



Minutes of the Open Session of the
El Camino Hospital Board of Directors
Wednesday, March 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
 Peter Fung, MD
 Julia Miller
 David Reeder
 John Zoglin

Board Members Absent

Jeffrey Davis, MD

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 5:45 pm by Chair Cohen. A silent roll call was taken. Director Davis was absent. Director Chen arrived at 6:10pm during Agenda Item 6: Resolution 2017-03. All other Board members were present.	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	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.	
3. BOARD RECOGNITION	<p>Motion: To approve <i>Resolution 2017-02</i>.</p> <p>Movant: Fung Second: Chiu Ayes: Chiu, Cohen, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen, Davis Recused: None</p> <p>Donald Sibery, Interim CEO, acknowledged the 50th Anniversary Service Awards Recognition Celebration Committee for their skill, expertise, and talent to create the 2017 Service Awards. He noted that this was the best employee service awards ceremony that he has ever seen in his 45 years of experience.</p>	Resolution 2017-02 approved
4. QUALITY COMMITTEE REPORT	<p>Director Reeder, Chair of the Quality Committee, reported that the Committee received a presentation on the Interventional Pulmonology program from Ganesh Krishna, MD.</p> <p>Director Reeder provided an overview of the metrics on the quality dashboard, noting a slight uptick in patient falls, which includes assisted falls. He explained that ECH is on track for its organizational goals, including length of stay, readmission rates, and pain reassessment.</p> <p>The Committee is considering its goals for FY18, including goals related to culture of safety and Quality Review Reports (QRRs). Director Reeder noted that the Committee and Catherine Carson, Sr. Director, Quality Improvement & Patient Safety, are also considering adding a sepsis metric to the dashboard for next year.</p> <p>Director Reeder reported that the Committee requested the Board's input and</p>	

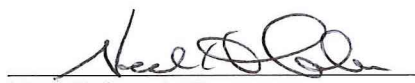
	<p>direction as to whether or not Patient and Family-Centered Care should be the Committee's "big dot" goal. The Board discussed how this request should be reviewed in conjunction with the Hospital's strategic planning process.</p> <p>In response to Director Zoglin's question, the Board discussed ECH's 4-star CMS rating, the challenges of CMS ratings, and the importance of choosing metrics that align with patient needs.</p> <p>In response to Director Miller's question, Cheryl Reinking, CNO, explained that readmission rates for Medicare patients are captured in iCare reports and reviewed in daily huddles and staff meetings (if a patient is discharged and returns within 30 days, staff validate if the return is planned or unplanned). She explained the readmission group is discussing expanding the scope and tracking readmission data for non-Medicare patients as well.</p>	
<p>5. FY17 PERIOD 7 FINANCIALS</p>	<p>Iftikhar Hussain, CFO, outlined the highlights of the FY17 Period 7 Financials, which have not been reviewed by the Finance Committee yet, including:</p> <ul style="list-style-type: none"> - Inpatient volume has increased, largely due to the late flu season; overall outpatient volume YTD is below budget, but higher than the prior year. - For payor mix, there is a large variance between budget and actual due to the drop in commercial business in the mix and large share of Medicare business. - Total cash on hand in January was at an all-time high of 408 days, which is good position as the large construction projects progress. <p>He explained that these financials include a \$3 million understatement in net revenues for Los Gatos and will be corrected in the February financials.</p> <p>Mr. Hussain also provided an overview of some monthly trends: adjusted discharges, operating incoming (ahead of plan all year), days in AR (slight increase in January because of processing slowdowns during holidays at insurance companies), net revenues (consistently ahead of budget) and expenses (consistently below budget).</p>	
<p>6. RESOLUTION 2017-03</p>	<p>Mr. Hussain introduced Chad Kenan from Citigroup who provided an overview of the 2017 Plan of Finance.</p> <p>Mr. Kenan reported that the goal of the transaction is to raise funds to support \$290 million of tax-exempt projects. He explained that the interest rate environment is still favorable, but volatile. He reported that the Finance and Investment Committees at their Joint Meeting in January encouraged staff to move as quickly as possible with the transaction to avoid the impact of further volatility in the market.</p> <p>He noted that next steps include mailing a preliminary official statement on March 8, 2017, pending Board approval, and going to market the following week. He outlined the history of El Camino Hospital financing in the past decade and the projects to be financed in the upcoming series of Revenue Bonds, including: Behavioral Health Building, North Parking Garage Expansion, Integrated Medical Office Building, and Women's Hospital updates (the last project remains flexible and can be deferred until a later date).</p> <p>Mr. Kenan reported that both rating agencies have confirmed ECH's ratings, support the strategy and projects to be funded, reaffirmed A+ rating from</p>	

	<p>Standard & Poor's, A1 rating from Moody's, both with stable outlooks.</p> <p>The Revenue Bonds will be priced on March 14th and the transactions for both the Revenue Bonds for the Hospital and General Obligation Bonds for the District are scheduled to close on March 22nd.</p> <p>Motion: To approve Resolution 2017-03 approving transactions for the funding of new projects at the Mountain View campus and paying costs of issuance plus a capitalized interest amount not to exceed \$325,000,000.</p> <p>Movant: Chiu Second: Fung Ayes: Chen, Chiu, Cohen, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Davis Recused: None</p>	
<p>7. COMMUNITY BENEFIT MID-YEAR REPORT (METRICS, GOALS, AUDIT)</p>	<p>Barbara Avery, Director of Community Benefit, introduced Melanie Espino from Actionable Insights. Ms. Espino provided an overview of the audit performed for the three largest grantees receiving Hospital funding: a school nurse program, preventive health screening & education program, and school-based counseling program.</p> <p>In response to Director Zoglin's question, Ms. Espino explained that the audit cost approximately \$10,000.</p> <p>In response to Director Miller's question, Ms. Espino outlined the metrics reported by the school nurse program, including: number of children who fail hearing, vision, or dental screenings, corresponding nurse follow up, and scheduled appointments; applications for and enrollment in Medi-Cal due to nurse outreach; and staff CPR training.</p> <p>Ms. Avery presented the FY17 Midterm data. She highlighted that:</p> <ul style="list-style-type: none"> - In FY17 the number of grants increased by 25%, including 7 new programs. - 93% of the metrics were met or exceeded targets. 83% of grantees achieved at least 90% of their metrics. For the grantees who did not meet metrics, they provide reports as to why metrics were not met, and the Community Benefit Department monitors those grantees, helping where possible. - 12% of metrics were new this year. 88% were trending (i.e. the same metrics from prior years). <p>Ms. Avery also described the staff's efforts to review and select a new, more robust online grants management platform. She explained that it will help automate processes, especially useful for a portfolio of this size.</p> <p>She explained that new metrics are used when staff wants to be responsive to changing needs in the grantees' organizations. She provided an example with a new universal metric now used across the board for all school-based counseling programs.</p> <p>Lessons learned from midyear reports included:</p> <ul style="list-style-type: none"> - Political climate (anxiety about program enrollment, ACA uncertainty and concerns about access and coverage) - Housing, cost-of-living, and commutes (staff hiring and retention contributing to delays) - Language barriers (more time-intensive services) - Resourceful solutions to meet goals 	

	<p>Ms. Avery also shared a letter from a teacher at a school in Campbell that has received Hospital grants thanking the Board for its support of these programs.</p> <p>In response to Director Zoglin's question, Ms. Avery explained that the historical and YTD data for the grantees will be brought to the Board to inform FY18 funding.</p>	
8. GOVERNANCE COMMITTEE REPORT	<p>Director Fung, Governance Committee Chair, reported on recent activity of the Committee including:</p> <ul style="list-style-type: none"> - The Committee began discussions about forming a Strategic Planning Oversight Committee, to be discussed further at its next meeting on April 4, 2017. - Gary Kalbach is currently serving as an advisor to the El Camino Hospital Board Member Appointment District Ad Hoc Committee. <p>Upcoming items for review include: 1) FY17 Board Self-Assessment; 2) Further discussions about the utility, charter, and composition of a possible Strategic Planning Oversight Committee; 3) Current Board Officer Election Procedure; and 4) Current Board Director Compensation Policy.</p>	
9. PUBLIC COMMUNICATION	None.	
10. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 6:39 pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Hospital Board Meeting (February 8, 2017); Minutes of the Closed Session of the Special Meeting to Conduct a Study Session of the Hospital Board (February 15, 2017); Minutes of the Closed Session of the Executive Compensation Committee Meeting (November 16, 2016); pursuant to <i>Gov't Code Section 54957</i> and <i>54957.6</i> for report and discussion on personnel matters for approval of the Revised FY17 Incentive Goals: VP, Corporate & Community Health Services; President, CONCERN:EAP and approval of the FY17 Incentive Goals: Chief Medical Officer; 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 54956(d)(2)</i> – conference with legal counsel – pending or threatened litigation: Physician Transaction Compliance Education; 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>Movant: Chen Second: Chiu Ayes: Chen, Chiu, Cohen, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Davis Recused: None</p>	<p><i>Adjourned to closed session at 6:39 pm.</i></p>

11. AGENDA ITEM 20: RECONVENE OPEN SESSION/ REPORT OUT	<p>Open session was reconvened at 8:27pm. Agenda items 11-19 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 (February 8, 2017), Minutes of the Closed Session of the Special Meeting to Conduct a Study Session of the Hospital Board (February 15, 2017), Minutes of the Closed Session of the Executive Compensation Committee Meeting (November 16, 2016), the Revised FY17 Incentive Goals: VP, Corporate & Community Health Services; President, CONCERN:EAP, and the Medical Staff Report by a unanimous vote in favor of all members present (Directors Chen, Chiu, Cohen, Fung, Miller, Reeder, and Zoglin). Director Davis was absent. The FY17 Incentive Goals: Chief Medical Officer, were approved as amended (Directors Chen, Chiu, Cohen, Fung, Miller, Reeder, in favor; Director Zoglin opposed and Director Davis absent)</p>	
12. AGENDA ITEM 21: CONSENT CALENDAR	<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>Motion: To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (February 8, 2017); Minutes of the Open Session of the Special Meeting to Conduct a Study Session of the Hospital Board (February 15, 2017); Minutes of the Open Session of the Executive Compensation Committee Meeting (November 16, 2016); Appointment of Executive Compensation Committee Member; and the Medical Staff Report.</p> <p>Movant: Chiu Second: Fung Ayes: Chen, Chiu, Cohen, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Davis Recused: None</p>	<p><i>Consent calendar approved</i></p>
13. AGENDA ITEM 22: INFO ITEMS	<p>There were no questions or additional comments on the CEO Report.</p> <p>Director Reeder asked that the organizational goals be reconciled between what is reviewed with Dr. Faber at the Quality Committee and what is presented to the Board.</p>	
14. AGENDA ITEM 23: BOARD COMMENTS	<p>There were no additional Board comments.</p>	
15. AGENDA ITEM 24: ADJOURNMENT	<p>Motion: To adjourn at 8:29 pm.</p> <p>Movant: Chiu Second: Fung Ayes: Chen, Chiu, Cohen, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Davis Recused: None</p>	<p><i>Meeting adjourned at 8:29 pm.</i></p>

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