



**Minutes of the Open Session of the
El Camino Hospital Board of Directors
Wednesday, June 12, 2019
2500 Grant Road, Mountain View, CA 94040
Conference Rooms F&G (ground floor)**

Board Members Present

Lanhee Chen, Chair
Jeffrey Davis, MD
Peter C. Fung, MD
Gary Kalbach
Julie Kliger
Julia E. Miller, Secretary/Treasurer
Bob Rebitzer
George O. Ting, MD
John Zoglin, Vice Chair

Board Members Absent

Members Excused

None

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Board of Directors of El Camino Hospital (the "Board") was called to order at 5:30pm by Vice Chair Zoglin. A silent roll call was taken. Directors Rebitzer and Ting arrived 5:32pm during Agenda Item 3: Board Recognition. Director Chen arrived at 5:36pm during Agenda Item 4: Quality Committee Report. Director Kalbach arrived at 6:01pm during Agenda Item 7: Proposed FY20 Operating and Capital Budget. All other Board members were present at roll call.	
2. POTENTIAL CONFLICTS OF INTEREST DISCLOSURES	Chair Chen asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were reported.	
3. BOARD RECOGNITION	<p>Jim Griffith, COO, recognized the ECH Stroke Care team for receiving designation from The Joint Commission as a Thrombectomy-Capable Stroke Center and their continued efforts to build a comprehensive stroke program.</p> <p>Motion: To approve <i>Resolution 2019-07</i>.</p> <p>Movant: Miller Second: Watters Ayes: Davis, Fung, Miller, Kliger, Rebitzer, Watters, Zoglin Noes: None Abstentions: None Absent: Chen, Kalbach, Ting Recused: None</p> <p>Shyamali Singhal, MD and Shane Dormady, MD thanked the Board for the recognition.</p>	
4. QUALITY COMMITTEE REPORT	<p>Director Kliger, Quality Committee Chair, explained that the Committee is moving to exception reporting and has requested a refreshed dashboard to include the FY20 organizational goals and continued visibility on ED throughput and the NTSV C-section rate.</p> <p>She also described the recruitment efforts of the Ad Hoc Committee, which will be interviewing candidates later in June.</p> <p>Dr. Adams noted that the dashboard is used throughout the organization, including by the medical staff, and is continually reviewed and updated.</p> <p>Director Fung expressed concerns with the term "mortality from</p>	

	<p>preventable surgical complications.” Dr. Adams explained that the term is established by the Agency for Healthcare Research and Quality and the Quality Committee will be doing a deeper dive in this area at its August meeting.</p> <p>Director Rebitzer requested that upper and lower control limits be included on the ED Throughput goal on the dashboard.</p>	
<p>5. FY19 PERIOD 10 FINANCIALS</p>	<p>Iftikhar Hussain, CFO, provided an overview of the April financials:</p> <ul style="list-style-type: none"> - Volume year-to-date is below target, but picked up in April due to 1) a late influx of flu/respiratory emergency room cases, 2) a new medical oncologist and GI physicians, 3) the purchase of a Mako robot for joint replacement (orthopedic cases), 4) growth in the lung nodule program, and 4) increased capacity in outpatient rehabilitation services. - Payor Mix: commercial business has not changed, but there has been an increase in Medicare patients - Days in AR and cash position remain strong <p>In response to Director Fung’s question, Mr. Hussain explained that SVMD is approximately \$1.5 million ahead of budget; he also noted that management did not anticipate SVMD’s acquisition of the Verity Clinics or entering into a PSA with the San Jose Medical Group in the development of the FY19 budget.</p> <p>In response to Director Kliger’s question, Mr. Hussain described the clinical documentation improvement efforts and ECH’s average length of stay (ALOS) performance versus the Milliman well-managed benchmark.</p> <p>Motion: To approve the FY19 Period 10 Financials</p> <p>Movant: Zoglin Second: Fung Ayes: Chen, Davis, Fung, Miller, Kliger, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Kalbach Recused: None</p>	<p><i>FY19 Period 10 Financials approved</i></p>
<p>6. PROPOSED FY20 ORGANIZATIONAL GOALS</p>	<p>Dan Woods, CEO, reviewed the proposed organizational goals regarding Quality & Safety, Service, People, and Growth, with a Finance threshold goal.</p> <p>Director Rebitzer commented that the employee engagement goal did not seem particularly meaningful and suggested that there may be better measures to use next year.</p> <p>Director Zoglin described the Finance Committee’s reservations about the threshold finance goal of 95% of budget, due to the organization consistently outperforming budget for the last several years.</p> <p>Mr. Woods further described the people goal, noting that a higher level of employee engagement correlates with a better patient experience.</p> <p>Motion: To approve the Proposed FY20 Organizational Goals.</p> <p>Movant: Miller Second: Kliger Ayes: Chen, Davis, Fung, Miller, Kliger, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Kalbach</p>	<p><i>FY20 Organizational Goals approved</i></p>

	Recused: None	
7. FY20 OPERATING AND CAPITAL BUDGET	<p>Mr. Hussain explained that the materials are almost the same as what the Board reviewed at the Joint Meeting with the Finance Committee.</p> <p>In response to Director Miller's questions, Mr. Hussain described FY20 investments with significant financial impacts, including \$5 million in program changes, net benefit of \$10 million in growth, and \$7.7 million in strategic and innovative initiatives. Director Miller requested a different display of this information next year for better readability.</p> <p>Director Zoglin commented that the Finance Committee was not comfortable with the capital budget when only two-thirds of the budget has been spent for the last seven years. Mr. Hussain noted that variance arises when there are preliminary numbers or items to be considered for the next year and that if large, complex projects (like the Sobrato Pavilion) are finished later than expected, that will affect cash flow and projections. Mr. Woods noted that staff can provide clearer reports on capital project budgeting and cash management for the Finance Committee.</p> <p>Director Kliger suggested that any of the large quality-related financial investments should come to the Quality Committee for review.</p> <p>The Board and Mr. Hussain discussed workforce productivity, including the use of Action OI data and ECH's performance compared to other subscribers. The Board requested additional context about what better productivity means and what the Board should know and do from an oversight and policymaking perspective.</p> <p>In response to Director Miller's question, Mr. Hussain explained that despite a trend of declining deliveries, management projects growth in FY20 through OB/GYN physician recruitments.</p> <p>Motion: To approve the Proposed FY20 Operating and Capital Budget</p> <p>Movant: Fung</p> <p>Second: Kalbach</p> <p>Ayes: Chen, Davis, Fung, Miller, Kalbach, Kliger, Rebitzer, Ting, Watters, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p>	<i>FY20 Operating and Capital Budget approved</i>
8. PROPOSED FY20 COMMUNITY BENEFIT PLAN	<p>Barbara Avery, Director, Community Benefit, provided an overview of the Community Health Needs Assessment (CHNA) and the FY20 Community Benefit Plan. She highlighted the timeline and process of the grant cycle, including the application and review by the Community Benefit Advisory Council (CBAC). She explained that there were 61 total proposals and 44 that were recommended by the CBAC for a total of \$3.4 million in recommended funding.</p> <p>Ms. Avery reviewed the grants requests of \$100,000 or more.</p> <p>She also described and the Board discussed the organization's Community Benefit (as defined by the IRS) in FY18 of \$63.5 million, including government sponsored health care (unreimbursed Medi-Cal), subsidized health services (departments like Mental Health & Addiction services), financial assistance, grants and sponsorships, health professions education, clinical research, community benefit operations, and community health improvement services.</p>	<i>FY20 Community Benefit Plan approved</i>

	<p>In response to Director Watters' question, Ms. Avery described efforts to connect Hospital departments (care coordination/discharge planning) with appropriate grantees.</p> <p>Director Zoglin commented that the types of grant funding may be too broad and that the community benefit grant program should have a more narrow focus on providing healthcare services. Ms. Avery reported that 4% of grant funding (\$141,000 out of \$3.6 million) is for programs addressing housing instability and food insecurity. She suggested that the Board discuss this topic further and provide direction to staff ahead of the next funding cycle.</p> <p>Motion: To approve the Proposed FY20 Community Benefit Plan.</p> <p>Movant: Ting Second: Miller Ayes: Chen, Davis, Fung, Miller, Kalbach, Kliger, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
9. PUBLIC COMMUNICATION	<p>Catherine Walke, RN, President of PRN, spoke regarding the negotiations between PRN and ECH and expressed concerns about compensation and benefits for nurses.</p> <p>Members of the public expressed concerns regarding management culture, the Hospital Convenience policy and canceled shifts, cost of living increases, executive compensation, per diem and benefits policies, patient safety, reduction of administrative staff, differentials, appropriate staffing, time management with increased responsibilities, and encouraged the Board to support the nursing staff and consider a fair and equitable contract with PRN.</p>	
10. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 7:08pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Hospital Board Meeting (5/8/2019) and Minutes of the Closed Session of the Joint Meeting of the Finance Committee and the Hospital Board (5/28/2019); pursuant to <i>Health & Safety Code Section 32106(b)</i> and <i>Gov't Code Section 54857.6</i> for a conference with labor negotiator Dan Woods: FY20 Individual Executive Incentive Goals; 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; <i>Gov't Code Section 54857.6</i> for a conference with labor negotiator Bob Miller: FY20 CEO Salary Range; <i>Gov't Code Section 54857.6</i> for a conference with labor negotiator Kathryn Fisk: SEIU Update; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: Proposed FY20 Strategic Plan Metrics; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: SVMD Plan and Culture; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets and <i>Gov't Code Section 54957.6</i> for conference with labor negotiator Dan Woods; <i>Gov't Code Section 54956.9(d)(2)</i> for conference with legal counsel – pending or threatened litigation: CEO Report on New Services and Programs, Labor Negotiations, and Legal Update; and pursuant to <i>Gov't Code Section 54957</i> for discussion and report on</p>	<p><i>Adjourned to closed session at 7:08pm</i></p>

	<p>personnel performance matters – Senior Management: Executive Session.</p> <p>Movant: Kalbach Second: Miller Ayes: Chen, Davis, Fung, Miller, Kalbach, Kliger, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>11. AGENDA ITEM 21: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 9:35pm by Chair Chen. Agenda items 11-20 were addressed in closed session.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the Hospital Board Meeting (May 8, 2019) and the Minutes of the Closed Session of the Joint Meeting of the Finance Committee and the Hospital Board (May 28, 2019), Minutes of the Closed Session of the Executive Compensation Committee Meeting (April 2, 2019), and the Medical Staff Report, including the credentials and privileges report, by a unanimous vote in favor of all members present (Directors Chen, Davis, Fung, Kalbach, Kliger, Miller, Rebitzer, Ting, Watters, and Zoglin).</p>	
<p>12. AGENDA ITEM 22: 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. No items were removed.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (5/8/2019); Minutes of the Open Session of the Joint Meeting of the Finance Committee and the Hospital Board (5/28/2019); FY20 Auxiliary Slate of Officers; <i>Resolution 2019-08:</i> Approving Dissolution of the Independent Physicians of El Camino Hospital (IPECH); 2019 El Camino Hospital Community Health Needs Assessment; <i>Resolution 2019-09:</i> Delegating Authority to the CEO and the CFO to Enter into, Amend, Extend the Term of or Replace the Letter of Credit provided, now or in the future, in connection with the Series 2009A Bonds (\$50,000,000); Minutes of the Open Session of the Executive Compensation Committee Meeting (4/2/2019); Medical Director, Infection Control (renewal); FY19 Period 9 Financials; FY20 Master Calendar; FY20 Committee Goals; FY20 Committee and Liaison Appointments; Infection Prevention Plan; Medical Staff Report; and for information: Finance Committee Approvals; Executive Compensation Committee Approvals, including FY20 Individual Executive Base Salaries and FY20 Executive Salary Ranges; Major Projects Update; Investment Committee Report.</p> <p>Movant: Miller Second: Kliger Ayes: Chen, Davis, Fung, Kalbach, Kliger, Miller, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Consent calendar approved</i></p>
<p>13. AGENDA ITEM 23: FY20 CEO SALARY RANGE APPROVAL</p>	<p>Chair Chen noted that copies of the proposal were available for the public.</p> <p>Motion: To approve the FY20 CEO salary range, with a minimum, midpoint, and max of \$919,000, \$1,149,000, and \$1,379,000 respectively.</p> <p>Movant: Rebitzer Second: Kliger</p>	<p><i>FY20 CEO Salary Range approved</i></p>

	<p>Ayes: Chen, Davis, Fung, Kalbach, Kliger, Miller, Rebitzer, Ting, Watters, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p>	
14. AGENDA ITEM 17: CEO REPORT	<p>Dan Woods, CEO, described the use of voice-to-text throughout the organization, text updates integrated with the medical record for emergency room visits, ECH's 4th submission for Magnet program designation, the recent Leadership Mountain View seminar on cannabis and its negative effects on the adolescent brain, the Chinese Health Initiative's Diabetes Prevention Learning Series.</p> <p>He also described a new autonomous robot at the Los Gatos campus, text updates for families in the surgical waiting room. He thanked all of the nurses for their service and reported that this week (May 6-12th) is Nurses Week. He also described health career event for local high school students and the South Asian Heart Center's Scarlett Express Gala.</p> <p>Mr. Woods acknowledged the El Camino Hospital Foundation for its highest yielding year. He thanked Carol Carey, outgoing President of the ECH Axuiliary, for her service and welcomed incoming President Judy Van Dyck.</p>	
15. AGENDA ITEM 22: BOARD COMMENTS	<p>Director Davis thanked the Board for their work during his tenure as a Board member. He encouraged the Board to garner expertise to oversee the organization's development of an integrated delivery system and to acknowledge the Committee members and their work. He commended the Board for its support of behavioral health services and its pursuit of a competency-based board.</p> <p>The Board thanked Director Davis for his service.</p>	
16. AGENDA ITEM 23: ADJOURNMENT	<p>Motion: To adjourn at 9:46pm</p> <p>Movant: Fung</p> <p>Second: Kalbach</p> <p>Ayes: Chen, Davis, Fung, Kalbach, Kliger, Miller, Rebitzer, Ting, Watters, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p>	Meeting adjourned at 9:46pm

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



Lanhee Chen
Chair, ECH Board of Directors



Julia E. Miller
Secretary, ECH Board of Directors

Prepared by: Cindy Murphy, Director of Governance Services
Sarah Rosenberg, Contracts & Board Services Coordinator