

**Minutes of the Open Session of the
El Camino Hospital Board of Directors
Wednesday, August 10, 2016
2500 Grant Road, Mountain View, CA 94040
Conference Rooms E, F & G**

Board Members Present

Lanhee Chen
Dennis Chiu
Neal Cohen, MD
Jeffrey Davis, MD
Peter C. Fung, MD
Julia Miller
David Reeder
Tomi Ryba
John Zoglin

Board Members Absent

None

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 5:02pm by Chair Cohen. A silent roll call was taken. All Board members were present.	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Director Cohen asked if any Board members may have a conflict of interest on any of the items on the agenda. No conflicts were noted.	
3. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 5:03pm pursuant to <i>Health and Safety Code 32106(b)</i> for a discussion and report involving health care facility trade secrets: Strategic Development Discussion.</p> <p>Movant: Fung Second: Zoglin Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
4. AGENDA ITEM 7: RECONVENE OPEN SESSION/ REPORT OUT	<p>Open session was reconvened at 5:34 pm.</p> <p>There were no actions taken during closed session.</p>	
5. AGENDA ITEM 8: BOARD RECOGNITION	Director Ryba provided an overview of some of the significant achievements in FY16, highlighting several metrics above market average and improved services to multiple previously under-served populations. Director Reeder commended Director Ryba and the leadership team on the implementation of iCare, their focus on targeting quality, and staying on budget. Director Miller congratulated the leadership team on their accomplishments and thanked them for their hard work.	

<p>6. AGENDA ITEM 9: FY16 PERIOD 12 FINANCIALS</p>	<p>Iftikhar Hussain, CFO, explained the new dashboard in the materials, highlighting volume and cost, the two areas where ECH is behind target for FY16. Productivity for FY16 is behind budget, but has improved after EPIC Go-Live, and exceeded targets in June.</p> <p>Operating margin for June was \$2.6M -- favorable compared to budget -- due to better charge capture with Epic, high collection rate and \$1.2M PRIME IGT accrual.</p> <p>In response to Director Fung's question, Mr. Hussain clarified non-operating income including: (1) investments, (2) community benefit, and (3) SWAP adjustments; he explained that long-term rate of investment is good and far exceeds cost of capital. He explained what a SWAP adjustment is. For a \$15 million variable rate bond, ECH purchased a SWAP to fix the rate on the bond. When interest rates go down, ECH incurs a loss.</p> <p>Motion: To approve the FY16 Period 12 Financials.</p> <p>Movant: Chiu Second: Fung Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>FY16 Period 12 Financials approved</i></p>
<p>7. AGENDA ITEM 10: CAPITAL FUNDING REQUESTS</p>	<p>Ken King, CASO, outlined the final funding requests for Behavioral Health Services Building, the Integrated Medical Office Building, and the Central Plant Upgrades. He provided a status update for the phases of work and approvals for each project.</p> <p>Mr. King noted that the price increases are largely due to escalation in construction costs (material, environmental mitigation measures and labor), highlighting a 29% increase in Bay Area costs since 2013; there are also additional healthcare-related construction costs (OSHDP, etc.).</p> <p>Motion: To approve the Capital Funding Requests, with the recommended budget as provided in the Board's materials.</p> <p>Movant: Davis Second: Reeder Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Capital Funding Requests approved</i></p>
<p>8. AGENDA ITEM 11: QUALITY COMMITTEE REPORT</p>	<p>Dave Reeder, Chair of the Quality Committee, welcomed Will Faber, MD, CMO, to the Committee and complimented him for his attendance at the meeting on his first day at ECH.</p> <p>Director Reeder reported that each Quality Committee meeting will feature a presentation from physicians and/or service line leaders. He described Dr. Chad Rammohan's presentation on the STEMI program and other innovative programs, and suggested bringing Dr.</p>	

	<p>Rammohan to the full Board.</p> <p>He explained that the Committee added pain assessment and pain satisfaction to its exception report dashboard for monitoring to match the organizational goals in those areas; the Committee continues to work on counter-measures for pain to assure narcotic safety.</p> <p>Director Reeder described improvements in nurse communication, difficulties with responsiveness due to iCare, and positive metrics for length of stay and readmission.</p> <p>Discussion topics for the next Quality Committee meeting include consideration of additional metrics to add to the scorecard for monitoring (e.g., delays in discharge, documentation issues and sepsis).</p> <p>The Board discussed the difficulty of measuring pain experience and pain management, CMS quality metrics, and the continuum of care beyond hospitalization.</p>	
<p>9. AGENDA ITEM 12: GOVERNANCE COMMITTEE REPORT</p>	<p>Peter Fung, MD, Chair of the Governance Committee, outlined the five priority areas of competencies for El Camino Hospital Board members for FY17 as determined by the Committee:</p> <ol style="list-style-type: none"> 1. Understanding of complex market partnerships 2. Long-range strategic planning 3. Healthcare insurance industry experience 4. Finance experience/entrepreneurship 5. Experience in clinical integration/continuum of care <p>Motion: To recommend that the District Board adopt the proposed priorities in the ECH Board Competency Matrix.</p> <p>Movant: Reeder Second: Miller Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Director Fung described the Committee's recommendation for the following clinical programs for the semi-annual Board and Committee educational gatherings this year, pending physician availability: Behavioral Health Program, Lung Program, Cath Lab/HVI Service Line, and Minimally Invasive Program.</p> <p>He also explained that the iCare Ad Hoc Committee has achieved the Committee's scope, purpose, and role. The iCare Ad Hoc Committee and the Governance Committee recommend the annual provision to the Board of an Information Technology Plan, which enables and supports organizational strategy. The review of the Technology Plan would be included as part of the Budget planning process followed by ongoing status updates at intervals of 1-2 times per year. This approach is in alignment with the precedent set by the annual review of the Marketing Plan.</p> <p>Motion: To discontinue the iCare Ad Hoc Committee and use a</p>	

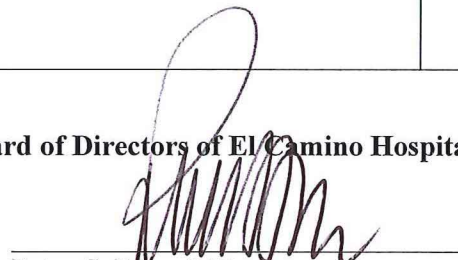
	<p>semi-annual Technology Plan review to provide Board oversight of Information Technology.</p> <p>Movant: Fung Second: Reeder Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>10. AGENDA ITEM 13: FINANCE COMMITTEE REPORT</p>	<p>Dennis Chiu, Finance Committee Chair, reported that the Finance Committee had a major conversation regarding bond financing for revenue bonds (\$270 million). The Committee received a presentation on the Integrated Performance Improvement (IPI) process, illustrating continuing efforts to contain costs and improve quality.</p> <p>Director Chiu described the interviews with two candidates for the Committee. He noted they both have interesting backgrounds, one with a direct hospital finance background and one in healthcare consulting. The Committee recommended appointing both candidates and therefore requested to amend its charter accordingly to allow for 2-4 community members to serve on the Committee.</p> <p>Motion: To approve the revisions to the Finance Committee Charter and the appointment of Mr. Joseph Chow and Mr. Boyd Faust to the Finance Committee for a term expiring June 30, 2017, renewable annually.</p> <p>Movant: Chiu Second: Miller Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>11. AGENDA ITEM 14: PUBLIC COMMUNICATION</p>	<p>Mr. Geoffrey Mangers spoke regarding his concerns as mentioned in his prior written communication with Board.</p>	
<p>12. AGENDA ITEM 15: TEMPORARY ADJOURNMENT</p>	<p>Motion: To temporarily adjourn the meeting until the conclusion of the Healthcare District Board meeting.</p> <p>Movant: Davis Second: Fung Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting temporarily adjourned until the conclusion of the District Board meeting</i></p>
<p>13. AGENDA ITEM 16: RECONVENE MEETING/ CALL TO ORDER</p>	<p>The meeting was reconvened and called to order at 6:20pm by Chair Cohen. All Board members were present.</p>	

<p>14. AGENDA ITEM 17: ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 6:20pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Closed Session Minutes of the Joint Hospital Board and Finance Committee Meeting of May 31, 2016 and the Hospital Board Meeting of June 8, 2016; pursuant to <i>Health and Safety Code 32155</i> for deliberations concerning reports on Medical Staff quality assurance matters: Medical Staff Report; pursuant to <i>Health and Safety Code 32155</i> for deliberations concerning reports on Medical Staff quality assurance matters: Organizational Clinical Risks; pursuant to <i>Gov't Code Section 54957.6</i> for a conference with labor negotiator Kathryn Fisk: Labor Relations Update; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Service Line Review; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Strategic Priorities – Market Partner Evaluation; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: El Camino Ambulatory Surgery Center Transaction; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Medicare Actuarial Study; pursuant to <i>Gov't Code Sections 54957</i> and <i>54957.6</i> for report and discussion on personnel matters and <i>Health and Safety Code 32106(b)</i> for report involving health care facility trade secrets: Informational Items; pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters: Executive Session.</p> <p>Movant: Miller Second: Fung Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None</p>	<p><i>Adjourned to closed session at 6:20 pm.</i></p>
<p>15. AGENDA ITEM 29: RECONVENE OPEN SESSION/REPORT OUT</p>	<p>Open session was reconvened at 10:52pm.</p> <p>Director Chen left the meeting.</p> <p>During the Closed Session, the Board approved the Closed Session Minutes of the Joint Hospital Board and Finance Committee Meeting of May 31, 2016, the Closed Session Minutes of the Hospital Board Meeting of June 8, 2016, and the Medical Staff Report by a vote of all members present (Directors Chen, Chiu, Cohen, Davis, Fung, Miller, Ryba, Reeder, and Zoglin).</p>	
<p>16. AGENDA ITEM 30: CONSENT CALENDAR</p>	<p>Director Cohen asked if any member of the Board or the public wished to remove an item from the consent calendar. No items were pulled.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Joint Finance Committee and Hospital Board Meeting of May 31, 2016; Minutes of the Open Session of the Hospital Board Meetings of June 8, 2016 and June 14, 2016; FY16 Period 11 Financials; Physician Contracts – Pulmonary and Sleep Medicine Recruitment Agreement; and the Medical Staff Report.</p> <p>Movant: Reeder Second: Davis</p>	<p><i>Consent calendar approved</i></p>

	Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None	
17. AGENDA ITEM 31: APPROVAL OF PRN CONTRACT	Approval of the PRN Contract was deferred.	<i>PRN contract approval deferred</i>
18. AGENDA ITEM 32: INFORMATIONAL ITEMS	There were no comments on the informational items.	
19. AGENDA ITEM 33: BOARD COMMENTS	There were no additional comments from the Board.	
20. AGENDA ITEM 34: ADJOURNMENT	Motion: To adjourn at 10:53pm. Movant: Miller Second: Chiu Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Ryba, Zoglin Noes: None Abstentions: None Absent: None Recused: None	<i>Meeting adjourned at 10:53 pm.</i>

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


 Neal Cohen, MD
 Chair, ECH Board


 Peter C. Fung, MD
 ECH Board Secretary

Prepared by: Cindy Murphy, Board Liaison
 Sarah Rosenberg, Board Services Coordinator