



Minutes of the Open Session of the
El Camino Hospital Board of Directors
Wednesday, April 12, 2017
2500 Grant Road, Mountain View, CA 94040
Conference Rooms E, F & G (ground floor)

Board Members Present

Lanhee Chen (via videoconference)
 Dennis Chiu, Vice Chair
 Neal Cohen, MD, Chair
 Jeffrey Davis, MD
 Peter Fung, MD
 Julia Miller
 David Reeder
 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 5:29 pm by Chair Cohen. A verbal roll call was taken. Director Chen participated via videoconference and joined the meeting at 5:38pm during Agenda Item 4: Quality Committee Report. 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 2017-04</i>.</p> <p>Movant: Reeder Second: Fung Ayes: Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None</p> <p>Lane Melchor, Chair of the ECH Foundation Board of Directors, recognized Priyanka Rana and Simran Thadani for their work as co-chairs of the South Asian Heart Center's Scarlet Masquerade and for their dedication and commitment as loyal ECH and the South Asian Heart Center volunteers.</p>	<i>Resolution 2017-04 approved</i>
4. QUALITY COMMITTEE REPORT	<p>Director Reeder, Chair of the Quality Committee, reported that the Committee received a presentation on the Ortho/Neuro/Spine programs from Terry Rutledge, Executive Director of Ortho/Neuro/Spine, Pamela Coye, RN, and Debbie Smyth, RN.</p> <p>Director Reeder provided an overview of the metrics on the quality dashboard, noting there were no items of concern.</p> <p>He also recounted the Committee's robust discussion on the opioid epidemic, noting ECH's evolving measures to protect patients that include a new nursing tool for risk assessment, bringing on a pain pharmacist, and standardizing order sets for pain management.</p> <p>Director Reeder reported that the Committee is reviewing the quality-related proposed FY18 organizational goals including length of stay,</p>	

	<p>patient experience, and improvements to the culture of safety. He commented that the Committee's discussion will continue at its May meeting.</p> <p>He further reported that the Committee is discussing revisions to the Serious Event Policy, which will eventually come to the Board for approval.</p> <p>In response to Director Zoglin's question, Director Reeder commented that the measurement of goals should be clearer and note if the reporting is month-to-month, quarterly, or annual averages.</p> <p>Director Cohen commented that while opioid addiction problems are primarily outpatient issues as Director Reeder explained, they often begin in an inpatient setting. He noted that addressing these issues must be through partnerships with physicians and exploration of multimodal approaches to pain management.</p>	
<p>5. FY17 PERIOD 8 FINANCIALS</p>	<p>Iftikhar Hussain, CFO, outlined the FY17 Period 8 Financials, which were reviewed by the Finance Committee, including:</p> <ul style="list-style-type: none"> - Overall YTD outpatient volume is 5.3% below budget, but higher than the prior year. He also noted that March volume was very strong. - Two factors affecting payor mix include the late flu season and an overall increase in the Medicare mix. - ECH's cash position is very strong, and total cash on hand is still at an all-time high of 408 days in February. - Operating margin is \$33 million ahead of plan because of favorable variances in both revenue and expenses. <p>Mr. Hussain also provided an overview of some monthly trends: increasing volume, operating margin (close to budget), days in AR (on a downward trend), net revenues (consistently ahead of budget) and operating expenses (consistently below budget).</p> <p>Motion: To approve the FY17 Period 8 Financials.</p> <p>Movant: Chiu</p> <p>Second: Fung</p> <p>Ayes: Chiu, Chen, Cohen, Davis, Fung, Miller, Reeder, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p>	
<p>6. EMERGENCY PREPAREDNESS</p>	<p>Ken King, CASO provided an overview of the Hospital's Emergency Preparedness programs, including those for:</p> <ul style="list-style-type: none"> - Mass Casualty Events: a large influx of patients due to external disasters (like a plane crash, explosion, or other mass casualties) - Internal Disasters: fire, flood, utility disruption, hazardous materials spill, weapon/hostage situation. - All Encompassing: events that include a large influx of patients and a disruption to internal systems, operations, or environment. <p>He noted that The Joint Commission and CMS have emergency management standards and ECH has the required operations plan.</p> <p>Mr. King described the Hospital Incident Command System, a structure for operations, logistics, planning, and finances in the event of an</p>	

	<p>emergency, which can expand and contract based on the event that occurs. He outlined the emergency code announcements (11 different codes), the annual hazard vulnerability assessment, and how ECH is specifically prepared for specific incidents include fire (highlighting smoke compartments), earthquakes (highlighting emergency power), active shooters, and disaster drills (conducting over 112 drills annually).</p> <p>In response to Director Miller's questions, Mr. King described the incident command chart and center establishment, evacuation plans, and the emergency broadcast system (accessed by dialing 55). He noted that ECH's first priority in any incident is the safety of the patients.</p> <p>In response to Director Zoglin's questions, Mr. King explained the Hospital's earthquake sustainability, the coordination with local fire department in the event of a fire, and that all safety measures apply to both the Mountain View and Los Gatos campuses.</p> <p>In response to Director Fung's questions, Mr. King explained that there are Santa Clara County protocols for mass patient transportation to another healthcare facility, if need be.</p> <p>In response to Director Davis' question, Mr. King described processes with physicians in the event of an emergency including phone call trees and emergency credentialing.</p>	
<p>7. GOVERNANCE COMMITTEE REPORT</p>	<p>Director Fung, Chair of the Governance Committee, reported that the Committee considered the following topics at its April 4, 2017 meeting:</p> <ul style="list-style-type: none"> - The annual Board Advisory Committee Goal Setting Process (no recommended changes). - The possibility of chartering a Strategic Planning Oversight Committee (paced for further discussion). - Board Officer Nomination and Selection Procedure (motion item) - ECH Board Director Compensation and Reimbursement Policy and Procedure (motion item) <p>Director Fung highlighted the initial April 24th deadline for submission of declarations of interest to the Board Liaison.</p> <p>Motion: To approve the Draft Revised Hospital Board Officers Nomination and Selection Procedures and Board Chair Competencies.</p> <p>Movant: Fung Second: Chiu</p> <p>In response to Director Miller's question, Director Fung noted that the revisions update the dates and clarify the voting procedures by roll call vote rather than by written ballot for each Board officer. He also clarified the roll call vote procedure.</p> <p>Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Motion: To direct staff to draft a revised Board Director Compensation and Reimbursement Policy and Procedure that provides for an annual Board Chair stipend in the amount of \$12,000 payable quarterly, and a</p>	<p><i>Revised Hospital Board Officers Nomination and Selection Procedures and Board Chair Competencies approved</i></p>

Committee Chair stipend in the amount of \$100 for participation in each agenda preparation call/meeting for the Board's consideration at its May 10, 2017 meeting.

Movant: Fung

Second: Chiu

Friendly Amendment by Director Davis: To provide for Director compensation in the amount of \$500 for each Board meeting and \$300 for each Committee meeting.

Director Fung did not accept the friendly amendment to his motion.

The Board discussed the proposed Board Chair stipend and its reflection of the additional work of the Chair. Cindy Murphy, Board Liaison, outlined the national data presented to the Governance Committee that only 11% of organizations compensate their board members at all, generally under \$5,000 per year.

Director Zoglin commented that Community members can serve as Chair of a Committee and asked whether or not they would be compensated for agenda preparation. He voiced his opposition to the proposed changes, noting that he would not like to see candidates for Chair seeking the position for the additional compensation.

Director Chiu suggested that the Board Chair compensation could be for each event/meeting; Director Fung noted that the Committee recommended a flat stipend.

Director Fung withdrew his motion; Director Chiu withdrew his second.

Motion: To direct staff to draft a revised Board Director Compensation and Reimbursement Policy and Procedure that provides for an annual Hospital Board Chair stipend in the amount of \$12,000 payable quarterly.

Movant: Fung

Second: Davis

Director Chen commented that the Committee felt strongly that this is a worthwhile change reflecting the work being done by the Board Chair.

Ayes: Chen, Chiu, Davis, Fung, Reeder

Noes: Miller, Zoglin

Abstentions: None

Absent: None

Recused: Cohen

Motion: To direct staff to draft a revised Board Director Compensation and Reimbursement Policy and Procedure that provides for a Committee Chair stipend in the amount of \$100 for participation in each agenda preparation call/meeting.

Movant: Fung

Second: Reeder

Director Zoglin clarified that the meeting compensation would be a maximum of one preparation session for each Committee meeting.

In response to Director Miller's question, Ms. Murphy clarified that the policy is an opt-out policy; the stipend is paid unless a Director opts out. Director Fung also clarified that if the Vice Chair would receive the \$100 compensation if they participate in the agenda preparation meeting/call in the Chair's place.


Revisions to the Compensation Policy including a Board Chair stipend and Committee Chair agenda prep compensation effective FY18 approved

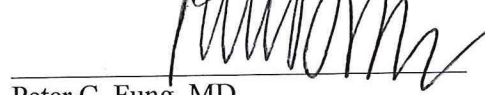
	<p>Director Reeder noted this policy on affects Board Director compensation and that community members currently are not compensated for their participation on Board Advisory Committees.</p> <p>Ayes: Chen, Cohen, Davis, Fung, Reeder Noes: Chiu, Zoglin Abstentions: Miller Absent: None Recused: Cohen</p> <p>Motion: To provide for Director compensation for \$500 for each Board meeting and \$300 for each Committee meeting.</p> <p>Movant: Davis</p> <p>Director Davis commented that higher Board compensation 1) could be a tool to attract new Board members and 2) reflects the work required to be an active member of the Board.</p> <p>There was no second to the motion. Director Cohen requested that the issue be directed to the Governance Committee for consideration. Director Fung asked that staff add the topic to the Committee's pacing plan for its June 6th meeting.</p> <p>Staff suggested that the Board consider an effective date for the revisions to the policy.</p> <p>Motion: To have revisions to the Board Director Compensation and Reimbursement Policy and Procedure be effective starting in FY18 and prepared for the Board's consideration at its May 10, 2017 meeting.</p> <p>Movant: Fung Second: Reeder Ayes: Chen, Davis, Fung, Reeder, Zoglin Noes: None Abstentions: Miller Absent: None Recused: Cohen</p>	
8. INVESTMENT COMMITTEE REPORT	<p>Director Zoglin, Investment Committee Chair, reported on recent activity of the Committee including investment performance, fees, and liquidity and a discussion about the Committee's goals for FY18.</p> <p>He noted that upcoming items include: 1) approving FY18 Committee goals (including a review of active versus passive management) and 2) reviewing 403(b) employee investment options.</p>	
9. COMPLIANCE COMMITTEE REPORT	<p>Director Zoglin, Compliance Committee Chair, reported on recent activity of the Committee including: the appointment of new member Lica Hartman, highlighting her expertise in enterprise risk management, approval of a policy that provides guidance for when documents require Board approval, and a review of the external Financial Auditors' plan and areas of emphasis for FY17.</p> <p>He noted that the Committee will have a joint session with the Board on June 14, 2017 to review the Enterprise Risk Management performance and future development of the program.</p>	
10. PUBLIC COMMUNICATION	<p>Mary Rotunno, General Counsel, and Cindy Murphy, Board Liaison, recognized Sarah Rosenberg, Contracts & Board Services Coordinator, for her first year of service with ECH.</p>	

<p>11. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 7:04 pm 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 (March 3, 2017); Minutes of the Closed Session of the Special Meeting to Conduct a Study Session of the Hospital Board (March 4, 2017); Minutes of the Closed Session of the Hospital Board Meeting (March 8, 2017); Minutes of the Closed Session of the Executive Compensation Committee Meeting (February 16, 2017); pursuant to <i>Health & Safety Code 32106(b)</i> for report involving health care facility trade secrets: FY18 Budget Assumptions; 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 32106(b)</i> for a report involving health care facility trade secrets: Primary Care Physician Replacement for Silicon Valley Primary Care Clinic; pursuant to <i>Gov't Code Section 54956(d)(2)</i> – conference with legal counsel – pending or threatened litigation: Compliance Committee Report; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Semi-Annual Marketing Report; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Strategic Planning Update; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Annual Board Self-Assessment and Board Chair Assessment; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Pacing Plan; pursuant to <i>Gov't Code Section 54957</i> and <i>54957.6</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: Fung Second: Chiu Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Adjourned to closed session at 7:04 pm.</i></p>
<p>12. AGENDA ITEM 24: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 9:26pm. Agenda items 12-23 were addressed in closed session.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the Special Meeting to Conduct a Study Session of the Hospital Board (March 3, 2017), Minutes of the Closed Session of the Special Meeting to Conduct a Study Session of the Hospital Board (March 4, 2017), Minutes of the Closed Session of the Hospital Board Meeting (March 8, 2017), Minutes of the Closed Session of the Executive Compensation Committee Meeting (February 16, 2017), 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).</p>	
<p>13. AGENDA ITEM 25: 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 removed.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Special Meeting to Conduct a Study Session of the Hospital Board</p>	<p><i>Consent calendar approved</i></p>

	<p>(March 3, 2017); Minutes of the Open Session of the Special Meeting to Conduct a Study Session of the Hospital Board (March 4, 2017); Minutes of the Open Session of the Hospital Board Meeting (March 8, 2017); Minutes of the Open Session of the Executive Compensation Committee Meeting (February 16, 2017); Appointment of Executive Compensation Committee Member; SVPMG Physician Recruitment – Medical Oncology; General Surgery ED Call Panel (MV); Medical Director, Quality & Physician Services; Capital Funding Request – Women’s Hospital Expansion Incremental Funding; Capital Funding Request – LG Facility Improvement Project; FY17 Period 7 Financials; Policies with Minor Revisions; and the Medical Staff Report.</p> <p>Movant: Miller Second: Reeder Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>14. AGENDA ITEM 26: APPROVAL OF REPLACEMENT PRIMARY CARE PHYSICIAN REPLACEMENT FOR SILICON VALLEY PRIMARY CARE CLINIC</p>	<p>Motion: To approve delegating to the CEO the authority to support recruitment of a full-time Primary Care Physician with target Total Cash Compensation under the Professional Services Agreement with SVPMG not to exceed the 75th percentile of FMV based on Sullivan Cotter market data.</p> <p>Movant: Reeder Second: Fung Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>15. AGENDA ITEM 27: INFORMATIONAL ITEMS</p>	<p>There were no questions or additional comments on the CEO Report.</p>	
<p>16. AGENDA ITEM 28: BOARD COMMENTS</p>	<p>There were no additional Board comments.</p>	
<p>17. AGENDA ITEM 29: ADJOURNMENT</p>	<p>Motion: To adjourn at 9:30</p> <p>Movant: Miller Second: Chiu Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting adjourned at 9:30 pm.</i></p>

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


Neal Cohen, MD
ECH Board Chair


Peter C. Fung, MD
ECH Board Secretary

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