

# AGENDA REGULAR MEETING OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

Wednesday, June 14, 2017 – 5:30 pm

Conference Rooms E, F & G (ground floor) 2500 Grant Road, Mountain View, CA 94040

Dennis Chiu will be participating via videoconference from 111 Western Avenue Boston, MA 02163.

**MISSION:** To be an innovative, publicly accountable, and locally controlled comprehensive healthcare organization which cares for the sick, relieves suffering, and provides quality, cost competitive services to improve the health and well-being of our community.

	AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1.	CALL TO ORDER / ROLL CALL	Neal Cohen, MD, Board Chair		5:30 – 5:32 pm
2.	POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Neal Cohen, MD, Board Chair		5:32 – 5:33
3.	BOARD RECOGNITION Resolution 2017-05 ATTACHMENT 3	Cheryl Reinking, RN, CNO	public comment	motion required 5:33 – 5:38
4.	FY17 PERIOD 10 FINANCIALS <u>ATTACHMENT 4</u>	Matt Harris, Controller	public comment	possible motion 5:38 – 5:43
5.	PROPOSED FY18 OPERATIONAL AND CAPITAL BUDGET ATTACHMENT 5	Donald Sibery, Interim CEO; Mick Zdeblick, COO; Helen Tam, Director of Decision Support & Business Analytics	public comment	possible motion 5:43 – 5:53
6.	QUALITY COMMITTEE REPORT <u>ATTACHMENT 6</u>	Jeffrey Davis, MD, Quality Committee Member		information 5:53 – 6:03
7.	RESOLUTION 2017-06: DRAFT REVISED ECH BYLAWS <u>ATTACHMENT 7</u>	Peter Fung, MD, El Camino Healthcare District Board Chair; Mary Rotunno, General Counsel		possible motion 6:03 – 6:13
8.	FY18 COMMUNITY BENEFIT PLAN ATTACHMENT 8	Barbara Avery, Director, Community Benefit	public comment	possible motion 6:13 – 6:28
9.	PUBLIC COMMUNICATION  a. Oral Comments  This opportunity is provided for persons in the audience to make a brief statement, not to exceed 3 minutes on issues or concerns not covered by the agenda.  b. Written Correspondence	Neal Cohen, MD, Board Chair		information 6:28 – 6:31
10.	ADJOURN TO CLOSED SESSION	Neal Cohen, MD, Board Chair		motion required 6:31 – 6:32
11.	POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Neal Cohen, MD, Board Chair		6:32 – 6:33

A copy of the agenda for the Regular Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting. In observance of the Americans with Disabilities Act, please notify us at (650) 988-7504 prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

	AGENDA ITEM	PRESENTED BY	ESTIMATED TIMES
12.	Any Board Member may remove an item for discussion before a motion is made.  Approval Gov't Code Section 54957.2: a. Minutes of the Closed Session of the Hospital Board Meeting (May 10, 2017) b. Minutes of the CEO Search Committee and the Hospital Board (May 10, 2017) c. Minutes of the Closed Session of the Special Hospital Board Meeting (May 22, 2017) d. Minutes of the Closed Session of the Special Hospital Board Meeting (May 25, 2017) e. Minutes of the Closed Session of the Hospital Board Meeting (May 25, 2017) f. Minutes of the Closed Session of the Hospital Board Meeting (June 2, 2017) f. Minutes of the Closed Session of the Executive Compensation Committee Meeting (March 23, 2017)  Health & Safety Code 32106(b) for a report involving health care facility trade secrets: g. Semi-Annual Physician Contract Report	Neal Cohen, MD, Board Chair	motion required 6:33 – 6:35
13.	Health and Safety Code Section 32155, Report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Medical Staff Report	Rebecca Fazilat, MD, Mountain View Chief of Staff; J. Augusto Bastidas, MD, Los Gatos Chief of Staff	motion required 6:35 – 6:45
14.	Health and Safety Code Section 32155, Report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Organizational Clinical Risks	Daniel Shin, MD, Medical Director, Quality & Physician Services	discussion 6:45 — 6:50
15.	Discussion involving <i>Gov't Code Section</i> 54957 and 54957.6 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	Donald Sibery, Interim CEO	information 6:50 – 6:55
16.	Discussion involving <i>Health and Safety Code</i> 32106(b) for report involving health care facility trade secrets:  - Strategic Planning Update	Donald Sibery, Interim CEO; Jonah Frohlich, Manatt; Tom Enders, Manatt	discussion 6:55 – 7:25
17.	Discussion involving <i>Gov't Code Section</i> 54957 and 54957.6 for report and discussion on personnel matters: - Proposed Executive Benefit Design Plan Changes	Heidi O'Brien, Mercer	discussion 7:25 – 7:45

June	4, 2017   Page 3			
	AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
18.	Discussion involving <i>Gov't Code Section</i> 54957 and 54957.6 for report and discussion on personnel matters: - Proposed FY18 Executive Incentive Goals	Lanhee Chen, Executive Compensation Committee Chair		possible motion 7:45 – 7:55
19.	Discussion involving <i>Gov't Code Section</i> 54657 and 54957.6 for report and discussion on personnel matters: - Proposed FY18 Executive Salary Ranges	Lanhee Chen, Executive Compensation Committee Chair		discussion 7:55 – 8:05
20.	Discussion involving <i>Gov't Code Section</i> 54657 and 54957.6 for report and discussion on personnel matters: - Proposed FY18 Executive Base Salaries	Lanhee Chen, Executive Compensation Committee Chair		discussion 8:05 – 8:15
21.	Discussion involving <i>Gov't Code Section</i> 54657 and 54957.6 for report and discussion on personnel matters: - Proposed FY18 CEO Salary Range	Lanhee Chen, Executive Compensation Committee Chair		discussion 8:15 – 8:25
22.	Gov't Code Section 54597.6(a) – conference with designated representatives Lanhee Chen and Neal Cohen, MD:  - CEO Search Committee Update	Lanhee Chen, CEO Search Committee Chair		possible motion 8:25 – 8:45
23.	Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters: - Executive Session	Neal Cohen, MD, Board Chair		discussion 8:45 – 8:50
24.	ADJOURN TO OPEN SESSION	Neal Cohen, MD, Board Chair		motion required 8:50 – 8:51
25.	RECONVENE OPEN SESSION / REPORT OUT	Neal Cohen, MD, Board Chair		8:51 – 8:52
	To report any required disclosures regarding permissible actions taken during Closed Session.			
26.	CONSENT CALENDAR ITEMS: Any Board Member or member of the public may remove an item for discussion before a motion is made.	Neal Cohen, MD, Board Chair	public comment	motion required 8:52 – 8:55
a. b. c. d. e.	Approval Minutes of the Open Session of the Hospital Board Meeting (May 10, 2017) Minutes of the Open Session of the Joint Meeting of the CEO Search Committee and the Hospital Board (May 10, 2017) Minutes of the Open Session of the Special Hospital Board Meeting (May 22, 2017) Minutes of the Open Session of the Special Hospital Board Meeting (May 25, 2017) Minutes of the Open Session of Hospital Board Meeting (June 2, 2017)  Reviewed and Recommended for Approval by the Medical Executive Committee Medical Staff Report			

	4, 2017   Page 4			ECTIMATED
	AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
g. h.	Reviewed and Recommended for Approval by the Executive Compensation Committee Minutes of the Open Session of the Executive Compensation Committee Meeting (March 23, 2017) Draft Revised Executive Benefits Design Policy			
i.	Reviewed and Recommended for Approval by the Finance Committee FY17 Period 9 Financials			
j. k. l. m.	Capital Funding Requests  Xi DaVinci Robot  828 Winchester Tenant Improvements  Los Gatos MRI Replacement  Approval to Proceed with Initial Development  Steps for Patient Family Residence			
n. o. p.	Physician Contracts PSA: Pre-Employment Evaluations & Clearances MDA: Utilization Management MDA: Interventional Pulmonology			
q. r. s.	Reviewed by the Governance Committee  Items for Review: Proposed FY18 Slate of Advisory Committee Chairs and Members Proposed FY18 Board/Committee Master Calendar Proposed FY18 Advisory Committee Goals			
t. u. v. w.	Reviewed and Recommended for Approval by the Corporate Compliance/Privacy and Internal Audit Committee Information Security Policies 1.04 Network Access Control 1.02 Authorized Access to Information Systems 0.01 Information Security Management Program 1.01 Business Requirement for Access Control 1.03 User Responsibilities			
y.	Reviewed by the Quality, Patient Care and Patient Experience Committee Draft Management of Serious Safety Events and Red Alert Patient Safety Events Policy			
27.	PROPOSED FY18 ORGANIZATIONAL GOALS	Mick Zdeblick, COO	public comment	possible motion 8:55 – 8:57
28.	PHYSICIAN FINANCIAL ARRANGEMENTS – REVIEW AND APPROVAL POLICY ATTACHMENT 28	Larry Trilops, Interim Physician Strategy Executive	public comment	possible motion 8:57 – 9:02
29.	PROPOSED FY18 EXECUTIVE AND CEO SALARY RANGES	Lanhee Chen, Executive Compensation Committee Chair	public comment	possible motion 9:02 – 9:04
30.	PROPOSED FY18 EXECUTIVE BASE SALARIES	Lanhee Chen, Executive Compensation Committee Chair	public comment	possible motion 9:04 – 9:06
31.	INFORMATIONAL ITEMS a. CEO Report	Donald Sibery, Interim CEO		information 9:06 – 9:08

	AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
32.	APPROVAL OF CEO EMPLOYMENT CONTRACT INCLUDING CEO COMPENSATION TERMS	Neal Cohen, MD, Board Chair	public comment	possible motion 9:08 – 9:12
33.	BOARD COMMENTS	Neal Cohen, MD, Board Chair		information 9:12 – 9:14
34.	ADJOURNMENT	Neal Cohen, MD, Board Chair		motion required 9:14 – 9:15pm

#### **Upcoming Meetings**

- June 28, 2017

#### EL CAMINO HOSPITAL BOARD

#### **RESOLUTION 2017 - 05**

### RESOLUTION OF THE BOARD OF DIRECTORS OF EL CAMINO HOSPITAL REGARDING RECOGNITION OF SERVICE TO THE COMMUNITY

WHEREAS, the Board of Directors of El Camino Hospital values and wishes to recognize the contribution of individuals who enhance the experience of the hospital's patients, their families, the community and the staff, as well as individuals who in their efforts exemplify El Camino Hospital's mission and values.

WHEREAS, the Board wishes to honor and acknowledge the individuals involved with launching the pilot of the Getting to Know You Volunteer Program on the Medical Unit 2C. The program aims to help caregivers get to know a patient beyond their current condition or diagnosis. Getting to Know You volunteers interview a patient and their family to create a one-page story about the patient's life, including his or her preferred name, personal history, hobbies and activities, and more. These story pages can be kept as a remembrance for the family and are posted in a patient's room for his or her caregivers to learn more about the patient.

The Getting to Know You pilot program was launched thanks to the work of a multidisciplinary team made up of nurse leaders, Auxiliary members, and Information Systems specialists. Nurse leaders were looking for an innovative way to improve how they deliver personalized care and enhance a patient's experience at the hospital. They collaborated with Auxiliary Leadership to determine how volunteers and nurses can partner together to achieve this goal. Together they developed a plan where volunteers work with nurses to identify patients and families that could benefit from a story. Volunteers interview a patient and family and then utilize technology to create a Getting to Know You story display. Information Systems helped set up the electronic components of the program including the creation of a shared program site and training volunteers on how to use the hospital's computer and printer system.

WHEREAS, the Board would like to publically acknowledge the individuals involved with launching the pilot of the Getting to Know You Volunteer Program for their commitment to providing excellent, personalized care.

NOW THEREFORE BE IT RESOLVED that the Board does formally and unanimously pay tribute to:

Theresa Bednarek Robin Garland Victor Naval Peggy Caroff Linda Heider Kavitha Sunkara

Mae Dizon, NP Corky Kelley Chris Tarver, RN

FOR THEIR FORWARD THINKING TO MEET THE NEEDS OF PATIENTS.

IN WITNESS THEREOF, I have here unto set my hand this 14TH DAY OF JUNE, 2017.

#### EL CAMINO HOSPITAL BOARD OF DIRECTORS:

Lanhee Chen, JD, PhD Jeffrey Davis, MD David Reeder Dennis Chiu, JD Peter Fung, MD John Zoglin

Neal Cohen, MD Julia Miller





**Summary of Financial Operations** 

Fiscal Year 2017 – Period 10 7/1/2016 to 4/30/2017

Dashboard - ECH combined as of April 30, 2017

		Anr	uual			Month		Γ		YTD	
	2015	2016	2017	2017	PY		Bud/Target	t	PY	CY	Bud/Target
	2015	2010	Proj.	Bud/Target	' '	Ci	budy ranget		• • •	Ci	budy ranget
Volume			r roj.	Budy Funger							
Licenced Beds	443	443	443	443	443	443	443		443	443	443
ADC	246	242	239	245	235	241	247		241	239	246
Adjusted Discharges	22,342	22,499	23,217		1,841	1,926	1,863		18,401	19,348	19,141
Total Discharges	19,637	19,367	19,576	19,781	1,553	1,643	1,609		15,999	16,313	16,488
Inpatient Cases	13,037	13,307	13,370	13,701	2,555	2,0.5	1,003		13,333	10,515	10, 100
MS Discharges	13,114	13,344	13,520	13,499	1,082	1,141	1,097		10,895	11,267	11,247
Deliveries	5,067	4,717	4,674	4,810	364	388	391		3,912	3,895	4,008
BHS	901	806	912	901	63	79	74		772	760	758
Rehab	555	500	469	570	44	35	46		420	391	
Outpatient Cases	128,110	139,935	144,827	147,053	11,485	11,869	11,645		116,469	120,689	119,348
ED	49,106	48,609	48,372	51,258	3,920	4,144	4,154		40,630	40,310	42,568
Procedural Cases											
OP Surg	6,488	6,070	6,696	6,427	455	538	505		5,066	5,580	5,175
Endo	2,520	2,324	2,150	2,479	190	144	193		1,949	1,792	1,981
Interventional	1,998	2,021	2,015	2,323	174	142	185		1,699	1,679	1,900
All Other	67,998	80,911	85,594	84,566	6,746	6,901	6,608	_	67,125	71,328	67,724
Financial Perf.											
Net Patient Revenues	746,645	772,020	809,104	789,585	62,699	64,140	65,507		629,625	674,253	651,771
Total Operating Revenue	767,751	795,657	833,637	814,645	62,394	65,772	67,605		647,791	694,698	672,655
Operating Expenses	689,631	743,044	738,815	764,828	59,449	61,685	62,187		613,450	615,679	629,021
Operating Income \$	78,120	52,613	94,823	49,817	2,945	4,086	5,418		34,341	79,019	43,635
Operating Margin	10.2%	6.6%	11.4%	6.1%	4.7%	6.2%	8.0%		5.3%	11.4%	
EBITDA \$	128,002	108,554	147,218	109,890	7,924	7,889	10,452		79,550	122,682	92,031
EBITDA %	16.7%	13.6%	17.7%	13.5%	12.7%	12.0%	15.5%		12.3%	17.7%	
IP Margin <sup>1</sup>	-3.9%	-8.7%	-4.3%	-6.1%	-0.9%	-3.4%	-6.1%		-9.9%	-4.3%	
OP Margin <sup>1</sup>	26.7%	26.7%	35.2%	26.4%	28.1%	37.1%	26.4%		25.7%	35.2%	
Payor Mix											
Medicare	46.2%	46.6%	47.7%	46.4%	48.0%	47.3%	46.4%	-	46.2%	47.7%	46.4%
Medi-Cal	6.6%	7.4%	7.3%	6.5%	6.3%	7.5%	6.5%	ŀ	7.3%	7.3%	
Commercial IP	24.2%	23.2%	22.3%	24.0%	23.2%	22.4%	24.0%	ŀ	24.2%	22.3%	24.0%
Commercial OP	18.7%	18.7%	20.2%	19.0%	18.9%	20.3%	19.0%	ŀ	19.4%	20.2%	18.9%
Total Commercial	42.9%	41.9%	42.5%	43.0%	42.0%	42.7%	43.0%	F	43.7%	42.5%	42.8%
Other	4.3%	4.1%	2.5%	4.1%	3.7%	2.5%	4.1%	•	2.9%	2.5%	
Cost	4.370	4.170	2.370	4.170	3.770	2.570	7.170		2.570	2.370	4.170
	2 452 4	2 5 4 2 0	2 406 7	2 554 2	2 521 0	2 5 4 2 2	2 5 1 0 0		2 500 5	2 406 7	2 554 2
Employees Hrs/APD	2,452.4 30.45	2,542.8 30.35	2,496.7 29.75	2,551.3 29.42	2,521.9 31.90	2,542.2 31.03	2,518.9 28.89		2,596.5 31.24	2,496.7 29.75	2,551.3 29.42
Balance Sheet	30.43	30.33	29.73	29.42	31.90	31.03	20.09		31.24	29.73	29.42
Net Days in AR	43.6	53.7	47.1	48.0	53.7	47.1	48.0		53.7	47.1	48.0
Days Cash	401	361	429	266	361	429	266	-	361	429	266
Affiliates - Net	Income	e (\$000	Os)								
Hosp	94,787	43,043	188,919	67,032	8,679	11,619	6,147		18,644	125,946	50,924
Concern	1,202	1,823	2,037	2,604	393	304	233		1,858	1,358	2,151
ECSC	(41)	(282)	(125)	0	2	(11)	0		(312)	(83)	0
Foundation	710	982	3,210	(450)	369	51	(139)		(457)	2,140	739
SVMD	106	156	136	0	191	(27)	1		155	91	(0)

#### **Inpatient Volume:**

- April inpatient acute MS discharges exceed budget by 4.0% and 5.5% from PY. YTD discharge is higher than budget by 0.2%. Due to lower LOS inpatient days below budget by 2.4%
- YTD Delivery and Rehab volume both lower than budget but we see a volume increase in HVI (7.1%), Spine surgeries (9.5%), and GYN cases (15.5%) and General Medicine (4.0%)

#### **Outpatient Volume:**

- OP was ahead of budget for the month of April (1.9%) and prior month last year by (3.3%) . YTD OP remains ahead of budget by 1.1% and last year YTD by 3.6%
- General Surgery was 6.8% ahead of budget for April and 8.0% YTD and Rehab Services 5.1% ahead of budget for April, 13.7% YTD

#### **Financial Performance:**

 Operating Income was behind budget by \$1.3M for the month, but remains ahead YTD by \$35.4M

#### **Payor Mix:**

 Commercial mix improved from March from 41.5% to 42.7% as respiratory cases eased with the warm weather. YTD PM is still under budget due to higher Medicare.

#### Cost:

 FTE compared to Fixed Budget is unfavorable but when compared to volume adj. flex budget we are at 61.0 FTE below flex.

#### **Balance Sheet:**

 Net days in AR are ahead of target and improved further in April. Total cash on hand is still at an all time high of 429 days in April.

Green - Equal to or better than budget; Yellow - Unfav by up to 5%; Red - Greater than 5% unfav FY2017 budget presented excludes 2016 and 2017 bonds cost of issuance and interest expense



**Budget Variances** 

		Mor	nth to Date (M	TD)	Y	ear to Date (YT	D)
		Detail	Net Income	% Net	Detail	Net Income	% Net
(in thousands)			Impact	Revenue		Impact	Revenue
<b>Budgeted Hosp</b>	oital Operations FY2017		5,418	8.0%		43,635	6.5%
<b>Net Revenue</b>			(1,834)	-2.8%		22,043	3.2%
	* Volume and Payor Mix	(4,306)			3,112		
	* Rev cycle improvements	500			8,333		
	* Insurance (Payment Variance)				1,120		
	* Mcare Settlement	1,953			3,244		
	* BPCI Settlement				(2,167)		
	* Medi-Cal Supplemental				1,366		
	* IGT Supplemental				6,535		
	* Various Adjustments under \$250k	19			499		
Labor and Bene	efit Expense Change		(770)	-1.2%		9,086	1.39
	* Benefits - New calendar year, First Tier FICA	(299)			(1,677)		
	* Accrued Time Off - Reprising PRN PTO Banks	(419)			733		
	* Productivity, volume and service mix	(188)			10,476		
	* WC Reserve Update based on Favorable Exp				2,524		
	<ul> <li>Vacancies filled with purchased services</li> </ul>	136			2,634		
	* Pay for performance bonus				(3,204)		
	* Ratification bonus				(2,400)		
Professional Fo	ees & Purchased Services		82	0.1%		(1,877)	-0.3%
	<ul> <li>Physician Fees - Below Budget in MD Director Fee</li> </ul>	125			1,481		
	* Consulting Fee - Includes \$2M in 2017A Bond Issuance Cost & Strategic Planning	(400)			(4,128)		
	* Purchased Services (Clinical Informatics backfilled labor)	(182)			(3,512)		
	* Repairs and Maintenance Fees	538			4,281		
Supplies	Repairs and Maintenance rees	330	(129)	-0.2%	4,201	1,547	0.29
Supplies	* Drug Expense (Increase in infusion volume offset by revenue)	(163)		-0.270	(2,263)		0.27
	* Medical Supplies	41			2,325		
	* Non Med Supplies - Misc (Food/Volumes)	(7)			1,485		
Other Expense		(*)	88	0.1%	1,403	(147)	0.09
Other Expense	* Leases & Rental Fees (Pharmacy & Imaging Equipment Rental)	(62)		0.170	(282)	, ,	0.07
	* Utilities & Telephone	173			270		
	* Other G&A	(22)			(135)		
Depreciation 8		(22)	1,231	1.9%	(133)	4,733	0.7%
	* Depreciation (Depreciation on the backfill improvements in Old	654	_,	,	3,810	.,. 33	2.77
	2nd, 3rd, and ground floor improvement projects)				•		
	* Interest Expense - 2017 bonds & Capital Interest 2015 bonds	578			924		
<b>Actual Hospita</b>	Operations FY2017		4,086	6.2%		79,019	11.4%



### El Camino Hospital (\$000s)

10 months ending 4/30/2017

PERIOD 10	PERIOD 10	PERIOD 10	Variance			YTD	YTD	YTD	Variance	
FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%	\$000s	FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%
					OPERATING REVENUE					
227,364	243,934	239,111	4,823	2.0%	<b>Gross Revenue</b>	2,276,819	2,490,436	2,413,177	77,259	3.2%
(164,665)	(179,795)	(173,605)	(6,190)	1.0%	Deductions	(1,647,193)	(1,816,183)	(1,761,406)	(54,777)	3.1%
62,699	64,140	65,507	(1,367)	-2.1%	<b>Net Patient Revenue</b>	629,625	674,253	651,771	22,483	3.4%
(306)	1,632	2,099	(467)	-22.2%	Other Operating Revenue	18,166	20,445	20,885	(440)	-2.1%
62,394	65,772	67,605	(1,834)	-2.7%	<b>Total Operating Revenue</b>	647,791	694,698	672,655	22,043	3.3%
					OPERATING EXPENSE					
35,464	38,255	37,485	(770)	-2.1%	Salaries & Wages	358,067	372,313	381,399	9,086	2.4%
8,959	10,015	9,885	(129)	-1.3%	Supplies	96,085	96,798	98,345	1,547	1.6%
8,320	7,569	7,651	82	1.1%	Fees & Purchased Services	83,586	80,108	78,230	(1,877)	-2.4%
1,726	2,044	2,132	88	4.1%	Other Operating Expense	30,503	22,797	22,650	(147)	-0.7%
610	(129)	448	578	128.9%	Interest	4,958	3,558	4,482	924	20.6%
4,369	3,932	4,586	654	14.3%	Depreciation	40,252	40,104	43,914	3,810	8.7%
59,449	61,685	62,187	502	0.8%	<b>Total Operating Expense</b>	613,450	615,679	629,021	13,342	2.1%
2,945	4,086	5,418	(1,332)	-24.6%	Net Operating Income/(Loss)	34,341	79,019	43,635	35,384	81.1%
5,734	7,532	729	6,803	933.3%	Non Operating Income	(15,697)	46,927	7,289	39,638	543.8%
8,679	11,619	6,147	5,472	89.0%	Net Income(Loss)	18,644	125,946	50,924	75,023	147.3%
12.7%	12.0%	15.5%	-3.5%		EBITDA	12.3%	17.7%	13.7%	4.0%	
4.7%	6.2%	8.0%	-1.8%		<b>Operating Margin</b>	5.3%	11.4%	6.5%	4.9%	
13.9%	17.7%	9.1%	8.6%		Net Margin	2.9%	18.1%	7.6%	10.6%	



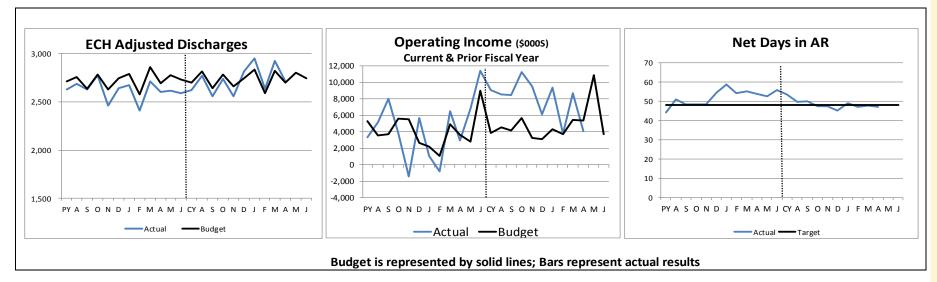
### 

	Per	iod 10 - Mon	th	Pe	eriod 10 - FYT	D
	Actual	Budget	Variance	Actual	Budget	Varianc <mark>e</mark>
El Camino Hospital Income (Loss) from Operations						
Mountain View	4,817	4,467	350	74,759	33,877	40,881
Los Gatos	(730)	951	(1,682)	4,260	9,757	(5,497)
Sub Total - El Camino Hospital, excl. Afflilates	4,086	5,418	(1,332)	79,019	43,635	35,384
Operating Margin %	6.2%	8.0%		11.4%	6.5%	
El Camino Hospital Non Operating Income						
Investments	7,806	1,512	6,295	49,646	15,117	34,529
Swap Adjustments	255	0	255	3,781	0	3,781
Community Benefit	(38)	(283)	246	(2,989)	(2,833)	(155)
Other (IPECH / Foundation)	(491)	(499)	8	(3,511)	(4,994)	1,484
Sub Total - Non Operating Income	7,532	729	6,803	46,927	7,289	39,638
El Camino Hospital Net Income (Loss)	11,619	6,147	5,472	125,946	50,924	75,023
ECH Net Margin %	17.7%	9.1%		18.1%	7.6%	
Concern	304	233	71	1,358	2,151	(793)
ECSC	(11)	0	(11)	(83)	0	(83)
Foundation	51	(139)	189	2,140	(457)	2,597
Silicon Valley Medical Development	(27)	1	(29)	91	(0)	91
Net Income Hospital Affiliates	316	96	220	3,505	1,693	1,811
Total Net Income Hospital & Affiliates	11,935	6,242	5,692	129,451	52,617	76,834

- Swap gain due to rise in interest rates
- Unfavorable variance in Other due to IPECH funding (-\$230k) and Foundation Ops (-\$149k) for April
- Concern favorable for April, unfavorable YTD due to Investment
- Foundation favorable YTD due to unrealized investment gain

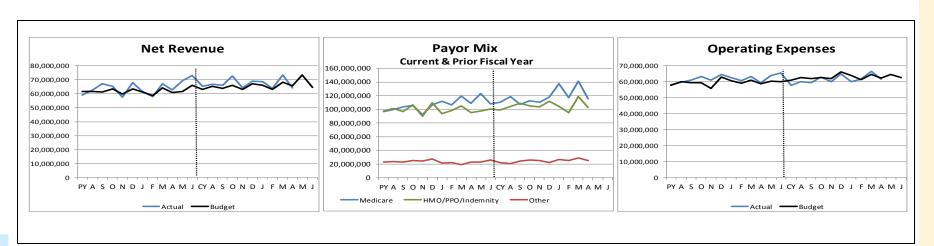


### **Monthly Financial Trends**

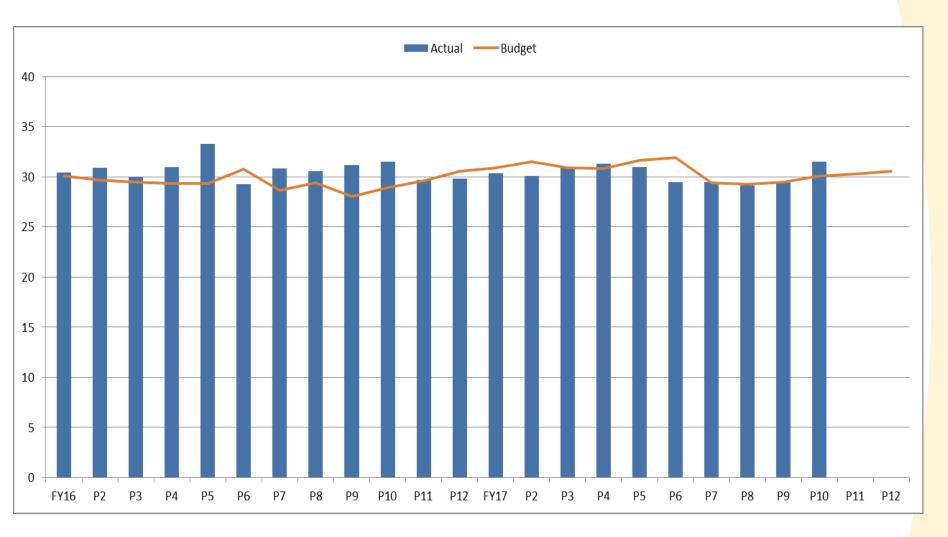


April volume is lower than previous month with a low census at Los Gatos. LG discharges was at 96.9% of budget Operating expenses favorable in April due to booking capitalized interest on 2015 bonds and is \$13.3M favorable to budget YTD.

### **Financial Trends**



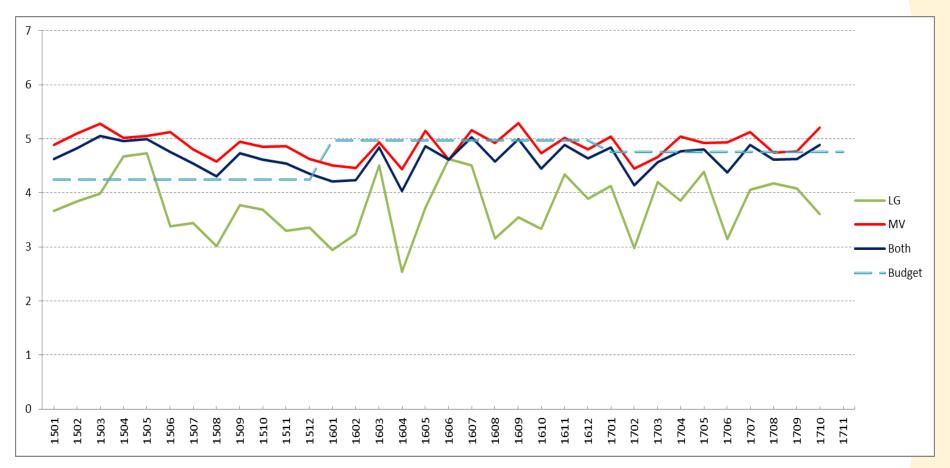
### **Worked Hours per Adjusted Patient Day**



Work hours per adjusted patient day increased in April, with increases in both IT and Sitter hours. Overall, April increased after remaining flat the previous four months and has an average of 30.3 worked hours per adjusted patient day for FY 2017.

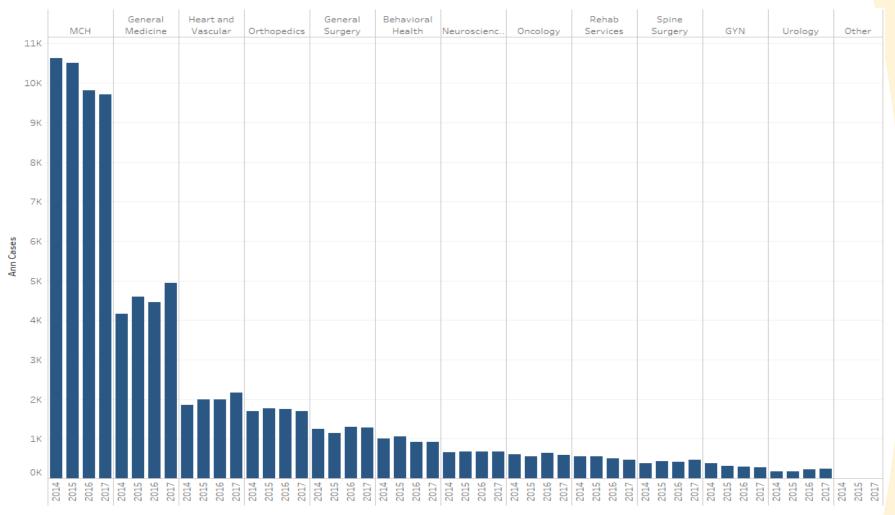


#### **Medicare ALOS**



•ALOS is behind target as of April. YTD ALOS (4.64) is below budget (4.76) by .12.

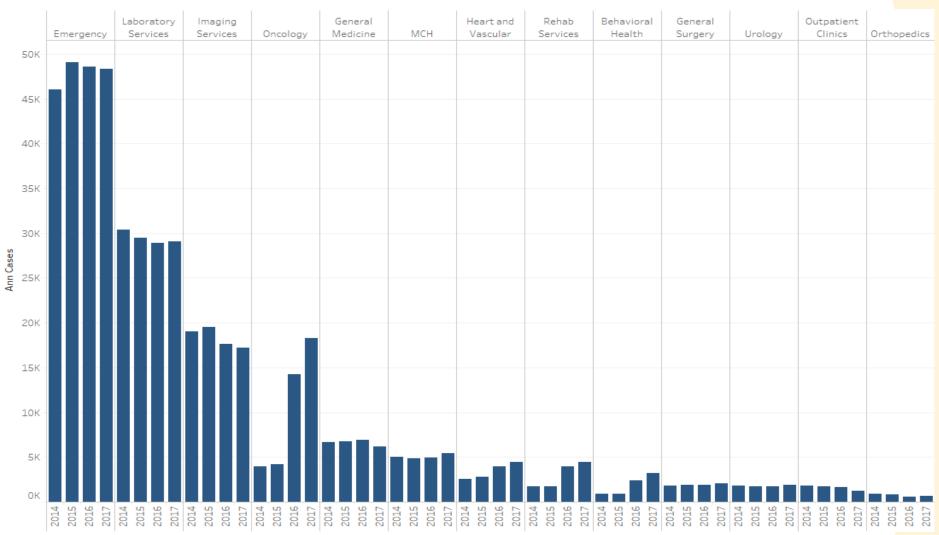
# El Camino Hospital Volume Annual Trends – Inpatient FY 2017 is annualized



- MCH volume remained flat for the month of April and is currently at 97.1% YTD of budget. Lower MCH due to 1 MD retiring and 1 MD leaving the area.
- General Medicine cases show an increasing trend year –over-year and is ahead of budget by 4.0% YTD. April volume, however reduced by 10% from previous month.



# El Camino Hospital Volume Annual Trends – Outpatient FY 2017 is annualized

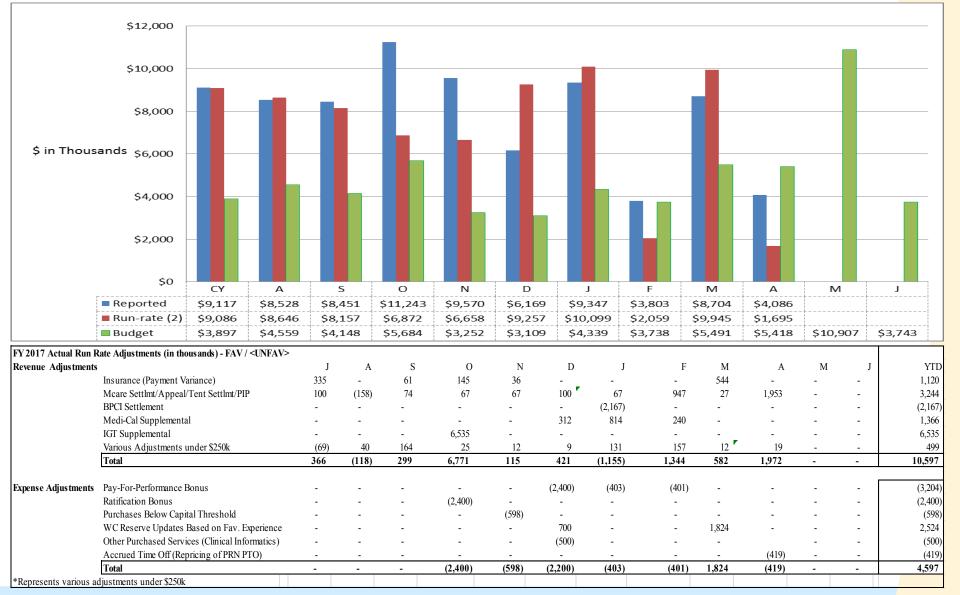


- MCH, Oncology, Orthopedics, Rehab Services, and Urology are ahead of budget for the month of April.
- YTD, HVI, Oncology and MCH shows a trend of increase as well as comparing year-over-year.



#### **ECH Operating Margin**

Run rate is booked operating income adjusted for material non-recurring transactions



# El Camino Hospital Investment Committee Scorecard March 31, 2017

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY17 Year-end Budget	Expectation Per Asset Allocation
Investment Performance		1Q	1Q 2017		Fiscal Year-to-date		4y 5m Since Inception (annualized)		May 2016
Surplus cash balance & op. cash (millions)		\$854.8						\$657.2	
Surplus cash return		3.3%	3.1%	6.4%	6.4%	5.1%	5.1%	4.0%	5.2%
Cash balance plan balance (millions)		\$238.0	-			-		\$220.6	-
Cash balance plan return		4.1%	3.6%	7.7%	7.6%	7.6%	7.0%	6.0%	5.8%
403(b) plan balance (millions)		\$394.4				-			-
Risk vs. Return		3-5	/еаг				e Inception alized)		May 2016
Surplus cash Sharpe ratio		0.82	0.90			1.19	1.17		0.55
Net of fee return		3.8%	4.2%			5.1%	5.1%		5.2%
Standard deviation		4.5%	4.6%			4.2%	4.2%		8.6%
Cash balance Sharpe ratio		0.82	0.84			1.29	1.26		0.49
Net of fee return		4.8%	4.8%	-		7.6%	7.0%		5.8%
Standard deviation		5.8%	5.6%			5.7%	5.5%		10.7%
Asset Allocation		1Q	2017						
Surplus cash absolute variances to target		7.2%	< 10%			-			
Cash balance absolute variances to target		6.8%	< 10%	-		-		-	
Manager Compliance		1Q	2017						
Surplus cash manager flags		16	< 19 Green < 23 Yellow	-				-	
Cash balance plan manager flags		19	< 20 Green < 25 Yellow	-			-		-

### El Camino Hospital

Capital Spending (in millions)

				Total			
			<b>Total Estimated</b>	Authorized	Spent from		
	Category	Detail	Cost of Project	Active	Inception	2017 Proj Spend	FY 17 YTD Spent
CIP	EPIC Upgrade			6.1	2.0	6.1	2.3
	re, Software, Equi	•		5.4	1.8	5.4	1.8
	Non Medical Equ	•		4.3	4.2	4.3	4.2
	Non Medical Equ	ipment FY 17***		10.3	6.5	13.9	6.5
Facility Pro	ojects						
		1245 Behavioral Health Bldg	91.5	91.5	15.2	24.8	8.0
		1413 North Drive Parking Expansion	24.5	24.5	15.3	21.1	13.7
		1414 Integrated MOB	275.0	275.0	40.7	70.1	26.9
		1422 CUP Upgrade	9.0	9.0	2.0	5.0	1.0
		1430 Women's Hospital Expansion	91.0	6.0	0.1	0.8	0.1
		1425 IMOB Preparation Project - Old Main	3.0	3.0	2.6	0.3	1.8
		1502 Cabling & Wireless Upgrades	2.8	2.8	2.4	2.8	0.3
		1525 New Main Lab Upgrades	1.6	3.1	0.3	2.6	0.3
		1515 ED Remodel Triage/Psych Observation	1.6	0.0	0.0	0.6	0.0
		1503 Willow Pavilion Tomosynthesis	1.3	1.3	0.3	1.3	0.2
		1602 JW House (Patient Family Residence)	2.5	0.0	0.0	0.0	0.0
		Site Signage and Other Improvements	1.0	0.0	0.0	0.2	
		IR Room #6 Development	2.6	0.0	0.0	0.6	0.0
		Nurse Call System Upgrades	2.4	0.0	0.0	0.0	0.0
		1707 Imaging Equipment Replacement ( 5 or 6		0.0	0.0	0.0	0.0
		1708 IR/ Cath Lab Equipment Replacement	19.4	0.0	0.0	0.0	0.0
		1709 ED Remodel / CT Triage - Other	5.0	0.0	0.0	0.0	0.0
		Flooring Replacement	1.6	0.0	0.0	0.0	0.0
		1219 LG Spine OR	4.1	4.1	3.2	3.1	1.9
		1313 LG Rehab HVAC System & Structural	3.7	3.7	3.6	1.0	1.8
		1248 LG Imaging Phase II (CT & Gen Rad)	8.8	8.8	6.4	7.8	5.7
		1307 LG Upgrades	19.3	19.3	12.7	6.3	1.9
		1519 LG Electrical Systems Upgrade	1.2	0.0	0.0	0.5	0.0
		1508 LG NICU 4 Bed Expansion	0.0	0.5	0.2	4.0	0.2
		1507 LG IR Upgrades	1.1	0.0	0.0	0.2	0.0
		LG Building Infrastructure Upgrades	1.5	0.0	0.0	1.5	0.0
		1603 LG MOB Improvements (17)	5.0	5.0	0.1	4.0	0.1
		All Other Projects under \$1M	26.4	4.8	0.0	12.2	1.0
			627.6	462.3	105.2	170.8	65.2

**GRAND TOTAL** \*Excluding EPIC



200.4

488.4

80.0

<sup>\*\*</sup> Unspent Prior Year routine used as contingency

<sup>\*\*\*</sup>Includes 2 robot purchases

#### Capital Spending – Facility Projects (in millions)

FACILITY	PROJ	CAPITAL PROJECT DESCRIPTION	TOTAL BUDGET FY17	FY17 PROJECTED SPEND	Variance fro <mark>m</mark> Budget
	Mountain View	Campus Master Plan Projects			
1 - Mountain View		BHS Replacement	30,000,000	24,762,757	5,237,243
1 - Mountain View		North Dr Parking Structure Expansion	20,500,000	21,145,944	(645,944
1 - Mountain View		Integrated Medical Office Building	101,500,000	70,087,267	31,412,733
1 - Mountain View		CUP Upgrades	5,000,000	4,967,592	32,408
1 - Mountain View		Women Hosp Expansion	5,500,000	800,000	4,700,000
1 Wodings View		Il Mountain View Campus Master Plan	162,500,000	121,763,560	40,736,440
		Capital Projects		,	,,
1 - Mountain View		Womens Hosp NPC Closeout	327,000	609,234	(282,234
1 - Mountain View		IMOB Preparation Project - Old Main	1,000,000	3,000,000	(2,000,000
1 - Mountain View		Cabling and Wireless upgrades	400,000	2,800,000	(2,400,000
1 - Mountain View		New Main Lab Upgrades	1,200,000	2,640,000	(1,440,000
1 - Mountain View		ED Remodel Triage / Psych Observation	1,400,000	600,000	800,000
1 - Mountain View		Signage & Wayfinding	300,000	541,500	(241,500
1 - Mountain View		Digital Directories		125,000	(125,000
1 - Mountain View		Breast Imaging Tomography (Excludes \$1M Equip)	300,000	1,300,000	(1,000,000
1 - Mountain View	1316	Willow Pavilion FA Sys and Equip Upgrades	800,000	100,000	700,000
1 - Mountain View	1423	MV MOB TI Allowance		784,000	(784,000
1 - Mountain View		Facilities Planning Allowance	300,000	-	300,000
1 - Mountain View	1523	MV Melchor Suite 309 TI's		464,000	(464,000
1 - Mountain View		Furniture Systems Inventory (17)	250,000	496,000	(246,000
1 - Mountain View		Site Signage & Other Improvements	200,000	100,000	100,000
1 - Mountain View		MV Equipment & Infrastructure Upgrades (17)	300,000	-	300,000
1 - Mountain View		IR Room #6 Development	500,000	200,000	300,000
1 - Mountain View	1602	JW House (Patient Family Residence)	500,000	-	500,000
	Sub-tota	ll Mountain View Capital Projects	7,777,000	13,759,734	(5,982,734
	Los Gatos Capita	al Projects			
11 - Los Gatos		LG Spine Room Expansion - OR 4	3,100,000	4,100,000	(1,000,000
11 - Los Gatos		LG Rehab HVAC Upgrades	400,000	3,675,000	(3,275,000
11 - Los Gatos		LG Imaging Phase II (CT & Gen Rad) & Sterile Processing	7,250,000	8,100,000	(850,000
11 - Los Gatos		LG Upgrades - Major	7,300,000	14,100,000	(6,800,000
11 - Los Gatos		LG Rehab Building Upgrades	500,000	193,000	307,000
11 - Los Gatos			300,000		
		LG Surgical Lights OR's 5,6 & 7	150.000	500,000	(500,000
11 - Los Gatos		LG MOB Improvements	150,000	900,000	(750,000
11 - Los Gatos		LG IR Upgrades	800,000	-	800,000
11 - Los Gatos		LG NICU 4 Bed Expansion	5,000,000	247,000	4,753,000
11 - Los Gatos	1600	LG 825 Pollard - Aspire Phase 2		525,000	(525,000
11 - Los Gatos		LG Building Infrastructure Improvements	1,200,000	-	1,200,000
11 - Los Gatos		LG Facilities Planning	500,000	-	500,000
11 - Los Gatos		LG MOB Improvements (17)	4,000,000	1,500,000	2,500,000
	Sub-tota	l Los Gatos Capital Projects	30,200,000	33,840,000	(3,640,000
	Other Strategic	Capital Facility Projects			
Other Cap Fac Proj		Primary Care Clinic (TI's Only) FY 17 (828 Winchester)	1,600,000	1,400,000	200,000
Other Cap Fac Proj		Urgent Care Clinics (TI's Only)	2,400,000	-	2,400,000
	Sub-tota	l Other Strategic Projects	4,000,000	1,400,000	2,600,000
		CRAND TOTAL FACILITIES DOCUMENT	704 477 000	470 753 304	22 742 704
		GRAND TOTAL FACILITIES PROJECTS	204,477,000	170,763,294	33,713,7 <mark>06</mark>

## Balance Sheet (in thousands)

#### **ASSETS**

CURRENT ASSETS         April 30, 2017         June 30, 2016           (1) Cash         95,300         59,168           Short Term Investments         135,541         105,284           (2) Patient Accounts Receivable, net         106,628         120,960           Other Accounts and Notes Receivable         2,627         4,369           (3) Intercompany Receivables         1,437         2,200           (4) Inventories and Prepaids         44,401         39,678           Total Current Assets         385,935         331,660           BOARD DESIGNATED ASSETS           Plant & Equipment Fund         124,678         119,650           (5) Women's Hospital Expansion         9,298         -           Operational Reserve Fund         100,196         100,196           Community Benefit Fund         12,205         13,037           Workers Compensation Reserve Fund         21,434         22,309           Postretirement Health/Life Reserve Fund         19,609         18,256           PTO Liability Fund         23,713         22,984           Malpractice Reserve Fund         16,206         14,125           Total Board Designated Assets         329,139         312,358           PROPERTY AND EQUIPMENT     <			Audited			
Short Term Investments         135,541         105,284           (2) Patient Accounts Receivable, net Other Accounts and Notes Receivable         2,627         4,369           (3) Intercompany Receivables         1,437         2,200           (4) Inventories and Prepaids         44,401         39,678           Total Current Assets         385,935         331,660           BOARD DESIGNATED ASSETS Plant & Equipment Fund         124,678         119,650           (5) Women's Hospital Expansion         9,298         -           Operational Reserve Fund         100,196         100,196           Community Benefit Fund         12,205         13,037           Workers Compensation Reserve Fund         21,434         22,309           Postretirement Health/Life Reserve Fund         19,609         18,256           PTO Liability Fund         23,713         22,984           Malpractice Reserve Fund         1,800         1,800           Catastrophic Reserves Fund         16,206         14,125           Total Board Designated Assets         329,139         312,358           (6) FUNDS HELD BY TRUSTEE         297,273         30,841           LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,						
(2) Patient Accounts Receivable, net Other Accounts and Notes Receivable Other Accounts and Notes Receivable       2,627       4,369         (3) Intercompany Receivables       1,437       2,200         (4) Inventories and Prepaids Total Current Assets       385,935       331,660         BOARD DESIGNATED ASSETS Plant & Equipment Fund 124,678 119,650         (5) Women's Hospital Expansion 9,298 - Operational Reserve Fund 100,196 100,196 Community Benefit Fund 12,205 13,037 Workers Compensation Reserve Fund 21,434 22,309 Postretirement Health/Life Reserve Fund 19,609 18,256 PTO Liability Fund 23,713 22,984 Malpractice Reserve Fund 1,800 1,800 Catastrophic Reserves Fund 16,206 14,125 Total Board Designated Assets 329,139 312,358         (6) FUNDS HELD BY TRUSTEE 297,273 30,841         LONG TERM INVESTMENTS 253,005 207,597         INVESTMENTS IN AFFILIATES 32,595 31,627         PROPERTY AND EQUIPMENT Fixed Assets at Cost 1,183,791 1,171,372 Less: Accumulated Depreciation (523,965) (485,856) Construction in Progress 105,165 46,009 Property, Plant & Equipment - Net 764,991 731,525         DEFERRED OUTFLOWS 29,313 29,814 RESTRICTED ASSETS - CASH 0	• •	•	•			
Other Accounts and Notes Receivables         2,627         4,369           (3) Intercompany Receivables         1,437         2,200           (4) Inventories and Prepaids         44,401         39,678           Total Current Assets         385,935         331,660           BOARD DESIGNATED ASSETS           Plant & Equipment Fund         124,678         119,650           (5) Women's Hospital Expansion         9,298         -           Operational Reserve Fund         100,196         100,196           Community Benefit Fund         12,205         13,037           Workers Compensation Reserve Fund         19,609         18,256           PTO Liability Fund         23,713         22,984           Malpractice Reserve Fund         1,800         1,800           Catastrophic Reserves Fund         16,206         14,125           Total Board Designated Assets         329,139         312,358           (6) FUNDS HELD BY TRUSTEE         297,273         30,841           LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         5,165         46,009           Fixed Assets at Cost         1,183,791         1,171,372<		•	•			
(3) Intercompany Receivables       1,437       2,200         (4) Inventories and Prepaids       44,401       39,678         Total Current Assets       385,935       331,660         BOARD DESIGNATED ASSETS         Plant & Equipment Fund       124,678       119,650         (5) Women's Hospital Expansion       9,298       -         Operational Reserve Fund       100,196       100,196         Community Benefit Fund       12,205       13,037         Workers Compensation Reserve Fund       21,434       22,309         Postretirement Health/Life Reserve Fund       19,609       18,256         PTO Liability Fund       23,713       22,984         Malpractice Reserve Fund       1,800       1,800         Catastrophic Reserves Fund       16,206       14,125         Total Board Designated Assets       329,139       312,358         (6) FUNDS HELD BY TRUSTEE       297,273       30,841         LONG TERM INVESTMENTS       253,005       207,597         INVESTMENTS IN AFFILIATES       32,595       31,627         PROPERTY AND EQUIPMENT       Fixed Assets at Cost       1,183,791       1,171,372         Less: Accumulated Depreciation       (523,965)       (485,856)         Construc	(2) Patient Accounts Receivable, net	•				
(4) Inventories and Prepaids       44,401       39,678         Total Current Assets       385,935       331,660         BOARD DESIGNATED ASSETS       Plant & Equipment Fund       124,678       119,650         (5) Women's Hospital Expansion       9,298       -         Operational Reserve Fund       100,196       100,196         Community Benefit Fund       12,205       13,037         Workers Compensation Reserve Fund       21,434       22,309         Postretirement Health/Life Reserve Fund       19,609       18,256         PTO Liability Fund       23,713       22,984         Malpractice Reserve Fund       1,800       1,800         Catastrophic Reserves Fund       16,206       14,125         Total Board Designated Assets       329,139       312,358         (6) FUNDS HELD BY TRUSTEE       297,273       30,841         LONG TERM INVESTMENTS       253,005       207,597         INVESTMENTS IN AFFILIATES       32,595       31,627         PROPERTY AND EQUIPMENT       523,965)       (485,856)         Construction in Progress       105,165       46,009         Property, Plant & Equipment - Net       764,991       731,525         DEFERRED OUTFLOWS       29,313       29,814	Other Accounts and Notes Receivable	•	•			
BOARD DESIGNATED ASSETS         Plant & Equipment Fund         124,678         119,650           (5) Women's Hospital Expansion         9,298         -           Operational Reserve Fund         100,196         100,196           Community Benefit Fund         12,205         13,037           Workers Compensation Reserve Fund         21,434         22,309           Postretirement Health/Life Reserve Fund         19,609         18,256           PTO Liability Fund         23,713         22,984           Malpractice Reserve Fund         1,800         1,800           Catastrophic Reserves Fund         16,206         14,125           Total Board Designated Assets         329,139         312,358           (6) FUNDS HELD BY TRUSTEE         297,273         30,841           LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         (523,965)         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0	(3) Intercompany Receivables	1,437	2,200			
BOARD DESIGNATED ASSETS   Plant & Equipment Fund   124,678   119,650	(4) Inventories and Prepaids	44,401	39,678			
Plant & Equipment Fund         124,678         119,650           (5) Women's Hospital Expansion         9,298         -           Operational Reserve Fund         100,196         100,196           Community Benefit Fund         12,205         13,037           Workers Compensation Reserve Fund         21,434         22,309           Postretirement Health/Life Reserve Fund         19,609         18,256           PTO Liability Fund         23,713         22,984           Malpractice Reserve Fund         1,800         1,800           Catastrophic Reserves Fund         16,206         14,125           Total Board Designated Assets         329,139         312,358           (6) FUNDS HELD BY TRUSTEE         297,273         30,841           LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         523,965         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	Total Current Assets	385,935	331,660			
(5) Women's Hospital Expansion       9,298       -         Operational Reserve Fund       100,196       100,196         Community Benefit Fund       12,205       13,037         Workers Compensation Reserve Fund       21,434       22,309         Postretirement Health/Life Reserve Fund       19,609       18,256         PTO Liability Fund       23,713       22,984         Malpractice Reserve Fund       1,800       1,800         Catastrophic Reserves Fund       16,206       14,125         Total Board Designated Assets       329,139       312,358         (6) FUNDS HELD BY TRUSTEE       297,273       30,841         LONG TERM INVESTMENTS       253,005       207,597         INVESTMENTS IN AFFILIATES       32,595       31,627         PROPERTY AND EQUIPMENT       1,183,791       1,171,372         Less: Accumulated Depreciation       (523,965)       (485,856)         Construction in Progress       105,165       46,009         Property, Plant & Equipment - Net       764,991       731,525         DEFERRED OUTFLOWS       29,313       29,814         RESTRICTED ASSETS - CASH       0       -	BOARD DESIGNATED ASSETS					
Operational Reserve Fund         100,196         100,196           Community Benefit Fund         12,205         13,037           Workers Compensation Reserve Fund         21,434         22,309           Postretirement Health/Life Reserve Fund         19,609         18,256           PTO Liability Fund         23,713         22,984           Malpractice Reserve Fund         1,800         1,800           Catastrophic Reserves Fund         16,206         14,125           Total Board Designated Assets         329,139         312,358           (6) FUNDS HELD BY TRUSTEE         297,273         30,841           LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         523,965         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	Plant & Equipment Fund	124,678	119,650			
Community Benefit Fund         12,205         13,037           Workers Compensation Reserve Fund         21,434         22,309           Postretirement Health/Life Reserve Fund         19,609         18,256           PTO Liability Fund         23,713         22,984           Malpractice Reserve Fund         1,800         1,800           Catastrophic Reserves Fund         16,206         14,125           Total Board Designated Assets         329,139         312,358           (6) FUNDS HELD BY TRUSTEE         297,273         30,841           LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         523,965         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	(5) Women's Hospital Expansion	9,298	-			
Workers Compensation Reserve Fund       21,434       22,309         Postretirement Health/Life Reserve Fund       19,609       18,256         PTO Liability Fund       23,713       22,984         Malpractice Reserve Fund       1,800       1,800         Catastrophic Reserves Fund       16,206       14,125         Total Board Designated Assets       329,139       312,358         (6) FUNDS HELD BY TRUSTEE       297,273       30,841         LONG TERM INVESTMENTS       253,005       207,597         INVESTMENTS IN AFFILIATES       32,595       31,627         PROPERTY AND EQUIPMENT       Fixed Assets at Cost       1,183,791       1,171,372         Less: Accumulated Depreciation       (523,965)       (485,856)         Construction in Progress       105,165       46,009         Property, Plant & Equipment - Net       764,991       731,525         DEFERRED OUTFLOWS       29,313       29,814         RESTRICTED ASSETS - CASH       0       -	Operational Reserve Fund	100,196	100,196			
Postretirement Health/Life Reserve Fund         19,609         18,256           PTO Liability Fund         23,713         22,984           Malpractice Reserve Fund         1,800         1,800           Catastrophic Reserves Fund         16,206         14,125           Total Board Designated Assets         329,139         312,358           (6) FUNDS HELD BY TRUSTEE         297,273         30,841           LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         51,183,791         1,171,372           Less: Accumulated Depreciation         (523,965)         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	Community Benefit Fund	12,205	13,037			
PTO Liability Fund       23,713       22,984         Malpractice Reserve Fund       1,800       1,800         Catastrophic Reserves Fund       16,206       14,125         Total Board Designated Assets       329,139       312,358         (6) FUNDS HELD BY TRUSTEE       297,273       30,841         LONG TERM INVESTMENTS       253,005       207,597         INVESTMENTS IN AFFILIATES       32,595       31,627         PROPERTY AND EQUIPMENT       Fixed Assets at Cost       1,183,791       1,171,372         Less: Accumulated Depreciation       (523,965)       (485,856)         Construction in Progress       105,165       46,009         Property, Plant & Equipment - Net       764,991       731,525         DEFERRED OUTFLOWS       29,313       29,814         RESTRICTED ASSETS - CASH       0       -	Workers Compensation Reserve Fund	21,434	22,309			
Malpractice Reserve Fund       1,800       1,800         Catastrophic Reserves Fund       16,206       14,125         Total Board Designated Assets       329,139       312,358         (6) FUNDS HELD BY TRUSTEE       297,273       30,841         LONG TERM INVESTMENTS       253,005       207,597         INVESTMENTS IN AFFILIATES       32,595       31,627         PROPERTY AND EQUIPMENT       51,183,791       1,171,372         Less: Accumulated Depreciation       (523,965)       (485,856)         Construction in Progress       105,165       46,009         Property, Plant & Equipment - Net       764,991       731,525         DEFERRED OUTFLOWS       29,313       29,814         RESTRICTED ASSETS - CASH       0       -	Postretirement Health/Life Reserve Fund	19,609	18,256			
Catastrophic Reserves Fund         16,206         14,125           Total Board Designated Assets         329,139         312,358           (6) FUNDS HELD BY TRUSTEE         297,273         30,841           LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         Fixed Assets at Cost         1,183,791         1,171,372           Less: Accumulated Depreciation         (523,965)         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	PTO Liability Fund	23,713	22,984			
Total Board Designated Assets         329,139         312,358           (6) FUNDS HELD BY TRUSTEE         297,273         30,841           LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         51,183,791         1,171,372           Less: Accumulated Depreciation         (523,965)         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	Malpractice Reserve Fund	1,800	1,800			
(6) FUNDS HELD BY TRUSTEE       297,273       30,841         LONG TERM INVESTMENTS       253,005       207,597         INVESTMENTS IN AFFILIATES       32,595       31,627         PROPERTY AND EQUIPMENT       51,183,791       1,171,372         Less: Accumulated Depreciation       (523,965)       (485,856)         Construction in Progress       105,165       46,009         Property, Plant & Equipment - Net       764,991       731,525         DEFERRED OUTFLOWS       29,313       29,814         RESTRICTED ASSETS - CASH       0       -	Catastrophic Reserves Fund	16,206	14,125			
LONG TERM INVESTMENTS         253,005         207,597           INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         51,183,791         1,171,372           Less: Accumulated Depreciation         (523,965)         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	Total Board Designated Assets	329,139	312,358			
INVESTMENTS IN AFFILIATES         32,595         31,627           PROPERTY AND EQUIPMENT         1,183,791         1,171,372           Fixed Assets at Cost         1,183,791         1,171,372           Less: Accumulated Depreciation         (523,965)         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	(6) FUNDS HELD BY TRUSTEE	297,273	30,841			
PROPERTY AND EQUIPMENT           Fixed Assets at Cost         1,183,791         1,171,372           Less: Accumulated Depreciation         (523,965)         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	LONG TERM INVESTMENTS	253,005	207,597			
Fixed Assets at Cost         1,183,791         1,171,372           Less: Accumulated Depreciation         (523,965)         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	INVESTMENTS IN AFFILIATES	32,595	31,627			
Less: Accumulated Depreciation         (523,965)         (485,856)           Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	PROPERTY AND EQUIPMENT					
Construction in Progress         105,165         46,009           Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	Fixed Assets at Cost	1,183,791	1,171,372			
Property, Plant & Equipment - Net         764,991         731,525           DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	Less: Accumulated Depreciation	(523,965)	(485,856)			
DEFERRED OUTFLOWS         29,313         29,814           RESTRICTED ASSETS - CASH         0         -	Construction in Progress	105,165	46,009			
RESTRICTED ASSETS - CASH 0	Property, Plant & Equipment - Net	764,991	731,525			
RESTRICTED ASSETS - CASH 0	DEFERRED OUTFLOWS	29,313	29,814			
	RESTRICTED ASSETS - CASH	0	-			
	TOTAL ASSETS	2,092,251	1,675,422			

#### LIABILITIES AND FUND BALANCE

			Audited
	CURRENT LIABILITIES	April 30, 2017	June 30, 2016
(7)	Accounts Payable	21,658	28,519
(8)	Salaries and Related Liabilities	17,546	22,992
	Accrued PTO	23,713	22,984
	Worker's Comp Reserve	2,300	2,300
	Third Party Settlements	11,382	11,314
	Intercompany Payables	67	105
	Malpractice Reserves	1,772	1,936
	Bonds Payable - Current	3,735	3,635
(9)	Bond Interest Payable	3,076	5,459
	Other Liabilities	7,684	10,478
	Total Current Liabilities	90,042	106,830
	LONG TERM LIABILITIES		
	Post Retirement Benefits	19,609	18,256
	Worker's Comp Reserve	19,134	20,009
	Other L/T Obligation (Asbestos)	3,728	3,637
	Other L/T Liabilities (IT/Medl Leases)	5,726	3,037
	Bond Payable	530,863	225,857
	Total Long Term Liabilities	573,334	267,759
	Total Long Term Liabilities	373,334	207,733
	DEFERRED REVENUE-UNRESTRICTED	466,338	
	DEFERRED REVERSE STREETED	400,000	
	DEFERRED INFLOW OF RESOURCES	2,892	2,892
		_,03_	
	FUND BALANCE/CAPITAL ACCOUNTS		
	Unrestricted	1,096,378	985,583
	Board Designated	329,139	312,358
	Restricted	0	-
(10)		1,425,517	1,297,941
( )		_,,	_,, <u>_</u>
	TOTAL LIABILITIES AND FUND BALANCE	2,092,251	1,675,422



**Audited** 

### El Camino Hospital Comparative Balance Sheet Variances and Footnotes (1)

- (1) The increase in cash is due allowing for immediate cash to be available for the recent significant construction projects that have started in MV campus.
- (2) The decrease is primarily due to the significant cash payments the Patient Accounts team has brought in during the nine months, two months were in excess of \$70M where the projected budgeted was approximately \$63M per month.
- (3) The decrease is just a timing issue of intercompany payments from one quarter to another. Normally at a fiscal year end, they are higher due to the books being held open for a longer period of time in preparation for audit.
- (4) The increase is principally due to three quarterly pension contributions of \$2.6M each since July 1, 2016.
- (5) A new item, the District allocated its FY 2014 and FY 2015 Capital Appropriation Funds in support of future renovations to the Women's Hospital when the IMOB is completed and those floors become for patient care.
- (6) This month reflects the 2017 Revenue Bonds that were issued in March. The total amount now reflects this new issue of \$292M, the bond premium on it of \$21M, less paybacks to the hospital of \$36M for prior construction costs on the 4 major MV projects. Also there still exists \$23M in the LG Project Fund from the 2015A proceeds.
- (7) The decrease is due significant General Contractor payments being accrued at year end, that were subsequently relieved during the first quarter of fiscal year 2017.
- (8) The decrease over June 2016, is that at the end of June we had yet to payout the end of June's payroll (occurred the beginning of July, where here in April the last payroll had been paid out, thus no needed accrued payroll that approximates \$12M.
- (9) The increase is due to the new 2017 debt added as of March 2017, along with the associated bond premium that will be amortized over the life of the new debt.
- (10) The increase is to this year's financial performance (\$79M from Operations and \$46M in Non-Operations income primarily driven by significant incomes from unrealized investment gains).



#### EL CAMINO HOSPITAL - BOARD DESIGNATED FUND DESCRIPTIONS/HISTORY ( 1 OF 2)

Plant & Equipment Fund — original established by the District Board in the early 1960's to fund new capital expansion projects of building facilities or equipment (new or replacements). The funds came from the M&O property taxes being received and the funding depreciation expense at 100%. When at the end of 1992, the 501(c)(3) Hospital was performed by the District, the property tax receipts remained with the District. The newly formed Hospital entity continued on with funding depreciation expense, but did that funding at 130% of the depreciation expense to account for an expected replacement cost of current plant and property assets. It is to be noted that within this fund is an itemized amount of \$14 million for the Behavioral Health Service building replacement project. This amount came from the District's Capital Appropriation Fund (excess Gann Limit property taxes) of the fiscal years of 2010 thru 2013 by various District board actions.

**Women's Hospital Expansion** – established June 2016 by the District authorizing the amounts accumulated in its Capital Appropriation Fund (excess Gann Limit property taxes) for the fiscal years of 2014 and 2015 to be allocated for the renovation of the Women's Hospital upon the completion of Integrated Medical Office Building currently under construction.

Operational Reserve Fund – originally established by the District in May 1992 to establish a fund equal to sixty (60) days of operational expenses (based on projected budget) and only be used in the event of a major business interruption event and/or cash flow.

Community Benefit Fund – following in the footsteps of the District in 2008 of forming its Community Benefit Fund using Gann Limit tax receipts, the Hospital in 2010 after opening its campus outside of District boundaries in Los Gatos formed its own Community Benefit Fund to provide grants/sponsorships in Los Gatos and surrounding areas. The funds come from the Hospital reserving \$1.5M a year from its operations, the entity of CONCERN contributing 40% of its annual income each year (an amount it would have paid in corporate taxes if it wasn't granted tax exempt status), that generates an amount of \$800,000 or more a year. \$10 million within this fund is board designated endowment fund formed in 2015 to generate investment income to be used for grants and sponsorships, currently generating approximately \$400,000 a year.

#### EL CAMINO HOSPITAL - BOARD DESIGNATED FUND DESCRIPTIONS/HISTORY ( 2 OF 2)

- Workers Compensation Reserve Fund as the Hospital is self-insured for its workers compensation program (since 1978) this fund was originally formed in early 2000's by management to reserve cash equal to the yearly actuarially determined Workers Compensation amount. The thought being if the business was to terminate for some reason this is the amount in cash that would be needed to pay out claims over the next few years.
- Postretirement Health/Life Reserve Fund following the same formula as the Workers Compensation Reserve Fund this fund was formed in the early 2000's by management to reserve cash equal to the yearly actuarially determined amount to fund the Hospital's postretirement health and life insurance program. Note this program was frozen in 1995 for all new hires after that date.
- **PTO (Paid Time Off) Liability Fund** originally formed in 1993 as the new 501(c)(3) Hospital began operations, management thought as a business requirement of this vested benefit program that monies should be set aside to extinguish this employee liability should such a circumstance arise. This balance is equal to the PTO Liability on the Balance Sheet.
- Malpractice Reserve Fund originally established in 1989 by the then District's Finance Committee and continued by the Hospital. The amount is actuarially determined each year as part of the annual audit to fund potential claims less than \$50,000. Above \$50,000 our policy with the BETA Healthcare Group kicks in to a \$30 million limit per claim/\$40 million in the aggregate.
- Catastrophic Loss Fund was established in 1999 by the Hospital Board to be a "self-insurance" reserve fund for potential non-major earthquake repairs. Initially funded by the District transferring \$5 million and has been added to by the last major payment from FEMA for the damage caused the Hospital by the October 1989 earthquake. It is to be noted that it took 10 years to receive final settlement from FEMA grants that totaled \$6.8 million that did mostly cover all the necessary repairs.

# **APPENDIX**

### El Camino Hospital – Mountain View (\$000s)

10 months ending 4/30/2017

PERIOD 10	PERIOD 10	PERIOD 10	Variance				YTD	YTD	Variance	
FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%	\$000s	FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%
					OPERATING REVENUE					
189,207	202,246	194,629	7,617	3.9%	<b>Gross Revenue</b>	1,866,418	2,041,384	1,965,685	75,699	3.9%
(138,765)	(148,592)	(141,406)	(7,186)	5.1%	Deductions	(1,353,642)	(1,485,712)	(1,437,488)	(48,224)	3.4%
50,443	53,654	53,223	431	0.8%	<b>Net Patient Revenue</b>	512,776	555,672	528,197	27,475	5.2%
(459)	1,463	1,884	(422)	-22.4%	Other Operating Revenue	16,218	18,774	18,738	36	0.2%
49,984	55,116	55,107	9	0.0%	<b>Total Operating Revenue</b>	528,994	574,446	546,935	27,511	5.0%
					OPERATING EXPENSE					
29,646	31,881	31,219	(662)	-2.1%	Salaries & Wages	297,976	309,269	317,596	8,327	2.6%
7,465	8,307	8,075	(232)	-2.9%	Supplies	78,467	78,581	80,465	1,884	2.3%
7,025	6,291	6,419	128	2.0%	Fees & Purchased Services	69,952	66,570	65,777	(793)	-1.2%
200	502	577	74	12.9%	Other Operating Expense	14,753	6,743	6,673	(70)	-1.1%
610	(129)	448	578	128.9%	Interest	4,958	3,558	4,482	924	20.6%
3,846	3,446	3,902	456	11.7%	Depreciation	35,203	34,966	38,065	3,098	8.1%
48,793	50,299	50,641	341	0.7%	<b>Total Operating Expense</b>	501,310	499,687	513,058	13,370	2.6%
1,192	4,817	4,467	350	7.8%	Net Operating Income/(Loss)	27,683	74,759	33,877	40,881	120.7%
5,734	7,532	729	6,803	933.3%	Non Operating Income	(15,671)	46,938	7,289	39,649	543.9%
6,926	12,349	5,196	7,154	137.7%	Net Income(Loss)	12,012	121,697	41,167	80,530	195.6%
11.3%	14.8%		-1.2%		EBITDA	12.8%	19.7%	14.0%	5.7%	
2.4%	8.7%	8.1%	0.6%		Operating Margin	5.2%	13.0%	6.2%	6.8%	
13.9%	22.4%	9.4%	13.0%		Net Margin	2.3%	21.2%	7.5%	13.7%	

### El Camino Hospital – Los Gatos(\$000s)

10 months ending 4/30/2017

	PERIOD 10	PERIOD 10	PERIOD 10	Variance			YTD	YTD	YTD	Variance	
					M=::0/	ć000-				Fav (Unfav)	M==0/
_	FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%	\$000s	FY 2016	FY 2017	FY 2017 Budget 2017		Var%
						OPERATING REVENUE					
	38,157	41,688	44,482	(2,794)	-6.3%	Gross Revenue	410,401	449,052	447,491	1,561	0.3%
_	(25,900)	(31,202)	(32,199)	996	-3.1%	Deductions	(293,551)	(330,471)	(323,918)	(6,553)	2.0%
	12,257	10,486	12,284	(1,798)	-14.6%	Net Patient Revenue	116,850	118,581	123,573	(4,992)	-4.0%
_	153	169	215	(45)	-21.0%	Other Operating Revenue	1,948	1,671	2,147	(476)	-22.2%
	12,409	10,655	12,498	(1,843)	-14.7%	<b>Total Operating Revenue</b>	118,797	120,252	125,720	(5,468)	-4.3%
						OPERATING EXPENSE					
	5,818	6,374	6,266	(108)	-1.7%	Salaries & Wages	60,091	63,044	63,803	759	1.2%
	1,495	1,707	1,810	103	5.7%	Supplies	17,618	18,218	17,880	(338)	-1.9%
	1,295	1,277	1,232	(46)	-3.7%	Fees & Purchased Services	13,634	13,538	12,454	(1,085)	-8.7%
	1,527	1,541	1,556	14	0.9%	Other Operating Expense	15,749	16,054	15,977	(77)	-0.5%
	0	0	0	0	0.0%	Interest	0	0	0	0	0.0%
_	523	486	684	198	28.9%	Depreciation	5,048	5,138	5,850	711	12.2%
	10,657	11,386	11,547	161	1.4%	<b>Total Operating Expense</b>	112,140	115,992	115,963	(29)	0.0%
_	1,753	(730)	951	(1,682)	-176.8%	Net Operating Income/(Loss)	6,658	4,260	9,757	(5,497)	-56.3%
_	0	0	0	0	0.0%	Non Operating Income	(26)	(10)	0	(10)	0.0%
	1,753	(730)	951	(1,682)	-176.8%	Net Income(Loss)	6,632	4,250	9,757	(5,508)	-56.4%
	18.3%	-2.3%	13.1%	1.7%		EBITDA	9.9%	7.8%	12.4%	-4.6%	
			7.6%								
	14.1%	-6.9%		-14.5%		Operating Margin	5.6%	3.5%	7.8%	-4.2%	
	14.1%	-6.9%	7.6%	-14.5%		Net Margin	5.6%	3.5%	7.8%	-4.2%	

For the month of April, lower volume in ED, Surgeries, Deliveries and Psych Visits resulting in lower gross charges. YTD, volume is close to budget, but lower net revenue due to Payor mix with increase in Medicare in recent months and a drop in PPO Payor (36% first 6 months & 31% last 4 months).



### Capital Spend Trend & FY 18 Budget

	Actual	Actual	Actual	Actual	Budget	Projected	Budget
Capital Spending (in 000's)	FY2013	FY2014	FY2015	FY2016	FY2017	FY2017	FY2018
EPIC	-	6,838	29,849	20,798	6,137	6,137	1,922
IT Hardware / Software Equipment	8,019	2,788	4,660	6,483	5,391	5,391	12,238
Medical / Non Medical Equipment*	10,284	12,891	13,340	17,133	10,254	18,185	5,635
Non CIP Land, Land I, BLDG, Additions		22,292	-	4,189	-	-	-
Facilities	9,294	13,753	38,940	48,137	204,477	170,763	211,886
GRAND TOTAL	27,598	58,561	86,789	96,740	226,259	200,476	231,681
*Includes 2 robot purchases in projected F	Y 2017 & FY16	6 Medical/No	on Medical E	quipment sp	ent in FY17		

Category 2012 2013 2014 2015 2016		Category	2012 2	013 2	014	2015	2016				
EPIC	0	0	6,838	29,849	20,798	Facilities Projects CIP cont.				1	
IT Hardware/Software Equipment	7,289	8,019	2,788	4,660	6,483	1327 - Rehab Building Upgrades	0	0	0	15	20
		-	-	•	-	1320 - 2500 Hosp Dr Roofing	0	0	75	81	0
Medical/Non Medical Equipment	11,203	10,284	12,891	13,340	17,133	1340 - New Main ED Exam Room TVs	0	0	8	193	0
Non CIP Land, Land I, BLDG, Additions	7,311	0	22,292	0	4,189	1341 - New Main Admin	0	0	32	103	0
Facilities Projects CIP						1344 - New Main AV Upgrd	0	0	243	0	0
Mountain View Camputs Master Plan Projects						1400 - Oak Pav Cancer Center	0	0	0	5,208	666
1245 - Behavioral Health Bldg Replace	0	0	1,257	3,775	1,389	1403 - Hosp Drive BLDG 11 TI's	0	0	86	103	0
1413 - North Drive Parking Structure Exp	0	0	0	167	1,266	1404 - Park Pav HVAC	0	0	64	7	0
1414 - Integrated MOB	0	0	0	2,009	8,875	1405 - 1 - South Accessibility Upgrades	0	0	0	0	168
1422 - CUP Upgrade	0	0	0	0	896	1408 - New Main Accessibility Upgrades	0	0	0	7	46
Sub-Total Mountain View Campus Master Plan	-	0	1,257	5,950	<b>12,426</b>	1415 - Signage & Wayfinding	0	0	0	0	106
Sub-rotal Wouldani View Campus Waster Fran	·	Ū	1,237	3,330	12,420	1416 - MV Campus Digital Directories	0	0	0	0	34
Mountain View Capital Projects						1423 - MV MOB TI Allowance	0	0	0	0	588
0101 - Hosp Replace	313	0	0	0	0	1425 - IMOB Preparation Project - Old Main	0	0	0	_	711 0
0317 - Melchor TI's	117	0	0	0	0	1429 - 2500 Hospital Dr Bldg 8 TI	-	0	0	101 8	
0704 - 1 South Upgrade	2	0	0	0	0	1432 - 205 South Dr BHS TI 1501 - Women's Hospital NPC Comp	0	0	0	4	15 0
9900 - Unassigned Costs	279	734	470	3,717	0	1502 - Cabling & Wireless Upgrades	0	0	0	0	1,261
0803 - Park Pav Foundation	270	0	0	0	0	1503 - Willow Pavillion Tomosynthesis	0	0	0	0	53
1106 - SHC Project	2,245	0	0	0	0	1504 - Equipment Support Infrastructure	0	0	0	61	311
1108 - Cooling Towers	932	450	0	0	0	1523 - Melchor Pavillion Suite 309 TI	0	0	0	01	10
1115 - Womens Hosp TI's	50	0	0	0	0	1526 - CONCERN TI	0	0	0	0	37
1118 - Park Pav Roto Care	119	0	0	0	0	Sub-Total Mountain View Projects	8,380	8,145	7,219	26,744	5,588
1120 - BHS Out Patient TI's	472	66	0	0	0	•	•	•		•	
1129 - Old Main Card Rehab	400	9	0	0	0	0904 - LG Facilities Upgrade	41	2 244	0 774	1 402	0
0817 - Womens Hosp Upgrds	1,242	645	1	0	0	0907 - LG Imaging Masterplan	162 0	0	0	1,402 0	17 0
1107 - Boiler Replacement	49	0	0	0	0	1000 - LG Rehab Building 1005 - LG OR Light Upgrd	108	14	0	0	0
1109 - New Main Upgrades	589	423	393	2	0	1102 - LG Joint Hotel	657	0	0	0	0
1111 - Mom/Baby Overflow	267	212	29	0	0	1122 - LG Sleep Studies	147	7	0	0	0
1129 - Cardic Rehab Improv	0	0	0	0	0	1210 - Los Gatos VOIP	147	147	89	0	0
1132 - Pheumatic Tube Prj	78	0	0	0	0	1116 - LG Ortho Pavillion	44	177	24	21	0
1204 - Elevator Upgrades	24	25	30	0	0	1124 - LG Rehab BLDG	11	49	458	0	0
0800 - Womens L&D Expansion	129	2,104	1,531	269	0	1128 - LG Boiler Replacement	3	0	0	0	0
1131 - MV Equipment Replace	190	216	0	0	0	1247 - LG Infant Security	0	134	0	0	0
1135 - Park Pavilion HVAC	47	0	0	0	0	1307 - LG Upgrades	0	376	2,979	3,282	3,511
1208 - Willow Pav. High Risk	0	110	0	0	0	1308 - LG Infrastructure	0	0	114	0	0
1213 - LG Sterilizers	0	102	0	0	0	1313 - LG Rehab HVAC System/Structural	0	0	0	0	1,597
1225 - Rehab BLDG Roofing	0	7	241	4	0	1219 - LG Spine OR	0	0	214	323	633
_	0	96	241	0	0	1221 - LG Kitchen Refrig	0	0	85	0	0
1227 - New Main elCU	0	339	80	0	0	1248 - LG - CT Upgrades	0	0	26	345	197
1230 - Fog Shop	0			2	0	1249 - LG Mobile Imaging	0	0	146	0	0
1315 - 205 So. Drive TI's	-	0	500	_		1328 - LG Ortho Canopy FY14	0	0	255	209	0
0908 - NPCR3 Seismic Upgrds	554	1,302	1,224	1,328	240	1345 - LG Lab HVAC	0	0	112	0	0
1125 - Will Pav Fire Sprinkler	9	57	39	0	0	1346 - LG OR 5, 6, and 7 Lights Replace	0	0	0	285	53
1211 - SIS Monitor Install	0	215	0	0	0	1347 - LG Central Sterile Upgrades	0	0	0	181	43
1216 - New Main Process Imp Office	0	19	1	16	0	1421 - LG MOB Improvements	0	0	0	198	65
1217 - MV Campus MEP Upgrades FY13	0	0	181	274	28	Sub-Total Los Gatos Projects	1,174	1,150	5,276	6,246	6,116
1224 - Rehab Bldg HVAC Upgrades	0	11	202	81	14	1550 - Land Acquisition	0	0	0	0	24,007
1301 - Desktop Virtual	0	0	13	0	0	Sub-Total Other Strategic Projects	0	Ō	0	Ō	24,007
1304 - Rehab Wander Mgmt	0	0	87	0	0						
1310 - Melchor Cancer Center Expansion	0	0	44	13	0	Subtotal Facilities Projects CIP	9,553	9,294	13,753	38,940	48,137
1318 - Women's Hospital TI	0	0	48	48	29	Grand Total	35,357	27,598	58,561	86,789	96,740
						Forecast at Beginning of year	47,138	70,503	70,037	101,607	114,025



El Camino Hospital and Affiliates FY18 Operating & Capital Budget ECH Board of Directors

June 14, 2017
Don Sibery, Interim CEO
Mick Zdeblick, COO
Iftikhar Hussain, CFO

### Contents

- Context Remarks
- Finance Committee Recommendations
- Strategic Goal and Building Blocks
- FY 18 Organizational Goals
- FY 18 Operating Budget
  - Overview
  - Revenue
  - Volume
  - Expenses
- FY 18 Capital Budget
- Board Designated Community Benefit
- Appendix
  - Affiliate Profit & Loss Statement
  - Non Operating Revenue / Expense

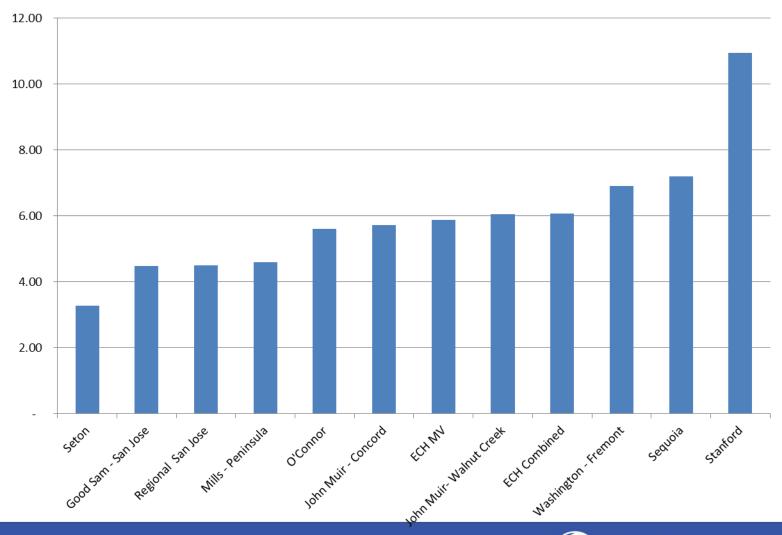
# Video clip will be shown at the meeting

- Consciously move from hospital centric to health centric
- Focus on Silicon Valley rather than just Mountain View, Los Gatos or Santa Teresa
- Preserve Values which exist and bring to life the Values which need support and development
- Act on the Engagement and Culture of Safety Survey Results
- On-board the permanent CEO and look forward to him putting his thumb print on the Strategic Plan initiatives
- Building contemporary HR, Supply Chain, Accounting systems
- Concentrate on preparing the organization for execution on the initiatives which are strategic priorities

- The capital and operating budget supports clinical volume growth in MV, LG, and ambulatory sites
- Budgeted Operating Income and EBIDTA deserving of an A Bond Rating by Moody's
- Embed Lean principles at all levels of the organization
- Layoff savings, without eliminating or redesigning work, will creep back into the organization over time
- First quarter, identify overhead reductions and implement during the balance of the fiscal year simultaneous with the work redesign or work elimination

- All new FTEs have been paid for by:
  - New revenue to cover the position
  - Cost savings to pay for the position
  - Eliminating another position in order to fill the new position
- We have increased our bench strength with budgeted investments in compliance and legal

### FTEs/AOB



## Context For The ECH Enterprise During FY 2018

#### Strategic Plan Fund of \$5,000,000

- How did we arrive at this number?
  - ✓ Felt it was a realistic first year amount to digest as an organization
  - ✓ In order to preserve our A Bond Rating this was the amount we could spend
- Why not \$10,000,000 or more?
  - ✓ It would impact the EBITDA and the operating margin
  - ✓ Other than capital investments, I felt we could not absorb more operating expenditures than \$5,000,000.

## Context For The ECH Enterprise During FY 2018

#### Strategic Plan Fund of \$5,000,000

- How will decisions be made as to its use?
  - ✓ The CEO will present the rational for use of the funds and will
    bring it forth to the Board or an appropriate Board Committee
- Is the Board restricted to the \$5m Fund amount?
  - ✓ The Board has full discretion as to how much to invest at any
    point in time. Return on the investment and impact on our A
    Bond Rating will need to be taken into consideration by the
    Board at the time

#### Context for FY18 Goals

Organizational Goals must meet three tests:

- 1. Each employee must be able to contribute personally towards achieving the goal (Line of Sight)
- 2. Goal must be measurable and have an external benchmark
- 3. The goal must move the needle on one of the ECH strategic initiatives

### Finance Committee Suggestions

The Finance Committee, at the May 30, 2017 meeting, recommended that the Board approve the budget and made the following suggestions:

- Increase the threshold organizational goal to 95% of budgeted operating margin.
  - DONE: This change will be incorporated into the Organizational Goals presented later in today's agenda.
- Describe guidelines on spending the proposed \$5 million (or different amount approved by the Board) allocated to the CEO for advancing strategic initiatives.
  - See slide 8 for details
- Consider reducing FTEs per adjusted occupied bed.
  - We will use FY18 to rebuild the Lean structure. The changes from this process will be lasting and improve quality rather than making a rushed change in the FY18 budget.
  - See comments on slides 5.



## Finance Committee Suggestions

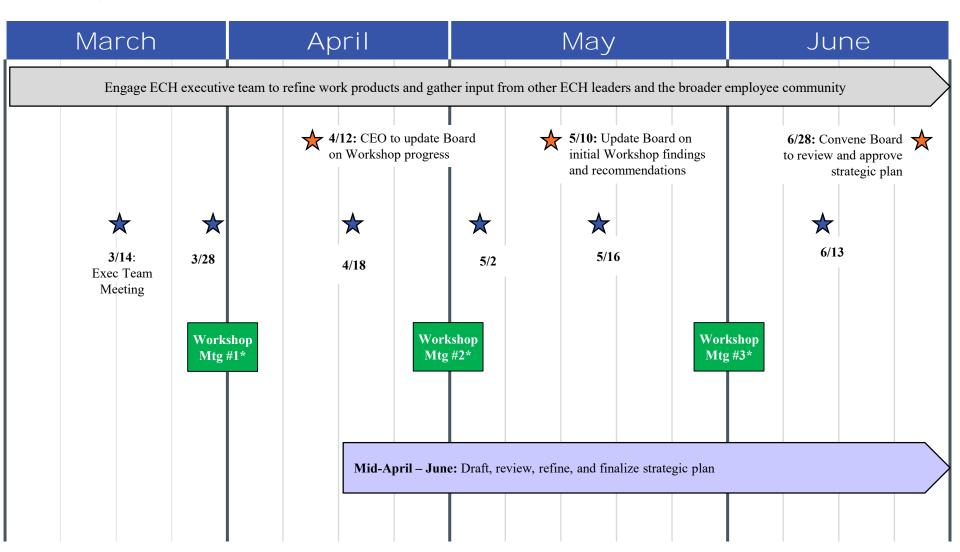
The Finance Committee, at the May 30, 2017 meeting, recommended that the Board approve the budget and made the following suggestions:

- Consider adequacy of the marketing budget by looking at benchmarks.
  - We have validated that the marketing budget is adequate. Truven Benchmarks show that the ECH marketing expenses at 84.6 percentile (e.g. only 14.4% percent of like organizations spend more than us).
- Consider loss of market share in imaging and outpatient laboratory.
  - An analysis by payer showed that the highest volume decreases correlated to payers that reimburse outpatient radiology services at fixed rates (i.e. Anthem Blue Cross, United Healthcare, Workers' Comp, and Medicare). The rates are assessed to be similar between free standing facilities and hospitals with similar patient co payments. Thus, changes to pricing would have no impact to these payers and would provide no incentive for these payers to channel additional business to ECH.
  - We intend to remain competitive with free standing centers by implementing lower rates, offset by higher inpatient rates in our contracts.
     Mammo volume decline will recover after Tomo implementation.

#### END of DOCUMENT

The rest of this document was presented at the Joint Finance and Board Meeting on May 30, 2017.

#### Project Timeline



<sup>\*</sup>Proposed Workshop meeting dates are contingent on member availability and may vary by Workshop

### El Camino Hospital's Mission, Vision & Values

drafted May 2017

#### Mission

Our mission is to heal, relieve suffering and advance wellness as your publicly accountable health partner

#### Vision

Our vision is to lead the transformation of healthcare delivery in Silicon Valley

#### Values

- Quality. We pursue excellence to deliver evidence based care in partnership with our patients and families.
- Compassion. We care for each individual uniquely with kindness, respect and empathy.
- Community. We partner with local organizations, volunteers and a philanthropic community to provide healthcare services across all stages of life.
- Collaboration. We partner for the best interests of our patients, their families and our community using a team approach.
- Stewardship. We carefully manage our resources to sustain, grow and enable services that meet the health needs of our community.
- Innovation We embrace solutions and forward thinking approaches that lead to better health.
- Accountability. We take responsibility for the impact our actions have on the community and each other.

# Strategic Focus

Strategic Focus	Strategic Building Blocks
Physician Alignment	<ul> <li>Physician Collaboration</li> <li>Destination Clinical Programs</li> <li>Preferred Physician Practice Environment</li> </ul>
Consumer Alignment	<ul> <li>Provide Patient- and Family-Centered Care</li> <li>Offer a Collaborative Physician Experience</li> <li>Deliver Value to Payers and Employers</li> <li>Engage Community</li> </ul>
Operational Excellence	<ul><li>Lean Organization</li><li>Financial Sustainability</li><li>Leverage Assets</li></ul>
Cultural Foundation	<ul> <li>Fostering Effective Teams</li> <li>Enabling and Expecting Excellence</li> <li>Seeking Out and Embracing Innovation</li> </ul>

### Proposed Next Steps

- 1. Revise building blocks per Board feedback.
- 2. Incorporate workshop #3 feedback into final presentation.
- 3. Convene Board to review and approve strategic plan on June 28<sup>th</sup>.

### FY18 Organizational Goals: For Discussion

- Format and framework of the organizational goals has been approved by the Executive Compensation Committee of the Board.
- Specifically:
  - a threshold goal based on financial performance to budget.
  - three goals that collectively impact the entire organization, generally focused on Quality, Service Affordability, and being Patient Centric.
  - ½X, X, 2x format for Minimum, Target and Maximum.
- The Quality Committee of the Board needs to review and recommend to the Board the three specific Quality, Service, Affordability, or Patient Centric goals.

## [Update to change budget threshold to 95%]

#### **ECH FY18 Organizational Goals**

#### **DRAFT**

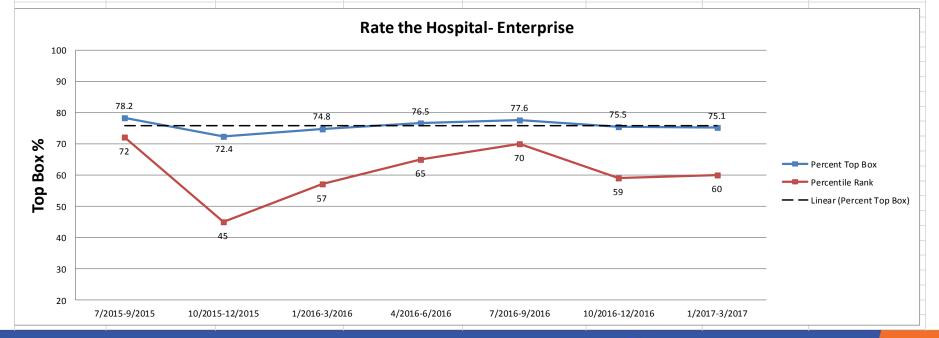
Or	ganizational Goals FY18	nizational Goals FY18 Benchmark 2017 ECH Baseline Minimum Targe		Target	Maximum	Weight	Performance	
Th	reshold Goals							Timeframe
Budgeted Operating Margin		90% threshold	Achieved Budget	9	o% of Budgeted		Threshold	FY 18
	Arithmetic Observed LOS Average / Geometric LOS Expected for Medicare population (ALOS / GMLOS)	External : Expected via Epic Methodology	FY2016: 1.21 (ALOS 4.86 / GMLOS 4.00) FY2017 YTD April: <b>1.18</b> (4.81/4.08)	1.12	1.11	1.08	34%	4Q FY18
	HCAHPS Service Metric: Rate Hospital	External Benchmark	HCAHPS Baseline: 10/2016 - 12/2016: <b>75.5</b> 1/2017 - 3/2017: <b>75.1</b>	77	78	80	33%	4Q FY18
	Standardized Infection Ratio (SIR) Observed HAIs / Predicted HAIs (Hospital Acquired Infections)	External Benchmark	July - Dec 2016: CAUTI 1.37, CLABSI .25, C.DIFF .59 Avg of .738	0.670	0.602	0.467	33%	FY18

- For the last two years we have set internally focused LOS and Readmission goals, i.e. trend improvement. This year, we are advancing the concept via an external component, expected GMLOS.
- By using an Observed (actual ECH performance) over Expected (GMLOS) ratio, it captures both improvement in LOS management and better coding/ documentation (CDI effort).

CMI impacting GMLOS	Baseline	4.08
	3.0%	4.20
	4.0%	4.25
	6.0%	4.33
ALOS impacted by day reduction	Baseline	4.81
	625	4.71
	750	4.72
	1000	4.67

We are recommending "Rate the Hospital" CAHPS as the service goal, it allows for multiple interventions and is a very good capstone metric representing our consumers view of our service.

Rate hospital 0-10	7/2015-9/2015	10/2015-12/2015	1/2016-3/2016	4/2016-6/2016	7/2016-9/2016	10/2016-12/2016	1/2017-3/2017
Percent Top Box	78.2	72.4	74.8	76.5	77.6	75.5	75.1
Percentile Rank	72	45	57	65	70	59	60
n	660	543	810	918	866	803	635



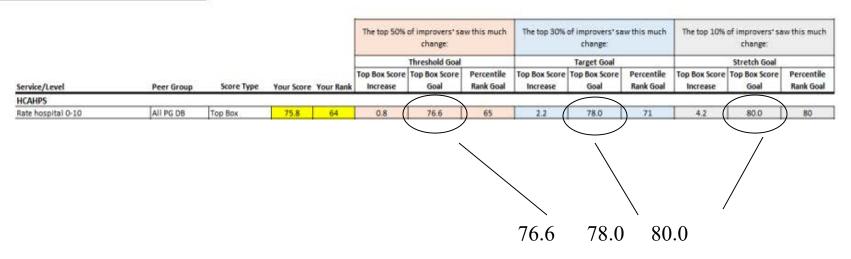
We discussed goal setting options with Press Gainey and they provided the following perspective:

## FY 18 HCAHPS Goal Setting Analysis

5/8/17

Top box score from 5/1/16 - 4/30/17

El Camino Hospital (Aggregate)



Top xx% of improvers saw this much change: 50%, 30%, 10%:

After good discussion with the Quality Committee of the Board, we have revised our third Organizational Goal to be focused exclusively on quality. We are proposing SIR, specifically focused on CAUTI, CLABSI, and C-DIFF.

#### STANDARDIZED INFECTION RATIO (SIR)

#### What is a standardized infection ratio (SIR)?

The standardized infection ratio (SIR) is a summary measure used to track HAIs at a national, state, or local level over time. The SIR adjusts for patients of varying risk within each facility. The method of calculating an SIR is similar to the method used to calculate the Standardized Mortality Ratio (SMR), a summary statistic widely used in public health to analyze mortality data. In HAI data analysis, the SIR compares the actual number of HAIs reported with the baseline U.S. experience (i.e., NHSN aggregate data are used as the standard population), adjusting for several risk factors that have been found to be significantly associated with differences in infection incidence. In other words, an SIR greater than 1.0 indicates that more HAIs were observed than predicted, accounting for differences in the types of patients followed; conversely, an SIR less than 1.0 indicates that fewer HAIs were observed than predicted.

HAI	Facility – MV	# of HAI	Facility- LG	#OF HAI	AVE SIR	Target SIR	
CAUTI	2016 H2 – 1.817	11	2016 H2 - 0.932	1	1.375		
HX 2015-2016	0.767	20	0.6385	3	0.703	1.039	
CLABSI	2016 H2 – 0.492	2	2016 H2 - 0	0	0.246		
HX 2015-2016	0.31	5	0	1	0.155	0.201	
C.DIFF	2016 Q4-1.185	2016 Q4 - 10	2016 - 0	2016 Q4 - 0	0.593		
HX 2016	0.753	23	0.331	1	0.542	0.567	
AVE SIR CURRENT					0.738		
AVE SIR HX					0.467		
Delta					0.271		
						Infection Rate Index: Target	
1/4 if Delta = Min					0.068	0.670	Minium
½ Delta = X					0.136	0.602	Target
Max = Delta					0.271	0.467	Max

- Minimum is ¼ to historical best (last 4 years)
- Target improvement is ½ to historical best
- Maximum is historical best on all three indicators
- An alternative would be 1 of 3, 2 of 3, 3 of 3 achievement of target SIR per each HAI

In raw numbers the occurrences are small, but the impact is significant.

HAI Type	Fiscal Yr 2016	Fiscal Yr 2017 to date (April 2017)
CAUTI	8	18
CLABSI	1	6
C.Diff	17	15

FY18 Operating Budget Overview

## FY18 Budget and Organizational Priorities

#### Key Themes:

#### Invest in our Strategic Plan

- We have established \$5M in budget "undesignated expenses" as a means of funding the initial priorities of the Strategic Plan.
- A portion of this \$5M is funded through a reduction of overhead expenses, both the overhead and release of any funding from the \$5M is at the discretion of the CEO.

#### Invest in Growth

- Two new Xi Da Vinci Surgical Robots, one dedicated to Los Gatos.
   (Strategic Plan: Clinical Centers of Excellence)
- Physician Concierge Service in Los Gatos focused on "ease of interaction", e.g. scheduling, preference cards, billing. (Strategic Plan: Physician Alignment)
- Los Gatos Infusion Center: continued growth of our Cancer Center. (Strategic Plan: Physician Alignment and Clinical Centers of Excellence)

## FY18 Budget and Organizational Priorities

#### Key Themes:

#### Invest in Growth

- Spine Center: a comprehensive spine center in Mountain View (Strategic Plan: Clinical Centers of Excellence)
- Physician recruitments for Silicon Valley Medical Development (SVMD) –
   11 Primary Care Physicians and 4 Specialists
   (Strategic Plan: Physician Alignment)
- Winchester Primary Care Center: completion of build out and hiring of physicians and staff.
  - (Strategic Plan: Physician Alignment and Land Assets)

## FY18 Budget and Organizational Priorities

#### Key Themes:

#### Invest in our Core Business

- New RN Graduates Hiring and Training Program: training funds set aside to recruit and train over 20 new RN Grads.
   (Strategic Plan: Operational Excellence)
- Community Connect: investment in people and subsidy cost as we rollout our instance of Community Connect to independent physicians. (Strategic Plan: Physician Alignment)
- IT Security: investment in both people and systems to enhance our IT security capabilities.
- Parking Management: investment in programs that enable and encourage staff to use alternative modes of transportation to our campus and comply with the parking plan required by the city of MV.
- Lastly, investment in our team to tackle clinical variation, budgeting for a net impact of \$2M.

## FY18 Strategic Initiatives -

Summary of FY18 Strategic Priorities					
Strategic Plan	<b>*</b>	Initiatives		Net Financial Result	
<b>Growth</b>		General Surgeries @ LG - add 100 cases		664,806	
		LG Infusion Program - begin in 4Q, FY18		13,808	
		Robotic Surgeries @ LG - add 200 cases		2,552,647	
		Sleep Disorder (OSA) - add 300 cases		27,966	
		Spine Program - add 30 cases		647,965	
		SVMD - recruit 11 PCP and 4 Specialist		(2,496,063)	
<b>Growth Total</b>				1,411,129	
<b>■ Investment in Core Business</b>		- Reduce Medicare Loss - CDI		3,500,000	
		- Reduce Medicare Loss - Clinical Variation		2,000,000	
		- Reduce Medicare Loss - Medicare ALOS reduction		875,000	
		Community Connect		(2,000,000)	
		IT Security		(1,200,000)	
		Workforce Planning - New Grad Program		(1,600,000)	
<b>Investment in Core Business Total</b>	al			1,575,000	
<b>■</b> Strategic Plan		Overhead Reduction		1,698,470	
		Strategic Plan		(5,000,000)	
Strategic Plan Total				(3,301,530)	
Grand Total				(315,401)	
* Number in () is reducing revenue			+		

### El Camino Hospital & Affiliates

	•	•	<u> </u>	-	
	FY2016 Actual	FY2017 Annualized	FY2018 Budget	Change Favorable/ (Unfavorable)	% Change
REVENUES					
Net Patient Service Revenue	772,173	809,481	835,789	26,308	3.2%
Other Operating Revenue	39,407	41,133	41,322	189	0.5%
Total Net Revenue	811,580	850,614	877,111	26,497	3.1%
EXPENSES					
Salaries & Benefits	443,258	453,986	481,417	(27,431)	-5.7%
Supplies & Other Expenses	261,488	251,118	264,310	(13,192)	-5.0%
Interest	7,193	4,270	8,705	(4,435)	-50.9%
Depreciation/Amortization	48,803	48,170	53,442	(5,272)	-9.9%
TOTAL EXPENSES	760,746	757,544	807,874	(50,330)	-6.2%
OPERATING INCOME	50,834	93,070	69,237	(23,833)	34.4%
Non Operating Income	(5,112)	62,267	12,723	49,544	
NET INCOME	45,722	155,337	81,960	(73,377)	-47.2%
EBITDA	106,831	145,510	131,384	(14,126)	-9.7%
EBITDA Margin Percentage	13.2%	17.1%	15.0%	-2.1%	-12.4%
Operating Margin Percentage	6.3%	10.9%	7.9%	-3.0%	-27.9%

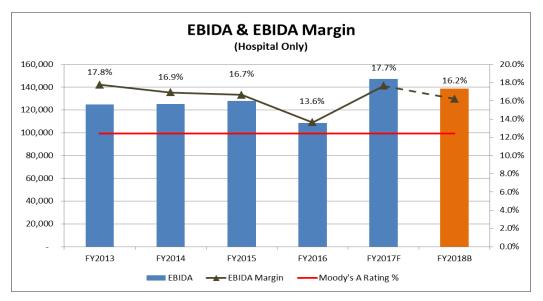
## El Camino Hospital FY18 Budget

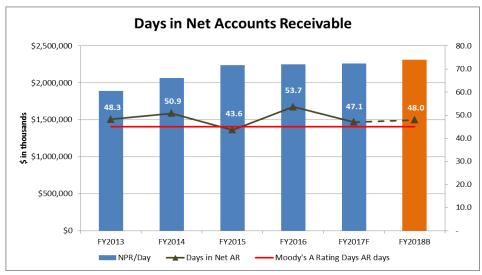
EL C!		/ c :	
El Camino	Hospitai	(\$ in thousands)	)

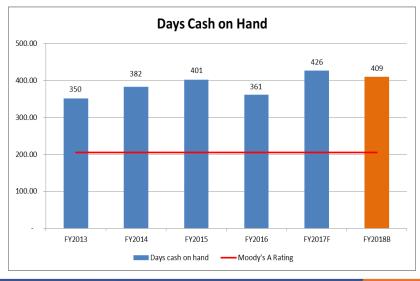
_	FY2016 Actual	FY2017 Annualized	FY2018 Budget	Change Favorable/ (Unfavorable)	% Change
REVENUES					
Net Patient Service Revenue	772,020	809,104	832,066	22,962	2.8%
Other Operating Revenue	23,636	24,529	23,129	(1,400)	-5.7%
Total Net Revenue	795,657	833,633	855,195	21,562	2.6%
EXPENSES					
Salaries & Benefits	435,988	446,775	470,357	(23,581)	-5.0%
Supplies & Other Expenses	251,115	239,644	245,976	(6,332)	-2.6%
Interest	7,193	4,270	8,705	(4,435)	-50.9%
Depreciation/Amortization	48,748	48,125	53,067	(4,942)	-9.3%
TOTAL EXPENSES	743,044	738,815	778,105	(39,290)	-5.0%
OPERATING INCOME	52,613	94,818	77,090	(17,729)	23.0%
Non Operating Income	(9,570)	56,313	4,390	(51,923)	
NET INCOME	43,043	151,131	81,480	(69,652)	-46.1%
EBITDA	108,554	147,214	138,862	(8,352)	-5.7%
EBIDA Margin Percentage	13.6%	17.7%	16.2%	-1.4%	-8.1%
Operating Margin Percentage	6.6%	11.4%	9.0%	-2.4%	-20.7%
KEY HOSPITAL INDICATORS					
Hospital Discharges, excl normal newborns	19,401	19,580	19,705	125	0.6%
Total Hospital Patient Days	88,700	87,175	87,656	481	0.6%
Adjusted Discharges*	31,379	32,808	32,864	56.0	0.2%
Hospital Average Daily Census	243	239	240	1	0.6%

<sup>\*</sup> Adjusted Discharges exclude New Born discharges

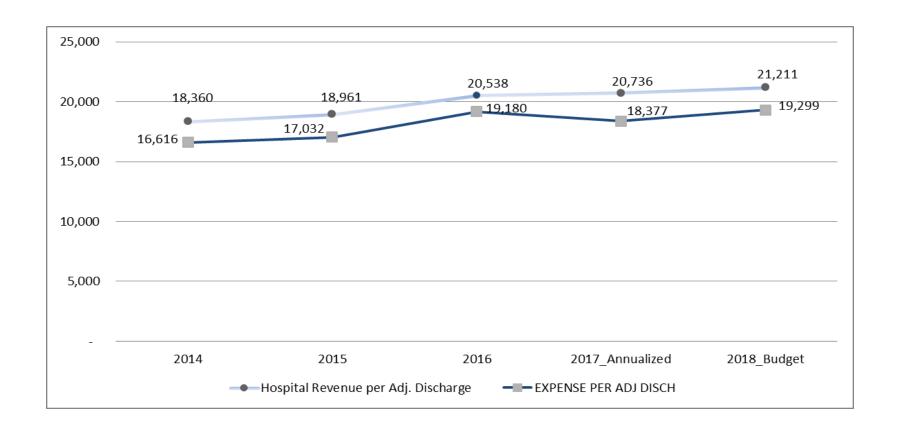
## Key Financial Metrics



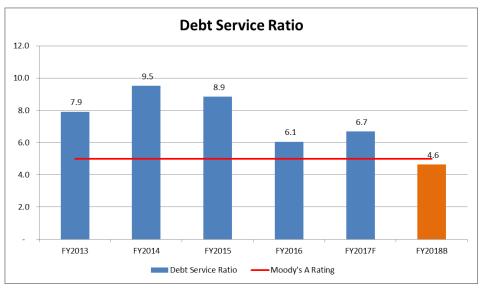


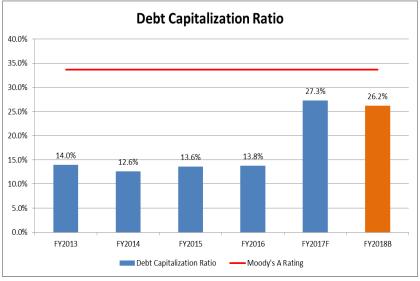


### FY18: Revenue & Expense per Adj. Discharge Trend



## Key Financial Metrics





#### Key Drivers of FY18 Budget Operating Margin

			Net Income	% Net
\$ in Thou	sands (000s) Favorable/(Unfavorable)	Detail	Impact	Revenue
Expected	HospItal Operations FY2017		94,818	11.4%
<b>Net Reve</b>	nue		21,562	2.5%
*	Revenue from Growth & Price Changes	23,773		
*	Non Recurring unusual items (IGT, AB915)	(1,205)		
*	PRIME project reduced	(3,479)		
*	Other Op Revenue	2,079		
*	Other	394		
Labor Exp	ense Change		(23,581)	-2.8%
*	FY17 Vacancy Gap / FY18 New FTE	(16,276)		
*	Wage increases	(10,989)		
*	Volume Increase / New Program	(1,471)		
*	Nursing new grad. program	(1,217)		
*	Performance Bonus not in FY 18 budget	3,080		
*	Ratification Bonus - one time in FY 17	2,417		
*	Medicare LOS reduction	875		
Professio	nal Fees & Purchased Services		1,228	0.1%
*	Physician Fees: oncology recruitment, ortho co-management	(2,441)		
*	Bond Issuance	3,095		
*	Legal	(754)		
*	Administrative Savings (IT,EVS,Lab)	3,649		
*	Traffic mitigation Shuttle Service	(1,121)		
*	IT Security	(1,200)		
Supplies			(5,993)	-0.7%
*	Central Supply - volumes + Inflation	(1,661)		
*	Medical Gases Contract increase	(481)		
*	New Programs: IFC (MV/LG), Spine Program, Robotic Surgeries	(816)		
*	Drug Expenses: Infusion Volume increase + Inflation	(2,328)		
*	Other	(707)		
Other Exp	penses		(1,567)	-0.2%
*	Leases	769		
*	Utilities/Leases	(274)		
*	Strategic Planning	(5,000)		
*	Clinical Variation net savings	2,000		
*	Other	938		
Deprecia	tion & Interest		(9,377)	-1.1%
*	Interest Expense, full year	(4,435)		
*	New Contruction projects completing	(4,942)		
Evnected	Hospital Operations FY2018		77 090	9.0%

**Expected Hospital Operations FY2018** 

77,090

9.0%

# FY18 Operating Budget Detail Revenue Assumptions

## FY18 Budget Overview: Revenue Rates

Category	Budget Assumptions
Pricing	Prices to increase to 5.0%
	Overall charges based on OSHPD per case review, ECH pricing remains
	at 35th percentile.
	Inpatient Charges were at 25th percentile
	Outpatient charges were at 50th percentile
Reimbursement	3% rate increase in commerical payors which accounts for 72% of the
	net revenue
	0% rate increase in Medicare accounts, which accounts for 48% of our
	payor mix but 25% of the net revenue; \$6.5M IGT discontinuance but
	expect CDI would improve Medicare payment by ~\$3.5M.
	0% rate increase in Medi-Cal accounts, which accounts for 7.2% payor
	mix of ECH patient population
Other Payment	\$733K Other Operating Revenue from the PRIME Project

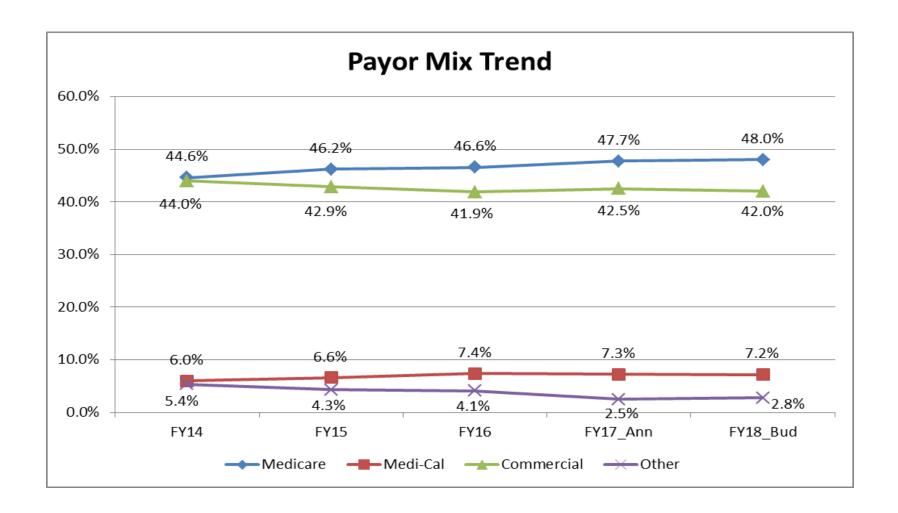
# Charge Master Pricing Changes with Benchmark Data

- CMS/OSHPD claim level data shows El Camino Hospital prices below mid-market level compared to the local peer group including Good Samaritan Hospital, Regional Medical Center, O'Connor Hospital, Stanford Hospital, Sequoia Hospital and Washington Hospital.
- Even with the 6.0% price increase in FY17, our overall charges remain at the 35th percentile based on OSHPD charge per case review (inpatient @ 25<sup>th</sup> percentile / outpatient @ 50<sup>th</sup> percentile).
- To catch up with the market pricing, a 5.0% charge increase is proposed in the FY18 budget

						5-Year
Hospital	2012	2013	2014	2015	2016	Average
EL CAMINO HOSPITAL	0.89%	0.06%	0.90%	5.00%	6.00%	2.57%
STANFORD UNIVERSITY HOSPITAL	9.60%	7.20%	6.90%	6.90%	6.80%	7.48%
REGIONAL MEDICAL CENTER OF SAN JOSE	10.60%	1.36%	5.28%	-1.32%	8.90%	4.96%
SEQUOIA HOSPITAL	5.40%	3.10%	0.00%	2.70%	3.10%	2.86%
WASHINGTON HOSPITAL - FREMONT	0.56%	9.71%	0.97%	2.12%	0.21%	2.71%
GOOD SAMARITAN HOSPITAL- SAN JOSE	9.90%	12.80%	7.10%	4.70%	2.40%	7.38%
O'CONNOR HOSPITAL	0.20%	0.13%	1.02%	0.06%	-19.79%	-3.68%

<sup>\*</sup>Data Source: OSHPD

### Payor Mix and Net Revenue Distribution by Payor



FY2018 Operating Budget Detail - Volume

## Volume Assumptions - Inpatient

### Service Line Inpatient Volume Trend

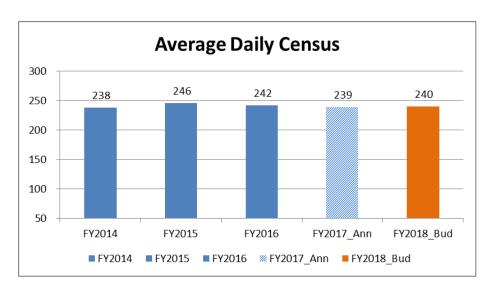
Service Line Volume Trend & FY18 Volume Projection							
T,	FY2014	FY2015	FY2016	FY17_Proj	FY18_Budget	FY18 Change	Notes
8	19,430	19,643	19,401	19,580	19,705	0.6%	
Behavioral Health	1,012	1,052	929	912	912	0.0%	Increase operating beds from 18 to 21 after 1 phase construction
General Medicine	4,160	4,591	4,465	4,940	4,679	-5.3%	High volume due to outbreak of flu in FY17; not expecting the same in FY18
General Surgery	1,243	1,150	1,312	1,289	1,306	1.3%	Modest increase due to population growth
Heart and Vascular	1,859	1,998	2,008	2,170	2,082	-4.0%	High volume increase in HVI cases in FY17 related to outbreak of flu; not expecting the same in FY18
MCH	6,695	6,372	6,136	5,845	6,206	6.2%	Phyician recruitment
Neurosciences	667	672	678	680	697	2.4%	Recruitment of Neuro Surgeon beginning in FY18
Oncology	606	564	652	587	572	-2.5%	
							Increase cases due to recuritment of 2 new Orthopedic physicians at LG, increase of Shoulder Replacement
Orthopedics	1,695	1,773	1,750	1,700	1,762	3.6%	and Co-Management at MV
Other	7	5	24	4	-	0.0%	
Rehab Services	547	555	501	469	497	5.9%	Plan to increase higher acute Rehab patients in FY18
Spine Surgery	377	429	418	462	478	3.5%	Recruitment of Spine Surgeon beginning in FY18
Urology	172	169	234	250	240	-3.8%	
Womens Non-MCH	390	313	294	272	275	0.8%	
Grand Total	19,430	19,643	19,401	19,580	19,705	0.6%	
% Change from PY		1.1%	-1.2%	0.9%	0.6%		

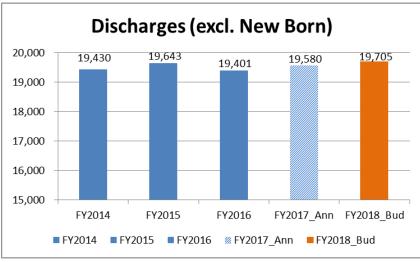
## Volume Assumptions - Outpatient

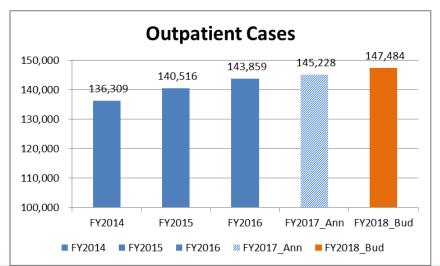
### Service Line Outpatient Volume Trend

Service Line Volume Trend & FY18 Volume Projection							
-▼	FY2014	FY2015	FY2016	FY17_Proj	FY18_Budget	FY18 Change	Notes
<b>■</b> 0	136,309	140,516	143,859	145,228	147,484	1.6%	
Behavioral Health	2,565	2,496	2,859	3,284	3,282	-0.1%	
Emergency	46,025	49,106	48,513	48,231	48,975	0.0%	
General Medicine	6,656	6,735	6,877	6,257	6,504	3.9%	Increase of 10% in Interventional Bronch
General Surgery	1,785	1,866	1,857	2,051	2,049	-0.1%	
Heart and Vascular	3,474	3,749	4,239	4,440	4,392	-1.1%	
Imaging Services	19,025	19,480	17,535	17,248	17,597	2.0%	Projected increase in mammography volume with the install of Tomo.
Laboratory Services	30,413	29,488	28,810	29,165	28,741	-1.5%	
MCH	5,049	4,830	4,944	5,452	5,200	-4.6%	Less OP OB referrals due to one OB physicians retiring and 1 leaving the area.
Neurosciences	132	130	141	149	142	0.0%	
Oncology	10,462	11,673	17,251	18,348	19,438	5.9%	Projected 10% increase in MV Infusion Center and a new LG Infusion Center starting in the 4Q of FY18
Orthopedics	883	791	616	669	588	-12.2%	Lose of OP Orthopedic cases to surrounding ASC
Other	656	633	630	599	703	17.5%	Other Ancially Services (Dietary Theraypy, IV Therapy, EKG)
Outpatient Clinics	1,818	1,706	1,676	1,275	1,450	13.8%	2nd Year of Wound Care Operation projection
Rehab Services	3,878	4,223	4,372	4,396	4,326	-1.6%	
Sleep Center	160	223	498	403	720	78.8%	Recruit for new Sleep specialty physician, expect a 300 case volume increase in FY18
Spine Surgery	293	330	276	288	331	14.9%	New Spine Surgeon starting 2nd half of FY18
Urology	1,823	1,750	1,696	1,913	1,875	-2.0%	
Womens Non-MCH	1,212	1,307	1,069	1,060	1,171	10.5%	Part of the General Surgery and Robotic cases increase in LG and population growth.
Grand Total	136,309	140,516	143,859	145,228	147,484	1.6%	
% Change from PY		3.1%	2.4%	1.0%	1.6%		

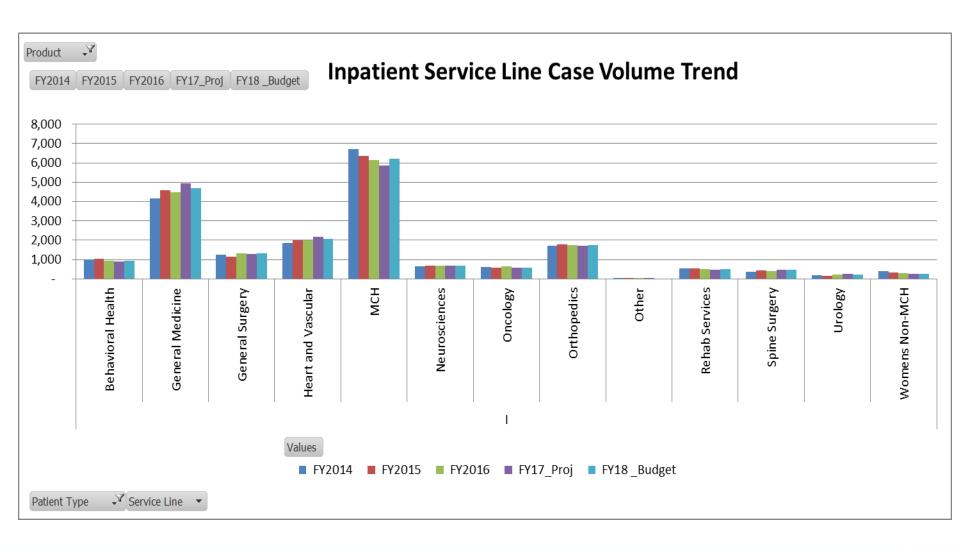
## Key Hospital Volume Statistics Trend



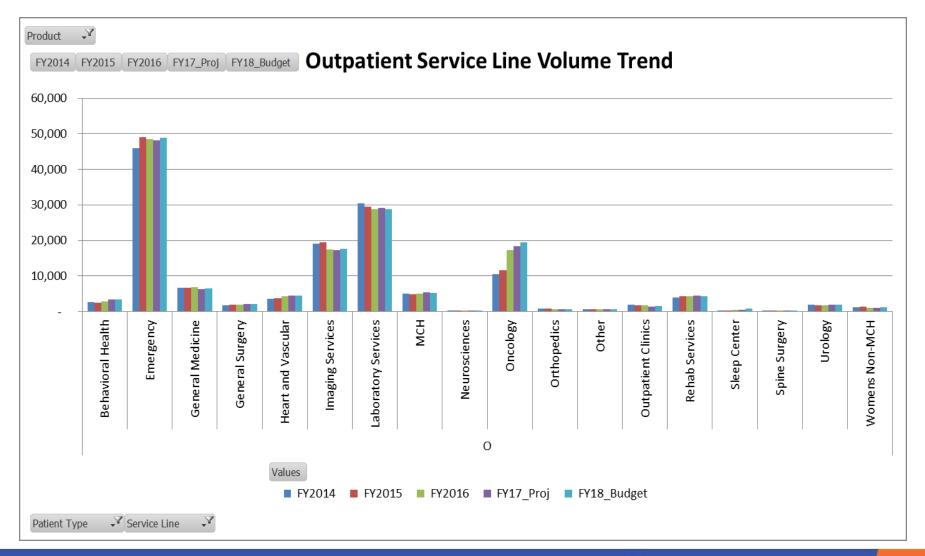




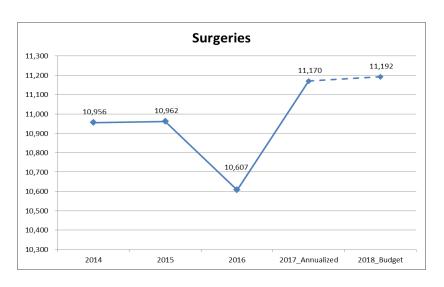
## Inpatient Service Line Volume Trend

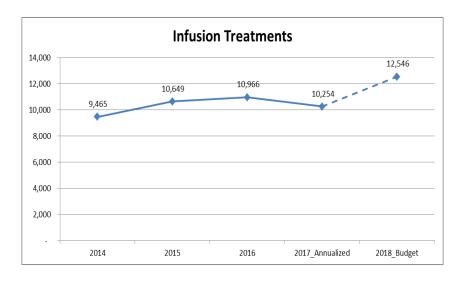


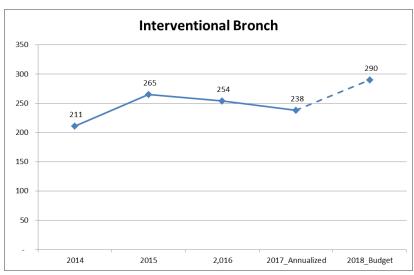
## Outpatient Service Line Volume Trend

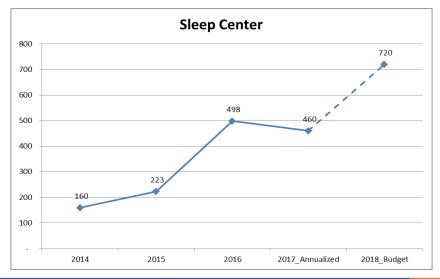


# Focus Volume Growth - Ancillary & Procedural Areas









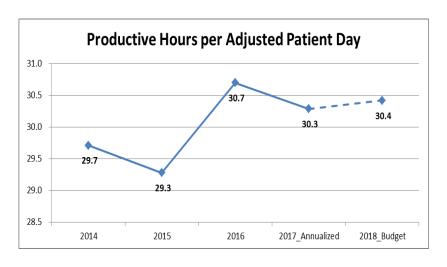
# FY18 Operating Budget Detail Expense Assumptions

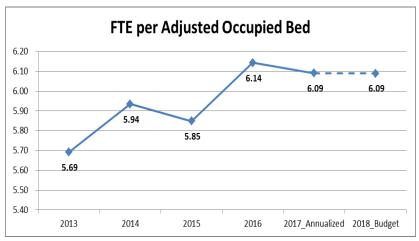
# FY18 Budget Overview: Expenses -

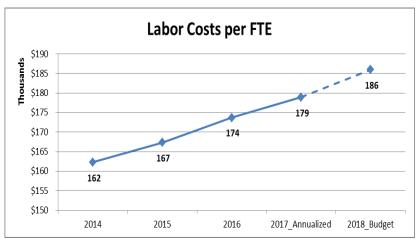
## **Expense Assumptions**

Category	Inflation & Other Expense Assumptions
	Low base in FY17 with 3% inflation resulting an
Group Health	overall reduction comparing to actual FY17
	3.0% increase for 2nd half of FY18; 1.5% overall
Dental	increase in FY18
Pharmaceutical	4.2% inflation on drug cost
Medical Supplies	1.0% overall inflation
Other	2.0% inflation

# Key Operational Metrics



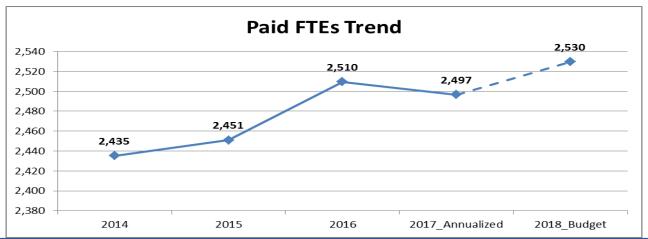




- Productivity remains flat with the support of additional initiatives.
- The 3.9% increase in labor cost is primarily related to salary and benefit rate increase.

# FY18 Budgeted Hospital FTE

Hospital Paid FTE			
Starting FTE FY2017 YTD Apr Ann	2,496.64	Volume/New Program	Productivity
LG IFC	0.46	0.46	
OSA (Sleep Ctr)	0.81	0.81	
Spine	1.66	1.66	
LG Robotics 200 cases	5.00	5.00	
Strategic Workforce	6.00	6.00	
PSA (Video Monitoring Implementation)	(3.00)		(3.00)
ALOS Reduction	(4.04)		(4.04)
Other Volume Driven	2.97	2.97	
Change in Target (Run Rate vs BUD18)	(4.63)		(4.63)
Target Reduction (Overhead) Office of COO	(16.36)		(16.36)
Budgeted Vacant Position (Overhead):	30.37		30.37
- IT: 11.3 FTE (backfilled by Purchase Service)			
- CMO / Quality Svcs: 11.5 (partially backfilled by PS)			
Wound Care	2.40	2.40	
Approved FTEs:			
- CDI Manager; Pharmacy Tech (Stewardship); Compliance Manager; Jr.			
Attorney; Benefit Specialist	11.27		11.27
Ending Budget FY18 Paid FTE	2,529.56	19.30	13.61



# High Performance Organization (HPO) Initiatives

Work Stream	Focus Area	FY18 Budget
	LOS Reduction (750 days)	875,000
Variation	Resources Utilization Management	2,000,000
	Clinical Documentation	3,500,000
Workflow and Workforce		
	Productivity Target Reduction	1,505,000
Optimization	Incidental Overtime Management	425,000
Supply Chain	Pricing	1,300,000
	Total	9,605,000

# High Performance Organization (HPO) Status Update

HPO Plan Reporting & Pro	jection						
Work Stream	Focus Area	Total Identified	Confirmed Opportunities	FY 2016 Actual	FY17 Implemented - Achieved	FY18 Budget	Remaining HPO Opportunities
	SPD	\$321,054	\$183,282	\$0	\$165,543		\$17,739
	Emergency Department	\$1,612,592	\$1,612,592	\$0	\$1,580,321		\$32,271
Patient Flow and	Periop MV / Endo / Cath	\$1,226,234	\$576,202	\$35,000	\$541,202		\$0
<b>Capacity Management</b>	Periop LG	\$334,732	\$288,394	\$0	\$140,006		\$148,388
	Laboratory	\$1,882,000	\$1,113,782	\$82,068	\$1,031,714		\$0
	Imaging	\$451,000	\$334,200	\$183,000	\$151,200		\$0
	Level and Duration of Care	\$2,367,600	\$2,367,600	\$1,483,445	\$529,273	\$875,000	-\$520,118
	RUM - Blood	\$378,000	\$378,000	\$46,000	\$332,000		\$0
	RUM - Inpatient	\$1,090,417	\$1,090,417	\$0			\$1,090,417
Variation	RUM - Other Services	\$7,926,583	\$7,926,583	\$0	\$1,000,000	\$2,000,000	\$4,926,583
	Care Coordination	\$196,728	\$201,344	\$78,919	\$0		\$122,425
	Quality Cycle Management	\$0		\$0			\$0
	Clinical Documentation	\$3,661,000	\$4,300,000	\$0	\$1,800,000	\$3,500,000	-\$1,000,000
	Benefits	\$4,070,000	\$900,000	\$0	\$900,000		\$0
	IP Nursing & MCH	\$6,320,152	\$1,967,175		\$376,414		\$1,590,761
Workflow and Workforce	Productivity Improvement					\$1,505,000	-\$1,505,000
Optimization	Premium Pay	\$3,639,194	\$3,639,194	\$0	\$0	\$425,000	\$3,214,194
	Span of Control	\$31,000	\$0	\$0	\$0		\$0
	Workforce Management	\$0	\$0	\$0			\$0
Davisson Cools	HIM and Coding	\$356,096	\$356,096	\$0	\$308,000		\$48,096
Revenue Cycle	Revenue Cycle Staffing	\$614,788	\$0	\$0	\$0		\$0
Ennancement	Revenue Cycle Enhancement*	\$3,222,000	\$3,222,000	\$7,360,000			-\$4,138,000
	PPI .	\$2,652,120	\$2,652,120	\$1,955,957			\$696,163
	Pricing	\$0		\$0		\$1,300,000	-\$1,300,000
Supply Chain	Rx Best Practices	\$50,000	\$0	\$0			\$0
	Drugs	\$1,844,360	\$727,312	\$533,270	\$194,042		\$0
	Endo-Mechanicals	\$658,501	\$658,501	\$0	\$512,000		\$146,501
	Total	\$44,906,151	\$34,494,794	\$11,757,659	\$9,561,715	\$9,605,000	\$3,570,420

# Impact of IT Initiatives FY - 17 to FY18

## IT Initiatives for FY18

Description	Additional Operating Expense for FY18	Budgeted Capital Cost FY18 (Adjusted)
ERP (Enterprise Resource Planning System)	895,500	4,725,500
IS Baseline: Software, Devices, Network, Server, Storage & Telecom	-	3,069,650
PACS, VNA, Universal Viewer Enterprise Imaging IT	-	2,286,400
iCare Program	1	1,922,000
IS Secuirty Program	ı	964,500
Community Connect (Company 91)	1,802,068	675,000
Total FY18	2,697,568	13,643,050

55

# Capital Budget FY18

# FY18 Capital Spending Trend

	Actual	Actual	Actual	Projected	Budget
Capital Spending (in 000's)	FY2014	FY2015	FY2016	FY2017	FY2018
EPIC	6,838	29,849	20,798	6,137	1,922
IT Hardware / Software Equipment	2,788	4,660	6,483	5,391	12,238
Medical / Non Medical Equipment*	12,891	13,340	17,133	18,185	5,635
Non CIP Land, Land I, BLDG, Additions	22,292	-	4,189	-	-
Facilities	13,753	38,940	48,137	170,763	211,886
GRAND TOTAL	58,561	86,789	96,740	200,476	231,681

<sup>\*</sup>Includes 2 robot purchases in projected FY 2017 & FY16 Medical/Non Medical Equipment spent in FY17

# FY18 IT / Imaging Capital Request (in 000s)

FY18 IT & Imaging Requested Capital	FY18 Budgeted Commitment	FY18 Budgeted Spend
iCare Program (EPIC)	1,922	1,922
EPIC Total	1,922	1,922
ERP	4,725	4,725
PACS, VNA, Universal Viewer Enterprise Imaging IT	2,286	2,286
IS Security Program	965	965
IS Baseline: Storage - Baseline Primary & Backup S	882	882
IS Baseline: Network - Baseline Replacement & Main	771	771
IS Baseline: Server - Baseline Replacement & Main	717	717
Community Connect (Company 91)	675	675
Convert all CR equipments to DR	357	357
IS Baseline: Software Upgrades: Existing Software	250	250
IS Baseline: Devices - Baseline Deviec Replacement	250	250
All Other*	361	361
IT Hardware/Software Equipment/Imaging	12,238	12,238

# FY18 Equipment Capital Request (in 000s)

FY18 Medical / Non Medical Equipment Requested Capital	FY18 Budgeted Spend
Centralized ECG Monitoring	1,300
Siemens CT scanner	600
ARIA Optimization Solution	600
Navigation Unit (Electromagnetic Navigational Bronch Unit)	300
All Other*	2,835
Total	5,635

# FY18 Facility Project Request with Details (in 000s) 1 of 2

	FY18 Budgeted Commitment		FY18 Budgeted Spend
Mountain View Campus Master Plan Projects			
BHS Replacement	\$0	**	\$51,400
North Dr Parking Structure Expansion	\$0	**	\$3,354
Integrated Medical Office Building	\$0	**	\$130,100
CUP Upgrades	\$0	**	\$4,032
Womens Hosp Expansion	\$6,000	**	\$7,000
Sub-Total Mountain View Campus Master Plan	\$6,000		\$195,886
Mountain View Capital Projects			
New Main Lab Upgrades	\$0	*	\$500
ED Remodel Triage / Psych Observation	\$0	*	\$1,000
Willow Pavilion FA Sys and Equip Upgrades	\$800		\$700
Facilities Planning Allowance	\$600		\$0
Site Signage & Other Improvements	\$1,000		\$100
IR Room #6 Development	\$0	*	\$2,000
JW House (Patient Family Residence)	\$2,500		\$0
Nurse Call System Upgrades	\$2,400		\$0
Imaging Equipment Replacement (Imaging Dept. Only)	\$20,700		\$0
IR / Cath Lab Equipment Replacement (5 or 6 Rooms)	\$19,400		\$0
ED Remodel / CT - Triage - Other	\$5,000		\$0
MV Equipment & Infrastructure Upgrades (18)	\$600		\$0
Various Relocation Projects	\$800		\$0
Flooring Replacement	\$1,600	-	\$0
Sub-Total Mountain View Projects	\$55,400		\$4,300

# FY18 Facility Project Request with Details (in 000s) 2 of 2

	FY18 Budgeted Commitment		FY18 Budgeted Spend
Los Gatos Capital Projects			
LG Imaging Phase II (CT & Gen Rad) & Sterile Processing	\$0	**	\$700
LG Upgrades - Major	\$0	**	\$5,000
LG Rehab Building Upgrades	\$0	**	\$500
LG IR Upgrades	\$1,100		\$0
LG Facilities Planning	\$800		\$0
LG MOB Improvements (17)	\$0	*	\$3,500
LG Nurse Call System Replacement (M/S, Ortho, Women's, ED	\$2,800		\$0
LG OPS Expansion & Physician Lounge	\$850		\$0
LG Observation Unit (Conversion of ICU 2)	\$1,800		\$0
LG Security System	\$460		\$0
LG Pharmacy USP800 Upgrades	\$400		\$0
LG Men's Health Clinic TI's	\$450		\$0
LG Cancer Center	\$1,900		\$0
Sub-Total Los Gatos Projects	\$10,560		\$9,700
Other Strategic Capital Projects			
Primary Care Clinic (TI's Only)	\$0	*	\$2,000
Urgent Care Clinics (Tis Only)	\$3,800		\$0
New 28K MOB (Courthouse Prop)	\$22,400		\$0
Sub-Total Other Strategic Capital Projects	\$26,200		\$2,000
Grand Total Facilities Projects	\$98,160		\$211,886

# Board Designated Community Benefit Endowment Fund

- In FY16, the Board established an endowment to provide investment income to fund community benefit.
- We agreed to evaluate whether the fund should be increased during the annual budget cycle.
- Recommendation
  - Endowment funding evaluation in FY17 Q3 determined the budgeted amount for FY18 Community Benefit to be \$500k.
  - Increase community benefit endowment fund by \$5 million –
     50% increase over the amount established in 2016.

	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	FY17_Ann	FY18_Bud
Community Benefit	(1,477,050)	(2,397,226)	(2,716,041)	(3,586,367)	(3,400,000)

# Appendix

# CONCERN - FY18 Budget Financial

CONCERN (\$ in thousands)									
	FY2016 Actual	FY2017 Annualized	FY2018 Budget	Change Favorable/ (Unfavorable)	% Change				
REVENUES									
Other Operating Revenue	15,755	16,604	18,090	1,486	9.0%				
Total Net Revenue	15,755	16,604	18,090	1,486	9.0%				
EXPENSES									
Salaries & Benefits	5,754	5,283	5,694	(411)	-7.2%				
Supplies & Other Expenses	8,721	9,620	11,432	(1,813)	-15.9%				
Interest	-	-	-	-	0.0%				
Depreciation/Amortization	42	29	31	(1)	-3.7%				
TOTAL EXPENSES	14,518	14,932	17,157	(2,225)	-13.0%				
OPERATING INCOME	1,238	1,672	934	(738)	79.1%				
Non Operating Income	585	(43)	497	539					
NET INCOME	1,823	1,629	1,430	(199)	-12.2%				
Operating EBIDA	1,280	1,701	964	(737)	-43.3%				
EBIDA Margin Percentage	8.1%	10.2%	5.3%	-4.9%	-48.0%				
Operating Margin Percentage	7.9%	10.1%	5.2%	-4.9%	-48.7%				

## **CONCERN Commentary**

#### **CONCERN Initiatives:**

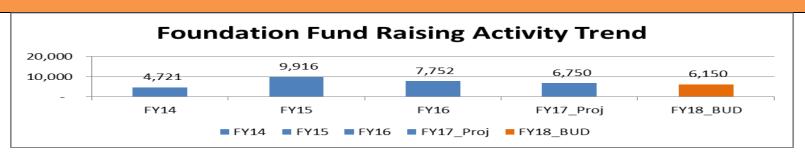
- Implement our Technology Roadmap required by our largest tech customers
  - Video Counseling
  - Texting for service requests
  - Company specific online portal
  - Digital therapeutics including online interventions for depression and anxiety
- Implement Phase II of EAPExpert CRM Platform to streamline claims payment,
   clinical documentation and employer customized reporting
- Increase the size of the provider network nationally by 10%
- Become licensed/certified in 6 states as required by the DMHC

## Margin

 Margin remains healthy but is declining due to price competition from national insurance companies and industry wide increase in utilization

# Foundation - FY18 Budget Financial

	FOUNDATIO	ON (\$ in thousand	ds)		
	FY2016 Actual	FY2017 Annualized	FY2018 Budget	Change Favorable/ (Unfavorable)	% Change
REVENUES					
Other Operating Revenue		-	-	-	\$0
Total Net Revenue	-	-	-	-	0%
EXPENSES					
Salaries & Benefits	1,430	1,579	1,686	(107)	-6%
Supplies & Other Expenses	1,489	1,228	1,667	(438)	-26%
Interest	-	-	-	-	0%
Depreciation/Amortization	13	13	13	-	0%
TOTAL EXPENSES	2,933	2,821	3,366	(545)	-16%
OPERATING INCOME	(2,933)	(2,821)	(3,366)	(545)	-16%
Non Operating Income	3,915	5,388	4,102	(1,286)	
NET INCOME	982	2,568	737	(1,831)	-71%
					l



(2,807)

(2,920)

FY 18 fundraising goal is low pending organizational strategic plan

(545)

(3,352)

19%

Operating EBIDA

# SVMD - FY18 Budget Financial

	SVMD (	(\$ in thousands)			
	FY2016 Actual	FY2017 Annualized	FY2018 Budget	Change Favorable/ (Unfavorable)	% Change
REVENUES					
Net Patient Service Revenue	153	377	3,723	3,346	100%
Othe Operating Revenue		-	102	102	
Total Net Revenue	153	377	3,826	3,346	0%
EXPENSES					
Salaries & Benefits	85	348	3,681	(3,333)	-91%
Supplies & Other Expenses	162	519	5,235	(4,716)	-90%
Interest	-	-	-	-	0%
Depreciation/Amortization		2	331	(329)	0%
TOTAL EXPENSES	247	869	9,247	(8,378)	-91%
OPERATING INCOME	(94)	(491)	(5,421)	(4,930)	-91%
Non Operating Income	250	600	3,735	3,135	
NET INCOME	156	109	(1,686)	(1,795)	-1653%
Operating EBIDA	(94)	(489)	(5,090)	(4,601)	940%
EBIDA Margin Percentage	-61.6%	-129.8%	-133.1%	-3.3%	2.5%
Operating Margin Percentage	-61.6%	-130.3%	-141.7%	-11.4%	8.8%

# SVMD - Primary Care Clinic

- Primary care physicians: Recruit 11 MDs (5 starting Oct and 6 starting Jan); total of 7.68 FTEs by end of the year.
- Specialists: Recruit 4 MDs (starting Jan); total of 2 FTEs by end of the year.

Primary Care Clinic	
	Total
REVENUES	
Net Patient Service Revenue	3,723,065
Total Net Revenue	3,723,065
EXPENSES	
Salaries & Benefits	3,415,750
Supplies	123,573
Purchased Services	2,090,901
Facility Expenses*	494,306
Other General and Administrative	91,845
Depreciation	2,753
TOTAL EXPENSES	6,219,128
OPERATING INCOME	(\$2,496,063)
TOTAL FTEs	9.68
Loss per MD FTE	(\$257,783)
Primary Care Clinic Administration Expenses	1,238,667

<sup>\*</sup>Facility Expenses: Lease/Repairs & Maintenance/Utilities

# Non-Operating Revenue Detail

	FY2016 Actual	FY2017 Annualized	FY2018 Budget	Change Favorable/ (Unfavorable)	% Change
on Operating Revenue Detail					
Investments	(1,710)	59,376	18,100	(41,277)	-69.5
Swap Adjustments	(3,214)	4,537	-	(4,537)	-100.0
Bond Amortization	1,611	266	70	(196)	-73.7
Community Benefit	(2,716)	(3,586)	(3,400)	186	-5.29
Support for Foundation	(1,783)	(1,783)	(1,783)	-	0.0
Support for SVMD	(213)	(459)	(5,380)	(4,921)	1072.8
Investment in Satellite Dialysis	(434)	(573)	(425)	148	-25.9
Gain/ <loss> on Community Connect</loss>	-	-	-	-	
Gain/ <loss> on Pathways</loss>	143	1,471	500	(971)	-66.0
Other	(1,254)	(2,936)	(3,292)	(355)	12.1
	(9,570)	56,313	4,390	(51,923)	-92

#### ECH BOARD MEETING AGENDA ITEM COVER SHEET

Item:	Quality, Patient Care and Patient Experience Committee
	("Quality Committee") Report
	El Camino Hospital Board of Directors
	June 14, 2017
Responsible party:	Jeffrey Davis, MD, Quality Committee Member
Action requested:	For Information

**Background:** The Quality Committee meets 10 times per year. The Committee last met on June 6, 2017 and meets next on August 7, 2017.

Board Advisory Committee(s) that reviewed the issue and recommendation, if any: The Quality Committee Discussed the Proposed FY 18 Organizational Goals and the Draft Management of Serious Safety Events and Red Alerts Procedure. Although there was not a quorum, the members present expressed support for the staff recommendations. The Board will have an opportunity to vote on these goals and procedure in the second open session tonight.

#### Summary and session objectives:

- 1. **Progress Against Goals:** The Committee achieved some, but not all of its FY17 goals. (See FY 17 Advisory Committee Goal Status on the Consent Calendar)
- 2. Summary of May 2<sup>nd</sup>, 2017 Meeting:
  - a. Clinical Program Presentation: Dharshi Sivakumar, MD, Medical Director, MV NICU, gave the Committee a presentation on the NICU's journey since 2000 when the first infant weighing less than 750 grams was fully managed in the unit. Dr. Sivakumar described the many new technologies introduced during that time including high frequency ventilators, electronic medical record (2005), banked breast milk, retinal cameras for infant eye examinations, and human milk fortification (Prolacta). She also reviewed a number of NICU statistics with the Committee: In 2016, 508 infants were admitted to the NICU; 174, pre-term. Of the 174, 97 were 34-36 weeks gestation, 61 were 29-33 weeks, 8 were 26 28 weeks gestation and 5 were 23-25 weeks. 39 weighed 1500 grams (3.3 lbs.) or less. The NICU staff is focused on "gently ventilating" the infants to decrease the incidence of chronic lung disease and has completed or is working on a number of quality improvement projects focused on increasing use of breast milk, decreasing central line blood stream infections, reducing morbidity (80% discharged with no morbidity), family centered care, standardization of resuscitation practice, and antibiotic stewardship.
  - b. <u>FY17 Quality Dashboard</u>: Catherine Carson, RN, Senior Director of Patient Safety and Quality Assurance, reviewed the FY17 quality dashboard with the Committee. Ms. Carson reported that the number of falls has stabilized right around the goal and staff education projects to address this issue are ongoing. She also reported that pain



#### ECH BOARD MEETING AGENDA ITEM COVER SHEET

- reassessment scores continue to improve, near misses are down, sepsis is above goal and there were zero SSI's for March enterprise-wide. Ms. Carson also reported that some HCAHPS scores are better in March.
- c. <u>Patient and Family Advisory Council Update (PFAC)</u>: Cheryl Reinking, RN, CNO, reported that the 8 member PFAC has provided advice to staff on infection control, patient hygiene measures and products, standardization of staff uniforms, tracking of patient belongings, and ED redesign. Staff is currently looking at staggered terms for members rather than reconstituting the council every two years.
- d. Proposed FY 18 Organizational Goals: Mick Zdeblick reviewed revisions to the proposed FY18 organizational goals since the last Quality Committee meeting. He explained the proposal to change the measurement for the threshold goal to 95% of budgeted operating margin proposed for FY18 per the Finance Committee's recommendation, and the Executive Compensation Committee's recommendation to decrease the delta between target and maximum to create a "straight line" for both performance and incentive compensation. The Committee discussed the newly proposed quality goal to reduce Hospital Acquired infections. We had a robust discussion around using the SIR (standardized infection rate) to statistically normalize measurement, wondering whether the SIR may be too volatile to use as a fair and reliable measure, but ultimately the committee supported the staff recommendation. We also discussed the relationship between a length of stay goal and affordability to the patient. Staff will come back next year with information that may lead to a different efficiency goal in FY19 around total cost of care.
- e. <u>Baby Friendly Status</u>: Dr. Linda Teagle, Vice Chief LG, explained the rigorous process in place over 2-3 years to achieve Baby Friendly status on the Los Gatos Campus.
- f. Proposed Revisions to Management of Serious Safety Events and Red Alert Procedure Policy Revision: Will Faber, MD, CMO, explained the major issues addressed in the proposed revisions: 1) An officer with a clinical background (rather than a legal one) will drive patient safety investigations, 2) the procedure specifically defines the patient safety events of which the Board will be notified (24 "Never Events") through the Red Alert communication process, and 3) it clarifies that Red Alert is a communication process and an RCA ("Root Cause Analysis") is an investigation process.

Suggested discussion questions: None.

**Proposed Board motion, if any:** See consent calendar, second open session.

#### **LIST OF ATTACHMENTS:**

1. FY17 Quality Dashboard

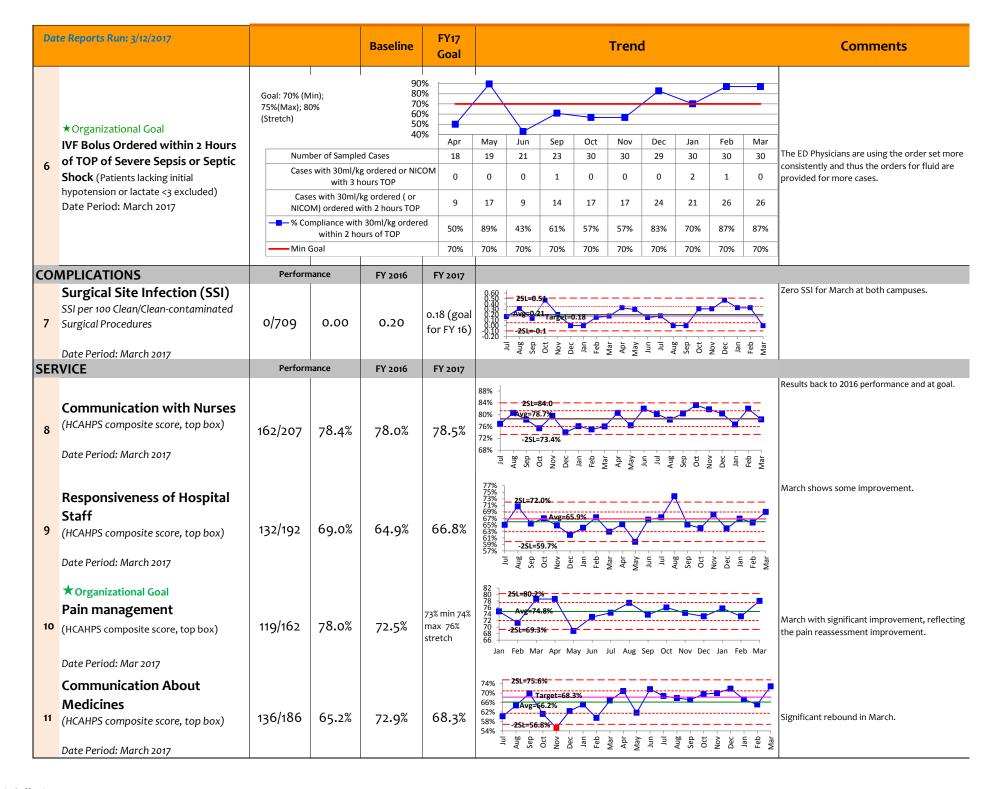




## **Quality and Safety Dashboard (Monthly)**

L							
	Date Reports Run: 5/11/2017			Baseline	FY17 Goal	Trend	Comments
	SAFETY EVENTS	Perform	nance	FY2016	FY2017		
	Patient Falls Med / Surg / CC Falls / 1,000 CALNOC Pt Days  Date Period: March 2017	9/6058	1.49	1.51	1.39 (goal for FY 16)	3.0 2.5 2.0 Avg=1.58 1.0 Target=1.39 0.5 0.0  Target=1.39 0.5 0.0  Target=1.39 0.5 0.0  Target=1.39 0.5 0.5 0.0  Target=1.39 0.5 0.5 0.5 0.5 0.6 0.7 0.7 0.7 0.7 0.7 0.7 0.7 0.7 0.7 0.7	Falls Team states: Three ways to prevent falls—stay with patient in bathroom, activate bed alarms, and accurately assess fall risk. Fall Prevention Policy compliance audits continue, Trend of fallsincrease on Sat/Sun-day shift. Team has reviewed ED process to identify fall risk pts, and Rauland report on bed exit and toilet response time, and other tools for MBU & BHS.
	*Organizational Goal Pain reassessment within 60 mins after pain med administration Date Period: April 2017	8729/9903	88.1%	59.8% (Jan- Jun 2016)	75% (min) 80% (mid) stretch goal=90%	190% 25L=92.84% Avg=70.74% 60% 30% Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr 4.8	Contine weekly unit recognition, nurse badge buddies distributed, Pain website under development, Order sets under review, Pain Mgmgt Pharmacist starts July 31st.
	Medication Errors (Overall: reached to patients and near miss) Errors / 1000 Adj Total Patient Days  Date Period: March 2017	37/14801	2.50	2.68	0.00	4.0 25t-4-15 3.2 Overall Avg-2.5 1.6 0.8 -2SL=0.9 0.0 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar  • overall, • Reached to patients, • Near miss	Overall rate is up due to more errors reaching the patient, near miss reports have decreased.
	EFFICIENCY	Perform	nance	Jan-Jun 2016 (6-month avg)	FY 2017		
	*Organizational Goal Average Length of Stay  (days) (Medicare definition, MS-CC, ≥ 65, inpatient) Date Period: April 2017	FYTD 4320 March 2017 46	FYTD 4.62 March 2017 4.87	4.78	4.87	25L=5.16  25L=5.16  Target-4.87  4.8  4.4  4.2  25L=4.21  In puls cell of yet yet get get yet yet get get yet get get get get get get get get get g	In April, 3 very long stay patients finished extensive treatments were discharged or transferred, so their entire LOS becomes part of the months LOS. 1- Valley Fever 10weeks IV treatment, 1-very ill in ICU 21 days tx to LTAC, 1-spinal leak and cardiac issues.
	*Organizational Goal 30-Day Readmission (Rate, LOS-Focused) (ALOS-Linked, All-Cause, Unplanned) Date Period: March 2017	FYTD 425/3839 Mar 2017 49/470	FYTD 11.07 Mar 2017 10.43	11.53	At or below 12.24	16% 15% 14% 13% 128 11% 10% 10% 9% -25L-7.7% 1	Rate is remaining below goal.

Clinical Effectiveness 5/30/20177:53 AM



Clinical Effectiveness 5/30/20177:53 AM

#### ECH BOARD MEETING AGENDA ITEM COVER SHEET

Item:	Draft Resolution 2017-06: Proposed El Camino Hospital Bylaws Revisions
	El Camino Hospital Board of Directors
	June 14, 2017
Responsible party:	Mary Rotunno, General Counsel;
	Cindy Murphy, Board Liaison
Action requested:	Possible Motion

#### **Background:**

At its May 15, 2017 meeting, the El Camino Healthcare District Board of Directors voted to expand the El Camino Hospital Board of Directors to 10 members plus a non-voting ex-officio position on the Board for the CEO. The first step to implement the District Board's action is revision of the Hospital's Bylaws. Summary of proposed revisions:

- Section 4.4 Delete reference to CEO as a Board Director. Pursuant to California Corporations Code Section 5047 (as amended January 1, 2016) CEO as an ex-officio member of the Board without a vote is not a Director. The revision is recommended to avoid confusion that could be created by referring to the CEO as a Director in the Bylaws when California law provides otherwise.
- 2. Section 4.5 Identifies the additional two Directors as "2017 Directors" and provides for staggered terms, ultimately of three years.
- 3. Section 4.6 Provides identical term limits for 2012 and 2017 Directors.
- 4. Section 9.3(f) Confirms that the CEO is expected to attend and participate in Board discussions, creating in effect a "non-voting ex-officio position."

#### Board Committees that reviewed the issue and recommendation, if any:

The Governance Committee reviewed the proposed changes at its June 6, 2017 Meeting. Since there was not a quorum present in the District (Directors Chen and Reeder were absent and committee member Moran participated by phone from China) at the meeting, the committee was unable to vote on the proposed revisions.

The members participating in the discussion stated that the proposed revisions correctly reflect the action taken by the District Board on May 15, 2017. However, Non-Director members Gary Kalbach, Christina Lai, and Pete Moran stated they strongly believe that the CEO should remain as an ex-officio Director with full voting rights and would not support the revisions to Section 4.4.

#### **Summary and Session Objectives:**

To obtain the Board's approval of the Proposed ECH Bylaws Revisions.

Suggested discussion questions: None.

**Proposed motion, if any:** To approve the Draft Proposed Revised ECH Bylaws, with further



### **ECH BOARD MEETING AGENDA ITEM COVER SHEET**

amendments at the discretion of the Board.

LIST OF ATTACHMENTS:

1. Draft Resolution 2017-06

2. Draft Revised ECH Bylaws (Redlines - as presented to the Governance Committee)

3. Draft Revised ECH Bylaws (Clean – as presented to the Governance Committee)



#### **EL CAMINO HOSPITAL**

#### **RESOLUTION 2017-06**

RESOLUTION OF THE BOARD OF DIRECTORS OF EL CAMINO HOSPITAL AMENDING ARTICLE IV, SECTIONS 4.2, 4.3(C), 4.4, 4.5, 4.6, AND 4.7(a), AND ARTICLE IX, SECTION 9.3(F) OF ITS AMENDED AND RESTATED BYLAWS

**WHEREAS**, pursuant to Article XVIII, Section 18.1 of the Bylaws of El Camino Hospital, El Camino Hospital may adopt, repeal, amend and restate its Bylaws effective upon approval of the sole voting member, El Camino Healthcare District;

**WHEREAS**, the Board of Directors of El Camino Hospital believes that it is in the best interests of El Camino Hospital to amend the Bylaws of El Camino Hospital as provided below; now therefore be it

**RESOLVED**, that Article IV, Sections 4.2, 4.3(c), 4.4, 4.5, 4.6, and 4.7(a), and Article IX, Section 9.3(f) of the amended and restated Bylaws of El Camino Hospital are hereby amended by deleting the current Sections 4.2, 4.3(c), 4.4, 4.5, 4.6, 4.7(a), and 9.3(f) and adding the following sections:

4.2 <u>Number of Voting Directors</u>. The number of voting directors ("Directors") of the Corporation shall not be less than five (5) nor more than ten (10) until changed by amendment of the Articles or by a bylaw amending this Section 4.2 duly adopted by the sole Member. The exact number of Directors shall be fixed from time to time, within the limit specified in the Articles or in this Section 4.2, by the sole Member.

#### 4.3 Qualifications of Voting Directors

Restriction on Interested Directors. Not more than fortynine percent (49%) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (i) any person being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as a Director; and (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-inlaw, daughter-in-law, mother-in-law, or father-in-law of any such person. In addition, 2012 Directors and 2017 Directors shall not be or seek to become an employee of the Corporation or an independent contractor receiving compensation from the Corporation while serving as a Director, except in the circumstances when a Director who is also a director of the sole Member may so serve. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the Corporation. Restrictions in

addition to those set forth above may be imposed by applicable law

4.4 <u>Appointment and Selection of Directors</u>. All Directors shall be nominated and elected by the Member.

#### 4.5 Term.

#### (a) Years.

- (i) A Director first elected by the Member pursuant to Section 4.4 effective September 1, 2012 shall serve a staggered term ending June 30, 2013, June 30, 2014 or June 30, 2015 as designated by a resolution of the Board. Any Director who is later appointed to such position or who is later appointed to a new term for such a position after the initial term expires shall serve a term of three (3) years. The Directors described in this subparagraph (ii) are referred to in these Bylaws as "2012 Directors."
- (ii) A Director first elected by the Member, as a result of the increase in the number of permitted directors to ten (10), effective June 20, 2017 shall serve a staggered term ending June 30, 2020 or June 30, 2021 as designated by a resolution of the Member. Any Director who is later appointed to such position or who is later appointed to a new term for such a position after the initial term expires shall serve a term of three (3) years. The Directors described in this subparagraph (ii) are referred to in these Bylaws as "2017 Directors."
- (iii) All other Directors not listed in Section 4.5(a)(i) or (ii) shall hold office as a Director for a term of four (4) years from the date of election
- (iv) A Director who fills the unexpired term of a vacant Director position shall serve until the end of that unexpired term.
- (v) A Director shall serve for such Director's stated term and until his or her successor is duly elected and qualified, unless the Director resigns or is removed as provided in these Bylaws.

#### 4.6 Term Limits.

#### (a) New Members.

(i) Any 2012 Director or 2017 Director who first takes office during calendar year 2014, or any time thereafter, may only serve four (4) complete three (3) year terms as a Director.

(ii) Any Director described in Section 4.5(a)(iii) who first takes office during calendar year 2014, or any time thereafter, may only serve three (3) complete four (4) year terms as a Director.

#### (b) Current Members.

- (i) Any 2012 Director who is serving as a Director as of January 1, 2014 may only serve four (4) complete three (3) year terms as a Director beginning with such Director's next term of office that commences after January 1, 2014.
- (ii) Any Director described in Section 4.5(a)(iii) who is serving as a Director as of January 1, 2014 may only serve three (3) complete four (4) year terms as a Director beginning with such Director's next term of office that commences after January 1, 2014.
- (c) <u>Effect of Term Limit</u>. The office of any Director subject to the limitation set forth in Section 4.6(a) or Section 4.6(b) shall terminate on the last day of the period described in Section 4.6(a) or Section 4.6(b) that is applicable to such Director.
- (d) <u>Election Following Term Limit</u>. Any person who has left the Board due to the application of Section 4.6(a) or (b) may be elected to serve as a Director after two (2) years from the date such Director left the Board.
- (e) New Term Limits. Any Director elected, as described in Section 4.6(d), after his or her term has been limited shall be subject to Section 4.6(a) beginning on the first day of such new term.

#### 4.7 <u>Vacancy</u>.

(a) A vacancy in the Board of Directors shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) the declaration by the Board of a vacancy in the office of a Director who has been declared of unsound mind by a final order of court, or has been convicted of a felony, or has been found by a final order or judgment of any court to have breached any duty under Sections 5230-38 of the California Corporations Code dealing with standards of conduct for directors; (iii) an increase in the authorized number of Directors; (iv) the application or other request by a 2012 Director or 2017 Director seeking employment with the Corporation or seeking to provide contracted services to the Corporation, except in circumstances when a Director who is also a director of the sole

Member may so serve; (v) the failure of the sole Member, at any annual or other regular meeting of Member at which any Director or Directors are elected, to elect the full authorized number of Directors to be voted for at that meeting; or (vi) the affirmative vote of the sole Member to remove a Director in accordance with the voting requirements of Section 5222 of the California Corporations Code as provided in Section 4.9 below.

#### 9.3 Authority and Duties.

(f) To attend all meetings of the Board of Directors and participate in all Board discussions except where the Chief Executive Officer has a conflict of interest or is otherwise recused and except for executive sessions of the Board of Directors.

be it further;

**RESOLVED**, that the Bylaws of El Camino Hospital shall be restated to include the foregoing amendments; be it further,

**RESOLVED**, that this amendment and restatement shall take effect upon approval of such amendment and restatement by a vote of the sole voting member, El Camino Healthcare District.

Duly passed and adopted at a regular meeting held or following votes:	this day of June, 2017, by the
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
Julia Miller	
Secretary, ECH Board of Directors	

# AMENDED AND RESTATED BYLAWS OF EL CAMINO HOSPITAL ADOPTED DECEMBER 7, 2005

**JUNE 14, 2016** 

AS AMENDED AND RESTATED

, 2017

# TABLE OF CONTENTS

	Pa	ıge
ARTICL	E I CORPORATE OFFICES	. 1
1.1	Principal Office	1
1.2	Registered Office	
ARTICL	E II PURPOSES, POWERS AND MEMBERSHIP	. 1
2.1	Purposes	. 1
2.2	Powers	
2.3	Membership Corporation	. 1
2.4	Exempt Activities	. 1
2.5	Termination of Membership	. 1
ARTICL	E III MEETINGS OF MEMBERS	. 1
3.1	Place of Meetings	
3.2	Annual Meeting	
3.3	Notice of Annual Meeting	
3.4	Special Meetings	
3.5	Notice of Special Meetings	. 2
3.6	Quorum	
3.7	Adjourned Meeting and Notice	. 3
3.8	Voting	. 3
3.9	Proxies	
3.10	Validation of Defectively Called or Noticed Meetings	. 3
3.11	Action Without a Meeting	
3.12	Rights of the Member	
ADTICI	E IV BOARD OF DIRECTORS	1
ARTICL	E IV BOARD OF DIRECTORS	. 4
4.1	Management by Board of Directors	
4.2	Number of Voting Directors	. 5
4.3	Qualifications of Voting Directors	
4.4	Appointment and Selection of Directors	
4.5	Term	
4.6	Term Limits	
4.7	Vacancy	
4.8	Resignation	
4.9	Removal	. 8
ARTICL	E V CERTAIN DIRECTOR ELECTION PROCEDURES	. 8
5.1	Nominating Committee	
5.2	Nominations by Member	8

ARTICI	E VI BOARD MEETINGS	8
6.1	Annual Meeting	8
6.2	Regular Meetings	8
6.3	Special Meetings	8
6.4	Meetings by Conference Telephone	9
6.5	Waiver of Notice	9
6.6	Unanimous Action Without Meeting	9
6.7	Quorum	
6.8	Agenda for Meetings	<mark>910</mark>
6.9	Board Action	
6.10	Adjournment	10
6.11	Notice of Adjournment	
ARTICI	LE VII BOARD COMMITTEES AND ADVISORY COMMITTEES	10
7.1	Establishment of Committees	
7.2	Special Committees	
7.3	Authority to Act	11
7.4	Appointment	
7.5	Meetings and Actions of Committees	11
7.6	Advisory Committees	<u>11<u>12</u></u>
ARTICI	LE VIII OFFICERS AND EMPLOYEES	12
8.1	Officers	12
8.2	Election of Board Officers	12
8.3	Term of Board Officers	12
8.4	Resignation	12
8.5	Removal	12
8.6	Vacancies	
8.7	Compensation	
8.8	Duties and Qualifications of Officers	
ARTICI	E IX CHIEF EXECUTIVE OFFICER	13
9.1	Selection, Authority and Term	13
9.2	Performance Review	
9.3	Authority and Duties	14
ARTICI	LE X CONTRACTS AND FINANCIAL MATTERS	15
10.1	Loans	15
10.2	Deposits	
	Compensation of Directors.	

ARTICI	E XI CONFLICTS OF INTEREST AND INDEMNIFICATION	15
11.1	Conflict of Interest	15
11.2	Indemnification	
ARTICI	E XII MEDICAL STAFF	18
12.1	Organization	18
12.2	Membership	18
12.3	Medical Staff Bylaws, Rules and Regulations	18
12.4	Credentialing and Clinical Privileges	19
12.5	Allied Health Professionals	20
12.6	Contract Physicians	20
12.7	Accountability	20
ARTICI	E XIII EXECUTION OF CORPORATE INSTRUMENTS, AND VOTING OF	
	TOCKS AND MEMBERSHIPS HELD BY THE CORPORATION	21
13.1	Execution of Corporate Instruments	21
13.2	Ratification by Member	
13.3	Voting of Stocks Owned by Corporation	
ARTICI	E XIV ANNUAL REPORT	21
ARTICI	E XV STANDARD OF CARE	22
ARTICI	E XVI PROHIBITED TRANSACTIONS	23
16.1	Loans	23
16.2	Self-Dealing Transactions	
16.3	Approval	
ARTICI	E XVII MISCELLANEOUS	24
17.1	Records and Reports	24
17.2	Corporate Seal	
17.3	Construction and Definitions	
ARTICI	E XVIII AMENDMENTS	24
18 1	Amendments	24

# **ARTICLE I Corporate Offices**

- 1.1 <u>Principal Office</u>. The principal office of El Camino Hospital, a nonprofit public benefit corporation (the "Corporation"), is located in Mountain View, California. The Corporation may have such other offices as the Board of Directors of Corporation (the "Board") may determine from time to time.
- 1.2 <u>Registered Office</u>. The address of the registered office of the Corporation is 2500 Grant Road, Mountain View, California 94040.

# **ARTICLE II Purposes, Powers and Membership**

- 2.1 <u>Purposes</u>. The purposes of the Corporation are set forth in its Articles of Incorporation (the "Articles").
- 2.2 <u>Powers</u>. The Corporation may engage in any activity consistent with the Articles and these Bylaws.
- 2.3 <u>Membership Corporation</u>. The Corporation shall have one voting Member: El Camino Healthcare District, a political subdivision of the State of California (the "Member"). The Corporation shall have no other voting members.
- 2.4 Exempt Activities. Notwithstanding any other provision of these Bylaws, no director, officer, employee, or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and regulations promulgated thereunder as they now exist or as they hereafter may be amended, or by an organization contributions to which are deductible under Section 170(c) of such Code and Regulations as they now exist or as they hereafter may be amended.
- 2.5 <u>Termination of Membership</u>. The membership of the sole Member shall terminate upon the resignation of the sole Member.

# **ARTICLE III Meetings of Members**

- 3.1 <u>Place of Meetings</u>. Meetings of the sole Member shall be held at any place within or outside the State of California designated by the Board of Directors. In the absence of any such designation, meetings of the sole Member shall be held at the principal executive office of the Corporation.
- 3.2 <u>Annual Meeting</u>. There shall be an annual meeting of the sole Member held each year. The Board shall provide for the time and place of holding the annual meeting and notify the sole Member as provided in Section 3.3. At the annual meeting, directors shall be elected as

required by these Bylaws, reports of the affairs of the Corporation shall be considered, and any other business may be transacted that is within the power of the sole Member.

3.3 <u>Notice of Annual Meeting</u>. Written notice of each annual meeting shall be given to the sole Member entitled to vote, either personally, or by mail, or by other means of written communication, with charges prepaid, addressed to the sole Member at the sole Member's address appearing on the books of the Corporation or given by the sole Member to the Corporation for the purpose of notice.

All such notices shall be given to the sole Member entitled to the notice by mail or other means of written communication not less than ten (10) days (or, if sent by mail other than first-class, registered, or certified mail, twenty (20) days) nor more than ninety (90) days before each annual meeting. Any such notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication. An affidavit of giving of any such notice in accordance with the foregoing provisions, executed by the Secretary or any transfer agent of the Corporation, shall be *prima facie* evidence of the giving of the notice.

The notice of the meeting shall specify:

- (a) the place, date, and hour of the meeting;
- (b) those matters which the Board, at the time the notice is given, intends to present for action by the sole Member;
- (c) if directors are to be elected, the names of all those who are nominees at the time the notice is given;
- (d) the general nature of a proposal, if any, to take action when approval of the sole Member is required with respect to (i) removal of directors without cause; (ii) the filling of vacancies on the Board; (iii) amendment of the Articles or these Bylaws; (iv) voluntary merger or dissolution of the Corporation; or (v) disposition of all or substantially all of the assets of the Corporation; and
- (e) such other matters, if any, as may be expressly required by law.
- 3.4 <u>Special Meetings</u>. A special meeting of the sole Member for any lawful purpose or purposes may be called at any time by the Chairperson of the Board or by the Board. In addition, a special meeting of the sole Member for the purpose of removal of directors and election of their replacements may be called by the sole Member.
- 3.5 <u>Notice of Special Meetings</u>. Upon request in writing that a special meeting of the sole Member be called, directed to the Chairperson, Vice Chairperson, or Secretary, by any person (other than the Board of Directors) entitled to call a special meeting of the sole Member, the officer forthwith shall cause notice to be given to the sole Member that a meeting will be held at a time fixed by the Board, not less than thirty-five (35) nor more than ninety (90) days after the receipt of the request. If the notice is not given within twenty (20) days after the receipt of the request, the persons entitled to call the meeting may give the notice. Notice of any special

meeting of the sole Member shall be given in the same manner as for annual meetings of the sole Member. In addition to the matters required by Section 3.3(a) and, if applicable, Section 3.3(c) of these Bylaws, notice of any special meeting shall specify the general nature of the business to be transacted, and the fact that no other business may be transacted at the meeting.

- 3.6 Quorum. The presence in person or by proxy of the sole Member shall constitute a quorum for the transaction of business. Any meeting of the sole Member may be adjourned from time to time by the sole Member.
- 3.7 <u>Adjourned Meeting and Notice</u>. Except as provided below, when the sole Member's meeting, either regular or special is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business that might have been transacted at the original meeting. However, no meeting may be adjourned for more than forty-five (45) days. If after adjournment a new record date is fixed for notice or voting, notice of the adjourned meeting shall be given to the sole Member.

### 3.8 Voting.

- (a) Except as may be otherwise provided in the Articles or these Bylaws, the sole Member shall be entitled to one vote on each matter being considered.
  - (b) Voting at a meeting of the sole Member may be by voice vote or by ballot.

### 3.9 Proxies.

- with respect to such membership. "Proxy" means a written authorization signed by the sole Member giving another person or persons power to vote on behalf of the sole Member. "Signed" for the purpose of this section means the placing of the sole Member's name on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the sole Member. Any proxy duly executed is not revoked and continues in full force and effect until (i) a written instrument revoking it is filed with the Secretary of the Corporation prior to the vote pursuant to the proxy, (ii) a subsequent proxy executed by the person executing the prior proxy is presented to the meeting, or (iii) the person executing the proxy attends the meeting and votes in person; provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution, unless otherwise provided in the proxy, except that the maximum term of any proxy shall be three (3) years from the date of execution. The dates contained on the forms of proxy presumptively determine the order of execution, regardless of the postmark dates on the envelopes in which they are mailed. No proxy may be irrevocable.
- (b) In any election of directors, any form of proxy in which the directors to be voted upon are named as candidates and which is marked by the sole Member "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld shall not be voted either for or against the election of a director.
- 3.10 <u>Validation of Defectively Called or Noticed Meetings</u>. The transactions of any meeting of the sole Member, however called and noticed, and wherever held, are as valid as

though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy. Attendance of a person at a meeting shall constitute a waiver of notice of and presence at such meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by these Bylaws or by the California Nonprofit Corporation Law to be included in the notice if such objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of the sole Member need be specified in any written waiver of notice, consent to the holding of the meeting, or approval of the minutes of the meeting, unless otherwise provided in the Articles or these Bylaws, except the general nature of the proposals listed in Section 3.3(d) of these Bylaws must be specified, to the extent applicable, in any such waiver, consent, or approval.

- 3.11 <u>Action Without a Meeting</u>. Any action required or permitted to be taken by the sole Member may be taken without a meeting, if the sole Member consents in writing to the action. The written consent shall be filed with the minutes of the proceedings of the sole Member. The action by written consent shall have the same force and effect as the vote of the sole Member
- 3.12 <u>Rights of the Member</u>. The Member shall have all rights granted to a member under the California Nonprofit Corporation Law. Without limiting the generality of the foregoing, the Member shall have the right to approve the election of directors, to approve the disposition of all or substantially all of the assets of the Corporation or to approve a merger and dissolution of the Corporation and the other rights set forth in the articles of incorporation and bylaws. In addition to the foregoing, the Member shall have the right to require the Corporation to provide to Member any financial information requested by the Member and to approve the following actions authorized by the Board of Directors of the Corporation:
  - 1. To approve the selection of the Corporation's Chief Executive Officer;
  - 2. To approve the annual budget of the Corporation;
- 3. To approve capital expenditures by the Corporation of more than \$25 million dollars in a single transaction;
- 4. To approve any expenditures or transfers by the Corporation in a single transaction apparent or a series of related transaction (in excess of 5% of the assets of the Corporation as determined based on last annual audit of the Corporation preceding the approval date of the proposed transaction);
  - 5. To approve the overall strategy adopted by the Corporation.

### ARTICLE IV Board of Directors

4.1 <u>Management by Board of Directors</u>. The business and affairs of the Corporation shall be managed by the Board, except as otherwise provided by law, the Articles, these Bylaws or a Board resolution

4.2 <u>Number of Voting Directors</u>. The number of voting directors ("Directors") of the Corporation shall not be less than five (5) nor more than nine (9ten (10) until changed by amendment of the Articles or by a bylaw amending this Section 4.2 duly adopted by the sole Member. The exact number of Directors shall be fixed from time to time, within the limit specified in the Articles or in this Section 4.2, by the sole Member.

### 4.3 Qualifications of Voting Directors.

- (a) <u>Commitment</u>. Directors must be committed to the furtherance of health care delivery in the communities served by the Corporation, and must be willing to devote the necessary time and energy for self-education, corporate functions and other activities necessary to fulfill this commitment.
- (b) <u>Fiduciary Duty</u>. Directors shall have a fiduciary duty to the Corporation, and shall make all decisions in a manner that is in the best interests of the Corporation and the communities served by the Corporation. Directors shall not advocate or act in the interests of any private person, group or entity unless such action is also in the best interests of the Corporation or the communities served by the Corporation.
- (c) Restriction on Interested Directors. Not more than forty-nine percent (49%) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (i) any person being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as a Director; and (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. In addition, 2012 Directors and 2017 Directors shall not be or seek to become an employee of the Corporation or an independent contractor receiving compensation from the Corporation while serving as a Director, except in the circumstances when a Director who is also a director of the sole Member may so serve. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the Corporation. Restrictions in addition to those set forth above may be imposed by applicable law.
- (d) <u>Financial Interest</u>. Except as permitted by the California Nonprofit Corporation Law, the California Health and Safety Code and any other provisions of law, Directors shall not have a "financial interest" in any transactions or contracts of the Corporation.

### 4.4 Appointment and Selection of Directors-

- (a) <u>Ex Officio Director</u>. The Chief Executive Officer of this Corporation shall serve as an ex officio Director, with full voting rights; the voting right of the ex officio Director shall be suspended when the number of Directors in office is less than nine (9) except to the extent that the vacant positions are entirely among the 2012 Directors. The term of such Director shall end when his or her term of office as the Chief Executive Officer of this Corporation expires or terminates.
- (b) <u>Vacancies</u>. In the event of a vacancy on the Board because no person holds the position designated in Section 4.4(a), such position on the Board shall remain vacant

until a successor is appointed to the office described in Section 4.4(a). In the event that the office described in Section 4.4(a) no longer exists, the Member shall have the exclusive power to appoint a person to serve as a Director with respect to such position.

(e)<u>Other Directors</u>. All Directors, other than the ex officio Director, shall be nominated and elected by the Member.

(d)<u>Replacement Directors</u>. A Director, if any, who fills the unexpired term of a vacant Director position shall serve until the end of that unexpired term.

### 4.5 <u>Term</u>.

- (a) Years.
- (i) The term of an ex officio Director described in Section 4.4 shall be the period of time such an ex officio Director holds the office described in Section 4.4.
- (ii) A Director first elected by the Member pursuant to Section 4.4(e)\_effective September 1, 2012 shall serve a staggered term ending June 30, 2013, June 30, 2014 or June 30, 2015 as designated by a resolution of the Board. Any Director who is later appointed to such position or who is later appointed to a new term for such a position after the initial term expires shall serve a term of three (3) years. The Directors described in this subparagraph (ii) are referred to in these Bylaws as "2012 Directors."
- (ii) A Director first elected by the Member, as a result of the increase in the number of permitted directors to ten (10), effective [June 20, 2017] shall serve a staggered term ending June 30, 2020 or June 30, 2021 as designated by a resolution of the Member. Any Director who is later appointed to such position or who is later appointed to a new term for such a position after the initial term expires shall serve a term of three (3) years. The Directors described in this subparagraph (ii) are referred to in these Bylaws as "2017 Directors."
- (iii) All other Directors not listed in Section 4.5(a)(i) or (ii) shall hold office as a Director for a term of four (4) years from the date of election.
- (iv) <u>A Director who fills the unexpired term of a vacant Director</u> position shall serve until the end of that unexpired term.
- (v) (iv)Any A Director, other than a Director serving ex officio, shall serve for such Director's stated term and until his or her successor is duly elected and qualified, unless the Director resigns or is removed as provided in these Bylaws.

### 4.6 Term Limits.

- (a) New Members.
- (i) Any <u>2012</u> Director described in Section 4.5(a)(ii) or <u>2017 Director</u> who first takes office during calendar year 2014, or any time thereafter, may only serve four (4) complete three (3) year terms as a Director.

(ii) Any Director described in Section 4.5(a)(iii) who first takes office during calendar year 2014, or any time thereafter, may only serve three (3) complete four (4) year terms as a Director.

### (b) <u>Current Members</u>.

- (i) Any <u>2012</u> Director described in Section 4.5(a)(ii) who is serving as a Director as of January 1, 2014 may only serve four (4) complete three (3) year terms as a Director beginning with such Director's next term of office that commences after January 1, 2014.
- (ii) Any Director described in Section 4.5(a)(iii) who is serving as a Director as of January 1, 2014 may only serve three (3) complete four (4) year terms as a Director beginning with such Director's next term of office that commences after January 1, 2014.
- (c) <u>Effect of Term Limit</u>. The office of any Director subject to the limitation set forth in Section 4.6(a) or Section 4.6(b) shall terminate on the last day of the period described in Section 4.6(a) or Section 4.6(b) that is applicable to such Director.
- (d) <u>Election Following Term Limit</u>. Any person who has left the Board due to the application of Section 4.6(a) or (b) may be elected to serve as a Director after two (2) years from the date such Director left the Board.
- (e) New Term Limits. Any Director elected, as described in Section 4.6(d), after his or her term has been limited shall be subject to Section 4.6(a) beginning on the first day of such new term.

### 4.7 Vacancy.

- (a) A vacancy in the Board of Directors shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) the declaration by the Board of a vacancy in the office of a Director who has been declared of unsound mind by a final order of court, or has been convicted of a felony, or has been found by a final order or judgment of any court to have breached any duty under Sections 5230-38 of the California Corporations Code dealing with standards of conduct for directors; (iii) an increase in the authorized number of Directors; (iv) the application or other request by a 2012 Director or 2017 Director seeking employment with the Corporation or seeking to provide contracted services to the Corporation, except in circumstances when a Director who is also a director of the sole Member may so serve; (v) the failure of the sole Member, at any annual or other regular meeting of Member at which any Director or Directors are elected, to elect the full authorized number of Directors to be voted for at that meeting; or (vi) the affirmative vote of the sole Member to remove a Director in accordance with the voting requirements of Section 5222 of the California Corporations Code as provided in Section 4.9 below.
- (b) Vacancies in the Board may be filled only by the sole Member. Each Director appointed or elected to fill a vacancy shall hold office until his or her successor is elected at an annual or other regular meeting of the sole Member.

- 4.8 <u>Resignation</u>. Any Director may resign at any time by giving written notice to the Chairperson or the Secretary. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified in the resignation. If the resignation is effective at a future time, the successor may be elected to take office when the resignation becomes effective. Unless the California Attorney General is first notified, no Director may resign when the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.
- 4.9 <u>Removal</u>. Any elected Director may be removed, with or without cause, at any time by the Member. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office. Each Director appointed or elected to fill a vacancy shall hold office until his or her successor is elected by the sole Member.

# ARTICLE V Certain Director Election Procedures

- 5.1 <u>Nominating Committee</u>. The Board shall appoint a Nominating Committee, a special committee, to select qualified candidates for election to the Board at least thirty (30) days before the date of any election of Directors. The committee shall make its report at least two (2) days before the date of the election, and the Secretary of the Corporation shall forward to the Member, with the notice of meeting required by Section 3.3 of these Bylaws, a list of candidates so nominated along with the names of any persons duly nominated by the Member as of that time.
- 5.2 <u>Nominations by Member</u>. The sole Member may nominate candidates for directorships at any time before the election. The Secretary shall cause the names of such candidates to be placed on the ballot along with those candidates named by the nominating committee. If there is a meeting to elect directors, the sole Member may place names in nomination.

# **ARTICLE VI Board Meetings**

- 6.1 <u>Annual Meeting</u>. An annual meeting of the Board shall be held each year, at which time officers of the Board shall be elected and such other business as is appropriate shall be transacted. Annual meetings shall be held at the location designated by the Board or at the principal office of the Corporation.
- 6.2 <u>Regular Meetings</u>. Meetings of the Board shall be held as directed by the Board, but at least quarterly at any place within or outside the State of California that has been designated by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Regular meetings may be held without notice.

### 6.3 Special Meetings.

(a) <u>Authority to Call</u>. Special meetings of the Board may be called for any purpose and at any time by the Chairperson, the Secretary, or any two (2) Directors.

- (b) Manner of Notice. Notice of the time and place of special meetings shall be given to each Director by one of the following methods: by personal delivery of written notice; by first-class mail, postage paid; by telephone communication, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director; by facsimile; or by telegram, charges prepaid. All such notices shall be addressed to or otherwise transmitted to the Director's address, facsimile number, or telephone number shown on the records of the Corporation. The notice shall specify the time and place of the meeting.
- (c) <u>Timing of Notice</u>. Notices sent by first-class mail shall be deposited into a United States mail box at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, facsimile or telegram shall be given at least forty-eight (48) hours before the time set for the meeting.
- 6.4 <u>Meetings by Conference Telephone</u>. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another. All such Directors shall be deemed to be present in person at any such meeting.
- 6.5 <u>Waiver of Notice</u>. The transaction of business at any meeting of the Board, however called and noticed or wherever held, shall be valid as though held at a meeting that was duly held after regular call and notice, but only if a quorum is present and if, either before or after the meeting, each of the Directors not present signs and files with the Secretary a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof, or such Director attends the meeting without protesting, prior to the meeting or at its commencement, the lack of notice to such Director, provided that no Director present at the meeting objected, prior to the transaction of any business, to the holding of the meeting because of a lack of prior notice. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.
- 6.6 <u>Unanimous Action Without Meeting</u>. Any action required or permitted to be taken by the Board under the Articles, these Bylaws or any provision of law may be taken by the Board without a meeting, if the Directors unanimously consent in writing to such action. Such unanimous written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by unanimous written consent shall have the same force and effect as the unanimous vote of the Directors at a duly called and noticed meeting. Such unanimous written consent or consents may be signed in counterpart and may be submitted to the individual Directors, and returned to the Corporation by mail or by facsimile transmission. For purposes of this section only, "all members of the Board" does not include any "interested directors" as defined in Section 5233 of the California Corporations Code.
- 6.7 Quorum. A majority of the number of existing Directors (excluding vacancies) shall constitute a quorum for the transaction of business, except to adjourn. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting, subject to any applicable requirements for approval by a greater number or a disinterested majority.

- 6.8 Agenda for Meetings. The agenda for Board meetings shall be developed by the Chairperson with the Chief Executive Officer acting as staff to the Chairperson for this purpose. The Chairperson shall prepare a calendar of expected agenda items that will be communicated regularly at Board meetings. Any Director may ask that a matter be added to a future Board meeting agenda by written notification to the Chairperson and the Chief Executive Officer. The Chairperson will determine, considering all other matters to be addressed by the Board, whether and when to add the matter to a Board agenda. If the matter will not be added to the Board meeting agenda at the next meeting to be held more than fourteen (14) days after the date of the request, the Chief Executive Officer will notify the Director making the request of the Chairperson's decision; the person making the request may ask that the questions of whether such matter should be considered by the Board and the timing of such consideration be addressed during the discussion of the calendar of expected agenda items during the next meeting of the Board that occurs more than ten (10) days thereafter. Notwithstanding the foregoing, any request to add a matter to the Board agenda made by three (3) directors shall be added to the Board meeting agenda at the next meeting to be held more than fourteen (14) days after the date of the last request.
- 6.9 <u>Board Action</u>. Every act done or decision made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number, or the same number after disqualifying one or more Directors from voting, is required by the Articles, these Bylaws, or the California Nonprofit Corporation Law. Provided however, amendments to the Articles or these Bylaws and approval of certain transactions must be approved by the vote of a majority of the Directors in office, excluding interested directors as defined in Section 5233 of the California Corporations Code.
- 6.10 <u>Adjournment</u>. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.
- 6.11 <u>Notice of Adjournment</u>. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

# **ARTICLE VII Board Committees and Advisory Committees**

Establishment of Committees. The Board of Directors may, by resolution adopted by a majority of the Directors then in office, provided that a quorum is present, designate one or more committees, each consisting of two (2) or more Directors, to serve at the pleasure of the Board. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. The provisions of Section 7.1 through 7.5 of these Bylaws do not apply to any advisory committee established under Section 7.6. The appointment of members or alternate members of a committee requires the vote of a majority of the Directors then in office, provided that a quorum is present. Any such committee, to the extent provided in the resolution of the Board of Directors or in these Bylaws, shall have all the authority of the Board of Directors, except that no committee, regardless of Board resolution, may:

- (a) Approve any action that, under the California Nonprofit Corporation Law, also requires the affirmative vote of the members of a public benefit corporation.
- (b) Fill vacancies on the Board or in any committee that has the authority of the Board.
- (c) Fix compensation of the Directors for serving on the Board or on any committee.
  - (d) Amend or repeal Bylaws or adopt new bylaws.
- (e) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable.
- (f) Appoint any other committees of the Board or the members of such committees.
- (g) Expend corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.
- (h) Approve any transaction between the Corporation and one or more of its Directors in which the Director or Directors have a material financial interest, except as provided by Section 5233 of the California Corporations Code.
- 7.2 <u>Special Committees</u>. From time to time the Board may establish special committees. Special Board committees shall exist to perform specific tasks identified by the Board, and shall cease to exist upon completion of the task. The Board may by resolution establish special committees for such purposes as the Board deems appropriate. Members of such committees shall be appointed and removed at the Board's discretion, with or without cause.
- 7.3 <u>Authority to Act</u>. The committee may take action on behalf of the Corporation only if specifically authorized to take a Board action by resolution of the Board.
- 7.4 <u>Appointment</u>. The Chairperson of the Board shall appoint committee chairperson(s) and the committee chairperson(s) shall appoint members of committee(s) subject to approval by the Board.
- 7.5 Meetings and Actions of Committees. Meetings and actions of all committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of these Bylaws, concerning meetings and actions of Directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board may adopt rules not inconsistent with

the provisions of these Bylaws for the governance of any committee.

7.6 Advisory Committees. Notwithstanding any other provision of this Article VII or these Bylaws, the Board may by resolution establish advisory committees to the Board. No advisory committee shall have or exercise any of the authority of the Board but shall advise the Board of Directors on matters within the advisory committee's charter as adopted by the Board. An advisory committee shall be composed of at least two members of the Board and persons who are not members of the Board. The Board, by resolution, shall adopt an advisory committee charter which shall establish the committee, state whether the advisory committee is temporary (ad hoc) or standing, the total number of members of such committee, the number of Board members to be appointed to such committee, and the subject matter to be considered by such advisory committee. The time and place of meetings of the advisory committee shall be determined by the committee chair. The charter shall designate the members of the advisory committee or designate the process by which members of the advisory committee are selected. The Chairperson may serve as chair or a member of any advisory committee except the Governance Committee. The Board may, at any time, amend the resolution establishing the advisory committee to change the members, to change the scope of delegation, or to terminate the existence of the advisory committee.

# ARTICLE VIII Officers and Employees

- 8.1 <u>Officers</u>. The officers of the Corporation shall consist of the Chairperson, the Vice Chairperson, the Secretary and the Treasurer and such other persons who are specifically designated as officers by the Board. The offices of Secretary and Treasurer shall be held by the same person.
- 8.2 <u>Election of Board Officers</u>. All officers shall be elected by a majority vote of the Board.
- 8.3 <u>Term of Board Officers</u>. Each officer shall hold office for a two (2) year term or until his or her successor is elected and qualified, subject to any employment agreement; provided that a Director may not serve more than two (2) consecutive terms as Chairperson.
- 8.4 <u>Resignation</u>. Any officer may resign at any time by giving written notice to the Board of Directors, the Chairperson or to the Secretary, without prejudice, however, to the rights, if any, of the Corporation under any contract to which such officer is a party. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later specified time.
- 8.5 <u>Removal</u>. Any officer may be removed at any time by a majority vote of the Board.
- 8.6 <u>Vacancies</u>. Upon the removal, resignation, death, or incapacity of any officer, the Board may declare such office vacant and fill such vacancy by the majority vote of the Board.
- 8.7 <u>Compensation</u>. The salary and other compensation of the officers shall be fixed from time to time by resolution of, or in the manner determined by, the Board.

- 8.8 <u>Duties and Qualifications of Officers</u>. The officers shall have such duties, in addition to those set forth below, as the Board shall specify by resolution from time to time.
- (a) <u>Chairperson</u>. The Chairperson shall preside at all meetings of the Board. Except as provided in Section 13.1, the Chairperson shall have authority to execute in the name of the Corporation all bonds, contracts, deeds, leases, and other written instruments to be executed by the Corporation, and shall perform such other powers and duties as may be from time to time assigned to him or her by the Board or set forth in these Bylaws.
- (b) <u>Vice Chairperson</u>. The Vice Chairperson shall assume and perform the duties of the Chairperson in the absence or disability of the Chairperson or whenever the office of Chairperson is vacant. The Vice Chairperson shall have such titles, perform such other duties, and have such other powers as the Board or the Chairperson shall designate from time to time.
- (c) <u>Secretary</u>. The Secretary shall record or cause to be recorded, and shall keep or cause to be kept, at the principal executive office and such other place as the Board may order, a book of minutes of actions taken at all meetings of Directors, committees, and Member, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such Directors, committees and Member meetings, and the proceedings of all such meetings.

The Secretary shall give, or cause to be given, notice of all the meetings of the members of the Board of Directors, and of the committees of this Corporation required by these Bylaws or by law to be given, shall keep the seal of the Corporation (if any) in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board, the Chairperson or by these Bylaws.

(d) <u>Treasurer</u>. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board, shall render to the Chairperson and Directors, whenever they request it, an account of all of the Treasurer's transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board, the Chairperson or these Bylaws.

# **ARTICLE IX Chief Executive Officer**

9.1 <u>Selection, Authority and Term.</u> The Board may select and employ a competent, experienced Chief Executive Officer who shall be its direct executive representative in the management of the Hospital. This Chief Executive Officer shall be given the necessary authority and held responsible for the administration of the Hospital in all its activities and departments subject only to such policies as may be adopted, and such orders as may be issued by the Board

or by any of its committees to which it has delegated power for such action. He or she shall act as the "duly authorized representative" of the Board in all matters in which the governing Board has not formally designated some other person for that specific purpose. However, nothing in this section is to be construed as depriving or delegating from the Board to the Chief Executive Officer any of the powers and duties imposed upon the Board by the Local Hospital District Law, Division 23, or Chapter 1 of the Health and Safety Code of the State of California, or related statutes. The Chief Executive Officer shall hold office from the date of hire until the end of his or her term in office or sooner at the sole discretion of the Board, subject to any employment agreement.

- 9.2 <u>Performance Review</u>. The Board shall continually review the performance of the Chief Executive Officer and provide counseling in areas where improvement is needed.
- 9.3 <u>Authority and Duties</u>. The authority and duties of the Chief Executive Officer shall be as follows:
- (a) To perfect and submit to the Board for approval a plan of organization of the personnel and others concerned with the operation of the Hospital; and also to establish methods of procedures concerning the internal operation of the Hospital.
- (b) To prepare an annual budget showing the expected receipts and expenditures of the Hospital as required by the Board of Directors.
- (c) To prepare and submit capital budget of the Hospital to the Board for approval.
- (d) To select, employ, and discharge all employees serving in positions as authorized by the Board of Directors.
- (e) To see that all physical properties are kept in good state of repair and operating condition.
- (f) To attend all meetings of the Board of Directors and participate in all Board discussions except where the Chief Executive Officer has a conflict of interest or is otherwise recused and except for executive sessions of the Board of Directors.
- (g) To supervise all business affairs, such as the records of financial transactions, collection of accounts and purchase and issuance of supplies, and to ensure that all funds are collected and expended to the best possible advantage.
- (h) To explore and develop strategic opportunities for the Hospital and propose such opportunities to the Board.
- (i) To exercise his or her professional abilities in such a manner that those concerned with the rendering of professional service at the Hospital cooperate to the end that the best possible care may be rendered to all patients.

- (j) To submit regularly to the Board or its authorized committees, periodic reports showing the professional service and financial activities of the Hospital and to prepare and submit such special reports as may be required by the Board and/or its functioning committees.
- (k) To serve as the liaison officer and channel of communications for all official communications between the Board of Directors or any of its committees, and its adjunct organizations.
  - (1) To act as an ex-officio member of all Board committees.
- (m) To support such volunteer services as are necessary to carry out the purpose of the Hospital.
  - (n) To assist in providing an orientation program for new Board members.
- (o) To perform any other duty that may be necessary in the best interest of the Hospital.

# ARTICLE X Contracts and Financial Matters

- 10.1 <u>Loans</u>. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.
- 10.2 <u>Deposits</u>. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depository as the Board may select.
- 10.3 <u>Compensation of Directors</u>. Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be determined by resolution of the Board to be just and reasonable; provided, however, that any such compensation must be commercially reasonable.

# ARTICLE XI Conflicts of Interest and Indemnification

11.1 <u>Conflict of Interest</u>. The Board shall adopt, by resolution, a conflict of interest policy which shall be attached to these Bylaws.

### 11.2 Indemnification.

(a) For the purposes of this article, "agent" means any person who is or was a Director, officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of the

Corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" include without limitation attorneys' fees and any expenses of establishing a right to indemnification under paragraph (d) or paragraph (e)(iii) of this Section 11.2.

- threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Corporations Code, or an action brought by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the Corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.
- (c) The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the Corporation to procure a judgment in its favor, or brought under Section 5233, or brought by the Attorney General for breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of the Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this paragraph (c):
  - (i) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the Corporation in the performance of such person's duty to the Corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses that such court shall determine;
  - (ii) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
  - (iii) Of expenses incurred in defending a threatened or pending action that is settled or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General.

- (d) To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in paragraph (b) or (c) or in defense of any claim, issue, or matter in the proceeding, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the proceeding.
- (e) Except as provided in paragraph (d), any indemnification under this Section 11.2 shall be made by the Corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in paragraph (b) or (c), by:
  - (i) A majority vote of a quorum consisting of Directors who are not parties to such proceeding;
  - (ii) Approval or ratification by the affirmative vote of a majority of the votes represented and voting at a duly held membership meeting at which a quorum is present (which affirmative votes also constitute a majority of the required quorum); for such purpose, any membership held by the person to be indemnified shall not be considered outstanding or entitled to vote on the matter; or
  - (iii) The court in which such proceeding is or was pending upon application made by the Corporation, the agent, or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the Corporation.
- (f) Expenses incurred in defending any proceeding may be advanced by the Corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Section 11.2.
- (g) Nothing contained in this article shall affect any right to indemnification to which persons other than Directors and officers of the Corporation or any subsidiary of the Corporation may be entitled by contract or otherwise.
- (h) No indemnification or advance shall be made under this article, except as provided in paragraph (d) or paragraph (e)(iii), in any circumstance when it appears:
  - (i) That it would be inconsistent with a provision of the Articles, a resolution of the sole Member, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
  - (ii) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.
- (i) Upon and in the event of a determination by the Board of Directors of the Corporation to purchase indemnity insurance, the Corporation shall purchase and maintain

insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against such liability under the provisions of this Section 11.2; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the Corporation for a violation of Section 5233.

(j) This Section 11.2 does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the Corporation as defined in paragraph (a). The Corporation shall have the power to indemnify such trustee, investment manager, or other fiduciary to the extent permitted by subdivision (f) of Section 207 of the California Corporations Code.

# ARTICLE XII Medical Staff

- 12.1 <u>Organization</u>. A medical staff organization has been created for the acute care hospital that is owned by El Camino Hospital, and this medical staff is known as the El Camino Hospital Medical Staff (the "Medical Staff").
- 12.2 <u>Membership</u>. Membership in the Medical Staff shall be comprised of all physicians, dentists and podiatrists who are duly licensed, competent in their respective fields, worthy in character and in professional ethics and privileged to attend to patients in the Hospital. The term "physicians" shall include physicians licensed in the State of California, regardless of whether they hold an M.D. or D.O. degree. Membership in the Medical Staff shall be a prerequisite to the exercise of any clinical privileges except as otherwise expressly provided in the Medical Staff Bylaws.

### 12.3 Medical Staff Bylaws, Rules and Regulations.

- (a) <u>Purpose</u>. Medical Staff Bylaws, rules and regulations shall be adopted by the Medical Staff for its internal governance, subject to the Board's approval (the "Medical Staff Bylaws"). The Medical Staff Bylaws shall create an effective administrative unit to discharge the functions and responsibilities assigned to the Medical Staff. The Medical Staff Bylaws, rules and regulations shall also state the purposes, functions and organization of the Medical Staff, and set forth the policies and procedures by which the Medical Staff exercises and accounts for its delegated authority and responsibilities.
  - (b) Procedure to Adopt or Amend.
  - (i) <u>Preparation and Adoption</u>. The Medical Staff shall have the initial responsibility to formulate, revise and adopt the Medical Staff Bylaws, rules and regulations.
  - (ii) <u>Review and Approval</u>. After the above action by the Medical Staff, such Medical Staff Bylaws, rules or regulations, or amendments thereto,

shall be forwarded to the Board for its review and approval, which approval shall not be unreasonably withheld.

(iii) <u>Separate Action</u>. If the Medical Staff fails to exercise its responsibility hereunder and in a reasonable, timely and responsible manner, and after written notice from the Board to such effect, including a reasonable period of time for response, the Board may formulate or amend the Medical Staff Bylaws, rules and regulations. Any Medical Staff recommendations and views shall be carefully considered during the Board's deliberations and actions.

## 12.4 <u>Credentialing and Clinical Privileges</u>.

- (a) <u>Delegation to Medical Staff</u>. The Board delegates to the Medical Staff responsibility and authority to investigate and evaluate all matters relating to Medical Staff membership and clinical privileges, including appointment, reappointment and corrective action.
- (b) <u>Initial Decision</u>. Initial action with respect to membership on the Medical Staff and clinical privileges shall be taken by the Medical Staff in accordance with the Medical Staff Bylaws, rules and regulations. Thereafter, a recommendation shall be made to the Board.
- (c) <u>Review and Approval</u>. The Board shall review and act upon recommendations of the Medical Staff, and shall give careful consideration to the Medical Staff's expertise in peer review matters.
- (d) <u>Separate Action</u>. If the Medical Staff fails to exercise its responsibility hereunder in a reasonable, timely and responsible manner, and after written notice from the Board to such effect, including a reasonable period of time for response, the Board may take actions regarding medical staff membership and clinical privileges. In so doing, the Board shall carefully consider any Medical Staff recommendations and views during its deliberations and actions. In situations involving corrective action, the Board shall not initiate such action unless the Medical Staff's failure to do so is contrary to the weight of the evidence under consideration.
- (e) <u>Fair Hearing Procedure</u>. The procedural rules to be followed by the Medical Staff and the Board in acting on matters of Medical Staff membership and clinical privileges, including such matters as appointment, reappointment and corrective action, shall be as more particularly specified in the Medical Staff Bylaws. The Medical Staff Bylaws shall provide for a procedure pursuant to which disagreements between the Medical Staff and the Board may be resolved.
- (f) <u>Standards of Decision and Review</u>. In taking the actions referred to in this Article XII, the relevant decision-making body shall consider the supporting information and the purposes, needs and capabilities of the hospital, the health and welfare of the community, and such relevant criteria as are set out in the Medical Staff Bylaws, rules and regulations. In taking such action, no aspect of Medical Staff membership or privileging shall be limited or denied on the basis of sex, age, race, creed, color, or national origin, or on the basis of any other criterion unrelated to those set out in the preceding sentence.

- (g) <u>Duration</u>. Appointments to the Medical Staff shall be for a maximum term of two (2) years.
- (h) <u>Terms and Conditions</u>. The terms and conditions of Medical Staff membership and of the exercise of clinical privileges shall be as specified in the Medical Staff Bylaws, rules and regulations, or as more specifically defined in the notice of an individual appointment or privileges.
- 12.5 <u>Allied Health Professionals</u>. The categories of allied health professionals eligible to hold specific practice privileges to perform services within the scope of their licensure, certification or other legal authorization, and the corresponding privileges, prerogatives, terms and conditions for each such allied health professional category or practitioner shall be determined by the Board upon recommendations received from the Medical Staff executive committee. The Medical Staff shall have the responsibility and authority to investigate and evaluate each application by an allied health professional for satisfaction of relevant eligibility requirements in accordance with the Medical Staff Bylaws, rules and regulations.
- 12.6 <u>Contract Physicians</u>. A physician engaged as an independent contractor by the Corporation to provide medical-administrative services must obtain appropriate Medical Staff membership and privileges through the procedure outlined in the Medical Staff Bylaws, rules and regulations. Restriction or termination of such physician's Medical Staff membership or clinical privileges for reasons related to professional competence shall also be accomplished through the procedures contained in the Medical Staff Bylaws, rules and regulations. All other matters, including termination of Medical Staff membership or clinical privileges on grounds not related to professional competence, shall be governed by the terms of such physician's contracts or agreements with the Corporation.
- 12.7 <u>Accountability</u>. The Medical Staff shall be accountable to the Board for conducting activities that contribute to the preservation and improvement of the quality and efficiency of patient care provided at the Corporation. These activities shall include:
- (a) <u>Standard of Care</u>. Ensuring that a comparable standard of care, as determined by the Medical Staff, is provided to all patients with similar needs;
- (b) <u>Monitor Quality</u>. Ongoing monitoring and evaluation of patient care to solve problems and identify other opportunities to improve quality.
- (c) <u>Clinical Privileges</u>. Delineation of clinical privileges for members of the Medical Staff commensurate with individual credentials and demonstrated ability and judgment.
- (d) <u>Continuing Education</u>. Provision of continuing professional education, guided by the needs identified through the review and evaluation activities, as well as other perceived needs and interests.
- (e) <u>Resource Allocation</u>. Review of utilization of the Corporation's resources to provide for their allocation to patients in need of them.

- (f) <u>Medical Records</u>. Ensuring the preparation and maintenance of adequate and accurate medical records for all patients; and
- (g) <u>Other Matters</u>. Such other measures as the Board may, after considering the advice of the Medical Staff and the Corporation's administration, deem necessary for the preservation and improvement of the quality and efficiency of patient care.

### **ARTICLE XIII**

# Execution of Corporate Instruments, and Voting of Stocks and Memberships Held by the Corporation

13.1 Execution of Corporate Instruments. The Board may, in its discretion, determine the method and designate the signatory officer or officers or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon the Corporation.

Unless otherwise specifically determined by the Board or otherwise required by law, formal contracts of the Corporation, promissory notes, deeds of trust, mortgages and other evidences of indebtedness of the Corporation, and other corporate instruments or documents, and certificates of shares of stock owned by the Corporation, shall be executed, signed, or endorsed by the Chairperson.

All checks and drafts drawn on banks or other depositories on funds to the credit of the Corporation, or in special accounts of the Corporation, shall be signed by such person or persons as the Board shall authorize to do so.

- 13.2 <u>Ratification by Member</u>. The Board may, in its discretion, submit any contract or act for approval or ratification of the Member at any regular meeting of Member, or at any special meeting of Member called for that purpose.
- 13.3 <u>Voting of Stocks Owned by Corporation</u>. All stock of other corporations or memberships in other corporations owned or held by the Corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect to such stock or memberships shall be executed, by the person authorized to do so by resolution of the Board of Directors, or in the absence of such authorization, by the Chairperson of the Board, or Vice Chairperson or by any other person authorized to do so by the Chairperson or the Vice Chairperson of the Board.

# **ARTICLE XIV Annual Report**

Except as provided below, the Corporation shall cause to be sent to its Member and Directors no later than 120 days after the close of its fiscal year, a report containing the following information in appropriate detail:

(a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.

- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the fiscal year.
- (d) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year.
- (e) Any information required by Section 6322 of the California Corporations Code.

The report shall be accompanied by any pertinent report of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.

This article does not apply to the Corporation when it receives less than twenty-five thousand dollars (\$25,000) in gross revenues or receipts during the fiscal year, with the exceptions that a report meeting the above requirements must be furnished annually to all Directors and to the Member who requests it in writing and that the information referred to in paragraph (e) above must be furnished to the Member and Directors within 120 days after the close of the Corporation's fiscal year.

If the Corporation solicits in writing contributions from five hundred (500) or more persons, it need not send the report described above to the Member, with the exception of the information referred to in paragraph (e) above, if it:

- (i) Includes with any written material used to solicit contributions a written statement that its latest annual report will be mailed upon request and that such request may be sent to the Corporation at a name and address which is set forth in the statement;
- (ii) Promptly mails a copy of its latest annual report to any person who requests a copy; and
- (iii) Causes its annual report to be published not later than 120 days after the close of its fiscal year in a newspaper of general circulation in the county in which its principal office is located.

## ARTICLE XV Standard of Care

A Director shall perform the duties of a director, including duties as a member of any Board committee on which the Director may serve, in good faith, in a manner such Director believes to be in the best interest of this Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) one or more officers or employees of the Corporation whom the Director believes to be reliable and competent as to the matters presented;
- (b) counsel, independent accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- (c) a Board committee upon which the Director does not serve, as to matters within its designated authority, provided that the Director believes such committee merits confidence; so long as in any such case, the Director acts in good faith after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted

Except as provided in Article XVI below, a person who performs the duties of a Director in accordance with this Article XV shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a Director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which a corporation, or assets held by it, are dedicated.

# ARTICLE XVI Prohibited Transactions

- 16.1 <u>Loans</u>. Except as permitted by Section 5236 of the California Corporations Code, this Corporation shall not make any loan of money or property to, or guarantee the obligation of, any Director or officer; provided, however, that this Corporation may advance money to a Director or officer of this Corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such officer or Director so long as such individual would be entitled to be reimbursed for such expenses absent that advance.
- 16.2 <u>Self-Dealing Transactions</u>. Except as provided in Section 16.3 below, the Board of Directors shall not approve or permit the Corporation to engage in any self-dealing transaction. A self-dealing transaction is a transaction to which this Corporation is a party and in which one or more of its Directors has a material financial interest, unless the transaction is described in California Corporations Code Section 5233(b).
- 16.3 Approval. This Corporation may engage in a self-dealing transaction if the transaction is approved by a court or by the Attorney General. This Corporation also may engage in a self-dealing transaction if the Board determines, before the transaction, that (1) this Corporation is entering into the transaction for its own benefit; (2) the transaction is fair and reasonable to this Corporation at the time; and (3) after reasonable investigation, the Board determines that it could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Such determinations must be made by the Board in good faith, with knowledge of the material facts concerning the transaction and the interest of the Director or Directors in the transaction, and by a vote of a majority of the Directors then in office, without counting the vote of the interested Director or Directors.

# ARTICLE XVII Miscellaneous

### 17.1 <u>Records and Reports</u>.

- (a) <u>Maintenance and Inspection of Articles and Bylaws</u>. This Corporation shall keep at its principal office the original or a copy of its Articles and these Bylaws as amended from time to time which shall be open to inspection by the Directors and the Member at any reasonable time during business hours.
- (b) Maintenance and Inspection of Other Corporate Documents. The accounting books, records, and minutes of proceedings of the Member, the Board and any committee of the Board shall be kept at such place or places designated by the Board or, in the absence of such designation, at the principal office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed or printed form. The minutes and accounting books and records shall be open to inspection on the written demand of any Member, at any reasonable time during usual business hours for a purpose reasonably related to the Member's interests as a Member. Inspection may be made in person or by an agent or any attorney, and shall include the right to copy and make abstracts.
- (c) <u>Inspection by Directors</u>. Each Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation. This inspection by a Director may be made in person or by the agent or attorney. The right of inspection includes the right to copy and make abstracts of documents.
  - 17.2 Corporate Seal. The Board shall provide a suitable seal for the Corporation.
- 17.3 <u>Construction and Definitions</u>. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, singular numbers include the plural, plural numbers include the singular, and the term "person" includes both corporations and natural persons. The captions or headings in these Bylaws are for convenience only and are not intended to limit or define the scope or effect of any provision of these Bylaws.

# ARTICLE XVIII Amendments

18.1 <u>Amendments</u>. The Articles or these Bylaws may be adopted, repealed, amended or restated or new Articles or Bylaws may be adopted upon a majority vote of the authorized number of Directors (excluding vacancies and Directors with a conflict of interest). No such adoption, repeal, amendment, restatement or new Articles or Bylaws shall be effective until approved by the Member. Moreover, the Articles and Bylaws may be adopted, repealed, amended or restated or new Bylaws adopted upon the vote of the Member.

### CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the currently elected and acting Secretary of El Camino Hospital, a California nonprofit public benefit corporation, and the above Amended and Restated Bylaws, consisting of 24 pages, are the Bylaws of this Corporation as adopted pursuant to the required affirmative vote of the Board, December 7, 2005 and the Member, the El Camino Healthcare District, on December 7, 2005 pursuant to the required affirmative vote of the District Board, as amended and restated pursuant to the required affirmative vote of the Board on August 10, 2011 and the Member, the El Camino Healthcare District, on August 10, 2011 pursuant to the required affirmative vote of the District Board, as further amended and restated by the Member, El Camino Healthcare District, on March 20, 2012 pursuant to the required affirmative vote of the District Board, as further amended and restated by the Member, El Camino Healthcare District, on May 12, 2012, May 1, 2013, June 18, 2013, and March 5, 2014 pursuant to the required affirmative vote of the District Board, as further amended and restated pursuant to the required affirmative vote of the Board on May 14, 2014 (Section 6.8) and May 14, 2014 (Article VII) and of the Member, the El Camino Healthcare District, on June 17, 2014, as further amended and restated pursuant to the required affirmative vote of the Board on October 8, 2014 (Section 7.6) and of the Member, the El Camino Healthcare District, on October 21, 2014 and, as further amended and restated pursuant to the required affirmative vote of the Board on May 11, 2016 and of the Member, the El Camino Healthcare District, on June 14, 2016 and as further amended and restated by the Member, El Camino Healthcare District, on 2017 pursuant to the required affirmative vote of the District Board.

<del>June</del> .	IN WITNESS W	lersigned has executed this Certificate	of Secretary on
		Peter Fung, M.D.	
		El Camino Hospital Secretary	=

Comparison Details		
Title	pdfDocs compareDocs Comparison Results	
Date & Time	05/30/17 1:23:16 PM	
Comparison Time	1.35 seconds	
compareDocs version	v4.1.500.11	

Sources		
Original Document	[#14234236] [v5] Amended and Restated Bylaws of El Camino Hospital June 18, 2014.docx	
Modified Document	[#14234236] [v7] Amended and Restated Bylaws of El Camino Hospital 2017.docx	

Comparison Statistics	
Insertions	15
Deletions	10
Changes	14
Moves	0
TOTAL CHANGES	39

Word Rendering Set Markup Options		
Name	Standard	
<u>Insertions</u>		
<del>Deletions</del>		
Moves / Moves		
Inserted cells		
Deleted cells		
Merged cells		
Formatting	Color only.	
Changed lines	Mark left border.	
Comments color	By Author.	
Balloons	False	

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after Saving	General	Always
Report Type	Word	Formatting
Character Level	Word	True
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	False
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	False
Summary Report	Word	End
Include Change Detail Report	Word	Separate
Document View	Word	Print
Remove Personal Information	Word	False
Flatten Field Codes	Word	True

# OF EL CAMINO HOSPITAL ADOPTED DECEMBER 7, 2005 AS AMENDED AND RESTATED

\_\_\_\_\_\_, 2017

# TABLE OF CONTENTS

	Pa	ge
ARTICI	E I CORPORATE OFFICES.	1
1.1	Principal Office	1
1.2	Registered Office	
ARTICI	E II PURPOSES, POWERS AND MEMBERSHIP	1
ARTICL	E II I OKI OSES, I OWERS AND MEMBERSIII	1
2.1	Purposes	1
2.2	Powers	1
2.3	Membership Corporation	
2.4	Exempt Activities	1
2.5	Termination of Membership	1
ARTICI	E III MEETINGS OF MEMBERS	1
3.1	Place of Meetings	1
3.2	Annual Meeting	
3.3	Notice of Annual Meeting	
3.4	Special Meetings	
3.5	Notice of Special Meetings	
3.6	Quorum	
3.7	Adjourned Meeting and Notice	
3.8	Voting	
3.9	Proxies	
3.10	Validation of Defectively Called or Noticed Meetings	
3.11	Action Without a Meeting	
3.12	Rights of the Member	4
ARTICI	E IV BOARD OF DIRECTORS	4
4.1	Management by Board of Directors	4
4.2		
4.3	Qualifications of Voting Directors	
4.4	Appointment and Selection of Directors	
4.5	Term	
4.6	Term Limits	
4.7	Vacancy	
4.8		
4.8 4.9	Resignation Removal	
4.7	Nemovai	1
ARTICI	E V CERTAIN DIRECTOR ELECTION PROCEDURES	7
5.1	Nominating Committee	7
5.2	Nominating Committee	8

ARTICI	E VI BOARD MEETINGS	8
6.1	Annual Meeting	8
6.2	Regular Meetings	8
6.3	Special Meetings	8
6.4	Meetings by Conference Telephone	8
6.5	Waiver of Notice	
6.6	Unanimous Action Without Meeting	9
6.7	Quorum	
6.8	Agenda for Meetings	9
6.9	Board Action	
6.10	Adjournment	
6.11	Notice of Adjournment	
ARTICI	LE VII BOARD COMMITTEES AND ADVISORY COMMITTEES	10
7.1	Establishment of Committees	
7.2	Special Committees	
7.3	Authority to Act	11
7.4	Appointment	
7.5	Meetings and Actions of Committees	11
7.6	Advisory Committees	11
ARTICI	LE VIII OFFICERS AND EMPLOYEES	12
8.1	Officers	12
8.2	Election of Board Officers	12
8.3	Term of Board Officers	12
8.4	Resignation	12
8.5	Removal	12
8.6	Vacancies	
8.7	Compensation	
8.8	Duties and Qualifications of Officers	
ARTICI	LE IX CHIEF EXECUTIVE OFFICER	13
9.1	Selection, Authority and Term	13
9.2	Performance Review	
9.3	Authority and Duties	14
ARTICI	LE X CONTRACTS AND FINANCIAL MATTERS	15
10.1	Loans	15
10.2	Deposits	
10.3	Compensation of Directors	

ARTICI	E XI CONFLICTS OF INTEREST AND INDEMNIFICATION	15
11.1	Conflict of Interest	15
11.2	Indemnification	
ARTICI	E XII MEDICAL STAFF	18
12.1	Organization	18
12.2	Membership	18
12.3	Medical Staff Bylaws, Rules and Regulations	18
12.4	Credentialing and Clinical Privileges	
12.5	Allied Health Professionals	19
12.6	Contract Physicians	20
12.7	Accountability	20
ARTICI	LE XIII EXECUTION OF CORPORATE INSTRUMENTS, AND VOTING OF	
	TOCKS AND MEMBERSHIPS HELD BY THE CORPORATION	20
13.1	Execution of Corporate Instruments	20
13.2	Ratification by Member	
13.3	Voting of Stocks Owned by Corporation	21
ARTICI	E XIV ANNUAL REPORT	21
ARTICI	E XV STANDARD OF CARE	22
ARTICI	E XVI PROHIBITED TRANSACTIONS	23
16.1	Loans	23
16.2	Self-Dealing Transactions	
16.3	Approval	23
ARTICI	E XVII MISCELLANEOUS	23
17.1	Records and Reports	23
17.2	Corporate Seal	
17.3	Construction and Definitions	
ARTICI	E XVIII AMENDMENTS	24
18 1	Amendments	24

# **ARTICLE I Corporate Offices**

- 1.1 <u>Principal Office</u>. The principal office of El Camino Hospital, a nonprofit public benefit corporation (the "Corporation"), is located in Mountain View, California. The Corporation may have such other offices as the Board of Directors of Corporation (the "Board") may determine from time to time.
- 1.2 <u>Registered Office</u>. The address of the registered office of the Corporation is 2500 Grant Road, Mountain View, California 94040.

# **ARTICLE II Purposes, Powers and Membership**

- 2.1 <u>Purposes</u>. The purposes of the Corporation are set forth in its Articles of Incorporation (the "Articles").
- 2.2 <u>Powers</u>. The Corporation may engage in any activity consistent with the Articles and these Bylaws.
- 2.3 <u>Membership Corporation</u>. The Corporation shall have one voting Member: El Camino Healthcare District, a political subdivision of the State of California (the "Member"). The Corporation shall have no other voting members.
- 2.4 Exempt Activities. Notwithstanding any other provision of these Bylaws, no director, officer, employee, or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and regulations promulgated thereunder as they now exist or as they hereafter may be amended, or by an organization contributions to which are deductible under Section 170(c) of such Code and Regulations as they now exist or as they hereafter may be amended.
- 2.5 <u>Termination of Membership</u>. The membership of the sole Member shall terminate upon the resignation of the sole Member.

# **ARTICLE III Meetings of Members**

- 3.1 <u>Place of Meetings</u>. Meetings of the sole Member shall be held at any place within or outside the State of California designated by the Board of Directors. In the absence of any such designation, meetings of the sole Member shall be held at the principal executive office of the Corporation.
- 3.2 <u>Annual Meeting</u>. There shall be an annual meeting of the sole Member held each year. The Board shall provide for the time and place of holding the annual meeting and notify the sole Member as provided in Section 3.3. At the annual meeting, directors shall be elected as

required by these Bylaws, reports of the affairs of the Corporation shall be considered, and any other business may be transacted that is within the power of the sole Member.

3.3 <u>Notice of Annual Meeting</u>. Written notice of each annual meeting shall be given to the sole Member entitled to vote, either personally, or by mail, or by other means of written communication, with charges prepaid, addressed to the sole Member at the sole Member's address appearing on the books of the Corporation or given by the sole Member to the Corporation for the purpose of notice.

All such notices shall be given to the sole Member entitled to the notice by mail or other means of written communication not less than ten (10) days (or, if sent by mail other than first-class, registered, or certified mail, twenty (20) days) nor more than ninety (90) days before each annual meeting. Any such notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication. An affidavit of giving of any such notice in accordance with the foregoing provisions, executed by the Secretary or any transfer agent of the Corporation, shall be *prima facie* evidence of the giving of the notice.

The notice of the meeting shall specify:

- (a) the place, date, and hour of the meeting;
- (b) those matters which the Board, at the time the notice is given, intends to present for action by the sole Member;
- (c) if directors are to be elected, the names of all those who are nominees at the time the notice is given;
- (d) the general nature of a proposal, if any, to take action when approval of the sole Member is required with respect to (i) removal of directors without cause; (ii) the filling of vacancies on the Board; (iii) amendment of the Articles or these Bylaws; (iv) voluntary merger or dissolution of the Corporation; or (v) disposition of all or substantially all of the assets of the Corporation; and
- (e) such other matters, if any, as may be expressly required by law.
- 3.4 <u>Special Meetings</u>. A special meeting of the sole Member for any lawful purpose or purposes may be called at any time by the Chairperson of the Board or by the Board. In addition, a special meeting of the sole Member for the purpose of removal of directors and election of their replacements may be called by the sole Member.
- 3.5 <u>Notice of Special Meetings</u>. Upon request in writing that a special meeting of the sole Member be called, directed to the Chairperson, Vice Chairperson, or Secretary, by any person (other than the Board of Directors) entitled to call a special meeting of the sole Member, the officer forthwith shall cause notice to be given to the sole Member that a meeting will be held at a time fixed by the Board, not less than thirty-five (35) nor more than ninety (90) days after the receipt of the request. If the notice is not given within twenty (20) days after the receipt of the request, the persons entitled to call the meeting may give the notice. Notice of any special

meeting of the sole Member shall be given in the same manner as for annual meetings of the sole Member. In addition to the matters required by Section 3.3(a) and, if applicable, Section 3.3(c) of these Bylaws, notice of any special meeting shall specify the general nature of the business to be transacted, and the fact that no other business may be transacted at the meeting.

- 3.6 Quorum. The presence in person or by proxy of the sole Member shall constitute a quorum for the transaction of business. Any meeting of the sole Member may be adjourned from time to time by the sole Member.
- 3.7 Adjourned Meeting and Notice. Except as provided below, when the sole Member's meeting, either regular or special is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business that might have been transacted at the original meeting. However, no meeting may be adjourned for more than forty-five (45) days. If after adjournment a new record date is fixed for notice or voting, notice of the adjourned meeting shall be given to the sole Member.

### 3.8 Voting.

- (a) Except as may be otherwise provided in the Articles or these Bylaws, the sole Member shall be entitled to one vote on each matter being considered.
  - (b) Voting at a meeting of the sole Member may be by voice vote or by ballot.

### 3.9 Proxies.

- with respect to such membership. "Proxy" means a written authorization signed by the sole Member giving another person or persons power to vote on behalf of the sole Member. "Signed" for the purpose of this section means the placing of the sole Member's name on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the sole Member. Any proxy duly executed is not revoked and continues in full force and effect until (i) a written instrument revoking it is filed with the Secretary of the Corporation prior to the vote pursuant to the proxy, (ii) a subsequent proxy executed by the person executing the prior proxy is presented to the meeting, or (iii) the person executing the proxy attends the meeting and votes in person; provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution, unless otherwise provided in the proxy, except that the maximum term of any proxy shall be three (3) years from the date of execution. The dates contained on the forms of proxy presumptively determine the order of execution, regardless of the postmark dates on the envelopes in which they are mailed. No proxy may be irrevocable.
- (b) In any election of directors, any form of proxy in which the directors to be voted upon are named as candidates and which is marked by the sole Member "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld shall not be voted either for or against the election of a director.
- 3.10 <u>Validation of Defectively Called or Noticed Meetings</u>. The transactions of any meeting of the sole Member, however called and noticed, and wherever held, are as valid as

though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy. Attendance of a person at a meeting shall constitute a waiver of notice of and presence at such meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by these Bylaws or by the California Nonprofit Corporation Law to be included in the notice if such objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of the sole Member need be specified in any written waiver of notice, consent to the holding of the meeting, or approval of the minutes of the meeting, unless otherwise provided in the Articles or these Bylaws, except the general nature of the proposals listed in Section 3.3(d) of these Bylaws must be specified, to the extent applicable, in any such waiver, consent, or approval.

- 3.11 <u>Action Without a Meeting</u>. Any action required or permitted to be taken by the sole Member may be taken without a meeting, if the sole Member consents in writing to the action. The written consent shall be filed with the minutes of the proceedings of the sole Member. The action by written consent shall have the same force and effect as the vote of the sole Member.
- 3.12 <u>Rights of the Member</u>. The Member shall have all rights granted to a member under the California Nonprofit Corporation Law. Without limiting the generality of the foregoing, the Member shall have the right to approve the election of directors, to approve the disposition of all or substantially all of the assets of the Corporation or to approve a merger and dissolution of the Corporation and the other rights set forth in the articles of incorporation and bylaws. In addition to the foregoing, the Member shall have the right to require the Corporation to provide to Member any financial information requested by the Member and to approve the following actions authorized by the Board of Directors of the Corporation:
  - 1. To approve the selection of the Corporation's Chief Executive Officer;
  - 2. To approve the annual budget of the Corporation;
- 3. To approve capital expenditures by the Corporation of more than \$25 million dollars in a single transaction;
- 4. To approve any expenditures or transfers by the Corporation in a single transaction apparent or a series of related transaction (in excess of 5% of the assets of the Corporation as determined based on last annual audit of the Corporation preceding the approval date of the proposed transaction);
  - 5. To approve the overall strategy adopted by the Corporation.

### ARTICLE IV Board of Directors

4.1 <u>Management by Board of Directors</u>. The business and affairs of the Corporation shall be managed by the Board, except as otherwise provided by law, the Articles, these Bylaws or a Board resolution

4.2 <u>Number of Voting Directors</u>. The number of voting directors ("Directors") of the Corporation shall not be less than five (5) nor more than ten (10) until changed by amendment of the Articles or by a bylaw amending this Section 4.2 duly adopted by the sole Member. The exact number of Directors shall be fixed from time to time, within the limit specified in the Articles or in this Section 4.2, by the sole Member.

### 4.3 Qualifications of Voting Directors.

- (a) <u>Commitment</u>. Directors must be committed to the furtherance of health care delivery in the communities served by the Corporation, and must be willing to devote the necessary time and energy for self-education, corporate functions and other activities necessary to fulfill this commitment.
- (b) <u>Fiduciary Duty</u>. Directors shall have a fiduciary duty to the Corporation, and shall make all decisions in a manner that is in the best interests of the Corporation and the communities served by the Corporation. Directors shall not advocate or act in the interests of any private person, group or entity unless such action is also in the best interests of the Corporation or the communities served by the Corporation.
- (c) Restriction on Interested Directors. Not more than forty-nine percent (49%) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (i) any person being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as a Director; and (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person. In addition, 2012 Directors and 2017 Directors shall not be or seek to become an employee of the Corporation or an independent contractor receiving compensation from the Corporation while serving as a Director, except in the circumstances when a Director who is also a director of the sole Member may so serve. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the Corporation. Restrictions in addition to those set forth above may be imposed by applicable law.
- (d) <u>Financial Interest</u>. Except as permitted by the California Nonprofit Corporation Law, the California Health and Safety Code and any other provisions of law, Directors shall not have a "financial interest" in any transactions or contracts of the Corporation.
- 4.4 <u>Appointment and Selection of Directors</u>. All Directors shall be nominated and elected by the Member.

### 4.5 Term.

### (a) Years.

(i) A Director first elected by the Member pursuant to Section 4.4 effective September 1, 2012 shall serve a staggered term ending June 30, 2013, June 30, 2014 or June 30, 2015 as designated by a resolution of the Board. Any Director who is later appointed to such position or who is later appointed to a new term for such a position after the initial term

expires shall serve a term of three (3) years. The Directors described in this subparagraph (ii) are referred to in these Bylaws as "2012 Directors."

- (ii) A Director first elected by the Member, as a result of the increase in the number of permitted directors to ten (10), effective [June 20, 2017] shall serve a staggered term ending June 30, 2020 or June 30, 2021 as designated by a resolution of the Member. Any Director who is later appointed to such position or who is later appointed to a new term for such a position after the initial term expires shall serve a term of three (3) years. The Directors described in this subparagraph (ii) are referred to in these Bylaws as "2017 Directors."
- (iii) All other Directors not listed in Section 4.5(a)(i) or (ii) shall hold office as a Director for a term of four (4) years from the date of election
- (iv) A Director who fills the unexpired term of a vacant Director position shall serve until the end of that unexpired term.
- (v) A Director shall serve for such Director's stated term and until his or her successor is duly elected and qualified, unless the Director resigns or is removed as provided in these Bylaws.

### 4.6 Term Limits.

### (a) New Members.

- (i) Any 2012 Director or 2017 Director who first takes office during calendar year 2014, or any time thereafter, may only serve four (4) complete three (3) year terms as a Director.
- (ii) Any Director described in Section 4.5(a)(iii) who first takes office during calendar year 2014, or any time thereafter, may only serve three (3) complete four (4) year terms as a Director.

### (b) Current Members.

- (i) Any 2012 Director who is serving as a Director as of January 1, 2014 may only serve four (4) complete three (3) year terms as a Director beginning with such Director's next term of office that commences after January 1, 2014.
- (ii) Any Director described in Section 4.5(a)(iii) who is serving as a Director as of January 1, 2014 may only serve three (3) complete four (4) year terms as a Director beginning with such Director's next term of office that commences after January 1, 2014.
- (c) <u>Effect of Term Limit</u>. The office of any Director subject to the limitation set forth in Section 4.6(a) or Section 4.6(b) shall terminate on the last day of the period described in Section 4.6(a) or Section 4.6(b) that is applicable to such Director.

- (d) <u>Election Following Term Limit</u>. Any person who has left the Board due to the application of Section 4.6(a) or (b) may be elected to serve as a Director after two (2) years from the date such Director left the Board.
- (e) New Term Limits. Any Director elected, as described in Section 4.6(d), after his or her term has been limited shall be subject to Section 4.6(a) beginning on the first day of such new term.

### 4.7 Vacancy.

- (a) A vacancy in the Board of Directors shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) the declaration by the Board of a vacancy in the office of a Director who has been declared of unsound mind by a final order of court, or has been convicted of a felony, or has been found by a final order or judgment of any court to have breached any duty under Sections 5230-38 of the California Corporations Code dealing with standards of conduct for directors; (iii) an increase in the authorized number of Directors; (iv) the application or other request by a 2012 Director or 2017 Director seeking employment with the Corporation or seeking to provide contracted services to the Corporation, except in circumstances when a Director who is also a director of the sole Member may so serve; (v) the failure of the sole Member, at any annual or other regular meeting of Member at which any Director or Directors are elected, to elect the full authorized number of Directors to be voted for at that meeting; or (vi) the affirmative vote of the sole Member to remove a Director in accordance with the voting requirements of Section 5222 of the California Corporations Code as provided in Section 4.9 below.
- (b) Vacancies in the Board may be filled only by the sole Member. Each Director appointed or elected to fill a vacancy shall hold office until his or her successor is elected at an annual or other regular meeting of the sole Member.
- 4.8 <u>Resignation</u>. Any Director may resign at any time by giving written notice to the Chairperson or the Secretary. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified in the resignation. If the resignation is effective at a future time, the successor may be elected to take office when the resignation becomes effective. Unless the California Attorney General is first notified, no Director may resign when the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.
- 4.9 <u>Removal</u>. Any elected Director may be removed, with or without cause, at any time by the Member. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office. Each Director appointed or elected to fill a vacancy shall hold office until his or her successor is elected by the sole Member.

# ARTICLE V Certain Director Election Procedures

5.1 <u>Nominating Committee</u>. The Board shall appoint a Nominating Committee, a special committee, to select qualified candidates for election to the Board at least thirty (30) days

before the date of any election of Directors. The committee shall make its report at least two (2) days before the date of the election, and the Secretary of the Corporation shall forward to the Member, with the notice of meeting required by Section 3.3 of these Bylaws, a list of candidates so nominated along with the names of any persons duly nominated by the Member as of that time.

5.2 <u>Nominations by Member</u>. The sole Member may nominate candidates for directorships at any time before the election. The Secretary shall cause the names of such candidates to be placed on the ballot along with those candidates named by the nominating committee. If there is a meeting to elect directors, the sole Member may place names in nomination.

# **ARTICLE VI Board Meetings**

- 6.1 <u>Annual Meeting</u>. An annual meeting of the Board shall be held each year, at which time officers of the Board shall be elected and such other business as is appropriate shall be transacted. Annual meetings shall be held at the location designated by the Board or at the principal office of the Corporation.
- 6.2 <u>Regular Meetings</u>. Meetings of the Board shall be held as directed by the Board, but at least quarterly at any place within or outside the State of California that has been designated by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Regular meetings may be held without notice.

### 6.3 Special Meetings.

- (a) <u>Authority to Call</u>. Special meetings of the Board may be called for any purpose and at any time by the Chairperson, the Secretary, or any two (2) Directors.
- (b) <u>Manner of Notice</u>. Notice of the time and place of special meetings shall be given to each Director by one of the following methods: by personal delivery of written notice; by first-class mail, postage paid; by telephone communication, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director; by facsimile; or by telegram, charges prepaid. All such notices shall be addressed to or otherwise transmitted to the Director's address, facsimile number, or telephone number shown on the records of the Corporation. The notice shall specify the time and place of the meeting.
- (c) <u>Timing of Notice</u>. Notices sent by first-class mail shall be deposited into a United States mail box at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, facsimile or telegram shall be given at least forty-eight (48) hours before the time set for the meeting.
- 6.4 <u>Meetings by Conference Telephone</u>. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another. All such Directors shall be deemed to be present in person at any such meeting.

- 6.5 <u>Waiver of Notice</u>. The transaction of business at any meeting of the Board, however called and noticed or wherever held, shall be valid as though held at a meeting that was duly held after regular call and notice, but only if a quorum is present and if, either before or after the meeting, each of the Directors not present signs and files with the Secretary a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof, or such Director attends the meeting without protesting, prior to the meeting or at its commencement, the lack of notice to such Director, provided that no Director present at the meeting objected, prior to the transaction of any business, to the holding of the meeting because of a lack of prior notice. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.
- 6.6 <u>Unanimous Action Without Meeting</u>. Any action required or permitted to be taken by the Board under the Articles, these Bylaws or any provision of law may be taken by the Board without a meeting, if the Directors unanimously consent in writing to such action. Such unanimous written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by unanimous written consent shall have the same force and effect as the unanimous vote of the Directors at a duly called and noticed meeting. Such unanimous written consent or consents may be signed in counterpart and may be submitted to the individual Directors, and returned to the Corporation by mail or by facsimile transmission. For purposes of this section only, "all members of the Board" does not include any "interested directors" as defined in Section 5233 of the California Corporations Code.
- 6.7 Quorum. A majority of the number of existing Directors (excluding vacancies) shall constitute a quorum for the transaction of business, except to adjourn. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting, subject to any applicable requirements for approval by a greater number or a disinterested majority.
- Agenda for Meetings. The agenda for Board meetings shall be developed by the 6.8 Chairperson with the Chief Executive Officer acting as staff to the Chairperson for this purpose. The Chairperson shall prepare a calendar of expected agenda items that will be communicated regularly at Board meetings. Any Director may ask that a matter be added to a future Board meeting agenda by written notification to the Chairperson and the Chief Executive Officer. The Chairperson will determine, considering all other matters to be addressed by the Board, whether and when to add the matter to a Board agenda. If the matter will not be added to the Board meeting agenda at the next meeting to be held more than fourteen (14) days after the date of the request, the Chief Executive Officer will notify the Director making the request of the Chairperson's decision; the person making the request may ask that the questions of whether such matter should be considered by the Board and the timing of such consideration be addressed during the discussion of the calendar of expected agenda items during the next meeting of the Board that occurs more than ten (10) days thereafter. Notwithstanding the foregoing, any request to add a matter to the Board agenda made by three (3) directors shall be added to the Board meeting agenda at the next meeting to be held more than fourteen (14) days after the date of the last request.
  - 6.9 Board Action. Every act done or decision made by a majority of the Directors

present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number, or the same number after disqualifying one or more Directors from voting, is required by the Articles, these Bylaws, or the California Nonprofit Corporation Law. Provided however, amendments to the Articles or these Bylaws and approval of certain transactions must be approved by the vote of a majority of the Directors in office, excluding interested directors as defined in Section 5233 of the California Corporations Code.

- 6.10 <u>Adjournment</u>. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.
- 6.11 <u>Notice of Adjournment</u>. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

# **ARTICLE VII Board Committees and Advisory Committees**

- 7.1 <u>Establishment of Committees</u>. The Board of Directors may, by resolution adopted by a majority of the Directors then in office, provided that a quorum is present, designate one or more committees, each consisting of two (2) or more Directors, to serve at the pleasure of the Board. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. The provisions of Section 7.1 through 7.5 of these Bylaws do not apply to any advisory committee established under Section 7.6. The appointment of members or alternate members of a committee requires the vote of a majority of the Directors then in office, provided that a quorum is present. Any such committee, to the extent provided in the resolution of the Board of Directors or in these Bylaws, shall have all the authority of the Board of Directors, except that no committee, regardless of Board resolution, may:
- (a) Approve any action that, under the California Nonprofit Corporation Law, also requires the affirmative vote of the members of a public benefit corporation.
- (b) Fill vacancies on the Board or in any committee that has the authority of the Board.
- (c) Fix compensation of the Directors for serving on the Board or on any committee.
  - (d) Amend or repeal Bylaws or adopt new bylaws.
- (e) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable.
- (f) Appoint any other committees of the Board or the members of such committees.

- (g) Expend corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.
- (h) Approve any transaction between the Corporation and one or more of its Directors in which the Director or Directors have a material financial interest, except as provided by Section 5233 of the California Corporations Code.
- 7.2 <u>Special Committees</u>. From time to time the Board may establish special committees. Special Board committees shall exist to perform specific tasks identified by the Board, and shall cease to exist upon completion of the task. The Board may by resolution establish special committees for such purposes as the Board deems appropriate. Members of such committees shall be appointed and removed at the Board's discretion, with or without cause.
- 7.3 <u>Authority to Act</u>. The committee may take action on behalf of the Corporation only if specifically authorized to take a Board action by resolution of the Board.
- 7.4 <u>Appointment</u>. The Chairperson of the Board shall appoint committee chairperson(s) and the committee chairperson(s) shall appoint members of committee(s) subject to approval by the Board.
- 7.5 Meetings and Actions of Committees. Meetings and actions of all committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of these Bylaws, concerning meetings and actions of Directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board may adopt rules not inconsistent with the provisions of these Bylaws for the governance of any committee.
- these Bylaws, the Board may by resolution establish advisory committees to the Board. No advisory committee shall have or exercise any of the authority of the Board but shall advise the Board of Directors on matters within the advisory committee's charter as adopted by the Board. An advisory committee shall be composed of at least two members of the Board and persons who are not members of the Board. The Board, by resolution, shall adopt an advisory committee charter which shall establish the committee, state whether the advisory committee is temporary (ad hoc) or standing, the total number of members of such committee, the number of Board members to be appointed to such committee, and the subject matter to be considered by such advisory committee. The time and place of meetings of the advisory committee shall be determined by the committee chair. The charter shall designate the members of the advisory committee are selected. The Chairperson may serve as chair or a member of any advisory committee except the Governance Committee. The Board may, at any time, amend the resolution establishing the

advisory committee to change the members, to change the scope of delegation, or to terminate the existence of the advisory committee.

# ARTICLE VIII Officers and Employees

- 8.1 <u>Officers</u>. The officers of the Corporation shall consist of the Chairperson, the Vice Chairperson, the Secretary and the Treasurer and such other persons who are specifically designated as officers by the Board. The offices of Secretary and Treasurer shall be held by the same person.
- 8.2 <u>Election of Board Officers</u>. All officers shall be elected by a majority vote of the Board
- 8.3 <u>Term of Board Officers</u>. Each officer shall hold office for a two (2) year term or until his or her successor is elected and qualified, subject to any employment agreement; provided that a Director may not serve more than two (2) consecutive terms as Chairperson.
- 8.4 <u>Resignation</u>. Any officer may resign at any time by giving written notice to the Board of Directors, the Chairperson or to the Secretary, without prejudice, however, to the rights, if any, of the Corporation under any contract to which such officer is a party. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later specified time.
- 8.5 <u>Removal</u>. Any officer may be removed at any time by a majority vote of the Board.
- 8.6 <u>Vacancies</u>. Upon the removal, resignation, death, or incapacity of any officer, the Board may declare such office vacant and fill such vacancy by the majority vote of the Board.
- 8.7 <u>Compensation</u>. The salary and other compensation of the officers shall be fixed from time to time by resolution of, or in the manner determined by, the Board.
- 8.8 <u>Duties and Qualifications of Officers</u>. The officers shall have such duties, in addition to those set forth below, as the Board shall specify by resolution from time to time.
- (a) <u>Chairperson</u>. The Chairperson shall preside at all meetings of the Board. Except as provided in Section 13.1, the Chairperson shall have authority to execute in the name of the Corporation all bonds, contracts, deeds, leases, and other written instruments to be executed by the Corporation, and shall perform such other powers and duties as may be from time to time assigned to him or her by the Board or set forth in these Bylaws.
- (b) <u>Vice Chairperson</u>. The Vice Chairperson shall assume and perform the duties of the Chairperson in the absence or disability of the Chairperson or whenever the office of Chairperson is vacant. The Vice Chairperson shall have such titles, perform such other duties, and have such other powers as the Board or the Chairperson shall designate from time to time.

(c) <u>Secretary</u>. The Secretary shall record or cause to be recorded, and shall keep or cause to be kept, at the principal executive office and such other place as the Board may order, a book of minutes of actions taken at all meetings of Directors, committees, and Member, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such Directors, committees and Member meetings, and the proceedings of all such meetings.

The Secretary shall give, or cause to be given, notice of all the meetings of the members of the Board of Directors, and of the committees of this Corporation required by these Bylaws or by law to be given, shall keep the seal of the Corporation (if any) in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board, the Chairperson or by these Bylaws.

(d) <u>Treasurer</u>. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board, shall render to the Chairperson and Directors, whenever they request it, an account of all of the Treasurer's transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board, the Chairperson or these Bylaws.

# **ARTICLE IX Chief Executive Officer**

- 9.1 <u>Selection, Authority and Term.</u> The Board may select and employ a competent, experienced Chief Executive Officer who shall be its direct executive representative in the management of the Hospital. This Chief Executive Officer shall be given the necessary authority and held responsible for the administration of the Hospital in all its activities and departments subject only to such policies as may be adopted, and such orders as may be issued by the Board or by any of its committees to which it has delegated power for such action. He or she shall act as the "duly authorized representative" of the Board in all matters in which the governing Board has not formally designated some other person for that specific purpose. However, nothing in this section is to be construed as depriving or delegating from the Board to the Chief Executive Officer any of the powers and duties imposed upon the Board by the Local Hospital District Law, Division 23, or Chapter 1 of the Health and Safety Code of the State of California, or related statutes. The Chief Executive Officer shall hold office from the date of hire until the end of his or her term in office or sooner at the sole discretion of the Board, subject to any employment agreement.
- 9.2 <u>Performance Review</u>. The Board shall continually review the performance of the Chief Executive Officer and provide counseling in areas where improvement is needed.

- 9.3 <u>Authority and Duties</u>. The authority and duties of the Chief Executive Officer shall be as follows:
- (a) To perfect and submit to the Board for approval a plan of organization of the personnel and others concerned with the operation of the Hospital; and also to establish methods of procedures concerning the internal operation of the Hospital.
- (b) To prepare an annual budget showing the expected receipts and expenditures of the Hospital as required by the Board of Directors.
- (c) To prepare and submit capital budget of the Hospital to the Board for approval.
- (d) To select, employ, and discharge all employees serving in positions as authorized by the Board of Directors.
- (e) To see that all physical properties are kept in good state of repair and operating condition.
- (f) To attend all meetings of the Board of Directors and participate in all Board discussions except where the Chief Executive Officer has a conflict of interest or is otherwise recused and except for executive sessions of the Board of Directors.
- (g) To supervise all business affairs, such as the records of financial transactions, collection of accounts and purchase and issuance of supplies, and to ensure that all funds are collected and expended to the best possible advantage.
- (h) To explore and develop strategic opportunities for the Hospital and propose such opportunities to the Board.
- (i) To exercise his or her professional abilities in such a manner that those concerned with the rendering of professional service at the Hospital cooperate to the end that the best possible care may be rendered to all patients.
- (j) To submit regularly to the Board or its authorized committees, periodic reports showing the professional service and financial activities of the Hospital and to prepare and submit such special reports as may be required by the Board and/or its functioning committees.
- (k) To serve as the liaison officer and channel of communications for all official communications between the Board of Directors or any of its committees, and its adjunct organizations.
  - (1) To act as an ex-officio member of all Board committees.
- (m) To support such volunteer services as are necessary to carry out the purpose of the Hospital.

- (n) To assist in providing an orientation program for new Board members.
- (o) To perform any other duty that may be necessary in the best interest of the Hospital.

# ARTICLE X Contracts and Financial Matters

- 10.1 <u>Loans</u>. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.
- 10.2 <u>Deposits</u>. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depository as the Board may select.
- 10.3 <u>Compensation of Directors</u>. Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be determined by resolution of the Board to be just and reasonable; provided, however, that any such compensation must be commercially reasonable.

# ARTICLE XI Conflicts of Interest and Indemnification

11.1 <u>Conflict of Interest</u>. The Board shall adopt, by resolution, a conflict of interest policy which shall be attached to these Bylaws.

### 11.2 Indemnification.

- (a) For the purposes of this article, "agent" means any person who is or was a Director, officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of the Corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" include without limitation attorneys' fees and any expenses of establishing a right to indemnification under paragraph (d) or paragraph (e)(iii) of this Section 11.2.
- (b) The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Corporations Code, or an action brought by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the Corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the

Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

- (c) The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the Corporation to procure a judgment in its favor, or brought under Section 5233, or brought by the Attorney General for breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of the Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this paragraph (c):
  - (i) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the Corporation in the performance of such person's duty to the Corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses that such court shall determine;
  - (ii) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
  - (iii) Of expenses incurred in defending a threatened or pending action that is settled or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General.
- (d) To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in paragraph (b) or (c) or in defense of any claim, issue, or matter in the proceeding, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the proceeding.
- (e) Except as provided in paragraph (d), any indemnification under this Section 11.2 shall be made by the Corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in paragraph (b) or (c), by:
  - (i) A majority vote of a quorum consisting of Directors who are not parties to such proceeding;
  - (ii) Approval or ratification by the affirmative vote of a majority of the votes represented and voting at a duly held membership meeting at which a quorum is present (which affirmative votes also constitute a majority of the

required quorum); for such purpose, any membership held by the person to be indemnified shall not be considered outstanding or entitled to vote on the matter; or

- (iii) The court in which such proceeding is or was pending upon application made by the Corporation, the agent, or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the Corporation.
- (f) Expenses incurred in defending any proceeding may be advanced by the Corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Section 11.2.
- (g) Nothing contained in this article shall affect any right to indemnification to which persons other than Directors and officers of the Corporation or any subsidiary of the Corporation may be entitled by contract or otherwise.
- (h) No indemnification or advance shall be made under this article, except as provided in paragraph (d) or paragraph (e)(iii), in any circumstance when it appears:
  - (i) That it would be inconsistent with a provision of the Articles, a resolution of the sole Member, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
  - (ii) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.
- (i) Upon and in the event of a determination by the Board of Directors of the Corporation to purchase indemnity insurance, the Corporation shall purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against such liability under the provisions of this Section 11.2; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the Corporation for a violation of Section 5233.
- (j) This Section 11.2 does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the Corporation as defined in paragraph (a). The Corporation shall have the power to indemnify such trustee, investment manager, or other fiduciary to the extent permitted by subdivision (f) of Section 207 of the California Corporations Code.

# ARTICLE XII Medical Staff

- 12.1 <u>Organization</u>. A medical staff organization has been created for the acute care hospital that is owned by El Camino Hospital, and this medical staff is known as the El Camino Hospital Medical Staff (the "Medical Staff").
- 12.2 <u>Membership</u>. Membership in the Medical Staff shall be comprised of all physicians, dentists and podiatrists who are duly licensed, competent in their respective fields, worthy in character and in professional ethics and privileged to attend to patients in the Hospital. The term "physicians" shall include physicians licensed in the State of California, regardless of whether they hold an M.D. or D.O. degree. Membership in the Medical Staff shall be a prerequisite to the exercise of any clinical privileges except as otherwise expressly provided in the Medical Staff Bylaws.

### 12.3 <u>Medical Staff Bylaws, Rules and Regulations</u>.

(a) <u>Purpose</u>. Medical Staff Bylaws, rules and regulations shall be adopted by the Medical Staff for its internal governance, subject to the Board's approval (the "Medical Staff Bylaws"). The Medical Staff Bylaws shall create an effective administrative unit to discharge the functions and responsibilities assigned to the Medical Staff. The Medical Staff Bylaws, rules and regulations shall also state the purposes, functions and organization of the Medical Staff, and set forth the policies and procedures by which the Medical Staff exercises and accounts for its delegated authority and responsibilities.

### (b) Procedure to Adopt or Amend.

- (i) <u>Preparation and Adoption</u>. The Medical Staff shall have the initial responsibility to formulate, revise and adopt the Medical Staff Bylaws, rules and regulations.
- (ii) <u>Review and Approval</u>. After the above action by the Medical Staff, such Medical Staff Bylaws, rules or regulations, or amendments thereto, shall be forwarded to the Board for its review and approval, which approval shall not be unreasonably withheld.
- (iii) <u>Separate Action</u>. If the Medical Staff fails to exercise its responsibility hereunder and in a reasonable, timely and responsible manner, and after written notice from the Board to such effect, including a reasonable period of time for response, the Board may formulate or amend the Medical Staff Bylaws, rules and regulations. Any Medical Staff recommendations and views shall be carefully considered during the Board's deliberations and actions.

### 12.4 Credentialing and Clinical Privileges.

(a) <u>Delegation to Medical Staff</u>. The Board delegates to the Medical Staff responsibility and authority to investigate and evaluate all matters relating to Medical Staff membership and clinical privileges, including appointment, reappointment and corrective action.

- (b) <u>Initial Decision</u>. Initial action with respect to membership on the Medical Staff and clinical privileges shall be taken by the Medical Staff in accordance with the Medical Staff Bylaws, rules and regulations. Thereafter, a recommendation shall be made to the Board.
- (c) <u>Review and Approval</u>. The Board shall review and act upon recommendations of the Medical Staff, and shall give careful consideration to the Medical Staff's expertise in peer review matters.
- (d) <u>Separate Action</u>. If the Medical Staff fails to exercise its responsibility hereunder in a reasonable, timely and responsible manner, and after written notice from the Board to such effect, including a reasonable period of time for response, the Board may take actions regarding medical staff membership and clinical privileges. In so doing, the Board shall carefully consider any Medical Staff recommendations and views during its deliberations and actions. In situations involving corrective action, the Board shall not initiate such action unless the Medical Staff's failure to do so is contrary to the weight of the evidence under consideration.
- (e) <u>Fair Hearing Procedure</u>. The procedural rules to be followed by the Medical Staff and the Board in acting on matters of Medical Staff membership and clinical privileges, including such matters as appointment, reappointment and corrective action, shall be as more particularly specified in the Medical Staff Bylaws. The Medical Staff Bylaws shall provide for a procedure pursuant to which disagreements between the Medical Staff and the Board may be resolved.
- (f) <u>Standards of Decision and Review</u>. In taking the actions referred to in this Article XII, the relevant decision-making body shall consider the supporting information and the purposes, needs and capabilities of the hospital, the health and welfare of the community, and such relevant criteria as are set out in the Medical Staff Bylaws, rules and regulations. In taking such action, no aspect of Medical Staff membership or privileging shall be limited or denied on the basis of sex, age, race, creed, color, or national origin, or on the basis of any other criterion unrelated to those set out in the preceding sentence.
- (g) <u>Duration</u>. Appointments to the Medical Staff shall be for a maximum term of two (2) years.
- (h) <u>Terms and Conditions</u>. The terms and conditions of Medical Staff membership and of the exercise of clinical privileges shall be as specified in the Medical Staff Bylaws, rules and regulations, or as more specifically defined in the notice of an individual appointment or privileges.
- 12.5 <u>Allied Health Professionals</u>. The categories of allied health professionals eligible to hold specific practice privileges to perform services within the scope of their licensure, certification or other legal authorization, and the corresponding privileges, prerogatives, terms and conditions for each such allied health professional category or practitioner shall be determined by the Board upon recommendations received from the Medical Staff executive committee. The Medical Staff shall have the responsibility and authority to investigate and evaluate each application by an allied health professional for satisfaction of relevant eligibility requirements in accordance with the Medical Staff Bylaws, rules and regulations.

- 12.6 <u>Contract Physicians</u>. A physician engaged as an independent contractor by the Corporation to provide medical-administrative services must obtain appropriate Medical Staff membership and privileges through the procedure outlined in the Medical Staff Bylaws, rules and regulations. Restriction or termination of such physician's Medical Staff membership or clinical privileges for reasons related to professional competence shall also be accomplished through the procedures contained in the Medical Staff Bylaws, rules and regulations. All other matters, including termination of Medical Staff membership or clinical privileges on grounds not related to professional competence, shall be governed by the terms of such physician's contracts or agreements with the Corporation.
- 12.7 <u>Accountability</u>. The Medical Staff shall be accountable to the Board for conducting activities that contribute to the preservation and improvement of the quality and efficiency of patient care provided at the Corporation. These activities shall include:
- (a) <u>Standard of Care</u>. Ensuring that a comparable standard of care, as determined by the Medical Staff, is provided to all patients with similar needs;
- (b) <u>Monitor Quality</u>. Ongoing monitoring and evaluation of patient care to solve problems and identify other opportunities to improve quality.
- (c) <u>Clinical Privileges</u>. Delineation of clinical privileges for members of the Medical Staff commensurate with individual credentials and demonstrated ability and judgment.
- (d) <u>Continuing Education</u>. Provision of continuing professional education, guided by the needs identified through the review and evaluation activities, as well as other perceived needs and interests.
- (e) <u>Resource Allocation</u>. Review of utilization of the Corporation's resources to provide for their allocation to patients in need of them.
- (f) <u>Medical Records</u>. Ensuring the preparation and maintenance of adequate and accurate medical records for all patients; and
- (g) <u>Other Matters</u>. Such other measures as the Board may, after considering the advice of the Medical Staff and the Corporation's administration, deem necessary for the preservation and improvement of the quality and efficiency of patient care.

### **ARTICLE XIII**

# Execution of Corporate Instruments, and Voting of Stocks and Memberships Held by the Corporation

13.1 <u>Execution of Corporate Instruments</u>. The Board may, in its discretion, determine the method and designate the signatory officer or officers or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon the Corporation.

Unless otherwise specifically determined by the Board or otherwise required by law, formal contracts of the Corporation, promissory notes, deeds of trust, mortgages and other evidences of indebtedness of the Corporation, and other corporate instruments or documents, and certificates of shares of stock owned by the Corporation, shall be executed, signed, or endorsed by the Chairperson.

All checks and drafts drawn on banks or other depositories on funds to the credit of the Corporation, or in special accounts of the Corporation, shall be signed by such person or persons as the Board shall authorize to do so.

- 13.2 <u>Ratification by Member</u>. The Board may, in its discretion, submit any contract or act for approval or ratification of the Member at any regular meeting of Member, or at any special meeting of Member called for that purpose.
- 13.3 <u>Voting of Stocks Owned by Corporation</u>. All stock of other corporations or memberships in other corporations owned or held by the Corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect to such stock or memberships shall be executed, by the person authorized to do so by resolution of the Board of Directors, or in the absence of such authorization, by the Chairperson of the Board, or Vice Chairperson or by any other person authorized to do so by the Chairperson or the Vice Chairperson of the Board.

# **ARTICLE XIV Annual Report**

Except as provided below, the Corporation shall cause to be sent to its Member and Directors no later than 120 days after the close of its fiscal year, a report containing the following information in appropriate detail:

- (a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the fiscal year.
- (d) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year.
- (e) Any information required by Section 6322 of the California Corporations Code.

The report shall be accompanied by any pertinent report of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.

This article does not apply to the Corporation when it receives less than twenty-five thousand dollars (\$25,000) in gross revenues or receipts during the fiscal year, with the exceptions that a report meeting the above requirements must be furnished annually to all Directors and to the Member who requests it in writing and that the information referred to in paragraph (e) above must be furnished to the Member and Directors within 120 days after the close of the Corporation's fiscal year.

If the Corporation solicits in writing contributions from five hundred (500) or more persons, it need not send the report described above to the Member, with the exception of the information referred to in paragraph (e) above, if it:

- (i) Includes with any written material used to solicit contributions a written statement that its latest annual report will be mailed upon request and that such request may be sent to the Corporation at a name and address which is set forth in the statement;
- (ii) Promptly mails a copy of its latest annual report to any person who requests a copy; and
- (iii) Causes its annual report to be published not later than 120 days after the close of its fiscal year in a newspaper of general circulation in the county in which its principal office is located.

### ARTICLE XV Standard of Care

A Director shall perform the duties of a director, including duties as a member of any Board committee on which the Director may serve, in good faith, in a manner such Director believes to be in the best interest of this Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) one or more officers or employees of the Corporation whom the Director believes to be reliable and competent as to the matters presented;
- (b) counsel, independent accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- (c) a Board committee upon which the Director does not serve, as to matters within its designated authority, provided that the Director believes such committee merits confidence; so long as in any such case, the Director acts in good faith after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Except as provided in Article XVI below, a person who performs the duties of a Director in accordance with this Article XV shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a Director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which a corporation, or assets held by it, are dedicated.

### ARTICLE XVI Prohibited Transactions

- 16.1 <u>Loans</u>. Except as permitted by Section 5236 of the California Corporations Code, this Corporation shall not make any loan of money or property to, or guarantee the obligation of, any Director or officer; provided, however, that this Corporation may advance money to a Director or officer of this Corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such officer or Director so long as such individual would be entitled to be reimbursed for such expenses absent that advance.
- 16.2 <u>Self-Dealing Transactions</u>. Except as provided in Section 16.3 below, the Board of Directors shall not approve or permit the Corporation to engage in any self-dealing transaction. A self-dealing transaction is a transaction to which this Corporation is a party and in which one or more of its Directors has a material financial interest, unless the transaction is described in California Corporations Code Section 5233(b).
- 16.3 Approval. This Corporation may engage in a self-dealing transaction if the transaction is approved by a court or by the Attorney General. This Corporation also may engage in a self-dealing transaction if the Board determines, before the transaction, that (1) this Corporation is entering into the transaction for its own benefit; (2) the transaction is fair and reasonable to this Corporation at the time; and (3) after reasonable investigation, the Board determines that it could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Such determinations must be made by the Board in good faith, with knowledge of the material facts concerning the transaction and the interest of the Director or Directors in the transaction, and by a vote of a majority of the Directors then in office, without counting the vote of the interested Director or Directors.

# ARTICLE XVII Miscellaneous

### 17.1 Records and Reports.

- (a) <u>Maintenance and Inspection of Articles and Bylaws</u>. This Corporation shall keep at its principal office the original or a copy of its Articles and these Bylaws as amended from time to time which shall be open to inspection by the Directors and the Member at any reasonable time during business hours.
- (b) <u>Maintenance and Inspection of Other Corporate Documents</u>. The accounting books, records, and minutes of proceedings of the Member, the Board and any committee of the Board shall be kept at such place or places designated by the Board or, in the absence of such designation, at the principal office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or

typed form or in any other form capable of being converted into written, typed or printed form. The minutes and accounting books and records shall be open to inspection on the written demand of any Member, at any reasonable time during usual business hours for a purpose reasonably related to the Member's interests as a Member. Inspection may be made in person or by an agent or any attorney, and shall include the right to copy and make abstracts.

- (c) <u>Inspection by Directors</u>. Each Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation. This inspection by a Director may be made in person or by the agent or attorney. The right of inspection includes the right to copy and make abstracts of documents.
  - 17.2 <u>Corporate Seal</u>. The Board shall provide a suitable seal for the Corporation.
- 17.3 <u>Construction and Definitions</u>. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, singular numbers include the plural, plural numbers include the singular, and the term "person" includes both corporations and natural persons. The captions or headings in these Bylaws are for convenience only and are not intended to limit or define the scope or effect of any provision of these Bylaws.

# ARTICLE XVIII Amendments

18.1 <u>Amendments</u>. The Articles or these Bylaws may be adopted, repealed, amended or restated or new Articles or Bylaws may be adopted upon a majority vote of the authorized number of Directors (excluding vacancies and Directors with a conflict of interest). No such adoption, repeal, amendment, restatement or new Articles or Bylaws shall be effective until approved by the Member. Moreover, the Articles and Bylaws may be adopted, repealed, amended or restated or new Bylaws adopted upon the vote of the Member.

### **CERTIFICATE OF SECRETARY**

I, the undersigned, certify that I am the currently elected and acting Secretary of El Camino Hospital, a California nonprofit public benefit corporation, and the above Amended and Restated Bylaws, consisting of 24 pages, are the Bylaws of this Corporation as adopted pursuant to the required affirmative vote of the Board, December 7, 2005 and the Member, the El Camino Healthcare District, on December 7, 2005 pursuant to the required affirmative vote of the District Board, as amended and restated pursuant to the required affirmative vote of the Board on August 10, 2011 and the Member, the El Camino Healthcare District, on August 10, 2011 pursuant to the required affirmative vote of the District Board, as further amended and restated by the Member, El Camino Healthcare District, on March 20, 2012 pursuant to the required affirmative vote of the District Board, as further amended and restated by the Member, El Camino Healthcare District, on May 12, 2012, May 1, 2013, June 18, 2013, and March 5, 2014 pursuant to the required affirmative vote of the District Board, as further amended and restated pursuant to the required affirmative vote of the Board on May 14, 2014 (Section 6.8) and May 14, 2014 (Article VII) and of the Member, the El Camino Healthcare District, on June 17, 2014, as further amended and restated pursuant to the required affirmative vote of the Board on October 8, 2014 (Section 7.6) and of the Member, the El Camino Healthcare District, on October 21, 2014, as further amended and restated pursuant to the required affirmative vote of the Board on May 11, 2016 and of the Member, the El Camino Healthcare District, on June 14, 2016 and as further amended and restated by the Member, El Camino Healthcare District, on \_\_\_\_\_\_, 2017 pursuant to the required affirmative vote of the District Board.

I	N WITNESS WHEREOF, the uno	dersigned has executed this Certificate of Secretary on
		El Camino Hospital Secretary

### ECH BOARD MEETING AGENDA ITEM COVER SHEET

Item:	FY18 Community Benefit Plan and Implementation Strategy	
	El Camino Hospital Board of Directors	
	June 14, 2017	
Responsible party:	Barbara Avery, Director, Community Benefit	
Action requested:	For Approval	

### **Background:**

### FY18 El Camino Hospital Community Benefit Plan & Implementation Strategy

The Community Benefit Advisory Council (CBAC) was actively engaged in determining the recommendations for the FY18 El Camino Hospital Community Benefit Plan & Implementation Strategy.

The Plan contains the following components:

- Overview of Community Health Needs Assessment (CHNA) process
- Grant proposal summaries, organized by the three health priority areas, which include information on services, metrics, and funding
- Financial Summary

### Board Advisory Committee(s) that reviewed the issue and recommendation, if any:

Community Benefit Advisory Council (CBAC)

- The Council reviewed all grant proposals received for FY18.

The Council provided guidance and grant funding recommendations for the FY18 Plan.

### Summary and session objectives :

- Provide an overview of the FY18 El Camino Hospital Community Benefit Plan &
   Implementation Strategy, as informed by the 2016 El Camino Hospital Community
   Health Needs Assessment
- Plan proposes to fund 41 grants for a total of \$2,993,773. The full plan, which includes the placeholder and sponsorships, totals \$3,288,773.
- FY18 Community Benefit proposals were received in mid-February. Staff conducted an in-depth assessment of all requests over two and half months culminating in the development of grant summary and funding recommendation for each proposal.
- ECH received 53 proposals, a 26% increase over FY17. There was an 18% increase in ECH and ECHD combined requests: 113, compared to the prior year of 96 proposals.
- 25 (47%) of all proposals were for new programs, a 213% increase over FY17.
- Required funding request documents include: grant application, cover letter, audited



### ECH BOARD MEETING AGENDA ITEM COVER SHEET

financials, evaluation tools/surveys, IRS Determination Letter, Board of Directors roster, and MOUs for delivery site, if applicable.

- The CBAC met on 4/19. The excellent process created significant and effective discussion for over three hours. A consensus was reached on recommended funding for FY18.
- Proposal summary sheets, revised to reflect the CBAC recommendations, were prepared and used to develop the FY18 Plan.

Suggested discussion questions: None.

### Proposed board motion, if any:

To approve the FY18 El Camino Hospital Community Benefit Plan & Implementation Strategy.

### **LIST OF ATTACHMENTS:**

- 1. FY18 Community Benefit and Implementation Strategy
- 2. FY17 Midterm Year-Over-Year Dashboard





# Fiscal Year 2018

# Community Benefit Plan & Implementation Strategy

June 2017



# **Table of Contents**

NTRODUCTION	<u>3</u>
FY18 COMMUNITY BENEFIT PLAN & IMPLEMENTATION STRATEGY OVERVIEW A	ND
ACKNOWLEDGEMENT	<u>7</u>
HEALTHY BODY	<u>8</u>
HEALTHY MIND	<u>39</u>
HEALTHY COMMUNITY	<u>60</u>
FY18 FINANCIAL SUMMARY	<u>86</u>
CONCLUSION	86

## Introduction

El Camino Hospital is an independent, nonprofit hospital with two campuses located in Mountain View and Los Gatos, California. El Camino Hospital's patients come from most of the cities in Santa Clara County, but primarily from Mountain View, Sunnyvale, Los Altos, Los Altos Hills, Santa Clara, Los Gatos, Cupertino, Campbell, Saratoga, and San Jose.

Per state and federal law, a Community Health Needs Assessment must be conducted every three years by nonprofit hospitals. In 2016, El Camino Hospital Community Benefit staff conducted a Community Health Needs Assessment (CHNA) in collaboration with the Santa Clara County Community Benefit Coalition. This assessment resulted in the identification of 18 significant community health needs. The 2016 CHNA serves as a tool for guiding policy and program planning efforts and is available to the public. For a copy of the full CHNA, see www.elcaminohospital.org/CommunityBenefit.

The documented needs in the 2016 CHNA served El Camino Hospital in developing this Community Benefit Plan for establishing Implementation Strategies pursuant to the Affordable Care Act of 2010 and California State Senate Bill 697. This plan outlines El Camino Hospital's funding for fiscal year 2017.

The main steps of this planning process are:

- Conduct a countywide Community Health Needs Assessment (CHNA)
- 2. Engage stakeholders to review the CHNA findings and prioritize health needs
- 3. Engage stakeholders to select the health needs for El Camino Hospital
- 4. Establish community benefit health need priority areas
- 5. Grants process. Development of Annual Plan and Implementation Strategy.

These steps are further described below.

### Step 1 — Conduct a Countywide Community Health Needs Assessment.

El Camino Hospital is a member of the Santa Clara County Community Benefit Coalition ("the Coalition"), a group of organizations that includes seven nonprofit hospitals, the Hospital Council of Northern and Central California, a nonprofit multispecialty medical group, and the Santa Clara County Public Health Department. The Coalition began the 2016 CHNA planning process in Fall 2014. The Coalition's goal for the CHNA was to collectively gather community feedback and existing data about health status to inform the member hospitals' respective community health needs prioritization and selection. Since its formation in 1995, the Coalition has worked together to conduct

regular, extensive Community Health Needs Assessments (CHNA) to identify and address critical health needs of the community. This 2016 CHNA builds upon those earlier assessments.

The Coalition obtained community input during the first nine months of 2015 via key informant interviews with local health experts, focus groups with community leaders and representatives, and resident focus groups. The Coalition obtained secondary data from a variety of sources, including the public Community Commons data platform and the Santa Clara County Public Health Department. (See CHNA for details.) Applied Survey Research (ASR) conducted this data collection on behalf of the Coalition. Prior to data collection, the Coalition identified criteria that would be used to define the list of health needs, using the 2013 CHNA criteria list as a basis.

In September 2015, ASR synthesized primary qualitative research and secondary data and then applied those criteria to the list of all possible health needs. The criteria were applied in the order found below.

- 1. The issue fits the definition of a health need: A poor health outcome and its associated health driver, or a health driver associated with a poor health outcome where the outcome itself has not yet arisen as a need. Social determinants of health are also considered health needs. They are described as conditions in which people are born, grow, live, work, and age. The distribution of money, power, and resources at global, national, and local levels shaped these circumstances.
- 2. More than one source of secondary and/or primary data suggests or confirms the issue.
- 3. It meets either qualitative or quantitative data criteria:
  - At least one related indicator performed poorly against the Healthy People 2020 ("HP2020") benchmark or against the state average if there was no HP2020 benchmark.
  - The community prioritized it in three of the ten focus groups or a key informant identified it. To obtain information on community priorities for this assessment, the Coalition asked professionals and residents who participated in focus groups and key informant interviews to identify the top health needs of their clients and/or communities, drawing on their own perceptions and experiences.

Based on community input and secondary data, the Coalition generated a list of 18 health needs that reflect the community's priorities.

# Step 2 — Engage Stakeholders to Review the Assessment Findings and Prioritize Health Needs.

ASR facilitated a meeting with the El Camino Hospital Community Benefit Advisory Council (CBAC), which includes an El Camino Hospital Board Liaison, El Camino Healthcare District Liaison community leaders, physicians, and senior management. During the session, CBAC members were presented with the CHNA findings and were asked to prioritize the identified health needs for Santa Clara County using a set of criteria. The results of this prioritization are displayed in Table 1.

Table 1 Health needs Identified by 2016 CHNA

Health Needs Identified by 2016 CHNA Listed by Priority Ranking						
1. Economic security	2. Obesity/diabetes	3. Housing				
4. Behavioral health	5. Healthcare access & delivery	6. Oral & dental health				
7. Heart disease and stroke	8. Hypertension	9. Tobacco use				
10. Violence & abuse	11. Cancer	12. Birth outcomes				
13. Dementia & Alzheimer's	14. Infectious diseases	15. Unintentional				
16. ADD/ADHD, learning	17. Respiratory conditions	18. Sexual health				

### Step 3 — Engage Stakeholders to Select the Health Needs for El Camino Hospital.

ASR distributed an electronic survey to CBAC members and asked them to recommend the health needs El Camino Hospital should address based on the previous prioritization results and the criteria displayed below. The results of the survey informed the selection of 12 of the 18 identified health needs to address.

### **Criteria for Recommending Health Needs for Selection**

- 1. A needs assessment process has identified the issue as significant and important to a diverse group of community stakeholders.
- 2. The issue affects a relatively large number of individuals.
- 3. The issue has serious impact at the individual, family, or community level.
- 4. El Camino Hospital has the required knowledge, expertise, and/or human and financial resources to make an impact.

### Step 4 — Establish Community Benefit Health Need Priority Areas.

The El Camino Hospital Community Benefit staff mapped the selected health needs identified by the CBAC to three health priority areas: Healthy Body, Healthy Mind, and Healthy Community. The health needs that El Camino Hospital will address are listed below in these three areas:



Cancer
Healthcare access & delivery
Heart disease & stroke
Hypertension
Obesity & diabetes
Oral & dental health
Respiratory conditions



Behavioral health Alzheimer's disease & Dementia



Economic security
Unintentional injuries/falls
Violence & abuse

### Step 5 — Grants process. Development of Annual Plan and Implementation Strategy.

Based on the top health needs identified by the community that were prioritized and recommended for selection by the CBAC, El Camino Hospital released the 2016 – 2017 grant application. These proposals addressed needs in the three health priority areas. The CBAC met twice in April 2016 to assess and discuss all grant proposals. Staff provided additional information requested by the Council. The Council provided funding recommendations, which are described for each proposal in the Plan's health priority areas. The Plan also contains the following:

- The health needs identified through the CHNA process that El Camino Hospital will address (below) and how it plans to meet the health needs.
- The health needs identified through the CHNA process that El Camino Hospital does
   not intend to address and why (page 5).

The next sections of the Plan further explain the three health priority areas, and describe the strategies and programs that will be funded to impact these areas. Findings from the CHNA are provided to illustrate the status of health needs and related disparities in Santa Clara County. El Camino Hospital used comparisons to Healthy People 2020 objectives (HP2020) where available, and state data where they were not.

### **Health Needs Not Addressed**

The El Camino Hospital Community Benefit program addresses 12 of the 18 identified health needs through its health priority areas, strategies, and partners. The six health conditions that will not be addressed by the community benefit program either did not meet the selection criteria described above, or met them to a lesser degree than the chosen conditions. They are: ADD/ADHD and learning disabilities, birth outcomes, housing, infectious diseases, sexual health, and tobacco use.

# FY18 Plan & Implementation Strategy Overview

### Overview

Grant Proposals Received: 53

New Program Applicants: 25

Grant Proposals Recommended for Funding: 41

Total Requested Grant Funding: \$4,078,298

Total Recommended Grant Funding: \$2,993,773

Recommended Plan Total (including Placeholder and Sponsorships): \$3,288,773

The following grant proposals are not recommended for funding per the consensus of the Community Benefit Advisory Council (CBAC):

- 1. Camp Kesem
- 2. Chinese American Coalition for Compassionate Care
- 3. El Camino Hospital Behavioral Health Services
- 4. Fresh Approach Freshest Cargo
- 5. Great NonProfits Diabetes in Santa Clara County
- 6. Health Connected Reproductive and Sexual Health Education Program
- 7. Healthier Kids Foundation 10 Steps to a Healthier You!
- 8. Healthier Kids Foundation HearingFirst
- 9. Leah's Pantry
- 10. Project HEAL: Help to Eat, Accept, and Live Communities of HEALing
- 11. Sacred Heart Nativity School Health and Wellness Program
- 12. Whole Brain Health Initiative Dance to Remember

# Acknowledgement

### Acknowledgement

El Camino Hospital especially recognizes the critical contribution of the Community Benefit Advisory Council (CBAC) for its guidance with the FY18 Plan. The CBAC is comprised of Board members, physicians, and representatives from the community who have knowledge about local disparate health needs.



To improve health and prevent the onset of disease in the community through enhanced access to primary care, chronic disease management, and oral health

The maintenance of healthy bodies is affected by a variety of factors including the environment in which we live, social and economic factors, and personal choices and health behaviors. Poor health can be experienced as diseases and conditions such as stroke or diabetes, and their related drivers such as hypertension or lack of adequate nutrition. Access to comprehensive, quality healthcare services is important for the achievement of health equity, to improve health, and to enhance quality of life for all. Healthcare access requires gaining entry into the healthcare system, accessing a healthcare location where needed services are provided, and finding a medical provider with whom the patient can communicate and trust.

### **DATA FINDINGS**

Services to address the needs in the Healthy Body priority area are demonstrated by the following statistics:

Figure 1 Healthcare access indicators

Delivery is a need in Santa Clara County as demonstrated by the proportion of Latinos who are insured, who see a primary care physician, and who go without healthcare due to cost. For example, only 68% of Latinos in Santa Clara County are insured compared to 85% of residents countywide. The need is a top priority for the community because of persistent barriers, such as lack of affordable healthcare, linguistic isolation, and a perceived lack of both medical providers and culturally competent care.

HEALTHCARE ACCESS INDICATORS, 2013-14 Overall 85% 80% **72**% Latino 68% 20% Have PCP Did Not See Insured (Under 65) Doctor Due to Cost Source: Santa Clara County Public Health Department, 2013-14 Behavioral Risk Factor Survey.

Cancer was the leading cause of death in Santa Clara County in 2013, accounting for 2,372 deaths. Data show that colorectal and prostate cancer prevalence rates are higher than both the HP2020 target and the state average. Breast and cervical cancers disproportionately affect Whites; lung cancer disproportionately affects Blacks, and a high proportion of Vietnamese residents have liver cancer, as displayed in Figure 2.

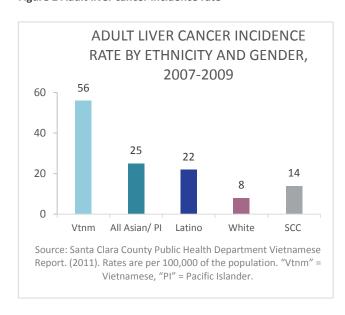


Figure 2 Adult liver cancer incidence rate

- Cardiovascular (Heart) and Cerebrovascular (Stroke) Diseases are responsible for 26% of all deaths in the county. In addition, ethnic disparities exist in mortality rates of heart disease and stroke. Poor nutrition is a driver of cardiovascular diseases. Youth consumption of fruits and vegetables is worse in Santa Clara County compared with California. Compared with California overall, Santa Clara County has more fast food restaurants, fewer grocery stores, and fewer WIC-authorized stores per capita.
- Hypertension (abnormally high blood pressure) can lead to heart disease and stroke, which are among the leading causes of death in the county. More than a quarter (27%) of county residents have been diagnosed with high blood pressure. Blacks, men, and older adults are most likely to be diagnosed.
- Oral & Dental Health is a need in Santa Clara County illustrated by nearly two thirds (64%) of adults lacking dental insurance. One in three adults have had tooth loss, and the statistics are worse for Black adults (49%). Additionally, youth dental care utilization rates in the county (15%) are worse than the state (19%). The community expressed concern about the proportion of adults who lack dental insurance, the lack of providers who accept Denti-Cal, and the costs of dental care for those who do not have coverage for it.
- Respiratory Conditions are a health need in Santa Clara County as marked by racial and ethnic, economic, and geographic disparities in asthma prevalence and hospitalization rates. For example, those with household incomes of \$50,000-\$74,999 (25%), multiracial adults (22%), and Blacks (19%)

all have a higher prevalence of asthma than the county overall (14%). The health need is likely impacted by the physical environment (such as air quality levels), and by health behaviors such as smoking.

Obesity & Diabetes are health needs because of the proportions of Santa Clara County children and adolescents who are overweight and/or obese. Moreover, one in five adult residents are obese and the proportion is higher in the LGBTQ, Latino, and Black populations. Racial and ethnic disparities exist across all age groups in overweight and obesity rates. Rates of overweight and obesity for Latinos and Blacks fail HP2020 targets. (See Figure 3.)

PERCENT WHO ARE OBESE BY AGE, 2014 34% ■ HP2020 CA ■ SCC ■ White ■ Latino ■ Black 31% 26% 21%<sup>23%</sup> 21% 19%  $_{17\%}^{18\%}_{16\%}^{18\%}$ 16% 16% 10% 9% Children 2-5 years Middle/High School Adults Source: Santa Clara County Public Health Department, Community Health Assessment (2014).

Figure 3 Obesity prevalence

### STRATEGIES TO IMPROVE HEALTHY BODIES

- 1. School-based interventions including: screenings such as dental and vision, physical activity, nutrition education, and healthy living initiatives
- 2. Staffing of school nurses and health workers
- 3. Medical services and connection to resources for the homeless to prevent hospital readmission
- 4. Clinician and community trainings (on topics such as asthma prevention, cancer, and diabetes)
- 5. Improve access to developmental screenings for children
- 6. Health screenings and assessments (for asthma, oral health, diabetes, and pre-diabetes)
- 7. Advocacy for those whose housing conditions put them at risk for asthma
- 8. Referrals to health insurance enrollment services, affordable health services providers, and safety net services including Cal-Fresh and housing assistance
- 9. Individual and group support for those making healthy lifestyle changes

### **HEALTHY BODY PROPOSALS**

- 1. 5-2-1-0
- 2. Bay Area Women's Sports Initiative (BAWSI) BAWSI Girls
- 3. Bay Area Women's Sports Initiative (BAWSI) BAWSI Rollers
- 4. Breathe California Children's Asthma Services
- 5. Camp Kesem Camp Kesem at Stanford
- 6. Campbell Union School District School Nurse Program
- 7. Challenge Diabetes Program
- 8. Chinese American Coalition for Compassionate Care Decide What Matters Most Today
- 9. Cristo Rey Network Health and Wellness Program
- 10. Cupertino Union School District School Nurse Program
- 11. Gardner Family Health Network Down With Diabetes
- 12. GoNoodle
- 13. Healthier Kids Foundation 10 Steps to a Healthier You
- 14. Healthier Kids Foundation DentalFirst
- 15. Healthier Kids Foundation HearingFirst
- 16. Indian Health Center Healthy Futures Pre-diabetes Program
- 17. Medical Respite
- 18. Playworks
- 19. Sacred Heart Nativity School Health and Wellness Program
- 20. Santa Clara County Office of Education Early Head Start

### **HEALTHY BODY RECOMMENDED FUNDING: \$1,147,571**

Detailed descriptions of recommended partner programs in the Healthy Body priority area follow. The Community Benefit Advisory Council (CBAC) consensus guided the funding recommendations found in the Plan.

# FY18 Healthy Body Proposal Summary



# 5210 – Health Awareness Program Partnership

Program Title	5210 Numbers to Live By!				
Grant Goal	Since 2010 PAMF and El Camino Hospital have provided a school based healthy lifestyle program known as 5210 Numbers to Live By. For FY18 the 5210 program aims to deliver the program at select preschool, elementary school, and afterschool program sites in the Campbell Union School District and Cupertino Union School District.				
Community Need	<ul> <li>Nearly 33% of Santa Clara County's children are overweight or obese, though this percentage is even greater among some subsets of young people.</li> <li>Latino/Hispanic children are the single largest ethnic group in the County's public schools, comprising nearly 37% of students, and they are more likely to be overweight or obese than their peers due to a variety of socioeconomic factors.</li> <li>Today, over 38% of Santa Clara County's Latino/Hispanic children ages 2 to 19 are considered overweight or obese. Overweight and obese children are at greater risk for high cholesterol, high blood pressure, Type II diabetes, and bone or joint conditions. Researchers have linked obesity to attention deficits, cognitive declines, as well as social and emotional disturbances that can negatively impact academic performance.</li> </ul>				
Agency Description & Address	El Camino Hospital collaboration with Palo Alto Medical Foundation 701 East El Camino Real, Mountain View, CA				
Program Delivery Site(s)	Campbell Union School District and Cupertino Union School District				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Students will be engaged through introductory assemblies, social marketing, poster and activity contests, and goal setting behaviors for each of the 5210 messages.</li> <li>Fifth graders will receive three 50-minute nutrition lessons</li> <li>At least 10 lunchroom tastings introducing new fruits or vegetables will be held each month. This will get students excited to try new healthy foods, taste them, and have an opportunity on the lunch line to explore more options. Information on the tastings will be sent home to encourage healthy eating behaviors.</li> <li>5210 staff will partner with community groups, like Safe Routes to School and UC extension, to provide education and outreach to the broader community audience</li> <li>Funds will support partial instructor salary and program supplies.</li> </ul>				
FY18 Funding	FY18 funding requested: \$15,0	000 FY18 funding recommended: \$15,000			
Funding History and Metric Performance	FY17  FY17 Requested: \$20,000  FY17 Approved: \$20,000  FY17 6-month metrics met: 100%	FY16  FY16 Approved: \$29,500  FY16 Spent: \$2,638  FY16 6-month metrics met: 100%  FY16 annual metrics met: 100%	FY15  FY15 Approved: \$15,000  FY15 Spent: \$4,669  FY15 6-month metrics met: 100%  FY15 annual metrics met:100%		

[Continued on next page]





### 5210 – Health Awareness Program Partnership

FY18 Dual Funding	FY18 funding requested: \$25,0	FY18 funding recomm	ended: \$25,000	)
	FY17	FY16	FY15	
<b>Dual Funding History</b>	FY17 Requested: \$30,000 FY17 Approved: \$30,000	FY16 Approved: \$30,150 FY16 Spent: \$9,478	FY15 Approved: FY15 Spent: \$1	
	1	Metrics	6-month Target	
FY18 Proposed Metrics	Students served		5,000	6,500
	Students who report being active one or more hours per day after 5210 engagement		N/A	56%
	Students who report the knowledge to limit sweetened beverages to 0 per day after 5210 engagement		0 N/A	75%
	Students who report the knowledge that a balance diet includes 5 servings of fruits and vegetables per day, after 5210 engagement		N/A	80%





### Bay Area Women's Sports Initiative (BAWSI) - BAWSI Girls

Program Title	BAWSI Girls Program					
Grant Goal	This program will increase physical activity and self-esteem in elementary school girls.					
Community Need	, ,	While it is widely recognized that increased physical activity lowers obesity rates and positively impacts social-emotional wellbeing, studies show that girls are physically less active than boys.				
Agency Description & Address	partnerships through which wom	The Bay Area Women's Sports Initiative is a non-profit agency that provides programs and partnerships through which women athletes bring health and self-esteem to young girls.  1922 The Alameda, Suite 420, San Jose, CA				
Program Delivery Site(s)	Rosemary Elementary School, Ca	mpbell Union School District				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Conduct weekly after school sessions where female collegiate and high school student athletes serve as positive female role models</li> <li>Provide part-time program staff to oversee volunteer student athletes</li> <li>Provide supplies, including equipment and participant materials such as t-shirts and pedometers</li> <li>Funds will support partial staffing and program supplies.</li> </ul>					
FY18 Funding	FY18 funding requested: \$ 19,2	200 FY18 funding recom	mende	d: \$16,000	)	
	FY17	FY16		FY15		
Funding History and Metric Performance	FY17 Requested: \$18,500 FY17 Approved: \$16,000 FY17 6-month metrics met: 100%	FY16 Approved: \$15,000 FY16 Spent: \$15,000 FY16 6-month metrics met: 100% FY16 annual metrics met: 100%	FY15	/15 Approved: FY15 Spent: \$1 6-month metric annual metrics	1,000 cs met: 80%	
FY18 Dual Funding	FY18 funding requested: \$ 19,2	200 FY18 funding recom	mende	d: \$16,605	5	
	FY17	FY16		FY15		
<b>Dual Funding History</b>	FY17 Requested: \$18,500 FY17 Approved: \$16,000	FY16 Approved: \$15,000 FY16 Spent: \$15,000		/15 Approved: 5 FY15 Spent: \$1		
	٨	Metrics		6-month Target	Annual Target	
T)(40 D	Youth served			farget 60	120	
FY18 Proposed Metrics	Average weekly attendance			80%	80%	
ivietrics	,	have improved behavior or attitud	es	85%	85%	





### Bay Area Women's Sports Initiative (BAWSI) – BAWSI Rollers



Program Title	BAWSI Rollers Program			
Grant Goal	This program will increase physical activity and self-esteem in girls and boys with physical, cognitive and hearing disabilities.			
Community Need	In the state of California, 34% of children with special needs are overweight or obese, 5% higher than the general population of California children. Less physical activity is a major reason for the higher incidence of obesity. The barriers to participation in sports and physical activity for children with disabilities in Santa Clara County include access, cost, and transportation. Furthermore, the Santa Clara County Office of Education's 2015-2016 SARC (School Accountability Report) shows one in four special education students come from low-income families.			
Agency Description & Address	The Bay Area Women's Sports Initiative is a non-profit agency that provides programs and partnerships through which women athletes bring health and self-esteem to young girls.  1922 The Alameda, Suite 420, San Jose, CA			
Program Delivery Site(s)	Blackford Elementary School, Campbell Union School District			
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Conduct weekly after school sessions where collegiate and high school student athletes serve as positive role models</li> <li>Provide part-time program staff to deliver services and oversee student athletes</li> <li>Provide supplies, including equipment and participant materials such as t-shirts</li> <li>Funds will support partial staffing and program supplies.</li> </ul>			
FY18 Funding	FY18 funding requested: \$ 16,300 FY18 funding recommend	ded: \$16,300		
FY18 Dual Funding	FY18 funding requested: \$16,300 FY18 funding recommend	ded: \$16,000		
	Metrics	6-month Target	Annual Target	
FY18 Proposed	Youth served	25	25	
Metrics	Students who report they want to exercise more like they do at BAWSI	90%	90%	
	Students observed to have improved behaviors/ attitudes including increased participation, confidence, and social behaviors.	80%	80%	





#### **Breathe California**

Program Title	Children's Asthma Services				
Grant Goal	practice asthma management ed children and the parents/families	To work with schools, child care centers, and clinic partners to provide culturally competent, best practice asthma management education and support services for under-served, low-income children and the parents/families and care providers thereby increasing access to appropriate care or treatment and management of the chronic condition of asthma.			
Community Need	Asthma is a chronic condition affecting 15% of Santa Clara County residents, according to California Breathing, Current County Profile. This rate is higher than the last statewide prevalence report of 12%. According to a First 5 Study, there are about 64,000 children and youth with asthma and it is estimated that only 40% receive adequate care in Santa Clara County.				
Agency Description & Address	_ ·	Breathe California of the Bay Area is a 105-year-old grassroots, community-based, voluntary nonprofit that is committed to achieving clean air and healthy lungs.			
Program Delivery Site(s)	<ul> <li>San Jose Unified School District, childcare centers, community organizations with after school programs</li> <li>Partnership is in development to provide services at locations in collaboration with 4C's Community Child Care Council of Santa Clara County, Indian Health Center, Health Trust, First 5 Santa Clara County, Sunnyvale School District</li> </ul>				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide asthma management education to children</li> <li>Conduct environmental assessments of homes, child care facilities, and schools</li> <li>Provide in-home asthma management education for parents of asthmatic children</li> <li>Assist clients in approaching landlords regarding respiratory hazards, including secondhand smoke and operation of Secondhand Smoke Helpline</li> <li>Provide respiratory therapy equipment for uncovered clients</li> <li>Conduct lung screenings</li> <li>Funds cover part of program staff and other administrative costs, such as communication, travel, supplies.</li> </ul>				
FY18 Funding	FY18 funding requested: \$60,000 FY18 funding recommended: \$50,000			)	
Funding History and Metric Performance	FY17  FY17 Requested: \$50,000  FY17 Approved: \$50,000  FY17 6-month metrics met: 100%	FY16 N/A		FY15 N/A	
	^	Metrics		6-month Target	Annual Target
	Individuals served (children, parents, teachers, care providers)			100	400
FY18 Proposed	Services provided			330	1,120
Metrics	Parents, teachers and childcare p	providers trained who have a minir	num	N/A	60%
	of 35% increase in knowledge of	<u> </u>			
	Participants in multi-session asth 30% increase in knowledge, skills	ma education who have a minimu s, as measured by pre-post tests	m	N/A	50%





### **Camp Kesem at Stanford**



Program Title	Camp Kesem at Stanford				
Grant Goal	This program is a week-long, free, overnight summer camp serving 140 children who have a parent who has, had, or has passed away from cancer in the greater San Francisco Bay Area.				
Community Need	When parents struggle with cancer, children are also victims. An estimated 200,000 children will be impacted with newly diagnosed parental cancer, and this figure does not include the children still affected by a parent's death or previous battle. Not only can a parent's struggle mean the temporary or permanent absence of a role model, but for many children, it also manifests in feelings of self-guilt and helplessness. The challenge of finding peers who can empathize may result in feelings of isolation, anger, and fear, putting the children at risk for developing depression, anxiety, and stress-related disorders.				
Agency Description & Address	Founded and run by Stanford students, Camp Kesem at Stanford is a free, one-week, overnight summer camp and year-round community that serves an often-overlooked population of individuals hurt by cancer: children of current and former cancer patients.  P.O. Box 20526, Stanford, CA				
Program Delivery Site(s)	Program will be delivered at Stanford University				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide daily activities including arts and crafts, archery, swimming, adventure nature, drama</li> <li>Conduct nightly campfires and Cabin Chats and one nighttime ceremony where children have the opportunity to share their family cancer experience</li> <li>Provide professional staff onsite, including a nurse and grief counselor</li> <li>Funds support a portion of overall camp budget.</li> </ul>				
FY18 Funding	FY18 funding requested: \$5,000 FY18 funding recommend	ded: Do not	fund		
FY18 Proposed Metrics	Metrics  Campers Served by grant	6-month Target	Annual Target		
	Campers served by grant	5	<u> </u>		





### **Campbell Union School District**

Program Title	Supporting and Promoting Healthy Families and Communities (School Nurse Program)
Grant Goal	Campbell Union School District requests funding for two FTE School Nurses and 300 hours of Community Liaison time in order to provide a direct link to healthcare services for students and their families. Families often require direct assistance to obtain healthcare insurance, as well as to connect to a medical or dental home. Recognizing schools are at the center of a community, the School Nurses and the Community Liaisons develop and maintain relationships with community agencies in order to connect families to healthcare insurance, healthcare providers, and community resources. These services directly support building a healthier community.
Community Need	This school health program strives to enhance the educational potential of all students by promoting wellness and removing health barriers to learning. Healthcare stakeholders, including physicians, nurses, and state and national legislators have recognized a relationship between health and learning (AAP, 2011; CSNO, 2010; Healthy People 2020). School nurses provide on-site vision, hearing, and oral health screenings for students who otherwise may not have access to preventative screenings due to lack of healthcare coverage, affordability, or means of transportation. Follow up with failed health screenings and other health issues is equally as important and encompasses a significant amount of School Nursing and Community Liaison hours. The population in need is fluid as healthcare insurance programs change, and as families' insurance needs change from year to year. Providing on-site insurance sign up and supportive services to families allows easier access in obtaining healthcare coverage and assistance in navigating Medi-Cal and other local resources in the community. People with a usual source of care have better health outcomes and fewer disparities and costs (Healthy People 2020).
Agency Description & Address	Established in 1921, Campbell Union School District (CUSD) is a PreK-8 school district that includes parts of 6 cities in Santa Clara County. Approximately 8000 students attend 9 elementary schools, 3 middle schools, a Home School Program, and district-operated preschools.
Program Delivery Site(s)	Address: 155 N. Third Street, Campbell, CA  Campbell Union District schools

[Continued on next page]





### **Campbell Union School District**

#### [Continued from previous page]

. , ,	, , ,					
Services Funded By Grant/How Funds	insurance in obtainir Conduct district-wide Kindergarten, Kinder Connect students wh (vision, hearing, and Provide fluoride varr Elementary Schools Coordinate 90 minut Rosemary Coordinate Anti-bull and Rosemary School	e vision screenings for students in grarten, 1, 2, 5, and 8 no have failed a health screening to dental) nish application to students attending to enutrition classes for parents at Blaying and Wellness Assemblies for stols	rades Trans a local healing Roseman ackford, Lyn	itional thcare p y and Lyr haven a	rovider nhaven nd	
Will Be Spent		dent health needs and emergency I				
	1	ovide healthcare resources and act	ivities during	ર the Hea	alth Fair	
	<ul> <li>and Cultural Awareness events</li> <li>Develop Emergency Health Care Plans for students with severe health concerns</li> </ul>					
	<ul> <li>Develop Emergency Health Care Plans for students with severe health concerns</li> <li>Complete Student Health Assessments including a review of physician report, parent</li> </ul>					
	reports, and direct student assessment					
	Organize and provide Bike Safety and Free Helmet Events at Blackford and Lynhaven					
	Elementary Schools					
	<ul> <li>Nurses sit on the Student Attendance Review Board (SARB) to reduce health-related chronic absenteeism and Student Study Team (SST) to collaborate with educators and</li> </ul>					
	parents to remove or reduce students' health related barriers to learning					
	Funds will support two full-time nurses and the partial salary of a community liaison.					
FY18 Funding	FY18 funding requested: \$225	,000 FY18 funding recom	mended:	\$225,00	00	
	FY17	FY16		FY15		
<b>Funding History and</b>	FY17 Requested: \$225,000	FY16 Approved: \$225,000 FY16 Spent: \$225,000		proved: \$3 Spent: \$21		
Metric Performance	FY17 Approved: \$215,000	FY16 6-month metrics met: 100%		•	.9,787 s met: 100%	
	FY17 6-month metrics met: 100%	FY16 annual metrics met: 80%			met: 100%	
		Metrics		onth	Annual	
	Students served		Tai	<b>rget</b>	Target	
FY18 Proposed	Uninsured students who have a	onlied for healthcare insurance		2,060 35%	4,560 70%	
Metrics		eening who saw a healthcare provi	der	40%	70%	
		rgent dental care through onsite		N/A	60%	
	screenings who saw a dentist					



N/A

20%

Students who receive fluoride varnish during onsite screenings



#### **Challenge Diabetes Program**

Collaborative organizations: Community Services Agency Mountain View, Sunnyvale Community Services, West Valley Community Services, and Second Harvest Food Bank

Program Title	Challenge Diabetes Program				
Grant Goal	, ,	This program will identify community members with pre-diabetes and prevent type 2 diabetes and to help people with type II diabetes manage their diabetes more effectively.			
Community Need	County, 8% of adults have been of and African Americans (10%), the education (16%), and adults with affects lower-income populations	Thirty-seven percent of U.S. adults aged 20 years or older have pre-diabetes. In Santa Clara County, 8% of adults have been diagnosed with diabetes. Percentages are highest for Latinos (11%) and African Americans (10%), those ages 65 and older (18%), those with less than a high school education (16%), and adults with household incomes lower than \$50,000. Food insecurity, which affects lower-income populations more, further increases the risk for chronic diseases like hypertension and Type 2 diabetes. Lower-income people may also face choices about paying for food or medication.			
Agency Description & Address	Community Service Agency Mountain View (fiscal agent) is a nonprofit organization that provides important social services for residents of Mountain View, Los Altos, and Los Altos Hills. Partner agencies include Sunnyvale Community Services, Second Harvest Food Bank, and West Valley Community Services.  Community Service Agency Mountain View: 204 Stierlin Road, Mountain View, CA Sunnyvale Community Services: 725 Kifer Rd, Sunnyvale, CA  West Valley Community Services: 10104 Vista Drive, Cupertino, CA				
Program Delivery Site(s)	Second Harvest Food Bank: 4001 North First Street, San Jose, CA  Services will be provided in Mountain View, Cupertino and Sunnyvale				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Identify clients with diabetes or pre-diabetes through on-site screenings (CDC risk-assessment and HbA1c screening)</li> <li>Prevent and/or manage clients' diabetes through education and provision of healthier foods</li> <li>Provide monthly food bags to families including nutritious foods and educational materials</li> <li>Deliver lifestyle modification classes based on CDC's evidence-based on National Diabetes Prevention Program (DPP)</li> <li>Conduct clinical screenings pre-screening and post-screenings to measure impact</li> <li>Funds will support program staffing, including a full-time program coordinator, clinical screenings, lifestyle modification classes, health education materials, outreach, and program supplies.</li> </ul>				
FY18 Funding	FY18 funding requested: \$192,	290 FY18 funding recor	nmended: \$192,290		
	FY17	FY16	FY15		
Funding History and Metric Performance	FY17 Requested: \$200,922 FY17 Approved: \$200,922 FY17 6-month metrics met: 100%	FY16 Approved: \$168,953 FY16 Spent: \$113,731 FY16 6-month metrics met: 100% FY16 annual metrics met: 100%	FY15 Approved: \$62,578 FY15 Spent: \$59,299 FY15 6-month metrics met: N/A FY15 annual metrics met: 80%		

[Continued on next page]





#### **Challenge Diabetes Program**

	Metrics	6-month Target	Annual Target
	Clients served in the program	400	420
	Clients post-screened for HbA1c	N/A	360
FY18 Proposed	Participants who experience at least a 0.10 percentage point decrease in HbA1c	N/A	25%
Metrics	Participants who improve by at least 1-point on the self-efficacy scale	N/A	30%
	Participants who report at least $15 - 30$ minutes of physical activity at least $4 - 5$ times a week.	N/A	40%
	Participants who score at least 70% on survey about diabetes risk and prevention	N/A	75%





### Chinese American Coalition for Compassionate Care

Program Title	Decide What Matters Most Today			
Grant Goal	Promote the discussion of end-of-life issues and identify the importance of advance care planning among the Chinese community to avoid needless suffering and bearing costs for useless aggressive treatment.			
Community Need	82% of people report that it is important to put their end of life wishes in writing, while only 23% have actually done it. Furthermore, 50% of patients are unable to participate in their own medical decisions once they are too sick. Studies show patients ultimately receive aggressive treatment even if not desired (California Health Care Foundation, 2012).			
Agency Description & Address	Chinese American Coalition for Compassionate Care is a nonprofit organization established in 2005 to build a community in which Chinese Americans are able to face the end of life with dignity and respect by providing them resources and informational workshops.  P. O. Box 276, Cupertino, CA			
Program Delivery Site(s)	Services provided at NAMI Chinese Support Group locations in Cupertino, Mountain View, San Jose, Santa Clara, and Sunnyvale			
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Heart to Heart® Café and facilitator training</li> <li>Advanced Care group presentation and workshops</li> <li>Trainings: Heart to Heart® Café facilitator, Speaker's Bureau and Patient Ambassador</li> <li>Support Group</li> <li>Funds part of program staff time, educational materials and other administrative costs.</li> </ul>			
FY18 Funding	FY18 funding requested: \$33,097 FY18 funding recommended: Do not fund			
	Metrics	6-month Target	Annual Target	
	Individuals served	540	945	
	Services provided	407	567	
FY18 Proposed Metrics	Heart to Heart® Café participants who agree or strongly agree that program cards make it easier to talk about death	75%	75%	
	Participants without an Advance Health Care Directive (AHCD) who express they would like to complete the AHCD after the event	40%	50%	
	p p and a f a man made a complete and a made and a complete a made and a complete a made and a complete a made a made and a complete a made a complete a made a complete a compl			



75%

75%

Participants who report being satisfied or very satisfied with outreach

events



### **Cristo Rey Network**

Program Title	Cristo Rey San Jose Jesuit High Sc	Cristo Rey San Jose Jesuit High School Health and Wellness Program			
Grant Goal	This program will engage students in developing healthy habits. Students will improve heart rate and blood pressure, engage in new forms of exercise, and eat more healthfully.				
Community Need	Many students struggle throughout the school day because of the lack of adequate nutrition, exercise, and mental health. In the Mayfair neighborhood, where Cristo Rey San Jose (CRSJ) is ocated, a majority (69%) of the residents is Latino/Hispanic and almost a third are under 18 years of age.				
Agency Description & Address	CRSJ is a Jesuit, Catholic high school whose mission is to empower students from underserved communities in San Jose to be men and women for others who are prepared spiritually, academically, and professionally to complete college and who will become accomplished leaders committed to a lifelong pursuit of learning, faith, and justice. CRSJ's student population is 95% Latino.  1389 East Santa Clara Street, San Jose, CA				
Program Delivery Site(s)	The program will be delivered in San Jose, CA				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Conduct daily physical fitness sessions during school hours</li> <li>Provide health statistics monitoring</li> <li>Funds will support partial staffing and program materials such as pedometers and blood pressure monitors.</li> </ul>				
FY18 Funding	FY18 funding requested: \$32,0	76 FY18 funding reco	mmended: \$10,000	)	
	FY17	FY16	FY15		
Funding History and Metric Performance	FY17 Requested: \$27,402 FY17 Approved: \$27,402 FY17 6-month metrics met: 100%	N/A	N/A		
	^	Netrics	6-month Target	Annual Target	
FY18 Proposed	Students served		60	81	
Metrics	Physical activity sessions provide		55	148	
	Students who show improved Bo healthy range of 14-23	dy Mass Index per scoring in the	26%	40%	





### **Cupertino Union School District – School Nurse Program**

Program Title	School Nurse Program
Grant Goal	The Cupertino Union School District requests funding to provide nursing and clerical support to schools serving the more underserved populations. The additional nursing and clerical support allows for extensive follow-up for health screening failures, additional staff trainings for epi-pen administration in response to allergic reactions, and assistance with access to healthcare services through community resources.
Community Need	There are significant barriers in accessing healthcare for students in the target schools. Data from Lucile Packard Foundation for Children's Health 2016 indicates that 23% of students in public schools within Santa Clara County are English Learners compared to 22% statewide. These students are more likely to have difficulty accessing quality healthcare which may result in health disparities for these students as adults compared to children whose households speak English primarily. Additionally, the target school sites have a greater percentage of minority students in comparison with other district school sites. Santa Clara County Measures of Economic Security Report (2014) indicate that minorities have greater rates of unemployment and poverty which ultimately contribute to poor health outcomes. Furthermore, the school nurse serves a population of students who have a greater truancy rate, in comparison to other school sites in the district. Analysis of absenteeism in students who took the National Assessment of Educational Progress (NAEP) in 2011 and 2013 showed that high absenteeism is associated with lower test scores in every state and city that was tested. Attendance concerns are often attributed to unmanaged chronic health conditions or students receiving medical treatment outside of school.
Agency Description & Address	The Cupertino Union School District is a TK-8 school district serving over 18,000 students across 25 schools within Santa Clara County, and has been known for its academic excellence and commitment to the organization's mission since its inception.  10301 Vista Drive, Cupertino, CA 95014
Program Delivery Site(s)	DeVargas and Eisenhower Elementary Schools

[Continued on next page]





### **Cupertino Union School District**

Services Funded By Grant/How Funds Will Be Spent	health screenings. Follow to health care resources,  Promotion of dental heal nurses will organize scree identified with having de  Promotion of health liter  Intensive training for as rallergies, anaphylaxis res	acy and physical activity through hanny staff as possible at target sch	ferrals and phone cal ngs at target schools. y-up with students w nealth curricula nools to understand s	School ho were	
FY18 Funding	FY18 funding requested: \$72,4	81 FY18 funding recon	nmended: \$72,483	1	
Funding History and Metric Performance	FY17  FY17 Requested: \$68,997  FY17 Approved: \$68,997  FY17 6-month metrics met: 100%	FY16  FY16 Approved: \$103,233  FY16 Spent: \$103,233  FY16 6-month metrics met: 100%  FY16 annual metrics met: 100%	FY15 FY15 Approved: \$ FY15 Spent: \$10 FY15 6-month metric FY15 annual metrics	01,696 cs met: 75%	
FY18 Dual Funding	FY18 funding requested: \$72,4	81 FY18 funding recon	mmended: \$72,481		
Dual Funding History	FY17 FY17 Requested: \$68,997 FY17 Approved: \$68,997	FY16 FY16 Approved: \$34,411 FY16 Spent: \$34,411	FY15 FY15 Approved: FY15 Spent: \$3		
	۸	Metrics	6-month Target	Annual Target	
	Students served		605	1,211	
FY18 Proposed Metrics	Students who failed a mandated health screening who saw a healthcare provider		40%	77%	
	Kindergarten students identified as needing early intervention or urgent dental care through on-site screenings who saw a dentist		N/A	75%	
	Teachers accessing GoNoodle he	alth education curricula and activi	ties 50%	75%	
	Teachers/staff at target schools vallergies, anaphylaxis, and EpiPer	•	60%	80%	





### **Gardner Family Health Network**

Program Title	Down With Diabetes			
Grant Goal	This diabetes prevention program targets adults who are pre-diabetic as defined by HbA1c blood levels.			
Community Need	Low-income populations are at higher risk than the general population for developing diabetes and food insecurity further increases risks for chronic diseases like hypertension and diabetes.  Furthermore, 37% percent of U.S. adults aged 20 years or older have pre-diabetes. In Santa Clara County, 8% of adults have been diagnosed with diabetes. Percentages are highest for Latinos (11%) and African Americans (10%), those ages 65 and older (18%), those with less than a high school education (16%), and adults with household incomes lower than \$50,000. It is essential that patients who have been identified as pre-diabetic be educated about proper nutrition and physical activity.			
Agency Description & Address	Gardner is dedicated to improving the health status of the disenfranchised, disadvantaged, and most vulnerable members of the community. Gardner provides medical, dental, vision, counseling, and substance abuse services.  160 East Virginia Street, Suite 100, San Jose, CA			
Program Delivery Site(s)	Services will be delivered at Gardner Family Health Clinics in San Jose, CA			
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Conduct HbA1c testing for at-risk patients</li> <li>Provide one-on-one chronic disease management</li> <li>Conduct counseling with dietitians</li> <li>Provide vouchers for fresh produce and other healthy foods</li> <li>Funds wills support partial clinical staffing including Registered Dietitians and Primary Care</li> <li>Physicians, a wellness coordinator, and program supplies.</li> </ul>			
FY18 Funding	FY18 funding requested: \$214,	140 FY18 funding recomm	ended: \$185,00	00
Funding History and Metric Performance	FY17  FY17 Requested: \$205,252  FY17 Approved: \$180,000  FY17 6-month metrics met: 100%	FY16 FY16 Approved: \$160,600 FY16 Spent: \$149,229 FY16 6-month metrics met: 25% FY16 annual metrics met: 40%	FY15	
	Metrics		6-month Target	Annual Target
FY18 Proposed	Patients served		350	700
Metrics	Clinical services provided		788	2,100
	Patients demonstrating reduction	<u> </u>	40%	40%
	HbA1c	0.1 percentage point reduction in	40%	40%





#### **GoNoodle**

Program Title	GoNoodle Brain Breaks Program
Grant Goal	GoNoodle is a suite of movement games and videos designed to bring mindfulness and physical activity breaks into K-5 elementary classrooms. The games were built on research that shows short bursts of physical activity positively impacts academic achievement, cognitive skills, behavior, as well as overall health. Short games serve as transitions between subjects and teachers can easily integrate physical activity into the instructional day.
Community Need	According to a CDC and USDA study of WIC participants (2014), California ranked 6 <sup>th</sup> highest in the nation for obese, low-income 2 to 4 year olds (17%). Additionally, California currently has no laws requiring schools to provide physical activity or recess during the school day. These alarming facts exemplify the need for early intervention to promote health and provide opportunities for physical activity for California's children.
Agency Description & Address	GoNoodle gets kids moving to be their smartest, strongest, bravest, best selves. Short, interactive movement videos make it simple and fun to incorporate movement into every part of the day with dancing, stretching, running and mindfulness activities. At school, teachers use GoNoodle to keep students energized, engaged, and active inside the classroom. At home, GoNoodle turns screen time into active time, so families can have fun and get moving together. Currently, 12 million kids use GoNoodle each month, in all 50 states and 185 countries. Last year, GoNoodle received a Kids at Play Interactive Award for Best Product for Schools.  209 10th Avenue South Suite 350, Nashville, TN
Program Delivery Site(s)	Schools in the El Camino Hospital service area.
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Unlimited GoNoodle licenses for all elementary (K-5) school teachers, administrators, staff and parents/students in ECH sponsored schools</li> <li>Access to GoNoodle Plus additional movement videos and games, core subject content, and customization features</li> <li>Placement of ECHD name and logo on the GoNoodle site, materials distributed to teachers, administrators, parents and extended to GoNoodle home usage; on-going platform enhancements and new games or videos added regularly to promote engagement</li> <li>Direct mail and email campaigns designed to promote new and ongoing usage to principals and teacher champions; social media (Twitter, Facebook, and Instagram) posts to engage with users</li> <li>On-site GoNoodle demonstrations or webinars, as requested</li> <li>Funds will support for program license and the partial salary of the school engagement coordinator.</li> </ul>

[Continued on next page]





#### **GoNoodle**

FY18 Funding	FY18 funding requested: \$110,	.000 FY18 funding recom	mended: \$110,0	000
	FY17	FY16	FY15	
Funding History and Metric Performance	FY17 Requested: \$110,000 FY17 Approved: \$110,000 FY17 6-month metrics met: 100%	FY16 Approved: \$74,000 FY16 Spent: \$74,000 FY16 6-month metrics met: 100% FY16 annual metrics met: 100%	FY15 Approved FY15 Spent: \$ FY15 6-month metr FY16 annual metric	63,000 ics met:100%
FY18 Dual Funding	FY18 funding requested: \$35,0	000 FY18 funding recom	mended: \$35,00	00
	FY17	FY16	FY15	
<b>Dual Funding History</b>	FY17 Requested: \$35,000 FY17 Approved: \$35,000	FY16 Approved: \$21,000 FY16 Spent: \$21,000	FY15 Approved FY15 Spent: \$	
	٨	6-month Target	Annual Target	
	Schools served			183
	Monthly active users	45%	45%	
FY18 Proposed	GoNoodle physical activity break	150,000	275,000	
Metrics	Student physical activity minutes	10,000,000	18,500,000	
Wethes	Teachers who agree that GoNood focus and attention	om N/A	92%	
	Teachers who agree that Go Noo valuable resource in helping stud	N/A	92%	
	Teachers who are satisfied with t	he GoNoodle physical activity brea	iks N/A	92%





### **Healthier Kids Foundation – 10 Steps to a Healthier You**

Program Title	10 Steps to a Healthier You Pro	gram				
Grant Goal	Enhance parental skills for implementing healthy lifestyle behaviors among upstream audiences, or					
Community Need	populations that have not yet developed BMIs >85%.  Childhood obesity is defined as a Body Mass Index (BMI) greater than the 95% for gender and age.  A BMI of greater than 85% for gender and age is considered overweight. According to the 2014  Obesity, Physical Activity, and Nutrition in Santa Clara County Report, 18 – 28% of children ages 5 –  11 in Santa Clara County using the Children Healthy and Disability Prevention (CHDP) program have  BMIs > 85%, with higher rates among Latino children (up to 32%) for that age group.					
Agency Description & Address	Healthier Kids Foundation (HKF), formerly Santa Clara Family Health Foundation, focused its first twelve years (since 2001) on raising funds for the Children's Health Initiative and the Healthy Kids program in Santa Clara County. Through its leadership in raising the funding to provide almost 1.9 million months of coverage to low-income children enrolled in the Healthy Kids program, HKF serves as a distinct advocate for children obtaining and retaining health coverage, as well as accessing health services once they are insured.  4010 Moorpark Avenue, Suite 118, San Jose, CA					
Program Delivery Site(s)	Schools in the Sunnyvale and Mountain View Whisman School Districts					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide the 10 Steps three-class series</li> <li>Funds support partial program staff, contractors, facilitators, child supervision and materials.</li> </ul>					
FY18 Funding	FY18 funding requested: \$45,000 FY18 funding recommended: Do not fund			und		
	FY17		FY16		FY15	
Funding History and Metric Performance	FY17 Requested: \$100,000 FY17 Approved: \$0 FY17 6-month metrics met: N/A		N/A		N/A	
FY18 Dual Funding	FY18 funding requested: \$45	,000	FY18 funding recom	mend	ed: \$30,000	
	FY17		FY16		FY15	
<b>Dual Funding History</b>	FY17 Requested: \$100,000 FY17 Approved: \$30,000		N/A		N/A	
		Metrics			6-month Target	Annual Target
	Individuals served			135	270	
	Classes provided (ten, three-class series)			15	30	
FY18 Proposed	Encounters provided				203	406
Metrics	Average number of days per week that participants serve their children		6.25			
	Increase in participants who se	rve vegetab	les 5 or more days per w	eek	25%	25%
	Average number of days per we juice per week	eek that par	ticipants serve their child	dren	2.5	2.5
	Decrease in participants who se	erve juice 2	or more days per week		25%	25%





### **Healthier Kids Foundation – DentalFirst**

NIEW	
INEVV	

Program Title	DentalFirst				
Grant Goal	Provide dental screening to children and follow up referrals and case management as needed for children without dental insurance.				
Community Need	Dental caries, or cavities, is the single most common chronic childhood disease in the United States. Childhood cavities causes intense pain, difficulty eating, speaking and sleeping, which can lead to trouble concentrating, school absence and poor academic performance. Cavities adversely affect a child's nutrition, growth and development, ultimately limiting long term productivity and prospects. Research has shown links between periodontal disease and diabetes, cardiovascular disease, stroke, and pre-term labor.				
Agency Description & Address	Healthier Kids Foundation (HKF), formerly Santa Clara Family Health Foundation, focused its first twelve years (since 2001) on raising funds for the Children's Health Initiative and the Healthy Kids program in Santa Clara County. Through its leadership in raising the funding to provide almost 1.9 million months of coverage to low-income children enrolled in the Healthy Kids program, HKF serves as a distinct advocate for children obtaining and retaining health coverage, as well as accessing health services once they are insured.  4010 Moorpark Avenue, Suite 118, San Jose, CA				
Program Delivery Site(s)	<ul> <li>Schools in the following school districts: Mountain View Whisman, Sunnyvale, San Jose</li> <li>Other sites established through partnership with the City of Santa Clara and Santa Clara County Office of Education</li> </ul>				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Screen children for dental-related issues and recommend follow up care</li> <li>Provide oral hygiene education and literature</li> <li>Provide parents with screening result</li> <li>Provide case management for families whose child showed a dental issue</li> <li>Funds support partial staffing for program management, outreach program manager, data analyst, screeners, case managers, and administrative costs.</li> </ul>				
FY18 Funding	FY18 funding requested: \$20,000 FY18 funding recommend	ded: \$20,000	)		
FY18 Dual Funding	FY18 funding requested: \$20,000 FY18 funding recommend	ded: \$10,000	)		
	Metrics	6-month Target	Annual Target		
FY18 Proposed Metrics	Children schened	225	450		
	Children who receive a referral  Case managers who are able to reach the parents of children that receive a referral	59 85%	118 85%		
	Case managers who confirm that those children who received a referral received appropriate services by a dentist	75%	75%		
	Of those who received a referral, the percent that received dental treatment	55%	55%		





### **Healthier Kids Foundation – HearingFirst** NEW

Program Title	HearingFirst			
Grant Goal	Detect undetected hearing issues in children and provide appropriate interventions early, so that children may become healthy and remain healthy.			
Community Need	Hearing loss, in varying degrees, affects two in every 100 children under the age of 18 and can be devastating when it goes undetected. If a child has hearing loss that is undetected and untreated they will miss learning from the speech and language that is happening around them, which may result in delayed language and speech development, trouble concentrating, behavioral and academic challenges. The most effective treatment for varying hearing problems is early intervention. Early diagnosis, hearing aid fittings, and an early start with special education programs maximizes a child's hearing potential and gives the child a strong pathway to successful speech and language development.			
Agency Description & Address	Healthier Kids Foundation (HKF), formerly Santa Clara Family Health Foundation, focused its first twelve years (since 2001) on raising funds for the Children's Health Initiative and the Healthy Kids program in Santa Clara County. Through its leadership in raising the funding to provide almost 1.9 million months of coverage to low-income children enrolled in the Healthy Kids program, HKF serves as a distinct advocate for children obtaining and retaining health coverage, as well as accessing health services once they are insured.  4010 Moorpark Avenue, Suite 118, San Jose, CA			
Program Delivery Site(s)	Preschools, school and community-based organizations in Sunnyvale, Santa Clara and San Jose through collaboration with Sunnyvale and San Jose school districts, the Santa Clara County Office of Education and the City of Santa Clara.			
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide hearing screening to children and appropriate follow up,</li> <li>Provide parents of children screened with their child's screening</li> <li>Provide case management (bilingual), as needed</li> <li>Funds support partial staffing for program management, outreach prograscreeners, case managers, and administrative costs.</li> </ul>	results	ata analyst,	
FY18 Funding	FY18 funding requested: \$20,000 FY18 funding recommend	ded: Do not	fund	
FY18 Dual Funding	FY18 funding requested: \$20,000 FY18 funding recommend	ded: \$10,000	)	
FY18 Proposed Metrics	Metrics	6-month Target	Annual Target	
	Children screened	225	450	
	Children who receive a referral	29	58	
	Case managers are able to reach the parents of children that receive a referral	65%	65%	
	Case managers confirmed that those children who received a referral accessed services	35%	35%	
	Of those who received a referral, the percent that received treatment	20%	20%	





#### **Indian Health Center**

NEW

	_ <del></del>			
Program Title	Healthy Futures Program			
Grant Goal	The Healthy Futures program aims to decrease the number of pediatric patients who are overweight, obese, or pre-diabetic by decreasing their BMI percentile. For the pre-diabetic and diabetic pediatric patients, the program aims to decrease HbA1c levels.			
Community Need	According to the 2014 Santa Clara County Community Health Assessment, 16% of adolescents (ages 10-19) in Santa Clara County are obese. Among adolescents who identify as Latino/Hispanic, 26% are reported to be obese. This is higher than the national average at 22% according to the Centers for Disease Control and Prevention (CDC). According to the CDC, those who are obese are at an increased risk of developing high blood pressure, diabetes, coronary heart disease, stroke, osteoarthritis, sleep apnea, clinical depression and body pain. Children with obesity are bullied and teased more and suffer from social isolation, depression, and lower self-esteem.			
Agency Description & Address	The Indian Health Center (IHC) is a Federally Qualified Health Center (FQHC) that provides medical services (preventative and primary care, immunizations, prenatal care, cancer prevention screening, chronic disease management), counseling services (mental health, substance abuse treatment, substance abuse prevention), nutrition services (WIC, nutrition education, medical nutrition therapy), and dental services (full range of restorative, prosthetic, emergency care). In early 2002, IHC started a wellness program designed to promote healthy living by providing mental health services, prevention services, culturally relevant activities and groups, and an exercise gym. 1211 Meridian Avenue, San Jose, CA			
Program Delivery Site(s)	Indian Health Center Clinics			
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>The Healthy Futures Program will provide the following activities and services:</li> <li>Individual 30– 60 minute Medical Nutrition Therapy sessions with a Registered Dietitian</li> <li>60– minute Personal Training sessions with the Fitness Coordinator</li> <li>1 – hour Youth Exercise Group</li> <li>Access to Fitness Center</li> <li>Healthy Adventures Summer Program, including services for pediatric patients that are diagnosed with pre-diabetes (HbA1c of 5.7% - 6.4%) or diabetes</li> <li>Diabetes Education and Empowerment Program</li> <li>Case management services for pediatric diabetic patients</li> <li>Funds will support the partial salaries and benefits of a registered dietitian, fitness coordinator, outreach coordinator, health educator, RN, diabetes educator and program supplies.</li> </ul>			
FY18 Funding	FY18 funding requested: \$70,000 FY18 funding recommend	ded: \$70,000	)	
	Metrics	6-month Target	Annual Target	
	Individuals served	60	160	
	Encounters provided	627	1,445	
FY18 Proposed Metrics	Participants who decrease their BMI percentile from a baseline in overweight/obese range (> 85%) to the normal range (< 85%)	20%	45%	
	Program participants who are diagnosed with pre-diabetes or diabetes that decrease their HbA1c by at least 0.1 percentage points	30%	70%	
	Participants who self-report that they are achieving the 5-2-1-0 rule at least twice a week	30%	75%	



### Medical Respite (Healthcare Foundation of Northern & Central California)

Program Title	The Medial Respite Program
Grant Goal	The Medical Respite Program (MRP) is designed as a community resource that provides a clean, safe place for homeless patients to live when they are discharged from the hospital. The MRP supports homeless patients as they recuperate and receive on-going medical and psychosocial services. The objective is to link the homeless patient to a primary care home, to help them access entitled benefits, and to house them when they leave the MRP.
Community Need	According to the Santa Clara County 2014 Health Assessment, a total of 7,631 homeless individuals were counted during the Santa Clara County Homeless Census and Survey. Of these, two-thirds (5,674 or 74%) were unsheltered (living on the street, in abandoned buildings, cars/vans/RVs or encampment areas). The Homeless Census and Survey estimated that 19,063 individuals in Santa Clara County experienced homelessness over the course of a year. Additional findings include:  • Two-thirds (64%) of homeless individuals reported one or more chronic and/or disabling conditions  • 68% reported currently experiencing mental health conditions  • 75% of the population has mental health diagnoses or issues 66% of the population is dual diagnosed with both mental health & substance abuse issues
Agency Description & Address	The Healthcare Foundation of Northern and Central California is a supporting organization of the Hospital Council of Northern and Central California. The Healthcare Foundation's purpose is to help hospitals provide high quality health care and to improve the health status of the communities they serve.  1215 K Street Suite 800, Sacramento, CA
Program Delivery Site(s)	EHC Lifebuilders in San Jose
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>A semi-private room and 3 meals are provided for each patient while they are in Medical Respite</li> <li>A primary care home is established with the on-site clinic where they are seen for all outpatient medical needs</li> <li>Patients are thoroughly assessed for medical and psychosocial needs.</li> <li>Referrals and coordination with specialty care is provided as needed</li> <li>Supervision and education regarding medications is provided by the RN manager.</li> <li>Mental health services are provided at the on-site clinic</li> <li>Counseling and group sessions are held on site by the County Drug &amp; Alcohol Services</li> <li>Support groups are led by the staff psychologist for patients during and after their MRP stay to help them establish their goals and to make progress toward them</li> <li>Social workers and case managers assist the patient in obtaining identification, birth certificates, and documents needed to apply for benefits</li> <li>Social work and case management assist the patient in applying for entitled benefits, such as Medi-Cal, food stamps, and SSI (income)</li> <li>Assistance with job searches and training is provided for those who are able to work</li> <li>Applications for housing and housing subsidies are made for eligible patients</li> <li>Funds will be spent on the partial salaries of staff medical director, case manager, medical social worker, psychologist, RN, medical assistant and supplies.</li> </ul>

**El Camino Hospital**°



### Medical Respite (Healthcare Foundation of Northern & Central California)

FY18 Funding	FY18 funding requested: \$13,5	FY18 funding recom	mended: \$13,50	0
	FY17	FY16	FY15	
Funding History and Metric Performance	FY17 Requested: \$13,500 FY17 Approved: \$13,500 FY17 6-month metrics met: 100%	FY16 Approved: \$13,500 FY16 Spent: \$13,500 FY16 6-month metrics met: 100% FY16 annual metrics met: 100%	FY15 Approved: FY15 Spent: \$: FY15 6-month metric FY15 annual metrics	13,500 cs met: 100%
FY18 Dual Funding	FY18 funding requested: \$80,0	900 FY18 funding recom	mended: \$80,00	0
	FY17	FY16	FY15	
<b>Dual Funding History</b>	FY17 Requested: \$80,000 FY17 Approved: \$80,000	FY16 Approved: \$55,000 FY16 Spent: \$55,000	FY15 Approved: \$55,000 FY15 Spent: \$55,000	
	^	Metrics	6-month Target	Annual Target
EV10 Bronocod	Individuals served (program total/ECH funding)		100/2	200/4
FY18 Proposed	Hospital days avoided (program total)		400	800
Metrics	Patients linked to primary care home		92%	92%
	Patients completing the program permanent housing rather than be	72%	72%	





### Playworks, Education Energized

Program Title	Playworks, Education Energized
Grant Goal	Playworks' vision is that one day every child in the U.S. will have access to safe, healthy play at school every day. The goal is to establish play and recess as a core strategy for improving children's health and well-being. Playworks' theory of change embraces the notion that a high functioning recess climate leads to a positive recess climate, which therefore positively affects the entire school climate, and surveys from schools across the nation indicate that this is true.
Community Need	Participating in regular physical activity is tied to many positive outcomes among children and adolescents including: short- and long- term health benefits, improved performance at school and a decreased likelihood of engaging in risky behaviors (Vigorous Physical Activity by Youth. Child Trends Databank 2014). The Centers for Disease Control and Prevention (CDC) recommends children ages 6-17 spend a minimum of 60 minutes each day engaged in moderate to vigorous physical activity. According to the 2016 report, "The Status of Children's Health in Santa Clara County," only 27% of children reported that they were active for 60 minutes in the last 7 days. The percentage is lower for females than for males. According to Project Cornerstone's 2011 Survey of Developmental Assets in Santa Clara County, less than 2/3 of children in elementary schools report they have a 'caring school climate.' Further, according to kidsdata.org:  • 35% of Santa Clara County fifth graders are overweight or obese.
	<ul> <li>Less than 27% meet all 6 fitness standards on the California Fitness Test.</li> <li>81% of California elementary school staff surveyed reported that bullying is a minor to severe program.</li> </ul>
Agency Description & Address	Playworks, founded in 1996 in 2 schools, has grown to serving more than 900 schools in 23 US cities and reaching more than 900,000 students. Playworks coaches stop chaos, shift kids' behavior for the better, and accelerate classroom learning through a well-integrated, multi-component program.
	2155 S. Bascom Ave #201, Campbell, CA
Program Delivery Site(s)	<ul> <li>Provide full time coaching programs for elementary schools in Campbell Union School District:         <ul> <li>Rosemary</li> <li>Sherman Oaks</li> <li>Castlemont</li> </ul> </li> <li>Provide Team Up Program for Lynhaven Elementary in Campbell Union School District</li> </ul>
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Playworks Coach Program places a well-trained coach full time at eight low-income elementary schools to implement the five-component program (before school time, recess, individual class professional development and learning time (class game time). Junior Coach leadership program with expanded opportunities and interscholastic leagues and a professional development conference.</li> <li>Playworks Team Up program will place a well-trained, experienced site coordinator at 3 campuses to work with a Recess Coach and team on site. The site coordinator will implement class game times, recruit junior coaches and work with the on-site.</li> <li>Conduct professional development training in Playworks techniques and strategies for recess staff, administrative staff and teachers at all schools.</li> <li>Funding will support program staff, supplies and training.</li> </ul>

[Continued on next page]





### Playworks, Education Energized

FY18 Funding	FY18 funding requested: \$112,000 FY18 funding recommended: \$112,000				
Funding History and Metric Performance	FY17	FY16	FY15		
	FY17 Requested: \$122,000 FY17 Approved: \$110,000 FY17 6-month metrics met: 100%	FY16 Approved: \$105,000 FY16 Spent: \$105,000 FY16 6-month metrics met: 100% FY16 annual metrics met: 100%	FY15 Approved: \$90,00 FY15 Spent: \$90,00 FY15 6-month metrics met: 100 FY15 annual metrics met: 1009		0,00 met: 100%
FY18 Dual Funding	FY18 funding requested: \$289,	9,000 FY18 funding recommended: \$278,000			0
Dual Funding History	FY17	FY16	FY15		
	FY17 Requested: \$317,000 FY17 Approved: \$270,000	FY16 Approved: \$261,000 FY16 Spent: \$261,000	FY15 Approved: \$240,000 FY15 Spent: \$240,000		
	Metrics		•	month arget	Annual Target
	Students served			2,326	2,326
FV10 Dyamasad	School staff that report Playworks help teach students cooperation and respect		and	N/A	90%
FY18 Proposed Metrics	Teachers reporting that overall student engagement increased use of positive language, attentiveness and participation in class		of	N/A	75%
	Great Recess Framework-Student Improvement percentage from baseline			20%	50%
	Teachers/administrators reporting that Playworks positively impacts school climate		S	N/A	90%





#### Sacred Heart Nativity School NEW

ram Title	Health and Wellness Program
	The program will engage students in healthy habits to promote lifelong be

Program Title	Health and Wellness Program					
Grant Goal	The program will engage students in healthy habits to promote lifelong health and improved academic performance. Through the program, students will increase physical activity, become aware of healthy eating habits, increase peer bonding and resilience through team sports, and increase their sense physical and emotional safety, sense of self, and pride in their school.					
Community Need	Students and their families are at risk for poor health and academic outcomes. Poverty affects these families' ability to access and buy healthy food, and engage in regular physical activity. Indeed, obesity, lack of exercise, poor diet and smoking are associated with social determinants of health, such as poverty, educational attainment, employment, and safe neighborhoods (Social and Health Inequities in Santa Clara County (SCC), The Health Trust, SCC Public Health Department, SCC Information Services Department).					
Agency Description & Address	Sacred Heart Nativity School for boys is an urban Catholic middle school that seeks to lay the foundation for students to succeed in college preparatory high school programs, college, and beyond. The schools are dedicated to providing a Catholic education for students of low-income families with priority given to families of the Sacred Heart Parish community.					
Program Delivery Site(s)	Program services will be delivered at agency site in San Jose, CA					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Develop a curriculum that will implement a four pillar approach to include: Nutrition/ Nutrition Education, Physical Activity and Education, Social-emotional wellness, Positive / Safe School Environment</li> <li>Installation of a salad bar in the cafeteria and equipment for physical activity</li> </ul>					
FY18 Funding	FY18 funding requested: \$30,000 FY18 funding recommended: Do not fund					
	Metrics	6-month Target	Annual Target			
	Students served	15	15			
FY18 Proposed Metrics	Students who will experience an increase in scores on the FitnessGram assessments	30%	70%			
	Students who will report on increased knowledge and diabetes prevention	30%	70%			





### Santa Clara County Office of Education – Early Head Start

Program Title	Early Head Start						
Grant Goal	To ensure children's healthy development and provide advocacy, referrals, and resources for their families.						
Community Need	Children who are enrolled in the Early Head Start Program are at the highest risk for adverse health and developmental outcomes because of the limited economic and social resources available to their families. Rates of adverse health outcomes and nutritional concerns are rising in this population; children born to teen mothers are at highest risk.						
Agency Description & Address	The Santa Clara County Office of Education's Head Start/Early Head Start Program provides comprehensive services, family support, and a high-quality educational curriculum to help young children develop preschool competence to prepare them for kindergarten.  1290 Ridder Park Drive MC 225 San Jose, CA						
Program Delivery Site(s)	<ul> <li>Five Early Head Start sites in the city of San Jose:</li> <li>Educare, 1399 Santee Drive</li> <li>Evergreen High School, 3300 Quimby Road</li> <li>Foothill High School, 230 Pala Ave</li> <li>Chynoweth Center, 5312 Terner Way</li> <li>Young Families at Broadway High School, 4825 Speak Lane</li> </ul>						
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide health and developmental screenings and referrals to a primary care provider or Early Start services</li> <li>Provide parent education and coaching on healthy parent-child interactions</li> <li>Funds support Family Advocates and administrative costs.</li> </ul>						
FY18 Funding	FY18 funding requested: \$278,	037 FY18 funding recom	mended: \$40,000	)			
	FY17	FY16	FY15				
Funding History and Metric Performance	EV16 Spont: \$60 056 EV15 Spont: \$57 401						
	Metrics		6-month Target	Annual Target			
	Individuals served		146	256			
	Services provided		549	859			
	Children meeting the Child Health and Disabilities Prevention periodicity schedule on time as required by age		80%	95%			
FY18 Proposed Metrics	Children coming under care who have not received all recommended procedures for an earlier age should be brought up to date as appropriate		50%	90%			
	Parents participating in education benefits of preventive health care reducing chronic absences		15%	25%			
	Families with an identified need (	per Family Needs Assessment) with follow up conducted every 60	85%	95%			





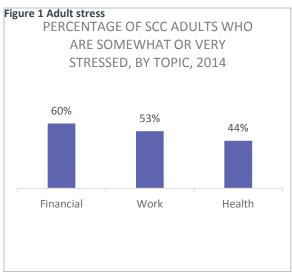
To improve the mental health and wellbeing of the community by providing services and increasing access to services that address serious mental illness, depression, and anxiety related to issues such as dementia, domestic violence, substance use, and bullying.

Healthy minds are essential to a person's wellbeing, family functioning, and interpersonal relationships. Good brain function and mental health directly impact the ability to live a full and productive life. People of all ages with untreated mental health disorders are at high risk for many unhealthy and unsafe behaviors, including alcohol or drug abuse, violent or self-destructive behavior, and suicide. Those affected by dementia experience a decline in mental ability, which affects memory, problem-solving, and perception. The resulting confusion often also leads to depression, aggression, and other mental health issues. Caregivers of those with dementia also experience depression. Mental health disorders can also impact physical health and are associated with the prevalence, progression, and onset of chronic diseases, including diabetes, heart disease, and cancer.

#### **DATA FINDINGS**

Services to address the needs in the Healthy Mind priority area are demonstrated by the following statistics:

Behavioral Health was prioritized as a top need of the community. This need includes mental health, wellbeing (such as depression and anxiety), and substance use/abuse. Close to four in ten (38%) Santa Clara County residents report poor mental health on at least one day in the last 30 days. Six in ten county residents report being somewhat or very stressed about financial concerns. Notably, nearly one quarter (23%) of LGBTQ respondents have seriously considered attempting suicide or physically harming themselves within the past 12



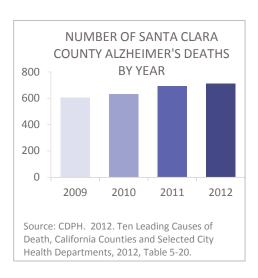
Source: Santa Clara County Public Health Department. (2014). Behavioral Risk Factor Survey.

<sup>&</sup>lt;sup>1</sup> Alzheimer's Association. https://www.alz.org/care/alzheimers-dementia-depression.asp.

<sup>&</sup>lt;sup>2</sup> Alzheimer's Association. https://www.alz.org/care/alzheimers-dementia-caregiver-depression.asp

months. Through focus groups and key informant interviews, the community discussed the stigma that persists for those who experience mental illness. They also expressed concern about behavioral health for older adults, LGBTQ residents, and those of particular ethnicities/cultures. Community feedback indicates that there is a lack of health insurance benefits for those who do not have formal diagnoses and insufficient services for those who do. Providers of behavioral health services cited poor access to such services when funding does not address the co-occurring conditions of addiction and mental illness. The community expressed concern about the documented high rates of youth marijuana use and rising youth methamphetamine use. While binge drinking among adults and youth is relatively low, it is a contributor to liver disease/cirrhosis, which is the ninth leading cause of death in the county.

Alzheimer's Disease and Dementia: Alzheimer's disease was the third leading cause of death in 2012, accounting for 8% of all deaths. In California, it was the fifth leading cause. The ageadjusted death rate of Alzheimer's disease in Santa Clara County in 2011 was 35.9 per 100,000, which was higher than the state overall in 2010 (30.1 per 100,000). In the next 10 years, nearly one in five local residents will be 65 years or older, which puts the population at higher risk for dementia and Alzheimer's disease. Also, the county population is slightly older than the state overall. Local professionals who serve seniors expressed concern over the lack of dementia and Alzheimer's diagnoses. There are a lack of countywide data on the prevalence of dementia and Alzheimer's disease, which is a concern given the increasing proportion of older adults.



#### STRATEGIES TO IMPROVE HEALTHY MINDS

- 1. Mental health and substance use screening and assessment
- 2. Community education and parent engagement
- 3. Case management and medication management
- 4. Individual and group counseling and therapy for youth and adults
- 5. Youth developmental asset building
- 6. Crisis intervention for youth, their families, and adults
- 7. Group activities for seniors to reduce isolation and depression

<sup>&</sup>lt;sup>3</sup> CDPH, Leading Causes of Death; California Counties and Selected City Health Department, 2012. Note that 2013 death data show an anomaly for Alzheimer's deaths, with 3% of deaths due to Alzheimer's disease, which may reflect a change in how deaths were reported.

<sup>&</sup>lt;sup>4</sup> Centers for Disease Control and Prevention (CDC), Community Health Status Indicators (CHSI)/National Center for Health Statistics, County Profile, 2011; CDC, National Center for Health Statistics (NCHS) Data Brief, 2010; CDC, Health Data Interactive for National Data, 2011.

<sup>&</sup>lt;sup>5</sup> Silicon Valley Institute for Regional Studies, *Population Growth in Silicon Valley*, 2015.

#### **HEALTHY MIND PROPOSALS**

- 1. Almaden Valley Counseling Service Social Skills for Children Program
- 2. Alum Rock Counseling Center Ocala Mentoring Program
- 3. Asian Americans for Community Involvement (AACI) Healthy IDEAS
- 4. Bill Wilson Center Child Abuse Therapy Program (CHAT)
- 5. Cambrian School District Student Health Services
- 6. Child Advocates of Silicon Valley Advocacy Program for Foster Teens
- 7. Cupertino Union School District Counseling Program
- 8. El Camino Hospital Behavioral Health Services
- 9. Hope Services Peer-to-Peer Counseling/Advocacy for Adults with Developmental Disabilities
- 10. Momentum for Mental Health
- 11. Peninsula HealthCare Connection Psychiatric Services Medication Management
- 12. Uplift Family Services (formerly EMQ Families First) Addiction Prevention Services
- 13. Whole Brain Initiative Dance to Remember

#### **HEALTHY MIND RECOMMENDED FUNDING: \$870,500**

Detailed descriptions of partner programs in the Healthy Mind area follow. The Community Benefit Advisory Council (CBAC) consensus guided the funding recommendations found in the Plan.



### **Almaden Valley Counseling Service**

Program Title	Social Skills for Children						
Grant Goal	Almaden Valley Counseling Service (AVCS) will provide the on-site Social Skills for Children program at elementary and middle schools to increase children's developmental assets. This funding will augment support from Department of Social Services that provides social skills classes at the middle and high school level, addressing a high need at the elementary school level.						
Community Need	Santa Clara County's Department of Mental Health has identified a number of risk factors including socioeconomic, family structure, linguistic isolation and housing status that can influence the life chances for the child. The major barriers to accessing counseling services are location and affordability.						
Agency Description & Address	AVCS is a community-based, nonprofit counseling agency committed to meeting the mental health concerns of all ages with an emphasis on youth. AVCS offers a full range of counseling services, which supports and promotes personal growth, positive family relationships and emotional wellbeing.  6529 Crown Boulevard, Suite D, San Jose CA						
Program Delivery Site(s)	26 elementary schools in the following school districts:  Cambrian Lakeside San Jose Unified Union						
Services Funded By Grant/How Funds Will Be Spent	Serving children identified by the schools as having a range of social developmental asset needs, the program will provide:  • Free school-based services: behavioral therapy to social skills for children program  • Implement a variety of counseling approaches and psychotherapeutic services tailored to children's presenting diagnosis  Funds part of program staff, contractors and interns time as well as administrative costs, such as communications, supplies, training and course materials.						
FY18 Funding	FY18 funding requested: \$73,7	55 FY18 funding recon	nmend	ed: \$46,000			
	FY17	FY16		FY15			
Funding History and Metric Performance	FY17 Requested: \$43,457 FY17 Approved: \$43,457 FY17 6-month metrics met: 100%	N/A		N/A			
	Metrics			6-month Target	Annual Target		
	Students are served by the program			200	520		
FY18 Proposed	Encounters			1,000	3,640		
Metrics	Students who show an increase in at least 50% for the / relevant		70%				
	Students who show an increase in at least 50% for the 16 relevant Internal Developmental Assets for their age group  30%		70%				
	Teachers who state that the child	l shows an improved attitude in sc	hool	30%	70%		





### **Alum Rock Counseling Center**

NEW

Program Title	Ocala Mentoring Program						
Grant Goal	Identify and serve at-risk middle school youth before they fall into a cycle of truancy, gang-involvement and school failure.						
Community Need	esearch reveals Latino youth face a greater likelihood than other demographic groups to be avolved with the juvenile justice system. While they represent only 21% of the Santa Clara County opulation, Latino youth comprised 62% of all juvenile arrests in 2009. Furthermore, Latino youth re three times more likely to be arrested and twice as likely to be incarcerated as Caucasian youth. SCC Probation Department, 2011; Criminal Justice Profiles, CA DOJ, 2009). There is also a gnificant academic achievement gap between Latino youth and their non-Latino counterparts, specially pronounced in middle school, according to the 2011 California API (Academic erformance Index).						
Agency Description & Address	The mission of Alum Rock Counseling Center (ARCC) is to deliver a full complement of behavioral health services to youth, their families and individuals in the neighborhoods we serve throughout Santa Clara County. ARCC partners with schools, mental and physical healthcare systems and other providers. Programs are designed to keep at-risk youth safe, attending school and living lives that are free of juvenile justice and dependency systems, substance abuse and violence. ARCC's Continuum of Care includes a full menu of programs providing combinations of mentoring, life skills development, truancy reduction, mobile crisis response, counseling, drug and alcohol services, case management, child abuse/neglect prevention and outreach.  777 North First Street, Suite 444, San Jose, CA						
Program Delivery Site(s)	Ocala STEAM Academy, 2800 Ocala Avenue, San Jose CA						
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Weekly Life Skills Classes</li> <li>Individual mental health counseling</li> <li>Mentoring (bi-weekly group and 1:1 sessions)</li> <li>Parent collateral/engagement sessions</li> <li>After school tutoring</li> <li>Monthly enrichment activities (educational and cultural activities)</li> <li>Funds support part of several program staff roles and other administrative costs.</li> </ul>						

[Continued on next page]





#### **Alum Rock Counseling Center**

NEW

FY18 Funding	FY18 funding requested: \$30,000	FY18 funding recommende	ed: \$20,000	)
	Metrics		6-month	Annual
			Target	<b>Target</b>
	Individuals served		10	10
	Services provided		245	581
FY18 Proposed Metrics	State of the state		75%	90%
	Students who earn a place on the Honor Roll each trimester		20%	30%
	Students will report an increase in knowledg and that they have incorporated something their lives	, ,	65%	75%



### **AACI (Asian Americans for Community Involvement)**

Program Title	Healthy IDEAS (Identifying Depression, Empowering Activities for Seniors)						
Grant Goal	Healthy IDEAS is an evidence-based program that promotes depression awareness and management among at-risk seniors. The program serves seniors with the unique capacity for Cantonese and Mandarin speaking populations that significantly underutilize mental health services.						
Community Need	Santa Clara County is home to over 280,000 adults over the age of 65, accounting for 16% of the population. The population of older adults will continue to grow over the next decade and by 2030 28% of residents will be over age 60 (Census 2010). This is higher than the state or national average according to the Council on Aging Silicon Valley 2011.						
Agency Description & Address	Asian Americans for Community Involvement (AACI) was founded in 1973 to advocate for newly resettled Southeast Asian refugees whose culturally specific needs exceeded what was available in services at the time and is now the largest non-profit organization dedicated to providing culturally and linguistically appropriate services to Asians in Santa Clara County.  2400 Moorpark Avenue, Suite 300, San Jose, CA						
Program Delivery Site(s)	Services will be delivered at agency site.						
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Screen for depressive symptoms; referral and link to providers and services as needed</li> <li>Provide education about depression and encourage those with mild symptoms to engage in wellness activities</li> <li>Conduct two face-to-face visits followed by three additional face-to-face or telephone contacts</li> <li>Deliver eight Healthy IDEAS sessions</li> <li>Funds cover part of program staff time and other administrative costs.</li> </ul>						
FY18 Funding	FY18 funding requested: \$50,0	00 FY18 funding recomn	nend	ed: \$50,000	)		
Funding History and Metric Performance	FY17  FY17 Requested: \$50,000  FY17 Approved: \$50,000  FY17 6-month metrics met: 100%	FY16  FY16 Approved: \$50,000  FY16 Spent: \$50,000  FY16 6-month metrics met: 100%  FY16 annual metrics met: 80%	FY1	FY15 FY15 Approved: \$45,000 FY15 Spent: \$45,000 Y15 6-month metrics met: 50% FY15 annual metrics met: 80%			
	Metrics			6-month Target	Annual Target		
FY18 Proposed	Seniors screened for depression			75	150		
Metrics	Services provided			195	390		
Wetrics	Participants who enroll in the He	· · · · ·		20	40		
	Participants who demonstrate at least a one-point decrease in score on Geriatric Depression Scale		on	85%	85%		





#### **Bill Wilson Center**



Program Title	Child Abuse Therapy Program (CHAT)						
Grant Goal	Provides counseling services to youth who have experienced trauma in their lives.						
Community Need	Youth who have witnessed domestic and other violence have higher rates of behavioral and emotional problems than other children. Although many of these children are Medi-Cal eligible and can demonstrate "medical necessity" they are often faced with long waiting lists for services. They also experience gaps in services at various developmental stages, especially when they transition into adolescents, young adulthood or become parents.						
Agency Description & Address	Bill Wilson Center (BWC) has been providing essential and comprehensive services that address the unmet needs of youth, families, and individuals in the community. The mission of BWC is to support and strengthen the community by serving youth and families through counseling, housing, education and advocacy. BWC's vision is to prevent poverty by building connections for youth and families. Every youth who walks through the agency's doors is helped with building skills and resiliency, with the goal of becoming a healthy, self-sufficient adult.						
	3490 The Alameda, Santa Clara, CA						
Program Delivery Site(s)	Services will be provided at the agency site in Santa Clara, CA						
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide psychotherapy treatment services to youth</li> <li>Provide information about and referral to crime victim compensation services</li> <li>Assist the child in understanding and preparing to participate in the criminal justice system</li> <li>Funds support part-time therapist and program director.</li> </ul>						
FY18 Funding	FY18 funding requested: \$25,000 FY18 funding recommended: \$25,000						
	Metrics	6-month Target	Annual Target				
	Youth served	6	12				
FY18 Proposed Metrics	Services provided	70	140				
ivietrics	Clients who report positive impact from services provided	80%	80%				
	Clients who report they have learned a healthy coping mechanism	70%	70%				
	Clients who report demonstrating improvement in their coping skills	75%	75%				





#### **Cambrian School District** NEW



Program Title	Student Health Services
Grant Goal	Cambrian School District has the strong desire to build the infrastructure for a Student Services Multi-Tiered System of Supports to support the whole child in a social-emotional-behavioral health model in our school district. Cambrian School District is requesting financial support to be able to build a multidisciplinary team.
Community Need	Cambrian is requesting funding to hire 1 – 2 school district nurses to support a growing health services need and to provide district wide outreach on nutrition, exercise, and health education. Support will address gaps in service in data collection and compliance, staff training on immunizations, epipens, and CPR, and health education for families.
Agency Description & Address	Cambrian School District is elementary school district located in the Cambrian Park area and serves approximately 3,500 students in Preschool through 8 <sup>th</sup> grade. 4115 Jacksol Drive, San Jose, CA
Program Delivery Site(s)	All six schools in the district which includes four elementary schools, one middle school, and one alternative school.
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide individual counseling, group counseling, parent counseling, and/or family counseling sessions</li> <li>Deliver parent educational services</li> <li>Conduct health screenings including vision, hearing, and mental health</li> <li>Provide crisis intervention</li> <li>Deliver proactive mental health education</li> <li>Implement social-emotional learning curriculum</li> <li>Staff professional development towards social emotional learning, mindfulness, and restorative practices for overall health and wellness</li> <li>Professional development for staff to maintain on legal and up to date best practices in mental health and behavioral health services. This may include attendance and registration at conferences with travel, accommodations and food included.</li> <li>Professional development for nursing and health clerk staff to keep up to date with compliance and preventative measures.</li> <li>Funds will support a nurse, school psychologist, MFT, health clerk, school psychologist interns, behavior specialist, computers, supplies and professional development.</li> </ul>

[Continued on next page]





#### **Cambrian School District**

FY18 Funding	FY18 funding requested: \$ 413	3,900 FY18 funding recommen	ded: \$220,00	00
	FY17	FY16	FY15	
Funding History and Metric Performance	N/A	FY16 Approved: \$40,000 FY16 Spent: \$15,940 FY16 6-month metrics met: 100% FY16 annual metrics met: 0% (Unspent funds returned due to inability to hire credentialed school nurse)		
	Metrics		6-month Target	Annual Target
	Students served		805	2,110
	Services provided		1,725	3,260
	Students and staff who report a decrease in frequency and duration in presented issue		25%	50%
FY18 Proposed Metrics	Students who complete counseling will report no longer needing the service		40%	50%
	Uninsured students who have applied for healthcare coverage		30%	60%
	Students who have failed health screenings who saw a healthcare provider		20%	70%
	Students identified as needing urgent dental care through an on-site screening process who saw a dentist		30%	80%
	Schools with at least 25% of staf	f CPR certified	25%	80%



#### Child Advocates of Silicon Valley NEW

Program Title	Advocacy Program for Foster Teens				
Grant Goal	Provide academic and emotional support to middle and high school age foster youth (ages 11-18) by providing them with a consistent, supportive adult who helps ensure children do not slip through the cracks of the overburdened foster care and education systems.				
Community Need	The emotional trauma of being removed from home and family, combined with multiple school changes and periods of school absences often results in dismal outcomes for foster children.  Research reveals an indisputable need to provide foster students with support for school changes and disruptions, school completion, interaction with the Juvenile Justice System, mental health and LGBTQ needs. Only 58% of California's students in foster care graduate from high school compared with 84% of students statewide. A recent small study of foster youth in California found that 40% had considered suicide and 23% had attempted it. Nearly 1 out of every 4 adolescents in California's foster care system is receiving psychotropic medications — 3 times the rate for all adolescents nationwide.				
Agency Description & Address	Child Advocates of Silicon Valley's mission is to provide stability and hope experienced abuse and neglect by being a powerful voice in their lives. The help every child have a positive view of the future and the opportunity to healthy adult. In order to achieve this, the agency recruits, trains and sup Appointed Special Advocates (CASAs) to work one-on-one with foster chithe only agency in Santa Clara County that provides CASAs to foster yout 509 Valley Way, Building 2, Milpitas, CA	he organizatior o become a pro oports voluntee Idren. Child Ad	n works to ductive, or Court		
Program Delivery Site(s)	Services will be provided at agency site.				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Match foster youth with a CASA (Court Appointed Special Advocation of CASAs provide academic and emotional support to middle and his Provide education and certification for CASAs</li> <li>Funds support the volunteer coordination position.</li> </ul>		foster youth		
FY18 Funding	FY18 funding requested: \$25,000 FY18 funding recommend	ded: \$25,000	)		
FY18 Proposed	Metrics	6-month Target	Annual Target		
Metrics	Children served	107	137		
	New volunteer Court Appointed Special Advocates (CASAs)	35	76		



80%

80%

CASA high school seniors who earn their diploma or equivalent



#### **Cupertino Union School District – School Counseling Program**

Program Title	Cupertino Union School District Counseling Program					
Grant Goal	Provide Marriage and Family Therapist Interns (MFTI) to each of the five middle schools in the school district. The MFTI's will provide school-based individual, group, and family therapy. Interns are supervised by a Licensed Marriage and Family Therapist (LMFT).					
Community Need	One in ten youth have serious mental health problems that are severe enough to impair how they function at home, in school, or in the community. Roughly half of all lifetime mental health disorders start by the mid-teens. The need for school-based mental health services has been well documented over the last 15 years.					
Agency Description & Address	The mission of the Cupertino Union School District is to provide a child-centered environment that cultivates character, fosters academic excellence, and embraces diversity. District families, community, and staff join as partners to develop creative, exemplary learners with the skills and enthusiasm to contribute to a constantly changing global society.  10301 Vista Drive, Cupertino, CA					
Program Delivery Site(s)	All five middle schools in the Cupertino Union School District (Hyde, Cupertino, Miller, Lawson, and Kennedy) and as-needed by referral at elementary schools in the district					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Weekly individual, group, and family counseling</li> <li>Suicide and self-harm risk assessment</li> <li>Case management &amp; crisis intervention</li> <li>Peer support lunch clubs</li> <li>Funds five Marriage and Family Therapist Interns.</li> </ul>					
FY18 Funding	FY18 funding requested: \$123,	.500	FY18 funding recon	nmende	d: \$123,50	0
Funding History and Metric Performance	FY17         FY16         FY15           FY17 Requested: \$120,000         FY16 Approved: \$100,000         FY15 Approved: \$100,00           FY17 Approved: \$105,000         FY16 Spent: \$100,000         FY15 Spent: \$100,000           FY16 6-month metrics met: 100%         FY15 6-month metrics met: 75%         FY15 annual metrics met: 75%			0,000 s met: 75%		
		Metrics			6-month Target	Annual Target
	Students served			89	181	
FY18 Proposed	Service hours provided			774	2,040	
Metrics	Students who improved on treatment plan goals by 20% in 6 months and 50% by the end of the school year as measured by counselor report				90%	
Students who improved from pre-test to post-test on the Strengths and Difficulties Questionnaire and Impact Assessment by 50%.				75%		





#### El Camino Hospital, Behavioral Health Services

Program Title	ECH Behavioral Health Services Psychology Internship Program
Grant Goal	To provide two licensed psychologist staff members who will provide individual supervision to two psychology interns taking part in delivering behavioral health care services in the BHS department as part of their year-long psychology internship.
Community Need	The 2016 Community Health Needs Assessment prioritized behavioral health as a top need in our community. This program addresses behavioral health, as interns taking part in the Psychology Internship Program will be delivering care to patients admitted for treatment in El Camino Hospital's Behavioral Health Services treatment programs. As part of their training, interns will complete six-month clinical rotations in order to learn hospital program-based skills and competencies in the care of patients who are suffering from severe episodes of depression, anxiety, and substance use.
<b>Agency Description &amp;</b>	El Camino Hospital, Behavioral Health Services
Address	2500 Grant Road, Mountain View, CA
Program Delivery Site(s)	El Camino Hospital
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>One hour weekly individual supervision sessions for licensed psychologist to meet with psychology intern.</li> <li>Psychologist supervisors to be reimbursed by this small grant currently work as staff members/program therapists in the Partial Hospitalization and Dual Diagnoses programs of the Behavioral Health Services department, where they deliver individual and group based treatment to patients attending program treatment. Psychology interns receiving supervision are matched to work at El Camino Hospital as part of the annual internship match process conducted by the Association of Psychology Postdoctoral and Internship Centers (APPIC), of which the BHS Psychology Internship Program is a member. Patients receiving treatment from psychology interns will be attending inpatient and outpatient treatment programs in Behavioral Health Services.</li> <li>Funds will support the partial salaries of two program therapists.</li> </ul>

[Continued on next page]





#### El Camino Hospital, Behavioral Health Services

[Continued from previous page]

FY18 Funding	FY18 funding requested: \$5,000 FY18 funding recommen	ded: Do not	fund
	Metrics		Annual Target
	Individual supervision sessions provided to psychology interns by licensed psychologist supervisors	25	50
	Patients served by psychology intern in outpatient programs	12	30
		Minimum	Minimum
		level of "3"	level of "4"
	Evaluation of Psychology Intern by licensed psychologist on Psychology Intern Competency Evaluation	on 80% of	on 80% of
		items; no	items; no
		less than	less than
FY18 Proposed		"2" on any	"3" on any
Metrics		item	item.
		Minimum	Minimum
		level of "3"	level of "4"
	Datings of Companies who provides a provide a	on 80% of	on 80% of
	Ratings of Supervisor by psychology intern on Psychology Internship	items, no	items; no
	Program Evaluation	less than	less than
		"2'" on any	"3" on any
		item%	item.
	Patients reporting improvements in depression and anxiety scores at end of treatment	50%	70%





#### **Hope Services**



Program Title	Peer-to-Peer Counseling/Advocacy for Adults with Developmental Disabilities					
Grant Goal	Support the mental health needs of low-income adults with developmental disabilities.					
Community Need	Depression, anger, and frustration are often experienced by adults with developmental disabilities.  Low-income adults with developmental disabilities are disproportionately impacted by these negative consequences, and need counseling and advocacy services from a peer who also has a developmental disability.					
Agency Description & Address	Hope Services' mission is to improve the quality of life for people with developmental disabilities. Hope Services has evolved from one of the first preschools serving only children with special needs to providing a full range of integrated services to more than 4,000 children, adults, and seniors with developmental disabilities in Santa Clara and other counties, with an emphasis on community participation and vocational development. Hope Services addresses the changing and life-long needs of individuals with developmental disabilities through vocational and non-vocational service strategies.  30 Las Colinas Lane, San Jose, CA					
Program Delivery Site(s)	Services will be provided at agency site in San Jose, CA					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>A peer counselor with a developmental disability will provide solution – focused brief therapy sessions for each client</li> <li>Provide referral to a professional counselor, as needed</li> <li>Deliver training and monitoring of client counselors and case management of client counselees, by Manager of Advocacy &amp; Resources</li> <li>Funds will support program staff and some administrative costs.</li> </ul>					
FY18 Funding	FY18 funding requested: \$37,739 FY18 funding recommend	ded: \$25,000	)			
	Metrics	6-month Target	Annual Target			
	Individuals served	10	25			
	Services provided	50	175			
FY18 Proposed Metrics	Participants who report a 15% improvement in quantity and quality of sleep after at least 6 sessions	30%	60%			
	Participants who report a 15% improvement in healthy eating behaviors after at least 6 sessions		60%			
	Counselees who report a 15% improvement in their social interactions after at least 6 sessions	30%	60%			





#### **Momentum for Mental Health**

Program Title	Mental Health Community Clinic					
Grant Goal	Provide mental health services to those who do not have access to treatment because they cannot afford to pay for services and those who are uninsured.					
Community Need	Many individuals who suffer from mental health do not have access to mental health services due to lack of healthcare insurance or their inability to pay. Consequently, these individuals tend to remain untreated, utilize hospital emergency rooms when in crisis, and risk losing employment. In Primary care clinics typically lack mental health services and most mental health clinics locally have a wait list. According to the 2016 CHNA, close to four in ten (38%) Santa Clara County residents report poor mental health on at least one day in the last 30 days and six in ten county residents report being somewhat or very stressed about financial concerns.					
Agency Description & Address		Momentum for Mental Health is the largest private non-profit agency providing mental health services to adults in Santa Clara County.  652 Forest Ave, Palo Alto, CA				
Program Delivery Site(s)	Services will be provided at agen	cy site.				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Services include:</li> <li>Psychiatry assessments</li> <li>Treatment and medication management sessions</li> <li>Case management sessions</li> <li>Short-term and crisis counseling</li> <li>For some clients in need of more intensive services, provide no-cost intensive outpatient program and crisis residential care</li> <li>Funds partial funding for staff including a psychiatrist, registered nurse, a lead clinical, a program manager and other staff.</li> </ul>					
FY18 Funding	FY18 funding requested: \$26,0	00 FY18 funding recon	nmended: \$26,000			
Funding History and Metric Performance	FY17  FY17 Requested: \$26,000  FY17 Approved: \$26,000  FY17 6-month metrics met: 100%	FY16  FY16 Approved: \$26,000  FY16 Spent: \$26,000  FY16 6-month metrics met: 100%  FY16 annual metrics met: 100%	FY15  FY15 Approved: \$26,000  FY15 Spent: \$24,590  FY15 6-month metrics met: 80%  FY15 annual metrics met:100%			
FY18 Dual Funding	FY18 funding requested: \$241,	.000 FY18 funding recon	nmended: \$241,000			
Dual Funding History	FY17 FY17 Requested: \$266,000 FY17 Approved: \$241,000	FY16 FY16 Approved: \$236,000 FY16 Spent: \$236,000	FY15 FY15 Approved: \$236,000 FY15 Spent: \$236,000			

[Continued on next page]





#### **Momentum for Mental Health**

[Continued from previous page]

	Metrics	6-month	Annual
		Target	Target
	Individuals served	16	22
	Services provided	90	180
FY18 Proposed	Patients who return for follow up visit within 45 – 60 days after initial	85%	85%
Metrics	psychiatric assessment		
	Patients who report a reduction of 2 points or more in Patient Health Questionnaire-9 (PHQ-9) to measure severity of depression	85%	85%
	Patients who report a reduction of 2 points or more in General Anxiety Disorder-7 (GAD-7) to measure severity of anxiety	85%	85%





#### **Peninsula HealthCare Connection**

Program Title	Psychiatric Services – Medication Management					
Grant Goal	Manage and stabilize homeless individuals suffering from mental illness, and provide psychiatric					
Community Need	According to the 2015 Santa Clara County Homeless Census and Survey, 64% of individuals reported having a mental health condition (including PTSD), while only 21% reported accessing existing mental health services. At any given point in time, 45% of homeless people report having had mental health problems during the last year. About 25% of the homeless population has serious mental illnesses, including chronic depression, bipolar disorder, and schizophrenia.					
Agency Description & Address	and those at risk of becoming ho	Peninsula HealthCare Connection is a nonprofit organization that serves the needs of the homeless and those at risk of becoming homeless.  33 Encina Ave, Suite 103, Palo Alto, CA				
Program Delivery Site(s)	Services will be provided at agency site in Palo Alto, CA					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide psychiatric care, medication management, counseling services and case management</li> <li>Provide outreach and education to homeless individuals about available services and assist with securing housing</li> <li>Fund support a psychiatrist, licensed vocational nurse, and case manager.</li> </ul>					
FY18 Funding	FY18 funding requested: \$90,0	000 FY18 funding recon	nmended:	\$90,000	)	
Funding History and Metric Performance	FY17  FY17 Requested: \$90,000  FY17 Approved: \$90,000  FY17 6-month metrics met: 100%	FY16  FY16 Approved: \$80,202  FY16 Spent: \$80,202  FY16 6-month metrics met: 100%  FY16 annual metrics met: 100%	F FY15 6-	FY15  FY15 Approved: \$65,000  FY15 Spent: \$65,000  FY15 6-month metrics met: 75%  FY15 annual metrics met: 100%		
	Metrics			-month Target	Annual Target	
FY18 Proposed	Individuals served			85	170	
Metrics	Services provided			275	550	
	Patients who obtain permanent I			6	12	
	Psychiatry patients not hospitaliz	ed in a 12–month period		85%	85%	





#### **Uplift Family Services (formerly EMQ Families First)**

Program Title	Addiction Prevention Services				
Grant Goal	Addiction Prevention Services will serve the five high schools in the Campbell Union High School District to keep youth healthy, safe, and in school.				
Community Need	There are significant consequences to inadequately addressing the mental health needs of youth. Untreated mental health problems can lead to higher rates of juvenile incarceration, school dropout, family dysfunction, drug abuse, and unemployment. This school-based program helps supports the gaps that are often seen in school districts related to mental health.				
Agency Description & Address	Uplift Family Services (formerly EMQ FamiliesFirst) is a non-profit organization recognized for innovative mental health treatment, foster care, and social services. The organization combines research-based behavioral health services with family-centered efforts to identify and address the needs of families.  251 Llewellyn Avenue, Campbell, CA				
Program Delivery Site(s)	<ul> <li>The following schools in the Campbell Union School District:</li> <li>Westmont High, 4805 Westmont Ave., Campbell CA</li> <li>Prospect High, 18900 Prospect Road, Saratoga, CA</li> <li>Leigh High, 5210 Leigh Ave., San Jose, CA</li> <li>Branham High, 1570 Branham Lane, San Jose, CA</li> <li>Del Mar High, 1224 Del Mar Avenue, San Jose, CA</li> <li>Boynton High, 901 Boynton Avenue, San Jose, CA</li> </ul>				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide substance abuse prevention, intervention, and post-intervention services for youth who are both at-risk and those currently involved in high-risk activities</li> <li>Classroom workshops (gangs, bullying, suicide prevention, drug and alcohol education, stress/anxiety management) and school assemblies</li> <li>Targeted Intervention Groups to reduce high risk behaviors</li> <li>Individual counseling and family case management</li> <li>Teacher/staff training &amp; workshops</li> <li>Funds two on-site counselors at five schools and some program administrative costs.</li> </ul>				
FY18 Funding	FY18 funding requested: \$230,0	00 FY18 funding recon	nmended: \$230,000		
Funding History and Metric Performance	FY17 FY17 Requested: \$230,000 FY17 Approved: \$230,000 FY17 6-month metrics met: 60% (Unmet metrics near target, anticipate achieving annual targets)	FY16  FY16 Approved: \$150,000  FY16 Spent: \$150,000  FY16 6-month metrics met: 100%  FY16 annual metrics met: 100%	FY15  FY15 Approved: \$150,000  FY15 Spent: \$150,000  FY15 6-month metrics met: 100%  FY15 annual metrics met: 100%		

[Continued on next page]





#### **Uplift Family Services (formerly EMQ Families First)**

[Continued from previous page]

	Metrics	6-month	Annual
	IVIETICS	Target	Target
	Students served through therapy	125	300
	Individuals served through prevention services	1,000	2,600
	Service hours provided	1,040	2,290
	Students who reduce unexcused absenses to 10% or less	5%	10%
	Students who reduce high risk behaviors by at least 25%	5%	10%
FY18 Proposed Metrics	Students who experience decrease in exposure to violence by at least 25%	5%	10%
	Students who increase use of coping skills for trauma, depression, anxiety and/or anger by at least 25%	18%	25%
	Students who decrease suicidal thoughts and feelings by at least 25%	18%	25%
	Students who increase knowledge of youth who participated in classroom presentations	85%	85%
	Parents and teachers who increase knowledge and access to resources through education	95%	95%

<sup>\*</sup>FY18 metrics revised to align with ECH/ECHD school-based counseling affinity group strategy.





### Whole Brain Health Initiative NEW

NEW	

Program Title	Dance To Remember				
Grant Goal	Provide the Dance to Remember program, a community event about sustainable brain health, brain exercises, healthy food, and live music and dancing, to underserved and low-income seniors who have not reached any advanced stages of brain disease, including Alzheimer's.				
Community Need	It is estimated that half of all Alzheimer's cases are preventable with a he 10% of seniors meet the CDC's recommendation for physical exercise.	althy lifestyle a	and only		
Agency Description & Address	The Whole Brain Health Initiative (WBHI) was founded to bridge the gap between knowing what's good for you and actually doing it. The WBHI initiative focuses on providing brain health programs that embed behavioral change elements geared towards helping seniors adopt a sustainable brain healthy lifestyle. Such lifestyle - rich in exercise, nutritious food, socialization, and other healthy lifestyle habits - leads to a higher quality of life and, for most people, will significantly reduce the risk of developing Alzheimer's.  2248 Park Blvd, Palo Alto, CA				
Program Delivery Site(s)	<ul> <li>East Valley YMCA: 1975 S White Rd, San Jose, CA</li> <li>Valley Village Retirement Community: 390 N Winchester Blvd, Santa Clara, CA</li> <li>Corinthians House Residence: 250 Budd Avenue, Campbell CA</li> </ul>				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Dance To Remember Community Event</li> <li>Group Brain Health Coaching sessions</li> <li>Funds support coaches and dance instructors.</li> </ul>				
FY18 Funding	FY18 funding requested: \$28,050 FY18 funding recommend	ded: Do not	fund		
FY18 Dual Funding	FY18 funding requested: \$12,840 FY18 funding recommend	ded: Do not	fund		
	Metrics	6-month Target	Annual Target		
	Individuals served	300	300		
	Services provided	1,239	2,031		
FY18 Proposed Metrics	Participants who attend at least 20 Group Brain Health Coaching sessions show at least a 20 point increase in their score on the brain health self-assessment	60%	70%		
	Participants who attend the coaching sessions at least 20 times increase their average score for the Dance to Remember Memory Test of their last three tests two points higher than the average of their first three tests	60%	70%		





To improve the overall health of the community by providing services and increasing access to services that improve safety, provide transportation, and educate the community about health and wellbeing.

A healthy community can impact health positively by providing safe places to live, work, and be educated. When a community lacks affordable and sufficient transportation, lacks awareness of health issues and risk for chronic diseases, and is not able to access culturally competent services, its residents experience poor health.

#### **DATA FINDINGS**

Services to address the needs in the Healthy Community priority area are demonstrated by the following statistics:

Economic Security is a need in Santa Clara County because of the ethnic disparities seen in rates of poverty, unemployment, and lack of a high school education. In 2014, 32% of Latinos in Santa Clara County did not graduate from high school, compared to 18% of residents countywide. In terms of poverty, 10% of Santa Clara County residents live below the Federal Poverty Level (FPL). However, the percentage living below the self-sufficiency standard, which is a more comprehensive measure of poverty, is higher (23%). The community expressed concern that income inequality and the wage gap contribute to poor health outcomes.

Sources: Unemployment and high school graduation: Santa Clara County Community Health Assessment 2014. Poverty: Community Commons. FPL for a four-person household was \$23,550 in 2013, and \$23,850 in 2014.

 Unintentional Injuries are a concern in Santa Clara County because rates of deaths due to falls and adult drowning in the overall population are higher than HP2020 targets. In addition, rates for some ethnic/racial groups in the county exceed HP2020 targets in various injury categories. For example,

- death rates from pedestrian accidents among Latinos (2.2 per 100,000) and Asians (1.6 per 100,000) exceed the HP2020 objective of 1.3 per 100,000.
- Violence & Abuse in the county is a problem that disproportionately affects people of color, including adult homicide and domestic violence deaths. Also, a majority of youth reports having been victims of physical, psychological, and/or cyber bullying. The community indicated that the health need is also affected by the following factors: the cost and/or lack of activity options for youth, financial stress, dysfunctional family models, unaddressed mental and/or behavioral health issues among perpetrators, cultural/societal acceptance of violence, linguistic isolation, and lack of awareness of support and services for victims.

#### STRATEGIES TO IMPROVE COMMUNITY HEALTH

- 1. Consumer health library
- 2. Social work case management for vulnerable families and older adults
- 3. Training for clinicians on cultural competence
- 4. Training for clinicians on medical devices
- 5. Community health outreach and online interventions
- 6. Domestic violence services
- 7. Improve access to nutritious food
- 8. Support for cancer patients and their families
- 9. Promote physical activity and healthy lifestyles

#### **HEALTHY COMMUNITY PROPOSALS**

- 1. Cancer CAREpoint Nutrition Program
- 2. Chinese Health Initiative (El Camino Hospital)
- 3. Fresh Approach Freshest Cargo Mobile Farmers' Market
- 4. Great NonProfits Community Nudges Pre-diabetes Program
- 5. Health Connected Reproductive and Sexual Health Education Program
- 6. Health Library & Resource Center Los Gatos
- 7. Latinas Contra Cancer Decreasing Disparities and Increasing Healthy Outcomes Through A Preventative Approach
- 8. Leah's Pantry Food Smarts for Organizations
- 9. Next Door Solutions Comprehensive Services for Victims of Domestic Violence
- 10. Pre-diabetes Initiative (Hill & Company) Preventing Diabetes in the Latino Community
- 11. Project HEAL: Help to Eat, Accept, and Live. Communities of HEALing
- 12. Racing Hearts Santa Clara County (SCC) Automated External Defibrillator (AED) program
- 13. Second Harvest Food Bank Eat Well, Be Well
- 14. Silicon Valley Bicycle Coalition Pedal2Health
- 15. South Asian Heart Center (El Camino Hospital)

- 16. Teen Success, Inc. Teen Mother Support Program in San Jose
- 17. Valley Verde San Jose Gardens for Health
- 18. West Valley Community Services CARE
- 19. West Valley Community Services CARE Senior Services
- 20. YWCA Silicon Valley Valor Program

#### **HEALTHY COMMUNITY RECOMMENDED FUNDING: \$975,702**

Detailed descriptions of partner programs in the Healthy Community area follow. The Community Benefit Advisory Council (CBAC) consensus guided the funding recommendations found in the Plan.



### **Cancer CAREpoint**

Program Title	Cancer CAREpoint Nutrition Program					
Grant Goal	To improve healing and quality of life following a cancer diagnosis by developing healthier eating habits among cancer patients.					
Community Need	Cancer Institute, nutrition is a ma one's sense of taste, smell and ap	n Silicon Valley, 28 individuals are diagnosed with cancer each day. According to the National Cancer Institute, nutrition is a major issue facing cancer patients. Cancer and treatments can affect one's sense of taste, smell and appetite and can cause health problems such as anorexia, mouth sores, nausea, vomiting, diarrhea, constipation as well as depression and anxiety.				
Agency Description & Address	Cancer CAREpoint is the only local organization in the South Bay that provides free, non-medical support services to cancer patients and their families regardless of their cancer type, where they receive medical care, or their insurance status. This support includes counseling, classes in nutrition and movement, educational workshops, support groups for patients and caregivers, a wig bank, survivorship workshops, and access to a variety of integrative healing modalities such as yoga and massage.  2505 Samaritan Drive, Building 400, Suite 402, San Jose, CA					
Program Delivery Site(s)	Services will be delivered at the agency in San Jose, CA					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide cancer patients with private, individualized consults from a Registered Dietitian and Nutritionist</li> <li>Conduct workshops with a nutritionist and facilitate small group classes on managing fatigue, immune boosting, eating for better sleep, and sugar consumption</li> <li>Funds will support nutritionists to provide nutrition classes and program supplies.</li> </ul>					
FY18 Funding	FY18 funding requested: \$25,3	10 FY18 funding	recommen	ded: \$22,000	)	
	FY17	FY16		FY15		
Funding History and Metric Performance	FY17 Requested: \$20,000 FY17 Approved: \$20,000 FY17 6-month metrics met: 100%	N/A		N/A		
	Metrics		6-month Target	Annual Target		
FY18 Proposed	Individuals served		200	400		
Metrics	Nutrition class service hours prov			415	830	
	Participants who report a moderate to significant increase in understanding how cancer treatments and medications may affect nutrition			80%	80%	





#### **Chinese Health Initiative**

Program Title	Chinese Health Initiative					
Grant Goal		Increase awareness and identification of health disparities including hepatitis B, liver cancer, and hypertension among the Chinese community.				
Community Need	The incidence and mortality rates than those of whites.	s of liver cancer in the Chinese com	nmuni	ity are three tin	nes more	
Agency Description & Address	Chinese Health Initiative at El Camino Hospital addresses the unique health disparities in the growing Chinese population, and accommodates cultural preferences in education, screening, and the delivery of healthcare.					
	2500 Grant Road, Mountain View	r, CA				
Program Delivery Site(s)	The program services will be delicommunity centers.	vered at various community sites i	ncludi	ing senior cente	ers and	
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Conduct educational workshops to raise awareness of health disparities</li> <li>Provide screenings for hepatitis B and hypertension</li> <li>Produce newspaper articles and print material addressing health concerns specific to the Chinese community</li> <li>Funds will support partial staffing and program materials for screenings and outreach.</li> </ul>					
FY18 Funding	FY18 funding requested: \$30,0	00 FY18 funding recom	men	ded: \$30,000	)	
	FY17	FY16		FY15		
Funding History and Metric Performance	FY17 Requested: \$30,000 FY17 Approved: \$30,000 FY17 6-month metrics met: 100%	FY16 Approved: \$30,000 FY16 Spent: \$30,000 FY16 6-month metrics met: 100% FY16 annual metrics met: 67%		FY15 Approved: \$30,000 FY15 Spent: \$30,000 FY15 6-month metrics met: 100% FY15 annual metrics met: 100%		
FY18 Dual Funding	FY18 funding requested: \$239,	000 FY18 funding recom	men	ded: \$234,00	00	
	FY17	FY16		FY15		
<b>Dual Funding History</b>	FY17 Requested: \$215,200 FY17 Approved: \$215,200	FY16 Approved: \$190,200 FY16 Spent: \$190,200		FY15 Approved: \$ FY15 Spent: \$19		
	Metrics			6-month Target	Annual Target	
FY18 Proposed	Individuals served			75	150	
Metrics	Services provided			150	300	
	Participants who strongly agree of education or screening helps the	or agree that the program's health m better manage their health		N/A	90%	





#### **Fresh Approach**



Program Title	Freshest Cargo Mobile Farmers' Market – Increasing Access to Fresh Fruits & Vegetables					
Grant Goal	ease access to nutritious and affordable food and nutrition education in underserved nmunities. Freshest Cargo targets low-income communities and works to remove barriers to ess and affordability by bringing affordable, high-quality produce directly to community mbers.					
Community Need	viet-related diseases are prevalent among low-income populations. Significant barriers prevent ow-income families from consuming sufficient quantities and an adequate variety of fruits and egetables. These barriers include lack of access (significant distance from home to healthy food, and often lack of transportation), lack of income (inability to afford healthier choices), and lack of utrition knowledge. Fresh Approach's Freshest Cargo Mobile Farmers' Market program was eveloped to support healthy eating in areas where healthy foods are unavailable or unaffordable. In Santa Clara County, 28% of the population lives at or below 200% FPL (CHIS 2015). The 2016 community Health Needs Assessment indicates that Latino and African American communities have higher incidences of overweight and obesity than white communities, further reinforcing that iet-related conditions health conditions are more prevalent in low income minority populations and an intervention is required to reduce these disparities.					
Agency Description & Address	Fresh Approach was formed in 2008 by the Pacific Coast Farmers' Market Association to respond to the community need for access to nutritious food and health education. Fresh Approach improves healthy local food access, offers nutrition education programs, and provide outreach to low-income communities about CalFresh acceptance at Bay Area farmers' markets. Fresh Approach partners with community-based organizations, public health departments, community clinics, and other groups in the communities it serves. Programs are operated in six Bay Area counties including Santa Clara County.  5060 Commercial Circle, Suite C, Concord, CA					
Program Delivery Site(s)	<ul> <li>San Jose State University located at 1 Washington Square, San Jose, CA</li> <li>Valley Health Center located at 500 Tully Road, San Jose</li> <li>Valley Health Center located at 777 E Santa Clara St, San Jose, CA</li> </ul>					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>45 weeks of Freshest Cargo Mobile Farmers' Market service to offer low-cost, high quality fresh produce</li> <li>Deliver service two days per week, serving three different locations, to provide a total of 270 stops offering over 405 hours of service</li> <li>Provide funds for CalFresh and WIC participants to double the purchase value for fresh produce</li> <li>Funds support partial staffing, supplies and administrative costs.</li> </ul>					

[Continued on next page]





#### **Fresh Approach**

[Continued from previous page]

FY18 Funding	FY18 funding requested: \$ 90,0	FY18 funding recom	nmended: Do not	fund
Funding History and Metric Performance	FY17	FY16	FY15	
	N/A (Funding different program in ECHD)	N/A	N/A	
FY18 Dual Funding	FY18 funding requested: \$100	,000 FY18 funding recommen	ded: \$70,000 (for 2	2 programs)
	FY17	FY16	FY15	
Dual Funding History	FY17 Requested: \$97,017			
Dual Fullating History	FY17 Approved: \$35,000	N/A	N/A	
	FY17 6-month metrics met: 50%			
	Metrics		6-month	Annual
		Wietrics		Target
	Individuals served		270	810
FY18 Proposed	Mobile farmers' markets provide	90	270	
Metrics	Individuals who report increasing	N/A	60%	
	consumption since utilizing servi	ces		
	Individuals who report the price	r N/A	60%	
	much lower compared to other p	laces they shop		





#### **Great Nonprofits**

Program Title	Community Nudges: Interventions in Low-Income Latino Neighborhoods in Santa Clara County					
Grant Goal	Launch the Santa Clara Diabetes Motivation & Commitment Intervention through implementation of a Short Message Service (SMS)-based health intervention promoting behavioral changes among low-income Santa Clara County Latinos. The program will differentiate the participants and messages based on their stage of behavior change.					
Community Need	populations are at higher risk tha	Thirty-seven percent of U.S. adults aged 20 years or older have pre-diabetes. Low-income populations are at higher risk than the general population for developing type II diabetes. The disproportionate burden of disease particularly impacts Latinos in Santa Clara County.				
Agency Description & Address	feedback through nonprofit orga based survey designed to quickly to assist in informed health progr	GreatNonprofits is the leading developer of tools to promote community engagement and eedback through nonprofit organizations. Their tool, Street Chats, is a culturally appropriate, textoased survey designed to quickly and confidentially gather insights from low-income communities o assist in informed health program planning.  330 Twin Dolphin Drive, Suite 131, Redwood City, CA				
Program Delivery Site(s)	N/A (text-based messaging program reaching low-income Latinos in Santa Clara County)					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Implement innovative SMS intervention to promote behavioral changes related to diabetes and pre-diabetes</li> <li>Leverage recent findings to improve health behavior in underserved communities, moving participants up to the next stage of behavior change and readiness to change</li> <li>Provide incentives and positive reinforcement</li> <li>Collect data on self-reported behavior via SMS research technology</li> <li>Funds part of research and outreach program staff and a small amount of administrative costs.</li> </ul>					
FY18 Funding	FY18 funding requested: \$30,000 FY18 funding recommended: (Hypertension Initiative)* Do not fund  *Denotes a different program				und	
Funding History and Metric Performance	FY17  FY17 Requested: \$53,360  FY17 Approved: \$30,000  FY17 6-month metrics met: 100%	FY16  FY16 Approved: \$42,350  FY16 Spent: \$42,430  FY16 6-month metrics met: N/A  FY16 annual metrics met: 67%		FY15 N/A		
FY18 Dual Funding	FY18 funding requested: \$30,0		mended:	\$25,000		
	Λ	Metrics	6-n	nonth arget	Annual Target	
	Number of participants who receive text-message interventions			100	100	
FY18 Proposed Metrics	Response rate of post-intervention  Participants who report being models by at least half a drink per day	on survey otivated to reduce soda consumpti	on	25%	25%	
	by at least nair a drink per day				20%	





#### Health Connected NEW



Program Title	Reproductive and Sexual Health Education Program				
Grant Goal	Provide age-appropriate in-school comprehensive reproductive and sexual health education for students in Mountain View and Campbell.				
Community Need	Comprehensive reproductive and sexual health education are known to be effective in promoting contraceptive use and decreasing sexual risk-taking behaviors associated with STI/HIV transmission (Kirby, 2007). Without this vital information, young people face greater risks of pregnancy, sexually transmitted infections (STIs), and unwanted sexual activity. Despite considerable declines in the teen birth rate in the U.S. in recent decades and falling to a historic low in 2015, the U.S. teen birth rate is still one of the highest in the developed world (National Center for Health Statistics, 2016).				
Agency Description & Address	Health Connected helps young people feel confident and supported to make informed decisions about their own sexual health. Serving students, families, and teachers throughout California, primarily in San Mateo and Santa Clara counties, Health Connected provides comprehensive reproductive and sexual health education that is inclusive, anchored in medically-accurate information, and supportive of each individual's personal values.  480 James Avenue, Redwood City, CA				
Program Delivery Site(s)	<ul><li>10 schools in the Mountain View Whisman School District</li><li>6 schools in the Campbell Union High School Districts</li></ul>				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide Puberty Talk, age-appropriate education course</li> <li>Provide Teen Talk, middle school age-appropriate education</li> <li>Conduct a comprehensive assessment of the pre- and post-test responses to evaluate and refine our courses, curricula, and assessments.</li> <li>Funds support health educators and a youth services manager positions, and administrative costs.</li> </ul>				
FY18 Funding	FY18 funding requested: \$26,500 FY18 funding recommend	ded: Do not	fund		
	Metrics	6-month Target	Annual Target		
	Individuals served	1,320	2,900		
FY18 Proposed	Services provided  5 <sup>th</sup> grade students who report that the program made them feel more comfortable with their body and the changes that happen during puberty	33 N/A	86		
Metrics	8 <sup>th</sup> and 9 <sup>th</sup> grade students who are able to name two free and confidential teen-friendly clinics after receiving theTeen Talk Middle School course	N/A	85%		
	Parents/guardians or trusted adults who responded that they will feel more comfortable talking with the student about sex and/or relationships in the future after completing a communication homework assignment with the student	N/A	85%		





#### **Health Library & Resource Center Los Gatos**

Program Title	Health Library & Resource Center Los Gatos					
Grant Goal	,	This Health Library and Resource Center serves to improve health literacy and knowledge of care options for patients, families, and caregivers.				
Community Need	decisions. Without such informat	Individuals want and need accurate information to make the best possible healthcare and medical decisions. Without such information, they may undergo unnecessary treatment, fail to understand the impact of diet and exercise, ignore important warning signs, and waste healthcare dollars.				
Agency Description &	El Camino Hospital is a nonprofit Mountain View and Los Gatos.	El Camino Hospital is a nonprofit organization with hospital campuses in Mountain View and Los Gatos.				
Address	2500 Grant Road, Mountain View	v, CA				
Program Delivery Site(s)	The program services will be deli	The program services will be delivered at agency site.				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide access to vetted print, electronic, and online information sources coupled with professional assistance in selecting appropriate resources</li> <li>Conduct outreach to local senior centers</li> <li>Provide eldercare consultations and assist community members with developing a long-range care plan based on their personal family situation</li> <li>Funds will support partial staffing for a Librarian and supplies such as books and subscriptions.</li> </ul>					
FY18 Funding	FY18 funding requested: \$69,7	'02 FY18 funding recon	nmend	ded: \$69,702		
	FY17	FY16		FY15		
<b>Funding History and</b>	FY17 Requested: \$63,672	FY16 Approved: \$63,672 FY16 Spent: \$63,672		FY15 Approved: \$		
Metric Performance	FY17 Approved: \$63,672 FY17 6-month metrics met: 100%	FY16 6-month metrics met: 100% FY16 annual metrics met: 100%		.5 6-month metrics 15 annual metrics	met: 100%	
FY18 Dual Funding	FY18 funding requested: \$393,	.491 FY18 funding recon	nmend	ded: \$373,49	1	
	FY17	FY16		FY15		
Dual Funding History	FY17 Requested: \$393,491 FY17 Approved: \$393,491	FY16 Approved: \$393,491 FY16 Spent: \$393,491	FY15 Approved: \$453,616 FY15 Spent: \$406,169			
	Metrics			6-month Target	Annual Target	
	Individuals served			708	1,416	
FY18 Proposed Metrics		gly agree or agree that the library l manage their health or the health		65%	65%	
Individuals who strongly agree or agree that eldercare referrals				95%	95%	





### Latinas Contra Cancer



Program Title	Decreasing Disparities and Increasing Healthy Outcomes Through A Preventative Approach					
Grant Goal	This pilot program will recruit and train Spanish speaking women as community health workers, known as promotores, to provide robust one-on-one support that addresses barriers and encourage breast screenings for early detection.					
Community Need	Cancer was the leading cause of death in Santa Clara County in 2013, accounting for 2,372 deaths. Also, data show that members of some ethnic groups in Santa Clara County are more likely to be diagnosed or die from cancer than residents from other ethnic groups. The incidence and mortality rates of cancer have increased with age for both men and women, where women ages 25 to 44 and ages 45 to 64 with breast cancer had the highest incidence and mortality rates compared with other cancer sites.					
Agency Description & Address	Latinas Contra Cancer (LCC) was founded to address the void in culturally and linguistically sensitive programs that meet the health care needs of Latinos around issues of cancer. LCC serves low-income, Spanish speaking and immigrant Latinos from Napa to Santa Cruz, and Contra Costa to Monterey Counties, but the majority of its work has focused in Santa Clara County. LCC has educated over 5,000 Latinos about breast, cervical, prostate and colorectal cancer and achieved 500 hundred screenings over time amongst eligible residents without insurance.  255 North Market Street, Suite 175, San Jose, CA					
Program Delivery Site(s)	Program services will be delivered at various community sites, such as community centers and churches.					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide fifteen, two-hour breast cancer education sessions to underserved, Spanish speaking women</li> <li>Identify women over forty years of age and help them navigate into screening, link to resources, and provide support</li> <li>Assist women with abnormal screenings to get appropriate follow up services and work with clinic providers to connect women to a medical home</li> <li>Funds will support partial staffing and program supplies.</li> </ul>					
FY18 Funding	FY18 funding requested: \$44,638 FY18 funding recommend	ded: \$44,000	)			
	Metrics	6-month Target	Annual Target			
FY18 Proposed	Community members educated about breast cancer, prevention and screening	60	150			
Metrics	Participants identified who need screening	15	40			
	Participants identified who receive clinical breast exams	13%	80%			
	Participants identified who receive mammograms	13%	80%			





### Leah's Pantry NEW



Program Title	Food Smarts for Organizations						
Grant Goal	, , , ,	Address the challenges organizations face while implementing chronic disease and health promotion programs. Food Smarts for Organizations provides organizations with effective interventions, high-touch implementation support and follow-up training.					
Community Need	Food insecurity is associated with a greater risk of chronic disease. Diet-related diseases are considered a priority community health need for Santa Clara County, per the 2016 Community Health Needs Assessment. While it is widely understood that individuals face barriers to healthy behaviors, less publicized are the challenges that organizations face while implementing chronic disease and health promotion programs. The Second Harvest Food Bank of Santa Clara and San Wateo reported in 2014 that two-thirds of their clients have high blood pressure and more than one-third of their clients have diabetes.						
Agency Description & Address	Since 2006, Leah's Pantry staff has been providing nutrition and cooking workshops, staff training and resource development to low-income communities throughout California. Partnering with large and small social service organizations, food banks and government agencies, Leah's Pantry provides opportunities for low-income individuals to cook, eat, learn and share strategies for preventing chronic disease and living a healthier and happier life.  3019 Mission Street, San Francisco, CA						
Program Delivery Site(s)	<ul> <li>Sobrato Center for Nonprofits, 1400 Parkmoor Avenue, San Jose, CA</li> <li>Partner agencies of the Second Harvest Food Bank of Santa Clara and San Mateo Counties</li> </ul>						
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Deliver three day training events for agency staff and volunteers</li> <li>Provide three webinars for agency staff and volunteers</li> <li>Conduct up to six 5-week Food Smarts Workshops at agencies who participate in the training program and would like to start these workshops</li> <li>Conduct follow – up phone calls and support to all participants</li> <li>Funds support program staff time and some administrative costs.</li> </ul>						
FY18 Funding	FY18 funding requested: \$16,295 FY18 funding recommend	ded: Do not	fund				
	Metrics	6-month Target	Annual Target				
	Participating agencies	20	30				
FY18 Proposed	Class participants	75	300				
Metrics	Participants who report fewer barriers to conducting nutrition education with their clients	75%	90%				
	Participants who report consuming recommended amounts of fruits and vegetables all of time or most of the time						





#### **Next Door Solutions**

Program Title	Comprehensive Services for Victims of Domestic Violence					
Grant Goal		To support the emotional health needs of survivors of domestic violence by address the key needs of safety, stability and self-sufficiency.				
Community Need	All forms of domestic violence (physical, sexual, and psychological) have been linked to a range of negative mental health outcomes. Specifically, strong correlations have been established between violence and depression, anxiety, post-traumatic stress disorder (PTSD), and suicide ideation and action. If intervention does not come in time, consequences could include long-term or permanent depression, memory loss, and personality changes.					
Agency Description & Address		Next Door Solutions (NDS) helps women and children living with domestic violence transition from crisis to stability and self-sufficiency.  234 E. Gish Road, San Jose, CA				
Program Delivery Site(s)	<ul> <li>Community Office at 234 E. Gish Road, San Jose</li> <li>Support groups at PAMF (701 E. El Camino Real, Mountain View) and Saint Mary's Church (219 Bean Street, Los Gatos)</li> <li>HomeSafe sites that are private, unpublished locations</li> </ul>					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Community &amp; Systems Advocacy services that include one-to-one interaction with an advocate, walk-in crisis counseling, and peer counseling and legal advocacy</li> <li>Support groups in Spanish and English, including a support group for men</li> <li>24/7 crisis counseling at the agency's shelter and 24/7 hotline</li> <li>Provide risk assessments, safety planning, and assistance with restraining orders</li> <li>Self-sufficiency program that includes one-to-one interactions with an advocate and long-term intensive self-sufficiency case management</li> <li>Funds support part of program staff and some administrative costs.</li> </ul>					
FY18 Funding	FY18 funding requested: \$75	5,000 FY18 funding recon	nmended: \$75,000			
	FY17	FY16	FY15			
Funding History and Metric Performance	FY17 Requested: \$75,000 FY17 Approved: \$75,000 FY17 6-month metrics met: 100%	FY16 Approved: \$50,000 FY16 Spent: \$50,000 FY16 6-month metrics met: 80% FY16 annual metrics met: 100%	N/A			
FY18 Dual Funding	FY18 funding requested: N/A	FY18 funding recon	nmended: N/A			
	FY17	FY16	FY15			
<b>Dual Funding History</b>	FY17 Requested: \$6,773 FY17 Approved: \$6,773	N/A	N/A			





#### [Continued from previous page]

	Metrics	6-month Target	Annual Target
	Individuals served	77	154
	Services provided	566	1,133
FY18 Proposed	Support Group participants who respond that they can better manage stress when it occurs	70%	70%
Metrics	Community & Systems Advocacy program participants who respond that they have gained at least one strategy to increase their safety or increase their and their children's safety	70%	70%
	Clients newly engaged in Self-Sufficiency Case Management during the grant year who complete a risk assessment, safety planning and a self-sufficiency action plan	50%	50%





### **Pre-diabetes Initiative (Hill & Company)**

Program Title	Preventing Diabetes in the Latino Community					
Grant Goal	Promote awareness about diabet	tes and pre-diabetes in the Latino	comm	unity.		
Community Need	In Santa Clara County, 140,500 (10%) of adults reported having been diagnosed with pre-diabetes in 2013-14. According to the CDC, approximately 1 in 3 U.S. adults is pre-diabetic. Of these, 9 out of 10 are unaware of their risk. About 15 to 30 percent of people with pre-diabetes will develop type 2 diabetes within 5 years. Diabetes among Latinos is nearing 11 percent in California, higher than all other ethnicities in the state.					
Agency Description & Address	and strategically focused health of	Hill & Company specializes in the development and implementation of public relations initiatives and strategically focused health communication programs.  1290 B Street, Suite 201, Hayward CA				
Program Delivery Site(s)	The program will be delivered to community members who live, work or go to school in Campbell, San Jose, Santa Clara, Mountain View, and Sunnyvale.				Campbell,	
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Integration of American Diabetes Association's pre-diabetes program information</li> <li>Conduct outreach program using trained community health workers</li> <li>Implement a texting intervention</li> <li>Coordination of development and delivery of culturally relevant materials</li> <li>Broadcast media through Telemundo and Radio Lazer</li> <li>Manage program website that includes digital CDC risk assessment, resources and access to local clinics</li> <li>Funds will support staffing to supervise and deliver program activities, media, health education materials and program supplies.</li> </ul>				nd access	
FY18 Funding	FY18 funding requested: \$207,	288 FY18 funding recon	nmend	ded: \$150,00	00	
	FY17	FY16		FY15		
Funding History and Metric Performance	FY17 Requested: \$214,950 FY17 Approved: \$200,000 FY17 6-month metrics met: 67% (Media deployment rescheduled to second half of grant cycle to optimize timing around the new year and health improvement; anticipate reaching annual targets.)	N/A		N/A		
	Metrics			6-month Target	Annual Target	
FY18 Proposed		hrough Promotores outreach proยู	gram	1,500	3,500	
Metrics	CDC Pre-diabetes Risk-Assessmer			1,200	3,000	
ivicti163	Health behavior surveys administ			1,050	2,450	
	Impressions through culturally re			N/A	955,000	
	Impressions through culturally relevant radio ads		N/A	511,800		





### Project HEAL: Help to Eat, Accept, and Live.

Program Title	Communities of HEALing				
Grant Goal	This pilot peer support program will provide localized support for individuals at all levels of eating disorder recovery as well as a community for those in recovery to engage in activities that support body positivism and eating disorder awareness				
Community Need	According to the National Association of Anorexia Nervosa & Associated Disorders, 20% of people with serious eating disorders die without treatment. With treatment, the mortality rate falls to 3%. As a result, only 1 in 10 people receive treatment for their eating disorder. Early detection, intervention and treatment are essential for successful treatment and full recovery.				
Agency Description & Address	The founders of the agency met while undergoing treatment for anorexia nervosa at 13 years-old.  The two girls helped each other to reach full recovery, and decided to help others achieve it as well. In the spring of 2008, Project HEAL was founded to raise money for others suffering with eating disorders who want to recover but are unable to afford treatment.  38-18 West Drive, Douglaston, NY				
Program Delivery Site(s)	Program services will be delivered in Santa Clara County				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide one-on-one mentorship, training for mentors, and training meal support coaching</li> <li>Conduct weekly support group led by peers in active recovery and coach facilitated meal support</li> <li>Implement evidence-based eating disorder prevention program, The Body Project</li> <li>Develop an evidence base for program</li> <li>Funds will support partial staffing and program supplies.</li> </ul>				
FY18 Funding	FY18 funding requested: \$22,500 FY18 funding recommend	ded: Do not	fund		
	Metrics	6-month Target	Annual Target		
	Individuals served	24	60		
FY18 Proposed	Services provided	343	1,051		
Metrics	Participants who experience at least a significant reduction as measured by Eating Pathology Symptoms Inventory scores	10%	20%		
	Participants who experience at least a significant improvement in quality of life as measured by eating disorder quality of life scale	10%	20%		





### **Racing Hearts**

Program Title	Santa Clara County (SCC) Automated External Defibrillator (AED) program					
Grant Goal	Racing Hearts is partnering with the SCC Public Health Department and the SCC Board of Supervisors to provide AED programs to at risk community locations to help increase heart safety in our community.					
Community Need	_	according to the American Red Cross, about 300,000 American's die of sudden cardiac arrest (SCA) ach year. SCA results in more deaths than from breast cancer, lung cancer, colon cancer, and HIV ombined.				
Agency Description & Address	defibrillators. Racing Hearts emp arrest. Established in 2012, Racin placing over 200 AEDs to date. In Camino Hospital to update CA AE states relative to AEDs. The curr	The mission of Racing Hearts is to increase awareness of and improve access to automated external defibrillators. Racing Hearts empowers people to use AEDs to save lives during a sudden cardiac errest. Established in 2012, Racing Hearts has increased the heart safety of over 350,000 people clacing over 200 AEDs to date. In 2015, Racing Hearts pioneered AED legislation alongside El Camino Hospital to update CA AED law (SB658), making California one of the most progressive states relative to AEDs. The current program with the SCC Board of Supervisors includes a dollar for dollar matching reserve of up to \$500,000 to place AEDs in the county.				
Program Delivery Site(s)	Services will be delivered in SCC Sherriff and San Jose Police Department vehicles that serve individuals who live, work or go to school in the Hospital's service area.					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide staffing for AED program manager</li> <li>Program manager will coordinate site assessments between AED location and the vendor which includes supplies for the first five years and service/maintenance from the vendors for the first three years</li> <li>Funds will support the program manager position.</li> </ul>					
FY18 Funding	FY18 funding requested: \$25,0		 mmended: \$25,000	)		
	FY17	FY16	FY15			
Funding History and Metric Performance	FY17 Requested: \$25,000 FY17 Approved: \$25,000 FY17 6-month metrics met: 100%	N/A	N/A			
	/	Metrics	6-month Target	Annual Target		
FY18 Proposed	AEDs placed		100	200		
Metrics	AED programs managed		20	25		
	Teachers and/or staff who attend knowing 3+ steps to do when an	•	80%	80%		





#### **Second Harvest Food Bank of Santa Clara and San Mateo Counties**

NEW

Program Title	Eat Well, Be Well					
Grant Goal	Increase access to healthy foods through a food distribution network, increase consumption of healthy foods through nutrition education activities, and encourage healthy eating behaviors through nutrition education.					
Community Need	Nearly 30% of the region's population does not make enough money to meet their basic needs without public or private, informal assistance (Joint Venture Silicon Valley, 2016). Among Second Harvest Food Bank clients nationally, 67% report purchasing cheap, calorie-dense nutrient-poor food to feed their families, 35% report watering down food and drinks, 63% of households report a family member with high blood pressure and 33% of households report someone in the home with diabetes (Feeding America, Hunger in America Study 2014).					
Agency Description & Address	Second Harvest Food Bank provides food for people in need. Since inception in 1974, Second Harvest has become one of the largest food banks in the nation, providing food to approximately a quarter of a million people each month. It is the primary non-government source of free food for individuals with limited incomes and few resources to access healthy food. Second Harvest's vision is a hunger-free community with a mission is to ensure that anyone who needs a healthy meal can get one.  4001 N. 1 <sup>st</sup> , Street, San Jose, CA					
Program Delivery Site(s)	Local Second Harvest Food Bank distribution sites					
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Deliver nutrition education and resources</li> <li>Recruit and maintain Health Ambassador Volunteers to conduct nutrition education</li> <li>Food demonstration interactive lessons</li> <li>Provide three Train-the-Trainer events for Family Harvest and Brown Bag Site Chairs</li> <li>Conduct three focus groups with 8 – 10 clients each to further nutrition education efforts</li> <li>Funds support the Nutrition Education Coordinator role to implement services.</li> </ul>					
FY18 Funding	FY18 funding requested: \$40,000 FY18 funding recommend	ded: \$40,000				
	Metrics	6-month Target	Annual Target			
	Individuals served through nutrition education services	6,000	12,000			
EV10 Dranged	Food demonstration interactive lessons provided at sites	50	100			
FY18 Proposed Metrics	Clients who report that half of each meal should include fresh fruits and vegetables	N/A	30%			
	Clients who report that their family eats more fruits and vegetables through participation in the program	N/A	70%			
	Clients who report that they are comfortable preparing healthy food	N/A	50%			





### **Silicon Valley Bicycle Coalition**

NEW

Program Title	Pedal2Health				
Grant Goal	Organize monthly bike rides and safety education classes for underserved communities, serving residents at affordable housing developments in East San Jose to improve health, build community between law enforcement and low income residents, improve street safety, and create lasting bike riding habits.				
Community Need	Low-income communities suffer disproportionally from obesity and unsafe streets. This program addresses unintentional injuries and obesity. One in five Santa Clara County residents is obese. This number can be higher depending upon age, ethnicity, income and other factors and is 33% in Latino adults and high amongst low income individuals. Furthermore, there has been a 32% increase in emergency department visits for bicycle-involved injuries in Santa Clara County between 2009 and 2013. Half of those injured were not wearing a helmet. When looking at where those collisions occur in San Jose, most occur in lower-income neighborhoods.				
Agency Description & Address	Silicon Valley Bicycle Coalition (SVBC) works with government partners, robusiness partners, and community members to reach the overarching go taken by bike in 2025.  96 North Third Street, San Jose, CA				
Program Delivery Site(s)	Services will be delivered to affordable housing developments in East San Jose.				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Coordinate monthly bike rides to teach bike safety skills and increase familiarity with biking highlighting routes to everyday destinations such as the library and Mexican Heritage Plaza.</li> <li>Coordinate monthly commute workshops to teach safe bike riding practices</li> <li>Provide lessons on proper usage of safety equipment, such as helmets and bike lights</li> <li>Develop and disseminate common and safe bike routes to popular destinations in the target communities</li> <li>Deliver Vision Zero Education, a program adopted by the City of San Jose and promoted by agency to reduce roadway injuries</li> <li>Deliver Bike Ambassador Trainings to two residents in each community to promote safe biking culture after program completion</li> <li>Funds support program staff to implement program.</li> </ul>				
FY18 Funding	FY18 funding requested: \$30,000 FY18 funding recommend	ded: \$30,000	)		
	Metrics	6-month Target	Annual Target		
FY18 Proposed	Individuals served Individuals participating in community bike ride events with police officers	100	200		
Metrics	Bike safety workshop attendees	150	300		
	Community bike ride events	6	12		
	Increase in participants who report riding 6-10 times per year	N/A	20%		
	Increase in participants who report riding 1-2 times a month	5%	10%		





#### **South Asian Heart Center**

Program Title	South Asian Heart Center					
Grant Goal	This program will increase awareness of heart disease risk in South Asians and engage participants in a therapeutic lifestyle program.					
Community Need		South Asians have a disproportionate burden of heart disease and diabetes at younger ages, and suffer two-times the rate of mortality from cardiac events compared to the general population.				
Agency Description & Address	The mission of the South Asian Heart Center at El Camino Hospital is to reduce the high incidence of coronary artery disease among South Asians and save lives through a comprehensive, culturally-appropriate program incorporating education, advanced screening, lifestyle changes, and case management.					
	2500 Grant Road, Mountain View	r, CA				
Program Delivery Site(s)	Services will be delivered at the a	agency office and various commun	ity sites			
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Conduct health assessment and development of risk reduction plan for participants</li> <li>Engage participants in the AIM to Prevent Program</li> <li>Provide outreach, workshops on lifestyle topics, specialized nutrition and exercise counseling, and grocery store tours</li> <li>Deliver trainings that provide Continued Medical Education (CME) units for physicians</li> <li>Funds will support partial staffing and program supplies.</li> </ul>					
FY18 Funding	FY18 funding requested: \$360,	.000 FY18 funding recon	nmended:	\$240,00	00	
	FY17	FY16		FY15		
Funding History and Metric Performance	FY17 Requested: \$360,000 FY17 Approved: \$360,000 FY17 6-month metrics met: 100%	FY16 Approved: \$400,000 FY16 Spent: \$400,000 FY16 6-month metrics met: 100% FY16 annual metrics met: 100%	FY FY15 6-r	FY15 Approved: \$400,000 FY15 Spent: \$344,000 FY15 6-month metrics met: 100% FY15 annual metrics met: 50%		
FY18 Dual Funding	FY18 funding requested: \$180,	.000 FY18 funding recon	nmended:	\$180,00	00	
	FY17	FY16		FY15		
<b>Dual Funding History</b>	FY17 Requested: \$180,000 FY17 Approved: \$180,000	FY16 Approved: \$180,000 FY16 Spent: \$180,000		FY15 Approved: \$200,000 FY15 Spent: \$186,144		
	Λ	Metrics		-month Target	Annual Target	
	Individuals served			650	1,200	
FV4.0 Duamanad	Services provided			2,250	6,400	
FY18 Proposed	Improvement in average level of	weekly physical activity from base	line	19%	20%	
Metrics	Improvement in average levels of daily servings of vegetables from baseline		20%			
	Improvement in levels of HDL-C a	as measured by follow-up lab test		4%	5%	
	Improvement in chalesteral ratio	as measured by follow-up lab test	+	7%	7%	





### Teen Success, Inc.



Program Title	Teen Mother Support Program in San Jose			
Grant Goal	The Teen Mothers Support Program works with teen mothers to help break the cycle of poverty by			
	supporting them in reaching their educational and life goals.			
	In 2014, there were 28,456 births to females under 20 years of age in Cal	•		
	Department of Public Health). While teen birth rates have decreased sign	•	•	
	years, there are areas of California where significant disparities exist, inclour San Jose Teen Mothers Support Program takes place. Only 38% of tee	_		
Community Need	finish high school (National Campaign to Prevent Teen and Unplanned Pr		•	
,	high school graduates, high school dropouts are less likely to earn a living			
	to rely on public assistance, engage in crime, and generate other social co			
	18% of teen mothers nationally have a second child as a teen, which can			
	ability to finish high school (National Campaign to Prevent Teen and Unp			
	Teen Success, Inc. is a nonprofit organization committed to the success o children. It is Teen Success, Inc.'s strong held belief that having a baby as			
	barrier to success in school or in life. We believe that education is a key for		•	
Agency Description &	of poverty and we believe that if provided with the right combination of information, skills,			
Address	opportunities, and support, teen mothers can reach their goals and make better lives for			
	themselves and their children.			
	08 Valley Way, Milpitas, CA			
Program Delivery	Group sessions provided at Mayfair Community Center in East San Jose			
Site(s)	Individual sessions provided at schools, community centers and individual's homes			
	Provide one-to-one coaching, case management, and peer support g	groups		
Services Funded By	Provide social emotional learning 20—week course  Deliver a greating a dynastic greating.			
Grant/How Funds Will Be Spent	<ul> <li>Deliver parenting education</li> <li>Funds will support partial salaries and benefits for program advocates and childcare providers as</li> </ul>			
viii be opene	well as supplies, member stipends, snacks and training.	a cililacare pro	viders as	
FY18 Funding	FY18 funding requested: \$20,000 FY18 funding recommend	ded: \$20,000		
		6-month	Annual	
	Metrics	Target	Target	
FY18 Proposed	Individuals served (five mothers and five children)	10	10	
Metrics	Services provided to teen mother	80	160	
11.00.103	Individuals who maintain their family size through program completion	95%	95%	
	Individuals who increase their developmental assets with at least 75%	85%	95%	
	of assets measuring in the adequate or thriving categories			





#### **Valley Verde**



Program Title	San Jose Gardens for Health				
Grant Goal	nprove the long-term health outcomes of low-income residents of San Jose through a home-ased gardening program which provides raised-bed gardens, supplies and workshops about urban ardening, nutrition and healthy cooking.				
Community Need	described in the 2016 Community Health Needs Assessment, Santa Clara County health orities include addressing cardiovascular health, obesity and diabetes, all of which are strongly rrelated with diet. According to the report, youth consumption of fruits and vegetables is worse Santa Clara County than in the state overall, and the county has more fast food restaurants, wer grocery stores, and fewer WIC-authorized stores per capita. Rates of cardiovascular disease, esity and diabetes are highest among Latinos, who also have some of the highest rates of verty in our county. These health disparities have been confirmed in various reports, including a 2016 Community Health Needs Assessment and the Santa Clara County Public Health partment's Latino Health Fact Sheet.				
Agency Description & Address	alley Verde supports the health of Santa Clara County residents by empowering them with the nowledge and skills to grow healthy organic food for themselves and their communities. Valley erde helps low-income families learn to grow healthy food in their own backyards and share that nowledge with others. Programs include teaching gardening and healthy cooking skills to meet ach family's cultural needs, encouraging outdoor physical activity, fostering a sense of community a gardeners, and raising awareness of health and environmental issues. Valley Verde also brings adership and entrepreneurship opportunities to revitalize low-income communities.				
Program Delivery Site(s)	<ul> <li>Program delivery will take place at several locations:</li> <li>Participants' homes where garden beds are installed</li> <li>Valley Verde's office located at 376 West Virginia Street, San Jose, CA</li> <li>The following apartment complexes through partnership with The Health Trust's "Food for Everyone" project:         <ul> <li>Cambrian Center Apartments at 2360 Samaritan Place, San Jose, CA</li> <li>El Rancho Verde Apartments at 303 Checkers Drive, San Jose, CA</li> </ul> </li> </ul>				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Building of organic vegetable garden beds in low-income family homes, including necessary plants, infrastructure, and supplies for a year</li> <li>Deliver monthly workshops on nutrition, healthy cooking and gardening techniques</li> <li>Provide training for gardening participants to serve as mentors for new families</li> <li>Conduct monthly in-home visits with mentors to provide advice, encouragement, resources and problem-solving</li> <li>Funds support program staff time and supplies.</li> </ul>				
FY18 Funding	FY18 funding requested: \$35,000 FY18 funding recommended: \$35,000				

[Continued on next page]





#### **Valley Verde**



[Continued from previous page]

	Metrics	6-month	Annual
	IVIETICS	Target	Target
	Individuals/households served	108/24	189/42
	Services provided	66	153
FY18 Proposed Metrics	Participants reporting increased food security by at least one level on the USDA range, as measured by pre- and post-participation surveys	80%	80%
	Participants who report an increased consumption of organic vegetables as a result of the intervention	85%	85%
	Participants reporting an increase in their knowledge of nutrition and healthy cooking as a result of the intervention	80%	80%





#### **West Valley Community Services – CARE**

Program Title	Community Access to Resources and Education (CARE)				
Grant Goal	This program will increase access to healthcare and social services by providing comprehensive case management for families with children, at-risk youth, older adults, individuals and disabled adults with low-income or fixed-income, and individuals who are homeless or at-risk of becoming homeless.				
Community Need	Due to the high cost of living in West Valley Community Services' service area, many clients lack health insurance and are not connected to available services primarily due to a lack of knowledge, time, and accessibility. A recent Santa Clara County Quality of Life assessment indicated four major areas of need: coordinated comprehensive services, transportation, affordable housing, and homebased supportive services.				
Agency Description & Address	Gatos, Monte Sereno, Saratoga, a support, housing assistance, finar	West Valley Community Services is a nonprofit provider of community services in Cupertino, Los Gatos, Monte Sereno, Saratoga, and West San Jose. They offer assistance with food, family support, housing assistance, financial assistance, and case management.			
Program Delivery Site(s)		10104 Vista Drive, Cupertino, CA  Services will be delivered at agency site			
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide benefits assistance, where case managers work with clients so that they understand the application process, processing time and their legal rights, as well as overall education on how these programs help clients with transitioning to self-sufficiency</li> <li>Provide one-time emergency financial assistance provides one-time emergency financial assistance for homeless prevention to help families avoid eviction and maintain housing and/or rapid re-housing to help re-house families that have been displaced</li> <li>Provide financial coaching and resources on understanding the credit score and repairing credit, creating a savings plan, or learning more about how to better manage money</li> <li>Deliver employment services including assistance with resumes and cover letters, career assessment, job searches, and interview training</li> <li>Provide food pantry access</li> <li>Conduct educational and nutritional workshops</li> <li>Funds will support partial staffing and program materials.</li> </ul>				ell as overall ncy financial housing repairing oney
FY18 Funding	FY18 funding requested: \$150,	000 FY18 funding recomn	nend	led: \$150,00	00
Funding History and Metric Performance	FY17  FY17 Requested: \$150,000  FY17 Approved: \$150,000  FY17 6-month metrics met: 100%	FY16  FY16 Approved: \$150,000  FY16 Spent: \$150,000  FY16 6-month metrics met: 80%  FY16 annual metrics met: 100%	FY1	FY15 FY15 Approved: \$126,150 FY15 Spent: \$126,150 Y15 6-month metrics met: 75% FY15 annual metrics met: 100%	
		Metrics		6-month Target	Annual Target
FV40 D	Households served			63	122
FY18 Proposed Metrics	Households that receive intensive	-	4	30	60
ivietrics	by Self Sufficiency Index	sed in 3 of the 18 domains measure	u	N/A	80%
	Program participants who will im	prove by at least one point in the		N/A	60%



health domain through supportive services



#### **West Valley Community Services – CARE Senior Services**

Program Title	Community Access to Resources and Education (CARE) Senior Services				
Grant Goal	This program will provide case management to older adults.				
Community Need	An estimated 207,369 seniors live below 150% federal poverty line (FPL) in Santa Clara County, a designation that means they are living on less than \$907 of monthly income for a single-person or \$1,225 of monthly income for a couple. Poverty creates barriers to access including health services, healthy food, and other necessities that contribute to poor physical and mental health. Poverty affects Santa Clara County's seniors differently based on different races and ethnicities. Asian, Hispanic, and Black seniors are more likely to be living below the federal poverty line. There are also significant cultural and linguistic barriers found among seniors accessing services, and an overall lack of services available to meet specific cultural needs.				
Agency Description & Address	Gatos, Monte Sereno, Saratoga, a	West Valley Community Services is a nonprofit provider of community services in Cupertino, Los Gatos, Monte Sereno, Saratoga, and West San Jose. They offer assistance with food, family support, housing assistance, financial assistance, and case management.  10104 Vista Drive, Cupertino, CA			
Program Delivery Site(s)	Services will be delivered at agency site				
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>Provide weekly check-ins and if needed, home visits</li> <li>Coordinate services with other local senior programs</li> <li>Classes on managing health conditions, healthy diet, and fall prevention</li> <li>Funds will support partial staffing and program materials.</li> </ul>				
FY18 Funding	FY18 funding requested: \$25,0	00 FY18 funding recom	mend	led: \$25,000	)
	FY17	FY16		FY15	
Funding History and Metric Performance	FY17 Requested: \$25,000 FY17 Approved: \$25,000 FY17 6-month metrics met: 100%	FY16 Approved: \$25,000 FY16 Spent: \$25,000 FY16 6-month metrics met: 100% FY16 annual metrics met: 100%	FY1	FY15 Approved: \$ FY15 Spent: \$2 5 6-month metrics 15 annual metrics	5,000 s met: 100%
	^	Metrics		6-month	Annual
				Target	Target
	Individuals served			10	22
FY18 Proposed	Encounters provided			125	245
Metrics	Participants enrolled in Workshops and Activities			10	20
	Isolated seniors will be connected improve their self-sufficiency and	•		5	10
	Case Managed Client who increased by Self Sufficiency matrix	sed in 3 of the 18 domains measure	ed	N/A	90%



# FY18 Healthy Community Proposal Summary



## **YWCA Silicon Valley**



Program Title	YWCA Silicon Valley Valor Program		
Grant Goal	The YWCA Silicon Valley's Valor Program, or Early Intervention Prostitution established in July 2014. The program is a direct result of partnership beto County District Attorney's Office and the YWCA. The Valor Program provious and referrals to support participants who are trying to leave the life of seare charged with a first-time offense for solicitation of a sex act or loitering prostitution, and deemed eligible by the DA's office, are referred to the Yerogram.	tween the Santa ides information ex work. Individing ing with the inte	a Clara n, tools, uals who ent of
Community Need	YWCA Silicon Valley believes providing much needed support to some of vulnerable survivors of sexual assault, including people escaping a life in our community. The YWCA Silicon Valley Valor Program utilizes the interprevention/intervention or skill-building programs for adults, focused on or depression to improve general mental health.	prostitution, is vention of grou	critical to p
Agency Description & Address	The YWCA Silicon Valley is dedicated to eliminating racism, empowering peace, justice, freedom and dignity for all. As the first and only multi-ser Santa Clara County, the YWCA Silicon Valley empowers and heals, and m women, children and families to flourish by providing services in the follochildcare, clinic and school-based counseling, domestic violence, human and youth education.  375 S. Third Street, San Jose, CA	vice agency for akes it possible owing core area	women in for s:
Program Delivery Site(s)	YWCA: 375 S. Third Street, San Jose, CA		
Services Funded By Grant/How Funds Will Be Spent	<ul> <li>YWCA Silicon Valley will implement a total of four, eight-week Valor Program Cohort is divided into the following two components</li> <li>50 minute-individual and/or group therapeutic support group; to is trauma-informed, participants can choose individual or group of 90 minute-education and information workshops focusing on togetrauma, healthy relationships, and self-care</li> <li>Funds will support two Marriage and Family Therapy Interns (MFTI), suppose speakers.</li> </ul>	: o ensure that th option pics such as STD	e program health,
FY18 Funding	FY18 funding requested: \$25,000 FY18 funding recommend	ded: \$20,000	)
	Metrics	6-month Target	Annual Target
FY18 Proposed	Individuals served	20	40
Metrics	Services provided Individuals who successfully complete the program will increase their	70	152
	knowledge of trauma and the effects of trauma on their lives	65%	65%
	Individuals completing the program	60%	60%



## **Financial Summary**

Requested Grant Funding: \$4,078,298

Sponsorship funding: \$195,000

Placeholder: \$100,000

Total: \$4,373,298

Recommended Grant Funding: \$2,993,773

Sponsorship funding: \$195,000

Placeholder: \$100,000

Total: \$3,288,773

## Conclusion

The community health needs assessment revealed three significant areas of health needs in El Camino Hospital's target communities: healthy bodies, healthy minds, and healthy communities. These needs overlap with one another, in that persons having one of these health needs are likely to face challenges in another. El Camino Hospital's Community Benefit grant portfolio is targeted to address the needs in and across each of the three health priority areas through integrated and coordinated funding.

The grants proposed in this plan have been carefully screened based on their ability to impact at least one of the three priority areas. The Board of Directors' support of this Community Benefit plan will allow El Camino Hospital to continue responding to the most pressing needs faced by the most vulnerable residents in our communities.

The premise — and the promise — of community benefit investments is the chance to extend the reach of hospital resources beyond the patient community, and address the suffering of our most underserved, at-risk community members. These annual community grants provide an essential, potentially life-saving resource to people who do not have access to healthcare. Community Benefit dollars fill important gaps by funding critical, innovative services that would otherwise not be supported. The Community Benefit plan helps El Camino Hospital fulfill its mission of improving the health and wellness of the entire community, far beyond the hospital walls.



# **FY17 Midterm Dashboard Overview**

35 grants

7 new grants

86% of grants met at least 90% of metrics

93% of metrics met

12% of metrics are new metrics

Target variance from FY16: 50% flat, 17% decrease, 33% increase

# FY17 Expanded Midterm Dashboard Guide

The FY17 Expanded Midterm Dashboard provides data for programs funded in FY17, FY16, and/or FY15.

- □ Column C: All FY17 metrics
- □ Columns D S: 6-month and annual targets and actuals, and percent of all metrics achieved by grant
  - FY15 6-month target and actual (Column D & E)
  - FY15 annual target and actual (Column H & I)
  - o FY15 and FY16 6-month & annual percent of metrics met (Columns G, K, O & S)
    - Note: Only those with FY17 trending metrics appear on this dashboard
  - FY16 6-month target and actual (Column L & M)
  - FY16 annual target and actual (Column P & Q)
- □ A dash "−" represents either 1) agency is a new FY17 partner so no metrics from prior years, or 2) new metric with no previous data
- A metric receives a "green dot" if the target was met, exceeded or within 10% of the target goal
- □ A metric receives a "red dot" if the target was not met in excess of 10% of the target goal
- N/A There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year



Health Priority Area (Column A)	Partner (Column B)	FY17 Metrics (Column C)	FY15 6-month target (Column D)	FY15 6-month actual (Column E)	FY15 % of ALL 6- month metrics met	FY15 Annual target (Column H)	FY15 Annual actual ( Column I)	• AL	Y15 % of LL annual etrics met Column K)	FY16 6-month target (Column L)	FY16 6-month actual (Column M)	• m m met	Y16 %of ALL 6- month metrics et (Column O)	FY16 Annual target (Column P)	FY16 Annual Actual (Column Q)	FY16 9 ALL an metrics	nual met	FY17 6-month target (Column T)	FY17 6-month actual (Column U)	•	FY17 Annual Target (Column W)	FY17 % 6-mont metrics met (Column X)	th Supporting Details for Variance and Trending (Column Y)
	<b>5-2-1-0</b> FY17 Requested: \$20,000	Students served	2,100	2,200	•	2,500	2,946	•		3,500	4,066	•		4,562	6,500	•		3,700	5,300	•	6,300		New program component was added at the beginning of the school year which significantly increased the number of students served.
	FY17 Approved: \$20,000 FY16 Approved: \$29,500 FY16 Spent: \$2,638 FY15 Approved: \$15,000 FY15 Spent: \$4,669	Students who report being active one or more hours per day after 5210 engagement	N/A	N/A	100%	50%	60%	•	100%	N/A	N/A	1	100%	50%	53%	• 100	%	N/A	N/A		53%	100%	Data collected at the close of the school year.  Note: in FY15 and FY16, metric qualifier was 0-1/day; qualifier adjusted to 0/day
	New Metrics: 0 of 3	Students who report the knowledge to limit sweetened beverage to 0 per day after 5210 engagement	N/A	N/A		70%	71%	•		N/A	N/A			70%	68%	•		N/A	N/A		70%		to strengthen metric.
	<b>BAWSI</b> FY17 Requested: \$18,500 FY17 Approved: \$16,000	Youth served	48	65	•	96	131	•		55	61	•		110	128	•		60	65	•	120		
	FY16 Approved: \$15,000 FY16 Spent: \$15,000 FY16 Spent: \$11,000 FY15 Approved: \$11,000	Average weekly attendance	80%	90%	80%	80%	81%	•	100%	80%	88%	• 1	100%	80%	82%	• 100	%	80%	88%	•	80%	100%	
	New Metrics: 0 of 3	Focus Girls who are observed to have improved behavior or attitudes after each season	80%	100%	•	80%	100%	•		80%	100%	•		80%	100%	•		90%	85%	•	90%		
	Breathe California FY17 Requested: \$50,000	Parents, children, teachers, and care providers trained on asthma management	-	-		-	-			-	-			-	-			80	87	•	350		
	FY17 Approved: \$50,000 FY16 Approved: N/A FY16 Spent: N/A FY15 Approved: N/A FY15 Spent: N/A	Trained parents, teachers, and childcare providers who gain at least a 35% increase in knowledge of asthma management, environmental triggers and remediation steps.	-	-	New Partner in FY17	-	-		w Partner in FY17	-	-	Par	New artner in FY17	-	-	Nev Partne FY1		55%	70%	•	55%	100%	
	New Metrics: N/A	Parents reporting their children gained at least a 30% increase in knowledge/skills after receiving multi-session education	-	-		-	-			-	-			-	-			45%	83%	•	45%		
	Commhall Union Saha al District	Students served	1,951	2,051	•	3,902	4,102	•		2,051	2,380	•	-	4,102	4,512	•		2,060	2,073	•	3,924		
	Campbell Union School District School Nurse Program	Uninsured students who have applied for healthcare insurance	30%	50%	•	62%	79%	•		30%	46%	•		65%	73%	•		35%	38%	•	70%		
HEALTHY BODY	FY17 Requested: \$215,000 FY17 Approved: \$215,000 FY16 Approved: \$225,000	Students with a failed health screening who saw a healthcare provider	20%	25%	100%	70%	77%	•	100%	20%	18%	1	100%	70%	76%	80%	6	20%	45%	•	72%	100%	Adding the Vision to Learn program removed a significant barrier for low income families resulting in students receiving glasses in a shorter period of time.
700 700 700 700	FY16 Spent: \$225,000 FY15 Approved: \$219,787 FY15 Spent: \$219,787	Students identified as needing urgent dental care through on-site screenings who saw a dentist	N/A	N/A		80%	77%	•		N/A	N/A			80%	81%	•		N/A	N/A		80%		Dental screenings conducted in second half of grant year.
Ф	New Metrics: 0 of 5	Schools with at least 25% of staff CPR certified	25%	69%	•	85%	85%	•		40%	67%	•		100%	83%	•		65%	73%	•	100%		
	Challenge Diabetes Program	Clients served in the program	N/A	N/A		200	282	•		300	458	•		300	458	•		375	542	•	375		Successfully retained clients who were eligible for year two of the program.
	FY17 Requested: \$200,922 FY17 Approved: \$200,922 FY16 Approved: \$168,953	Clients post-screened for HbA1c	N/A	N/A		200	245	•		N/A	N/A			300	358	•		N/A	N/A		250		Post-screenings are conducted in second half of grant year.
	FY16 Spent: \$113,731 FY15 Approved: \$62,578 FY15 Spent: \$59,299	Participants who report a moderate to significant increase in their knowledge of the risks and causes of diabetes	N/A	N/A		30%	18%	•		N/A	N/A			30%	84%	•		N/A	N/A		70%		
	New Metrics: 0 of 5	Participants who have made at least one life style improvement as measured by pre/post-test (increased consumption of fruits/vegetables, decreased consumption of high sugar/fat foods, and/or increased physical activity)	N/A	N/A		30%	60%	•		N/A	N/A			40%	41%	•		N/A	N/A		41%		
	Cristo Rey Network FY17 Requested: \$27,402 FY17 Approved: \$27,402	Students served	-	-	Nous	-	-			-	-		Now	-	-	Nev		82	82	•	82		
	FY16 Approved: N/A FY16 Spent: N/A FY15 Approved: N/A FY15 Spent: N/A	Physical activity sessions provided	-	-	Partner in FY17	-	-		w Partner in FY17	-	-	Par	New artner in FY17	-	-	Partne FY1	r in	656	809	•	1,610	100%	
	New Metrics: N/A	Students who show improved Body Mass Index per scoring in the healthy range of 14-23	-	-		-	-			-	-			-	-			50%	53%	•	70%		
	Cupertino Union School District	Students served	1,550	1,474	•	3,100	3,075	•		1,000	1,088	•		2,200	2,225	•		554	538	•	1,482		Trending on this metric not applicable; school district requested changes in the schools served by grant to reflect the shifting needs.
	FY17 Requested: \$68,997 FY17 Approved: \$68,997 FY16 Approved: \$103,233 FY16 Spent: \$103,233	Students who failed a mandated health screening who saw a healthcare provider	35%	43%	• 75%	70%	80%	•	100%	35%	50%	•	100%	80%	77%	100	%	40%	71%	•	75%	100%	With the change in schools, some health screenings could be done earlier in the year allowing nurses more time to work with families and ultimately have students seen by a provider.
	FY16 Spent: \$103,233 FY15 Approved: \$101,969 FY15 Spent: \$101,970	Kindergarteners identified as needing early intervention or urgent dental care through on-site	N/A	N/A		50%	52%	•		N/A	N/A			55%	81%	•		N/A	N/A		75%		students seen by a provider.  This screening is always conducted in the second half of the year as part of the Dental Society's February program.
	New metrics: 1 of 4	Screenings who saw a dentist  Teachers/staff at target schools that receive training on severe allergies, anaphylaxis, and EpiPen usage	-	-		-	-			-	-			-	-			50%	87%	•	75%		District allowed nurses to conduct trainings during scheduled staff meetings this year, such that several staff were trained at the same time. Additionally staff were more likely to volunteer when it became a group training, rather than an individual training.

- A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
   A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
- N/A There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year



Health Priority Area (Column A)	Partner (Column B)	FY17 Metrics (Column C)	FY15 6-month target (Column D)	FY15 6-month actual (Column E)	• A m	15 % of ALL 6- nonth crics met	FY15 Annual target (Column H)	FY15 Annual actual ( Column I)	ALL a	5 % of annual ics met umn K)	FY16 6-month target (Column L)	FY16 6-month actual (Column M)	FY16 % ALL 6- month metric: met (Colu.	FY16 Annual target	FY16 Annual Actual (Column Q)	FY16 % of ALL annua metrics me (Column S)		FY17 6-month actual (Column U)	•	FY17 Annual Target (Column W)	FY17 % 6-month metrics met (Column X)	Supporting Details for Variance and Trending (Column Y)
	Gardner Family Health Network	Patients served	-	-			-	-			600	86	•	600	513	•	250	664	•	600		Pilot program in FY16 where forecasting targets was challenging; FY17 targets informed by FY16 performance, agency identified barriers to program in FY16 and worked to address them.
	FY17 Requested: \$205,252 FY17 Approved: \$180,000 FY16 Approved: \$160,600 FY16 Spent: \$149,229 FY15 Approved: N/A	Services provided, including patient visits with a Registered Dietitian and/or Wellness Coordinator	-	-	Par	New rtner in FY16	-	-	1 1	Partner FY16	1,600	162	25%	1,800	1,878	40%	750	995	•	1,800	100%	New program in FY16 which required ramp-up time and understanding program challenges, resulting in addition of the Wellness Coordinator position to the program in FY17. The Wellness Coordinator dramatically enhanced participation
	FY15 Spent: N/A	Patients demonstrating a reduction in body weight	-	-		-110	-	-			N/A	N/A		50%	25%	•	15%	55%	•	30%		levels through adjustments in workflow and enrollment outreach. Despite challenges in first year and challenges in forecasting, the agency is committed to addressing the tremendous need due to the epidemic diabetes burden among
		Patients demonstrating a reduction in HbA1c levels	-	-			-	-			N/A	N/A		50%	25%	•	15%	51%	•	30%		the population served.
	GoNoodle	Schools served	145	131	•		145	153	•		184	184	•	184	184	•	183	183	•	183		Increased trainings and new popular campaigns rolled out to schools helped drive
	FY16 Approved: \$74,000	GoNoodle physical activity breaks played	3,000	18,631	•	100%	7,228	80,597	• 10	00%	45,000	98,929	100%	90,000	227,697	100%	100,000	161,211	•	200,000	100%	further awareness and utilization of program.
	FY16 Spent: \$74,000 FY15 Approved: \$63,000 FY15 Spent: \$63,000	Teachers who believe GoNoodle benefits their students' focus and attention in the classroom	N/A	N/A		100%	90%	90%	•	00%	N/A	N/A	100%	80%	96%	100%	N/A	N/A		90%	100%	
		Teachers who agree that GoNoodle Plus physical activity breaks are a valuable resource in helping their students succeed in core subjects	-	-			-	-			N/A	N/A		80%	98%	•	N/A	N/A		90%		
	Medical Respite FY17 Requested: \$13,500 FY17 Approved: \$13,500	Patients served(based on full Medical Respite program/Hospital supported)	70/1	79/1	•		140/2	183/2	•		70/1	71/1	•	145/2	250/1	•	70/1	111/1	•	145/1		Exceeded target due to decreased time in Respite, resulting in more beds available for program patients. Overflow beds were also used to make more medical beds available.
	FY16 Approved: \$13,500 FY16 Spent: \$13,500	Program patients linked to Primary Care home (based on full Medical Respite program)	92%	93%	1	100%	92%	91%	10	00%	92%	93%	100%	92%	87%	100%	92%	91%	•	92%	100%	
HEALTHY BODY	FY15 Approved: \$13,500 FY15 Spent: \$13,500 New Metrics: 0 of 3	Hospital days avoided for total program (based on full Medical Respite program)	250	270	•		500	584	•		250	260	•	530	1,025	•	275	444	•	550		Hospital days avoided is directly related to the number of patients admitted to Medical Respite program. Since these admissions were higher than projected, the avoided hospital days increased by approximately 4 days for every additional program admission.
Ø₽	Playworks	Students served	1,700	1,725	•		1,700	1,745	•	-	2,305	2,333	•	2,305	2,325	•	2,710	2,690	•	2,710		
Ф	FY17 Requested: \$122,000 FY17 Approved: \$110,000 FY16 Approved: \$105,000	Teachers and administrators surveyed who agree or strongly agree that Playworks helps increase physical activity	N/A	N/A			90%	100%	•		N/A	N/A	1000/	90%	92%	1000/	N/A	N/A		90%	4000/	
	EV1E Approved C00 000	Teachers and administrators surveyed who agree or strongly agree that Playworks helps reduce bullying during recess	N/A	N/A	1	100%	85%	82%	10	00%	N/A	N/A	100%	90%	82%	100%	N/A	N/A		90%	100%	Teachers and administrators surveyed at end of school year.
	New Metrics: 0 of 4	Teachers and administrators surveyed who agree or strongly agree that Playworks helps improve overall school climate	N/A	N/A			85%	88%	•		N/A	N/A		90%	100%	•	N/A	N/A		95%		
	SCCOE: Early Head Start	Individuals served	88	88	•		88	88	•		88	88	•	88	88	•	38	33	•	38		
	FY17 Requested: \$92,679 FY17 Approved: \$40,000 FY16 Approved: \$80,724	Services provided	370	375	•		500	523	•		370	375	•	500	519	•	360	327	•	564		Agency received decreased funding from prior year due to disclosed support from
	FY16 Spent: \$69,956 FY15 Approved: \$80,724 FY15 Spent: \$57,491	Children meeting the Child Health and Disabilities Prevention periodicity schedule on time as required by age	80%	82%	• 1	100%	95%	96%	10	00%	80%	78%	100%	95%	97%	100%	80%	80%	•	95%	75%	other sources, resulting in decrease in volume proportional to funding. More families ineligible for the program due to increase in minimum wage in San Jose.
	New Metrics: 0 of 4	Children who are not up to date on recommended procedures who come under medical care	50%	60%	•		90%	92%	•		50%	54%	•	90%	91%	•	50%	50%	•	90%		
	SCC Foster Care Orthodontic Program FY17 Requested: \$89,462	Youth receiving braces and those in process of completing treatment plan	-	-			-	-			-	-		-	-		17	22	•	44		
	FY17 Requested: \$89,462 FY17 Approved: \$70,000 FY16 Approved: \$68,144	Youth undergoing treatment who report being satisfied or highly satisfied with orthodontic care services	-	-	1	N/A	-	-	N	N/A	-	-	N/A	-	-	N/A	75%	78%	•	75%	100%	Program updated reporting method to better reflect services provided within grant period. This update resulted in new trending metrics starting in FY17.
		Social workers who indicate that orthodontic care has had a positive impact on well-being and self- esteem of youth served in the program	-	-			-	-			-	-		-	-		75%	78%	•	75%		
	FY17 Approved: \$34,226 FY16 Approved: N/A	Free eye exams provided	-	-		New	-	-	New F	Partner _	-	-	New	-	-	New	100	95	•	441	40001	
	FY16 Spent: N/A FY15 Approved: N/A FY15 Spent: N/A New Metrics: N/A	Free eyeglasses provided	-	-		rtner in FY17	-	-	1 1	FY17	-	-	Partner FY17		-	Partner in FY17	100	91	•	353	100%	

- A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
   A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
- N/A There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year



Priority Area olumn A)	Partner (Column B)	FY17 Metrics (Column C)	FY15 6-month target (Column D)	FY15 6-month actual (Column E	)	FY15 % of ALL 6- month metrics met (Column G)	FY15 Annual target (Column H)	FY15 Annual actual ( Column I)	• A	FY15 % of LLL annual etrics met (Column K)	FY16 6-month target (Column L)	FY16 6-month actual (Column M)	FY16 % ALL 6-month metric met (Colu	FY1 n Anno	ual An et Ad		FY16 % of ALL annual metrics met (Column S)	FY17 6-month target (Column T)	FY17 6-month actual (Column U)	•	FY17 Annual Target (Column W)	FY17 % 6-month metrics met (Column X)	h Supporting Details for Variance and Trending (Column Y)
	AACI - Healthy IDEAS	Seniors screened for depression	75	91	•		150	160	•		75	124	•	15	) 2	203		75	77	•	150		
	FY17 Requested: \$50,000 FY17 Approved: \$50,000 FY16 Approved: \$50,000 FY16 Spent: \$50,000	Participants who enroll in the Healthy IDEAS program	20	28	•	50%	40	64	•	80%	20	38	100%	40		71	80%	20	36	•	40	100%	
	FY15 Approved: \$45,000 FY15 Spent: \$45,000	Healthy IDEAS services provided	200	151	•		400	322	•		195	314	•	39	) 4	470		195	252	•	390		
	New Metrics: 0 of 4	Participants who demonstrate at least a one-point decrease in score on Geriatric Depression Scale	N/A	N/A			85%	84%	•		N/A	N/A		859	6 7	74%		N/A	N/A		85%		
	Almaden Valley Counseling Services FY17 Requested: \$43,457	Students served	-	-			-	-		-	-	-		-		-	-	100	126	•	290	-	
	FY17 Approved: \$ FY16 Approved: N/A	Counseling sessions provided	-	-		New Partner in	-	-	Ne	ew Partner	-	-	New Partner			-	New Partner in	600	756	•	2,030	100%	
	FY16 Spent: N/A FY15 Approved: N/A FY15 Spent: N/A	Students who show an increase in at least 50% of the 7 relevant External Developmental Assets for their age group	-	-		FY17	-	-		in FY17	-	-	FY17			-	FY17	N/A	N/A		70%	100%	
	New Metrics: N/A	Teachers of the elementary school youth who state that the child shows an improved attitude in school	-	-			-	-			-	-		-		-		N/A	N/A		70%		
		Middle school students served	50	70	•		110	134	•		80	93	•	17	) 1	133		80	73	•	170		
	Cupertino Union School District FY17 Requested: \$120,000	Services provided	780	465	•		1,800	2,000	•		750	780	•	2,30	00 2,	2,282		750	832	•	2,300		Increase due to additional student check-ins and parent meetings. Process improvement informed by prior year's assessment.
	FY17 Approved: \$105,000 FY16 Approved: \$100,000 FY16 Spent: \$100,000	Students who improve on treatment plan goals by 20% in 6 months and 50% by the end of the school year as measured by counselor report	60%	60%	•	75%	90%	90%	•	75%	60%	59%	100%	909	6 8	85%	75%	60%	63%	•	90%	100%	
	FY15 Approved: \$100,000 FY15 Spent: \$100,000 New Metrics: 0 of 4	Students who improve on the Strength and Difficulties Questionnaire and Impact Assessment by 50%	25%	50%	•		75%	60%	•		50%	100%	•	759	6 7	79%		50%	100%	•	75%		At midyear, as expected, fewer students have exited the program and are eligible to take the SDQ. This low number completing the assessment creates wide variability in actual percentage of students meeting target.
	linkAges FY17 Requested: \$50,000 FY17 Approved: \$50,000	Participants enrolled in linkAges	350	302	•		600	531	•		700	746	•	1,00	00 9	929		800	1,115	•	1,600		
ALTHY NIND	FY16 Approved: \$50,000 FY16 Spent: \$50,000 FY15 Approved: \$50,000	Services provided	-	-		83%	-	-		80%	-	-	100%	-		-	80%	1,000	768	•	2,000	66%	Hours on average per service increased, resulting in lower than targeted number of services.
<b>(3)</b>	FY15 Spent: \$50,000 New Metrics: 1 of 3	Participants expressing satisfaction and usefulness of the experience, intention to use linkAges again, and intent to refer others to linkAges									75%	80%	•	759	6 7	72%		75%	82%	•	75%		
A3	Meet and Move FY17 Requested: \$21,700 FY17 Approved: \$19,500 FY16 Approved: N/A FY16 Spent: N/A	Individuals served	40	31	•	25%	75	75	•	100%			N/A				N/A	50	83	•	100	- 100%	
	FY15 Approved: \$18,000 FY15 Spent: \$18,000 New Metrics: 0 of 2	Participants who increase number of steps per week from baseline to end of program period	60%	0%	•		60%	74%	•				.,,				,,,	60%	66%	•	60%		
	Momentum for Mental Health FY17 Requested: \$26,000	Patients served	16	18	•		22	22	•		16	15	•	22		23		16	17	•	22		
	FY17 Approved: \$26,000 FY16 Approved: \$26,000 FY16 Spent: \$26,000 FY15 Approved: \$26,000 FY15 Approved: \$26,000 FY15 Spent: \$24,590	Services provided	90	85	•	80%	180	168	•	100%	90	97	100%	18	) 1	190	100%	90	191	•	180	100%	Patient composition showed more new versus continuing patients. Since new patients require more treatment, services were higher than targeted.  Additionally, an expanded counseling component was added to the program.
	New Metrics: 0 of 3	Patients who avoid psychiatric hospitalization for 12 months after admission after beginning services with Momentum	90%	100%	•		90%	100%	•		90%	100%	•	909	6 10	100%		95%	100%	•	95%		
	Peninsula HealthCare Connection FY17 Requested: \$90,000	Patients served	50	78	•		125	165	•		75	121	•	15	) 3	367		85	103	•	170		
	FY17 Approved: \$90,000 FY16 Approved: \$80,202 FY16 Spent: \$80,202 FY15 Approved: \$65,000	Visits including psychiatry, therapy, and case management	250	202	•	75%	500	687	•	100%	260	321	100%	52	) 5	581	100%	275	281	•	550	100%	
	FY15 Approved: \$65,000 FY15 Spent: \$65,000 New Metrics: 0 of 4	Actively managed patients who obtain permanent housing	5	4	1		12	12	•		6	9	•	12		13		6	8	•	12		
		Psychiatric patients not hospitalized in a 12 month period	85%	85%	•		85%	85%	•		85%	89%	•	859	6 8	87%		85%	97%	•	85%		
	Santa Clara Unified School District	Students served through classroom presentations	N/A	N/A			500	877	•		530	494	•	1	,000	935		200	222	•	560		Agency able to unduplicate in FY17. Previous years students served through classroom presentations was duplicated.
	FY17 Requested: \$100,000 FY17 Approved: \$100,000	Case management interactions	N/A	N/A	$\perp \!\!\! \perp \!\!\! \perp$		30	50	•		30	55	•			118	4	30	33	•	90		
	FY16 Approved: \$100,000 FY16 Spent: \$84,158	Counseling services group or individual	N/A	N/A	$\perp \!\!\! \perp \!\!\! \perp$	N/A	400	241	•	67%	380	252	• 80%		990 5	548	71%	15	49	•	40	100%	
	FY15 Approved: \$52,280 FY15 Spent: \$46,535	Students receiving counseling services who increase their days of attendance compared to previous year	N/A	N/A			20%	15%	•		15%	38%	•	309	6 3	36%		20%	22%	•	20%		
	New Metrics: 0 of 5	Reduction in referrals for high risk behaviors that could result in suspension or discipline for students receiving counseling services	N/A	N/A			15%	0%	•		10%	150%	•	259	6 2	24%		10%	33%	•	15%		

- A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
   A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
- N/A There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year



Health Priority Area (Column A)	Partner (Column B)	FY17 Metrics (Column C)	FY15 6-month target (Column D)	actual	•	FY15 % of ALL 6- month metrics me (Column G)	FY15 Annual target	FY15 Annual actual ( Column I)		FY15 % of ALL annual metrics met (Column K)	FY16 6-month target (Column L)	FY16 6-month actual (Column M)	• met	16 %of ALL 6- nonth setrics t (Column O)	FY16 Annual target (Column P)	FY16 Annual Actual (Column Q)	FY16 % of ALL annual metrics met (Column S)		FY17 6-month actual (Column U)	•	FY17 Annual Target (Column W)	FY17 % 6-mon metrics met (Column X)	Supporting Details for Variance and Trending
		Students served with individual and/or group counseling and classroom presentations	860	787	•		2,215	2,537	•		900	1,224	•		2,415	2,621		1,200	1,034	•	3,500		FY17 6-month actual volume metric was close to being met, the shortage is due to decreased referrals in one school and delay in starting services in another school. Both issues addressed through meetings with school administrators and
HEALTHY MIND	Uplift (formerly EMQ) FY17 Requested: \$230,000 FY17 Approved: \$230,000	Services provided	1,050	1,064	•		2,775	2,811	•		1,100	990	•		2,975	3,121		1,500	1,231	•	3,985		adding another day at the school that experienced delay. Anticipate meeting annual targets.
(E)		Youth in individual and group sessions who show at least 50% increase in improved choices related to high risk behaviors	75%	79%	•	100%	75%	78%	•	100%	75%	80%	• 1	100%	75%	84%	100%	75%	79%	•	75%	60%	
	FY15 Spent: \$150,000 New Metrics: 1 of 5	Youth participating in classroom presentations who show an increase in knowledge which may improve behaviors related to high risk activities	-	-			-	-			-	-			-	-		85%	87%	•	85%		
		Parents/caregivers who show an increase in knowledge of the topics presented and a better understanding of how to access services for youth	95%	97%	•		95%	98%	•		95%	95%	•		95%	95%		95%	95%	•	95%		
	Cancer CAREpoint FY17 Requested: \$20,000	Individuals served	-	-			-	-			-	-			-	-		50	151	•	130		
	FY16 Approved: N/A	Nutrition class service hours provided	-	-		New Partner in FY17	-	-		New Partner in FY17	-	-	Par	New rtner in FY17	-	-	New Partner in FY17	440	465	•	900	100%	New program, forecasting was challenging. Classes piloted in East San Jose, participation was greater than anticipated.
	FY16 Spent: N/A New Metrics: N/A	Participants who report increased understanding of how nutrition may affect cancer treatments and medications	-	-			-	-			-	-			-	-	-	50%	94%	•	50%		
	Chinese Health Initiative FY17 Requested: \$30,000	Individuals served	30	32	•		75	97	•		60	80	•		125	216		60	65	•	125		
	FY17 Approved: \$30,000 FY16 Approved: \$30,000 FY16 Spent: \$30,000	Services provided	200	210	•	100%	400	475	•	100%	125	100	•	67%	250	272	100%	125	120	•	250	100%	
		Participants who strongly agree or agree that the program's health education or screening helps them better manage their health	N/A	N/A			80%	99%	•		N/A	N/A			85%	96%		N/A	N/A		85%		
	Falls Prevention SCC FY17 Requested: \$75,000	Individuals served	1,000	1,493	•		2,500	2,638	•		740	716	•		1,480	1,592		440	855	•	800		Volume target reduced from FY16 to FY17, decrease proportional to approved funding. However, program experienced greater than anticipated attendance and demand for services.
HEALTHY COMMUNITY	FY17 Approved: \$40,000 FY16 Approved: \$70,000 FY16 Spent: \$70,000 FY15 Approved: \$70,000	Matter of Balance class participants who report that they are "sure" or "very sure" of their ability to find a way to get up if they fall, find ways to reduce falls, protect themselves if they fall, increase physical strength, and be steadier on their feet	-	-		100%	-	-		100%	N/A	N/A	1	100%	85%	100%	100%	85%	85%	•	85%	100%	
	New Metrics: 1 of 3	EnhanceFitness participants who will demonstrate an improvement in their upper extremity strength, lower extremity strength, and dynamic balance	-	-			-	-			-	-			-	-		85%	85%	•	85%		
	Great NonProfits FY17 Requested: \$53,360 FY17 Approved: \$30,000 FY16 Approved: \$42,350	Participants who receive text-message interventions				New	-			New Partner	-	-			-	-		80	78	•	80		Different program was funded in FY16 to FY17 therefore metrics non-trending.
		Percent of participants in experiment group who report drinking at least one more unit of water per day	-	-		Partner in FY16	-	-		in FY16	-	-		N/A	-	-	- N/A	20%	43%	•	20%	- 100%	
	Health Library Resource Center, Los Gatos FY17 Requested: \$63,672 FY17 Approved: \$63,672	Individuals served	700	641	•	100%	1,400	1,314	•	100%	700	762	•	100%	1,400	1,363	- 100%	702	664	•	1,404	- 100%	
	FY16 Approved: \$63,672 FY16 Spent: \$63,672 FY15 Approved: \$61,500 FY15 Spent: \$57,956	Individuals who strongly agree or agree that eldercare referrals appropriate to their needs	N/A	N/A		130%	95%	98%	•	155/0	N/A	N/A			95%	100%	130/6	N/A	N/A		98%	100/0	
	Next Door Solutions	Adults served	-	-			-	-			700	1,215	•		1,300	1,988	_	170	191	•	340	-	FY17 volume metrics changed from prior year due to shift in agency funding to focusing on counseling, safety plan development, and 24-hour emergency
	FY16 Approved: \$50,000	Services provided	-	-		New	-	-	Ш	New Partner	-	-		900/	-	-	1000/	833	779	•	1,665	1000/	shelter.
		Surveyed participants who report that they have gained at least one strategy to increase their safety or their children's safety	-	-		Partner in FY16	-	-		in FY16	67%	98%	•	80%	67%	97%	100%	65%	95%	•	65%	100%	
		Clients newly engaged in Self-Sufficiency Case Management who will complete a risk assessment, safety planning, and a self-sufficiency action plan	-	-			-	-			-	-			-	-		50%	50%	•	50%		

- A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
   A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
- N/A There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year



Health Priority Area (Column A)	Partner (Column B)	FY17 Metrics (Column C)	FY15 6-month target (Column D)	FY15 6-month actual (Column E)	FY15 % of ALL 6- month metrics me (Column G)	FY15 Annual target (Column H)	FY15 Annual actual ( Column I)	• ALL :	rics met	FY16 6-month target (Column L)	FY16 6-month actual (Column M)	FY16 9 ALL mon metr met (Ca	. 6- nth rics	target	FY16 Annual Actual Column Q)	FY16 % of ALL annual metrics me (Column S)	I 6-mont	actu	nth al	FY17 Annual Target (Column W)	FY17 % 6-mont metrics met (Column X)	Supporting Details for Variance and Trending
		Community members reached through Promotoras outreach program	-	-		-	-			-	-			-	-		1,500	3,46	8	3,000		Forecasting challenging for this initiative; promotores have been especially
	Pre-diabetes Initiative (Hill and	Pre-diabetes outreach events	-	-		-	-			-	-			-	-		50	119	•	185		successful in their efforts to conduct outreach, administer risk-assessments and
	Company) FY17 Requested: \$214,950	CDC Risk-Assessments Administered	-	-	New	-	-			-	-	Nev	w	-	-	New	900	2,99	3	3,000		motivate individuals to get clinically tested for diabetes.
	FY17 Approved: \$200,000	Short Surveys Administered	-	-	Partner in	-	-		Partner FY17	-	-	Partne		-	-	Partner ir	566	2,48	3	1,888	67%	
	FY16 Approved: N/A FY16 Spent: N/A New Metrics: N/A	Impressions through culturally relevant television ads	-	-	FY17	-	-			-	-	FY1	17	-	-	FY17	61,655	44,0	00	123,310		Media deployment rescheduled to second half of grant cycle to optimize timing around the new year and health improvement. Anticipate reaching annual
	new metres. 197	Impressions through culturally relevant radio ads	-	-		-	-			-	-			-	-		195,60	92,0	00	391,200		targets.
	Racing Hearts FY17 Requested: \$25,000 FY17 Approved: \$25,000	School Districts served	-	-	Nous	-	-			-	-	No	L	-	-	New	5	11	•	10		
	FY16 Approved: N/A FY16 Spent: N/A FY15 Approved: N/A	AEDs placed	-	-	New Partner in FY17	-	-	1 1	Partner FY17	-	-	Partne FY1	er in	-	-	Partner ir	100	214	•	200	100%	
	FY15 Spent: N/A New Metrics: N/A	Teachers and/or staff who attend an AED orientation will report knowing 3+ steps to do when an AED is needed.	-	-		-	-			-	-			-	-		60%	929	6	80%		
	RoadRunners - LG FY17 Requested: \$81,462	Older adults served	40	12	•	100	48	•		40	26	•		100	45	•	41	16	•	100		
HEALTHY COMMUNITY	FY17 Approved: \$81,462 FY16 Approved: \$81,462 FY16 Spent: \$81,462 FY15 Approved: \$80,000	Older adults who strongly agree or agree that having RoadRunners services helped in maintaining their independence	N/A	N/A	50%	90%	94%	• 7	75%	90%	99%	759	%	90%	92%	75%	90%	969	6	92%	66%	
<b>₩</b>	FY15 Spent: \$80,000 New Metrics: 0 of 3	Older adults who strongly agree or agree with the statement that having RoadRunners services made it possible to get to their medical appointments	N/A	N/A		95%	95%	•		95%	96%	•		95%	92%	•	95%	969	6	95%		
<b>Z</b>	South Asian Heart Center	Individuals served	500	396	•	1,000	860	•		625	680	•		1,250	2,250	•	625	657	•	1,250		Program is migrating from an inquiry driven model to a facilitation and dialog based model, providing more frequent touch-points and increasing services per
	FY17 Requested: \$360,000 FY17 Approved: \$360,000	Services provided	3,250	3,509	•	6,700	7,222	•		2,500	2,610	•		7,000	6,475	•	2,750	2,60	7	7,500		participant.
	FY16 Approved: \$400,000 FY16 Spent: \$400,000	Improvement in average level of weekly physical activity from baseline	-	-	100%	-	-		50%	-	-	100	0%	-	-	100%	14%	189	6	16%	100%	
	FY15 Approved: \$400,000 FY15 Spent: \$344,000	Improvement in average levels of daily servings of vegetables from baseline	-	-		-	-			-	-			-	-		11%	189	6	13%		Adoption of metrics used in clinical studies as a best practice and assessing data
	New Metrics: 4 of 6	Improvement in levels of HDL-C as measured by follow-up lab test	-	-		-	-			-	-			-	-		3%	5%	•	4%		from baseline in a different way as of FY17.
	New Medics. 4 of 0	Improvement in cholesterol ratio as measured by follow-up lab test	-	-		-	-			-	-			-	-		5%	6%	•	6%		
	West Valley Community Services - CARE FY17 Requested: \$150,000	Households served	60	60	•	120	120	•		60	66	•		120	125		60	66	•	120		
	FY17 Approved: \$150,000 FY16 Approved: \$150,000 FY16 Spent: \$150,000	Households that receive intensive Case Management services	-	-	75%	-	-	10	100%	40	41	809	%	60	61	100%	30	30	•	60	100%	
	FY15 Approved: \$126,150 FY15 Spent: \$126,150	Case managed clients who increased in 3 of the 18 domains measured by Self Sufficiency Index	N/A	N/A		80%	80%	•		N/A	N/A			80%	80%	•	N/A	N/A		80%		
	New Metrics: 1 of 4	Program participants who will improve 1 point in the health domain through supportive services	-	-		-	-			-	-			-	-		N/A	N/A		60%		
	West Valley Community Services - CARE Senior Services FY17 Requested: \$ FY16 Approved: \$25,000	Individuals served	10	10	100%	20	20	11	100%	10	10	100	0%	20	25	100%	10	10	•	22	100%	
	FY16 Spent: \$25,000 FY15 Approved: \$25,000	Encounters provided	80	131	•	160	180	100%			128	•		240	250	•	120	130	•	240	130%	

- A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
   A metric receives a "green dot" if the target was met, exceeded, or within 10% of the target goal
- N/A There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year



## Minutes of the Open Session of the **El Camino Hospital Board of Directors** Wednesday, May 10, 2017 2500 Grant Road, Mountain View, CA 94040 Conference Rooms E, F & G (ground floor)

**Board Members Present** Lanhee Chen

**Board Members Absent** None

**Members Excused** 

None

Lainiee Chen
Dennis Chiu, Vice Chair
Neal Cohen, MD, Chair
Jeffrey Davis, MD
Peter Fung, MD
Julia Miller
David Reeder
John Zoglin

Ag	genda 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 6:30 pm 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 with any of the items on the agenda. No conflicts were noted.	
3.	QUALITY COMMITTEE REPORT	Director Reeder, Chair of the Quality Committee, reported that the Committee received a presentation from Tej Singh, MD, MBA on the Vascular Surgery program and the Wound Care clinic.	
		Director Reeder provided an overview of the metrics on the quality dashboard, noting pain assessment scores have reached goal levels, and ECH is recruiting a pain pharmacist this summer. He also noted that William Faber, MD, CMO and his team are looking into longer term trends and global quality scores.	
		He also explained that the Committee reviewed the proposed FY18 organizational goals related to quality, highlighting the Committee's discussion on length of stay measurement and a proposed goal regarding standardized infection rates.	
		In response to Director Miller's question, Mick Zdeblick, COO, explained that ECH has been exploring options for an onsite outpatient pharmacy, which involves working with Premier and internal staffing.	
4.	BIENNIAL BOARD OFFICER ELECTION	Director Reeder withdrew his candidacy for the Board Chair position. He announced that he will not be running for re-election to the District Board in November 2018. He commended Director Chen on his service.	
		<b>Motion:</b> To select Lanhee Chen as ECH Board Chair for a two-year term of service, effective July 1, 2017.	
		Movant: Reeder Second: Davis	
		Director Cohen explained that Director Chen has declared his interest in serving as Board Chair. Director Chen reviewed his position statement which outlined his experience and strategic priorities over the coming two years. There were no additional questions or comments from the Board or the public.	
		Ayes: Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin	

Minutes: ECH Regular Board Meeting May 10, 2017 | Page 2

Noes: None
Abstentions: Chen
Absent: None
Recused: None

Director Cohen requested nominations or declarations of interest from the floor for the position of Vice Chair. Director Miller nominated Director Zoglin, Director Chiu seconded the nomination, and Director Zoglin accepted.

**Motion:** To select John Zoglin as ECH Board Vice Chair for a two-year term of service, effective July 1, 2017.

Movant: Reeder Second: Davis

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

Noes: None

**Abstentions:** Zoglin **Absent:** None **Recused:** None

Director Cohen requested nominations or declarations of interest from the floor for the position of Secretary/Treasurer. Director Fung nominated Director Miller, Director Chiu seconded the nomination, and Director Miller accepted.

**Motion:** To select Julia Miller as ECH Board Secretary/Treasurer for a two-year term of service, effective July 1, 2017.

Movant: Fung Second: Chiu

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

Noes: None Abstentions: None Absent: None Recused: None

## 5. PUBLIC COMMUNICATION

## None.

# 6. ADJOURN TO CLOSED SESSION

**Motion:** To adjourn to closed session at 6:46 pm pursuant to *Gov't Code* Section 54957.2 for approval of the Minutes of the Closed Session of the Hospital Board Meeting (April 12, 2017); pursuant to *Health and Safety* Code 32155 for deliberations concerning reports on Medical Staff quality assurance matters: Medical Staff Report; pursuant to *Health and Safety* Code 32106(b) for a report involving health care facility trade secrets: Strategic Planning Update; pursuant to *Health and Safety Code 32106(b)* for a report involving health care facility trade secrets: Physician Alignment Strategy and Structure; pursuant to Health and Safety Code 32106(b) for a report involving health care facility trade secrets: Proposed Dashboard for Reporting and Review of Strategic and Clinical Operations; pursuant to Gov't Code Section 54957 and 54957.6 for discussion and report on personnel performance matters: Succession Planning; pursuant to Gov't Code Section 54957 and 54957.6 for discussion and report on personnel performance matters and *Health and* Safety Code 32106(b) for a report involving health care facility trade secrets: Informational Items; pursuant to Gov't Code Section 54957.6(a) - conference with designated representatives Lanhee Chen and Neal Cohen, MD: CEO Search Committee Update pursuant to Gov't Code

Adjourned to closed session at 6:46 pm.

7. AGENDA ITEM 18: RECONVENE OPEN SESSION/ REPORT OUT	Section 54957 for discussion and report on personnel performance matters: Executive Session.  Movant: Davis Second: Chiu Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None  Open session was reconvened at 10:06 pm. Agenda items 7-17 were addressed in closed session. Director Reeder left the meeting at the conclusion of the closed session.  During the closed session, the Board approved the Minutes of the Closed	
	Session of the Hospital Board Meeting (April 12, 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).	
8. AGENDA ITEM 19: CONSENT CALENDAR	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.  Motion: To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (April 12, 2017); Draft Revised Board Director Compensation Policy, El Camino Hospital Auxiliary Slate of Officers, and the Medical Staff Report.  Movant: Chiu Second: Fung Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Zoglin Noes: None Abstentions: None Abstentions: None Absent: Reeder Recused: None	Consent calendar approved
9. AGENDA ITEM 20: INFORMATIONAL ITEMS	There were no questions or additional comments on the CEO Report.	
10. AGENDA ITEM 21: BOARD COMMENTS	Director Miller complimented staff on the Sapphire Soiree.	
11. AGENDA ITEM 22: ADJOURNMENT	Motion: To adjourn at 10:11 pm  Movant: Miller Second: Fung Ayes: Chen, Chiu, Cohen, Davis, Fung, Miller, Zoglin Noes: None Abstentions: None Absent: Reeder Recused: None	Meeting adjourned at 10:11 pm.

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

Neal Cohen, MD Peter C. Fung, MD

Chair, ECH Board of Directors Secretary, ECH Board of Directors

Prepared by:

Cindy Murphy, Board Liaison Sarah Rosenberg, Contracts & Board Services Coordinator



## Minutes of the Special Joint Open Session of the El Camino Hospital Board of Directors and the CEO Search Ad Hoc Committee Wednesday, May 10, 2017 2500 Grant Road, Mountain View, CA 94040 Conference Rooms E,F,&G (ground floor)

**Board Members Present Board Members Absent Committee Members Lanhee Chen** Jeffrey Davis, MD Ramtin Agah, MD Dennis Chiu, Vice Chair Lanhee Chen, Chair Neal Cohen, MD, Chair Teri Eyre Gary Kalbach Peter Fung, MD **Committee Members Absent** Karen Pike, MD Julia Miller Lane Melchor **David Reeder David Reeder** John Zoglin John Zoglin

Ag	genda Item	Comments/Discussion	Approvals/ Action
1.	CALL TO ORDER/ ROLL CALL	The open session of the Joint Meeting of the CEO Search Committee (the "Committee") and the El Camino Hospital Board of Directors (the "Board") was called to order at 5:30 pm by Chair Cohen. A silent roll call was taken. All Board and Committee members, with the exception of Jeffrey Davis, MD and Lane Melchor, were present.	
2.	POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Fung asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
3.	ADJOURN TO CLOSED SESSION	<b>Motion:</b> To adjourn to closed session at 5:32 pm pursuant to <i>Gov't Code Sections 54657</i> and <i>54957.6</i> for a report and discussion on personnel matters: CEO Search Committee Report	Adjourned to closed session at
		Movant: Chiu Second: Reeder Ayes: Agah, Chen, Chiu, Cohen, Eyre, Fung, Kalbach, Miller, Pike, Reeder, Zoglin Noes: None Absent: Davis and Melchor Recused: None	5:32 pm.
4.	AGENDA ITEM 6: RECONVENE OPEN SESSION/ REPORT OUT	Open session was reconvened at 6:15 pm. There were no actions taken during the closed session.	
5.	AGENDA ITEM 7: ADJOURNMENT	Motion: To adjourn at 6:15 pm.  Movant: Miller Second: Reeder Ayes: Agah, Chen, Chiu, Cohen, Eyre, Fung, Kalbach, Miller, Pike, Reeder, Zoglin Noes: None Abstentions: None Absent: Davis and Melchor Recused: None	Meeting adjourned at 6:15pm.

Attest as to the approval of the foregoing minutes by the CEO Search Committee and the Board of Directors of El Camino Hospital:

Neal Cohen, MD	
Chair ECH Board	

Peter C. Fung, MD ECH Board Secretary

Lanhee Chen, Chair CEO Search Committee

Prepared by: Cindy Murphy, Board Liaison





## Minutes of the Open Session of the **El Camino Hospital Board of Directors** Monday, May 22, 2017

## El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040 **Demonstration Kitchen (ground floor)**

**Board Members Present Lanhee Chen** 

**Board Members Absent** Neal Cohen, MD, Chair

**Members Excused** 

None

Dennis Chiu, Vice Chair Jeffrey Davis, MD Peter Fung, MD Julia Miller **David Reeder** John Zoglin

Ag	genda 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 7:04 pm by Vice Chair Chiu. A silent roll call was taken. Chair Cohen was absent. All other Board members were present.	
2.	ADJOURN TO CLOSED SESSION	<b>Motion:</b> To adjourn to closed session at 7:05 pm pursuant to <i>Gov't Code Section 54957</i> and <i>54957.6</i> for discussion and report on personnel performance matters: CEO Candidate Interview.	Adjourned to closed session at 7:05pm.
		Movant: Miller Second: Fung Ayes: Chen, Chiu, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Cohen Recused: None	
3.	AGENDA ITEM 6: RECONVENE OPEN SESSION/ REPORT OUT	Open session was reconvened at 8:49 pm. Agenda items 3-5 were addressed in closed session. There were no actions were taken during closed session.	
4.	AGENDA ITEM 7: ADJOURNMENT	Motion: To adjourn at 8:50 pm.  Movant: Fung Second: Zoglin Ayes: Chen, Chiu, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Cohen Recused: None	Meeting adjourned at 8:50 pm.

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

Peter C. Fung, MD Neal Cohen, MD

Chair, ECH Board of Directors

Secretary, ECH Board of Directors

Cindy Murphy, Board Liaison Prepared by:



## Minutes of the Open Session of the **El Camino Hospital Board of Directors** Monday, May 25, 2017

## El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040 **Demonstration Kitchen (ground floor)**

**Board Members Present Lanhee Chen** 

**Board Members Absent** 

**Members Excused** 

None

Dennis Chiu, Vice Chair Neal Cohen, MD, Chair Jeffrey Davis, MD Peter Fung, MD Julia Miller **David Reeder** John Zoglin

Ag	genda 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 6:10 pm by Vice Chair Chiu Cohen. A silent roll call was taken. All Board members were present, Chair Cohen arrived during the closed session at 6:13 pm.	
2.	ADJOURN TO CLOSED SESSION	<b>Motion:</b> To adjourn to closed session at 6:11 pm pursuant to <i>Gov't Code Section 54957</i> and <i>54957.6</i> for discussion and report on personnel performance matters: CEO Candidate Interview.	Adjourned to closed session at 6:11 pm.
		Movant: Miller Second: Reeder Ayes: Chen, Chiu, Davis, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Cohen Recused: None	
3.	AGENDA ITEM 6: RECONVENE OPEN SESSION/ REPORT OUT	Open session was reconvened at 8:15pm. Agenda items 3-5 were addressed in closed session. There were no actions taken during closed session. Director Davis left the meeting during the closed session.	
4.	AGENDA ITEM 7: ADJOURNMENT	Motion: To adjourn at 8:16 pm.  Movant: Chen Second: Fung Ayes: Chen, Chiu, Cohen, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: Davis Recused: None	Meeting adjourned at 8:16 pm.

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

Neal Cohen, MD Peter C. Fung, MD

Secretary, ECH Board of Directors Chair, ECH Board of Directors

Prepared by: Cindy Murphy, Board Liaison



## Minutes of the Open Session of the El Camino Hospital Board of Directors Friday, June 2, 2017

2500 Grant Road, Mountain View, CA 94040 Conference Rooms E, F & G (ground floor)

**Board Members Present** 

**Lanhee Chen** 

**Dennis Chiu**, Vice Chair (via teleconference) **Neal Cohen, MD**, Chair (via teleconference) **Jeffrey Davis, MD** (via teleconference from

within the El Camino Healthcare District)

**David Reeder** 

John Zoglin (via teleconference from within

the El Camino Healthcare District)

Board Members Absent Peter Fung, MD Julia Miller **Members Excused** 

None

Ag	genda 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 9:00 am by Chair Cohen. A verbal roll call was taken. Directors Chiu, Cohen, Davis, and Zoglin participated via teleconference. Director Chen and Director Reeder were present. Director Miller and Director Fung were absent. Director Fung joined the meeting during the closed session.	
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.	PUBLIC COMMUNICATION	None.	
4.	ADJOURN TO CLOSED SESSION	Motion: To adjourn to closed session at 9:01 am pursuant to <i>Gov't Code Section 54957</i> and <i>54957.6</i> for discussion and report on personnel performance matters: FY18 CEO Salary Range; pursuant to <i>Gov't Code Section 54957.6(a)</i> – conference with designated representatives Lanhee Chen and Neal Cohen, MD: CEO Search Committee Update.  Movant: Reeder	Adjourned to closed session at 9:01 AM
		Second: Chen Ayes: Chen, Chiu, Cohen, Davis, Reeder, Zoglin Noes: None Abstentions: None Absent: Fung, Miller Recused: None	
5.	AGENDA ITEM 9: RECONVENE	Open session was reconvened at 9:50 am. Agenda items 5-8 were addressed in closed session. There were no action items to report out.	
	OPEN SESSION/ REPORT OUT	Director Fung was present when the open session was reconvened but was called away to attend to urgent patient care needs prior to the motion on Agenda Item 10 and was unable to return to the meeting.	
6.	AGENDA ITEM 10: FY18 CEO SALARY	<b>Motion:</b> To approve the following FY18 CEO Salary Range: Minimum \$812,800 to a maximum of \$1,219,200.	Deferred
	RANGE	Movant: Reeder Second: Chen Ayes: Chen, Chiu, Cohen, Davis, Reeder, Zoglin Noes: None Abstentions: None	

	Absent: Fung and Miller Recused: None  The motion failed due to the absence of a quorum of the Board participating in the meeting from within the El Camino Healthcare	
	District. This item was deferred until the June 14 <sup>th</sup> Meeting of the Board of Directors.	
7. AGENDA ITEM 11:	<b>Motion</b> : To adjourn at 10:00 am.	Meeting
ADJOURNMENT	Movant: Chen Second: Davis	adjourned at 10:00 am
	Ayes: Chen, Chiu, Cohen, Davis, Reeder, Zoglin	
	Noes: None	
	Abstentions: None	
	Absent: Fung, Miller	
	Recused: None	

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

Peter C. Fung, MD Secretary, ECH Board of Directors Neal Cohen, MD

Chair, ECH Board of Directors

Prepared by: Cindy Murphy, Board Liaison



## **Board of Directors Open Session – June 14, 2017**

To: El Camino Hospital Board of Directors

From: Rebecca Fazilat, MD, Chief of Staff MV

J. Augusto Bastidas, MD, Chief of Staff LG

**Date:** May 30, 2017

### RE: REPORT FROM THE MEDICAL STAFF EXECUTIVE COMMITTEE

This report is based upon the Medical Staff Executive Committee meeting of May 25, 2017.

### Request Approval of the Following:

- A. Summary of Policies/Protocols for Review and Approval (p 2):
- B. New Policies
  - 1) Role of Doulas in L&D (pp 3-5)
- C. Policies with Minor/No Revisions None at this time
- D. Delineation of Clinical Privileges Cardiovascular Disease (pp. 6-19)
- E. Rules & Regulations Revision (pp 20-22)

## SUMMARY OF POLICIES/PROTOCOLS FOR REVIEW AND APPROVAL - BOARD

NEW POLICIES						
Document Name	Department	Date	Summary of Policy Changes			
Role of Doulas in L&D	L&D	5/17	New			
	POL	ICIES WITH MA.	JOR REVISIONS			
		Review or				
<b>Document Name</b>	Department	<b>Revised Date</b>	Summary of Policy Changes			
	POL	ICIES WITH MIN	IOR REVISIONS			
		Review or				
<b>Document Name</b>	Department	<b>Revised Date</b>				



TITLE:	Role and Patient Use of Doulas and Birth Plans in Labor		
CATEGORY:	Patient Care Services		
LAST APPROVAL:			
TYPE:	✓ Policy       ☐ Protocol       ☐ Practice Guideline       ☐ Standardized         ☐ Procedure       ☐ Plan       ☐ Scope of Service/ADT       Procedure		
SUB-CATEGORY:	Labor and Delivery		
OFFICE OF ORIGIN:	Labor and Delivery		
ORIGINAL DATE:	New		

#### I. COVERAGE:

Labor & Delivery Staff

#### II. PURPOSE:

To provide a clear understanding of the role of the Doula during labor and delivery

#### **III. POLICY STATEMENT:**

El Camino Hospital supports the role of doulas as part of labor support. ECH views doulas as non-medical personnel with the status of a visitor and the following policy outlines the guidelines associated with doulas and what they are allowed to do in the hospital.

#### **IV. DEFINITIONS:**

**Doula**: A birth doula is a non-medical person trained and experienced in childbirth who provides continuous physical, emotional, and informational support to the mother before, during and just after delivery.

#### V. REFERENCES:

- A. ACOG (2014) Obstetric Care Consensus: Safe Prevention of the Primary Cesarean Delivery
- B. UpToDate: Continuous Labor Support by a Doula. November 2015
- C. Doulas of North America (DONA) Position Paper: The Doula's Contribution to Modern Maternity Care
- D. Childbirth International Code of Ethics

#### VI. PROCEDURE:

- A. All patients that are accompanied by a Doula would be informed of ECH policy and shall be given the Doula Guidelines available in Appendix A.
- B. The doula offers encouraging guidance and help with comfort measures during labor such as:
  - 1. Breathing & relaxation techniques
  - 2. Massage
  - 3. Distraction (music, visual imagery, effleurage, directed breathing, etc.,)
  - 4. Movement and positioning
  - 5. Birthing balls
  - 6. Aromatherapy



**LAST APPROVAL:** 

TITLE: Role and Patient Use of Doulas and Birth Plans in Labor

CATEGORY: Patient Care Services

C. The doula fosters a positive environment and supports good communication between the patient/family and medical staff. The doula may:

- Assist the woman and her partner to become informed about the course of her labor
- 2. Provide physical and emotional support to the laboring woman and her partner and remain with the patient throughout a normal birth experience
- 3. Replace the patient's significant other in the operating room if desired by the patient.
- 4. Advocate for the patient's wishes as expressed in her birth plan.
- D. The doula does not provide patient care or clinical services. A doula may not:
  - 1. Perform clinical tasks such as vaginal exams, perform perineal massage, take vital signs or interpret the fetal heart rate pattern
  - 2. Silence alarms
  - 3. Diagnose medical conditions, prescribe treatment or give medical advice
  - 4. Replace nurses or other health care staff
  - 5. Administer medications (including homeopathic or herbal remedies)
  - 6. Utilize ignited items such as candles or incense in the patient's room
  - 7. Make decisions for the patient or intervene in clinical care
  - 8. Apply heating pads or other devices to any part or parts of the laboring patient without first consulting the nurse
- E. If care providers feel the presence of a doula is compromising safe patient care consider:
  - 1. Have dould leave the room to speak privately with patient. Review concerns and determine patient preference for going forward
  - 2. Notify charge nurse or nurse manager and obstetrician/midwife
  - 3. Utilize chain of command as needed
  - 4. Notify risk management if indicated

#### VII. APPROVAL:

APPROVING COMMITTEES AND AUTHORIZING BODY	APPROVAL DATES
Originating Committee or UPC Committee	3/17
OB Exec Medical Committee (if applicable):	3/17
ePolicy Committee:	5/17
Medical Executive Committee:	5/17
Board of Directors:	
Historical Approvals:	

#### **VIII. ATTACHMENTS:**



TITLE: Role and Patient Use of Doulas and Birth Plans in Labor

CATEGORY: Patient Care Services

LAST APPROVAL:

Doula Guidelines – Please see "Links & Attachments" top right hand corner



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 1 of 14

P	ra	ct	iti	in	nei	r N	la	m	6	•

#### **CRITERIA FOR PRIVILEGES:**

Physicians must demonstrate successful completion of an Accreditation Council of Graduate Medical Education (ACGME) or American Osteopathic Association (AOA) accredited residency program in cardiology, and/or current board certification in cardiology by the American Board of Internal Medicine (ABIM) or the American Osteopathic Board of Internal Medicine (AOBIM).

#### **CORE PRIVILEGES:**

Physicians with core privileges may admit patients to the hospital. These privileges are considered intrinsic to the practice of cardiology and routinely include the usual post-graduate training program in the specialty of cardiology.

#### **CONSULTATIONS:**

Consultation(s) shall be obtained by all medical staff members whenever the patient appears to be developing unexpected complication or untoward results which threaten life or serious harm, either from failure of the patient to appropriately respond to the therapy being given and/or substantial medical uncertainty in diagnosis and management.

#### **INSTUCTIONS:**

- Please check the box in the "Requested" column for each privilege requested.
- Indicate the number you have performed in the "#Done" column, if applicable:
  - o For new applicant, this number needs to reflect your total experience with that procedure.
  - For current medical staff applying for reappointment, this number needs to reflect the number performed within the last 24 months.
- Provide documentation where applicable see yellow highlighted items.

Approvals: CVS/PVI Committee: Medicine Department Executive Committee: Medical Executive Committee: Board:



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 2 of 14

Requested	Privilege	Additional/Special Criteria Highlighted area shows required documentation		Dept Chief Approval
				7,661010.
Core Pri	vileges in Cardiology			
Please list	Core privileges for cardiology include the ability to admit, evaluate, diagnose, and provide nonsurgical treatment, including consultation to patients admitted or in need of care to treat general medical problems. These privileges are considered intrinsic to the practice of Internal Medicine and routinely included in the usual post-graduate training program in the specialty of Internal Medicine. (Includes lumbar puncture, abdominal paracentesis, thoracentesis, aspiration/injection of joints, arterial puncture and/or cannulation.)  The core privileges in cardiology include the following procedures and such other procedures that are extensions of the same techniques and skills:  Dipyridamole Thallium Stress Testing Echocardiogram Interpretation EKG Interpretation – Adult EKG Interpretation – Adult EKG Interpretation-Signal Averaged Elective Direct Current Cardioversion Endotracheal Intubation Exercise Tolerance Test Holter Monitor Interpretation Interpretation of Radionuclide Cardic Imaging Studies Management of mechanical ventilation – Limited (uncomplicated case suitable for 12 hour Ventilator protocol) Pericardiocentesis Placement of Central IV Line Placement of Swan-Ganz Catheter Stress Echocardiography Transthoracic Echo Doppler interpretation Use of CPAP (continuous positive airway pressure) and BIPAP (bilevel positive airway pressure)	New applicant applying for core privileges:  For initial applicant, no additional/ special criteria needed for core privileges in cardiology.	Current medical staff applying for reappointment:  For reappointment applicant, no additional/ special criteria needed for core privileges in cardiology.	



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 3 of 14

Requested	Privilege	Additional/Special Criteria Highlighted area shows required documentation		Dept Chief Approval
Special I	Noncore Privileges in Cardiology			
	Trans-esophageal echocardiography (TEE)	New applicant applying for privilege: Required documentation of experience: a) Certificate of competency by the program director of the training program with a minimum volume of 20 TEE cases; or b) 20 cases performed with a physician with unrestricted TEE privileges; or c) 24 hours of Category I CME credit must be obtained including both didactic and lab experience including hands-on experience of 5 cases as primary operator. Provide documentation of certificate from the training program director and case log of 20 cases or letter from physician with unrestricted TEE privileges and case log of 20 TEE cases or documentation showing 24 hours CME courses and case log of 5 cases as primary operator.  FPPE: 3 cases proctored.	Current medical staff applying for reappointment: Attest to at least 5 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 5.	
	Moderate (conscious) sedation	New applicant applying for privilege:  Pass the moderate sedation examination provided by ECH Medical Staff Office with 85% or higher  Provide evidence of at least 4 in the last 24 months.	Current medical staff applying for reappointment:  For reappointment applicant, no additional/special criteria needed for moderate sedation.	4

Formatted: List Paragraph, Bulleted + Level: 1 + Aligned at: 0" + Indent at: 0.25"



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 4 of 14

Requested	Privilege	Additional/Special Criteria Highlighted area shows required documentation		Dept Chief Approval
Core Pri	vileges in Invasive Cardiology			
	Core privileges for invasive cardiology include the ability to admit, evaluate, diagnose, treat, and provide consultation to adolescent and adult patients who present with acute or chronic heart disease and who may require invasive diagnostic procedures. May provide care to patients in the intensive care setting in conformance with unit policies. Assess, stabilize, and determine the disposition of patients with emergent conditions consistent with medical staff policy regarding emergency and consultative call services.  The core privileges in this specialty include the following procedures and such other procedures that are extensions of the same techniques and skills:  Aortic angiography  Central line-placement and venous angiography  Coronary arteriography  Diagnostic right- and left-heart cardiac catheterization  Hemodynamic monitoring with balloon flotation devices  Insertion of intraortic balloon counter pulsation devices  Intracardiac angiography  Placement of temporary transvenous pacemakers	New applicant applying for core privileges: Provide evidence of at least 150 diagnostic right and/or left cardiac catheterizations, reflective of the scope of privilege requested during the last 24 months or demonstrate successful completion of an ACGME or AOA-accredited cardiology fellowship that included training in invasive cardiology within the last 24 months.  FPPE: 3 cases proctored.	Current medical staff applying for reappointment: Attest to at least 10 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 10.	
Please list	any of the above core privileges you do not wish	to request:		
Special I	Noncore Privileges in Invasive Cardiolog	-	Current medical staff	
	Transseptal left heart catheterization	New applicant applying for privilege: Provide documentation of training/competence by verification from program director or evidence of at least 10 in the last 24 months.	Current medical staff applying for reappointment: Attest to at least 10 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 10.	



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 5 of 14

Requested	Privilege	Additional/Spe Highlighted area shows re	Dept Chief Approval	
	Endomyocardial biopsy	New applicant applying for privilege: Provide documentation of training/competence by verification from program director or evidence of at least 10 in the last 24 months.	Current medical staff applying for reappointment: Attest to at least 10 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 10.	
Core Pri	vileges in Interventional Cardiology			
	Core privileges for interventional cardiology include the ability to admit, evaluate, treat and provide consultation to adolescent and adult patients by use of specialized imaging and other diagnostic techniques to evaluate blood flow and pressure in the coronary arteries and chambers of the heart, as well as technical procedures and medications to treat abnormalities that impair the function of the cardiovascular system. May provide care to patients in the invasive care setting in conformance with unit policies. Assess, stabilize, and determine the disposition of patients with emergent conditions consistent with medical staff policy regarding emergency and consultative call services.  The core privileges in interventional cardiology include the following procedures and such other procedures that are extensions of the same techniques and skills:  Intracoronary Thrombolysis  Mechanical Thrombectomy  Percutaneous Transluminal Coronary Angioplasty (PTCA)  Rotational atherectomy	New applicant applying for core privileges: Provide evidence of at least 100 coronary intervention procedures procedures, reflective of the scope of privileges requested during the last 24 months or demonstrate successful completion of an ACGME or AOA-accredited residency or clinical fellowship in interventional cardiology within the last 24 months.  FPPE: 3 cases proctored.	Current medical staff applying for reappointment: Attest to at least 1920 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 10.	



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 6 of 14

Requested	Privilege	Additional/Spe Highlighted area shows r	Chief Approval	
Special I	Noncore Privileges in Interventional Card	diology		
	Impella circulatory assist	New applicant applying for privilege: Provide documentation of training/competence by verification from program director or evidence of at least 2 in the last 24 months.	Current medical staff applying for reappointment: Attest to at least 1 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 1.	
	Left atrial appendage tissue closure (LARIAT)	New applicant applying for privilege: Required documentation of training from the device company (SentreHEART).  Provide documentation of training from device company.	Current medical staff applying for reappointment: Attest to at least 1 over the last 24 months.  If 1 LARIAT case is not performed, applicant may maintain privilege but will need to be proctored on the next 2 cases.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 1.	
	Noncore Privileges in Structural Heart ave Core Privileges in Interventional Cardiolo	egy to be eligible for the p	rivileges listed below.	
	Aortic balloon valvuloplasty	New applicant applying for privilege: Provide documentation of training/competence, verification from program director or evidence of at least 10 in the last 24 months.	Current medical staff applying for reappointment: Attest to at least 4 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 4.	

Formatted: Strikethrough



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 7 of 14

Requested	Privilege	Additional/Spe Highlighted area shows re		Dept Chief Approval
	Mitral balloon valvuloplasty	New applicant applying for privilege: Required documentation of training from the device company (INOUE balloon certified) or provide documentation of training/competence by verification from program director.  Provide documentation of training from device company or training/competence verified by program director.  FPPE: 3 cases proctored.	Current medical staff applying for reappointment: Attest to at least 4 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 4.	
	Transcatheter mitral valve repair (TMVR)	New applicant applying for privilege: Applicant must hold transseptal privileges and provide documentation of training/competence by verification from program director or evidence of at least 10 in the last 24 months.  FPPE: 3 cases proctored.	Current medical staff applying for reappointment: Attest to at least 100-50 structural procedures per year ever the last 24 menths-including atrial septal defects, patent foramen ovale, and transseptal punctures, and at least 6 TMVR procedures ever the past 24 menths.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 menths and at least 100 structural and 6 TMVR procedures.	
	PFO/ASD closure	New applicant applying for privilege: Provide documentation of training/competence, verification from program director or evidence of at least 5 in the last 24 months.	Current medical staff applying for reappointment: Attest to at least 5 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 5.	



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 8 of 14

Requested	Privilege	Additional/Spe Highlighted area shows re		Dept Chief Approval
	Left atrial appendage occlusion with WATCHMAN device	New applicant applying for privilege: Applicant must hold transseptal privileges and a and b below:  a) Provide required documentation of training from the WATCHMAN Device company (Boston Scientific)  And b) Provide evidence of at least 25 transseptal procedures in lifetime and at least 10 within the last 24 months.  Provide documentation of training/competence and evidence of at least 25 transseptal procedures in lifetime and 10 in the last 24 months.	Current medical staff applying for reappointment: Must maintain transseptal structural heart privileges and attest to at least 25 transseptal procedures of which at least 12 are WATCHMAN procedures in the last 24 months.  Provide documentation to at least 25 transseptal procedures of which at least 12 are WATCHMAN procedures of which at least 12 are WATCHMAN procedures over the last 24 months.	
	Transcatheter aortic valve replacement (TAVR)	New applicant applying for privilege: Either a, b or c below: a) Provide documentation of training/competence by verification from program director.  Or b) Provide evidence of at least 100 structural heart procedures over lifetime Or c) Provide evidence of at least 30 left sided structural heart procedures over the last 24 months of which 60% are balloon aortic valvuloplasty (ASD and PFO closures are not considered left sided structural heart procedures).  Provide documentation of training/competence or provide evidence of at least 100 structural heart procedures over lifetime or provide evidence of at least 30 left sided structural heart procedures over lifetime or provide evidence of at least 30 left sided structural heart procedures in the last 24 months.	Current medical staff applying for reappointment: Attest to at least 40 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 40.	



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 9 of 14

Requested	Privilege	Additional/Spe Highlighted area shows re		Dept Chief Approval
Core Pri	vileges in Peripheral Cardiology  Core privileges for peripheral cardiology include the ability to admit, evaluate, treat and provide consultation to adolescent and adult patients.  The core privileges in peripheral cardiology include the following procedures and such other procedures that are extensions of the same techniques and skills:  Atherectomy Peripheral Angiography Visceral or Peripheral Angioplasty	New applicant applying for core privileges: Provide evidence of at least 50 peripheral angiograms, with 25 as primary operator reflective of the scope of privileges requested during the last 24 months or provide documentation of training/competence by verification from program director.	Current medical staff applying for reappointment: Attest to at least 10-20 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 10.	Арргоча
Please list	Visceral or Peripheral Angiopiasty     Visceral or Peripheral Stent Placement     Intra Arterial Thrombolysis     Venogram, Angioplasty and     Thrombectomy of AV Dialysis Access  any of the above core privileges you do not wish	FPPE: 3 cases proctored. to request:		



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 10 of 14

Requested	Privilege	Additional/Special Criteria Highlighted area shows required documentation		Dept Chief Approval
Special N	Noncore Privileges in Peripheral Cardiology of Core Privileges in Peripheral Cardiology of Endovascular repair of aortic aneurysms (EVAR)	Highlighted area shows re	equired documentation	Chief



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 11 of 14

Carotid angioplasty/stenting  New applicant applying for privilege: Must hold core peripheral cardiology  Current medical staff applying for reappointment: Attest	Requested	Privilege	Additional/Spe Highlighted area shows re		Dept Chief Approval
privileges and either a, b, or c below: a) Completion of a dedicated peripheral vascular training program with participation in a minimum of 25 carotid interventions.  Or b) Participation in a minimum or 10 carotid interventions and attendance at two live-case demonstration CME courses on peripheral vascular techniques with clear emphasis on carotid therapy.  Or c) Apprenticeship under a certified proctor consisting of joint performance of 10 carotid interventions and attendance at two live-case demonstration CME courses on peripheral vascular techniques with clear emphasis on carotid therapy.  Or c) Apprenticeship under a certified proctor consisting of joint performance of 10 carotid interventions and attendance at two live-case demonstration CME courses on peripheral vascular techniques with clear emphasis on carotid therapy.  Provide certificate of training program of evidence of at least 10 in the last 24 months and certificate of attendance at CME courses. As primary or assisting operator		Carotid angioplasty/stenting	for privilege: Must hold core peripheral cardiology privileges and either a, b, or c below: a) Completion of a dedicated peripheral vascular training program with participation in a minimum of 25 carotid interventions.  Or b) Participation in a minimum or 10 carotid interventions and attendance at two live-case demonstration CME courses on peripheral vascular techniques with clear emphasis on carotid therapy.  Or c) Apprenticeship under a certified proctor consisting of joint performance of 10 carotid interventions and attendance at two live-case demonstration CME courses on peripheral vascular techniques with clear emphasis on carotid therapy. Provide certificate of training program or evidence of at least 10 in the last 24 months and certificate of attendance at CME courses. As primary or assisting operator	applying for reappointment: Attest to at least 10 over the last 24 months. As primary or assisting operator  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 10. As primary or assisting	



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 12 of 14

Requested	Privilege	Additional/Spe Highlighted area shows re		Dept Chief Approval			
Core Pri	Core Privileges in Clinical Cardiac Electrophysiology						
	Core privileges for clinical cardiac electrophysiology include the ability to admit, evaluate, treat and provide consultation to acute and chronically ill adolescent and adult patients with heart rhythm disorders, including the performance of invasive diagnostic and therapeutic cardiac electrophysiology procedures. May provide care to patients in the intensive care setting in conformance with unit policies. Assess, stabilize, and determine the disposition of patients with emergent conditions consistent with medical staff policy regarding emergency and consultative call services.  The core privileges in clinical cardiac electrophysiology include the following procedures and such other procedures that are extensions of the same techniques and skills:  Complete intracardiac electrophysiology evaluation	New applicant applying for core privileges: Provide evidence of at least 25 as reflective of the scope of privileges requested during the last 24 months or demonstrate successful completion of an ACGME or AOA-accredited residency or clinical electrophysiology fellowship in within the last 24 months.  FPPE: 3 cases proctored.	Current medical staff applying for reappointment: Attest to at least 10 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 10.				
Please list	any of the above core privileges you do not wish	to request:					
Special I	Noncore Privileges in Clinical Cardiac Ele	ectrophysiology					
	Insertion of permanent transvenous pacemaker (any and in combination: single- and dual-leas)	New applicant applying for privilege: Provide evidence of a CME course with hands-on experience as primary operator for 10 25 pacemaker cases or grand-fathering.	Current medical staff applying for reappointment: Attest to at least 40_15 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 40_15.				
	Insertion of implantable defibrillator (non-CRTD)	New applicant applying for privilege: Must hold pacemaker privileges. (1) EP Fellowship, (2) Formal proctoring, (3) grand-fathering	Current medical staff applying for reappointment: Attest to at least 515 over the last 24 months.  For reappointment applicant, the number below needs to reflect the number performed within the last 24 months and at least 5 15.				



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 13 of 14

Requested	Privilege	Additional/Spe Highlighted area shows re		Dept Chief Approval
	CRT (Pacemaker or Defibrillator	New applicant applying for privilege: Initial credentialing: 25 cases total (combined CRT-P and CRT-D) (and CRT-D must be satisfied via one of the ICD 3 pathways) or grandfathering	Current medical staff applying for reappointment: Re- credentialing: 15 over 24 months	
	Implantable Loop Recorder (ILR)	New applicant applying for privilege: 5 cases total	Current medical staff applying for reappointment: 5 cases over 24 months	
	Lead Extraction (with LASER or other mechanical tool system)	New applicant applying for privilege: 10 cases total as primary operator or assistant	Current medical staff applying for reappointment: 8 cases total over 24 months as primary operator or assistant	
	Leadless Pacemaker	New applicant applying for privilege: 3 cases total (proctored)	Current medical staff applying for reappointment: 3 cases total over 24 months	
	Subcutaneous ICD	New applicant applying for privilege: 3 cases total (proctored)	Current medical staff applying for reappointment: 3 cases total over 24 months	
	Implantable Heart Failure Monitoring Devices	New applicant applying for privilege: 3 cases total (proctored)	Current medical staff applying for reappointment: 3 cases total over 24 months	
	Diagnostic EP Study	New applicant applying for privilege: 25 cases total	Current medical staff applying for reappointment: 20 cases total over 24 months	
	Catheter Ablation (simple and complex combined)	New applicant applying for privilege: 25 cases total	Current medical staff applying for reappointment: 20 cases total over 24 months	

**Acknowledgement of Practitioner:** I attest that I am competent to perform the procedures as requested and have attached supporting documentation where needed and agree to provide additional documentation, if requested. I understand that in making this request I am bound by the applicable bylaws and/or policies of the hospital and medical staff.



Department: Medicine MV & LG Privilege List: Cardiovascular Disease (Cardiology) Page 14 of 14

Requested	Privilege	Additional/Special Criteria Highlighted area shows required documentation	Dept Chief
			Approval

Practitioner Name:

#### EL CAMINO HOSPITAL MEDICAL STAFF RULES AND REGULATIONS

#### Appendix I

#### A. <u>ADMISSIONS/TRANSFER/DISCHARGES</u>

1. Patients shall be admitted only under the care of a qualified member of the Medical Staff. The attending physician must be available to the admitted patient at all times or must arrange such coverage.

Allied health practitioners may initiate arrangements for admission and complete charts and forms pertinent to the admission and the medical record if privileged to do so within their scope of practice and under the supervision of the attending physician (if applicable).

- 2. Except in an emergency, patients shall not be admitted to the Hospital until a provisional diagnosis has been stated. In case of emergency, the provisional diagnosis shall be stated as soon as possible after admission.
- 3. Medical Staff members admitting patients shall be held responsible for giving such information as may be necessary or appropriate to assure the protection of other patients from those who are a source of danger from any cause whatsoever.
- 4. According to policy of Medical Staff (see Operating Room Committee policy), preoperative lab work shall be ordered at the discretion of the admitting surgeon. If pre-op lab work is ordered, the attending surgeon will be responsible for either including a copy of the lab work in the chart or in the dictated H&P or the admission note in the progress notes.
- 5. Potassium levels shall be obtained within 72 hours of surgery for all patients on potassium depleting diuretics.
- 6. All laboratory procedures, for patients being investigated or treated within the Hospital, shall be done in the Hospital except in those circumstances where the Hospital refers laboratory work outside the Hospital.
- 7. Decisions concerning the use of reference laboratories for studies not performed in the Hospital shall be delegated to the director of the medical laboratory services.
- 8. Each patient on admission shall be provided with a wristband unless the patient's condition will not permit such identification. Minimum information shall include the name of the patient and the Hospital admission number.
- 9. Patients shall not be routinely admitted to a distinct part of the Hospital unless it is appropriate for the level of care required by those patients.
- 10. Patients with critical burns shall be treated in a Burn Center unless transfer of the patient to the center is contraindicated in the judgment of the attending physician.
- 11. Any outpatient psychotherapist arranging for inpatient psychiatric care of his/her patient at El Camino Hospital will share with the ECH treatment team all information relevant to the patient's treatment. When the outpatient therapist is not the admitting psychiatrist, a special effort should be made to inform the admitting psychiatrist of all

relevant treatment issues. This communication is for purposes of ensuring optimal short-term patient care. Information must be held in strict confidence within the treatment setting, but the availability of relevant information to the treatment team is essential to provide adequate and appropriate therapy.

- 12. A mentally competent adult shall not be detained in the Hospital against his will. An unemancipated minor shall not be detained against the will of his parent or legal guardian. In those cases where the law permits an unemancipated minor to contract for medical care without the consent of his/her parent or guardian, he/she shall not be detained in the Hospital against his/her will. This provision shall not be construed to preclude or prohibit attempts to persuade a patient to remain in the Hospital in his own interest nor the detention of a mentally disordered patient for the protection of himself or others under the applicable provisions of the Welfare and Institutions Code, Section 5000, et seq., until transfer to an appropriate facility can be arranged.
- 13. Patients shall not be transferred or discharged for purposes of effecting a transfer from the Hospital to another health facility unless arrangements have been made in advance for admission to such health facility and the person legally responsible for the patient has been notified or after reasonable attempts have been made to notify the responsible person. A transfer or discharge shall not be carried out if, in the opinion of the patient's physician, such transfer or discharge would create a medical hazard.
- 14. A minor shall be discharged only to the custody of his or her parent or to his legal guardian or custodian, unless such parent or guardian shall otherwise direct. This provision shall not be construed to preclude a minor legally contracting for medical care from assuming responsibility for himself upon discharge.
- 15. Patients may only be discharged upon the order of a Medical Staff member.
- 16. In the event that a hospitalized patient refuses treatment by a physician, the affected physician will:
  - a. Communicate with the patient with regard to what he/she needs (tests, follow-up care, etc).
  - b. Ask a physician in his/her call group or specialty to take over care of the patient *or*.
  - Ask the chief of department or chief of staff for assistance in assigning another physician to care for the patient.
- 17. For patients admitted or transferred to intensive care, the admitting or transferring MD should notify the intensivist about any new patient admitted to intensive care. Discussion can occur at that time regarding level of involvement by the intensivist.

If the affected physician is acting as a consultant, the primary physician will find another consultant, absent an emergency situation. The primary physician is always responsible for the patient's care in the immediate emergency situation absent the patient's direct wishes to not be cared for in the interim.

17a. Prior to initiation of definitive therapy at El Camino Hospital which is based on interpretation of a biopsy or cytology done at an outside lab, it is strongly recommended that review and report of the findings must be documented by an ECH pathologist.

17b. Prior to initiation of definitive therapy for breast cancer at El Camino Hospital which is based on interpretation of a biopsy or cytology done at an outside lab, review and report of the findings must be documented by an ECH pathologist.

#### B. RECORDS

The responsible staff member shall be accountable for the preparation of a complete medical record for each patient. Unless otherwise provided in standing orders, protocols, or guidelines, a record shall include (a) identification data; (b) chief complaint; (c) details of present illness; (d) relevant past, social, and family histories; (e) inventory of body systems; (f) complete physical examination; (g) provisional diagnosis; (h) consultation reports; (i) reports from laboratory, i.e., pathology, radiology, etc.; (j) progress notes detailing medical surgical treatment that reflect any change in condition and results of treatment; (k) reports of procedures (also see below), e.g., nuclear medicine, radiology, anesthesia; (1) principal & secondary diagnosis(es); (m) discharge summary, discharge instructions; (n) follow-up plans; and (o) appropriate consents; and (p) autopsy results, if applicable. All entries shall be dated, timed, and authenticated by the appropriate practitioner. Any entries made for the practitioner (fellow, resident, physician assistant, etc.) must be dated, timed, and counter-signed by the practitioner, except emergency department (ED) reports. ED assessments may be dictated and signed by the responsible nurse practitioner or physician's assistant, and must include the name of the supervising ED physician. The ED physician must document in the ED record that he/she has reviewed the assessment and care provided.

Medical Records may be authenticated by a computer key code, in lieu of a physician's signature, only when that physician has placed a signed statement in the hospital administrative offices to the effect that he/she is the only person who has possession of the key code and the only person who will use the key code. Signature/authentication by a practitioner other than the author is permitted only when the author is unavailable, but not for convenience or as common practice.

#### History & Physical (H&P)

- 1. H&P must be completed by a practitioner privileged to perform H&Ps these are defined as:
  - a. MD/DO
  - b. DDS/DMD
  - c. DPM
  - Nurse Practitioner must be countersigned by supervising practitioner with 14 days of the patient's discharge.
  - e. Certified Nurse Midwife
  - f. Physician Assistant must be countersigned by supervising practitioner with 14 days of the patient's discharge.
- 2. H&P must be completed and documented for each patient no more than 30 days before or *within* 24 hours after *of* admission *or registration*, but prior to surgery or procedure requiring anesthesia services.

#### At a minimum, the following systems must be included in the H&P:

- a. Heart and lungs
- b. Abdomen
- c. General appearance and orientation
- d. Vital signs (including blood pressure, heart rate, respiratory rate, and temperature afebrile is acceptable) or reference to vital signs obtained elsewhere in



#### Minutes of the Open Session of the Executive Compensation Committee Thursday, March 23, 2017

#### El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040 Conference Rooms A&B (ground floor)

Members Present
Lanhee Chen, Chair
Teri Eyre (via teleconference)
Jaison Layney
Bob Miller, Vice Chair

**Members Absent** 

None

Ag	enda Item	Comments/Discussion	Approvals/Action
1.	CALL TO ORDER/ ROLL CALL	The open session meeting of the Executive Compensation Committee of El Camino Hospital (the "Committee") was called to order at 4:00pm by Chair Chen. All Committee members were present. Ms. Eyre participated via teleconference.	
2.	POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Chen asked if any Committee members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
3.	PUBLIC COMMUNICATION	None.	
4.	CONSENT CALENDAR	Chair Chen asked if any member of the Committee or the public wished to remove an item from the consent calendar. Mr. Layney requested that the FY18 Meeting Dates be discussed.	Consent calendar approved
		Mr. Layney noted that he would not be able to attend the proposed meeting on September 21 <sup>st</sup> . The Committee requested that staff find and schedule an alternative date. The Committee members explained that all of the other proposed dates work with their schedules.	
		<b>Motion:</b> To approve the consent calendar: Minutes of the Open Session of the Executive Compensation Committee Meeting (February 16, 2017); Proposed FY18 Committee Meeting Dates; and the FY17 Pacing Plan. For information: Progress Against FY17 Committee Goals; Progress Against FY17 Organizational Goals; and Article of Interest.	
		Movant: Miller Second: Layney Ayes: Chen, Eyre, Layney, Miller Noes: None Abstentions: None Absent: None Recused: None	
5.	REPORT ON BOARD ACTIONS	Chair Chen noted that the CEO Search is progressing nicely in coordination with the firm Russell Reynolds. The CEO Search Committee has selected candidates who will be interviewed in San Jose in a few weeks.	
		Mr. Miller thanked staff for the inclusion of the written report on Board actions.	
6.	PROPOSED FY18 COMMITTEE GOALS	Kathryn Fisk, CHRO, noted that the goals are relatively similar and asked if the Committee had any additions or suggestions.  Mr. Miller suggested adding a goal related to performance management or	FY18 Committee Goals recommended for

	succession planning. Mr. Sibery noted that the Governance Committee will be discussing whether or not to continue creating and approving annual Committee goals, as all of the work is already captured in the pacing plan. Mr. Miller noted that as long as the work related to succession planning is clear in the pacing plan for FY18, it does not need to be duplicated as a goal.  In response to Chair Chen's question, Ms. Fisk noted that Mercer is in its first year of a three year contract with ECH and that the executive compensation consultant is discussed every three years.  Motion: To recommend that the Governance Committee and the Board review and approve the ECC's proposed FY18 Committee Goals.  Movant: Miller Second: Layney Ayes: Chen, Eyre, Layney, Miller Noes: None Abstentions: None Present None	approval
7. ADJOURN TO CLOSED SESSION	Recused: None  Motion: To adjourn to closed session at 4:07pm.  Movant: Miller Second: Chen Ayes: Chen, Eyre, Layney, Miller Noes: None Abstentions: None Absent: None Recused: None	Adjourned to closed session at 4:07pm.
8. AGENDA ITEM 15: RECONVENE OPEN SESSION/ REPORT OUT	Open session was reconvened at 4:52 pm. Agenda items 8-14 were addressed in closed session.  During the closed session, the Committee approved the Minutes of the Closed Session of the Executive Compensation Committee Meeting of February 16, 2017 as amended by a unanimous vote in favor of all members present (Chen, Eyre, Layney, Miller).	
9. AGENDA ITEM 16: COMMITTEE RECRUITMENT	Motion: To recommend that the Board appoint Ms. Patricia Wadors to the Executive Compensation Committee for a term of service expiring June 30, 2017, renewable annually.  Movant: Miller Second: Layney Ayes: Chen, Eyre, Layney, Miller Noes: None Abstentions: None Absent: None Recused: None	Ms. Wadors recommended for appointment
10. AGENDA ITEM 17: PROPOSED EXECUTIVE BENEFIT DESIGN CHANGES	Motion: To recommend that the Board adopt 1) changes to the executive retirement plan as shown in Mercer's materials as Option 2, full grandfathering, and 2) integration with the 403(b) on the basis of what the employee could have contributed not what they actually contributed, and 3) changes to severance program recommended by Mercer (12 months for executives and 18 months for the CEO).  Movant: Miller	Executive Benefit Design Changes recommended for Board approval

	Second: Layney Ayes: Chen, Eyre, Layney, Miller Noes: None Abstentions: None Absent: None Recused: None	
11. AGENDA ITEM 18: CLOSING COMMENTS	Mr. Miller thanked staff for their facilitation of the recruitment process.  The Committee and staff also discussed availability in May and decided to keep the meeting on May 23 <sup>rd</sup> . Chair Chen noted that he will need to leave a bit early that day, and Mr. Miller agreed to assume the responsibilities of Chair for the remainder of the meeting.	
12. AGENDA ITEM 19: ADJOURNMENT	Motion: To adjourn at 5:47 pm.  Movant: Miller Second: Layney Ayes: Chen, Eyre, Layney, Miller Noes: None Abstentions: None Absent: None Recused: None	Meeting adjourned at 5:47 pm.

Attest as to the approval of the foregoing minutes by the Executive Compensation Committee and the Board of Directors of El Camino Hospital.

Lanhee Chen Peter C. Fung, MD

Chair, Executive Compensation Committee Secretary, ECH Board of Directors

Prepared by: Cindy Murphy, Board Liaison

Sarah Rosenberg, Board Services Coordinator

#### **ECH BOARD MEETING AGENDA ITEM COVER SHEET**

	Proposed Executive Benefits Plan
	El Camino Hospital Board of Directors
	June 14, 2017
Responsible party:	Lanhee Chen, Executive Compensation Committee Chair
Action requested:	Possible Motion
Background:	
•	ration consultant, conducted a comprehensive benefits review. The proval of the following changes to the Board of Directors:
	nce period. rom 5% for executives to 13% for all executives, offset by the ons to qualified retirement plans.
current percentage.	utives whose current retirement contributions exceed 13% at their
<ul> <li>Eliminating the clause "like position")</li> </ul>	e regarding coverage after two years (about ability to return to
The proposed changes to exe Benefit Plan year, which star	ecutive retirement and LTD would be effective with the 2018 ts January 1, 2018.
Other Board Advisory Comm	nittees that reviewed the issue and recommendation, if any:
The Executive Compensation	Committee has reviewed the issue and recommendation, if any:  1 Committee has reviewed market practice and plan design at its  2017 meetings, and recommends that the Board approve the
The Executive Compensation March 23, 2017 and May 23,	Committee has reviewed market practice and plan design at its 2017 meetings, and recommends that the Board approve the
The Executive Compensation March 23, 2017 and May 23, policy changes.  Summary and session object	Committee has reviewed market practice and plan design at its 2017 meetings, and recommends that the Board approve the
The Executive Compensation March 23, 2017 and May 23, policy changes.  Summary and session object	Committee has reviewed market practice and plan design at its 2017 meetings, and recommends that the Board approve the tives:  t policy and approve the proposed changes.
The Executive Compensation March 23, 2017 and May 23, policy changes.  Summary and session object  To review the current	Committee has reviewed market practice and plan design at its 2017 meetings, and recommends that the Board approve the tives:  t policy and approve the proposed changes.  ons: None.
The Executive Compensation March 23, 2017 and May 23, policy changes.  Summary and session object  To review the current Suggested discussion question Proposed Board motion, if a	Committee has reviewed market practice and plan design at its 2017 meetings, and recommends that the Board approve the tives:  t policy and approve the proposed changes.  ons: None.
The Executive Compensation March 23, 2017 and May 23, policy changes.  Summary and session object  To review the current Suggested discussion question Proposed Board motion, if a To approve the proposed Execution Proposed	Committee has reviewed market practice and plan design at its 2017 meetings, and recommends that the Board approve the tives:  t policy and approve the proposed changes.  ons: None.



2. Proposed Executive Benefit Plan (clean)



# EL CAMINO HOSPITAL BOARD OF DIRECTORS POLICIES AND PROCEDURES WITH PROPOSED CHANGES

#### 03.03 EXECUTIVE BENEFIT PLAN

#### A. <u>Coverage</u>:

The Chief Executive Officer ("CEO") of El Camino Hospital ("the Hospital") and those executives reporting directly to the CEO or COO. Participation in the plan is subject to approval by the Hospital Board of Directors.

#### B. Reviewed/Revised:

New: 6/16/09, 12/08/10, 2/13/13, 8/13/14, draft for ECHB review 6/14/17

#### C. Policy Summary:

To support the Hospital's ability to attract and retain executive talent, the Hospital shall provide key executives with a benefits package that is market competitive, compliant, and cost effective. This section outlines the benefits offered to executives in addition to those offered to employees in general.

#### D. General Provisions:

There are several components of the executive benefit program:

- 1) Basic Benefits are benefits the Hospital offers to all eligible employees and currently includes:
  - a. Group insurance and income protection programs such as medical, employee assistance, dental, and vision plans; supplemental life insurance for the employee, spouse/domestic partner and dependent/child(ren) life insurance; accidental death and dismemberment insurance;
  - b. Paid time off and extended sick leave;
  - c. Cash balance plan;
  - d. Employer-match to the 403(b) Plan; and
  - e. Domestic Social Security or Medicare tax payments.
- 2) Basic Executive Benefits are non-elective group benefits provided to executives with plan provisions that differ from those of non-executive employees which currently include:

Approval: 8/13/<del>14</del> for review by ECHB 6/14/17

El Camino Hospital Rev.: <u>5/15/176/12/14</u>jj

# Board of Directors Policies & Procedures 03.03 Executive Benefits Plan Page 2 of 6

- a. Basic Life Insurance Under Class 2 of the group life insurance policy, the basic benefit for full-time executives is three times annual salary (rounded to the nearest \$10,000) up to \$1.25 million with a guaranteed issue amount of \$350,000. The IRS requires the Hospital to report imputed income for coverage over \$50,000. If an executive's regular status is less than full-time, they will be eligible for the employee basic life insurance plan.
- b. Long-term disability (LTD) executives will be placed in the basic employee long-term disability plan with a 90-day waiting period. They are not eligible for the 30-day waiting period plan Effective January 1, 2017, executive basic LTD insurance will provide a benefit of up to 60% of base earnings to a maximum of \$15,000 following a 90-day waiting period. Eligibility for benefits will be the same as other employees except that executives will be given consideration of disability under their "own occupation" in all years.

#### 3) Supplemental Executive Benefits include:

- Executive Disability Salary Continuation if an executive is unable to work due to a health-related problem, the executive's salary will be continued for up to six months at 100% of base salary.
  - i. Disability Salary Continuation benefits are integrated with all other employer-sponsored benefits so that the executive will not receive more than 100 % of salary. This includes use of accrued PTO and Extended Sick Leave as well as state disability insurance, workers' compensation, and group longterm disability insurance.
  - Disability Salary Continuation benefits are taxed as ordinary income.
  - iii. Disability Salary Continuation benefits are not portable at termination of employment

#### b. Severance plan

- i. The severance period is up to <u>six\_monthstwelve months</u> (12) unless otherwise stated in the executive's employment agreement. <u>The severance period is up to eighteen months</u> (18) unless otherwise stated in the CEO's employment agreement. Severance will be paid on a bi-weekly basis and will be determined by the executive's base salary at the time of termination.
- Severance may be paid if the executive's employment is terminated by the Hospital without cause or following a material reduction in duties or salary within six months of a

Board of Directors Policies & Procedures 03.03 Executive Benefits Plan Page 3 of 6

- change of control. Severance will not be paid when the executive voluntarily resigns or is discharged as described under Human Resources Policies 3.12 and 7.01.
- iii. In addition to six-twelve months' pay, the executive is eligible for up to six-twelve months coverage extension of medical, dental, and vision coverage employer contributions (up to 18 months for the CEO). The executive will contribute to the cost on the same basis as when employed. The Hospital will continue to pay the employer share until such time as the executive fails to pay his or her share of premium, becomes ineligible for continuation under COBRA, obtains other group coverage, or six-twelve months (18 months for CEO) (whichever is less).
- iv. Any obligation of the Hospital to the executive is conditioned, upon the executive signing a release of claims in the form provided by the Hospital (the "Employee Release") within twenty-one days (or such greater period as the Hospital may specify) following the later of the date on which the executive receives notice of termination of employment or the date the executive receives a copy of the Employee Release and upon the executive not revoking the Employee Release in a timely manner thereafter.
- v. Severance benefits are taxed as ordinary income.
- vi. Severance pay will be offset by any earnings received should the executive gain employment during the severance period. The terminated executive must notify the Hospital upon obtaining other employment and provide evidence of base salary received and benefits eligibility (if continuing benefits) in the new position.
- 4) Executive Taxable Benefit Allowance the executive will be provided an annual benefits allowance equal to 7% of base pay (as determined based on annualized base salary on January 1 or date initially eligible for the plan) to purchase the following voluntary benefits on a taxable basis:
  - a. Individual Long-term Disability;
  - b. Individual Long-Term Care (note: policies in force as of 12/31/08 will be provided as a non-elective benefit, paid by the Hospital on a pre-tax basis and not included in the 7% taxable benefit allowance. Executives may revoke coverage but not make any changes to the policy that increases the premiums);
  - c. Individual Life Insurance; and

Board of Directors Policies & Procedures 03.03 Executive Benefits Plan Page 4 of 6

d. 457(b) Executive Retirement Plan – if there is allowance remaining after the purchase of voluntary benefits; the executive may elect to contribute to a 457(b) plan or may receive the remainder in cash as pay in lieu of benefits. Such deferrals are subject to statutory limits (i.e., \$17,500 in 2014).

#### 5) Executive Retirement Plans

- a. 457(b) Executive Retirement Plan an executive may contribute unused taxable Benefit Allowance, payout of accrued PTO, and/or salary, subject to statutory limits (i.e., \$17,500 in 2014). The account balance will be fully vested at all times.
- b. 457(f) SERP Effective January 1, 2018 the Hospital will contribute 135% of Base Pay (as determined based on annualized base salary on January 1 or date initially eligible for plan) to a tax-deferred retirement account (less any contributions to qualified retirement plans for which the executive is eligible to receive). Such contributions have a "Deferred Vesting Date" of the fifth anniversary of the date each Account is created (i.e., January 1, 202319 for 20184 account.) The Participant shall be entitled to the SERP Benefit upon the earliest of (i) remaining employed by the Company to the earlier of the Deferred Vesting Date for such Account or the Participant's 65th birthday; (ii) Disability; (iii) Death; or (iv) Involuntary Separation from Service without Reasonable Cause.
  - Participants age 65 or greater If a Participant continues employment beyond age 65, the Company shall pay to the Participant an amount equal to the credits the Company otherwise would have credited to a SERP Account for such Participant in cash. The Company shall pay such amounts during the applicable Plan Year(s).
  - ii. Under current tax rules, taxes are payable at vesting, so the plan will provide a partial distribution at vesting to cover taxes.
  - <u>iii.</u> In order to attract and retain executive talent, the Hospital may contribute a higher percent or dollar amount for individual executives as determined by the Hospital's Board of Directors and consistent with the total compensation policy.
  - iv. The following executives will be eligible for a higher contribution as long as they remain in an executive position with the Hospital:
    - 1. 14% Jodi Barnard
    - 2. 15% Ken King and Cheryl Reinking

#### 1.3. 16% - Cecile Currier and Joan Kezic

457(f) Capital Accumulation Account—the Hospital froze the plan in December 2008. The Hospital shall pay the balance of the Capital Accumulation Accounts to the Executive (or, in the case of death, the beneficiary) in a lump sum within 2 ½ months after the earlier of (i) the Deferred Vesting Date for such account, or (ii) the Executive's Separation of Service for any reason.

Commented [JJ1]: This can be removed. All CAA accounts have vested and been distributed as of 1/1/17.

#### E. Roles and Responsibilities:

- The El Camino Hospital Board of Directors shall approve all changes to plan design and delegated executive benefit plan administration oversight to the Executive Compensation Committee. The Committee has the responsibility to recommend eligibility and changes to plan design.
- 2) The Chief Human Resources Officer is responsible for overseeing the administration of the program and implementing new benefits or changes. The Chief Human Resource Officer has the authority to engage third parties and assign duties internally and/or externally to effectively administer the plan.
- 3) The executive benefit plan consultants are selected by the Executive Compensation Committee on behalf of the Board of Directors and advise the Board on plan design, overall plan management, and compliance.
- 4) The executive benefits plan advisor is selected by the Chief Human Resources Officer and assists in plan communication and administration. The advisor will be a licensed professional who acts as an agent for purchases of individual insurance products. The advisor will guide and advise individual executives on his or her benefit elections upon hire, during open enrollment, and at termination of employment.

#### F. <u>Procedures:</u>

- Newly executives will be eligible for the executive benefit plan on the first of the month commensurate with or following 30 days from date of hire into an eligible position. The taxable benefits allowance and SERP contribution will be prorated based on the number of complete months of participation during the year.
- 2) There will be an annual open enrollment period during which the executive may add or change certain benefit elections.

Board of Directors Policies & Procedures 03.03 Executive Benefits Plan Page 6 of 6

- 3) At termination of employment, the Hospital will prorate the taxable benefits allowance and SERP contribution based on the number of complete months of participation during the year. The taxable benefits allowance and SERP contribution will be discontinued upon termination.
- 4) If an executive transfers into a position that is not eligible for the executive benefits program, the Hospital will prorate the taxable benefits allowance and SERP contribution as of the transfer date based on the number of complete months of participation during the year. The taxable benefits allowance and SERP contribution will be discontinued as of the transfer date. The former executive will continue to vest his or her SERP contributions throughout their employment with the Hospital.



#### EL CAMINO HOSPITAL BOARD OF DIRECTORS POLICIES AND PROCEDURES

#### 03.03 EXECUTIVE BENEFIT PLAN

#### A. <u>Coverage</u>:

The Chief Executive Officer ("CEO") of El Camino Hospital ("the Hospital") and those executives reporting directly to the CEO or COO. Participation in the plan is subject to approval by the Hospital Board of Directors.

#### B. <u>Reviewed/Revised</u>:

New: 6/16/09, 12/08/10, 2/13/13, 8/13/14, draft for ECHB review 6/14/17

#### C. <u>Policy Summary</u>:

To support the Hospital's ability to attract and retain executive talent, the Hospital shall provide key executives with a benefits package that is market competitive, compliant, and cost effective. This section outlines the benefits offered to executives in addition to those offered to employees in general.

#### D. General Provisions:

There are several components of the executive benefit program:

- 1) Basic Benefits are benefits the Hospital offers to all eligible employees and currently includes:
  - a. Group insurance and income protection programs such as medical, employee assistance, dental, and vision plans; supplemental life insurance for the employee, spouse/domestic partner and dependent/child(ren) life insurance; accidental death and dismemberment insurance;
  - b. Paid time off and extended sick leave;
  - c. Cash balance plan;
  - d. Employer-match to the 403(b) Plan; and
  - e. Domestic Social Security or Medicare tax payments.
- 2) Basic Executive Benefits are non-elective group benefits provided to executives with plan provisions that differ from those of non-executive employees which currently include:
  - a. Basic Life Insurance Under Class 2 of the group life insurance policy, the basic benefit for full-time executives is three times annual

Approval: 8/13/14 for review by ECHB 6/14/17

El Camino Hospital Rev.: 5/15/17<del>6/12/14</del>jj

- salary (rounded to the nearest \$10,000) up to \$1.25 million with a guaranteed issue amount of \$350,000. The IRS requires the Hospital to report imputed income for coverage over \$50,000. If an executive's regular status is less than full-time, they will be eligible for the employee basic life insurance plan.
- b. Long-term disability (LTD) Effective January 1, 2017, executive basic LTD insurance will provide a benefit of up to 60% of base earnings to a maximum of \$15,000 following a 90-day waiting period. Eligibility for benefits will be the same as other employees except that executives will be given consideration of disability under their "own occupation" in all years.

#### 3) Supplemental Executive Benefits include:

- a. Executive Disability Salary Continuation if an executive is unable to work due to a health-related problem, the executive's salary will be continued for up to six months at 100% of base salary.
  - i. Disability Salary Continuation benefits are integrated with all other employer-sponsored benefits so that the executive will not receive more than 100 % of salary. This includes use of accrued PTO and Extended Sick Leave as well as state disability insurance, workers' compensation, and group longterm disability insurance.
  - ii. Disability Salary Continuation benefits are taxed as ordinary income.
  - iii. Disability Salary Continuation benefits are not portable at termination of employment

#### b. Severance plan

- i. The severance period is up to twelve months (12) unless otherwise stated in the executive's employment agreement. The severance period is up to eighteen months (18) unless otherwise stated in the CEO's employment agreement. Severance will be paid on a bi-weekly basis and will be determined by the executive's base salary at the time of termination.
- ii. Severance may be paid if the executive's employment is terminated by the Hospital without cause or following a material reduction in duties or salary within six months of a change of control. Severance will not be paid when the executive voluntarily resigns or is discharged as described under Human Resources Policies 3.12 and 7.01.

- iii. In addition to twelve months' pay, the executive is eligible for up to twelve months coverage extension of medical, dental, and vision coverage employer contributions (up to 18 months for the CEO). The executive will contribute to the cost on the same basis as when employed. The Hospital will continue to pay the employer share until such time as the executive fails to pay his or her share of premium, becomes ineligible for continuation under COBRA, obtains other group coverage, or twelve months (18 months for CEO) (whichever is less).
- iv. Any obligation of the Hospital to the executive is conditioned, upon the executive signing a release of claims in the form provided by the Hospital (the "Employee Release") within twenty-one days (or such greater period as the Hospital may specify) following the later of the date on which the executive receives notice of termination of employment or the date the executive receives a copy of the Employee Release and upon the executive not revoking the Employee Release in a timely manner thereafter.
- v. Severance benefits are taxed as ordinary income.
- vi. Severance pay will be offset by any earnings received should the executive gain employment during the severance period. The terminated executive must notify the Hospital upon obtaining other employment and provide evidence of base salary received and benefits eligibility (if continuing benefits) in the new position.
- 4) Executive Taxable Benefit Allowance the executive will be provided an annual benefits allowance equal to 7% of base pay (as determined based on annualized base salary on January 1 or date initially eligible for the plan) to purchase the following voluntary benefits on a taxable basis:
  - a. Individual Long-term Disability;
  - b. Individual Long-Term Care (note: policies in force as of 12/31/08 will be provided as a non-elective benefit, paid by the Hospital on a pre-tax basis and not included in the 7% taxable benefit allowance. Executives may revoke coverage but not make any changes to the policy that increases the premiums);
  - c. Individual Life Insurance; and
  - d. 457(b) Executive Retirement Plan if there is allowance remaining after the purchase of voluntary benefits; the executive may elect to contribute to a 457(b) plan or may receive the remainder in cash as pay in lieu of benefits. Such deferrals are subject to statutory limits (i.e., \$17,500 in 2014).

- 5) Executive Retirement Plans
  - a. 457(b) Executive Retirement Plan an executive may contribute unused taxable Benefit Allowance, payout of accrued PTO, and/or salary, subject to statutory limits (i.e., \$17,500 in 2014). The account balance will be fully vested at all times.
  - b. 457(f) SERP Effective January 1, 2018 the Hospital will contribute 13% of Base Pay (as determined based on annualized base salary on January 1 or date initially eligible for plan) to a tax-deferred retirement account (less any contributions to qualified retirement plans for which the executive is eligible to receive). Such contributions have a "Deferred Vesting Date" of the fifth anniversary of the date each Account is created (i.e., January 1, 2023 for 2018 account.) The Participant shall be entitled to the SERP Benefit upon the earliest of (i) remaining employed by the Company to the earlier of the Deferred Vesting Date for such Account or the Participant's 65th birthday; (ii) Disability; (iii) Death; or (iv) Involuntary Separation from Service without Reasonable Cause.
    - i. Participants age 65 or greater If a Participant continues employment beyond age 65, the Company shall pay to the Participant an amount equal to the credits the Company otherwise would have credited to a SERP Account for such Participant in cash. The Company shall pay such amounts during the applicable Plan Year(s).
    - ii. Under current tax rules, taxes are payable at vesting, so the plan will provide a partial distribution at vesting to cover taxes.
    - iii. In order to attract and retain executive talent, the Hospital may contribute a higher percent or dollar amount for individual executives as determined by the Hospital's Board of Directors and consistent with the total compensation policy.
    - iv. The following executives will be eligible for a higher contribution as long as they remain in an executive position with the Hospital:
      - 1. 14% Jodi Barnard
      - 2. 15% Ken King and Cheryl Reinking
      - 3. 16% Cecile Currier and Joan Kezic

#### E. Roles and Responsibilities:

1) The El Camino Hospital Board of Directors shall approve all changes to plan design and delegated executive benefit plan administration oversight to the

Board of Directors Policies & Procedures 03.03 Executive Benefits Plan Page 5 of 5

- Executive Compensation Committee. The Committee has the responsibility to recommend eligibility and changes to plan design.
- 2) The Chief Human Resources Officer is responsible for overseeing the administration of the program and implementing new benefits or changes. The Chief Human Resource Officer has the authority to engage third parties and assign duties internally and/or externally to effectively administer the plan.
- 3) The executive benefit plan consultants are selected by the Executive Compensation Committee on behalf of the Board of Directors and advise the Board on plan design, overall plan management, and compliance.
- 4) The executive benefits plan advisor is selected by the Chief Human Resources Officer and assists in plan communication and administration. The advisor will be a licensed professional who acts as an agent for purchases of individual insurance products. The advisor will guide and advise individual executives on his or her benefit elections upon hire, during open enrollment, and at termination of employment.

#### F. Procedures:

- 1) Newly executives will be eligible for the executive benefit plan on the first of the month commensurate with or following 30 days from date of hire into an eligible position. The taxable benefits allowance and SERP contribution will be prorated based on the number of complete months of participation during the year.
- 2) There will be an annual open enrollment period during which the executive may add or change certain benefit elections.
- 3) At termination of employment, the Hospital will prorate the taxable benefits allowance and SERP contribution based on the number of complete months of participation during the year. The taxable benefits allowance and SERP contribution will be discontinued upon termination.
- 4) If an executive transfers into a position that is not eligible for the executive benefits program, the Hospital will prorate the taxable benefits allowance and SERP contribution as of the transfer date based on the number of complete months of participation during the year. The taxable benefits allowance and SERP contribution will be discontinued as of the transfer date. The former executive will continue to vest his or her SERP contributions throughout their employment with the Hospital.



Summary of Financial Operations

Fiscal Year 2017 – Period 9 7/1/2016 to 3/31/2017

#### Dashboard - ECH combined as of March 31, 2017

•	Annual				Month				YTD				
•	2015	2016	2017	2017	PY		Bud/Target	╁	PY	CY	Bud/Target		
	2013	2010	Proj.	Bud/Target		CI	Dudy raiget			CI	Duuj raiget		
Volume			j.	Dady raiget				$\dagger$					
Licenced Beds	443	443	443	443	443	443	443		443	443	443		
ADC	246	242	244	245	248	259	256		242	239	245		
Adjusted Discharges	22,342	22,499	23,724	22,992	1,843	2,109	1,933		16,559	17,421	17,278		
Total Discharges	19,637	19,367	19,993	19,781	1,639	1,728	1,680		14,446	14,670	14,879		
Inpatient Cases	15,057	13,307	13,333	13,701	1,033	1,720	1,000		14,440	14,070	14,073		
MS Discharges	13,114	13,344	13,793	13,499	1,096	1,225	1,146		9,813	10,126	10,149		
Deliveries	5,067	4,717	4,756	4,810	414	398	408		3,548	3,507	3,617		
BHS	901	806	910	901	83	65	77		709	681	684		
Rehab	555	500	534	570	46	40	48		376	356	429		
Outpatient Cases	555	300	334	370	40	40	40		370	330	429		
ED ED	49,106	48,609	49,608	51,258	4,244	4,378	4,337		36,710	36,171	38,414		
Procedural Cases	45,100	46,003	43,000	31,236	4,244	4,376	4,337		30,710	30,171	30,414		
OP Surg	6,488	6,070	7,113	6,427	524	676	527		4,611	5,042	4,670		
Endo	2,520	2,324	2,209	2,479	223	214	202		1,759	1,648	1,788		
Interventional	1,998	2,021	2,209	2,479	174	197	194		1,525	1,529	1,700		
All Other	67,998	80,911	86,997	84,566	7,536	7,951	6,901		60,385	64,538	61,115		
	67,998	60,911	00,337	64,300	7,330	7,931	0,901	_	00,363	04,336	01,113		
Financial Perf.													
Net Revenues	746,645	772,020	831,501	789,585	67,320	73,587	68,130		566,926	610,114	586,264		
Operating Expenses	689,631	743,044	756,093	764,828	63,210	66,465	64,727		554,001	553,994	566,833		
Operating Income \$	78,120	52,613	100,742	49,817	6,508	8,704	5,491		31,396	74,932	38,217		
Operating Margin	10.2%	6.6%	11.8%	6.1%	9.3%	11.6%	7.8%		5.4%	11.9%	6.3%		
EBITDA \$	128,002	108,554	154,663	109,890	11,333	12,910	10,549		71,627	114,792	81,579		
EBITDA %	16.7%	13.6%	18.1%	13.5%	16.3%	17.2%	15.0%		12.2%	18.3%	13.5%		
IP Margin <sup>1</sup>	-3.9%	-8.7%	-5.8%	-6.1%	-6.9%	-5.1%	-6.1%		-11.1%	-5.8%	-6.1%		
OP Margin <sup>1</sup>	26.7%	26.7%	34.1%	26.4%	26.0%	34.7%	26.4%		25.4%	34.1%	26.4%		
Payor Mix	20.776	20.7/6	34.170	20.478	20.076	34.770	20.476		25.470	34.170	20.470		
Medicare	46.2%	46.6%	47.7%	46.4%	49.1%	48.9%	46.4%	Ļ	46.0%	47.7%	46.4%		
Medi-Cal	6.6%	7.4%	7.3%	6.5%	6.4%	6.8%	6.5%	Ļ	7.4%	7.3%	6.5%		
Commercial IP	24.2%	23.2%	22.3%	24.0%	24.4%	20.8%	24.0%	Ļ	24.3%	22.3%	24.0%		
Commercial OP	18.7%	18.7%	20.2%	19.0%	18.6%	20.7%	19.0%	_	19.5%	20.2%	18.6%		
Total Commercial	42.9%	41.9%	42.5%	43.0%	43.0%	41.5%	43.0%	-	43.8%	42.5%	42.6%		
Other	4.3%	4.1%	2.5%	4.1%	1.5%	2.8%	4.1%		2.8%	2.5%	4.1%		
Cost													
Employees	2,452.4	2,542.8	2,491.7	2,554.9	2,564.6	2,549.6	2,542.8		2,604.7	2,491.7	2,554.9		
Hrs/APD	30.45	30.35	2,491.7	29.48	31.32	28.47	28.28		31.18	2,491.7	2,334.3		
	30.43	30.33	29.01	23.40	31.32	20.47	20.20		31.10	29.01	29.40		
<b>Balance Sheet</b>													
Net Days in AR	43.6	53.7	47.7	48.0	53.7	47.7	48.0		53.7	47.7	48.0		
Days Cash	401	361	418	266	361	418	266		361	418	266		
Affiliates - Net I	ncome	(\$000	ls)										
		٠.	•										
Hosp	94,787	43,043	171,492	67,032	22,161	18,926	6,220		9,965	114,328	44,777		
Concern	1,202	1,823	1,581	2,604	(123)	51	221		1,465	1,054	1,918		
ECSC	(41)	(282)	(108)	0	(327)	(12)	0		(314)	(72)	0		
Foundation	710	982	3,134	(450)	690	43	(4)		371	2,089	(318)		
SVMD	106	156	177	0	(23)	(43)	(1)		(36)	118	(2)		

#### **Inpatient Volume:**

- March inpatient discharges exceed budget by 2.9% and 5.4% from PY; YTD discharge is lower than budget by 1.4%. With strong OP revenue, YTD adj. discharges are now ahead of budget.
- Delivery, BHS and Rehab volume all lagging from budget but we see a volume increase in HVI (5%, particularly cardiac surgery cases), Spine surgeries (9%), and GYN cases (11%).

#### **Outpatient Volume:**

- OP volume posted a strong month in March with a 10.3% higher than budget. YTD overall OP volume ahead of budget by 1.1%
- We observed a significant increase in OP surgery at both campus in March (28%) as well as YTD (7.9%).
- Endo cases (5.9%), Cancer Center, Infusion Center case volume also posted an all time high volume in March which result a significant increase in gross charges.

#### **Payor Mix:**

 Commercial mix improved from from February from 40.4% to 41.5% as respiratory cases eased with the warm weather. YTD PM is still under budget due to higher Medicare.

#### **Balance Sheet:**

 Net days in AR are ahead of target and improved further in March. Total cash on hand is still at an all time high of 418 days in March.

### **Budget Variances**

	Mor	nth to Date (M	TD)	Ye	ear to Date (YT	D)
	Detail	Net Income	% Net	Detail	Net Income	% Net
(in thousands)		Impact	Revenue		Impact	Revenue
Budgeted Hospital Operations FY2017		5,491	7.8%		38,217	6.3%
Net Revenue		4,951	6.6%		23,876	3.8%
* Volume and service mix	3,868			2,019		
* Rev cycle improvements	500			7,500		
* IGT				6,535		
* BPCI Settlement				(2,169)		
* Medi-Cal managed care supplemental				1,366		
* Insurance (Payment Variance)	544			1,120		
* Mcare Settlement	27			1,291		
* Various Adjustments under \$250k	12			480		
Labor and Benefit Expense Change		955	1.3%		9,856	1.6%
* Productivity, volume and service mix	(1,731)			10,438		
* WC Reserve Update based on Favorable Exp	1,824			2,524		
* Vacancies filled with purchased services	862			2,498		
* Pay for performance bonus				(3,204)		
* Ratification bonus				(2,400)		
Professional Fees & Purchased Services		(2,376)	-3.2%		(1,959)	-0.3%
* Physician Fees	299			1,356		
* Consulting Fee - Includes \$2M in 2017A Bond Issuance Cost	(2,245)			(3,728)		
* Purchased Services due to Clinical Informatics and IT backfill	(1,149)			(3,330)		
for vacant IT positions						
* Repairs and Maintenance Fees	719			3,743		
Supplies		(1,264)	-1.7%		1,676	0.3%
* Drug Exp (due to higher Infusion Center volume; but offset	(624)			(2,099)		
by higher revenue)						
* Medical Supplies  * Non Med Supplies - Misc (Food (Volumes)	(611)			2,284		
Non inea supplies - inise (1 ood) voidines)	(29)	0.5	0.404	1,491	(225)	0.00/
Other Expenses  * Leases & Pontal Foos (Pontal Lease Costs)	45	96	0.1%	(220)	(236)	0.0%
Leases & Rental Fees (Rental Lease Costs)	45 (246)			( <b>220</b> ) 97		
* Utilities & Telephone	(346)					
* Other G&A  Depreciation & Interest	398	850	1.1%	(113)	3,503	0.6%
* Depreciation (Ongoing depreciation on the Old 2nd & 3rd Fl	668	630	1.1/0	3,156	3,303	0.076
& GL improvement projects)	000			3,130		
* Interest Expense - 2017 bonds	183			346		
Actual Hospital Operations FY2017	103	8,704	11.6%	5-10	74,933	11.9%

### El Camino Hospital (\$000s)

9 month ending 3/31/2017

						<b>o</b> , ,					
	PERIOD 9	PERIOD 9	PERIOD 9	Variance			YTD	YTD	YTD	Variance	
	FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%	\$000s	FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%
						OPERATING REVENUE					
	243,528	289,052	252,666	36,386	14.4%	<b>Gross Revenue</b>	2,049,455	2,246,502	2,174,065	72,437	3.3%
	(176,208)	(215,465)	(184,536)	(30,929)	1.0%	Deductions	(1,482,529)	(1,636,389)	(1,587,801)	(48,587)	3.1%
	67,320	73,587	68,130	5,456	8.0%	<b>Net Patient Revenue</b>	566,926	610,114	586,264	23,850	4.1%
_	2,398	1,582	2,088	(506)	-24.2%	Other Operating Revenue	18,471	18,813	18,786	27	0.1%
	69,718	75,169	70,218	4,951	7.1%	<b>Total Operating Revenue</b>	585,397	628,926	605,050	23,876	3.9%
						OPERATING EXPENSE					
	34,781	37,957	38,911	955	2.5%	Salaries & Wages	322,603	334,058	343,914	9,856	2.9%
	11,371	11,651	10,387	(1,264)	-12.2%	Supplies	87,126	86,784	88,460	1,676	1.9%
	9,851	10,395	8,019	(2,376)	-29.6%	Fees & Purchased Services	75,266	72,539	70,580	(1,959)	-2.8%
	2,383	2,256	2,352	96	4.1%	Other Operating Expense	28,776	20,753	20,517	(236)	-1.1%
	602	265	448	183	40.9%	Interest	4,348	3,688	4,034	346	8.6%
_	4,222	3,941	4,610	668	14.5%	Depreciation	35,882	36,172	39,328	3,156	8.0%
_	63,210	66,465	64,727	(1,737)	-2.7%	<b>Total Operating Expense</b>	554,001	553,994	566,833	12,840	2.3%
	6,508	8,704	5,491	3,213	58.5%	Net Operating Income/(Loss)	31,396	74,932	38,217	36,716	96.1%
	15,652	10,223	729	9,494	1302.4%	Non Operating Income	(21,431)	39,395	6,560	32,835	500.5%
	22,161	18,926	6,220	12,707	204.3%	Net Income(Loss)	9,965	114,328	44,777	69,551	155.3%
	4.6.20/	47.20/	45.00/	2.20/		EDITO A	42.20/	40.20/	42 50/	4.00/	
	16.3%	17.2%		2.2%		EBITDA	12.2%	18.3%		4.8%	
	9.3%	11.6%		3.8%		Operating Margin	5.4%	11.9%		5.6%	
	31.8%	25.2%	8.9%	16.3%		Net Margin	1.7%	18.2%	7.4%	10.8%	

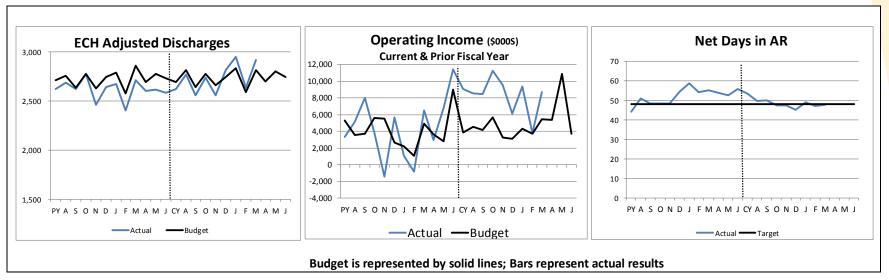


### 

	Pe	eriod 9 - Mon	th	Р	eriod 9 - FYTI	)
	Actual	Budget	Variance	Actual	Budget	Varianc <mark>e</mark>
El Camino Hospital Income (Loss) from Operations						
Mountain View	8,012	4,159	3,853	69,942	29,411	40,531
Los Gatos	692	1,332	(640)	4,991	8,806	(3,815)
Sub Total - El Camino Hospital, excl. Afflilates	8,704	5,491	3,213	74,932	38,217	36,716
Operating Margin %	11.6%	7.8%		11.9%	6.3%	
El Camino Hospital Non Operating Income						
Investments	10,339	1,512	8,828	41,839	13,605	28,234
Swap Adjustments	184	0	184	3,526	0	3,526
Community Benefit	(182)	(283)	101	(2,951)	(2,550)	(401)
Other	(118)	(499)	381	(3,019)	(4,495)	1,476
Sub Total - Non Operating Income	10,223	729	9,494	39,395	6,560	32,835
El Camino Hospital Net Income (Loss)	18,926	6,220	12,707	114,328	44,777	69,551
ECH Net Margin %	25.2%	8.9%		18.2%	7.4%	
Concern	51	221	(170)	1,054	1,918	(864)
ECSC	(12)	0	(12)	(72)	0	(72)
Foundation	43	(4)	48	2,089	(318)	2,407
Silicon Valley Medical Development	(43)	(1)	(42)	118	(2)	119
Net Income Hospital Affiliates	40	215	(175)	3,189	1,598	1,591
Total Net Income Hospital & Affiliates	18,966	6,435	12,531	117,517	46,375	71,142

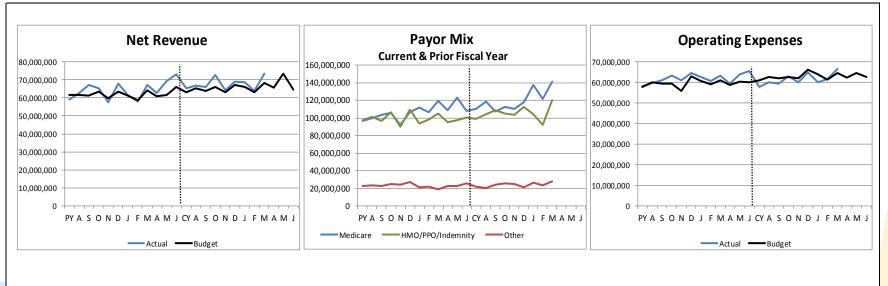
- Swap gain due to rise in interest rates
- Favorable variance in Other due to lower losses at SVMD
- Concern unfavorable to unrealized loss on fixed income investments
- Foundation favorable due to investment income Camino Hospital

### **Monthly Financial Trends**

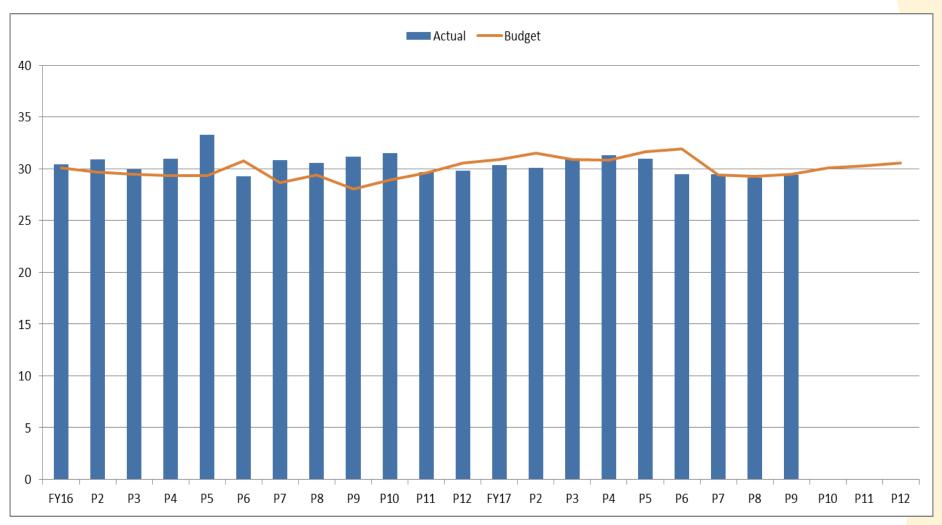


March volume is higher than previous month with an increase in Surgery, Laboratory Services and Oncology.

Operating expenses slightly higher than budgeted in March due to higher volume, but is \$12.85M favorable for budget YTD



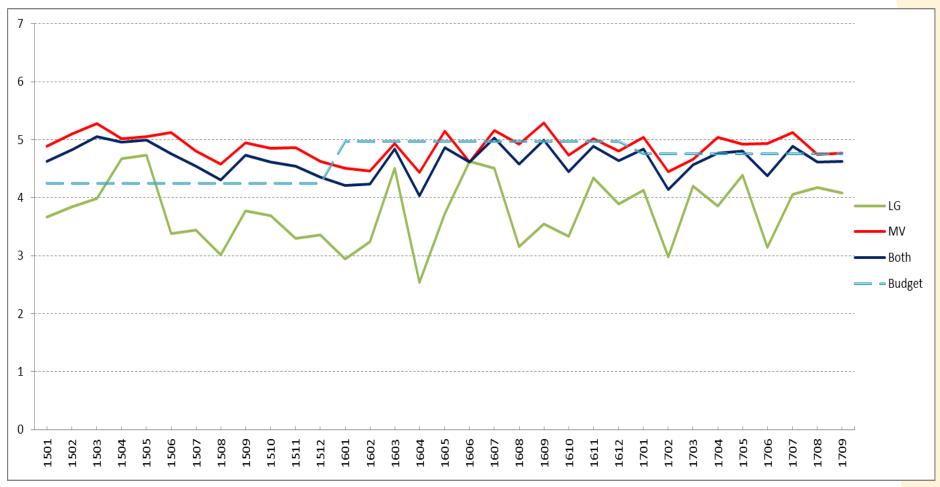
### **Worked Hours per Adjusted Patient Day**



Productivity has improved after EPIC go-live and is favorable compared to budget, work hours per adjusted patient day remains flat for the last four Months and shows a decreasing trend for FY17.

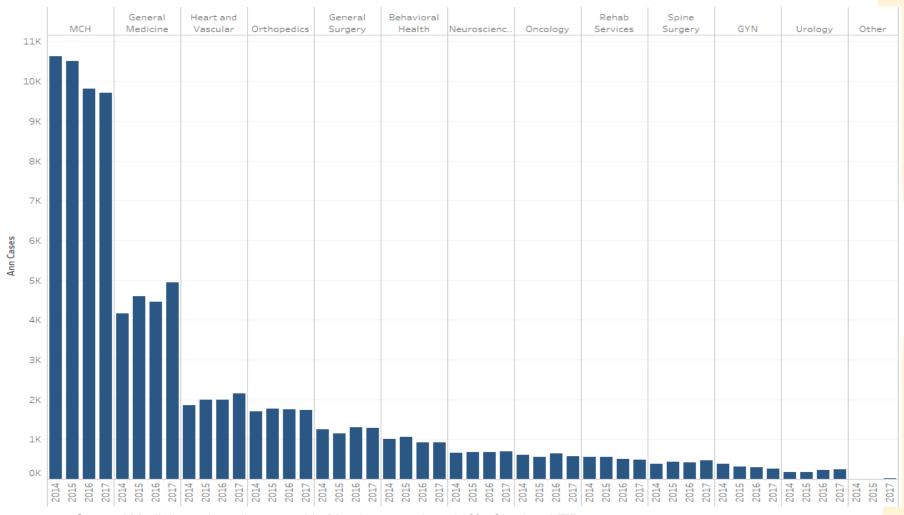


#### **Medicare ALOS**



<sup>•</sup>ALOS remained ahead of target.

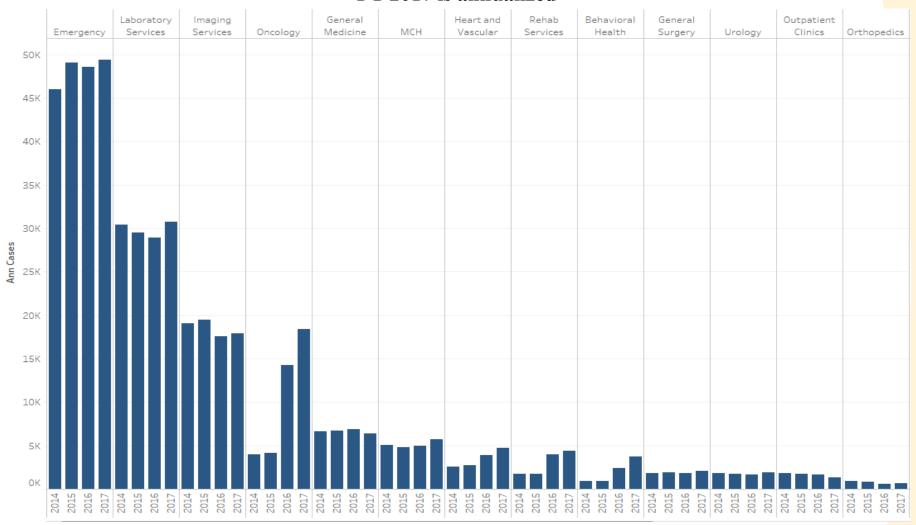
# El Camino Hospital Volume Annual Trends – Inpatient FY 2017 is annualized



- General Medicine volume increased in March, currently at 92% of budget YTD.
- MCH volume increased in March at line with budget YTD AT 99%

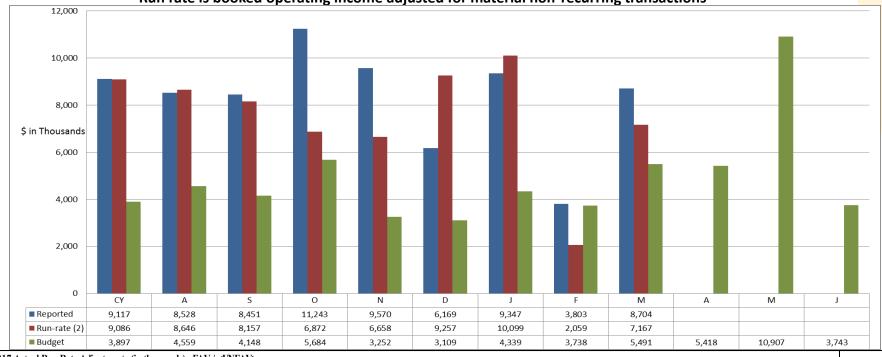


# El Camino Hospital Volume Annual Trends – Outpatient FY 2017 is annualized



 General Surgery, Heart and Vascular, Oncology and Laboratory Services are ahead of budget for the month and YTD.

ECH Operating Margin
Run rate is booked operating income adjusted for material non-recurring transactions



- budget	3,697 4,339 4,146	,	3,004	3,232	3,103	' 4	,333	3,736	3,451	3,410	•	10,507	3,74	+3
FY 2017 Actual Run R	Rate Adjustments (in thousands) - FAV / <unfav></unfav>				_									
Revenue Adjustments		J	A	S	0	N	D	J	F	M	A	M	J	YTI
	Insurance (Payment Variance)	335	-	61	145	36	-	-	-	544	-	-	-	1,120
	Mcare Settlmt/Appeal/Tent Settlmt/PIP	100	(158)	74	67	67	100	67	947	27	-	-	-	1,291
	BPCI Settlement	-	-	-	-	-	-	(2,167)	-	-	-	-	-	(2,167
	Medi-Cal Supplemental	-	-	-	-	-	312	814	240	-	-	-	-	1,366
	IGT Supplemental	-	-	- "	6,535	-	-	-	-	-	-	-	-	6,535
	Various Adjustments under \$250k	(69)	40	164	25	12	9	131	157	12	-	-	-	480
	Total	366	(118)	299	6,771	115	421	(1,155)	1,344	582	-	-	-	9,105
Expense Adjustments	Pay-For-Performance Bonus	-	-	-	-	-	(2,400)	(403)	(401)	-	_	-	-	(3,204
	Ratification Bonus	-	-	- 7	(2,400)	-	-	-	-	-	-	-	-	(2,400
	Purchases Below Capital Threshold	-	-	-	-	(598)	-	-	-	-	-	-	-	(598)
	WC Reserve Updates Based on Fav. Experience	-	-	-	-	-	700	-	-	1,824	-	-	-	2,524
	Other Purchased Services	-	-	-	-	-	(500)	-	-	-	-	-	-	(500)
	Total	-	-	-	(2,400)	(598)	(2,200)	(403)	(401)	1,824	-	-	-	7,402
*Represents various ac	djustments under \$250k													

# El Camino Hospital Investment Committee Scorecard March 31, 2017

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY17 Year-end Budget	Expectation Per Asset Allocation
Investment Performance		1Q	2017	Fiscal Ye	ar-to-date		e Inception alized)		May 2016
Surplus cash balance & op. cash (millions)		\$854.8	-					\$657.2	-
Surplus cash return		3.3%	3.1%	6.4%	6.4%	5.1%	5.1%	4.0%	5.2%
Cash balance plan balance (millions)		\$238.0	-					\$220.6	-
Cash balance plan return		4.1%	3.6%	7.7%	7.6%	7.6%	7.0%	6.0%	5.8%
403(b) plan balance (millions)		\$394.4	-					-	
Risk vs. Return		3-у	ear				e Inception alized)		May 2016
Surplus cash Sharpe ratio		0.82	0.90			1.19	1.17	-	0.55
Net of fee return		3.8%	4.2%	-		5.1%	5.1%	_	5.2%
Standard deviation		4.5%	4.6%			4.2%	4.2%	-	8.6%
Cash balance Sharpe ratio		0.82	0.84	-		1.29	1.26	-	0.49
Net of fee return		4.8%	4.8%			7.6%	7.0%		5.8%
Standard deviation		5.8%	5.6%	-		5.7%	5.5%	-	10.7%
Asset Allocation		1Q	2017						
Surplus cash absolute variances to target		7.2%	< 10%					-	
Cash balance absolute variances to target		6.8%	< 10%					-	-
Manager Compliance		1Q	2017						
Surplus cash manager flags		16	< 19 Green < 23 Yellow	-		-	-	-	
Cash balance plan manager flags		19	< 20 Green < 25 Yellow			-	-		

### El Camino Hospital

#### Capital Spending (in millions)

				Total		
			Total Estimated	Authorized		FY 17 YTD
	Category	Detail	Cost of Project	Active	FY 17 Proj Spend	Spent
CIP	EPIC Upgrade		6.1	6.1		2.0
IT Hardwai	re, Software, Equ	ipment*	5.4	5.4	5.4	0.3
	Non Medical Equ		9.7	9.7	9.7	1.1
Imaging			0.5	0.5	0.5	
Facility Pro	oiects					
•		1245 BHS Replacement	91.5	91.5	24.8	6.8
		1413 North Dr Parking Structure Expansion	24.5	24.5	21.1	12.2
		1414 Integrated Medical Office Building	275.0	275.0	70.1	24.3
		1422 CUP Upgrades	9.0	9.0	5.0	1.0
		1430 Women Hosp Expansion	91.0	1.0	0.8	0.1
		1501 Womens Hosp NPC Closeout	0.6	0.6	0.6	0.2
		1425 IMOB Preparation Project - Old Main	3.0	3.0	3.0	1.8
		1502 Cabling and Wireless upgrades	2.8	2.8	2.8	0.3
		1525 New Main Lab Upgrades	3.1	3.1	2.6	0.3
		1515 ED Remodel Triage / Psych Observation	1.6	-	0.6	
		1415 Signage & Wayfinding	0.4	0.4	0.5	0.0
		1416 Digital Directories	0.1	0.1	0.1	0.0
		1503 Breast Imaging Tomography (Excludes \$	1.3	1.3	1.3	0.2
		1316 Willow Pavilion FA Sys and Equip Upgra		=	0.1	
		1423 MV MOB TI Allowance	0.8	0.8	0.8	0.4
		Facilities Planning Allowance	0.6	=	_	
		1523 MV Melchor Suite 309 TI's	0.5	0.5	0.5	0.1
		Furniture Systems Inventory (17)	0.2	0.2	0.5	
		Site Signage & Other Improvements	1.0	=	0.1	
		MV Equipment & Infrastructure Upgrade	0.6	=	_	
		IR Room #6 Development	2.6	=	0.2	
		1602 JW House (Patient Family Residence)	2.5	=	=	
		1219 LG Spine Room Expansion - OR 4	4.1	4.1	4.1	1.9
		1313 LG Rehab HVAC Upgrades	3.7	3.7	3.7	1.8
		1248 LG Imaging Phase II (CT & Gen Rad) & Ste	8.8	8.8	8.1	5.0
		1307 LG Upgrades - Major	19.3	17.3	14.1	1.9
		1327 LG Rehab Building Upgrades	0.7	0.1	0.2	
		1346 LG Surgical Lights OR's 5,6 & 7	0.5	0.5	0.5	
		1421 LG MOB Improvements	0.9	0.9	0.9	0.5
		1507 LG IR Upgrades	1.1	=	_	
		1508 LG NICU 4 Bed Expansion	_	0.5	0.2	0.2
		1600 LG 825 Pollard - Aspire Phase 2	0.5	0.5	0.5	0.3
		LG Building Infrastructure Improvement	! =	=	=	
		LG Facilities Planning	0.8	=	=	
		1603 LG MOB Improvements (17)	5.0	5.0	1.5	1.4
		Primary Care Clinic (TI's Only) FY 17 (828		=	1.4	
		Urgent Care Clinics (TI's Only)	2.4	-	_	
		Q	564.7	455.2	170.7	60.6

GRAND TOTAL 586.4 477.0 192.4 64<mark>.0</mark>

### El Camino Hospital

Capital Spending – Facility Projects (in millions)

FACILITY	PROJ	CAPITAL PROJECT DESCRIPTION	TOTAL BUDGET FY17	FY17 PROJECTED SPEND	Variance fro <mark>m</mark> Budget
	Mountain View	Campus Master Plan Projects			
1 - Mountain View		BHS Replacement	30,000,000	24,762,757	5,237,243
1 - Mountain View		North Dr Parking Structure Expansion	20,500,000	21,145,944	(645,944
1 - Mountain View		Integrated Medical Office Building	101,500,000	70,087,267	31,412,733
1 - Mountain View		CUP Upgrades	5,000,000	4,967,592	32,408
1 - Mountain View		Women Hosp Expansion	5,500,000	800,000	4,700,000
		l Mountain View Campus Master Plan	162,500,000	121,763,560	40,736,440
	Manustain Vienn	Capital Projects			
1 - Mountain View		Womens Hosp NPC Closeout	327,000	609,234	(282,234
1 - Mountain View		•	,	,	
		IMOB Preparation Project - Old Main	1,000,000	3,000,000	(2,000,000
1 - Mountain View		Cabling and Wireless upgrades	400,000	2,800,000	(2,400,000
1 - Mountain View		New Main Lab Upgrades	1,200,000	2,640,000	(1,440,000
1 - Mountain View		ED Remodel Triage / Psych Observation	1,400,000	600,000	800,000
1 - Mountain View		Signage & Wayfinding	300,000	541,500	(241,500
1 - Mountain View		Digital Directories		125,000	(125,000
1 - Mountain View		Breast Imaging Tomography (Excludes \$1M Equip)	300,000	1,300,000	(1,000,000
1 - Mountain View		Willow Pavilion FA Sys and Equip Upgrades	800,000	100,000	700,000
1 - Mountain View	1423	MV MOB TI Allowance		784,000	(784,000
1 - Mountain View		Facilities Planning Allowance	300,000	-	300,000
1 - Mountain View	1523	MV Melchor Suite 309 TI's		464,000	(464,000
1 - Mountain View		Furniture Systems Inventory (17)	250,000	496,000	(246,000
1 - Mountain View		Site Signage & Other Improvements	200,000	100,000	100,000
1 - Mountain View		MV Equipment & Infrastructure Upgrades (17)	300,000	-	300,000
1 - Mountain View		IR Room #6 Development	500,000	200,000	300,000
1 - Mountain View	1602	JW House (Patient Family Residence)	500,000	-	500,000
	Sub-tota	l Mountain View Capital Projects	7,777,000	13,759,734	(5,982,734
	Los Gatos Capita	al Projects			
11 - Los Gatos	1219	LG Spine Room Expansion - OR 4	3,100,000	4,100,000	(1,000,000
11 - Los Gatos		LG Rehab HVAC Upgrades	400,000	3,675,000	(3,275,000
11 - Los Gatos		LG Imaging Phase II (CT & Gen Rad) & Sterile Processing	7,250,000	8,100,000	(850,000
11 - Los Gatos		LG Upgrades - Major	7,300,000	14,100,000	(6,800,000
11 - Los Gatos		LG Rehab Building Upgrades	500,000	193,000	307,000
11 - Los Gatos		LG Surgical Lights OR's 5,6 & 7	300,000	500,000	(500,000
11 - Los Gatos		LG MOB Improvements	150,000	900,000	(750,000
11 - Los Gatos		LG IR Upgrades	800,000	500,000	800,000
11 - Los Gatos		LG NICU 4 Bed Expansion	5,000,000	247,000	4,753,000
11 - Los Gatos		LG 825 Pollard - Aspire Phase 2	3,000,000	525,000	(525,000
11 - Los Gatos	1000	LG Building Infrastructure Improvements	1,200,000	323,000	1,200,000
11 - Los Gatos		LG Facilities Planning	500,000	-	500,000
11 - Los Gatos	1502	LG MOB Improvements (17)	4,000,000	1,500,000	2,500,000
11 - LOS GATOS		l Los Gatos Capital Projects	30,200,000	33,840,000	(3,640,000
			30,200,000	33,840,000	(3,040,000
	Other Strategic	Capital Facility Projects			
Other Cap Fac Proj		Primary Care Clinic (TI's Only) FY 17 (828 Winchester)	1,600,000	1,400,000	200,000
Other Cap Fac Proj		Urgent Care Clinics (TI's Only)	2,400,000	-	2,400,00 <mark>0</mark>
	Sub-tota	l Other Strategic Projects	4,000,000	1,400,000	2,600,000
		GRAND TOTAL FACILITIES PROJECTS	204,477,000	170 752 704	22 712 705
		GRAND TOTAL PACILITIES PROJECTS	204,477,000	170,763,294	33,713,7 <mark>06</mark>

Denotes project has been cancelled or replaced

# Balance Sheet (in thousands) LIABILITIES AND FUND BALANCE

$\Delta \mathcal{L}$	-1	•

		Audited		
CURRENT ASSETS	March 31, 2017	June 30, 2016		
(1) Cash	81,186	59,169		
Short Term Investments	135,030	105,284		
(2) Patient Accounts Receivable, net	109,167	120,960		
Other Accounts and Notes Receivable	2,788	4,369		
(3) Intercompany Receivables	1,529	2,200		
(4) Inventories and Prepaids	43,115	39,678		
Total Current Assets	372,815	331,660		
BOARD DESIGNATED ASSETS				
Plant & Equipment Fund	123,541	119,650		
(5) Women's Hospital Expansion	9,298	-		
Operational Reserve Fund	100,196	100,196		
Community Benefit Fund	12,197	13,037		
Workers Compensation Reserve Fund	21,434	22,309		
Postretirement Health/Life Reserve Fund	19,474	18,256		
PTO Liability Fund	23,030	22,984		
Malpractice Reserve Fund	1,800	1,800		
Catastrophic Reserves Fund	16,162	14,125		
Total Board Designated Assets	327,133	312,358		
(6) FUNDS HELD BY TRUSTEE	302,411	30,841		
LONG TERM INVESTMENTS	247,441	207,597		
INVESTMENTS IN AFFILIATES	32,583	31,627		
PROPERTY AND EQUIPMENT				
Fixed Assets at Cost	1,182,916	1,171,372		
Less: Accumulated Depreciation	(520,148)	(485,856)		
Construction in Progress	98,262	46,009		
Property, Plant & Equipment - Net	761,031	731,525		
DEFERRED OUTFLOWS	29,364	29,814		
RESTRICTED ASSETS - CASH	0	=		
TOTAL ASSETS	2,072,778	1,675,422		

			Audited
	CURRENT LIABILITIES	March 31, 2017	June 30, 2016
(7)	Accounts Payable	20,214	28,519
(8)	Salaries and Related Liabilities	10,934	22,992
	Accrued PTO	23,030	22,984
	Worker's Comp Reserve	2,300	2,300
	Third Party Settlements	11,455	11,314
	Intercompany Payables	175	105
	Malpractice Reserves	1,936	1,936
	Bonds Payable - Current	3,735	3,635
	Bond Interest Payable	2,024	5,459
	Other Liabilities	7,391	10,478
	Total Current Liabilities	80,302	106,830
	LONG TERM LIABILITIES		
	Post Retirement Benefits	19,474	18,256
	Worker's Comp Reserve	19,134	20,009
	Other L/T Obligation (Asbestos)	3,719	3,637
_	Other L/T Liabilities (IT/MedI Leases)	-	-
(9)	Bond Payable	531,929	225,857
	Total Long Term Liabilities	574,256	267,759
	DEFERRED REVENUE-UNRESTRICTED	575,687	
	DEFERRED INFLOW OF RESOURCES	2,892	2,892
	FUND BALANCE/CAPITAL ACCOUNTS		
	Unrestricted	1,087,619	985,583
	Board Designated	327,133	312,358
	Restricted	0	-
(10)	Total Fund Bal & Capital Accts	1,414,752	1,297,941
	TOTAL LIABILITIES AND FUND BALANCE	2,072,778	1,675,422



### El Camino Hospital Comparative Balance Sheet Variances and Footnotes (1)

- (1) The increase in cash is due allowing for immediate cash to be available for the recent significant construction projects that have started in MV campus.
- (2) The decrease is primarily due to the significant cash payments the Patient Accounts team has brought in during the nine months, two months were in excess of \$70M where the projected budgeted was approximately \$63M per month.
- (3) The decrease is just a timing issue of intercompany payments from one quarter to another. Normally at a fiscal year end, they are higher due to the books being held open for a longer period of time in preparation for audit.
- (4) The increase is principally due to two quarterly pension contributions of \$2.6M each since July 1, 2016.
- (5) A new item, the District allocated its FY 2014 and FY 2015 Capital Appropriation Funds in support of future renovations to the Women's Hospital when the IMOB is completed and those floors become for patient care.
- (6) This month reflects the 2017 Revenue Bonds that were issued in March. The total amount now reflects this new issue of \$292M, the bond premium on it of \$21M, less our initial refund out of these proceeds of \$31M for prior construction costs on the 4 major MV projects. Also there still exists \$23M in the LG Project Fund from the 2015A proceeds.
- (7) The decrease is due significant General Contractor payments being accrued at year end, that were subsequently relieved during the first quarter of fiscal year 2017.
- (8) The decrease over June 2016, is that at the end of June we had yet to payout the end of June's payroll (occurred the beginning of July, where here in March the last payroll had been paid out, thus no needed accrued payroll that approximates \$12M.
- (9) The increase is due to the new 2017 debt added as of March 2017, along with the associated bond premium that will be amortized over the life of the new debt.
- (10) The increase is to this year's financial performance (\$75M from Operations and \$40M in Non-Operations income primarily driven by significant incomes from unrealized investment gains).



# **APPENDIX**

### El Camino Hospital – Mountain View (\$000s)

9 months ending 3/31/2017

PERIOD 9	PERIOD 9	PERIOD 9	Variance			YTD	YTD	YTD	Variance	
FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%	\$000s	FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%
					OPERATING REVENUE					
202,098	232,871	205,776	27,095	13.2%	<b>Gross Revenue</b>	1,677,210	1,839,138	1,771,056	68,082	3.8%
(147,149)	(172,563)	(150,594)	(21,968)	14.6%	Deductions	(1,214,877)	(1,337,120)	(1,296,082)	(41,038)	3.2%
54,949	60,309	55,182	5,127	9.3%	<b>Net Patient Revenue</b>	462,333	502,018	474,974	27,044	5.7%
2,215	1,407	1,873	(466)	-24.9%	Other Operating Revenue	16,676	17,311	16,854	458	2.7%
57,164	61,716	57,055	4,661	8.2%	<b>Total Operating Revenue</b>	479,009	519,330	491,828	27,502	5.6%
					OPERATING EXPENSE					
28,700	31,187	32,482	1,295	4.0%	Salaries & Wages	268,330	277,388	286,377	8,990	3.1%
9,341	9,167	8,497	(670)	-7.9%	Supplies	71,003	70,273	72,390	2,116	2.9%
8,163	8,979	6,745	(2,234)	-33.1%	Fees & Purchased Services	62,927	60,278	59,358	(921)	-1.6%
822	651	792	141	17.8%	Other Operating Expense	14,554	6,241	6,096	(145)	-2.4%
602	265	448	183	40.9%	Interest	4,348	3,688	4,034	346	8.6%
3,700	3,454	3,931	477	12.1%	Depreciation	31,357	31,520	34,163	2,643	7.7%
51,327	53,703	52,896	(807)	-1.5%	<b>Total Operating Expense</b>	452,518	449,388	462,417	13,029	2.8%
5,837	8,012	4,159	3,853	92.6%	Net Operating Income/(Loss)	26,491	69,942	29,411	40,531	137.8%
15,652	10,223	729	9,494	1302.4%	Non Operating Income	(21,405)	39,406	6,560	32,845	500.7%
21,489	18,235	4,888	13,347	273.1%	Net Income(Loss)	5,086	109,348	35,971	73,377	204.0%
17.7%	19.0%	15.0%	4.0%		EBITDA	13.0%	20.2%	13.7%	6.5%	
10.2%	13.0%	7.3%	5.7%		<b>Operating Margin</b>	5.5%	13.5%	6.0%	7.5%	
37.6%	29.5%	8.6%	21.0%		Net Margin	1.1%	21.1%	7.3%	13.7%	

## El Camino Hospital – Los Gatos(\$000s)

9 months ending 3/31/2017

PERIOD 9	PERIOD 9	PERIOD 9	Variance			YTD	YTD	YTD	Variance	
FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%	\$000s	FY 2016	FY 2017	Budget 2017	Fav (Unfav)	Var%
					OPERATING REVENUE					
41,430	56,181	46,890	9,291	19.8%	<b>Gross Revenue</b>	372,244	407,364	403,009	4,355	1.1%
(29,059)	(42,903)	(33,941)	(8,961)	26.4%	Deductions	(267,651)	(299,269)	(291,719)	(7,550)	2.6%
12,371	13,278	12,948	330	2.5%	Net Patient Revenue	104,593	108,095	111,290	(3,195)	-2.9%
183	175	215	(40)	-18.6%	Other Operating Revenue	1,795	1,501	1,932	(431)	-22.3%
12,554	13,453	13,163	290	2.2%	<b>Total Operating Revenue</b>	106,388	109,596	113,222	(3,626)	-3.2%
					OPERATING EXPENSE					
6,081	6,769	6,429	(340)	-5.3%	Salaries & Wages	54,273	56,670	57,537	867	1.5%
2,030	2,484	1,890	(594)	-31.4%	Supplies	16,123	16,511	16,070	(440)	-2.7%
1,688	1,416	1,274	(142)	-11.1%	Fees & Purchased Services	12,339	12,261	11,222	(1,039)	-9.3%
1,562	1,605	1,560	(45)	-2.9%	Other Operating Expense	14,222	14,512	14,421	(91)	-0.6%
0	0	0	0	0.0%	Interest	0	0	0	0	0.0%
522	487	678	191	28.1%	Depreciation	4,526	4,652	5,166	514	9.9%
11,883	12,762	11,832	(930)	-7.9%	<b>Total Operating Expense</b>	101,483	104,606	104,416	(190)	-0.2%
671	692	1,332	(640)	-48.1%	Net Operating Income/(Loss)	4,905	4,991	8,806	(3,815)	-43.3%
0	0	0	0	0.0%	Non Operating Income	(26)	(10)	0	(10)	0.0%
671	692	1,332	(640)	-48.1%	Net Income(Loss)	4,879	4,980	8,806	(3,826)	-43.4%
8.9%	8.8%	15.3%	3.7%		EBITDA	8.9%	8.8%	12.0%	-3.2%	
5.3%	5.1%	10.1%	-5.0%		<b>Operating Margin</b>	4.6%	4.6%	7.8%	-3.2%	
5.3%	5.1%	10.1%	-5.0%		Net Margin	4.6%	4.5%	7.8%	-3.2%	

### FY 2018 Capital Spending Trend

	Acti	ual	Act	ual	Act	ual	Act	ual	Buc	lget	Pro	jected	Bu	dget
Capital Spending (in 000's)	FY2	013	FY2	014	FY2	2015	FY2	2016	FY2	017	FYZ	2017	FY	2018
IT Hardware / Software Equipment	\$	8,019	\$	2,788	\$	4,660	\$	6,483	\$	5,391	\$	5,391	\$	9,435
Medical / Non Medical Equipment	\$	10,284	\$	12,891	\$	13,340	\$	11,846	\$	9,714	\$	9,714	\$	5,635
Non CIP Land, Land I, BLDG, Additions			\$	22,292	\$	-	\$	30,274	\$	540	\$	540	\$	2,803
Facilities	\$	9,294	\$	13,753	\$	38,940	\$	48,136	\$	204,477	\$	170,763	\$	98,160
GRAND TOTAL	\$	27,597	\$	51,724	\$	56,940	\$	96,739	\$	220,122	\$	186,408	\$	116,033

### El Camino Hospital Capital Spending (in thousands) FY 2012 – FY 2016

Category	2012 2	2013 2	2014	2015	2016	Category	2012	2013	2014	2015	2016
IT Hardware/Software Equipment	7,289	8,019	2,788	4,660	6,483	Facilities Projects CIP cont.					
Medical/Non Medical Equipment	11,203	10,284	12,891	13,340	11,846	1125 - Will Pav Fire Sprinkler		9 5	7 39	0	(
Non CIP Land, Land I, BLDG, Additions	7,311	0	22,292	0	30,274	1211 - SIS Monitor Install		0 21			(
						1216 - New Main Process Imp Office			9 1		(
Facilities Projects CIP						1217 - MV Campus MEP Upgrades FY13			0 181		28
0101 - Hosp Replace	313	0	0	0	0	1219 - LG Spine OR			0 214		633
0317 - Melchor TI's	117	0	0	0	0	1221 - LG Kitchen Refrig			0 85		(
0701 - Cyberknife	0	0	0	0	0	<u> </u>					
0704 - 1 South Upgrade	2	0	0	0	0	1224 - Rehab Bldg HVAC Upgrades					14
0802 - Willow Pavillion Upgrades	0	0	0	0	0	1245 - Behavioral Health Bldg Replace			0 1,257		1,389
0805 - Women's Hospital Finishes	0	0	0	0	0	1248 - LG - CT Upgrades			0 26		19
0809 - Hosp Renovations	0	0	0	0	0	1249 - LG Mobile Imaging			0 146		(
0815 - Orc Pav Water Heater	0	0	0	0	0	1301 - Desktop Virtual		0	0 13	0	(
0816 - Hospital Signage	0	0	0	0	0	1304 - Rehab Wander Mgmt		0	0 87	0	(
0904 - LG Facilities Upgrade	41	2	0	0	0	1310 - Melchor Cancer Center Expansion		0	0 44	13	(
0907 - LG Imaging Masterplan	162	244	774	1,402	17	1318 - Women's Hospital TI		0	0 48	48	29
1000 - LG Rehab Building	0	0	0	0	0	1327 - Rehab Building Upgrades		0	0 0	15	20
1104 - New Main CDU TV's	0	724	0	0	0	1320 - 2500 Hosp Dr Roofing		0	0 75		
9900 - Unassigned Costs	279	734	470	3,717	0	1328 - LG Ortho Canopy FY14		0	0 255		(
0803 - Park Pav Foundation	270	0	0	0	0	1340 - New Main ED Exam Room TVs			0 8		
1005 - LG OR Light Upgrd 1101 - Melchor Pavilion - Genomics	108 0	14 0	0	0	0	1341 - New Main Admin		-	0 32		
1101 - Meichor Pavillon - Genomics 1102 - LG Joint Hotel	657	0	0	0	0						
1106 - SHC Project	2,245	0	0	0	0	1344 - New Main AV Upgrd			0 243	_	(
1108 - She Project 1108 - Cooling Towers	932	450	0	0	0	1345 - LG Lab HVAC		_	0 112		(
1115 - Womens Hosp TI's	50	430	0	0	0	1346 - LG OR 5, 6, and 7 Lights Replace			0 0		5
1118 - Park Pav Roto Care	119	0	0	0	0	1347 - LG Central Sterile Upgrades		-	0 0		4
1120 - BHS Out Patient TI's	472	66	0	0	0	1400 - Oak Pav Cancer Center		0	0 0	5,208	660
1122 - LG Sleep Studies	147	7	0	0	0	1403 - Hosp Drive BLDG 11 TI's		0	0 86	103	(
1129 - Old Main Card Rehab	400	9	0	0	0	1404 - Park Pav HVAC		0	0 64	. 7	(
0817 - Womens Hosp Upgrds	1,242	645	1	0	0	1405 - 1-South Accessibility Upgrades		0	0 0	0	168
0906 - Slot Build-Out	0	1,003	1,576	15,101	1,251	1408 - New Main Accessibility Upgrades		0	0 0	7	46
1107 - Boiler Replacement	49	0	0	0	0	1413 - North Drive Parking Structure Exp		_	0 0		1,266
1109 - New Main Upgrades	589	423	393	2	0	1414 - Integrated MOB			0 0		8,875
1111 - Mom/Baby Overflow	267	212	29	0	0			_	0 0	•	
1129 - Cardic Rehab Improv	0	0	0	0	0	1415 - Signage & Wayfinding		_	-		106
1132 - Pheumatic Tube Prj	78	0	0	0	0	1416 - MV Campus Digital Directories			0 0		34
1204 - Elevator Upgrades	24	25	30	0	0	1421 - LG MOB Improvements			0 0		65
1210 - Los Gatos VOIP	1	147	89	0	0	1422 - CUP Upgrade		0	0 0	0	890
0800 - Womens L&D Expansion	129	2,104	1,531	269	0	1423 - MV MOB TI Allowance		0	0 0	0	588
1116 - LG Ortho Pavillion	44	177	24	21	0	1425 - IMOB Preparation Project - Old Mai		0	0 0	0	71:
1124 - LG Rehab BLDG	11	49	458	0	0	1429 - 2500 Hospital Dr Bldg 8 TI		0	0 0	101	(
1128 - LG Boiler Replacement	3	0	0	0	0	1432 - 205 South Dr BHS TI		0	0 0	8	1
1131 - MV Equipment Replace	190	216	0	0	0	1501 - Women's Hospital NPC Comp		_	0 0	_	
1135 - Park Pavilion HVAC	47	0	0	0	0	1502 - Cabling & Wireless Upgrades		-	0 0		1,26
1208 - Willow Pav. High Risk	0	110	0	0	0	1502 - Cabing & Wireless Opgrades  1503 - Williow Pavilion Tomosynthesis			0 0		5
1213 - LG Sterilizers	0	102	0	0	0				0 0		
1225 - Rehab BLDG Roofing	0	7	241	4	0	1504 - Equipment Support Infrastructure					31:
1227 - New Main elCU	0	96	21	0	0	1523 - Melchor Pavilion Suite 309 TI		-	0 0		10
1230 - Fog Shop	0	339	80	0	0	1526 - CONCERN TI			0 0		3
1247 - LG Infant Security	0	134	0	0	0	1550 - Land Acquisition			0 0		24,00
1307 - LG Upgrades	0	376	2,979	3,282	3,511	Subtotal Facilities Projects CIP	9,55	3 9,29	4 13,753	38,940	48,13
1308 - LG Infrastructure	0	0	114	0	0						
1313 - LG Rehab HVAC System/Structural	0	0	0	0	1,597	Grand Total	35,35	7 27,59	8 51,723	56,940	96,73
1315 - 205 So. Drive TI's	0	0	500	2	0	Forecast at Beginning of year	47,13				114,02
0908 - NPCR3 Seismic Upgrds	554	1,302	1,224	1,328	240		,	,	-,	,	,





June 14, 2017

2500 Grant Road Mountain View, CA 94040-4378

Phone: 650-940-7000 www.elcaminohospital.org

To: El Camino Hospital Board of Directors

From: Eric Guglielmoni, Mick Zdeblick

Subject: DaVinci Surgical Robots

Action: **Possible Motion** – To approve the purchase of two (2) new Xi DaVinci Surgical Robots.

- 1. **Recommendation:** At its May 30, 2017 meeting, the Finance Committee voted to recommend that the Board of Directors approve this request for two (2) new DaVinci Xi Surgical Robots.
- 2. **Problem/Opportunity Definition:** The current fleet of Surgical Robots is a mix of older (Si) and new (Xi) technology. The newer technology (Xi) has a distinctive advantage for specific types of surgeries. Per the Robotic Program Director, there is an increase in procedures in which the Xi technology is requested by Surgeons. Subsequently, cases are being scheduled on the evening shift in order to avoid equipment conflicts. Due to the unavailability of the Xi, cases have been lost to Stanford and Mills Hospital. To continue to accommodate additional volume and growth in specific cases suited to the Xi, (see procedure count by quarter shown below) we are requesting the acquisition of one additional Xi for Mountain View.

Los Gatos is currently utilizing one (1) fully depreciated Si Surgical Robot purchased in October 2009. Volume continues to be relatively low on the Si in Los Gatos, the main reasons identified are self-fulfilling; old technology hence low volume, low volume hence inexperienced tech support leads to less confidence in staff, leads to low volume. To break this cycle, and to capitalize on market shifts in the Los Gatos market, we want to re-establish the program with the latest technology, build volume that supports and grows experienced staff. Additionally, it begins to establish the Los Gatos campus as a technology advanced procedural entity.

Los Gatos will receive one (1) new Xi with a trade-in value of \$250,000 for the fully depreciated Si unit.

At the request of the Finance Committee, the Robotic Service Line Coordinator will submit a quarterly report to the Finance Committee focused on ROI for this purchase.

- 3. **Authority:** As required by policy, unbudgeted capital projects exceeding \$500,000 require approval by the Board of Directors.
- 4. **Process Description:** Active discussions with our Robotic Steering Committee has identified both of these needs, Administration and Purchasing have negotiated the highest discount reported by ECRi for this technology, 15% discount.
- 5. **Alternative Solutions:** Providing the best technology to our patients and surgeons as well as increasing volumes is critical. Other than deferring this investment, no other alternatives have been considered.

ECH Board of Directors – June 14, 2017 DaVinci Surgical Robots | Page 2

- 6. **Concurrence for Recommendation:** The Finance Committee, Executive Committee of the CEO, Operations Council, and the Perioperative Departments support this recommendation.
- 7. **Technology Improvements:** Comparison of Si vs. Xi technology shown below.
- 8. **Purchase Timetable:**

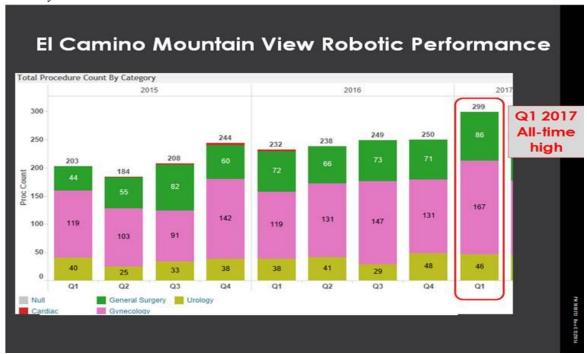
Milestones	30-May-17	14-Jun-17	16-Jun-17
Finance Committee Approval			
BOD Approval			
Delivery of Equipment			

- 9. **Legal Review:** This will occur when final proposal is received.
- 10. Financial Review:

System Replacement & Addition	2 Xi Robots and Accessories
Unbudgeted Dollars Requested	\$3,940,000

<sup>\*</sup>includes set-up, training, freight, and tax

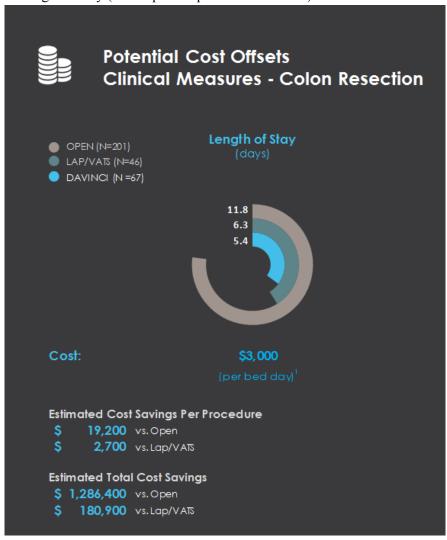
Robotic system utilization in Mountain View hit an all-time high in Q1 2017 at **299 cases**. This was driven largely by increases in General/Colorectal Surgery and Complex GYN/GYN-Oncology procedures on the Xi systems:



In addition, a recent internal data collection and analysis focused on length of stay and overall cost-percase showed robotic colectomy procedures outperformed open colectomy and laparoscopic colectomy at El Camino both from an outcomes and economic perspective:

Surgical Approach	Average Length of Stay	Cost per Case (includes direct costs + hospitalization)				
Open Colectomy	11.8 days	\$59,313				
Laparoscopic Colectomy	6.3 days	\$34,573				
Robotic Colectomy	5.4 days	\$30,582				

Increased Xi access for colon procedures provides a significant opportunity for additional cost savings through decreased length of stay (and improved patient satisfaction):



### Comparison of clinical benefits - Si vs. Xi technologies:

Both platforms include the primary pillars of robotic technology:

- 3D, HD visualization with 10x magnification
- Wristed articulation for increased precision
- Intuitive motion, more degrees of freedom
- Ergonomic console for operating surgeon

However the Xi platform has additional clinical and operational advantages, including:

- Rotating boom allows for revolutionary anatomical access (can reach all 4 quadrants in a single dock)
- Integrated, handheld scope with crystal clear 3D HD vision
- Integrated Table Motion technology (optimizes patient positioning intraoperatively for dynamic anatomical access & exposure, safety and procedure efficiency)
- Platform for advanced technologies, including widest variety of stapler configurations and reload sizes
- Streamlined setup and turnover

What these features mean clinically per specialty is outlined below and in the attached document:

### da Vinci Xi CLINICAL VALUE OF THE DA VINCI. XI" SURGICAL SYSTEM Access from the kidney to the pelvis in a single docking Crystal-clear 3D HD visualization facilitates delineation between tissue planes Port hop to gain equal visibility on both sides of target anatomy Port hop to move the "third" arm from one side to another without undocking GYNECOLOGIC ONCOLOGY Access to nodes from pelvic dock for infrarenal lymphadenectomy Crystal-clear 3D HD visualization of critical structures such as lymph nodes and Boom rotation gives assistant access to uterine manipulator Port hop for a comprehensive survey of endometrial disease Access to all 4 quadrants in either a single docking or with boom rotation Redesigned patient cart allows use of all arms for traction and counter traction to provide clear exposure to pelvic anatomy Facilitates surgeon control by minimizing need for an assistant due to range of motion, access, and port hopping ability THORACIC Access to chest, particularly inferior to superior, in a single docking Boom rotation gives the anesthesiologist access to airway Ability to place ports closer (as close as 6 cm) while minimizing external Ability to prace points collisions Port hop to get additional vantage points without retracting the lung Port hop to get additional vantage points without retracting the lung . Port hop to switch retracting instrument from posterior to anterior as needed **OPERATIONAL** Fewer OR resources Use a da Vinci Xi endoscope instead of a laparoscope with tower Integrated ERBE VIO DV energy source eliminates the need for third-party generators Simplified setup Fully integrated endoscope with no setup needed Filip the endoscope view 30° up and down with the press of a button Streamlined draping and docking process INTUITIVE



June 14, 2017

2500 Grant Road Mountain View, CA 94040-4378 Phone: 650-940-7000

Phone: 650-940-7000 www.elcaminohospital.org

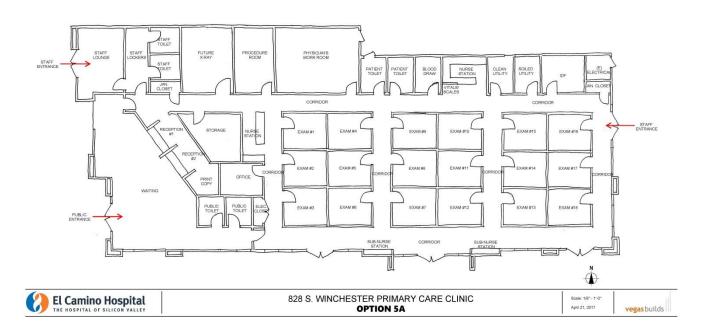
To: El Camino Hospital Board of Directors

From: Ken King, CASO

Subject: Capital Facilities Project Request – 828 Winchester Primary Care Clinic

- 1. **Recommendation:** To approve funding for the tenant improvements, equipment, and furnishings for a Primary Care Clinic at 828 Winchester Avenue, at a cost not to exceed \$3.6 million.
- 2. **Problem/Opportunity Definition:** Consistent with the strategic plan and with prior approvals to secure a site in the proximity of our Los Gatos Campus, funds to construct and fit up a Primary Care Clinic at a recently leased location are needed. The location consists of a newly constructed 9,350 square foot retail building shell on approximately three quarter (3/4) acres. The scope of the project consists of the complete build out and fit up of a clinic environment with 18 exam rooms, a procedure room, and an environment to support 6-8 physicians.
- 3. **Authority:** As required by policy capital projects exceeding \$500,000 require approval by the Board of Directors.
- 4. **Process Description:** In September 2016, the Board of Directors authorized management to enter into a lease for property located at 828 Winchester Avenue in San Jose. After a lengthy but successful negotiation, a lease was executed on January 26, 2017. The construction of the new building was complete and accepted in late February. The programming and space planning has been completed and plans are being readied for submission for a building permit to be issued by the City of San Jose. Skyline Construction has been selected to be the Construction Manager/General Contractor and will be responsible for the design/build of the mechanical, electrical and plumbing elements of the project. See Enclosed Floor Plan.
- 5. **Alternative Solution which Includes Cost Benefit/SWOT Analysis:** It was noted with the Board's approval of the lease that a future tenant improvement development project would be forthcoming; no alternatives have been considered.
- 6. **Concurrence for Recommendation:** The Finance Committee and Executive Team supports the recommendation to construct these improvements.
- 7. **Legal Review:** The standard form of construction agreement developed by Cox, Castle and Nicholson is being utilized and no additional legal review is required.
- 8. **Compliance Review:** The development of this project does not require a Compliance Review.
- 9. **Financial Review:** The current fiscal year capital facilities budget included a total of \$4 million for strategic facilities projects. The not to exceed cost of this project is \$3.6 million and consists of the following elements:

Item	Amount	Note
Construction	\$2,593,316	\$277 per square foot
Furniture, Fixtures & Equipment (FF&E)	\$391,000	Allowance
Soft Costs, Permits & Fees	\$379,183	13% of Construction and FF&E
Contingency	\$236,501	7% of Total Project Cost
Total	\$3,600,000	





June 14, 2017

2500 Grant Road Mountain View, CA 94040-4378 Phone: 650-940-7000

Phone: 650-940-7000 www.elcaminohospital.org

To: El Camino Hospital Board of Directors

From: Ken King, CASO

Subject: Capital Facilities Project Request - Los Gatos MRI

- 1. **Recommendation:** To approve funding for the development and installation of a Modular Building to house a replacement MRI Unit at a cost not to exceed \$3.9 million.
- 2. Problem/Opportunity Definition: In 2005, we purchased a mobile MRI Unit and placed it on the Mountain View Campus as a temporary solution before moving into the new hospital building. In 2010, we relocated the mobile MRI Unit to the Los Gatos Campus. This MRI Unit is now over 12 years old, is past its useful life, and needs to be replaced in order for us to continue providing MRI services in Los Gatos.

This project was to be planned for in the 2018 Capital Budget, however one of the NICU Expansions, an FY17 budgeted projects, which was a 2015 Revenue Bond Funded project at the Los Gatos campus, has been eliminated. This MRI project qualifies as an acceptable substitution. The bond funds have a timeline in which they are to be spent and proceeding with this substituted project at this time will allow us to spend the bond funds within the original spending timeline.

- 3. **Authority:** As required by policy capital projects exceeding \$500,000 require approval by the Board of Directors.
- 4. **Process Description:** To date, only preliminary planning has been completed, and the proposed project scope consists of site preparation for a Modular Building to house a new 1.5T MRI Unit and a lightweight canopy structure that will span between the existing hospital structure and the new Modular Building. By using the location just east of the hospital, currently occupied by the mobile CT scanner (in use until the completion of the Imaging Phase II Project), we will be able to maintain MRI service in the current location during the construction. The project will require approvals from both the Town of Los Gatos and OSHPD. Upon approval, we will proceed with the development of the project.
- 5. **Alternative Solution which Includes Cost Benefit/SWOT Analysis:** There is no location within the hospital building to install an MRI and a Modular Building to be located on the east side of the hospital building is the only viable solution. No other reasonable alternative solution exists.
- 6. **Concurrence for Recommendation:** This recommendation is supported by the Radiologists, the Imaging Department management team, the Executive Team, and the Finance Committee.
- 7. **Outcome Measures/Deadlines:** The entire duration for design, plan approval and permitting, construction and installation is estimated to be nine to twelve months depending on agency approvals.

- 8. **Legal Review:** Contracts for construction and or purchase of equipment will follow normal procurement procedures with legal review as required.
- 9. **Compliance:** The development of this project does not require a Compliance Review.
- 10. **Financial Review:** The current fiscal year capital facilities budget included \$6.5 million for a NICU expansion project, which has been cancelled. The not to exceed cost of this MRI project is \$3.9 million and consists of the following elements:

Item	Amount	Note
Construction	\$1,120,000	Site work, Canopy & Modular
		Structure
Furniture, Fixtures & Equipment (FF&E)	\$1,720,000	MRI Unit, Misc. Equipment
Soft Costs, Permits & Fees	\$646,000	23% of Construction and FF&E
Contingency	\$414,000	12% of Total Project Cost
Total	\$3,900,000	

The soft costs and the contingency reflect the yet unknown impact of multi-jurisdictional plan review requirements and permitting.



June 14, 2017

2500 Grant Road Mountain View, CA 94040-4378 Phone: 650-940-7000 www.elcaminohospital.org

To: El Camino Hospital Board of Directors

From: Ken King, CASO

Subject: Feasibility Study & Capital Facilities Project Request - Patient Family Residence

- 1. **Recommendation:** To accept the project concept and approve initial funding not to exceed \$500,000 for the initial development of plans for a patient's family residence.
- 2. **Problem/Opportunity Definition:** There are instances nearly every day where a patient's family has a need to stay overnight in close proximity to the hospital. These families often face limited or no vacancy at area hotels and if rooms are available the costs are prohibitively high. We have an opportunity to consider the development of a residential facility in close proximity to the Mountain View hospital campus that could address this need.

The attached presentation provides elements of the feasibility study that was conducted to determine how our 1.75 acre property at the end of South Drive could be redeveloped into a short stay patient's family residence. This property often referred to as the Higgins's property has one acre that is leased to St. Francis High School for a parking lot, and there is a three bedroom home that is currently used by our Road Runners program on the remaining portion of the property.

We have also conducted preliminary meetings with a non-profit organization named J.W. House concerning a possible partnership to operate such a facility. J.W. House currently operates a four suite patients' family residence at the Kaiser Hospital in Santa Clara.

Additionally, the El Camino Hospital Foundation staff sees a significant opportunity to raise philanthropic funds for a project that supports patients' families.

- 3. **Authority:** As required by policy capital projects exceeding \$500,000 require approval by the Board of Directors.
- 4. **Process Description:** We engaged the services of Steinberg Architects, the firm who designed the J.W. House in Santa Clara, to conduct the feasibility study. The study indicated two possible options to consider for the development of a patients' family residence:

**Option A**: Remodel an addition to the existing house and develop a six to eight suite facility with a floor area of approximately 10,000 square feet.

**Option B**: New construction of a six to twelve suite facility with a floor area of approximately 16,000 square feet.

**Option C**: Maximum use of the site for medical use. This is not considered to be viable due to traffic and environmental concerns within the Medical Park Precise Plan Zone of the City of Mountain View's General Plan.

Option B is the preferred option due to the fact that the existing house is in poor condition and it sits in close proximity to the creek. In this option, the new facility would be moved forward on the site. \*Note that the project also requires development approval from the El Camino Healthcare District.

If the development of the project is approved, we would begin forming an actual building design and we would begin discussions with the City of Mountain View concerning the entitlement requirements. We would also seek to determine a form of lease and or operating agreement with the J.W. House non-profit entity to operate the facility.

- 5. **Alternative Solution which Includes Cost Benefit/SWOT Analysis:** If approval is granted to further the development of this project the size and scope alternatives will be determined through reviews with the local planning and building officials.
- 6. **Concurrence for Recommendation:** This recommendation is supported by the Patient Experience staff, the Executive Team, and the Finance Committee.
- 7. **Outcome Measures/Deadlines:** It is anticipated that it will take four to six months of development effort to determine exactly what is reasonable and viable to entitle and construct. A more definitive timeline would be determined over this period of time and would be included with any future funding approvals.
- 8. **Legal Review:** Contracts for planning and development efforts will follow normal procurement procedures with legal review as required.
- 9. **Compliance:** The development of this project does not require a Compliance Review.
- 10. **Financial Review:** The FY17 Capital Facilities Budget included a \$2.5 million placeholder for this project, however the estimated cost of a 16,000 square foot, wood framed building with associated site work is estimated to cost \$5.5 to \$6.0 million. It is not anticipated that there is a financial return on this proposed investment, however it would qualify as a community benefit and it would be a great service to our patients and their families.

### **ECH BOARD MEETING AGENDA ITEM COVER SHEET**

Item:	Renewal of Medical Review Officer Professional Services					
	Agreement  El Camino Hospital Board of Directors					
	June 14, 2017					
Responsible party:	Kathryn Fisk, Chief Human Resources Officer					
Action requested:	For Approval					
Background:						
including employment and pre- last renewal of his agreement in place prior to that renewal, work. This physician is request of this agreement on July 1, 20 collaborating with Employee N	ding services as Medical Review Officer for drug testing evaluations e-employment evaluations and clearances for the Hospital since the in July 2014 at the rate of \$1,250.00 per month. This rate had bee and has not been adjusted despite an increase in the volume of ting an increase to \$2,000.00 per month effective upon the renewant. This physician has been a valued partner for many years Wellness & Services to ensure regulatory compliance and provide and sensitive employee situations with compassion, integrity and					
Board Advisory Committees t Finance Committee at its May	hat reviewed the issue and recommendation, if any: 30, 2017 meeting					
Summary and session objecti	ves:					
execute the two-year renewal	of Directors approve delegating to the CEO the authority to of the Medical Review Officer Professional Services Agreement of \$2,000.00, which is a greater than 10% increase.					
Suggested discussion question	ns: None, this is a consent item.					
Proposed Board motion, if an	y:					
Review Officer Professional Se	CEO the authority to execute a two-year renewal of the Medical ervices Agreement. Compensation will be constrained to fair exceed amount of \$2,000.00 per month.					
LIST OF ATTACHMENTS:						
1. 10-Step						





June 14, 2017

2500 Grant Road Mountain View, CA 94040-4378 Phone: 650-940-7000 www.elcaminohospital.org

To: El Camino Hospital Board of Directors

From: Kathryn Fisk, Chief Human Resources Officer

Subject: Renewal of Medical Review Officer Professional Services Agreement

- Recommendation: We request that the Board of Directors approve delegating to the CEO the
  authority to execute a two-year renewal of the Medical Review Officer Professional Services
  Agreement to continue to provide Hospital with drug testing evaluations including employee and preemployment evaluations and clearances.
- 2. **Problem/Opportunity Definition:** This physician has been providing services as Medical Review Officer for drug testing evaluations including employment and pre-employment evaluations and clearances for the Hospital since the last renewal of his agreement July 2014 at the rate of \$1,250.00 per month. This rate had been in place prior to that renewal as well and has not been adjusted despite an increase in the volume of work. This physician is requesting an increase to \$2,000.00 per month effective upon the renewal of this agreement on July 1, 2017. This physician has been a valued partner for many years collaborating with Employee Wellness & Services to ensure regulatory compliance and provide guidance and counsel regarding sensitive employee situations with compassion, integrity and competence.
- 3. **Authority:** According to Administrative Policies and Procedures 51.00, Finance Committee review and Board approval is required prior to CEO signature for all physician agreements with a greater than 10% increase in compensation.
- 4. **Process Description:** Upon Board approval, a two-year renewal with an increased rate of \$2,000.00 per month will be entered into effective July 1, 2017.
- 5. **Alternative Solution which Includes Cost Benefit/SWOT Analysis:** An alternative solution is not being considered at this time.
- 6. **Concurrence for Recommendation:** Approval of this recommendation is supported by the Director, Talent Development/ Employee Wellness and Health Services and the Finance Committee.
- 7. Outcome Measures and Deadlines: The services to be provided include: medical review of urine and blood drug tests, interpretation of drug screen results, subject matter expertise on employer substance abuse policy, communication with employees and potential employees, as needed, regarding results, coordination with EWHS, and CONCERN:EAP regarding fitness for duty/substance abuse policy. Expectation of response is within one business day for consultation on situations related to drug use in the workplace. Upon Board approval, the effective date of the new agreement will be July 1, 2017.
- 8. **Legal Review:** Legal counsel will review the final amendment prior to execution.

ECH Board of Directors – June 14, 2017

PSA: Pre-Employment Evaluations & Clearance | Page 2

9. **Compliance Review:** Compliance will review and approve the final amendment and compensation prior to execution.

10. **Financial Review:** Compensation will be constrained to fair market value limits at a not to exceed amount of \$2,000.00 per month.

### **ECH BOARD MEETING AGENDA ITEM COVER SHEET**

Item:	Renewal Medical Director Agreement for Utilization & Resource Management – Mountain View Campus					
	El Camino Hospital Board of Directors					
	June 14, 2017					
Responsible party:	William Faber, MD, Chief Medical Officer					
Action requested: For Approval						
Background:						
services for the Co-Medical Di Mountain View campus. This	ract with PAMF since December 2015 to provide administrative rector oversight of Utilization and Resource Management at the physician shared the medical director oversight with another 2017. The resigning physician will not be replaced as Co-Medical I be the sole medical director.					
reduction guidelines and deve	mental in reducing length of stay, developing clinical variation eloping and implementing the ECH Utilization Review Plan. all to controlling ECH's significant Medicare losses and ensuring that ate care.					
<b>Board Advisory Committees t</b> Finance Committee at its May	hat reviewed the issue and recommendation, if any: 30, 2017 meeting					
Summary and session objective	ves:					
It is requested that the Board of Directors approve delegating to the CEO the authority to execute the renewal of the Medical Director, Utilization Management with the same compensation.						
Suggested discussion question	ns: None, this is a consent item.					
Proposed Board motion, if an	y:					
Director, Utilization Managem \$200,000.00 per year. According report, the hourly rate is at the	CEO the authority to execute the two-year renewal of the Medical ent. Compensation will be constrained to \$200.00 per hour and ing to the 2017 MD Ranger National Utilization Management e 90 <sup>th</sup> percentile, and the annual compensation exceeds the 90 <sup>th</sup> e. We are not requesting an increase in either dollars or hours.					
LIST OF ATTACHMENTS:						





2500 Grant Road Mountain View, CA 94040-4378 Phone: 650-940-7000 www.elcaminohospital.org

June 14, 2017

To: El Camino Hospital Board of Directors

From: William Faber, MD, Chief Medical Officer

Subject: Renewal Medical Director Agreement for Utilization & Resource Management –

**Mountain View Campus** 

- 1. **Recommendation**: We request that the Board of Directors approve delegating to the CEO the authority to execute a two-year renewal to the Utilization and Resource Management Medical Director agreement with Palo Alto Medical Foundation (PAMF) to provide Hospital with the administrative services.
- 2. Problem/Opportunity Definition: The Hospital has been in contract with PAMF since December 2015 to provide administrative services for the Co-Medical Director oversight of Utilization and Resource Management at the Mountain View campus. This physician shared the medical director oversight with another physician who resigned April 2017. The resigning physician will not be replaced as Co-Medical Director and this physician will be the sole medical director.
  - This physician has been instrumental in reducing length of stay, developing clinical variation reduction guidelines and developing and implementing the ECH Utilization Review Plan. Utilization Management is vital to controlling ECH's significant Medicare losses and ensuring that ECH patients receive appropriate care.
- 3. **Authority**: According to Administrative Policies and Procedures 51.00, Finance Committee review and Board approval is required prior to CEO signature for all physician agreements with compensation that exceeds the 75th percentile for fair market value.
- 4. **Process Description**: Upon Board approval, a two-year renewal with the same terms will be entered into effective July 1, 2017.
- 5. **Alternative Solution Which Includes Cost Benefit/SWOT Analysis**: An alternative solution is not being considered at this time.
- 6. **Concurrence for Recommendation**: Approval of this recommendation is supported by the Chief Operating Officer, Chief Nursing Officer, Director, Care Coordination, and the Finance Committee.
- 7. **Outcome Measures and Deadlines**: Current goals run through June 30, 2017 and FY18 goals will be developed effective July 1, 2017.
- 8. **Legal Review**: Legal counsel will review the final Agreement prior to execution.
- 9. **Compliance Review**: Compliance will review and approve the proposed Agreement and compensation prior to execution.

ECH Board of Directors – June 14, 2017 MDA: Utilization Management | Page 2

10. **Financial Review**: Compensation will be constrained to \$200.00 per hour and \$200,000.00 per year. According to the 2017 MD Ranger National Utilization Management report, the hourly rate is at the 90th percentile, and the annual compensation exceeds the 90th percentile for fair market value. We are not requesting an increase in either dollars or hours.

### **ECH BOARD MEETING AGENDA ITEM COVER SHEET**

Item:	Renewal Medical Director Agreement for Interventional Pulmonology Program – Mountain View Campus					
	El Camino Hospital Board of Directors					
	June 14, 2017					
Responsible party:	William Faber, MD, Chief Medical Officer					
Action requested: For Approval						
Background:						
services for the medical direct Mountain View campus. This recognized center of excellen lung disease in this communit This physician is performing r	tract with PAMF since August 2015 to provide administrative ctor oversight of the Interventional Pulmonology Program at the sphysician has been instrumental in creating this nationally nee that has advanced clinical solutions for the substantial burden of ty and draws patients from throughout the region.					
Pulmonary Medicine. He provides oversight and training to the Interventional Pulmonary Medicine core team of respiratory therapists. He is also instrumental in growing the program to include procedures at the Los Gatos campus. This physician has contributed to the recruitment of another PAMF Interventional Pulmonary attending physician who will also help grow services to provide the latest interventions in lung cancer and lung diseases.						
<b>Board Advisory Committees</b> Finance Committee at its Mar	that reviewed the issue and recommendation, if any: y 30, 2017 meeting					
Summary and session object	iives:					
It is requested that the Board of Directors approve delegating to the CEO the authority to execute the renewal of the Medical Director, Interventional Pulmonology Program with the same compensation.						
Suggested discussion question	ons: None, this is a consent item.					
Proposed Committee motion	n, if any:					
To approve delegating to the CEO the authority to execute the two-year renewal of the Medical Director, Interventional Pulmonology Program. Compensation will be constrained to a not to exceed \$200.00 per hour, 40 hours per month, and \$96,000.00 per year. MD Ranger does not have any other Interventional Pulmonology Medical Director Agreements in their database. According to the 2017 MD Ranger Bay Area Pulmonary/ Respiratory report, the hourly rate is at the 75 <sup>th</sup> percentile the total annual hours is at the 90 <sup>th</sup> percentile and the annual compensation exceeds the 90 <sup>th</sup> percentile for fair market value. We are not requesting an increase in either dollars or hours.						
Interventional Pulmonology Prohour, 40 hours per month, and 9 Pulmonology Medical Director A Pulmonary/ Respiratory report, percentile and the annual comp	ogram. Compensation will be constrained to a not to exceed \$200.00 per \$96,000.00 per year. MD Ranger does not have any other Interventional Agreements in their database. According to the 2017 MD Ranger Bay Area the hourly rate is at the 75 <sup>th</sup> percentile the total annual hours is at the 90 pensation exceeds the 90 <sup>th</sup> percentile for fair market value. We are not					



1. 10-Step



Mountain View, CA 94040-4378
Phone: 650-940-7000

June 14, 2017

www.elcaminohospital.org

2500 Grant Road

To: El Camino Hospital Board of Directors

From: William Faber, MD, Chief Medical Officer

Subject: Renewal Medical Director Agreement for Interventional Pulmonology Program —

**Mountain View Campus** 

1. **Recommendation**: We request that the Board of Directors approve delegating to the CEO the authority to execute a two-year renewal to the Interventional Pulmonology Program Medical Director agreement with Palo Alto Medical Foundation (PAMF) to provide Hospital with the administrative services.

2. **Problem/Opportunity Definition**: The Hospital has been in contract with PAMF since August 2015 to provide administrative services for the medical director oversight of the Interventional Pulmonology Program at the Mountain View campus. This physician has been instrumental in creating this nationally recognized center of excellence that has advanced clinical solutions for the substantial burden of lung disease in this community and draws patients from throughout the region.

This physician is performing research studies that are in alignment with advancing Interventional Pulmonary Medicine. He provides oversight and training to the Interventional Pulmonary Medicine core team of respiratory therapists. He is also instrumental in growing the program to include procedures at the Los Gatos campus.

This physician has contributed to the recruitment of another PAMF Interventional Pulmonary attending physician who will also help grow services to provide the latest interventions in lung cancer and lung diseases.

- 3. **Authority**: According to Administrative Policies and Procedures 51.00, Finance Committee review and Board approval is required prior to CEO signature for all physician agreements with compensation that exceeds the 75th percentile for fair market value.
- 4. **Process Description**: Upon Board approval, a two-year renewal with same terms will be entered into effective July 1, 2017.
- 5. **Alternative Solution which Includes Cost Benefit/SWOT Analysis**: An alternative solution is not being considered at this time.
- 6. **Concurrence for Recommendation**: Approval of this recommendation is supported by the Chief Operating Officer, Chief Nursing Officer, Director, Respiratory Care Services, and the Finance Committee.
- 7. **Outcome Measures and Deadlines**: Current goals run through June 30, 2017 and FY18 goals will be developed effective July 1, 2017.
- 8. **Legal Review**: Legal counsel will review the final Agreement prior to execution.

ECH Board of Directors – June 14, 2017 MDA: Interventional Pulmonology | Page 2

- 9. **Compliance Review**: Compliance will review and approve the proposed Agreement and compensation prior to execution.
- 10. **Financial Review**: Compensation will be constrained to a not to exceed \$200.00 per hour, 40 hours per month, and \$96,000.00 per year. MD Ranger does not have any other Interventional Pulmonology Medical Director Agreements in their database. According to the 2017 MD Ranger Bay Area Pulmonary/Respiratory report, the hourly rate is at the 75th percentile the total annual hours is at the 90th percentile and the annual compensation exceeds the 90th percentile for fair market value. We are not requesting an increase in either dollars or hours.

#### ECH BOARD MEETING AGENDA ITEM COVER SHEET

Item:	Items Reviewed By the Governance Committee:
	26q. Proposed FY18 Slate of Advisory Committee Chairs and Members, and Liaisons to the El Camino Hospital Foundation Board and the Community Benefit Advisory Council
	26r. Proposed FY18 Board and Committee Master Calendar
	26s. Proposed FY18 Advisory Committee Goals
	El Camino Hospital Board of Directors
	June 14, 2017
Responsible party:	Cindy Murphy, Board Liaison
Action requested:	Possible Motion

#### **Background:**

**26q.** FY 18 Appointments: Each year, the Board Chair develops a slate of Board Advisory Committee Chairs and Members, as well as Liaisons to the two groups described above, for the Board's review and approval. In developing the slate, the Board Chair considers the expressed interests of Board members, the recommendations of the current Committee Chairs, the Committee members' (who are not Board members) continued interest in service, and the effective governance of the hospital. Last year, the Governance Committee recommended that, in the future, consideration be given to appointing non-Board members as Committee Chairs. Note that Board Chair-Elect Lanhee Chen recommended that Executive Compensation Committee member Bob Miller serve as Chair of that Committee. Other changes include: rotating Director Reeder to the Finance Committee, assigning Directors Zoglin and Davis to Chair the Finance and Investment Committees, respectively, and assigning in-coming Board Director Rebitzer to the Governance Committee and the Corporate Compliance/Privacy and Internal Audit Committee.

**26r**. <u>Proposed FY18 Board and Committee Master Calendar</u>: The calendar follows the usual cadence for Board meetings, an annual Board Retreat, bi-annual education sessions for the Board and Committee members. The committee meeting dates have been vetted with the Committees and no changes to frequency are proposed.

**26q**. <u>Proposed FY 18 Advisory Committee Goals</u>: Each of the Committees has reviewed and voted to recommend\* its respective Proposed FY 18 Advisory Committee Goals. We have also attached an addendum report on Progress Against FY17 Advisory Committee Goals for information.

\*The Governance Committee did not vote on, but did discuss, the Proposed FY18 Governance Committee Goals. Some of the metrics were added to the Quality Committee goals at its June 5, 2017 meeting in the absence of a quorum.



### ECH BOARD MEETING AGENDA ITEM COVER SHEET

Committees that reviewed the issue and recommendation, if any: At its June 6, 2017 meeting, the Governance Committee reviewed each\*\* of the above proposals. Since a quorum was not present, votes were not taken. However, none of the members participating in the meeting expressed objection to the proposals.

\*\* Due to timing issues, the Quality Committee and Finance Committee goals were not presented to the Governance Committee.

### **Summary and session objectives:**

To obtain the Board's approval of consent calendar items 26 g, r, and s.

### **Suggested discussion questions:**

None. These are consent items.

**Proposed motion, if any:** To approve Consent Calendar Items 26q (Proposed FY18 Slate of Advisory Committee Chairs and Members, and Liaisons to the El Camino Hospital Foundation Board and the Community Benefit Advisory Council), 26r (Proposed FY18 Board and Committee Master Calendar), and 26s (Proposed FY18 Advisory Committee Goals).

#### LIST OF ATTACHMENTS:

- 1. Board Chair-Elect Chen's Slate of Proposed Appointments
- 2. Proposed FY18 Board and Committee Master Calendar
- 3. Proposed FY18 Advisory Committee Goals (with Addendum)



### PROPOSED

### El Camino Hospital Board of Directors FY18 Advisory Committee & Liaison Appointments

COMPLIANCE COMMITTEE									
	John Zoglin	Chair							
BOARD MEMBERS	Robert Rebitzer	Member							
	Sharon Anolik Shakked	Member							
COMMUNITY MEMBERS	Lica Hartman	Member							
	Christine Sublett	Member							

GOVERNANCE COMMITTEE									
Peter Fung, MD Chair									
BOARD MEMBERS	Robert Rebitzer	Member							
	Gary Kalbach	Member							
COMMUNITY MEMBERS	Christina Lai	Member							
	Peter Moran	Member							

EXECUT	EXECUTIVE COMPENSATION COMMITTEE								
		Bob Miller	Chair						
BOARD MEME	DEDC -	Lanhee Chen	Member						
BOARD MEME	BERS	Julia Miller	Member						
		Teri Eyre	Member						
COMMUNI MEMBERS		Jaison Layney	Member						
		Pat Wadors	Member						

INVESTMENT COMMITTEE								
	Jeffrey Davis, MD							
BOARD MEMBERS	John Zoglin	Member						
	Nicola Boone	Member						
COMMUNITY	John Conover	Member						
MEMBERS	Gary Kalbach	Member						
	Brooks Nelson	Member						

FINANCE COMMITTEE									
	John Zoglin	Chair							
BOARD MEMBERS	David Reeder	Member							
	Joseph Chow	Member							
COMMUNITY	Boyd Faust	Member							
MEMBERS	William Hobbs	Member							
	Richard Juelis	Member							

QUALITY COMMITTEE								
	Chair							
BOARD MEMBERS	Jeffrey Davis, MD	Member						
BOARD MEMBERS	Peter Fung, MD	Member						
	Katherine Anderson	Member						
	Mikele Bunce	Member						
COMMUNITY	Nancy Carragee, RN	Member						
MEMBERS	Robert Pinsker, MD	Member						
	Wendy Ron	Member						
	Melora Simon	Member						

LIASONS	
ECH FOUNDATION BOARD	David Reeder
COMMUNITY BENEFIT ADVISORY COUNCIL	Peter Fung, MD

### FY18 ECH Board & Committee Master Calendar

updated 04.24.2017

\*Federal Holiday

\*\*Joint Meeting (and separate FC meeting)

		J	ULY 201	7					AU	GUST 20:	17			SEPTEMBER 2017					OCTOBER 2017								
S	М	Т	w	Т	F	S	S	М	Т	w	т	F	S	S	М	Т	w	Т	F	S	S	М	Т	w	Т	F	S
						1			1 GC	2	3	4	5						1	2	1	2 QC	3 GC	4	5	6	7
2	3	4 Independ- ence Day	5	6	7	8	6	7 QC	8	9 ECHB	10	11	12	3	4 Labor Day	5	6	7	8	9	8	9	10	11 ECHB	12	13	14
9	10	11	12	13	14	15	13	14 IC	15	16	17 CC	18	19	10	11	12	13 ECHB	14	15	16	15	16	17 ECHD	18	19	20	21
16	17	18	19	20	21	22	20	21	22	23	24	25	26	17	18	19	20	21 ECC	22	23	22	23	24	25 Bd Cm	26	27	28
23	24	25	26	27	28	29	27	28 QC	29	30	31			24	25 FC	26	27	28 CC	29	30	29	30 QC	31				
30	31 FC																						•	1			
		NOV	EMBER 2	2017					DEC	EMBER 2	017					JAN	NUARY 2	018					FEB	RUARY 2	018		
S	М	Т	w	Т	F	S	S	М	Т	w	т	F	S	S	М	т	w	Т	F	S	S	М	Т	w	Т	F	S
			1	2	3	4						1	2		1 New Year's	2	3	4	5	6					1	2	3
5	6	7	8 ECHB	9 ECC	10	11	3	4 QC	5	6	7	8	9	7	8	9	10 ECHB	11	12	13	4	5 QC	6 GC	7	8	9	10
12	13 IC	14	15	16 CC	17	18	10	11	12	13	14	15	16	14	15 MLK Day	16 ECHD	17	18 CC	19	20	11	12 IC	13	14 ECHB	15	16	17
19	20	21	22	23 Thanks- giving	24	25	17	18	19	20	21	22	23	21	22	23	24	25	26	27	18	19 Pres. Day	20	21	22	23	24
26	27 FC	28	29	30			24 Xmas Eve	25 Xmas Day	26	27	28	29	30	28	29 FC IC	30	31				25	26	27	28			
							31	Duy														1	1				
		M	ARCH 20	18					А	PRIL 2018	8					ľ	MAY 201	8					J	UNE 201	3		
S	М	Т	w	Т	F	S	S	М	Т	w	т	F	S	S	М	т	w	Т	F	S	S	М	Т	w	Т	F	S
				1	2	3 Retreat	1	2 QC	3 GC	4	5	6	7			1	2	3	4	5						1	2
4	5 QC	6	7	8	9	10	8	9	10	11 ECHB	12	13	14	6	7	8	9 ECHB	10	11	12	3	4 QC	5 GC	6	7	8	9
11	12	13	14 ECHB	15 CC	16	17	15	16	17	18	19	20	21	13	14 IC	15 ECHD	16	17 CC	18	19	10	11	12	13 ECHB	14	15	16
18	19	20 ECHD	21	22 ECC	23	24	22	23	24	25 Bd Cm	26	27	28	20	21	22	23	24 ECC	25	26	17	18	19 ECHD	20	21	22	23
25	26 FC	27	28	29	30	31	29	30 QC						27	28 Memorial Day	29 FC ECHB	30	31			24	25	26	27	28	29	30

Hospital Bd   ECHB	District Bd   ECHD	Compliance   CC	Exec Comp   ECC	Finance   FC	Governance   GC	Investment   IC	Quality   QC	Bd/Cm Ed Gatherings	Board Retreat
10x per year	4x per year	6x per year	4x per year	6x per year	5x per year	4x per year	10x per year	2x per year	1 weekend
2 <sup>nd</sup> Wednesday	3 <sup>rd</sup> Tuesday	3 <sup>rd</sup> Thursday	Thursdays	Last Monday	1 <sup>st</sup> Tuesday	2 <sup>nd</sup> Monday	1 <sup>st</sup> Monday	4 <sup>th</sup> Wednesday	1 day



## Corporate Compliance/Privacy and Audit Committee Goals FY 2017

### Purpose

The purpose of the Corporate Compliance/Privacy and Audit Committee ("Compliance and Audit Committee") is to advise and assist the El Camino Hospital (ECH) Hospital Board of Directors ("Board") in its exercise of oversight by monitoring the compliance policies, controls and processes of the organization and the engagement, independence and performance of the internal auditor and external auditor. The Compliance and Audit Committee assists the Board in oversight of any regulatory audit and in assuring the organizational integrity of ECH in a manner consistent with its mission and purpose.

### Staff: Diane Wigglesworth, Sr. Director of Corporate Compliance

The Director, Corporate Compliance/Privacy and Audit Committee shall serve as the primary staff support to the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chairs consideration. Additional members of the executive team or outside consultants may participate in the Committee meetings upon the recommendation of the Director, Corporate Compliance/Privacy and Internal Audit Committee and at the discretion of the Committee Chair.

Goals	Timeline by Fiscal Year  (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable.)	Metrics of Success Achieved				
<ul> <li>Review and evaluate Hospitals Information Security Risk Management Plan</li> </ul>	<ul> <li>Preliminary report in Q2 FY 2017 and Final report Q3 FY 2017</li> </ul>	<ul> <li>Committee reviews and approves plan Plan was presented at 3/16/17 and 5/18/17 meetings and was approved at the 5/18/17 meeting.</li> </ul>				
<ul> <li>Review and evaluate risk assessment of Patient Centered Medical Home (PCMH) Compliance and any corrective action plans</li> </ul>	• Q3 FY 2017	<ul> <li>Committee reviews and approves plan. – Results of assessment and corrective actions presented at 1/19/17 meeting.</li> </ul>				
<ul> <li>Review plan and evaluate ERM activities, performance and execution of program</li> </ul>	■ Q4 FY 2017	<ul> <li>Committee reviews and approves plan ERM program activities presented at 3/16/17 and 5/18/17 meeting. Committee provided additional recommendations to Management to include in report out.</li> </ul>				

### **Submitted by:**

John Zoglin, Chair, Corporate Compliance/Privacy and Audit Committee
Diane Wigglesworth, Executive Sponsor, Corporate Compliance/Privacy and Audit Committee



### Executive Compensation Committee Goals for FY 2017

### **Purpose**

The purpose of the Executive Compensation Committee ("Compensation Committee") is to assist the El Camino Hospital (ECH) Hospital Board of Directors ("Board") in its responsibilities related to the Hospital's executive compensation philosophy and policies. The Compensation Committee shall advise the Board to meet all applicable legal and regulatory requirements as it relates to executive compensation.

### Staff: Kathryn Fisk, Chief Human Resources Officer

The Chief HR Officer an shall serve as the primary staff support to the Committee and is responsible for drafting the committee meeting agenda for the Committee Chair's consideration. The CEO, and other staff members as appropriate, may serve as a non-voting liaison to the Committee and may attend meetings at the discretion of the Committee Chair. These individuals shall be recused when the Committee is reviewing his/her compensation. The CEO is an ex-officio of this Committee.

Goals	Timeline by Fiscal Year  (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable.)		Metrics
<ol> <li>Advise the Board on performance incentive goal-setting and plan design ensuring strategic alignment and proper oversight of compensation- related decisions.</li> </ol>	Q2-4	•	Recommend FY16 performance goal scores and payouts (Q2) Complete  Oversee the implementation of changes that impact the FY18 strategic planning, budgeting, and goal setting processes (Q3-4) Strategic Planning Process Report Given to to ECC on 3/23/2017  Recommend FY 18 goals and measurements (Q4) Complete  Assess the value of long-term incentives to support the achievement of long-term
			strategies (Q3) Delayed until strategic planning process complete. Paced for Q1 FY18

	Goals	Timeline by Fiscal Year  (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable.)		Metrics
2.	Evaluate supplemental executive benefit program including market competitiveness, best practice, total compensation, and strategic value.	Q3-4	•	Review consultant analysis and options for consideration (Q3) Report 3/23/2017  Determine recommendation to the Board regarding possible design changes to supplemental executive benefit program including any impact on other elements of total compensation (Q4) Recommended Executive Benefit Plan Design Changes in Q4
3.	Advise the Board ensuring strategic alignment and proper oversight of compensation-related decisions.	Q 2-3	•	Review base salary administration policy, review market analysis, and make base salary recommendations to the Board (Q2) Complete  Submit the letter of reasonableness for Board acceptance (Q3) Complete  Review compensation philosophy and performance incentive plan policies and make recommendation to Board to approve any changes (Q3) Complete

To be Submitted to the Board by:
Jeffrey Davis, Chair, Executive Compensation Committee
Kathryn Fisk Executive Sponsor, Executive Compensation Committee



## FINANCE COMMITTEE FY17 GOALS

### **Purpose**

The purpose of the Finance Committee is to provide oversight, information sharing and financial reviews related to budgeting, capital budgeting, long-range financial planning and forecasting, and monthly financial reporting for El Camino Hospital Board of Directors. In carrying out its review, advisory and oversight responsibilities, the Finance Committee shall remain flexible in order to best define financial strategies that react to changing conditions.

### Staff: Iftikhar Hussain, CFO

The CFO shall serve as the primary staff support to the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the executive team may participate in the Committee meetings upon the recommendation of the CFO and subsequent approval from the Committee Chair. The CEO is an ex-officio of this Committee.

Goals	Planned Timeline (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)	Metrics
Review results of HPO Plan, including expense control	• Quarterly	Present results to Finance Committee and Board of Directors. Introduced at Aug. 1, 2016 meeting (IPI); Presented at Nov. 28, 2016 meeting; In accordance with prioritization efforts led by the Interim CEO, quarterly reporting to the Finance Committee and the Board on this topic was discontinued. Management continues to do internal monthly reviews of Integrated Performance Improvement under the High Performing Organization Plan.
Review Capital Projects in progress	• Q3	Update on capital projects in progress that exceed \$2.5M. Introduced in Q3, Completed in Q4

Goals	Planned Timeline (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)	Metrics
3. Evaluate 2 <sup>nd</sup> round of bond issuance	<ul> <li>Q2 – Discussion</li> <li>Q3 – Consider Recommendation</li> </ul>	Presentation for a possible Spring 2017 for Revenue Bonds  Issuance Complete in Q3
4. Education Topic: Medicare Margin	• Q1	Presentation given at August Meeting  Complete in Q1

### **Submitted by:**

Dennis Chiu - Chair, Finance Committee Iftikhar Hussain - Executive Sponsor, Finance Committee Approved by the Board of Directors: June 8, 2016



## **Governance Committee Goals for FY 2017**

### **Purpose**

The purpose of the Governance Committee ("Committee") is to advise and assist the El Camino Hospital (ECH) Hospital Board of Directors ("Board") in matters related to governance, board development, board effectiveness, and board composition, i.e., the nomination and appointment/reappointment process. The Governance Committee ensures the Board and Committees are functioning at the highest level of governance standards.

### Staff: Tomi Ryba, CEO

The CEO shall serve as the primary staff support to the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the executive team or outside consultants may participate in the Committee meetings upon the recommendation of the CEO and at the discretion of the Committee Chair.

Goals	Timeline by Fiscal Year  (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable.)	Metrics
<ul> <li>Review the governance structure of the Hospital Board, conduct research and make recommendations on preferred competencies.</li> </ul>	<ul> <li>Q1 FY 2016</li> <li>Q4 FY 2016 and FY 2017</li> </ul>	<ul> <li>Recommendation for high-priority Board member competencies made to Hospital Board and District Board.         Complete</li> <li>Chair nominates Governance         Committee Member to serve on District Board Ad Hoc Committee and participate in Non-District Board Member recruitment/interview process as requested by the District Board.         Complete in Q4 FY 16; Need to Consider for FY18 in June 2017</li> <li>Make Recommendation regarding structural changes to the Hospital Board – Q3 Complete – Multiple Discussions at Committee Meetings on this topic.</li> </ul>

Goals	Timeline by Fiscal Year  (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable.)	Metrics
<ul> <li>Promote Enhanced and Sustained Competency Based Effective Governance</li> </ul>	• Q1 - Q4 FY 2017	<ul> <li>FY 17 Self- Assessment Tool Recommended to the Board and Survey Completed – Q1 – Q2 Complete</li> <li>Reports are completed and made available to the Board and the District Board – Q3 – Q4 Complete</li> <li>Monitor Effectiveness of Board Processes Work (Via Consulting) Q3 Complete in Q4</li> </ul>
<ul> <li>Develop Board and Committee Education Plan for FY 2017</li> </ul>	• Q1 – Q2 FY 2017	<ul> <li>Recommend Annual Retreat Agenda to the Board – Q2 – Board engaged in Strategic Planning Process</li> <li>Make Recommendation Regarding Conference Attendance for the Full Board – Q1 – Board Education Satisfied By Engagement in Strategic Planning Process. Conference attendance available to individual Board members.</li> </ul>
<ul> <li>Ensure Advisory Committee         Composition and Member         Competencies are Adequate to         Support the Board.</li> </ul>	• Q2 FY 2017	<ul> <li>Review Advisory Committee         Composition and Make         Recommendations to the Board         regarding skill gaps - Q2         Complete</li> </ul>

### Submitted by:

Peter C. Fung, MD, Chair, Governance Committee Tomi Ryba, Executive Sponsor, Governance Committee

Approved by the El Camino Hospital Board of Directors June 8, 2016



## INVESTMENT COMMITTEE Goals for FY 2017

### **Purpose**

The purpose of the Investment Committee is to develop and recommend to El Camino Hospital Board of Director the investment policies governing the Hospital's assets, maintain current knowledge of the management and investment of the invested funds of the Hospital, and provide oversight of the allocation of the investment assets.

### Staff: Iftikhar Hussain, CFO

The CFO shall serve as the primary staff support to the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the hospital staff may participate in the Committee meetings upon the recommendation of the CFO and subsequent approval from the Committee Chair. The CEO is an ex-officio member of this Committee.

V 1 11		
Goals	Timeline by Fiscal Year (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)	Metrics
Review performance of consultant recommendations of managers and asset allocations.	■ Each quarter —Ongoing	<ul> <li>Investment Committee to review selection of money managers; recommendations are made to CFO Complete Q1 – Q4</li> </ul>
Educate Board and Committee:     Investment strategy adjustments in low return environment	• Q1	<ul><li>Complete by end of Q1</li><li>Complete Q1</li></ul>
3. Review/revise Executive Dashboard.	■ Each quarter - Ongoing	<ul> <li>Complete by June 2017</li> <li>Complete; Packet updated on an ongoing basis as requested by the Committee</li> </ul>
4. Meet with the Finance Committee to help align investment philosophy with capital and cash flow needs.	• Q4.	<ul> <li>Complete by end of Q4</li> <li>Complete Q3</li> </ul>

Submitted by: Iftikhar Hussain, Executive Sponsor, Investment Committee

Approved by the Board of Directors June 8, 2016



# Quality, Patient Care and Patient Experience Committee Goals for FY 2017 - PROPOSED

### **Purpose**

The purpose of the Quality, Patient Care and Patient Experience Committee ("Quality Committee") is to advise and assist the El Camino Hospital (ECH) Hospital Board of Directors ("Board") in constantly enhancing and enabling a culture of quality and safety at ECH, to ensure delivery of effective, evidence-based care for all patients, and to oversee quality outcomes of all services of ECH. The Quality Committee helps to assure that exceptional patient care and patient experience are attained through monitoring organizational quality and safety measures, leadership development in quality and safety methods and assuring appropriate resource allocation to achieve this purpose.

#### **Staff: Chief Medical Officer**

The CMO shall serve as the primary staff support to the Committee and is responsible for drafting the committee meeting agenda for the Committee Chair's consideration. Additional clinical representatives may participate in the Committee meetings upon the recommendation of the CMO and subsequent approval from both the CEO and Committee Chair. These may include the Chiefs/Vice Chiefs of the Medical Staff, VP of Patient Care Services, physicians, nurses, and members from the Community Advisory Councils or the community-at-large. The CEO is an ex-officio of this Committee.

	Goals	Timeline by Fiscal Year  (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable.)	Metrics
1.	Review the hospital's organizational goals and scorecard and ensure that those metrics and goals are consistent with the strategic plan and set at an appropriate level as they apply to the Quality, Patient Care, and Patient Experience Committee.	<ul><li>Q1 – Goals</li><li>Q3 - Metrics</li></ul>	<ul> <li>Review, complete, and provide feedback given to management, the governance committee, and the board.</li> <li>Complete</li> </ul>
2.	Biannually review peer review process and medical staff credentialing process.	<ul><li>Every other year</li></ul>	Oversight of Peer Review Process Changes Complete
3.	Develop a plan to review exceptions for goals that are being monitored by the management team and report those exceptions to the El Camino board of directors.	• Q3	Complete

Goals	Timeline by Fiscal Year  (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable.)	Metrics
4. Review and oversee a plan to ensure the safety of the medication delivery process. The plan should include a global assessment of adverse events and it should include optimizations to the medication safety process using the new iCare tool.	• Q2	Review the plan and approve.  Management has been working on related initiatives, but a report has not been provided to the Quality Committee of the Board
Further investigate Patient and Family     Centered Care and develop an     implementation plan.	• Q2	Review the plan and approve.  Not Complete. Delayed due to departure of key staff leading this program. Recruitment is in progress.

### Submitted by:

Dave Reeder, Chair, Quality Committee
Daniel Shin, MD, Executive Sponsor, Quality Committee

### Addendum Progress Against FY17 Advisory Committee

#### The following Advisory Committee Goals were not completed in FY17:

#### FINANCE COMMITTEE

Goal: Review results of HPO Plan, including expense control.

**Status:** In accordance with prioritization efforts led by the Interim CEO, quarterly reporting to the Finance Committee and the Board on this topic was discontinued. Management continues to do internal monthly reviews of Integrated Performance Improvement under the High Performing Organization Plan.

#### **QUALITY COMMITEE**

**Goal:** Review and oversee a plan to ensure the safety of the medication delivery process. The plan should include a global assessment of adverse events and it should include optimizations to the medication safety process using the new iCare tool.

**Status:** Management has been working on related initiatives, but a report has not been provided to the Quality Committee of the Board.

**Goal:** Further investigate Patient and Family Centered Care and develop an implementation plan. **Status:** Not Complete. Delayed due to departure of key staff leading this program. Recruitment is in progress.



#### **FY18 COMMITTEE GOALS**

Corporate Compliance/Privacy and Internal Audit Committee

#### **PURPOSE**

The purpose of the Corporate Compliance/Privacy and Audit Committee ("<u>Compliance Committee</u>") is to advise and assist the El Camino Hospital (ECH) Board of Directors ("<u>Board</u>") in its exercise of oversight by monitoring the compliance policies, controls, and processes of the organization and the engagement, independence, and performance of the internal auditor and external auditor. The Compliance Committee assists the Board in oversight of any regulatory audit and in assuring the organizational integrity of ECH in a manner consistent with its mission and purpose.

#### **STAFF**: **Diane Wigglesworth**, Sr. Director, Corporate Compliance

The Sr. Director, Corporate Compliance shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the Executive Team or outside consultants may participate in the meetings upon the recommendation of the Sr. Director, Corporate Compliance and at the discretion of the Committee Chair.

	GOALS	(*	TIMELINE by Fiscal Year  Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)		METRICS
1.	Review and evaluate Hospital's plan for IT Security awareness training for organization	•	Q1 FY18	•	Committee reviews training plan
2.	Review and evaluate Hospital's policy and education plan regarding responding to government investigations	•	Q1 FY18	•	Committee reviews policy and education plan
3.	Review reports on the completion of HIPAA Readiness plan milestones for FY18	•	Q2 and Q4 FY18	•	Committee reviews HIPAA Readiness Plan milestones for FY18
4.	Review and evaluate Management's recommended ERM framework regarding how the Board will establish its risk appetite and tolerance levels	•	Q1 FY18: Preliminary Framework Report Q2 FY18: Final Recommendations	•	Committee reviews recommendations

#### SUBMITTED BY:

John Zoglin Chair, Corporate Compliance/Privacy and Internal Audit Committee



#### **FY18 COMMITTEE GOALS**

#### **Executive Compensation Committee**

#### **PURPOSE**

The purpose of the Executive Compensation Committee is to assist the El Camino Hospital (ECH) Board of Directors ("Board") in its responsibilities related to the Hospital's executive compensation philosophy and policies. The Committee shall advise the Board to meet all legal and regulatory requirements as it relates to executive compensation.

<u>STAFF</u>: Kathryn Fisk, Chief Human Resources Officer; Julie Johnston, Director, Total Rewards; Cindy Murphy, Board Liaison

The CHRO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. The CEO, and other staff members as appropriate, may serve as a non-voting liaison to the Committee and may participate at the discretion of the Committee Chair. These individuals shall be recused when the Committee is reviewing his/her compensation. The CEO is an ex-officio member of this Committee.

GOALS	TIMELINE by Fiscal Year (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)		METRICS
<ol> <li>Advise the Board on performance incentive goal-setting and plan design, ensuring strategic alignment and proper oversight of compensation- related decisions.</li> </ol>	• Q2 – Q4 FY18	•	Recommend FY17 performance goal scores and payouts (Q2) Oversee the implementation of changes that impact the FY18 strategic planning, budgeting, and goal setting process Recommend FY19 goals and measurements (Q4) Assess the value of long-term incentives to support the achievement of long-term strategies (TBD)
2. Support success implementation of executive benefit changes	• Q3 – Q4 FY18	•	Review proposed changes to benefits plan policy (Q1) Review consultant analysis of benefit change impact (Q3)
<ol> <li>Advise the Board ensuring strategic alignment and proper oversight of compensation-related decisions.</li> </ol>	• Q2 – Q3 FY18	•	Review base salary administration policy, review market analysis, and make base salary recommendations to the Board (Q2) Submit the letter of reasonableness for Board acceptance (Q3) Review compensation philosophy and performance incentive plan policies and make recommendation to Board to approve any changes (Q3)

**SUBMITTED BY:** 

Lanhee Chen Chair, Executive Compensation Committee

Kathryn Fisk **Executive Sponsor**, Executive Compensation Committee



#### **FY18 COMMITTEE GOALS**

#### **Finance Committee**

#### **PURPOSE**

The purpose of the Finance Committee is to provide oversight, information sharing, and financial reviews related to budgeting, capital budgeting, long-range financial planning and forecasting, and monthly financial reporting for El Camino Hospital (ECH) Board of Directors ("Board"). In carrying out its review, advisory and oversight responsibilities, the Finance Committee shall remain flexible in order to best define financial strategies that react to changing conditions.

#### **STAFF**: **Iftikhar Hussain**, Chief Financial Officer

The CFO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the Executive Team may participate in the meetings upon the recommendation of the CFO and at the discretion of the Committee Chair. The CEO is an ex-officio member of this Committee.

	GOALS	(	TIMELINE by Fiscal Year  Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)		METRICS
1.	Develop and monitor industry benchmarks for operations and finance	•	Q2 FY18	•	Receive report on operational and financial benchmarks
2.	Review major capital projects	•	Q3 FY18	•	Update on major capital projects in progress
3.	Education Topic: Ambulatory Care Business Model	•	Q1 FY18	•	Presentation at the August meeting
4.	Epic Implementation Review	•	Q2 FY18	•	Presentation at the November meeting
5.	Review top three service lines (HVI, Oncology, BHS)	•	Q1 – Q2 FY18	•	Presentations at September, January, and March meetings

**SUBMITTED BY:** 

Dennis Chiu Chair, Finance Committee

Iftikhar Hussain **Executive Sponsor**, Finance Committee



#### **FY18 COMMITTEE GOALS**

#### **Governance Committee**

#### **PURPOSE**

The purpose of the Governance Committee is to advise and assist the El Camino Hospital (ECH) Board of Directors ("<u>Board</u>") in matters related to governance, board development, board effectiveness, and board composition, *i.e.*, the nomination and appointment/reappointment process. The Governance Committee ensures the Board and Committees are functioning at the highest level of governance standards.

#### **STAFF**: **Donald Sibery**, Interim Chief Executive Officer; **Cindy Murphy**, Board Liaison

The CEO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the Executive Team or outside consultants may participate in the meetings upon the recommendation of the CEO and at the discretion of the Committee Chair.

	GOALS	TIMELINE by Fiscal Year (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)	METRICS
	Decision the commence	• Q1 FY18	Recommendation for high-priority Board member competencies made to Hospital and District Board
1.	Review the governance structure of the Hospital Board, conduct research, and make recommendations on preferred competencies.	• Q4 FY18	Chair nominates Governance Committee member to serve on District Board Ad Hoc Committee and participate in the Non-District Board Member recruitment/interview process as requested by the District Board.
		• Q1 FY18	Assess District's plan to implement ECH Board Structure and make recommendations.
		• Q4 FY18	Assess effectiveness of plan.
	Promote enhance and sustained competency-based, efficient, effective governance.	• O1 – O4 FY18	FY18 Self-Assessment Tool (Committees and Board) recommended to the Board and surveys completed (Q1-Q2)
2.		• Q1 – Q4 FY18	Reports are completed and made available to the Board and the District Board (Q3-Q4)
			Assess effectiveness of expanded Committee structure (Q2-Q3)
		• Q1 FY19	Make recommendations for assessment of Board/management relationships and effectiveness and make recommendations for improvements. (Q1 FY19)
3.	Finalize Board and Committee	• Q1 FY18	Develop and recommend FY18 Board Education Plan
	Education plan for FY18 and develop FY19 Plan	• Q2 FY18	Recommend FY18 Annual Retreat Agenda to the Board
		• Q4 FY18	Make recommendations for FY19 Board Education Plan

SUBMITTED BY:

Peter Fung, MD Chair, Governance Committee

Donald Sibery **Executive Sponsor**, Governance Committee



#### **FY18 COMMITTEE GOALS**

#### **Investment Committee**

#### **PURPOSE**

The purpose of the Investment Committee is to develop and recommend to the El Camino Hospital (ECH) Board of Directors ("Board") the investment policies governing the Hospital's assets, maintain current knowledge of the management and investment funds of the Hospital, and provide oversight of the allocation of the investment assets.

#### STAFF: Iftikhar Hussain, Chief Financial Officer

The CFO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the Executive Team or hospital staff may participate in the meetings upon the recommendation of the CFO and at the discretion of the Committee Chair. The CEO is an ex-officio member of this Committee.

	GOALS	TIMELINE by Fiscal Year (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)	METRICS
1.	Review performance of consultant recommendations of managers and asset allocations	Each quarter - ongoing	<ul> <li>Committee to review selection of money managers and make recommendations to the CFO</li> </ul>
2.	Educate the Board and Committee: Hedge Fund trends and allocation review	• Q1 FY18	Completed by the end of Q1
3.	Review/revise Executive Dashboard	Each quarter - ongoing	Completed by June 2018
4.	Review and evaluate Management's recommended ERM framework regarding how the Board will establish its risk appetite and tolerance levels	• Q4 FY18	Completed by the end of Q4

SUBMITTED BY:

John Zoglin Chair, Investment Committee

Iftikhar Hussain **Executive Sponsor**, Investment Committee



#### **FY18 COMMITTEE GOALS**

#### Quality, Patient Care and Patient Experience Committee

The purpose of the Quality, Patient Care and Patient Experience Committee ("Quality Committee") is to advise and assist the El Camino Hospital (ECH) Board of Directors ("Board") in constantly enhancing and enabling a culture of quality and safety at ECH, to ensure delivery of effective, evidence-based care for all patients, and to oversee quality outcomes of all services of ECH. The Quality Committee helps to assure that exceptional patient care and patient experiences are attained through monitoring organizational quality and safety measures, leadership development in quality and safety methods, and assuring appropriate resource allocation to achieve this purpose.

#### STAFF: William Faber, MD, Chief Medical Officer

The CMO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional clinical representatives may participate in the meetings upon the recommendation of the CMO and at the discretion of the CEO and the Committee Chair. These may include: the Chiefs/Vice Chiefs of the Medical Staff, physicians, nurse, and members from the community advisory councils or the community at-large. The CEO is an ex-officio member of this Committee.

	GOALS	TIMELINE by Fiscal Year (Timeframe applies to when the Board approves the recommended action from the Committee, if applicable)	METRICS
1.	Review the Hospital's organizational goals and scorecard and ensure that those metrics and goals are consistent with the strategic plan and set at an appropriate level as they apply to the Quality, Patient Care and Patient Experience Committee.	<ul> <li>Q1 FY18 – Goals</li> <li>Q3 FY18 - Metrics</li> </ul>	Review, complete, and provide feedback given to management, the Governance Committee, and the Board.
2.	Alternatively (every other year) review peer review process and medical staff credentialing process. Monitor and follow through on the recommendations made through the Greeley peer review process.	• Q2 FY18	Receive update on implementation of peer review process changes     Review Medical Staff credentialing process
3.	Develop a plan to review the new Quality, Patient Care and Patient Experience Committee dashboard and ensure operational improvements are being made to respond to outliers.	<ul> <li>Q1 – Q2 FY18 – Proposal</li> <li>Q2 FY18 – Implementation</li> <li>Month Q1 – Q4 FY18</li> </ul>	<ul> <li>Receive a proposed format for quarterly Quality and Safety Review; make a recommendation to the Board and implement new format.</li> <li>Monthly review of FY18 Quality Dashboard</li> </ul>
4.	Oversee the development of a plan with specific tactics and monitor the HCAHPs scores for Patient and Family Centered Care.	• Q2 FY18	Review the plan and approve
5.	Monitor the impact of interventions to reduce hospital-acquired infections.	Quarterly	Review process toward meeting quality (infection control) organizational goal

#### **SUBMITTED BY:**

David Reeder Chair, Quality Committee

William Faber, MD **Executive Sponsor**, Quality Committee

### SUMMARY OF POLICIES/PROTOCOLS FOR REVIEW AND APPROVAL

NEW POLICIES				
Policy			Revised	
Number	Policy Name	Department	Date	Summary of Policy Changes
	1.04 Network Access Control	Information		Created new IT policies to meet regulatory and security
		Security		requirements which will replace obsolete IT policies
	1.02 Authorized Access to			
	Information Systems	Information Security		Created new IT policies to meet regulatory and security requirements which will replace obsolete IT policies
	0.01 Information Security Management Program	Information Security		Created new IT policies to meet regulatory and security requirements which will replace obsolete IT policies
	1.01 Business Requirement for Access Control	Information Security		Created new IT policies to meet regulatory and security requirements which will replace obsolete IT policies
	1.03 User Responsibilities	Information Security		Created new IT policies to meet regulatory and security requirements which will replace obsolete IT policies
		DOLLOU 50	A (1 T. 1 A A A 1 A	
		POLICIES	WITH MAJO Review or	ÖR REVISIONS
Policy Number	Policy Name	Department	Revised Date	Summary of Policy Changes
		POLICIES	WITH MIN	OR REVISIONS
Policy Number	Policy Name	Department	Review or Revised Date	Summary of Policy Changes
		POLICIES WITH	H NO REVIS	SIONS - REVIEWED
Policy Number	Policy Name	Department	Review or Revised Date	
		POL	ICIES TO A	RCHIVE
Policy Number	Policy Name	Department	DATE ARCHI VE	



TITLE:	Information Security - 1.04 Network Access Control				
CATEGORY:	1.0 Access Control				
LAST APPROVAL:					
TYPE:	<ul><li>✓ Policy</li><li>✓ Protocol</li><li>✓ Procedure</li><li>✓ Standardized Process/Procedure</li></ul>	☐ Scope of Service/ADT			
SUB-CATEGORY:	Information Security				
OFFICE OF ORIGIN:	InfoSec (ECH Solutions Group)				
ORIGINAL DATE:					

#### I. COVERAGE:

This policy applies to all workforce members, business associates and agents that access or uses El Camino Hospital information systems, IT assets, or medical devices. The workforce members may be defined as follows:

- 1. El Camino Hospital Employees, Physicians, Partners
- 2. Independent Contractors, Contract Services Personnel, Registry/Temporary Agency Personnel
- 3. Students, Interns, Instructors, Volunteers

#### II. PURPOSE:

To prevent unauthorized access to networked services.

#### III. POLICY STATEMENT:

It is the policy of El Camino Hospital that network equipment shall be physically protected from unauthorized access using network security technologies that provide capabilities for:

- 1. Authentication and Authorization mechanisms
- 2. Secure Communications and Transmissions
- 3. Remote Diagnostics and Monitoring
- 4. Virtual Private Network
- 5. Segmentation

#### IV. DEFINITIONS (if applicable):

IT - Information Technology

ISD - Information Services Division

**ISO** - Information Security Office

#### V. <u>REFERENCES:</u>

This policy enforces the Health Insurance Portability and Accountability Act (HIPAA)
Privacy and Security Rules, Joint Commission Information Management, Payment Card



TITLE: Information Security - 1.04 Network Access Control

CATEGORY: 1.0 Access Control

**LAST APPROVAL:** 

Industry (PCI), National Institute of Standards and Technology (NIST) plus other applicable state laws and standards.

#### VI. PROCEDURE:

The procedures that implement this policy are documented under the following titles:

- A. 1. Policy on the Use of Network Services
  - 2. User Authentication for External Connections
  - 3. Equipment Identification in Network
  - 4. Remote Diagnostic and Configuration Port Protection
  - 5. Segregation in Networks
  - 6. Network Connection Control
  - 7. Network Routing Control

#### **B.** Progressive Sanctions

- A progressive sanction process consistent with the "HR-Discipline and Discharge" policy may be enforced by the Information Security Office (ISO) for IT Security policy and procedure violations that are caused by negligence or unawareness.
- 2. Workforce members may be requested to attend Security Awareness training specifically designed to mitigate misunderstandings regarding individual responsibilities to comply with policies and procedures.

#### C. RESPONSIBILITIES:

- Network Engineering with support from the ISO shall conduct reviews to ensure network equipment is protected from unauthorized access, including identifying and disabling non-secure functions, ports, protocols, software and services.
- 2. The ISO shall provide leadership and guidance to all business functions in regards to identifying and mitigating security and compliance concerns that impacts access to information and information assets.
- 3. The ISO shall facilitate security focus groups; implement toolsets, standards and technical safeguards that incorporate stakeholder business objectives with risk acceptance approved by the IT Security Program Executive Steering Committee.



TITLE: Information Security - 1.04 Network Access Control

CATEGORY: 1.0 Access Control

**LAST APPROVAL:** 

### VII. APPROVAL:

APPROVING COMMITTEES AND AUTHORIZING BODY	APPROVAL DATES
InfoSec – CISO	2/14/2017
Information Services Division - CIO	3/21/2017
ePolicy Committee:	5/5/2017
Medical Executive Committee:	
Board of Directors:	
Historical Approvals:	

### VIII. <u>ATTACHMENTS (if applicable):</u> N/A



TITLE:	Information Security - 1.02 Authorized Access to Information Systems			
CATEGORY:	1.0 Access Control			
LAST APPROVAL:				
ТҮРЕ:	✓       Policy       □       Protocol         X       Procedure       □       Standardized Process/Procedure         □       □	☐ Scope of Service/ADT		
SUB-CATEGORY:	Information Security Office			
OFFICE OF ORIGIN:	Information Services Division			
ORIGINAL DATE:				

#### I. COVERAGE:

This policy applies to all workforce members, business associates and agents that access or uses El Camino Hospital information systems, IT assets, or medical devices. The workforce members maybe defined as follows:

- 1. El Camino Hospital Employees, Physicians, Partners
- 2. Independent Contractors, Contract Services Personnel, Registry/Temporary Agency Personnel
- 3. Students, Interns, Instructors, Volunteers

#### II. PURPOSE:

To ensure authorized user accounts are registered, tracked and periodically validated to prevent unauthorized access to information systems.

#### III. POLICY STATEMENT:

It is the policy of El Camino Hospital that a formal user registration procedure be used to track the authorized access to ECH information systems, IT assets, or medical devices. A documented user registration and deregistration process for granting, suspending, and revoking access shall be maintained and the practice of performing annual recertification of user access shall be implemented.

#### IV. <u>DEFINITIONS (if applicable):</u>

ePHI - electronic Protected Health Information

**PII** - Personally identifiable information

FIN -financial data

**SD** – sensitive data for the business enterprise, includes confidential and intellectual property

#### V. REFERENCES:

This policy enforces the Health Insurance Portability and Accountability Act (HIPAA) Privacy and Security Rules, Joint Commission Information Management, Payment Card



TITLE: Information Security - 1.02 Authorized Access to Information Systems

CATEGORY: 1.0 Access Control

LAST APPROVAL:

Industry (PCI), National Institute of Standards and Technology (NIST) plus other applicable state laws and standards.

#### VI. PROCEDURE:

The procedures that implement this policy are documented under the following titles:

- A. 1. User Registration
  - 2. Privilege Management
  - 3. User Password Management
  - 4. Review of User Access Rights

#### B. **Progressive Sanction**

- A progressive sanction process consistent with the "HR-Discipline and
  Discharge" policy may be enforced by the Information Security Office (ISO) for IT
  Security policy and procedure violations that are caused by negligence or
  unawareness.
- 2. Workforce members may be requested to attend Security Awareness training specifically designed to mitigate misunderstandings regarding individual responsibilities to comply with policies and procedures.

#### C. RESPONSIBILITIES:

- System Administrators shall review accounts quarterly and disable any account
  that is inactive beyond 60 days or that cannot be associated with a valid business
  owner or service account. Leaders shall recertify user access to information
  systems, IT assets, and medical devices that contain ePHI, PII, FIN, or SD and
  provide documented evidence to the ISO for review and record retention.
- 2. The ISO shall provide leadership and guidance to all business functions in regards to identifying and mitigating security and compliance concerns that impacts access to information and information assets.
- 3. The ISO shall facilitate security focus groups; implement toolsets, standards and technical safeguards that incorporate stakeholder business objectives with risk acceptance approved by the IT Security Program Executive Steering Committee.



TITLE: Information Security - 1.02 Authorized Access to Information Systems

CATEGORY: 1.0 Access Control

LAST APPROVAL:

#### VII. APPROVAL:

APPROVING COMMITTEES AND AUTHORIZING BODY	APPROVAL DATES
InfoSec – CISO	2/14/2017
Information Services Division - CIO	3/21/2017
ePolicy Committee:	5/5/2017
Medical Executive Committee:	
Board of Directors:	
Historical Approvals:	

### VIII. <u>ATTACHMENTS (if applicable):</u> N/A



TITLE:	Information Security - 1.01 Business Requirement for Access Control			
CATEGORY:	1.0 Access Control			
LAST APPROVAL:				
TYPE:	✓ Policy       ☐ Protocol         ☐ Procedure       ☐ Standardized Process/Procedure	☐ Scope of Service/ADT		
SUB-CATEGORY:	Information Security Office			
OFFICE OF ORIGIN:	Information Services Division			
ORIGINAL DATE:				

#### I. COVERAGE:

This policy applies to all workforce members, business associates and agents that access or uses El Camino Hospital information systems, IT assets, or medical devices. The workforce members maybe defined as follows:

- 1. El Camino Hospital Employees, Physicians, Partners
- 2. Independent Contractors, Contract Services Personnel, Registry/Temporary Agency Personnel
- 3. Students, Interns, Instructors, Volunteers

#### II. PURPOSE:

To control access to information, information assets, and business processes based on business and security requirements.

#### III. POLICY STATEMENT:

It is the policy of El Camino Hospital that our business requirements and access control rules shall be communicated to users and service providers prior to granting them access to ECH information systems, IT assets, or medical devices.

#### IV. <u>DEFINITIONS (if applicable):</u>

**IT** - Information Technology

ISD - Information Services Division

**ISO** - Information Security Office

#### V. REFERENCES:

This policy enforces the Health Insurance Portability and Accountability Act (HIPAA) Privacy and Security Rules, Joint Commission Information Management, Payment Card Industry (PCI), National Institute of Standards and Technology (NIST) plus other applicable state laws and standards.



**TITLE:** Information Security - 1.01 Business Requirement for Access Control

CATEGORY: 1.0 Access Control

LAST APPROVAL:

#### VI. PROCEDURE:

The procedure that implements this policy is documented under the following title:

#### A. Access Control Policy

#### **B.** Progressive Sanction

- A progressive sanction process consistent with the "HR-Discipline and Discharge" policy may be enforced by the Information Security Office (ISO) for IT Security policy and procedure violations that are caused by negligence or unawareness.
- 2. Workforce members may be requested to attend Security Awareness training specifically designed to mitigate misunderstandings regarding individual responsibilities to comply with policies and procedures.

#### C. RESPONSIBILITIES:

- The Information Services Division and information systems, IT assets and medical devices' owners shall ensure business requirements and access control rules are communicated to ensure users and service providers adhere to our access control policy.
- 2. The ISO shall provide leadership and guidance to all business functions in regards to identifying and mitigating security and compliance concerns that impacts access to information and information assets.
- 3. The ISO shall facilitate security focus groups; implement toolsets, standards and technical safeguards that incorporate stakeholder business objectives with risk acceptance approved by the IT Security Program Executive Steering Committee.

#### VII. APPROVAL:

APPROVING COMMITTEES AND AUTHORIZING BODY	APPROVAL DATES
InfoSec – CISO	2/14/2017
Information Services Division - CIO	3/21/2017
ePolicy Committee:	5/5/2017
Medical Executive Committee:	
Board of Directors:	
Historical Approvals:	

#### VIII. ATTACHMENTS (if applicable): N/A



TITLE:	Information Security - 1.03 User Responsibilities		
CATEGORY:	1.0 Access Control		
LAST APPROVAL:			
TYPE:	<ul><li>✓ Policy</li><li>✓ Protocol</li><li>✓ Procedure</li><li>✓ Standardized Process/Procedure</li></ul>	☐ Scope of Service/ADT	
SUB-CATEGORY:	Information Security		
OFFICE OF ORIGIN:	InfoSec (ECH Solutions Group)		
ORIGINAL DATE:			

#### I. COVERAGE:

This policy applies to all workforce members, business associates and agents that access or uses El Camino Hospital information systems, IT assets, or medical devices. The workforce members maybe defined as follows:

- 1. El Camino Hospital Employees, Physicians, Partners
- 2. Independent Contractors, Contract Services Personnel, Registry/Temporary Agency Personnel
- 3. Students, Interns, Instructors, Volunteers

#### II. PURPOSE:

To prevent unauthorized user access and compromise or theft of information and information assets.

#### III. POLICY STATEMENT:

It is the policy of El Camino Hospital that verbal communication, signs, emails, newsletters, videos, warning banners, and websites shall be the primary tools used to inform users of their responsibilities to adhere to good security practices. The topics shall focus on password protection, equipment usage, media disposition, and clear desk/screen practices for safeguarding sensitive data from unauthorized access.

#### IV. <u>DEFINITIONS</u> (if applicable):

IT - Information Technology

**ISD** - Information Services Division

**ISO** - Information Security Office

#### V. <u>REFERENCES:</u>

This policy enforces the Health Insurance Portability and Accountability Act (HIPAA) Privacy and Security Rules, Joint Commission Information Management, Payment Card Industry (PCI), National Institute of Standards and Technology (NIST) plus other applicable state laws and standards.



**TITLE:** Information Security - 1.03 User Responsibilities

CATEGORY: 1.0 Access Control

**LAST APPROVAL:** 

#### VI. PROCEDURE:

The procedures that implement this policy are documented under the following titles:

- A. 1. Password Use
  - 2. Unattended User Equipment
  - 3. Clear Desk and Clear Screen Policy

#### **B.** Progressive Sanctions

- A progressive sanction process consistent with the "HR-Discipline and Discharge" policy may be enforced by the Information Security Office (ISO) for IT Security policy and procedure violations that are caused by negligence or unawareness.
- 2. Workforce members may be requested to attend Security Awareness training specifically designed to mitigate misunderstandings regarding individual responsibilities to comply with policies and procedures.

#### C. RESPONSIBILITIES:

- ISD with support from the ISO shall ensure annual education will be provided to all
  workforce members covering these topics. Leaders shall ensure all workforce
  members within their areas of responsibilities are properly informed and remain
  compliant with the password protection, equipment usage, media disposition and
  clear/desk screen safeguarding practices.
- 2. The ISO shall provide leadership and guidance to all business functions in regards to identifying and mitigating security and compliance concerns that impacts access to information and information assets.
- 3. The ISO shall facilitate security focus groups; implement toolsets, standards and technical safeguards that incorporate stakeholder business objectives with risk acceptance approved by the IT Security Program Executive Steering Committee.



TITLE: Information Security - 1.03 User Responsibilities

CATEGORY: 1.0 Access Control

**LAST APPROVAL:** 

### VII. APPROVAL:

APPROVING COMMITTEES AND AUTHORIZING BODY	APPROVAL DATES
InfoSec – CISO	2/14/2017
Information Services Division - CIO	3/21/2017
ePolicy Committee:	5/5/2017
Medical Executive Committee:	
Board of Directors:	
Historical Approvals:	

### VIII. <u>ATTACHMENTS (if applicable):</u> N/A



TITLE:	Management of Serious Safety Events and Red Alert Procedure		
CATEGORY:	Administration		
LAST APPROVAL:	1/2015		
TYPE:	<ul><li>✓ Policy</li><li>✓ Protocol</li><li>✓ Scope of Service/ADT</li><li>✓ Procedure</li><li>✓ Standardized Process/Procedure</li></ul>		
SUB-CATEGORY:	Administrative 8.00		
OFFICE OF ORIGIN:	Clinical Effectiveness		
ORIGINAL DATE:	01/2015		

#### I. COVERAGE:

All El Camino Hospital staff, medical staff, and volunteers.

#### II. PURPOSE:

- a. To provide a safe clinical environment for patients at El Camino Hospital; to foster a culture of patient safety; and to provide transparent reporting of patient safety events.
- b. To clarify how the most serious safety events are identified; to ensure that effective actions are taken to address the event; and prevent recurrence of similar events in the future.
- c. To ensure that hospital leadership, including the ECH Board of Directors, is notified of serious patient safety events in a timely manner (as defined below) to allow the opportunity for review, discussion and oversight for monitoring of action plans associated with these events to ensure sustainability of solutions.

#### **III. POLICY STATEMENT:**

This policy is designed to provide a process for categorizing patient safety events, including serious safety events, defining those events that reach the level of a Red Alert, ensuring compliance with all regulatory requirements for oversight of adverse events and to outline the procedure for notifying ECH leadership and the ECH Board of serious safety events.

#### **IV. DEFINITIONS:**

- Adverse Event means an untoward incident, therapeutic misadventure, iatrogenic injury or
  other unexpected event with the potential for harm and is directly associated with the care or
  services provided within the Hospital.
- 2. **Disclosure** is defined as a communication between a healthcare professional and a patient, family members or the patient's proxy that acknowledges the occurrence of an error or unanticipated outcome, and describes what happened and the link between the event and the outcome in a manner that is meaningful to the patient.
- 3. **Error** as defined by the Institute of Medicine in 2001 means a failure of a planned action to be completed as intended. Errors are preventable adverse effects of care, whether or not it is evident or harmful to the patient. Errors are unintended, undesirable and result from a defect or failure in diagnostic, therapeutic, or supportive process, at any point in the continuum of care. Errors can be the result of human error or system failure and are not necessarily an act of negligence.
- 4. **Near Miss** is an unplanned event that did not result in injury, illness, or damage but had the potential to do so. Near miss is also an event, circumstance, condition or behavior which has the potential to cause injury, illness, or accidental release but did not actualize due to chance, corrective action and/or timely intervention.



**CATEGORY:** Administration

LAST APPROVAL: 1/2015

5. **QRR** is a written Quality Review Report and El Camino's term for the process by which ECH staff members confidentially document their concerns about an identified or suspected adverse event or a near miss.

- 6. Patient Safety Oversight Committee is a committee that meets weekly to review and categorize serious patient safety events, and is comprised of the Chief Medical Officer, Chief Operating Officer, Chief Nursing Officer, Medical Director for Quality Assurance, Associate Chief Medical Officer, Chief Quality Officer, Director of Risk Management and Director of Medical Staff Services.
- 7. **Red Alert** is the process undertaken in response to a subset of Serious Safety Events defined below which requires notification of hospital and Board leadership within a specified timeframe and initiates expedited investigation and action planning. See Appendix A for a list of criteria for invoking a Red Alert. Safety events of lesser severity are reported by other means.
- 8. **Root Cause Analysis (RCA)** is a structured method used to analyze serious adverse events to identify the contributing causal factors involved. The RCA process includes participants from all disciplines and services which might have information related to the event. The RCA is designed to be non-disciplinary and transparent, ensuring open and collaborative dialog and problem-solving. RCAs may be performed on events not designated as a Red Alert.
- 9. **Safety Event Classification** is a system of definitions and a decision making algorithm for the classification of safety events developed by Healthcare Performance Improvement (HPI). The classification is based on the degree of harm that results from a deviation from expected performance or standard of care and is outcomes based.
  - a. **Serious Safety Event** is a deviation from generally accepted standards of performance that reaches the patient and results in either moderate to severe harm to a patient or death of a patient.
  - b. **Near Miss Safety Event** is an event that does not reach the patient and the error is caught by a detection barrier or by chance.
- 10. **Sentinel Event** is defined by the Joint Commission (TJC) as any unanticipated event in a healthcare setting resulting in death or serious physical or psychological injury to a patient or patients, not related to the natural course of the patient's illness.

#### **V. REFERENCES:**

- 1. Joint Commission Sentinel Event Policy, CAMG Update 1, July 2016
- 2. To Err is Human: Building a Safer Health System, Kohn LT, Corrigan JM, Donaldson MS, eds. (Committee on Quality of Health Care in America, Institute of Medicine)
  Washington, DC, USA: National Academies Press; 2000
- 3. Serious Reportable Events in Healthcare 2011 Update: A Consensus Report, National Quality Forum
- 4. California Health and Safety code 1279.1
- 5. SEC & SSER Patient Safety Measurement System for Healthcare, Healthcare Performance Improvement, May 2011
- 6. Root Cause Analysis and Action Plan Framework, the Joint Commission



**CATEGORY:** Administration

LAST APPROVAL: 1/2015

#### V. PROCEDURE:

#### A. Management of Patient Safety Events

- 1. All adverse events will be reported immediately. The person who identifies the adverse event shall ensure immediate notification to the unit charge nurse or department supervisor, who will then notify the patient's physician and hospital manager or house supervisor, depending on the type of event. If the person identifying the event is a physician or other licensed clinician, he or she should report it immediately to the CMO, Associate CMO or Medical Director for Quality Assurance. Any clinical information, supplies or equipment that might have been associated with the adverse event should be immediately sequestered and preserved with the assistance of the charge nurse or immediate supervisor of the primary respondent per ECH Medical Equipment Management Policy 5.09. A QRR will be completed as per policy.
- 2. The physician, manager, or house supervisor will provide a detailed description of the event through a QRR. If a patient was harmed, Risk Management should be notified immediately. Clinical Effectiveness staff shall initiate the investigation of the event and inform the Senior Director of Quality, the Associate Chief Medical Officer and/or Medical Director for Quality and Safety. The investigation may include, but not be limited to, reviewing the patient's medical record, interviewing involved staff and physicians to determine what occurred and assessing the magnitude of the event.
- 3. The patient's physician or a designated hospital representative will disclose the adverse event to the patient and/or family and document this disclosure in the patient's electronic health record. See Administrative policy "Disclosure of Unanticipated Outcome Information" for additional guidance.
- 4. Clinical Effectiveness or Risk Management will notify the Director of Accreditation and Public Reporting, who will determine what, if any, formal reporting to regulatory agencies is required pursuant to Administrative Policy "Adverse Event Reporting to Regulatory Agencies".
- 5. Clinical Effectiveness or Risk Management staff (whichever is aware of the event soonest) will determine if the specific event will be discussed at the next Patient Safety Oversight Committee (PSOC) or whether earlier notification of PSOC is required based on the severity of the event. Analysis and categorization of the event will be performed by the PSOC, which also has the responsibility to determine whether the event requires an RCA or should trigger a Red Alert, and if so, the need for and timing of event analysis. The PSOC will assign a clinical PSOC committee member to oversee the RCA for applicable events. See Appendix A for a definition of Serious Events that trigger a Red Alert.
- 6. Evaluation of Serious Safety Events and Near Miss Events shall be by Root Cause Analysis (RCA) or other applicable quality analysis and improvement method. Performance Improvement teams may be formed as a result of any patient safety event evaluation.
- 7. Aggregated reports of patient safety events, including Serious Safety and Near Miss Events, will be reported quarterly the QI/Patient Safety Committee, and the Medical Staff Quality Council. An annual report on actions taken to improve patient safety, in response to actual occurrences and near miss events, will be presented to both the Quality Committee of the Board and the Hospital Board.
- 8. All reports, investigations and action plans resulting from evaluation of patient safety events are considered to be confidential quality improvement activities protected by California Evidence Code 1156 and 1157 and must be treated as such.



**CATEGORY:** Administration

LAST APPROVAL: 1/2015

#### B. Designation and Management of Red Alerts

1. When it is determined by the PSOC that a serious safety event merits initiating a Red Alert, in addition to steps required above, the following process shall apply:

- a. The CMO (or designated alternate) will notify the CEO, the Chair of the Hospital Board and the Chair of the Quality Committee of the Board within eight (8) hours of the PSOC's determination that a Red Alert has occurred. The Board Chair, or Chair of the Quality Committee, if the Board Chair is not available, will determine if immediate notification of the entire board is required. In most cases, communication with the entire Hospital Board will be completed as part of a regularly scheduled Board meeting.
- b. For serious events triggering a Red Alert, an RCA will be scheduled within 5 days.
- c. All participants in the care of the patient at the time of the event, including staff and physicians, shall be invited (and expected to attend) the RCA. If a key participant is not able attend the RCA, Clinical Effectiveness staff shall interview the individual separately. The RCA review team may also include the, Senior Director of Quality Improvement and Patient Safety/Chief Quality Officer, Chief Nursing Officer, Medical Director for Quality Assurance, Director of Risk Management, Directors or Managers of the specific departments involved, and additional representation from Administration and Medical Staff as appropriate.
- 2. The following steps should be completed before an RCA is convened, including, but not limited to:
  - a. Event investigation which includes interviews with relevant staff and medical staff and may include the patient and/or family members.
  - b. Detailed timelines completed by those involved in the event.
  - c. An inventory and review of all pertinent policies and procedures.
  - d. A literature review regarding the event and current evidence-based standards of care.
  - e. The review team shall utilize the Joint Commission's Root Cause Analysis and Action Plan Framework for guidance in performing the RCA, and the RCA and Action Plan shall be appropriately documented and monitored by the Risk Management team along with the Patient Safety Oversight Committee. The goal for completion of the Action Plan is within seven (7) days of the event and implementation will occur up to 45 days of the RCA.
  - f. A senior clinician trained in event analysis\* assigned by the PSOC will direct the RCA process and report to the Patient Safety Oversight Committee results of the RCA and the resulting Action Plans.
  - g. A summary of Red Alert events and action plans shall be reported to the Quality Committee of the Board each month and quarterly to the Hospital Board. An annual report on actions taken to improve patient safety, in response to actual occurrences and near miss events, will be presented to both the Quality Committee of the Board and the Hospital Board.
  - h. A summary of events reported to California Department of Public Health under Health and Safety Code 1279.1 that were not designated as a Red Alert shall be included in the quarterly report to the Quality Committee of the Board.

\*Senior clinicians eligible to direct serious safety event investigations and analysis at ECH include: The Chief Medical Officer, The Chief Nursing Officer, The Medical Director for Quality Assurance, The Associate Chief Medical Officer, the Senior Director of Quality Improvement and Patient Safety and the Director of Accreditation and Public Reporting, all of which have a medical or nursing degree and specific training in safety event review.



**CATEGORY:** Administration

LAST APPROVAL: 1/2015

#### i. APPROVAL:

APPROVING COMMITTEES AND AUTHORIZING BODY	APPROVAL DATES
Originating Committee or UPC Committee	
(name of) Medical Committee (if applicable):	
ePolicy Committee:	
Pharmacy and Therapeutics (if applicable):	
Medical Executive Committee:	
Board of Directors:	
Historical Approvals:	

#### j. <u>ATTACHMENTS (if applicable):</u>

Note that Attachments not considered part of the actual policy and updates to the attachments do not require committee approval.

#### Appendix A Serious Events triggering Red Alert reporting and activity

The following serious safety events will be used as the basis for calling Red Alerts:

- 1. A Serious Safety Event which results in death of a patient or moderate/severe harm to a patient and is reportable to CDPH under Health and Safety Code Section 1279.1:
  - a. Surgery performed on a wrong body part, wrong patient or wrong surgical procedure that is inconsistent with the documented informed consent for that patient.
  - b. Retention of a foreign object in a patient after surgery or other procedure, excluding objects intentionally implanted as part of a planned intervention and objects present prior to surgery that are intentionally retained.
  - c. Death during or up to 24 hours after induction of anesthesia after surgery of a normal, healthy patient who has no organic, physiologic, biochemical, or psychiatric disturbance and for whom the pathologic processes for which the operation is to be performed are localized and do not entail a systemic disturbance.
  - d. Patient death or serious disability associated with the use of a contaminated drug, device, or biologic provided by the health facility when the contamination is the result of generally detectable contaminants in the drug, device, or biologic, regardless of the source of the contamination or the product.
  - e. Patient death or serious disability associated with the use or function of a device in patient care in which the device is used or functions other than as intended. For purposes of this subparagraph, "device" includes, but is not limited to, a catheter, drain, or other specialized tube, infusion pump, or ventilator.
  - f. Patient death or serious disability associated with intravascular air embolism that occurs while being cared for in a facility, excluding deaths associated with neurosurgical procedures known to present a high risk of intravascular air embolism.



**CATEGORY:** Administration

LAST APPROVAL: 1/2015

g. An infant discharged to the wrong person.

- h. Patient death or serious disability associated with patient disappearance for more than four hours, excluding events involving adults who have competency or decision-making capacity.
- i. A patient suicide or attempted suicide resulting in serious disability due to patient actions after admission, excluding deaths resulting from self-inflicted injuries that were the reason for admission to the health facility.
- j. A patient death or serious disability associated with a medication error, including, but not limited to, an error involving the wrong drug, the wrong dose, the wrong patient, the wrong time, the wrong rate, the wrong preparation, or the wrong route of administration, excluding reasonable differences in clinical judgment on drug selection and dose.
- k. A patient death or serious disability associated with a hemolytic reaction due to the administration of ABO-incompatible blood or blood products.
- Maternal death or serious disability associated with labor or delivery in a low-risk pregnancy, including events that occur within 42 days post-delivery and excluding deaths from pulmonary or amniotic fluid embolism, acute fatty liver of pregnancy, or cardiomyopathy.
- m. Patient death or serious disability directly related to hypoglycemia, the onset of which occurs while the patient is being cared for in a health facility.
- n. Death or serious disability, including kernicterus, associated with failure to identify and treat hyperbilirubinemia in neonates during the first 28 days of life.
   "Hyperbilirubinemia" means bilirubin levels greater than 30 milligrams per deciliter.
- o. A patient death or serious disability due to spinal manipulative therapy performed at the health facility.
- p. A patient death or serious disability associated with an electric shock while being cared for in a health facility, excluding events involving planned treatments, such as electric counter shock.
- q. A patient death or serious disability associated with a burn incurred from any source while being cared for in a health facility.
- r. A patient death associated with a fall.
- s. A patient death or serious disability associated with the use of restraints or bedrails.
- t. The death or significant injury of a patient or staff member resulting from a physical assault that occurs within or on the grounds.
- u. Any instance of care ordered by or provided by someone impersonating a physician, nurse, pharmacist, or other licensed health care provider.
- v. The abduction of a patient of any age.
- w. The sexual assault on a patient within or on the grounds of the facility.
- x. An adverse event or series of adverse events that cause the death or serious disability\* of a patient, personnel, or visitor.
- 2. In addition to "Never Events" defined above, the PSOC may determine that a deviation has occurred from generally accepted performance standards and results in an event that has caused a patient's death or moderate/severe harm to a patient.
- 3. The PSOC may determine that an event has occurred that may rise to the level of severe risk to the hospital from adverse legal, regulatory or publicity risk.



**CATEGORY:** Administration

LAST APPROVAL: 1/2015

\*Serious disability means a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or the loss of bodily function, if the impairment or loss lasts more than seven days or is still present at the time of discharge from an inpatient health care facility, or the loss of a body part.

### **ECH BOARD MEETING AGENDA ITEM COVER SHEET**

	Physician Financial Arrangements Review and Approval Policy
	El Camino Hospital Board of Directors
	June 14, 2017
Responsible party:	Larry Trilops, Interim Physician Strategy Executive
Action requested:	For Approval
Background:	
physicians who provide service. The purpose of the modification Agreements (PSA) between SN percentile of the Total Cash Company.	I Group (SVPMG) is the professional corporation that employs ses solely to with El Camino Hospital (ECH) and its affiliated clinics. In this policy is to give the authority that Professional Service VPMG and ECH may be executed by the CEO up to the 75 <sup>th</sup> compensation (TCC) or not to exceed \$1,000,000 in TCC based to value survey. Currently, all PSAs over \$250,000 must be
approved by the ECH Board. recruitment of physician cand	The current approval limit impedes the timely and efficient lidates.
recruitment of physician cand	
Other Board Advisory Commi The Corporate Compliance/Pr modified for approval at its m	lidates.
Other Board Advisory Commi The Corporate Compliance/Pr modified for approval at its m this policy as modified for app	ittees that reviewed the issue and recommendation, if any: rivacy and Internal Audit Committee recommended this policy as leeting on May 18, 2017. The Finance Committee recommended
Other Board Advisory Commi The Corporate Compliance/Pr modified for approval at its m this policy as modified for app	ittees that reviewed the issue and recommendation, if any: rivacy and Internal Audit Committee recommended this policy as leeting on May 18, 2017. The Finance Committee recommended broval at its meeting on May 30, 2017. lives: To obtain ECH Board approval.
Other Board Advisory Commi The Corporate Compliance/Pr modified for approval at its m this policy as modified for app  Summary and session objecti	ittees that reviewed the issue and recommendation, if any: rivacy and Internal Audit Committee recommended this policy as leeting on May 18, 2017. The Finance Committee recommended broval at its meeting on May 30, 2017. lives: To obtain ECH Board approval. lins: None.
Other Board Advisory Commi The Corporate Compliance/Pr modified for approval at its m this policy as modified for app Summary and session objecti Suggested discussion questio	ittees that reviewed the issue and recommendation, if any: rivacy and Internal Audit Committee recommended this policy as leeting on May 18, 2017. The Finance Committee recommended broval at its meeting on May 30, 2017. lives: To obtain ECH Board approval. lins: None.  In if any:
Other Board Advisory Commi The Corporate Compliance/Pr modified for approval at its m this policy as modified for app Summary and session objecti Suggested discussion questio Proposed Committee motion	ittees that reviewed the issue and recommendation, if any: rivacy and Internal Audit Committee recommended this policy as leeting on May 18, 2017. The Finance Committee recommended broval at its meeting on May 30, 2017. lives: To obtain ECH Board approval. lins: None.  In if any:





#### POLICY/PROCEDURE TITLE: Corporate Compliance:51.00 Physician Financial

**Arrangements - Review and Approval** 

Last Approval Date: 05/14

**SUB-CATEGORY: Administrative Policies and Procedures** 

**ORIGINAL DATE: 6/08** 

#### **COVERAGE:**

All El Camino Hospital staff, Contract Personnel, Physicians, Healthcare Providers, and the Governing Board

#### **PURPOSE:**

The purpose of this policy is to comply with the Stark law, Anti-Kickback, HIPAA and all other Federal and State Laws.

#### **STATEMENT:**

This policy implements the overall compliance goals of the Hospital with respect to Physician financial arrangements.

This policy establishes administrative principles and guidelines, Board delegation of authority and oversight, and review processes and approvals that must be followed before the Hospital enters into a direct or indirect financial arrangement with an individual physician, a physician group, other organizations representing a physician, or a member of immediate family of a physician ("Physician"). Physician financial arrangements that involve any transfer of value, including monetary compensation, are subject to this and the following policies: 1) Signature Authority policy 17.00, 2) Reimbursement of Business Expenses policy 5.00, and 3) Physician Recruitment policy 42.00.

All financial arrangements of any kind involving Physician, including but not limited to, medical director, consulting, on-call arrangements, <u>professional</u> service agreements, education and training, conference reimbursement or real estate leases, will comply with the Stark law, Anti-Kickback, HIPAA and all other Federal and State Laws.



All Physician financial arrangements are prohibited except those Physician financial arrangements that are approved and documented as provided in this Policy.

Physician financial arrangements may be entered into only where they are needed and serve the strategic goals (including quality and value) of the Hospital. Each Physician financial arrangement must meet or exceed the complex and stringent legal requirements that regulate Physician financial relationships with the Hospital. All Physician financial arrangements between a physician and the Hospital must be in writing and meet fair market value, commercial reasonableness and the following requirements as applicable.

#### PROCEDURE:

#### A. Administrative Standards:

When creating or renewing a Physician financial arrangement, the following principles must be followed. This Policy applies to any Physician financial arrangement including, but not limit to: Medical Directorships, ED Call Panels, Professional Services, Panel Professional Services, Consulting, Lease, Education and Training, Conference Payment, and Physician Recruitment.

#### 1. All Physician Financial Arrangements:

- a) Each Physician financial arrangement (except Physician Lease Contracts) must provide a service that is needed for at least one of the following reasons: 1) it is required by applicable law, 2) required administrative or clinical oversight can only be provided by a qualified physician, 3) the administrative services to be provided support an articulated strategic goal of the Hospital, such as patient safety, and 4) the arrangement must solve, prevent or mitigate an identified operational problem for the Hospital.
- b) The terms of the Physician financial arrangement must be fair market value and commercially reasonable and must not take into account the volume or value of any referrals or other business generated between the parties. All of the terms of the Physician financial arrangement must be in a written contract that details the work or activities to be performed



and all compensation of any kind or the lease terms ("Physician Contracts"). The services contracted for may not exceed those that are reasonable and necessary for the legitimate business purposes of the Physician financial arrangement. If there is more than one Physician Contract with a Physician, the Physician Contracts must cross-reference one another (or be identified on a list of Physician Contracts) and be reviewed for potential overlapping commitments prior to negotiating additional agreements.

The process for determining Physician compensation for each Physician financial arrangement must be set forth in the Physician Contract file and identified in sufficient detail so that it can be objectively verified as meeting fair market value standards. Any compensation paid to or remuneration received by a Physician shall not vary based on the volume or value of services referred or business otherwise generated by the Physician and must reflect fair market value. Compensation cannot exceed the seventy-fifth percentile of fair market value without prior Board approval. Medical Director Agreements should use national market data and On-Call agreements All Physician contracts should use local or regional market data, when available, to determine the seventy-fifth percentile of FMV.

In order to support reasonableness of compensation or remuneration, written fair market data must accompany the Physician Contract and show compensation paid by similar situated organizations and/or independent compensation surveys by nationally recognized independent firms.

c) Compensation cannot be revised or modified during the first twelve (12) months of any Physician financial arrangement. If the compensation is revised thereafter, it must be evidenced by a written amendment to the Physician Contract, signed by both parties before the increase in compensation takes effect. For example, if the increase in compensation is to take effect on April 1, the amendment must be signed by both parties on or before April 1 and the original Physician Contract must have been effective on or before March 31 of the prior year. The compensation cannot be changed for twelve (12) months after the effective date of such amendment.



- d) All Physician Contract renewals must be signed before the expiration of the term of the existing Physician Contract.
- e) Physician Contracts must be in writing and executed by the parties before commencement. Only the CEO of Hospital may execute a Physician Contract, except Physicians Contracts that are real estate or equipment leases with Physicians may be signed by the Chief Administrative Services Officer ("CASO"). Physicians cannot be compensated for work performed, nor may a lease commence, prior to execution by both parties.
- f) The Physician financial arrangement must not violate the Stark law, the anti-kickback statute (section 1128B(b) of the Act) or any Federal or State law or regulations.
- g) The Physician Contract will permit the Hospital to suspend performance under the Physician Contract if there is a compliance concern. Concerns about compliance should be directed to Compliance, Legal, or the office of the Chief Medical Officer ("CMO"). Performance under Physician Contracts deemed to not meet the administrative guidelines shall be suspended until the Physician Contract can be remedied.
- h) Physician Contracts must contain termination without cause provisions (except for real estate and equipment leases). Physician Contracts which grant an exclusive right to Hospital-based physicians to perform services may not exceed five years. If a Physician Contract is terminated, then the Hospital may not enter into a new financial arrangement with the same Physician covering the same arrangement on different terms within twelve (12) months of the effective date of the terminated Physician Contract.
- Physicians with potential conflicts of interest must complete a conflict of interest form (see Policy 4.00) that must be reviewed by the Compliance Officer prior to entering into a Physician Contract. The conflict must be addressed and referenced in the Physician Contract. A conflict may prevent entry into a Physician Contract.
- j) All Physician Contracts must be prepared using the appropriate Hospital contract template prepared by Legal and Contracting Services. All



Physician Contracts must be drafted by personnel designated by Legal and Contracting Services.

- k) Attached to the final version of a Physician Contract <u>prior</u> to execution by Hospital must be a completed "<u>Contract Cover Sheet and Summary of Terms</u> <u>Physician Arrangement Review Checklist</u>" and a signed "<u>Certification of Necessity and Fair Market Value</u>" <u>Contract Certification</u>" (Appendix A) (a Physician Lease Contract must also include a signed "<u>Contract Certification</u>" (<u>Appendix B</u>) and "<u>Lease Contract Review Checklist</u>" (<u>Appendix BC</u>) to be reviewed and approved by Legal and <u>Contracting</u> Services and Compliance.
- All executed Physician Contracts must be scanned into the Meditract system.
- m) Payments may not be made to a Physician unless there is adherence with all of the requirements of this Policy.
- n) Each Physician Contract shall comply with all applicable laws.
- 2. **Medical Director Contracts:** In addition to the criteria set forth above (D.1) for *All Physician Financial Arrangements*, the following must be met *prior* to creating, renewing or amending a Medical Directorship:
  - a) A Medical Directorship may not be intended or used as a means to recruit a Physician to practice at the Hospital.
  - b) A Medical Directorship must fit within a rational management framework that optimizes coordination of the Medical Director's knowledge and work efforts with Hospital needs and resources. To meet this requirement, the Medical Director must work with, and be accountable to, a supporting Hospital manager-partner who is a Hospital supervisor, manager or executive director who verifies the Medical Director's work and efforts. The Hospital manager-partner shall participate in the negotiation of the Medical Director Contract, including setting duties and goals, and will be familiar with the details of the Medical Director Contract.
  - c) The number of hours assigned to the Medical Directorship must be appropriate considering the work required. An annual evaluation shall

Formatted: Highlight Formatted: Highlight



be conducted by the CMO and the Hospital manager-partner to evaluate whether all such services are needed in any new or renewal term, whether new services are needed and if the hours are still reasonable and necessary for the legitimate business purpose of the Medical Directorship arrangement. The proposed services may not duplicate work that is provided to the Hospital by other Physicians unless the total work under all arrangements are needed.

- d) Medical Director Contracts must require Physician completion and submission of Physician Time Study Reports (see Exhibit C) each month, and each such report must be approved by the Hospital manager-partner and the Compliance Department before any compensation is paid. There must be one or more internal review processes to verify that the Medical Director is performing the expected duties and tasks, of which the required time report is one example.
- e) All Medical Director Contracts providing for total compensation of \$30,000 or more shall include two (2) annual quality incentive goals that support the Hospital's strategic initiatives, one of which shall be related to an outcome quality metric and the other shall be related to a process metric or milestone for service to patients. For Medical Director Contracts greater than \$100,000 in compensation per year, 20% of the total compensation will be held at risk based on the completion of the quality incentive goals. For Medical Director Contracts between \$50,000 to \$99,999 per year, 10% of the total compensation will be held at risk based on the completion of the goals. For Medical Director Contracts between \$30,000 to \$49,999 per year, 5% of the total compensation will be held at risk based on the completion of the goals.
- f) If a Medical Director would oversee a function in a service line, then a development and selection committee (that includes at least one physician leader in the service line) will evaluate the candidates and recommend a final candidate with whom the Hospital should negotiate. An effective alignment of the Physician and the service line should be created.



- g) If the Medical Directorship is intended to oversee a function outside of a defined service line, the CMO will evaluate and approve the Medical Director candidates for the proposed function.
- h) Each year, the Medical Executive Committee will review a summary report of all Medical Directorship arrangements and goals.
- Medical Director Contracts must include a Hospital-approved HIPAA Business Associate Agreement.

#### 3. Physician Consulting Contracts:

In addition to the criteria set forth in the *All Physician Financial*Arrangements section (D.1) above, the following criteria must be met before creating or renewing a Physician Consulting Contract:

- a) Physician Consulting Contracts must require concise deliverables and due dates and require completion of a Physician Time Study Report (see Exhibit C). The deliverables and due dates must be set for the duration of the Physician Consulting Contract before the services begin and the Physician Consulting Contract is signed.
- b) The number of hours assigned to the Physician Consulting Contract must be appropriate in light of the work required.
- Physician Consulting Contracts must include a Hospital-approved HIPAA Business Associate Agreement.

#### 4. Physician Lease Contracts:

In addition to the criteria set forth in the *All Physician Financial Arrangements* section above (D.1), the following criteria must be met *before* creating, amending, or renewing a Physician Lease Contract:

- a) Attached to the final version of a Physician Lease Contract, and prior to execution, must be a completed "Lease Contract Review Checklist" (Appendix <u>BC</u>) and <u>applicable sections of Appendix A and</u> an executed <u>"Contract Certification" (Appendix B)</u>.
- b) Tenant Improvements must be incorporated into the Physician Lease Contract as a Tenant expense.



- c) Physician must not use the space and the Hospital must not make the space available for use prior to the execution of the Physician Lease Contract by both parties.
- d) The Physician Lease Contract shall require that all property taxes are to be paid by the Tenant for Triple Net leases.
- e) Physician Lease Contracts are executed by the CEO or the CASO.
- 5. Physician Education, Training and Conference Payment Contracts:
  In addition to the criteria set forth in the *All Physician Financial Arrangements* section above (D.1), the following criteria must be met *before* creating a new Education, Training and Conference Reimbursement Contracts and prior to attendance:
  - a) Physician Education, Training and Conference Payment Contracts must be created and reimbursed in accordance with Hospital Policy Reimbursement of Business, Education and Travel Expenses (see Hospital Policy 5.00).
  - b) The Hospital's need for this training to be provided to the Physician shall be documented as part of the approval process.

#### 6. Physician Recruitment Contracts:

In addition to the criteria set forth in the *All Physician Financial Arrangements* section above (D.1), the following criteria must be met *before* creating a new Physician Recruitment Contract:

a) Physician Recruitment Contracts must be created in accordance with the Physician Recruitment Policy Program, (see Hospital Policy 42.00) and must be presented to the Board for review before the recruitment proposal is developed.

#### B. Approval of Physician Contracts:

- . Attached to the final version of a Physician Contract *before* CEO execution must be a completed "Contract Cover Sheet and Summary of Terms" and "Certification of Necessity and Fair Market Value" Physician Arrangement Review Checklist" and signed "Contract Certification" (Appendix A).
- 2. Attached to the final version of a Physician Lease Contract, *prior* to execution by the CEO or the CASO, must be a completed "Lease Contract Review Checklist" (Appendix <u>BC</u>) and a completed "Physician Arrangement Review Checklist" and signed "Contract Certification" (Appendix <u>AB</u>).

Formatted: Highlight

8

**NOTE:** Printed copies of this document are uncontrolled. In the case of a conflict between printed and electronic versions of this document, the electronic version prevails.



- Corporate Compliance and the <u>General Counsel Director of Legal & Contracting Services</u> will verify the checklist, certification, and documentation accompanying all Physician Contracts (including FMV) prior to execution by the CEO or the CASO. Incomplete or missing checklist and certifications will be returned to the originator for completion.
- All proposed Physician Contracts lacking the appropriate documentation will be returned to the originator for completion. No services may be performed under the Physician Contract or leases implemented until the Physician Contract is fully executed.
- 5. <u>CEO Approval:</u> The CEO will have authority to execute new, renewal and amended Physician Contracts (up to \$250,000.00 in total possible compensation annually), except as set forth in Section 6(b) below.

If a new arrangement is over \$250,000.00; or a renewal or amended agreement is over \$250,000; or the annual increase is greater than ten percent (10%), the Board must approve prior to CEO execution, except as set forth in Section 6(b) below. All recruitment proposals must be approved prior to the CEO executing.

#### 6. Board Approval:

- a. If a new arrangement is over \$250,000.00; or a renewal or amended agreement is over \$250,000; or the annual increase is greater than ten percent (10%), the Board must approve prior to CEO execution of the Physician Contract.
  - All new Physician financial arrangements that exceed \$250,000
    annually should be presented to the appropriate Board Committees
    for review and recommendation to the Board of Directors prior to
    being placed on the Board of Directors' agenda and prior to
    execution.
  - 2) A memo prepared by Hospital-Manager Partner that justifies the Hospital's needs shall be provided to the appropriate Board Committees and Board of Directors as part of the approval documents.



b. Notwithstanding Section 6(a), the CEO may execute without Board approval a renewal or amended Professional Services Agreement with SV Primary Medical Group, P.C. ("SVPMG") so long as the total cash compensation to each individual physician employed by SVPMG does not exceed 75% percentile of fair market value or \$1,000,000 annually.

### C. Board Oversight and Internal Review Process:

During the second and fourth quarter of each Hospital fiscal year, management and staff will prepare a summary report for all Physician financial arrangements describing: 1) the names of all such arrangements and associated physicians, 2) the organizational need that justifies each arrangement, 3) the total amounts paid to each physician and/or group for each Physician Contract annually (and in total for duration on of contract term), 4) current and prior year annual financial comparison, 5) Education, Training or Conference Contracts that reimburse for travel expenses out of the state of California, and 6) any recommendations for changes to the Policy or any procedure.

For Medical Directorships, the summary report will also include: 1) the goals set forth for each Medical Directorship, 2) the contracted rate and hours, and 3) assessment of the performance of Medical Directors over the past year.

The CFO, COO & CMO will review the information and prepare recommendations if any regarding specific actions or changes that will be implemented.

The report will then be reviewed by the CEO and presented to the Compliance and Finance committees of the Board of Directors for review and submission to the Board of Directors no later than the end of the following quarter.

### D. Exceptions:

There are no exceptions to this Policy unless approved by the Board of Directors in advance.

## E. Review and/or Validate:

The CEO and the Corporate Compliance Officer shall be responsible for reviewing the policy and guidelines as conditions warrant but at a minimum at

Formatted: Indent: Left: 0.5", No bullets or numbering



least annually to assure consistency with Board expectations. The Compliance department will annually monitor organizations adherence to the policy and report to the Board.

## F. Policy Enforcement

El Camino Hospital's Compliance Officer is responsible for monitoring enforcement of this policy. Any workforce member found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

APPROVAL	APPROVAL DATES
Originating Committee or UPC Committee:	
Medical Committee (if applicable):	
ePolicy Committee: (Please don't remove this line)	
Pharmacy and Therapeutics (if applicable):	
Medical Executive Committee:	
Board of Directors:	

# Historical Approvals:

New 6/08, 06/09; 8/12, 10/12, 11/13, 1/14, 5/14



# 

Physician/Physician Group Name Party to Agreement:
Type of Agreement: Medical Director Consulting Services Professional Services ED Call Hospital-Based Physician Services Other:
Agreement is:New AmendmentExtension Renewal
Department/Program:
Campus:
Designated ECH Manager:
Effective Date:
Expiration Date:
Need for Agreement:
Reason Physician or Physician group was chosen for the position:
Number of Hours to be Worked:
Hourly/PerDiem Rate to Physician/Physician Group:
Does Agreement include two Quality Goals for Medical Directorships, if Total Annual Compensation is greater than \$30,000.00 annually:
Total Annual Amount:
Finance Committee Review and Board approval required under Policy 51.00:  No Yes (if yes, attach approval documentation)
Approvals
Compliance: Date:
Legal:Date:

12

**NOTE:** Printed copies of this document are uncontrolled. In the case of a conflict between printed and electronic versions of this document, the electronic version prevails.



## **CERTIFICATION OF NECESSITY AND FAIR MARKET VALUE:**

I certify that: (1) the services to be provided by Physician/Medical Group are reasonable and necessary because
; and (2) the compensation proposed for this arrangement is fair market value because (check one):
MD Ranger Data attached hereto, is at or below the 75 <sup>th</sup> percentile, or
I have a FMV opinion, attached hereto, which demonstrates fair market value.
Signature:
Designated ECH Manager

# APPENDIX B

## **Compliance Checklist**

Yes No 1.	Has the amount of compensation been determined based on the volume or value of any actual or
	anticipated referral by the physician or other business generated by the parties?
Yes No 2.	Do aggregate services contracted or space or equipment leased exceed those that are reasonable and
	necessary for legitimate business purposes of the arrangement?
Yes No 3.	Are any payments or other consideration made in consideration of, or to obtain, referrals?
Yes No 4.	Do the services to be furnished involve counseling or promotion of any arrangement or other activity
	that violates any state or federal law?
Yes No 5.	Has the Hospital paid the Physician including an immediate family member any amount of money
	within the last 12 months?
Yes No 6.	Other than this Physician Contract, will the Hospital pay the Physician including an immediate family
	member any amount of money within the next 12 months?
Yes No 7.	Were any loans or loan guarantees made by Hospital to the Physician?
Yes No 8.	-Will there be any non-monetary compensation to the Physician?
Yes No 9.	Has this Physician Contract been executed, terminated or modified, or has it expired within the last 12
	months?
Yes No 10.	Is there another Physician arrangement at the Hospital with similar duties and responsibilities?
Yes No 11.	Does the Physician Contract automatically renew?
Yes No 12.	Were any of the approved contracts' standard terms modified? If yes, attach a copy marked to show
	changes
Yes No 13.	Does the Physician currently have any other financial arrangement with the Hospital?
Yes No 14.	If was are the other arrangements identified in the current Physician Contract, or on a master list?

13

**NOTE:** Printed copies of this document are uncontrolled. In the case of a conflict between printed and electronic versions of this document, the electronic version prevails.



Yes No 15.	Has the Physician completed a conflict of interest disclosure form?
Yes No 16.	Are the services needed by the Hospital to carry out its tax exempt mission?
Yes No 17.	Has a fair market value (FMV) analysis been completed?
Yes No 18.	Is the analysis attached? Who completed the FMV analysis?
Yes No 19.	Do all of the services contracted for or lease price meet reasonable FMV?
Yes No 20.	Was the amount ECH was willing to pay determined before negotiations with the Physician?
Yes No 21.	Does the Physician Contract clearly detail the scope of work, all the services, duties and
	responsibilities and/or deliverables to be furnished by the Physician?
Yes No 22.	Are all the referenced documents (attachments or exhibits) complete and submitted with the final
	Physician Contract and certification?
Yes No 23.	If this is a Medical Director Contract, have "quality outcome goals" been included in the contract?
Yes No 24.	If this is a Medical Director Contract, has Medical Executive Committee approved? Date Approved
	by Medical Executive Committee:
Yes No 25.	Is the term of the arrangement for at least one year?
Yes No 26.	Is it possible to cancel/terminate the Physician Contract for failure to perform?
Yes No 27.	If needed, have business associate contracts been signed by all parties to the Physician Contract?
Yes No 28.	Has a legal firm reviewed this specific contract?
	Name of legal firm that reviewed contract:
Yes No 29.	Was an approved Hospital template used to create this Physician Contract?
	[NB: Lease Contracts ignore questions 10, 16, 19, 21, 22, 23 and 24 which do not apply or are
	covered by Appendix B.



# Contract Certification I, \_\_\_\_\_\_ of El Camino Hospital hereby certify that to the best of my knowledge, (responsible party negotiating) the following matters are true for the attached contract by and between El Camino Hospital and \_\_\_\_\_\_ (Physician) dated \_\_\_\_\_\_ (the "Arrangement"). 1) There are no other arrangements, written or oral with the physician except set forth in the Arrangement; 2) No payment has been or will be made to the physician referenced herein outside of the terms and condition of the arrangement unless such outside payment is also consistent with El Camino Hospital's policies; 3) The contract is in compliance with Administrative Policy 51.00 guidelines. 4) All of the statements above and in the Compliance Checklist are complete and correct. Date: \_\_\_\_\_\_ Signature: \_\_\_\_\_ (Hospital responsible party negotiating)



CATEGORY: Administrative LAST APPROVAL DATE:

# **APPENDIX C**

## **Lease Contract Review Checklist**

Yes No 1.	Is the term of the Physician Lease Contract for at least one year?
Yes No 2.	Does the Physician Lease Contract describe what is being leased and all services that
	will be included?
Yes No 3.	Are the costs of Tenant Improvements incorporated into the Physician Lease
	Contract?
Yes No 4.	Have fair-market value (FMV) rates been determined based at time of signing? [The
	Physician Lease Contract
Yes No 5.	Does the lease rate include an inflator value for future FMV?
Yes No 6.	Is Physician using the space now?
Yes No 7.	Will all applicable property taxes be paid by the Physician under the Physician Lease
	Contract?
Yes No 8.	Were any loans or loan guarantees made to the Physician?
Yes No 9.	Was the Hospital template used to create this Physician Lease Contract?
Yes No 10.	Were any of the terms modified? If yes, attach a copy marked to show changes.
Yes No 11.	Within 5 days after final execution, the Physician Lease Contract must be forwarded
	for scanning into Meditract.

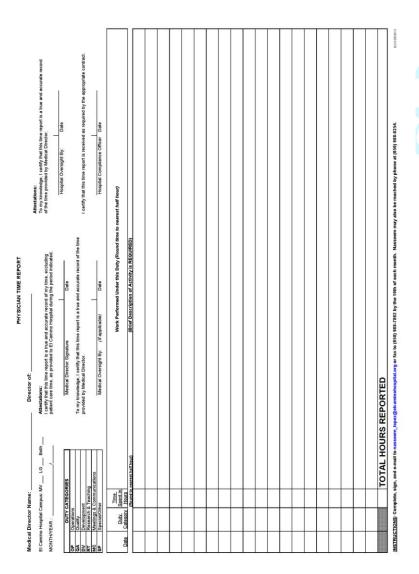


# APPENDIX D FORM OF PHYSICIAN MONTHLY TIME





# REPORT





Date: June 14, 2017

To: El Camino Hospital Board of Directors

From: Donald Sibery, Interim CEO

Re: CEO Report - Open Session

	Organizational Goals FY17	Benchmark	2016 ECH Baseline	Minimum	Target	Maximum	Weight	Performance Timeframe	FY1	.7 through Apr
Tł	hreshold Goals									
Budgeted Operating Margin		90% threshold [Recommended by Exec Comp Consultant (FY16)]	105% of Budgeted	90% of Budgeted			Threshold	FY 17		Met
Q	uality, Patient Safety & iCare									
Ouality Pain	Pain Reassessment  (% Pain Reassessment Documented within 60 min on RN Flowsheet)  Pain Patient Satisfaction  (CMS HCAPHS Pain Management % Scored Top.)	Internal Improvement	56.3% Nov 2015 (post iCare go-live) to Apr 2016 [6-month measurement]	75%	80%	90%	34%	Q4 FY 2017		77%
CIO	Pain Patient Satisfaction  (CMS HCAPHS Pain Management % Scored Top Box- 2 month delay)	Internal Improvement	72.9% FY 2016 Q1 - Q3 [9-month measurement)	73%	74%	76%				75%
8501	Achieve Medicare Length of Stay Reduction while Maintaining Current Readmission Rates for Same Population (Readmission - 45 day delay)	Internal Improvement	FY16 Max Goal 4.86 LOS Readmission Target 12.39%	4.81 .05 Day Reduction from FY16 Max, Readmission at or below FY16 Target	4.76 .10 Day Reduction from FY16 Max, Readmission at or below FY16 Target	4.66 .20 Day Reduction from FY16 Max, Readmission at or below FY16 Target	33%	FY17		LOS: 4.64 Readmission: 10.83% (464/4284)
Sr	mart Growth									
pr bu	chieve budgeted inpatient growth (surgical and rocedural cases plus Deliveries and NICU), and udgeted outpatient growth (surgical and rocedural cases plus infusion).	Internal Documentation	94.26% of FY17 Budget	95% of Budgeted Volume	100% of budgeted Volume	110% of Budgeted Volume	33%	FY 17		96.7% of Budgeted Volume

# ECHA Activity Report to ECH Board – June 2017

# May Highlights:

- The Auxiliary celebrated its 59<sup>th</sup> Annual General Meeting on May 18<sup>th</sup>. In addition to the annual reports, the election of officers, and the awarding of honors to volunteers achieving milestones, the agenda included ten guest speakers who related how volunteers directly impacted them. Four of the speakers were actual patients/clients, and their stories were very moving. A reception followed this meeting. Luncheon included a Hawaiian feast replete with island-style entertainment.
- A number of volunteers participated in the recent Elder Summit. In conjunction with our partnership with the NICHE Committee, the Auxiliary set up a table with information about the **Getting to Know You Program**. This program is devoted to personalizing and humanizing the patient's experience in the hospital. Patients who participate in the program are visited by a volunteer who interviews them about their personal history (career, family, hobbies and interests, travel, etc.). When the patient narrative is completed, it is made available to the patient and family, but also to the caregivers so there can be a more caring connection. This program is currently being piloted on 4C.
- The Auxiliary continues to be challenged in its recruitment efforts. Our latest idea was to place informational tent cards in patients' rooms, in the hope that they, or a family member, might inquire about volunteer opportunities. The PCLs (Patient Care Liaison) who deliver these tent cards have received some inquiries, but efforts have not been as effective as we hoped. The same is true for our pop-up ads on Facebook.
- We are diligently working towards having a robust Flex Staff program. This program
  would help to alleviate gaps in service in critical areas of the hospital, such as the
  Information Desk. Not all volunteers are eligible for this program, as it requires a great
  deal of knowledge about the hospital (which one acquires through experience), about
  the various services we provide in support of the hospital, as well as additional training
  in all the areas where Flex Staff are needed.

# **El Camino Hospital Auxiliary**

# Membership Report to the Hospital Board Meeting of June 14, 2017

Combined Data as of March 31, 2017 for Mountain View and Los Gatos Campuses

# **Membership Data:**

Senior	Members
--------	---------

Active Members	406	+3 relative to previous month
Dues Paid Inactive	91	(Includes Associates & Patrons)
Leave of Absence	15	
Subtotal	512	
Resigned in Month	3	
Deceased in Month	0	

## **Junior Members**

Active Members	234	-8 relative to previous month; loss typical of spring
Dues Paid Inactive	0	
Leave of Absence	4	
Subtotal	238	

**Total Active Members** 640

Total Membership 750

Combined Auxiliary Hours from Inception (to April 30, 2017): 5,714,275

Combined Auxiliary Hours for FY2016 (to April 30, 2017): 79,186

Combined Auxiliary Hours for April 2017: 7,323



# Memorandum

2500 Grant Road Mountain View, CA 94040-4378 Phone: 650-940-7000 www.elcaminohospital.org

DATE: May 30, 2017

TO: El Camino Hospital Board of Directors

FROM: David Reeder, Hospital Board Liaison to the Foundation Board of

**Directors** 

SUBJECT: Report on Foundation Activities FY 2017 – Period 10

ACTION: For Information

El Camino Hospital Foundation advances health care through philanthropy by raising funds that support El Camino Hospital's strategic priorities, foster innovation, and support patient and family-centered care.

During period 10, the Foundation secured \$363,169. This brings total FY 2017 revenue to date to \$6,603,408, which exceeds the annual goal.

The Foundation received addition payments from the estate of George Nurmela, which are designated for the Norma Melchor Heart & Vascular Institute Nurmela Family Education Fund.

Sapphire Soirée took place at the Menlo Circus Club on April 29, 2017 and raised more than \$360,000 for the Cancer Center.

# **Upcoming Events**

Please mark your calendars:

February 8, 2018 – 6<sup>th</sup> annual Norma's Literary Luncheon featuring mystery writer Jacqueline Winspear



# Memorandum

2500 Grant Road Mountain View, CA 94040-4378 Phone: 650-940-7000 www.elcaminohospital.org

DATE: May 30, 2017

TO: El Camino Hospital Board of Directors

FROM: Lane Melchor, Chair, El Camino Hospital Foundation Board of Directors

Jodi Barnard, President, El Camino Hospital Foundation

SUBJECT: Report on Foundation Activities FY 2017 – Period 10

ACTION: For Information

During the month of April, the Foundation raised \$363,169, which brings total revenue secured through period 10 to \$6,603,408. As of April 30, the Foundation reached 107% of our annual fundraising goal.

# **Planned Gifts**

In April, the Foundation received \$156,964 in planned gifts. The majority were additional payments from the estate of George Nurmela for the Norma Melchor Heart & Vascular Institute Nurmela Family Education Fund, which supports education, training and recruitment of physicians and other clinical leads for the expansion of the electrophysiology program and other clinical programs that focus on patients with complex structural heart disease, including arrhythmia.

## **Special Events**

- *Sapphire Soirée* The gala benefit for the Cancer Center was held on April 29, 2017. In period 10, the Foundation received \$105,100 in sponsorships and ticket purchases, bringing the total raised by end of month to \$219,400. Due to the timing, the majority of proceeds from this event will be reflected in the period 11 report.
- **Scarlet Masquerade** In April, the Foundation received \$18,450 for the South Asian Heart Center's gala benefit, bringing the total raised by end of period 10 to \$302,444. The sold out masquerade ball, which was held on March 18, raised \$309,000 from 304 attendees, the highest yield on record. The remaining gifts will be reflected in the period 11 fundraising report.
- *Norma's Literary Luncheon* In April, the Foundation received an additional \$5,145 in expected payments. The benefit for women's mental health services, which was held on February 2, raised more than \$153,000, exceeding goal. Mystery writer Jacqueline

Winspear will headline Norma's Literary Luncheon 2018, which will take place at Sharon Heights Golf and Country Club on February 8.

# **Annual Giving**

In April, the Foundation raised \$14,748 toward the annual giving goal in response to direct mail, through online donations, and from Hope to Health memberships. We sent out the spring direct mail appeal at the end of April and began receiving donations in May. Additional follow-up and outreach to annual donors, both online and through mail, will continue through the end of the fiscal year.



# **ECH Foundation Fundraising Report**

FY17 Income figures through April 30, 2017 (Period 10)

ACTIVITY		FY17 YTD (7/1/16 - 4/30/17)	FY17 Goals	FY17 % of Goal	Difference Period 9 & 10	FY16 YTD (7/1/15 - 4/30/16)	FY15 YTD (7/1/14 - 4/30/15)	
Major Gifts		\$549,250	\$2,500,000	22%	\$0	\$1,687,737	\$3,951,423	
Planned Gifts		\$3,624,069	\$1,000,000	362%	\$156,964 \$696,216		\$2,080,771	
Si	Sapphire Soirée	\$219,400	\$850,000	26%	\$105,100	\$236,450	\$163,225	
ven	Golf	\$273,100	\$325,000	84%	\$0	\$326,205	\$326,650	
Special Events	Scarlet Masquerade	\$302,444	\$300,000	101%	\$18,450	\$289,243	\$253,321	
Sp	Norma's Literary Luncheon	\$153,300	\$145,000	106%	\$5,145	\$195,006	\$126,577	
Annua	I Gifts	\$487,472	\$550,000	89%	\$14,748	\$475,256	\$507,491	
Grants	5*	-	-	-	-	\$58,333	\$512,980	
Invest	ment Income	\$994,374	\$500,000	199%	\$62,762	\$1,097,477	\$1,026,077	
TOTALS		\$6,603,408	\$6,170,000	107%	\$363,169	\$5,061,923	\$8,948,515	

<sup>\*</sup>Beginning in FY17 Grants is no longer an activity line. Any grants received in the future will either be reflected in the Annual Gifts or Major Gifts activity line pending funding level.