



**Minutes of the Open Session of the  
El Camino Hospital Board of Directors  
Wednesday, February 8, 2017  
2500 Grant Road, Mountain View, CA 94040  
Conference Rooms E, F & G (ground floor)**

**Board Members Present**

Lanhee Chen  
Dennis Chiu, Vice Chair  
Neal Cohen, MD, Chair  
Jeffrey Davis, MD (via teleconference)  
Peter Fung, MD  
Julia Miller  
David Reeder  
John Zoglin

**Board Members Absent**

None

**Members Excused**

None

Agenda Item	Comments/Discussion	Approvals/ Action
<b>1. CALL TO ORDER/ ROLL CALL</b>	The open session meeting of the Board of Directors of El Camino Hospital (the "Board") was called to order at 5:30 pm by Chair Cohen. A verbal roll call was taken. All Directors were present except Directors Davis and Chen. Director Davis joined the meeting at 5:31pm and participated via teleconference. Director Chen arrived at 5:32pm during Agenda Item 3: Quality Committee Report.	
<b>2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Director Cohen asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
<b>3. QUALITY COMMITTEE REPORT</b>	<p>Dave Reeder, Chair of the Quality Committee, shared a patient story from the Committee's materials. He reported that the Committee received a presentation of the clinical and quality programs of Behavioral Health Services.</p> <p>Director Reeder provided an overview of the metrics on the Quality dashboard, newly annotated by Catherine Carson, Senior Director of Patient Safety and Quality Assurance. He also commended Cheryl Reinking, CNO and the nursing and other staff for their hard work during the delayed flu season.</p> <p>In response to Director Miller's question, Ms. Reinking described the peak census plan, which has been in place but recently had to be implemented to address the influx of patients in the Emergency Department during the worst flu season in 10 years. She explained that staff activated what is in essence an internal disaster plan: setting up a command center, bringing in additional staff, maximizing space use, and implementing creative solutions in a short period of time. She noted that the plan and ECH's implementation was complimented by the state and county for its effectiveness.</p>	
<b>4. FINANCE REPORT</b>	<p>a. <b><u>FY17 Period 6 Financials</u></b></p> <p>Iftikhar Hussain, CFO, outlined the highlights of the FY17 Period 6 Financials, including:</p> <ul style="list-style-type: none"> <li>- Operating margin is higher than it has been in the last three years. In revenue, ECH is \$17 million ahead of plan due to \$10 million in governmental payments received off schedule and improved revenue cycle operations, due to successful Epic implementation.</li> <li>- Expenses are favorable; productivity is good.</li> </ul>	<b><i>FY17 Period 6 Financials approved</i></b>

- Current volume is below budgeted growth, but favorable compared to last year.

He also provided an overview of monthly financial trends, noting that December volume is strong due to flu season, AR days is ahead of target, and commercial payor mix improved in December.

In response to Director Reeder's question, Mr. Hussain explained payor mix improvement is due to the increase in the commercial share of the payor mix.

**Motion:** To approve the FY17 Period 6 Financials.

**Movant:** Chiu

**Second:** Zoglin

**Ayes:** Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin

**Noes:** None

**Abstentions:** None

**Absent:** None

**Recused:** None

**b. Finance Committee Report**

Dennis Chiu, Finance Committee Chair, noted that the meeting frequency was corrected in the materials.

He reported that the Committee has received the service line updates, including, most recently, the Men's Health and Urology service line; the Committee has also been discussing the best format and content of the reviews.

He noted that the Committee will review the long-term financial forecast at its March 27, 2017 meeting.

In response to Director Fung's question, Mick Zdeblick, COO, explained that the contract amendment reviewed and recommended for approval by the Finance Committee on the Board's consent calendar is listed under physician contracts because it is an extension of an agreement with Stanford even though it is for Physical and Occupational Therapy services.

In response to Director Reeder's question, Director Chiu reported that the Committee received a review of capital projects from Ken King, CASO. He reported that construction costs (supplies and labor) continue to increase due to the competitive construction market in the Bay Area. He also noted that the Committee reviewed the capital projects in light of going to the bond market for a second time. Director Zoglin requested that updates in more detail on very high cost projects be brought to the full Board.

Director Zoglin described the efforts to develop the service line reviews with staff, noting that there is improvement in content and format, but still work to be done.

**c. Community Benefit Funding – Board-Designated Fund**

Mr. Hussain explained that Board established a \$10 million Board Designated Fund for Community Benefit in September 2015. He noted that the Finance Committee reviewed the proposal and recommended that for FY18 \$400,000 be allocated from this fund to maintain total community benefit funding of approximately \$3.4 million.

In response to Director Fung's questions, Mr. Hussain explained that the total funding for community benefit will be maintained and not decrease. He

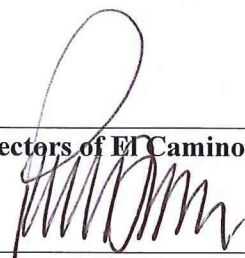


	<p>also explained that the amount of funding can be re-evaluated as investment income changes over time.</p> <p><b>Motion:</b> To approve funding \$400,000 from the Board-Designated Community Benefit Fund in FY18 and no changes to the endowment principal.</p> <p><b>Movant:</b> Fung  <b>Second:</b> Chiu  <b>Ayes:</b> Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<p><i>Board-designated CB Funding for FY18 approved</i></p>
<b>5. PUBLIC COMMUNICATION</b>	None.	
<b>6. ADJOURN TO CLOSED SESSION</b>	<p><b>Motion:</b> To adjourn to closed session at 5:59pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Special Meeting to Conduct a Study Session of the Hospital Board (January 4, 2017); Minutes of the Closed Session of the Hospital Board Meeting (January 11, 2017); Minutes of the Closed Session of the Special Meeting to Conduct a Study Session of the Hospital Board (January 25, 2017); Minutes of the Closed Session of the Joint Meeting of the Hospital Board and the Corporate Compliance/Privacy and Internal Audit Committee (November 9, 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 Negotiations Update; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Bundled Payments for Care Improvement (BPCI); pursuant to <i>Gov't Code Section 54957</i> and <i>54957.6</i> for report and discussion on personnel matters and <i>Health and Safety Code 32106(b)</i> for a 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 and <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: CEO Search Committee Report; pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters: Executive Session.</p> <p><b>Movant:</b> Chen  <b>Second:</b> Fung  <b>Ayes:</b> Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<p><i>Adjourned to closed session at 5:59 pm.</i></p>
<b>7. AGENDA ITEM 17: RECONVENE OPEN SESSION/ REPORT OUT</b>	<p>Agenda items 7-16 were addressed in closed session.</p> <p>Open session was reconvened at 7:41pm. During the closed session, the Board approved the ratified SEIU-UHW Memorandum of Understanding two-year extension to the current Memorandum of Understanding by a vote of seven in favor (Directors Chen, Cohen, Chiu, Davis, Fung, Miller, Reeder) and one abstention (Zoglin) and the Minutes of the Closed Session</p>	

	of the Special Meeting to Conduct a Study Session of the Hospital Board (January 4, 2017), Minutes of the Closed Session of the Hospital Board Meeting (January 11, 2017), Minutes of the Closed Session of the Special Meeting to Conduct a Study Session of the Hospital Board (January 25, 2017), Minutes of the Closed Session of the Joint Meeting of the Corporate Compliance/Privacy and Internal Audit Committee and Hospital Board (November 9, 2016) and the Medical Staff Report by a unanimous vote in favor of all members present (Directors Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, and Zoglin).	
<b>8. AGENDA ITEM 18: CONSENT CALENDAR</b>	<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 removed.</p> <p><b>Motion:</b> To approve the consent calendar: Minutes of the Open Session of the Special Meeting to Conduct a Study Session of the Hospital Board (January 4, 2017); Minutes of the Open Session of the Hospital Board Meeting (January 11, 2017); Minutes of the Open Session of the Special Meeting to Conduct a Study Session of the Hospital Board (January 25, 2017); Minutes of the Open Session of the Joint Meeting of the Hospital Board and the Corporate Compliance/Privacy and Internal Audit Committee (November 9, 2016); the Board of Director Approval of Policies; Policy and Procedure Formulation, Approval, and Distribution (Policy on Policies); Orthopedic Co-Management Agreement; Ventilator Replacement Funding; PT-OT Services Amendment; FY17 Period 5 Financials; Summary List of Sterile Processing Policies Reviewed with No Changes; and the Medical Staff Report.</p> <p><b>Movant:</b> Chiu  <b>Second:</b> Chen  <b>Ayes:</b> Chen, Chiu, Cohen, Fung, Davis, Miller, Reeder, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<b>Consent calendar approved</b>
<b>9. AGENDA ITEM 19: INFO ITEMS</b>	There were no questions or additional comments on the CEO Report.	
<b>10. AGENDA ITEM 20: BOARD COMMENTS</b>	Director Miller complimented staff on the Annual Service Awards Banquet.	
<b>11. AGENDA ITEM 21: ADJOURNMENT</b>	<p><b>Motion:</b> To adjourn at 7:43 pm.</p> <p><b>Movant:</b> Chiu  <b>Second:</b> Miller  <b>Ayes:</b> Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<b>Meeting adjourned at 7:43 pm.</b>

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