these claims on an ongoing basis.

The District, through its Risk Management Department, is now responsible for identifying and resolving exposures and claims that arise from employee work-related injury, third-party liability, property damage, regulatory compliance, and other exposures arising from the District's operations. Effective December 4, 2012, the District's Board of Directors approved and implemented risk management, self-insurance, and purchased insurance programs under the Maricopa Integrated Health System Risk Management Insurance and Self-Insurance Plan (the Insurance Plan). As authorized under the Insurance Plan, the District purchases excess insurance over the District's self-insured program to maintain adequate protection against the District's exposures and claims filed against the District. It is the District's policy to record the expense and related liability for professional liability, including medical malpractice and workers' compensation, based upon annual actuarial estimates.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Patient Accounts Receivable

The District reports patient accounts receivable for services rendered at estimated net realizable amounts due from third-party payors, patients, and others. The District provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information, and existing economic conditions. The District bills third-party payors directly and bills the patient when the patient's liability is determined. Patient accounts receivable are due in full when billed. Accounts are considered delinquent and subsequently written off based on individual credit evaluation and specific circumstances of the account.

Supplies

Supplies inventories are stated at the lower of cost or market, determined using the first-in, first-out method.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation if acquired by gift. The dollar threshold to capitalize capital assets is \$5,000. Depreciation is computed using the straight-line method over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are amortized over the shorter of the lease term or the assets' respective estimated useful lives. The following estimated useful lives are being used by the District:

Land improvements	2–25 years
Buildings and leasehold improvements	5–40 years
Equipment	3–20 years

Compensated Absences

District policies permit most employees to accumulate vacation and sick leave benefits (personal leave) that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as personal leave benefits and are earned whether the employee is expected to realize the benefit as time off or as a cash payment. Employees may accumulate up to 240 hours of personal leave, depending on years of service, but any personal

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

leave hours in excess of the maximum amount that are unused by the calendar year-end are converted to the employee's extended illness bank (EIB). Generally, EIB benefits are used by employees for extended illness or injury, or to care for an immediate family member with an extended illness or injury. EIB benefits are cumulative but do not vest and, therefore, are not accrued. However, upon retirement, employees with accumulated EIB in excess of 1,000 hours are entitled to a \$3,000 bonus. The total compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as social security and Medicare taxes, computed using rates in effect at that date.

Net Position

Net position of the District is classified into three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted net position consists of noncapital assets that must be used for a particular purpose as specified by creditors, grantors, or donors external to the District. Unrestricted net position consists of the remaining assets plus deferred outflows of resources less remaining liabilities plus deferred inflows of resources that do not meet the definition of net investment in capital assets, or restricted net position.

Net Patient Service Revenue

The District has agreements with third-party payors that provide for payments to the District at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered and includes estimated retroactive adjustments and a provision for uncollectible accounts. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such estimated amounts are revised in future periods as adjustments become known. The District participates in the Federally Qualified Health Center (FQHC) program and receives supplemental payments from Arizona Health Care Cost Containment System (AHCCCS). The payments are made based on information filed with AHCCCS on the Annual Reconciliation and Rebase Data (ARRD) report. The District is currently in the process of reconciling with AHCCCS and various health plans regarding the federal fiscal year 2021 ARRD report.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Charity Care

The District provides services at amounts less than its established rates to patients who meet the criteria of its charity care policy. The criteria for charity care take into consideration the patient's family size and income in relation to federal poverty guidelines and type of service rendered. The total net cost of charity care provided was approximately \$84,878,000 and \$43,936,000 for the years ended June 30, 2022 and 2021, respectively. Charity care cost is based on the percentage of total direct operating expenses less other operating revenue divided by the total gross revenue for the Medical Center. This percentage is applied to the amount written off as charity care to determine the total charity care cost. The net cost of charity care is total charity care cost less any payments received. Payments received were approximately \$8,697,000 and \$12,239,000 for the years ended June 30, 2022 and 2021, respectively.

Property Taxes

On or before the third Monday in August, the County levies real property taxes and commercial personal property taxes on behalf of the District, which become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

The County also levies mobile home personal property taxes on behalf of the District that are due the second Monday of the month following receipt of the tax notice and become delinquent 30 days later. A lien assessed against real and personal property attaches on the first day of January after assessment and levy.

Proposition 480 allows the County to levy additional property taxes for principal and interest debt service related to general obligation bonds (see Note 9).

Income Taxes

The District is a health district and political subdivision of the state of Arizona and is exempt from federal and state income taxes.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Pension and Postemployment Benefits Other Than Pensions (OPEB)

The District participates in the Arizona State Retirement System (ASRS) pension plan for employees. For purposes of measuring the net pension and OPEB liability, deferred outflows of resources and deferred inflows of resources related to pension and OPEB, and pension and OPEB expense, information about the fiduciary net position of ASRS and additions to/deductions from ASRS's fiduciary net position have been determined on the same basis as they are reported by ASRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit plan terms. Investments are reported at fair value.

New Accounting Pronouncements

The GASB issued Statement No. 87, *Leases*, in June 2017 (GASB No. 87). The standard requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The guidance establishes a single model for lease accounting based on the principle that leases are financing the right to use an underlying asset. The District adopted GASB No. 87 on July 1, 2021 and applied the standard retroactively by adjusting the District's basic financial statements as of July 1, 2020. The impact of the adoption was to increase lease obligations and related right-to-use lease assets by approximately \$12,684,000 and \$8,744,000 as of July 1, 2020 and June 30, 2021, respectively. The basic financial statements which have been adjusted to reflect the adoption of the guidance (see Note 12).

The GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, in June 2018. The standard requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The standard was effective for the District as of July 1, 2021. Adopting this standard did not have a significant impact on the basic financial statements.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, in May 2020. The standard requires recognition of certain subscription-based information technology arrangements (SBITAs) as intangible assets and corresponding subscription liabilities for SBITAs that previously were classified as operating arrangements. The guidance establishes a model based on the standards established in Statement No. 87, *Leases*, to treat SBITAs as financing the right to use an underlying subscription asset. The standard was effective for the District as of July 1, 2021. Adopting this standard did not have a significant impact on the basic financial statements.

2. Net Patient Service Revenue

The District has agreements with third-party payors that provide for payments to the District at amounts different from its established rates. These payment arrangements include the following:

- Medicare – Inpatient acute care services, certain inpatient non-acute care services, and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, acuity, and other factors. Inpatient psychiatric services are paid based on a blended cost reimbursement methodology and prospectively determined rates. The District is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports by the District and audits thereof by the Medicare fiscal intermediary. The Medicare fiscal intermediary has audited the District's cost reports through June 30, 2018.
- AHCCCS – Inpatient acute services are paid at prospectively determined rates. Inpatient psychiatric services are paid on a per diem basis. Outpatient services rendered to AHCCCS program beneficiaries are primarily reimbursed under prospectively determined rates.
- The District has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the District under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

2. Net Patient Service Revenue (continued)

Approximately 56% and 54% of net patient service revenues were from participation in the Medicare and state-sponsored AHCCCS programs for the years ended June 30, 2022 and 2021, respectively. Laws and regulations governing the Medicare and AHCCCS programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

3. Deposits, Pooled Funds, and Investment Income

Deposits

Custodial credit risk is the risk that in the event of a bank failure, an entity's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law.

The District's deposits are held by Maricopa County (the County) in conjunction with other County funds and are reported as cash equivalents. The County has represented to the District that there is sufficient collateral to cover all of the County's deposits, including the District's deposits. The County issues a Comprehensive Annual Financial Report. Further information regarding County deposits and investments are contained within the basic financial statement notes to the Comprehensive Annual Financial Report. The most recent report can be obtained by writing to Maricopa County Department of Finance, 301 W. Jefferson, Suite 960, Phoenix, Arizona 85003, or at www.maricopa.gov.

Pooled Funds

The District's cash was deposited into the County's pooled funds as of July 1, 2021. By state statute, the County is required to ensure that all County funds are either insured by the Federal Deposit Insurance Corporation, collateralized by securities held by the cognizant Federal Reserve Bank, or invested in U.S. government obligations. The District's cash held by the County is pooled with the funds of other county agencies and then, in accordance with statutory limitations, placed in banks or invested as the County may determine. The District's pooled funds are reported as restricted cash and cash equivalents, and were approximately \$501,815,000 as of June 30, 2022.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

4. Patient Accounts Receivable

The District grants credit without collateral to its patients, many of whom are area residents and are insured under third-party payor agreements. Patient accounts receivable is presented net of allowance for uncollectible accounts of \$54,585,000 and \$55,847,000 for the years ended June 30, 2022 and 2021, respectively.

5. Other Receivables

At June 30, 2022 and 2021, significant components of other receivables included amounts due from third party payors, such as:

	2022	2021
Retail pharmacy accounts receivable	\$ 1,763,000	\$ 1,410,000
340B program	786,000	1,806,000
Home Assist Health	806,000	907,000
Grants receivable	2,546,000	2,195,000
CARES Act – Provider Relief Funds	27,083,000	–
Other	6,393,000	5,844,000
Total other receivables	<u>\$ 39,377,000</u>	<u>\$ 12,162,000</u>

6. Receivables From AHCCCS for Medical Education

During the years ended June 30, 2022 and 2021, the District entered into intergovernmental agreements with AHCCCS such that AHCCCS provided available medical education funds from CMS. At June 30, 2022 and 2021, available funds from CMS for medical education totaled approximately \$61,508,000 and \$68,055,000, respectively. At June 30, 2022 and 2021, the amount due to the District is approximately \$46,876,000, which is net of the \$14,632,000 matching funds to be provided by the District, and \$51,867,000, which is net of the \$16,188,000 matching funds provided by the District, respectively.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

7. Capital Assets

Capital assets activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Adjustments	Ending Balance
Capital assets not being depreciated:						
Construction-in-progress	\$ 238,432,510	\$ 182,475,787	\$ -	\$ (51,846,376)	\$ -	\$ 369,061,921
Capitalized software-in-progress	330,119	-	-	-	-	330,119
Land	26,342,487	-	(380,000)	9,652,791	-	35,615,278
Capital assets being depreciated:						
Buildings and leasehold improvements	393,737,421	-	(7,903,574)	33,532,612	-	419,366,459
Capitalized software	49,516,241	-	-	-	-	49,516,241
Equipment	229,935,513	-	(302,459)	8,660,973	-	238,294,027
Total capital assets	<u>938,294,291</u>	<u>182,475,787</u>	<u>(8,586,033)</u>	<u>-</u>	<u>-</u>	<u>1,112,184,045</u>
Accumulated depreciation	<u>344,139,165</u>	<u>52,241,569</u>	<u>(7,380,501)</u>	<u>-</u>	<u>-</u>	<u>389,000,233</u>
Capital assets, net	<u>\$ 594,155,126</u>	<u>\$ 130,234,218</u>	<u>\$ (1,205,532)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 723,183,812</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

7. Capital Assets (continued)

Capital assets activity for the year ended June 30, 2021, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Adjustments	Ending Balance
Capital assets not being depreciated:						
Construction-in-progress	\$ 170,751,975	\$ 150,442,561	\$ -	\$ (83,632,612)	\$ 870,586	\$ 238,432,510
Capitalized software-in-progress	330,119	-	-	-	-	330,119
Land	25,342,118	-	(280,000)	1,280,369	-	26,342,487
Capital assets being depreciated:						
Buildings and leasehold improvements	319,028,828	-	(5,427,203)	80,135,796	-	393,737,421
Capitalized software	49,516,241	-	-	-	-	49,516,241
Equipment	228,341,523	-	(622,457)	2,216,447	-	229,935,513
Total capital assets	<u>793,310,804</u>	<u>150,442,561</u>	<u>(6,329,660)</u>	<u>-</u>	<u>870,586</u>	<u>938,294,291</u>
Accumulated depreciation	291,343,411	58,845,414	(6,049,660)	-	-	344,139,165
Capital assets, net	<u>\$ 501,967,393</u>	<u>\$ 91,597,147</u>	<u>\$ (280,000)</u>	<u>\$ -</u>	<u>\$ 870,586</u>	<u>\$ 594,155,126</u>

During the years ended June 30, 2022 and 2021, the District recognized \$9,758,000 and \$16,521,000, respectively, in accelerated depreciation expenses due to the anticipated decommissioning of the current medical center building.

8. Risk Claims Payable

The District maintains insurance through a combination of programs utilizing purchased commercial insurance and self-insurance for professional liability claims, including medical malpractice and workers' compensation claims. The District is self-insured for workers' compensation in Arizona. In connection with the aforementioned programs, the District has accrued estimates for asserted and incurred but not reported claims. The actuarially determined claims payable is approximately \$13,066,000 and \$11,032,000, of which \$553,000 and \$1,748,000 has been recorded as a current liability and approximately \$12,512,000 and \$9,284,000 has been recorded as a noncurrent liability on the accompanying statements of net position as of June 30, 2022 and 2021, respectively. Risk claims payable are undiscounted.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

8. Risk Claims Payable (continued)

As of June 30, 2022, the District maintained commercial insurance as follows:

<u>Insurance</u>	<u>Limits</u>	<u>Self-Insured Retention/Deductible</u>
Workers' compensation	Statutory	\$500,000 each claim
Medical malpractice	\$15,000,000 each incident – first layer Additional \$15,000,000 – second excess layer Additional \$20,000,000 – third excess layer	\$2,000,000 each incident Additional \$1,000,000 one claim layer buffer

The insurance policies listed above became effective December 1, 2012, and remain current through June 30, 2022.

The following is a reconciliation of the risk claims payable as for the years ended June 30:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Beginning balance	\$ 11,031,584	\$ 12,145,246	\$ 13,827,826
Total incurred	6,191,156	2,949,206	4,320,165
Total paid	(4,157,193)	(4,062,868)	(6,002,745)
Ending balance	<u>\$ 13,065,547</u>	<u>\$ 11,031,584</u>	<u>\$ 12,145,246</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

9. Long-Term Debt

The following is a summary of long-term debt transactions for the District for the years ended June 30:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
2022					
General obligation bonds, series C	\$ 440,953,718	\$ –	\$ (18,765,623)	\$ 422,188,095	\$ 15,351,007
General obligation bonds, series D	305,008,663	–	(8,907,399)	296,101,264	25,000,000
Direct placement general obligation bonds	17,000,000	–	(17,000,000)	–	–
Total long-term debt	<u>\$ 762,962,381</u>	<u>\$ –</u>	<u>\$ (44,664,028)</u>	<u>\$ 718,289,359</u>	<u>\$ 40,351,007</u>
2021					
General obligation bonds, series C	\$ 456,170,813	\$ –	\$ (15,217,095)	\$ 440,953,718	\$ 15,500,000
General obligation bonds, series D	–	305,008,663	–	305,008,663	–
Direct placement general obligation bonds	37,000,000	–	(20,000,000)	17,000,000	17,000,000
Total long-term debt	<u>\$ 493,170,813</u>	<u>\$ 305,008,663</u>	<u>\$ (35,217,095)</u>	<u>\$ 762,962,381</u>	<u>\$ 32,500,000</u>

General Obligation Bonds

On November 4, 2014, the voters of the County approved Proposition 480. Proposition 480 allows the District to issue up to \$935,000,000 in general obligation bonds to be repaid over 30 years to fund outpatient health facilities, including improvement or replacement of existing outpatient health centers; construction of new outpatient health centers in northern, eastern, and/or western Maricopa County, behavioral health facilities, including construction of a new behavioral health hospital; and acute care facilities, including replacement of the District’s public teaching hospital Valleywise Health Medical Center and its Level One Trauma Center and Arizona Burn Center, on the existing campus. As of June 30, 2022, the District has issued \$935,000,000 in general obligation bonds.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

9. Long-Term Debt (continued)

On October 12, 2017, the District closed on its second offering of general obligation bonds in the amount of \$75,000,000 in order to continue the various improvement projects. The bonds bear interest at the rate of 1.61% through maturity in fiscal year 2022. Financing for the District's first and second offering were both private placements.

On October 30, 2018, the District closed on its third offering of general obligation bonds in the amount of \$422,125,000 in order to continue the various improvement projects. The bonds were issued at a premium of \$42,870,000. The bonds bear coupon interest at the rate of 5.00% through maturity in fiscal year 2038. Financing for the District's third offering were public placements.

On June 10, 2021, the District closed on its fourth offering of general obligation bonds in the amount of \$244,070,000 in order to continue the various improvement projects. The bonds were issued at a premium of \$60,939,000. The bonds bear coupon interest at the rate of 5.00% through maturity in fiscal year 2035. Financing for the District's fourth offering were public placements.

Proposition 480 allows the County to levy property taxes for principal and interest debt service related to the general obligation bonds.

The bond purchase agreements also contain certain nonfinancial covenants, including the maintenance of property and annual reporting requirements. Management believes it is in compliance with these covenant requirements at June 30, 2022.

Credit Facility, Maricopa County

On June 25, 2020, the County agreed to extend the District a \$30,000,000 line of credit through its credit facility in response to the COVID-19 pandemic crisis. The District did not have any outstanding borrowings on the line of credit at June 30, 2022 and 2021.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

9. Long-Term Debt (continued)

Scheduled maturities of long-term debt, excluding a net premium of \$77,603,000, for the years ending June 30 are as follows:

	General Obligation Bonds		Direct Placement General Obligation Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 40,360,000	\$ 30,149,600	\$ –	\$ –
2024	26,130,000	28,487,350	–	–
2025	30,070,000	27,082,350	–	–
2026	31,575,000	25,541,225	–	–
2027	33,150,000	23,923,100	–	–
2028–2032	192,355,000	92,365,375	–	–
2033–2037	221,905,000	38,819,350	–	–
2038–2040	65,150,000	2,631,600	–	–
	<u>\$ 640,695,000</u>	<u>\$ 268,999,950</u>	<u>\$ –</u>	<u>\$ –</u>

10. Restricted Net Position

Restricted net position at June 30, 2022 and 2021, consists of grant funds received for specific purposes that are expected to be expended as defined on the agreement, in the amount of \$30,166,000 and \$4,179,000, respectively.

Restricted net position at June 30, 2022 and 2021, also consists of bond funds expected to be expended for specific purposes as defined in the bond agreement, in the amount of approximately \$306,923,000 and \$477,028,000, respectively.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities

General Information About the Pension and OPEB Plans

Plan Description

The District contributes to a cost-sharing, multiple-employer, defined benefit pension plan and OPEB plans administered by the ASRS. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. ASRS is governed by the ASRS Board according to the provisions of Arizona Revised Statutes Title 38, Chapter 5, Article 2.

ASRS issues a Comprehensive Annual Financial Report that includes financial statements and required supplementary information. The most recent report may be obtained at www.azasrs.gov/content/annual-reports or by writing the Arizona State Retirement System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910, or by telephoning (602) 240-2000 or (800) 621-3778.

Funding Policy

The Arizona State Legislature establishes and may amend contribution rates for active plan members, including the District. For the years ended June 30, 2022 and 2021, active plan members, including the District, were required by statute to contribute at the actuarially determined rate of 12.41% (12.01% retirement, 0.21% health benefit supplement, and 0.19% long-term disability) and 12.22% (11.65% retirement, 0.39% health benefit supplement, and 0.18% long-term disability), respectively, of the members' annual covered payroll.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Benefits Provided

ASRS provides retirement, health care, and long-term disability benefits. The Defined Benefit Plan provides monthly retirement benefits to members who have reached retirement eligibility criteria, terminated employment, and applied for retirement benefits. At retirement, members have seven different payment options to choose from, including a straight-life annuity that guarantees monthly payments only for the lifetime of the member, or term certain and joint and survivor annuities that will continue to make monthly payments to a beneficiary in the event of the member's death. The amount of a member's monthly benefit is calculated based on his or her age, his or her years of service, his or her salary at retirement, and the retirement option chosen. In the event a member dies before reaching retirement eligibility criteria, the defined benefit plan will pay a lump sum or annuity to the member's beneficiary(ies). The Retiree Health Benefit Supplement (also called Premium Benefit Supplement) provides health insurance coverage for retirees and a monthly health insurance premium benefit to offset the cost of retiree health insurance. Long Term Disability provides a monthly disability benefit to partially replace income lost as a result of disability.

Contributions

The contribution rate for the pension and OPEB plans are calculated by an independent actuary at the end of each fiscal year based on the amount of investment assets the ASRS has on hand to pay benefits, liabilities associated with the benefits members have accrued to date, projected investment returns, and projected future liabilities.

*Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions and OPEB*

At June 30, 2022, the District reported a liability of approximately \$297,858,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, and was rolled forward using generally accepted actuarial procedures to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, as actuarially determined. At June 30, 2021, the District's proportion was 2.27%, which represents no change from its proportion measured as of June 30, 2020.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

At June 30, 2021, the District reported a liability of approximately \$394,059,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and was rolled forward using generally accepted actuarial procedures to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, as actuarially determined. At June 30, 2020 and 2019, the District's proportion was 2.27% and 2.14%, respectively.

At June 30, 2022, the District reported a net (asset) of approximately (\$10,767,000) for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021. The total amount used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020, and was rolled forward using generally accepted actuarial procedures to June 30, 2021. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers and the state, as actuarially determined. At June 30, 2021 and 2020, the District's proportion was 2.31% and 2.30%, respectively.

At June 30, 2021, the District reported a net (asset) of approximately (\$116,000) for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020. The total amount used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019, and was rolled forward using generally accepted actuarial procedures to June 30, 2020. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers and the state, as actuarially determined. At June 30, 2020 and 2019, the District's proportion was 2.30% and 2.79%, respectively.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Within employee benefits, the District recorded pension expense of \$33,298,000 and \$51,898,000 for the years ended June 30, 2022 and 2021, respectively. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made after measurement date	\$ 32,711,475	\$ —
Differences between expected and actual experience	4,540,570	—
Changes in assumptions	38,768,596	—
Difference between projected and actual investment earnings	—	(94,371,882)
Change in proportion and differences between employer contributions and proportionate share of contributions	6,371,328	(779,921)
Total	\$ 82,391,969	\$ (95,151,803)

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made after measurement date	\$ 29,724,443	\$ —
Differences between expected and actual experience	3,564,945	—
Changes in assumptions	—	—
Difference between projected and actual investment earnings	38,007,430	—
Change in proportion and differences between employer contributions and proportionate share of contributions	13,450,582	(684,469)
Total	\$ 84,747,400	\$ (684,469)

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Of the amount reported as deferred outflows of resources as of June 30, 2022, \$34,114,000 related to pension results from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ending June 30:	
2023	\$ 7,153,947
2024	700,168
2025	(20,804,165)
2026	(32,521,259)

Within employee benefits, the District recorded OPEB expense of (\$926,458) for the year ended June 30, 2022. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made after measurement date	\$ 1,536,765	\$ -
Differences between expected and actual expenses	137,082	(3,937,296)
Changes in assumptions	709,100	(1,052,464)
Difference between projected and actual investments earnings	-	(4,498,749)
Change in proportion and differences between employer contributions and proportionate share of contributions	98,513	(19,710)
Total	<u>\$ 2,481,460</u>	<u>\$ (9,508,219)</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Within employee benefits, the District recorded OPEB expense of \$1,089,000 for the year ended June 30, 2021. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made after measurement date	\$ 1,375,302	\$ –
Differences between expected and actual expenses	152,565	(3,270,330)
Changes in assumptions	1,096,313	–
Difference between projected and actual investments earnings	1,867,745	–
Change in proportion and differences between employer contributions and proportionate share of contributions	118,664	(17,495)
Total	\$ 4,610,589	\$ (3,287,825)

Of the amount reported as deferred outflows of resources, \$1,537,000 related to OPEB results from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2023	\$ (1,942,863)
2024	(1,860,732)
2025	(2,046,662)
2026	(2,300,780)
2027	(221,224)
Thereafter	(191,263)

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Actuarial Assumptions

The June 30, 2020, actuarial valuation of the total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	2.90% – 8.40% average, including inflation
Discount rate	7.00%

Mortality rates were based on the 2017 SRA Scale U-MP.

The June 30, 2019, actuarial valuation of the total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	2.70% – 7.20% average, including inflation
Investment rate of return	7.50%

Mortality rates were based on the 2017 SRA Scale U-MP.

The June 30, 2020, actuarial valuation of the OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Investment rate of return	7.00%
Mortality rates	2017 SRA Scale U-MP
Health care trend rate	N/A

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

The June 30, 2019, actuarial valuation of the OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Investment rate of return	7.50%
Mortality rates	2017 SRA Scale U-MP
Health care trend rate	N/A

The benefits paid by the plan are not impacted by health care cost trend rates. As a result, changes in the health care cost trend rate assumption will have no impact on the net OPEB liability.

The actuarial assumptions used in the June 30, 2020 and 2019, pension and OPEB valuations were based on the results of an actuarial experience study for the period July 1, 2011–June 30, 2016. The ASRS Board adopted the experience study, which recommended changes, and those changes were effective as of the June 30, 2017, actuarial valuation.

The long-term expected rate of return on pension and OPEB plans' investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class for the pension plan measured as of June 30, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	50%	2.45%
Fixed income	30	1.11
Real estate	20	1.14
Total	<u>100%</u>	<u>4.70%</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

The target allocation and best estimates of geometric real rates of return for each major asset class for the pension plan measured as of June 30, 2020, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	50%	3.20%
Fixed income	30	1.11
Real estate	20	1.17
Total	<u>100%</u>	<u>5.48%</u>

The target allocation and best estimates of geometric real rates of return for each major asset class for the OPEB plan measured as of June 30, 2020, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	50%	3.20%
Fixed income	30	1.11
Real estate	20	1.17
Total	<u>100%</u>	<u>5.48%</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

The target allocation and best estimates of geometric real rates of return for each major asset class for the OPEB plan measured as of June 30, 2019, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	50%	3.05%
Fixed income	30	1.23
Real estate	20	1.17
Total	<u>100%</u>	<u>5.45%</u>

Discount Rate

The discount rate used to measure the overall pension liability as of June 30, 2022 and 2021, was 7.0%, and the OPEB liability as of June 30, 2022 and 2021, was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, contributions from the District will be made at contractually required rates (actuarially determined), and contributions from the participating employers will be made at current statutorily required rates. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability and OPEB liability.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability reported at June 30, 2022, using the discount rate of 7.0% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.0% or one percentage point higher 8.0% than the current rate:

	1-Point Decrease (6.0%)	Discount Rate (7.0%)	1-Point Increase (8.0%)
District's proportionate share of the net pension liability	\$ 468,505,634	\$ 297,857,967	\$ 155,585,029

The following presents the District's proportionate share of the net pension liability reported at June 30, 2021, using the discount rate of 7.5% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.5% or one percentage point higher 8.5% than the current rate:

	1-Point Decrease (6.5%)	Discount Rate (7.5%)	1-Point Increase (8.5%)
District's proportionate share of the net pension liability	\$ 538,870,032	\$ 394,058,778	\$ 273,004,009

The following presents the District's proportionate share of the net OPEB liability reported at June 30, 2022, using the discount rate of 7.0% as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower 6.0% or one percentage point higher 8.0% than the current rate:

	1-Point Decrease (6.0%)	Discount Rate (7.0%)	1-Point Increase (8.0%)
District's proportionate share of the net OPEB liability	\$ 6,825,194	\$ 10,767,083	\$ 14,135,798

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

11. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

The following presents the District’s proportionate share of the net OPEB liability reported at June 30, 2021, using the discount rate of 7.5% as well as what the District’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower 6.5% or one percentage point higher 8.5% than the current rate:

	1-Point Decrease (6.5%)	Discount Rate (7.5%)	1-Point Increase (8.5%)
District’s proportionate share of the net OPEB liability (asset)	\$ 4,061,766	\$ 116,339	\$ (3,260,617)

Pension and OPEB Plans Fiduciary Net Position

Detailed information about the pension and OPEB plans’ fiduciary net position are available in the separately issued ASRS Comprehensive Annual Financial Report.

12. Commitments and Contingencies

Leases

The District’s leases consist of office space, office equipment and medical equipment. None of the leases contain provisions for variable payments, residual value guarantees, or termination penalties.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Commitments and Contingencies (continued)

The following is a summary of right-to-use assets for the District for the years ended June 30:

	Beginning Balance		Additions		Amortization		Ending Balance
2022							
Right-to-use assets	\$ 8,743,991	\$	829,453	\$	(2,696,435)	\$	6,877,009
2021							
Right-to-use assets	\$ 12,683,858	\$	1,057,075	\$	(4,996,942)	\$	8,743,991

The following is a summary of lease liabilities for the District for the years ended June 30:

	Beginning Balance		Additions		Payments		Ending Balance		Current Portion
2022									
Lease liabilities	\$ 8,743,991	\$	829,453	\$	(2,696,435)	\$	6,877,009	\$	2,177,940
2021									
Lease liabilities	\$ 12,683,858	\$	1,057,075	\$	(4,996,942)	\$	8,743,991	\$	2,696,434

The following is a schedule, by year, of the future lease payments, including interest at varying rates, as of June 30, 2022:

Year ending June 30:	Principle	Interest
2023	\$ 2,128,723	\$ 295,213
2024	1,363,010	205,872
2025	1,093,731	142,934
2026	706,297	97,178
2027	536,851	67,072
2028-2029	1,048,397	51,336
	<u>\$ 6,877,009</u>	<u>\$ 859,605</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Commitments and Contingencies (continued)

Litigation

In the normal course of business, the District is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by the County's risk management program (see Note 1) or by commercial insurance, for example, allegations regarding employment practices or performance of contracts. The District evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of legal counsel, management records an estimate of the amount of ultimate expected loss, if any, for each allegation. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

13. Disproportionate Share Settlement

Section 1923 of the Social Security Act establishes federal requirements designed to aid entities that provide medical services to a disproportionate share of medically indigent patients. These requirements were met for the state fiscal years ended June 30, 2022 and 2021, through disproportionate share settlements established in Laws 2016 Second Regular Session Chapter 122 and Laws 2015 First Regular Session Chapter 14. AHCCCS was directed to distribute such settlements based on various qualifying criteria and allocation processes. The District recorded approximately \$4,202,000 of disproportionate share settlements in other operating revenue in each of fiscal years 2022 and 2021.

14. Related-Party Transactions

During the years ended June 30, 2022 and 2021, net patient service revenues included approximately \$3,037,000 and \$3,090,000, respectively, of payments received from Maricopa County Correctional Health for medical services rendered, and approximately \$1,789,000 and \$1,735,000, respectively, in grant funds from the Maricopa County Department of Public Health.

During the years ended June 30, 2022 and 2021, nonoperating revenues included approximately \$952,000 and \$252,000 in payments received from Maricopa County Industrial Development Authority (MCIDA) for program support in the District's Simulation and Training Center in fiscal years 2022 and 2021, respectively.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

15. COVID-19

The outbreak of a novel strain of the coronavirus disease 2019 (COVID-19) continues to be a concern both in the United States and globally. The District is following the guidance of state and local governments and the Centers for Disease Control and Prevention. For acute care facilities, the State of Arizona, in accordance with Federal guidelines, recommended rescheduling elective surgeries as a means of preserving the supply of protective personal equipment, limiting visitors, and identifying additional space for patient care in preparation for a potential surge. At various points the District has engaged in these practices. As of the date of this report, the District continues to be impacted by this ongoing state of emergency.

Through the passage of the Families First Coronavirus Response Act (Families First) and the Coronavirus Aid, Relief and Economic Security (CARES) Act, Congress provided financial support to hospitals and health care providers during the pandemic for financial stabilization. This allowed for the following financial support to the District in fiscal years 2022 and 2021:

- The District has attested to the receipt of distributions totaling \$39,376,000 of Provider Relief Funds under the CARES Act and recorded \$39,376,000 and \$12,100,000 in other nonoperating revenue for the years ended June 30, 2022 and 2021, respectively. These distributions have been used to offset expenses to prevent, prepare for, and respond to the COVID-19, or lost revenues that are attributable to COVID-19.
- The District has elected to defer applicable payroll taxes from April 5, 2020 through December 31, 2020. The deferred amount was accrued, and repayment will be due in two equal installments on December 31, 2021 and December 31, 2022. The deferred amounts were approximately \$5,649,000 and \$11,297,000 at June 30, 2022 and 2021, respectively and were recorded under accrued expenses.
- In April 2020, the District received \$23,366,000 through the Accelerated and Advance Payments Program under the CARES Act. An accelerated or advanced payment is a payment by CMS intended to provide necessary funds in circumstances such as national emergencies in order to accelerate cash flow to the impacted health care providers. Pursuant to the Continuing Appropriations Act, 2021 and Other Extensions Act, repayment terms are as follows:
 - Repayment does not begin for one year starting from the date the accelerated or advance payment was issued.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

15. COVID-19 (continued)

- Beginning at one year from the date the payment was issued and continuing for eleven months, Medicare payments owed will be recouped at a rate of 25%.
- After eleven months end, Medicare payments owed will be recouped at a rate of 50% for another six months.
- After the six months end, a letter for any remaining balance of the accelerated or advance payment will be issued.
- Recoupments began in fiscal year 2021. The amounts outstanding of \$3,192,000 and \$21,092,000 as of June 30, 2022 and 2021, respectively, were recorded under other current liabilities.
- The District was awarded FQHC grants under the Families First and CARES Act totaling \$4,109,000. Of this total, \$1,396,000 and \$1,855,000 has been received and recognized as nonoperating revenue in fiscal years 2022 and 2021 respectively.
- The District was awarded grants under the American Rescue Plan Act totaling \$16,900,000. Of this total, \$2,745,000 has been recognized as other revenue in fiscal year 2022.
- The District has submitted claims for uninsured patients with a COVID-19 primary diagnosis for COVID-19 testing or treatment through the Health Resources & Services Administration (HRSA), funded through the CARES Act. This program will reimburse eligible claims at Medicare rates, subject to available funding.
- The District has applied for Federal Emergency Management Administration (FEMA) Public Assistance funding. The amount and timing of the expected financial assistance through FEMA is not known at this time.

Other aspects of the CARES Act continue to be reviewed and evaluated for their applicability to the District. While the District has received support from the Families First and CARES Act, there is continuing uncertainty surrounding the pandemic and the constantly changing and evolving regulations. The District will continue to monitor all regulatory changes and pursue all available opportunities for supplemental relief and or funding.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

16. Subsequent Events

Effective July 1, 2022, the District elected to levy a secondary property tax on all taxable property in the defined surrounding area at the rate necessary to generate approximately \$92,081,000 of annual tax revenue. The tax revenue is to be used to support operations of the District.

Effective July 1, 2022, the District elected to levy property tax on all taxable property in the defined surrounding area, in the amounts of \$6,090,000 and \$18,366,000 for the year four principal and interest debt service, respectively, related to the \$422,125,000 third bond offering.

Effective July 1, 2022, the District elected to levy property tax on all taxable property in the defined surrounding area, in the amounts of \$1,975,000 and \$10,702,000 for the second-year principal and interest debt service, respectively, related to the \$244,070,000 fourth bond offering.

Required Supplementary Information

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of District's Proportionate Share of the Net Pension Liability

Last 10 Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion or the net pension liability	2.27%	2.27%	2.14%	2.15%	1.96%	2.11%	2.15%	2.25%
District's proportionate share of the net pension liability	\$ 297,857,967	\$ 394,058,778	\$ 311,132,978	\$ 300,238,443	\$ 304,619,435	\$ 339,937,627	\$ 334,641,881	\$ 332,820,645
District's covered payroll	\$ 252,938,151	\$ 236,809,991	\$ 225,450,955	\$ 211,945,446	\$ 188,850,966	\$ 195,634,317	\$ 196,475,917	\$ 203,989,176
District's proportionate share of the net pension liability a percentage of its covered payroll	117.76%	166.40%	138.00%	141.66%	161.30%	173.76%	170.32%	163.16%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

*The amounts presented for each fiscal year were determined as of the end of the prior fiscal year. Ten years of information is not yet available.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Last 10 Fiscal Years*

	2022	2021	2020	2019	2018
District's proportion or the net OPEB liability (asset)	2.31%	2.30%	2.17%	2.14%	1.97%
District's proportionate share of the net OPEB liability (asset)	\$ (10,767,083)	\$ 116,339	\$ 812,445	\$ 347,486	\$ (361,250)
District's covered payroll	\$ 252,938,151	\$ 236,809,991	\$ 225,450,955	\$ 211,945,416	\$ 188,850,966
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	(4.26)%	0.05%	0.36%	0.16%	(0.19)%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	125.56%	99.73%	98.07%	99.13%	101.03%

*The amounts presented for each fiscal year were determined as of the end of the prior fiscal year.
Ten years of information is not yet available.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Contributions – Pension Plan

Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 32,711,475	\$ 29,724,443	\$ 28,321,667	\$ 25,950,721	\$ 22,402,719	\$ 20,360,215	\$ 21,226,490	\$ 21,396,442	\$ 21,827,065	\$ 20,672,347
Contributions in relation to the contractually required contribution	(32,711,475)	(29,724,443)	(28,321,667)	(25,950,721)	(22,402,719)	(22,259,196)	(21,387,917)	(21,690,643)	(20,471,268)	(21,015,008)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,898,981)	\$ (161,427)	\$ (294,201)	\$ 1,355,797	\$ (342,661)
District's covered payroll	\$ 270,682,087	\$ 252,938,151	\$ 236,809,991	\$ 225,450,955	\$ 211,945,416	\$ 188,850,966	\$ 195,634,317	\$ 196,475,917	\$ 203,989,176	\$ 201,678,461
Contributions as a percentage of covered payroll	12.08%	11.75%	11.96%	11.51%	10.57%	10.78%	10.85%	10.89%	10.70%	10.25%

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Contributions – OPEB Plan

Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 1,536,765	\$ 1,375,302	\$ 1,579,258	\$ 1,396,082	\$ 1,273,313	\$ 1,321,018	\$ 1,213,587	\$ 1,395,848	\$ 1,715,385	\$ 1,796,348
Contributions in relation to the contractually required contribution	(1,536,765)	(1,375,302)	(1,579,258)	(1,396,082)	(1,273,313)	(1,321,018)	(1,213,587)	(1,395,848)	(1,715,385)	(1,796,348)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 270,682,087	\$ 252,938,151	\$ 236,809,991	\$ 225,450,955	\$ 211,945,416	\$ 188,850,966	\$ 195,634,317	\$ 196,475,917	\$ 203,989,176	\$ 201,678,461
Contributions as a percentage of covered payroll	0.57%	0.54%	0.67%	0.62%	0.60%	0.70%	0.62%	0.71%	0.84%	0.89%

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Management and the Board of Directors
Maricopa County Special Health Care District
d/b/a Valleywise Health

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Maricopa County Special Health Care District d/b/a Valleywise Health (the District), which comprise the statement of net position as of June 30, 2022, and the related statement of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 18, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect, and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected, and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

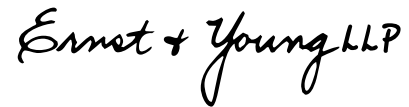
Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



November 18, 2022

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**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.c.iii.

Governance

**Uniform Guidance Audit for Fiscal Year
ending June 30, 2021**

Maricopa County Special Health Care District (Valleywise Health)

2022 Audit Results

November 22, 2022



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Executive summary

2022 Audit Results

We have completed our audit procedures on the 2022 Valleywise Health financial statements and will issue an unmodified opinion.

- ▶ No material corrected or uncorrected audit differences were identified.
- ▶ No material weaknesses were identified.

We also completed our 2021 Uniform Guidance audit of Valleywise Health and have included those results herein.

Digital Audit Delivery

We incorporated the following digital tools within our audit process:

- ▶ Health Revenue Analyzer
- ▶ General Ledger Analyzer
- ▶ Enhanced use of EY's Canvas Client Portal to facilitate transmission and tracking of support

Areas of Audit Emphasis

We identified the following areas of emphasis, which we considered in performing the 2022 audit:

- ▶ Patient service revenue and accounts receivable
- ▶ Proposition 480 bond funds and capital expenditures
- ▶ Self-insured accruals, including professional, general and workers' compensation liabilities
- ▶ Leases (adoption of GASB 87)
- ▶ Pension plan liabilities
- ▶ Risk of management override of controls

Looking Forward

Uniform Guidance audit for the 2022 Schedule of Expenditures of Federal Awards:

- ▶ Due by March 31, 2023

Required communications

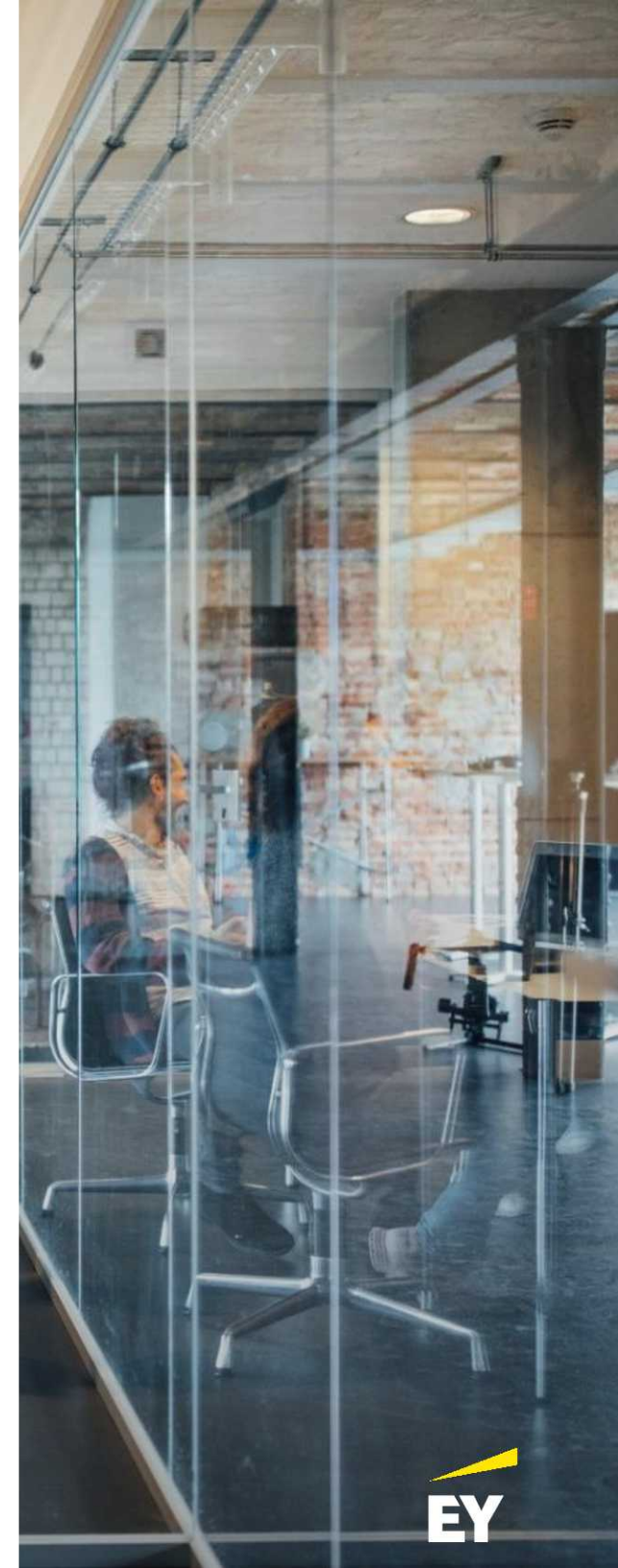


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Required communications

Area	Comments
<ul style="list-style-type: none">▶ Auditor's responsibility under generally accepted auditing standards, including our discussion of the type of auditor's report we are issuing	<p>Our responsibilities are included in our audit engagement agreement. A copy of such agreement can be provided upon request.</p> <p>We will issue an unmodified opinion on Valleywise's financial statements as of and for the year ended June 30, 2022.</p>
<ul style="list-style-type: none">▶ Changes to the audit strategy, timing of the audit and significant risks identified	<p>Our audit strategy is consistent with the plan communicated during the April 2022 FAC committee meeting.</p>
<ul style="list-style-type: none">▶ Matters relevant to our evaluation of the entity's ability to continue as a going concern	<p>We did not identify any events or conditions that led us to believe there was substantial doubt about Valleywise's ability to continue as a going concern.</p>



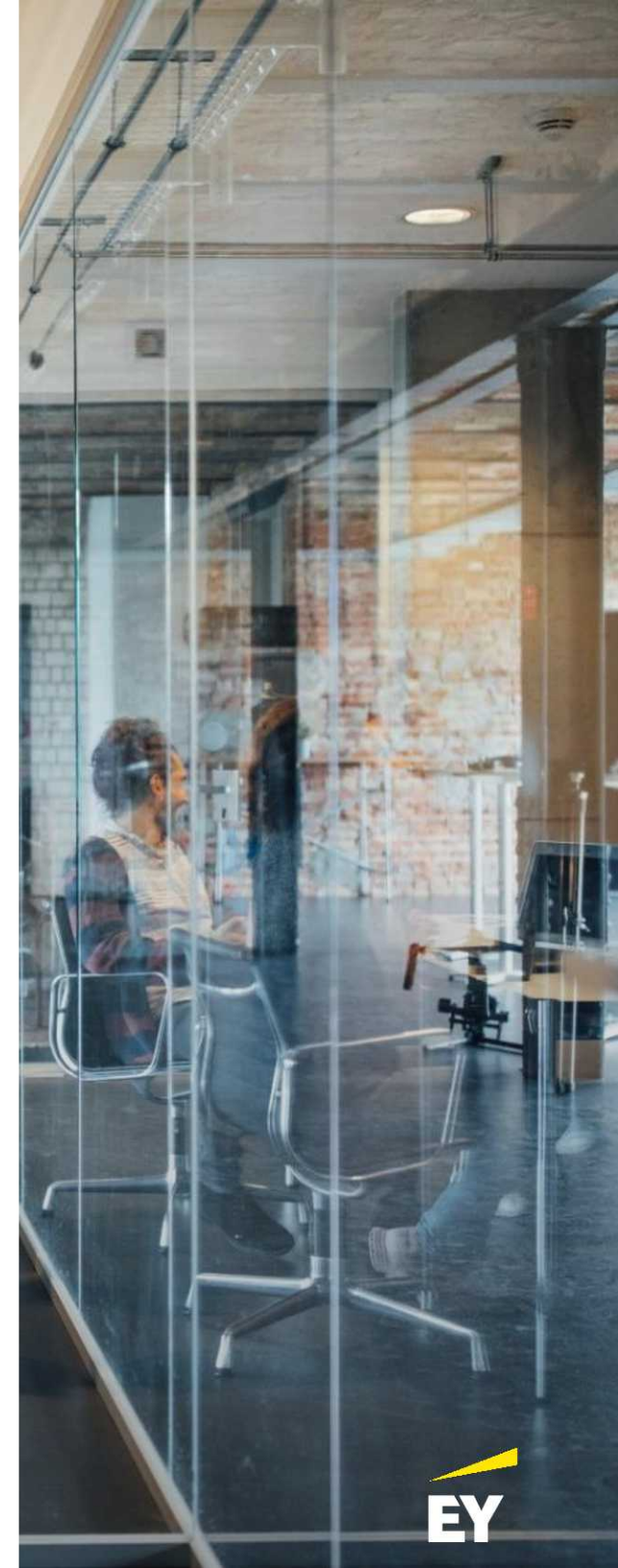
Required communications

Area	Comments
<p>Our views about the qualitative aspects of the entity's significant accounting practices, including:</p> <ul style="list-style-type: none"> ▶ Accounting policies ▶ Accounting estimates 	<p>Management adopted GASB 87 <i>Leases</i>, which required retroactive application to prior periods presented in the financial statements. Management appropriately recorded Valleywise's leases and disclosed the impact in the financial statements in accordance with this accounting standard. Management has not selected or changed any other significant policies or changed the application of those policies in the current year.</p>
<ul style="list-style-type: none"> ▶ Related party relationships and transactions* 	<p>We noted no significant matters regarding Valleywise's relationships and transactions with related parties.</p>
<ul style="list-style-type: none"> ▶ Changes to the terms of the audit with no reasonable justification for the change 	<p>None.</p>
<ul style="list-style-type: none"> ▶ Significant unusual transactions** 	<p>We are not aware of any significant unusual transactions executed by Valleywise.</p>
<ul style="list-style-type: none"> ▶ Difficult or contentious matters subject to consultation outside of the audit team 	<p>None.</p>



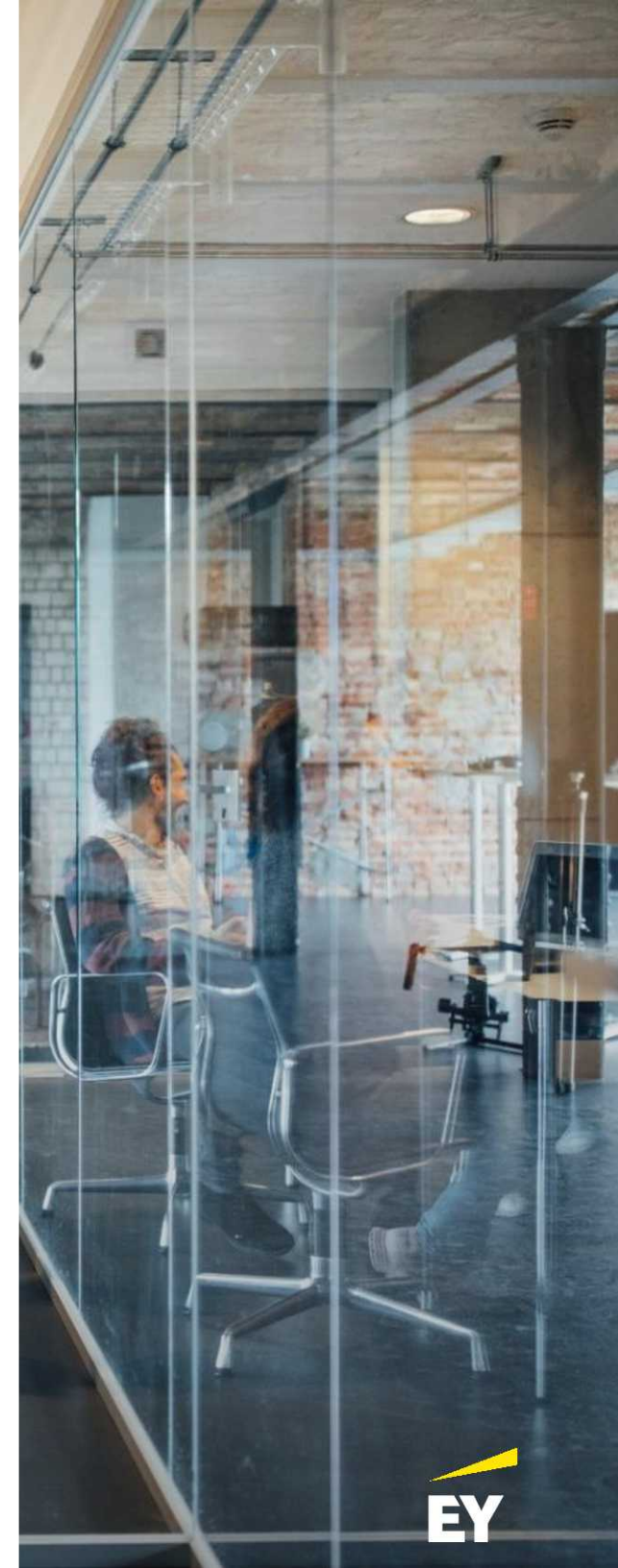
Required communications

Area	Comments
<ul style="list-style-type: none"> ▶ Material corrected misstatements related to accounts and disclosures ▶ Uncorrected misstatements related to accounts and disclosures, considered by management to be immaterial 	<p>There are no material corrected or uncorrected misstatements.</p>
<ul style="list-style-type: none"> ▶ Significant deficiencies and material weaknesses in internal control over financial reporting* 	<p>No material weaknesses have been identified.</p>
<ul style="list-style-type: none"> ▶ Our responsibility, procedures performed, the results of those procedures and any reporting to be included in our auditor's report relating to other information included in the annual report 	<p>We have reviewed Valleywise's Supplementary Information and did not identify anything requiring communication.</p>
<ul style="list-style-type: none"> ▶ Fraud and noncompliance with laws and regulations (illegal acts)** 	<p>We are not aware of any matters that require communication.</p>
<ul style="list-style-type: none"> ▶ Obtain information relevant to the audit 	<p>Inquiries regarding matters relevant to the audit are to be performed at this meeting.</p>
<ul style="list-style-type: none"> ▶ Independence matters* 	<p>We are not aware of any matters that in our professional judgment would impair our independence.</p>



Required communications

Area	Comments
<ul style="list-style-type: none"> ▶ New accounting pronouncements 	<p>No issues have been identified regarding management's planned application of new accounting pronouncements.</p>
<ul style="list-style-type: none"> ▶ Significant issues discussed with management in connection with the auditor's initial appointment or recurring retention** ▶ Disagreements with management and significant difficulties encountered in dealing with management when performing the audit** ▶ Management's consultations with other accountants** 	<p>None.</p>
<ul style="list-style-type: none"> ▶ Other material written communications with management 	<p>There are no other findings or issues arising from the audit that are, in our judgment, significant and relevant to those charged with governance regarding the oversight of the financial reporting process.</p>
<ul style="list-style-type: none"> ▶ Other matters** 	<p>There are no other matters arising from the audit that are significant and relevant to those charged with governance regarding the oversight of the financial reporting process.</p>



Required communications

Area	Comments
<ul style="list-style-type: none"> ▶ AICPA ethics ruling regarding third-party service providers 	<p>From time to time, and depending on the circumstances, (1) we may subcontract portions of the Audit Services to other EY firms, who may deal with the Company or its affiliates directly, although EY alone will remain responsible to you for the Audit Services and (2) personnel (including non-certified public accountants) from an affiliate of EY or another EY firm or any of their respective affiliates, or from independent third-party service providers (including independent contractors), may participate in providing the Audit Services. In addition, third-party service providers may perform services for EY in connection with the Audit Services.</p>
<ul style="list-style-type: none"> ▶ Representations we are requesting from management 	<p>The letter of representations signed by management and related to the audit can be provided upon request.</p>

As required, provided above is a summary of required communications between the audit team and those charged with governance, as required by AICPA Clarified US Auditing Standard (AU-C) 260, *The Auditor's Communication With Those Charged With Governance*, and other applicable auditing standards. This communication is intended solely for the information and use of the audit committee and, if appropriate, management, and is not intended to be, and should not be, used by anyone other than these specified parties.

All communications are to be made annually unless marked otherwise.

* Communicate at least annually or when event occurs.

** Communicate when event occurs, and consider need for separate communications within the presentation.



Industry insights



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Health industry insights



Future focus

- ▶ Existing pressure to reduce costs combined with higher inflation will lead to the growth of integrated care models (e.g., value-oriented contracting).
- ▶ Staffing pressures will push health care enterprises to adopt new operating models and open the door for innovative technology platform solutions.
- ▶ Hospital systems continue to explore both traditional and nontraditional partnerships to embrace personalized care and digital innovation.
- ▶ Health care services will go beyond the traditional acute and post-acute care settings to include technology-enabled capabilities that allow hospitals to treat patients in the comfort of their homes.
- ▶ Regulatory and legislative reforms, such as the Inflation Reduction Act, create new care delivery and financing opportunities for both existing entities and new entrants.



Maricopa County Special Health Care District (Valleywise Health)

2021 Uniform Guidance audit results

2021 Uniform Guidance audit results

A summary of the results of the Office of Management and Budget Uniform Guidance audit is presented below:

Summary of audit results	2021
Financial statement section - Government Auditing Standards	
Type of auditor's report issued (unmodified, qualified, adverse, or disclaimer)	Unmodified
Internal control over financial reporting:	
▶ Material weakness(es) identified	No
▶ Significant deficiency(ies) identified	No
▶ Noncompliance material to financial statements noted	No
Federal award expenditures tested	
Assistance Listing Number 93.461 – COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund	\$2,090,838
Assistance Listing Number 93.498 – COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	\$8,597,135
Assistance Listing Number 93.918 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	\$889,690
Total Expenditures of Federal Awards	\$20,710,106

2021 Uniform Guidance audit results (continued)

Summary of audit results		2021
Federal awards section		
Internal control over major programs:		
▶ Material weakness(es) identified		Yes
▶ Significant deficiency(ies) identified		No
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)		Yes
Major programs and type of auditor's report on compliance for major programs (unmodified, qualified, adverse, or disclaimer)		
Major Program	Type of opinion	Finding type and description
▶ Assistance Listing Number 93.461 – COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund	Unmodified	<u>Noncompliance:</u> In our testing over eligibility for reimbursement from HRSA, we observed a patient in our sample had insurance, but HRSA was billed. This resulted in a noncompliance finding, but not a control finding.
▶ Assistance Listing Number 93.498 – COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	Unmodified	<u>Noncompliance and material weakness:</u> In our testing over the SEFA, we observed management did not have an effective internal control in place to ensure accurate reporting of the payments received on the SEFA, which resulted in an overstatement of the amount reported on the SEFA. This resulted in a noncompliance and internal control finding. In our testing of the HRSA reporting portal submission, we noted management incorrectly reported (understated) lost revenue attributable to Covid-19 in the Period 1 submission. This resulted in a noncompliance and internal control finding.
▶ Assistance Listing Number 93.918 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	Qualified	<u>Noncompliance and material weakness:</u> In our testing, we observed management did not have an internal control in place to ensure accurate reporting of program income and was unable to provide us support for program income on an accrual basis. This resulted in a noncompliance and internal control finding and a qualified opinion as we were unable to test program income. In our testing, we noted management had not completed a suspension and debarment search for the vendor used in the program during the fiscal year. This resulted in a noncompliance and internal control finding.

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FINANCIAL STATEMENTS, REQUIRED
SUPPLEMENTARY INFORMATION, AND REPORTS,
SUPPLEMENTARY INFORMATION AND SCHEDULE
REQUIRED BY THE UNIFORM GUIDANCE

Maricopa County Special Health Care District
d/b/a Valleywise Health
Years Ended June 30, 2021 and 2020
With Reports of Independent Auditors

Ernst & Young LLP



Maricopa County Special Health Care District
d/b/a Valleywise Health

Financial Statements, Required Supplementary Information, and
Reports, Supplementary Information and
Schedule Required by the Uniform Guidance

Years Ended June 30, 2021 and 2020

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Report of Independent Auditors

Management and the Board of Directors
Maricopa County Special Health Care District
d/b/a Valleywise Health

Report on the Financial Statements

We have audited the accompanying financial statements of the Maricopa County Special Health Care District d/b/a Valleywise Health (the “District”), as of and for the year ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of June 30, 2021 and 2020, and the respective changes in its financial position and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management’s discussion and analysis on pages 3-15, the Schedule of District’s Proportionate Share of the Net OPEB Liability, the Schedule of Contributions – Pension Plan, and the Schedule of Contributions – OPEB Plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

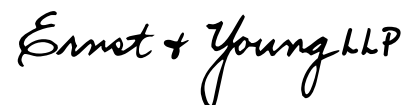
Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District’s basic financial statements. We have not performed any procedures with respect to the audited financial statements that collectively comprise the basic financial statements subsequent to November 19, 2021. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated November 19, 2021 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.



November 19, 2021, except for our report on the Schedule of Expenditures of Federal awards, for which the date is October 21, 2022

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis

Years Ended June 30, 2021 and 2020

The following discussion and analysis of the operational and financial performance of Maricopa County Special Health Care District d/b/a Valleywise Health (the District) provides an overview of the financial position and activities for the years ended June 30, 2021 and 2020. This discussion has been prepared by management and should be read in conjunction with the accompanying financial statements, as well as the notes to the financial statements, which follow this section. The financial statements discussed in this section offer short-term and long-term financial information about the District's activities, including:

Statements of Net Position: This statement includes all of the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position and provides information about the nature and amounts of investments in resources (assets) and the obligations of the District to creditors (liabilities). It also provides the basis for evaluating the capital structure, and assessing the liquidity and financial flexibility of the District.

Statements of Revenues, Expenses, and Changes in Net Position: This statement accounts for all of the current year's revenues and expenses, measures changes in operations over the past two years, and can be used to determine whether the District has been able to recover all of its costs through several revenue sources.

Statements of Cash Flows: The primary purpose of this statement is to answer questions such as where cash came from, what cash was used for, and what was the change in the cash balance during the reporting period.

Organizational Overview

Founded in 1877, the District has served as Maricopa County's public teaching hospital and safety net system, filling critical gaps in care for underserved populations. In partnership with District Medical Group, an unrelated not-for-profit entity, the District provides care throughout Maricopa County.

The District is an academic training center, a regional provider of primary and specialized medical services, and a leading provider of mental health services. It provides clinical rotations each year for allopathic and osteopathic medical students, nursing students, and allied health professionals.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Licensed for 758 beds, the District provides a full range of inpatient acute and intensive care, inpatient and outpatient behavioral health, and a full complement of ancillary, support, and ambulatory services. The facilities that are housed on the District's main campus include:

- Valleywise Health Medical Center
- Valleywise Health - Arizona Burn Center
- Valleywise Comprehensive Health Center - Phoenix
- Valleywise Behavioral Health Center - Phoenix

The facilities that are located external to the main campus include:

- Valleywise Behavioral Health Center - Maryvale
- Valleywise Behavioral Health Center - Mesa
- Valleywise Comprehensive Health Center - Peoria

Ambulatory care is also provided at ten Community Health Centers located throughout Maricopa County. In addition to ambulatory services, many of these locations offer outpatient behavioral health and dental services.

COVID-19

In 2020, the world was introduced to the Coronavirus Disease 2019 (COVID-19), creating a new historic public health crisis. The District met this challenge through many actions, including:

- Added Incident Decision Units to isolate and treat patients with the disease;
- Established protocols for addressing COVID-19 positive behavioral health patients;
- Formed rapid testing capabilities;
- Acquired personal protective equipment despite disrupted supply chain;
- Created telehealth visits for ambulatory care to provide safe patient access; and
- Implemented work-from-home options to provide social distancing for support staff.

These efforts required increased costs, while revenue was lessened by fewer emergency department and ambulatory visits and canceled or forgone elective procedures. Additionally, an

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Executive Order by the Governor of Arizona declared a public health emergency and paused all nonessential or elective surgeries from March 21, 2020 through April 30, 2020.

Through the passage of the Families First Coronavirus Response Act (Families First) and the Coronavirus Aid, Relief and Economic Security (CARES) Act, Congress provided financial support to hospitals and health care providers during the pandemic for financial stabilization. Additional information related to the financial support are included in the District's financial statements (Note 16).

Care Reimagined

On November 4, 2014, the voters of Maricopa County approved Proposition 480. Proposition 480 allows the District to issue up to \$935,000,000 in general obligation bonds to be repaid in 30 years to fund outpatient health facilities, including improvement or replacement of existing outpatient health centers, a behavioral health hospital, and the construction of a new acute medical center

In 2017, the District Board set a roadmap for our organization's future by receiving the final report resulting from the Proposition 480 implementation planning initiative. This plan, known as Care Reimagined, will ensure our organization continues to be recognized for high-quality care, innovation, and service. It creates a better model of patient care and medical education that improves access, quality, cost, and outcomes for patients and increases the supply of future health care professionals.

The implementation of this capital plan is well underway; as of June 30, 2021, \$534,027,000 of the bond proceeds have been expended. During fiscal year 2021, the majority of project funds were expended on the main campus for the construction of the new hospital scheduled to be complete in October 2023. The Comprehensive Health Center-Peoria (Peoria), project was substantially completed as of June 30, 2020, and its opening was delayed to January 2021 due to COVID-19. Peoria includes an outpatient surgery center, endoscopy suites, dialysis services, primary and specialty clinics, and a family learning center. Two new Community Health Centers, in South Phoenix/Laveen and North Phoenix, also opened during fiscal year 2021, replacing old clinics at 7th avenue, Glendale, and El Mirage locations.

In June 2021, the District issued the fourth bond tranche in the amount of \$244,070,000 General Obligation Bonds, Series D (2021). The District was authorized to issue \$935,000,000, in aggregate, principal amount toward the project. At June 30, 2021, all of the District's authorized amount has been issued.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Proposition 449

In November 2020, Proposition 449 was approved by the voters of Maricopa County to authorize the District to continue the levy of property taxes for 20 years to support its operations.

Financial Highlights

Year Ended June 30, 2021, Compared to Year Ended June 30, 2020	Year Ended June 30, 2020, Compared to Year Ended June 30, 2019
<p>Net patient services revenue increased by \$35 million or 7.7% from the prior year 2020. Other operating revenue increased \$23.1 million, largely due to an increase in Graduate Medical Education (GME) revenue, contract pharmacy, and the new Arizona Health Care Cost Containment System (AHCCCS) program, HEALTHII.</p> <p>Operating expense increased from \$669.7 million in 2020 to \$755.1 million in 2021, a \$85.4 million or 12.8% increase from the prior year. This is largely due to the increase in salaries and benefits as a result of the higher cost of treating patients with COVID-19 and related illnesses as well as an increase in depreciation due to the accelerated depreciation expense related to the anticipated decommissioning of the current medical center building.</p>	<p>Net patient service revenue increased \$26.8 million or 6.3% in fiscal year 2020 as compared to fiscal year 2019. Other operating revenue increased \$14.3 million, largely due to the increase in GME revenue and contract pharmacy.</p> <p>Operating expense increased from \$572.6 million in fiscal year 2019 to \$669.7 million in fiscal year 2020, a \$97.1 million or 17.0% increase from the prior year. Most of the increase is in salaries, benefits and supplies especially during the last four months of FY2020 due to the COVID-19 pandemic. Increased usage of registry nurses and other clinical staff due to patient volume increase related to the pandemic also contributed to increases in expenses.</p>

Maricopa County Special Health Care District
d/b/a Valleywise Health

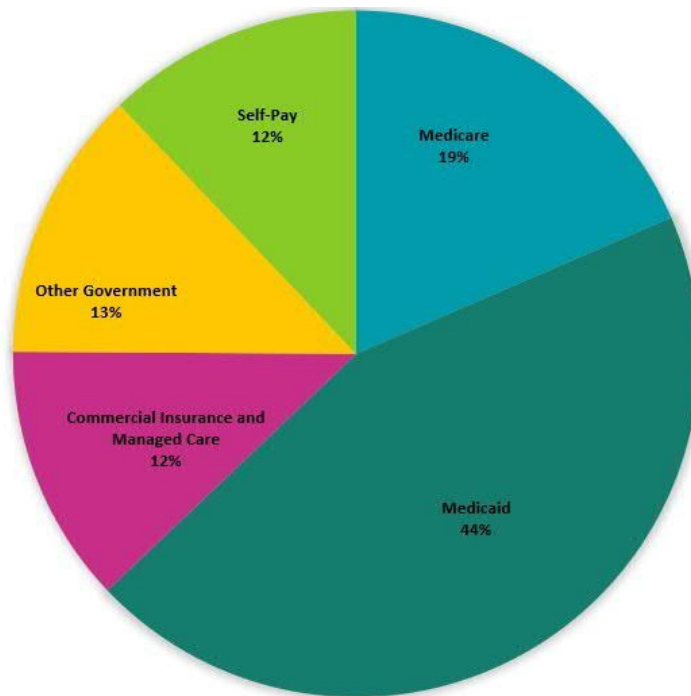
Management’s Discussion and Analysis (continued)

Gross charges by major payor financial class for fiscal years 2021, 2020, and 2019 are as follows:

	Year Ended June 30		
	2021	2020	2019
Medicare	18.5%	17.4%	16.4%
Medicaid	44.4	45.7	44.6
Commercial insurance and managed care	12.2	12.7	14.1
Other government	12.8	12.3	12.5
Self-pay	12.1	11.9	12.4
Total	100.0%	100.0%	100.0%

The District’s payor mix has stayed relatively stable over the past three years. The proportion of Medicare patients has increased as a result of the greater COVID-19 impact to the older population in fiscal year 2021.

Payor mix for fiscal year 2021:



Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Financial Statements

Statements of Net Position

Condensed Statements of Net Position

	Year Ended June 30		
	2021	2020	2019
Assets			
Current assets	\$ 526,969,313	\$ 547,204,175	\$ 689,363,400
Other assets	400,889,608	175,203,778	167,737,590
Capital assets	594,155,126	501,967,393	359,840,756
Total assets	<u>1,522,014,047</u>	<u>1,224,375,346</u>	<u>1,216,941,746</u>
Deferred outflows of resources	89,357,989	48,799,387	65,048,262
Liabilities			
Current liabilities	198,571,207	185,465,444	163,282,578
Risk claims payable, less current portion	9,283,822	10,660,315	11,177,826
Net pension and OPEB liability	394,175,117	311,945,423	300,585,929
Long-term debt	736,110,659	463,170,813	501,163,873
Total liabilities	<u>1,338,140,805</u>	<u>971,241,995</u>	<u>976,210,206</u>
Deferred inflows of resources	3,972,294	23,950,283	47,528,446
Net position			
Unrestricted deficit	(510,048,594)	(213,062,448)	(128,763,175)
Net investment in capital assets	298,100,940	242,926,918	212,962,293
Restricted for bonds	477,027,521	245,576,963	171,579,684
Restricted for grants	4,179,070	2,541,022	2,472,554
Total net position	<u>\$ 269,258,937</u>	<u>\$ 277,982,455</u>	<u>\$ 258,251,356</u>

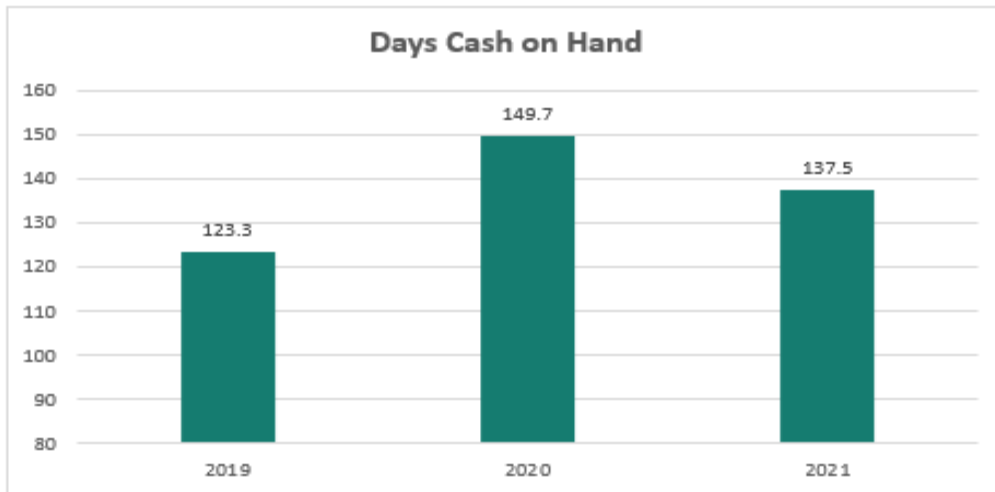
Maricopa County Special Health Care District
d/b/a Valleywise Health

Management’s Discussion and Analysis (continued)

Cash and Cash Equivalents

Unrestricted cash and cash equivalents for fiscal year 2021 were approximately \$262.2 million, an increase of approximately \$1.2 million from the \$261.0 million in fiscal year 2020. Days cash on hand decreased 12.2 days to 137.5 days in fiscal year 2021 from the fiscal year 2020 days of 149.7. The timing of Provider Relief Funds and Medicare Advanced Payments in late fiscal year 2020, coupled with increased operating expenses attributed to the COVID-19 pandemic, contributed to the decrease in days cash on hand. Unrestricted cash and cash equivalents for fiscal year 2020 were approximately \$261.0 million, an increase of approximately \$76.9 million from fiscal year 2019. Days cash on hand increased 26.4 days to 149.7 days in fiscal year 2020 from the fiscal year 2019 days of 123.3. Increased cash collections and the timing of Provider Relief Funding and Medicare Advanced Payments in late fiscal year 2020 contributed to the increase in days cash.

Days Cash on Hand

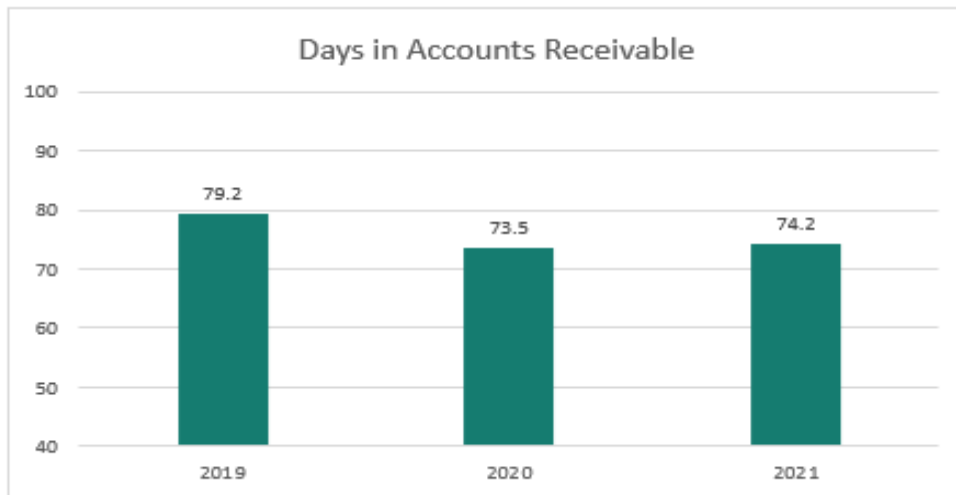


Maricopa County Special Health Care District
d/b/a Valleywise Health

Management’s Discussion and Analysis (continued)

Accounts Receivable – Days Outstanding

While net accounts receivable increased by approximately \$7.8 million, net days in accounts receivable increased from the prior year by approximately 0.4%, from 73.9 to 74.2 days. Increase in the amounts of charges in treating patients with COVID-19 related illness contributed to the increase in account receivable. Net account receivable in fiscal year 2020 decreased by \$1.6 million from fiscal year 2019 and net days also decreasing by 7.2% from 79.2 to 73.5 days. Increase cash collection contributed to the decrease in account receivable and number of days.



Capital Assets

As of June 30, 2021 and 2020, the District had \$594.2 million and \$502.0 million, respectively, invested in capital assets, net of accumulated depreciation. For the years ended June 30, 2021, 2020 and 2019, the District purchased capital assets amounting to \$151.3 million, \$173.9 million, and \$133.6 million, respectively. The organization has made significant investments in new facilities through the Care Reimagined project and plans to continue this investment within the coming years. These investments include:

- Valleywise Comprehensive Health Center – Peoria, which opened in January 2021 providing ambulatory care and outpatient surgery.
- Community Health Centers, which opened in August 2021 in South Phoenix Laveen and November 2021 in North Phoenix providing ambulatory care.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

- New Community Health Centers will open in West Maryvale and Mesa in fiscal year 2022 to provide ambulatory care.
- New acute care hospital (Valleywise Health Medical Center), currently under construction and planned to be completed in October 2023.

Debt

As of June 30, 2021, 2020, and 2019, the District had bonds payable of \$763.0 million, \$493.1 million, and \$538.5 million, respectively. As set forth in the voter-approved Proposition 480 language, bond proceeds are used to purchase various equipment and to fund various improvement projects on the District's existing acute behavioral health facilities and outpatient health centers. A portion of the bond proceeds, \$36.0 million, was used to reimburse the District's general fund for prior capital asset purchases. For the year ended June 30, 2021, the District had no outstanding capital lease and other long-term obligations. For the years ended June 30, 2020 and 2019, the District had capital lease and other long-term obligations totaling \$0.5 million and \$1.3 million, respectively, to various other entities.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Statements of Revenues, Expenses, and Changes in Net Position

The following table summarizes net operating revenues, operating expenses, and non-operating revenues (expenses) for the fiscal years ended June 30, 2021, 2020, and 2019.

	Year Ended June 30		
	2021	2020	2019
Operating revenues			
Net patient service revenue	\$ 489,209,495	\$ 454,144,793	\$ 427,301,404
AHCCCS medical education revenue	51,866,779	42,516,595	38,607,817
Other	66,022,660	52,295,096	41,904,850
Total operating revenues	607,098,934	548,956,484	507,814,071
Operating expenses			
Salaries and wages	278,443,621	267,919,233	242,211,381
Employee benefits	105,599,319	81,795,822	48,286,608
Purchased services	144,360,745	138,223,397	122,387,122
Medical claims and other expenses	72,572,408	59,751,185	52,736,053
Supplies and other expenses	95,262,465	90,233,509	79,134,622
Depreciation	58,845,414	31,806,516	27,902,991
Total operating expenses	755,083,972	669,729,662	572,658,777
Operating loss	(147,985,038)	(120,773,178)	(64,844,706)
Nonoperating revenues (expenses)			
Property tax receipts	139,606,198	143,303,021	119,074,910
Noncapital grants	5,890,625	11,915,514	12,466,739
Noncapital subsidies from State	3,547,896	3,547,896	3,547,896
Other nonoperating revenues (expenses), net	3,212,369	(12,868,425)	(16,009,627)
Investment income, net	2,031,886	8,344,261	10,325,302
Interest expense	(15,027,454)	(13,737,990)	(13,477,470)
Total nonoperating revenues	139,261,520	140,504,277	115,927,750
Increase (decrease) in net position	(8,723,518)	19,731,099	51,083,044
Net position, beginning of year	277,982,455	258,251,356	207,168,312
Net position, end of year	\$ 269,258,937	\$ 277,982,455	\$ 258,251,356

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management’s Discussion and Analysis (continued)

Revenues

Net Patient Services Revenue

Net patient service revenue is derived from inpatient, outpatient, ambulatory, and emergency services provided to patients. Net patient service revenue for the year ended June 30, 2021, was \$489.2 million, an increase from the prior year net patient service revenue of \$454.1 million. Net patient service revenue increased \$35.1 million or 7.7% in the year ended June 30, 2021, due to changes in payor mix, COVID-19 acute patient volume surges, and recovery from the elective case mandated pause experienced in late fiscal year 2020. Net patient service revenue saw an increase for the year ended June 30, 2020, compared to June 30, 2019, increasing by \$26.8 million or 6.3%. The increase in net patient service revenue was attributed to increased patient volume, mainly in our behavioral health services due to the opening of additional inpatient units and increase in our emergency room visits from 2019 to 2020.

	Year Ended June 30		
	2021	2020	Increase (Decrease)
Gross charges	\$ 2,336,814,373	\$ 2,251,575,862	3.8%
Contractual deductions	1,650,131,212	1,581,656,633	4.3%
As a percentage of gross charges	(70.6)%	(70.2)%	
Charity care	165,752,428	176,637,180	(6.2)%
As a percentage of gross charges	(7.1)%	(7.8)%	
Bad debt	56,976,701	39,137,256	45.6%
As a percentage of gross charges	(2.4)%	(1.7)%	
Net patient service revenue	\$ 489,209,495	\$ 454,144,793	7.7%
As a percentage of gross charges	20.9%	20.2%	

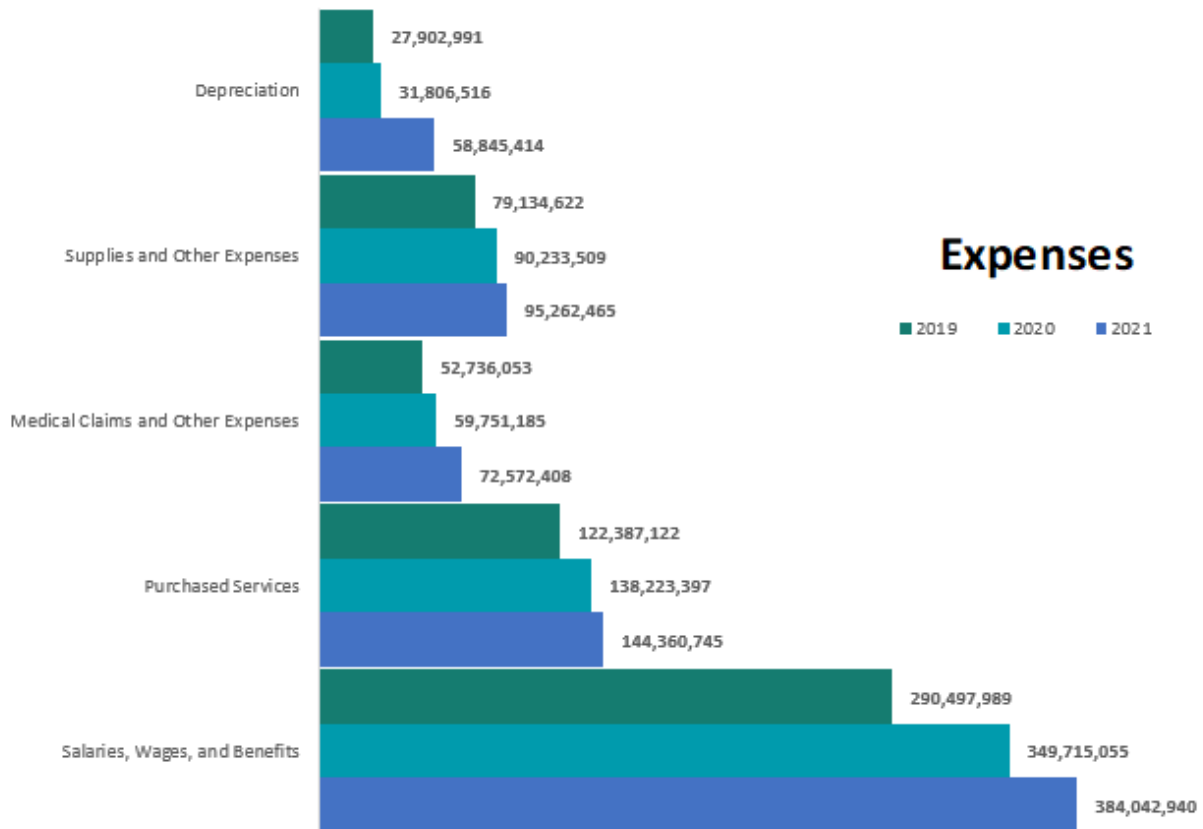
Total operating revenues in fiscal year 2021 were \$607.1 million in comparison with the prior year of \$549.0 million, due in great part to the quality of gross revenue and improved payor mix as noted above and increased other revenues, mainly in the Graduate Medical Education (GME) and the new AHCCCS program, HEALTHII.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Management’s Discussion and Analysis (continued)

Operating Expenses

Total operating expenses in fiscal year 2021 were \$755.1 million, which is an increase of \$85.4 million (12.8%) over the prior year operating expenses of \$669.7 million. Of the total increase, \$34.3 million or 9.8% of the increase is related to increased salaries and wages and employee benefits expense due to higher acuity of patients, and higher case mix index. Depreciation increased by \$27.0 million related to routine capital additions and the opening of new facilities, and also includes \$14.6 million in accelerated depreciation expenses due to the anticipated decommissioning of the current medical center building. Total operating expenses in fiscal year 2020 were \$669.7 million, which is an increase of \$97.1 million (17.0%) over fiscal year 2019 operating expenses of \$572.6 million.



Maricopa County Special Health Care District
d/b/a Valleywise Health

Management's Discussion and Analysis (continued)

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses consist primarily of property tax receipts, both for maintenance and operation, bond debt service, and CARES Act funding. These amounts were \$84,240,979 and \$55,365,219, respectively, for the year ended June 30, 2021, \$80,459,388 and \$62,843,633, respectively, for the year ended June 30, 2020, and \$76,921,021 and \$42,153,889, respectively, for the year ended June 30, 2019. The decrease in the property tax receipts of 3% for the years ended June 30, 2021 and 2020 respectively, was primarily due to the reduction in tax levies to cover the bond debt service costs. Also included in nonoperating revenues are noncapital grants and noncapital subsidies from the state. These amounts were \$5,890,625 and \$3,547,896, respectively, for the year ended June 30, 2021, \$11,915,514 and \$3,547,896, respectively, for the year ended June 30, 2020, and \$12,466,739 and \$3,547,896, respectively, for the year ended June 30, 2019. Other nonoperating revenues and expenses for the year ended June 30, 2021 and 2020 consisted primarily of investment income, interest expense and other nonoperating expenses. Investment income and interest income for the year ended June 30, 2021 were lower than the previous year due to maturities of investments held on behalf of the District. Investment income for the year ended June 30, 2021 decreased from the prior year by \$6,265,834. Interest expense for the year ended June 30, 2021 increased from the prior year by \$1,289,464, mostly related to general obligation bonds issued by the District.

Contacting the District's Financial Management

This financial report is designed to provide the District's patients, suppliers, community members, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions about this report and requests for additional financial information should be directed to District Administration by telephoning (602) 344-8425.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statements of Net Position

	Year Ended June 30	
	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 262,238,041	\$ 210,048,255
Short-term investments	–	50,913,029
Restricted cash – bond	76,137,914	70,373,184
Restricted short-term investments – bond	–	69,958,826
Patient accounts receivable, net of allowances	99,414,043	91,656,453
Receivable from AHCCCS for medical education, net	51,866,779	10,198,375
Other receivables	12,161,962	17,912,959
Due from related parties	1,766,465	1,204,159
Supplies	9,812,194	8,837,983
Prepaid expenses	13,571,915	16,100,952
Total current assets	526,969,313	547,204,175
Other assets:		
Restricted cash – bond	400,889,608	175,203,778
Total other assets	400,889,608	175,203,778
Capital assets:		
Land	26,342,487	25,342,118
Depreciable capital assets, net of accumulated depreciation	567,812,639	476,625,275
Total capital assets, net of accumulated depreciation	594,155,126	501,967,393
Total assets	\$ 1,522,014,047	\$ 1,224,375,346
Deferred outflows of resources		
Employer contributions made after measurement date	\$ 31,099,745	\$ 29,900,925
Difference between expected and actual experience	3,717,510	5,787,664
Changes in assumptions	1,096,313	2,708,042
Net difference between projected and actual investment earnings	39,875,175	–
Change in proportion and differences between employer contributions and proportionate share of contributions	13,569,246	10,402,756
Total deferred outflows of resources	\$ 89,357,989	\$ 48,799,387

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statements of Net Position (continued)

	Year Ended June 30	
	2021	2020
Liabilities and net position		
Current liabilities:		
Current maturities of long-term debt	\$ 32,505,103	\$ 30,507,041
Accounts payable	48,614,945	51,920,034
Accrued payroll and expenses	43,855,191	32,597,614
Risk claims payable, current portion	1,747,762	1,484,931
Overpayments from third-party payors	42,445,374	33,783,500
Other current liabilities	35,051,110	35,172,324
Total current liabilities	204,219,485	185,465,444
Risk claims payable less current portion	9,283,822	10,660,315
Net pension and OPEB liability	394,175,117	311,945,423
Long-term debt	730,462,381	463,170,813
Total liabilities	1,338,140,805	971,241,995
Deferred inflows of resources		
Difference between expected and actual experience	3,270,330	776,644
Change in assumptions	-	12,389,925
Difference between projected and actual investment earnings	-	7,804,600
Change in proportion and differences between employer contributions and proportionate share of contributions	701,964	2,979,114
Total deferred inflows of resources	3,972,294	23,950,283
Net position:		
Unrestricted deficit	(510,048,594)	(213,062,448)
Net investment in capital assets	298,100,940	242,926,918
Restricted for bonds	477,027,521	245,576,963
Restricted for grants	4,179,070	2,541,022
Total net position	\$ 269,258,937	\$ 277,982,455

See accompanying notes.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statement of Revenues, Expenses, and Changes in Net Position

	Year Ended June 30	
	2021	2020
Operating revenues:		
Net patient service revenue	\$ 489,209,495	\$ 454,144,793
AHCCCS medical education revenue	51,866,779	42,516,595
Other revenue	66,022,660	52,295,096
Total operating revenues	607,098,934	548,956,484
Operating expenses:		
Salaries and wages	278,443,621	267,919,233
Employee benefits	105,599,319	81,795,822
Purchased services	144,360,745	138,223,397
Other expenses	72,572,408	59,751,185
Supplies	95,262,465	90,233,509
Depreciation	58,845,414	31,806,516
Total operating expenses	755,083,972	669,729,662
Operating loss	(147,985,038)	(120,773,178)
Nonoperating revenues (expenses):		
Property tax receipts	139,606,198	143,303,021
Noncapital grants	5,890,625	11,915,514
Noncapital subsidies from State	3,547,896	3,547,896
Other nonoperating revenues (expenses), net	3,212,369	(12,868,425)
Investment income	2,031,886	8,344,261
Interest expense	(15,027,454)	(13,737,990)
Total nonoperating revenues, net	139,261,520	140,504,277
(Decrease) increase in net position	(8,723,518)	19,731,099
Net position, beginning of year	277,982,455	258,251,356
Net position, end of year	\$ 269,258,937	\$ 277,982,455

See accompanying notes.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statements of Cash Flows

	Year Ended June 30	
	2021	2020
Operating activities		
Receipts from and on behalf of patients	\$ 481,451,905	\$ 451,090,804
Payments to suppliers and contractors	(316,212,087)	(286,363,752)
Payments to employees	(331,114,271)	(315,815,926)
Other operating receipts	114,732,144	122,605,977
Other operating payments	(43,607,203)	(10,173,627)
Net cash used in operating activities	(94,749,512)	(38,656,524)
Noncapital financing activities		
Property tax receipts supporting operations	84,240,979	80,459,388
Noncapital contributions and grants received	5,890,625	11,915,514
Noncapital subsidies and other nonoperating receipts (payments)	6,760,265	(9,320,529)
Net cash provided by noncapital financing activities	96,891,869	83,054,373
Capital and related financing activities		
Property tax receipts for debt service	55,365,219	62,843,633
Principal payments on long-term debt and capital leases	(28,001,938)	(46,124,672)
Purchase of capital assets	(151,033,147)	(173,933,153)
Bond proceeds	297,291,568	-
Interest paid on long-term debt	(15,027,454)	(13,737,990)
Net cash provided by (used in) capital and related financing activities	158,594,247	(170,952,182)
Investing activities		
Proceeds from sale of investments	305,783,289	723,103,615
Purchases of investments	(184,911,434)	(398,668,591)
Interest from investments	2,031,886	8,344,261
Net cash provided by investing activities	122,903,741	332,779,285
Increase in cash and cash equivalents	283,640,345	206,224,952
Cash and cash equivalents, beginning of year	455,625,217	249,400,265
Cash and cash equivalents, end of year	\$ 739,265,563	\$ 455,625,217

See accompanying notes.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Statements of Cash Flows (continued)

	Year Ended June 30	
	2021	2020
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (147,985,038)	\$ (120,773,178)
Depreciation	58,845,414	31,806,516
Changes in operating assets and liabilities:		
Patient, other accounts receivable, and other assets	(43,674,997)	17,729,816
Due from related parties	(562,306)	476,024
Supplies and prepaid expenses	1,554,826	(1,722,876)
Overpayments from third-party payors	8,661,874	22,983,641
Risk claims payable	(1,113,662)	(1,682,580)
Accounts payable and accrued expenses	29,524,377	12,526,113
Net cash used in operating activities	\$ (94,749,512)	\$ (38,656,524)

See accompanying notes.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements

June 30, 2021

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations and Reporting Entity

Maricopa County Special Health Care District d/b/a Valleywise Health (the District) is a health care district and political subdivision of the state of Arizona. The District is located in Phoenix, Arizona, and is governed by a five-member Board of Directors elected by voters within Maricopa County, Arizona (the County).

The District was created in November 2003 by an election of the voters of the County. In November 2004, the voters first elected the District's governing board. An Intergovernmental Agreement (IGA) between the District and the County was entered into in November 2004, which, among other things, specified the terms by which the County transferred essentially all of the assets, liabilities, and financial responsibility of the medical center facility to the District effective January 1, 2005. The District operates a medical center facility (the Medical Center), which was formerly owned and operated by the County, three freestanding inpatient behavioral health facilities located on the Medical Center campus and in Maryvale, Arizona and Mesa, Arizona; a specialty clinic located on the Medical Center campus; and various outpatient health centers throughout Maricopa County. The District has the authority to levy ad valorem taxes. The District had no significant operations prior to January 1, 2005. In conjunction with the IGA, the County and the District entered into a 20-year lease for the Medical Center real estate.

On September 3, 2013, a second Amended and Restated Intergovernmental Agreement (the Amended IGA) was entered into by the District, whereby all the land and real property located at the Maricopa Medical Center and Desert Vista campuses (the Property) subject to the prior 20-year lease were donated to the District. The Property was recorded at its fair value at date of donation, determined by a third-party valuation services firm, totaling \$117,075,000. The Property donated consisted of land of \$9,000,000, buildings of \$104,375,000 and land improvements of \$3,700,000.

The Amended IGA also provided for the District's purchase of supplies from the County and the sublease of certain space to the County, and for the County to be able to purchase supplies and utilize the District's services, among other items.

If the Property is not used for county hospital purposes, the Property shall (at the election of the County) revert to the County.

Effective October 1, 2019, as a part of a rebranding initiative, the District, which was formerly known as Maricopa Integrated Health System, is now officially called Valleywise Health.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Basis of Accounting and Presentation

The District prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB). The financial statements of the District have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets, and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated and voluntary non-exchange transactions (principally federal and state grants and appropriations from the County) are recognized when all applicable eligibility requirements are met. Operating revenues and expenses include exchange transactions and interest on capital assets-related debt are included in nonoperating revenues and expenses. The District first applies its restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available. The District primarily earns revenues by providing inpatient and outpatient medical services.

Cash and Cash Equivalents and Restricted Cash

For purposes of the statements of cash flows, the District considers all liquid investments, including those that are restricted, with original maturities of three months or less, to be cash equivalents. At June 30, 2021 and 2020, the District had approximately \$739,266,000 and \$455,625,000, respectively, of cash and cash equivalents and restricted cash. Restricted cash includes cash and cash equivalents that are restricted for use and includes approximately \$76,138,000 and \$70,373,000 as of June 30, 2021 and 2020, respectively, of tax proceeds restricted for debt service on the general obligation bonds and approximately \$400,890,000 and \$175,204,000 as of June 30, 2021 and 2020, respectively, of bond proceeds restricted for use under the bond agreement. A portion of the restricted cash has been classified as a long-term asset as the funds will be used to purchase long-term assets.

Investments

The District records its investments in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and GASB Statement No. 72, *Fair Value Measurement and Application*.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles in the United States (U.S. GAAP). These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Unadjusted quoted prices for identical investments in active markets
- Level 2: Observable inputs other than quoted market prices
- Level 3: Unobservable inputs

Risk Management

The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries; medical malpractice; and natural disasters. The District participated in the County's self-insurance program through December 3, 2012. The IGA between the District and County was amended to reflect that the District would no longer participate in the County's self-insurance program effective December 4, 2012, except for workers' compensation claims. The Amended IGA also stipulated that the County would provide a mutually agreed-upon amount to fund estimated outstanding losses and estimated future claim payments for the period January 1, 2005 through December 3, 2012. In return, the District accepted responsibility for the payment and management of these claims on an ongoing basis.

The District, through its Risk Management Department, is now responsible for identifying and resolving exposures and claims that arise from employee work-related injury, third-party liability, property damage, regulatory compliance, and other exposures arising from the District's operations. Effective December 4, 2012, the District's Board of Directors approved and implemented risk management, self-insurance, and purchased insurance programs under the Maricopa Integrated Health System Risk Management Insurance and Self-Insurance Plan (the Insurance Plan). As authorized under the Insurance Plan, the District purchases excess insurance over the District's self-insured program to maintain adequate protection against the District's exposures and claims filed against the District. It is the District's policy to record the expense and related liability for professional liability, including medical malpractice and workers' compensation, based upon annual actuarial estimates.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Patient Accounts Receivable

The District reports patient accounts receivable for services rendered at estimated net realizable amounts due from third-party payors, patients, and others. The District provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information, and existing economic conditions. The District bills third-party payors directly and bills the patient when the patient's liability is determined. Patient accounts receivable are due in full when billed. Accounts are considered delinquent and subsequently written off based on individual credit evaluation and specific circumstances of the account.

Supplies

Supplies inventories are stated at the lower of cost or market, determined using the first-in, first-out method.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation if acquired by gift. The dollar threshold to capitalize capital assets is \$5,000. Depreciation is computed using the straight-line method over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are amortized over the shorter of the lease term or the assets' respective estimated useful lives. The following estimated useful lives are being used by the District:

Land improvements	2–25 years
Buildings and leasehold improvements	5–40 years
Equipment	3–20 years

Compensated Absences

District policies permit most employees to accumulate vacation and sick leave benefits (personal leave) that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as personal leave benefits and are earned whether the employee is expected to realize the benefit as time off or as a cash payment. Employees may accumulate up to 240 hours of personal leave, depending on years of service, but any personal

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

leave hours in excess of the maximum amount that are unused by the calendar year-end are converted to the employee's extended illness bank (EIB). Generally, EIB benefits are used by employees for extended illness or injury, or to care for an immediate family member with an extended illness or injury. EIB benefits are cumulative but do not vest and, therefore, are not accrued. However, upon retirement, employees with accumulated EIB in excess of 1,000 hours are entitled to a \$3,000 bonus. The total compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as social security and Medicare taxes, computed using rates in effect at that date.

Net Position

Net position of the District is classified into three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted net position consists of noncapital assets that must be used for a particular purpose as specified by creditors, grantors, or donors external to the District. Unrestricted net position consists of the remaining assets plus deferred outflows of resources less remaining liabilities plus deferred inflows of resources that do not meet the definition of net investment in capital assets, or restricted net position.

Net Patient Service Revenue

The District has agreements with third-party payors that provide for payments to the District at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered and includes estimated retroactive adjustments and a provision for uncollectible accounts. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such estimated amounts are revised in future periods as adjustments become known. The District participates in the Federally Qualified Health Center (FQHC) program and receives supplemental payments from AHCCCS. The payments are made based on information filed with AHCCCS on the Annual Reconciliation and Rebase Data (ARRD) report. The District is currently in the process of reconciling with AHCCCS and various health plans regarding the federal fiscal year 2020 ARRD report.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Charity Care

The District provides services at amounts less than its established rates to patients who meet the criteria of its charity care policy. The criteria for charity care take into consideration the patient's family size and income in relation to federal poverty guidelines and type of service rendered. The total net cost of charity care provided was approximately \$43,936,000 and \$45,110,000 for the years ended June 30, 2021 and 2020, respectively. Charity care cost is based on the percentage of total direct operating expenses less other operating revenue divided by the total gross revenue for the Medical Center. This percentage is applied to the amount written off as charity care to determine the total charity care cost. The net cost of charity care is total charity care cost less any payments received. Payments received were approximately \$12,239,000 and \$15,604,000 for the years ended June 30, 2021 and 2020, respectively.

Property Taxes

On or before the third Monday in August, the County levies real property taxes and commercial personal property taxes on behalf of the District, which become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

The County also levies mobile home personal property taxes on behalf of the District that are due the second Monday of the month following receipt of the tax notice and become delinquent 30 days later. A lien assessed against real and personal property attaches on the first day of January after assessment and levy.

Proposition 480 allows the County to levy additional property taxes for principal and interest debt service related to general obligation bonds (see Note 10).

Income Taxes

The District is a health district and political subdivision of the state of Arizona and is exempt from federal and state income taxes.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Pension and Postemployment Benefits Other Than Pensions (OPEB)

The District participates in the Arizona State Retirement System (ASRS) pension plan for employees. For purposes of measuring the net pension and OPEB liability, deferred outflows of resources and deferred inflows of resources related to pension and OPEB, and pension and OPEB expense, information about the fiduciary net position of ASRS and additions to/deductions from ASRS's fiduciary net position have been determined on the same basis as they are reported by ASRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit plan terms. Investments are reported at fair value.

New Accounting Pronouncements

The GASB issued Statement No. 84, *Fiduciary Activities*, in January 2017. The standard establishes criteria for identifying fiduciary activities of all state and local governments. The standard identifies four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. The standard is effective for the District as of July 1, 2020. There was not a material impact on the District.

The GASB issued Statement No. 87, *Leases*, in June 2017. The standard requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The guidance establishes a single model for lease accounting based on the principle that leases are financing the right to use an underlying asset. The standard is effective for the District as of July 1, 2021. The District is evaluating the impact of adopting the accounting standard.

The GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, in June 2018. The standard requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The standard is effective for the District as of July 1, 2021. The District is evaluating the impact of adopting the accounting standard.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, in May 2020. The standard requires recognition of certain subscription-based information technology arrangements (SBITAs) as intangible assets and corresponding subscription liabilities for SBITAs that previously were classified as operating arrangements. The guidance establishes a model based on the standards established in Statement No. 87, *Leases*, to treat SBITAs as financing the right to use an underlying subscription asset. The standard is effective for the District as of July 1, 2021. The District is evaluating the impact of adopting the accounting standard.

2. Net Patient Service Revenue

Net patient service revenue is presented net of provision for uncollectible accounts of approximately \$56,976,000 and \$63,650,000 for the years ended June 30, 2021 and 2020, respectively.

The District has agreements with third-party payors that provide for payments to the District at amounts different from its established rates. These payment arrangements include the following:

- Medicare – Inpatient acute care services, certain inpatient non-acute care services, and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, acuity, and other factors. Inpatient psychiatric services are paid based on a blended cost reimbursement methodology and prospectively determined rates. The District is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports by the District and audits thereof by the Medicare fiscal intermediary. The Medicare fiscal intermediary has audited the District's cost reports through June 30, 2017.
- AHCCCS – Inpatient acute services are paid at prospectively determined rates. Inpatient psychiatric services are paid on a per diem basis. Outpatient services rendered to AHCCCS program beneficiaries are primarily reimbursed under prospectively determined rates.
- The District has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the District under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

2. Net Patient Service Revenue (continued)

Approximately 54% and 55% of net patient service revenues were from participation in the Medicare and state-sponsored AHCCCS programs for the years ended June 30, 2021 and 2020, respectively. Laws and regulations governing the Medicare and AHCCCS programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

3. AHCCCS Safety Net Care Pool

The District participated in the AHCCCS Safety Net Care Pool (SNCP) program that provided reimbursement to Safety Net Hospitals for uncompensated cost incurred in providing services to Medicaid and uninsured/underinsured patients. The program was terminated by AHCCCS effective December 31, 2013. Amounts recorded under the SNCP program are subject to final settlement by AHCCCS. During fiscal year 2021, the District took into income, through net patient service revenue, the net settlement amount of \$1,316,000 related to the SNCP program for calendar years 2006 through 2013.

4. Deposits and Investments

The District's deposits are held by the County in separate accounts, and the District can draw them upon demand. A compensating balance is maintained in these accounts at a sufficient amount so that earnings on these accounts offset the fees charged for services. Any amounts above the compensating balance are swept daily overnight into a commercial paper investment account.

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the inputs used in valuation and gives the highest priority to unadjusted quoted prices in active markets and requires that observable inputs be used in the valuation when available. The disclosure of fair value estimates in the hierarchy is based on whether the significant inputs into the valuations are observable. In determining the level of the hierarchy in which the estimate is disclosed, the highest level, Level 1, is given to unadjusted quoted prices in active markets and the lowest level, Level 3, to unobservable inputs.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

4. Deposits and Investments (continued)

In instances where inputs used to measure fair value fall into different levels, fair value measurements in their entirety are categorized based on the lowest level of input that is significant to the valuation. The District’s assessment of the significance of particular inputs to these measurements requires judgment and considers factors specific to each investment. At the end of June 30, 2021, the District had no outstanding investments. The table below shows the fair value leveling of the District’s investments at the end of June 30, 2020.

	June 30, 2020			
	Level 1	Level 2	Level 3	Total
Government agencies	\$ –	\$ 26,290,367	\$ –	\$ 26,290,367
Government bonds	–	34,604,183	–	34,604,183
Corporate bonds	–	24,622,662	–	24,622,662
Short-term bills and notes – U.S. agencies	35,354,643	–	–	35,354,643
	\$ 35,354,643	\$ 85,517,212	\$ –	\$ 120,871,855

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. At June 30, 2021, the District’s funds were held in cash, cash equivalents, and restricted cash, and the carrying value approximates to fair value. The District had no investments at June 30, 2021, that were subject to interest rate risk.

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligation. The District has an investment policy that authorizes the following instruments for investment: (1) negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States government; (2) obligations of federal agencies and instrumentalities; (3) interest-bearing notes, bonds, debentures, and other such evidence of indebtedness with a fixed maturity of any domestic listed corporation within the United States that when purchased carry ratings in one of the three highest classifications of at least two nationally recognized debt rating agencies; and (4) municipal bond investments that carry ratings in one of the top two classifications of at least two nationally recognized rating agencies or secured by bond insurance.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

5. Patient Accounts Receivable

The District grants credit without collateral to its patients, many of whom are area residents and are insured under third-party payor agreements. Patient accounts receivable is presented net of allowance for uncollectible accounts of \$55,847,000 and \$60,481,000 for the years ended June 30, 2021 and 2020, respectively.

6. Other Receivables

At June 30, 2021 and 2020, significant components of other receivables included amounts due from third party payors, such as:

	2021	2020
Retail pharmacy accounts receivable	\$ 1,410,000	\$ 711,000
340B program	1,806,000	1,266,000
Home Assist Health	907,000	1,008,000
Disproportionate Share receivable	4,202,000	4,352,000
Other	3,836,962	10,575,959
Total other receivables	\$ 12,161,962	\$ 17,912,959

7. Receivables From AHCCCS for Medical Education

During the years ended June 30, 2021 and 2020, the District entered into intergovernmental agreements with AHCCCS such that AHCCCS provided available medical education funds from CMS. At June 30, 2021 and 2020, available funds from CMS for medical education totaled approximately \$68,055,000 and \$13,957,000, respectively. At June 30, 2021 and 2020, the amount due to the District is approximately \$51,867,000, which is net of the \$16,188,000 matching funds provided by the District, and \$10,198,000, which is net of the \$3,759,000 matching funds provided by the District, respectively.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

8. Capital Assets

Capital assets activity for the year ended June 30, 2021, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Adjustments	Ending Balance
Capital assets not being depreciated:						
Construction-in-progress	\$ 170,751,975	\$ 150,442,561	\$ -	\$ (83,632,612)	\$ 870,586	\$ 238,432,510
Capitalized software-in-progress	330,119	-	-	-	-	330,119
Land	25,342,118	-	(280,000)	1,280,369	-	26,342,487
Capital assets being depreciated:						
Buildings and leasehold improvements	319,028,828	-	(5,427,203)	80,135,796	-	393,737,421
Capitalized software	49,516,241	-	-	-	-	49,516,241
Equipment	228,341,523	-	(622,457)	2,216,447	-	229,935,513
Total capital assets	<u>793,310,804</u>	<u>150,442,561</u>	<u>(6,329,660)</u>	<u>-</u>	<u>870,586</u>	<u>938,294,291</u>
Less accumulated depreciation:						
Buildings and leasehold improvements	101,056,578	37,144,175	(5,427,203)	681,727	-	133,455,277
Capitalized software	46,770,644	(20,535)	-	-	-	46,750,109
Equipment	143,516,189	21,721,774	(622,457)	(681,727)	-	163,933,779
Total accumulated depreciation	<u>291,343,411</u>	<u>58,845,414</u>	<u>(6,049,660)</u>	<u>-</u>	<u>-</u>	<u>344,139,165</u>
Capital assets, net	<u>\$ 501,967,393</u>	<u>\$ 91,597,147</u>	<u>\$ (280,000)</u>	<u>\$ -</u>	<u>\$ 870,586</u>	<u>\$ 594,155,126</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

8. Capital Assets (continued)

Capital assets activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Adjustments	Ending Balance
Capital assets not being depreciated:						
Construction-in-progress	\$ 113,227,456	\$ 173,933,153	\$ -	\$ (116,408,634)	\$ -	\$ 170,751,975
Capitalized software-in-progress	330,119	-	-	-	-	330,119
Land	25,342,118	-	-	-	-	25,342,118
Capital assets being depreciated:						
Buildings and leasehold improvements	243,678,432	-	(589,580)	75,939,976	-	319,028,828
Capitalized software	49,516,241	-	-	-	-	49,516,241
Equipment	187,897,838	-	(24,973)	40,468,658	-	228,341,523
Total capital assets	619,992,204	173,933,153	(614,553)	-	-	793,310,804
Less accumulated depreciation:						
Buildings and leasehold improvements	87,261,048	14,385,110	(589,580)	-	-	101,056,578
Capitalized software	46,858,275	-	-	-	(87,631)	46,770,644
Equipment	126,032,125	17,509,037	(24,973)	-	-	143,516,189
Total accumulated depreciation	260,151,448	31,894,147	(614,553)	-	(87,631)	291,343,411
Capital assets, net	\$ 359,840,756	\$ 142,039,006	\$ -	\$ -	\$ 87,631	\$ 501,967,393

The District recognized \$13,978,000 in accelerated depreciation expenses as of June 30, 2021, due to the anticipated decommissioning of the current medical center building.

9. Risk Claims Payable

The District maintains insurance through a combination of programs utilizing purchased commercial insurance and self-insurance for professional liability claims, including medical malpractice and workers' compensation claims. The District is self-insured for workers' compensation in Arizona. In connection with the aforementioned programs, the District has accrued estimates for asserted and incurred but not reported claims. The actuarially determined claims payable is approximately \$11,032,000 and \$12,145,000, of which \$1,748,000 and \$1,485,000 has been recorded as a current liability and approximately \$9,284,000 and \$10,660,000 has been recorded as a noncurrent liability on the accompanying statements of net position as of June 30, 2021 and 2020, respectively. Risk claims payable are undiscounted.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

9. Risk Claims Payable (continued)

As of June 30, 2021, the District maintained commercial insurance as follows:

<u>Insurance</u>	<u>Limits</u>	<u>Self-Insured Retention/Deductible</u>
Workers' compensation	Statutory	\$500,000 each claim
Medical malpractice	\$15,000,000 each incident – first layer Additional \$15,000,000 – second excess layer Additional \$20,000,000 – third excess layer	\$2,000,000 each incident Additional \$1,000,000 one claim layer buffer

The insurance policies listed above became effective December 1, 2012, and remain current through June 30, 2021.

The following is a reconciliation of the risk claims payable as for the years ended June 30:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Beginning balance	\$ 12,145,246	\$ 13,827,826	\$ 13,042,177
Total incurred	2,949,206	4,320,165	4,793,547
Total paid	(4,062,868)	(6,002,745)	(4,007,898)
Ending balance	<u>\$ 11,031,584</u>	<u>\$ 12,145,246</u>	<u>\$ 13,827,826</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

10. Long-Term Debt and Capital Leases

The following is a summary of long-term debt transactions for the District for the years ended June 30:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
2021					
General obligation bonds, series C	\$ 456,170,813	\$ –	\$ (15,217,095)	\$ 440,953,718	\$ 15,500,000
General obligation bonds, series D	–	305,008,663	–	305,008,663	–
Direct placement general obligation bonds	37,000,000	–	(20,000,000)	17,000,000	17,000,000
Capital lease obligations	507,041	–	(501,938)	5,103	5,103
Total long-term debt	\$ 493,677,854	\$ 305,008,663	\$ (35,719,033)	\$ 762,967,484	\$ 32,505,103
2020					
General obligation bonds	\$ 463,541,763	\$ –	\$ (7,370,950)	\$ 456,170,813	\$ 10,000,000
Direct placement general obligation bonds	75,000,000	–	(38,000,000)	37,000,000	20,000,000
Capital lease obligations	1,260,762	–	(753,721)	507,041	507,041
Total long-term debt	\$ 539,802,525	\$ –	\$ (46,124,671)	\$ 493,677,854	\$ 30,507,041

General Obligation Bonds

On November 4, 2014, the voters of the County approved Proposition 480. Proposition 480 allows the District to issue up to \$935,000,000 in general obligation bonds to be repaid over 30 years to fund outpatient health facilities, including improvement or replacement of existing outpatient health centers; construction of new outpatient health centers in northern, eastern, and/or western Maricopa County, behavioral health facilities, including construction of a new behavioral health hospital; and acute care facilities, including replacement of the District’s public teaching hospital Valleywise Health Medical Center and its Level One Trauma Center and Arizona Burn Center, on the existing campus. As of June 30, 2021, the District has issued \$935,000,000 in general obligation bonds.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

10. Long-Term Debt and Capital Leases (continued)

On October 12, 2017, the District closed on its second offering of general obligation bonds in the amount of \$75,000,000 in order to continue the various improvement projects. The bonds bear interest at the rate of 1.61% through maturity in fiscal year 2022. Financing for the District's first and second offering were both private placements.

On October 30, 2018, the District closed on its third offering of general obligation bonds in the amount of \$422,125,000 in order to continue the various improvement projects. The bonds were issued at a premium of \$42,870,000. The bonds bear coupon interest at the rate of 5.00% through maturity in fiscal year 2038. Financing for the District's third offering were public placements.

On June 10, 2021, the District closed on its fourth offering of general obligation bonds in the amount of \$244,070,000 in order to continue the various improvement projects. The bonds were issued at a premium of \$60,939,000. The bonds bear coupon interest at the rate of 5.00% through maturity in fiscal year 2035. Financing for the District's fourth offering were public placements.

Proposition 480 allows the County to levy property taxes for principal and interest debt service related to the general obligation bonds.

The bond purchase agreements also contain certain nonfinancial covenants, including the maintenance of property and annual reporting requirements. Management believes it is in compliance with these covenant requirements at June 30, 2021.

Credit Facility, Maricopa County

On June 25, 2020, the County agreed to extend the District a \$30,000,000 line of credit through its credit facility in response to the COVID-19 pandemic crisis. The District did not have any outstanding borrowings on the line of credit at June 30, 2021 and 2020.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

10. Long-Term Debt and Capital Leases (continued)

Scheduled maturities of long-term debt, excluding capital lease payments and a net premium of \$89,767,000, for the years ending June 30 are as follows:

	General Obligation Bonds		Direct Placement General Obligation Bonds	
	Principal	Interest	Principal	Interest
2022	\$ 15,500,000	\$ 26,255,441	\$ 17,000,000	\$ 136,850
2023	40,360,000	31,857,366	—	—
2024	26,130,000	28,487,350	—	—
2025	30,070,000	27,082,350	—	—
2026	31,575,000	25,541,225	—	—
2027–2031	183,190,000	101,754,000	—	—
2032–2036	233,805,000	49,987,450	—	—
2037–2040	95,565,000	5,997,975	—	—
	<u>\$ 656,195,000</u>	<u>\$ 296,963,157</u>	<u>\$ 17,000,000</u>	<u>\$ 136,850</u>

Capital Lease Obligations

The District is obligated under the leases for buildings, building improvements, and equipment, through 2021, which are accounted for as capital leases. Assets under capital leases at June 30, 2021 and 2020, had a total cost of \$16,906,000 and \$16,942,000, respectively, with accumulated depreciation of \$15,648,000 and \$15,056,000, respectively.

11. Restricted Net Position

Restricted net position at June 30, 2021 and 2020, consists of grant funds received for specific purposes that are expected to be expended during the following year in the amount of \$4,179,000 and \$2,541,000, respectively.

Restricted net position at June 30, 2021 and 2020, also consists of bond funds expected to be expended for specific purposes as defined in the bond agreement, in the amount of approximately \$477,028,000 and \$245,577,000, respectively.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities

General Information About the Pension and OPEB Plans

Plan Description

The District contributes to a cost-sharing, multiple-employer, defined benefit pension plan and OPEB plans administered by the ASRS. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. ASRS is governed by the ASRS Board according to the provisions of Arizona Revised Statutes Title 38, Chapter 5, Article 2.

ASRS issues a Comprehensive Annual Financial Report that includes financial statements and required supplementary information. The most recent report may be obtained at www.azasrs.gov/content/annual-reports or by writing the Arizona State Retirement System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910, or by telephoning (602) 240-2000 or (800) 621-3778.

Funding Policy

The Arizona State Legislature establishes and may amend contribution rates for active plan members, including the District. For the years ended June 30, 2021 and 2020, active plan members, including the District, were required by statute to contribute at the actuarially determined rate of 12.22% (11.65% retirement, 0.39% health benefit supplement, and 0.18% long-term disability) and 12.11% (11.45% retirement, 0.49% health benefit supplement, and 0.17% long-term disability), respectively, of the members' annual covered payroll.

Benefits Provided

ASRS provides retirement, health care, and long-term disability benefits. The Defined Benefit Plan provides monthly retirement benefits to members who have reached retirement eligibility criteria, terminated employment, and applied for retirement benefits. At retirement, members have seven different payment options to choose from, including a straight-life annuity that guarantees monthly payments only for the lifetime of the member, or term certain and joint and survivor annuities that will continue to make monthly payments to a beneficiary in the event of the member's death. The amount of a member's monthly benefit is calculated based on his or her age, his or her years of service, his or her salary at retirement, and the retirement option chosen. In the event a member

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

dies before reaching retirement eligibility criteria, the defined benefit plan will pay a lump sum or annuity to the member's beneficiary(ies). The Retiree Health Benefit Supplement (also called Premium Benefit Supplement) provides health insurance coverage for retirees and a monthly health insurance premium benefit to offset the cost of retiree health insurance. Long Term Disability provides a monthly disability benefit to partially replace income lost as a result of disability.

Contributions

The contribution rate for the pension and OPEB plans are calculated by an independent actuary at the end of each fiscal year based on the amount of investment assets the ASRS has on hand to pay benefits, liabilities associated with the benefits members have accrued to date, projected investment returns, and projected future liabilities.

*Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions and OPEB*

At June 30, 2021, the District reported a liability of approximately \$394,059,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and was rolled forward using generally accepted actuarial procedures to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, as actuarially determined. At June 30, 2020 and 2019, the District's proportion was 2.27% and 2.14%, respectively.

At June 30, 2020, the District reported a liability of approximately \$311,133,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, and was rolled forward using generally accepted actuarial procedures to June 30, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, as actuarially determined. At June 30, 2019 and 2018, the District's proportion was 2.14% and 2.15%, respectively.

Maricopa County Special Health Care District
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Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

At June 30, 2021, the District reported a liability of approximately \$116,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020. The total amount used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019, and was rolled forward using generally accepted actuarial procedures to June 30, 2020. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers and the state, as actuarially determined. At June 30, 2020, the District's proportion was 2.30%, which represents no change from its proportion measured as of June 30, 2019.

At June 30, 2020, the District reported a liability of approximately \$812,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019. The total amount used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018, and was rolled forward using generally accepted actuarial procedures to June 30, 2019. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers and the state, as actuarially determined. At June 30, 2019, the District's proportion was 2.17%, which represents no change from its proportion measured as of June 30, 2018.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Within employee benefits, the District recorded pension expense of \$51,898,000 and \$33,010,000 for the years ended June 30, 2021 and 2020, respectively. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made after measurement date	\$ 29,724,443	\$ —
Differences between expected and actual experience	3,564,945	—
Changes in assumptions	—	—
Difference between projected and actual investment earnings	38,007,430	—
Change in proportion and differences between employer contributions and proportionate share of contributions	13,450,582	(684,469)
Total	\$ 84,747,400	\$ (684,469)

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made after measurement date	\$ 28,321,668	\$ —
Differences between expected and actual experience	5,620,699	(58,496)
Changes in assumptions	1,315,169	(12,389,925)
Difference between projected and actual investment earnings	—	(6,993,194)
Change in proportion and differences between employer contributions and proportionate share of contributions	10,331,332	(2,977,503)
Total	\$ 45,588,868	\$ (22,419,118)

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Of the amount reported as deferred outflows of resources as of June 30, 2021, \$29,724,000 related to pension results from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ending June 30:	
2022	\$ 10,809,399
2023	18,025,897
2024	13,747,693
2025	11,755,499

Within employee benefits, the District recorded OPEB expense of \$1,089,000 for the year ended June 30, 2021. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made after measurement date	\$ 1,375,302	\$ —
Differences between expected and actual expenses	152,565	(3,270,330)
Changes in assumptions	1,096,313	—
Difference between projected and actual investments earnings	1,867,745	—
Change in proportion and differences between employer contributions and proportionate share of contributions	118,664	(17,495)
Total	<u>\$ 4,610,589</u>	<u>\$ (3,287,825)</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Within employee benefits, the District recorded OPEB expense of \$1,579,000 for the year ended June 30, 2020. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made after measurement date	\$ 1,579,257	\$ –
Differences between expected and actual expenses	166,965	(718,148)
Changes in assumptions	1,392,873	–
Difference between projected and actual investments earnings	–	(811,406)
Change in proportion and differences between employer contributions and proportionate share of contributions	71,424	(1,611)
Total	\$ 3,210,519	\$ (1,531,165)

Of the amount reported as deferred outflows of resources, \$1,375,000 related to OPEB results from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2022	\$ (250,902)
2023	134,735
2024	217,048
2025	30,719
2026	(224,062)
Thereafter	39,924

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Actuarial Assumptions

The June 30, 2019, actuarial valuation of the total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	2.70% – 7.20% average, including inflation
Investment rate of return	7.50%

Mortality rates were based on the 2017 SRA Scale U-MP.

The June 30, 2018, actuarial valuation of the total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	2.70% – 7.20% average, including inflation
Investment rate of return	7.50%

Mortality rates were based on the 2017 SRA Scale U-MP.

The June 30, 2019, actuarial valuation of the OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Investment rate of return	7.50%
Mortality rates	2017 SRA Scale U-MP
Health care trend rate	N/A

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

The June 30, 2018, actuarial valuation of the OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Investment rate of return	7.50%
Mortality rates	2017 SRA Scale U-MP
Health care trend rate	N/A

The benefits paid by the plan are not impacted by health care cost trend rates. As a result, changes in the health care cost trend rate assumption will have no impact on the net OPEB liability.

The actuarial assumptions used in the June 30, 2020 and 2019, pension and OPEB valuations were based on the results of an actuarial experience study for the period July 1, 2011–June 30, 2016. The ASRS Board adopted the experience study, which recommended changes, and those changes were effective as of the June 30, 2017, actuarial valuation.

The long-term expected rate of return on pension and OPEB plans' investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class for the pension plan measured as of June 30, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	50%	3.20%
Fixed income	30	1.11
Real estate	20	1.17
Total	<u>100%</u>	<u>5.48%</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

The target allocation and best estimates of geometric real rates of return for each major asset class for the pension plan measured as of June 30, 2019, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	50%	3.05%
Fixed income	30	1.23
Real estate	20	1.17
Total	<u>100%</u>	<u>5.45%</u>

The target allocation and best estimates of geometric real rates of return for each major asset class for the OPEB plan measured as of June 30, 2020, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	50%	3.20%
Fixed income	30	1.11
Real estate	20	1.17
Total	<u>100%</u>	<u>5.48%</u>

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

The target allocation and best estimates of geometric real rates of return for each major asset class for the OPEB plan measured as of June 30, 2019, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	50%	3.05%
Fixed income	30	1.23
Real estate	20	1.17
Total	<u>100%</u>	<u>5.45%</u>

Discount Rate

The discount rate used to measure the overall pension liability as of June 30, 2021 and 2020, was 7.5% and the OPEB liability as of June 30, 2021 and 2020, was 7.5%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, contributions from the District will be made at contractually required rates (actuarially determined), and contributions from the participating employers will be made at current statutorily required rates. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability and OPEB liability.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability reported at June 30, 2021, using the discount rate of 7.5% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.5% or one percentage point higher 8.5% than the current rate:

	1-Point Decrease (6.5%)	Discount Rate (7.5%)	1-Point Increase (8.5%)
District's proportionate share of the net pension liability	\$ 538,870,032	\$ 394,058,778	\$ 273,004,009

The following presents the District's proportionate share of the net pension liability reported at June 30, 2020, using the discount rate of 7.5% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.5% or one percentage point higher 8.5% than the current rate:

	1-Point Decrease (6.5%)	Discount Rate (7.5%)	1-Point Increase (8.5%)
District's proportionate share of the net pension liability	\$ 442,814,295	\$ 311,132,978	\$ 201,081,287

The following presents the District's proportionate share of the net OPEB liability reported at June 30, 2021, using the discount rate of 7.5% as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower 6.5% or one percentage point higher 8.5% than the current rate:

	1-Point Decrease (6.5%)	Discount Rate (7.5%)	1-Point Increase (8.5%)
District's proportionate share of the net OPEB liability (asset)	\$ 4,061,766	\$ 116,339	\$ (3,260,617)

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

12. Pension Plan and Other Post Employment Benefit (OPEB) Liabilities (continued)

The following presents the District’s proportionate share of the net OPEB liability (asset) reported at June 30, 2020, using the discount rate of 7.5% as well as what the District’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower 6.5% or one percentage point higher 8.5% than the current rate:

	1-Point Decrease (6.5%)	Discount Rate (7.5%)	1-Point Increase (8.5%)
District’s proportionate share of the net OPEB liability (asset)	\$ 4,607,215	\$ 812,445	\$ (2,438,631)

Pension and OPEB Plans Fiduciary Net Position

Detailed information about the pension and OPEB plans’ fiduciary net position are available in the separately issued ASRS Comprehensive Annual Financial Report.

13. Commitments and Contingencies

Operating Leases

The District leases various equipment and facilities under operating leases expiring at various dates through June 2021. Within other expenses, the District recorded rental expense for operating leases of \$6,054,000 and \$5,801,000 for the years ended June 30, 2021 and 2020, respectively.

The following is a schedule, by year, of future minimum lease payments under operating leases as of June 30, 2021, that have initial or remaining noncancelable lease terms in excess of one year:

Year ending June 30:	
2022	\$ 2,918,495
2023	1,739,816
2024	1,151,590
2025	984,097
2026	2,479,723

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

13. Commitments and Contingencies (continued)

Litigation

In the normal course of business, the District is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by the County's risk management program (see Note 1) or by commercial insurance, for example, allegations regarding employment practices or performance of contracts. The District evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of legal counsel, management records an estimate of the amount of ultimate expected loss, if any, for each allegation. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

14. Disproportionate Share Settlement

Section 1923 of the Social Security Act establishes federal requirements designed to aid entities that provide medical services to a disproportionate share of medically indigent patients. These requirements were met for the state fiscal years ended June 30, 2021 and 2020, through disproportionate share settlements established in Laws 2016 Second Regular Session Chapter 122 and Laws 2015 First Regular Session Chapter 14. AHCCCS was directed to distribute such settlements based on various qualifying criteria and allocation processes. The District recorded in other operating revenue approximately \$4,202,000 and \$3,871,000 in disproportionate share settlements for fiscal years 2021 and 2020, respectively.

15. Related-Party Transactions

During the years ended June 30, 2021 and 2020, net patient service revenues included approximately \$3,090,000 and \$4,077,000, respectively, of payments received from Maricopa County Correctional Health for medical services rendered, and approximately \$1,735,000 and \$2,671,000 in grant funds were received from the Maricopa County Department of Public Health in fiscal years 2021 and 2020, respectively.

Also during the year ended June 30, 2021, nonoperating revenues included approximately \$252,000 in payments received from Maricopa County Industrial Development Authority (MCIDA) for program support in the District's Simulation and Training Center.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

16. COVID-19

The outbreak of a novel strain of the coronavirus disease 2019 (COVID-19) continues to be a concern both in the United States and globally. The District is following the guidance of state and local governments and the Centers for Disease Control and Prevention. For acute care facilities, the State of Arizona, in accordance with Federal guidelines, recommended rescheduling elective surgeries as a means of preserving the supply of protective personal equipment, limiting visitors, and identifying additional space for patient care in preparation for a potential surge. At various points the District has engaged in these practices. As of the date of this report, the District continues to be impacted by this ongoing state of emergency.

Through the passage of the Families First Coronavirus Response Act (Families First) and the Coronavirus Aid, Relief and Economic Security (CARES) Act, Congress provided financial support to hospitals and health care providers during the pandemic for financial stabilization. This allowed for the following financial support to the District in fiscal years 2021 and 2020:

- The District has attested to the receipt of distributions totaling \$20,697,000 under the Provider Relief Fund of the CARES Act and recorded \$12,100,000 and \$8,597,000 in other nonoperating revenue for the years ended June 30, 2021 and 2020, respectively. These distributions have been used to offset expenses to prevent, prepare for, and respond to the COVID-19, or lost revenues that are attributable to COVID-19.
- The District has elected to defer applicable payroll taxes from April 5, 2020 through December 31, 2020. The deferred amount was accrued, and repayment will be due in two equal installments on December 31, 2021 and December 31, 2022. The deferred amounts were approximately \$11,297,000 and \$3,537,000 at June 30, 2021 and 2020, respectively and were recorded under accrued expenses.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

16. COVID-19 (continued)

- In April 2020, the District received \$23,366,000 through the Accelerated and Advance Payments Program under the CARES Act. An accelerated or advanced payment is a payment by CMS intended to provide necessary funds in circumstances such as national emergencies in order to accelerate cash flow to the impacted health care providers. Pursuant to the Continuing Appropriations Act, 2021 and Other Extensions Act, repayment terms are as follows:
 - Repayment does not begin for one year starting from the date the accelerated or advance payment was issued.
 - Beginning at one year from the date the payment was issued and continuing for eleven months, Medicare payments owed will be recouped at a rate of 25%.
 - After eleven months end, Medicare payments owed will be recouped at a rate of 50% for another six months.
 - After the six months end, a letter for any remaining balance of the accelerated or advance payment will be issued.
 - Recoupments began in fiscal year 2021. The amounts outstanding of \$21,092,000 and \$23,366,000 as of June 30, 2021 and 2020, respectively, were recorded under other current liabilities.
- The District was awarded FQHC grants under the Families First and CARES Act totaling \$4,109,000. Of this total, \$1,855,000 has been received and recognized as nonoperating revenue in fiscal year 2021.
- The District has submitted claims for uninsured patients with a COVID-19 primary diagnosis for COVID-19 testing or treatment through the Health Resources & Services Administration (HRSA), funded through the CARES Act. This program will reimburse eligible claims at Medicare rates, subject to available funding.
- The District has applied for Federal Emergency Management Administration (FEMA) Public Assistance funding. The amount and timing of the expected financial assistance through FEMA is not known at this time.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Financial Statements (continued)

16. COVID-19 (continued)

Other aspects of the CARES Act continue to be reviewed and evaluated for their applicability to the District. While the District has received support from the Families First and CARES Act, there is continuing uncertainty surrounding the pandemic and the constantly changing and evolving regulations. The District will continue to monitor all regulatory changes and pursue all available opportunities for supplemental relief and or funding.

17. Subsequent Events

Effective July 1, 2021, the District elected to levy a secondary property tax on all taxable property in the defined surrounding area at the rate necessary to generate approximately \$88,032,000 of annual tax revenue. The tax revenue is to be used to support operations of the District.

Effective July 1, 2021, the District elected to levy property tax on all taxable property in the defined surrounding area, in the amounts of \$13,348,000 and \$19,132,000 for the second-year principal and interest debt service, respectively, related to the \$422,125,000 third bond offering.

Effective July 1, 2021, the District elected to levy property tax on all taxable property in the defined surrounding area, in the amounts of \$11,864,000 and \$12,646,000 for the first-year principal and interest debt service, respectively, related to the \$244,070,000 fourth bond offering.

In August 2021, the FQHC was awarded the Health Resources and Services Administration (HRSA) H8F grant through the American Rescue Plan Act. The total amount of the two-year grant award is \$16,890,000.

In November 2021, the District opened a new Community Health Center in the West Maryvale area, as part of the Care Reimagined project. The new health center offers primary care services within the surrounding community.

Required Supplementary Information

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of District's Proportionate Share of the Net Pension Liability

Last 10 Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015
District's proportion or the net pension liability	2.27%	2.14%	2.15%	1.96%	2.11%	2.15%	2.25%
District's proportionate share of the net pension liability	\$ 394,058,778	\$ 311,132,978	\$ 300,238,443	\$ 304,619,435	\$ 339,937,627	\$ 334,641,881	\$ 332,820,645
District's covered payroll	\$ 236,809,991	\$ 225,450,955	\$ 211,945,446	\$ 188,850,966	\$ 195,634,317	\$ 196,475,917	\$ 203,989,176
District's proportionate share of the net pension liability a percentage of its covered payroll	166.40%	138.00%	141.66%	161.30%	173.76%	170.32%	163.16%
Plan fiduciary net position as a percentage of the total pension liability	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

*The amounts presented for each fiscal year were determined as of the end of the prior fiscal year. Ten years of information is not yet available.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Last 10 Fiscal Years*

	2021	2020	2019
District's proportion or the net OPEB liability (asset)	2.30%	2.17%	2.14%
District's proportionate share of the net OPEB liability (asset)	\$ 116,339	\$ 812,445	\$ 347,486
District's covered payroll	\$ 236,809,991	\$ 225,450,955	\$ 211,945,446
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	0.05%	0.36%	0.16%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	99.73%	98.07%	99.13%

*The amounts presented for each fiscal year were determined as of the end of the prior fiscal year. Ten years of information is not yet available.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Contributions — Pension Plan

Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 29,724,443	\$ 28,321,667	\$ 25,950,721	\$ 22,402,719	\$ 20,360,215	\$ 21,226,490	\$ 21,396,442	\$ 21,827,065	\$ 20,672,347	\$ 19,095,094
Contributions in relation to the contractually required contribution	(29,724,443)	(28,321,667)	(25,950,721)	(22,402,719)	(22,259,196)	(21,387,917)	(21,690,643)	(20,471,268)	(21,015,008)	(19,414,629)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ (1,898,981)	\$ (161,427)	\$ (294,201)	\$ 1,355,797	\$ (342,661)	\$ (319,535)
District's covered payroll	\$ 252,938,151	\$ 236,809,991	\$ 225,450,955	\$ 211,945,416	\$ 188,850,966	\$ 195,634,317	\$ 196,475,917	\$ 203,989,176	\$ 201,678,461	\$ 193,644,075
Contributions as a percentage of covered payroll	11.75%	11.96%	11.51%	10.57%	10.78%	10.85%	10.89%	10.70%	10.25%	9.86%

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Contributions — OPEB

Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 1,375,302	\$ 1,579,258	\$ 1,396,082	\$ 1,273,313	\$ 1,321,018	\$ 1,213,587	\$ 1,395,848	\$ 1,715,385	\$ 1,796,348	\$ 1,682,437
Contributions in relation to the contractually required contribution	(1,375,302)	(1,579,258)	(1,396,082)	(1,273,313)	(1,321,018)	(1,213,587)	(1,395,848)	(1,715,385)	(1,796,348)	(1,682,437)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 252,938,151	\$ 236,809,991	\$ 225,450,955	\$ 211,945,416	\$ 188,850,966	\$ 195,634,317	\$ 196,475,917	\$ 203,989,176	\$ 201,678,461	\$ 193,644,075
Contributions as a percentage of covered payroll	0.54%	0.66%	0.62%	0.60%	0.70%	0.62%	0.71%	0.84%	0.89%	0.87%

Reports

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Management and the Board of Directors
Maricopa County Special Health Care District
d/b/a Valleywise Health

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Maricopa County Special Health Care District d/b/a Valleywise Health (the “District”), which comprise the statements of net position as of June 30, 2021 and 2020, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated November 19, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

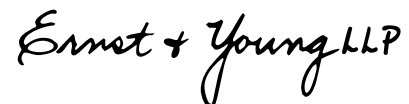
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



November 19, 2021



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Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Management and the Board of Directors
Maricopa County Special Health Care District
d/b/a Valleywise Health

Report on Compliance for Each Major Federal Program

We have audited Maricopa County Special Health Care District d/b/a Valleywise Health's (the "District") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the District's compliance.

Basis for Qualified Opinion on Assistance Listing Number 93.918 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease

As described in the accompanying schedule of findings and questioned costs, we were unable to obtain sufficient, appropriate audit evidence supporting the compliance of the District regarding the following:

Finding Number	Assistance Listing Number	Program Name	Compliance Requirement
2021-004	93.918	Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	J. Program Income

Consequently, we were unable to determine whether the District complied with those requirements applicable to that program.

Qualified Opinion on Assistance Listing Number 93.918 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Assistance Listing Number 93.918 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease for the year ended June 30, 2021.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs that are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs and identified below.

Finding Number	Assistance Listing Number	Program Name	Compliance Requirement
2021-001	93.461	COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund	A. Activities Allowed or Unallowed B. Allowable Costs/Cost Principles E. Eligibility

Finding Number	Assistance Listing Number	Program Name	Compliance Requirement
2021-002	93.498	COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	P. Other
2021-003	93.498	COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	L. Reporting

Our opinion on each major federal program is not modified with respect to these matters.

The District’s response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The District is responsible for preparing a corrective action plan to address each audit finding included in our auditor’s report. The District’s corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Our audit of the major federal program identified as Assistance Listing Number 93.461 – COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund included certain audit procedures for the compliance requirement associated with activities allowed or unallowed that were limited to tests of compliance that reimbursements received, or expected to be received, related to health services allowed under this federal program. Our audit of compliance was not designed to test or provide assurance on the determination of whether a service was medically necessary, obtained through a legally appropriate referral, properly performed, rendered in a quality manner from a clinical perspective, adequately supervised, accurately documented and classified (i.e., that the correct medical bill code assigned represents the health service performed), or rendered and billed by non-sanctioned individuals. Performing procedures related to these matters is not within our professional expertise. Additional information on the nature of our procedures is available in the AICPA Audit and Accounting Guide, *Health Care Entities*. Our audit procedures for the compliance requirement associated with eligibility were limited to tests of compliance that services reimbursed, or expected to be reimbursed, were for individuals who received a temporary member identification number from the third-party service provider used by Health Resources and Services Administration (HRSA) to identify a lack of active health care coverage.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in

accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be, material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs and identified below that we consider to be material weaknesses.

Finding Number	Assistance Listing Number	Program Name	Compliance Requirement
2021-002	93.498	COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	P. Other
2021-003	93.498	COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	L. Reporting
2021-004	93.918	Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	J. Program Income
2021-005	93.918	Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	I. Procurement and Suspension and Debarment

The District’s response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.



The District is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Ernst + Young LLP

October 21, 2022

Supplementary Information

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Federal Grantor / Program Title / Pass-Through Grantor	Assistance Listing Number	Pass-Through Entity Identifying Number	Health Center Program Cluster	Other Expenditures	Total Expenditures	Federal Expenditures Passed Through to Subrecipients
U.S. Department of Transportation:						
Highway Safety Cluster:						
State and Community Highway Safety – <i>Arizona Governor’s</i>						
<i>Office of Highway Safety</i>						
	20.600	HS-FY 2016	\$ –	\$ 23,535	\$ 23,535	\$ –
Total Highway Safety Cluster						
			–	23,535	23,535	–
Total U.S. Department of Transportation						
			–	23,535	23,535	–
U.S. Department of Health and Human Services:						
Community Programs to Improve Minority Health Grant Program						
	93.137		–	149,278	149,278	–
Coordinated Services and Access to Research for Women, Infants, Children, and Youth						
	93.153		–	673,776	673,776	–
COVID-19 – Coordinated Services and Access to Research for Women, Infants, Children, and Youth						
	93.153		–	27,886	27,886	–
Total 93.153						
			–	701,662	701,662	–
Family Planning Services – <i>Arizona Family Health Partnership</i>						
	93.217	5 FOGOA006468-02-00	–	68,320	68,320	–
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)						
	93.224		690,764	–	690,764	–

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Federal Grantor / Program Title / Pass-Through Grantor	Assistance Listing Number	Pass-Through Entity Identifying Number	Health Center Program Cluster	Other Expenditures	Total Expenditures	Federal Expenditures Passed Through to Subrecipients
U.S. Department of Health and Human Services (continued):						
COVID-19 – Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224		\$ 1,549,964	\$ –	\$ 1,549,964	\$ –
Total 93.224			2,240,728	–	2,240,728	–
Viral Hepatitis Prevention and Control – <i>Arizona Department of Health Services</i>	93.270	86-6004791	–	33,437	33,437	–
Centers for Disease Control and Prevention Investigations and Technical Assistance – <i>Maricopa County Department of Human Health</i>	93.283	ADHS14-064590	–	441,154	441,154	–
COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fun	93.461		–	2,090,838	2,090,838	–
COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498		–	8,597,135	8,597,135	–
Grants for New and Expanded Services under the Health Center Program	93.527		134,678	–	134,678	–

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Federal Grantor / Program Title / Pass-Through Grantor	Assistance Listing Number	Pass-Through Entity Identifying Number	Health Center Program Cluster	Other Expenditures	Total Expenditures	Federal Expenditures Passed Through to Subrecipients
U.S. Department of Health and Human Services (continued):						
Refugee and Entrant Assistance Discretionary Grants – <i>Mercy Maricopa Integrated Care</i>	93.576	90RX0275	\$ –	\$ 111,494	\$ 111,494	\$ –
Accountable Health Communities – <i>Dignity Health dba St. Joseph's Hospital & Medical Center</i>	93.650	1P1CMS331609-01-00	–	55,171	55,171	–
Opioid STR – <i>Mercy Maricopa Integrated Care</i>	93.788	H79TI081709	–	4,372	4,372	–
National Bioterrorism Hospital Preparedness Program – <i>Arizona Department of Health Services</i>	93.889	ADHS13-048506	–	103,439	103,439	–
HIV Emergency Relief Project Grants – <i>Maricopa County Department of Human Health</i>	93.914	H89HA11478	–	1,734,974	1,734,974	–
HIV Care Formula Grants – <i>Arizona Department of Health Services</i>	93.917	ADHS17-145508	–	2,267,015	2,267,015	–
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		–	775,546	775,546	–
COVID-19 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		–	114,144	114,144	–
Total 93.918			–	889,690	889,690	–

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Federal Grantor / Program Title / Pass-Through Grantor	Assistance Listing Number	Pass-Through Entity Identifying Number	Health Center Program Cluster	Other Expenditures	Total Expenditures	Federal Expenditures Passed Through to Subrecipients
U.S. Department of Health and Human Services (continued):						
HIV Prevention Activities Health Department Based – <i>Arizona Department of Health Services</i>	93.940	5U62PS003635	\$ –	\$ 441,930	\$ 441,930	\$ –
Block Grants for Prevention and Treatment of Substance Abuse – <i>Mercy Maricopa Integrated Care</i>	93.959	YH17-0001-03	–	382,008	382,008	–
Maternal and Child Health Services Block Grant to the States – <i>Arizona Department of Health Services</i>	93.994	HG761224	–	239,248	239,248	–
Total U.S. Department of Health and Human Services			2,375,406	18,311,165	20,686,571	–
Total Expenditures of Federal Awards			\$ 2,375,406	\$ 18,334,700	\$ 20,710,106	\$ –

See notes to Schedule of Expenditures of Federal Awards.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

1. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of Maricopa County Special Health Care District d/b/a Valleywise Health (the “District”) and is presented on the accrual basis of accounting. The information in this SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The SEFA does not include payments received under the traditional Medicare and Medicaid reimbursement programs, as these programs are outside the scope of the Uniform Guidance. There were no donated goods and personal protective equipment received from federal sources that required recognition or disclosure in the notes to the SEFA. The District did not pass any federal awards through to subrecipients during the year ended June 30, 2021.

2. Indirect Costs

The Uniform Guidance provides for a 10% de minimis indirect cost rate election; however, the District did not make this election and uses a negotiated indirect cost rate.

3. Provider Relief Fund

The amount presented on the SEFA for Assistance Listing Number 93.498, COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution, is for the year ended June 30, 2021. The amount presented below was derived from the Provider Relief Fund (PRF) information reported to the Health Resources and Services Administration (HRSA):

Name of Reporting Entity for HRSA Reporting Period 1 PRF Report	Reporting Entity Tax Identification Number	Type of Distribution	Total Other Provider Relief Fund Expenses Reported	Total Lost Revenues Reported	Total
Maricopa County Special Health Care District	860830701	General	\$ –	\$ 56,041,754	\$ 56,041,754

Maricopa County Special Health Care District
d/b/a Valleywise Health

Notes to Schedule of Expenditures of Federal Awards (continued)

3. Provider Relief Fund (continued)

The U.S. Department of Health and Human Services (HHS) has indicated the PRF on the SEFA be reported corresponding to reporting requirements of the HRSA PRF Reporting Portal (the “Portal”). Payments from HHS for PRF are assigned to ‘Payment Received Periods’ (each, a Period) based upon the date each payment from the PRF was received. Each Period has a specified Period of Availability and timing of reporting requirements. Entities report into the Portal after each Period’s deadline to use the funds (i.e., after the end of the Period of Availability).

The SEFA includes \$8,597,135 of PRF received from HHS between April 10, 2020 through June 30, 2020. In accordance with guidance from HHS, these amounts are presented as Period 1. Such amounts were recognized as other nonoperating revenues in the District’s financial statements as shown in the SEFA in the year ended June 30, 2021.

Schedule Required by the Uniform Guidance

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2021

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
Significant deficiency(ies) identified?	<u> </u> Yes	<u> X </u> None reported
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?	<u> X </u> Yes	<u> </u> No
Significant deficiency(ies) identified?	<u> </u> Yes	<u> X </u> None reported

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section I – Summary of Auditor’s Results (continued)

Type of auditor’s report issued on compliance for major federal programs:

Federal Agency and Name of Federal Program	Type of Opinion on Major Program
U.S. Department of Health and Human Services – Assistance Listing Number 93.461 – COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund	Unmodified
U.S. Department of Health and Human Services – Assistance Listing Number 93.498 – COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	Unmodified
U.S. Department of Health and Human Services – Assistance Listing Number 93.918 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	Qualified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u> X </u> Yes <u> </u> No

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section I – Summary of Auditor’s Results (continued)

Identification of major federal programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
93.461	COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund
93.498	COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution
93.918	Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease

Dollar threshold used to distinguish between Type A and Type B programs:

_____ \$750,000 _____

Auditee qualified as low-risk auditee?

 X **Yes** **No**

Section II – Financial Statement Findings

None noted.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs

Finding 2021-001

Noncompliance over Activities Allowed or Unallowed, Allowable Costs/Cost Principles, and Eligibility.

Information on the federal program:

Assistance Listing Number 93.461:

- COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund
- U.S. Department of Health and Human Services
- Federal award identification number – Not Applicable
- Federal award year – February 4, 2020 and after

Criteria or specific requirement (including statutory, regulatory or other citation):

The terms and conditions of the award require the following:

- Required health services as described in the terms and conditions for uninsured individuals:
 - Reimbursement of payment for COVID-19 testing and testing-related items for individuals who do not have coverage at the time the services were rendered;
 - Reimbursement of payments for COVID-19 treatment as determined by the program for individuals who do not have any health care coverage at the time the services were rendered;
- Services must be for individuals, who at the time the services were provided, were uninsured.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Condition:

During our testing over eligibility (i.e., that the patient was uninsured), we observed a patient had health care coverage at the time the services were rendered.

Cause:

Patient eligibility (i.e., that the patient was uninsured) check was not performed.

Effect or potential effect:

Claims may be submitted for reimbursement for patients with health care coverage at the time services were rendered and, in fact, one such claim was submitted and paid by HRSA.

Questioned Costs:

\$123 – Assistance Listing Number 93.461.

Context:

For our testing over patient eligibility (i.e., that patient was uninsured), we obtained a listing of 6,039 patient accounts for which the District received reimbursement and selected a sample of 40 patient accounts. The total value of the 40 patient accounts selected was \$6,599 out of the total of \$2,090,838.

There was 1 (\$123) out of 40 (\$6,599) selections for which the patient was determined to have had health care coverage at the time the service was rendered and was therefore not eligible for reimbursement.

Identification as a repeat finding, if applicable:

No.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Recommendation:

Management should ensure patient eligibility (i.e., that the patient was uninsured) checks are performed.

Views of responsible officials:

A refund check has been submitted to HRSA on September 16, 2022, for \$123.35 for the account identified. All accounts submitted under the HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund will be processed through an eligibility coverage review to revalidate the uninsured status of the patients at the time the services were provided, with additional refunds to be processed if necessary.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Finding 2021-002

Internal control deficiency and noncompliance over amounts reported in the Schedule of Expenditures of Federal Awards (SEFA).

Identification of the federal program:

Assistance Listing Number 93.498:

- COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution
- U.S. Department of Health and Human Services
- Federal award identification number – Not Applicable
- Federal award year – Period 1: January 1, 2020 to June 30, 2021

Criteria or specific requirement (including statutory, regulatory or other citation):

Title 2, Subtitle A Chapter II Part 200 Subpart D 200.303 Internal controls, states: “The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

In addition, the Office of Management and Budget Compliance Supplement states: “SEFA reporting amounts for this program (including both expenditures and lost revenues) are based upon the PRF report that is required to be submitted to the HRSA reporting portal. For a FYE of June 30, 2021 and through FYEs of December 30, 2021, recipients should report in the SEFA, the expenditures and lost revenues for the Period 1 (payments received from April 10, 2020 to June 30, 2020) PRF report.”

Condition:

During our testing over the SEFA, we observed management did not have effective internal controls in place to ensure accurate reporting of the payments received in the SEFA. This resulted in an overstatement of the amount reported in the SEFA.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Cause:

Management did not have effective internal controls in place to ensure accurate reporting of the payments received in the SEFA.

Effect or potential effect:

The payments received were incorrectly reported in the SEFA.

Questioned costs:

None.

Context:

During our testing over the SEFA, we obtained the PRF report submitted to the Portal and reconciled the total payments received to the SEFA. We observed the payments received totaled \$8,597,135, which represents the expenditures and lost revenues for the Period 1 (payments received from April 10, 2020 to June 30, 2020), as compared to the initial amount reported in the SEFA of \$20,697,135. This resulted in an overstatement of the amount reported in the SEFA of \$12,100,000.

Management's internal control over the review of the SEFA did not identify this overstatement. The amount reported in the SEFA was subsequently corrected and the corrected amount is reflected in the data collection form.

Identification as a repeat finding, if applicable:

No.

Recommendation:

Management should develop and implement effective internal controls to ensure the completeness and accuracy of the SEFA, including a review of applicable guidance in preparing the SEFA.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Views of responsible officials:

An additional review process of the SEFA will be implemented to be performed by both the Vice President of Financial Services and the Chief Financial Officer to ensure the SEFA contains complete and accurate reporting of payments and expenditures, and to ensure that applicable guidance is reviewed prior to its finalization.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Finding 2021-003

Internal control deficiency and noncompliance over the calculation of lost revenues attributable to Coronavirus.

Identification of the federal program:

Assistance Listing Number 93.498:

- COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution
- U.S. Department of Health and Human Services
- Federal award identification number – Not Applicable
- Federal award year – Period 1: January 1, 2020 to June 30, 2021

Criteria or specific requirement (including statutory, regulatory or other citation):

Title 2, Subtitle A Chapter II Part 200 Subpart D 200.303 Internal controls states: “The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

The terms and conditions of the award require the recipient to submit reports as the secretary of HHS determines are needed to ensure compliance with conditions that are imposed on the payment, and such reports shall be in such form, with such content, as specified by the secretary of HHS in future program instructions directed to all recipients.

Condition:

Management incorrectly reported lost revenues attributable to Coronavirus in the Period 1 report submitted in the Portal due to errors made in the calculation.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Cause:

Management did not have effective internal controls in place to ensure the reported lost revenues attributable to Coronavirus reported in the Portal were free from error.

Effect or potential effect:

The lost revenues attributable to Coronavirus were incorrectly reported in the Portal.

Questioned costs:

None.

Context:

During our testing over reporting, we obtained the PRF report for Period 1 submitted in the Portal. We observed the calculation of lost revenues attributable to Coronavirus was based on a preliminary trial balance instead of the final audited financial statements. This resulted in an understatement of lost revenues submitted in the Portal in the amount of \$1,527,899. Total lost revenues submitted in the Portal were \$56,041,754 for Period 1; however, actual lost revenues were \$57,569,653.

Management's internal control regarding the review of the PRF report for Period 1 and the supporting lost revenue calculation did not identify this error. The error did not impact the ability to comply with terms and conditions of the award for the payments received.

Identification as a repeat finding, if applicable:

No.

Recommendation:

We recommend that management develop and implement effective internal controls to ensure accurate reporting in the Portal. This will ensure the calculation of lost revenues attributable to Coronavirus are accurately reported.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Views of responsible officials:

An additional layer of review will be performed by both the Vice President of Financial Services and Chief Financial Officer to ensure the calculation of lost revenues attributable to Coronavirus is reported correctly in future submissions through the Portal.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Finding 2021-004

Internal control deficiency and noncompliance over program income requirements.

Identification of the federal program:

Assistance Listing Number 93.918:

- Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease
- COVID-19 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease
- U.S. Department of Health and Human Services
- Federal award identification numbers and award years:
 - 6 H76HA00151-30-02 – January 1, 2020 to December 31, 2020
 - 5 H76HA00151-31-00 – January 1, 2021 to December 31, 2021
 - 6 H76HA00151-31-01 – January 1, 2021 to December 31, 2021
 - 1 H7CHA37136-01-00 – April 1, 2020 to March 31, 2021
 - 4 H7CHA37136-01-02 – April 1, 2020 to December 31, 2021

Criteria or specific requirement (including statutory, regulatory or other citation):

Title 2, Subtitle A Chapter II Part 200 Subpart D 200.303 Internal controls states: “the non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Criteria or specific requirement (including statutory, regulatory or other citation) (continued):

Title 2, Subtitle A Chapter II Part 200 Subpart D 200.305(b)(5) Federal payment states: “To the extent available, the non-Federal entity must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments.”

Title 2, Subtitle A Chapter II Part 200 Subpart D 200.328 Financial reporting states: “Unless otherwise approved by OMB, the Federal awarding agency must solicit only the OMB approved governmentwide data elements for collection of financial information (at time of publication the Federal Financial Report or such future, OMB-approved, governmentwide data elements available from the OMB-designated standards lead. This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting. The Federal awarding agency must use OMB-approved common information collections, as applicable, when providing financial and performance reporting information.”

The Ryan White HIV/AIDS Program and Program Income Policy Clarification Notice #15-03 states the following:

- Under the uniform administrative requirements, to the extent available, recipients and subrecipients must disburse funds available from program income, rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting additional cash payments.
- Recipients are required to track and account for all program income in accordance with 45 CFR 75.302(b)(3). Recipients must report program income on their Federal Financial Report (FFRs).

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Criteria or specific requirement (including statutory, regulatory or other citation) (continued):

- Documentation of program income and accounting for its receipt and utilization will be consistent across Parts, to the extent possible.
 - Parts C, D, and F are discretionary awards and have multi-year periods of performance:
 - Parts C, D, and F recipients must account for program income and its use within their multi-year period of performance.
 - In the final year of funding, program income received at the end of the period of performance will be expended prior to new grant funds awarded in the next competitive cycle, so long as the recipient receives such subsequent award.

Condition:

During our review over program income, we observed management did not have internal controls in place over the compliance requirements as stated in the criteria or specific requirement section above and was unable to provide sufficient documentation to support the program income earned by the program.

Cause:

Management did not have internal controls in place over the compliance requirements as stated in the criteria or specific requirement section above and was unable to provide sufficient documentation to support the program income earned by the program.

Effect or potential effect:

We were unable to test program income compliance or internal controls.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Questioned costs:

Unknown.

Context:

During our review over program income, we obtained the annual financial report submitted. We observed the total federal share of program income earned incorrectly reported Ryan White HIV/AIDS Program Part A, B, C and cash receipts unrelated to the program. The reported balance was also reported based on a cash basis instead of the accrual method stated on the federal financial report. We were unable to test the amount reported on the federal financial report as the amount reported is a cumulative amount from January 1, 2018 onward and included cash receipts unrelated to the program.

During our review over program income, we observed management did not track program income earned as compared to the actual expenditures incurred. We were unable to test that program income was disbursed prior to requesting additional cash payments.

Identification as a repeat finding, if applicable:

No.

Recommendation:

We recommend that management develop and implement internal controls to ensure accurate reporting in the federal financial report and tracking of program income earned as compared to the actual expenditures incurred. This will ensure program income is reported and tracked accurately.

Views of responsible officials:

Valleywise Health management will develop and implement additional processes for tracking of program income earned as compared to the actual expenditures incurred and to ensure accurate reporting in the federal financial report.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Finding 2021-005

Internal control deficiency over procurement and suspension and debarment.

Identification of the federal program:

Assistance Listing Number 93.918:

- Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease
- COVID-19 – Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease
- U.S. Department of Health and Human Services
- Federal award identification numbers and award years:
 - 6 H76HA00151-30-02 – January 1, 2020 to December 31, 2020
 - 5 H76HA00151-31-00 – January 1, 2021 to December 31, 2021
 - 6 H76HA00151-31-01 – January 1, 2021 to December 31, 2021
 - 1 H7CHA37136-01-00 – April 1, 2020 to March 31, 2021
 - 4 H7CHA37136-01-02 – April 1, 2020 to December 31, 2021

Criteria or specific requirement (including statutory, regulatory or other citation):

Title 2, Subtitle A Chapter II Part 200 Subpart D 200.303 Internal controls states: “The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

Condition:

Management did not perform a timely search for suspension and debarment of a vendor for covered transactions that exceeded \$25,000.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Cause:

Management did not have effective internal controls in place to ensure a timely search was performed for suspension and debarment of a vendor for covered transactions that exceeded \$25,000.

Effect or potential effect:

Management subsequently performed a search for suspension and debarment for this vendor that supported the vendor was not suspended or debarred. However, if a search for suspension and debarment is not conducted in a timely manner, vendors that are suspended or debarred could be contracted with.

Questioned costs:

None.

Context:

During our testing over procurement and suspension and debarment, we obtained a listing of all vendors for covered transactions that exceeded \$25,000 and observed one such vendor. We observed management did not timely perform a search for suspension and debarment for this vendor.

Identification as a repeat finding, if applicable:

No.

Recommendation:

We recommend that management develop and implement effective internal controls to ensure a timely search is performed for suspension and debarment of vendors for covered transactions that exceed \$25,000.

Maricopa County Special Health Care District
d/b/a Valleywise Health

Schedule of Findings and Questioned Costs (continued)

Section III – Federal Award Findings and Questioned Costs (continued)

Views of responsible officials:

The Valleywise Health Contracts department will develop and implement additional processes to track vendor compliance and exclusion status regarding suspension, debarment or proposed debarment, or declared ineligible by any federal, state or local government.

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**Valleywise Health
Corrective Action Plan
For the Fiscal Year Ended June 30, 2021**

Section III – Federal Award Findings and Questioned Costs

Finding 2021-001

Grant Program/ALN #: COVID-19 – HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund/ALN # 93.461

Federal Agency/Pass-Through Entity: U.S. Department of Health and Human Services

Federal Award ID#: Not applicable

Name of Contact Person: Lito Landas, Controller

Management Response

A refund check has been submitted to Health Resources & Services Administration (HRSA) on September 16th, 2022, for \$123.35 for the account identified. All accounts submitted under the HRSA COVID-19 Claims Reimbursement for the Uninsured Program will be processed through an eligibility coverage review to revalidate the uninsured status of the patients at the time the services were provided, with additional refunds to be processed if necessary.

Proposed Completion Date: October 31, 2022.

Finding 2021-002

Grant Program/ALN #: Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution/ALN # 93.498

Federal Agency/Pass-Through Entity: U.S. Department of Health and Human Services

Federal Award ID#: Not applicable

Name of Contact Person: Lito Landas, Controller

Management Response

An additional review process will be implemented of the Schedule of Expenditures of Federal Awards (SEFA) to be performed by both the Vice President of Financial Services and the Chief Financial Officer to ensure the SEFA contains complete and accurate reporting of payments and expenditures, and applicable guidance is reviewed prior to its finalization.

Proposed Completion Date: October 31, 2022.



Corrective Action Plan *(continuation)*

Finding 2021-003

Grant Program/ALN #: Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution/ALN # 93.498

Federal Agency/Pass-Through Entity: U.S. Department of Health and Human Services

Federal Award ID#: Not applicable

Name of Contact Person: Lito Landas, Controller

Management Response

An additional layer of review will be performed by both the Vice President of Financial Services and Chief Financial Officer to ensure the calculation of lost revenues attributable to Coronavirus is reported correctly in future submissions through the Portal.

Proposed Completion Date: March 31, 2023

Finding 2021-004

Grant Program/ALN #: Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease/ALN # 93.918

Federal Agency/Pass-Through Entity: U.S. Department of Health and Human Services

Federal Award ID#: 6H76HA00151-30-02; 5H76HA00151-31-00; 6H76HA00151-31-01; 1H7CHA37136-01-00; 4H7CHA37136-01-02

Name of Contact Person: Lito Landas, Controller

Management Response

Valleywise Health management will develop and implement additional processes for tracking of program income earned compared to the actual expenditures incurred and to ensure accurate reporting in the federal financial report.

Proposed Completion Date: October 31, 2022.



Corrective Action Plan *(continuation)*

Finding 2021-005

Grant Program/ALN #: Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease/ALN # 93.918

Federal Agency/Pass-Through Entity: U.S. Department of Health and Human Services

Federal Award ID#: 6H76HA00151-30-02; 5H76HA00151-31-00; 6H76HA00151-31-01;
1H7CHA37136-01-00; 4H7CHA37136-01-02

Name of Contact Person (s): Lito Landas, Controller
Christopher Melton, Director of Contracts and Procurement

Management Response

Valleywise Health Contracts department will develop and implement additional processes in tracking vendor compliance and exclusion status regarding suspension, debarment or proposed debarment, or declared ineligible by any federal, state or local government.

Proposed Completion Date: October 31, 2022.



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.c.iv.

**Governance
Insurance Premium Payments and
Policy Renewals**



Date: November 14, 2022

To: Mary Rose Garrido Wilcox, Chairman, District 5
J. Woodfin Thomas, Vice Chairman, District 4
Mary A. Harden, R.N., Director, District 1
Mark G. Dewane, Director, District 2
Susan Gerard, Director, District 3

From: Dale Schultz, Director of Risk Management
Trisha Farrell, Risk Operations Manager

Cc: Steve Purves, President & Chief Executive Officer
Melanie Talbot, Chief Governance Officer and Board Clerk
Claire Agnew, EVP Chief Financial Officer
Martin Demos, Sr. VP & General Counsel

Re: Insurance Renewals for December 1, 2022-2023

Hospital Professional Liability Policies

Our professional and general liability limits of coverage and self-insured retentions will remain the same. Our premiums are increased by approximately 8 percent to \$1,950,000.

Workers' Compensation & Employer's Liability

The renewal premium with Sentry will be \$545,000, The rate, collateral and claim payment fund remains the same. Limits of insurance and coverage provisions remain the same.

Auto Liability & Physical Damage

The renewal premium with Sentry will be \$ 74,000. Limits of insurance and coverage provisions remain the same.

D&O/EPL/Fiduciary Liability/Crime

The renewal premium with Beazley, RSUI, WR Berkley and RLI will increase by 20 percent to \$350,000, with no changes in limits or coverage.

The Crime renewal premium with Beazley will be \$22,000. Limits of insurance and coverage provisions remain the same.

Network Security/Privacy Liability

The renewal premium for Network Security/Privacy Liability with Beazley will be \$330,000, with coverage and limits unchanged.

Helipad/Non-Owned Aircraft Liability

The Helipad/Non-Owned Aircraft liability renewal premium will be \$7,000 with ACE. Limits of insurance and coverage provisions remain the same.

Environmental Liability

The Environmental liability renewal premium is \$25,000 with Ironshore. Limits of insurance and coverage provisions remain the same.

Below is the premium summary:

Program Summary for 12/1/2022 to 11/30/2023 Renewals			
<u>Coverage</u>	<u>Insurance Carriers</u>	<u>Limits</u>	<u>Premiums</u>
Professional/General Liability	Chubb, Berkley, MedPro	\$50,000,000	\$1,950,000
Workers' Compensation and Employers Liability	Sentry	Statutory / \$1,000,000	\$545,000
Directors & Officers Liability Employment Practices	Beazley, RSUI, Berkley, RLI	\$20,000,000	\$350,000
Crime / Fiduciary	Beazley	\$5,000,000	\$22,000
Cyber Liability	Beazley	\$10,000,000	\$330,000
Aviation Liability	ACE	\$20,000,000	\$7,000
Environmental	Ironshore	\$10,000,000	\$25,000
Business Auto Liability	Sentry	\$1,000,000	\$74,000
Total:			\$3,303,000



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 1.c.v.a.

Governance
Policy 99005 G – Surety Bonds

Valleywise Health Administrative Policy & Procedure

DRAFT

Effective Date: 08/06

Reviewed Dates: 02/10, 02/11, 03/13, 01/15, 01/17, 01/19, 01/21, 11/22

Revision Dates: 03/09

Policy #: 99005 G – Finance

Policy Title: Construction – Surety Bonds

- Scope:**
- District Governance (G)**
 - System-Wide (S)**
 - Division (D)**
 - Multi-Division (MD)**
 - Department (T)**
 - Multi-Department (MT)**
 - FQHC (F)**
-

Policy:

As a guarantee that a contractor who enters or will enter into a contract to perform a service for the Maricopa County Special Health Care District in accordance with the plans and specifications, security shall be required on all competitive solicitations/construction contracts in excess of \$100,000 from the contractor and all subcontractors. All security shall be a certified check, cashier's check, or surety bond for ten (10) percent of the amount of the bid or proposal.

Valleywise Health Policy & Procedure - Approval Sheet
(Before submitting, fill out COMPLETELY.)

POLICY RESPONSIBLE PARTY: ~~Maricopa County Special Health Care District Board of Directors~~ [Melanie Talbot, Chief Governance Officer and Clerk of the Board](#)

DEVELOPMENT TEAM(S): ~~Clerk's Office~~ [Finance Department, Contract Department](#)

Policy #: 99005 G – Finance

Policy Title: Construction – Surety Bonds

e-Signers: Melanie Talbot, Chief Governance Officer and Clerk of the Board

Place an X on the right side of applicable description:

New -

Retire -

Reviewed - X

Revised with Minor Changes -

Revised with Major Changes -

Please list revisions made below: (Other than grammatical changes or name and date changes)

Reviewed and Approved by in Addition to Responsible Party and E-Signer(s):

Committee: N/A

Committee: N/A

Committee: N/A

Reviewed for HR: N/A

Reviewed for EPIC: N/A

Other: N/A

Other: Maricopa County Special Health Care District ~~01/21~~ [11/22](#)
Board of Directors



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.c.v.b.

Governance

Policy 99101 G – CEO Evaluation

Valleywise Health Administrative Policy & Procedure

DRAFT

Effective Date: 08/07

Reviewed Dates: 02/13, 11/22

Revision Dates: 03/09, 03/10, 03/11, 01/15, 02/19, 01/21

Policy #: 99101 G – Governance

Policy Title: President & Chief Executive Officer Evaluation

- Scope:** **District Governance (G)**
 System-Wide (S)
 Division (D)
 Multi-Division (MD)
 Department (T)
 Multi-Department (MT)
 FQHC (F)

Policy:

The Board of Directors shall conduct an annual evaluation of Valleywise Health's President & Chief Executive Officer.

Throughout the fiscal year, the Board shall provide the President & CEO with quarterly opportunities to evaluate performance toward the annual performance goals.

The Board then shall meet to discuss an assessment of the President & CEO's performance. If the Board deems the President & CEO to have achieved annual performance goals, the Board may place the matter on an agenda of an open session for approval of a performance bonus.

Valleywise Health Policy & Procedure - Approval Sheet
(Before submitting, fill out COMPLETELY.)

POLICY RESPONSIBLE PARTY: ~~Maricopa County Special Health Care District Board of Directors~~ [Melanie Talbot, Chief Governance Officer and Clerk of the Board](#)

DEVELOPMENT TEAM(S): [Chief Executive Officer's Office, Board](#) Office

Policy #: 99101 G – Governance

Policy Title: President & Chief Executive Officer Evaluation

e-Signers: Melanie Talbot, Chief Governance Officer and Clerk of the Board

Place an X on the right side of applicable description:

New -

Retire -

Reviewed - **X**

Revised with Minor Changes -

Revised with Major Changes - ✖

Please list revisions made below: (Other than grammatical changes or name and date changes)

Reviewed and Approved by in Addition to Responsible Party and E-Signer(s):

Committee: N/A

Committee: N/A

Committee: N/A

Reviewed for HR: N/A

Reviewed for EPIC: N/A

Other: N/A

Other: Maricopa County Special Health Care District ~~01/21~~ [11/22](#)
Board of Directors



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.c.v.c.

**Governance
Policy 99302 G – Non-Retaliation**

Valleywise Health Administrative Policy & Procedure

DRAFT

Effective Date: 10/07

Reviewed Dates: 02/10, 02/11, 01/13, 02/17, 02/19, 11/22

Revision Dates: 01/09, 03/15, 01/21

Policy #: 99302 G – Conduct

Policy Title: Non-Retaliation

- Scope:**
- District Governance (G)**
 - System-Wide (S)**
 - Division (D)**
 - Multi-Division (MD)**
 - Department (T)**
 - Multi-Department (MT)**
 - FQHC (F)**

Policy:

The Board of Directors is committed to ensuring that the Maricopa County Special Health Care District will not condone or tolerate any forms of retaliation against individuals or entities who report an issue or concern and adopts the Valleywise Health Administrative Policy and Procedure #01105 S Compliance: Non-Retaliation as amended from time to time.

Reference: Valleywise Health Administrative Policy & Procedure # 01105 S Compliance: Non-Retaliation;

Valleywise Health Administrative Policy & Procedure #77128 S – Sexual and Other Unlawful Harassment

Valleywise Health Policy & Procedure - Approval Sheet
(Before submitting, fill out COMPLETELY.)

POLICY RESPONSIBLE PARTY: ~~Maricopa County Special Health Care District Board of Directors~~ [Melanie Talbot, Chief Governance Officer and Clerk of the Board](#)

DEVELOPMENT TEAM(S): ~~Clerk's Office~~ [Legal Department, Compliance Department, Human Resources Department](#)

Policy #: 99302 G – Conduct

Policy Title: Non-Retaliation

e-Signers: Melanie Talbot, Chief Governance Officer and Clerk of the Board

Place an X on the right side of applicable description:

New -

Retire -

Reviewed - **X**

Revised with Minor Changes - **X**

Revised with Major Changes -

Please list revisions made below: (Other than grammatical changes or name and date changes)

Reviewed and Approved by in Addition to Responsible Party and E-Signer(s):

Committee: N/A

Committee: N/A

Committee: N/A

Reviewed for HR: N/A

Reviewed for EPIC: N/A

Other: N/A

Other: Maricopa County Special Health Care District ~~01/21~~ [11/22](#)
Board of Directors



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 1.c.v.d.

Governance
Policy 99009 G – Internal Audit

Valleywise Health Administrative Policy & Procedure

DRAFT

Effective Date: 08/06

Reviewed Dates: 3/11, 01/13, 01/21, 11/22

Revision Dates: 09/07, 04/09, 03/10, 03/15, 02/17, 02/19

Policy #: 99009 G – Finance

Policy Title: Internal Audit

- Scope:**
- District Governance (G)**
 - System-Wide (S)**
 - Division (D)**
 - Multi-Division (MD)**
 - Department (T)**
 - Multi-Department (MT)**
 - FQHC (F)**

Policy:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the Maricopa County Special Health Care District's operations. It assists management to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and management processes. Internal audit provides insights and recommendations to management based on analyses and assessments of data and business processes. The function also serves in an assurance capacity through its ability to provide information directly to and, when necessary, communicate independently with the Board of Directors should the auditors identify significant risks to the District.

The District can elect to use an external auditing firm or District internal audit staff (internal auditors) to conduct internal audit activities. Annually, the internal auditors will coordinate with Senior Leadership, and the Board to identify areas of interest/concern appropriate for independent review. The audit plan will identify the projects, approximate initiation date and anticipated hours required to complete each audit. The audit plan is reviewed quarterly and can be adjusted to review any high-risk areas identified during the plan year. Due to the complex nature of the District's business model, it may be appropriate for management and the Board to review and amend the audit plan during the year.

The principal function of an internal audit is to assess the financial risks within the enterprise which will require coordination and cooperation across departments, including but not limited to, Accounting, Finance, Revenue Cycle, Information Technology, Clinical Documentation and Compliance. Administratively, internal auditors will coordinate their activity through the Finance, Audit and Compliance Committee who will be responsible for ensuring organizational support for the function.

The internal auditors will provide a summary of their findings and report activities at least quarterly to the Finance, Audit and Compliance Committee. The Finance, Audit and Compliance Committee will incorporate the internal auditors' findings as part of its quarterly report to the Board. Should the internal auditors identify an urgent matter, they have the authority to communicate with any appropriate individual employed by the District, including a direct report to the Board of Directors.

Valleywise Health Policy & Procedure - Approval Sheet
(Before submitting, fill out COMPLETELY.)

POLICY RESPONSIBLE PARTY: ~~Maricopa County Special Health Care District Board of Directors~~ [Melanie Talbot, Chief Governance Officer and Clerk of the Board](#)

DEVELOPMENT TEAM(S): ~~Clerk's Office~~ [Compliance Department, Finance Department](#)

Policy #: 99009 G – Finance

Policy Title: Internal Audit

e-Signers: Melanie Talbot, Chief Governance Officer and Clerk of the Board

Place an X on the right side of applicable description:

New -

Retire -

Reviewed - X

Revised with Minor Changes -

Revised with Major Changes -

Please list revisions made below: (Other than grammatical changes or name and date changes)

Reviewed and Approved by in Addition to Responsible Party and E-Signer(s):

Committee: N/A

Committee: N/A

Committee: N/A

Reviewed for HR: N/A

Reviewed for EPIC: N/A

Other: N/A

Other: Maricopa County Special Health Care District ~~01/21~~ [11/22](#)
Board of Directors



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 1.c.v.e.

Governance
Policy 99013 G – Selection of External
Auditors

Valleywise Health Administrative Policy & Procedure

DRAFT

Effective Date: 09/06

Reviewed Dates: 03/10/, 03/11, 01/13, 01/17, 01/21, 11/22

Revision Dates: 09/07, 04/09, 01/15, 02/19

Policy #: 99013 G – Finance

Policy Title: Selection of External Auditors

- Scope:**
- District Governance (G)**
 - System-Wide (S)**
 - Division (D)**
 - Multi-Division (MD)**
 - Department (T)**
 - Multi-Department (MT)**
 - FQHC (F)**

Policy:

The Board of Directors is responsible for selecting, removing, or terminating the Maricopa County Special Health Care District’s external auditors. While the Board will consult with District staff on the terms and conditions of a contract with the external auditors, it shall have final authority to approve all audit engagement fees and terms.

The Board shall, on at least a triennial basis, obtain a copy of the external auditor’s most recent peer review report and shall assess the firm’s independence through inquiries of any relationships the firm or its partners and staff might have with the District or Valleywise Health.

The Board will require that the external auditing firm selected rotates partners every six (6) years in order to maintain independence between the audit firm and the District. Should the Board elect to consider a change in audit firms, bids should be solicited through a request for proposal (RFP) process.

The Board and staff are both responsible for implementing and monitoring this policy.

Valleywise Health Policy & Procedure - Approval Sheet
(Before submitting, fill out COMPLETELY.)

POLICY RESPONSIBLE PARTY: ~~Maricopa County Special Health Care District Board of Directors~~ [Melanie Talbot, Chief Governance Officer and Clerk of the Board](#)

DEVELOPMENT TEAM(S): ~~Clerk's Office~~ [Compliance Department, Finance Department](#)

Policy #: 99013 G – Finance

Policy Title: Selection of External Auditors

e-Signers: Melanie Talbot, Chief Governance Officer and Clerk of the Board

Place an X on the right side of applicable description:

New -

Retire -

Reviewed - X

Revised with Minor Changes -

Revised with Major Changes -

Please list revisions made below: (Other than grammatical changes or name and date changes)

Reviewed and Approved by in Addition to Responsible Party and E-Signer(s):

Committee: N/A

Committee: N/A

Committee: N/A

Reviewed for HR: N/A

Reviewed for EPIC: N/A

Other: N/A

Other: Maricopa County Special Health Care District ~~01/21~~ [11/22](#)
Board of Directors



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.d.i.

**Medical Staff
Medical Staff Appointments for
November 2022**

Recommended by Credentials Committee: November 1, 2022
 Recommended by Medical Executive Committee: November 8, 2022
 Submitted to MSHCDB: November 22, 2022

VALLEYWISE HEALTH CREDENTIALS AND ACTION ITEMS REPORT MEDICAL STAFF

The credentials of the following individuals including, current licensure, relevant training and experience, malpractice insurance, current competence and the ability to perform the requested privileges have been verified.

INITIAL MEDICAL STAFF APPOINTMENT				
NAME	CATEGORY	SPECIALTY/PRIVILEGES	APPOINTMENT DATES	COMMENTS
Mostafa S. Assadalla Sherazy, M.D.	Active	Psychiatry	12/01/2022 to 11/30/2024	
Sarang Srivathsan Koushik, M.D.	Active	Anesthesiology	12/01/2022 to 11/30/2024	
Mark Rodriguez, M.D.	Active	Psychiatry	12/01/2022 to 11/30/2024	
Jerome John Rogich, M.D.	Courtesy	Emergency Medicine	12/01/2022 to 11/30/2024	
Charis Elizabeth Whitney, M.D.	Courtesy	Internal Medicine (Nephrology)	12/01/2022 to 11/30/2024	

INITIAL/FOCUSED PROFESSIONAL PRACTICE EVALUATION			
NAME	SPECIALTY/PRIVILEGES	RECOMMENDATION EXTEND or PROPOSED STATUS	COMMENTS
Shawn David Abreu, M.D.	Internal Medicine (Palliative Medicine)	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Palliative Medicine Core Privileges.
Ahmad Aldeiri, M.D.	Internal Medicine (Infectious Diseases)	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Infectious Diseases Core Privileges.
Francisco Cordova, M.D.	Internal Medicine (Palliative Medicine)	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Palliative Medicine Core Privileges.
Louis S. Ferrari, M.D.	Surgery (Burn; Surgical Critical Care)	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for General Surgery, Advanced Trauma Surgery, Advanced Surgical Critical Care, Burn Surgery, Endoscopy, Dialysis, Laser privileges, Procedural Sedation and Point-of-Care Ultrasound Privileges.
Casondra Rae Moore, D.O.	Internal Medicine (Cardiology)	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Nuclear Cardiology Privileges.
Jeffrey M. Curtis, M.D.	Family & Community Medicine	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Subdermal Contraceptive Capsule (Insertion/Removal) Privileges.

Recommended by Credentials Committee: November 1, 2022
 Recommended by Medical Executive Committee: November 8, 2022
 Submitted to MSHCDB: November 22, 2022

INITIAL/FOCUSED PROFESSIONAL PRACTICE EVALUATION			
Douglas R. Jones, M.D.	Family & Community Medicine	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Subdermal Contraceptive Capsule (Insertion/Removal) Privileges.
Amir Maher Assaad Philobos, M.D.	Internal Medicine (Nephrology)	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Nephrology Core Privileges.
Anthony Joseph Vaccarello, M.D.	Internal Medicine	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Internal Medicine Core Privileges.

REAPPOINTMENTS/ONGOING PROFESSIONAL PRACTICE EVALUATION				
NAME	CATEGORY	SPECIALTY/PRIVILEGES	APPOINTMENT DATES	COMMENTS
Shawn David Abreu, M.D.	Courtesy	Internal Medicine (Palliative Medicine)	12/01/2022 to 11/30/2024	
Ricky An-Chih Chang, M.D.	Courtesy	Internal Medicine	12/01/2022 to 11/30/2024	
Natalie Marie Ertz-Archambault, M.D.	Active	Internal Medicine (Hematology/Oncology)	12/01/2022 to 11/30/2024	
Louis S. Ferrari, M.D.	Active	Surgery (Burn; Surgical Critical Care)	12/01/2022 to 11/30/2024	
Althea Joanne Holett Barrett, M.D.	Courtesy	Obstetrics / Gynecology	12/01/2022 to 11/30/2024	
Melissa Ann Kelsey, D.O.	Courtesy	Emergency Medicine	12/01/2022 to 11/30/2024	
Casondra Rae Moore, D.O.	Active	Internal Medicine (Cardiology)	12/01/2022 to 11/30/2024	
Ericka Lynn Scheller McLaughlin, D.O.	Courtesy	Pediatrics (Cardiology)	12/01/2022 to 11/30/2024	
Thomas Michael Wertin, M.D.	Active	Surgery (Trauma)	12/01/2022 to 11/30/2024	

RECREDENTIALING BY PROXY				
NAME	CATEGORY	SPECIALTY/PRIVILEGES	APPOINTMENT DATES	ORGANIZATION
David Smith Owens, M.D.	Telemedicine	Radiology	12/01/2022 to 11/30/2024	Rapid Radiology Inc.
Justin H. Pham, M.D.	Telemedicine	Radiology	12/01/2022 to 11/30/2024	Rapid Radiology Inc.
Roberto Rivera-Morales, M.D.	Telemedicine	Radiology	12/01/2022 to 11/30/2024	Rapid Radiology Inc.
Lan N. Vu, M.D.	Telemedicine	Radiology	12/01/2022 to 11/30/2024	Rapid Radiology Inc.
Elliott Jay Wagner, M.D.	Telemedicine	Radiology	12/01/2022 to 11/30/2024	Rapid Radiology Inc.

Recommended by Credentials Committee: November 1, 2022
 Recommended by Medical Executive Committee: November 8, 2022
 Submitted to MSHCDB: November 22, 2022

WAIVER REQUEST			
NAME	SPECIALTY/ PRIVILEGES	CATEGORY	COMMENTS
Casondra Rae Moore, D.O.	Internal Medicine (Cardiology)	Active	Medical Executive Committee concurs with the recommendation as submitted by the Credentials Committee in support of the Department of Internal Medicine's / Division of Cardiology's request for the physician's temporary waiver of the reappointment privileging requirement (10 hours of Nuclear Cardiology related Category One CME) as related to the physician's Nuclear Cardiology Privileges. Physician is to complete the reappointment privileging requirement for Nuclear Cardiology within the next six months. All other conditions of reappointment have been met.

RESIGNATIONS <i>Information Only</i>			
NAME	DEPARTMENT/SPECIALTY	STATUS	REASON
Susan A. Geren, M.D.	Pediatrics	Active to Inactive	Resigned effective November 2, 2022
Patrick K. Hitchcock, M.D.	Radiology	Active to Inactive	Resigned effective July 7, 2022
Hristo Deianov Hristov, M.D.	Internal Medicine (Critical Care; Pulmonary Medicine)	Active to Inactive	Resigned effective July 19, 2022
Robert Mawunyo Koffie, M.D.	Surgery (Neurosurgery)	Courtesy to Inactive	Resigned effective November 30, 2022

Definitions:

Active ≥ 1,000 hours/year – Active members of the medical staff have voting rights and can serve on medical staff committees
 Courtesy < 1,000 hours/year – Courtesy members do not have voting rights and do not serve on medical staff committees
 Reappointments Renewal of appointment and privileges is for a period of two years unless otherwise specified for a shorter period of time.
 FPPE Focused professional practice evaluation is a process by which the organization validates current clinical competence. This process may also be used when a question arises in practice patterns.



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.d.ii.

Medical Staff

**Advanced Practice Clinical/Allied Health
Professional Staff Appointments for
November 2022**

**VALLEYWISE HEALTH
 CREDENTIALS AND ACTION ITEMS REPORT
 ADVANCED PRACTICE CLINICIAN / ALLIED HEALTH PROFESSIONAL STAFF**

The credentials of the following individuals including, current licensure, relevant training and experience, malpractice insurance, current competence and the ability to perform the requested privileges have been verified.

ADVANCED PRACTICE CLINICIAN / ALLIED HEALTH PROFESSIONAL – INITIAL APPOINTMENTS				
NAME	DEPARTMENT	PRACTICE PRIVILEGES/ SCOPE OF SERVICE	APPOINTMENT DATES	COMMENTS
Rebecca Rose Flores, P.A.-C.	Surgery	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Sarah Danielle Hill, P.A.-C.	Surgery	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Christopher Rolke McElnea, P.M.H.N.P.	Psychiatry	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Linda Rae Parone, C.R.N.A.	Anesthesiology	Practice Prerogatives on file	12/01/2022 to 11/30/2024	

INITIAL/FOCUSED PROFESSIONAL PRACTICE EVALUATION			
NAME	DEPARTMENT/SPECIALTY	RECOMMENDATION EXTEND or PROPOSED STATUS	COMMENTS
JoAnne Ellen Bracewell, F.N.P.	Internal Medicine	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Nurse Practitioner Core Privileges.
Gina Strong Calvanese, C.R.N.A., D.N.P.	Anesthesiology	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Certified Registered Nurse Anesthetist Core Privileges.
Daniela DiPomazio, C.R.N.A.	Anesthesiology	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Certified Registered Nurse Anesthetist Core Privileges.
Lorna Ann Hill, A.G.N.P.	Internal Medicine	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Nurse Practitioner Core Privileges.
Veliria Virginia Jackson, F.N.P.	Internal Medicine	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Nurse Practitioner Core Privileges.
Hilary Elizabeth Jewell, C.R.N.A.	Anesthesiology	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Certified Registered Nurse Anesthetist Core Privileges.
Wendy Rose Stoczanskyj, F.N.P.	Internal Medicine	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Nurse Practitioner Core Privileges.
Lindsey Nicole Tow, C.R.N.A.	Anesthesiology	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Certified Registered Nurse Anesthetist Core Privileges.

INITIAL/FOCUSED PROFESSIONAL PRACTICE EVALUATION			
Lisa Marie Workman, F.N.P.	Family & Community Medicine	FPPE successfully completed	Chair has submitted documentation demonstrating practitioner has successfully completed FPPE requirement for Family & Community Medicine Nurse Practitioner Core Privileges.

ADVANCED PRACTICE CLINICIAN / ALLIED HEALTH PROFESSIONAL – REAPPOINTMENTS				
NAME	DEPARTMENT	PRACTICE PRIVILEGES/ SCOPE OF SERVICE	APPOINTMENT DATES	COMMENTS
Cassandra Jo Altamirano, P.A.-C	Family & Community Medicine	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Ari Blechner, L.C.S.W.	Psychiatry	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Fernando Delucca, L.P.C.	Psychiatry	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Kathy Dutridge, L.P.C.	Psychiatry	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Shaun Kenneth Ferrie, C.R.N.A.	Anesthesiology	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Lucy Hosmer, C.N.M., D.N.P.	Obstetrics / Gynecology	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Hilary Elizabeth Jewell, C.R.N.A.	Anesthesiology	Practice Prerogatives on file	12/01/2022 to 11/30/2024	
Lisa Marie Workman, F.N.P.	Family & Community Medicine	Practice Prerogatives on file	12/01/2022 to 11/30/2024	

CHANGE IN PRIVILEGES			
NAME	DEPARTMENT	ADDITION / REDUCTION / WITHDRAWAL	COMMENTS
Ashley Nicole Rush, F.N.P.	Obstetrics / Gynecology	Addition: 1. Endometrial Biopsy; 2. Subdermal Contraceptive Capsule (Insertion/Removal); 3. Cervical Polypectomy	FPPE Required
Lisa Marie Workman, F.N.P.	Family & Community Medicine	Withdrawal: 1. Minor Surgery Procedures; 2. IUD Removal/Insertion; 3. Subdermal Contraceptive Capsule (Removal/Insertion)	Voluntary Relinquishment of Privileges due to non-utilization of privileges

RESIGNATION (Information Only)			
NAME	DEPARTMENT/SPECIALTY	STATUS	REASON
Danielle M. Japenga, L.C.S.W.	Psychiatry	Allied Health Professional to Inactive	Resigned effective July 8, 2022

General Definitions:

Advanced Practice Clinician An Advanced Practice Clinicians (APC) means individuals other than Medical Staff members who are licensed healthcare professionals who are board certified and have at least a master's degree. APCs are trained to practice medicine and prescribe within the scope of their training as outlined by their specific scope of practice and are authorized by law and by the Hospital to provide patient care services.

Allied Health Professional An Allied Health Professional (AHP) means individuals other than Medical Staff members or APCs who are qualified by training, experience, and current competence in a discipline permitted to practice in the hospital and are authorized by law and by the Hospital to provide patient care services.

Practice Prerogatives Scopes of practice summarizing qualifications for the respective category, developed with input from the physician director of the clinical service and the observer/sponsor/responsible party of the AHP, Department Chair, and other representatives of the Medical Staff, Hospital management, and other professionals.

Supervision Definitions:

Recommended by Credentials Committee: November 1, 2022

Recommended by Medical Executive Committee: November 8, 2022

Submitted to MSHCDB: November 22, 2022

- (1) General Supervision The procedure is furnished under the physician's overall direction and control, but the physician's presence is not required during the performance of the procedure or provision of the services.
- (2) Direct Supervision The physician must be present in the office suite or on the premises of the location and immediately available to furnish assistance and direction throughout the performance of the procedure. It does not mean that the physician must be present in the room when the procedure is performed.
- (3) Personal Supervision A physician must be in the room during the performance of the procedure.



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.d.iii.

Medical Staff

**Department of Internal Medicine- Pulmonary
Medicine Delineation of Privileges**

Valleywise Health
Internal Medicine - Pulmonary Medicine

«longname_of_providers»

Instructions for Applicants

After reviewing the Qualification for Privileges and Privilege Description, sign the “Attestation Statement”. You may be asked to provide documentation of the number and types of cases you have performed during the past 12 to 24 months. Applicants have the burden of producing information deemed necessary by Valleywise Health for a proper evaluation of current competence and other qualifications and for resolving questions. Note that privileges granted may only be exercised at the site(s) and/or setting(s) that have the appropriate equipment, license, beds, staff and other support required to provide the services defined in this document. Site-specific services may be defined in hospital and/or department policy.

Core Privilege Lists: Core Procedure and Privilege lists represent a sampling included in the Core Privileges. They are not intended to be an all-encompassing list but rather they are reflective of the categories/types of procedures included in the core. ***Applicants who wish to exclude any procedures in the Core lists should strike through those procedures they do not wish to request, initial, and date.***

Board Certification: It is required that board certification be attained within the time frame designated by a practitioner’s respective primary specialty/subspecialty. Practitioners are required to maintain board certification in their primary specialty or subspecialty area of practice. Maintenance of only subspecialty certification is adequate for continued hospital privileges in a primary specialty. [Physicians appointed to the Medical Staff and/or granted clinical privileges prior to December 2007, who are not eligible to become board certified, are not subject to the board certification requirement.]

Other Requirements: This document is focused on defining qualifications related to competency to exercise clinical privileges. The applicant must also adhere to any additional organization, regulatory or accreditation requirements that the Valleywise Health is obligated to meet. The applicant agrees to review applicable policies every two years. See specific documents:

- Moderate Sedation for Procedures Policy for the Non-Ventilated Patient for Non-Anesthesiology Providers

Applicant Attestation: Applicants for initial and reappointment agree that they understand that in exercising any clinical privileges granted, they are constrained by Hospital and Medical Staff policies and rules applicable generally and any applicable to the particular situation. Any restriction on the clinical privileges granted is waived in an emergency situation and in such situation the actions taken are governed by the applicable section of the Medical Staff Bylaws or related documents.

**Valleywise Health
Internal Medicine - Pulmonary Medicine**

«longname_of_providers»

Criteria-Based Core Privileges: Pulmonary Medicine

To be eligible to apply for core privileges in pulmonary medicine, the applicant must meet Maricopa Integrated Health System membership requirements as outlined in the Medical Staff Bylaws and the following privileging criteria:

INITIAL APPLICANTS

Education	Successful completion of an Accreditation Council for Graduate Medical Education (ACGME) or American Osteopathic Association (AOA) accredited residency in internal medicine followed by fellowship training pulmonary disease.
Board Certification	Current certification or board eligibility with achievement of certification within the time frame designated by the American Board of Internal Medicine in the subspecialty of Pulmonary Medicine or American Osteopathic Association (AOA) equivalent.
Clinical Activity	Applicants for initial appointment must be able to demonstrate provision of inpatient or consultative services, reflective of the scope of privileges requested, for at least 50 patients during the past 12 months in an accredited hospital or healthcare facility similar in scope and complexity to Valleywise Health, or demonstrate successful completion of an ACGME or AOA accredited residency, clinical fellowship, or research in a clinical setting within the past 12 months.

FOCUSED PROFESSIONAL PRACTICE EVALUATION

Guidelines for Initial Appointment	Retrospective review of 5 representative cases reflective of the scope of practice (additional records may be reviewed to assess the scope of practice has been covered) to include evaluation of chief complaint; history & physical; use of ancillary services; appropriateness of diagnosis; and discharge/instruction and to be completed in accordance with the Valleywise Health Medical staff Focused Professional Practice Evaluation to Confirm Practitioner Competence Policy..
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REAPPOINTMENT

Current demonstrated competence and current experience in the provision of care to at least 50 patients with performance, or supervision of the scope of privileges requested during the past 24 months with acceptable results based on ongoing professional practice evaluation activities and outcomes.

<input type="checkbox"/> Requested	BASIC AMBULATORY PULMONARY CORE PRIVILEGES
Admit, perform history and physical, treat, order diagnostic studies, and provide consultation to outpatients treated within the Valleywise Health (includes supervision responsibilities of residents and students.). The core privileges in pulmonary medicine include those skills listed and such other skills that are extensions of the same.	
<ul style="list-style-type: none"> ▪ Evaluate, diagnose and treat patients of all ages presenting with conditions, disorders and diseases of the organs of the thorax or chest, lungs and airways, cardiovascular and tracheobronchial systems, esophagus and other mediastinal contents. ▪ Interpretation of spirometry tests ▪ Interpretation of Exercise Physiology testing 	

<input type="checkbox"/> Requested	PULMONARY CORE PRIVILEGES
Admit, <u>perform history and physical</u> , evaluate, diagnose, <u>order diagnostic studies</u> , treat and provide consultation to patients of all ages, presenting with conditions, disorders, and diseases of the organs of the thorax or chest; the lungs and airways, cardiovascular and tracheobronchial systems, esophagus and other mediastinal contents, diaphragm, circulatory system. The core privileges in this specialty include those procedures listed and such other procedures that are extensions of the same techniques and skills. If you wish to exclude any procedures, please strike through those procedures which you do not wish to request, initial, and date.	
<ul style="list-style-type: none"> <u>▪ Evaluate, diagnose and treat patients of all ages presenting with conditions, disorders and diseases of the organs of the thorax or chest, lungs and airways, cardiovascular and tracheobronchial systems, esophagus and other mediastinal contents.</u> <u>▪ Interpretation of spirometry tests</u> <u>▪ Interpretation of Exercise Physiology testing</u> ▪ Polysomnography, ▪ Pulmonary Exercise Testing, ▪ Pulmonary Function Testing. ▪ Fiberoptic bronchoscopy (with/without biopsy), ▪ Bicap bronchoscopy, ▪ Bradyradiation catheter (placement of), 	

Valleywise Health
Internal Medicine - Pulmonary Medicine

«longname_of_providers»

- Transbronchial biopsy,
- Percutaneous pleural biopsy,
- Pleurodesis, Transthoracic needle biopsy (needle biopsy of lung).

**Valleywise Health
Internal Medicine - Pulmonary Medicine**

«longname_of_providers»

Non-Core Special Privileges

<input type="checkbox"/> Requested	ENDOBRONCHIAL/INTRA-THORACIC ULTRASOUND (EBUS-TBNA)
<p>Initial Appointment Criteria:</p> <ul style="list-style-type: none"> ▪ Documentation of successful completion of an accredited residency/fellowship that included experience in the performance and interpretation of endobronchial ultrasound; OR ▪ If more than two (2) years out of training, documentation of completion of CME in a recognized training course in Endobronchial Ultrasound to include didactic and hands on training. Must supply a certificate of course completion and the number of procedures performed, or certification of course completion and direct supervision of the first two (2) by a member of the medical staff with unsupervised EBUS-TBNA privileges. <p>Focus Professional Practice Evaluation: Retrospective review of at least two (2) Endobronchial Ultrasound cases.</p> <p>Reappointment Criteria: Demonstrated current competence and evidence of the satisfactory performance of at least two (2) Endobronchial Ultrasound cases in the past twenty-four (24) months based on results of ongoing professional practice evaluation.</p>	

<input type="checkbox"/> Requested	PROCEDURAL SEDATION
<p>Initial Appointment Criteria:</p> <ul style="list-style-type: none"> • Successful completion of an Accreditation Council for Graduate Medical Education (ACGME) residency or fellowship training program that included training in procedural sedation and patient airway rescue or completion of formal training in procedural sedation and patient airway rescue within the past twenty-four (24) months; OR • If more than twenty-four (24) months out of residency or fellowship training, applicant must demonstrate satisfactory performance of 10 procedural sedation cases within the past twenty-four (24) months; AND • Current Advanced Cardiac Life Support (ACLS), Pediatric Advanced Life Support (PALS), (as appropriate to the age of the patient) or a comparable advanced life support curriculum; AND successful completion of "Hands On" Basic Airway Management Training course within the past two (2) years; OR Board Certified/Qualified in emergency medicine, pediatric emergency medicine, neonatology, or critical care; AND • Must successfully complete a knowledge-based test to demonstrate competency in procedural sedation prior to the granting of the privilege. <p>Focus Professional Practice Evaluation: Retrospective review of at least 2 procedural sedation cases.</p> <p>Reappointment Criteria:</p> <ul style="list-style-type: none"> • Performance of ten (10) procedural sedation cases during the past 24 months; OR Documentation of completion of a "Hands On" Basic Airway Management Training course within the past two (2) years; AND • Current Advanced Cardiac Life Support (ACLS), Pediatric Advanced Life Support (PALS), or Neonatology Resuscitation Program (NRP) (as appropriate to the age of the patient), or a comparable advanced life support curriculum, or Board Certified/Qualified in emergency medicine, pediatric emergency medicine, neonatology, or critical care. (The advanced life support course must be approved/designated by an American Heart Association training center/program or other training with verified comparable "hands on" basic airway training as part of recertification) OR practitioner must demonstrate successful completion of "Hands On" Basic Airway Training course within the past two (2) years.) 	

CHECK HERE TO REQUEST INTERNAL MEDICINE PRIVILEGES FORM

Requested

Acknowledgement of Applicant

I have requested only those privileges for which by education, training, current experience, and demonstrated performance I am qualified to perform and for which I wish to exercise at Valleywise Health, and I understand that:

- a. In exercising any clinical privileges granted, I am constrained by Hospital and Medical Staff policies and rules applicable generally and any applicable to the particular situation.
- b. Any restriction on the clinical privileges granted to me is waived in an emergency situation and in such situation my actions are governed by the applicable section of the Medical Staff Bylaws or related documents.

Signed _____ Date _____
Applicant - «longname_of_providers»



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 1.e.i.

**Care Reimagined Capital
CER #19-947T**



**Maricopa County
Special Health Care District**

2601 E. Roosevelt
Phoenix, AZ 85008
Phone: (602) 344-8551

DATE: October 26, 2022

TO: Valleywise Health Board of Directors

cc: Steve Purves, President and Chief Executive Officer
Claire Agnew, EVP & Chief Financial Officer
Melanie Talbot, Chief Governance Officer

FROM: Justin Storts

SUBJECT: Capital Expenditure (CER) 19-947T, Equipment relocation, placement services– Acute Care Hospital; Support Service Building

This item, CER 19-947T Prop 480 expenditure, is for Sirva equipment relocation, placement services for both new items and existing within the ACH as well as SSB. The purchase order is needed to provide these services within the new buildings. This request requires PO issuance to move forward with relocation, placement efforts of new equipment and existing equipment for the new hospital and SSB activation. The IPMO team has ensured that the appropriate workgroups have reviewed this detailed requirement, to ensure the efforts are aligned to the requirements. The below list of items has been compiled, priced, and reviewed by the IPMO project team.

Equipment relocation, placement for the ACH activation sequence.

Equipment relocation, placement for the SSB activation sequence.

The total cost for this CER 19-947T: \$417,868.04

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Monday, October 31, 2022 10:25 AM
To: Melanie Talbot
Subject: CER Approval Request: ACH & SSB Move & New/Existing Equipment Placement

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

Do not click links or open attachments unless you recognize the sender and know the content is safe.






Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject CER Approval Request: ACH & SSB Move & New/Existing Equipment Placement
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button.
Add comments as necessary.

Approve/Reject Contract



[Click here](#) to approve or reject the Contract.

Attachments

Name	DescriptionType	Current File / URL
CER 19-947T_Sirva equipment relocation placement memo.doc	File	 CER 19-947T_Sirva equipment relocation placement memo.doc
CER 19-947T_ACH & SSB Move & New or Existing Equipment Placement.xlsm	File	 CER 19-947T_ACH & SSB Move & New or Existing Equipment Placement.xlsm
SIRVA - Phase 5 SSB Relocation of Existing EQ - Updated 9.28.22 RECORD # 00486345.pdf	File	 SIRVA - Phase 5 SSB Relocation of Existing EQ - Updated 9.28.22 RECORD 00486345.pdf
SIRVA - Phase 2 ACH Relocation of Existing EQ. - Updated 9.28.22 RECORD # 00486344.pdf	File	 SIRVA - Phase 2 ACH Relocation of Existing EQ. - Updated 9.28.22 RECORD 00486344.pdf
SIRVA - Phase 3 ACH New EQ Placement - Updated 9.28.22 RECORD # 00486344.pdf	File	 SIRVA - Phase 3 ACH New EQ Placement - Updated 9.28.22 RECORD 00486344.pdf

SIRVA - Phase 6 SSB New EQ
Placement - Updated 9.28.22 RECORD
00486345.pdf

ACH & SSB Move & New/Existing
Equipment Placement

File  SIRVA - Phase 6 SSB New EQ
Placement - Updated 9.28.22 RECORD
00486345.pdf
Contract  CER 19-947T_ACH & SSB Move &
New or Existing Equipment
Placement.xlsx

Contract Information

Division Capital Division
Folder Capital Equipment Requests (CERs)
Status Pending Approval
Title ACH & SSB Move & New/Existing Equipment Placement

Contract Identifier Budgeted

Contract Number 19-947T

Primary Responsible Party Charles, Derrick J.

Departments Integrated Program Management Office

Product/Service
Description

Request Details This item, CER 19-947T Prop 480 expenditure, is for Sirva equipment relocation, placement services for both new items and existing within the ACH as well as SSB. The purchase order is needed to provide these services within the new buildings. This request requires PO issuance to move forward with relocation, placement efforts of new equipment and existing equipment for the new hospital and SSB activation. The IPMO team has ensured that the appropriate workgroups have reviewed this detailed requirement, to ensure the efforts are aligned to the requirements. The below list of items has been compiled, priced, and reviewed by the IPMO project team.

Equipment relocation, placement for the ACH activation sequence.

Equipment relocation, placement for the SSB activation sequence.

The total cost for this CER 19-947T: \$417,868.

Notes

Funding Source Bond

Evaluation Process

Category

Annual Value \$417,868.04

Budgeted Travel Type Yes

Primary Vendor

Responses

Member Name	Status	Comments
Nelson, Mark E.	Approved	
Schiavone, Stephen L.	Approved	
Melton, Christopher C.	Approved	
Pardo, Sean P.	Approved	

Madhavan, Lalitha	Approved
Williams, Gail A.	Approved
Meier, Matthew P.	Approved
Christiansen, Lia K.	Approved
Davis, Jori A.	Approved
Detzel, Jo-El M.	Approved
Stotler, Sherry A.	Approved
White, Michael	Approved
Landas, Lito S.	Approved
Agnew, Claire F.	Approved
Purves, Steve A.	Approved
Talbot, Melanie L.	Current



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 1.e.ii.

Care Reimagined Capital
480-90-18-012

Melanie Talbot

From: Compliance 360 <msgsystem@usmail.compliance360.com>
Sent: Tuesday, November 8, 2022 3:05 PM
To: Melanie Talbot
Subject: Contract Approval Request: Amendment #56 ACH PCCO 007, PCCO 008 & PCCO 009 Kitchell Contractors Inc of Arizona

CAUTION: External Email. This Email originated outside of Valleywise Health. THINK BEFORE YOU CLICK. It could be a phishing email.

Do not click links or open attachments unless you recognize the sender and know the content is safe.


Message Information

From [Purves, Steve](#)
To [Talbot, Melanie](#);
Subject Contract Approval Request: Amendment #56 ACH PCCO 007, PCCO 008 & PCCO 009 Kitchell Contractors Inc of Arizona
Additional Information Indicate whether you approve or reject by clicking the Approve or Reject button below.

Approve/Reject Contract

[Click here](#) to approve or reject the Contract.

Attachments

Name	Description	Type	Current File / URL
Amendment 56 (ACH PCCO 007 PCCO 008 PCCO 009 (1)).pdf	Amendment 56 (ACH PCCO 007 PCCO 008 PCCO 009 (1)).pdf	File	 Amendment 56 (ACH PCCO 007 PCCO 008 PCCO 009 (1)).pdf

Contract Information

Division Prop 480
Folder Amendments
Status Pending Approval
Title Amendment #56 ACH PCCO 007, PCCO 008 & PCCO 009
Contract Identifier Board - Amendment
Contract Number 480-90-18-012-56
Primary Responsible Party Benavidez, Donna
Departments Integrated Program Management Office
Product/Service Description Amendment #56 Acute Care Hospital/Tower PCCO 007, PCCO 008 & PCCO 009
Action/Background Approve Amendment #56 between Kitchell Constructions and Maricopa County Special Health Care District dba Valleywise Health for GMP Series 4

under contract number 480-90-18-012 for \$397,468.00. This Amendment, which incorporates PCCO 007, PCCO 008, PCCO 009, is for the Acute Care Hospital.

This Amendment #56 includes adding funds for the west lot fence design change, a Medical Air compressor to serve the hyperbaric chamber, add provisions for pumping out the grease interceptors in the basement, and add non-medical air piping at the CSPD area.

Project: A1440
Acute Care Hospital
GMP Series 4 (Amendment #56): \$273,149
WIP 10-901000-168220
CER 19-947
Cat Construction

Project: A12750
Site Utilization/Final Hardscape/Landscape Phase-5
GMP Series 4 (Amendment #56): \$124,319.00
WIP 10-901000-168230
CER 19-937
Cat Construction

This amendment is effective upon signatures.

This Amendment #56 is sponsored by Lia Christiansen, EVP & Chief Administrative Officer.

Evaluation Process

Category Other

Effective Date

Term End Date

Annual Value \$397,468.00

Expense/Revenue Expense

Budgeted Travel Type Yes

Procurement Number

Primary Vendor Kitchell Contractors Inc of Arizona

Responses

Member Name	Status	Comments
Melton, Christopher C.	Approved	
Nelson, Mark E.	Approved	
Detzel, Jo-El M.	Approved	
Demos, Martin C.	Approved	
Christiansen, Lia K.	Approved	
Purves, Steve A.	Approved	
Talbot, Melanie L.	Current	
Meier, Matthew P.	Approved	



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 1.f.i.

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Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 2.

Quarterly Quality Report



Date: 11/22/2022

To: Mary Rose Wilcox, Chairman, District 5
J. Woodfin Thomas, Vice Chairman, District 4
Mary A Harden, RN, District 1
Mark Dewane, District 2
Susan Gerard, Director, District 3

From: Sherry Stotler, CNO
Crystal Garcia, VP of Specialty Services, Quality and Safety

cc: Steve Purves, President & CEO
Dr. Michael White, Executive Vice President & Chief Clinical Officer

Subject: Quality and Infection Control Indicators FY22 Quarter 4

Hand Hygiene –

- Hand hygiene compliance is below benchmark. Currently 92% compliance during FY23 Q1. FY22 YTD (Year to Date) was 97%.

CLABSI – FY23 Q1 Standardized Infection Ratio (SIR) was better than benchmark at 0.219. FY23 benchmark is set at <0.589, and Valleywise Health FY22 YTD ended at 0.434.

- 1 case of CLABSI during FY23 Q1: 1 case in IDU. Case investigation was performed.

CAUTI – FY23 Q1 SIR was better than benchmark at 0.179. FY23 benchmark is set at <0.650, and Valleywise Health FY22 YTD ended at 0.364.

- 1 case of CAUTI during FY23 Q1: 1 case in Burn Center. Case investigation was performed.

MRSA – FY23 Q1 has no cases to report. FY23 SIR benchmark is set at <0.726, and Valleywise Health FY22 YTD ended at 2.895.

C. diff – FY23 Q1 SIR was above benchmark at 0.632. FY23 benchmark is set at <0.520, and Valleywise Health FY22 YTD ended at 0.475.

- 7 cases of healthcare-onset C. difficile infection occurred during FY23 Q1: 1- Burn Adult, 1-Medicine/Oncology, 3-StepDown (APCU), 1-MICU South, 1-SICU. Case investigations were performed and determined education required on ordering of test.

Severe Sepsis and Septic Shock – FY23 Q1 was better than benchmark at 84%, FY 23 benchmark is set at >59%, and Valleywise Health FY22 YTD ended at 76%.

Service Excellence: Continues to focus on improving the Patient Experience.

- ACCEPT has been implemented throughout organization with weekly audits to ensure hardwired within the organization.
- Development of actions during the Strategic Plan workgroups.
- Deeper Analysis of Increase Census vs. HCAHPS scores.
- Working with NRC Vendor for best practices to help improve undeliverable surveys.
- More in-depth analysis of Unit Specific Employee Engagement scores vs HCAHPS scores.
- Service Ambassadors still active within organization to help promote service excellence within the departments.
- Developed separate meetings for service lines:
 - Clinical and Emergency Department
 - Ambulatory/Outpatient Settings
- Based upon Best Practice from NRC have finalized the Ambulatory/Outpatient settings Real Time Pod Questions and implemented July 1, 2022.

Patient Safety Update

Patient Safety Improvements

- Culture of Safety – continues to be monitored for action plan follow up.
- Medication Events –
 - Bar Code Medication Administration FY23 Q1 ended at 94% with a FY23 benchmark set at >95%, and Valleywise Health FY22 YTD ended at 95%.
 - CPOE: Computerized Physician Order Entry Percent FY23 Q1 ended at 98% with a FY23 benchmark set at >85% and Valleywise Health FY22 YTD ended at 97%.
 - Current medication safety improvements are focusing on
 - ECRI best practices and guidance to help improve processes around medication safety.
 - Monitoring of critically timed medications.
- Patient Safety Indicators (PSI) not meeting benchmark for FY23 Q1 is PSI 3 Pressure Ulcer rate (stage 3, 4 & unstageable). PSI 3 had 2 cases. Wound Care Nurses have done the following actions to help improve this measure:
 - Added a Best Practice Alert in EPIC to alert for a pressure injury evaluation
 - Reviewing the foam products used for wound management/prevention use
 - Coordinated Vendor in-services on skin care products for nursing staff
- Prolonged restraints monitoring-
 - Monitored monthly and continues to meet the benchmark set for the organization.
- Falls –A drill down analysis is conducted on falls with injuries that occurs within the facilities with process improvement initiatives implemented as needed.

Nurse Staffing – Patient Safety Indicators

- There has been no correlation between nurse staffing and the nurse sensitive indicators.



November 22, 2022

Quarterly Quality/Patient Safety/Patient Experience Dashboard

Crystal Garcia, MBA/HCM, RN
VP of Specialty Services, Quality and Safety

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Quality Metrics

Quality Dashboard				Reporting Program	Benchmark	FY22 Year to Date	Desired Direction	Jul 2022	Aug 2022	Sep 2022	Qtr 1 (FY 2023)	Qtr 2 (FY 2023)	Qtr 3 (FY 2023)	Qtr 4 (FY 2023)	FY23 Year to Date
Nursing Workforce															
Overall worked ICU and general patient unit hours per patient day equivalents (excl. L&D, and post-partum)**	LF	13.92	10.64	NA	9.25	9.89	10.51	9.86							9.86
Overall worked ED hours per patient visit (incl. adult, pediatric and burn)**	LF	3.05	2.29	NA	1.74	1.42	1.70	1.61							1.61
Pre-op/PACU worked hours per total cases**	LF	5.65	4.46	NA	3.64	3.26	3.31	3.40							3.40
Process of Care Measures; *included in Leapfrog															
SEP-1: Severe Sepsis and Septic Shock: Management Bundle (Composite Measure)	CMS-HIQR	> 59%	76%	↑	100%	71%	80%	84%							84%
Emergency Department (ED-2) median time (minutes) from Admit Decision Time to ED Departure Time for Admitted Patients	CMS-HIQR	< 110	146	↓	125	92	83	88							88
Mortality - Rolling Twelve Months (monthly)															
Hospital-Wide Inpatient, risk-adjusted Mortality Index		≤ 0.88	0.11	↓	0.06	0.07	0.07	0.07							0.07

Data Not Available	~
unable to calculate (expected number is less than 1)	*
nurse staffing indicators to be correlated with nursing-sensitive adverse patient safety events;	**
Baseline data corrected 10-18-19, which altered benchmark	#
Equal or greater than benchmark	⊕
Less than 10% negative variance	⊖
Greater than 10% negative variance	⊗
Quarterly data is not applicable	⊘

Quality Metrics

Quality Dashboard		Reporting Program	Benchmark	FY22 Year to Date	Desired Direction	Jul 2022	Aug 2022	Sep 2022	Qtr 1 (FY 2023)	Qtr 2 (FY 2023)	Qtr 3 (FY 2023)	Qtr 4 (FY 2023)	FY23 Year to Date
CMS Readmission Project													
READM-HWR: Hospital-wide all cause unplanned 30-day readmissions rate (CDB1540)	CMS-HIQR	< 15.3	6.5	↓	5.9	5.0	6.4	5.7					5.7
Behavioral Health													
HBIPS-5A - Multiple antipsychotic medications at discharge with appropriate justification (Overall) Percent Compliance	CMS	> 64%	98%	↑	100%	100%	100%	100%					100%
Ambulatory													
Breast Cancer Screening	HRSA	> 46.29%	58.56%	↑	58.23%	58.54%	58.86%	Φ					59.23%

Data Not Available	~
unable to calculate (expected number is less than 1)	.
nurse staffing indicators to be correlated with nursing-sensitive adverse patient safety events;	..
Baseline data corrected 10-18-19, which altered benchmark	#
Equal or greater than benchmark	⬆
Less than 10% negative variance	⬇
Greater than 10% negative variance	⬇
Quarterly data is not applicable	Φ

Quality Metrics

Inpatient Care & Safety		Reporting Program	Benchmark	FY22 Year to Date	Desired Direction	Jul 2022	Aug 2022	Sep 2022	Qtr 1 (FY 2023)	Qtr 2 (FY 2023)	Qtr 3 (FY 2023)	Qtr 4 (FY 2023)	FY23 Year to Date
PSI													
PSI-03: Pressure ulcer rate (stage 3, 4 & unstageable)	CMS	≤ 0.62	0.51	↓	0.00	1.85	1.98	✖ 1.30					✖ 1.30
Numerator					0	1	1	2					2
Denominator					495	540	505	1540					1540
PSI-06: Iatrogenic pneumothorax rate	CMS	≤ 0.19	0.12	↓	0.00	1.31	0.00	✖ 0.46					✖ 0.46
Numerator					0	1	0	1					1
Denominator					691	762	720	2173					2173
PSI-08: In-hospital fall rate with hip fracture	CMS	≤ 0.07	0.00	↓	0.00	0.00	0.00	✔ 0.00					✔ 0.00

Data Not Available	~
unable to calculate (expected number is less than 1)	*
nurse staffing indicators to be correlated with nursing-sensitive adverse patient safety events; Baseline data corrected 10-18-19, which altered benchmark	**
Equal or greater than benchmark	✔
Less than 10% negative variance	⊕
Greater than 10% negative variance	✖
Quarterly data is not applicable	⊖

Measure Analysis and Actions

Analysis: PSI-3 Pressure Ulcers III & IV

- Wound Care Nurses have done the following actions:
 - Added a Best Practice Alert in EPIC to alert for a pressure injury evaluation to be completed
 - Reviewed the foam products used for wound management/prevention use
 - Vendor completed in-service on skin care products for nursing staff
- Wound Care Nurses have been asked to participate in Strategic Plan workgroup.

Quality Metrics

Operative & Procedural Services	Reporting Program	Benchmark	FY22 Year to Date	Desired Direction	Jul 2022	Aug 2022	Sep 2022	Qtr 1 (FY 2023)	Qtr 2 (FY 2023)	Qtr 3 (FY 2023)	Qtr 4 (FY 2023)	FY23 Year to Date
PSI-04: Death Among Surgical Patients with serious treatable complications, per 1,000 Admissions	CMS	≤ 143.08 (overall)	✔ 108.70	↓	181.82	71.43	200.00	✔ 142.86				✔ 142.86
PSI-09: Perioperative hemorrhage or hematoma rate, per 1,000 Admissions	CMS	≤ 2.39	✔ 0.00	↓	0.00	0.00	0.00	✔ 0.00				✔ 0.00
PSI-10: Postoperative acute kidney injury requiring dialysis rate, per 1,000 Admissions	CMS	≤ 0.92	✔ 0.00	↓	0.00	0.00	0.00	✔ 0.00				✔ 0.00
PSI-11: Postoperative respiratory failure rate, per 1,000 Admissions	CMS	≤ 6.47	✔ 0.00	↓	0.00	0.00	0.00	✔ 0.00				✔ 0.00

Data Not Available	~
unable to calculate (expected number is less than 1)	*
nurse staffing indicators to be correlated with nursing-sensitive adverse patient safety events;	**
Baseline data corrected 10-18-19, which altered benchmark	#
Equal or greater than benchmark	⬆
Less than 10% negative variance	⬇
Greater than 10% negative variance	⬇
Quarterly data is not applicable	⊖

Quality Metrics

Operative & Procedural Services	Reporting Program	Benchmark	FY22 Year to Date	Desired Direction	Jul 2022	Aug 2022	Sep 2022	Qtr 1 (FY 2023)	Qtr 2 (FY 2023)	Qtr 3 (FY 2023)	Qtr 4 (FY 2023)	FY23 Year to Date
	PSI											
PSI-12: Postoperative PE or DVT rate per 1,000 Admissions	CMS	≤3.41	✘ 5.23	↓	0.00	4.41	5.81	✔ 3.41				✔ 3.41
Numerator					0	1	1	2				2
Denominator					188	227	172	587				587
PSI-13: Postoperative sepsis rate, per 1,000 Admissions	CMS	≤ 4.09	✘ 8.62	↓	0.00	0.00	0.00	✔ 0.00				✔ 0.00
PSI-14: Postoperative wound dehiscence rate, per 1,000 Admissions	CMS	≤ 0.80 (overall)	✘ 2.53	↓	12.35	0.00	0.00	✘ 4.12				✘ 4.12
Numerator					1	0	0	1				1
Denominator					81	80	82	243				243
PSI-15: Unrecognized abdominopelvic accidental puncture or laceration rate per 1,000 Admissions	CMS	≤ 1.04	✔ 0.59	↓	0.00	0.00	0.00	✔ 0.00				✔ 0.00

Data Not Available	~
unable to calculate (expected number is less than 1)	*
nurse staffing indicators to be correlated with nursing-sensitive adverse patient safety events;	**
Baseline data corrected 10-18-19, which altered benchmark	#
Equal or greater than benchmark	✔
Less than 10% negative variance	!
Greater than 10% negative variance	✘
Quarterly data is not applicable	⊖

Service Excellence: HCAHPS

HCAHPS Stoplight Report



Overall	Benchmarks	HCAHPS		
	FY 2024 CMS Achievement Threshold*	Qtr 4 FY2022	Qtr 3 FY2022	Qtr 1 FY2023‡
Using any number from 0 to 10, where 0 is the worst hospital possible and 10 is the best hospital possible, what number would you use to rate this hospital during your stay?	71.7% (n=300)	69.4% PR=34 (n=147)	68.6% PR=30 (n=137)	70.1% PR=38 (n=144)
Would Recommend Hospital	--	71.9% PR=47 (n=146)	62.8% PR=16 (n=137)	70.6% PR=42 (n=143)

■ Blue - score is significantly greater than the NRC Average
 ■ Green - score is equal to or greater than the NRC Average, but may not be significantly

■ Yellow - score is less than the NRC Average, but may not be significantly
 ■ Red - score is significantly less than the NRC Average

μ - Warning: n-size is low! ‡ - Data is not final and subject to change. * - Benchmark that is used to determine the color on each line. PR=Percentile Rank

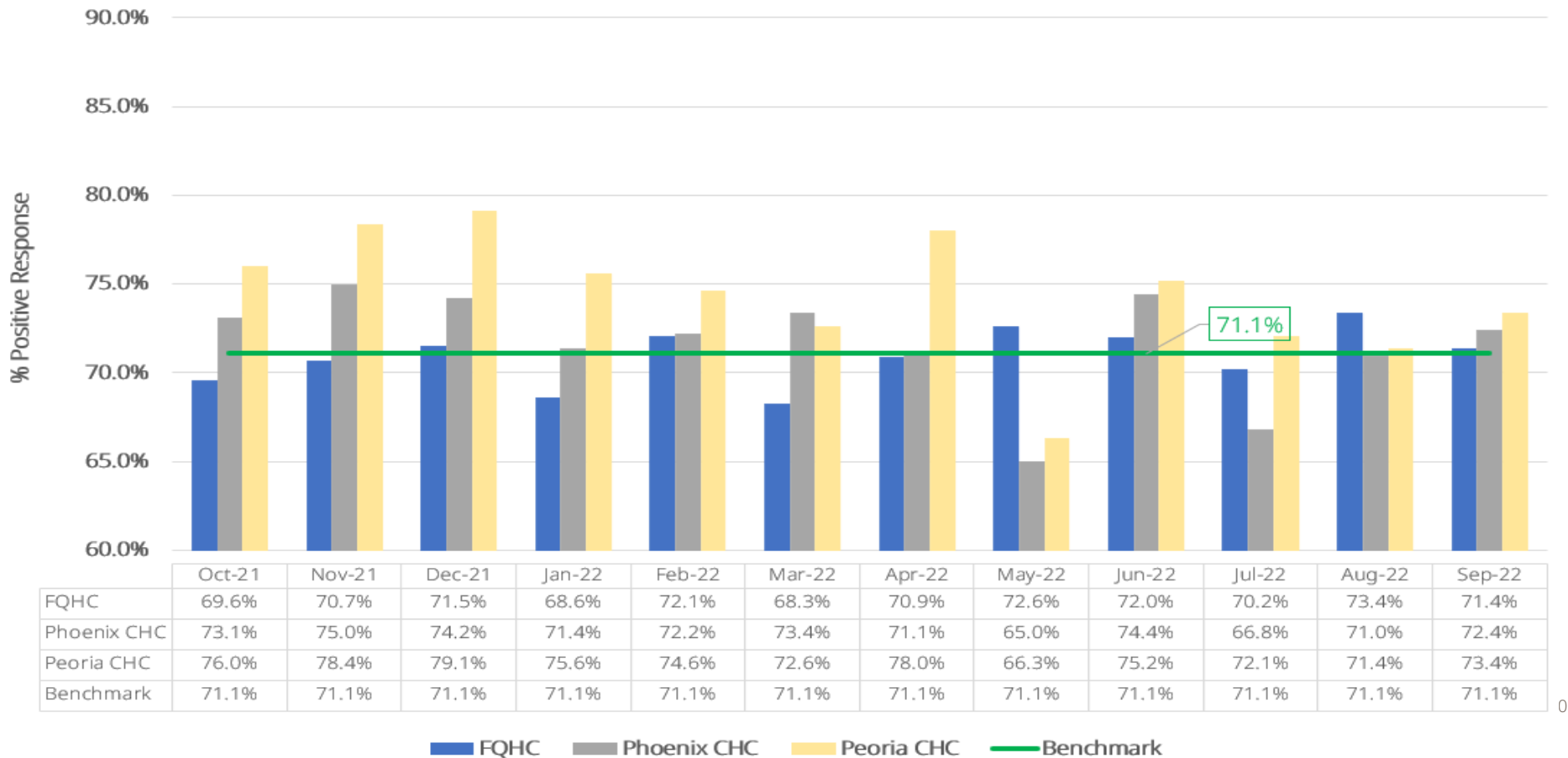
Service Excellence: HCAHPS

Open Action Items / Barriers Action

- ACCEPT has been implemented throughout organization with weekly audits to ensure hardwired within the organization.
- Development of actions during the Strategic Plan workgroups.
- Deeper Analysis of Increase Census vs. HCAHPS scores.
- Working with NRC Vendor for best practices to help improve undeliverable surveys.
- More in-depth analysis of Unit Specific Employee Engagement scores vs HCAHPS scores.
- Continue with Service Excellence Monthly meetings with following groups:
 - Inpatient/ED
 - Ambulatory

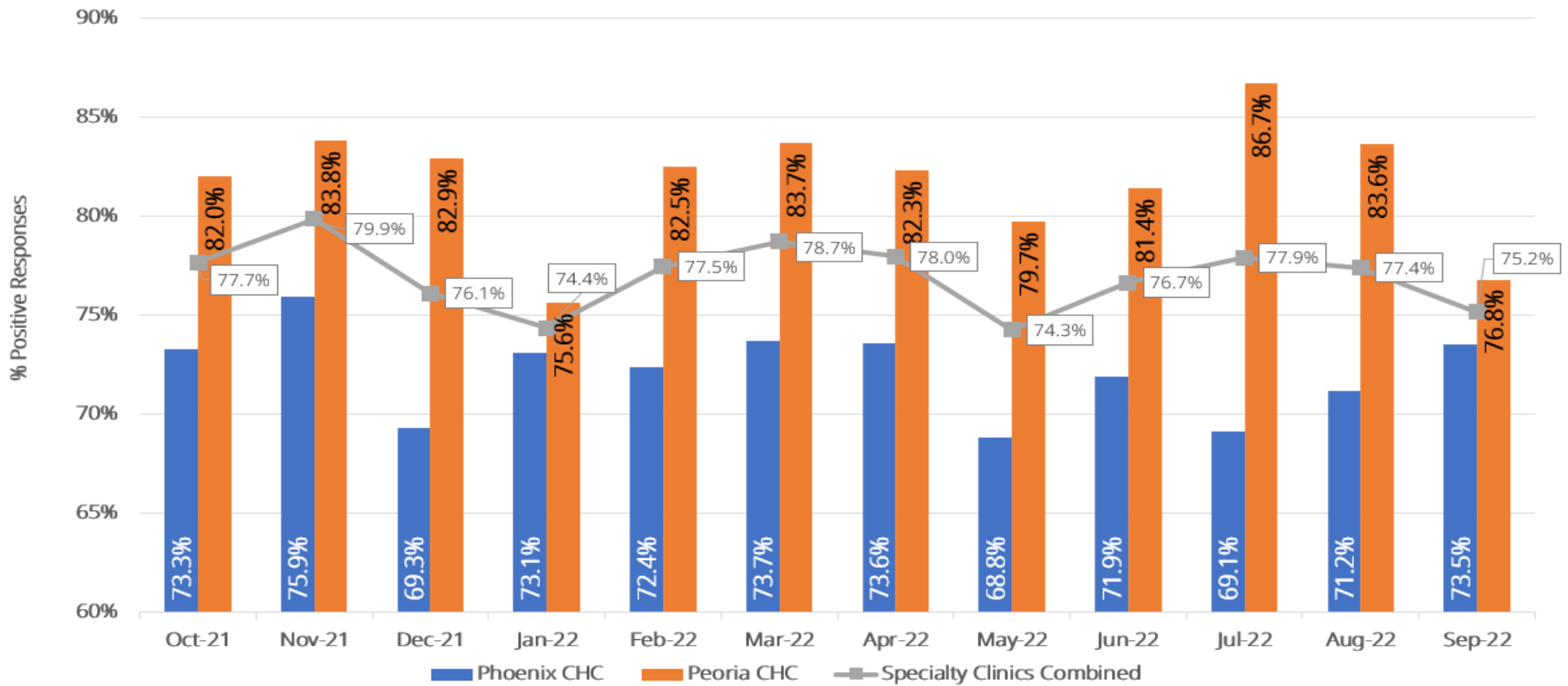
Overview of Phoenix CHC, Peoria CHC, and FQHC

NPS: Facility Would Recommend
 Rolling 12 Months
 October 2021 - September 2022



Overview of Specialty Clinics

Specialty Clinics - NPS: Facility Would Recommend
Rolling Year - October 2021 to September 2022



Phoenix CHC - FQHC

10 - Hello, good afternoon. Yes, they treat us excellent at the clinic. Thank you very much for everything, very grateful to the nurses and thank you.

8 - Everybody there was very helpful, I was lost, they showed me had to get there, the lady at check in offered me some water. Filled out my information nicely, a few minutes later I got called to the back of the room. Everybody there was very very helpful, the sonogram test that I worked with was extremely nice. It's my first child so everybody talked to me through everything that I needed to know, answered all of my questions, I really liked it and I would recommend*

Peoria CHC - FQHC

10 - ...a fantastic doctor. She listens to every concerns I have and she take the time to actually get to know her patients. And she is extremely knowledgeable. And I love going there to see her.

10 - Wow, she got me right away. I was glad she was really kind. The nurses were really good too. So I give you guys a hundred percent, I like her. Thank you very much.

8 - The doctor did a good job of getting me what I needed, but I called the office on a Thursday and then had to call again Friday. And the pretty urgent message has not been delivered. I called again on Friday and they still hadn't delivered it. But then they said I needed an appointment. So they didn't tell me that when I call the day before and it took until Wednesday. And I have a I needed a referral for oncology that was required requested by another doctor, and so we wasted entire week before we even got a referral started. So that was really frustrating. That seems like the office's problem was in the doctor's but then, you know, she wasn't she had no idea why I was calling even though we've had, I've had 3 conversations are ready with the office. So it was really*

0 - it's very clear that the physicians have been instructed to not take any in-person appointments or set them out two months ahead of time. So, I mean, there's no way that you can even help somebody that is in urgent need of care. Which is a disgrace.

MCDOWELL

10- Great bedside manners and just wonderful, as far as being thorough and inquisitive about any precautions we could take, and just really, really smart. Great doctor.

10 - Yes, I really appreciate how fast and quick that they got me in the office and took care of me, and they called me back right away to make sure that I knew my test results, and it was just a big great experience and I'm very happy to have them around.

7 - Yesterday, I came in to get my normal lab work and S.T.I. test and everything. And I wanted to get a throat swap, which I thought would have been part of the normal routine tests. And I had to schedule another appointment for the next day, which I wasn't able to make because of work, but maybe just some continuity, and making all the tests available at once.

MESA

10 - There was not enough registration staff. The line was backed up to the automatic doors

5 - The provider kept me waiting for over an hour and it's not acceptable

10 - The two things that we noticed were how dirty the carpet was when you walked in through the front doors ... That really needed to be vacuumed or swept. ...The other thing was that we waited a long time to register. There were two gals registering people when was very busy with one woman. And the other one was doing something once her customer left. ...My mom cannot stand that long. Once the gal was done with her extra work, she called us to register us and apologized for the amount of time it took . We appreciate that however maybe have chairs in the waiting area, or grab a number like you do at the lab and wait for your number to be called while sitting down.

NORTH PHOENIX

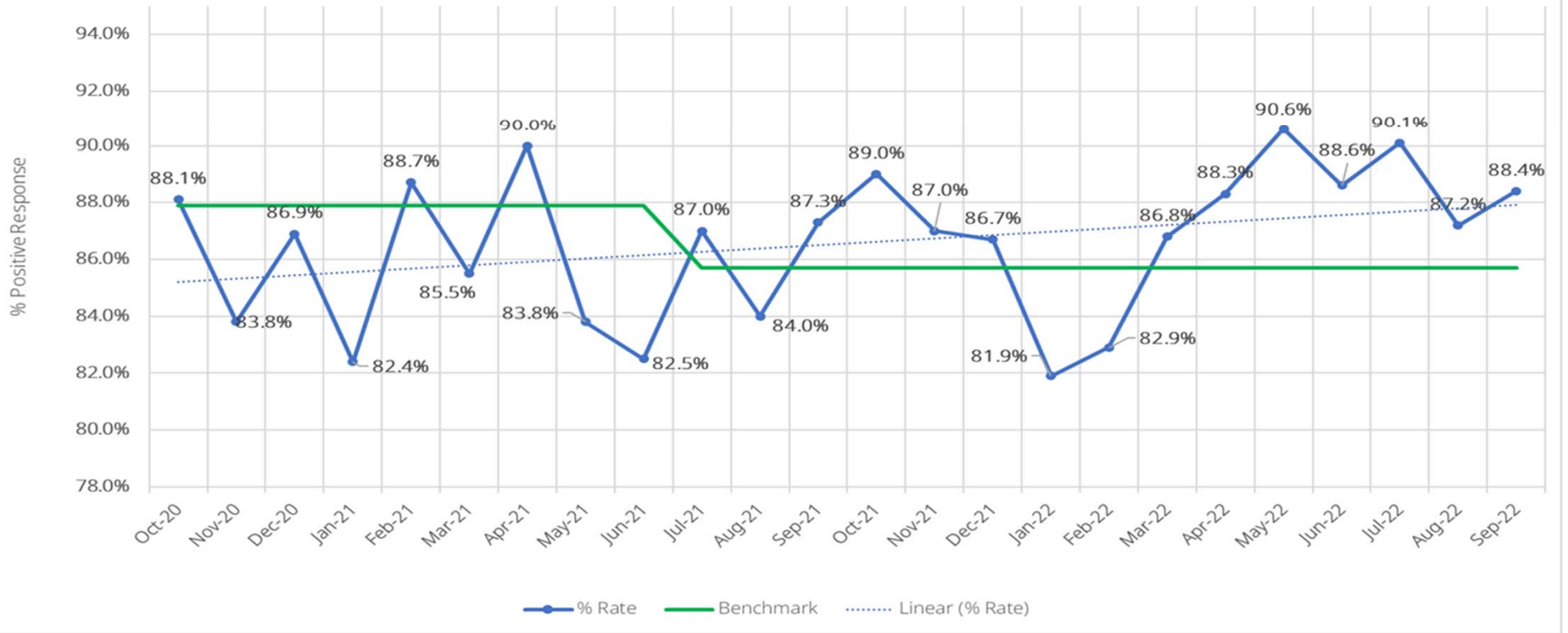
10 - it was good for me to go out, because I liked the visit yesterday because of the care, education, I like the place, good people with a good atmosphere, I like that they have enough priority to give attention to people who need any information they gave me.

10 - I found the building to be excellent, first of all very clean, the attention of the doctors, from the pharmacy is excellent, and I could recommend it to anyone to attend the clinic.

1 - My appointment was never confirmed by the staff even though I checked in. The doctor was 40 minutes late and I had to call customer service and they couldn't even get in touch with the staff at the actual location. I don't know who didn't do their job but this experience was completely unacceptable.

Inpatient Behavioral Health

Inpatient Behavioral Health
Overall Rating of Care Given at This Hospital
October 2020 - September 2022







Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 3.

Quarterly Infection Control
Quality Report



November 22, 2022

Quarterly Infection Control Dashboard

Crystal Garcia, MBA/HCM, RN
VP of Specialty Services, Quality and Safety

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Infection Control

Infection Prevention & Control		Reporting Program	Bench mark	FY22 Year to Date	Desired Direction	Jul 2022	Aug 2022	Sep 2022	Qtr 1 (FY 2023)	Qtr 2 (FY 2023)	Qtr 3 (FY 2023)	Qtr 4 (FY 2023)	FY23 Year to Date
Quality /Regulatory Metrics													
Hand Hygiene Compliance (Percent)	LeapFrog / DNV	≥ 97%	97%	↑	90%	91%	95%	🟡 92%					🟡 92%
Central Line Associated Blood Stream Infection (CLABSI) Standardize Infection Ratio (SIR)	CMS-VBP	≤ 0.589	0.434	↕	0.000	0.602	0.000	🟢 0.219					🟢 0.219
CLABSI Observed Number					0	1	0	1					1
CLABSI Expected Number					1.304	1.660	1.608	4.572					6.067
Catheter Associated Urinary Tract Infections (CAUTI) (SIR)	CMS-VBP	≤ 0.650	0.364	↓	0.000	0.494	0.000	🟢 0.179					🟢 0.179
CAUTI Observed Number					0	1	0	1					1
CAUTI Expected Number					1.774	2.026	1.800	5.600					7.375

Data Not Available	~
Equal or greater than benchmark	🟢
Less than 10% negative variance	🟡
Greater than 10% negative variance	🔴

* Unable to calculate; expected number of infection is less than 1.000

Infection Control

Infection Prevention & Control

Quality /Regulatory Metrics	Reporting Program	Bench mark	FY22 Year to Date	Desired Direction	Jul 2022	Aug 2022	Sep 2022	Qtr 1 (FY 2023)	Qtr 2 (FY 2023)	Qtr 3 (FY 2023)	Qtr 4 (FY 2023)	FY23 Year to Date
MRSA Bacteremia (SIR); HO-MRSA BSI Events	CMS-VBP	≤ 0.726	2.895	↓	Reported Semi-annually				Reported Semi-	0.000		
MRSA Bacteremia Observed Number					0	0	0	0				0
MRSA Bacteremia Expected Number					*	*	*	0.811				1.079
Clostridium difficile (C. diff) SIR; Facility Wide-IN	CMS-VBP	≤ 0.520	0.475	↓	Reported Quarterly			0.632				*
C. difficile Observed Number					4	2	1	7				10
C. difficile Expected Number					*	*	*	11				*
Surgical Site Infections (SSI) - Colon Surgery (SIR)	CMS-VBP	≤ 0.717	0.846	↓	Reported Semi-annually				Reported Semi-	0.000		
SSI Colon Observed Number					0	0	0	0				0
SSI Colon Expected Number					0	0	0	0				1.419
Surgical Site Infections (SSI) - Abdominal Hysterectomy (SIR)	CMS-VBP	≤ 0.738	*	↓	Reported Semi-annually				Reported Semi-	0.000		

Data Not Available	~
Equal or greater than benchmark	✓
Less than 10% negative variance	!
Greater than 10% negative variance	✗

* Unable to calculate; expected number of infection is less than 1.000

Measure Analysis and Actions

Action Items:

Hand Hygiene:

- Areas with largest opportunity for improvement are Surgical/Trauma (Sep 70.1%), Step-Down (Sep 78.1%), and VHMC ED (Sep 81.1%).

Strategic Plan workgroup will work with unit leadership to develop an action plan.

Action Items:

- C. Diff:
 - 43% (3/7) of cases occurred in Step Down. Some non-compliance with PPE noted.
 - Infection Control will work with unit leadership to develop an action plan.

MRSA Bacteremia Action Follow-Up

Action implemented:

- MRSA screening and targeted decolonization for non-ICU adult units was inconsistently being completed.
- The ordering and specimen collection processes were streamlined for non-ICU admissions; Epic changes implemented on 8/10/22. BPA was developed to notify provider when MRSA decolonization was applicable.
- Dr. Kassis educated Residents regarding new process.

Results:

- MRSA screening and decolonization compliance has significantly improved on adult medical and Step-Down units, still have some opportunity for improvement with Surgical/Trauma (currently doing deeper dive into data).
- Overall MRSA screening >90%
- MRSA targeted decolonization for patients colonized with MRSA near 100%
- Zero cases of MRSA bacteremia occurred during FY23 Q1.





Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 4.

Behavioral Health Programs
and Services

Behavioral Health Updates November 2022

Presented by
Gene Cavallo
Senior VP
Behavioral Health Services

Martha Steiner
VP of Behavioral Health
Nursing and Clinical Care

Inpatient Behavioral Health

- We currently have 14 of 19 units open across our three Valleywise Behavioral Health Centers
 - This translates into 294 beds open out of 433 licensed beds
 - 67.9% of beds open
- Since we began using COVID rapid antigen testing for all new admissions several months ago, no longer needed to admit patients to private rooms while awaiting test results.
- This increased our available capacity significantly, which enabled increased admissions and higher census numbers than we have seen in more than a year.
- Valleywise Behavioral Health Center Mesa
 - 5 adult units open (113 beds)
 - 1 adolescent unit open (14 beds)
- Valleywise Behavioral Health Center Phoenix
 - 2 adult units open (47 beds)
 - 2 adult units closed (46 beds)
 - 22 beds open on Medical Center 3rd Floor (Unit 11)
- Valleywise Behavioral Health Center Maryvale
 - 5 adult units open (120 beds)
 - 3 adult units closed (72 beds)

COVID-19 Updates

- Mental Health Court Hearings
 - All proceedings are now conducted with all participants, including patients and witnesses, appearing in person.
 - The only exception applies to patients who are on quarantined units and/or have COVID-19.
- Visitation by family has been reinstated on a limited basis, and then restricted again in the Behavioral Health Units based upon changes in positivity rates in the community and/or number of units on quarantine.
- Patients at Mesa and Phoenix have begun to eat some meals in the off-unit patient dining rooms.
- Beginning in late September we experienced an uptick in COVID positive patients (from less than 5 to nearly 50) resulting in the need to quarantine units and isolate patients while they recover.
 - This decreased our census from 180 in late September to less than 140 in late October and early November.

Inpatient Behavioral Health: 3-year Comparison

	12 months ending October 2020	12 months ending October 2021	12 months ending October 2022
Admissions	5,114	5,181	3,743
Average Daily Census	293.37	293.68	256.75
Staffed Units	17	17	14

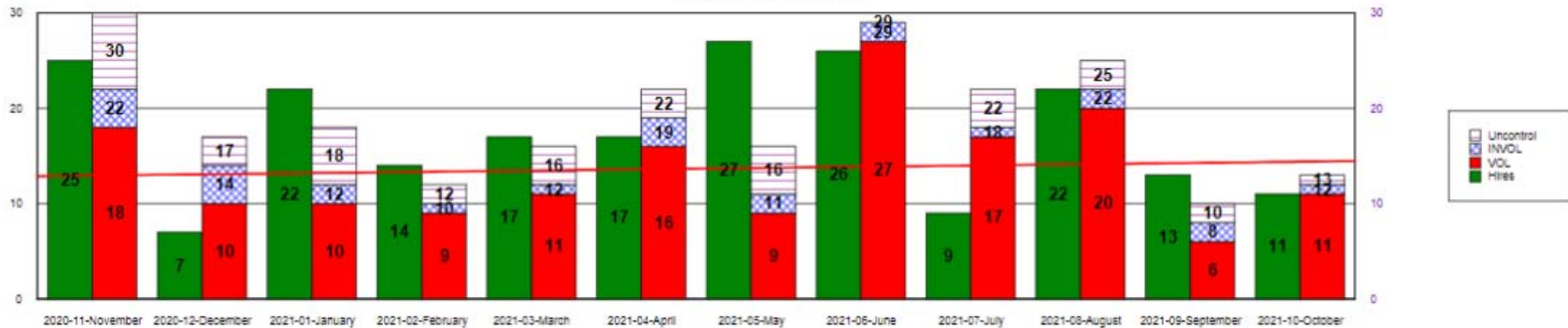


Behavioral Health Summary

October - 2021	Avg Emps	Avg Emps 1Yr	Hires	VOL	VOL 1 Yr	VOL 1st Yr %	INVOL	Uncontrol	Retire	VOL%	INVOL%	Uncon %	Total%
Administrative	2.42	0.58	0	0	0	0.00 %	0	0	0	0.00 %	0.00 %	0.00 %	0.00 %
Clinical (Non-Licensed)	35.00	13.58	8	7	5	3.07 %	0	1	0	1.67 %	0.00 %	0.24 %	1.90 %
Clinical Licensed	4.25	0.67	0	1	0	0.00 %	0	0	0	1.96 %	0.00 %	0.00 %	1.96 %
Management & Supervision	1.58	0.17	0	0	0	0.00 %	0	0	0	0.00 %	0.00 %	0.00 %	0.00 %
Professional	0.50	0.33	0	0	0	0.00 %	0	0	0	0.00 %	0.00 %	0.00 %	0.00 %
RN	16.83	5.67	3	3	1	1.47 %	1	0	0	1.49 %	0.50 %	0.00 %	1.98 %
Total	60.58	21.00	11	11	6	2.38 %	1	1	0	1.51 %	0.14 %	0.14 %	1.79 %

Total (Last 12 Months)	Avg Emps	Avg Emps 1Yr	Hires	VOL	VOL 1 Yr	VOL 1st Yr %	INVOL	Uncontrol	Retire	VOL%	INVOL%	Uncon %	Total%
Administrative	27.67	5.75	3	1	0	0.00 %	0	0	0	3.61 %	0.00 %	0.00 %	3.61 %
Clinical (Non-Licensed)	413.75	159.17	124	94	61	38.32 %	19	28	0	22.72 %	4.59 %	6.77 %	34.08 %
Clinical Licensed	51.33	10.00	5	8	3	30.00 %	0	1	0	15.58 %	0.00 %	1.95 %	17.53 %
Management & Supervision	18.08	2.00	0	2	0	0.00 %	0	0	0	11.06 %	0.00 %	0.00 %	11.06 %
Professional	4.67	2.67	6	1	0	0.00 %	0	0	0	21.43 %	0.00 %	0.00 %	21.43 %
RN	198.25	61.92	72	58	40	64.60 %	6	12	0	29.26 %	3.03 %	6.05 %	38.34 %
Total	713.75	241.50	210	164	104	43.06 %	25	41	0	22.98 %	3.50 %	5.74 %	32.22 %

Hires vs Terms by Month



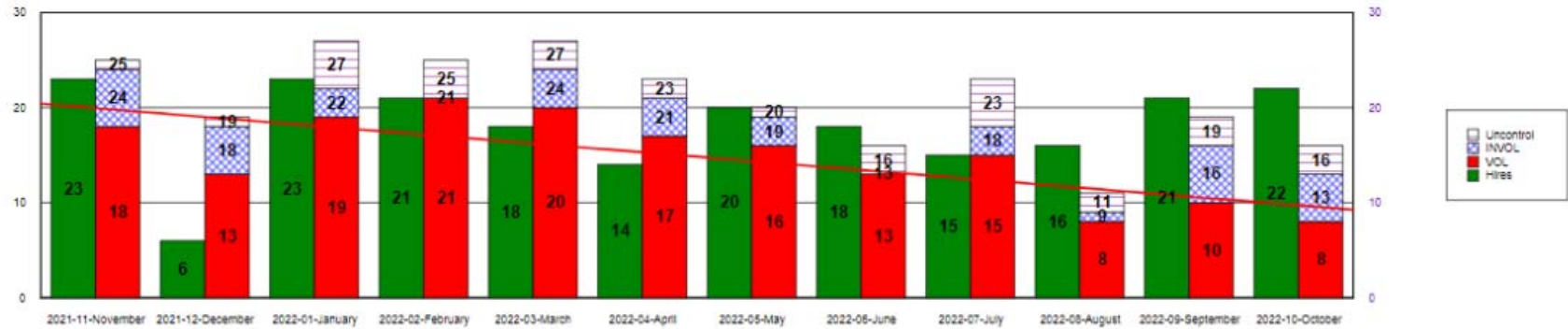


Behavioral Health Summary

October - 2022	Avg Emps	Avg Emps 1Yr	Hires	VOL	VOL 1 Yr	VOL 1st Yr %	INVOL	Uncontrol	Retire	VOL%	INVOL%	Uncon %	Total%
Administrative	2.25	0.50	1	0	0	0.00 %	0	0	0	0.00 %	0.00 %	0.00 %	0.00 %
Clinical (Non-Licensed)	33.83	13.42	16	7	4	2.48 %	5	2	0	1.72 %	1.23 %	0.49 %	3.45 %
Clinical Licensed	3.67	0.75	0	0	0	0.00 %	0	0	0	0.00 %	0.00 %	0.00 %	0.00 %
Management & Supervision	1.58	0.00	1	0	0	0.00 %	0	0	0	0.00 %	0.00 %	0.00 %	0.00 %
Professional	0.92	0.58	0	0	0	0.00 %	0	1	0	0.00 %	0.00 %	9.09 %	9.09 %
RN	13.08	3.50	4	1	0	0.00 %	0	0	0	0.64 %	0.00 %	0.00 %	0.64 %
Total	55.33	18.75	22	8	4	1.78 %	5	3	0	1.20 %	0.75 %	0.45 %	2.41 %

Total (Last 12 Months)	Avg Emps	Avg Emps 1Yr	Hires	VOL	VOL 1 Yr	VOL 1st Yr %	INVOL	Uncontrol	Retire	VOL%	INVOL%	Uncon %	Total%
Administrative	25.08	4.75	6	5	3	63.16 %	0	0	0	19.93 %	0.00 %	0.00 %	19.93 %
Clinical (Non-Licensed)	392.42	132.42	164	101	55	41.54 %	36	25	0	25.74 %	9.17 %	6.37 %	41.28 %
Clinical Licensed	44.42	7.00	5	8	1	14.29 %	0	1	0	18.01 %	0.00 %	2.25 %	20.26 %
Management & Supervision	19.00	0.33	1	0	0	0.00 %	1	1	0	0.00 %	5.26 %	5.26 %	10.53 %
Professional	9.00	5.25	4	2	1	19.05 %	0	1	0	22.22 %	0.00 %	11.11 %	33.33 %
RN	163.25	37.83	37	62	28	74.01 %	3	5	0	37.98 %	1.84 %	3.06 %	42.88 %
Total	653.17	187.58	217	178	88	46.91 %	40	33	0	27.25 %	6.12 %	5.05 %	38.43 %

Hires vs Terms by Month



Nursing Division Grow Our Own Pathway



Patient Safety Attendant (PSA), Patient Care Specialist (PCS), Mental Health Worker (MHW) or Behavioral Health Technician (BHT)

Role for candidates interested in working in a clinical environment. No clinical experience, certification or degree required. *

May be working on pre-requisites for nursing programs.

PSA Area of Responsibility: Limited to patient safety monitoring.

PCS Area of Responsibility: Provides general patient care unit support including but not limited to: answer call lights, answer phones, empty trash, deliver nourishments, restock supplies, etc.

MHW/BHT Area of Responsibility: Provides support to behavioral health patients through safety rounding, assistance with ADLs, recreational groups and activities, and maintain a healing environment.

**BHT requires experience and may initially enter the field in the MHW role.*

Patient Care Technician (PCT)

Role for student nurse who has completed their first clinical rotation of a professional RN or LPN nursing program.

Must maintain current enrollment in professional RN or LPN program.

Includes patient safety monitoring and patient care assistance, under supervision of a RN.

LPN

Adult Med/Surg and Behavioral Health role for practical nursing program graduates who have obtained their LPN license. May be enrolled in a registered nursing program but not required.

Works within LPN Scope of Practice, Valleywise Health job description and related policies.

Nurse Extern

Med/Surg Nurse Extern: Role for student nurse who is within 3 months of graduating from a professional RN nursing program. May stay in this role until NCLEX testing is completed and RN license obtained.

Under RN supervision provides patient care performing nursing skills for which they received didactic and clinical instruction with evidence of competency.

Behavioral Health Nurse Extern: Role for student nurse enrolled in a professional RN nursing program with a strong desire for behavioral health nursing.

New Graduate RN

For nursing program graduates who have obtained their RN license. Prepares novice RN for their first year of practice.

Adult Med/Surg program includes 36 hours mentored clinical experience and 4 hours didactic and simulation each week.

8-week program for med/surg units; 10-week program for Adult Burn & Progressive Care Units.

Additional New Grad opportunities available in Maternal Child Health.

Behavioral Health New Grad Program includes 10 weeks of mentored clinical experience on acute psychiatric units, including med-psych units for a well-rounded preceptorship.

Employee Retention Action Plan

Action plans were developed for each workgroup based on the annual survey results which focused on the following:

- *I feel like I really belong at Valleywise Health.*
- *When I do an excellent job, my accomplishments are recognized.*
- *I feel valued as an employee at Valleywise Health.*

Results and Action Plan Updates are shared with employees during monthly staff meetings.

- Each manager reviews and updates their plans.

- Improvements have been noted, but some concerns remain :
 - First year RN Voluntary Turnover remains high at 74.01% (up from 64.60% one year ago).
 - Overall RN Voluntary Turnover increased to 37.98 (up from 29.26% one year ago).
 - Overall BH Voluntary Employee Turnover increased to 27.25% (up from 22.98% one year ago).

Employee Retention Action Plan

Overall Themes	Action
<p>Staffing, particularly on the back end of the week and weekends.</p> <p>Staff fatigue due to working short and OT.</p>	<p>Hiring Fairs - continue to work with Community Colleges and Universities on developing ideas and pathways for students.</p>
<p>Hire better candidates, provide tours to candidates before offering a job.</p>	<p>Moved from WebEx to in-person interviews whenever possible. Include peers in the interview process, and unit tours during interviews when possible.</p>
<p>BHT Clinical Ladder: Clarify & promote requirements to move through the ladder.</p>	<p>This will be reviewed on an ongoing basis during All-Staff meetings.</p>
<p>Feeling valued. Employee recognition.</p>	<p>Continue to promote the use of the Limelight tool</p>

Assertive Community Treatment

The Assertive Community Treatment (ACT) program, based at Valleywise Behavioral Health Center Mesa, opened for business on August 1, 2016.

- Currently serving 91 enrolled members (maximum capacity of 100) with one current transfer scheduled, and 3 pending screenings. Working with Mercy Care to increase enrollment and address delays in pending referrals from other clinics.
- Groups three days per week which include: social group, art groups, and two substance abuse groups. In addition, a community social art group and substance abuse group is held monthly.
- Having struggled with staffing shortages, excited to welcome the new Rehabilitation Specialist who started on 10/31/22 and the new Program Assistant will be starting on 11/28/22 so the team will be fully staffed.
- Planning underway for the annual ACT Team Holiday Celebration for members and their families.
- \$75,000 gift from the Corrigan Foundation to support ACT members and staff including purchasing tablets for charting in the field, staff training, team building and staff recognition, member activities/events, personal care products and more.

First Episode Center (Avondale)

This evidence-based program, which began in February 2017, and is based at our Avondale Community Health Center has surpassed its initial estimated capacity of 75 members with 88 members now enrolled. Goal is to serve up to 90.

- Held a Fall Festival and BBQ in October 2022 with over 40 members and their families attending.
- Continues to excel in service delivery and member outcomes achieving a 98% score on recent Mercy Care fidelity audit.
- Won the very first team award from the Phoenix Business Journal after being nominated by Arizona State University. The Foundation will be featuring the FEC at their upcoming Women's Luncheon.
- Virtual Family Nights are now being held monthly in the evenings to provide additional education and support to family members.
- The Clinical Coordinator is completing the Training-of-Trainers certification for Pat Deegan's Personal Medication.
- Secured approximately \$1.4 M from Mercy Care to support our Avondale FEC and develop the East Valley FEC. with plans for opening by March 2023.

First Episode Center Fall Fest



Mesa Behavioral Health Specialty Clinic

Mesa Behavioral Health Specialty Clinic opened in February 2019. Membership has been steadily growing. Currently serving 195 clients with a capacity of 300.

- Open to new referrals after temporarily being put on hold for past 3 months due to staffing challenges.
- Let Us Connect Fair huge success with over 13 community partners and rehabilitation/employment vendors.
- The Clinical Coordinator is completing the Training-of-Trainers certification for Pat Deegan's Personal Medication.
- Groups includes Self Care Workshop, Relapse Preventions, Sounds of Recovery, Social Skills, and Art groups. "Now What?" – young adults group starting in February.

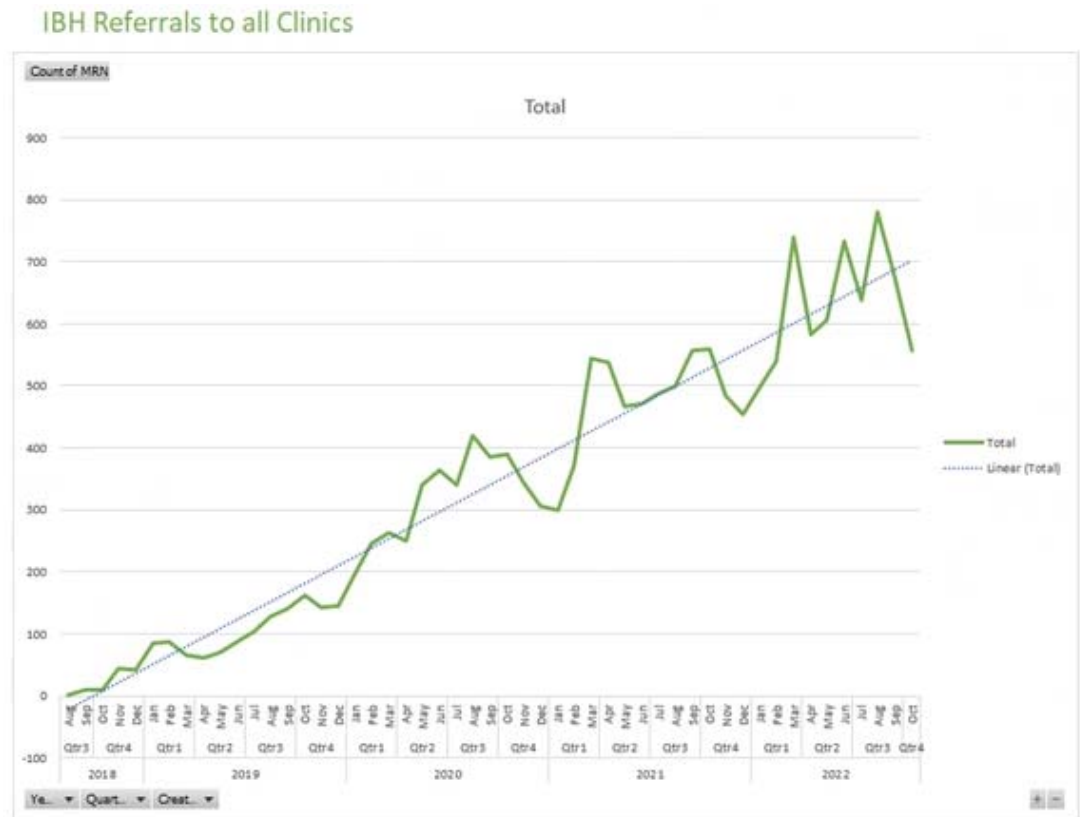


The graphic features a central image of several hands holding wooden puzzle pieces that form a circular shape. Overlaid on this is a dark teal circle containing the text "Let Us Connect Fair 2022". Below the circle, the text reads: "Question, do you know what is out there for you to get involved in? Come grab a FREE snow cone and check your options out!". At the bottom left, there is a calendar icon with the text "Tuesday October 11th, 2022 11am-2pm" and a location pin icon with the text "950 E. Main St. Mesa, AZ 85203". At the bottom right, there is a paragraph of text: "For one day only, organizations will come together to show off what they have to offer! Come and learn about what is out there! Talk to people from the program, get information, and some swag! Enter our donation raffle and win some awesome stuff!"

Integrated Behavioral Health (IBH)

Starting in June 2017 in one clinic and will expand to all FQHC's by June 2023. The IBH team has grown to 30+ staff members.

- IBH Team currently consists of 1 IBH Manager, 1 Clinical Coordinator, 3 IBH Psychiatric Consultants/ Providers, 19 Clinicians, 9 Behavioral Health Specialists, plus 4 Child & Adolescent Psychiatry Fellows and their Attending Psychiatrist.
- IBH was able to expand using ARPA funds. A total of 4 Referral and Support Specialists, 4 Clinicians, and 6 Behavioral Health Specialists were awarded. Currently, have 1 opening for a Behavioral Health Specialist.
- For the months of July–October 2022, IBH staff received over 2,649 referrals for Valleywise Health patients (average of 600 per month).



Integrated Behavioral Health (IBH)

- IBH Psychiatry has grown to 1 full-time Psychiatrist and 2 additional psychiatrists providing part-time coverage. Since April to the end of October, the psychiatry team has completed 1,195 visits.
- On Fridays, the Child Fellows from our Child & Adolescent Psychiatry Residency Training Program are conducting both in-person visits at the Mesa site and some via Doxy.me. From April through the end of October, 373 visits were completed.
- Integrated Behavioral Health services have continued to be provide telehealth and in-person services.
- The IBH program received grant funding from BCBS. The grant covered training on child and adolescent therapy modalities. E-books and iPad's will be purchased by these funds.
- One IBH staff members who received Clinical Supervision through IBH are applying to the AZ Board of Behavioral Health Examiners and will be promoted once independently licensed.
- Again, IBH staff received specialized training and coaching on addressing substance abuse and trauma by the Arizona Trauma Institute, funded by a grant received from the Arizona Alliance of Community Health Centers (AACHC).

Future Behavioral Health Projects

In April of 2022 Maricopa County provided to Valleywise Health, as a Subrecipient, a total of \$ 16 Million in ARPA funds, to be spent on capital expenditures and improvements of behavioral health facilities as follows:

- \$7 Million for establishing an SMI Direct Care clinic and Assertive Community Treatment (ACT) program in the West Valley for SMI behavioral services, through either the expansion of its Avondale Federally Qualified Health Center, or infrastructure improvements in the Maryvale Hospital;
- \$6 Million to expand the Mesa-Desert Vista facility;
- \$3 Million for interior and exterior improvements at the Mesa-Desert Vista facility.
- The expenditure of these funds must be incurred by December 31, 2024.

These funds will enable us to create space for new clinics to serve individuals with a Serious Mental Illness in both the East Valley and West Valley.

- Funds for a long overdue parking lot renovation and expansion at the Mesa (Desert Vista) facility are included in the project.
- The Mesa project is expected to be completed in October of 2023 followed by the Maryvale project which is expected to be completed in February 2024.

Secured space at the CHC- Phoenix to expand integrated behavioral health (IBH) services and start up funding from Foundation received to implement the IBH model at the outpatient Burn Center.

Mesa Outpatient BH Recap – New Construction

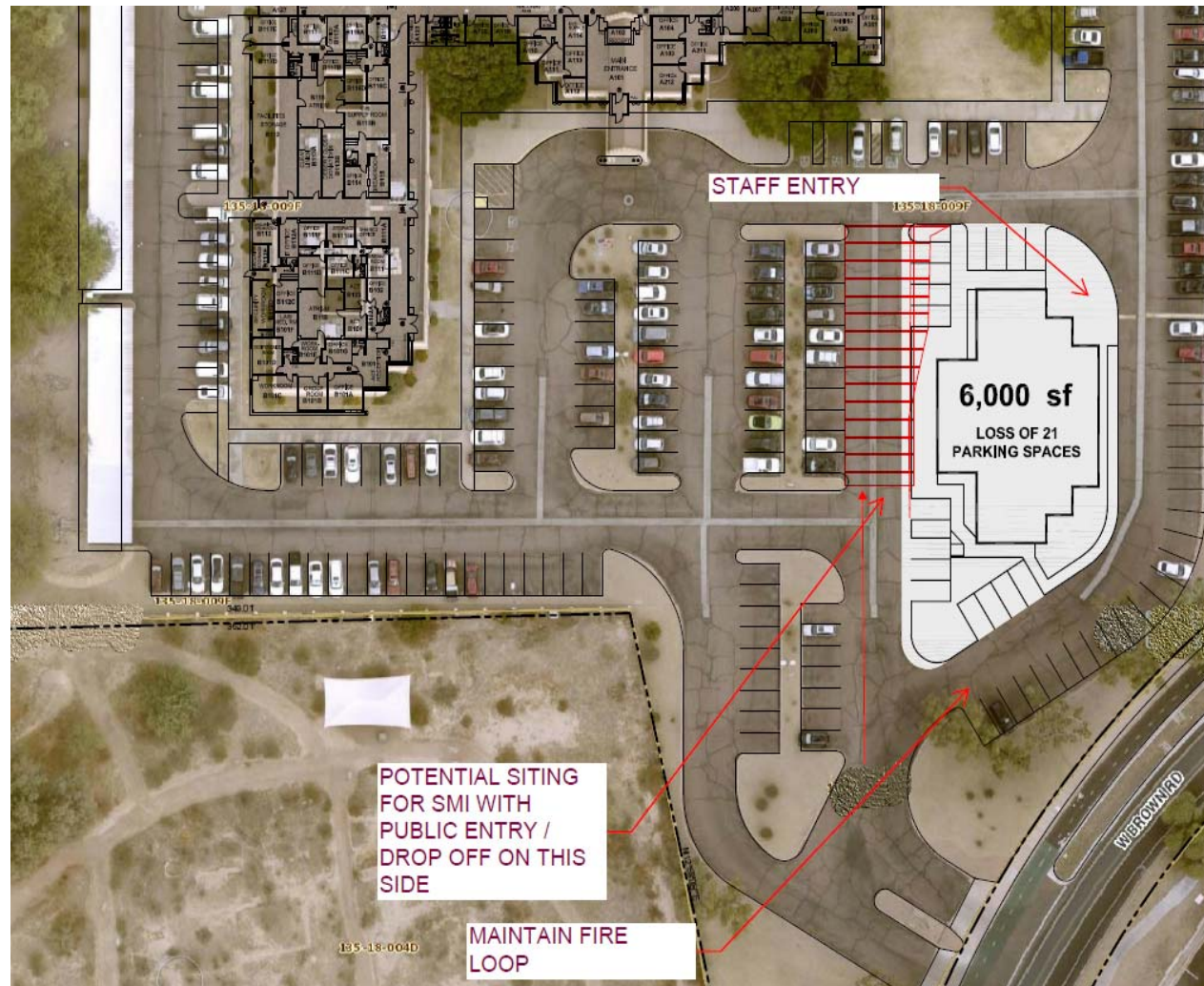
Update in
April 2022

Includes:

- Outpatient behavioral health services in new building
- Total of [3] moves – ACT, Specialty, First Episode
- Furniture, Equipment and Signage
- Parking

Does not include:

- Off hour work premium – night or weekend
- Unexpected price increases for material and labor

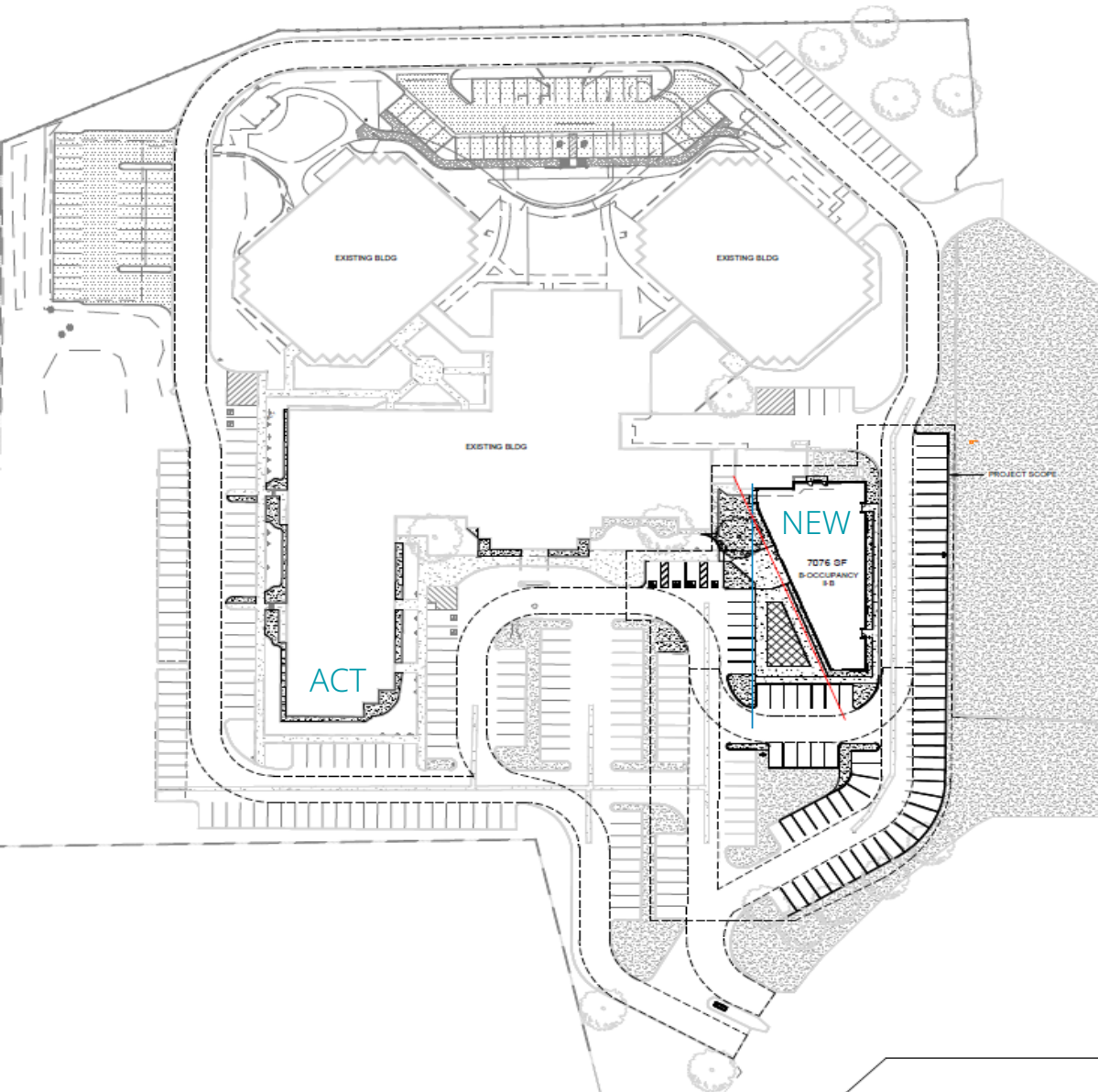


Mesa BH Site Map

Building SF:

Interior Area - 6413 SF

Total Building - 7076 SF



Mesa BH – Current State



Mesa BH – ACT Entrance



Mesa Outpatient BH – Proposed Site

Main Entrance

New Building Location





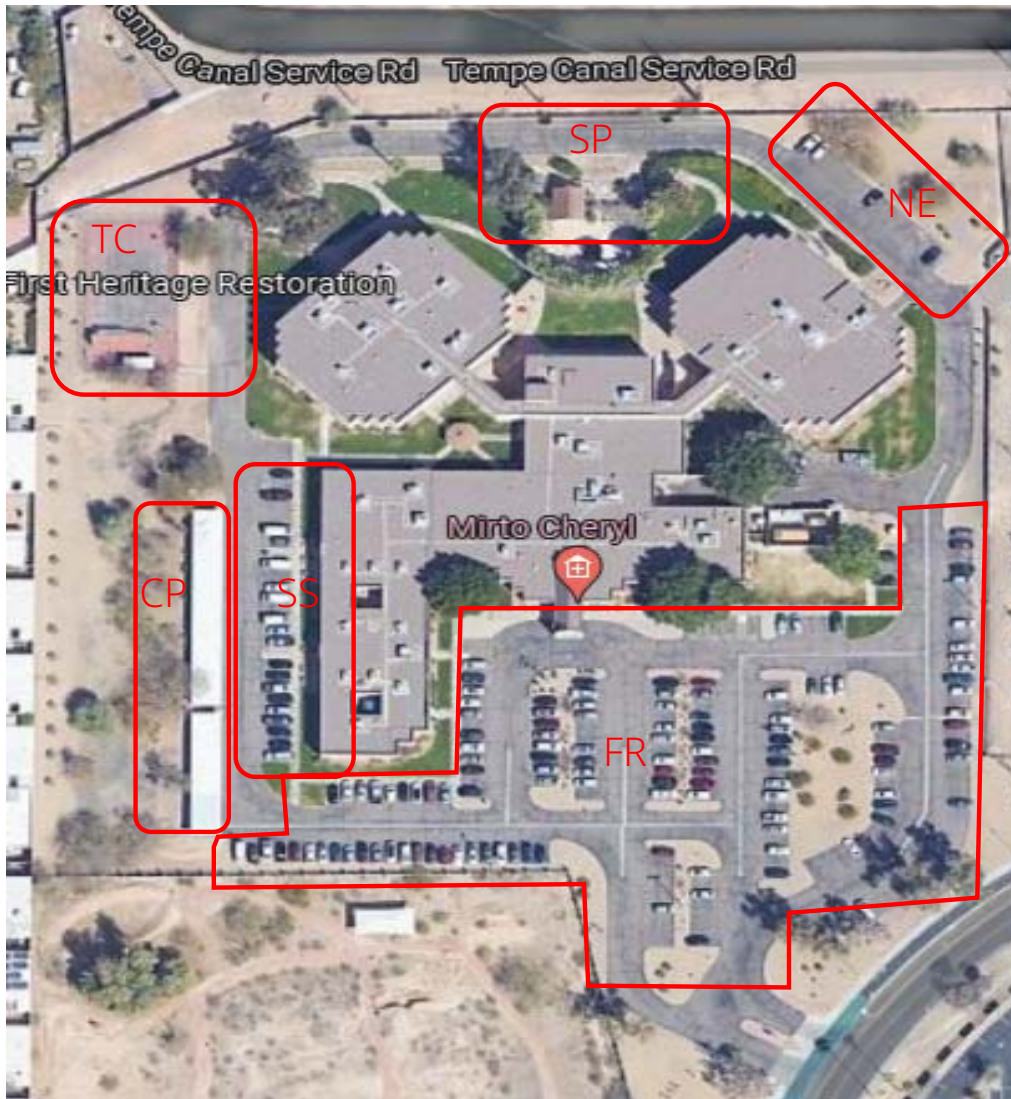
Current View



Proposed view with
New Building







Mesa BH Parking

Location	Spots	New or Existing
Covered Parking	27	Existing
Staff & Support Services	24	Existing
Front Parking	190	Existing
North-East Parking	17	Existing
Tennis Court	30	New
Swimming Pool	25	New

Parking Summary:

Existing Parking – 258

New Parking spots to be added – 55

Total parking before new building – 313

Total parking after new building – 303

Net parking spots gained with parking project – 45

Mesa Outpatient Floor Plan

Design in progress

Last county update – Sep 2022

Tentative Timeline (Completion):

Design & Permit – Apr 2023

Construction – Apr 2024

Building improvements – Oct 2024

Budget Closeout – Oct 2024

Grant Deadline – Dec 2024



Maryvale Outpatient BH Recap - Renovation

Update in
April 2022

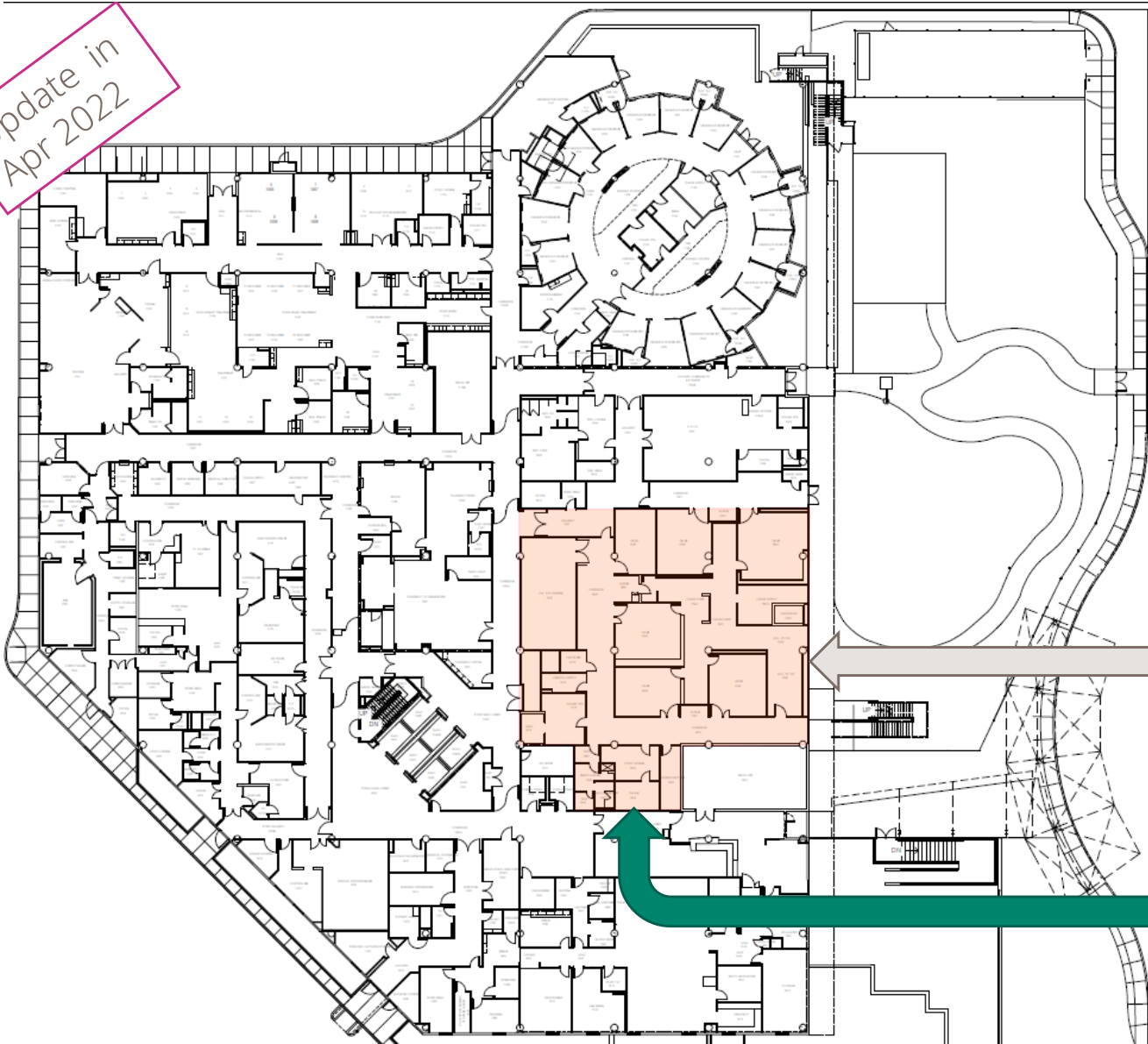
Includes:

- Build out of portion of OR suite for ACT, Specialty services
- Furniture and Equipment

Does not include:

- Parking
- Moving Services
- Off hour work premium – night or weekend
- Unexpected price increases for material and labor

Update in
Apr 2022



Utilize portion of
OR suite due to
access from
main lobby

Planned
Entrance

Maryvale BH – Current State



Maryvale BH – Proposed Entry & Access



Maryvale Outpatient BH

Separate Outpatient
Entrance



Concrete wall separates inpatient recreation yard from outpatient view

Maryvale BH – Update & Timeline

Design in progress

Last county update – Sep 2022

Tentative Timeline:

Design & permit – Apr 2023

Construction – Apr 2024

Budget Closeout – Jun 2024

Grant Deadline – Dec 2024



Thank you

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Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 5.

Financial and Statistical
Information
October 2022



Financial and Statistical Information

for the month ending
October 31, 2022



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Financial Highlights – October 2022

Patient Activity

Total admissions in October were 4.6% below budget, and 8.4% lower than the same period last year. Inpatient acute admissions for the month were 1.8% over budget and 1.1% higher than last October 2021. Behavioral health admissions were 22.1% below budget for the month and 31.3% lower than last October 2021. Emergency department visits were 16.5% over budget and 20.2% higher than last October 2021. Ambulatory visits were 0.2% below budget for the month and 5.7% lower than last October 2021.

Operating Revenue

Net patient service revenues were 8.5% below budget for the month and were 15.1% lower than last October 2021. Other revenues were 8.0% over budget for the month, primarily in revenues related to Healthy II and sales at retail pharmacies. Overall total operating revenues were 5.2% below budget primarily in patient related revenues.

Operating Expense

Total operating expenses were 3.0% over budget for October. Labor expense, which includes salaries, benefits, and contract labor, were 7.8% over budget for the month, primarily in contract labor. Majority of negative variances in contract labor were in nursing, mostly acute care units and emergency depts, ancillary services, and behavioral health units. Net medical service fees were 3.4% over budget for the month primarily in net staffing costs and decrease collections. Supplies were 4.6% below budget primarily in radiology supplies and surgery related medical supplies. Purchased services were 4.1% below budget, with positive variances in collection fees, advertising and other professional services. Lastly, all other expenses excluding depreciation were 6.2% below budget for the month primarily in repair & maintenance and other expenses, mainly in patient transport services.

Non-Operating Revenue (Expense) – In total, net non-operating revenues and expenses were 12.7% over budget for the month of October, primarily in interest income and mission support revenues.



Cash and Cash Equivalents (including investments)

	<u>October 2022</u>	<u>June 2022</u>
Operating / General Fund	\$229.7M	\$232.6M
Bond related – Restricted	<u>225.3M</u>	<u>306.9M</u>
Total cash and cash equivalents (including investments)	\$455.0M	\$539.5M

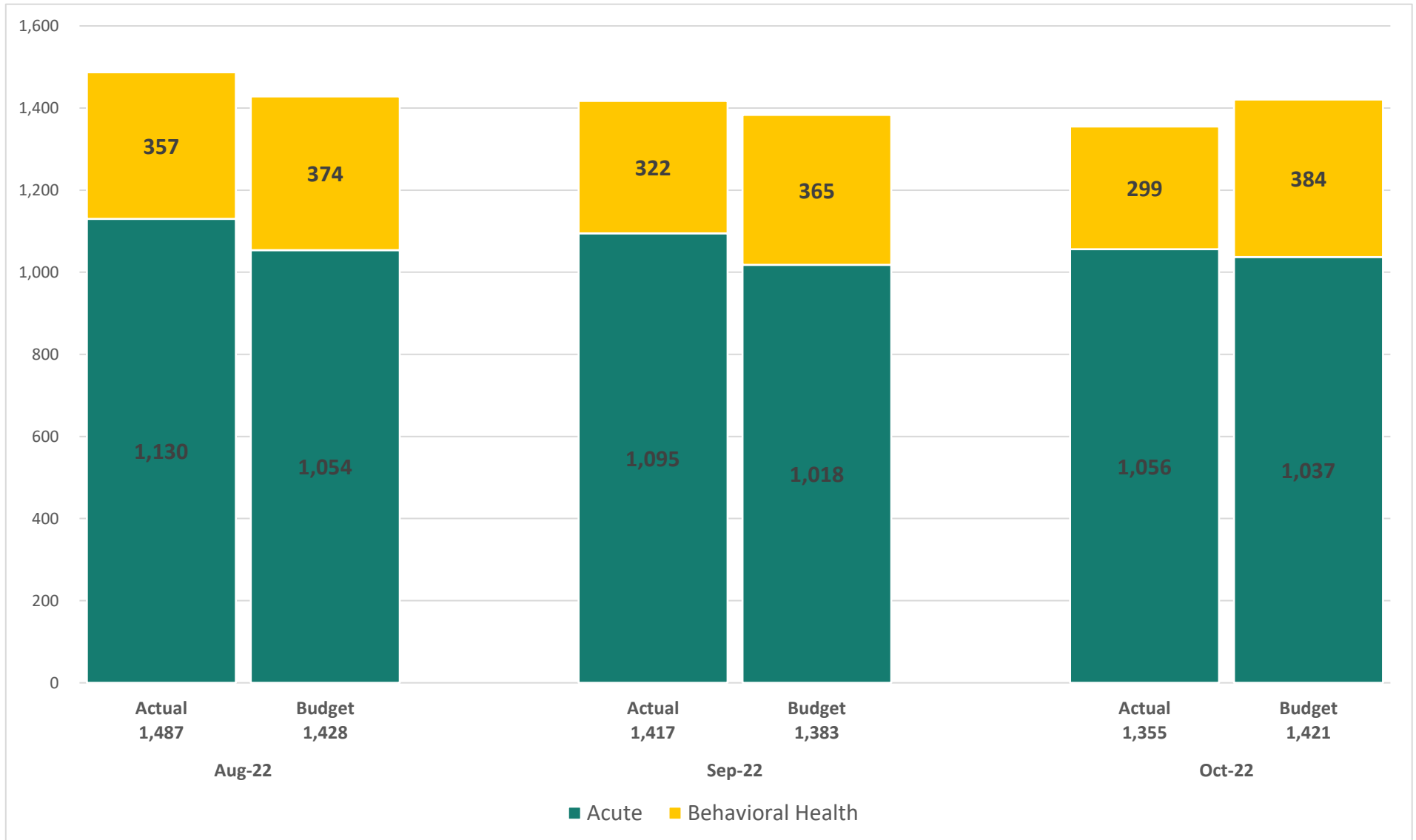
Select Ratios

	FY2023 YTD as of October	Moody’s “A3” Medians
Liquidity		
Days cash on hand (unrestricted)	107.8	183.5
Days in Accounts Receivable	77.7	47.0
Current Ratio (excludes Bond funds)	2.0	1.8

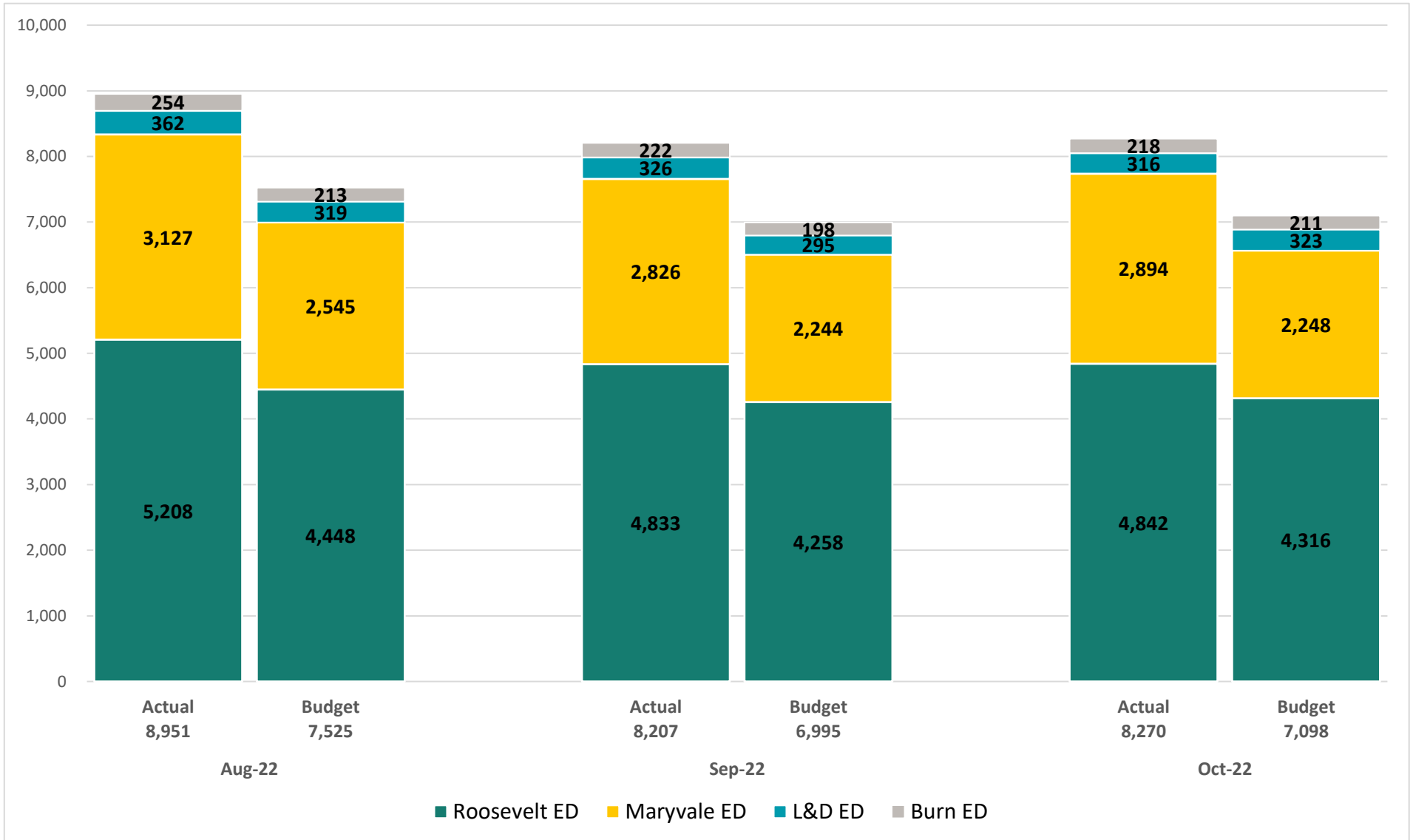
	FY2023 YTD Actual	FY2023 YTD Budget
Profitability		
Operating Margin (%)	(30.1)	(23.8)
Excess Margin – normalized (%)	(15.6)	(11.1)
Productivity		
FTE/AOB w/o Residents	4.39	4.74

If you have any questions, please do not hesitate to contact Melanie Talbot or Claire Agnew, CFO.

Fiscal Year 2023 Admissions



Fiscal Year 2023 Emergency Department Visits

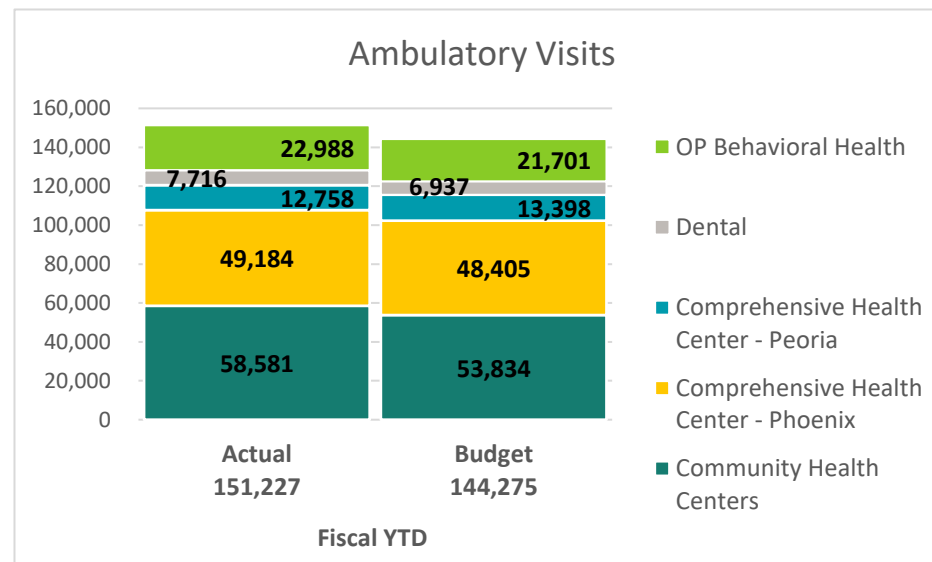
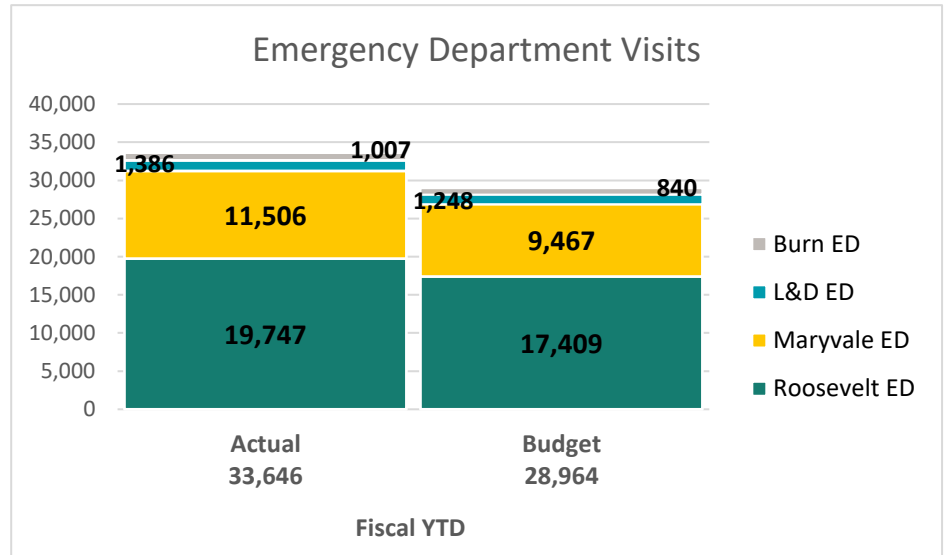
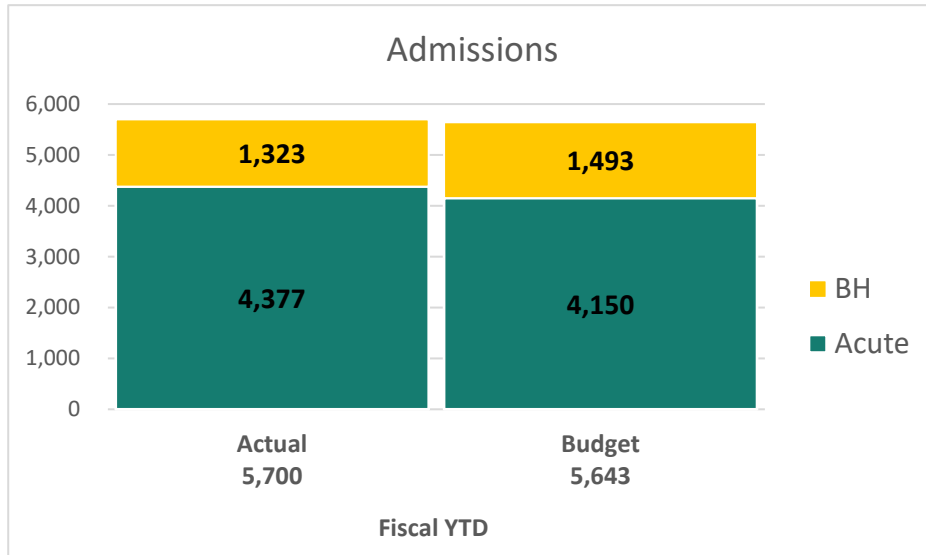


Fiscal Year 2023 Ambulatory Visits



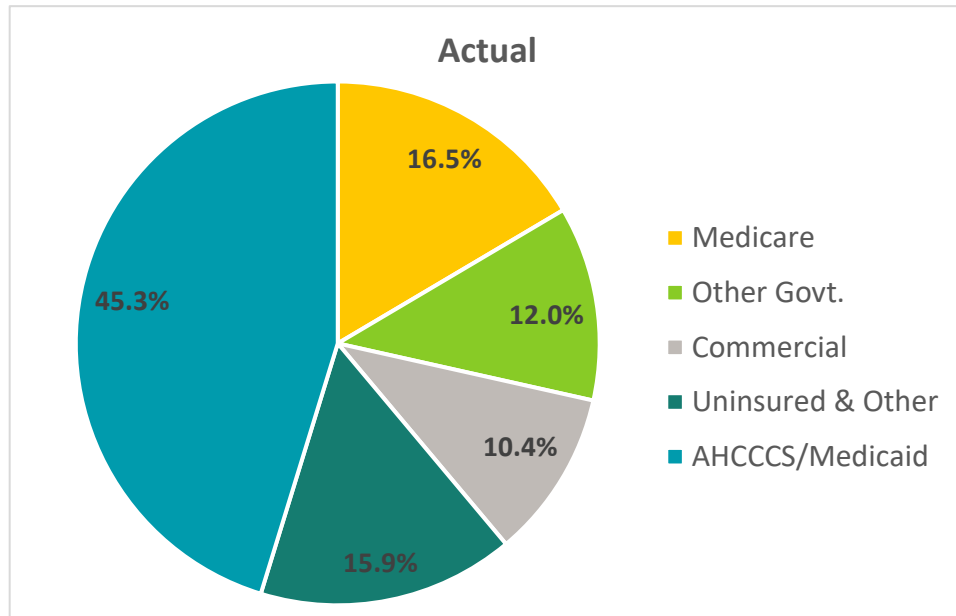
* Includes Telehealth visits -- 7,705 (August 2022) || 6,371 (September 2022) || 5,595 (October 2022)

Fiscal Year 2023 Year-to-Date Volume Summary

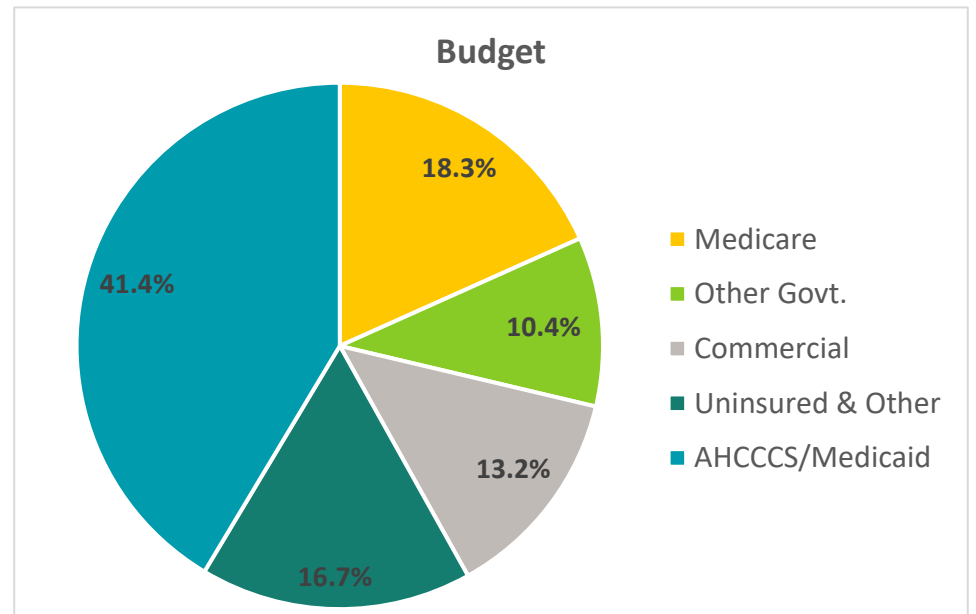


* Includes 25,769 Telehealth visits in FY 2023

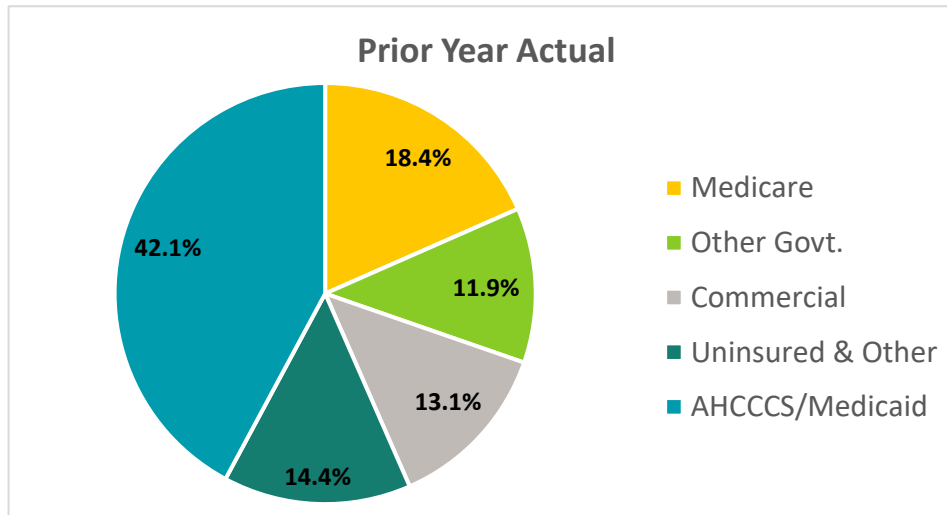
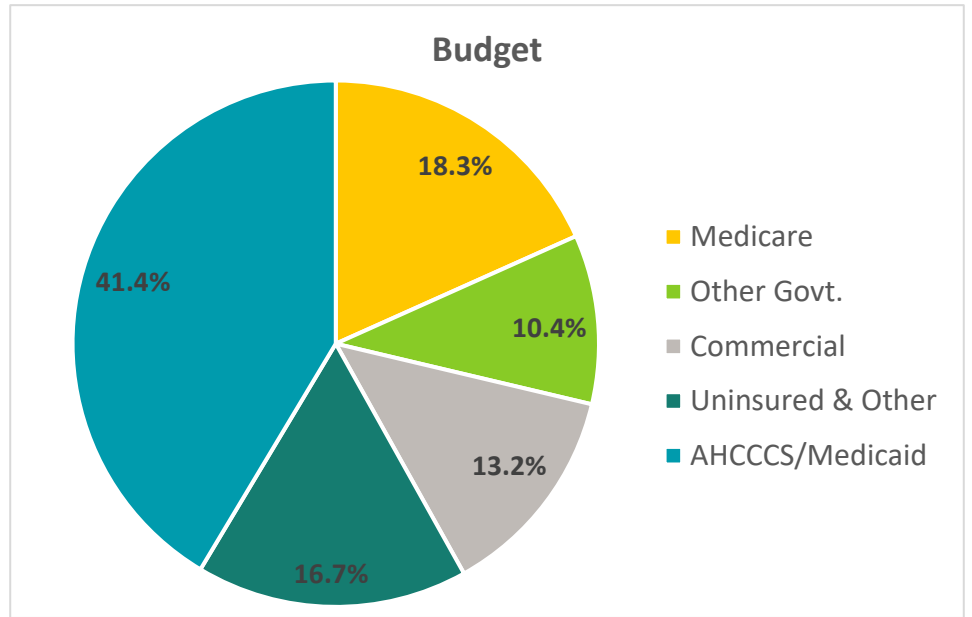
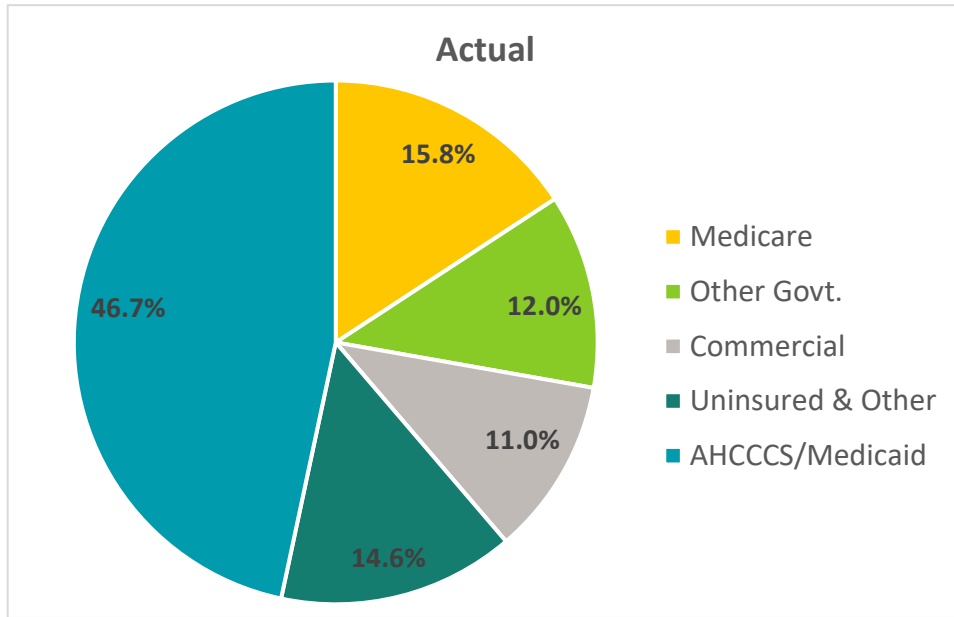
Fiscal Year 2023 Patient Revenue Source by Gross Revenue



Actual Gross Revenue is
month of October 31, 2022



Fiscal Year 2023 Patient Revenue Source by Gross Revenue



Actual Gross Revenue is
YTD as of October 31, 2022

Prior Year Gross Revenue is
all of fiscal year 2022



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

Unusual Item Report

For the month ending October 31, 2022

	MTD Actual
Increase (decrease) in net assets as reported	\$ (9,596,946)
<i>Unusual items:</i>	
	\$ -
	-
Normalized increase (decrease) in net assets	<u>\$ (9,596,946)</u>



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

STATEMENT OF REVENUES AND EXPENSES

For the Period Ending October 31, 2022

	Oct-22 Actual	Oct-22 Budget	Oct-22 Variance	Oct-22 % Change	Prior Year Same Month Oct-21	Prior Year Same Month Variance	Prior Year Same Month % Change
Net Patient Service Revenue	\$ 39,146,411	\$ 42,768,335	\$ (3,621,925)	(8.5 %)	\$ 46,084,598	\$ (6,938,188)	(15.1 %)
Other Revenue	11,296,929	10,460,855	836,074	8.0 %	9,399,728	1,897,202	20.2 %
Total Operating Revenue	50,443,340	53,229,191	(2,785,851)	(5.2 %)	55,484,326	(5,040,986)	(9.1 %)
OPERATING EXPENSES							
Salaries and Wages	25,074,354	24,724,867	(349,487)	(1.4 %)	24,767,014	(307,340)	(1.2 %)
Contract Labor	7,605,949	4,716,463	(2,889,486)	(61.3 %)	6,636,051	(969,897)	(14.6 %)
Employee Benefits	6,991,137	7,349,546	358,409	4.9 %	6,934,120	(57,018)	(0.8 %)
Medical Service Fees	8,939,525	8,647,976	(291,549)	(3.4 %)	8,376,151	(563,374)	(6.7 %)
Supplies	7,634,897	8,000,946	366,049	4.6 %	8,091,233	456,336	5.6 %
Purchased Services	4,363,343	4,551,923	188,579	4.1 %	2,541,004	(1,822,339)	(71.7 %)
Repair and Maintenance	1,773,474	1,964,716	191,241	9.7 %	1,697,780	(75,694)	(4.5 %)
Utilities	781,013	801,915	20,901	2.6 %	768,924	(12,089)	(1.6 %)
Rent	506,002	488,856	(17,147)	(3.5 %)	669,653	163,650	24.4 %
Other Expenses	1,895,442	2,025,554	130,112	6.4 %	1,626,110	(269,332)	(16.6 %)
Provider Assessment	0	0	0	0.0 %	1,963,959	1,963,959	100.0 %
Depreciation	3,580,514	3,885,050	304,536	7.8 %	3,480,677	(99,837)	(2.9 %)
Total Operating Expense	69,145,651	67,157,811	(1,987,841)	(3.0 %)	67,552,676	(1,592,975)	(2.4 %)
Operating Income (Loss)	(18,702,311)	(13,928,620)	(4,773,691)	(34.3 %)	(12,068,350)	(6,633,962)	(55.0 %)
NONOPERATING REVENUES (EXPENSES)							
NonCapital Grants	357,477	404,172	(46,695)	(11.6 %)	501,095	(143,618)	(28.7 %)
NonCapital Transfers from County/State	295,658	295,658	0	0.0 %	295,658	0	0.0 %
Investment Income	458,463	223,910	234,552	104.8 %	167,636	290,826	173.5 %
Other NonOperating Revenues (Expenses)	599,888	(353,779)	953,666	269.6 %	(163,592)	763,480	466.7 %
Interest Expense	(2,453,383)	(2,444,238)	(9,145)	(0.4 %)	(1,376,364)	(1,077,019)	(78.3 %)
Tax Levy	10,767,838	10,767,838	(0)	(0.0 %)	12,085,171	(1,317,333)	(10.9 %)
Total NonOperating Revenues (Expenses)	10,025,939	8,893,561	1,132,378	12.7 %	11,509,603	(1,483,664)	(12.9 %)
Excess of Revenues over Expenses	\$ (8,676,372)	\$ (5,035,059)	\$ (3,641,313)	(72.3 %)	\$ (558,746)	\$ (8,117,625)	(1452.8 %)



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

STATEMENT OF REVENUES AND EXPENSES

For the Period Ending October 31, 2022

	Oct-22 Actual	Oct-22 Budget	Oct-22 Variance	Oct-22 % Change	Prior Year Same Month Oct-21	Prior Year Same Month Variance	Prior Year Same Month % Change
Bond-Related Revenues and Expenses	(920,574)	(789,899)	(130,675)	(16.5 %)	(3,494,608)	2,574,034	73.7 %
Increase (Decrease) in Net Assets (normalized)	\$ (9,596,946)	\$ (5,824,958)	\$ (3,771,988)	(64.8 %)	\$ (4,053,354)	\$ (5,543,592)	(136.8 %)



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

STATEMENT OF REVENUES AND EXPENSES

For the Four Periods Ending October 31, 2022

	Oct-22 YTD Actual	Oct-22 YTD Budget	Oct-22 YTD Variance	YTD Oct-22 % Change	YTD Prior Year Oct-21	YTD Prior Year Variance	YTD Prior Year % Change
Net Patient Service Revenue	\$ 168,524,495	\$ 176,386,117	\$ (7,861,622)	(4.5 %)	\$ 174,137,260	\$ (5,612,765)	(3.2 %)
Other Revenue	43,815,166	42,622,756	1,192,410	2.8 %	37,484,482	6,330,684	16.9 %
Total Operating Revenue	212,339,661	219,008,873	(6,669,212)	(3.0 %)	211,621,742	717,919	0.3 %
OPERATING EXPENSES							
Salaries and Wages	97,912,829	96,827,625	(1,085,204)	(1.1 %)	100,642,574	2,729,745	2.7 %
Contract Labor	27,745,378	20,275,358	(7,470,020)	(36.8 %)	17,467,232	(10,278,146)	(58.8 %)
Employee Benefits	28,877,496	28,888,749	11,253	0.0 %	30,022,235	1,144,739	3.8 %
Medical Service Fees	34,004,981	33,442,767	(562,214)	(1.7 %)	32,597,241	(1,407,740)	(4.3 %)
Supplies	30,493,120	31,377,799	884,678	2.8 %	34,227,052	3,733,932	10.9 %
Purchased Services	17,620,286	18,142,900	522,614	2.9 %	10,588,882	(7,031,403)	(66.4 %)
Repair and Maintenance	7,085,822	7,776,597	690,775	8.9 %	6,622,985	(462,837)	(7.0 %)
Utilities	3,161,604	3,204,376	42,772	1.3 %	2,667,473	(494,131)	(18.5 %)
Rent	2,085,001	1,955,139	(129,862)	(6.6 %)	2,147,981	62,980	2.9 %
Other Expenses	7,144,121	8,164,442	1,020,321	12.5 %	7,275,294	131,174	1.8 %
Provider Assessment	5,891,876	5,891,876	(0)	(0.0 %)	7,735,754	1,843,878	23.8 %
Depreciation	14,232,396	15,192,220	959,824	6.3 %	13,916,737	(315,659)	(2.3 %)
Total Operating Expense	276,254,910	271,139,847	(5,115,062)	(1.9 %)	265,911,441	(10,343,469)	(3.9 %)
Operating Income (Loss)	(63,915,248)	(52,130,974)	(11,784,274)	(22.6 %)	(54,289,699)	(9,625,549)	(17.7 %)
NONOPERATING REVENUES (EXPENSES)							
NonCapital Grants	1,719,575	1,675,304	44,272	2.6 %	1,950,153	(230,578)	(11.8 %)
NonCapital Transfers from County/State	1,182,632	1,182,632	0	0.0 %	1,182,632	0	0.0 %
Investment Income	1,805,459	895,642	909,818	101.6 %	718,951	1,086,508	151.1 %
Other NonOperating Revenues (Expenses)	(3,667,559)	(5,632,315)	1,964,756	34.9 %	(4,934,998)	1,267,439	25.7 %
Interest Expense	(9,787,366)	(9,776,952)	(10,414)	(0.1 %)	(5,508,006)	(4,279,360)	(77.7 %)
Tax Levy	43,071,352	43,071,352	(0)	(0.0 %)	48,340,682	(5,269,330)	(10.9 %)
Total NonOperating Revenues (Expenses)	34,324,093	31,415,662	2,908,431	9.3 %	41,749,414	(7,425,321)	(17.8 %)
Excess of Revenues over Expenses	\$ (29,591,155)	\$ (20,715,312)	\$ (8,875,843)	(42.8 %)	\$ (12,540,285)	\$ (17,050,870)	(136.0 %)



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

STATEMENT OF REVENUES AND EXPENSES

For the Four Periods Ending October 31, 2022

	Oct-22 YTD Actual	Oct-22 YTD Budget	Oct-22 YTD Variance	YTD Oct-22 % Change	YTD Prior Year Oct-21	YTD Prior Year Variance	YTD Prior Year % Change
Bond-Related Revenues and Expenses	(3,680,658)	(3,159,597)	(521,060)	(16.5 %)	(14,004,016)	10,323,358	73.7 %
Increase (Decrease) in Net Assets (normalized)	\$ (33,271,813)	\$ (23,874,910)	\$ (9,396,903)	(39.4 %)	\$ (26,544,300)	\$ (6,727,512)	(25.3 %)



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

STATEMENT OF NET POSITION

October 31, 2022

	10/31/2022	6/30/2022
ASSETS		
Current Assets		
Cash and Cash Equivalents		
Cash - Care System	\$ 229,742,017	\$ 232,598,973
Cash and Short-Term Investment	229,742,017	232,598,973
Cash - Bond	225,270,805	306,922,949
Cash and Short-Term Investment - Bond	225,270,805	306,922,949
Total Cash and Cash Equivalents	455,012,822	539,521,922
Patient A/R, Net of Allowances	98,029,373	95,591,699
Other Receivables and Prepaid Items	44,281,977	36,610,519
Estimated Amounts Due from Third-Party Payors	64,618,979	48,057,006
Due from Related Parties	2,782,215	1,721,769
Total Current Assets	664,725,366	721,502,915
Capital Assets, Net	744,442,581	711,833,271
Total Assets	1,409,167,947	1,433,336,186
Deferred Outflows	89,357,989	89,357,989
Total Assets and Deferred Outflows	\$ 1,498,525,936	\$ 1,522,694,175



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

STATEMENT OF NET POSITION

October 31, 2022

	10/31/2022	6/30/2022
LIABILITIES AND NET POSITION		
Current Liabilities		
Current Maturities of Long-Term Debt	\$ 35,834,541	\$ 55,930,307
Accounts Payable	58,409,368	43,809,089
Accrued Payroll and Expenses	30,538,270	37,716,652
Medical Claims Payable	14,730,700	15,016,683
Due to Related Parties	20,286,745	8,627,104
Other Current Liabilities	95,289,162	62,436,035
Total Current Liabilities	255,088,785	223,535,870
Long-Term Debt		
Bonds Payable	649,230,335	675,360,335
Total Long-Term Debt	649,230,335	675,360,335
Long-Term Liabilities	394,175,117	394,175,117
Total Liabilities	1,298,494,237	1,293,071,322
Deferred Inflows	3,972,294	3,972,294



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

STATEMENT OF NET POSITION

October 31, 2022

	<u>10/31/2022</u>	<u>6/30/2022</u>
Net Position		
Invested in Capital Assets, Net of Related Debt	708,608,040	655,902,964
Temporarily Restricted	68,494,467	36,137,777
Unrestricted	<u>(581,043,102)</u>	<u>(466,390,181)</u>
Total Net Position	196,059,405	225,650,560
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 1,498,525,936</u>	<u>\$ 1,522,694,175</u>



Comprehensive Health Center – Peoria (pictured)

Supplemental Information

Valleywise Health
 Financial and Statistical Information
 31-Oct-22

Legend	
Greater than or equal to 100% of Budget	
Within 95% to 100% of Budget	
Less than 95% of Budget	

Current Month				Fiscal Year to Date				Prior Fiscal Year to Date		
Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Actual	Variance	Var %

Acute														
Admissions	1,056	1,037	19	1.8%		4,377	4,150	227	5.5%		3,947	430	10.9%	
Length of Stay (LOS)	5.4	5.3	(0.1)	(2.0%)		5.3	5.2	(0.1)	(1.5%)		5.7	0.4	6.9%	
Patient Days	5,698	5,486	212	3.9%		23,298	21,763	1,535	7.1%		22,578	720	3.2%	

Acute - Observation Days and Admits														
Observation Days	595	448	147	32.9%		2,198	1,764	434	24.6%		1,955	243	12.4%	
Observation Admission - Transfer to Inpatient	211	176	35	19.9%		854	707	147	20.8%		727	127	17.5%	
Observation Admission Only	344	294	50	17.0%		1,362	1,173	189	16.1%		1,251	111	8.9%	
Total Admissions - Acute plus Observation Only	1,400	1,331	69	5.2%		5,739	5,323	416	7.8%		5,198	541	10.4%	

Behavioral Health														
Admissions	299	384	(85)	(22.1%)		1,323	1,493	(170)	(11.4%)		1,752	(429)	(24.5%)	
Length of Stay (LOS)	27.5	21.5	(6.1)	(28.2%)		24.2	21.3	(3.0)	(13.9%)		21.0	(3.2)	(15.3%)	
Patient Days	8,236	8,251	(15)	(0.2%)		32,058	31,749	309	1.0%		36,822	(4,764)	(12.9%)	
Valleywise Behavioral Health Center-Phoenix	1,757	1,936	(179)	(9.2%)		6,828	6,736	92	1.4%		8,659	(1,831)	(21.1%)	
Valleywise Behavioral Health Center-Mesa	3,285	2,965	320	10.8%		12,653	11,723	930	7.9%		11,579	1,074	9.3%	
Valleywise Behavioral Health Center-Maryvale	3,194	3,350	(156)	(4.7%)		12,577	13,290	(713)	(5.4%)		16,584	(4,007)	(24.2%)	

Combined (Acute + Behavioral Health)														
Adjusted Admissions	2,616	2,521	95	3.8%		10,748	10,108	639	6.3%		9,978	770	7.7%	
Adjusted Patient Days	26,905	24,369	2,535	10.4%		104,376	95,854	8,521	8.9%		103,995	380	0.4%	

Case Mix Index														
Total Hospital	1.55	1.60	(0.05)	(3.0%)		1.58	1.60	(0.02)	(1.1%)		1.60	(0.02)	(1.1%)	
Acute (Excluding Newborns)	1.78	1.78	(0.00)	(0.1%)		1.81	1.78	0.03	1.4%		1.87	(0.06)	(3.5%)	
Behavioral Health	1.28	1.21	0.07	5.5%		1.23	1.21	0.02	1.6%		1.20	0.03	2.5%	
Medicare	1.99	2.01	(0.02)	(1.2%)		2.06	2.01	0.05	2.5%		2.40	(0.34)	(14.2%)	
AHCCCS	1.91	1.77	0.14	7.7%		1.87	1.77	0.10	5.7%		1.84	0.03	1.7%	




Ambulatory														
Valleywise Community Health Centers Visits	13,822	13,611	211	1.6%		58,581	53,834	4,747	8.8%		58,877	(296)	(0.5%)	
Valleywise Comprehensive Health Center-Phoenix Visits	11,779	11,787	(8)	(0.1%)		49,184	48,405	779	1.6%		51,718	(2,534)	(4.9%)	
Valleywise Comprehensive Health Center-Peoria Visits	3,249	3,349	(100)	(3.0%)		12,758	13,398	(640)	(4.8%)		12,419	339	2.7%	
Dental Clinics Visits	1,894	1,858	36	1.9%		7,716	6,937	779	11.2%		8,049	(333)	(4.1%)	
OP Behavioral Health Visits	5,307	5,504	(197)	(3.6%)		22,988	21,701	1,287	5.9%		18,572	4,416	23.8%	
Total Ambulatory Visits :	36,051	36,109	(58)	(0.2%)		151,227	144,275	6,952	4.8%		149,635	1,592	1.1%	

Valleywise Health
 Financial and Statistical Information
 31-Oct-22

Legend	
Greater than or equal to 100% of Budget	
Within 95% to 100% of Budget	
Less than 95% of Budget	




	Current Month				Fiscal Year to Date				Prior Fiscal Year to Date					
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Actual	Variance	Var %			
Other														
Operating Room Utilization	72%	70%	2.2%	3.2%		72%	70%	2.3%	3.3%		69%	3.1%	4.4%	
Total Main OR Surgical Minutes - Roosevelt	70,965	72,610	(1,645)	(2.3%)		300,330	302,662	(2,332)	(0.8%)		301,335	(1,005)	(0.3%)	
Main OR Minutes per Case - Roosevelt	112	112	(0.2)	(0.2%)		112	117	5.3	4.5%		112	0.1	0.1%	
Total Main OR Surgeries - Roosevelt	632	648	(16)	(2.5%)		2,677	2,577	100	3.9%		2,683	(6)	(0.2%)	
OP Surgeries - Peoria	39	29	10	34.5%		143	117	26	22.2%		151	(8)	(5.3%)	
Total Surgeries - Roosevelt (Main OR) and Peoria	671	677	(6)	(0.9%)		2,820	2,694	126	4.7%		2,834	(14)	(0.5%)	
Endoscopy Procedures - Roosevelt	277	346	(69)	(19.9%)		1,173	1,437	(264)	(18.4%)		1,314	(141)	(10.7%)	
Endoscopy Procedures - Peoria	81	80	1	0.8%		475	343	132	38.6%		298	177	59.4%	
Total Endoscopy Procedures - Roosevelt and Peoria	358	426	(68)	(16.0%)		1,648	1,780	(132)	(7.4%)		1,612	36	2.2%	
Deliveries	206	188	18	9.6%		821	723	98	13.6%		723	98	13.6%	
Trauma Visits (subset of ED Visits)	163	163	-	0.0%		709	657	52	7.9%		674	35	5.2%	
Emergency Department (ED)	8,270	7,098	1,172	16.5%		33,646	28,964	4,682	16.2%		28,492	5,154	18.1%	
Roosevelt ED	4,842	4,316	526	12.2%		19,747	17,409	2,338	13.4%		17,294	2,453	14.2%	
Maryvale ED	2,894	2,248	646	28.7%		11,506	9,467	2,039	21.5%		9,130	2,376	26.0%	
L&D ED	316	323	(7)	(2.2%)		1,386	1,248	138	11.1%		1,227	159	13.0%	
Burn ED	218	211	7	3.3%		1,007	840	167	19.9%		841	166	19.7%	
% of Total ED Visits Resulting in Admission Roosevelt	13.0%	13.3%	(0.3%)	(2.5%)		12.6%	13.3%	(0.7%)	(4.9%)		13.0%	(0.4%)	(3.1%)	
% of Total ED Visits Resulting in Admission Maryvale	4.4%	6.3%	(1.9%)	(30.5%)		4.9%	6.3%	(1.4%)	(22.5%)		6.2%	(1.3%)	(20.9%)	
% of Acute Patients Admitted Through the ED	88.2%	84.6%	3.6%	4.2%		86.8%	85.2%	1.6%	1.9%		87.6%	(0.8%)	(0.9%)	
Left Without Treatment (LWOT) ROOSEVELT	1.1%	<3%	1.9%	63.8%		1.6%	<3%	1.4%	46.7%		0.7%	(0.9%)	(128.6%)	
Left Without Treatment (LWOT) MARYVALE	0.9%	<3%	2.1%	71.1%		1.6%	<3%	1.4%	46.3%		15.2%	13.6%	(89.4%)	
Overall ED Median Length of Stay (minutes) ROOSEVELT	148	<240	92	38.3%		228	<240	12	5.0%		213	(15)	(7.0%)	
Overall ED Median Length of Stay (minutes) MARYVALE	90	<220	130	59.1%		183	<220	37	16.8%		169	(14)	8.3%	
PSYCH ED Median LOS (minutes) ROOSEVELT	680	<0	(680)	(100.0%)		661	<0	(661)	(100.0%)		533	(129)	(24.1%)	
PSYCH ED Median LOS (minutes) MARYVALE	551	<0	(551)	(100.0%)		548	<0	(548)	(100.0%)		479	(69)	(14.4%)	
Median Time to Treatment (MTT) (minutes) ROOSEVELT	27	<30	3	10.0%		29	<30	1	3.3%		16	(13)	(81.3%)	
Median Time to Treatment (MTT) (minutes) MARYVALE	23	<30	7	23.3%		28	<30	2	6.7%		12	(16)	133.3%	
Cath Lab Utilization - Room 1	29%	45%	(16.2%)	(36.0%)		20%	45%	(25.3%)	(56.3%)		15%	4.4%	29.2%	
Cath Lab Utilization - Room 2	17%	45%	(28.0%)	(62.3%)		24%	45%	(20.6%)	(45.8%)		16%	8.8%	56.6%	
Cath Lab Utilization - IR	89%	65%	24.4%	37.5%		98%	65%	32.9%	50.6%		92%	5.5%	5.9%	
CCTA/Calcium Score	10	15	(5)	(33.3%)		60	60	-	0.0%		52	8	15.4%	
Pediatric ED Visits at Maryvale (under age 18)	616					1,984					1,506	478	31.7%	
Adult ED Visits at Maryvale (age 18 and over)	2,278					9,522					7,624	1,898	24.9%	
Maryvale ED to Inpatient OR (under age 18)	4					9					5	4	80.0%	
Maryvale ED to Inpatient OR (Total)	34					123					100	23	23.0%	
Pediatric ED Visits at Roosevelt (under age 18)	892					2,880					2,937	(57)	(1.9%)	
Adult ED Visits at Roosevelt (age 18 and over)	3,950					16,867					14,357	2,510	17.5%	

Valleywise Health
 Financial and Statistical Information
 31-Oct-22




Greater than or equal to 100% of Budget	
Within 95% to 100% of Budget	
Less than 95% of Budget	

Current Month				Fiscal Year to Date				Prior Fiscal Year to Date		
Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %	Actual	Variance	Var %




Operating Income / (Loss) in 000s

Valleywise Health	\$	(18,702)	\$	(13,929)	\$	(4,774)	(34.3%)		\$	(63,915)	\$	(52,131)	\$	(11,784)	(22.6%)		\$	(54,290)	\$	(9,626)	(17.7%)	
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Net Income / (Loss) in 000s

Valleywise Health	\$	(8,676)	\$	(5,035)	\$	(3,641)	(72.3%)		\$	(29,591)	\$	(20,715)	\$	(8,876)	(42.8%)		\$	(12,540)	\$	(17,051)	(136.0%)	
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Net Income / (Loss) in 000s Normalized

Valleywise Health	\$	(9,597)	\$	(5,825)	\$	(3,772)	(64.8%)		\$	(33,272)	\$	(23,875)	\$	(9,397)	(39.4%)		\$	(26,544)	\$	(6,728)	(25.3%)	
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RATIOS:

Liquidity

Total Cash and Investments (000s)					\$	229.7				\$	232.5	\$	(2.8)	(1.2%)	
Total Days Cash on Hand						107.8					110.6		(2.8)	(2.5%)	
Current Ratio						2.6					3.3		(0.7)	(21.2%)	
Current Ratio without Bond-related Assets & Liabilities						2.0					2.5		(0.5)	(20.0%)	
Days in Accounts Receivable (Hospital only)						77.7					76.4		(1.3)	(1.7%)	

Capital Structure

EBIDA Debt Service Coverage						(0.2)					0.4		(0.6)	(150.0%)	
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Profitability

Operating Margin	(37.1%)	(26.2%)	(10.9%)	(41.6%)		(30.1%)	(23.8%)	(6.3%)	(26%)		(28.6%)	(1.5%)	(5.2%)	
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Labor

FTE/AOB WO Residents	4.30	4.72	0.43	9.0%		4.39	4.74	0.36	7.5%		4.67	0.28	6.1%	
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	Current Month			
	Actual	Prior Year	Variance	Var %
Turnover Rate - Voluntary	1.20%	1.87%	0.67%	35.83%
Turnover Rate - Involuntary	0.43%	0.15%	(0.28%)	(186.67%)
Turnover Rate - Uncontrollable	0.61%	0.30%	(0.31%)	(103.33%)
Turnover Rate - Total	2.24%	2.32%	0.08%	3.45%

	Rolling Last Twelve Months			
	Actual	Prior Year	Variance	Var %
Turnover Rate - Voluntary	23.64%	20.90%	(2.74%)	(13.11%)
Turnover Rate - Involuntary	4.38%	3.02%	(1.36%)	(45.03%)
Turnover Rate - Uncontrollable	5.08%	4.37%	(0.71%)	(16.25%)
Turnover Rate - Total	33.10%	28.29%	(4.81%)	(17.00%)

Appendix A Definition of Financial Indicators

Indicator	Definition	Desired Position	
		Trend	Median
Total Days Cash on Hand	$= \frac{\text{Cash} + \text{Short-Term Investments}}{(\text{Operating Expenses Less - Depreciation}) / \text{YTD Days}}$	Up	Above
Days in Accounts Receivable	$= \frac{\text{Net Patient Accounts Receivable (including Due/From)}}{\text{Net Patient Service Revenue} / \text{YTD Days}}$	Down	Below
Cushion Ratio	$= \frac{\text{Cash} + \text{Short-Term Investments}}{\text{Principal} + \text{Interest Expenses}}$	Up	Above
Cash to Debt	$= \frac{\text{Cash} + \text{Short-Term Investments}}{\text{Long Term Debt}} \times 100$	Up	Above
EBITDA Debt Service Coverage	$= \frac{\text{EBITDA}}{\text{Principal} + \text{Interest Expenses}}$	Up	Above
Debt to Net Assets	$= \frac{\text{Long Term Debt}}{\text{Long Term Debt} + \text{Unrestricted Assets}} \times 100$	Down	Below
Operating Margin	$= \frac{\text{Operating Income (Loss)}}{\text{Operating Revenues}} \times 100$	Up	Above
EBITDA Margin	$= \frac{\text{EBITDA}}{\text{Operating Revenues} + \text{Non Operating Revenues}} \times 100$	Up	Above
Excess Margin	$= \frac{\text{Net Income}}{\text{Operating Revenues} + \text{Non Operating Revenues}} \times 100$	Up	Above
Case Mix Index - Total Hospital	All discharged accounts. = Includes normal newborns (DRG 795). Includes discharges with a Behavioral Health patient type.	Up	Above
Case Mix Index - Acute (Excluding Newborns)	Discharged accounts. = Excludes normal newborns (DRG 795). Excludes discharges with a Behavioral Health patient type.	Up	Above
Case Mix Index - Behavioral Health	= Discharges with a Behavioral Health patient type.	Up	Above
Case Mix Index - Medicare	Discharged accounts with a financial class of Medicare <u>or</u> Medicare Managed Care. Excludes normal newborns (DRG 795). Excludes discharges with a Behavioral Health patient type.	Up	Above
Case Mix Index - AHCCCS	Discharged accounts with a financial class of AHCCCS <u>or</u> Maricopa Health Plan. Excludes normal newborns (DRG 795). Excludes discharges with a Behavioral Health patient type.	Up	Above

For ALL Case Mix values -- only Patient Types of Inpatient, Behavioral Health and Newborn are counted (as appropriate). Patient Types of Observation, Outpatient and Emergency are excluded from all CMI calculations at all times.

New individual MS-DRG weights are issued by CMS each year, with an effective date of October 1st.



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

VOLUMES

For the Four Periods Ending October 31, 2022

	Oct-22 Actual	Oct-22 Budget	Oct-22 Variance	Oct-22 % Change	Prior Year Same Month Oct-21	Prior Year Same Month % Change	YTD Oct-22 YTD Actual	YTD Oct-22 YTD Budget	YTD Oct-22 YTD Variance	YTD Oct-22 % Change	YTD Prior Year Oct-21	YTD Prior Year % Change
ADMISSIONS												
Acute	1,056	1,037	19	1.8 %	1,044	1.1 %	4,377	4,150	227	5.5 %	3,947	10.9 %
Behavioral Health	299	384	(85)	(22.1 %)	435	(31.3 %)	1,323	1,493	(170)	(11.4 %)	1,752	(24.5 %)
Valleywise Behavioral Health Center-Phoenix	58	68	(10)	(14.7 %)	79	(26.6 %)	213	243	(30)	(12.3 %)	276	(22.8 %)
Valleywise Behavioral Health Center-Mesa	131	151	(20)	(13.2 %)	145	(9.7 %)	586	594	(8)	(1.3 %)	604	(3.0 %)
Valleywise Behavioral Health Center-Maryvale	110	165	(55)	(33.3 %)	211	(47.9 %)	524	656	(132)	(20.1 %)	872	(39.9 %)
Total	1,355	1,421	(66)	(4.6 %)	1,479	(8.4 %)	5,700	5,643	57	1.0 %	5,699	0.0 %
OBSERVATION ADMISSIONS												
Transferred to Inpatient *	211	176	35	19.9 %	158	33.5 %	854	707	147	20.8 %	727	17.5 %
Observation Admission Only	344	294	50	17.0 %	259	32.8 %	1,362	1,173	189	16.1 %	1,251	8.9 %
Total Observation Admissions	555	470	85	18.1 %	417	33.1 %	2,216	1,880	336	17.9 %	1,978	12.0 %
TOTAL ADMISSIONS AND OBSERVATION ONLY												
Total	1,699	1,715	(16)	(0.9 %)	1,738	(2.2 %)	7,062	6,816	246	3.6 %	6,950	1.6 %
ADJUSTED ADMISSIONS												
Total	2,616	2,521	95	3.8 %	2,532	3.3 %	10,748	10,108	639	6.3 %	9,978	7.7 %
PATIENT DAYS												
Acute	5,698	5,486	212	3.9 %	5,907	(3.5 %)	23,298	21,763	1,535	7.1 %	22,578	3.2 %
Behavioral Health	8,236	8,251	(15)	(0.2 %)	9,346	(11.9 %)	32,058	31,749	309	1.0 %	36,822	(12.9 %)
Valleywise Behavioral Health Center-Phoenix	1,757	1,936	(179)	(9.2 %)	2,245	(21.7 %)	6,828	6,736	92	1.4 %	8,659	(21.1 %)
Valleywise Behavioral Health Center-Mesa	3,285	2,965	320	10.8 %	2,939	11.8 %	12,653	11,723	930	7.9 %	11,579	9.3 %
Valleywise Behavioral Health Center-Maryvale	3,194	3,350	(156)	(4.7 %)	4,162	(23.3 %)	12,577	13,290	(713)	(5.4 %)	16,584	(24.2 %)
Total	13,934	13,737	197	1.4 %	15,253	(8.6 %)	55,356	53,512	1,844	3.4 %	59,400	(6.8 %)
AVERAGE DAILY CENSUS												
Acute	184	177	7	3.9 %	191	(3.5 %)	189	177	12	7.1 %	184	3.2 %
Behavioral Health	266	266	(0)	(0.2 %)	301	(11.9 %)	261	258	3	1.0 %	299	(12.9 %)
Valleywise Behavioral Health Center-Phoenix	57	62	(6)	(9.2 %)	72	(21.7 %)	56	55	1	1.4 %	70	(21.1 %)
Valleywise Behavioral Health Center-Mesa	106	96	10	10.8 %	95	11.8 %	103	95	8	7.9 %	94	9.3 %
Valleywise Behavioral Health Center-Maryvale	103	108	(5)	(4.7 %)	134	(23.3 %)	102	108	(6)	(5.4 %)	135	(24.2 %)
Total	449	443	6	1.4 %	492	(8.6 %)	450	435	15	3.4 %	483	(6.8 %)
ADJUSTED PATIENT DAYS												
Total	26,905	24,369	2,535	10.4 %	26,112	3.0 %	104,376	95,854	8,521	8.9 %	103,995	0.4 %

* Already included in 'Acute Admissions'.



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

VOLUMES

For the Four Periods Ending October 31, 2022

	Oct-22 Actual	Oct-22 Budget	Oct-22 Variance	Oct-22 % Change	Prior Year Same Month Oct-21	Prior Year Same Month % Change	Oct-22 YTD Actual	Oct-22 YTD Budget	Oct-22 YTD Variance	YTD Oct-22 % Change	YTD Prior Year Oct-21	YTD Prior Year % Change
OPERATING ROOM SURGERIES - ROOSEVELT												
Inpatient	356	379	(23)	(6.1 %)	398	(10.6 %)	1,601	1,518	83	5.5 %	1,569	2.0 %
Outpatient	276	269	7	2.6 %	273	1.1 %	1,076	1,059	17	1.6 %	1,114	(3.4 %)
Total	632	648	(16)	(2.5 %)	671	(5.8 %)	2,677	2,577	100	3.9 %	2,683	(0.2 %)
Inpatient Minutes	40,830	45,937	(5,107)	(11.1 %)	44,700	(8.7 %)	184,485	188,407	(3,922)	(2.1 %)	182,460	1.1 %
Outpatient Minutes	30,135	26,673	3,462	13.0 %	27,780	8.5 %	115,845	114,255	1,590	1.4 %	118,875	(2.5 %)
Total	70,965	72,610	(1,645)	(2.3 %)	72,480	(2.1 %)	300,330	302,662	(2,332)	(0.8 %)	301,335	(0.3 %)
OPERATING ROOM SURGERIES - PEORIA												
Outpatient	39	29	10	34.5 %	38	2.6 %	143	117	26	22.2 %	151	(5.3 %)
Outpatient Minutes	3,735	2,534	1,201	47.4 %	3,540	5.5 %	13,230	10,773	2,457	22.8 %	14,850	(10.9 %)
ENDOSCOPY PROCEDURES - ROOSEVELT												
Inpatient	81	110	(29)	(26.4 %)	102	(20.6 %)	358	434	(76)	(17.5 %)	397	(9.8 %)
Outpatient	196	236	(40)	(16.9 %)	180	8.9 %	815	1,003	(188)	(18.8 %)	917	(11.1 %)
Total	277	346	(69)	(19.9 %)	282	(1.8 %)	1,173	1,437	(264)	(18.4 %)	1,314	(10.7 %)
ENDOSCOPY PROCEDURES - PEORIA												
Outpatient	81	80	1	0.8 %	62	30.6 %	475	343	132	38.6 %	298	59.4 %
DELIVERIES												
Total	206	188	18	9.6 %	188	9.6 %	821	723	98	13.6 %	723	13.6 %
ED VISITS												
Adult	4,842	4,316	526	12.2 %	4,178	15.9 %	19,747	17,409	2,338	13.4 %	17,294	14.2 %
Maryvale	2,894	2,248	646	28.7 %	2,171	33.3 %	11,506	9,467	2,039	21.5 %	9,130	26.0 %
Labor & Delivery	316	323	(7)	(2.2 %)	318	(0.6 %)	1,386	1,248	138	11.1 %	1,227	13.0 %
Burn	218	211	7	3.3 %	211	3.3 %	1,007	840	167	19.9 %	841	19.7 %
Total	8,270	7,098	1,172	16.5 %	6,878	20.2 %	33,646	28,964	4,682	16.2 %	28,492	18.1 %
AMBULATORY VISITS												
Valleywise Community Health Centers	13,822	13,611	211	1.6 %	15,740	(12.2 %)	58,581	53,834	4,747	8.8 %	58,877	(0.5 %)
Valleywise Comprehensive Health Center-Phoenix	11,779	11,787	(8)	(0.1 %)	12,734	(7.5 %)	49,184	48,405	779	1.6 %	51,718	(4.9 %)
Valleywise Comprehensive Health Center-Peoria	3,249	3,349	(100)	(3.0 %)	3,593	(9.6 %)	12,758	13,398	(640)	(4.8 %)	12,419	2.7 %
Outpatient Behavioral Health	5,307	5,504	(197)	(3.6 %)	4,308	23.2 %	22,988	21,701	1,287	5.9 %	18,572	23.8 %
Dental	1,894	1,858	36	1.9 %	1,873	1.1 %	7,716	6,937	779	11.2 %	8,049	(4.1 %)
Total	36,051	36,109	(58)	(0.2 %)	38,248	(5.7 %)	151,227	144,275	6,952	4.8 %	149,635	1.1 %



MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT

VALLEYWISE HEALTH (COMBINED CARE SYSTEM)

FINANCIAL INDICATORS

For the Period Ending October 31, 2022

	Oct-22 Actual	Oct-22 Budget	Oct-22 Variance	Oct-22 % Change	Prior Year Same Month Oct-21	Prior Year Same Month Variance	Prior Year Same Month % Change
Net Patient Service Revenue per APD	\$ 1,455	\$ 1,755	(\$ 300)	(17.1 %)	\$ 1,765	(\$ 310)	(17.6 %)
Salaries	\$ 25,074,354	\$ 24,724,867	(\$ 349,487)	(1.4 %)	\$ 24,767,014	(\$ 307,340)	(1.2 %)
Benefits	6,991,137	7,349,546	358,409	4.9 %	6,934,120	(57,018)	(0.8 %)
Contract Labor	7,605,949	4,716,463	(2,889,486)	(61.3 %)	6,636,051	(969,897)	(14.6 %)
Total Labor Costs	\$ 39,671,440	\$ 36,790,875	(\$ 2,880,564)	(7.8 %)	\$ 38,337,185	(\$ 1,334,255)	(3.5 %)
Supplies	\$ 7,634,897	\$ 8,000,946	\$ 366,049	4.6 %	\$ 8,091,233	\$ 456,336	5.6 %
Medical Service Fees	8,939,525	8,647,976	(291,549)	(3.4 %)	8,376,151	(563,374)	(6.7 %)
All Other *	11,172,771	12,630,980	1,458,209	11.5 %	10,807,386	(365,385)	(3.4 %)
Total	\$ 27,747,193	\$ 29,279,902	\$ 1,532,708	5.2 %	\$ 27,274,770	(\$ 472,423)	(1.7 %)
Total Operating and Non-Operating Expenses *	\$ 67,418,633	\$ 66,070,777	(\$ 1,347,856)	(2.0 %)	\$ 65,611,955	(\$ 1,806,678)	(2.8 %)
* Excludes Depreciation							
Tax Levy							
Property Tax	\$ 7,673,441	\$ 7,673,441	\$ 0	0.0 %	\$ 7,335,985	\$ 337,455	4.6 %
Bonds	3,094,397	3,094,397	(0)	(0.0 %)	4,749,185	(1,654,788)	(34.8 %)
Total Tax Levy	\$ 10,767,838	\$ 10,767,838	(\$ 0)	(0.0 %)	\$ 12,085,171	(\$ 1,317,333)	(10.9 %)
Patient Days - Acute	5,698	5,486	212	3.9 %	5,907	(209)	(3.5 %)
Patient Days - Behavioral Health	8,236	8,251	(15)	(0.2 %)	9,346	(1,110)	(11.9 %)
Patient Days - Total	13,934	13,737	197	1.4 %	15,253	(1,319)	(8.6 %)
Adjusted Patient Days	26,905	24,369	2,535	10.4 %	26,112	792	3.0 %
APD Ratio	1.93	1.77	0.16	8.8 %	1.71	0.22	12.8 %
Admissions - Acute	1,056	1,037	19	1.8 %	1,044	12	1.1 %
Admissions - Behavioral Health	299	384	(85)	(22.1 %)	435	(136)	(31.3 %)
Admissions - Total	1,355	1,421	(66)	(4.6 %)	1,479	(124)	(8.4 %)
Adjusted Admissions	2,616	2,521	95	3.8 %	2,532	84	3.3 %
Average Daily Census - Acute	184	177	7	3.9 %	191	(7)	(3.5 %)
Average Daily Census - Behavioral Health	266	266	(0)	(0.2 %)	301	(36)	(11.9 %)
Average Daily Census - Total	449	443	6	1.4 %	492	(43)	(8.6 %)
Adjusted Occupied Beds - Acute	355	314	41	13.0 %	326	29	8.8 %



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For the Period Ending October 31, 2022

	Oct-22 Actual	Oct-22 Budget	Oct-22 Variance	Oct-22 % Change	Prior Year Same Month Oct-21	Prior Year Same Month Variance	Prior Year Same Month % Change
Adjusted Occupied Beds - Behavioral Health	513	472	41	8.6 %	516	(3)	(0.6 %)
Adjusted Occupied Beds - Total	868	786	82	10.4 %	842	26	3.0 %
Paid FTEs - Payroll	3,399	3,533	134	3.8 %	3,514	115	3.3 %
Paid FTEs - Contract Labor	517	367	(150)	(40.7 %)	651	135	20.7 %
Paid FTEs - Total	3,916	3,900	(16)	(0.4 %)	4,165	249	6.0 %
FTEs per AOB	4.51	4.96	0.45	9.1 %	4.94	0.43	8.8 %
FTEs per AOB (w/o Residents)	4.30	4.72	0.43	9.0 %	4.72	0.43	9.0 %
Benefits as a % of Salaries	27.9 %	29.7 %	1.8 %	6.2 %	28.0 %	0.1 %	0.4 %
Labor Costs as a % of Net Patient Revenue	101.3 %	86.0 %	(15.3 %)	(17.8 %)	83.2 %	(18.2 %)	(21.8 %)
Salaries and Contract Labor per APD	\$ 1,215	\$ 1,208	(\$ 7)	(0.5 %)	\$ 1,203	(\$ 12)	(1.0 %)
Benefits per APD	260	302	42	13.8 %	266	6	2.1 %
Supplies per APD	284	328	45	13.6 %	310	26	8.4 %
Medical Service Fees per APD	332	355	23	6.4 %	321	(11)	(3.6 %)
All Other Expenses per APD *	415	518	103	19.9 %	414	(1)	(0.3 %)
Total Expenses per APD *	\$ 2,506	\$ 2,711	\$ 205	7.6 %	\$ 2,513	\$ 7	0.3 %
Salaries and Contract Labor per Adj. Admission	\$ 12,491	\$ 11,679	(\$ 812)	(7.0 %)	\$ 12,403	(\$ 88)	(0.7 %)
Benefits per Adj. Admission	2,672	2,916	243	8.3 %	2,739	66	2.4 %
Supplies per Adj. Admission	2,918	3,174	256	8.1 %	3,196	277	8.7 %
Medical Service Fees per Adj. Admission	3,417	3,431	14	0.4 %	3,308	(109)	(3.3 %)
All Other Expenses per Adj. Admission *	4,270	5,011	740	14.8 %	4,268	(2)	(0.0 %)
Total Expenses per Adj. Admission *	\$ 25,769	\$ 26,210	\$ 441	1.7 %	\$ 25,913	\$ 145	0.6 %

* Excludes Depreciation



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	Oct-22 YTD Actual	Oct-22 YTD Budget	Oct-22 YTD Variance	YTD Oct-22 % Change	YTD Prior Year Oct-21	YTD Prior Year Variance	YTD Prior Year % Change
Net Patient Service Revenue per APD	\$ 1,615	\$ 1,840	(\$ 226)	(12.3 %)	\$ 1,674	(\$ 60)	(3.6 %)
Salaries	\$ 97,912,829	\$ 96,827,625	(\$ 1,085,204)	(1.1 %)	\$ 100,642,574	\$ 2,729,745	2.7 %
Benefits	28,877,496	28,888,749	11,253	0.0 %	30,022,235	1,144,739	3.8 %
Contract Labor	27,745,378	20,275,358	(7,470,020)	(36.8 %)	17,467,232	(10,278,146)	(58.8 %)
Total Labor Costs	\$ 154,535,703	\$ 145,991,732	(\$ 8,543,971)	(5.9 %)	\$ 148,132,042	(\$ 6,403,661)	(4.3 %)
Supplies	\$ 30,493,120	\$ 31,377,799	\$ 884,678	2.8 %	\$ 34,227,052	\$ 3,733,932	10.9 %
Medical Service Fees	34,004,981	33,442,767	(562,214)	(1.7 %)	32,597,241	(1,407,740)	(4.3 %)
All Other *	56,443,634	60,544,597	4,100,963	6.8 %	47,481,373	(8,962,261)	(18.9 %)
Total	\$ 120,941,736	\$ 125,365,162	\$ 4,423,427	3.5 %	\$ 114,305,666	(\$ 6,636,070)	(5.8 %)
Total Operating and Non-Operating Expenses *	\$ 275,477,439	\$ 271,356,894	(\$ 4,120,544)	(1.5 %)	\$ 262,437,707	(\$ 13,039,731)	(5.0 %)
* Excludes Depreciation							
Tax Levy							
Property Tax	\$ 30,693,762	\$ 30,693,762	\$ 0	0.0 %	\$ 29,343,941	\$ 1,349,821	4.6 %
Bonds	12,377,589	12,377,589	(0)	(0.0 %)	18,996,741	(6,619,152)	(34.8 %)
Total Tax Levy	\$ 43,071,352	\$ 43,071,352	(\$ 0)	(0.0 %)	\$ 48,340,682	(\$ 5,269,330)	(10.9 %)
Patient Days - Acute	23,298	21,763	1,535	7.1 %	22,578	720	3.2 %
Patient Days - Behavioral Health	32,058	31,749	309	1.0 %	36,822	(4,764)	(12.9 %)
Patient Days - Total	55,356	53,512	1,844	3.4 %	59,400	(4,044)	(6.8 %)
Adjusted Patient Days	104,376	95,854	8,521	8.9 %	103,995	380	0.4 %
APD Ratio	1.89	1.79	0.09	5.3 %	1.75	0.13	7.7 %
Admissions - Acute	4,377	4,150	227	5.5 %	3,947	430	10.9 %
Admissions - Behavioral Health	1,323	1,493	(170)	(11.4 %)	1,752	(429)	(24.5 %)
Admissions - Total	5,700	5,643	57	1.0 %	5,699	1	0.0 %
Adjusted Admissions	10,748	10,108	639	6.3 %	9,978	770	7.7 %
Average Daily Census - Acute	189	177	12	7.1 %	184	6	3.2 %
Average Daily Census - Behavioral Health	261	258	3	1.0 %	299	(39)	(12.9 %)
Average Daily Census - Total	450	435	15	3.4 %	483	(33)	(6.8 %)
Adjusted Occupied Beds - Acute	357	317	40	12.7 %	321	36	11.1 %



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	Oct-22 YTD Actual	Oct-22 YTD Budget	Oct-22 YTD Variance	YTD Oct-22 % Change	YTD Prior Year Oct-21	YTD Prior Year Variance	YTD Prior Year % Change
Adjusted Occupied Beds - Behavioral Health	491	462	29	6.3 %	524	(33)	(6.2 %)
Adjusted Occupied Beds - Total	849	779	69	8.9 %	845	3	0.4 %
Paid FTEs - Payroll	3,430	3,496	67	1.9 %	3,566	136	3.8 %
Paid FTEs - Contract Labor	479	387	(92)	(23.9 %)	574	94	16.5 %
Paid FTEs - Total	3,909	3,883	(26)	(0.7 %)	4,140	231	5.6 %
FTEs per AOB	4.61	4.98	0.38	7.6 %	4.90	0.29	5.9 %
FTEs per AOB (w/o Residents)	4.39	4.74	0.36	7.5 %	4.67	0.28	6.1 %
Benefits as a % of Salaries	29.5 %	29.8 %	0.3 %	1.1 %	29.8 %	0.3 %	1.1 %
Labor Costs as a % of Net Patient Revenue	91.7 %	82.8 %	(8.9 %)	(10.8 %)	85.1 %	(6.6 %)	(7.8 %)
Salaries and Contract Labor per APD	\$ 1,204	\$ 1,222	\$ 18	1.5 %	\$ 1,136	(\$ 68)	(6.0 %)
Benefits per APD	277	301	25	8.2 %	289	12	4.2 %
Supplies per APD	292	327	35	10.8 %	329	37	11.2 %
Medical Service Fees per APD	326	349	23	6.6 %	313	(12)	(3.9 %)
All Other Expenses per APD *	541	632	91	14.4 %	457	(84)	(18.4 %)
Total Expenses per APD *	\$ 2,639	\$ 2,831	\$ 192	6.8 %	\$ 2,524	(\$ 116)	(4.6 %)
Salaries and Contract Labor per Adj. Admission	\$ 11,692	\$ 11,585	(\$ 107)	(0.9 %)	\$ 11,838	\$ 146	1.2 %
Benefits per Adj. Admission	2,687	2,858	171	6.0 %	3,009	322	10.7 %
Supplies per Adj. Admission	2,837	3,104	267	8.6 %	3,430	593	17.3 %
Medical Service Fees per Adj. Admission	3,164	3,309	145	4.4 %	3,267	103	3.2 %
All Other Expenses per Adj. Admission *	5,252	5,990	738	12.3 %	4,759	(493)	(10.4 %)
Total Expenses per Adj. Admission *	\$ 25,632	\$ 26,845	\$ 1,214	4.5 %	\$ 26,303	\$ 671	2.6 %

* Excludes Depreciation

**MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT
VALLEYWISE HEALTH (COMBINED CARE SYSTEM)
FINANCIAL STATEMENT HIGHLIGHTS
For the month ending October 31, 2022**

OPERATING REVENUE

Patient Days, Admissions and Adjusted Patient Days

Acute Care	Actual	Budget	Variance	%Variance
MTD - Patient Days	5,698	5,486	212	3.9%
YTD - Patient Days	23,298	21,763	1,535	7.1%
MTD - Admissions	1,056	1,037	19	1.8%
YTD - Admissions	4,377	4,150	227	5.5%
MTD - Average Length of Stay (ALOS)	5.4	5.3	(0.1)	-2.0%
YTD - Average Length of Stay (ALOS)	5.3	5.2	(0.1)	-1.5%
MTD - Average Daily Census (ADC)	184	177	7	3.9%
YTD - Average Daily Census (ADC)	189	177	12	7.1%
Behavioral Health	Actual	Budget	Variance	%Variance
MTD - Patient Days	8,236	8,251	(15)	-0.2%
YTD - Patient Days	32,058	31,749	309	1.0%
MTD - Admissions	299	384	(85)	-22.1%
YTD - Admissions	1,323	1,493	(170)	-11.4%
MTD - Average Length of Stay (ALOS)	27.5	21.5	(6.1)	-28.2%
YTD - Average Length of Stay (ALOS)	24.2	21.3	(3.0)	-13.9%
MTD - Average Daily Census (ADC)	266	266	(0)	-0.2%
YTD - Average Daily Census (ADC)	261	258	3	1.1%
Adjusted Patient Days (APD)	Actual	Budget	Variance	%Variance
Month-to-Date	26,905	24,369	2,535	10.4%
Year-to-Date	104,376	95,854	8,521	8.9%

Net patient service revenue

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 39,146,411	\$ 42,768,335	\$ (3,621,925)	-8.5%
Year-to-Date	\$ 168,524,495	\$ 176,386,117	\$ (7,861,622)	-4.5%
Month-to-Date Per APD	\$ 1,455	\$ 1,755	\$ (300)	-17.1%
Year-to-Date Per APD	\$ 1,615	\$ 1,840	\$ (226)	-12.3%

Other operating revenue

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 11,296,929	\$ 10,460,855	\$ 836,074	8.0%
Year-to-Date	\$ 43,815,166	\$ 42,622,756	\$ 1,192,410	2.8%

The majority of the positive variances for the month are in sales at the retail pharmacies and revenues received from the Healthy II AHCCCS program while negative variances are mostly in the 340(b) pharmacy program.

Total operating revenues

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 50,443,340	\$ 53,229,191	\$ (2,785,851)	-5.2%
Year-to-Date	\$ 212,339,661	\$ 219,008,873	\$ (6,669,212)	-3.0%

**MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT
VALLEYWISE HEALTH (COMBINED CARE SYSTEM)
FINANCIAL STATEMENT HIGHLIGHTS
For the month ending October 31, 2022**

OPERATING EXPENSES

Salaries and wages

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 25,074,354	\$ 24,724,867	\$ (349,487)	-1.4%
Year-to-Date	\$ 97,912,829	\$ 96,827,625	\$ (1,085,204)	-1.1%

	Actual	Budget	Variance	%Variance
<i>Paid FTE's - Payroll</i>	3,399	3,533	134	3.8%

	Actual	Budget	Variance	%Variance
<i>Paid FTE's - Payroll (w/o Residents)</i>	3,397	3,529	132	3.7%

	Actual	Budget	Variance	%Variance
<i>Salaries per FTE's - Payroll</i>	\$ 7,377	\$ 6,998	\$ (378)	-5.4%

Contract labor

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 7,605,949	\$ 4,716,463	\$ (2,889,486)	-61.3%
Year-to-Date	\$ 27,745,378	\$ 20,275,358	\$ (7,470,020)	-36.8%

	Actual	Budget	Variance	%Variance
<i>FTE's - Contract Labor incl Outsource</i>	517	367	(150)	-40.9%

	Actual	Budget	Variance	%Variance
<i>FTE's - Contract Labor</i>				
Nursing operations - Acute	198	107	(91)	-85.0%
Revenue Cycle	-	-	-	-100.0%
Behavioral Health	24	6	(18)	-295.0%
Information Technology	4	1	(3)	-300.0%
Support Services	21	12	(9)	-72.1%
Interns & Residents	187	187	-	0.0%

	Actual	Budget	Variance	%Variance
<i>Paid FTE's - Payroll & Contract Labor</i>	3,916	3,900	(16)	-0.4%

	Actual	Budget	Variance	%Variance
<i>Adjusted Occupied Beds (AOB)</i>	868	786	82	10.4%

	Actual	Budget	Variance	%Variance
<i>Paid FTE's per AOB</i>	4.51	4.96	0.45	9.1%

	Actual	Budget	Variance	%Variance
<i>Paid FTE's per AOB (w/o Residents)</i>	4.51	4.96	0.45	9.0%

Employee benefits

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 6,991,137	\$ 7,349,546	\$ 358,409	4.9%

The positive variances for the month are primarily in the NET medical and dental - self insured expenses; the negative variances for the month are in ASRS, taxes and paid leave accruals.

**MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT
VALLEYWISE HEALTH (COMBINED CARE SYSTEM)
FINANCIAL STATEMENT HIGHLIGHTS
For the month ending October 31, 2022**

Benefits as a % of salaries

	Actual	Budget	Variance	%Variance
Month-to-Date	27.9%	29.7%	1.8%	6.2%
Year-to-Date	29.5%	29.8%	0.3%	1.1%

Medical service fees

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 8,939,525	\$ 8,647,976	\$ (291,549)	-3.4%
Year-to-Date	\$ 34,004,981	\$ 33,442,767	\$ (562,214)	-1.7%

The majority of the negative variance for the month are due to actual collections being below budget.

Supplies

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 7,634,897	\$ 8,000,946	\$ 366,049	4.6%
Year-to-Date	\$ 30,493,120	\$ 31,377,799	\$ 884,678	2.8%

The positive variances for the month are primarily in radiology supplies, surgery related medical supplies and the physical inventory adjustment; while majority of the negative variance for the month are primarily in pharmaceuticals and blood & plasma supplies.

Purchased services

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 4,363,343	\$ 4,551,923	\$ 188,579	4.1%
Year-to-Date	\$ 17,620,286	\$ 18,142,900	\$ 522,614	2.9%

The positive variances for the month are in advertising services, other professional services and collection fees; while the major negative variances for the month are in management fees, hospital/medical services, translation services, laundry/dry cleaning and courier services.

Other expenses

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 4,955,932	\$ 5,281,040	\$ 325,108	6.2%
Year-to-Date	\$ 19,476,547	\$ 21,100,554	\$ 1,624,006	7.7%

The major positive variances for the month are in patient transport services and repairs & maintenance expenses while negative variances for the month are in mileage reimbursement and fuel expenses.

Provider Assessment

	Actual	Budget	Variance	%Variance
Month-to-Date	-	-	-	0.0%
Year-to-Date	\$ 5,891,876	\$ 5,891,876	-	0.0%

**MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT
VALLEYWISE HEALTH (COMBINED CARE SYSTEM)
FINANCIAL STATEMENT HIGHLIGHTS
For the month ending October 31, 2022**

Depreciation

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 3,580,514	\$ 3,885,050	\$ 304,536	7.8%
Year-to-Date	\$ 14,232,396	\$ 15,192,220	\$ 959,824	6.3%

Total operating expenses

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 69,145,651	\$ 67,157,811	\$ (1,987,841)	-3.0%
Year-to-Date	\$ 276,254,910	\$ 271,139,847	\$ (5,115,062)	-1.9%

Operating income (loss)

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ (18,702,311)	\$ (13,928,620)	\$ (4,773,691)	-34.3%
Year-to-Date	\$ (63,915,248)	\$ (52,130,974)	\$ (11,784,274)	-22.6%

Non-operating revenues (expenses)

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ 10,025,939	\$ 8,893,561	\$ 1,132,378	12.7%
Year-to-Date	\$ 34,324,093	\$ 31,415,662	\$ 2,908,431	9.3%

Excess of revenues over expenses

	Actual	Budget	Variance	%Variance
Month-to-Date	\$ (8,676,372)	\$ (5,035,059)	\$ (3,641,313)	72.3%
Year-to-Date	\$ (29,591,155)	\$ (20,715,312)	\$ (8,875,843)	42.8%

**MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT
VALLEYWISE HEALTH (COMBINED CARE SYSTEM)
FINANCIAL STATEMENT HIGHLIGHTS
For the month ending October 31, 2022**

ASSETS

Cash and cash equivalents - Delivery system

Oct-22	Jun-22	Change	% change
\$ 229,742,017	\$ 232,598,973	\$ (2,856,956)	-1.2%

Cash and cash equivalents - Bond (restricted)

Oct-22	Jun-22	Change	% change
\$ 225,270,805	\$ 306,922,949	\$ (81,652,144)	-26.6%

Paid \$55.9M in principal and interest in July 2022 related to the 2nd and 3rd bond offerings.
Paid \$16.3M in principal and interest in January 2022 related to the 3rd and 4th bond offerings.

Patient A/R, net of allowances

Oct-22	Jun-22	Change	% change
\$ 98,029,373	\$ 95,591,699	\$ 2,437,674	2.6%

Other receivables and prepaid items

Oct-22	Jun-22	Change	% change
\$ 44,281,977	\$ 36,610,519	\$ 7,671,458	21.0%

FY23 other receivables / prepaids includes:

\$16.6M in prepaids/deposits	\$296K in Psych subsidy
\$11.1M in inventories	\$702K due from Home Assist Health
\$8.2M due from other receivables, match programs, Healthy II program	\$856K due from other hospital - resident rotation
\$4.4M receivables from grants & research sponsors	\$34K due from Health Foundation
\$2.0M in retail pharmacy receivable	

Estimated amounts due from third party payors

Oct-22	Jun-22	Change	% change
\$ 64,618,979	\$ 48,057,006	\$ 16,561,973	34.5%

FY23 due from third party payors includes:

\$62.5M due from AHCCCS for GME - FY22 & FY23	\$727K due from First Things First
\$1.4M due from AHCCCS for DSH - FY23	

Due from related parties

Oct-22	Jun-22	Change	% change
\$ 2,782,215	\$ 1,721,769	\$ 1,060,446	61.6%

FY23 due from related parties includes:

\$2.8M due from Public Health Ryan White Part A programs

**MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT
VALLEYWISE HEALTH (COMBINED CARE SYSTEM)
FINANCIAL STATEMENT HIGHLIGHTS
For the month ending October 31, 2022**

Capital Assets, net

Oct-22	Jun-22	Change	% change
\$ 744,442,581	\$ 711,833,271	\$ 32,609,309	4.6%

Deferred outflows

Oct-22	Jun-22	Change	% change
\$ 89,357,989	\$ 89,357,989	\$ -	0.0%

LIABILITIES AND NET POSITION

Current maturities of long-term debt

Oct-22	Jun-22	Change	% change
\$ 35,834,541	\$ 55,930,307	\$ (20,095,767)	-35.9%

FY23 current maturities includes:
\$33.4M in Bond current portion and interest payable

Accounts payable

Oct-22	Jun-22	Change	% change
\$ 58,409,368	\$ 43,809,089	\$ 14,600,279	33.3%

FY23 accounts payable includes:
\$38.3M in vendor related expense accruals/estimates
\$11.3M in vendor approved payments

\$8.7M due to DMG for monthly contract payment plus
annual recon and pass thru payments

Accrued payroll and expenses

Oct-22	Jun-22	Change	% change
\$ 30,538,270	\$ 37,716,652	\$ (7,178,382)	-19.0%

Medical claims payable

Oct-22	Jun-22	Change	% change
\$ 14,730,700	\$ 15,016,683	\$ (285,983)	-1.9%

Due to related parties

Oct-22	Jun-22	Change	% change
\$ 20,286,745	\$ 8,627,104	\$ 11,659,641	135.2%

Timing of tax levy revenue accrual and actual collection received.

**MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT
VALLEYWISE HEALTH (COMBINED CARE SYSTEM)
FINANCIAL STATEMENT HIGHLIGHTS
For the month ending October 31, 2022**

Other current liabilities

Oct-22	Jun-22	Change	% change
\$ 95,289,162	\$ 62,436,035	\$ 32,853,127	52.6%

FY23 other current liabilities includes:

\$13.2M in deferred income (Health Foundation)	\$4.2M in settlement reserved for Medicare
\$18.7M in other deferred income (Mar County ARPA grant)	\$12.1M in settlement reserved AHCCCS Healthy II recon
\$28.3M in other deferred income (Provider relief funds)	\$3.5M in deferred income for grants, research, & study residuals
\$9.1M in patient credit balances	\$899K in capitation payments
\$4.9M in other deferred income (TIP, Optum, APSI)	\$288K in unclaimed/stale dated checks

Bonds payable

Oct-22	Jun-22	Change	% change
\$ 649,230,335	\$ 675,360,335	\$ (26,130,000)	-3.9%

Reclassified current maturities portion of Bond payable

Long-term liabilities

Oct-22	Jun-22	Change	% change
\$ 394,175,117	\$ 394,175,117	\$ -	0.0%

Pension liability per ASRS report - GASB68

Deferred inflows

Oct-22	Jun-22	Change	% change
\$ 3,972,294	\$ 3,972,294	\$ -	0.0%

Net position

Oct-22	Jun-22	Change	% change
\$ 196,059,405	\$ 225,650,560	\$ (29,591,155)	-13.1%



**Valleywise Health
Health Plan sale proceeds**

Beginning balance - February 01, 2017		\$ -
ADD: Payment received from UHC for member transfer	\$ 33,361,499.99	
Investment income	1,601,294.04	
Fund Interest	273,151.28	
Bank interest income received - YTD	82,059.16	
	<hr/>	35,318,004.47
LESS: Consulting services expense	(547,601.00)	
Valleywise Health Foundation Funding	(4,500,000.00)	
Bank charges - transfer fees	(50.00)	
	<hr/>	(5,047,651.00)
Ending balance as of October 31, 2022		<u><u>\$ 30,270,353.47</u></u>



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 6.

Care Reimagined Projects

November 21, 2022

Care Reimagined Updates

Presented by:
Lia Christiansen, Chief Administrative Officer

Care Reimagined Program Overview

Care Reimagined Program Features



\$935M bond-funded program



13 Updated or new locations



2,289 Design & Construction Professionals Engaged



7 Decommission sites



Expanding High Quality Care



Over **19,100** total views on The Vine

Completion to Date:

Valleywise Health Medical Center Campus	69%
Valleywise Behavioral Health Center Maryvale	100%
Ambulatory (CHCs)	
Peoria	100%
South Phoenix/Laveen	100%
North Phoenix	100%
Mesa	100%
West Maryvale	100%

*Approximately 11,876,022 Accumulative
Man Hours For All Projects*

Care Reimagined Projects Timeline

Location	Estimated Opening Date
Valleywise Health Medical Center	(VHMC & Ancillary Projects)
Final Design Completion	December, 2020
Construction Certificate of Occupancy	August, 2023
Activation / Bldg Handoff	October, 2023
Licensing	October, 2023
Estimated "Go-live"	October, 2023
Valleywise Health Medical Center Support Services Building	(SSB)
Final Design Completion	January, 2021
Construction Certificate of Occupancy	June, 2023
Activation / Bldg Handoff	June, 2023
Estimated "Go-live"	June - August 2023
Site decommissioning	CEP, Hogan Bldg, VHMC, CAC
CEP	January, 2024
Hogan Bldg	January, 2024
VHMC / CAC	January, 2024

Care Reimagined Program Dashboard

Legend:	
Not Applicable	○
Not Started	●
On Target	●
Mitigation Plan	●
Major Concern	●
Completed	●

	Schedule	Budget	Land Acquisition	Operational Program	Design	Construction	Off-Site Utilities	Long-Lead Materials	Medical EQUIP	FF&E	Safety
VHMC MAIN CAMPUS											
Central Utilities Plant / Utility Corridors (2611)	●	●	N/A	●	●	●	●	●	N/A	●	●
Valleywise Health Medical Center	●	●	N/A	●	●	●	●	●	●	●	●
West Parking	●	●	N/A	●	●	●	●	●	N/A	N/A	●
Site Hardscape	●	●	N/A	●	●	●	N/A	●	N/A	N/A	●
Admin / Research / Faculty Support Services Building (SSB)	●	●	N/A	●	●	●	●	●	●	●	●
Abatement / Demolition (VHMC)	●	●	N/A	●	N/A	●	●	●	N/A	N/A	●
Valleywise Behavioral Health Center-Phoenix (Annex)	●	●	N/A	●	●	●	●	●	N/A	●	●

Valleywise Health Medical Center Campus

Budget alignment and escalation- Valleywise Health approved alternate funding source. Industry material and labor shortages expected to impact material delivery timelines on the Acute Care Hospital. Material storage strategies are enabled to help mitigate delays.

Valleywise Health Support Services Building

Technology projected budget overage. Mitigation plan in place to reduce cost exposure. Unforeseen structural sub grade conditions not present on as-built drawings delayed completion by 10 days without cost impact.

Valleywise Health Mesa CHC

Supply chain related delays of goods created a requirement for interim reuse to fulfill the site needs until procured equipment is installed in November.

Valleywise Health Medical Center Campus

2601 E. Roosevelt St. Phoenix, AZ 85008

Vanir Project Director: Justin Startz
 Programming: Blue Cottage
 CM at Risk: Kitchell Contractors Inc.
 Architect: Cuningham Group Architecture Inc.

Project Information:

The Medical Center Campus scope is comprised of many elements for hospital improvement that include replacing the existing acute care hospital, annex behavioral health air handling unit, and server accommodations. The new Central Utility Plant was built with an immediate connection to the existing site buildings for combined annual energy savings throughout the site construction duration.

Decommissioning of existing buildings, current Valleywise Health Medical Center, CAC (Administration Building), Hogan, and Central Energy Plant, to be phased post Medical Center go-live. The laundry building decommissioning made way for the Support Service Building currently under construction.

VHMC Acute Care & Ancillary Facilities Timeline

Final Design Completion	Dec 2020
Construction- Certificate of Occupancy	August 2023
Activation / Licensing	October 2023
"Go Live"	October 2023

CONSTRUCTION UPDATE:

- The window installation is nearly complete
- Lighting installation is complete in the basement and levels 1-2
- Painting, flooring, and tile installation is underway in the basement and levels 1-6

EQUIPMENT & ACTIVATION UPDATE:

- Planning ongoing, and relocation planning is underway
- **NEXT 30 DAYS:**
- Canopy structural steel will be complete
- Metal panel installation on the west side of level 7 & 8 will be complete
- Phase 2 paving of the north lot will begin

Estimate at Completion	Paid to Date	Billed to Date	Percent Spent
\$601.8M	\$403.7M	\$417.7M	69%

Days w/o Incident	Manhours	Percent Complete
652*	76,563	72%*
*without loss of time		69%**

* Construction Complete

**Overall Complete

Source: Vanir CM, updated 11/09/22

Valleywise Health Medical Center Campus

2601 E. Roosevelt St. Phoenix, AZ 85008



Valleywise Health Medical Center

2601 E. Roosevelt St. Phoenix, AZ 85008

Acute Care Hospital

- Restroom fixture and finish install is underway on levels 1-5
- Pharmacy carousel install is underway on level 3
- Operable partition installation is underway on level 2
- Elevators 1, 3, 4, 7, 8, 14, 15, & 16 are complete
- Casework installation is underway on levels 1-5

Level 3, Pharmacy Carousel Install



Basement Casework Installation



Level 2, Operable Partition Install



Valleywise Health Medical Center

2601 E. Roosevelt St. Phoenix, AZ 85008

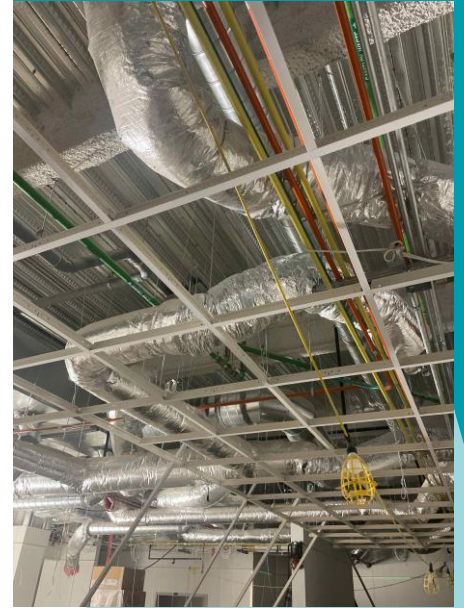
Level 1, Cable Tray Install



Basement Locker Installation



Level 3, Ceiling Grid & Duct



Valleywise Health Medical Center

2601 E. Roosevelt St. Phoenix, AZ 85008

West Elevation



Northwest Canopy Steel Install



East Elevation



Valleywise Health Medical Center

2601 E. Roosevelt St. Phoenix, AZ 85008

NW Canopy, Steel Progress



Phase 1, Curb / Sidewalk Progress



Southeast Elevation



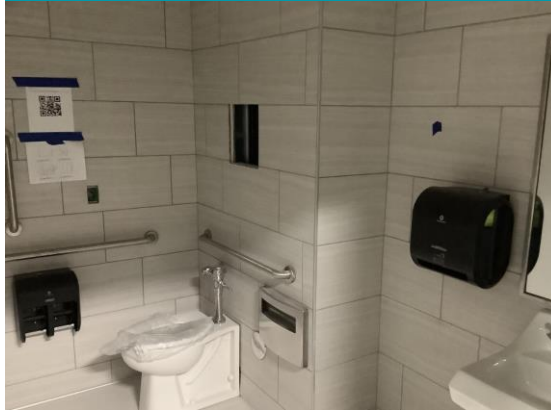
Valleywise Health Medical Center

2601 E. Roosevelt St. Phoenix, AZ 85008

Level 4, Headwall Finishes



Level 1, Restroom Finishes



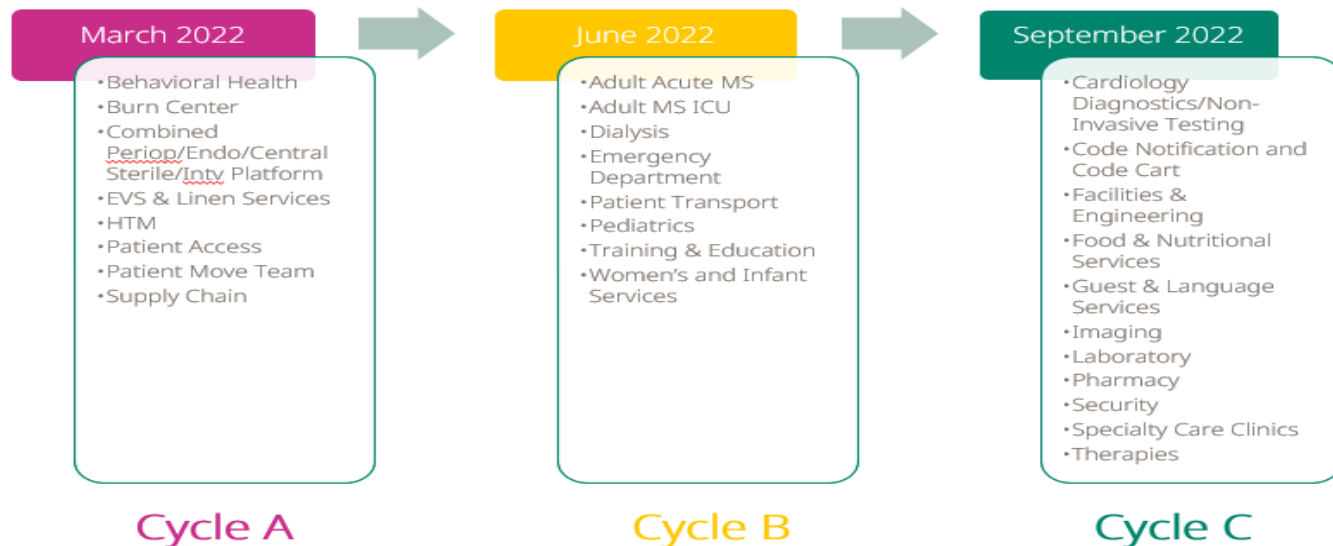
Level 6, Paint Progress



Roosevelt Campus Activation Planning

User Group Approach for RSVT Planning

- Blue Cottage user group meetings will be scheduled 2nd full week of every month. Meetings will initially take place virtually.
- User groups will have a phased start based on significance of workflow changes and impacts to IT/Epic build (**Timelines may to be adjusted based on additional planning needs*)



Blue Cottage Update

September 22	October 22	November 22	December 22	January 23	February 23
<ul style="list-style-type: none">◆ Continue ACH transition planning for Cycle A, B, and patient move◆ Kickoff ACH transition planning for Cycle C depts◆ Continue IT alignment on RSVT workflow priorities◆ Facilitate ACH/SSB Activation - milestones	<ul style="list-style-type: none">◆ Continue ACH transition planning for Cycle A, B, C, and patient move◆ Kickoff monthly ACH/SSB activation meetings	<ul style="list-style-type: none">◆ Continue ACH transition planning for Cycle A, B, C, and patient move◆ Continue ACH/SSB activation meetings	<ul style="list-style-type: none">◆ Continue ACH transition planning for Cycle A, B, C, and patient move◆ Continue ACH/SSB activation meetings	<ul style="list-style-type: none">◆ Complete workflow drafts for Cycle A, B, and C	<ul style="list-style-type: none">◆ Conduct future state change management showcase◆ Kickoff Day in the Life (DIL) planning efforts

CURRENT

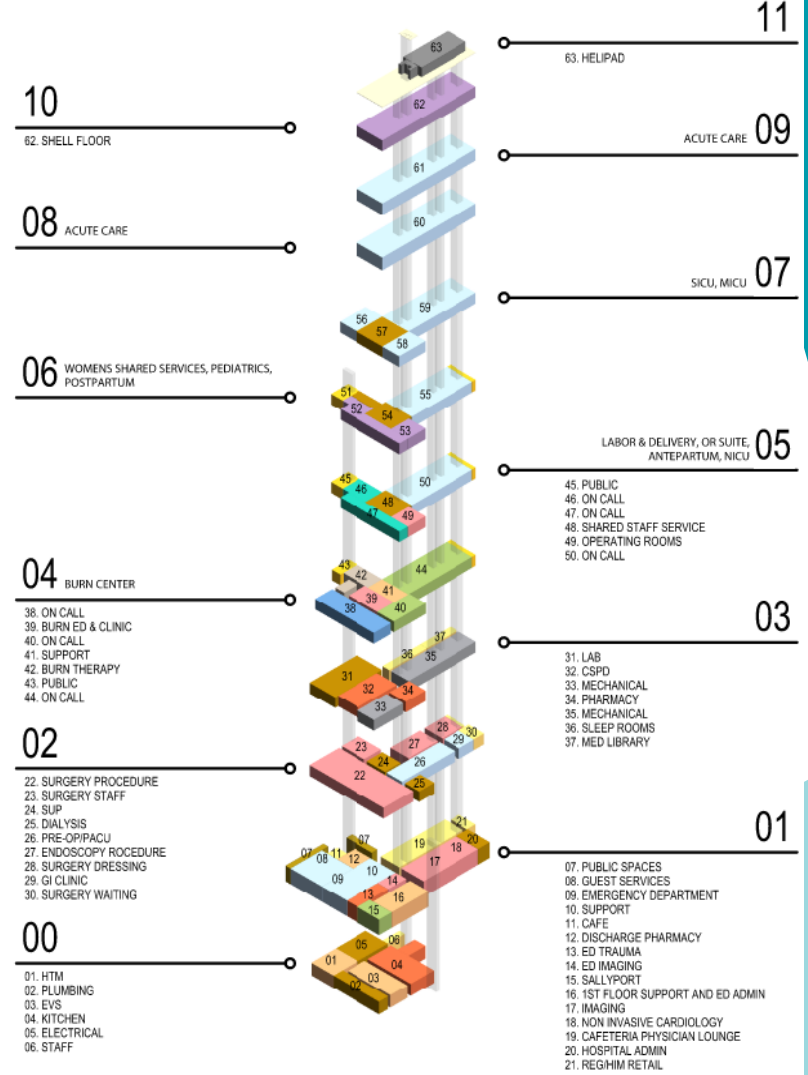
- Continue alignment with IT on RSVT workflow prioritization needs in order to support Epic and other technology “build” timelines
- Conduct RSVT Cycle A, B, and C user groups meetings, prioritizing workflow development for departments with potential technology implications or build requirements. Identify and continue to develop future state workflows to support operations. Identify department strategies to support operational change implementation/training for departments. Identify key pilot opportunities to implement and train current state as applicable.
- Develop patient move goals and guidelines, identify team leads, and begin planning/validation for patient move sequence
- Maintain high-level knowledge of budget/program alignment with VH leadership, IPMO, and Design/Construction teams for Roosevelt planning activities
- Continue activation planning for ACH and Warehouse

GOALS FOR NEXT 60 DAYS

- Continue user group planning to develop workflows and assumptions that operationalize future state processes for RSVT, ensure alignment between clinical and system-wide operational planning. Continue to define strategies to support change management needs and understand the change delta between new versus existing processes. Begin to highlight training needs that will support operationalizing new processes. Define target metrics that measure success and are reportable.
- Refine roles/responsibilities for patient move core team, develop move team structure, identify move team leads, and continue due diligence efforts to validate patient move strategy (simulation modeling). Work to validate department move sequence and align move plans, to align with equipment and technology planning, and overall move/activation needs.
- Confirm direction and align schedules for construction and operational planning activities
- Continue monthly cadence of cycle A, B, and C user group meetings
- Continue developing plans for RSVT support services department activation planning and move sequence/timelines. Initiate planning for ACH/SSB multidisciplinary monthly activation planning meetings (including ACH and warehouse activation planning)

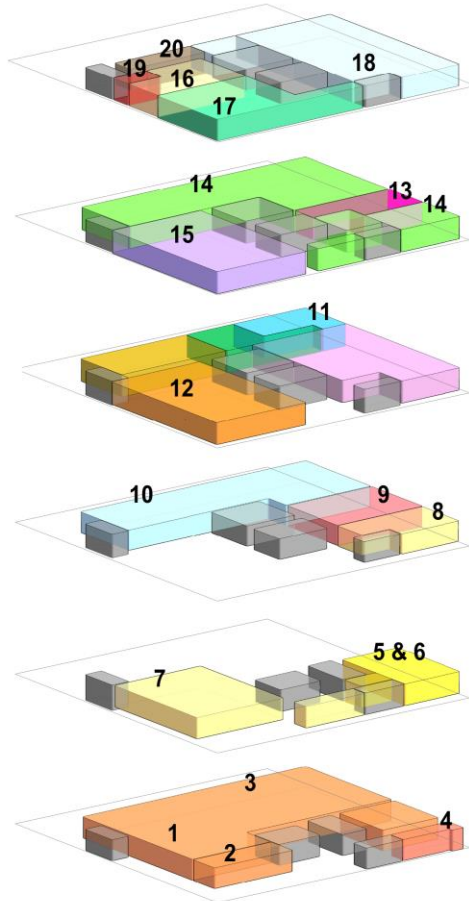
Valleywise Health Medical Center

Departmental stacking diagram



SSB

Departmental stacking diagram



Level 6 (17,252 BGSF)

16. Marketing/Communications	1,602
17. General Admin	3,085
18. Executive Administration	6,891
19. Heads of State Room	339
20. Media Services	847
DGSF	12,764
BGSF	17,252

Level 5 (20,519 BGSF)

13. Medical Staff Services	1,028
14. Physician Offices	7,478
15. Residency Program Offices	4,125
DGSF	12,631
BGSF	20,519

Level 4 (20,519 BGSF)

11. Educational and Research	9,637
12. Simulation Lab	4,782
DGSF	14,419
BGSF	20,519

Level 3 (15,405 BGSF)

8. Board Room	1,729
9.	2,119
10. HR/Legal/Assist.Dist.Counc.	5,339
DGSF	9,207
BGSF	15,405

Level 2 (10,386 BGSF)

5. Supply Chain - Staff Area	1,259
6. Supply Chain - Purchasing	858
7. Auditorium (Conf. Center)	4,745
DGSF	6,682
BGSF	10,386

Level 1 (20,247 BGSF)

1. Print Shop	821
2. Mail Room	606
3. Warehouse	15,285
4. Credit Union	480
DGSF	17,191
BGSF	20,247

Total BGSF 104,327

Valleywise Health – Support Services Building

2609 E. Roosevelt St. Phoenix, AZ 85008

Vanir Project Manager: Shannon Lobdell
 Programming: Blue Cottage
 CM at Risk: Kitchell Contractors Inc.
 Architect: Cunningham Group Architecture Inc.

Project Information:

The Support Services Building scope will comprise of a multi-story building that will house Supply Chain, Research & Education, SIM Lab, Faculty Spaces and Administrative Programs to support the new Acute Care Hospital

VHMC Support Services Building (SSB) Timeline	
Final Design Completion	January 2021
Construction- Certificate of Occupancy	June 2023
Activation / Licensing	June 2023
"Go Live"	June 2023

CONSTRUCTION UPDATE

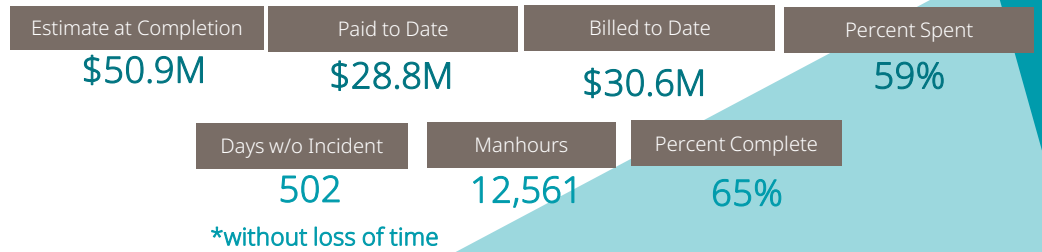
- Installation of exterior metal panels continues
- Material/manlift was removed on the north elevation
- Buildout continues of the loading dock on the south elevation
- Exterior wall buildout continues

EQUIPMENT & ACTIVATION UPDATE:

- Relocation planning has begun with a focus to enable Supply Chain activation prior to ACH

NEXT 30 DAYS:

- EIFS installation continues on multiple elevations
- Window framing and installation will continue
- MEP in-wall rough-in will be completed
- North canopy steel framing will continue



Valleywise Health – Support Services Building

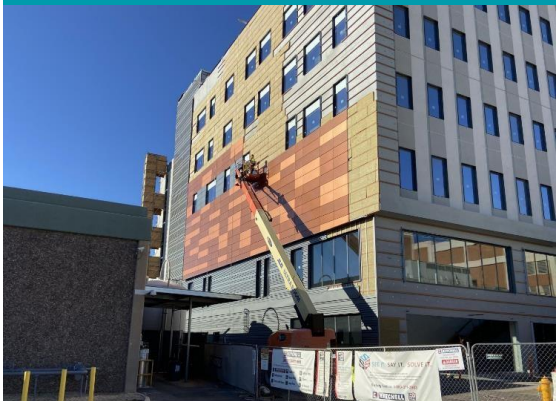
2609 E. Roosevelt St. Phoenix, AZ 85008



Valleywise Health – Support Services Building

2609 E. Roosevelt St. Phoenix, AZ 85008

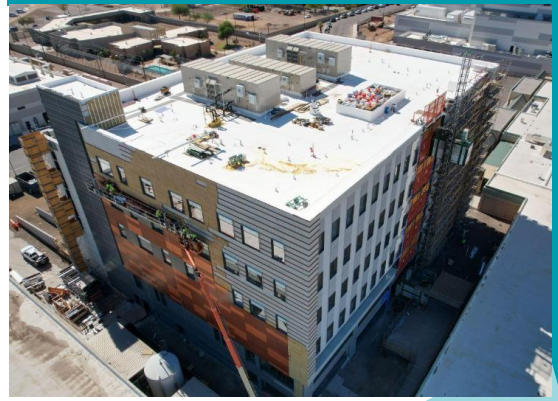
East Elevation Metal Panels



South and East Elevations



East and North Elevations



Valleywise Health – Support Services Building

2609 E. Roosevelt St. Phoenix, AZ 85008

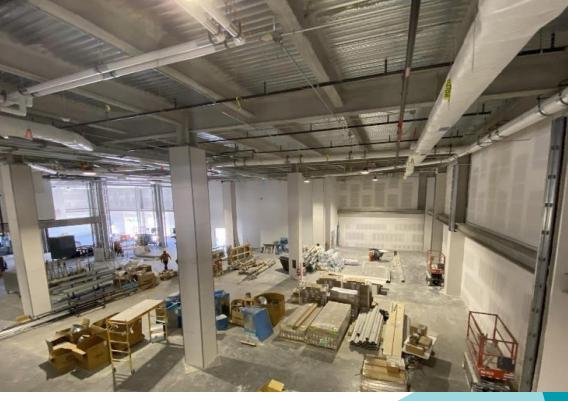
Elevator Front Buildout



Loading Dock Footings



Warehouse Build Out



Conclusion – Discussion – Q&A – Next Steps





**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 7.

**Attainment of Chief Executive
Officer Performance Goals
Fiscal Year 2022**

**Valleywise Health
CEO FY22 Performance Goals**

		9/30/2021	12/31/2021	3/31/2022	6/30/2022	Year to Date FY 22	
1 - FINANCIAL (Weighted distribution: 30%; 20% 1A, 5% each 1B, 1C)							
Objective 1A: Achieve FY22 budgeted EBIDA (Earnings Before Interest, Depreciation, and Amortization) with inclusion of the Board approved budget variances. Metric 1A: FY22 budgeted EBIDA. <i>FY21 results: \$34,719,902 (Minimum set at FY22 budget. Midpoint, Maximum each \$500,000 better. Achievement measured at June 30.)</i>							
		Quarterly Budget	(\$7,346,959)	\$6,159,021	\$3,349,538	\$2,294,286	\$4,455,887
		Quarterly Results	(\$7,923,244)	\$3,573,863	(\$10,387,009)	\$15,634,250	\$897,860 - prelim
	Minimum	\$4,455,885					
	Midpoint	\$4,955,885					
	Maximum	\$5,455,885					
Objective 1B: Completion of Valleywise Community Health Centers (West Maryvale and Mesa) on time and on budget. Metric 1B: Completion within the current scheduled timeframe (Nov 2021 for West Maryvale and Jan 2022 for Mesa) and a combined budget of \$34.2M. <i>FY21 results: N/A (Targets set at Achieved and Not Achieved. Achievement measured at June 30.)</i>							
	Achieved		Achieved	Achieved			Achieved
	Not Achieved						
Objective 1C: Grow Valleywise Comprehensive Health Center—Peoria surgical services. Metric 1C: The number surgical procedures, including endoscopy. <i>FY21 results: 214 (Minimum set at FY22 budget. Midpoint, Maximum each 5% better. Achievement measured at June 30.)</i>							
		Quarterly Budget	149	255	294	316	1,014
		Quarterly Results	281	265	266	296	
	Minimum	1,014					
	Midpoint	1,065					1,108
	Maximum	1,115					
2 - SERVICE (Weighted distribution: 15%; 7.5% each 2A, 2B)							
Objective 2A: Increase the percentage of patients responding favorably to HCAHPS hospital satisfaction question regarding overall rating. Metric 2A: Overall rating score for HCAHPS "Using any number from 0-10, what number would you use to rate this hospital during your stay?" <i>FY21 results: 71.2% (Minimum set at 2% improvement. Midpoint, Maximum each 1% better. Achievement measured at YTD June 30.)</i>							
		Results	68.1%	68%	68.6%	69.4%	69.4%
	Minimum	72.6%					
	Midpoint	73.3%					
	Maximum	74%					
Objective 2B: Increase the net promoter score for primary care in Federally Qualified Health Centers. Metric 2B: Overall recommendation of facility using any number from 0 - 10, reported through the Real Time Survey <i>FY21 results: N/A (Minimum set at 71.1%. Midpoint, Maximum each 1% better. Achievement measured at YTD June 30.)</i>							
		Results	70.8%		70.5%		
	Minimum	71.1%		71.4%			71.2%
	Midpoint	71.8%				71.9%	
	Maximum	72.5%					

**Valleywise Health
CEO FY22 Performance Goals**

		9/30/2021	12/31/2021	3/31/2022	6/30/2022	Year to Date FY 22
3 - GROWTH (Weighted distribution: 10%; 5% each 3A, 3B)						
Objective 3A: Achieve the number of ambulatory outpatient visits budgeted for FY22 including behavioral health and dental visits. Metric 3A: The number of actual outpatient visits at the ambulatory outpatient clinics. <i>FY21 results: 431,247 (Minimum set at FY22 budget. Midpoint 1% better; Maximum 2% better. Achievement measured at June 30.)</i>						
	Quarterly Budget	109,756	110,119	112,858	119,009	451,742
	Quarterly Results	111,112	108,547	111,698	116,430	447,787
	Minimum	451,742				
	Midpoint	456,259				
	Maximum	460,777				
Objective 3B: Grow the Integrated Behavioral Health program. Metric 3B: The number of patient encounters completed within the Integrated Behavioral Health program <i>FY 21 results 13,276 (Minimum set at budget. Midpoint, Maximum each 1% better. Achievement measured at June 30.)</i>						
	Quarterly Budget	3,658	3,671	3,784	3,697	14,810
	Quarterly Results	4,011	3,699	4,657	5,938	
	Minimum	14,810				
	Midpoint	14,958				
	Maximum	15,106				18,305
4 - PEOPLE (Weighted distribution: 15%; 5% each 4A, 4B and 4C)						
Objective 4A: Improve employee engagement. Metric 4A: Perceptyx results on the employee engagement score for highly engaged employees. <i>FY21 results: 84% (Minimum set at FY21 results. Midpoint, Maximum each 0.5% better. Achievement measured at June 30.)</i>						
	Minimum	84%			84%	84%
	Midpoint	84.4%				
	Maximum	84.8%				
Objective 4B: Increase employee safety. Metric 4B: Total number of cases with a light duty or days off work designation. <i>FY21 results: 35 VHMC cases (Minimum set at FY 21 results. Midpoint, Maximum each 1 person reduction. Achievement measured at June 30.)</i>						
	Results	14	8	12	10	44
	Minimum	35				
	Midpoint	34				
	Maximum	33				
Objective 4C: Drive organization diversity and cultural competency through the health care system. Metric 4C: Increase in overall favorability on the employee engagement survey in the diversity and inclusion category. <i>FY21 results: 75.5% (Minimum set at FY 21 results. Midpoint, Maximum each 0.5% better. Achievement measured at June 30.)</i>						
	Results				74%	74%
	Minimum	75.5%				
	Midpoint	75.9%				
	Maximum	76.2%				

**Valleywise Health
CEO FY22 Performance Goals**

		9/30/2021	12/31/2021	3/31/2022	6/30/2022	Year to Date FY 22
5 - QUALITY (Weighted distribution: 30%; 7.5% each 5A, 5B and 15% 5C)						
Objective 5A: Decrease the number of hospital-onset MRSA Bacteremia, as reported to CDC and National Healthcare Safety Network. Metric 5A: The Standardize Infection Rate (SIR) of hospital-onset MRSA bacteremia. <i>FY21 results: 2.294 (Minimum set at FY21 results. Midpoint, Maximum each 1.5% better. Achievement measured at YTD June 30.)</i>						
	Semiannual Results		3.086 (6 cases)		2.726 (3 cases)	2.895
	Minimum	2.294				
	Midpoint	2.264				
	Maximum	2.234				
Objective 5B: Increase the percentage of women 51 - 74 years of age who receive a mammogram for breast cancer. Metric 5B: Percentage of qualifying women who had a mammogram. <i>FY 21 results: 55.67% (Minimum set at improvement. Midpoint, Maximum each 1% better. Achievement measured at YTD June 30.)</i>						
	Minimum	56.2%				
	Midpoint	56.8%				
	Maximum	57.4%	65.7%	59.3%	58%	58.3%
Objective 5C: Increase the percentage of employees and providers receiving the COVID-19 vaccine. Metric 5C: Percent of Valleywise Health employees and DMG medical providers that will be vaccinated for COVID-19 or have completed required declination for a medical exemption or a sincerely held religious belief. <i>FY21 results: 62% (Minimum set at FY 21 results. Midpoint 21% better, Maximum 31% better. Achievement measured at December 31.)</i>						
	Minimum	62%				
	Midpoint	75%	81.6%			
	Maximum	98%		100%		100% (includes 7% declinations)



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 8.
No Handout

Performance Evaluation for
Chief Governance Officer
Fiscal Year 2022



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 9.

Reports to the Board



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 9.a.

**Reports to the Board
Monthly Marketing and Communications
Report**

Valleywise Marketing Communications Snapshot

October 2022

FY22 Marketing Communication Budget \$1.2M

REQUESTS FOR APPOINTMENTS

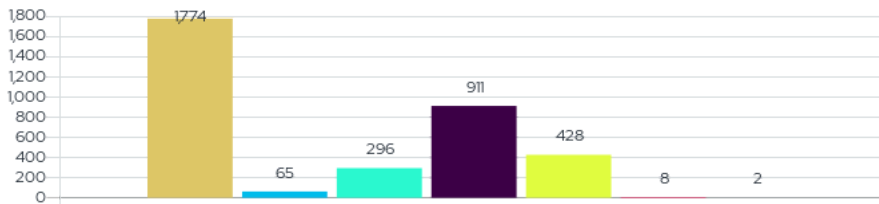
Total Actions
5,444

Click to Call From Google Ads	1,056
Click to Call Form Website	2,428
Website Appointment Request Form Fills	1,957

REQUEST FOR APPOINTMENT BREAKDOWN

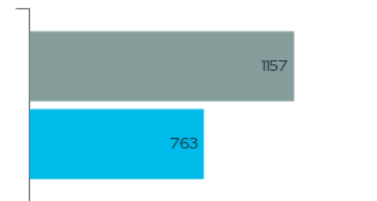
All Calls

By Source



Google Facebook/IG Direct Traffic Organic Google Business Profile Marketo PR

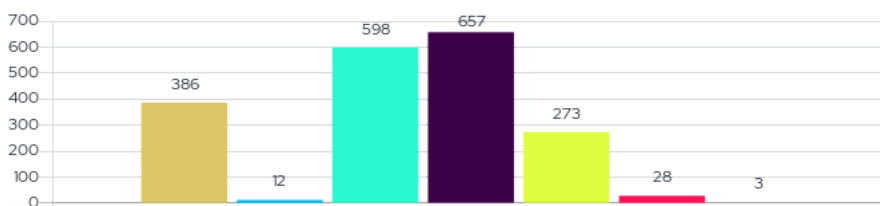
By Campaign



Core CHC

Web Form Fills

By Source



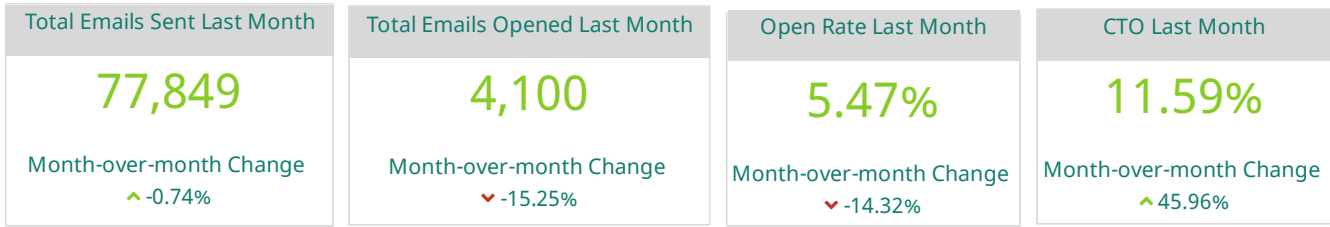
Google Facebook/IG Direct Traffic Organic Google Business Profile Marketo PR

By Campaign

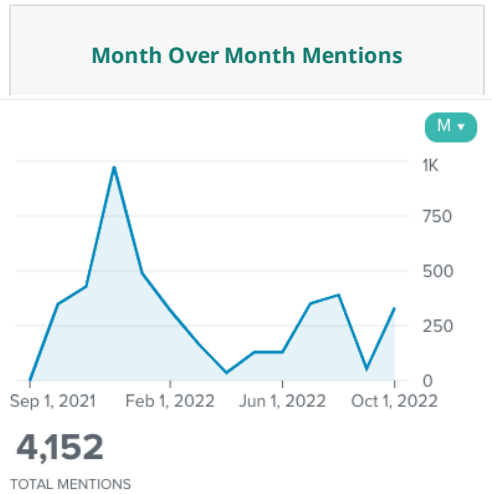
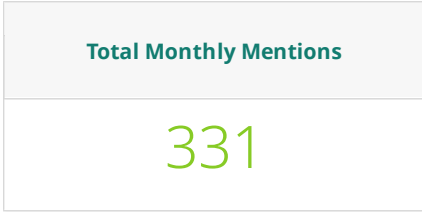


Core CHC

EMAIL INSIGHTS



EARNED MEDIA

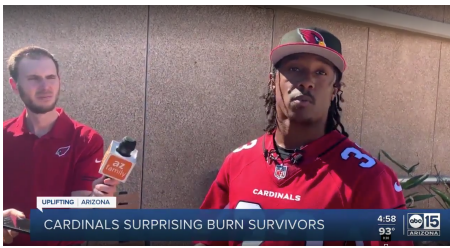


Month Over Month Share of Voice



SEARCH NAME	TOTAL MENTIONS
Banner Health	5.1K (27%)
Dignity Health	4.6K (24%)
Valleywise Health	4.2K (22%)
Abrazo Health	3.8K (20%)
Honor Health	1.2K (6%)

VALLEYWISE IN THE NEWS



Arizona

Sun City West: A father's quick reaction kept a 12-year-old girl breathing after she was struck by lightning. Her father performed CPR three times after she was struck during Saturday's storms in Sun City West. The girl, Ella, had stepped outside of her grandparent's house to play with a friend when her father Steven Jorgensen heard loud thunder, saw a bright flash and saw her collapse. Jorgensen said he saw his daughter fall and immediately started performing CPR, which he learned while serving in the Marine Corps. "I got her heart back going, I got her breathing, and it was only for a short amount of time until I lost her again," Jorgensen said. Jorgensen restarted CPR, got her heart to beat again and brought her inside the home while his parents were calling 911. While he was talking to the dispatcher, Ella's heart stopped again. As Jorgensen started performing CPR for a third time, he said he was trying to remain calm and remembered a scene from the TV show "The Office" where they learn how to perform CPR. "You could hear me singing the Bee Gee's 'Staying Alive' as I was giving her a resuscitation and then finally I got her going," Jorgensen said. About three minutes later, emergency responders showed up and took over. Ella was taken to Banner Thunderbird Medical Center, and then she was flown to Valleywise Health Medical Center where she has been recovering "very well," said Dr. Kevin Foster, Director of the Arizona Burn Center at Valleywise Health.

"Siempre hay esperanza": sobrevivientes de cáncer de mama en Phoenix comparten mensaje de lucha y optimismo con otras pacientes





COMMUNITY OUTREACH

COMMUNITY PARTNER ENGAGEMENT

MEETINGS (VIRTUAL)
9 Meetings
1 Presentation

PARTICIPANTS
126

- All Faith Council
- Urban Strategies
- Catholic Charities
- Maricopa County Public Health – Building Bridges to Health Committee
- Guadalupe Partnership Council

EVENTS

5

PARTICIPANTS
1160

- City of Mesa Domestic Awareness Community Event – reached approximately 100 families
- North Phoenix GAIN Event – outreach tabling event, reached approximately 300 families
- Spooktacular Guadalupe Community Event -- reached approximately 350 families
- Gila River Indian Community Health and Wellness Fair @ Wildhorse Pass – reached approximately 110 employees
- City of Surprise GAIN Event -- reached approximately 300 families

COMMUNITY BUSINESS DEVELOPMENT

MEETINGS (VIRTUAL & IN-PERSON)

3

PARTICIPANTS
200

- Greater Phoenix Equality Chamber of Commerce
- Peoria Chamber of Commerce
- Southwest Valley Chamber of Commerce

WEBSITE (MoM)

63,632

TOTAL WEB VISITS
One Month Previous 59,196

124,014

TOTAL PAGE VIEWS
One Month Previous 118,089

46,790

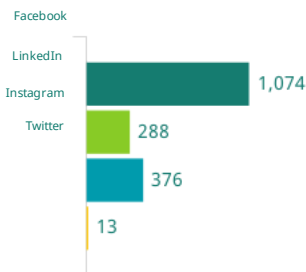
UNIQUE VISITORS
One Month Previous 42,633

136,960

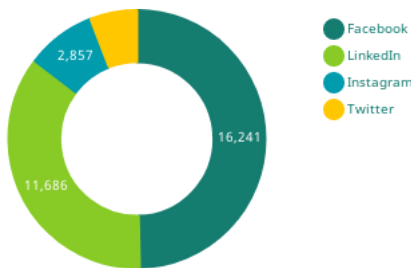
TOTAL BLOG SESSIONS
One Month Previous 108,556

SOCIAL

ENGAGED USERS



TOTAL FOLLOWERS BY PLATFORM



POSTS WITH HIGHEST ENGAGEMENT RATES

Valleywise Health
11,698 followers
3w • 🌐

In honor of Hispanic Heritage Month, we asked employees at Valleywise Health what this month means to them. Watch as they share why it's important to celebrate Hispanic heritage each year and the value they find in being able to assist fellow Spanish speakers navigate their health journeys.

Happy #HispanicHeritageMonth!

Joe Pizzimenti and 35 others

1 comment · 4 reposts

Instagram

9:03

VALLEYWISE_AZ Posts

valleywise_az
Valleywise Health

View insights

Boost post

Liked by michaelmurphyaz and 138 others

valleywise_az The highlight of our week was the smiles Antonio Hamilton brought to our pediatric patients' faces!

Having recently undergone treatment at the Arizona Burn Center -- Valleywise Health himself, Antonio stopped by to talk about his experience and show his healing scars to kids who had been through their own journeys with burn injuries.

Facebook

Valleywise Health
October 20 at 3:29 PM

A celebration to remember — thank you to our partner in this project, without whom the Tree of Hope would not be possible!

Cancer Support Community Arizona - cscaz.org is at Valleywise Health (Phoenix).
October 20 at 12:38 PM · Phoenix, AZ

Hope, indeed! We're grateful to partner with the Valleywise Health Breast Clinic to create the Tree of Hope Project. This wonderful art collaboration inspires community, strength, hope and resilience for patients, caregivers and family impacted by breast cancer.

Extra special gratitude for our Hospital Navigation team and the incredible work put into creating the actual tree. #Teamworkmakesthedreamwork

#CommunityIsStrongerThanCancer #SoThatNoOneFacesCancerAlone #Breast

LinkedIn



INTERNAL MEDIA

OPEN RATE

70.7%

One Month Previous: 56.4%

TOTAL EMPLOYEE EMAILS

11

One Month Previous: 12

AREA OF FOCUS

- Voter Awareness
- Arizona Cardinals Visit the Burn Center
- \$50k Donation from K2 Adventures
- Construction Tour -- Arizona Burn Center
- Holiday Card Drawing Submissions
- Halloween Donations for Pediatric Patients
- One Can Make a Difference Award
- Valleywise Health Breast Clinic Tree of Hope

STORIES WITH HIGHEST ENGAGEMENT

Take a Tour of the Diane and Bruce Halle
Arizona Burn Center



Learn More

TOTAL CLICKS

1083

Grab It Before It's Gone!

Last chance to snag the 2022 Healthcare Warrior t-shirt before it's gone forever! As the 2022 year is coming to an end so is the availability of this t-shirt. All sales will come to a close on Nov. 4, 2022.

[Start shopping now!](#)



UNIQUE CLICKS

171

Annual Performance Appraisal

The annual performance appraisal process launches on October 17, 2022. This appraisal will be for the 2022 fiscal year, beginning July 1, 2021 to June 30, 2022.

Please see key dates below:

Appraisal forms launch in Performance Manager: **October 17**

Employee self-appraisal: **October 17 - 30**

Leaders complete appraisals: **October 31 - December 16**

Appraisals due: **December 16**

For additional details, please [see the FAQs](#) for FY2022.

UNIQUE CLICKS

92

Valleywise Health
Receives \$50k Donation



Thank you to the Mendez Family and the Strength to Thrive program through K2 Adventures Foundation for their generous gift of \$50,000 benefiting behavioral health programs at Valleywise Health!

K2 Adventures Foundation and K2 Adventure Travel are incredible partners with Valleywise Health and Valleywise Health Foundation. Thank you, K2!

Watch the Video

UNIQUE CLICKS

88

Patient Story Makes
International News

After a 12-year-old girl was struck by lightning in Sun City West, she brought to the Arizona Burn Center - Valleywise Health for treatment. Dr. Kevin Foster, Director of the Arizona Burn Center, held a brief press conference the following week.

As a result, the story has received [national](#) and international news coverage, including in [Hungarian](#), Croatian, German, and [Spanish](#) news outlets.

Read the Story on AZ Central

UNIQUE CLICKS

62



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 9.b.

**Reports to the Board
Monthly Care Reimagined Capital Purchases
Report**



Care Reimagined – Spend report (October 2022)

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
Functional Area - Outpatient Health Facilities						
ABBOTT RAPID DIAGNOSTICS	19-930					\$ 1,870
ADVANCED STERILIZATION	19-930					\$ 140,587
Advanced Testing	19-930					\$ 10,605
Airpark Signs	19-930					\$ 184,498
ALLEGIANCE CORP	19-930					\$ 40,467
ALTURA	19-930					\$ 204,410
AMICO	19-930					\$ 5,648
ARC Products LLC	19-930					\$ 3,699
Arizona Department of Health	19-930					\$ 300
ARIZONA PUBLIC SERVICE	19-930					\$ (32,545)
Armstrong Medical	19-930					\$ 8,955
ARTHREX	19-930					\$ 64,558
B BRAUN	19-930					\$ 184,373
BAYER HEALTHCARE	19-930					\$ 86,500
Baxter Health	19-930					\$ 4,995
BONNY PIONTKOWSKI	19-930					\$ 7,720
BPG Technologies	19-921					\$ 174,467
BPG Technologies	19-930					\$ 16,080
CAPSULE TECH	19-930					\$ 166,454
CARDINAL HEALTH	19-930					\$ 2,070
CAREFUSION	19-930		\$ 145	\$ 17		\$ 271,637
CDW Government	19-930					\$ 300,833
CENTURYLINK	19-930					\$ 12,532
CHEMDAQ	19-930					\$ 21,874
City of Peoria						\$ 80,987
CME	19-930					\$ 1,754,031
COOPER ATKINS	19-930					\$ 33,054
COOPER SURGICAL	19-930					\$ 11,851
COVIDIEN	19-930					\$ 83,550
CROSSPOINT COMMUNICATIONS	19-930					\$ 18,657
Cushman and Wakefield of Arizona						\$ 4,000
C-SCAN TECHNOLOGIES	19-930					\$ 230
DAAVLIN DISTRUBITING	19-930					\$ 7,000
DAN GWILLIAM CONSULTING						\$ 300
DANIELS MOVING	19-930					\$ 23,133
Davis Enterprises	19-930					\$ 14,807
DATA INNOVATIONS LLC						\$ 14,285

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
DATEX OHMEDA						\$ 387,508
DEPUY SYNTHES	19-930					\$ 48,170
DIBBLE ENGINEERING						\$ 12,570
ELITECHGROUP INC	19-930					\$ 16,895
EXTENDATA	19-930					\$ 60,844
FILLMASTER	19-930					\$ 1,494
FOLLETT	19-930					\$ 1,690
E3 DIAGNOSTICS	19-930					\$ 7,319
GE	19-930					\$ 4,263,996
GE PRECISION HEALTHCARE LLC	19-930					\$ 42,646
GLOBAL SURGICAL	16-930					\$ 14,442
Goodmans	19-930					\$ 898,159
GRAINGER						\$ 19,076
GRAYBAR ELECTRIC						\$ 630
HELMER						\$ 137,145
Henry Schein	19-930					\$ 404,003
HILL ROM	19-930					\$ 53,905
Hobbs and Black Associates Inc						\$ 3,224,039
Hobbs and Black Associates Inc	19-930					\$ 35,773
Hologic	19-907					\$ 673,682
HP INC	19-930					\$ 513,646
Hye Tech Network						\$ 1,015,724
INTELLIGENT HEARING	19-930					\$ 4,185
INTERMETRO INDUSTRIES						\$ 147,669
J AND J HEALTHCARE SYSTEMS	19-930					\$ 32,013
KRONOS	19-930					\$ 23,505
Lanmor	19-930					\$ 664
LEICA MICROSYSTEMS	19-930					\$ 28,107
LPIT SOLUTIONS						\$ 10,500
Mar Cor Purification	19-930					\$ 205,641
Maricopa County Environmental Services	19-930					\$ 2,515
Maricopa County Planning and Development	19-930					\$ 571,710
MDM COMMERCIAL	19-930					\$ 43,692
MEDIVATORS						\$ 8,992
MEDTRONIC	19-930					\$ 12,909
MIZUHO ORTHOPEDICS	19-930					\$ 2,413
MONOPRICE INC	19-930					\$ 757
NATUS MEDICAL	19-930					\$ 35,088

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
NCI INC						\$ 9,262
Ninyo and Moore Geotechnical and Environment						\$ 133,234
NUAIER	19-930					\$ 13,123
OIEC MEDICAL SYSTEMS	19-930					\$ 250,893
Okland Construction Company	19-930					\$ 43,264,329
Olympus	19-930					\$ 592,882
OWENS AND MINOR	19-930					\$ 1,683
O&M HALYARD INC	19-930					\$ 11,441
PARKS MEDICAL	19-930					\$ 710
PARTS SOURCE	19-930					\$ 1,761
PATRIOT PURVEYORS						\$ 29,499
PENTAX MEDICAL	19-930					\$ 122,737
Radiation Physics and Engineering						\$ 6,250
RICOH	19-930					\$ 17,536
SIGNOSTICS INC	19-930					\$ 22,020
SCRIPTPRO						\$ 199,244
SOFT COMPUTER	19-930					\$ 65,675
SMITH & NEPHEW	19-930					\$ 66,029
SMITHS MEDICAL	19-930					\$ 12,973
Speedie and Associates						\$ 2,637
SPHERE COMMERCE						\$ 1,577
START-UP COST PEORIA	19-930					\$ 131,855
Steris	19-930					\$ 391,599
Stryker Communications	19-921					\$ 683,239
Stryker Communications	19-930					\$ 8,397
STRYKER SALES CORPORATION	19-930					\$ 300,593
TBCX						\$ 156,758
THUNDERBIRD GRANT	19-930					\$ (187,982)
THE BAKER CO.	19-930					\$ 14,485
THE CBORD GROUP	19-930					\$ 21,623
THE CLOROX SALES	19-930					\$ 44,800
THE GRAPHICS MEDICAL	19-930					\$ 6,550
Thomas Printworks	19-930					\$ 5,204
TRANSONIC SYSTEMS						\$ 24,389
UTECH PRODUCTS						\$ 47,600
VERATHON	19-930					\$ 14,620
Vizient Inc						\$ 379,135
WAXIE SANITARY SUPPLY	19-930					\$ 84

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
West Valley Fidelity National Title - Land Purchase (Grand Ave/Cotton)						\$ 5,595,598
West Valley Fidelity National Title (escrow)						\$ 75,000
AS SOFTWARE INC						\$ 9,500
GF HEALTH PRODUCTS INC						\$ 5,519
INVIVO CORPORATION						\$ 53,865
TOTAL West Valley Specialty Center (WVSC)		\$ -	\$ 145	\$ 17	\$ -	\$ 69,500,116
Alliance Land Surveying LLC	19-942					\$ 1,825
Great American Title (escrow/property tax) - Chandler	19-942					\$ 1,194,705
SPEEDIE AND ASSOC	19-942					\$ 3,600
Ninyo and Moore Geotechnical and Environment	19-942					\$ 70,599
TOTAL Chandler FHC (CHAN)		\$ -	\$ -	\$ -	\$ -	\$ 1,270,729
Fidelity National Title (escrow) - Miller&Main	19-944					\$ 1,989,756
AMAZON	19-944					\$ 129
Allstare Rent A Fence	19-944					\$ 2,847
ALLEGIANCE CORPORATION	19-944					\$ 8,996
ALTURA COMMUNICATIONS	19-944					\$ 16,489
ABBOTT RAPID DIAGNOSTICS INFORMATICS INC	19-944					\$ 67
BPG TECHNOLOGIES LLC	19-944					\$ 1,075
BONNY PIONTKOWSKI	19-944					\$ 1,120
CDW G	19-944					\$ 50,496
ALTURA COMMUNICATIONS	19-944					\$ 18,826
CENTURYLINK	19-944					\$ 19,853
CITY OF MESA	19-944					\$ 91,977
GE PRECISION HEALTHCARE	19-944					\$ 34,138
GE HEALTHCARE IITS USA CORP	19-944					\$ 134,394
CME	19-944					\$ 173,717
COOPER ATKINS CORPORATION	19-944					\$ 6,560
CAPSULE TECH INC	19-944					\$ 55,920
SPEEDIE AND ASSOC	19-944					\$ 3,600
DAVES CONSTRUCTION	19-944					\$ 72,981
DIBBLE ENGINEERING	19-944					\$ 8,256
DWL ARCHITECTS + PLANNERS INC	19-944					\$ 1,022,587
DANIELS MOVING & STORAGE	19-944					\$ 15,825
HELMER INC	19-944					\$ 18,323
HP INC	19-944		\$ 22,261			\$ 55,073
HOLOGIC INC	19-944					\$ 349,945
HYE TECH NETWORK AND SECURITY SOLUTIONS	19-944			\$ 56,072		\$ 56,187
FILLMASTER	19-944					\$ 1,494

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
INTERMETRO INDUSTRIES	19-944					\$ 13,859
JENSEN HUGHES	19-944		\$ 2,118			\$ 7,031
Maricopa County - Environmental Services Dept	19-944					\$ 1,485
Maricopa County Planning	19-944					\$ 66,615
MDM COMMERCIAL	19-944					\$ 6,997
MONOPRICE	19-944					\$ 335
OKLAND CONSTRUCTION	19-944		\$ 14,116			\$ 9,999,776
THE CBORD GROUP INC	19-944					\$ 2,826
TEMP ARMOUR	19-944					\$ 9,947
THE GRAPHS MEDICAL PHYSICS	19-944					\$ 2,450
SCRIPTPRO USA	19-944					\$ 104,544
SPEEDIE AND ASSOC	19-944					\$ 20,116
STRYKER SALES	19-944					\$ 6,665
SPRAY SYSTEMS	19-944					\$ 29,640
TRANSACT COMMERCIAL	19-944					\$ 332,754
Ninyo and Moore Geotechnical and Environment	19-944					\$ 34,055
SMITHCRAFT SIGNS	19-944		\$ 105,416	\$ 689		\$ 106,105
CROSSPOINT COMMUNICATIONS						\$ 8,161
FIDELITY NATIONAL TITLE AGENCY INC						\$ 557
VANIR CONSTRUCTION MANAGEMENT INC						\$ 1,289,675
TOTAL Mesa FHC (MESA)		\$ -	\$ 143,911	\$ 56,761	\$ -	\$ 16,254,228
Clear Title Agency (escrow) - Central Phoenix Clinic						\$ 2,704,752
Clear Title Agency (escrow) - Phoenix Metro						\$ 50,000
Cushman and Wakefield of Arizona Inc	19-945					\$ 4,750
DAVES CONSTRUCTION	19-945					\$ 171,254
DWL ARCHITECTS + PLANNERS INC	19-945					\$ 681,890
JENSEN HUGHES	19-945					\$ 398
MARICOPA COUNTY PLANNING	19-945					\$ 62,251
Ninyo and Moore Geotechnical and Environment	19-945					\$ 53,438
OKLAND CONSTRUCTION	19-945					\$ 346,215
SPEEDIE AND ASSOC	19-945					\$ 3,600
Spray Systems	19-945					\$ 119,430
ALLIANCE LAND SURVEYING LLC						\$ 2,400
STRYKER SALES CORPORATION						\$ 247
VANIR CONSTRUCTION MANAGEMENT INC						\$ 539,523
TOTAL Central Phoenix FHC (PHXM)		\$ -	\$ -	\$ -	\$ -	\$ 4,740,149
DIBBLE ENGINEERING	19-929					\$ 6,904

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
ABBOTT RAPID DIAG	19-929					\$ 190
ALLEGIANCE CORP	19-929					\$ 1,591
ALTURA COMMUNICATION	19-929					\$ 52,314
BONNY PIONTKOWSKI	19-929					\$ 1,645
BPG TECHNOLOGIES	19-929					\$ 28,099
CAPSULE TECH	19-929					\$ 57,185
CITY OF PHOENIX	19-929					\$ 1,262
COOPER ATKINS	19-929					\$ 9,754
CROSSPOINT COMMUNICATION	19-929					\$ 8,138
DANIELS MOVING	19-929					\$ 11,266
DWL ARCHITECTS + PLANNERS INC	19-929					\$ 942,593
CDW G	19-929					\$ 21,797
CME	19-929					\$ 162,064
Fidelity National Title (escrow) - North Metro	19-929					\$ 2,307,776
FILLMASTER	19-929					\$ 1,494
GE HEALTHCARE	19-929					\$ 331,885
GRAINGER	19-929					\$ 3,225
HP INC	19-929					\$ 79,129
Hye Tech Network	19-929					\$ 152,867
INTERMETRO INDUSTRIES	19-929					\$ 11,756
Jensen Hughes	19-929					\$ 8,788
LOVITT & TOUCHE	19-929					\$ 8,196
MARICOPA COUNTY PLANNING AND DEVELOPMENT	19-929					\$ 51,093
MDM COMMERCIAL	19-929					\$ 4,339
OFFSITE OFFICE EQUIPMENT STORAGE	19-929					\$ 250
OLYMPUS	19-929					\$ 1,232
SCRIPTPRO	19-929					\$ 104,544
SMITHCRAFT SIGNS	19-929					\$ 99,956
SPEEDIE AND ASSOC	19-929					\$ 11,910
SALT RIVER PROJECT	19-929					\$ 4,265
SPHERE COMMERCE	19-929					\$ 797
STAPLES ADVANTAGE	19-929					\$ 1,680
Stryker Communications	19-929					\$ 12,626
Sundt Construction Inv	19-929					\$ 9,195,087
THE GRAPHS MEDICAL PHYSICS, INC.	19-929					\$ 700
TEMP ARMOUR	19-929					\$ 9,897
TRANSACT COMMERCIAL	19-929					\$ 279,878
THE CBORD GROUP	19-929					\$ 2,794

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid JUL'22	Amount Paid AUG'22	Amount Paid SEP'22	Amount Paid OCT'22	Amount Paid Cumulative Total
AMAZON						\$ 136
EXTENDATA SOLUTIONS						\$ 11,706
MONOPRICE INC						\$ 513
PAL-WW NORTHERN STORAGE JV LLC						\$ 106,121
RICOH AMERICAS CORPORATION						\$ 140
THOMAS PRINTWORKS						\$ 71
VANIR CONSTRUCTION MANAGEMENT INC						\$ 1,561,667
TOTAL North Phoenix FHC (19AV)		\$ -	\$ -	\$ -	\$ -	\$ 15,671,319
Cox Communications	19-928					\$ 4,489
Cox Communications						\$ (1,699)
ABBOTT RAPID DIAG	19-928					\$ 238
ALTURA	19-928					\$ 50,192
ALLEGIANCE CORP	19-928					\$ 10,318
AZ Dept of Env Quality	19-928					\$ 100
BONNY PIONTKOWSKI	19-928					\$ 1,645
BPG Technologies	19-928					\$ 28,048
CAPSULE TECH	19-928					\$ 56,193
CDW GOVERNMENT INC	19-928					\$ 23,529
Centurylink	19-928					\$ 24,539
CITY OF PHOENIX	19-928					\$ 218,063
CME	19-928					\$ 184,684
COOPER ATKINS	19-928					\$ 6,576
CROSSPOINT COMMUNICATION	19-928					\$ 8,008
Daniels Moving	19-928					\$ 11,441
DIBBLE ENGINEERING	19-928					\$ 7,168
DWL ARCHITECTS + PLANNERS INC	19-928					\$ 1,152,163
EXTENDATA	19-928					\$ 11,102
Fidelity National Title (escrow) - South Mountain	19-928					\$ 721,482
FILLMASTER SYSTEMS	19-928					\$ 1,494
GE HEALTHCARE	19-928					\$ 502,285
GRAINGER	19-928					\$ 978
HELMER	19-928					\$ 20,426
HP INC	19-928					\$ 88,597
Hye Tech Network	19-928					\$ 152,445
INTERMETRO INDUSTRIES	19-928					\$ 19,581
JENSEN HUGHES	19-928					\$ 11,464
LOVITT & TOUCHE	19-928					\$ 3,144
MARICOPA COUNTY PLANNING AND DEVELOPMENT	19-928					\$ 51,046

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
MDM COMMERCIAL	19-928					\$ 5,429
MONOPRICE	19-928					\$ 526
NATUS	19-928					\$ 2,130
OFFSITE OFFICE	19-928					\$ 395
OLYMPUS AMERICA	19-928					\$ 1,229
Ricoh	19-928					\$ 132
SCRIPTPRO USA INC	19-928					\$ 104,544
SMITHCRAFT SIGNS	19-928					\$ 100,570
Speedie and Associates	19-928					\$ 15,670
SPHERE COMMERCE	19-928					\$ 795
SRP	19-928					\$ 13,775
Sundt Construction Inc	19-928					\$ 9,083,290
Stryker Communications	19-928					\$ 12,626
TEMP ARMOUR	19-928					\$ 6,448
THE CBORD GROUP	19-928					\$ 2,794
THE GRAPHICS MEDICAL	19-928					\$ 700
TRANSACT	19-928					\$ 280,739
THOMAS PRINTWORKS	19-928					\$ 326
VANIR CONSTRUCTION MANAGEMENT INC						\$ 1,295,734
TOTAL South Phoenix FHC (SPHX)		\$ -	\$ -	\$ -	\$ -	\$ 14,297,592
CDW GOVERNMENT INC	19-946					\$ 54,109
ADVANCE INNOVATIVE SOLUTIONS	19-946					\$ 6,435
ALLEGIANCE CORP	19-946					\$ 920
ALTURA COMMUNICATIONS	19-946					\$ 33,123
ABBOTT RAPID DIAGNOSTICS INFORMATICS INC	19-946					\$ 96
BPG TechNOLOGIES	19-946					\$ 757
BONNY POINTKOWSKI	19-946					\$ 1,645
CAPSULE Tech	19-946					\$ 56,272
CITY OF PHOENIX	19-946					\$ 40,670
CME	19-946					\$ 160,773
COOPER ATKINS	19-946					\$ 8,233
DIBBLE ENGINEERING	19-946					\$ 6,534
DWL ARchITECTS + PLANNERS INC	19-946					\$ 811,095
DANIELS MOVING	19-946					\$ 20,892
Fidelity National Title (escrow) - 79thAve&Thomas	19-946					\$ 1,878,902
FILLMASTER SYSTEMS	19-946					\$ 1,494
GE PRECISION	19-946					\$ 168,542
HYE Tech	19-946		\$ 14,337			\$ 153,091

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid JUL'22	Amount Paid AUG'22	Amount Paid SEP'22	Amount Paid OCT'22	Amount Paid Cumulative Total
HP INC	19-946					\$ 25,573
INTERMETRO INDUSTRIES	19-946					\$ 15,951
JENSEN HUGHES	19-946					\$ 9,999
MARICOPA COUNTY PLANNING AND DEVELOPMENT	19-946					\$ 70,000
MARICOPA COUNTY ENVIRONMENTAL SERVICES	19-946					\$ 1,490
MARICOPA COUNTY RECORDER	19-946					\$ 30
MDM COMMERCIAL	19-946					\$ 5,546
MONOPRICE	19-946					\$ 522
NATUS MEDICAL	19-946					\$ 1,141
Ninyo and Moore Geotechnical and Environment	19-946					\$ 11,400
Okland Construction Company	19-946					\$ 9,446,943
OLYMPUS	19-946					\$ 1,211
SALT RIVER PROJECT	19-946					\$ 25,648
SMITHCRAFT SIGNS	19-946					\$ 106,985
SPEEDIE AND ASSOC	19-946					\$ 24,143
SCRIPT PRO	19-946					\$ 104,544
THE CBORD GROUP	19-946					\$ 2,883
TEMP ARMOUR	19-946					\$ 9,947
TRANSACT COMMERCIAL	19-946					\$ 291,462
THE GRAPHICS MEDICAL	19-946					\$ 950
SPHERECOMMERCE LLC	19-946					\$ 895
AMAZON						\$ 135
KITCHELL CONTRACTORS INC OF ARIZONA						\$ 3,280
STRYKER SALES CORPORATION						\$ 247
VANIR CONSTRUCTION MANAGEMENT INC						\$ 1,034,425
TOTAL West Maryvale FHC (WM79)		\$ -	\$ 14,337	\$ -	\$ -	\$ 14,598,933
		\$ -	\$ 158,393	\$ 56,777	\$ -	\$ 136,333,065

Note: Prior months amount paid are hidden

Functional Area - Behavioral Health Services						
Adams and WENDT						\$ 118,891
ADVANCED INN VATIVE SOLUTIONS						\$ 11,735
Airclean Systems	19-912					\$ 5,064
Allscripts Healthcare	18-913					\$ 125,985
Allscripts Healthcare	19-909					\$ 225,345
Altura Communications	19-909					\$ 477,526
Altura Communications	19-939					\$ 91,807

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
Altura Communications	18-913					\$ 1,340
Amazon	19-909					\$ 1,080
AMT Datasouth	19-912					\$ 4,124
ARC Products LLC	19-912					\$ 23,790
ARIZONA DEPT OF HEALTH	19-939					\$ 150
Arizona Lock and Safe						\$ 1,025
Armstrong Medical	19-912					\$ 36,470
Arrington Watkins Architects						\$ 301,274
Arrow International	19-912					\$ 610
Baxter Healthcare Corp	19-912					\$ 5,368
Bayer Healthcare	18-920					\$ 74,376
BEL-Aire Mechanical						\$ 40,215
Burlington Medical	19-912					\$ 3,028
CAPSA SOLUTIONS	19-909					\$ 5,936
CAPSA SOLUTIONS	19-912			\$ (55)		\$ (25)
Capsule Tech	19-912					\$ 143,422
Cardinal Health	19-912					\$ 85,931
CDW Government	19-909					\$ 275,954
CDW Government	19-938					\$ 48,448
CDW Government	19-939					\$ 161,925
CME	19-912					\$ 185,907
Comprehensive Risk Services						\$ 547,333
Coviden	19-912					\$ 11,817
Crosspoint Communications						\$ 25,724
Datcard Systems	19-909					\$ 18,821
EXTENDATA SOLUTIONS	19-909					\$ 500
KRONOS INC	19-909					\$ 196
MDM COMMERCIAL ENTERPRISES INC	19-909					\$ 1,400
RETAIL MANAGEMENT SOLLUTIONS	19-909					\$ (5,961)
THE CBORD GROUP INC	19-909					\$ (1,234)
CME	18-918					\$ 68
MEDTRONIC USA INC	18-918					\$ 59
THE CBORD GROUP INC	18-918					\$ 14
GE MEDICAL SYSTEMS ULTRASOUND PRIMARY	18-922					\$ 747,407
Delynn Consultant	19-940					\$ 114,187
DLR Group Inc						\$ 4,222,015
EMD Millpore	19-912					\$ 7,175
ENDOSCOPE SERVICES	19-912					\$ 32,270

VALLEYWISE HEALTH

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Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
Epstexas Storage	19-912					\$ 633
EQ2 LLC	19-912					\$ 67,500
Ethos Evacuation	19-912					\$ 10,130
ETL REPOSE	19-912					\$ 29,482
EXTENDATA SOLUTIONS						\$ 66,659
Felix Storch Inc						\$ 5,796
FERGUSON ENTERPRISES	19-912					\$ 3,571
First American Title - Maryvale Hospital						\$ 7,582,335
Follett	19-912					\$ 40,303
GE Healthcare	18-915					\$ 773,012
GE Healthcare	19-901					\$ 14,880
GE Healthcare	18-917					\$ 766,491
GE Healthcare	18-918					\$ (787,011)
GE Healthcare	19-938					\$ 13,999
GE Medical Systems	19-912					\$ 13,999
GE Medical Ultrasound	18-917					\$ 138,680
General Devices	19-912					\$ 47,400
Gentherm	19-912					\$ 16,692
Gilbane Building CO.	18-913					\$ 55,180,150
FED EX FREIGHT	18-913					\$ 3,481
Global Equipment	19-912			\$ (125)		\$ 2,003
Goodmans	19-916					\$ 96,476
Goodmans	19-917					\$ 104,809
Goodmans	19-923					\$ 551,725
Goodmans	19-926					\$ 154,049
Goodmans	19-939					\$ 1,570
Goodmans	18-913					\$ 3,900
JENSEN HUGHES INC	18-913					\$ 11,538
VALLEY SYSTEMS	18-913					\$ 9,952
Grainger	19-912					\$ 63,690
Graybar Electric						\$ 5,586
GUEST COMMUNICATIONS	19-912					\$ 17,130
Haemonetics	19-912					\$ 83,854
HD Supply Facilities Maintenance Ltd	19-912					\$ 39,937
Helmer Inc	19-912					\$ 151,587
Hill Rom						\$ 20,409
HP INC	19-909					\$ 363,091
HP INC	19-939					\$ 168,146

VALLEYWISE HEALTH

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Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
HUMANE RESTRAINT	19-909					\$ 40,160
HUMANE RESTRAINT	19-912					\$ 480
Hye Tech Network	19-909					\$ 368,641
IMEG Corp						\$ 91,590
Interior Solutions	19-923					\$ 242,017
Interior Solutions	19-926					\$ 100,132
Intermetro Industries	19-912					\$ 42,332
Intersan Manufacturing	19-912					\$ 3,603
Jensen Hughes						\$ 2,750
Kronos Inc						\$ 72,000
Lanmor Services Inc						\$ 1,953
LOGIQUIP	19-912					\$ 1,059
MARICOPA COUNTY PLANNING AND DEVELOPMENT						\$ 299,669
MARKETLAB	19-912			\$ (15)		\$ 10,824
Mcg HEALTH LLC						\$ 37,017
MDM Commercial	19-909					\$ 40,622
Medline	19-912					\$ 3,628
Medtronic	19-912					\$ 7,931
Mindray	19-912					\$ 98,014
Monoprice	19-909					\$ 968
Monoprice	19-939					\$ 842
MOPEC	19-912					\$ 20,479
NORIX GROUP INC	19-926					\$ 11,918
NANOSONICS INC	19-912					\$ 22,944
Ninyo and Moore Geotechnical and Environment	19-923					\$ 11,700
NORIX GROUP INC						\$ 400,689
Olympus America						\$ 32,231
Olympus America	19-912					\$ 135
OEC Medical Systems	19-904					\$ 80,529
OMC INVESTERS LLC						\$ 11,518
OMC INVESTERS LLC	19-912					\$ 117
Owens and Minor	19-912					\$ 56,788
PAC VAN						\$ (790)
PAC VAN						\$ 1,295
Parks Medical	19-912					\$ 2,167
Philips Healthcare	18-921					\$ 38,523
Physio Control	19-912					\$ 19,458
Progressive Roofing	19-931					\$ 84,628

VALLEYWISE HEALTH

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Description	CER Number	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid
		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
PRONK TECHNOLOGIES INC						\$ 3,040
PRONK TECHNOLOGIES INC	19-912					\$ 16
QRS Calibrations	19-912					\$ 7,151
Radiation Physics and Engineering	18-917					\$ 1,250
Radiation Physics and Engineering	18-920					\$ 1,600
RAY-BAR	18-913					\$ 4,905
RETAIL MANAGEMENT SOLUTIONS						\$ 5,961
RICOH AMERICAS CORPORATION						\$ 29,892
Ruiz Custom Upholstery	19-912					\$ 53,718
SCOTTSDALE RESTAURANT SUPPLY						\$ 5,391
Signodtics	19-912					\$ 22,460
Smiths Medical	19-912					\$ 9,253
SOFT COMPUTER CONSULTANT INC						\$ 89,550
Smithcraft Signs	18-913					\$ 10,266
Speedie and Associates						\$ 17,823
SALT RIVER PROJECT	18-913					\$ (23,852)
Standard Textile	19-912					\$ 4,464
Stryker Communications	19-910					\$ (14,174)
Stryker Communications	19-910					\$ 5,103
Stryker Communications	19-920					\$ 9,072
Steris Corp						\$ 13,950
Stryker						\$ 175,192
TBJ Inc	19-912					\$ 5,654
TD INDUSTRIES	19-924					\$ 460,415
The Cbord Group	19-909					\$ 26,590
THYSSENKRUPP ELEVATOR CORP	19-912					\$ 587,346
Translogic	19-912					\$ 3,931
Tucson Business Interiors	19-912					\$ 3,000
Tucson Business Interiors	19-923					\$ 34,193
Tucson Business Interiors	19-926					\$ 335,704
UMF Medical	19-912					\$ 11,788
Verathon	19-912					\$ 14,020
VERIZON	19-909					\$ 16,853
WAXIE	19-912					\$ 3,002
World Wide Technology						\$ 701,128
Zoll Medical	19-912					\$ 46,732
AFFILIATED ENGINEERS INC						\$ 203,070
CUSHMAN AND WAKEFIELD OF ARIZONA INC						\$ 12,500

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid JUL'22	Amount Paid AUG'22	Amount Paid SEP'22	Amount Paid OCT'22	Amount Paid Cumulative Total
MARICOPA COUNTY TREASURER						\$ 10,000
PHOENIX FENCE						\$ 2,283
RELAYHEALTH INC						\$ 11,250
THOMAS PRINTWORKS						\$ 4,863
TOTAL Maryvale Campus (MV)		\$ -	\$ -	\$ (195)	\$ -	\$ 79,203,036
Adams and Wendt	19-936					\$ 114,236
APS	19-936					\$ (14,700)
AIRPARK SIGNS						\$ 1,305
Arizona Department of Health	19-936					\$ 1,050
AFFILIATED ENGINEERS	19-936					\$ 390,767
BUREAU VERITAS	19-936					\$ 28,125
Engineering Economics	19-936	\$ 20,986		\$ 47,968		\$ 68,185
GOODMANS	19-936					\$ 109,589
Grainger	19-936					\$ 5,504
JENSEN HUGHES	19-936					\$ 15,462
KITCHELL	19-936					\$ 8,386,706
MARICOPA COUNTY PLANNING AND DEVELOPMENT	19-936					\$ 230
Speedie and Assoc	19-936					\$ 2,040
Valley Systems	19-936					\$ 14,320
INNERFACE ARCHITECTURAL SIGNAGE						\$ 862
MARICOPA COUNTY TREASURER						\$ 8,212
THE CBORD GROUP INC						\$ 13,022
VANIR CONSTRUCTION MANAGEMENT INC						\$ 631,930
TOTAL Annex HVAC Replacement (RSVT)		\$ 20,986	\$ -	\$ 47,968	\$ -	\$ 9,776,843
		\$ 20,986	\$ -	\$ 47,773	\$ -	\$ 88,979,879
Note: Prior months amount paid are hidden						
Functional Area - Acute Care Facilities						
eSTF - Enterprise Strengthening the Foundation (see attached for detail)	17-900					\$ 6,237,142
Client & Mobility (Phase 1)	16-934					\$ 1,434,893
Client & Mobility (Phase 2)	17-906					\$ 1,512,376
IPT (PBX Replacement)	16-909					\$ 2,789,264
Legacy Storage (DP-007)	16-910					\$ 2,506,978
Single Sign on	17-913					\$ 81,150
Perimeter, Internal security	16-900					\$ 67,213

VALLEYWISE HEALTH

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		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
Perimeter, Internal security	18-907					\$ 151,310
Perimeter, Internal security	18-910					\$ 44,235
Perimeter, Internal security	18-912					\$ 51,561
Epic 2014 Monitors (Phase 1)	16-933					\$ 341,470
Epic 2014 Monitors (Phase 2)	17-905					\$ 474,480
LCM	16-937					\$ 199,936
SEIMS	17-912					\$ 235,134
SEIMS	18-911					\$ 14,468
ESB Framework Enablement	18-914					\$ 1,111,233
Clinical Image Repository	18-915					\$ 1,271,214
Imprivata Identity	18-916					\$ 576,880
chartmaxx Infrastructure Upgrade	19-906					\$ 859,682
Imprivata ConfirmID	19-911					\$ 137,295
ESB (Tibco) - Infrastructure	19-918					\$ 34,861
PWIM Global Monitor Software - additional funding required to support implementation of CER15-075, Cloverleaf Availability	16-924					\$ 35,400
Patient monitors - High Acuity	16-908					\$ 6,240,243
Edwards Lifesciences				\$ (116)		\$ (116)
AMICO Accessories				\$ (704)		\$ (704)
Stretcher replacement	16-912					\$ 395,538
IVUS - intravascular ultrasound for placement of stents	16-922					\$ 128,371
Vigileo Monitors (8)	16-928					\$ 96,132
VANIR CONSTRUCTION	16-928					\$ 463,755
Balloon Pumps	16-920					\$ 149,197
Zeiss - Cirrus HD ophthal camera	16-919					\$ 60,654
Vivid Q BT12 Ultrasound	16-931					\$ 55,019
Zoll Thermoguard XP (formerly Alsius)	16-906					\$ 33,230
3:1 Mesher	16-927					\$ 12,870
1:1 Mesher	16-927					\$ 26,190
2:1 Mesher	16-927					\$ 26,190
Urodynamics machine (for surgery clinic)	16-929					\$ 17,935
UltraMist System	16-925					\$ 20,195
Doppler	16-935					\$ 3,950
Ultrasound (for breast clinic)	16-931					\$ 22,685
Biom 5	16-930					\$ 8,103
Wilson Frame	18-902					\$ 4,852
Medical Beds for Psych Units	16-932					\$ 211,197
SIZEWISE RENTALS	16-932					\$ (1,738)

VALLEYWISE HEALTH

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King Tong Pelvic fx reducer	16-926					\$ 9,500
Stryker Core Power Equipment --Contract	16-904					\$ 369,113
Patient Monitoring (Low Acuity) - Formerly named Alarm Management	16-907					\$ 347,029
AIMS Upgrade	16-901					\$ 51,232
AIMS Upgrade	16-902					\$ 12,000
AIMS Upgrade	16-903					\$ 112,850
Temperature Monitoring - Non FQHC Depts	17-908					\$ 133,615
2 Pillcams for Endo	17-911					\$ 13,826
Replace 11 ultrasounds	16-931					\$ 1,884,099
POC Ultrasounds (10)	16-931					\$ 634,702
Ice Machine Replacement	16-911					\$ 23,881
Steam Condensate Return Piping Replacement	16-914					\$ 62,529
Laundry/Finance/Payroll/Facilities Roof Repairs	17-917					\$ 82,955
MMC 7th Floor Roof	16-905					\$ 274,582
Facility upkeep	17-910					\$ 4,205
Facility upkeep	18-905					\$ 69,218
Colposcopes	18-909					\$ 24,607
OWENS AND MINOR	18-909					\$ 279
chandler ADA Doors	18-042					\$ 5,867
Avondale Digital X-Ray Unit and Sensors (Panoramic Digital AND Nomad Digital)	16-917					\$ 63,217
chandler Dental Digital Radiology - Panoramic x-ray	16-915					\$ 63,564
chC - Digital Panoramic x-ray	16-916					\$ 60,419
chC Dental Replace chairs Lights, Compressor and Delivery Units	18-905					\$ 127,642
chC Cost for new equipment and cost of moving existing to Avondale X-Ray	16-921					\$ 83,327
Avondale- Replace all flooring.	17-904					\$ 72,635
Temperature Monitoring - FQHC Depts	17-909					\$ 82,219
McDowell Dental	16-918					\$ 15,990
CHC Internal Medicine Clinic Renovation - increase the number of exam rooms to accommodate 1st, 2nd & 3rd residents as of July 1, 2017 plus	18-900					\$ 221,124
CHC Dental Autoclave Replacement including printer & Cassette rack	18-908					\$ 19,122
chandler Dental Autoclave Replacement including printer & Cassette rack	18-908					\$ 6,374
Avondale Dental Autoclave Replacement including printer & Cassette rack	18-908					\$ 6,374
FHC Helmer Medical Refrigerators	17-714					\$ 11,110
FHC Helmer Medical Refrigerators	17-901			\$ (5,303)		\$ 164,096
Cabinet and Countertop Replacement South Central FHC	18-904					\$ 8,419
CHC Dental Refresh	18-905					\$ 96,361
POC Molecular (26 units)	19-914					\$ 1,049,613
CEPHEID	19-914					\$ 1,098
Bili Meter - Draegar (10 units)	19-927					\$ 71,875

VALLEYWISE HEALTH

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Colposcope - Guadalupe	19-925					\$ 9,927
EKG machines (3 units)	19-922					\$ 37,278
Bond related expenses (legal fees, etc.)	N/A					\$ 325,646
Audiology - Astera Audiometer	16-913					\$ 11,326
ALTURA COMMUNICATIONS	16-909					\$ 137,011
3rd Floor Behavioral Health/Medical Unit Remodel	17-903					\$ 2,570,464
22 Behavioral Health Beds for 3rd Floor MMC	17-907					\$ 188,527
Replace MMC Radiology GE Fluoroscopy Imaging Equipment	17-914					\$ 262,145
Endura CCTV System Replacement	18-901					\$ 168,739
IT - (17-900) eSTF Project	17-900					\$ 95,059
Diablo Infrastructure Costs	18-903					\$ 431,149
HP INC	16-923					\$ (38)
Epic Willow - Ambulatory & Inventory	18-906					\$ 428,269
Navigant - Proposition 480 planning	16-923					\$ 910,000
Kaufmann Hall - Prop 480 planning	16-923					\$ 370,019
IPv4Xchange (ARIN Based Transfer Escrow Payment)	16-923					\$ 7,040
Vanir Construction Management (Planning Phase)	17-915					\$ 749,971
Vanir Construction Management (\$48M) (\$48,300,501 - Entire Project)	17-916					\$ 4,580,656
Vanir Construction Management (Planning Phase)	16-923		\$ 345,537			\$ 1,286,190
IPMO Modular Building	17-902					\$ 329,631
Dickenson Wright PLLC	16-923					\$ 181,495
GE HEALTHCARE	19-918					\$ (32,261)
Sims Murrery LD	16-923					\$ 24,128
Devenney Group LTD	16-923					\$ 242,450
MTI Connect Inc	16-923					\$ 181
SHI INTERNATIONAL	19-911					\$ 2,577
Payroll/Supplies/Misc Expenses	16-923		\$ 404,838			\$ 792,042
EPIC replatform and upgrade to 2016 (see attached for detail)	17-900					\$ 7,675,491
Reimbursement for Capital Expenditures	N/A					\$ 36,000,000
Other exp/recon items				\$ (1,194)		\$ (517)
TOTAL Tranch 1		\$ -	\$ 750,375	\$ (7,317)	\$ -	\$ 92,267,185
Bond issuance costs						\$ 817,684
BPG Technologies LLC						\$ 288,397
Dickinson Wright PLLC						\$ 323,597
Hye Tech Network and Security Solutions						\$ 3,795,099
Goodmans						\$ 4,790
GOODMANS	16-923					\$ (2,921.18)
JRC DESIGN	19-955					\$ 282,995

VALLEYWISE HEALTH

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Description	CER Number	Amount Paid JUL'22	Amount Paid AUG'22	Amount Paid SEP'22	Amount Paid OCT'22	Amount Paid Cumulative Total
Lovitt & Touche Inc	16-923					\$ 75,000
Lovitt & Touche Inc	19-934		\$ 23,191		\$ 31,381	\$ 3,902,486
PAC VAN INC	19-934					\$ 80,395
MARSH & MCLENNAN AGENCY LLC	19-934					\$ 38,191
LOVITT & TOUCHE INC	19-951					\$ 505
PAC-VAN	19-955					\$ 71,160
Payroll/Supplies/Misc Expenses						\$ 6,453,997
Sims Murrary LD						\$ 30,441
Sims Murrary LD	19-955					\$ 9,433
Vanir Construction Management (\$48M) (\$48,300,501 - Entire Project)						\$ 15,533,102
World Wide Technology Co Inc						\$ 452,252
Zurich North America	16-923					\$ 47,500
AFFILIATED ENGINEERS INC						\$ 38,348
BALLARD SPAHR						\$ 288,544
BLUETREE NETWORK INC						\$ 178,563
CARASOFT TECHNOLOGY CORPORATION						\$ 143,344
CDW GOVERNMENT INC						\$ 555,016
CENTURYLINK						\$ 170,013
CORPORATE TECHNOLOGY SOLUTIONS LLC						\$ 178,552
DEVENNEY GROUP LTD						\$ 530,623
DWL ARCHITECTS + PLANNERS INC						\$ 272,318
EPIC SYSTEMS CORPORATION						\$ 554,536
FITCH RATINGS						\$ 120,000
GRAYBAR ELECTRIC						\$ 17,357
GREENBERG TRAURIG, LLP						\$ 240,000
GUIDESOFT INC						\$ 503,715
HP INC						\$ 19,960
INTEGRATED CONTROL SYSTEMS INC						\$ 2,160
LANMOR SERVICES INC						\$ 209,036
MISCELLANEOUS						\$ 228,750
MOODY'S						\$ 120,000
MOSS ADAMS LLP						\$ 42,500
ORRICK						\$ 35,000
PRESIDIO NETWORKED SOLUTIONS INC						\$ 310,797
RICOH AMERICAS CORPORATION						\$ 180
RMJ ELECTRICAL CONTRACTORS INC						\$ 43,305
SAVVIS COMMUNICATIONS LLC						\$ 116,363
SHI INTERNATIONAL CORP						\$ 122,929

VALLEYWISE HEALTH

Care Reimagined - Expenditure Report

Description	CER Number	Amount Paid JUL'22	Amount Paid AUG'22	Amount Paid SEP'22	Amount Paid OCT'22	Amount Paid Cumulative Total
SPRAY SYSTEMS ENVIRONMENTAL INC						\$ 13,780
STIFEL						\$ 268,910
THOMAS PRINTWORKS						\$ 1,291
US BANK						\$ 600
US BANK - CORPORATE TRUST SERVICES						\$ 600
Valleywise						\$ 1,509
VANIR CONSTRUCTION MANAGMENT INC					\$ 663,300	\$ 663,300
WALMART.COM						\$ 549
WOODRUFF CONSTRUCTION						\$ 17,015
TOTAL Enterprise		\$ -	\$ 23,191	\$ -	\$ 694,681	\$ 38,213,563
Adams and Wendt	19-935					\$ 32,697
APS	19-935					\$ (335,303)
Affiliated Engineers Inc	19-935					\$ 1,587,215
Affiliated Engineers Inc	19-935					\$ 2,059,120
Arnold Machinery	19-935					\$ 34,209
ARIZONA DEPARTMENT OF HEALTH	19-935					\$ 150
BPG TECHNOLOGIES LLC	19-935					\$ 2,774
CABLE SOLUTIONS LLC	19-935					\$ 80,880
CDW GOVERNMENT INC	19-935					\$ 337
CENTERLINE MEchanical	19-935					\$ 24,522
CITY OF PHOENIX	19-935					\$ 2,296
ENGINEERING ECONOMICS	19-935					\$ 134,008
GOODMANS	19-935					\$ 12,143
HYE TECH	19-935					\$ 1,960,213
JENSEN HUGHES	19-935					\$ 12,263
KITCHELL	19-935					\$ 54,628,414
KM FACILITY SERVICES	19-935					\$ 71,885
LANMOR	19-935					\$ 23,708
Maricopa County	19-935					\$ 1,500
MDM COMMERCIAL	19-935					\$ 1,760
Soft Computer Consultants	19-935		\$ 2,625			\$ 2,625
SMITHCRAFT SIGNS	19-935					\$ 5,782
Speedie snd Assoc	19-935					\$ 29,245
SOUTHWEST GAS	19-935					\$ 121,938
Thomas Printworks	19-935					\$ 41
VALLEY SYSTEMS	19-935					\$ 960
WESTERN STATES FIRE	19-935					\$ 705
SYNTELLIS PERFORMANCE SOLUTIONS LLC	19-935				\$ 28,000	\$ 28,000

VALLEYWISE HEALTH

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		JUL'22	AUG'22	SEP'22	OCT'22	Cumulative Total
ALTURA COMMUNICATIONS SOLUTIONS LLC	19-935			\$ 1,019		\$ 1,019
ARIZONA PUBLIC SERVICE COMPANY	19-935					\$ 1,773,158
HYE TECH NETWORK AND SECURITY SOLUTIONS	19-935					\$ 7,125
MARICOPA COUNTY PLANNING AND DEVELOPMENT	19-935					\$ 239,965
MARICOPA COUNTY TREASURER	19-935					\$ 135,146
VANIR CONSTRUCTION MANAGEMENT INC	19-935					\$ 719,110
TOTAL Central Utility Plant (RSVT)		\$ -	\$ 2,625	\$ 1,019	\$ 28,000	\$ 63,399,608
ADAMS AND WENDT	19-949		\$ 2,009			\$ 65,543
ADAMS AND WENDT	19-948					\$ 31,430
ADAMS AND WENDT	19-947					\$ 69,552
ADAMS AND WENDT	19-951					\$ 90,538
ADAMS AND WENDT						\$ 6,600
HYE TECH NETWORK	19-947					\$ 133,901
HYE TECH NETWORK	19-951					\$ 14,702
ADAMS AND WENDT	19-953					\$ 5,460
ADAMS AND WENDT	19-948					\$ 2,596
AFFILIATED ENGINEERS	19-948					\$ 306,206
AFFILIATED ENGINEERS	19-954					\$ 1,050
ANCO SANITATION	19-948					\$ 1,450
ATLANTIC RELOCATIONS	19-948					\$ 49,125
ABBOTT LABORATORIES INC	19-947					\$ 173,405
BPG Tech	19-948					\$ 180,054
BPG Tech	19-947					\$ 7,339
BPG Tech	19-951					\$ 23,013
CABLE SOLUTIONS	19-947	\$ 154,745	\$ 358,574	\$ 374,951	\$ 273,481	\$ 3,173,761
CABLE SOLUTIONS	19-951					\$ 9,388
C-SCAN TECHNOLOGIES	19-947					\$ 6,090
CAPSULE Tech	19-951					\$ 8,708
CDW G	19-947			\$ 69,552		\$ 276,304
CDW G	19-951				\$ 1,040	\$ 1,024.30
CENTURY LINK	19-951					\$ 6,706
CITY OF PHOENIX	19-947					\$ 80,932
CITY OF PHOENIX	19-948					\$ 9,525
CME	19-948					\$ 13,660
CME	19-951					\$ 4,259
CME	19-947		\$ 35,637			\$ 87,854
Cunningham Architect	19-947		\$ 75,000	\$ 83,500	\$ 83,500	\$ 31,125,012
Cunningham Architect	19-951					\$ 2,466

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Cunningham Architect	19-937					\$ 73,619
CLIMATEC LLC	19-947					\$ 14,592
DANIELS MOVING	19-948					\$ 18,756
DYNAMIC INSTALLATION	19-948					\$ 23,932
DYNAMIC INSTALLATION	19-951					\$ 501
DISTRICT MEDICAL GROUP	19-948					\$ 89,356
ECD SYSTEMS	19-947	\$ 241,885	\$ 188,000	\$ 73,938	\$ 95,247	\$ 1,082,117
ENGINEERING ECONOMICS	19-951				\$ 11,992	\$ 147,158
EXCESSIVE CARTS	19-948					\$ 23,182
FISHER HEALTHCARE	19-947					\$ 64,788
FC HOSPITALITY	19-948					\$ 216,732
Follett	16-923			\$ 57,492		\$ 63,102
GOODMANS	19-951					\$ 101,011
GOODMANS	19-951	\$ 10,175				\$ 40,420
GRAINGER	19-947					\$ 5,669
HELMER INC	19-947				\$ 24,159	\$ 24,159
HILL ROM	19-951				\$ 1,297	\$ 9,092
HILL ROM	19-947				\$ 13,271	\$ 56,117
HOME DEPOT - Buyers Log	19-948					\$ 587
HYE TECH NETWORK	19-947	\$ 2,819,593		\$ 36,639		\$ 2,856,232
Innerface Architectural Signage	19-948					\$ 13,927
Innerface Architectural Signage	19-951					\$ 833
JENSEN HUGHES	19-947	\$ 5,392	\$ 1,170	\$ 10,075		\$ 52,181
JENSEN HUGHES	19-951					\$ 24,233
KITCHELL	19-947	\$ 9,034,331	\$ 6,796,750	\$ 6,962,390	\$ 6,238,008	\$ 238,170,260
KITCHELL	19-937					\$ 667,452
KITCHELL	19-948			\$ 13,552		\$ 11,906,811
KITCHELL	19-951		\$ 1,624,162	\$ 1,598,878	\$ 1,790,264	\$ 21,236,764
KITCHELL	19-954					\$ 8,373
LANMOR	19-947		\$ 17,211			\$ 484,583
LANMOR	19-948					\$ 4,547
LANMOR	19-951					\$ 63,782
LEVEL 3 AUDIO VISUAL	19-947					\$ 90,000
MARICOPA COUNTY PLANNING AND DEVELOPMENT	19-951					\$ 289,918
MARICOPA COUNTY PLANNING AND DEVELOPMENT	19-947	\$ 62,525				\$ 2,028,159
MARICOPA COUNTY PLANNING AND DEVELOPMENT						\$ 6,021
MARICOPA COUNTY ENVIRONMENTAL SERVICES	19-947					\$ 2,320
MARICOPA COUNTY PLANNING AND DEVELOPMENT	19-948					\$ 3,308

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MDM COMMERCIAL	19-951					\$ 1,225
MDM COMMERCIAL	19-947					\$ 37,558
MOBILE COMMUNICATIONS AMERICA INC	19-947				\$ 5,738	\$ 5,738
NATUS MEDICAL INC	19-947	\$ 39,020				\$ 39,020
NINYO AND MOORE	19-947					\$ 11,200
NINYO AND MOORE	19-947					\$ 6,824
NINYO AND MOORE	19-951					\$ 16,293
NCI INC	19-947					\$ 19,725
OFFSITE EQUIPMENT STORAGE	19-948					\$ 650
PAC-VAN	19-947					\$ 7,220
POHLE NV CENTER INC	19-948					\$ 11,904
PERRY BAROMEDICAL CORPORATION	19-947	\$ 82,506				\$ 82,506
RECLASS UTILITIES ALLOCATION TO CONSTRUCTION PROJECTS	19-951					\$ (34,000)
RECLASS UTILITIES ALLOCATION TO CONSTRUCTION PROJECTS	19-947					\$ 34,000
RMJ Electrical Contractors						\$ 551
SKYTRON	19-947					\$ 1,633
Smithcraft Signs	19-947					\$ 960
Smithcraft Signs	19-951					\$ 4,650
SPEEDIE AND ASSOC	19-947	\$ 4,921				\$ 255,839
SPEEDIE AND ASSOC	19-951	\$ 3,420	\$ 2,840		\$ 4,770	\$ 44,823
STERIS	19-947	\$ 86,605	\$ 656,801	\$ 6,239	\$ 404,011	\$ 1,868,776
SWISSLOG	19-947					\$ 2,500
TEMP ARMOUR	19-951					\$ 6,649
Valley Systems	19-948					\$ 756
Valley Systems	19-951					\$ 1,018
Speedie and Assoc	19-947					\$ 75,960
Speedie and Assoc	19-951				\$ 1,120	\$ 13,438
SRP	19-947					\$ 500
UTILITY ALLOCATION	19-947					\$ 385,000
THOMAS PRINTWORKS			\$ 34	\$ 62	\$ 25	\$ 4,045
THOMAS PRINTWORKS	19-947					\$ 75
Trademark Visual	19-948					\$ 2,576
WAXIE SANITARY SUPPLY	19-948			\$ 840		\$ 840
ZORO TOOLS	19-948					\$ 14,481
ALTURA COMMUNICATIONS SOLUTIONS LLC						\$ 11,827
DH PACE COMPANY INC						\$ 1,468
ENTERPRISE SECURITY INC						\$ 13,715
HD SUPPLY FACILITIES MAINTENANCE LTD						\$ 3,780

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INTERMETRO INDUSTRIES CORPORATION						\$ 833
LOVITT & TOUCHE INC						\$ 505
MARICOPA COUNTY TREASURER						\$ 7,310
SKYLINE BUILDERS AND RESTORATION INC						\$ 122,769
STRYKER SALES CORPORATION						\$ 384,697
TEMPE DIABLO LLC						\$ 33,132
TUCSON BUSINESS INTERIORS INC						\$ 447,192
VANIR CONSTRUCTION MANAGEMENT INC						\$ 9,372,423
WORLD WIDE TECHNOLOGY HOLDINGS CO LLC						\$ 35,500
TOTAL Roosevelt Campus Site Development Plan (RSVT)		\$ 12,545,118	\$ 9,758,187	\$ 9,288,109	\$ 8,947,924	\$ 329,292,335
		\$ 12,545,118	\$ 10,534,378	\$ 9,281,811	\$ 9,670,606	\$ 523,172,692
Bond Proceeds received to date:						
\$935,805,959						
TOTAL MONTHLY SPENT AMOUNT		\$ 12,566,104	\$ 10,692,771	\$ 9,386,361	\$ 9,670,606	\$ 748,485,636
REMAINING Cash for disbursement		\$ 217,070,061	\$ 206,377,289	\$ 196,990,928	\$ 187,320,322	\$ 187,320,322



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 9.c.

**Reports to the Board
Monthly Valleywise Health Employee
Turnover Report**

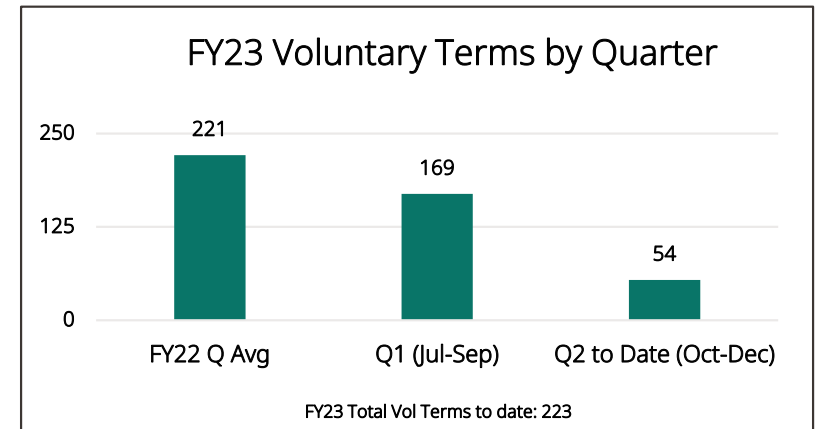
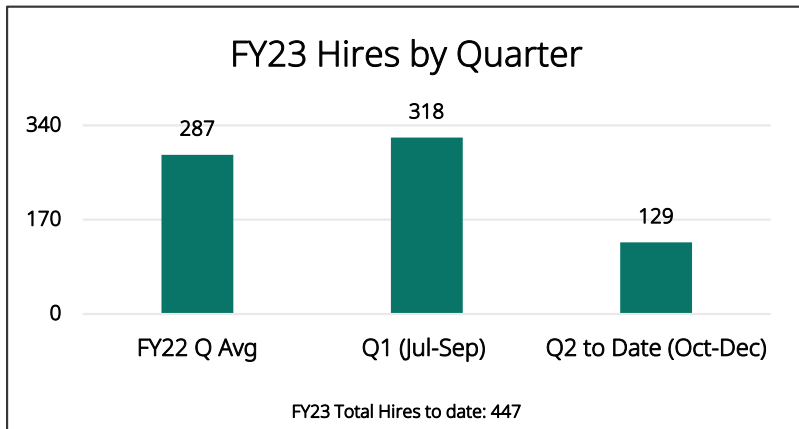
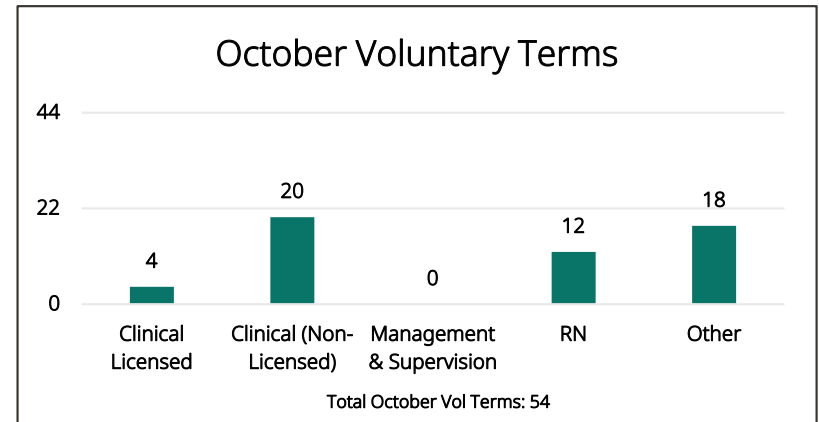
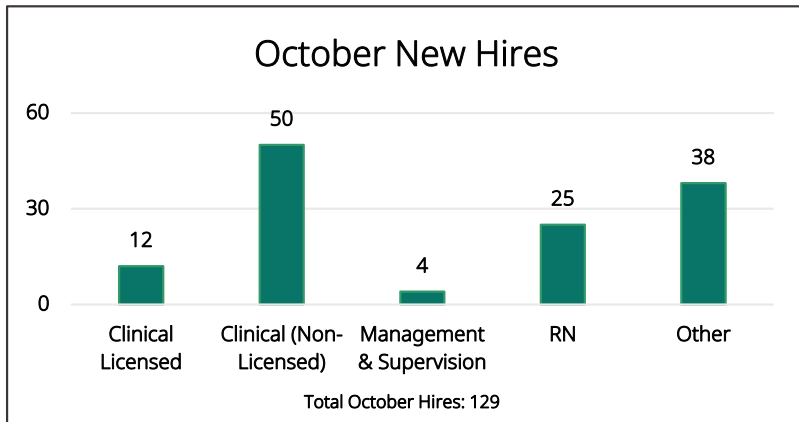


Human Resources Board Turnover Analysis & Employee Demographic Information

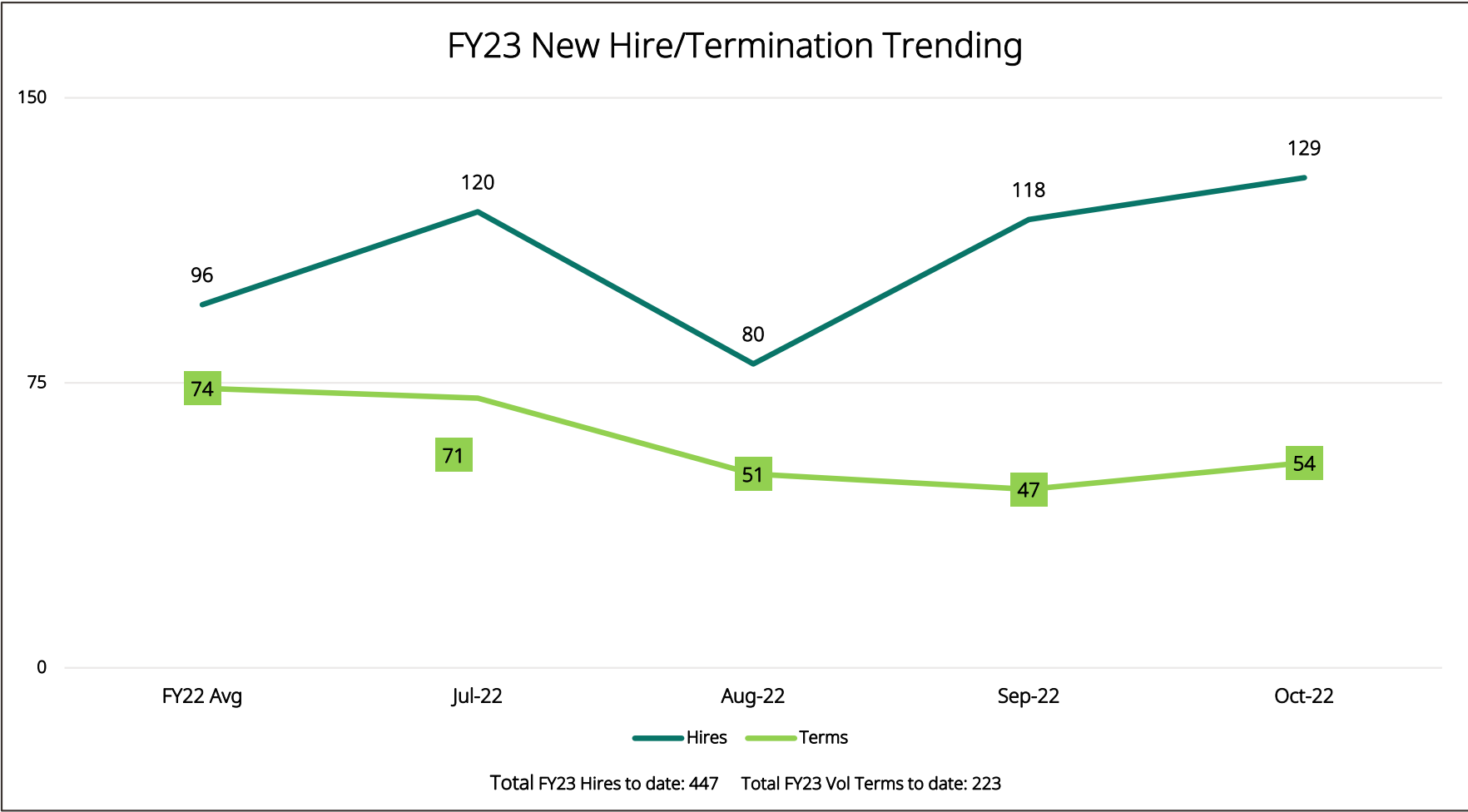
October 2022

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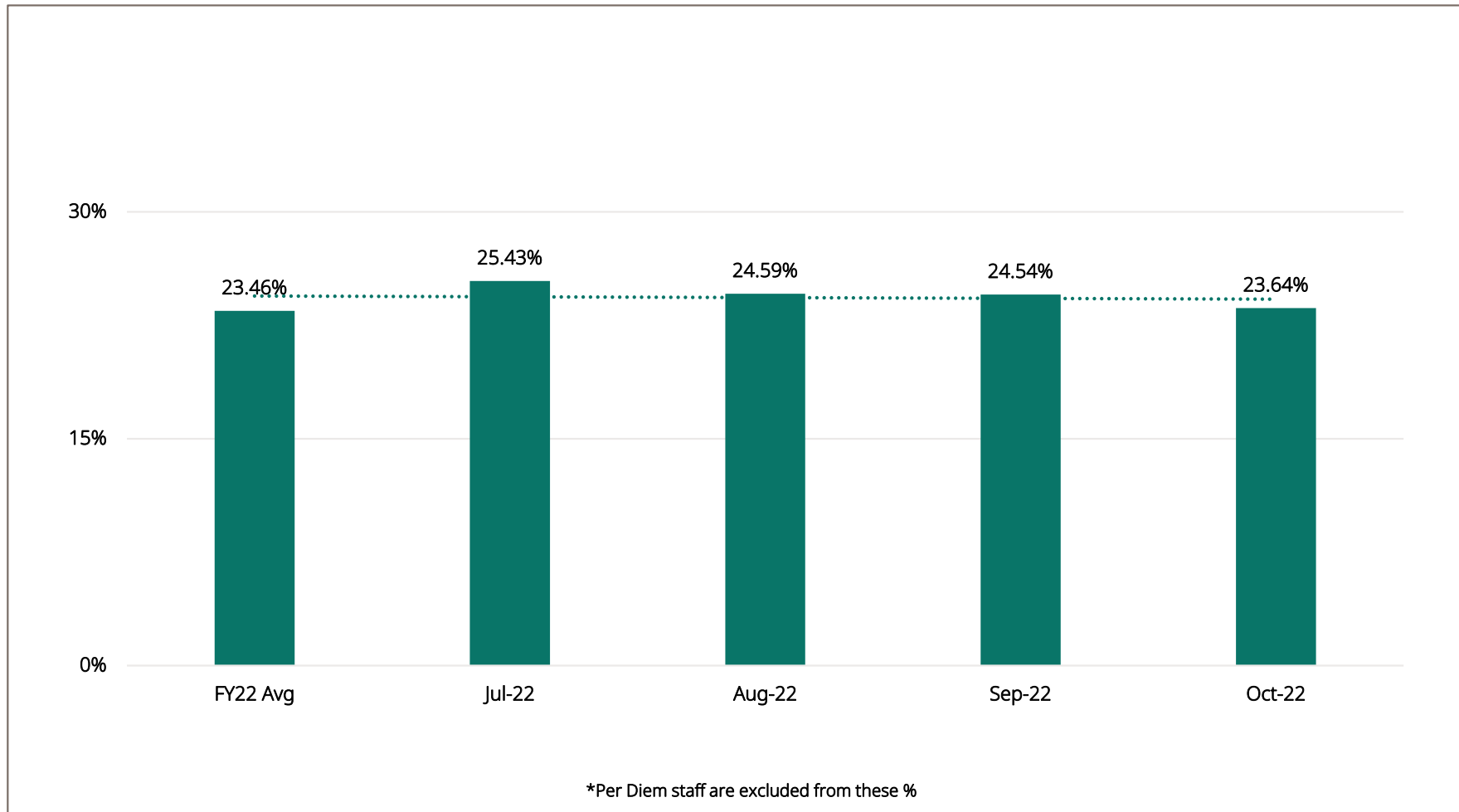
New Hires and Voluntary Terminations



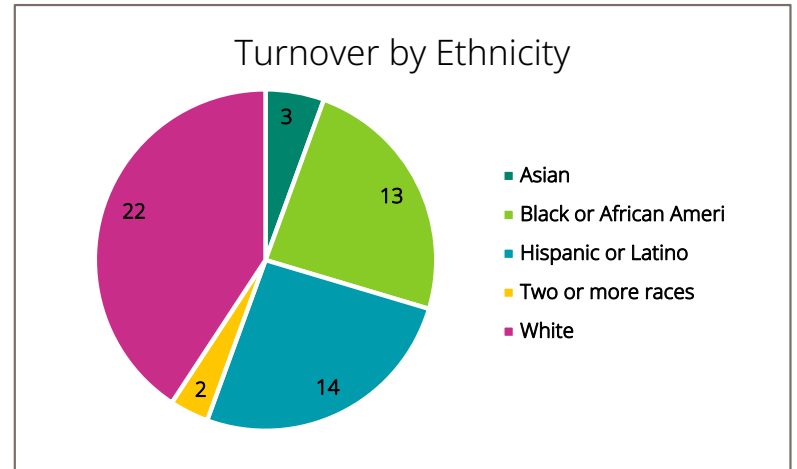
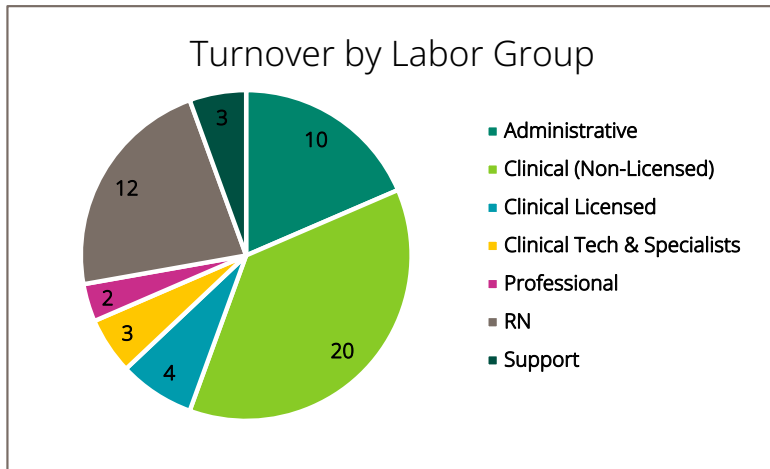
FY2023 New Hires and Voluntary Terminations



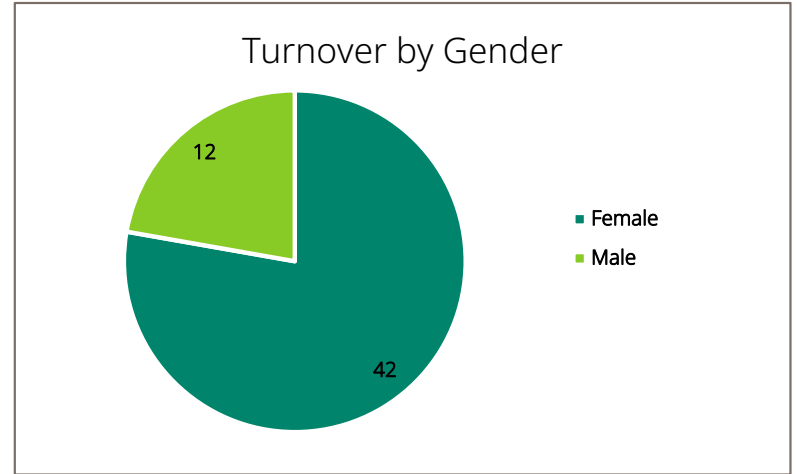
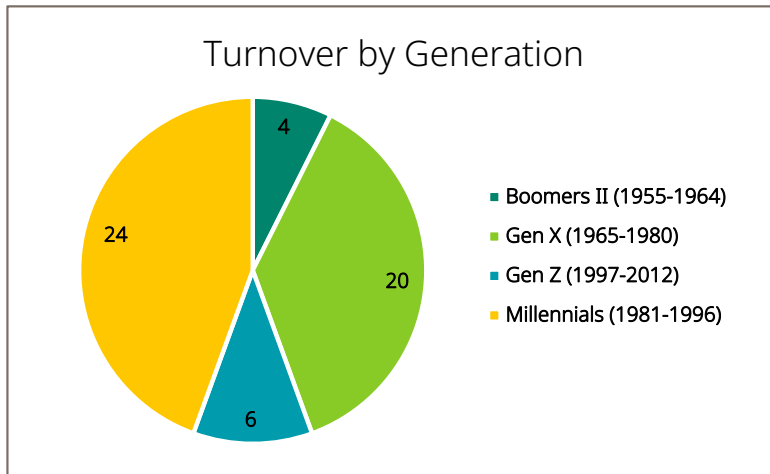
FY2023 Voluntary Turnover to Date



Voluntary Turnover Demographic Information



October Voluntary Terms: 54

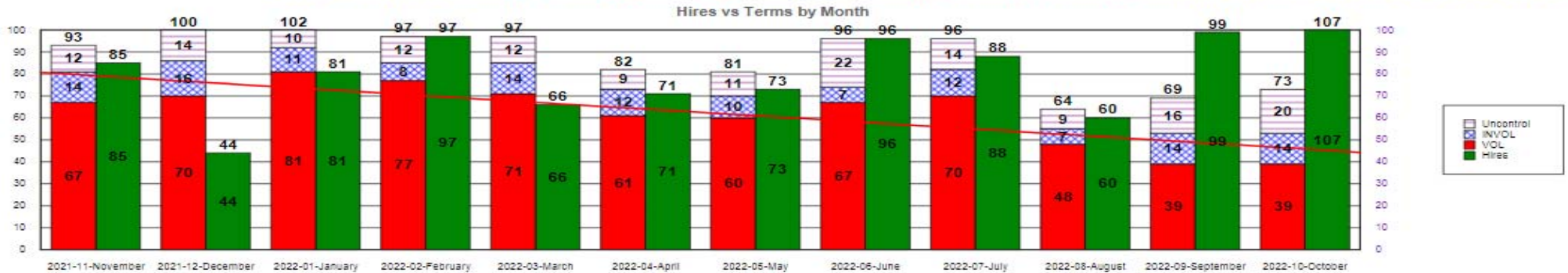




ALL Valleywise Health Summary

October - 2022	Avg Emps	Avg Emps 1Yr	Hires	VOL	VOL 1 Yr	VOL 1st Yr %	INVOL	Uncontrol	Retire	VOL%	INVOL%	Uncon %	Total%
Administrative	47.67	15.42	19	9	6	3.24 %	3	2	0	1.57 %	0.52 %	0.35 %	2.45 %
Clinical (Non-Licensed)	74.58	29.92	39	14	9	2.51 %	8	6	0	1.56 %	0.89 %	0.67 %	3.13 %
Clinical Licensed	21.33	5.17	8	2	2	3.23 %	0	2	0	0.78 %	0.00 %	0.78 %	1.56 %
Clinical Tech & Specialists	12.17	4.25	9	1	1	1.96 %	0	1	0	0.68 %	0.00 %	0.68 %	1.37 %
Management & Supervision	19.08	3.17	6	0	0	0.00 %	1	1	0	0.00 %	0.44 %	0.44 %	0.87 %
Professional	22.92	5.00	6	1	0	0.00 %	0	3	0	0.36 %	0.00 %	1.09 %	1.45 %
Provider Non-Physician	1.25	0.17	0	0	0	0.00 %	0	0	0	0.00 %	0.00 %	0.00 %	0.00 %
RN	59.08	16.25	18	6	2	1.03 %	1	4	0	0.85 %	0.14 %	0.56 %	1.55 %
Support	13.00	4.17	2	6	4	8.00 %	1	1	0	3.85 %	0.64 %	0.64 %	5.13 %
Total	271.08	83.50	107	39	24	2.40 %	14	20	0	1.20 %	0.43 %	0.61 %	2.24 %

Total (Last 12 Months)	Avg Emps	Avg Emps 1Yr	Hires	VOL	VOL 1 Yr	VOL 1st Yr %	INVOL	Uncontrol	Retire	VOL%	INVOL%	Uncon %	Total%
Administrative	543.33	154.50	166	116	67	43.37 %	21	17	0	21.35 %	3.87 %	3.13 %	28.34 %
Clinical (Non-Licensed)	856.67	287.67	396	251	152	52.84 %	67	60	0	29.30 %	7.82 %	7.00 %	44.12 %
Clinical Licensed	244.75	46.25	54	42	14	30.27 %	3	17	0	17.16 %	1.23 %	6.95 %	25.33 %
Clinical Tech & Specialists	137.33	36.50	46	33	14	38.36 %	5	7	0	24.03 %	3.64 %	5.10 %	32.77 %
Management & Supervision	228.67	35.58	32	27	8	22.48 %	10	7	0	11.81 %	4.37 %	3.06 %	19.24 %
Professional	265.92	49.25	47	22	7	14.21 %	6	11	0	8.27 %	2.26 %	4.14 %	14.67 %
Provider Non-Physician	14.83	1.00	2	2	0	0.00 %	0	2	0	13.48 %	0.00 %	13.48 %	26.97 %
RN	716.50	159.00	168	208	97	61.01 %	20	32	0	29.03 %	2.79 %	4.47 %	36.29 %
Support	164.08	47.08	56	49	22	46.73 %	7	8	0	29.86 %	4.27 %	4.88 %	39.00 %
Total	3,172.08	816.83	967	750	381	46.64 %	139	161	0	23.64 %	4.38 %	5.08 %	33.10 %





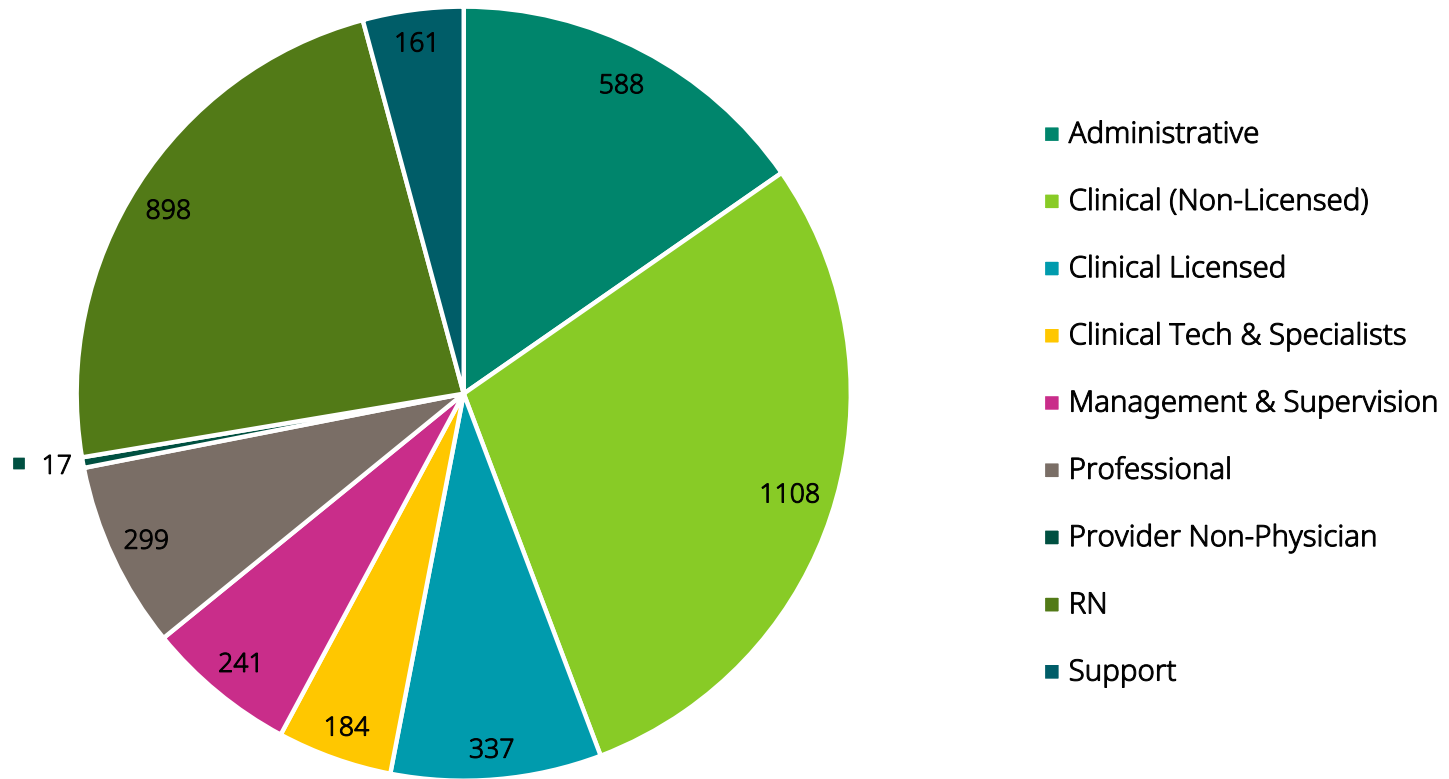
Employee Demographic Information

October 2022

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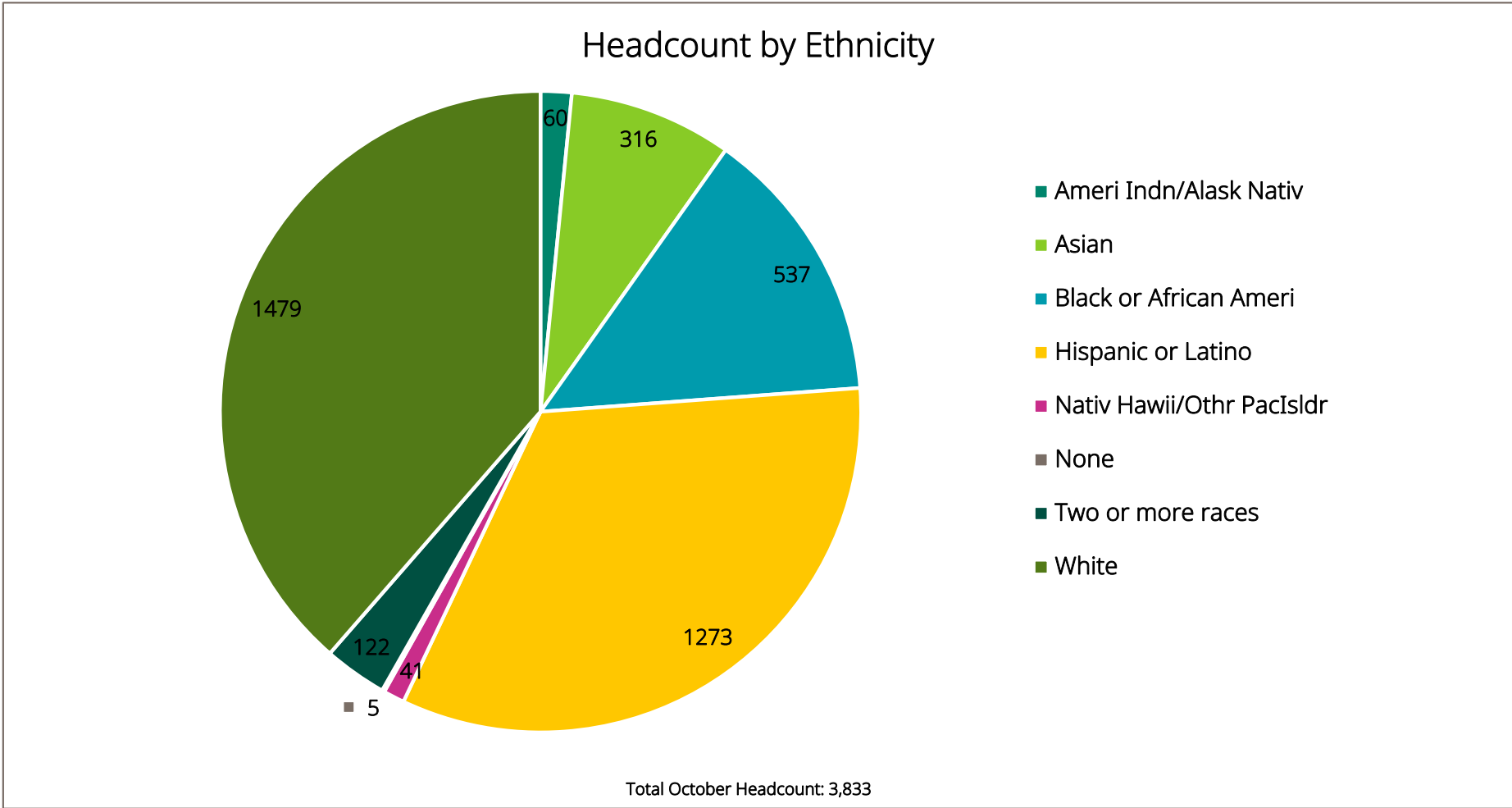
Workforce Demographic Information

Headcount by Labor Group

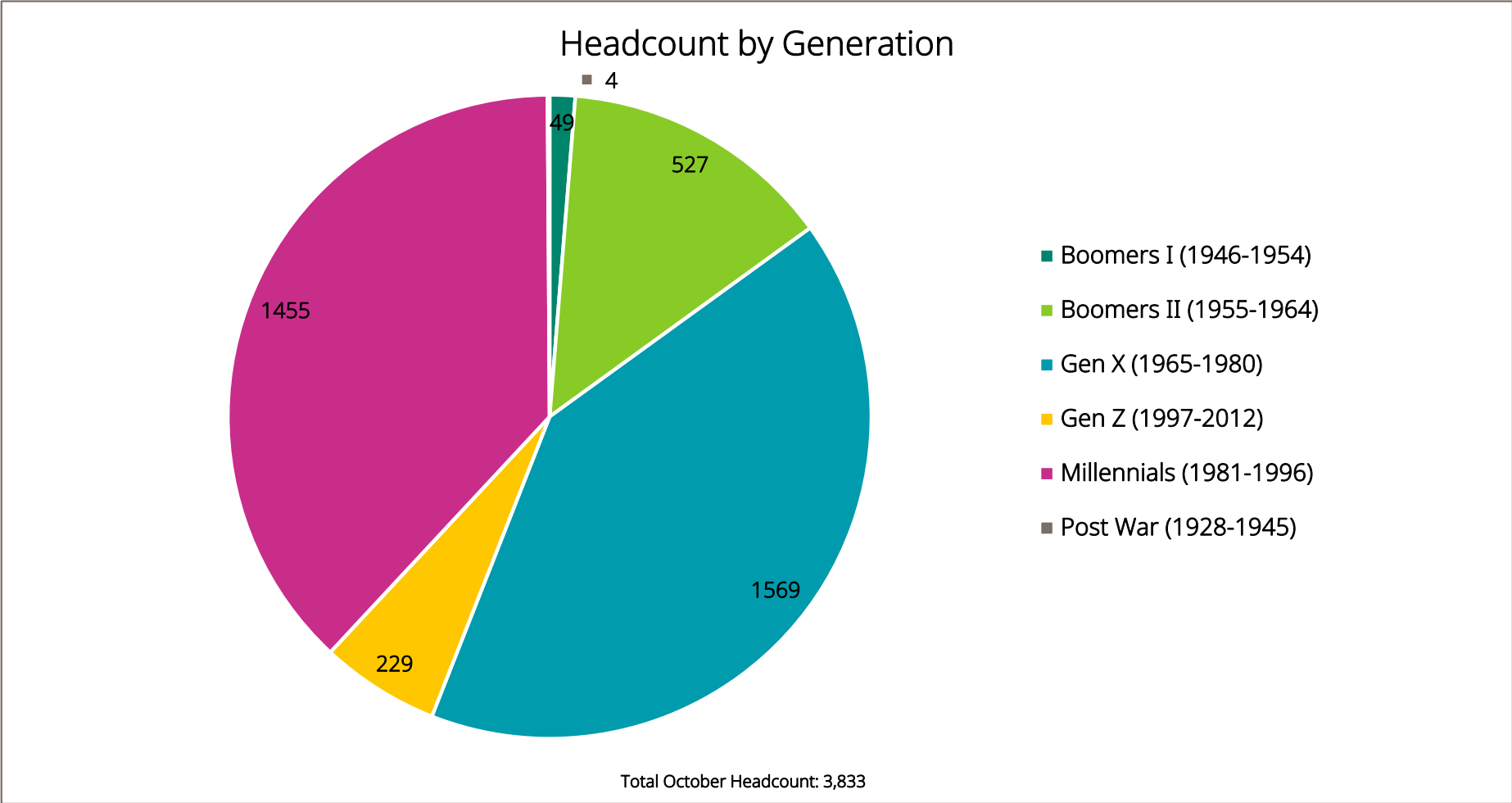


Total October Headcount: 3,833

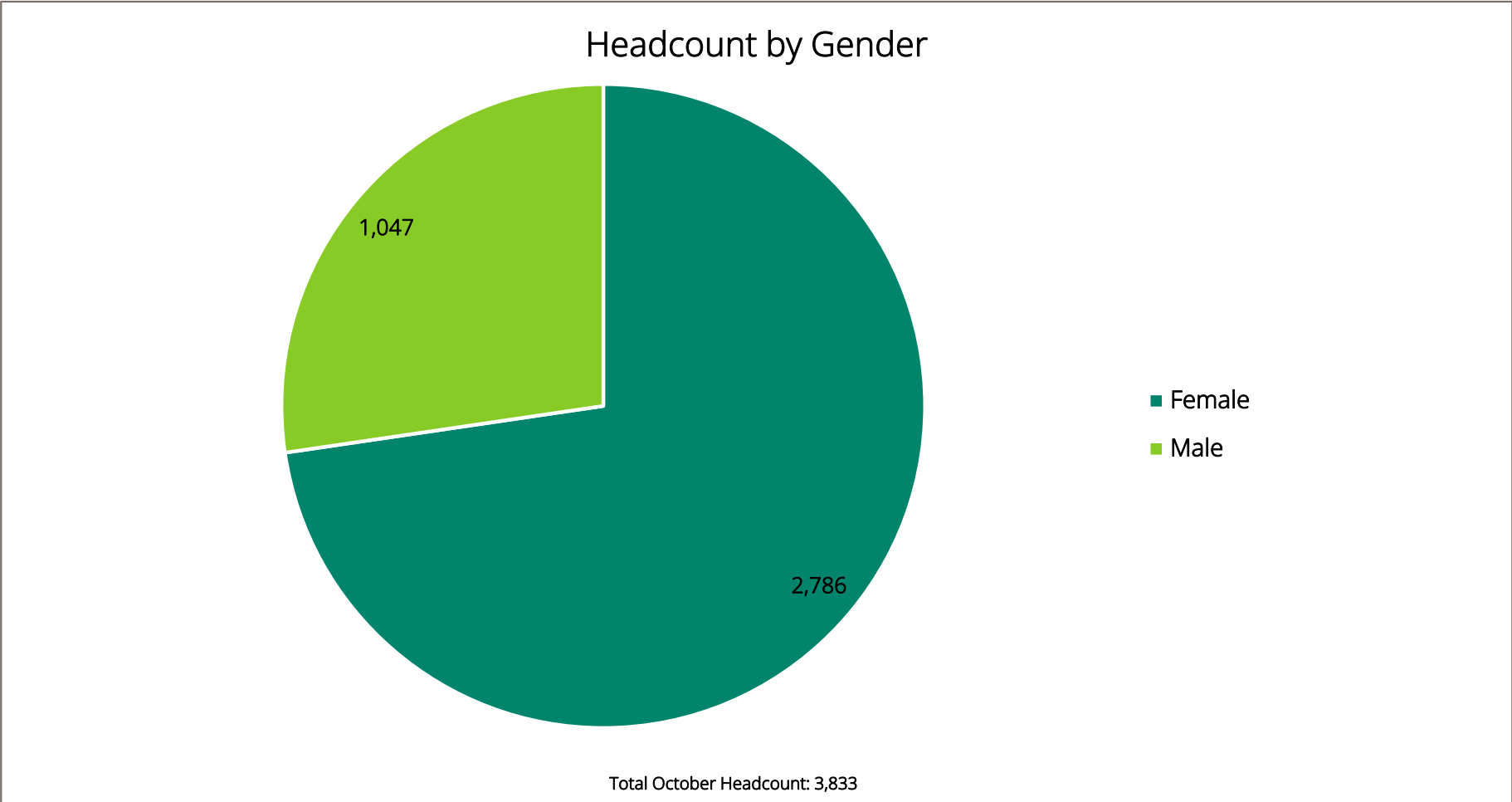
Workforce Demographic Information



Workforce Demographic Information



Workforce Demographic Information







**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 9.d.

**Reports to the Board
Quality Management Council Meeting
Minutes**



Meeting Minutes Quality Management Council

10/03/2022 • 3:30 PM – 4:30 PM • WebEx

A = Absent E = Excused G = Guest P = Present

CHAIR/FACILITATOR	Dr. White and Sherry Stotler, CNO							
MEMBERS/ATTENDEES	Barbara Harding, RN	Jo-el Detzel	Nelson Silva-Craig, RN	Gene Cavallo				
	Christelle Kassis, MD	Kathie Kirkland	Paul Pugsley, MD	Martha Steiner				
	Crystal Garcia, RN	Kelly Summers	Sherrie Beardsley, RN	Christina Smarik Snyder, MD				
	Dale Schultz	LT Slaughter Jr.	Sherry Stotler, RN	Elena Landeros				
	Dan Hobohm, MD	Manuel Soto-Griego	Steve Purves	Jessy D				
	Dan Quan, MD	Susan Willars	Tony Dunnigan, MD	Martha Steiner				
	David Wisinger, MD	Mary Harden, RN	Claire Agnew	Patrick Arendt				
	Dorinne Gray, RN	Michael White, MD	Lia Christiansen	Shauna Walls				
	Heather Jordan, RN	Nancy Kaminski	Pat Arendt	Optional Attendees				
			Lisa Zepeda	Darlene Constant				

PURPOSE: Quality and Patient Safety Improvement

CALL TO ORDER

	Topic	Findings/Discussion	Conclusion/Action	Responsible
1	Approval of Minutes	Approval of September meeting minutes	Committee	Committee
2	Consent Agenda	Motion Approval for consented agenda items	Consent agenda items were approved.	Committee

STANDING BUSINESS

	Topic	Findings/Discussion	Conclusion/Action	Responsible
1	Quality Dashboard (Patient Care & Safety) Sherry Stotler	<ul style="list-style-type: none"> Dashboards <ul style="list-style-type: none"> We're doing well on our first grouping data. 		Sherry Stotler

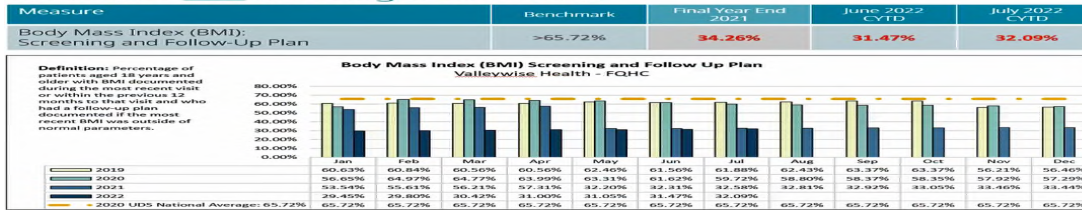
- Our hand hygiene is moving up, we have some opportunities.
- The one area we continue to work on is hand hygiene, as we drop off some, but our numbers have increased quite a bit, were continuing to see good movement, although this is the first offense against infections.
- Our next grouping of data points, we're doing well, with several of them being in leapfrog.
- Our real time catalyst is the data listed for July at 72.4% as we continue to work on this one.
- Our BH is doing well, and our data for HCAHPS we have not received our last grouping on this one and continue to work on this one as well.
- We continue to push and drill down on these.

Quality Dashboard



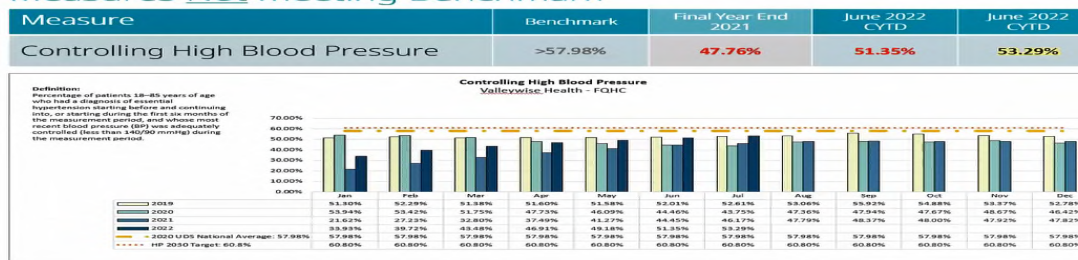
- Currently working on BMI index, we have a subgroup working on this, working with MA, ensuring they do a heirdom for patients at the beginning of the year they move this forward, and get weighed every visit, so we can calculate. This will be different for pediatrics, but for the adults this is what we're looking to do and we have growth opportunities,

Measures Not meeting Benchmark



- Controlling high blood pressure, another measure not meeting, we have a hypertension task force, with a pilot team working out of the North PHX location and were utilizing a combine approach where we would put on the offstage area as the provider enters the exam room, a sign which will remind patient needs to have a blood recheck for the clinical team and then we will carry this across to all our clinics so they can implement the same, as it will be a reminder for the MA and Nurses to check blood pressure, and for the provider to be aware of blood pressure being high, and counseling needs to be done for patient.
- We utilize an automated blood pressure, but for the recheck we have the manual blood pressure cuff to recheck the pressure and the provider also guides as to which one the patient prefers. Nelson to follow-up with Sherry S with any concerns team members may have regarding this process.

Measures Not meeting Benchmark



- This shows what the conbond looks like on the outside of the exam door in our new location

Measure Analysis and Actions

Controlling High Blood Pressure

Analysis:

BP re-check QI signage project completed at North Phoenix.

During May-July 2022 North Phoenix had an observed increase in BP recheck occurrences when initial BP documented $\geq 140/90$

- **Baseline data:**
41.3% recheck rate
(Sept-Nov 2021)
- **Post QI data:**
52.3% recheck rate
(May-July 2022)



Action Items / Barriers:

- **Action:** BP Re-check signs to be printed and laminated for distribution to each ambulatory location starting September 2022.
- **Action:** Epic change to BP font color from black to red when BP $\geq 140/90$.
- **Barrier:** none



- This is our analysis and actions as to what will be doing, this one is specific to depression screening, and we have a subgroup that were working with Vickie Staples and team where we are utilizing dry erase board with regard for PHQ2 ensuring we're asking questions at each visit.

Measure Analysis and Actions

Screening for Depression and Follow-Up Plan if Positive Screen

Analysis:

Standardization pilot project started at Mesa Clinic location after positive feedback from both Guadalupe and South Central Phoenix locations. Data collection will continue to analyze impact on new depression screening process.

*Historical: The Ambulatory Build Team made a change to the PHQ2/PHQ9 screening tool in late 2019; the row "refused" was not mapped due to an EPIC Foundation issue. This impacted the total number of exclusions that should have been removed from the metric denominator. The new row for "refused" was mapped and put into production end March of 2021. This change should be noted when comparing year over year for the measure

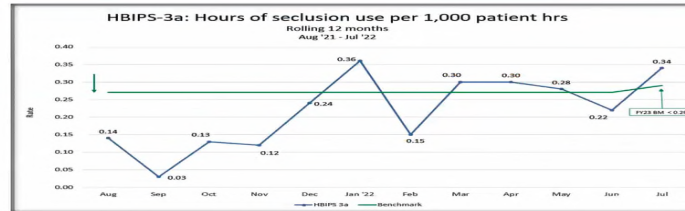
Action Items / Barriers:

- **Action:** MA's provided dry erase PHQ2/9 forms that allow patient to answer questions while rooming. These answers can then be updated in EPIC depression screening flowsheet. MA alternatively can ask patient questions. Provider notified of a positive screen either by sticky note or chief complaint section in EPIC.
- **Barriers:** Limited EMR ability to alert provider when a *new* positive depression screen occurs – potential for fallouts of high-risk patients who score moderate/severe on the depression scale

- This is the measure of hours of seclusion we use per 1,000 patient days, we have been generally low, but have seen spikes, when units were on quarantine. We had spiking in July and will see spikes in August with the patient population, which has been trended and reviewed. They've drilled down on this, and it's an arbitrary number we've been shooting toward.
- Ensuring making sure patients are on behavioral special plans, to prevent from getting seclusion activities. These are also reviewed daily. Team continues to look and work on this one.

Measures *Not* meeting Benchmark

Measure	Benchmark	JUL 2022	FY22 Q4	FYTD
HBIPS-3a: Hours of seclusion use per 1,000 patient hrs (CMS)	< 0.29	0.34	0.35	0.34



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Measure Analysis and Actions

Analysis: HBIPS-3a

Monthly review of this data occurs during staff meetings as well as discussion about any trends noted.

Open Action Items / Barriers

- Review CPI Principles
- Review during nurse staff meeting to focus on de-escalation
- Manager meetings with RN House Supervisors to ensure debriefings are held immediately after event

Action - Barrier

- Environmental challenges such as quarantine in which patients are isolated to their room. Isolation can exacerbate symptoms of the patient's mental illness.
- Reviewing SBPs (special behavior plans) to ensure the language is not being interrupted to manage patient behavior to use seclusion.

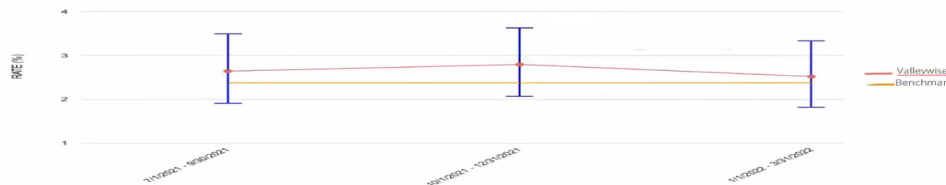
Action incomplete > 60 days -

- Unplanned Return to Surgery is measured to see opportunities.

Measures *Not* meeting Benchmark

Measure	Benchmark	July 2022	FY22 Q3	FYTD 2022
Unplanned Return to Surgery	≤ 2.35	Reported Quarterly with a quarter lag	2.49	NA
Unplanned Return to Surgery	≤ 2.38		NA	2.84

07/01/2021 - 03/31/2022 (Quarterly intervals)



- This is the breakdown on some of the cases returned to the OR.
- There were some infections, mostly superficial. At this juncture, the group is looking at the NSQIP data, as it relates to the overall picture, but it's quite early with their analysis.

Measure Analysis and Actions

Analysis

- New for FY22
- Reported quarterly with a quarter lag
- Cases are categorized by the surgeon's surgical service rather than by the diagnosis
- FY22 Q3
 - Improved from previous 2 quarters
 - 13 cases across 6 services
 - 46% (6/13) due to SSI
 - 6 cases across 4 services

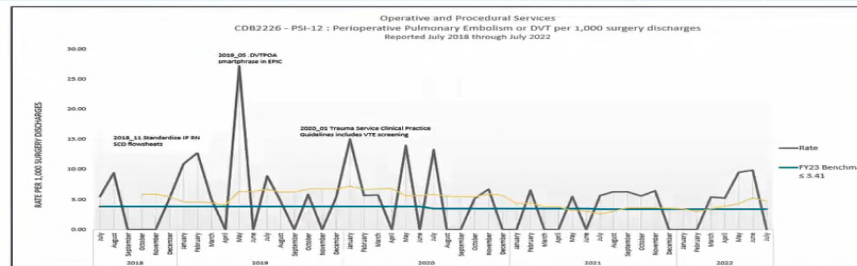
Open Action Items / Barriers

- **Action** – Review of unplanned return to OR cases by NSQIP Surgeon Champion each quarter
 - **Barrier** – none
- **Action incomplete > 60 days** – none
 - **Barrier** – none

- Postop PE / DVT we had a spike for Q4 in 2022, and we continue to look at these.
- We haven't been identifying any specific physicians, groupings, we continue to drill down and review.

Measures *Not* meeting Benchmark

Measure	Benchmark	July 2022	FY22 Q4	FYTD 2023
PSI - 012: Postoperative PE or DVT rate per 1,000	≤ 3.41	0.00	8.29	0.00



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Measure Analysis and Actions

Analysis:

- PSI-12 is included in PSI-90
- FY22 Q4 above benchmark
- 12-month average is above benchmark
- FY23 – 0 cases

Open Action Items / Barriers

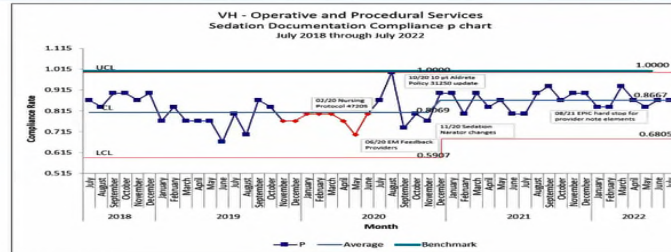
- **Action** – Part of Strategic plan and will begin to develop new actions.
 - **Barrier** – none
- **Action incomplete > 60 days** – none
 - **Barrier** – none

- Sedation is one we've been tracking for a while.

- We've hovered in the high 80's, the last review the team is drilling down. For the nursing side making some documentation mandatory. It was the temperature which kept popping out of pediatrics, so they're currently figuring out a way to remind staff.
- Fallouts where some of the same folks, it's ongoing reminders and documentation. All marks need to hit we fallout as delinquent.
- We continue to work on this one, moving ways to reach 90% or higher.

Measures *Not* meeting Benchmark

Measure	Benchmark	July 2022	FY22 Q4	FYTD 2023
Sedation Documentation Compliance	100%	87%	86%	87%



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Measure Analysis and Actions

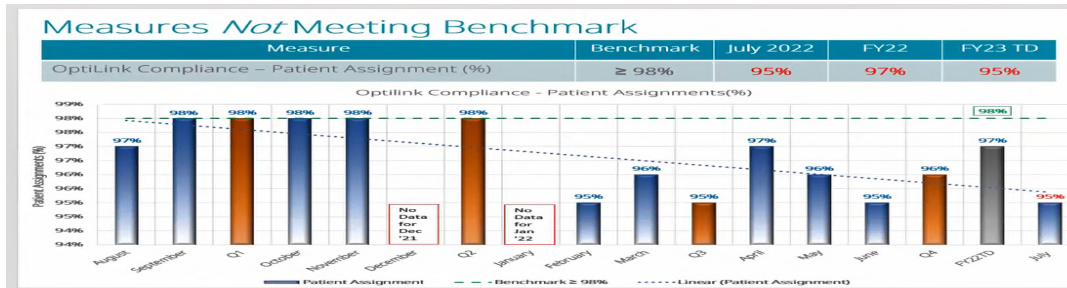
Analysis:

- July 2022 – 4 fallouts
 - Providers (3/4)
 - Post Sedation Note not found (1/3)
 - Post Sedation Note incomplete (2/3)
 - Sedation Note Template not used
 - Emergency Medicine, Internal Medicine, Surgery
 - Nursing (1/4)
 - No temperature for pediatric patient
 - Emergency Department
 - Noncompliant records emailed to nursing leadership and department chairs in monthly report

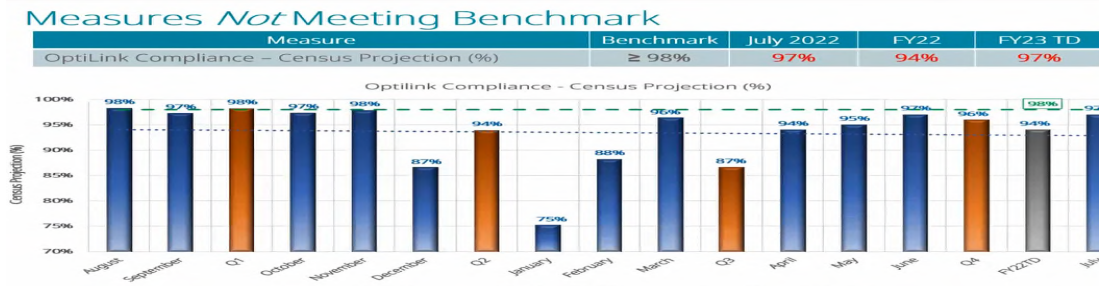
Open Action Items / Barriers

- **Action** – Review IDEA 0006454 Required Doc for temperature of patients <18 years old within 1 hour of Sedation End – 08/31/22
 - **Barrier** – none
- **Action** – ED Nursing Leader invited to quarterly Sedation Workgroup – 11/24/22 (next meeting)
 - **Barrier** – none
- **Action** – Identify Internal Medicine physician champion – 10/15/22
 - **Barrier** – none
- **Action** – Action incomplete > 60 days – none
 - **Barrier** – none

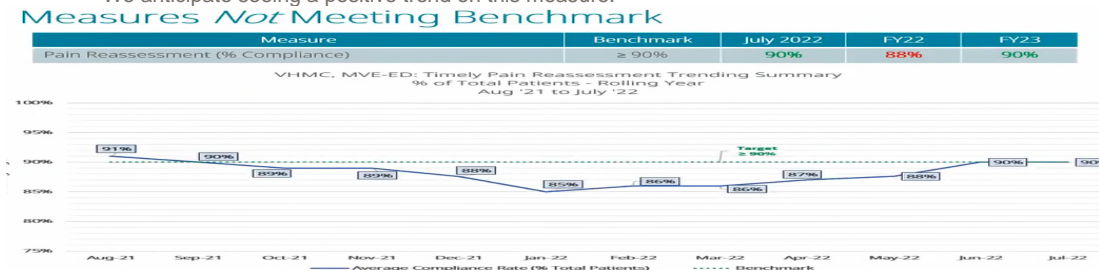
- Optilink Compliance, we fell short of meeting our benchmark, we did have a period when KRONOS was down during this period, and unable to enter patients into Optilink. We continue to review the process for assigning patients to Optilink
- For July we we're at 95%, for FY 97% and currently we're sliding back at 95%. We will continue to remind our CRL, charge nurses, to update their Optilink and the beginning and end of their shifts.



- Optilink Compliance – Census, same as above, we struggled some, we need to get back into the habit of putting patients into Optilink. Everytime we get a new patient, then updating the census projections at beginning and end of shift.



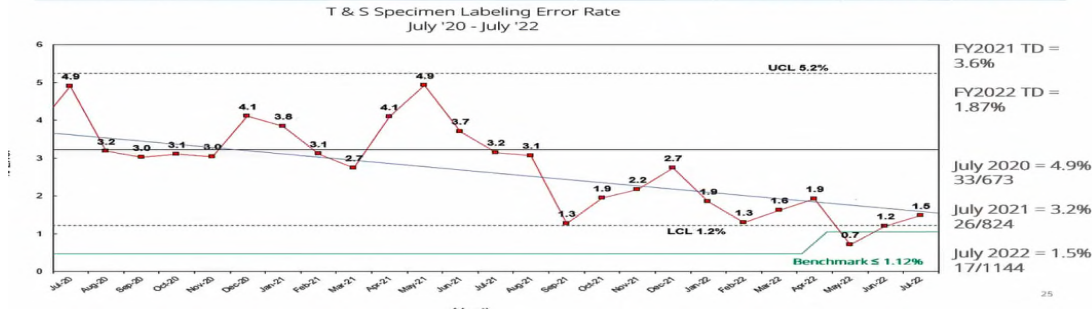
- Pain Reassessment (PR) we're up to the 90% benchmark for current, we had a drop for FY22 to 88%, but we're climbing back up to the 90% percentile.
- The PI team presentation from previous meeting, Maryvale ED t is doing PR as their PI project. We believe our VH ED scores were bringing us below benchmark.
- We're happy to report that the end of September, both of our emergency departments made great strides. The Maryvale ED was previously at 62% for compliance with PR and at the end of September they were up to 87%.
- We anticipate seeing a positive trend on this measure.



- Blood Bank Specimen Labeling Errors, we had a good downhill trend on this one, but we're still seeing issues with compliance. We have a handwritten double-checked blood bank form. This is at the request of blood bank, and we continue to have fallouts with this manual process.
- We have a workgroup to review this and see where we can make improvements.
- Many organizations are going to the scanning process only, getting rid of the hand-written process altogether. VH needs to consider this moving forward.

Measures *Not* Meeting Benchmark

Measure	Benchmark	July 2022	FY22	FY23 TD
Blood Bank Specimen Labeling Errors, % Cancellation	≤ 1.12%	1.49%	1.87%	1.49%



2 Patient Safety Officer Report

- For patient safety, the leapfrog data was successful submitted, and we anticipate we will receive our grade at the end of this month. Once we receive our grade we will begin working on the strategic plan, and the first meeting which is scheduled for October 17th.

Crystal Garcia

<p>3 Infection Prevention & Control</p>	<ul style="list-style-type: none"> We've had the MRSA Screening and Targeted Decolonization policy for a while, and it became apparent, we were not having compliance with the non-ICU locations. To make an improvement on this, we changed the order sets for adult medicine and inpatient service surgical admissions order sets to have it default check for the MRSA screening. This in turn streamlined the whole process we had in the ED, with multiple BPA that had steps, which had to take place. On the graph, the screening alone for the pre and post for implementation for this change were in the three months that were May, June, and July. We were 15.7% compliance for all admissions on non-ICU patients. August was our implementation, but we did not count August. In September, we were up to 77.3% compliance, which was quite an improvement. Once the results would detect as positive, that would trigger a BPA for the physician or resident too order the decolonization screening. On the pre and post, we had three months 23.1%, however, the end was low, due to only screening 15% of these. After implementation, we were 61.5%. We were concern about the numbers not being equal and ask some providers for feedback. The residents specifically spoke how if they suspected a patient wouldn't be here five days, they did not put in an order, because patient would not be here long enough to complete the decolonization. Dr. Cochise is currently doing education with providers. <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <h3 style="text-align: center; color: #008080;">Measure Analysis and Actions</h3> <div style="border: 1px dashed black; padding: 5px; margin-bottom: 10px;"> <p>MRSA Screening and Targeted Decolonization</p> <p>Effective in reducing MRSA Bacteremia cases but was not being ordered on a significant number of adult non-ICU patients.</p> <p>To improve compliance with MRSA Screening and Targeted Decolonization:</p> <ul style="list-style-type: none"> MRSA screening order was default checked on Adult Medicine and Inpatient Surgical Admission order sets. Streamlined process to be collected on inpatient admission unit (Surgical/Trauma, 4E Short Stay, Step Down and Medicine/Oncology) If MRSA Screen is positive/detected, a BPA will instruct the provider to order MRSA decolonization that includes 5-day course of CHG bathing plus 5-day course of twice-a-day mupirocin application to both nares. </div> <div style="text-align: center;"> <table border="1" style="margin: auto;"> <caption>Comparison of Pre- and Post-default checked orders for MRSA screening</caption> <thead> <tr> <th>Category</th> <th>MRSA Screening (%)</th> <th>Decolonization of Positives (%)</th> </tr> </thead> <tbody> <tr> <td>Pre-</td> <td>15.7</td> <td>23.1</td> </tr> <tr> <td>Post-</td> <td>77.3</td> <td>61.5</td> </tr> </tbody> </table> <p>Pre- data includes May through July 2022 (3 months) Admission order change implemented 8/10/22 Post-data includes September 2022 (1 month)</p> </div> </div>	Category	MRSA Screening (%)	Decolonization of Positives (%)	Pre-	15.7	23.1	Post-	77.3	61.5	<p>Crystal Garcia Dorinne Gray</p>
Category	MRSA Screening (%)	Decolonization of Positives (%)									
Pre-	15.7	23.1									
Post-	77.3	61.5									
<p>4 Patient Experience (Monthly) Complaint/Grievance (Quarterly: Feb, May, August, November 2022)</p>	<ul style="list-style-type: none"> The good news here is in July we saw great rebound from our rate score for HCAHPS. We rebounded from 54% to 73.9% which exceeds our goal by 72.6%. Also, our would recommend, had a good increase of 57.1% to 76.1% didn't quite make the target to 78.5%, but moving in the right direction. We're currently working on what's happening with the dips in "valleys" and will keep you posted. Continuing with our enculturating ACCEPT, and working on improving our response rate, as it's been about the same, it's been 7.8% and so far in August, which will not close to the end of October, we've had 43 responses. We plan to break our 7.8% Doing work on service recovery, additional rounding work, VH strategy plan, PE pillar working on patient retention and access. We've conducted observations and evaluation for ACCEPT for the last six weeks. First three weeks we were 39.6% in compliance. Doing better in the second six weeks at 46%. Our evaluation process is indefinite and we'll continue until it's enculturated. 	<p>Sherrie Beardsley</p>									

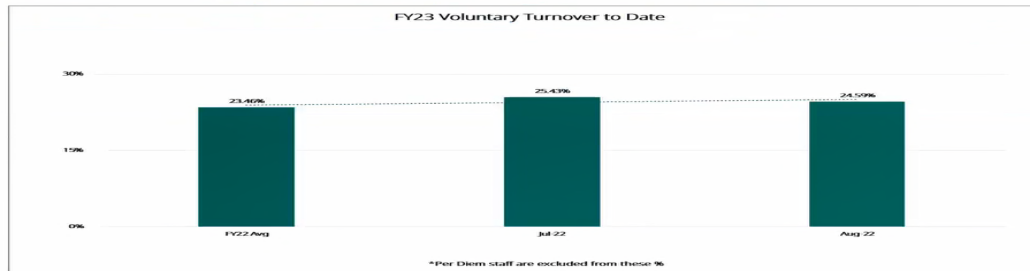
		Opportunities	Actions		
		<p>Enculturate ACCEPT</p> <p>Improve Response Rate</p> <p>Service Recovery Training and Service Alert Responses</p> <p>Additional Rounding</p>	<p>VH Strategy Plan: Patient Experience Pillar</p> <ul style="list-style-type: none"> Projects being launched to address Patient Access and Patient Retention Additional FY23 Patient Experience Improvements being finalized to support Access and Retention projects and further our overall Culture of Service Excellence <p>Continuing Actions</p> <ul style="list-style-type: none"> ACCEPT evaluation and reinforcement Weekly eNews articles to support patient experience Service Excellence Committees 		
		<p>Impacts +/-</p> <p>HCAHPS "Rate" Score for the month JULY exceeded target Recommend just below target @ 76.1% (target 78.5%)</p> <p>VHMC HCAHPS Reportable Overall Rate Hospital August '21 - July '22</p>	<p>Barriers</p> <p>ACCEPT evaluation improved last 3 weeks with average 46% compliance, up from 39.6% first 3 weeks. Workgroup being formed to re-engage for improved compliance</p> <p>HCAHPS response rate continues below target – continue rounding and promotion of survey. JULY 7.8% (target 12%)</p> <p>HCAHPS Response Rates August 2021 to July 2022</p>		
5	Risk Department	<ul style="list-style-type: none"> No patient care related settlements or write ups. 			Dale Schultz
6	VPP/Regulatory/EOC	<ul style="list-style-type: none"> We did have ADHS come on site. They came out for 39 patient complaints, and we know 1 patient can have 4 complaints, however, we're happy to report we anticipate no deficiencies, on the letter that will come back to us. Almost everything was unsubstantiated. We had a couple of minor things which were substantiated but we had acted, identified it and this was the reason there will be no deficiencies as we had an action plans and documented follow-up or new process if needed. They had 3-4 surveyors onsite for most of the day, we appreciate everyone who worked on the coordination and participated. We we're able to get this out faster than anticipated and it was all good news. 			Sherry Stotler
7	Workplace Violence	<ul style="list-style-type: none"> We have shifted workplace violence under our strategic goals, and this one is under employee engagement, and there's a group continuing to work on this ensuring we're capturing our data and working on implementations on things post debriefs if something does happen. There's lots of work being done on this currently. 			
8	HR Updates	<ul style="list-style-type: none"> Our Voluntary Turnover goal is to be at or below 22.5% and we're currently averaging 25.01%. We've seen a trend since June and we are closer our goal, then we were a few months ago. For August, 24.59% and had not been under 25% in 6months, which is good news for us. We still have not met our benchmark but were getting closer. 			Susan Willars

Measures *Not* meeting Benchmark

Measure	Benchmark	August	FY2022	FYTD 2023
HR: Voluntary Turnover Rate - Overall	T/O < or = 22.5%	24.59%	23.46%	25.01%

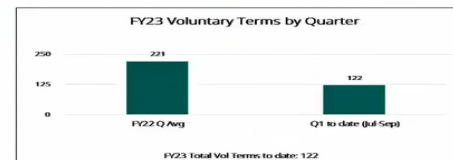
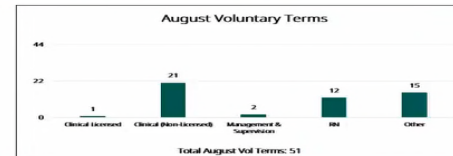
- This gives the trend line, July 25.43% August 24.59%

Valleywise Health FY23 Turnover %



- This is a snapshot view on the activity we had for the month of August: New Hires, Terminations (51). The previous FY we we're averaging 70% or above, so 51 is a huge decrease. The quarterly hires in terms as well.

Valleywise Health New Hires and Voluntary Terminations



- We're currently doing for attraction and for retention is focusing on NEO experience. We started our outside orientation, it's a one-stop shop experience as opposed to having the employee coming back and forth.
- We have lunch with leaders which is going very well, positive feedback. Scoring very high in our evaluation.

		<ul style="list-style-type: none"> The new leader orientation is equipping our leaders with what they need to be successful with their first 90 days. <p>Actions Items</p> <ul style="list-style-type: none"> The New Employee Orientation is onsite, which offers the new employees a more efficient onboarding experience. <ul style="list-style-type: none"> One stop shop experience Lunch with leaders The New Leader Orientation (NLO) program was initiated in August. The NLO provides a full day of education and information that will help the new leader be successful in their first 90 days. 		
9	CMS Memos / DNV Updates	<ul style="list-style-type: none"> No new CMS or DNV updates. 		Sherry Stotler

UNFINISHED BUSINESS

	Topic	Findings/Discussion	Conclusion/Action	Responsible
1	DNV Survey Findings and Plan of Corrections: Action Plan from annual Certification	<ul style="list-style-type: none"> We submitted our DNV, when we had our NC1s, we had to submit data proof that we have made our action plans successful, they accepted it, and all our data and actions we met that we had set for our NC1s. Our NC2's we do not have to submit data, but all of these when they come back out of their annual, they will look to see we continued our action plans, we reset or refined them, and they continue to get reported out every other month at regulatory and we do spot checks to ensure we're still in compliance with the deficiencies we've been held too. 		Sherry Stotler
2	EMTALA Action Plan; Checklist Process	<ul style="list-style-type: none"> For our EMTALA action plan we continue to have meetings, (not as frequently as before) our process continues to be refined, and we continue to not identify any deviations from policies. This is an ongoing one. 		Sherry Stotler

NEW BUSINESS

	Topic	Findings/Discussion	Conclusion/Action	Responsible
1	Trauma Action Plan and Update	<ul style="list-style-type: none"> Submitting our ACS for our focus review is coming in December. We should be submitting the initial submission to ACS tomorrow and thirty days later, we'll be submitting the sixty-three charts they're going to review, and at the same time we'll put together the state application, a while back and our trauma director is currently updating and reviewing with any adjustments need. We will also submit our state application for trauma designation. On December 6 it will be virtual, and we will have the state onsite at the same time we're going through our virtual review. Our new trauma director feels were in a very good place, and have no worries, with what she has submitted and, in the charts, as well. We will continue to work on this until December. We have really improved across the board with our diversion and will continue to work on this one. 		Sherry Stotler
2				

DEFERRED

	Topic	Presenter	Time	Notes/Discussion Items
1				
2				

ADJOURN

NEXT MEETING

Date	Time	Location	
November 7, 2022	3:30pm	WebEx	



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 9.e.

Reports to the Board
Compliance Officer Activities Report

Q1 FY2023 Compliance Officer's Report (and Finance, Audit and Compliance Committee Activities)

Reporting Group: Compliance and Internal Audit

Person Reporting:

L.T. Slaughter, Jr., CPA, CGMA, CHC, CISSP, CISA, MBA

Chief Compliance Officer/Privacy Officer

Reporting period: Q1 FY2023

Q1 FY2023 Compliance Officer's Report

- 1.0 – Q1 FY 2023 Finance Audit and Compliance Committee (FACC) Activities
- 2.0 – Q1 FY 2023 Compliance Work Plan
- 3.0 – Q1 FY 2023 Internal Audit Work Plan
- 4.0 – Q1 FY 2023 Ethics Line Report

1.0 – August 18, 2022 – Valleywise Health's Finance, Audit and Compliance Committee (FACC) Meeting Items

1.1 – August 18, 2022– Valleywise Health’s Finance, Audit and Compliance Committee (FACC) Meeting Items

TOPIC	DISCUSSION
1. Financial Update (May 2022)	Claire Agnew, Chief Financial Officer, reviewed the Valleywise Health financial and statistical information for the month ending May 31, 2022.
2. Hospital Compliance Committee Update	L.T. Slaughter, Jr., Chief Compliance Officer, reviewed the Q4 FY2022 Hospital Compliance Committee report
3. Compliance Effectiveness Review Results	L.T. Slaughter, Jr., Chief Compliance Officer, reviewed the results of the external Compliance Program Effectiveness Review and noted that no deficiencies or opportunities for improvement were noted. Valleywise Health’s compliance program was found to be 100 percent compliant with the seven elements of an effective compliance program.
4. Annual Compliance Training Report	L.T. Slaughter, Jr., Chief Compliance Officer, reviewed the results of the FY2022 compliance training and noted that we achieved a 98.4 % completion rate. The training covered 4,536 employees, physicians and residents.
5. CEO Update	Steve Purves , Chief Executive Officer, provided the Committee with an update of key activities.

2.0 – Q1 FY2023 Compliance Work Plans

2.0 Data Dictionary for the Compliance and Internal Audit Work Plan

ACS – American College of Surgeons – Performs level one trauma verifications reviews.

AHCCCS – Arizona Healthcare Cost Containment System – State of Arizona's name for the Medicaid state plan.

E&M – Evaluation and Management – Physician professional services.

EMTALA – Emergency Medical Treatment and Labor Act – Medicare rule for treating patients with emergency medical conditions.

Prop 480 (Care-Reimagined) – Referendum passed by the voters of Maricopa County to fund the re-construction of Maricopa County Special Health Care District d/b/a Valleywise Health.

SAFER Guides – Checklist for electronic medical record systems

2.1 Q1 FY2023 Compliance Work Plan

The FY2023 compliance projects are listed below with proposed timing and estimated hours. Each project will, at a minimum, include a focus on the adequacy of compliance with regulations, as well as the identification of value-added recommendations. The FY2023 compliance work plan represents compliance activities based on the results of the risk assessment and may be subject to change based on changes in risk, priorities and Valleywise Health initiatives throughout the fiscal year.

Project Name	Audit Timing	Est. Audit Hours	Current Status	Completion Status	Initial Risk Rating	Post Review Ranking
Risk Assessment and Selection Q1						
CQ1.1 Trauma - ACS Verification/AZ State Certification (R2)	Q1	150 Hours	Weekly meetings to prepare for the Trauma Reverification.	On-going	5	3.5
CQ1.2 Behavioral Health - Timed Out Patients/Monitoring of Patients (OBSERV Smart Implementation) (R3)(R16)	Q1	100 Hours	Monitoring implementation	On-going	5	3.5
CQ1.3 Telehealth and E&M Compliance Training (R4)(R17)(R19)	Q1	100 Hours	Completed primary care and OB training.	Completed	5	3
CQ1.4 Public Information Requests (R13)	Q1	75 Hours	Reviewed the VWH policies on public information requests.	Completed. Recommending education to management staff.	5	3
Risk Re-assessment and Selection Q2						
CQ1.1 Trauma - ACS Verification/AZ State Certification (R2)(R19)	Q2	150 Hours	In-process		5	
CQ2.2 Violent Patients/Active Shooter/Infant Abduction/SDI Center (R7)	Q2	100 Hours	Yellow belt		5	
CQ2.3 Accounts Receivable Valuations and Burn Cases/External Referrals (R4)(R19)(R20)	Q2	100 Hours			5	

3.0 – Q1 FY2023 Internal Audit Work Plans

3.1 Q1 FY2023 Internal Audit Work Plan

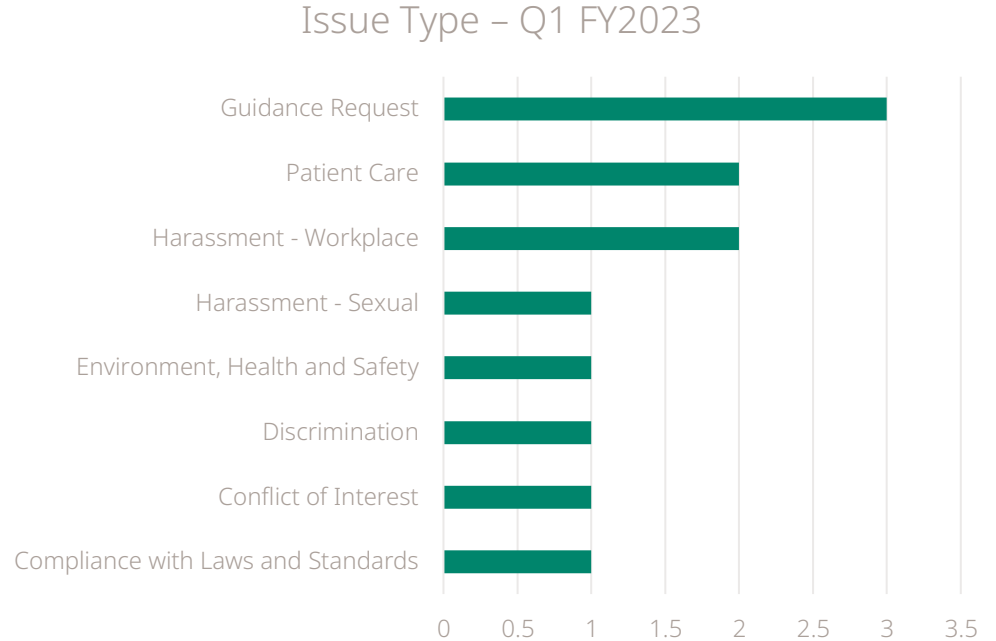
The FY2023 internal audit projects are listed below with proposed timing and estimated hours. Each project will, at a minimum, include a focus on the adequacy of internal controls as well as the identification of value-added recommendations. The FY2023 audit plan represents audits based on the results of the risk assessment and may be subject to change based on changes in risk, priorities and Valleywise Health initiatives throughout the fiscal year.

Project Name	Audit Timing	Est. Audit Hours	Current Status	Completion Status	Initial Risk Rating	Post Review Ranking
Risk Assessment and Selection Q1 (Current State Assessment)						
IQ1.1 Care Re-Imagined (Prop 480) Controls and Monitoring Review (R6)	Q1	100 Hours	Monitoring the documentation with the Director Financial and Operation Planning and are monitoring the high-risk areas.	On-going	5	2
IQ1.2 Privacy - Media and External Providers (R8)	Q1	150 Hours	Conducted a review of the Media and Marketing Department. Discussed and reviewed the relevant HIPAA regulations.	Completed	5	3
IQ1.3 DMG Contract Review (R5)	Q1	150 Hours	Monitoring the DMG agreement and reconciliations. Reviewing futures structures.	On-going	5	3
Risk Re-assessment and Selection Q2						
IQ2.1 Grants and Research Reviews (R14)	Q2	100 Hours			5	
IQ2.2 Care Re-Imagined (Prop 480) Controls and Monitoring Review (R6)	Q2	100 Hours			5	
IQ2.3 EMTALA/Dedicated Emergency Departments and Maryvale Configuration (R10) (R16)	Q2	100 Hours			5	
IQ2.4 Business Continuity Assessment and SAFER Guidelines (R9)	Q2	100 Hours			5	

4.0 – Q1 FY2023 Ethics Line Reports (7/01/2022 through 9/30/2022)

4.1 – Q1 FY2023 Issue Type (Cases that were reported in Q1 FY2023)

Issue Type:	Count (#):
Compliance with Laws and Standards	1
Conflict of Interest	1
Discrimination	1
Environment, Health and Safety	1
Harassment - Sexual	1
Harassment - Workplace	2
Patient Care	2
Guidance Request	3
Inappropriate Behavior	3
Total:	15



4.2 Q1 FY2023 Relevant Issue Definitions

Compliance with Laws & Standards - Statements or actions discharging, demoting, suspending, threatening, harassing or discriminating against an employee because of any lawful act taken by such employee in connection with reporting a violation of law or policy, filing a complaint, or assisting with an investigation or proceeding.

Conflict of Interest – A conflict of interest is defined as a situation in which a person, such as a public official, an employee, or a professional, has a private or personal interest sufficient to appear to influence the objective exercise of his or her official duties. (Examples include: inappropriate vendor relations, bribery, misuse of confidential information, inappropriate customer relations.)

Discrimination – Statements or actions based on age, race, color, national origin, sexual orientation, gender, disability or religion that are the basis for employment, promotion or compensation decisions.

Environment, Health, & Safety – Conduct, actions, policies or practices that either violate local, provincial or federal environmental, health or safety laws or regulations or may cause or result in potentially hazardous conditions that impact the environment or the health or safety of employees, customers or others.

Guidance Request – Inquired about a policy or guideline.

Harassment (Sexual) - Statements or actions expressing unwelcome sexual advances, requests for sexual favors, unsolicited physical contact or propositions, unwelcome flirtations, or offensive verbal or visual expressions or physical conduct of a sexual nature.

Harassment (Workplace) - Persistent statements, conduct or actions that are uninvited, degrading, offensive, humiliating or intimidating and create an unpleasant or hostile environment.

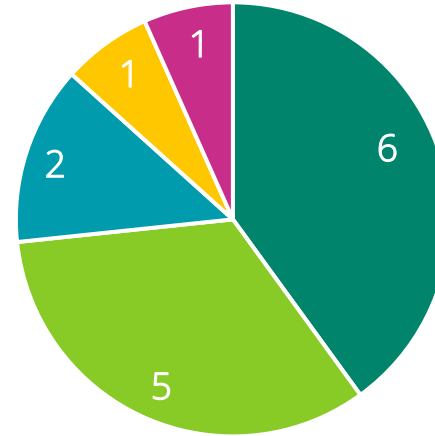
Inappropriate Behavior - Statements or actions that are not harassing in nature but are believed to be unsuitable for the workplace.

Patient Care - Policies, practices, or individual actions causing unacceptable quality of care given to patients. Includes negligence, medical errors, accidents, and abuse.

4.3 – Q1 FY2023 Action Taken (Cases that were reported in Q1 FY2023)

Action Taken	Count (#)
In Process	6
No Action Taken - Not Enough Information	5
No Action Necessary	2
Termination	1
Training	1
Total:	15

Action Taken – Q1 FY2023



- In Process
- No Action Taken - Not Enough Information
- No Action Necessary
- Termination
- Training

4.4 – Q1 FY2023 Average Days to Close (Cases that were closed in Q1 FY2023)

Benchmark:

Average Days to Close Benchmark = 30 days or less

Date	Cases	Average Days Open
July 2022	4	27
Aug 2022	8	28
Sept 2022	1	58
Monthly Averages	4	38





**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 9.f.

**Reports to the Board
Valleywise Health Foundation's Task Status
Report to the Chief Executive Officer**



DATE: November 3, 2022
TO: Steve Purves, President and CEO, Valleywise Health
FROM: Lisa Hartsock, Foundation Relations Executive, Valleywise Health
SUBJECT: Cooperative Service Agreement Quarterly Task Status Report

In accordance with the Cooperative Service Agreement (CSA), this written quarterly update of the Valleywise Health Foundation's progress is provided for your review. I have attached the tasks and funds transfer reports.

Valleywise Health Foundation
Quarterly Status Report on Cooperative Service Agreement Tasks
November 1, 2022

Owner/Responsible Party	Task - Action Item	Planned Process Change	Progress (Not Started, In-progress,	EXPECTED COMPLETION DATE:
A. Enhance Foundation Image				
Marcia/Nate/Lisa	Work with District marketing office to coordinate launch of new Foundation brand	Align with VH Marketing and ad agency for brand rollout.	Completed	10/1/2019
Marcia/Kate	Develop a strategic communications plan for fundraising campaign	Incorporate findings from prospectus testing and new brand; Rethinc engaged.	Completed	6/31/2019
Marcia		Establish relationships with community philanthropic publications (AZ Red Book, Frontdoors, Trends)	Completed	7/1/2018
Marcia		Develop organized plan for communications and infrastructure for events, appeals and campaigns	Completed	1/15/2019
Marcia		Provide annual strategic communications plan	Completed	1/31/2019
Nate	Develop communication strategy and inform District staff	Hold joint meetings between VH marketing and VHF marketing teams	Completed	On-going
Marcia		Identify gaps in communication and streamline information	Completed	3/30/2019
B. Strengthen Governance & Membership Leadership				
Nate	Expand Foundation Board to include candidates with giving capacity and influence	Current Board membership is 24-- Marci White and Liz Agboola joined in Aug	Complete	On-going
Nate	Create Foundation Board handbook		Complete	11/15/2018
Nate	Create Foundation Board orientation process and committees structure		Complete	11/15/2018
C. Internal Engagement				
Nate/Lisa	Facilitate direct involvement among District CEO, Foundation, and District Foundation Relations Executive to review top prospect and next steps	Create reporting best practices and schedules. Align VH leadership with donors in portfolios	Completed	On-going
Lisa/Justina/Katie	Create structure for District Employee Council.	No council established; Foundation & HR developed Ambassador program	Completed	On-going
Lisa/Katie		Recruit diverse group of employee donors	Completed	On-going
Katie/Sunshine/Carole		Secure current employee giving report to set benchmarks	Complete	On-going
Katie/Lisa	Assist District in incorporating philanthropy via compassion value into District's NEO		Completed	7/22/2019

Valleywise Health Foundation
Quarterly Status Report on Cooperative Service Agreement Tasks
November 1, 2022

D. Fundraising Program, Systems, and Processes for Annual Giving				
Kate/Nate	Enlist counsel to help define policies, procedures, systems to support the Foundation's overall fundraising efforts	Powers & Young contracted to assist	Complete	1/15/2019
Joyce/Kara	Create Foundation Employee Manual	VP Consulting Group contracted to assist in completion. Revised in Jan 2021. Foundation legal council reviewed.	Completed	9/30/2018
Nate/Kara	Re-write Foundation job descriptions and create role clarity and expectations that are consistent with District program funding priorities		Completed	1/31/2019
Nate/Kara	Recruit and hire additional staff			Ongoing
		Database Manager	Completed	8/13/2018
Kara		Major Gifts Officer	Completed	8/30/2019
		(2) Annual Giving Manager	Completed	10/1/2018
		Development Officer	Completed	1/15/2019
Nate/Kate	Invest in external trainings, conferences, webinars and onsite counsel to develop Foundation staff's understanding and ability to create best practices, programs, and strategies	Powers & Young contracted to assist with incorporating best practices (i.e. development committee, annual fundraising plan, and database implementation plan)	Completed	Ongoing
Mikala/Marcia/Elon	Develop digital strategy to attract younger donors and increase donors overall	Social media organic and paid media strategy in place	Completed	on-going
Mikala/Katie/Marcia	Incorporate additional Foundation direct mail & e-philanthropy appeals		Completed	Ongoing
E. Events				
Nate/Kate	Wealth screen Foundation event attendees and deploy major gift cultivation strategies	Develop Moves Management System - in use	Completed	Ongoing
VHF		Implement cultivation/stewardship plan	Completed	On-going
Lisa/Kate		ID key prospects & engagement process for VH executives	Completed	Ongoing
Team/Board/Nate	Develop a strategy to identify potential third-party events that could support District programs	Update "Swim for the Light- Nov. 14 and "LIVE 101.5 Rise for Valleywise" coming in December 2021	Completed	On-going
F. Major Gifts				
Nate	Establish portfolios of pre-qualified individuals capable of making gifts of \$25K or more	Wealth screen donors for M&L feasibility study	Completed	11/1/2018
Lisa		Assess current VH capital and programming priorities	Completed	11/1/2018
Lisa/Nate		Create prospectus for strategic priorities	Completed	11/30/2018

Valleywise Health Foundation
Quarterly Status Report on Cooperative Service Agreement Tasks
November 1, 2022

Kate	Set performance standards for major gift officer	Develop prospect review process, moves management, and best practices	Completed	3/31/2019
Kate	Enhance referral sources	Establish VHF Board Development Committee	Completed	12/31/2018
G. Planned Giving				
Katie/ Alyssa	Create a Planned Giving Legacy or Heritage Society	Creation of planned giving advisors group beginning 2021 led by Jay Spector and Mark Dewane. 1883 Society website and collateral developed Fall 2021.	Completed and Ongoing	Fall 2021
Katie/ Alyssa		Identify policies needed & professionals willing to serve as resources. Advisory group of VHF Board members and other experts convened March 2022.	complete and ongoing	Fall 2021 kick off for Planned Giving Advisory Group
Marcia/Mikala/Elon		Develop customizable planned giving communications plan	Completed and Ongoing	
Katie/ Kate/ Alyssa		Develop a planned giving prospect list	complete and ongoing	Ongoing
H. Grants				
Kate/Katie/Kathi	Coordinate with District grants office to identify opportunities	Monthly meetings with Grants department and ongoing communication on grant oportunities.	Complete	Ongoing
Kate/Katie/Kathi	Identify grant opportunities and deadlines	Hired new consultant Grant researcher and writer for additional opportunities	Complete	Ongoing
I. Patient Services Program				
Katie	Establish the grateful patient program	Donations have begun coming in and we will look to expand the pilot program to include Burn in Q1 2022	Completed and Ongoing	Pilot program launched in three clinics 5/21
Lisa		Set parameters for collecting patient data in key care delivery areas--initial svc line report from Burn Center	Completed	8/31/2018
Sunshine		Wealth screen selection of patients	Completed	10/1/2018
Lisa/Katie/Marcia		Create patient communication & engagement plan	Completed and Ongoing	Launched Above and Beyond Branding, landing page & collateral
Katie/Lisa		Educate caregiving staff about program and work collaboratively when prospects are identified	Completed and Ongoing	Part of Pilot program launched in clinics 5/21
J. Data Management				
Kara/Sunshine	Set up Raiser's Edge system for enhanced utility		Completed	Ongoing
Kara/Sunshine	Review Foundation database for wealth screening		Completed	11/1/2018

Valleywise Health Foundation
Quarterly Status Report on Cooperative Service Agreement Tasks
November 1, 2022

K. Capital Campaign/Multi-Year Funding Initiative			
Nate	Complete M&L internal assessment/audit	Completed	4/1/2018
Lisa/Nate	Complete preliminary case for support	Completed	11/30/2018
Lisa/Nate	Provide campaign readiness report	Completed	1/15/2019
Nate/Kate	Prospectus testing by consultants	Completed	4/30/2019
Nate	Prospectus testing analysis report from consultants	Completed	5/31/2019
Nate/Lisa/Marcia	Case for 2020 ALL IN Campaign support	Completed	11/1/2019

Valleywise Health Foundation
Program Support to Valleywise Health: January - September 2022

General Program Support

Quarter 1, 2022	Refugee Services	\$ 242,000	
	Family Learning Center Programming	70,000	
	McDowell Clinic	13,000	
	Peoria Dental Clinic	25,000	
	Diabetes management So. Central CHC	100,000	
	RQI Capital Equipment and Training	100,000	
	First Episode Center	100,000	
	Peoria Family Learning Center	75,000	
	FLC and Residency Program	50,000	
	COVID Staffing Support for Nursing	50,000	
	NICU Services	50,000	\$ 875,000
Quarter 2, 2022	Professional Development Support for Staff	\$ 7,282	
	Vista Member Assistance Refugee Women's Services	2,500	
	Baby Shower for Family Resource Center	2,888	
	Burn Case Manager	27,904	
	Helping Hands for VH Employees	43,914	
	Caruso Society	1,065	
	Maricopa County IDA - Education Grant	370,292	
	Refugee Health Budget Relief	445,000	
	Food Pharmacy Expansion	100,000	
	NICU Training and equipment	100,000	
	Farm Express Bus (for Food Pharmacy)	26,500	
	Pediatric Burn/Child Life	25,000	
	VH Programs - Greatest Need	85,000	
	Family Resource Center	30,000	
	Arizona Burn Center	18,000	
	Behavioral Health	25,000	
	FLC Programs	10,000	
	McDowell Clinic	5,000	\$ 1,325,346
Quarter 3, 2022	Caruso Society	570	
	Behavioral Health - 264 pairs of shoes	1,493	
	Arizona Burn Center - Continuing education for staff	1,950	
	Vista Member Assistance Refugee Women's Services	2,500	
	Women's Services -monitors for at home patients	1,384	
	Arizona Burn Center - program	719	
	Arizona Childrens Center - for patient experience	3,707	
	Helping Hands for VH Employees	57,377	
	Annual Backpack event	32,411	
	IT Staff Education	30,877	
	Burn Case Manager	33,197	
Pediatric Behavioral Health Training Program	122,336		

Valleywise Health Foundation

Program Support to Valleywise Health: January - September 2022

Breast Cancer Clinic - Patient support	40,000		
Supplies for AZ Childrens Center	100.00		
Behavioral Health - shoes for 36 BH patients	204.84		
Simulation and education support	392,360.00		
Literacy programming	125,000.00		
Conference Registration - Am Burn Association	1,348.86		
Nursing Education	1,359.40		
FEC Greatest Need	3,000.00		
Backpack Event	4,165.29		
Greatest need - Focused on infants and peds	10,000.00		
ACT General program needs	10,000.00		
Pediatric Dental services for Refugees	18,000.00		
Behavioral Health Clinician for Burn patients	25,000.00		
Burn Case Manager July -Sept	29,892.49		
Helping Hands for 39 Employees	38,606.25		
ACT needs as determined by Dr. Darling	75,000.00		
Warrior Bonus fund to be used for Nursing	100,000.00	\$ 1,162,558	Q3 Total

Total General Program Support

\$ 3,362,903

Care Reimagined Support

Quarter 1, 2022	Arizona Burn Center	\$ 100,000		
	Pediatric Burn	25,000		
	Telemedicine Equipment	50,000		
	Refugee Services	50,000		
	Women and Children Services	330,000	\$ 555,000	Q1 Total
Quarter 2, 2022	Care Reimagined - General	\$ 30,000		
	Pediatric Burn	200,000		
	Arizona Burn Center	565,227		
	Nursing Resillience Rooms	100,000	\$ 895,227	Q2 Total
Quarter 3, 2022	Pediatric Burn	60,000		
	Education	1,800,000	\$ 1,860,000	Q3 Total

Total Care Reimagined Support

\$ 3,310,227

Grand Total - All Support

\$ 6,673,130



**Maricopa County
Special Health Care District**

**Board of Directors
Formal Meeting**

November 22, 2022

Item 9.g.

Reports to the Board

**Operational Dashboard for Valleywise Health's
Federally Qualified Health Centers Clinics**



Office of the Senior Vice President & CEO FQHC Clinics
2601 East Roosevelt Street • Phoenix • AZ • 85008

Date: November 22, 2022
To: Maricopa County Special Health Care District Board of Directors
From: Barbara Harding, BAN, RN, MPA, PAHM, CCM
Sr VP Amb Services & CEO FQHC Clinics
Subj: Fiscal Year to Date Operational Dashboard for FQHCs

Visit Metrics: September 2022

The first quarter of FY23 trended positively. *Valleywise Community Health Centers (FQHC)* and Comprehensive Health Centers had a positive visit variance of 7.3% FYTD. However, caution is given the current workforce challenges in all positions including Providers. A snapshot of the FQHC Clinical Support Vacancies reported 11/09/22 were:

Vacancies per positions	
Registered Nurse	9
Clinical Resource Leader	2
Medical Assistant	21
Administrative Assistant	2
Cultural Health Navigators	2

HIV Service Line

Valleywise Community Health Center – McDowell had a positive visit variance of 10.6% FYTD. Valleywise Community Health Center – Mesa had a positive variance of 54.4% FYTD. Patient have sought care due to the prevalence of COVID and Monkey Pox.

Other FQHC including Peoria had a positive visit variance 0.7% FYTD. Primary care has is running 5% less than the target at (8.1%). This is attributed to workforce challenges.

Integrated Behavioral Health (IBH) services had a positive visit variance of 2.7% FYTD. Clinics who are not meeting targets, Mesa, North Phoenix, and South Phoenix, are experiencing vacancies in the workforce.

Valleywise Community Health Centers (FQHC) Dental Clinics continue to rebound with a positive visit variance of 14.6% FYTD.

Ambulatory Care Quality/Regulatory Metrics – UDS

UDS Measures Meeting Benchmark – Reporting Year 2022

Measure	UDS 2020 Benchmark	UDS 2021 Benchmark	July 2022 CYTD	August 2022 CYTD
Breast Cancer Screening	> 45.34%	→ > 46.29%	58.23%	58.54%
HIV Screening	> 32.29%	→ > 38.09%	63.43%	63.26%
Statin Therapy for the Prevention and Treatment of Cardiovascular Disease	> 71.92%	→ > 73.10%	76.69%	76.72%
Colorectal Cancer Screening	> 40.09%	→ > 41.93%	46.58%	47.65%
Tobacco Use: Screening and Cessation Intervention	> 83.43%	→ > 82.34%	87.61%	87.92%
Ischemic Vascular Diseases (IVD): Use of Aspirin or Another Antithrombotic	> 78.80%	→ > 78.25%	78.85%	78.50%
Weight Assessment and Counseling for Nutrition and Physical Activity for Children and Adolescents	> 65.13%	→ > 68.72%	69.05%	72.09%

2020 to 2021 Benchmark Update Performance Impact:

- Status with all metrics on this page did not change – continue to meet/exceed national averages

UDS Measures Not Meeting Benchmark - Reporting Year 2022

Measure	UDS 2020 Benchmark	UDS 2021 Benchmark	July 2022 CYTD	August 2022 CYTD
Cervical Cancer Screening	> 51.00%	→ > 52.95%	51.56%	52.25%
Diabetes: HbA1c Poor Control	< 35.60%	→ < 32.29%	34.25%	32.76%
Controlling High Blood Pressure	> 57.98%	→ > 60.15%	53.29%	53.89%
Body Mass Index (BMI) Screening and Follow-Up Plan	> 65.72%	→ > 61.32%	32.09%	32.13%
Screening for Clinical Depression and Follow-Up Plan if Positive Screen	> 64.21%	→ > 67.42%	47.65%	49.49%

2020 to 2021 Benchmark Update Performance Impact:

- Cervical Cancer Screening & Diabetes Control metrics fell from meeting national average to just outside the new average cutoff
 - Controlling High Blood Pressure metric moved to > 10% variance outside target
 - BMI Screening and Screening for Depression metrics remain outside target

UDS Measure with Logic Error Reporting Year 2022



Measure	UDS 2020 Benchmark	UDS 2021 Benchmark	July 2022 CYTD	August 2022 CYTD
Childhood Immunizations	> 40.42%	→ > 38.06%	9.18%	9.29%

Benchmark Updated



2020 to 2021 Benchmark Update Performance Impact:

- No impact observed due to known logic discrepancy.

Historical Note

This UDS measure had a significant CMS logic change/discrepancy in May 2022 impacting performance rates – The fallout is not truly related to our performance.

Logic flaw has eliminated counting vaccines on day of birth. This goes against standard best practice of Hepatitis B vaccine which is frequently given shortly after birth.

This logic cannot be corrected until CMS re-updates the mapping logic – FQHCs nationally are impacted.

Community Health Centers

PATIENT EXPERIENCE - Ambulatory	Target	Community Health Centers										VCHCs FYTD	
		Avondale	Chandler	Guadalupe	West Maryvale	Mesa	North Phoenix	S. Central Phoenix	S. Phoenix Laveen	McDowell	McDowell - Mesa		McDowell - PEC
Net Promoter Score FYTD <i>(Would recommend facility)</i>	≥71.1	69.8	64.8	64.5	80.2	68.2	74.9	65.3	62.4	76.8	96.7	no data	69.8
n-size		761	642	211	388	601	697	881	433	561	30	no data	5,205

ACCESS - Ambulatory	Target	Community Health Centers										VCHCs FYTD	
		Avondale	Chandler	Guadalupe	West Maryvale	Mesa	North Phoenix	S. Central Phoenix	S. Phoenix Laveen	McDowell	McDowell - Mesa		McDowell - PEC
Appointments Scheduled FYTD		9,888	8,641	3,722	7,874	8,268	10,291	12,128	7,266	10,872	512	0	79,462
Appointment Fill Rate FYTD		97.3%	88.2%	87.7%	91.3%	90.7%	91.1%	92.3%	92.7%	95.8%	88.7%	n/a	92.2%
Scheduled Appointment No-Shows FYTD		1,289	1,071	580	1,148	1,421	1,791	2,266	1,155	2,197	99	0	13,017
No Show Rate FYTD	<18%	13.0%	12.4%	15.6%	14.6%	17.2%	17.4%	18.7%	15.9%	20.2%	19.3%	n/a	16.4%

FINANCE - Ambulatory	Target	Community Health Centers										VCHCs FYTD	
		Avondale	Chandler	Guadalupe	West Maryvale	Mesa	North Phoenix	S. Central Phoenix	S. Phoenix Laveen	McDowell	McDowell - Mesa		McDowell - PEC
In-Person Visits FYTD		5,024	4,084	1,700	4,116	3,951	4,709	5,947	3,647	3,221	177	0	36,576
Virtual Visits FYTD		1,150	1,052	269	411	816	1,131	1,030	533	1,687	104	0	8,183
Total Actual Visits (includes Nurse Only Visits) FYTD		6,174	5,136	1,969	4,527	4,767	5,840	6,977	4,180	4,908	281	0	44,759
Budgeted Visits FYTD		6,069	5,134	2,002	3,420	3,606	5,394	6,186	3,791	4,439	182	0	40,223
Variance FYTD		105	2	(33)	1,107	1,161	446	791	389	469	99	0	4,536
Variance by % FYTD		1.7%	0.0%	-1.6%	32.4%	32.2%	8.3%	12.8%	10.3%	10.6%	54.4%	n/a	11.3%
Total Number of Patients seen by provider FYTD		5,737	5,002	1,896	4,341	4,615	5,710	6,848	4,028	4,140	223	0	42,540

BEHAVIORAL HEALTH - Ambulatory	Target	Community Health Centers										BH Psychiatry	BH FYTD
		Avondale	Chandler	Guadalupe	West Maryvale	Mesa	North Phoenix	S. Central Phoenix	S. Phoenix Laveen	McDowell	McDowell - Mesa		
In-Person Visits FYTD		66	68	32	78	253	138	24	32		33		844
Virtual Visits FYTD		693	295	498	538	675	201	1,043	283		702		6,012
Total Actual Visits FYTD		759	363	530	616	928	339	1,067	315		735		6,856
Budget Visits FYTD		632	255	537	511	1,128	602	769	515		561		6,673
Variance FYTD		127	108	(7)	105	(200)	(263)	298	(200)		174		183
Variance by % FYTD		20.1%	42.4%	-1.3%	20.5%	-17.7%	-43.7%	38.8%	-38.8%		31.0%		2.7%

DENTAL - Ambulatory	Target	Community Health Centers										Dental FYTD	
		Avondale	Chandler	Guadalupe	West Maryvale	Mesa	North Phoenix	S. Central Phoenix	S. Phoenix Laveen	McDowell	McDowell - Mesa		McDowell - PEC
Actual Visits FYTD		593	710							1,017			5,822
Budget Visits FYTD		704	545							952			5,079
Variance FYTD		-111	165							65			743
% Variance FYTD		-15.8%	30.3%							6.8%			14.6%

LEGEND:
Not in Target
5% less than the target
Target ≥ 95%

** Specialty HIV Community Health Center
 *** Specialty HIV Community Health Clinic - McDowell Services
 **** Grand Total FQHC for Total Number of Patients seen by provider FYTD includes Community Health Centers & Other FQHCs
 ***** FYTD FQHC for Actual/Budgeted Visits includes Community Health Centers, Other FQHCs, Dental, & OP Behavioral Health Clinics

Other FQHC Clinics

Other FQHC Clinics								Grand Total
Peoria Primary Care	Women's Clinic	Antepartum Testing	Diabetes Ed	Internal Medicine P	Peds Primary	Other FQHC-Peoria FYTD		
72.2	77.8	61.2	60.4	64.6	69.6	70.9	70.1	
948	591	134	48	491	335	2,547	7,752	

Other FQHC Clinics								Grand Total
Peoria Primary Care	Women's Clinic	Antepartum Testing	Diabetes Ed	Internal Medicine P	Peds Primary	Other FQHC-Peoria FYTD		
12,264	9,721	3,818	1,312	8,458	7,111	42,684	122,146	
84.8%	91.8%	98.6%	n/a	93.7%	81.5%	87.5%	90.6%	
1,788	1,392	332	231	1,497	1,356	6,596	19,613	
14.6%	14.3%	8.7%	17.6%	17.7%	19.1%	15.5%	16.1%	

Other FQHC Clinics								Grand Total FQHC	FYTD FQHC
Peoria Primary Care	Women's Clinic	Antepartum Testing	Diabetes Ed	Internal Medicine P	Peds Primary	Other FQHC-Peoria FYTD			
5,200	5,155	2,487	407	4,893	4,439	22,581	65,823		
1,892	159	1	7	129	36	2,224	16,419		
7,092	5,314	2,488	414	5,022	4,475	24,805	82,242		
7,717	5,577	2,165	435	4,666	4,083	24,643	76,618		
(625)	(263)	323	(21)	356	392	162	5,624		
-8.1%	-4.7%	14.9%	-4.8%	7.6%	9.6%	0.7%	7.3%		
6,952	4,895			4,896	4,206	20,949	63,489		

PEC
120
1,084
1,204
1,163
41
3.5%

PEC	PXC
1,116	2,386
426	2,452
690	-66
162.0%	-2.7%

Ambulatory Care		Reporting Program	2021 UDS National Average	2020 UDS National Average	CYTD 2021	Desired Direction	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	YTD
		Quality /Regulatory Metrics																	
Unified Data System																			
Body Mass Index (BMI) Screening and Follow-Up Plan	HRSA	> 61.32%	> 65.72%	34.26%	↑	✗ 29.45%	✗ 29.80%	✗ 30.42%	✗ 31.00%	✗ 31.05%	✗ 31.47%	✗ 32.09%	✗ 32.13%						✗ 32.13%
Numerator						2063	3919	5862	7911	9882	11315	12845	13880						13880
Denominator						7005	13149	19271	25517	31831	35960	40028	43200						43200
Cervical Cancer Screening	HRSA	> 52.95%	> 51.00%	49.77%	↑	✗ 46.59%	⚠ 48.17%	⚠ 49.03%	⚠ 49.95%	⚠ 51.22%	⚠ 51.47%	⚠ 51.56%	⚠ 52.25%						⚠ 52.25%
Numerator						2976	4937	6675	8419	9897	10947	12004	12999						12999
Denominator						6388	10249	13613	16856	19324	21269	23282	24880						24880
Childhood Immunization Status (CIS)	HRSA	> 38.06%	> 40.42%	47.72%	↑	⚠ 36.23%	✔ 41.67%	✔ 45.28%	✔ 46.36%	✗ 9.34%	✗ 9.68%	✗ 9.18%	✗ 9.29%						✗ 9.29%
Numerator						100	205	302	388	90	99	99	104						104
Denominator						276	492	667	837	964	1023	1078	1119						1119
Colorectal Cancer Screening	HRSA	> 41.93%	> 40.09%	50.85%	↑	✗ 37.04%	⚠ 39.44%	⚠ 41.21%	✔ 43.16%	✔ 44.21%	✔ 45.22%	✔ 46.58%	✔ 47.65%						✔ 47.65%
Numerator						1854	3188	4463	5718	6952	7738	8566	9196						9196
Denominator						5006	8084	10831	13248	15724	17112	18389	19300						19300
Controlling High Blood Pressure	HRSA	> 60.15%	> 57.98%	47.76%	↑	✗ 33.93%	✗ 39.72%	✗ 43.48%	✗ 46.91%	✗ 49.18%	✗ 51.35%	✗ 53.29%	✗ 53.89%						✗ 53.89%
Numerator						1562	2955	4293	5670	6695	7588	8258	8575						8575
Denominator						4604	7439	9874	12086	13614	14778	15497	15911						15911
Diabetes: Hemoglobin A1c Poor Control	HRSA	< 32.29%	< 35.60%	31.85%	↓	✗ 70.50%	✗ 59.49%	✗ 50.22%	✗ 42.90%	✗ 38.95%	✗ 36.25%	✗ 34.25%	⚠ 32.76%						✗ 32.76%
Numerator						2101	2893	3281	3416	3624	3634	3675	3677						3677
Denominator						2980	4863	6533	7963	9305	10024	10730	11224						11224
Ischemic Vascular Disease (IVD): Use of Aspirin or Another Antithrombotic	HRSA	> 78.25%	> 78.80%	78.51%	↑	✔ 80.00%	✔ 79.64%	✔ 78.74%	✔ 79.28%	✔ 79.20%	✔ 79.45%	✔ 78.85%	✔ 78.50%						✔ 78.50%
Numerator						448	716	963	1209	1428	1550	1633	1694						1694
Denominator						560	899	1223	1525	1803	1951	2071	2158						2158
Screening for Clinical Depression and Follow-Up Plan if positive screen	HRSA	> 67.42%	> 64.21%	48.75%	↑	✗ 35.68%	✗ 39.48%	✗ 42.05%	✗ 44.79%	✗ 44.59%	✗ 45.84%	✗ 47.65%	✗ 49.49%						✗ 49.49%
Numerator						3413	6214	8969	11966	14378	16440	18845	21066						21066
Denominator						9566	15740	21328	26717	32248	35863	39550	42569						42569
Tobacco Use: Screening and Cessation Intervention	HRSA	> 82.34%	> 83.43%	87.78%	↑	✔ 83.00%	✔ 83.13%	✔ 84.75%	✔ 85.61%	✔ 86.40%	✔ 86.98%	✔ 87.61%	✔ 87.92%						✔ 87.92%
Numerator						2265	6225	10367	15367	20451	24171	28270	31527						31527
Denominator						2729	7488	12233	17951	23671	27790	32269	35857						35857
Weight Assessment and Counseling for Nutrition and Physical Activity for Children and Adolescents	HRSA	> 68.72%	> 65.13%	78.09%	↑	✗ 39.45%	✗ 44.94%	✗ 52.94%	✗ 58.32%	✗ 61.07%	⚠ 64.23%	✔ 69.05%	✔ 72.09%						✔ 72.09%
Numerator						535	1160	2074	3166	4119	4966	6179	7272						7272
Denominator						1356	2581	3918	5429	6745	7732	8948	10088						10088
Statin Therapy for the Prevention and Treatment of Cardiovascular Disease	HRSA	> 73.10%	> 71.92%	68.40%	↑	⚠ 72.67%	⚠ 72.48%	⚠ 72.72%	⚠ 72.58%	✔ 76.84%	✔ 76.91%	✔ 76.69%	✔ 76.72%						✔ 76.72%
Numerator						2789	4551	6105	7462	9258	10002	10654	11133						11133
Denominator						3838	6279	8395	10281	12048	13004	13893	14511						14511
Breast Cancer Screening	HRSA	> 46.29%	> 45.34%	58.56%	↑	✔ 52.41%	✔ 54.73%	✔ 55.90%	✔ 56.77%	✔ 57.49%	✔ 57.66%	✔ 58.23%	✔ 58.54%						✔ 58.54%
Numerator						1435	2402	3249	3997	4793	5192	5628	5922						5922
Denominator						2738	4389	5812	7041	8337	9005	9665	10117						10117
HIV Screening	HRSA	> 38.09%	> 32.29%	58.18%	↑	✔ 63.55%	✔ 62.75%	✔ 62.82%	✔ 63.10%	✔ 63.41%	✔ 63.52%	✔ 63.43%	✔ 63.26%						✔ 63.26%
Numerator						6718	10917	14804	18680	22743	25335	27880	29914						29914
Denominator						10572	17397	23567	29605	35865	39883	43957	47291						47291

‡ -
****Data is pulled from the UDS dashboard on the 1st Friday of every month**

Data Not Available	~
Data is not final and subject to change	‡
Equal or greater than benchmark	✔
Less than 10% negative variance	⚠
Greater than 10% negative variance	✗

Federally Qualified Health Centers

	Data Source	Owner	Frequency	System
PATIENT EXPERIENCE - Ambulatory				
Net promoter score (Would recommend facility)	<p>A customer loyalty index calculated based on a patient's response on a scale of 1-10 to the question "How likely would you be to recommend this facility to your family and friends?". The NPS = % Promoters (9 or 10 responses) - % Detractors (0-6 responses)</p> <p>*Scores are limited to include only FQHC departments by clinic <u>cost center</u> on this dashboard for: 416603, 416608, 416609, 416704, 416707, 416711, 416601, 416701, 416613, 476707, 576130, 576101, 476101, 476102, 476104, 476106, 476105*</p> <p>*Dental, Financial Counseling, Lab, Radiology, Ophthalmology, and other Specialty departments within each community health center are excluded from locational roll ups*</p>	NRC Real Time Score Summary *pulled by Amanda Jacobs	Monthly	NRC Health - Department Summary Report
ACCESS - Ambulatory				
Appointments Scheduled FYTD	All appointment visits are included, except from Dental, Financial Counseling, Lab, Radiology, Ophthalmology, and other Specialty departments. *For FYTD.	FQHC Appointment Statistics by Clinic Details (Prior Month) Report *last modified 6/2/2020 by Vondra Dee Nason *pulled by Amanda Jacobs	Monthly	EPIC Report
Appointment Fill Rate FYTD	Provider schedule utilization metric calculated by number of patients to appointment slots available. *For FYTD.	Provider Schedule Utilization - All Clinics (Prior Month) Report *last modified by Jim Trulock 9/29/2020 *pulled by Amanda Jacobs	Monthly	EPIC Report
Scheduled Appointment No-Shows FYTD	All No- show appointment visits are included, except from Dental, Financial Counseling, Lab, Radiology, Ophthalmology, and other Specialty departments. *For FYTD.	FQHC Appointment Statistics by Clinic Details (Prior Month) Report *last modified 6/2/2020 by Vondra Dee Nason *pulled by Amanda Jacobs	Monthly	EPIC Report
No Show Rate FYTD	Percentage of Scheduled Patients who were a "No show" patient or same day cancellation. *For FYTD.	Amanda Jacobs	Monthly	Formula
FINANCE - Ambulatory				
In-Person Visits FYTD	Total Actual Visits (includes nurse only visits) FYTD - Virtual Visits FYTD	Nancy Horskey	Monthly	Axiom
Virtual Visits FYTD	Virtual Telemedicine Visits (telephonic/audio/visual/other virtual type) FYTD	Nancy Horskey	Monthly	Axiom
Total Actual Visits (includes nurse only visits) FYTD	All visits per Clinic (visit count methodology). For the Fiscal Year to Date	Nancy Horskey	Monthly	Axiom
Budgeted Visits FYTD	All budgeted visits per Clinic (visit count methodology) For the Fiscal Year to Date	Nancy Horskey	Monthly	Axiom
Variance FYTD	Actual Visits FYTD (includes nurse only visits) - Budgeted Visits FYTD. For the Fiscal Year to Date	Amanda Jacobs	Monthly	Formula
Variance by % FYTD	Variance FYTD / Budgeted Visits FYTD (%) For the Fiscal Year to Date	Amanda Jacobs	Monthly	Formula
Total Number of Patients seen by provider	Completed visits for provider only	Maria Aguirre	Monthly	Epic - Clarity Query
Grand Total FQHC FYTD FQHC	Includes Month Totals from Community Health Centers, Dental, Other FQHC, and OP Behavioral Health clinics	Amanda Jacobs	Monthly	Formula
FYTD FQHC	Includes FYTD Totals from Community Health Centers, Dental, Other FQHC, and OP Behavioral Health clinics	Amanda Jacobs	Monthly	Formula
FINANCE - BEHAVIORAL HEALTH				
In-Person Visits FYTD	Total Actual Visits (includes nurse only visits) FYTD - Virtual Visits FYTD	Nancy Horskey	Monthly	Axiom
Virtual Visits FYTD	Virtual Telemedicine Visits (telephonic/audio/visual/other virtual type) FYTD	Nancy Horskey	Monthly	Axiom
Total Actual Visits FYTD	Actual Visits per BH Clinic (all visits per Valleywise Health month end visit count methodology) For fiscal year to date	Nancy Horskey	Monthly	Axiom
Budgeted Visits FYTD	Budgeted Visits per BH Clinic (all visits per Valleywise Health month end visit count methodology) For fiscal year to date	Nancy Horskey	Monthly	Axiom
Variance FYTD	Actual Visits FYTD (includes nurse only visits) - FYTD Budgeted Visits	Amanda Jacobs	Monthly	Formula
Variance by % FYTD	Variance FYTD/ Budgeted Visits FYTD (%)	Amanda Jacobs	Monthly	Formula

Federally Qualified Health Centers

Data Source		Owner	Frequency	System
FINANCE-DENTAL				
Actual Visits FYTD	All visits per Dental Clinic (visit count methodology) For fiscal year to date	Nancy Horskey	Monthly	Axiom
Budgeted Visits FYTD	All budgeted visits per Dental Clinic (visit count methodology) For fiscal year to date	Nancy Horskey	Monthly	Axiom
Variance FYTD	Actual Visits FYTD (includes nurse only visits) - FYTD Budgeted Visits	Amanda Jacobs	Monthly	Formula
Variance by % FYTD	Variance FYTD/ Budgeted Visits FYTD (%)	Amanda Jacobs	Monthly	Formula
QUALITY - Ambulatory				
Quality /Regulatory Metrics	Required by:	Quality	Monthly	
Body Mass Index (BMI) Screening and Follow-Up	CMS69v10 Description: Percentage of patients aged 18 years and older with BMI documented during the most recent visit or within the previous 12 months to that visit and who had a follow-up plan documented if the most recent BMI was outside of normal parameters Numerator: Patients with a documented BMI during the encounter or during the previous twelve months, AND when the BMI is outside of normal parameters, a follow-up plan is documented during the encounter or during the previous twelve months of the current encounter Denominator: All patients aged 18 and older on the date of the encounter with at least one eligible encounter during the measurement period	Quality	Monthly	EPIC/UDS
Cervical Cancer Screening	CMS124v10 Description: Percentage of women 21-64 years of age who were screened for cervical cancer using either of the following criteria: * Women age 21-64 who had cervical cytology performed within the last 3 years * Women age 30-64 who had cervical human papillomavirus (HPV) testing performed within the last 5 years Numerator: Women with one or more screenings for cervical cancer. Appropriate screenings are defined by any one of the following criteria: * Cervical cytology performed during the measurement period or the two years prior to the measurement period for women who are at least 21 years old at the time of the test * Cervical human papillomavirus (HPV) testing performed during the measurement period or the four years prior to the measurement period for women who are 30 years or older at the time of the test Denominator: Women 23-64 years of age with a visit during the measurement period	Quality	Monthly	EPIC/UDS
Childhood Immunization Status (CIS)	CMS117v10 Description: Percentage of children 2 years of age who had four diphtheria, tetanus and acellular pertussis (DTaP); three polio (IPV), one measles, mumps and rubella (MMR); three or four H influenza type B (Hib); three hepatitis B (Hep B); one chicken pox (VZV); four pneumococcal conjugate (PCV); one hepatitis A (Hep A); two or three rotavirus (RV); and two influenza (flu) vaccines by their second birthday Numerator: Children who have evidence showing they received recommended vaccines, had documented history of the illness, had a seropositive test result, or had an allergic reaction to the vaccine by their second birthday Denominator: Children who turn 2 years of age during the measurement period and who have a visit during the measurement period	Quality	Monthly	EPIC/UDS
Colorectal Cancer Screening	CMS130v10 Description: Percentage of adults 50-75 years of age who had appropriate screening for colorectal cancer Numerator: Patients with one or more screenings for colorectal cancer. Appropriate screenings are defined by any one of the following criteria: * Fecal occult blood test (FOBT) during the measurement period * Flexible sigmoidoscopy during the measurement period or the four years prior to the measurement period * Colonoscopy during the measurement period or the nine years prior to the measurement period * FIT-DNA during the measurement period or the two years prior to the measurement period * CT Colonography during the measurement period or the four years prior to the measurement period Denominator: Patients 50-75 years of age with a visit during the measurement period	Quality	Monthly	EPIC/UDS

Federally Qualified Health Centers

Data Source		Owner	Frequency	System
Controlling High Blood Pressure	CMS165v10	Quality	Monthly	EPIC/UDS
Diabetes: Hemoglobin A1c Poor Control	CMS122v10	Quality	Monthly	EPIC/UDS
Ischemic Vascular Disease (IVD): Use of Aspirin or Another Antithrombotic	CMS164v7	Quality	Monthly	EPIC/UDS
Screening for Clinical Depression and Follow Up Plan	CMS2v11	Quality	Monthly	EPIC/UDS
Tobacco Use: Screening and Cessation Intervention:	CMS138v10	Quality	Monthly	EPIC/UDS

Federally Qualified Health Centers

	Data Source		Owner	Frequency	System
Weight Assessment and Counseling for Nutrition and Physical Activity for Children and Adolescents	CMS155v10	<p>Description: Percentage of patients 3–17* years of age who had an outpatient medical visit and who had evidence of height, weight, and body mass index (BMI) percentile documentation and who had documentation of counseling for nutrition and who had documentation of counseling for physical activity during the measurement period</p> <p>Numerator: Children and adolescents who have had: *their height, weight, and BMI percentile recorded during the measurement period and *counseling for nutrition during the measurement period and *counseling for physical activity during the measurement period</p> <p>Denominator: Patients 3 through 16 years of age with at least one outpatient medical visit during the measurement period</p>	Quality	Monthly	EPIC/UDS
Statin Therapy for the Prevention and Treatment of Cardiovascular Disease	CMS347v5	<p>Description: Percentage of the following patients at high risk of cardiovascular events who were prescribed or were on statin therapy during the measurement period: *All patients who were previously diagnosed with or currently have an active diagnosis of clinical atherosclerotic cardiovascular disease (ASCVD), including an ASCVD procedure, or *Patients 20 years of age or older who have ever had a low-density lipoprotein cholesterol (LDL-C) laboratory result level greater than or equal to 190 mg/dL or were previously diagnosed with or currently have an active diagnosis of familial hypercholesterolemia, or *Patients 40 through 75 years of age with a diagnosis of Type 1 or Type 2 diabetes</p> <p>Numerator: Patients who are actively using or who received an order (prescription) for statin therapy at any time during the measurement period</p> <p>Denominator: Patients who were previously diagnosed with or currently have an active diagnosis of ASCVD, including an ASCVD procedure, or Patients who were 20 years of age and older at the start of the measurement period who: *ever had a laboratory result of LDL-C greater than or equal to 190 mg/dL or *were previously diagnosed with or currently have an active diagnosis of familial hypercholesterolemia, or Patients 40 through 75 years of age with Type 1 or Type 2 diabetes; With a medical visit during the measurement period Include patients of any age for the ASCVD determination; patients with birthdate on or before January 1, 2002 for LDL-C determination; and patients with birthdate on or after January 1, 1947, and birthdate on or before January 1, 1982 for diabetes determination.</p>	Quality	Monthly	EPIC/UDS
Breast Cancer Screening	CMS125v10	<p>Description: Percentage of women 50-74 years of age who had a mammogram to screen for breast cancer in the 27 months prior to the end of the Measurement Period</p> <p>Numerator: Women with one or more mammograms during the 27 months prior to the end of the measurement period</p> <p>Denominator: Women 51-74 years of age with a visit during the measurement period</p>	Quality	Monthly	EPIC/UDS
HIV Screening	CMS349v4	<p>Description: Percentage of patients aged 15-65 at the start of the measurement period who were between 15-65 years old when tested for HIV</p> <p>Numerator: Patients with documentation of an HIV test performed on or after their 15th birthday and before their 66th birthday</p> <p>Denominator: Patients 15 to 65 years of age at the start of the measurement period AND who had at least one outpatient visit during the measurement period</p>	Quality	Monthly	EPIC/UDS



Maricopa County
Special Health Care District

Board of Directors
Formal Meeting

November 22, 2022

Item 10.

No Handout

Concluding Items