

**Communication
Protocol
approved**

	<p>Absent: None Recused: None</p> <p>Motion: To approve the FY19 Board Goals, amended as follows: 1) modifying Goal #2 to add a tactic that “the Board will conduct themselves in accordance with the Standards of Conduct;” and 2) removing tactic #5 (“Consider increasing representation of Board members on key Committees”) from Goal #3.</p> <p>Movant: Reeder Second: Kalbach Ayes: Chen, Davis, Fligor, Fung, Kalbach, Kliger, Miller, Rebitzer, Reeder Noes: Zoglin Abstentions: None Absent: None Recused: None</p> <p>The Board requested that the Governance Committee review the Board’s concerns and comments about the goals (as noted above) and propose revisions to the goals to address them.</p> <p>Chair Chen left the meeting at 5:57pm and Vice Chair Zoglin assumed the role of Chair.</p>	<p><i>FY19 Board Goals approved</i></p>
<p>4. AGENDA ITEM 3: QUALITY COMMITTEE REPORT</p>	<p>Director Reeder, Chair of the Quality Committee, described the overall performance on the FY18 Quality Dashboard.</p> <p>In response to Director Zoglin’s questions, the Board discussed the progress against targets on the quality dashboard. Conversation included discussion around: 1) the use of stretch goals, 2) the Quality Committee’s review of trends (deep dives, especially when trends are unfavorable), and 3) how to methodically evaluate processes and performance rather than chasing trends. Director Zoglin expressed concerns about the organization’s performance.</p> <p>Director Reeder reported that the Committee 1) will be reviewing the organization’s LEAN activities and 2) recommended the FY19 Organizational Goals for approval.</p> <p>In response to Director Davis’ question, Mark Adams, MD, Interim CMO, reported that the quality dashboard is reviewed by the Medical Executive Committee.</p> <p>Motion: To approve the Proposed FY19 Quality Dashboard.</p> <p>Movant: Reeder Second: Davis</p> <p>The Board discussed 1) outstanding questions and concerns from Board members on the dashboard; 2) potential delegation to the Committee; and 3) utilization of and deference to the subject matter expertise of the Committee members.</p> <p>Director Rebitzer noted that the dashboard should include outpatient focus as ECH’s ambulatory presence expands.</p> <p>Director Kliger commented that the set of data on the dashboard come from well-reasoned and historically relevant perspective.</p> <p>Directors Rebitzer and Kliger suggested that any Board members interested in additional education about the dashboard attend a Quality Committee meeting.</p> <p>Ayes: Davis, Fligor, Fung, Kalbach, Kliger, Miller, Rebitzer, Reeder, Zoglin</p>	<p><i>FY19 Quality Dashboard approved</i></p>


	<p>Noes: Miller, Zoglin Abstentions: None Absent: Chen Recused: None</p> <p>Director Reeder outlined the Performance Improvement and Patient Safety Plan as recommended by the Quality Committee.</p> <p>Motion: To approve the Performance Improvement and Patient Safety Plan.</p> <p>Movant: Reeder Second: Fung Ayes: Davis, Fligor, Fung, Kalbach, Kliger, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None</p>	<p><i>Performance Improvement & Patient Safety Plan approved</i></p>
<p>5. AGENDA ITEM 4: FINANCE COMMITTEE REPORT</p>	<p>Iftikhar Hussain, CFO, provided an overview of the FY18 Period 10 Financials, noting that:</p> <ul style="list-style-type: none"> - Performance continues to be good, noting that early results in May are favorable. - Volume has eased off following the flu season. - For payor mix, commercial insurance decreased 3.6% in April. <p>The Board and Mr. Hussain discussed the changes in the payor mix.</p> <p>Mr. Hussain also reviewed the FY19 Capital and Operating Budget. He noted that 1) FY19 operating margin is budgeted at 9% (Mr. Hussain described the decrease compared to the prior year due to \$15 million investment in ECH's ambulatory infrastructure, depreciation as projects are finished, and unusual favorable items from FY18 that are not expected in FY19); 2) capital spending is projected at \$310 million, primarily related to capital projects on the Mountain View campus; 3) the Community Benefit endowment fund has \$900,000 available for FY19 and 4) the charge increase is 4.09%.</p> <p>In response to Director Kliger's question, Mr. Hussain described the utilization of licensed beds at the Los Gatos campus noted on the financials and planned growth in the FY19 budget. The Board requested additional detail about capacity that reflects private rooms rather than the assumption of as many as four people per room.</p> <p>In response to Director Reeder's question, Mr. Hussain described the planned programmatic development and growth to balance changes in the payor mix.</p> <p>Motion: To approve the FY18 Period 10 Financials and the FY19 Capital and Operating Budget.</p> <p>Movant: Zoglin Second: Kalbach Ayes: Davis, Fligor, Fung, Kalbach, Kliger, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None</p> <p>Mr. Hussain described staff's recommendation to switch to a new Enterprise Resource Planning (ERP) system for human resources, finance, and supply</p>	<p><i>FY18 Period 10 Financials and the FY19 Capital and Operating Budget approved</i></p>

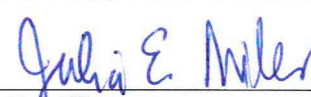
	<p>chain, ultimately a proposed \$9.65 million capital spend.</p> <p>In response to Director Rebitzer's question, Mr. Hussain described the financial savings (support costs, staffing changes).</p> <p>Deb Muro, CIO, commented that the current system has been in place since 1994 and that most systems have a 10-year lifecycle. She noted that once the platform is in place there can be ongoing upgrades to the software.</p> <p>In response to Director Miller's question, Ms. Muro outlined the implementation schedule (HR and Finance: 1 year and Supply Chain (6-8 months).</p> <p>Motion: To approve the ERP System purchase.</p> <p>Movant: Zoglin Second: Kalbach Ayes: Davis, Fligor, Fung, Kalbach, Kliger, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None</p>	<i>ERP System Purchase approved</i>
6. PROPOSED FY19 COMMUNITY BENEFIT PLAN	<p>Barbara Avery, Director of Community Benefit, provided an overview of the FY19 Community Benefit Plan. She explained that there were 63 proposals received and 49 recommended to be funded, a 50% increase since FY17. She also reviewed the funding amounts requested and approved in prior years and recommended for FY19. Ms. Avery highlighted the timeline and process of the grant cycle, the new online grant platform, grant application process and assessment, and the Community Benefit Advisory Council's review.</p> <p>In response to Director Fligor's questions, Ms. Avery noted that the decreasing trend in District applications may be due to the geographic restrictions on the use of District funds. She also described the consideration and use of reserve funds for extraordinary need throughout the year.</p> <p>Director Davis suggested pursuing grant matches with other organizations.</p> <p>Motion: To approve the Proposed FY19 Community Benefit Plan.</p> <p>Movant: Miller Second: Reeder Ayes: Davis, Fligor, Fung, Kalbach, Kliger, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None</p>	<i>FY19 Community Benefit Plan approved</i>
7. PUBLIC COMMUNICATION	There were no comments from the public.	
8. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 6:59pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Hospital Board Meeting (May 9, 2018), the Minutes of the Closed Session of the Joint Meeting of the Corporate Compliance/Privacy and Internal Audit Committee and the Hospital Board (May 9, 2018), the Minutes of the Closed Session of the Executive Compensation Committee Meeting (May 24, 2018), and the Minutes of the Closed Session of the Joint Meeting of the Finance Committee and the Hospital Board (May 29, 2018); pursuant to <i>Health and Safety Code 32106(b)</i> for a report involving health care facility trade secrets and <i>Gov't Code Section 54957.6</i> for a conference with labor negotiator Dan</p>	<i>Adjourned to closed session at 6:59pm</i>

	<p>Woods; pursuant to <i>Health and Safety Code</i> 32155 for deliberations concerning reports on Medical Staff quality assurance matters: Medical Staff Report; pursuant to <i>Health & Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets, <i>Health and Safety Code</i> 32155 for deliberations concerning reports on Medical Staff quality assurance matters, and <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending and threatened litigation: CEO Report on New Services and Programs, Quality Assurance Matters, and Legal Matters; pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: Governance Committee Report; pursuant to <i>Gov't Code Section 54957.6</i> for a conference with labor negotiator Bob Miller: Proposed FY19 CEO Base Salary and Salary Range; and pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: Executive Session.</p> <p>Movant: Fung Second: Kalbach Ayes: Davis, Fligor, Fung, Kalbach, Kliger, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: Chen Recused: None</p>	
<p>9. AGENDA ITEM 17: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 9:20pm by Chair Chen who had rejoined the meeting during the closed session Agenda Item 13. Agenda items 9-16 were addressed in closed session. Directors Fung and Kalbach were not present when open session was reconvened.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the Hospital Board Meeting (May 9, 2018), the Minutes of the Closed Session of the Joint Meeting of the Corporate Compliance/Privacy and Internal Audit Committee and the Hospital Board (May 9, 2018), the Minutes of the Closed Session of the Joint Meeting of the Finance Committee and the Hospital Board (May 29, 2018), the Minutes of the Closed Session of the Executive Compensation Committee Meeting (May 24, 2018), and the Medical Staff Report by a unanimous vote in favor of all members present (Directors Davis, Fligor, Fung, Kalbach, Kliger, Miller, Rebitzer, Reeder, and Zoglin; Director Chen was absent).</p>	
<p>10. AGENDA ITEM 18: CONSENT CALENDAR</p>	<p>Chair Chen asked if any member of the Board or the public wished to remove an item from the consent calendar. No items were removed.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (May 9, 2018); Minutes of the Open Session of the Joint Meeting of the Corporate Compliance/Privacy and Internal Audit Committee and the Hospital Board (May 9, 2018); Minutes of the Open Session of the Joint Meeting of the Finance Committee and the Hospital Board (May 29, 2018); FY19 Auxiliary Slate of Officers; Proposed FY19 Organizational Goals; FY18 Period 9 Financials; Medical Director, Stroke & Neurology (Enterprise); Medical Director, Cancer Center (Enterprise); Medical Director, Radiology Services & Breast Center; Medical Director, Radiation Oncology (MV); Medical Director, Cardiac Catheterization Lab (MV); Medical Director, Respiratory Care Services (MV); Charity Care Policy; Proposed FY19 Master Calendar; Proposed FY19 Advisory Committee Goals; Proposed FY19 Slate of Advisory Committee Chairs and Members; Proposed Revisions to Advisory Committee Charters; Minutes of the Open Session of the Executive Compensation Committee Meeting (March 22, 2018); Draft Revised Executive Compensation Policies; the</p>	<p><i>Consent calendar approved</i></p>

	<p>Medical Staff Report; and for information: FY19 Executive Base Salaries and Salary Ranges; Update on Major Construction Projects in Progress (MV campus); and Progress Against FY18 Advisory Committee Goals.</p> <p>Movant: Reeder Second: Fligor Ayes: Chen, Davis, Fligor, Kliger, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: Fung and Kalbach Recused: None</p>	
11. AGENDA ITEM 19: FY19 CEO SALARY RANGE AND BASE SALARY	This item was deferred.	
12. AGENDA ITEM 20: CEO REPORT	<p>Directors Fung and Kalbach rejoined the meeting. Dan Woods, CEO, discussed the current progress toward achievement of the FY18 organizational goals and the recent groundbreaking use of aquablation to treat symptomatic benign prostatic hypertrophy by urologists in Los Gatos. He reported that ECH is in the process for applying for its 4th Magnet Designation. He highlighted the organization's activities for Hospital Week including a robotics symposium.</p> <p>He also acknowledged the Foundation's recent fundraising achievements and the Auxiliary's contribution of 7,052 volunteer hours in April.</p> <p>Mr. Woods reported that ECH affiliate Silicon Valley Medical Development, LLC opened an urgent care center in Cupertino in May.</p>	
13. AGENDA ITEM 21: BOARD COMMENTS	Director Fligor suggested that staff consider alternative scheduling for the Board's closed session.	
14. AGENDA ITEM 22: ADJOURNMENT	<p>Motion: To adjourn at 9:28pm.</p> <p>Movant: Fung Second: Kliger Ayes: Chen, Davis, Fligor, Fung, Kalbach, Kliger, Miller, Rebitzer, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<i>Meeting adjourned at 9:28pm</i>

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 E. Miller
 Secretary, ECH Board of Directors

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