



**Minutes of the Open Session of the
El Camino Hospital Board of Directors**

**Wednesday, January 10, 2018
2500 Grant Road, Mountain View, CA 94040
Conference Rooms F&G (ground floor)**

Board Members Present

Lanhee Chen, Chair
Jeffrey Davis, MD
Neysa Fligor
Peter Fung, MD
Julia Miller
Robert Rebitzer
David Reeder
John Zoglin, Vice Chair

Board Members Absent

None

Members Excused

None

| Agenda Item | Comments/Discussion | Approvals/ Action |
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| 1. CALL TO ORDER/ ROLL CALL | The open session meeting of the Board of Directors of El Camino Hospital (the "Board") was called to order at 5:31pm by Chair Chen. A silent roll call was taken. Directors Davis and Rebitzer joined the meeting at 5:35pm during Agenda Item 3: Board Recognition. All other Board members were present at roll call. | |
| 2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES | Chair Chen asked if any Board members may have a conflict of interest with any of the items on the agenda. Director Fung reported that he has a conflict with Agenda Item 8: Draft Resolution 2018-02. | |
| 3. BOARD RECOGNITION | <p>Motion: To approve <i>Resolution 2018-01</i>.</p> <p>Movant: Zoglin Second: Reeder Ayes: Chen, Davis, Fligor, Fung, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>David Clark, Interim COO, recognized the Los Gatos Operations Team for increasing personalized service to ECH's physicians and patients, which has resulted in increased physician and patient satisfaction. Director Fung commended the team for their work, highlighting the stroke and neurology services.</p> | Resolution 2018-01 approved |
| 4. QUALITY COMMITTEE REPORT | <p>Director Reeder, Chair of the Quality Committee, reported that the Committee received a presentation from David King, MD about ECH's urological services.</p> <p>Director Reeder explained that the dashboard data included in the packet was a month old due to the Committee's meeting schedule. He noted that central line and catheter infections have increased, but each are closely monitored and reviewed by the Quality team.</p> <p>Director Reeder reported that ECH's recently hired Manager of Patient Experience, Ashlee Fontenot, reviewed some of her preliminary plans to improve patient satisfaction with the Committee.</p> <p>Director Zoglin suggested that there is opportunity for improvement regarding the level of billing detail given to patients, potentially under Ms. Fontenot's purview.</p> | |

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| | <p>In response to Director Rebitzer's question, Director Reeder noted that the central line infection data presented in the materials were within normal ranges.</p> | |
| <p>5. MOUNTAIN VIEW SITE PLAN STATUS UPDATE</p> | <p>Ken King, CASO, provided an overview of the Mountain View site plan, noting the primary drivers and basis for development (the needs to expand the Women's Hospital and demolish the Old Main Hospital).</p> <p>He reviewed the project list for the Mountain View campus plan and outlined the project phases, next major milestones, and target completion dates: He also described the status of final GMP proposals for each project.</p> <p>He described the steps completed so far on the Women's Hospital Expansion, currently in the design phase, noting that the Finance Committee will receive an update at their next meeting, and the Board will receive an update after the Finance Committee's review.</p> <p>In response to Director Fung's questions, Mr. King explained that physicians with office space in the Women's Hospital will be relocated to the IMOB to create needed expansion space; that space in the Women's Hospital will be converted into new postpartum units (52 beds in private room configurations).</p> <p>In response to Director Miller's questions, Mr. King explained the status of the Old Main Hospital demolition, upcoming funding requests for the Women's Hospital, and the energy reduction plans for all of the new buildings (with the goal of a LEED certification rating level of gold, potentially platinum).</p> <p>In response to Director Fligor's questions, Mr. King described the influences of the design for the Women's Hospital expansion, including expected standard of care, design standards, and growth plans.</p> | |
| <p>6. FY18 PERIOD 4 FINANCIALS</p> | <p>Iftikhar Hussain, CFO, outlined the FY18 Period 4 Financials, noting that ECH has very favorable trends in operating margin and financial performance in both Period 4 and Period 5.</p> <p>He explained that the materials included a proposed summarized financial report, which was reviewed and recommended by the Finance Committee.</p> <p>He noted that all indicators (including volume, financial performance, payor mix, cost, balance sheet) are ahead of plan. ECH is \$16 million ahead on revenue and expenses are favorable as well. Mr. Hussain reported that ECH is doing exceptionally well on investment income, which is building up cash in anticipation of the large Mountain View campus capital projects.</p> <p>Mr. Hussain explained that unusual items included late charge accrual and a credit balance issue, which were identified in the financial audit, have been corrected. He also explained that reduction in capital spending projections this year is due to delays in capital projects. He noted that the overall spend will not decrease, it is just deferred.</p> <p>In response to Director Chen's question, Mr. Hussain discussed the trending decrease in delivery volume and ECH efforts to address it.</p> <p>In response to Director Fung's question, Mr. Hussain described the seasonal fluctuations in payor mix and schedules of procedures.</p> <p>The Board discussed the level of data they preferred for the financial report and requested that the additional detail of the full report be included in the packet as appendices. Director Miller requested that a line item on occupancy/vacancy be included in the summary report.</p> | <p><i>FY18 Period 4 Financials approved</i></p> <p><i>Line-item on occupancy/vacancy to be included</i></p> |

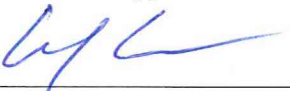
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| | <p>In response to Director Fligor's questions, Mr. Hussain described some of the impact of the new tax law on ECH, the use of Board-Designated assets, and ECH's strong cash position.</p> <p>The Board and staff discussed the increase in volume, specifically in Neurosciences, HVI, BHS, Oncology, and Urology and possible drivers of that increase.</p> <p>Motion: To approve the FY18 Period 4 Financials.</p> <p>Movant: Fung Second: Miller Ayes: Chen, Davis, Fligor, Fung, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> | |
| 7. OPIOID ADDICTION CRISIS | <p>William Faber, MD, CMO, and Rebecca Fazilat, MD, Mountain View Chief of Staff, presented an overview of the opioid addiction crisis and ECH's response, highlighting:</p> <ul style="list-style-type: none"> - That the crisis is primarily due to outpatient care of patients with chronic pain rather than inpatient care of patient with acute pain; - ECH's internal accounting system is used to keep a tight control on all controlled substances; - Additional staffing, including a full time pain pharmacist and a Palliative Care Medical Director, ready resources to help physicians use appropriate modalities of pain control; - Other ECH approaches including a pain steering committee, the CURES program (a registry of prescriptions), ED protocols, and monitoring on patients with IV opioids. - The launch of the outpatient pharmacy, targeted to open in May; - Addiction services programming led by Evan Garner, MD. <p>Dr. Fazilat noted that it is the responsibility of Medical Staff leadership to educate physicians, and described CME program development efforts. She encouraged collaboration with the ambulatory setting to provide resources for pain control.</p> <p>In response to Director Chen's question, staff noted that ECH efforts in this area include national recommendations and best practices. David Clark, Interim COO described like practices at similar organizations nationally.</p> <p>In response to Director Reeder's question, staff described the assistance available to physicians for using the CURES system.</p> <p>In response to Director Rebitzer's question, staff explained that for any patient visit to the ED, including for an overdose, the patient's primary care physician receives a copy of the discharge paperwork.</p> <p>In response to Director Fligor's questions, Cheryl Reinking, RN, CNO, described staff training relating to pain management and reassessment. Director Fligor suggested that staff review existing practice and consider a policy requiring physician use of CURES.</p> <p>Director Fung suggested including opioid education in CME requirements for physicians.</p> | |
| 8. DRAFT RESOLUTION 2018-02 | <p>Director Fung recused himself for this agenda item.</p> <p>Mary Rotunno, General Counsel, explained that the Board must approve the</p> | Resolution 2018-02 approved |

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| | <p>Resolution prior to approving a renewal of Director Fung's Stroke & Neurology ED Call Agreement, noting that the whole panel is up for renewal every two years. There were no questions from the Board.</p> <p>Motion: To approve Resolution 2018-02.</p> <p>Movant: Miller Second: Reeder Ayes: Chen, Davis, Fligor, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: Fung</p> <p>Director Fung rejoined the meeting in closed session.</p> | |
| 9. PUBLIC COMMUNICATION | There were no comments from the public. | |
| 10. ADJOURN TO CLOSED SESSION | <p>Motion: To adjourn to closed session at 6:48 pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Hospital Board Meeting (November 8, 2017) and Minutes of the Closed Session of the Executive Compensation Committee Meeting (September 21, 2017); pursuant to <i>Health and Safety Code 32155</i> for deliberations concerning reports on Medical Staff quality assurance matters: Organizational Clinical Risks; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Long Term Financial Forecast; pursuant to <i>Health and Safety Code 32155</i> for deliberations concerning reports on Medical Staff quality assurance matters: Medical Staff Report; pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Board Retreat; pursuant to <i>Gov't Code Section 5496.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation, <i>Gov't Code Section 54957.6</i> for a conference with labor negotiator Dan Woods, <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets, and <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters: CEO Report on New Services and Programs, Legal Issues, and Labor Relations; pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters: Executive Session.</p> <p>Movant: Zoglin Second: Fligor Ayes: Chen, Davis, Fligor, Fung, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> | <i>Adjourned to closed session at 6:48 pm</i> |
| 11. AGENDA ITEM 18: RECONVENE OPEN SESSION/ REPORT OUT | <p>Open session was reconvened at 8:00pm by Vice Chair Zoglin. Chair Chen did not attend the second open session. Agenda items 11-17 were addressed in closed session.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the Hospital Board Meeting (November 8, 2017), Minutes of the Closed Session of the Executive Compensation Committee Meeting (September 21, 2017), and the Medical Staff Report by a unanimous vote in favor of all members present (Directors Chen, Davis, Fligor, Fung, Miller, Rebitzer, Reeder, and Zoglin).</p> | |
| 12. AGENDA ITEM 19: CONSENT | Vice Chair Zoglin asked if any member of the Board or the public wished | <i>Consent calendar</i> |

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| <p>CALENDAR</p> | <p>to remove an item from the consent calendar.</p> <p>Dan Woods, CEO, requested that Agenda Item 19i: Consent to Action Amending Silicon Valley Medical Development, LLC (SVMD) Operating Agreement be discussed. Mr. Woods proposed that the first sentence of Section 7 of the Operating Agreement of Silicon Valley Medical Development, LLC be amended to read, “The Chief Executive of the Member shall have the power to appoint a President and the Board of Managers shall have the power to appoint other officers and agents to act for the Company.” The Board had no questions about the proposed change.</p> <p>Director Zoglin requested that informational Agenda Item 19k: FY18 Period 5 Financials be removed. He asked that the missing information regarding the budgeted amount for the fiscal year for each capital spending line item be included in the packet when it is presented for review and approval to the Finance Committee and the Board.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (November 8, 2017); Letters of Rebuttable Presumption of Reasonableness; FY18 Salary Range for President, SVMD; Revised Executive Compensation Philosophy & Executive Compensation Incentive Plan Policies; Minutes of the Open Session of the Executive Compensation Committee Meeting (September 21, 2017); FY18 Period 3 Financials; Ophthalmology Call Coverage Renewal; Gastroenterology ED Call Panel (LG) Renewal; OB Hospitalist Contract; Medical Staff Report; and for information: Educational Activity Reports.</p> <p>Movant: Miller Second: Rebitzer Ayes: Davis, Fligor, Fung, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None</p> <p>Motion: To approve the two items pulled, amended as previously discussed (Agenda Item 19i: Consent to Action Amending Silicon Valley Medical Development, LLC (SVMD) Operating Agreement, and for information: Agenda Item 19k: FY18 Period 5 Financials).</p> <p>Movant: Reeder Second: Miller Ayes: Davis, Fligor, Fung, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None</p> | <p><i>approved</i></p> |
| <p>13. AGENDA ITEM 20: CEO REPORT</p> | <p>Dan Woods, CEO, highlighted current achievement of the organizational goals, consumer use of the price estimator tool on ECH’s website, the Road Runner program’s collaboration with Lyft, and efforts related to database warehouse investment. He also recognized the Auxiliary’s contribution of 7,363 volunteer hours in November.</p> | |
| <p>14. AGENDA ITEM 21: BOARD COMMENTS</p> | <p>Director Miller thanked staff for providing the Board with letters from patients and their families.</p> | |
| <p>15. AGENDA ITEM 22: ADJOURNMENT</p> | <p>Motion: To adjourn at 8:05pm. Movant: Fung</p> | <p><i>Meeting adjourned at 8:05 pm.</i></p> |

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| | Second: Fligor Ayes: Davis, Fligor, Fung, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None | |
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Attest as to the approval of the foregoing minutes by the Board of Directors of El Camino Hospital:



Lanhee Chen
Chair, ECH Board of Directors



Julia Miller
Secretary, ECH Board of Directors

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