



**Minutes of the Open Session of the**  
**El Camino Hospital Board of Directors**  
**Wednesday, September 13, 2017**  
**2500 Grant Road, Mountain View, CA 94040**  
**Conference Rooms A&B (ground floor)**

**Board Members Present**

Jeffrey Davis, MD (via teleconference)  
 Neysa Fligor  
 Peter Fung, MD  
 Julia Miller  
 Robert Rebitzer  
 David Reeder  
 John Zoglin, Vice Chair

**Board Members Absent**

Lanhee Chen, Chair

**Members Excused**

None

Agenda Item	Comments/Discussion	Approvals/ Action
1. <b>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 5:30pm by Vice Chair Zoglin. A verbal roll call was taken. Director Davis participated via teleconference and Director Chen was absent. Director Fung arrived at 5:32pm during Agenda Item 2: Potential Conflict of Interest Disclosures. All other Board members were present.	
2. <b>POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Director Zoglin asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
3. <b>BOARD RECOGNITION</b>	<p><b>Motion:</b> To approve <i>Resolution 2017-10</i>.</p> <p><b>Movant:</b> Miller</p> <p><b>Second:</b> Fung</p> <p><b>Ayes:</b> Davis, Fligor, Fung, Miller, Rebitzer, Reeder, Zoglin</p> <p><b>Noes:</b> None</p> <p><b>Abstentions:</b> None</p> <p><b>Absent:</b> Chen</p> <p><b>Recused:</b> None</p> <p>Iftikhar Hussain, CFO, recognized the Financial Services and Marketing &amp; Communications team for their work on the Online Price Estimator Tool to improve price transparency.</p>	<b><i>Resolution 2017-10 approved</i></b>
4. <b>QUALITY COMMITTEE REPORT</b>	<p>Director Reeder, Chair of the Quality Committee, reported that the Committee received a presentation from Carol Kemper, MD about the ECH Infection Prevention program.</p> <p>Director Reeder explained that there were no outliers on the quality dashboard; the FY18 dashboard will no longer include surgical site infections, but will include central line and catheter infections and C. diff.</p> <p>He highlighted the Committee's HCAHPS discussion and explained that areas of improvement include quietness in the Hospital and ED scores.</p> <p>Director Reeder noted that, after reviewing the strategic framework, the Committee suggested that quality and safety be emphasized more in the final strategic plan.</p> <p>The Committee received the Annual Patient Safety Report and discussed the declining trend in QRRs, which could be due to performance improvement projects or a reluctant reporting culture. Chair Zoglin commented that when the Compliance Committee reviewed the report, they</p>	

	suggested reviewing reporting by campus.	
<b>5. INVESTMENT REPORT</b>	<p>Director Davis, Chair of the Investment Committee, highlighted the investment strategy educational session and the exceptional FY17 investment results as further detailed in the packet.</p> <p>Chair Zoglin noted that the Committee will conduct a 5-year review of investment performance under the current strategy and advisor at its upcoming February meeting.</p> <p>In response to Ms. Fligor's question, Mr. Hussain explained that the ERM framework and asset allocation will be reviewed once per year.</p> <p>In response to Director Fung's question, Mr. Hussain described the education session for the Committee on hedge funds at its August meeting.</p> <p><b>Motion:</b> To approve the proposed revised FY18 Investment Committee goals.</p> <p><b>Movant:</b> Fung  <b>Second:</b> Reeder  <b>Ayes:</b> Davis, Fligor, Fung, Miller, Rebitzer, Reeder, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Chen  <b>Recused:</b> None</p>	<b>FY18 Investment Committee goals approved</b>
<b>6. ORGANIZATIONAL GOALS</b>	<p>Mick Zdeblick, COO, Iftikhar Hussain, CFO, and Cheryl Reinking, RN, CNO, presented the FY17 highlights of initiatives around each organizational goal, including:</p> <ul style="list-style-type: none"> <li>- <b>Budgeted Operating Margin:</b> Operating margin was \$47 million ahead of plan, mainly driven by revenues (well-managed expenses, 3.5% volume growth, better denials and charge capture). The numbers have been validated by the financial audit. Unusual items included IGT payments.</li> <li>- <b>Pain Reassessment and Pain Management:</b> Key initiatives included weekly meetings, new documentation tools and reporting in iCare, individual coaching, public recognition of reassessment compliance, and developing patient education. In response to questions from the Board, Ms. Reinking described pain reassessment for pediatric patients and written surveys used by ECH's vendor, Press Ganey.</li> <li>- <b>Length of Stay and Readmissions:</b> Key initiatives included rounds with utilization physician, growing the palliative team (including hiring a Medical Director and new nurse manager), discharge checklists for certain conditions, and follow-up appointment scheduling. In response to questions from the Board, Ms. Reinking described the development of the telemedicine pilot and the penalties by condition from CMS.</li> <li>- <b>Smart Growth:</b> Year-over-year growth was positive, but did not meet budget. Mr. Zdeblick noted the shift between inpatient and outpatient services.</li> </ul> <p>Mr. Zdeblick reviewed the scoring on the FY17 goals, prorating for partial achievement, for a total of 80.7%.</p> <p><b>Motion:</b> To approve the FY17 Organizational Goal score of 80.7%, pending Board approval of the annual financial audit.</p> <p><b>Movant:</b> Reeder</p>	<b>FY17 Organization al Goal Score approved</b>



	<p><b>Second:</b> Fung  <b>Ayes:</b> Davis, Fligor, Fung, Miller, Rebitzer, Reeder, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Chen  <b>Recused:</b> None</p> <p>Mr. Zdeblick also provided an update on the FY18 Organizational Goals as of July. Three goals are currently on track, and preliminary data regarding standardized infection rates will be available next month.</p> <p>In response to Director Reeder's concerns about lack of a specific efficiency goal, Mr. Zdeblick noted that some of the organizational goals capture operational efficiency (financial performance and productivity are needed to achieve 95% of the budget; length of stay work). Director Reeder commented that there should also be a plan to address Medicare loss. Director Zoglin requested that Dan Woods, CEO, review the FY18 organizational goals and let the Board know if he thought any changes are warranted.</p> <p>In response to Director Miller's question, Mr. Zdeblick described how staffing is variable based on volume.</p>	<p><i>Dan Woods to provide feedback on organizational goals</i></p>
<p><b>7. MV SITE MAJOR CONSTRUCTION STATUS UPDATE AND PROPOSED REVISED BUDGET</b></p>	<p>Ken King, CASO, provided an overview of the major capital projects in the construction phase on the MV campus.</p> <p>He described the additional funding needs for the Behavioral Health Services building (\$4.6 million) and Integrated Medical Office Building (\$27.1 million); current forecasting indicates that the projects will exceed the budgets established at the August 2016 Board meeting by \$31 million (for a total of 108% of the budget).</p> <p>Mr. King reported that Guaranteed Maximum Price (GMP) agreements with contractors on both the BHS and IMOB projects are being finalized. He also explained that lengthy multi-jurisdictional agency reviews (OSHDP and City of Mountain View) impacted construction; including:</p> <ul style="list-style-type: none"> <li>- Coordination and resolution of different interpretations of permit requirements, some requiring foundation and structural system changes late in the process</li> <li>- Labor cost increases due to the delayed resolution of agency reviews (must be permitted to proceed)</li> <li>- Additional testing and inspection requirements</li> <li>- Increased soft costs (administration and project management)</li> <li>- Increased allowances for trade work</li> </ul> <p>He explained that GMP proposals have been negotiated to maintain contingency in the overall BHS project.</p> <p>He noted that this funding request will not increase the FY18 Capital Facilities Project Budget; the funds will be offset by deferring other budgeted projects until a future year.</p> <p>In response to Director Fung's question, Mr. King commented that he is confident that there will be no further budget increases needed through the completion of these projects. He noted that the major construction efforts could not start until everything was permitted and priced, and that the longer we wait to start, the more expensive it will be.</p> <p>Director Miller expressed concerns about the increase in costs and requests for additional funding. She commented that these buildings should be the</p>	<p><i>BHS (\$4.6 million) and IMOB (\$27.1 million) Capital Project budgets approved</i></p>

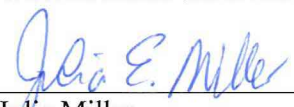
	<p>safest and most efficient they can be.</p> <p>The Board discussed the factors out of ECH's control that affect construction timelines and costs.</p> <p>In response to Director Rebitzer's question, Mr. King explained that GMP agreements are not finalized, as they require the requested additional funding to proceed as written.</p> <p>Director Fligor left the meeting at 6:40pm.</p> <p><b>Motion:</b> To approve the increase in the BHS Capital Project Budget not to exceed \$4.6 million and IMOB Capital Project Budget not to exceed \$27.1 million.</p> <p><b>Movant:</b> Reeder  <b>Second:</b> Rebitzer  <b>Ayes:</b> Davis, Fung, Miller, Rebitzer, Reeder, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Fligor, Chen  <b>Recused:</b> None</p>	
<b>8. PUBLIC COMMUNICATION</b>	Director Reeder congratulated the ECH Foundation on the completion of their 3-year strategic fundraising plan.	
<b>9. ADJOURN TO CLOSED SESSION</b>	<p><b>Motion:</b> To adjourn to closed session at 6:54 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 (August 9, 2017); pursuant to <i>Health and Safety Code 32155</i> for deliberations concerning reports on Medical Staff quality assurance matters: FY17 Annual Patient Safety Report; 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>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Strategic Planning Update; 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: Informational Items; pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters: Executive Session.</p> <p><b>Movant:</b> Miller  <b>Second:</b> Reeder  <b>Ayes:</b> Davis, Fung, Miller, Rebitzer, Reeder, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Fligor, Chen  <b>Recused:</b> None</p>	<i>Adjourned to closed session at 6:54 pm.</i>
<b>10. AGENDA ITEM 18: RECONVENE OPEN SESSION/ REPORT OUT</b>	<p>Open session was reconvened at 8:20pm. Agenda items 10-17 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 (August 9, 2017), the FY17 Annual Patient Safety Report, and the Medical Staff Report by a unanimous vote in favor of all members present (Directors Davis, Fung, Miller, Rebitzer, Reeder, and Zoglin). Directors Chen and Fligor were absent.</p>	



<b>11. AGENDA ITEM 19: CONSENT CALENDAR</b>	<p>Vice Chair Zoglin asked if any member of the Board or the public wished to remove an item from the consent calendar. Director Reeder requested that Agenda Item 19b: Revised FY18 Advisory Committee Assignments be pulled for discussion.</p> <p><b>Motion:</b> To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (August 9, 2017); Physician Recruitment Program Policy; and the Medical Staff Report; for information, the ECHD Ad Hoc Committee Report (minus Item 19b).</p> <p><b>Movant:</b> Miller <b>Second:</b> Fung <b>Ayes:</b> Fung, Miller, Rebitzer, Reeder, Zoglin <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> Chen, Davis, Fligor <b>Recused:</b> None</p> <p>Director Reeder noted that Dr. Robert Pinsker has resigned from the Quality Committee and Ms. Ina Bauman has been appointed to the Committee.</p> <p><b>Motion:</b> To approve Item 19b, the Revised FY18 Advisory Committee Assignments, with the recent amendments to the Quality Committee memberships as noted.</p> <p><b>Movant:</b> Reeder <b>Second:</b> Miller <b>Ayes:</b> Fung, Miller, Rebitzer, Reeder, Zoglin <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> Chen, Davis, Fligor <b>Recused:</b> None</p>	<p><i>Consent calendar approved</i></p>
<b>12. AGENDA ITEM 20: INFORMATIONAL ITEMS</b>	<p>Dan Woods, CEO, noted that the ECH Auxiliary provided 7,000 volunteer hours this month and highlighted the Foundation staff's achievement of their 3-year strategic plan.</p>	
<b>13. AGENDA ITEM 21: BOARD COMMENTS</b>	<p>There were no questions or comments from the Board.</p>	
<b>14. AGENDA ITEM 22: ADJOURNMENT</b>	<p><b>Motion:</b> To adjourn at 8:24pm.</p> <p><b>Movant:</b> Fung <b>Second:</b> Miller <b>Ayes:</b> Fung, Miller, Rebitzer, Reeder, Zoglin <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> Chen, Davis, Fligor <b>Recused:</b> None</p>	<p><i>Meeting adjourned at 8:24 pm.</i></p>

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 Miller  
Secretary, ECH Board of Directors

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