



June 5, 2020

State-of-the-Clinic Letter from Administration

Hey All Staff,

We would like to give you an update on the status of the clinic to the COVID-19 pandemic. As you recall we constructed a model estimating a 50% reduction of production for April and May with a 25% reduction in June. Administration asked for all departments to aim for a 25% reduction applied in a judicious way to overall clinic payroll costs. It was humbling to see everyone join in this effort. Employees in **all** departments pitched in without complaint. The doctors have also experienced a direct drop in income. We do not expect to see anything quite like this pandemic again in any of our lifetime.

We have been very lucky/blessed that the COVID-19 pandemic has affected Davis County in a more limited way compared to other parts of the state and country. To-date only one clinic employee has tested positive and the consensus is that it was a false positive test. No providers have tested positive.

Our economic model was conservative and we have always been ahead of projections. Production in April was 64% of an average pre-COVID month. We continue to watch all expenditures very carefully. We estimate overall May production at 88% of normal. We believe production currently is 90+% of normal.

Consistent with these numbers, we feel comfortable removing the hiring freeze on June 15th, resuming the use of PTO, and having furloughed employees welcomed back at the direction and timing of the Directors.

Thank you all for your dedication to Tanner Clinic in our common cause of caring for our patients. Your response to the most significant pandemic of our lifetime is inspiring. We cannot predict the future, but judging from your response to COVID, together we can handle whatever comes our way.

In summary from the 20-20 acuity of hind sight, we have done very well with what was an unprecedented crisis. We still request patience as we navigate the murky waters of complying with mind-numbing federal government red tape. Thank you for your patience with us and each other. Tanner Clinic is not perfect, it is just way better than anywhere else!! If we keep our focus on exceptional care for our patients it will continue to be so. Thank you for all you do.

Steve and Theron