



**Minutes of the Open Session of the
El Camino Hospital Board of Directors
Wednesday, December 9, 2020**

Pursuant to State of California Executive Order N-29-20 dated March 18, 2020, El Camino Health did not provide a physical location for this meeting. Instead, the public was invited to join the open session meeting via teleconference.

Board Members Present

Lanhee Chen, Chair**
Peter C. Fung, MD**
Gary Kalbach**
Julie Klinger**
Julia E. Miller, Secretary/Treasurer**
Jack Po, MD, PhD**
Bob Rebitzer**
George O. Ting, MD**
Carol A. Somersille, MD**
John Zoglin, Vice Chair**

Board Members Absent

None

**via teleconference

Members Excused

None

Agenda Item	Comments/Discussion	Approvals/ Action
<p>1. CALL TO ORDER/ ROLL CALL</p>	<p>The open session meeting of the Board of Directors of El Camino Hospital (the "Board") was called to order at 5:30pm by Chair Chen. A verbal roll call was taken. Director Po joined the meeting at 5:40pm during Agenda Item 5: FY21 Period 4 Financials. All other Board members were present at roll call. All members participated via videoconference pursuant to Santa Clara County's shelter in place order. Chair Chen reviewed the logistics for the meeting and welcomed Director Somersille to the Board. A quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020 and N-29-20 dated March 18, 2020.</p>	
<p>2. POTENTIAL CONFLICTS OF INTEREST DISCLOSURES</p>	<p>Chair Chen asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.</p>	
<p>3. PUBLIC COMMUNICATION</p>	<p>None.</p>	
<p>4. QUALITY COMMITTEE REPORT</p>	<p>Director Klinger, Quality Committee Chair, provided an overview of the discussion at the December 7, 2020 Quality Committee meeting:</p> <ul style="list-style-type: none"> - The all-cause readmission index is down to 0.87 (lower is better). - Several quality and patient safety indicators showed improvement from the last reporting period. - The Serious Safety Event Rate (SSER) increased, but, as it is a new measure for the organization, more data is needed to determine whether these numbers are significant. The Committee will continue to monitor this. - The sepsis mortality index also increased over the last two reporting periods and the Committee further discussed sepsis management processes. <p>The Committee also discussed 1) the role of the Diversity, Equity, and Inclusion (DEI) Committee and equity metrics on the STEEEP dashboard and 2) triggers for bringing metrics back to the Committee for review, including falling performance (over 1 quarter/three reporting periods) and as determined by management.</p>	

	<p>In response to Director Fung's question, Mark Adams, MD, CMO, explained that the sepsis mortality index includes COVID patients, but noted that there have been few COVID deaths at ECH.</p> <p>Director Rebitzer commended this report for its issue orientation and high-level summary.</p>	
<p>5. FY21 PERIOD 4 FINANCIALS</p>	<p>Carlos Bohorquez, CFO, provided an overview of the FY21 Period 4 Financials, including:</p> <ul style="list-style-type: none"> - The organization has performed well with strong revenue and expenses in line with expectations. He highlighted an 8.5% increase in overall gross charges compared to the same period last year. - Net operating margin was \$8.1 million, which was unfavorable to last year primarily due to a \$2.2 million YOY increase in depreciation and interest from the Taube and Sobrato Pavilion projects. - Staff developed an updated forecast based on FY21 first quarter results, and presented it to the Finance Committee at its meeting on November 23, 2020. The Committee will review another update to the forecast with results through Period 5 at its January 2021 meeting. - Revenue increased YOY by 3.8%. Procedural volumes have returned, with the exception of Emergency Department cases. - Operating income was \$23.3 million, which was about \$7 million less than the prior year due to increased depreciation and interest on the large construction projects (Taube and Sobrato). - Other operating expenses were unfavorable to budget due to increased utilities for the additional square footage in the new buildings. - Net margin was \$42.6 million versus \$47.2 million last year. - EBIDA was 13.9% compared to 14.3% in the same period in FY20. <p>Mr. Bohorquez noted that, even with the conditions of the pandemic, the organization was performing well, but he anticipated a softening of revenue in November and December 2020. Additional testing and PPE may also impact supplies and other variable expenses.</p> <p>He also reviewed key utilization statistics; total discharges are lower YOY and Average Daily Census (ADC) was higher (242 in October and 238 year to date) than both last year and budget, primarily due to an increase in case mix index (CMI). The Emergency Department October volumes were 24% lighter than the prior fiscal year and outpatient surgical cases increased by 6% YOY.</p> <p>Staff are closely monitoring payor mix, especially given increased unemployment rates due to the pandemic.</p> <p>September's increase in net days in Accounts Receivable (AR) was due to challenges with a specific payor, which were identified and corrected in October 2020.</p> <p>Mr. Bohorquez reported that 1) staff executed the Board-authorized forward rate SWAP transaction on the Series 2015A bonds on October 14, 2020, resulting in expected net present value savings of \$11.5 million and 2) he and Dan Woods, CEO, provided updates to ECH's rating agencies and noted that the organization's performance rebound was well received.</p>	

	<p>In response to questions from the Board, the Board and staff further discussed:</p> <ul style="list-style-type: none"> - Changes in the payor mix and close monitoring of unemployment rates - The likelihood of restrictions on elective procedures due to increasing COVID-19 cases; Mr. Woods explained that ECH has weekly calls with hospital CEOs in the County and hospital COOs have daily calls. Other organization have suspended or severely reduced elective procedures. Mr. Woods and Mark Adams, MD commented that ECH staff are making best efforts not to eliminate all elective surgeries to be able to take care of patients with both COVID and non-COVID health issues. - How other institutions are performing and how volumes are rebounding or not (90% back, except for Emergency Department volumes), depending on services and geography <p>Motion: To approve the FY21 Period 4 Financials.</p> <p>Movant: Kalbach Second: Ting Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>6. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 5:55pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Hospital Board Meeting (11/11/2020); pursuant to <i>Health and Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: Quality Committee Report (Medical Staff Credentials and Privileges Report, Quality Council Minutes); pursuant to <i>Health and Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: Medical Staff Report; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: Strategic Planning Update; pursuant to <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation and <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: CEO Report on Legal Services and New Programs and Services; and pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: Executive Session.</p> <p>Movant: Miller Second: Kalbach Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Adjourned to closed session at 5:55pm</i></p>
<p>AGENDA ITEM 14: RECONVENE OPEN SESSION/</p>	<p>Open session was reconvened at 8:12pm by Chair Chen. Agenda Items 7-13 were addressed in closed session. Director Po was not present at the beginning of the second open session, but rejoined the meeting during the</p>	

<p>REPORT OUT</p>	<p>CEO Report.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the Hospital Board Meeting (11/11/2020), Quality Committee Report, including the Medical Staff Credentials and Privileges Report and the Quality Council Minutes, and the Medical Staff Report by a unanimous vote in favor of all members present and participating in the meeting (Directors Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Somersille, Ting, and Zoglin).</p>	
<p>8. AGENDA ITEM 15: CONSENT CALENDAR</p>	<p>Chair Chen asked if any member of the Board or the public wished to remove an item from the consent calendar. Director Miller requested that Item 15d: Medical Staff Report be removed.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (11/11/2020); FY20 CEO Incentive Compensation Payout; FY21 Period 3 Financials; and for information: Mountain View Site Plan Status.</p> <p>Movant: Miller Second: Kalbach Ayes: Chen, Fung, Kalbach, Kliger, Miller, Rebitzer, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Po Recused: None</p> <p>Director Miller expressed concerns about Code Silver and Code Active Shooter in the PBX Call Center Scope of Service, which require timely responses. She suggested sending the policy back to staff for revisions to direct staff to call 9-1-1.</p> <p>Dan Woods, CEO, described staff processes for identifying an active shooter or weapons threat, including the internal call to local operators, announcements on the ECH intercom system, and a simultaneous call to 9-1-1 emergency responders. He commented that the policy will be reviewed to ensure that it is contemporary and as safe and efficient as possible.</p> <p>Director Ting suggested that the volume of the PBX calls be reviewed as they are quite loud. Mr. Woods commented that the system is a combination of analog and digital components and noted that staff will review the decibel levels.</p> <p>Motion: To approve the consent calendar: Medical Staff Report with the exception of the PBX policy.</p> <p>Movant: Kalbach Second: Miller Ayes: Chen, Fung, Kalbach, Kliger, Miller, Rebitzer, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: Po Recused: None</p>	<p><i>Consent calendar approved</i></p>

9. AGENDA ITEM 16: RESOLUTION 2020-12: Establishing and Appointing Members of a Strategic Planning Ad Hoc Committee	<p>The Board took no action on this item.</p>	
10. AGENDA ITEM 17: CEO REPORT	<p>Dan Woods, CEO, described ECH's daily communication with the County and other local hospitals on COVID-19 patients and hospital resources. Mr. Woods highlighted ECH's structural heart program's accomplishments, including a 4-Star rating from the American College of Cardiology and recent feature in Cath Lab Digest.</p> <p>He explained that the triennial Community Health Needs Assessment (CHNA) is underway.</p> <p>Mr. Woods emphasized the importance of wearing a mask and described the marketing partnership with other healthcare organizations locally and nationally to encourage all to "Mask Up."</p> <p>He thanked the community and donors to the El Camino Health Foundation. He reported that Auxiliary services have been suspended due to the increasing COVID-19 numbers in the community.</p> <p>Mr. Woods commended Cheryl Reinking, RN for her work at ECH and for her upcoming graduation from USF's Doctor of Nursing Practice program. The Board congratulated Ms. Reinking.</p>	
11. AGENDA ITEM 18: BOARD COMMENTS	<p>None.</p>	
12. AGENDA ITEM 19: ADJOURNMENT	<p>Motion: To adjourn at 8:25pm.</p> <p>Movant: Miller</p> <p>Second: Kalbach</p> <p>Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Somersille, Ting, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p>	<p><i>Meeting adjourned at 8:25pm</i></p>

Attest as to the approval of the foregoing minutes by the Board of Directors of El Camino Hospital:

DocuSigned by:

Lanhee Chen

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Lanhee Chen
Chair, ECH Board of Directors

Julia E Miller

Julia E. Miller
Secretary, ECH Board of Directors

Prepared by: Cindy Murphy, Director of Governance Services
Sarah Rosenberg, Contracts Administrator/Governance Services EA