

AGENDA
REGULAR MEETING OF THE
EL CAMINO HOSPITAL BOARD OF DIRECTORS

Wednesday, March 13, 2019 – 5:30pm

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

Julie Klinger will be participating via teleconference from:
Holiday Inn | No. 29 East Dong Feng Road, Panlong District Kunming China

John Zoglin will be participating via teleconference from:
Extended Stay America – Austin-Arboretum | 2700 Gracy Farms Lane Austin, TX 78758.

MISSION: To heal, relieve suffering, and advance wellness as your publicly accountable health partner.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Lanhee Chen, Board Chair		5:30 – 5:31pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		information 5:31 – 5:32
3. BOARD RECOGNITION <i>Resolution 2019-04</i> ATTACHMENT 3	Kelsey Martinez, Director, Marketing & Communications	<i>public comment</i>	motion required 5:32 – 5:37
4. QUALITY COMMITTEE REPORT ATTACHMENT 4	Julie Klinger, Quality Committee Chair; Mark Adams, MD, CMO		discussion 5:37 – 5:47
5. COMPLIANCE AND AUDIT COMMITTEE REPORT ATTACHMENT 5	Diane Wigglesworth, Sr. Director, Corporate Compliance	<i>public comment</i>	possible motion 5:47 – 6:07
6. GOVERNANCE COMMITTEE REPORT a. Approval of Additional Board Seat for the El Camino Hospital Chief Executive Officer ATTACHMENT 6	Peter C. Fung, MD, Governance Committee Chair	<i>public comment</i>	possible motion 6:07 – 6:37
7. APPROVAL OF NURSE PRACTITIONER COMPENSATION FOR ASPIRE PROGRAM ATTACHMENT 7	Jim Griffith, COO	<i>public comment</i>	possible motion 6:37 – 6:47
8. PUBLIC COMMUNICATION a. Oral Comments <i>This opportunity is provided for persons in the audience to make a brief statement, not to exceed three (3) minutes on issues or concerns not covered by the agenda.</i> b. Written Correspondence	Lanhee Chen, Board Chair		information 6:47 – 6:50
9. ADJOURN TO CLOSED SESSION	Lanhee Chen, Board Chair		motion required 6:50 – 6:56
10. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		information 6:56 – 6:57
11. CONSENT CALENDAR <i>Any Board Member may remove an item for discussion before a motion is made.</i>	Lanhee Chen, Board Chair		motion required 6:57 – 6:59

A copy of the agenda for the Regular Board 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
<p>Approval <i>Gov't Code Section 54957.2:</i> a. Minutes of the Closed Session of the Hospital Board Meeting (February 13, 2019)</p>			
<p>12. <i>Health & Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Medical Staff Report</p>	Imtiaz Qureshi, MD, Enterprise Chief of Staff; Linda Teagle, MD, Los Gatos Chief of Staff		<p>motion required 6:59 – 7:09</p>
<p>13. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: - SVMD Acquisition Update</p>	Bruce Harrison, President, SVMD		<p>discussion 7:09 – 7:24</p>
<p>14. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: - Los Gatos Campus Services and Programs</p>	Dan Woods, CEO		<p>discussion 7:24 – 8:09</p>
<p>15. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets; <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - CEO Report on New Services and Programs, and Legal Matters</p>	Dan Woods, CEO		<p>discussion 8:09 – 8:24</p>
<p>16. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: - Executive Session</p>	Lanhee Chen, Board Chair		<p>discussion 8:24 – 8:29</p>
<p>17. ADJOURN TO OPEN SESSION</p>	Lanhee Chen, Board Chair		<p>motion required 8:29 – 8:30</p>
<p>18. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.</p>	Lanhee Chen, Board Chair		<p>8:30 – 8:31</p>
<p>19. CONSENT CALENDAR ITEMS: <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i></p>	Lanhee Chen, Board Chair	<i>public comment</i>	<p>motion required 8:31 – 8:33</p>
<p>Approval a. Minutes of the Open Session of the Hospital Board Meeting (February 13, 2019) b. Minutes of the Open Session of the Special Meeting to Conduct a Study Session of the Hospital Board (February 27, 2019) <i>Reviewed and Recommended for Approval by the Governance Committee</i> c. Draft Revised ECH Director Compensation Reimbursement Policy and Procedure d. Draft Revised Hospital Board Officers Nomination and Selection Procedures</p>			

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<p><i>Reviewed and Recommended for Approval by the Investment Committee</i> e. Revised Surplus Cash Investment Policy</p> <p><i>Reviewed and Recommended for Approval by the Medical Executive Committee</i> f. Medical Staff Report</p> <p><i>Information</i> g. FY19 Period 7 Financials h. Community Benefit Mid-Year Metrics</p>			
<p>20. RESOLUTION 2019-05: Approving Sponsorship of SVMD as Risk-Bearing Organization with Department of Managed Healthcare ATTACHMENT 20</p>	<p>Bruce Harrison, President, Silicon Valley Medical Development, LLC</p>	<p><i>public comment</i></p>	<p>possible motion 8:33 – 8:43</p>
<p>21. CEO REPORT ATTACHMENT 21</p>	<p>Dan Woods, CEO</p>		<p>information 8:43 – 8:47</p>
<p>22. BOARD COMMENTS</p>	<p>Lanhee Chen, Board Chair</p>		<p>information 8:47 – 8:49</p>
<p>23. ADJOURNMENT</p>	<p>Lanhee Chen, Board Chair</p>	<p><i>public comment</i></p>	<p>motion required 8:49 – 8:50pm</p>

Upcoming Meetings: April 10, 2019 | May 8, 2019 | June 12, 2019 || **Board & Committee Education:** April 24, 2019

EL CAMINO HOSPITAL BOARD

RESOLUTION 2019 - 04

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 After-School Program Interventions and Resiliency Education® (ASPIRE) team, the El Camino Hospital Marketing & Communications team, Fremont Union High School District (FUHSD) administration and Kelly Troiano, MD for bringing awareness and education about teen mental health to teachers, parents and students of FUHSD.

In the spring of 2016, El Camino Hospital and FUHSD partnered together to host A Healthy Mind: A Discussion with Teens and Parents on Mental Health. The following year El Camino Hospital and the FUHSD Wellness Taskforce held student presentations on mental health and sleep. After a positive response from more than 300 discussion attendees and a request from parents and students for additional information, El Camino Hospital and FUHSD developed a suicide prevention program to educate teachers, parents and students at all five FUHSD high schools.

The Healthy Mind Series to educate teachers, parents and students launched in the spring of 2018. The series began with FUHSD teacher and administration training on suicide prevention and was supported with discussion from an ASPIRE clinician. This followed with a parent presentation at each high school, facilitated by Dr. Kelly Troiano and Dr. Glenn Teeter, to discuss suicide prevention and mental health. Then FUHSD organized assemblies for all students at each high school. Students attended one-hour discussions with ASPIRE therapists, Steve Lo, Glenn Teeter and Michelle Jio, on mental health and how to seek help when needed. ASPIRE counselors collaborated with FUHSD counselors to give 35 student presentations and were available to meet with students one on one for follow-up questions and concerns. The Healthy Mind Series reached more than 500 teachers, 10,600 students and 390 parents over two school years.

WHEREAS, the Board would like to publically acknowledge the ASPIRE team, the Marketing & Communications team, FUHSD administration and Kelly Troiano, MD for their work in suicide prevention.

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

**ASPIRE team, Marketing & Communications team,
FUHSD administration and Kelly Troiano, MD**

FOR THEIR DEDICATION TO TEEN MENTAL HEALTH AND WELLNESS.

IN WITNESS THEREOF, I have here unto set my hand this **13TH DAY OF MARCH, 2019.**

EL CAMINO HOSPITAL BOARD OF DIRECTORS:

Lanhee Chen, JD, PhD
Jeffrey Davis, MD
Peter C. Fung, MD

Gary Kalbach
Julie Klinger, RN
Julia E. Miller

Bob Rebitzer
George O. Ting, MD
John Zoglin

JULIA E. MILLER
SECRETARY/TREASURER,
EL CAMINO HOSPITAL BOARD OF DIRECTORS



**EL CAMINO HOSPITAL
BOARD MEETING COVER MEMO**

To: El Camino Hospital Board of Directors
From: Julie Kliger, RN, Quality Committee Chair
Mark Adams, MD, CMO
Date: March 13, 2019
Subject: Quality, Patient Care and Patient Experience Committee Report

Purpose:

To inform the Board of the work of the Quality Committee.

Summary:

The Committee last met on March 4, 2019 and meets again on April 2, 2019. The FY19 Quality Dashboard was reviewed. For mortality, the FYTD index is 0.97 with a target of 0.95. We have seen an increase in mortality in the month of December primarily attributed to an increase in terminally ill cancer patients. Because some of these patients have fewer co-morbidities, the expected value that is used to determine the mortality index is lower than expected. We expect the newly constituted inpatient hospice will help to mitigate this problem. The readmission index is below target so far. There were two new Catheter Associated Urinary Tract Infections (CAUTIs) and 2 new C. Diff (CDI) cases in January. The Quality and Patient Experience Organizational Goals Dashboard is attached. The committee (1) noted the addition of a rolling 12-month graph to the dashboard which was viewed favorably and (2) discussed reviewing other similar local organization's publicly reported data to evaluate our performance in comparison. The Committee requested review of the process for establishing and assessing accountability for Medical Director goals.

Mark Adams, CMO, presented a summary of our behavioral health service (BHS) which includes a busy inpatient and emergency service as well as nine outpatient adult programs and four outpatient adolescent programs. All of the CMS core measure quality scores were reviewed with all measures either at or exceeding national benchmarks. There was much discussion with particular interest from the committee regarding an active Electro Convulsive Treatment (ECT) program and post-partum depression program both of which are showing very positive outcomes based on supporting metrics.

Dr. Adams also presented the culture of safety results from the most recent employee engagement survey. The overall composite score showed an increase from 2017 to 2018 and was slightly above the national average. Breaking this down into components revealed that for Prevention and Reporting, we were below national average while for Pride and Reputation we were above national average. There was considerable discussion by the committee based on a concern that some employees (and physicians) do not feel comfortable raising safety issues without fear of retribution or feel that safety concerns are directed toward individuals instead of focusing on system solutions. The Committee asked to review management's Plan of Action within the next one or two months and the Chair led a discussion regarding future committee membership. Planned discussions re "What is Quality" and FY20 quality organizational goals were deferred to April to afford ample time for those important topics. The Committee Chair and the CMO are discussing best practices with regard to providing governance level Quality Committee Reports to the Board.

List of Attachments:

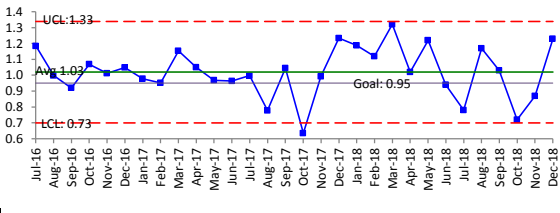
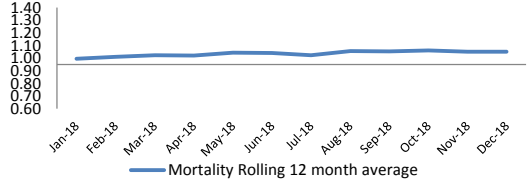
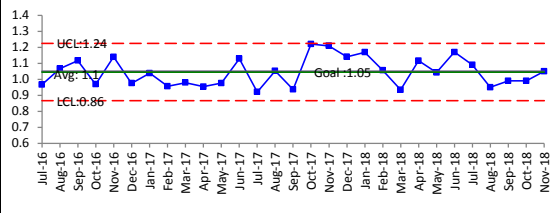
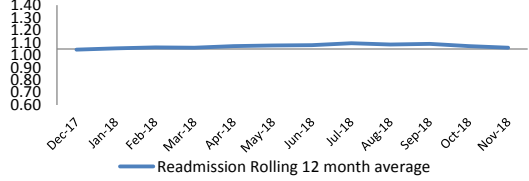
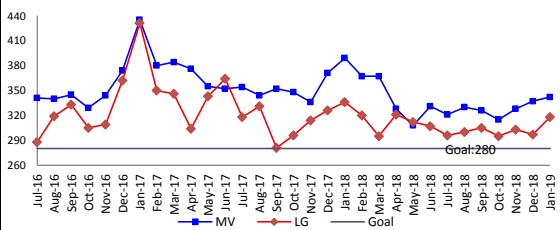
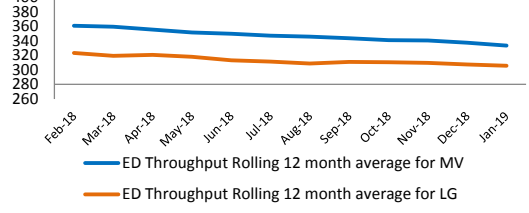
1. Quality and Experience Organizational Goals Dashboard.

Suggested Board Discussion Questions: None.

FY19 Organizational Goal Update

January 2019 (Unless otherwise specified)

Month to Board Quality Committee:
March, 2019

		FY19 Performance		Baseline FY18 Actual	FY19 Target	Trend	Rolling 12 Months Average
Quality		Month	FYTD				
1	<p>* Organizational Goal</p> <p>Mortality Index</p> <p>Observed/Expected</p> <p>Premier Standard Risk Calculation Mode</p> <p>Date Period: December 2018</p>	<p>1.23</p> <p>(1.97%/1.60%)</p>	<p>0.97</p> <p>(1.41%/1.46%)</p>	<p>1.05</p>	<p>0.95</p>		 <p style="text-align: center;">— Mortality Rolling 12 month average</p>
2	<p>* Organizational Goal</p> <p>Readmission Index (All Patient, All Cause Readmit)</p> <p>Observed/Expected</p> <p>Premier Standard Risk Calculation Mode</p> <p>Index month: November 2018</p>	<p>1.05</p> <p>(7.62%/7.27%)</p>	<p>1.01</p> <p>(7.06%/6.96%)</p>	<p>1.08</p>	<p>1.05</p>		 <p style="text-align: center;">— Readmission Rolling 12 month average</p>
3	<p>* Organizational Goal</p> <p>Patient Throughput-Median minutes from ED Door to Patient Admitted</p> <p>(excludes Behavioral Health Inpatients)</p> <p>Date Period: January 2019</p>	<p>MV: 342 mins</p> <p>LG: 318 mins</p>	<p>MV: 327 mins</p> <p>LG: 302 mins</p>	<p>MV: 350 mins</p> <p>LG: 314 mins</p>	<p>280 mins</p>		 <p style="text-align: center;">— ED Throughput Rolling 12 month average for MV</p> <p style="text-align: center;">— ED Throughput Rolling 12 month average for LG</p>

FY19 Organizational Goal Update

January 2019 (Unless otherwise specified)

Month to Board Quality Committee:
March, 2019

Service	FY19 Performance		HCAHPS Baseline Q4 2017 - Q3 2018	FY19 Target	Trend	Rolling 12 Months Average
	Month	FYTD				
<p>4</p> <p><i>* Organizational Goal</i> HCAHPS Nursing Communication Domain Top Box Rating of Always Date Period: January 2019</p>	80.1 (178/222)	80.5 (1440/1790)	80.0	81.0		<p>Communication Rolling 12 month average</p>
<p>5</p> <p><i>* Organizational Goal</i> HCAHPS Responsiveness of Staff Domain Top Box Rating of Always Date Period: January 2019</p>	65.7 (141/214)	65.1 (1108/1700)	65.1	67.0		<p>Responsiveness Rolling 12 month average</p>
<p>6</p> <p><i>* Organizational Goal</i> HCAHPS Cleanliness of Hospital Environment Question Top Box Rating of Always Date Period: January 2019</p>	78.7 (170/216)	76.5 (1354/1771)	74.5	76.0		<p>Cleanliness Rolling 12 month average</p>

**EL CAMINO HOSPITAL
BOARD MEETING COVER MEMO**

To: El Camino Hospital Board of Directors
From: Diane Wigglesworth, Sr. Director, Corporate Compliance
Date: March 13, 2019
Subject: Compliance and Audit Committee Report

Purpose:

- 1) To inform the Board of the work of the Compliance and Audit Committee.
- 2) To obtain the Board's approval of the structure and guidance for enterprise risk management oversight as outlined by the Committee (motion below).

Recommendation: To formally adopt the structure and guidance as outlined in Section 4 of this memo.

Summary:

1. **Situation:** At its February 6th meeting, the Compliance and Audit Committee ("the Committee") discussed the following topics:
 - A. Compliance key performance indicators
 - B. Internal audit work plan results
 - C. Information Security metrics and progress of security program projects.
 - D. Enterprise Risk Management (ERM) oversight recommendations, which are outlined below (This was one of the Committee's goals for FY19.)

The Governance Committee identified Enterprise Risk Management (ERM) as a potential gap with no Board Committee oversight. The Compliance and Audit Committee charter was revised to include oversight of ERM and monitoring mitigation progress of identified risks. The ERM program was developed to focus on anticipating and managing various potential risks including the impact and likelihood of the identified risk disrupting operations.

2. **Authority:** The Compliance and Audit Committee is responsible for 1) the oversight of all risks and indicators (Information Security, ERM, any audit findings, etc.) and 2) monitoring the mitigation efforts of identified risks. The Board has the authority to request any updates from the Committee at any time.
3. **Background:** For the motion item for the Board's consideration, the Committee provided recommendations regarding the development of a risk scoring tool that would serve as an enterprise-wide communication of key strategic risks for the Board. The Committee recommended the development of a risk escalation process to the Board if risk assessment scores increased.
4. **Assessment:** The Compliance and Audit Committee provided the following **ERM recommendations** regarding the governance structure, continuous monitoring, reporting, and risk tolerance scales to drive action plans:

Management

- 1) Assess substantial changes and continuously reassess severity of identified levels of risk in context with new services and programs or impact on strategic objectives to anticipate risk.
- 2) Standardize the ERM process and identify risk owners responsible to assess, prioritize, respond to, monitor, and report on key risks.
- 3) Implement risk responses to proactively address major risks.
- 4) Develop an approach to monitor the external environment to identify new and emerging strategic risks on an ongoing basis.
- 5) Prepare the **Scoring Tool**, including (1) comparison by quarter, (2) a view of rolling 12-month trends, and (3) mitigation progress for unfavorable trends; any notes from the Committee will be incorporated into the version presented to the Board.

*Per the Committee, the Tool is updated quarterly, but can be provided to the Board at its monthly meetings if requested to give the Board the opportunity to discuss organizational and strategic risks (including any which may have escalated above a level 15).

Compliance and Audit Committee

- 1) Review the ERM Scoring Tool quarterly and provide feedback to management on mitigation efforts.

Hospital Board

- 1) Review the Scoring Tool quarterly, or if enterprise risk increases significantly, more often.
- 2) Receive communications from management on mitigation actions when any risk impact or likelihood combined score is greater than 15 or with the development of any outlier event.
- 3) **Triggers for Board Discussion:**
 - Engage in quarterly and/or as needed discussions with the management team regarding:
 - The areas where management and Board assessments of risk and urgency do not align
 - The level of variation the organization should accept
 - High-level direction to management regarding strategies for managing risk (*i.e.*, approvals of creating new risk, acceptable levels of risk aligned with business goals or objectives, and direction to diminish or avoid a risk)
5. Other Reviews: N/A
6. Outcomes: N/A

List of Attachments: None.

Suggested Discussion Questions: None.

**EL CAMINO HOSPITAL
BOARD MEETING COVER MEMO**

To: El Camino Hospital Board of Directors
From: Peter C. Fung, MD, Governance Committee Chair
Date: March 13, 2019
Subject: Governance Committee Report

Purpose:

To update the Board on the work of the Governance Committee and obtain certain approvals.

Recommendations (Action Items):

- 1. Adding a Board Seat for the CEO** – At our meeting, Erica Osborne of Via Healthcare Consulting gave a presentation regarding providing a Board Seat for the CEO (see attached PowerPoint slide regarding advantages and limitations). The Committee voted unanimously to recommend that the number of Board seats be increased to 11 and that provision be made for the CEO to have a seat on the Board.

Recommended Action: To approve revising the El Camino Hospital Bylaws to increase the total number of Board seats to 11 and to provide a seat on the Board for the El Camino Hospital Chief Executive Officer.

If approved, we will ask staff to bring a proposed Bylaws revision to the Governance Committee's April 2nd meeting and then to this Board on April 10th. It should be noted that the Bylaws revision will also require approval of the El Camino Healthcare District Board of Directors, most likely at either its May or June meeting.

- 2. Consent Calendar Items (See, Agenda Items 19c and 19d)** – Proposed revisions to the Board Director Compensation Policy and Procedures and the Board Officer Nomination and Election Procedures.

Summary:

- 1. Situation:** The Governance Committee met on March 5, 2019 and meets again on April 2, 2019.
- 2. Authority:** Per its Charter, the Governance Committee is responsible for recommending to the full Board policies, processes, and procedures related to board development, board effectiveness, Board composition, and other governance matters.
- 3. Background:** At our last meeting, the Governance Committee also discussed the following topics:
 - A. Board Self-Assessment:** Ms. Osborne presented an outline of a Board Self-Assessment Process for the Committee's consideration. The proposal includes an online survey for Board members, telephone interviews with Board members and members of the executive team, and an action plan based on the findings of the assessment. The survey would be launched in June and reported back to the Committee and the Board in August or September, depending on time available on the Board's agenda. Ms. Osborne will

bring a proposed tool back to the Governance Committee on April 2nd and we will bring it forward to the Board on April 10th for approval.

- B. Upcoming Board and Committee Education Session** (April 24th): The Committee discussed having a presentation on “Effective Governance at the Committee Level.” Ms. Osborne will present.
 - C. FY19 Board Goals:** The Committee discussion of this topic focused primarily on the effective use of Board meeting time and the Committee voted to recommend that the Board adopt a practice at the conclusion of each of its meeting of quickly assessing in a roundtable format what was effective use of meeting time and what was not. This assessment will then be used by staff and the Board Chair to plan future agendas.
 - D. Quality Committee Charter:** At its November 14, 2018 meeting, in accordance with the recommendation of the Quality, Patient Care, and Patient Experience Committee (“QC”) as well as this Committee, the Board approved revisions to the QC Charter. Although it was not raised by the proposed revisions, the Board also discussed whether it is appropriate for a non-Director member of the QC to serve as Chair of the QC. Following discussion, the Board referred the matter back to the Governance Committee for discussion and recommendation. The Governance Committee discussed and did not recommend any changes to the QC Charter. This will permit the Board Chair continued flexibility to appoint the most qualified member of the QC as its Chair, whether that be a Director or non-Director member of the Committee.
- 4. Assessment: N/A
 - 5. Other Reviews: None.
 - 6. Outcomes: Further work and approvals will need to be completed with respect to ECH Bylaws revisions.

List of Attachments:

- 1. PowerPoint Slide

Suggested Board Discussion Questions:

- 1. Does the Board agree with the Committee’s recommendation to increase the number of Board seats to 11 and provide a seat for the CEO?

Advantages:

- CEO has higher credibility and authority with the board and community
- CEO and board work in partnership with an equal voice and influence
- Board can better recruit and retain strong CEO candidates

Limitations:

- May create conflicts of interest
- Potential for board to rely too heavily on CEO's opinion
- Board may not adequately supervise/evaluate one of its own

Pros and Cons: CEO On The Board

**EL CAMINO HOSPITAL
BOARD MEETING COVER MEMO**

To: El Camino Hospital Board of Directors
From: Jim Griffith, COO
Michael Fitzgerald, Executive Director Mental Health & Addiction Services
Date: March 13, 2019
Subject: Nurse Practitioner Compensation for the ASPIRE program

Recommendation(s):

To approve the compensation under the Professional Services Agreement (PSA) with ECH for an ECMA employed Nurse Practitioner at a rate of \$98/hour as a provider of services to youth in the ASPIRE program.

Summary:

1. **Situation:** The After-School Program Interventions and Resiliency Education (ASPIRE) program helps children, teens, and young adults with anxiety, depression or other symptoms related to a mental health condition. The ASPIRE Program was started in 2009 by ECH after a series of tragic events occurred in the Bay Area involving youth who died by suicide. Over the past few years, the ASPIRE program has experienced volume growth through expansion. Additionally, there is a shortage of child-adolescent trained psychiatrists in California creating more demand for this valuable service. In our local market, the Mountain View psychiatrists have a heavy patient load and are unable to see more patients. The Los Gatos psychiatrist will be taking a leave of absence on March 11th and is expected to be unavailable for a minimum of three (3) months. This absence means there will be no provider available to admit and follow patients in Los Gatos. Due to the high patient demand and shortage of providers, we are seeking the employment of a nurse practitioner through El Camino Medical Associates (ECMA) to support this program.
2. **Authority:** According to Administrative Policies and Procedures: Corporate Compliance: Physician Financial Arrangements – Review and Approval Policy, all physician financial arrangements that exceed the 75th percentile of fair market value (FMV) must be approved by the Board. Since the Nurse Practitioner will be employed by ECMA and compensated through the PSA with ECH, the policy applies to this position.
3. **Background:** A review of FMV benchmark data for psychiatric nurse practitioners across hospital and non-hospital settings reflects an average of \$75-80/hour at the 75th percentile. However, the benchmarks were not specific to hospital-based nurse practitioners in the Bay Area market – which has a significantly higher cost of living. We have identified a very strong candidate for this position, who has been employed at Mills-Peninsula Medical Center for the past 5 ½ years, seeing youth referred to/from the ASPIRE program and youth who are provided pediatric care services through PAMF.
4. **Assessment:** Nurse practitioners working in the hospital setting are paid at the rate being requested for this ASPIRE position and qualified candidates are in high demand. It is reasonable that a nurse practitioner working in the ASPIRE program in a provider capacity at the top of their license would be offered a similar rate of pay. ECMA will bill for the nurse practitioner's services, and therefore a portion of the salary will be recouped.

Nurse Practitioner Compensation
March 13, 2019

5. Other Reviews: Compensation above the 75 percentile of published benchmarks is highly supported by Michael Fitzgerald, Executive Director and Daniel Becker, MD, Chief Medical Director of the mental health and addictions program, as necessary to the recruitment process and as the best measure of fair value to the individual.
6. Outcomes: As soon as feasibly possible, to establish a provider for youth in the ASPIRE programs in order to continue admissions to the programs.

List of Attachments: None.

Suggested Board Discussion Questions:

1. Is compensation above the 75th percentile for an experienced adolescent mental health nurse practitioner to work in the hospital-based ASPIRE program appropriate under the circumstances?



**Minutes of the Open Session of the
El Camino Hospital Board of Directors
Wednesday, February 13, 2019
2500 Grant Road, Mountain View, CA 94040
Conference Rooms F&G (ground floor)**

Board Members Present

Jeffrey Davis, MD
Gary Kalbach
Julia E. Miller, Secretary/Treasurer
Bob Rebitzer
George O. Ting, MD
John Zoglin, Vice Chair

Board Members Absent

Lanhee Chen, Chair
Peter C. Fung, MD
Julie Kliger

Members Excused

None

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Board of Directors of El Camino Hospital (the “Board”) was called to order at 5:30pm by Vice Chair Zoglin. A silent roll call was taken. Director Davis joined the meeting at 5:44pm during Agenda Item 3: FY19 Period 6 Financials. Director Rebitzer joined the meeting at 6:31pm during Agenda Item 7: Public Communication. Director Chen joined the meeting during the closed session. Directors Fung and Kliger were absent. All other Board members were present at roll call.	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Vice Chair Zoglin asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were reported.	
3. AGENDA ITEM 4: QUALITY COMMITTEE REPORT	<p>This item was taken out of order.</p> <p>Mark Adams, MD, CMO, provided an overview of the organizational goals on the Quality Dashboard and highlighted the use of inpatient hospice services and bridge orders. He described the Committee’s discussions on ED patient satisfaction, physician burnout, and the recent survey from The Joint Commission.</p> <p>Dr. Adams also reported that ECH will be receiving a 4-star rating from CMS, noting that throughput is an area where there is opportunity for improvement.</p>	
4. AGENDA ITEM 3: FY19 PERIOD 6 FINANCIALS	<p>Iftikhar Hussain, CFO, reviewed ECH’s financial performance in FY19 Period 6 as further detailed in the packet, highlighting:</p> <ul style="list-style-type: none"> - Fluctuations in investment income, noting that January results were favorable; - Strong cash position; - Lower than budget volume on the inpatient side due to lower delivery volumes and a significantly milder flu season than last year; and - YTD favorability in outpatient volumes driven by oncology, heart & vascular, and imaging activity. <p>In response to questions from the Board, Mr. Hussain explained that birthrates are trending down in the area and nationally and noted that ECH has recruitment plans for obstetricians. He described projections for Santa Clara County, which forecast a further dip in delivery volumes and then a recovery.</p> <p>In response to Director Zoglin’s question, Mr. Hussain described the variance in operating margin.</p>	<i>FY19 Period 6 Financials approved</i>

	<p>Motion: To approve the FY19 Period 6 Financials.</p> <p>Movant: Kalbach Second: Ting Ayes: Davis, Kalbach, Miller, Rebitzer, Ting, Zoglin Noes: None Abstentions: None Absent: Chen, Fung, Kliger Recused: None</p>	
<p>5. WOMEN'S HOSPITAL PROJECT FUNDING</p>	<p>Ken King, CASO, provided an overview of the request for the Women's Hospital Expansion, part of the Board-approved Master Plan for the Mountain View campus. He explained that building is 25 years old and the revised plan will reconfigure the locations, make building upgrades and code-required improvements that will expand the space and capacity with a focus on a personalized patient experience. The physician offices on the 2nd and 3rd floor will be relocated to the Sobrato Pavilion, and those floors will become patient care units.</p> <p>Mr. King also reviewed the project cost estimates (\$111 million overall), noting that the funding request before the Board of \$10 million will allow ECH to complete the plans and specifications, obtain a building permit from OSHPD, and receive a GMP proposal for ECH's contractor. He noted that the Board will receive ongoing project updates and the targeted project completion is in March 2023.</p> <p>In response to Board member questions, Mr. King commented that the investment in the Maternal Child Health service line is important to the business and the community (attracting patients and physicians); Mr. Hussain described the return on investment and further discussed projected birth rates for the area and shifts in market share.</p> <p>In response to Director Miller's questions, Mr. King described the funding process with authorizations from the Board along the way, noting the cost reductions in the revised Plan; he also described the fixed price Guaranteed Maximum Price (GMP) contracts.</p> <p>Vice Chair Zoglin requested additional information from staff for the Finance Committee and Hospital Board on market share and declining birthrates in Santa Clara County and how ECH efforts will address this.</p> <p>Director Davis commented Maternal Child Health business is crucial to be a prominent health delivery organization. He suggested that recruitment efforts target female OB/Gyns. He also requested additional information on the projections used to develop the plan (and any updates, if applicable), matching analysis of the demand to ECH's capacity.</p> <p>Motion: To approve the Women's Hospital Expansion Project Plan as revised, and increase the project funding by \$10 million, for a total authorized amount of \$16 million.</p> <p>Movant: Kalbach Second: Ting Ayes: Davis, Kalbach, Miller, Rebitzer, Ting, Zoglin Noes: None Abstentions: None Absent: Chen, Fung, Kliger Recused: None</p>	<p><i>Women's Hospital project funding approved</i></p> <p><i>Staff to provide additional information regarding MCH market share and local/national birthrates</i></p>
<p>6. CEO PERFORMANCE</p>	<p>Bob Miller, Executive Compensation Committee Chair, presented an updated process for CEO Performance Evaluation. He explained that the</p>	<p><i>CEO assessment</i></p>

<p>REVIEW PROCESS</p>	<p>CHRO reviewed feedback from the CEO and Board Chairs, best practices from the American Hospital Association (AHA), other CEO organizations, and Mercer, the Committee’s consultant. He explained that the Committee recommends this tool and process for Board’s adoption.</p> <p>He outlined the process, including 1) the survey (with qualitative and quantitative components) for Board members, including an additional question on the CEO’s District Board responsibilities for District Board members, 2) a CEO self-assessment, 3) data aggregation by Mercer, 4) discussions with the full Board to review the results as a group, and 5) conversations between the CEO and the Board Chairs.</p> <p>Director Miller commented that the full District Board should meet with the CEO to discuss performance. Director Kalbach and Mr. Miller noted that it is highly unusual for there to be a general Board discussion with the CEO; rather, it is the responsibility of the Chair to discuss the results with the full Board and for the Chair to have a performance evaluation discussion with the CEO. Vice Chair Zoglin noted that the District Board evaluation of the CEO can be discussed at the next District Board meeting.</p> <p>Mr. Miller noted that Board members are highly encouraged to use the comments section to provide additional information.</p> <p>Motion: To approve the CEO assessment tool.</p> <p>Movant: Kalbach Second: Davis Ayes: Davis, Kalbach, Miller, Rebitzer, Ting, Zoglin Noes: None Abstentions: None Absent: Chen, Fung, Kliger Recused: None</p>	<p><i>tool approved</i></p>
<p>7. PUBLIC COMMUNICATION</p>	<p>Members of the public spoke regarding employment opportunities with Silicon Valley Medical Development, partnerships with physicians and other healthcare workers at local clinics, upcoming union bargaining sessions, and continued care for patients.</p>	
<p>8. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 6:40pm pursuant to <i>Gov’t Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Hospital Board Meeting (January 16, 2019) and Minutes of the Closed Session of the Executive Compensation Committee Meeting (November 8, 2018); pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets and <i>Gov’t Code Section 54957.6</i> for conference with labor negotiator Dan Woods: FY19 COO Individual Incentive Goals; pursuant to <i>Health and Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: Medical Staff Report; pursuant to <i>Gov’t Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: Litigation Update; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: SVMD Acquisition Update; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: Q2 FY19 Strategic Plan Metrics; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets and <i>Gov’t Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation; <i>Gov’t Code Section 54957.6</i> for a conference with</p>	<p><i>Adjourned to closed session at 6:40pm</i></p>

	<p>labor negotiator Dan Woods: CEO Report on New Services and Program and Legal Matters; 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: Miller Second: Kalbach Ayes: Davis, Kalbach, Miller, Rebitzer, Ting, Zoglin Noes: None Abstentions: None Absent: Chen, Fung, Kliger Recused: None</p>	
<p>9. AGENDA ITEM 18: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 9:30pm by Chair Chen. Agenda items 9-17 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 (January 16, 2019), the Minutes of the Closed Session of the Executive Compensation Committee Meeting (November 8, 2018), and the Medical Staff Report, including the credentials and privileges report, by a unanimous vote in favor of all members present (Directors Davis, Kalbach, Miller, Rebitzer, Ting, and Zoglin). Director Chen joined the closed session after the consideration of these matters, and Directors Fung and Kliger were absent.</p>	
<p>10. AGENDA ITEM 19: 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.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (January 16, 2019); <i>Resolution 2019-02</i>: Approving Amendment to Pathways Home Health and Hospice Bylaws; Revised Executive Compensation Philosophy; Minutes of the Open Session of the Executive Compensation Committee Meeting (November 8, 2018); SVMD Clinic Site Tenant Improvements; FY19 Period 5 Financials, Interventional Equipment Replacement; Imaging Equipment Replacement; Medical Staff Report; and for information: Finance Committee Approvals Report; Report on Major Capital Projects in Progress.</p> <p>Movant: Zoglin Second: Kalbach Ayes: Chen, Davis, Kalbach, Miller, Rebitzer, Ting, Zoglin Noes: None Abstentions: None Absent: Fung, Kliger Recused: None</p>	<p><i>Consent calendar approved</i></p>
<p>11. AGENDA ITEM 20: RESOLUTION 2019-03: APPROVING ACQUISITION AND ESTABLISHMENT OF FIVE MULTI- SPECIALTY SVMD CLINICS</p>	<p>Chair Chen noted that copies of the draft resolution were available for the public on the tables outside the meeting room at 5:30 pm.</p> <p>Bruce Harrison, President, Silicon Valley Medical Development (SVMD), provided background on SVMD, a limited liability company, where El Camino Hospital is the sole corporate member. He highlighted SVMD's mission to deliver integrated health care services and coordinate care in ways that best fit the needs of patients. He noted that SVMD will partner with highly committed medical groups.</p> <p>Mr. Harrison provided an overview of the proposed asset purchase:</p> <ul style="list-style-type: none"> - Verity Health System (VHS) along with Verity Medical Foundation (VMF) is currently in Chapter 11 bankruptcy. - SVMD has prepared an offer to purchase the tangible assets from 	<p><i>Resolution 2019-03 approved</i></p>

	<p>five VMF clinics.</p> <ul style="list-style-type: none"> - The proposed Asset Purchase Agreement (APA) will be submitted to bankruptcy court. If approved, SVMD would finalize a Professional Services Agreement with the medical group and seek to open new SVMD sites at the proposed locations (in San Jose, Morgan Hill, and Gilroy). The proposed APA includes assumption of electronic medical records but does not include VMF assets that were not specifically used at the five clinic locations, nor does it include the transfer of employees to SVMD. The total proposed purchase price is \$1.27 million for the assets related to those clinics, plus \$150,000 in cure costs owed under assigned agreements. <p>Mr. Harrison also described the proposed Professional Services Agreement (PSA) with medical group and potential Transitional Services Agreement to facilitate the transfer of assets and data required under the APA.</p> <p>Mr. Harrison described San Jose Medical Group (SJMG), a multi-specialty group established in 1955 with approximately 60 providers.</p> <p>He provided an overview of the proposed PSA with SJMG; SVMD's overall responsibility is to operate and manage the clinics, conduct all billing and collections. SJMG will receive fair market value compensation for the professional services rendered. He noted that the PSA has an initial term of 10-years, subject to renewal terms.</p> <p>Mr. Harrison noted that, in accordance with SVMD's Operating Agreement, ECH Board approval is required for unbudgeted SVMD expenditures that exceed a \$1 million threshold, so the proposed funding of SVMD's obligations under the APA and PSA must be approved by the Hospital Board.</p> <p>Motion: To approve Resolution 2019-03: approving effectuation of the transaction and funding for SVMD's acquisition and establishment of five multi-specialty clinics.</p> <p>Movant: Rebitzer Second: Kalbach</p> <p>Public Comment: Osama Lam, MD, President of SJMG, provided history of SJMG and its relationship with Verity Medical Foundation and commented that he is looking forward to working with SVMD.</p> <p>A member of the public spoke regarding his experience with Verity Medical Foundation and San Jose Medical Group and commended the group of physicians for their work.</p> <p>Ayes: Chen, Davis, Kalbach, Miller, Rebitzer, Ting, Zoglin Noes: None Abstentions: None Absent: Fung, Kliger Recused: None</p>	
<p>12. AGENDA ITEM 21: CEO REPORT</p>	<p>Dan Woods, CEO, described a new orthopedic surgical table for complex spine surgeries, a recent career development fair, the current open application period for FY20 community benefit grants (due 2/26), and a recent meeting with local police chiefs. He thanked Cindy Murphy, Director of Governance Services for her service as Chair of the Los Altos Chamber of Commerce Board.</p> <p>He also acknowledged the Foundation's recent fundraising efforts (securing \$7.9 million so far this year). He thanked Director Miller for her introduction of John Sobrato to the organization and thanked Mr. Sobrato for</p>	

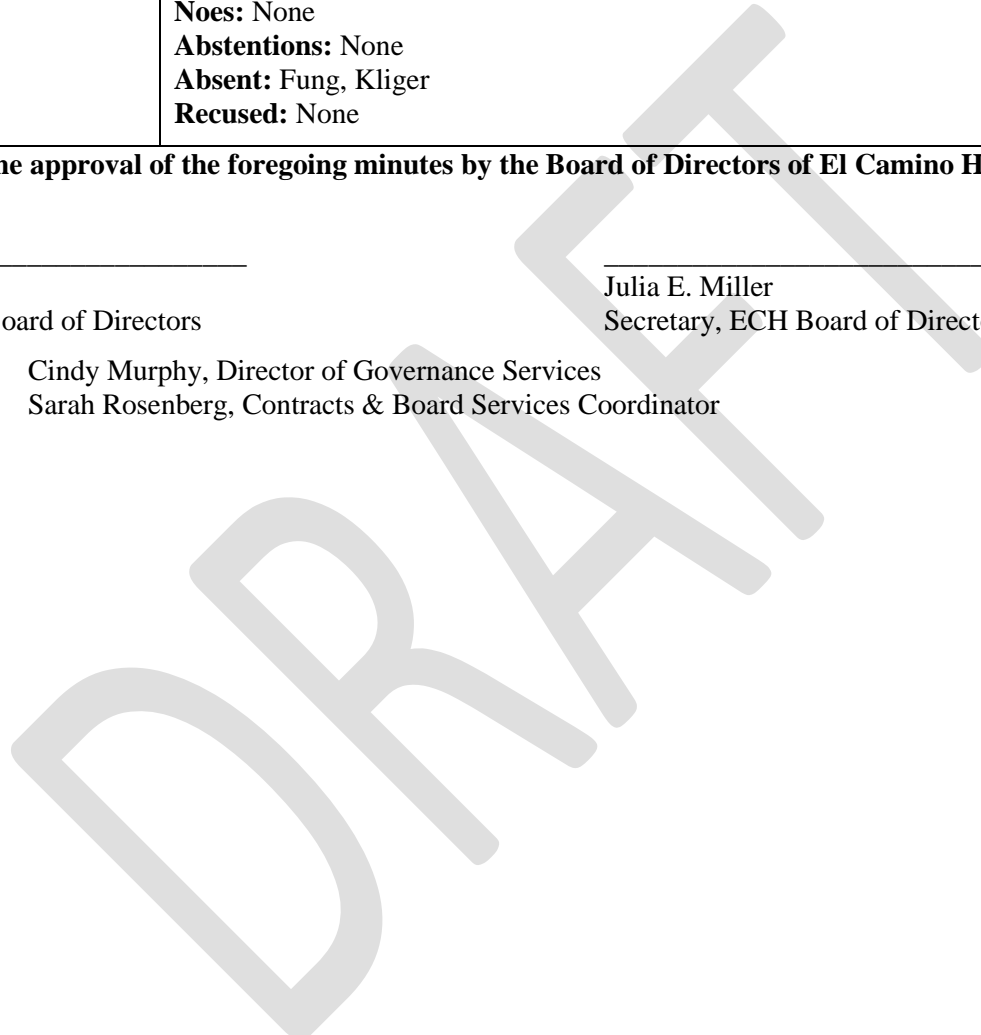
	<p>his recent donation, noting that the new integrated medical office building will be named the Sobrato Pavilion.</p> <p>He highlighted the Auxiliary's contribution of over 6,000 volunteer hours in January 2019.</p>	
<p>13. AGENDA ITEM 22: BOARD COMMENTS</p>	<p>None.</p>	
<p>14. AGENDA ITEM 23: ADJOURNMENT</p>	<p>Motion: To adjourn at 9:53pm.</p> <p>Movant: Kalbach Second: Ting Ayes: Chen, Davis, Kalbach, Miller, Rebitzer, Ting, Zoglin Noes: None Abstentions: None Absent: Fung, Kliger Recused: None</p>	<p><i>Meeting adjourned at 9:53pm</i></p>

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

 Lanhee Chen
 Chair, ECH Board of Directors

 Julia E. Miller
 Secretary, ECH Board of Directors

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





**Minutes of the Open Session of the
Special Meeting to Conduct a Study Session of the
El Camino Hospital Board of Directors
Wednesday, February 27, 2019
Los Altos Golf & Country Club
1560 County Club Drive, Los Altos, CA 94024**

Board Members Present

Lanhee Chen, Chair
 Jeffrey Davis, MD
 Peter C. Fung, MD
 Gary Kalbach
 Julie Kliger
 Julia E. Miller, Secretary/Treasurer
 Bob Rebitzer
 George O. Ting, MD
 John Zoglin, Vice Chair

Board Members Absent

None

Members Excused

None

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Special Meeting to Conduct a Study Session of the Board of Directors of El Camino Hospital (the “Board”) was called to order at 6:30pm by Chair Chen. A silent roll call was taken. Director Davis joined the meeting at 7:52 pm. 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. No conflicts were reported.	
3. HIGH RELIABILITY ORGANIZATIONS	<p>Mark Adams, MD, CMO, introduced Robert Lubitz, MD, of Progressive Healthcare; Allan Frankel, MD, Managing Partner of Safe and Reliable, and Madeleine Biondolillo, MD, MBA, Vice President, Quality Innovation of Premier, Inc. and explained they would be giving an educational presentation on Safety and Quality in Healthcare, Highly Reliable Organizations and the Board’s role in Governance of these areas.</p> <p>Dr. Lubitz began the educational session by describing issues related to safety and harm in healthcare and how Boards can play a role in improving quality. He also explained that quality is defined as care that is safe, timely, effective, efficient, equitable, and patient centered.</p> <p>Staff was asked to follow up on two items:</p> <ol style="list-style-type: none"> 1. Is there a role for the Quality Committee to play in identifying outliers re: physician quality? 2. Is it permissible for the Board to review and approve the Medical Staff Credentials and Privileges Report in open session? <p>Dr. Frankel described how the principles and activities of highly reliable organizations can be applied to healthcare and Dr. Biondolillo described the steps in the journey to becoming a highly reliable organization: 1) senior leader and board education; 2) identify gaps through comparison to industry best practices; 3) communicate and educate regarding Culture of Safety; 4) analyze and share metrics transparently; and 5) implement performance improvement and hard wire.</p>	
4. THE BOARD’S ROLE IN GOVERNING QUALITY AND	Dr. Lubitz described the Board’s role in establishing a clear safety vision, focus on preventing harm, spending time at Board meetings on quality and safety, Quality Committee focus on key metrics, and holding the C-Suite and	

SAFETY	Medical Staff accountable.	
5. ADJOURNMENT	Motion: To adjourn at 8:49pm. Movant: Kalbach Second: Fung Ayes: Chen, Davis, Fung, Kalbach, Kliger, Miller, Rebitzer, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None	<i>Meeting adjourned at 8:49pm</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

DRAFT

**EL CAMINO HOSPITAL
BOARD MEETING COVER MEMO**

To: El Camino Hospital Board of Directors
From: Cindy Murphy, Director of Governance Services
Date: March 13, 2019
Subject: Draft Revised Board Director Compensation Policy and Procedure

Recommendation(s):

To approve the Draft Revised Board Director Compensation Policy and Procedure.

Summary:

1. Situation: The Board Compensation and Reimbursement Policy and Procedure (“the Policy”) was last reviewed and approved as revised on May 10, 2017. The only substantive revision proposes to increase the daily meal allowance to \$130.00 per day (\$35/day increase) and changes it to an **average** daily allowance for Board members when traveling on company business or education. Several other “clean-up” revisions are also proposed.
2. Authority: The Governance Committee, which is chartered to ensure Board education and development, reviewed and recommended approval of the proposed revisions. The Policy supports payment of education and travel expenses incurred when Board members travel for Board education purposes.
3. Background: The meal allowance has not been increased since at least 2014 and is proposed to accommodate for increasing cost of meals while traveling. The PAMF/ECH JOC no longer exists.
4. Assessment: The proposed revisions update the policy appropriately.
5. Other Reviews: In addition to the Governance Committee, Legal Counsel and the Finance Department have also reviewed and approved the proposed revisions.
6. Outcomes: None.

List of Attachments:

1. Draft Revised Board Director Compensation Policy and Procedure.

Suggested Board Discussion Questions: None. This is a consent item.

TITLE:	El Camino Hospital Board Director Compensation and Reimbursement Policy and Procedure
CATEGORY:	Administration
LAST APPROVAL:	<u>Draft Revised January 28, 2019</u> May 10, 2017 (Revisions Effective July 1, 2017)

TYPE:	<input checked="" type="checkbox"/> Policy <input type="checkbox"/> Protocol <input type="checkbox"/> Scope of Service/ADT <input checked="" type="checkbox"/> Procedure <input type="checkbox"/> Standardized Process/Procedure
SUB-CATEGORY:	Board
OFFICE OF ORIGIN:	Administration
ORIGINAL DATE:	February 12, 2014 (applicable to events after 1/8/14)

I. **COVERAGE:** All Members of the El Camino Hospital Board of Directors with the exception of the Chief Executive Officer.

- II. **PURPOSE:**
- A. To define the events for which Board Directors other than the CEO shall receive compensation and reimbursement.
 - B. To define the amount of compensation Board Directors shall receive.
 - C. To define the procedures necessary to implement this policy.

III. **POLICY STATEMENT:**

- A. El Camino Hospital shall pay its Board Chairperson an annual stipend in the amount of \$12,000, payable during the third month of each quarter of the fiscal year.
- B. El Camino Hospital shall pay members of its Board of Directors, with the exception of the Board Chairperson, a stipend for in person attendance at each of the events listed below, not to exceed seven events per month. However, one of the compensable events per month may be attended by teleconference. Members of the Board of Directors who do not wish to receive such payments may notify the Director of Governance Services~~Board Liaison~~ and the CEO by submitting a “Board of Directors’ Compensation Op-Out” form. Any member not receiving compensation may request to receive such compensation for attendance at future events by notifying the Director of Governance Services~~Board Liaison~~ and the CEO. Notwithstanding the above, a stipend shall be paid for participation in the event described in Section C(3)(e) for either in person or telephonic attendance.

- C. Events which are subject to compensation include:
 - 1. Board members shall be paid \$200 for attendance at Regular, Special and Emergency Meetings of the El Camino Hospital Board of Directors.

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CATEGORY:	Administration
LAST APPROVAL:	Draft Revised January 28, 2019 May 10, 2017 (Revisions Effective July 1, 2017)

2. Board members shall be paid \$100 for attendance at meetings of the Standing Board Advisory Committees of which the Director is a member or an alternate.
3. In addition to the foregoing meetings, the Board, by adoption of this policy, declares that the following events constitute performance of official duties by a member of the Board of Directors for which Board members shall be paid \$100 for attending:
 - a. Meetings of the Board’s Ad Hoc Committee established by the Board of which the Director is a member.
 - b. Meetings of the El Camino Hospital Foundation, when the Director is then serving as a liaison to ~~an ex-officio member of~~ the Foundation Board.
 - c. Meetings of the Community Benefit Advisory Council (“CBAC”) if the Director has been appointed as a liaison to the CBAC by the El Camino Hospital Board of Directors.
 - d. ~~Meetings of the PAMF/ECH Joint Operating Council if the Director has been appointed as the Board’s liaison to the Council.~~
 - e. Advisory Committee Meeting agenda setting meetings, in person or telephonic, if the Director is the Chair of the Committee.
- D. El Camino Hospital shall also pay to members of its Board of Directors, including the Board Chairperson, (who request such payment reimbursement and submit the required form) an amount equal to his or her actual necessary travel and incidental expenses, including but not limited to travel, lodging and meals incurred (1) as a result of attending events specified in Section B above and (2) as a result of attending educational events funded by El Camino Hospital.
- E. Board members who reside within the El Camino Healthcare District shall not be eligible for reimbursement for mileage to events at El Camino Hospital.
- F. Board members are expected to use prudent judgment in selecting their travel accommodations and otherwise incurring expenses which will be reimbursed by the Hospital.
- G. This policy shall be implemented in accordance with the procedures described in Section VI below.

TITLE:	El Camino Hospital Board Director Compensation and Reimbursement Policy and Procedure
CATEGORY:	Administration
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IV. DEFINITIONS (if applicable):

N/A

V. REFERENCES:

N/A

VI. PROCEDURE:

A. Stipends

1. Hospital staff will track Board members' attendance at meetings and, on a monthly basis, provide Board members who have not opted out of the policy with a "Meeting Attendance Report Confirmation" Form for signature.
2. Upon receipt of the signed Meeting Attendance Report Confirmation and following approval of the Board Chair, (or the Vice Chair, in the case of the Chair's compensation) Hospital staff will forward the document to accounting.
3. Stipends paid to Directors are IRS Form 1099 – Miscellaneous reportable. Directors who have not opted out of participation (See, Section III A) and are accepting stipend payments must submit IRS FORM W-9 to ECH Accounting before receiving payment. Annually, ECH will provide IRS Form 1099-Miscellaneous to Directors receiving stipend compensation in excess of \$600.00 in a calendar year.

B. Use of Personal Vehicle for attendance at meetings or educational events.

1. The Hospital will pay the current IRS mileage rate for miles actually traveled, but not more than, from the Board member's home or usual place of business within California to events as defined in Section III B and to educational events funded by the Hospital. Board members who reside within the El Camino Healthcare District shall not be eligible for reimbursement for mileage traveled to events at El Camino Hospital.
2. To be reimbursed, the Board member must complete the Mileage Reimbursement form provided by the [Director of Governance Services](#) ~~Board Liaison~~. The form must be signed by the Board Chair (or the

TITLE:	El Camino Hospital Board Director Compensation and Reimbursement Policy and Procedure
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Vice Chair in the case of the Chair's reimbursement) and sent to accounting (OAK200) for processing.

- C. Educational seminars, conferences, events etc. attended for the benefit of the Hospital and in accordance with the Board and Committee Education Policy.
1. **Seminar/conference fees** will be reimbursed in full or at a pro-rated amount in accordance with the Board and Committee Education Policy.
 2. **Air travel** will be reimbursed at "coach" airfare rates. No reimbursement should be claimed for personal convenience fees such as those associated with priority boarding or seating upgrades.
 3. **Ground travel** to a seminar or a meeting using the Board member's personal vehicle will be reimbursed as noted in item D.1., at the current IRS mileage rate per mile. Board members should consider use of a rental car in cases where the expenses are expected to be less than the reimbursement for a personal vehicle.
 4. **Taxi, bus, rail, limo or rental car service**, if required at the destination, may be reimbursed by the Hospital if necessary for business purposes, as follows:
 - a. Reimbursement for car rental expenses incurred by the Board member will be limited to the amount charged for a standard "intermediate" car unless there is a business need for a larger vehicle (multiple travelers with luggage, for example). If the requester requests a larger automobile than is necessary to meet the business need, he/she is to have the rental agency document what the price would have been for a standard "intermediate" vehicle and seek reimbursement for only the lower amount. If a larger vehicle is required to meet a business need, this need must be documented on the "Business-Education-Travel Reimbursement Authorization" form.
 - b. Limousine service is permitted if it is no more expensive than available alternatives.
 - c. Board members should choose the least expensive available alternative suitable for the purpose and situation.
 5. **Lodging** will be reimbursed at the standard private room rate at the selected motel/hotel.

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6. **Meals** will be reimbursed at actual cost plus tip (normally 15%). The maximum reimbursement per day is an average of \$13095.00. It is the responsibility of the Board member to decide how he/she spends the average per day maximum allowable amount for meals. Detailed receipts indicating the items purchased must be submitted.

~~{Note: Other than contracted medical directors, this policy shall not apply to reimbursement for meals involving physicians, regardless of whether submitted by a physician or a non-physician employee. Refer to Policy 37.00 for expenses involving physicians.}~~

7. **Alcohol** will not be reimbursed unless approved by the CEO, CFO or Board Chair. Because approval will only be granted in unusual circumstances, it is recommended that Board members request approval in advance of the expenditure. The maximum reimbursement of \$13095.00 per day includes any approved expenses for alcohol.
8. **Telephone calls and Internet Service**, during travel, required for necessary Hospital business will be reimbursed at cost. These expenses should be itemized on the statement. The Hospital will also reimburse expenses for a personal telephone call home each day while on Hospital business. The conversation should be kept to a reasonable length and will be reimbursed at cost.

D. The Hospital will not advance or reimburse for the following:

1. Any expenses of a spouse or other individual who accompanies the Board member on travel.
2. Any additional expenses for travel by business or first class, or any charges for special boarding privileges or seats.
3. Lodging amenities such as subscription television, valet service, cleaning/pressing of clothes (if the function is greater than one week, this service is allowed), concierge, etc. In-room meal service is subject to the normal meal reimbursement rates detailed in D.2.f above.
4. If an offsite event is within a reasonable radius of the Board member's home or usual place of business and the function is starting after 7:30 a.m.

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and/or will be ending before 11:30 p.m., the Hospital will not pay for overnight accommodations, as it is expected that the Board member will commute that distance to and from the function within that business day.

5. Car rental fees on an individual basis where there is the opportunity to share a rental car for a group of participants.
6. Additional per mileage charge or gasoline expense by a car rental agency for personal pleasure driving.
7. Any entertainment such as theater, tours, nightclubs, etc.
8. Discretionary expenses for another Board member or Hospital staff, such as a birthday, holiday (e.g. Christmas), weddings, child birth, special days (i.e. Administrative Day, or some life event).
9. Professional memberships are generally not reimbursable.

E. Travel Reservations: When booking accommodations and/or air travel, the following points should be noted:

1. If a deposit is required to be made by the Hospital, prior approval of the travel request must be received in sufficient time for Accounting to process the request and ensure that the payment reaches its destination by the required date.
2. When booking air travel utilizing a travel agency, the Hospital's current travel agency must be used. Board members may book airfares over the Internet using the ~~Board member's~~ ~~employee's~~ personal credit card. The Board member must then seek reimbursement from the Hospital.
3. In most cases, air travel should be booked as a non-refundable fare. The much-lower cost of these non-refundable fares is normally so great that the extra cost, should a trip be re-scheduled, is still much less than paying a full-price fare.

F. Expense Account Reporting

1. Expense account reporting must be in conformity with minimum IRS standards and all expenses of \$25.00 or greater must be supported by detailed receipts. Expense reports must indicate as a minimum all of the following:
 - a. Business purpose
 - b. Date and location
 - c. Name and position

TITLE:	El Camino Hospital Board Director Compensation and Reimbursement Policy and Procedure
CATEGORY:	Administration
LAST APPROVAL:	Draft Revised January 28, 2019 May 10, 2017 (Revisions Effective July 1, 2017)

2. Noncompliance with the above requirements could cause the reimbursement to be considered as additional compensation to the Board member and thus would become taxable (via a W-2 or Form 1099). To avoid this potential problem, the ~~Board member~~ ~~employee~~ must complete the "Business-Education-Travel Reimbursement Authorization" form and attach all supporting documentation.

G. Procedure for Completing Form

1. All Board members must complete the "Business-Education-Travel Reimbursement Authorization" form (Form 2085). Local business mileage reimbursement may be requested via the use of the Mileage Reimbursement form (form #54.00a).
2. Form #2085 is self-explanatory, but listed below are key points to remember.
 - a. All supporting documents must be attached to the request form. Examples of supporting documents include
 - i. Copy of registration form
 - ii. Lodging receipts
 - iii. *Detailed* meal receipts
 - iv. Car rental receipts
 - v. Parking fee receipts
 - b. In circumstances where a receipt is not obtainable (or lost), the Board member must attach a statement detailing the expense as to date, place, reason for expense, and amount. All reports with missing receipts require approval by the CFO or CEO.
 - c. Where receipts are given that include non-reimbursable expenses, these expenses must be marked in some fashion and deducted from the total so that only eligible expenses are reimbursed.
3. When travel advances are provided, the recipient must submit a final accounting of his/her expenses on the Business, Education, and Travel Expense form and return any excess advance, no later than 120 days from the date of the event. If this is not done, disciplinary action may be taken. In addition, any undocumented advance will be considered additional income to the recipient and reported as a W-2 or Form 1099 transaction.
4. Signature Authority (approval) for the completed form, as well as travel agency invoices, is as follows:

TITLE:	El Camino Hospital Board Director Compensation and Reimbursement Policy and Procedure
CATEGORY:	Administration
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- ~~a. Department Manager/Director up to \$5,000.00 per activity.~~
- ~~b. Department Line Vice President up to \$50,000.00 per activity.~~
- a. Director of Governance Services, Controller or CFO - up to \$25,000 per activity
- ~~b. CEO - amounts greater than \$250,000.00 per activity.~~

5. A Board Member cannot approve her/his own reimbursement of funds.

H. Exceptions: Because it is impossible to foresee every possible situation, it is recognized that exceptions may sometimes be appropriate. As a result, expenses which are not generally reimbursed under this policy may be reimbursed by the Hospital upon determination of the appropriateness and reasonableness of the expenses by the CEO or CFO. Any such exception, including the justification for the exception, shall be attached to the request for reimbursement.

VII. APPROVAL:

APPROVING COMMITTEES AND AUTHORIZING BODY	APPROVAL DATES
Originating Committee or UPC Committee	N/A
(name of) Medical Committee (if applicable):	N/A
ePolicy Committee:	N/A
Pharmacy and Therapeutics (if applicable):	N/A
Medical Executive Committee:	N/A
Board of Directors:	5/10/17
Historical Approvals:	2/12/1, 6/10/15 (applicable to covered events occurring after 1/8/14)

VIII. ATTACHMENTS (if applicable):

N/A

**EL CAMINO HOSPITAL
BOARD MEETING COVER MEMO**

To: El Camino Hospital Board of Directors
From: Cindy Murphy, Director of Governance Services
Date: March 13, 2019
Subject: Draft Revised Hospital Board Officers Nomination and Selection Procedures

Recommendation(s):

To approve the Draft Revised Hospital Board Officers Nomination and Selection Procedures.

Summary:

1. **Situation:** The current Board Officer terms expire on June 30, 2019 and the next Board Officer Election is scheduled for the May 8, 2019 Board meeting.
2. **Authority:** Per its Charter, the Governance Committee is responsible for recommending to the full Board policies, processes, and procedures related to board development, board effectiveness, Board composition, and other governance matters.
3. **Background:** In May 2013, 2015, and 2017, the Board officer Election was conducted using the attached procedures and Board Chair competencies that were approved by the Board following recommendation of the Governance Committee.
4. **Assessment:** Staff recommended two revisions 1) updating the dates for submitting declarations of interest and position statements, and 2) removal of the reference to the CEO in Section 6 since the CEO is not currently a member of the Board. The Committee also discussed whether the Procedures and Competencies are working well for the Board and did not propose any further revisions.
5. **Other Reviews:** The Governance Committee voted to recommend the proposed revisions.
6. **Outcomes:** The Board should approve the revisions no later than the April 10th Board meeting so that it is in place in preparation for the May 8th Board meeting.

List of Attachments:

1. Draft Revised Hospital Board Officers Nomination and Selection Procedures
2. Board Chair Competencies

Suggested Board Discussion Questions: None. This is a consent item.

**HOSPITAL BOARD OFFICERS
NOMINATION AND SELECTION PROCEDURES
FOR FY18**

Draft Revised/Approved 034/0512/20197 by ECH Board of Directors

Any current director of the El Camino Hospital Board is eligible to serve as a Hospital Board Officer. The new Hospital Board Officer terms begin July 1, 20197. El Camino Hospital Board Officer elections shall be held in May of odd numbered years. Following the election, it shall be the role of the Board Chair-Elect to work with the Hospital CEO in May and June to develop a slate of Board Advisory Committee Chairs and members for the following fiscal year and to present the slate to the Board for approval in June.

Hospital Board Chair:

1. Interested Directors will declare their interest to the ~~Director of Governance Services Board Liaison~~ (Cindy Murphy) by close of business April 224, 20197. The ~~Director of Governance Services Board Liaison~~ will notify the Board of all declarations of interest by close of business April 235, 20197. Any other interested Directors will then declare their interest to the Board Liaison by close of business on April 246, 20197. The Board Liaison will notify the Board of any additional declarations of interest by close of business April 257, 20197. Interested Directors will prepare a one-page Position Statement that summarizes the candidate's interest and relevant experience as it relates to the attached Hospital Board Chair competencies, no later than close of business ~~April 29~~May 1, 20197.
2. Position Statements will be distributed to Board members along with other routine Hospital Board materials one week in advance of the May 108, 20197 meeting.
3. Position Statements will be made available to the public and posted on the El Camino Hospital web-site when the Hospital Board materials are issued to the Board.
4. Standard questions for Hospital Board Chair:
 - a. What do you see as the ECH strategic priorities over the coming two years?
 - b. Name three defining roles of an effective Board Chair.
 - c. How would you judge the success of your leadership and the Board at the end of your term?
5. At the May 810, 20197 meeting, Interested Directors will present the information below, in public session, in the sequence outlined. Approximately 25 minutes will be allocated to each Interested Director: five (5) minutes for the Position Statement, ten (10) minutes for responses to standard questions, and (10) ten minutes to respond to general questions from the board and public:
 - a. Each interested director will read his or her Position Statement
 - b. Each interested director will provide responses to the standard questions. (Directors will present one question at a time in random order.)
 - c. The Public will be invited to ask Interested Directors any questions related to the candidate's interest in the position, and relevant experience as it relates to the Hospital Board Chair competencies

- d. The Board will be invited to ask Interested Directors any additional questions related to an Interested Director's candidacy.
6. Upon review and discussion of the candidates, the Board will vote in public session. ~~The CEO will recuse himself or herself from voting.~~ The current Chair will facilitate the discussion and voting process.
 7. The Hospital Board Chair will be elected by the Board in accordance with the following procedure at a meeting where a quorum is present.
 - a. Preliminary Balloting
 - i. Each Board member shall vote for a candidate via roll call.
 - ii. In the event a majority is not achieved, the vote will be announced for each candidate and the candidate receiving the lowest number of votes will be dropped from the next ballot.
 - iii. This procedure will continue until one candidate receives a majority of the votes cast.
 - iv. In the event a tie vote occurs (e.g., 3-3 or 4-2-2), Interested Directors may be asked additional questions by Hospital Board members and the balloting procedure will continue until a majority is achieved by one candidate.
 - b. Selection of a Board Chair
 - i. Following the preliminary balloting, the Board shall consider a motion to elect the candidate who has received the majority of the votes in his/her favor.
 - ii. If a motion pursuant to Section 7(b)(i) is not adopted by a majority of the Board members present at the meeting when a quorum is present, the Board shall continue to consider motions until a Board Chair is elected.

Hospital Vice-Chair:

1. At the May ~~8+0~~, 201~~97~~ Hospital Board meeting, Interested Directors will announce their candidacy following the successful election of the Hospital Board Chair.
2. Interested Directors will be asked questions, which relate to the candidate's experience, by other Hospital Board members in public session.
3. Voting will follow the same procedure as described in the Hospital Board Chair selection and appointment process above.

Hospital Secretary/Treasurer:

1. At the May ~~8+0~~, 201~~97~~ Hospital Board meeting, Interested Directors will announce their candidacy following the successful election of the Hospital Board Chair and the Hospital Vice-Chair.
2. Interested Directors will be asked questions, which relate to the candidate's experience, by other Hospital Board members in public session.
3. Voting will follow the same procedure as described in the Hospital Board Chair selection and appointment process above.

HOSPITAL BOARD CHAIR COMPETENCIES

Authors: Neal Cohen, MD and Mark Sickles (Former Governance Committee member)

April 10, 2013

Leadership Effectiveness

- Communicates a compelling and inspired vision of the future
- Aligns interests and efforts
- Inspires and motivates
- Orchestrates multiple activities to accomplish goals
- Achieves results representing “business as unusual”
- Engages the entire board in discussion, deliberation and decision making
- Creates a healthy and respectful dissatisfaction with the status quo

Innovative and Generative Thinking

- Engenders creative thinking on the part of all board members and facilitates transformation of ideas into effective actions that produce extraordinary results
- Fosters the creative process in others
- Thoughtfully identifies what may be missing from analysis and decision making to generate renewal and breakthrough

Organizational Awareness

- Enhances performance of people working at all levels of the organization
- Manages the organization at the strategic and systems level to reduce variation and dysfunction and increase predictability, harmony, and sustainable success
- Makes things happen through others without direct involvement
- Leverages people’s strengths while managing their developmental needs

Collaborative Spirit

- Ensures that the organization sets goals and objectives that are developed collaboratively and are supported by the entire organization
- Ensures the nature and degree of teamwork matches the task at hand
- Creates common ground to foster cooperation
- Transforms conflict into breakthrough
- Seeks information from a variety of sources before making decisions

Professionalism

- Maintains the highest level of integrity in all interactions with staff, leadership and the community at large
- Cool under pressure
- Fosters organizational integrity
- Holds things together during tough times
- Engages in fact-based conversations and root cause problem-solving
- Utilizes resources effectively and efficiently to get things done
- Inspires respect and trust throughout the organization that causes loyalty, dedication, and optimal performance

Strategy

- Ability to guide the board and leadership in identifying creative approaches to addressing current and anticipated challenges within the organization and, from these, determine the appropriate initiatives to pursue to gain competitive advantage and optimize the likelihood of long term success

Fiduciary Responsibilities

Ability to ensure:

- Maintains a commitment to ensuring positive net present value where operating income exceeds the annual cost of capital to the extent possible
- All work is dedicated to meeting or exceeding the expectations of all stakeholders
- Integrity and accuracy of financial statements and reporting systems

Risk & Risk Management

Ability to ensure the systematic approach to risk assessment and to defining risk management strategies related to the following:

- Investment
- Organizational Structure and Function
- Asset Management
- Strategy
- Operations/Finances
- Size/Diversity
- Compliance
- Reputation

Quality and Compliance

Ability to ensure:

- Internal standards far exceed external compliance standards of governmental and regulatory agencies
- Active identification and elimination of non-value-added work
- Pursuit of six sigma: zero defects, zero variability, and zero lead-times
- A customer-centric culture based on safety, efficacy and affordability

Governance

Ability to ensure:

- Alignment of interests and efforts of all stakeholders
- Shared understanding and pursuit of vision, mission, and strategy
- An approach to governance that causes effective leadership and management throughout the organization

**EL CAMINO HOSPITAL
BOARD MEETING COVER SHEET**

To: El Camino Hospital Board of Directors
From: Iftikhar Hussain, CFO
Date: March 13, 2019
Subject: Proposed Revised Surplus Cash Investment Policy

Recommendation(s):

To approval of the Proposed Revised Surplus Cash Investment Policy (“the Policy”).

Summary:

1. **Situation:** At its November 12, 2018 meeting, the Investment Committee performed the annual review of the Policy recommended the Board to make the following revisions:
 - A. **Surplus Cash portfolio asset class ranges: change the Broad Fixed Income range to 0% - 35% and Short Term Fixed Income range to 8% - 40%.** This change allows for greater flexibility in the event the investment consultant, management, and Investment Committee feel it is prudent to move to a more defensive stance in the event of extreme market distress. The updated ranges permit a greater portion of the fixed income portfolio to be invested in Short Term Fixed Income instead of Broad Fixed Income, which is deemed to be riskier.
 - B. **Hedge fund of funds and diversified pools of direct hedge fund strategies.** This language was updated for clarification purposes. The El Camino Surplus Cash Portfolio utilizes a direct hedge fund program for its hedge fund exposure. Hedge fund of funds are a vehicle type consisting of a single fund which invests in direct hedge fund strategies. This results in an additional layer of management fees paid to the fund of funds manager. The Surplus Cash Portfolio has sufficient assets to bypass the “middleman” and invest in hedge funds directly.
 - C. **No more than 15% of hedge fund pool can be allocated to a single direct hedge fund at time of purchase.** This change ensures that the direct hedge fund program is sufficiently diversified by limiting concentration in any single fund.
2. **Authority:** Board approval is required to change the Policy.
3. **Background:** N/A
4. **Other Reviews:** The Investment Committee recommends Board approval.

List of Attachments:

1. Proposed Revised Surplus Cash Investment Policy

Suggested Board Discussion Questions: None; this is a consent item.



EL CAMINO HOSPITAL
ADMINISTRATIVE POLICIES AND PROCEDURES
Draft Revised 3-13-19

16.00 SURPLUS CASH INVESTMENT POLICY

A. **Coverage:**

El Camino Hospital Surplus Cash

B. **Reviewed/Revised**

6/98, 11/00, 6/01, 9/02, 1/04, 3/05, 5/06, 06/09, 05/12, 06/13, 2/15

C. **Policy Summary**

It is the policy of the El Camino Hospital Board of Directors that cash funds of El Camino Hospital, El Camino Hospital Foundation, CONCERN: EAP, and other affiliates be prudently invested with a focus on preserving the liquidity and principal necessary to meet known and reasonably unforeseen operational and capital needs. Funds will be invested in a diversified portfolio that balances the need for liquidity with a long-term investment focus in order to improve investment returns and the organization's financial strength.

D. **Policy**

1. **Objectives and Purpose**

- a. The policy will be to invest the Surplus Cash assets in a diversified investment portfolio that targets capital appreciation without assuming undue risk to principal. The primary objectives of the overall Surplus Cash pool shall be (1) preservation of capital, (2) capital growth, (3) maintenance of liquidity, and (4) avoidance of inappropriate concentration of investments.
- b. The assets subject to this Investment Policy include the commingled funds of the Hospital, Foundation, CONCERN, and the El Camino Hospital Foundation Gift Annuity Fund.
- c. The El Camino Hospital Foundation Gift Annuity Fund is also managed according to the following restrictions: investments shall be managed in a diversified and prudent manner and in compliance with and subject to the criteria set forth under California Insurance Code Section (CICS) 1192.9, including Section 11521.2 to 11521.3.

2. Delegation of Responsibility

- a. Within the financial activities of the organization, it is necessary to provide a prudent framework for the regular supervision of the management of invested funds. The Board of Directors ("the Board") has the overall fiduciary responsibility for the Surplus Cash assets. The Board shall appoint an Investment Committee ("the Committee") that bears primary responsibility as detailed in section 2.d. below for oversight of El Camino Hospital management ("Management"), the independent Investment Consultant, and the overall Surplus Cash investment program. The Board shall delegate the specific management of the Surplus Cash pool's investments to Management as detailed in section 2.e. below.
- b. Management shall be defined as the Chief Executive Officer, the Chief Financial Officer, Controller, and Finance Director.
- c. Those authorized to execute transactions include the Chief Executive Officer, Chief Financial Officer, Controller, and investment advisor(s) approved by Management.
- d. **Responsibilities of the Investment Committee**
 - (1) Establish and recommend revisions to the investment policy, as appropriate.
 - (2) Review compliance with policy.
 - (3) Approve allocations across investment styles and investment managers that are consistent with this investment policy.
 - (4) Assure that implementation of each investment program is consistent with its overall investment objectives and risk tolerances.
 - (5) Monitor performance of investment managers through reports provided by the Investment Consultant.
- e. **Responsibilities of Management**
 - (1) Select, contract with, and when appropriate, terminate investment managers who manage the investment programs' assets.
 - (2) Evaluate the investment performance objectives of each of the investment programs' investment managers.
 - (3) Select, contract with, and when appropriate, terminate custodian banks/brokers that are responsible for the custody of the investment

programs' assets.

- (4) Select, contract with, and when appropriate, terminate an investment consultant.
- (5) Provide each investment manager with specific investment objectives and guidelines consistent with overall objectives.
- (6) Determine and implement allocations across investment styles and investment managers that are consistent with this investment policy.
- (7) Oversee the operational investment activities of the funds subject to this investment policy and other operating procedures and policies of El Camino Hospital.
- (8) Work with the independent, external Investment Consultant in developing and/or reviewing investment recommendations for presentation to the Committee and Board.

f. Responsibilities of the independent Investment Consultant

- (1) Review the Surplus Cash pool's investment policies and objectives and suggest appropriate changes.
- (2) Monitor long-term capital market trends and recommend appropriate asset allocation strategies to Management and the Committee.
- (3) Provide Management and the Committee with ongoing asset allocation, investment manager allocation recommendations, and total portfolio context.
- (4) Provide assistance concerning the allocation of new contributions as well as periodic asset allocation rebalancing.
- (5) On an annual basis, provide to the Surplus Cash pool's Investment Managers a list of securities that are prohibited by the Surplus Cash pool's investment policy under section 10.b.
- (6) Recommend which investment management firms should receive increased or decreased allocations and, when warranted, recommend firms that should be dismissed.
- (7) Research and recommend investment management firms and custodian(s) appropriate to implement the Surplus Cash pool's investment policies and objectives.
- (8) Measure, evaluate, and report each investment manager's performance on a quarterly basis.

- (9) Monitor adherence of each investment manager to its stated investment philosophy and style.
- (10) Monitor each investment manager's adherence to the guidelines and investment policies contained in this Investment Policy and specific manager guidelines, if applicable.
- (11) Maintain contact with and report to Management and the Committee on changes within each investment manager's organization including but not limited to investment professional turnover and ownership changes.
- (12) Communicate promptly with the Management and the Committee regarding significant changes in the Investment Consultant's ownership, organizational structure, and professional staffing.
- (13) Communicate promptly to the Committee any financial arrangements between the Investment Consultant and money management firms.

g. Responsibilities of the Custodian Bank as directed by Management

- (1) Provide complete and accurate accounting records and prompt monthly reports to reflect all transactions, cash flows, and assets held.
- (2) Disburse and receive cash flows and investments as directed by investment managers to the extent of their authority or by authorized Management.
- (3) Issue monthly reports of holdings and transactions priced in accordance with industry standards.
- (4) Provide monthly reports showing individual asset holdings with sufficient descriptive detail to include units, unit price cost, market value, CUSIP number (where available) and any other information requested by the direction of Management. Principal cash transactions, including dividends, interest and principal payments received, deposits and withdrawals, securities purchased, sold, and matured, and fee payments will also be listed.
- (5) Expeditiously transfer funds into and out of specified accounts.
- (6) Promptly forward all proxy materials received to the appropriate investment manager or Management.

h. Responsibilities of the Investment Managers

- (1) Manage the portfolio's assets with full discretion, in accordance with the investment objectives and guidelines stated in this Investment Policy and specific investment manager guidelines.

- (2) Communicate promptly with Management and the Investment Consultant regarding all significant matters such as:
 - major changes in the investment manager's investment outlook and strategy,
 - shifts in portfolio construction (asset mix, sector emphasis, etc.),
 - changes in the investment manager's ownership, organizational structure, or professional staffing (additions and departures), and
 - other changes of a substantive nature.
 - (3) Comply with all laws and regulations that involve the Surplus Cash pool as they pertain to the investment manager's duties, functions, and responsibilities as a fiduciary.
 - (4) Vote the proxies on the securities held in the investment manager's portfolio in accordance with the manager's fiduciary duties and professional judgment.
 - (5) Provide Management and the Investment Consultant with monthly performance and organizational updates and other information as requested.
 - (6) Provide periodic presentations to the Investment Committee as requested.
3. Reporting and Evaluation Process:
- a. Management and the Investment Consultant will be responsible for reporting the status of investments to the Committee on a regular basis.
 - b. Annual reports by Management should include a complete listing of securities held and must be verified (audited) by the District's auditors.
 - c. On a quarterly basis, the Committee will evaluate investment performance. The following will be reviewed:
 - (1) The Surplus Cash pool's asset allocation relative to the target asset allocation.
 - (2) The total fund, segment and investment manager returns relative to the stated investment objectives.
 - (3) Other items pertaining to Surplus Cash pool.
 - (4) Management will provide minutes of each meeting to the Committee.
4. Review and/or Modification of Policy:

- a The Committee as assisted by Management and the Investment Consultant will be responsible for reviewing and modifying investment guidelines as conditions warrant, subject to approval by the Board of Directors.
- b A copy of this policy will be rendered to the Board of Directors annually.

5. Return and Risk Parameters:

The Committee has established the following return and risk parameters that will guide the investment of the Surplus Cash assets.

- (1) The Committee will review the risk tolerance of the Surplus Cash pool's assets within the context of El Camino's long-term financial plan.
- (2) The Surplus Cash pool will be actively invested to achieve growth of capital through appreciation of securities held and through the accumulation and reinvestment of dividend and interest income.
- (3) The Surplus Cash pool will be strategically allocated among asset classes and investment styles in order to enhance investment returns and diversify correlating risk factors. This strategic allocation must at all times be within investment policy allocation ranges.
- (4) The Surplus Cash pool is to be sufficiently diversified in order to reduce volatility.
- (5) Diversification of assets may be achieved by:
 - allocating assets to multiple asset classes,
 - allocating assets among various investment styles, and
 - retaining multiple investment management firms with complementary investment philosophies, styles, and approaches.
- (6) The time horizon for evaluating total fund investment performance shall be long-term. The time frame for evaluating the performance of investment managers generally will be rolling five-year periods.

6. Target Asset Allocation

- a. The Target Asset Allocation represents the Surplus Cash pool's normal risk/reward orientation. This orientation has been determined by the Surplus Cash pool's ability to assume risk and the Committee's risk preferences.
- b. The Target Asset Allocation and individual asset class allocation ranges are outlined in the following table:

<u>ASSET CLASS</u>	<u>ASSET ALLOCATION</u>	
	<u>Neutral</u>	<u>Range</u>
Domestic Equities	25%	20% to 30%
International Equities	15%	10% to 20%
Alternatives	20%	17% to 23%
Broad Fixed Income	30%	0 25% to 35%
Short Term Fixed Income	10%	8% to 40 2%
Total Fund	100%	---

- c. The Plan's allocations may be allowed to be outside of the Rebalancing Ranges specified above until the Plan is rebalanced, which will take place at least quarterly, if necessary, and in the following circumstances on a temporary basis:
- (1) The Plan is in the process of implementing new investments within asset classes specified above to which asset classes the Plan does not currently have exposure.
 - (2) The Plan experiences significant inflows or outflows over a short time frame or is expected to experience significant inflows or outflows over a specified time frame.
- d. Investments within "Alternatives" may include the following investments:
- (1) Open-ended and closed-ended real estate investment vehicles and core, value-added and opportunistic real estate investments.
 - (2) Hedge fund of funds and diversified pools of direct hedge fund strategies that are of institutional quality and are managed by highly skilled investment professionals with robust risk management and operational due diligence processes in place. The following contractual terms are required for hedge fund of funds investments:
 - A. Maximum lockup – 2 years
 - B. Minimum liquidity/redemption period – annually after initial lock-up
 - C. Frequency of valuation – monthly
 - ~~E~~D. No more than 15% of hedge fund pool can be allocated to a

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[single direct hedge fund at time of purchase-](#)

7. Rebalancing Procedure

- a. Surplus Cash pool assets will be monitored by Management to keep the asset allocation in line with the target asset allocations outlined in Section 6.
- b. The Investment Consultant will provide rebalancing recommendations to Management and the Committee on a quarterly basis, at minimum.
- c. In circumstances specified under section D.6.c. where Management and the Investment Consultant believe it to be necessary for the Plan's allocations to be temporarily outside of the Rebalancing Ranges, Management will provide a written recommendation to the Investment Sub-Committee detailing the requested deviation from the Rebalancing Ranges and the reasons for the deviation.

8. Investment Manager Selection

- a. As stated under Delegation of Responsibilities, Management appoints investment managers who will manage, acquire or dispose of the Surplus Cash assets. In selecting an investment manager, Management will use appropriate methods to exercise due diligence and to evaluate the appropriateness and merits of the investment manager. Management has delegated to the Investment Consultant the task of researching and recommending investment managers.
- b. In investigating potential managers, the Investment Consultant must, at a minimum, use the following procedures:
 - (1) Identify a range of possible investment manager candidates.
 - (2) Obtain relevant information about the investment manager's experience, qualifications and investment approach.
 - (3) Evaluate experience, qualifications and investment approach. Included in this evaluation will be an analysis of past performance, risk characteristics, and investment management fees.
 - (4) Document the selection process.

9. Investment Objectives

Investment objectives are necessary to properly measure and evaluate the

success of the Surplus Cash pool's investment program.

Total return for the Surplus Cash pool's assets and the investment managers, is defined as interest and/or dividends plus (or minus) realized and unrealized capital gains (or losses) minus investment management fees.

a. The investment objectives of the Total Surplus Cash Pool are as follows:

(1) Outperform the Composite Benchmark over rolling five-year periods.

A. The Composite Benchmark shall be composed of relevant indices combined in a proportion reflective of the underlying target asset allocation.

(2) Outperform the median of a composite fund manager universe over five-year periods.

b. The investment objectives of the Investment Managers are as follows:

(1) Outperform a passive, style-specific index over rolling five-year periods.

(2) Outperform the median of a style-specific peer group over rolling five-year periods if available.

(3) Assume a level of risk no greater than is appropriate for the investment manager's specific investment mandate.

10. Investment Restrictions

a. This section details the investment restrictions for separate account investment managers. In the case of pooled investment vehicles (mutual funds, commingled funds and limited partnerships), the investment guidelines and restrictions defined and detailed by the vehicle will apply. Management and the Investment Consultant are responsible for the review of such guidelines and restrictions prior to investment.

b. The purchase of the securities of companies described below is prohibited; however, as specified in section 10.a., this prohibition is waived in the case of pooled investment vehicles. For the purposes of this section, Investment Managers are expected to rely upon a list of companies engaged in such activities as provided by the Investment Consultant, who will provide such a list on a best efforts basis. In instances where companies that engage in the activities below are inadvertently purchased or held by an Investment Manager, the Investment Manager will divest of the security within 90 days of being made aware of the violation unless the Investment Manager receives a written exception to this section of the investment policy from the Investment Committee.

(1) Companies whose major product is tobacco (greater than 50% of

company revenues).

- (2) Companies who engage in the manufacture of firearms that are illegal for sale to or possession by civilians in the state of California.

c. Equity Manager Guidelines

- (1) The domestic and international equity segments may be diversified across a spectrum of market capitalizations by allowing investments in small-, medium-, and large-capitalization stocks.
- (2) Unless specified otherwise in writing, equity holdings should be readily marketable and diversified by issuer, industry, and sector.
- (3) An individual security position may not exceed 10% of an equity manager's portfolio market value.
- (4) Investments in money market instruments and bonds, as a surrogate for cash reserves, are allowed subject to a maximum of 10% of total allocation.
- (5) Investments in options, futures and other derivatives are allowed only for hedging purposes or as a substitute for actual securities in cases where the derivative instrument is a more efficient means of gaining exposure to the underlying securities. Derivatives may not be used in a speculative manner or to leverage the portfolios.

d. Fixed Income Manager Guidelines

- (1) Fixed income holdings should be readily marketable and diversified by issuer, sector, coupon and quality.
- (2) No more than 5% of the Investment Manager's bond portfolio at the time of purchase shall be invested in the securities of any one issuer. There shall, however, be no such limit on U.S. Government securities, U.S. Agency securities, or government sponsored entities, U.S Agency mortgage backed securities, or other sovereign issues rated "AAA" or "Aaa".
- (3) For managers benchmarked against the Barclays Capital U.S. Aggregate Bond Index, the average credit quality of the fixed income portfolio shall be "A-" or higher. Up to 15% of the portfolio's market value at the time of purchase may be invested in high yield debt. For split-rated securities, the higher rating will be used in determining compliance with these guidelines.
- (4) For managers benchmarked against the Barclays Capital U.S. Aggregate

Bond Index, emerging markets debt shall be limited to no more than 15% of the portfolio's market value at the time of purchase.

- (5) For managers benchmarked against the Barclays Capital U.S. Aggregate Bond Index, exposure to non-U.S. dollar assets shall be limited to no more than 20% of the portfolio's market value at the time of purchase.
- (6) The portfolio's weighted average effective duration determines a bond portfolio's sensitivity to interest rate changes. A manager's market value weighted effective duration, adjusted for expected life and call provision, cannot be more than +/- 30% of the benchmark's effective duration.
- (7) Permissible Holdings include the following:
 - A. Debt securities issued or guaranteed by the United States or U.S. government sponsored entities (including U.S. Government sponsored Agency mortgage backed securities, and inflation linked bonds).
 - B. Non-agency and commercial mortgage-backed securities, including collateralized mortgage obligations and whole loans.
 - C. Corporate bonds, debentures and other forms of corporate debt obligations, including equipment trust certificates, Eurobonds, Insurance Surplus Notes, and Capital Securities.
 - D. Municipal securities (up to 20% of the portfolio).
 - E. Asset-backed securities.
 - F. Indexed notes, floaters, and other variable rate obligations.
 - G. 144A securities without registration rights (up to 20% of the portfolio).
 - H. Bank collective funds.
 - I. Certificates of deposit ("CD's") and other money market instruments from banks also issuing bankers acceptances and with current commercial paper ratings of at least A 1 (by Standard & Poor's) or P 1 (by Moody's Investors Service).
 - J. Mutual funds or commingled pools.
 - K. U.S. dollar-denominated sovereign, supranational, provincial, and municipal securities issued by foreign entities.
 - L. Non-U.S. dollar-denominated sovereign securities.

M. Hedging with futures contracts and options on futures contracts are permitted to offset price risks (which include interest rates, currency fluctuations and the general price level of certain financial markets) incidental to the portfolio's principal mandate. Transactions in futures contracts and options on futures contracts are restricted to those contracts that are substitutes for assets that the portfolio could own, and that are economically appropriate to the reduction of risks in the conduct/management of the portfolio. In no way will futures or options on futures be used to leverage the portfolio.

(8) Exceptions to these restrictions may only be made upon prior approval of the Committee.

**EL CAMINO HOSPITAL
BOARD MEETING COVER MEMO**

To: El Camino Hospital Board of Directors
From: Imtiaz Qureshi, MD, Enterprise Chief of Staff
Linda Teagle, MD Chief of Staff Los Gatos
Date: March 13, 2019
Subject: Medical Staff Report – Open Session

Recommendation:

To approve the Medical Staff Report, including the Plan identified in the attached list.

Summary:

1. Situation: The Medical Executive Committee met February 28, 2019.
2. Background: We received the following informational reports.
 - A. The Chief of Staff introduced and welcomed the Progressive Health Consultants, Peter Dandalides, MD and Bob Lubitz, MD who discussed their goals of working with Medical Staff and hospital personnel to develop multiyear strategic quality plan.
 - B. Medical Staff Quality Council – The Vice Chiefs of staff provided an explanation of the structures and functions of the Medical Staff Quality Committee and Hospital Quality Improvement Committee. The two committees are developing a proposal to present to the MEC for consolidation of the two committees into one in an effort to enhance Medical Staff involvement in hospital quality and safety and improve efficiency by reducing duplicate reporting by Medical Staff departments and hospital service lines.
 - C. iCare Update – The Interim Chief Medical Information Officer informed MEC of the planned EPIC upgrade that is scheduled for March 3. He also explained the implementation of the new voice recognition software, MModal; its functionality, benefits and the requirements for physician education and training. The MEC approved the recommendations for release of laboratory results to patients immediately post discharge.
 - D. CEO Report - The MEC was updated on the following items by the CEO.
 - i. Addition of Omar Chughtai, MHA, FACHE as Vice President of Operations to ECH; he will be based out of the Los Gatos campus.
 - ii. Planned addition of the San Jose Medical Group to Silicon Valley Medical Development (SVMD) and how that expands primary and specialty care to more areas of the county.
 - iii. Governing Board approval of funding to further plans to improve the Women’s Health Building.

- iv. Acknowledgment of donations received for the support of the Taube and Scrivner Mental Health Building and Sobrato Pavilion.
 - v. Recent media coverage of the heroic action by NICU nurses who provided skin to skin contact for a premature infant and the extraordinary outcomes.
- E. CMO Report – The CMO provided a verbal update on the FY19 Quality Dashboard performance. He also presented the coming Noes to Toes Program that will be rolled out soon at ECH. The aim is the reduction of post-operative surgical site infections; largely related to skin colonization of organisms. The program involves patients showering at home and using a body scrub prior to surgery. At admission, patients receive CHG wipes prior to their procedure. The program was piloted by the orthopedic department and resulted in a dramatic decline in post-operative infections.
- F. Chief of Staff Reports:
- i. Enterprise – Dr. Qureshi provided an update on the progress that Organized Medical Staff and Medical Staff leadership have made since July 2018, reiterated the vision and described next steps. He emphasized to everyone that these things can only be accomplished with teamwork and shared goals.
 - 1. Vision – To be among the top “Organized Medical Staffs” in the nation by adopting best practices
 - 2. Mission –To create a multi-year strategic plan for Organized Medical Staff
 - ii. Los Gatos – Dr. Teagle announced that there will be a General Medical Staff Meeting at the Los Gatos campus in April.
- G. Patient Blood Management Conference – The blood management conference will be held on March 14, 2019. The ECH Blood Management Program has effectively reduced utilization of blood products and resulted in reduction of complications and side effects associated with blood use. The program has applied for TJC Level 3 certification.
3. Other Review: The MEC approved the Plan identified in the attached file.

List of Attachments:

- 1. Spreadsheet showing approved Plan

Suggested Board Discussion Questions: None. This is a consent item.

SUMMARY OF POLICIES/PROTOCOLS FOR REVIEW AND APPROVAL - Board			
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		13-Mar-19	
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DOCUMENTS WITH MINOR REVISIONS			
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Document Name	Department	Type of Document	Summary of Policy Changes
2019 Infection Control Plan	Infection Control	plan	Update attachment, spread sheet with high risk priority ranking. Update pt days/admission



El Camino Hospital

THE HOSPITAL OF SILICON VALLEY

**Summary of Financial Operations
Fiscal Year 2019 – Period 7**

7/1/2018 to 1/31/2019

El Camino Hospital Board of Directors

Iftikhar Hussain, CFO

March 13, 2019

Financial Overview

Volume:

- Slow volume in January brings the YTD combined volume measured in adjusted discharges .9% below budget. Inpatient volume is lower in General/Pulmonary Medicine related to decline in flu activity and lower MCH (deliveries).
- YTD outpatient volume is below budget -0.2% (151 cases) mainly in ED due to lower level of flu activity. Imaging and Rehab services remain favorable to budget.

Financial Performance:

- Operating income is favorable to budget by 19.4% (\$11.3M) YTD primarily due to favorable revenue cycle operations. Net Patient Revenue is favorable to budget by 2.1% (\$11.1M).
- YTD Operating Expense is favorable to budget 0.8% (\$3.8M). YTD Salaries & Wages are favorable to budget by .8% (\$2.2M). YTD Non Labor expenses are also favorable to budget by .8% (\$1.5M).

Payor Mix:

- YTD, Medicare is 1.2 percentage points unfavorable to budget and the Commercial Payor mix is 1.1 percentage points unfavorable to budget. For January, the Medicare Mix increased due to flu related activity. Similar spike in Medicare cases experienced in Jan of 2018.

Cost:

- Prod FTEs were favorable to target for January by 2.0% and right at budget YTD.

•Balance Sheet:

- Cash position remains strong and revenue cycle operation consistently ahead of targets and benchmarks.

Dashboard - ECH combined as of January 31, 2019

	Month				YTD			
	PY	CY	Bud/Target	Variance CY vs Bud	PY	CY	Bud/Target	Variance CY vs Bud
Volume								
Licensed Beds	443	443	443	-	443	443	443	-
ADC	261	259	266	(7)	244	234	241	(7)
Utilization MV	70%	71%	72%	-1%	67%	64%	66%	-2%
Utilization LG	35%	32%	36%	-4%	30%	29%	29%	-1%
Utilization Combined	59%	59%	60%	-2%	55%	53%	54%	-2%
Total Discharges (Excl NNB)	1,840	1,712	1,928	(216)	12,092	11,427	11,941	(514)
Financial Perf.								
Total Operating Revenue	78,848	83,534	82,096	1,439	540,540	550,027	542,485	7,542
Operating Income \$	10,397	11,489	9,771	1,718	87,043	69,820	58,495	11,325
Operating Margin	13.2%	13.8%	11.9%	1.9%	16.1%	12.7%	10.8%	1.9%
EBIDA %	18.9%	19.3%	17.9%	1.4%	21.9%	18.6%	17.0%	1.6%
Payor Mix								
Medicare	50.7%	53.0%	47.4%	5.6%	46.8%	47.8%	46.6%	1.2%
Medi-Cal	8.7%	8.3%	8.3%	-0.1%	7.9%	8.1%	7.9%	0.2%
Total Commercial	38.5%	36.2%	41.7%	-5.5%	43.0%	41.7%	42.9%	-1.1%
Other	2.0%	2.5%	2.6%	-0.1%	2.3%	2.4%	2.7%	-0.3%
Cost								
Total FTE	2,601.0	2,691.4	2,789.7	(98)	2,573.8	2,638.4	2,665.8	(27)
Productive Hrs/APD	28.7	29.3	30.5	(1)	29.9	30.7	31.7	(1)
Balance Sheet								
Net Days in AR	50.7	46.9	48.0	(1)	50.7	46.9	48.0	(1.1)
Days Cash	505	492	449	43	505	492	449	43
Affiliates - Net Income (\$000s)								
Hosp	39,597	32,262	10,118	22,144	147,285	52,577	61,580	(9,003)
Concern	82	307	21	286	1,111	1,572	496	1,076
ECSC	(1)	(1)	0	(1)	(21)	(30)	0	(30)
Foundation	627	1,070	72	998	2,217	949	935	14
SVMD	(332)	(172)	46	(218)	134	1,176	(196)	1,372

Budget Variances

Fiscal Year 2019 YTD (7/1/2018-01/31/2019) Waterfall

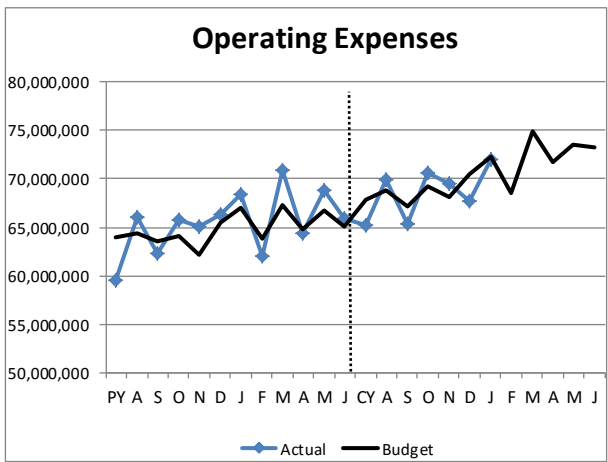
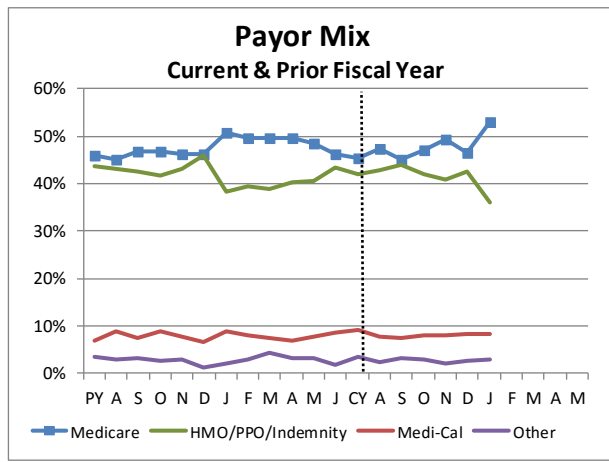
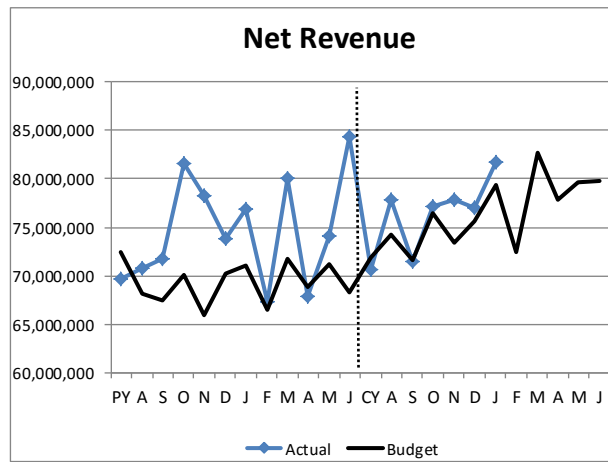
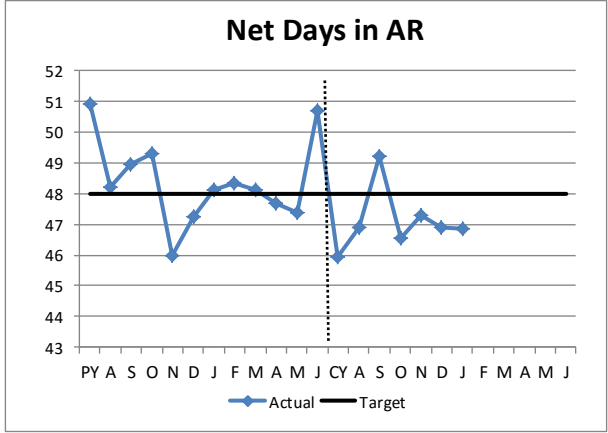
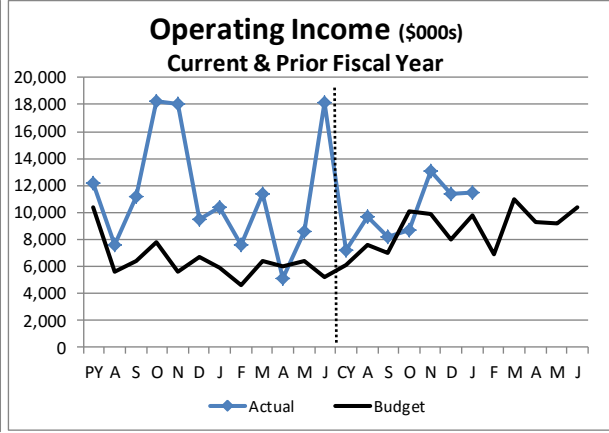
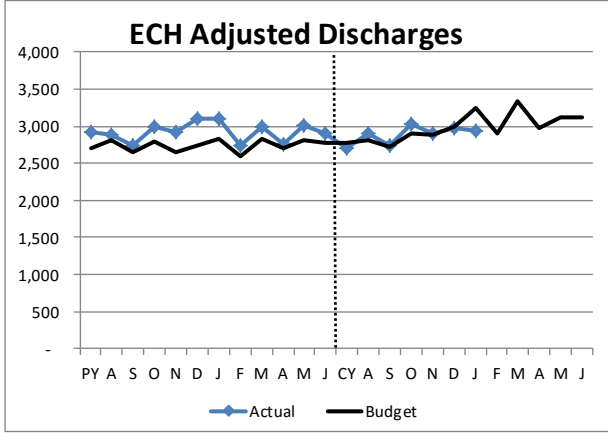
(in thousands; \$000s)	Year to Date (YTD)	
	Net Op Income	% Net Revenue
Budgeted Hospital Operations FY2019	58,495	10.8%
Net Revenue	7,542	1.4%
Labor and Benefit Expense Change - Flexing staff and vacancies in support departments.	2,237	0.4%
Professional Fees & Purchased Services - JACHO readiness and purchased services (in place of FTE) are the biggest drivers	(1,262)	-0.2%
Supplies - Positive variance in Drugs due to slow growth in OP Pharmacy.	1,621	0.3%
Other Expenses	87	0.0%
Depreciation & Interest - primarily due to delayed capital spending	1,099	0.2%
Actual Hospital Operations FY2019	69,820	12.7%

El Camino Hospital (\$000s)

Period ending 01/31/2019

Period 7 FY 2018	Period 7 FY 2019	Period 7 Budget 2019	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2018	YTD FY 2019	YTD Budget 2019	Variance Fav (Unfav)	Var%
OPERATING REVENUE										
291,509	304,299	309,055	(4,756)	(1.5%)	Gross Revenue	1,942,283	2,008,375	2,023,909	(15,535)	(0.8%)
(214,583)	(222,588)	(229,739)	7,151	3.1%	Deductions	(1,419,472)	(1,474,756)	(1,501,380)	26,624	1.8%
76,925	81,712	79,316	2,395	3.0%	Net Patient Revenue	522,811	533,619	522,529	11,089	2.1%
1,923	1,823	2,779	(957)	(34.4%)	Other Operating Revenue	17,728	16,409	19,956	(3,547)	(17.8%)
78,848	83,534	82,096	1,439	1.8%	Total Operating Revenue	540,540	550,027	542,485	7,542	1.4%
OPERATING EXPENSE										
41,150	44,046	44,656	610	1.4%	Salaries & Wages	275,114	291,087	293,325	2,237	0.8%
11,779	11,536	11,780	244	2.1%	Supplies	73,109	76,747	78,368	1,621	2.1%
8,904	9,478	8,746	(733)	(8.4%)	Fees & Purchased Services	57,739	63,100	61,838	(1,262)	(2.0%)
2,132	2,378	2,216	(162)	(7.3%)	Other Operating Expense	16,217	16,916	17,002	87	0.5%
256	269	490	221	45.2%	Interest	2,861	2,497	2,431	(67)	(2.7%)
4,231	4,338	4,436	98	2.2%	Depreciation	28,457	29,860	31,026	1,166	3.8%
68,451	72,045	72,325	280	0.4%	Total Operating Expense	453,497	480,208	483,990	3,783	0.8%
10,397	11,489	9,771	1,718	17.6%	Net Operating Income/(Loss)	87,043	69,820	58,495	11,325	19.4%
29,200	20,772	346	20,426	5896.2%	Non Operating Income	60,242	(17,243)	3,085	(20,328)	(659.0%)
39,597	32,262	10,118	22,144	218.9%	Net Income(Loss)	147,285	52,577	61,580	(9,003)	(14.6%)
18.9%	19.3%	17.9%	1.4%		EBITDA	21.9%	18.6%	17.0%	1.6%	
13.2%	13.8%	11.9%	1.9%		Operating Margin	16.1%	12.7%	10.8%	1.9%	
50.2%	38.6%	12.3%	26.3%		Net Margin	27.2%	9.6%	11.4%	(1.8%)	

Monthly Financial Trends



El Camino Hospital Investment Committee Scorecard December 31, 2018

Key Performance Indicator	Status	El Camino		Benchmark		El Camino		Benchmark		FY19	Expectation
		Year-end Budget	Per Asset Allocation								
Investment Performance											
		4Q 2018		Fiscal Year-to-date		6y 2m Since Inception (annualized)				2018	
Surplus cash balance*		\$933.4	--	--	--	--	--	\$886.6	--		
Surplus cash return		-6.2%	-5.7%	-4.0%	-3.8%	4.5%	4.3%	3.2%	5.3%		
Cash balance plan balance (millions)		\$249.2	--	--	--	--	--	\$276.9	--		
Cash balance plan return		-7.9%	-7.0%	-5.3%	-4.7%	6.5%	5.8%	6.0%	5.7%		
403(b) plan balance (millions)		\$435.2	--	--	--	--	--	--	--		
Risk vs. Return											
		3-year				6y 2m Since Inception (annualized)				2018	
Surplus cash Sharpe ratio		0.73	0.70	--	--	0.88	0.86	--	0.43		
Net of fee return		4.6%	4.3%	--	--	4.5%	4.3%	--	5.3%		
Standard deviation		5.0%	4.7%	--	--	4.5%	4.4%	--	6.7%		
Cash balance Sharpe ratio		0.70	0.70	--	--	1.00	0.94	--	0.40		
Net of fee return		5.3%	5.0%	--	--	6.5%	5.8%	--	5.7%		
Standard deviation		6.2%	5.7%	--	--	6.0%	5.6%	--	8.1%		
Asset Allocation											
		4Q 2018									
Surplus cash absolute variances to target		9.4%	< 10%	--	--	--	--	--	--		
Cash balance absolute variances to target		5.4%	< 10%	--	--	--	--	--	--		
Manager Compliance											
		4Q 2018									
Surplus cash manager flags		28	<24 Green <30 Yellow	--	--	--	--	--	--		
Cash balance plan manager flags		33	<27 Green <34 Yellow	--	--	--	--	--	--		

*Excludes debt reserve funds (~\$129 mm), District assets (~\$34 mm), and balance sheet cash not in investable portfolio (~\$125 mm).

Includes Foundation (~\$28 mm) and Concern (~\$13 mm) assets. Budget adds back in current Foundation and Concern assets and backs out current debt reserve funds.



Balance Sheet (in thousands)

ASSETS

CURRENT ASSETS

	Audited	
	January 31, 2019	June 30, 2018
Cash	106,244	118,992
Short Term Investments	158,059	150,664
Patient Accounts Receivable, net	120,490	124,427
Other Accounts and Notes Receivable	2,679	3,402
Intercompany Receivables	2,217	2,090
(1) Inventories and Prepays	80,479	75,594
Total Current Assets	470,167	475,171

BOARD DESIGNATED ASSETS

Plant & Equipment Fund	160,788	153,784
(2) Women's Hospital Expansion	15,472	9,298
(3) Operational Reserve Fund	139,057	127,908
Community Benefit Fund	18,732	18,675
Workers Compensation Reserve Fund	21,403	20,263
Postretirement Health/Life Reserve Fund	29,562	29,212
PTO Liability Fund	23,821	24,532
Malpractice Reserve Fund	1,831	1,831
Catastrophic Reserves Fund	18,411	18,322
Total Board Designated Assets	429,077	403,826

(4) FUNDS HELD BY TRUSTEE 118,770 197,620

LONG TERM INVESTMENTS 336,380 345,684

INVESTMENTS IN AFFILIATES 32,460 32,412

PROPERTY AND EQUIPMENT

Fixed Assets at Cost	1,284,078	1,261,854
Less: Accumulated Depreciation	(600,126)	(577,959)
Construction in Progress	321,257	220,991
Property, Plant & Equipment - Net	1,005,208	904,886

DEFERRED OUTFLOWS 20,827 21,177

RESTRICTED ASSETS - CASH 0 0

TOTAL ASSETS **2,412,889 2,380,776**

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

	Audited	
	January 31, 2019	June 30, 2018
(5) Accounts Payable	42,100	49,925
(6) Salaries and Related Liabilities	23,793	26,727
Accrued PTO	23,821	24,532
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	10,647	10,068
Intercompany Payables	204	125
Malpractice Reserves	1,831	1,831
Bonds Payable - Current	3,965	3,850
(7) Bond Interest Payable	2,123	12,975
Other Liabilities	7,682	8,909
Total Current Liabilities	118,467	141,242

LONG TERM LIABILITIES

Post Retirement Benefits	29,562	29,212
Worker's Comp Reserve	19,103	17,963
Other L/T Obligation (Asbestos)	3,926	3,859
Other L/T Liabilities (IT/Medl Leases)	-	-
(8) Bond Payable	514,218	517,781
Total Long Term Liabilities	566,809	568,815

DEFERRED REVENUE-UNRESTRICTED 230 528

DEFERRED INFLOW OF RESOURCES 22,835 22,835

FUND BALANCE/CAPITAL ACCOUNTS

Unrestricted	1,275,470	1,243,529
Board Designated	429,077	403,825
Restricted	0	0
(9) Total Fund Bal & Capital Accts	1,704,548	1,647,355

TOTAL LIABILITIES AND FUND BALANCE **2,412,889 2,380,776**

January 2019 El Camino Hospital Comparative Balance Sheet Variances and Footnotes

- (1) The increase is due to annual insurance premiums for D&O, Property and Auto that are paid in July and amortized throughout the fiscal year. Also a quarterly pension funding was paid.
- (2) The increase is due to the District making a transfer from its Capital Appropriation Fund in support of the upcoming renovation to the Women's Hospital.
- (3) The increase is due to annual resetting of the 60 day Operational Reserve based on the new FY2019 budget that has started.
- (4) Decrease is due to draws from the 2015A/2017 Bond Project funds for the on-going IMOB and BHS construction and semi-annual 2015/2017 bond payment
- (5) Decrease is due to the yearend accruals that were paid out in July and August.
- (6) Decrease is due a lesser number of days of payroll expenses and payroll taxes for October opposed to a full 14 day pay period that was needed for June 30.
- (7) Semi-annual bond payments of interest and principal were made on the 2015A and 2017 Bonds in August and January.
- (8) Decrease is due to the establishment of FY2020 2015A Bond Principal Payable in January.
- (9) Increase in total Fund Balance is driven by y-t-d net income and that Capital Appropriate Fund transfer by District, discussed in item #2 above.

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. At the end of fiscal year 2018 another \$6.2 million was added to this fund.
- **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 the current 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 \$500,000 or more a year. \$15 million within this fund is a board designated endowment fund formed in 2015 with a \$10 million contribution, and added to at the end of the 2017 fiscal year end with another \$5 million contribution, to generate investment income to be used for grants and sponsorships, in fiscal year it generated over \$1.1 million of investment income for the program.

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. At the end of fiscal year 2018, GASB #75 was implemented that now represents the full actuarially determined liability.
- **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)

Period ending 01/31/19

Period 7 FY 2018	Period 7 FY 2019	Period 7 Budget 2019	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2018	YTD FY 2019	YTD Budget 2019	Variance Fav (Unfav)	Var%
238,824	251,909	245,745	6,164	2.5%	OPERATING REVENUE					
(176,741)	(184,993)	(183,122)	(1,870)	(1.0%)	Gross Revenue	1,586,778	1,650,846	1,652,659	(1,812)	(0.1%)
62,083	66,916	62,623	4,293	6.9%	Deductions	(1,159,093)	(1,211,795)	(1,228,555)	16,760	1.4%
1,762	1,474	2,533	(1,060)	(41.8%)	Net Patient Revenue	427,685	439,052	424,104	14,948	3.5%
63,845	68,390	65,156	3,234	5.0%	Other Operating Revenue	16,552	14,382	18,277	(3,895)	(21.3%)
					Total Operating Revenue	444,237	453,433	442,381	11,052	2.5%
					OPERATING EXPENSE					
34,171	36,833	36,692	(142)	(0.4%)	Salaries & Wages	228,833	242,520	245,231	2,711	1.1%
9,255	9,590	9,349	(240)	(2.6%)	Supplies	58,680	62,457	63,726	1,268	2.0%
7,285	7,987	7,373	(614)	(8.3%)	Fees & Purchased Services	48,254	53,183	52,408	(775)	(1.5%)
677	863	698	(165)	(23.6%)	Other Operating Expense	5,125	5,987	6,174	188	3.0%
256	269	490	221	45.2%	Interest	2,861	2,497	2,431	(67)	(2.7%)
3,536	3,533	3,683	150	4.1%	Depreciation	24,429	24,568	25,823	1,255	4.9%
55,180	59,076	58,285	(791)	(1.4%)	Total Operating Expense	368,181	391,213	395,793	4,580	1.2%
8,665	9,314	6,871	2,443	35.6%	Net Operating Income/(Loss)	76,056	62,221	46,588	15,632	33.6%
29,200	20,772	346	20,426	5896.2%	Non Operating Income	60,287	(17,243)	3,085	(20,328)	(659.0%)
37,865	30,086	7,217	22,869	316.9%	Net Income(Loss)	136,343	44,977	49,673	(4,696)	(9.5%)
19.5%	19.2%	16.9%	2.2%		EBITDA	23.3%	19.7%	16.9%	2.8%	
13.6%	13.6%	10.5%	3.1%		Operating Margin	17.1%	13.7%	10.5%	3.2%	
59.3%	44.0%	11.1%	32.9%		Net Margin	30.7%	9.9%	11.2%	(1.3%)	

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

Period ending 01/31/2019

Period 7 FY 2018	Period 7 FY 2019	Period 7 Budget 2019	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2018	YTD FY 2019	YTD Budget 2019	Variance Fav (Unfav)	Var%
52,685	52,391	63,310	(10,920)	(17.2%)	OPERATING REVENUE					
(37,842)	(37,595)	(46,616)	9,021	19.4%	Gross Revenue	355,505	357,528	371,250	(13,722)	(3.7%)
14,843	14,796	16,694	(1,898)	(11.4%)	Deductions	(260,378)	(262,961)	(272,825)	9,864	3.6%
160	349	246	103	41.9%	Net Patient Revenue	95,126	94,567	98,426	(3,859)	(3.9%)
15,003	15,145	16,940	(1,795)	(10.6%)	Other Operating Revenue	1,176	2,027	1,678	349	20.8%
					Total Operating Revenue	96,302	96,594	100,104	(3,510)	(3.5%)
					OPERATING EXPENSE					
6,979	7,213	7,964	751	9.4%	Salaries & Wages	46,281	48,567	48,093	(474)	(1.0%)
2,524	1,946	2,431	485	19.9%	Supplies	14,430	14,290	14,643	353	2.4%
1,619	1,491	1,373	(118)	(8.6%)	Fees & Purchased Services	9,485	9,916	9,430	(487)	(5.2%)
1,455	1,514	1,518	3	0.2%	Other Operating Expense	11,092	10,929	10,828	(101)	(0.9%)
0	0	0	0	0.0%	Interest	0	0	0	0	0.0%
694	805	753	(51)	(6.8%)	Depreciation	4,028	5,293	5,203	(89)	(1.7%)
13,271	12,969	14,039	1,070	7.6%	Total Operating Expense	85,316	88,995	88,197	(798)	(0.9%)
1,732	2,176	2,901	(725)	(25.0%)	Net Operating Income/(Loss)	10,986	7,599	11,907	(4,308)	(36.2%)
0	0	0	0	0.0%	Non Operating Income	(45)	0	0	0	0.0%
1,732	2,176	2,901	(725)	(25.0%)	Net Income(Loss)	10,942	7,599	11,907	(4,308)	(36.2%)
16.2%	19.7%	21.6%	(1.9%)		EBITDA	15.6%	13.3%	17.1%	(3.7%)	
11.5%	14.4%	17.1%	(2.8%)		Operating Margin	11.4%	7.9%	11.9%	(4.0%)	
11.5%	14.4%	17.1%	(2.8%)		Net Margin	11.4%	7.9%	11.9%	(4.0%)	

Non Operating Items and Net Income by Affiliate

\$ in thousands

	Period 7 - Month			Period 7 - FYTD		
	Actual	Budget	Variance	Actual	Budget	Variance
El Camino Hospital Income (Loss) from Operations						
Mountain View	9,314	6,871	2,443	62,221	46,588	15,632
Los Gatos	2,176	2,901	(725)	7,599	11,907	(4,308)
Sub Total - El Camino Hospital, excl. Affiliates	11,489	9,771	1,718	69,820	58,495	11,325
Operating Margin %	13.8%	11.9%		12.7%	10.8%	
El Camino Hospital Non Operating Income						
Investments ²	22,631	2,368	20,263	(5,928)	17,234	(23,162)
Swap Adjustments	(80)	(100)	20	(696)	(700)	4
Community Benefit	(41)	(300)	259	(2,585)	(2,100)	(485)
Pathways	(898)	0	(898)	(1,990)	0	(1,990)
Satellite Dialysis	58	(25)	83	390	(175)	565
Community Connect	0	(53)	53	0	(371)	371
SVMD Funding ¹	(847)	(1,219)	372	(4,860)	(8,533)	3,674
Other	(50)	(324)	274	(1,695)	(2,269)	574
Sub Total - Non Operating Income	20,772	346	20,426	(17,243)	3,085	(20,328)
El Camino Hospital Net Income (Loss)	32,262	10,118	22,144	52,577	61,580	(9,003)
ECH Net Margin %	38.6%	12.3%		9.6%	11.4%	
Concern	307	21	286	1,572	496	1,076
ECSC	(1)	0	(1)	(30)	0	(30)
Foundation	1,070	72	998	949	935	14
Silicon Valley Medical Development	(172)	46	(218)	1,176	(196)	1,372
Net Income Hospital Affiliates	1,204	139	1,065	3,667	1,235	2,432
Total Net Income Hospital & Affiliates	33,466	10,257	23,209	56,243	62,815	(6,572)

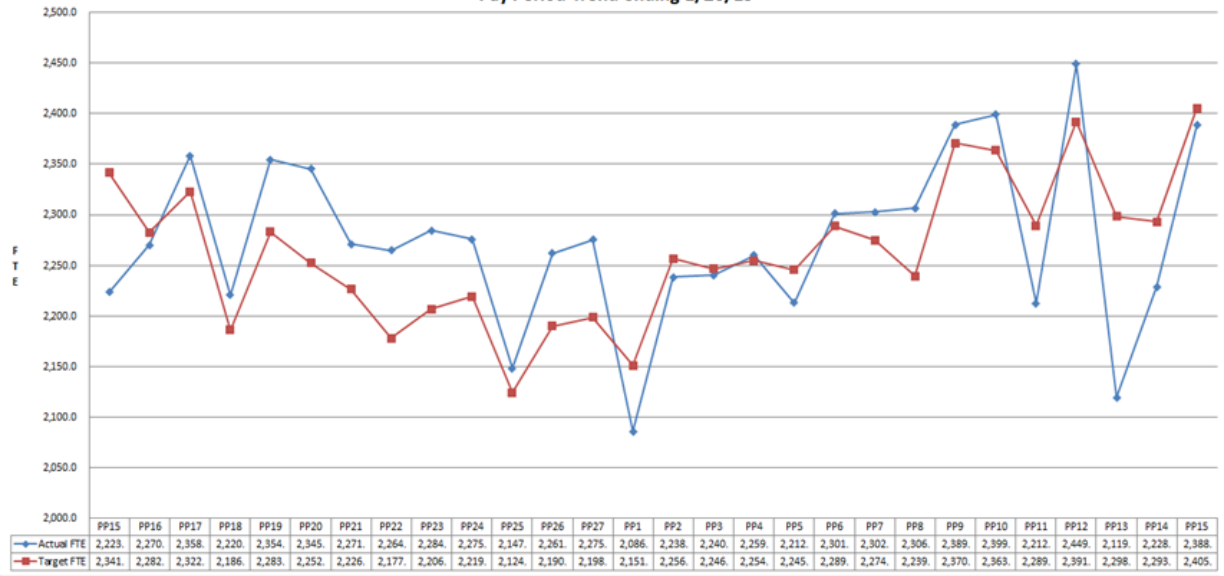
¹Favorable variances for SVMD and Community Connect are due to delayed implementation

²Equity markets experienced a massive selloff during October, and volatility is continuing

Productivity and Medicare Length of Stay

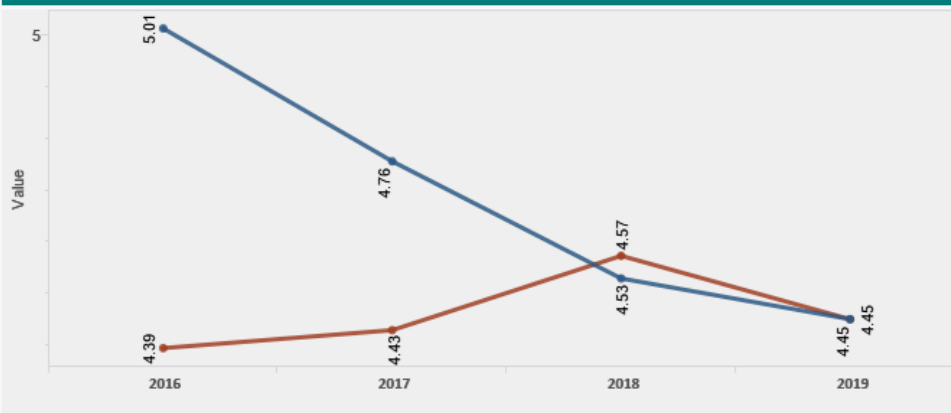
At or below FTE target. Uptick end of Sept due to mandatory training for all employees. YTD we are on budget (adjusted for volume)

El Camino Hospital Actual vs. Target Productive FTE Trend
Pay Period Trend ending 1/26/19

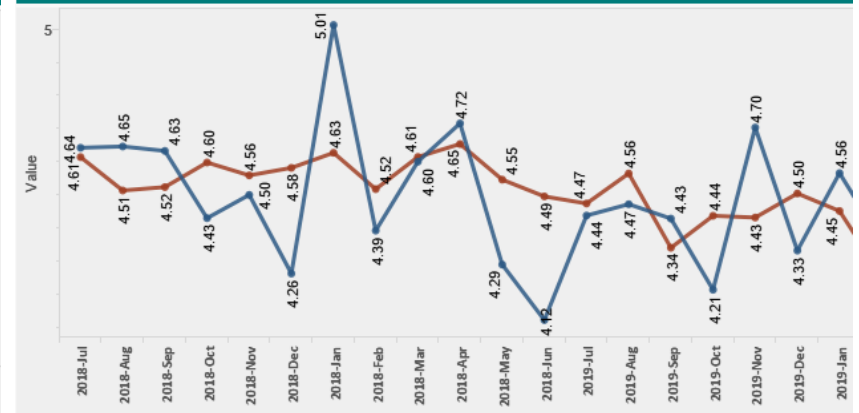


ALOS vs Milliman well-managed benchmark. Trend shows steady improvement with FY 2019 below benchmark (blue). Increase in benchmark beginning in FY 2017 due to Clinical Documentation Improvement (CDI)

AVERAGE LENGTH OF STAY TREND BY MONTH/YEAR



AVERAGE LENGTH OF STAY TREND BY MONTH/YEAR



El Camino Hospital Volume Annual Trends

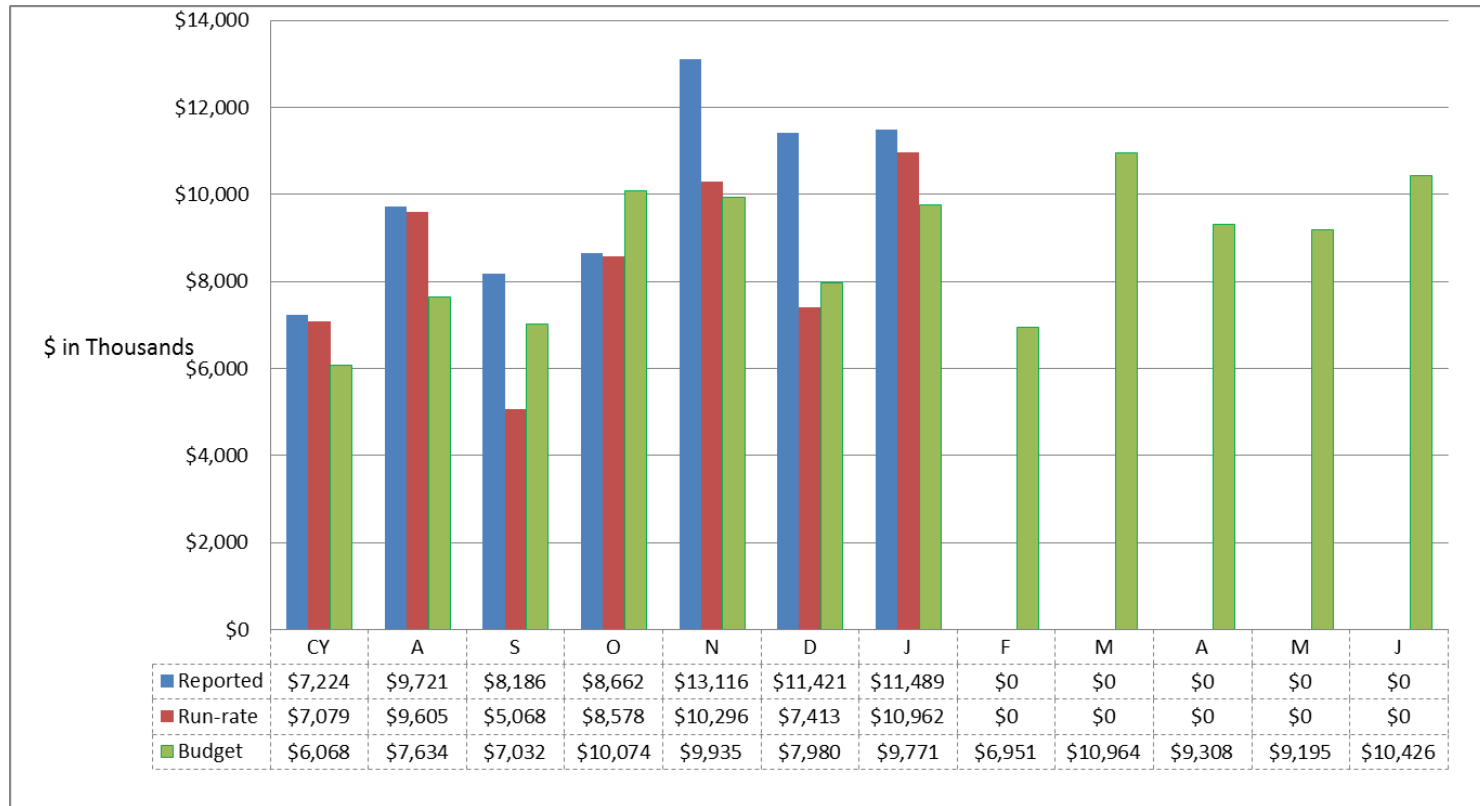
VOLUME BY SERVICE LINE		ANNUAL TREND						FY19 Bud vs FY18		MONTH					YEAR				
		2014	2015	2016	2017	2018	2019(b)	Cases	Percent	PY	CY	Bud	Bud Var	PY Var	PY	CY	Bud	Bud Var	PY Var
IP	Behavioral Health	1,012	1,052	928	924	1,098	1,062	-36	-3.2%	103	93	89	4	-10	663	668	617	51	5
	General Medicine & ..	4,165	4,592	4,459	4,961	5,286	5,325	39	0.7%	587	461	612	-151	-126	3,170	2,810	3,031	-221	-360
	General Surgery	1,243	1,150	1,311	1,318	1,305	1,344	39	3.0%	113	104	90	14	-9	755	809	755	54	54
	GYN	390	313	293	270	243	255	12	4.9%	20	22	24	-2	2	148	134	137	-3	-14
	Heart and Vascular	1,859	1,998	2,001	2,203	2,372	2,445	73	3.1%	208	202	188	14	-6	1,369	1,282	1,314	-32	-87
	MCH	6,695	6,371	5,953	5,822	5,718	5,764	46	0.8%	446	453	496	-43	7	3,405	3,189	3,359	-170	-216
	Neurosciences	667	672	677	688	870	907	37	4.3%	78	83	82	1	5	516	516	562	-46	0
	Oncology	606	564	652	594	632	726	94	14.9%	49	61	76	-15	12	384	410	416	-6	26
	Orthopedics	1,695	1,773	1,746	1,690	1,706	1,819	113	6.6%	155	135	162	-27	-20	1,043	969	1,075	-106	-74
	Rehab Services	547	555	500	461	441	436	-5	-1.1%	39	43	37	6	4	256	290	255	35	34
	Spine Surgery	377	429	417	474	375	465	90	24.0%	23	27	38	-11	4	243	184	268	-84	-59
	Urology	172	169	234	257	255	274	19	7.4%	19	28	33	-5	9	140	166	154	12	26
	Total	19,428	19,638	19,171	19,662	20,301	20,823	522	2.6%	1,840	1,712	1,928	-216	-128	12,092	11,427	11,941	-514	-665
	OP	Behavioral Health	910	886	2,394	3,260	3,151	3,417	266	8.4%	257	224	302	-78	-33	1,884	1,595	1,860	-265
Dialysis		1,059	155	6			0								0				
Emergency		46,006	49,091	48,590	48,625	49,415	49,122	-293	-0.6%	4,937	4,100	4,357	-257	-837	29,118	27,596	28,145	-549	-1,522
General Medicine & ..		6,637	6,620	7,195	7,129	7,266	7,457	191	2.6%	574	696	663	33	122	4,225	4,561	4,294	267	336
General Surgery		1,837	1,853	1,797	1,836	2,003	2,068	65	3.2%	169	159	173	-14	-10	1,141	1,144	1,164	-20	3
GYN		1,220	1,308	1,018	1,081	1,099	1,171	72	6.6%	81	92	88	4	11	660	810	647	163	150
Heart and Vascular		2,570	2,712	3,795	4,361	4,363	4,410	47	1.1%	365	356	371	-15	-9	2,477	2,655	2,535	120	178
Imaging Services		19,546	20,072	17,807	17,249	18,503	18,744	241	1.3%	1,478	1,570	1,594	-24	92	10,809	11,302	10,748	554	493
Laboratory Services		30,599	29,726	29,007	29,153	28,567	29,071	504	1.8%	2,572	2,373	2,465	-92	-199	16,951	16,136	16,799	-663	-815
MCH		5,034	4,826	5,092	5,577	5,644	5,928	284	5.0%	465	432	521	-89	-33	3,310	3,159	3,348	-189	-151
Neurosciences		110	61	127	125	114	155	41	36.0%	7	11	17	-6	4	74	49	100	-51	-25
Oncology		4,015	4,179	14,329	18,540	19,277	22,037	2,760	14.3%	1,673	1,736	1,755	-19	63	11,308	11,696	11,641	55	388
Orthopedics		866	776	584	615	641	714	73	11.4%	38	65	65	0	27	347	407	420	-13	60
Outpatient Clinics		1,817	1,705	1,680	1,288	1,884	1,517	-367	-19.5%	108	156	130	26	48	1,195	1,030	888	142	-165
Rehab Services		1,731	1,747	3,954	4,518	4,926	4,900	-26	-0.5%	389	457	370	87	68	2,796	3,073	2,763	310	277
Sleep Center		160	223	498	368	242	300	58	24.0%	25	28	25	3	3	107	177	175	2	70
Spine Surgery		325	399	309	324	311	326	15	4.8%	21	24	24	0	3	189	173	188	-15	-16
Urology	1,755	1,771	1,739	1,898	2,052	2,058	6	0.3%	178	180	167	13	2	1,173	1,178	1,177	1	5	
Total	126,197	128,110	139,921	145,947	149,458	153,395	3,937	2.6%	13,337	12,659	13,087	-428	-678	87,764	86,741	86,892	-151	-1,023	

Medicare data excludes Medicare HMOs

MOUNTAIN VIEW | LOS GATOS

ECH Operating Margin

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



FY 2019 Actual Run Rate Adjustments (in thousands) - FAV / <UNFAV>

Revenue Adjustments	J	A	S	O	N	D	J	YTD
Mcare Settlmt/Appeal/Tent Settlmt/PIP	141	112	92	76	137	443	516	1,516
IGT Supplemental	-	-	-	-	2,672	-	-	2,672
AB 915	-	-	2,875	-	-	-	-	2,875
RAC Release	-	-	161	-	-	(305)	-	(144)
Credit Balance Quarterly Review	-	-	(19)	-	-	3,858	-	3,839
Various Adjustments under \$250k	4	5	6	8	11	12	12	58
Total	145	116	3,118	84	2,820	4,008	528	10,819

Capital Spend Trend & FY 19 Budget

Capital Spending (in 000's)	Actual FY2016	Actual FY2017	Actual FY2018	Projected FY2019	Budget 2019
EPIC	20,798	2,755	1,114	-	-
IT Hardware / Software Equipment**	6,483	2,659	1,108	19,732	19,732
Medical / Non Medical Equipment*	17,133	9,556	15,780	11,206	11,206
Non CIP Land, Land I , BLDG, Additions	4,189	-	2,070	-	-
Facilities	48,137	82,953	137,364	205,451	279,450
GRAND TOTAL	96,740	97,923	157,435	236,389	310,388
*Includes 2 robot purchases in FY2017					
**Includes ERP Implementation					

Facilities

- Projected facilities spend is lower than forecast in the budget primarily due to timing of project activity.
 - \$27M for iMOB
 - \$6M Patient Family Residence
 - \$5M Women's Hospital Expansion
 - \$3M Behavioral Health Hospital replacement

El Camino Hospital

Capital Spending (in millions)

Category	Detail	Approved	Total			FY19 Budget	FY 19 Proj Spend	Variance	
			Total Estimated Cost of Project	Authorized Active	Spent from Inception			Projected vs Budget*	FY 19 YTD Spent
CIP	ERP Upgrade			9.6	2.2	9.6	9.6	0.0	2.2
IT Hardware, Software, Equipment & Imaging				10.1	3.2	10.1	10.1	0.0	3.2
Medical & Non Medical Equipment FY 18				5.6	9.5	0.0	0.0	0.0	3.5
Medical & Non Medical Equipment FY 19				11.2	4.0	11.2	11.2	0.0	4.0
Facility Projects									
	1245 Behavioral Health Bldg	FY16	96.1	96.1	62.1	45.0	41.7	-3.3	16.2
	1413 North Drive Parking Expansion	FY15	24.5	24.5	24.3	0.0	0.7	0.7	0.0
	1414 Integrated MOB	FY15	302.1	302.1	191.6	150.0	123.3	-26.7	71.1
	1422 CUP Upgrade	FY16	9.0	9.0	8.0	0.8	1.4	0.6	0.4
	1430 Women's Hospital Expansion	FY16	135.0	135.0	5.0	10.0	4.8	-5.2	1.8
	Demo Old Main & Related Site Work		30.0	30.0	0.0	2.0	0.6	-1.4	0.0
	1502 Cabling & Wireless Upgrades	FY16	0.0	0.0	2.8	0.0	0.0	0.0	0.0
	1525 New Main Lab Upgrades		3.1	3.1	2.6	0.3	0.0	-0.3	0.4
	1515 ED Remodel Triage/Psych Observation	FY16	5.0	5.0	0.0	4.6	0.3	-4.3	0.0
	1503 Willow Pavilion Tomosynthesis	FY16	1.0	0.0	0.4	1.0	0.0	-1.0	0.0
	1602 JW House (Patient Family Residence)		6.5	6.5	0.3	6.0	0.1	-5.9	0.0
	Site Signage and Other Improvements		1.3	0.0	0.0	1.0	0.3	-0.7	0.0
	Nurse Call System Upgrades		2.4	0.0	0.0	2.4	0.2	-2.2	0.0
	1707 Imaging Equipment Replacement (5 or 6 rooms)		20.7	0.3	0.0	6.0	6.0	0.0	0.0
	1708 IR/ Cath Lab Equipment Replacement		19.4	19.4	0.0	5.0	1.0	-4.0	0.8
	Flooring Replacement		1.6	1.6	0.0	1.5	0.4	-1.1	0.0
	1219 LG Spine OR	FY13	0.0	0.0	4.0	0.0	0.0	0.0	0.2
	1313 LG Rehab HVAC System & Structural	FY16	0.0	0.0	4.1	0.0	0.0	0.0	0.0
	1248 LG Imaging Phase II (CT & Gen Rad)	FY16	9.0	9.0	9.0	0.0	0.0	0.0	0.1
	1307 LG Upgrades	FY13	19.3	19.3	18.7	0.8	0.0	-0.8	0.9
	1507 LG IR Upgrades		1.3	0.0	0.0	1.3	1.3	0.1	0.0
	1603 LG MOB Improvements (17)		5.0	5.0	5.0	0.5	0.0	-0.5	0.0
	1711 Emergency Sanitary & Water Storage		1.5	1.5	0.2	1.3	1.5	0.3	0.0
	LG Modular MRI & Awning		3.9	3.9	0.2	3.5	0.6	-2.9	0.1
	LG Nurse Call System Upgrade		0.8	0.0	0.0	0.5	0.4	-0.1	0.0
	LG Observation Unit (Conversion of ICU 2)		0.0	0.0	0.0	0.0	0.0	0.0	0.0
	1712 LG Cancer Center		5.0	5.0	0.3	4.8	3.7	-1.1	0.1
	Workstation Inventory Replacement		2.0	2.0	0.0	0.0	0.0	0.0	0.0
	Primary Care Clinic Development (2 @ \$3 Million Ea)		6.0	6.0	0.0	5.0	4.0	-1.0	0.0
	Other Strategic Capital FY-19		5.0	5.0	0.0	15.0	9.0	-6.0	0.0
	Willow SC Upgrades (35,000 @ \$50)		1.8	1.8	0.0	1.8	0.0	-1.8	0.0
	New 28k MOB (Courthouse Prop)		22.4	22.4	0.0	1.2	0.2	-1.0	0.0
	80 Great Oaks Upgrades		4.5	4.5	0.0	0.0	0.0	0.0	0.0
	Primary Care Clinic (TI's Only) FY 17 (828 Wincheste)		3.6	3.6	0.0	0.3	0.0	-0.3	0.0
	All Other Projects		7.2	6.6	81.0	7.8	3.9	-3.9	0.9
			755.9	728.4	419.6	279.5	205.5	-74.0	93.3
GRAND TOTAL				759.3	438.5	300.8	236.4	-74.0	106.2

El Camino Hospital Capital Spending (in thousands) FY 2014 – FY 2018

Category	2014	2015	2016	2017	2018	Category	2014	2015	2016	2017	2018
EPIC	6,838	29,849	20,798	2,755	1,114	Facilities Projects CIP cont.					
IT Hardware/Software Equipment	2,788	4,660	6,483	2,659	1,108	1415 - Signage & Wayfinding	-	-	106	58	136
Medical/Non Medical Equipment	12,891	13,340	17,133	9,556	15,780	1416 - MV Campus Digital Directories	-	-	34	23	95
Non CIP Land, Land I, BLDG, Additions	22,292	-	4,189	-	2,070	1423 - MV MOB TI Allowance	-	-	588	369	-
						1425 - IMOB Preparation Project - Old Main	-	-	711	1,860	215
						1429 - 2500 Hospital Dr Bldg 8 TI	-	101	-	-	-
Facilities Projects CIP						1430 - Women's Hospital Expansion	-	-	-	464	2,763
Mountain View Campus Master Plan Projects						1432 - 205 South Dr BHS TI	-	8	15	-	52
1245 - Behavioral Health Bldg Replace	1,257	3,775	1,389	10,323	28,676	1501 - Women's Hospital NPC Comp	-	4	-	223	320
1413 - North Drive Parking Structure Exp	-	167	1,266	18,120	4,670	1502 - Cabling & Wireless Upgrades	-	-	1,261	367	984
1414 - Integrated MOB	-	2,009	8,875	32,805	75,319	1503 - Willow Pavillion Tomosynthesis	-	-	53	257	31
1422 - CUP Upgrade	-	-	896	1,245	5,428	1504 - Equipment Support Infrastructure	-	61	311	-	60
Sub-Total Mountain View Campus Master Plan	1,257	5,950	12,426	62,493	114,093	1523 - Melchor Pavillion Suite 309 TI	-	-	10	59	392
						1525 - New Main Lab Upgrades	-	-	-	464	1,739
Mountain View Capital Projects						1526 - CONCERN TI	-	-	37	99	10
9900 - Unassigned Costs	470	3,717	-	-	-	Sub-Total Mountain View Projects	7,219	26,744	5,588	5,535	7,948
0906 - Slot Build-Out	1,576	15,101	1,251	294	-	Los Gatos Capital Projects					
1109 - New Main Upgrades	393	2	-	-	-	0904 - LG Facilities Upgrade	-	-	-	-	-
1111 - Mom/Baby Overflow	29	-	-	-	-	0907 - LG Imaging Masterplan	774	1,402	17	-	-
1204 - Elevator Upgrades	30	-	-	-	-	1210 - Los Gatos VOIP	89	-	-	-	-
0800 - Womens L&D Expansion	1,531	269	-	-	-	1116 - LG Ortho Pavillion	24	21	-	-	-
1225 - Rehab BLDG Roofing	241	4	-	-	-	1124 - LG Rehab BLDG	458	-	-	-	-
1227 - New Main eICU	21	-	-	-	-	1307 - LG Upgrades	2,979	3,282	3,511	3,081	4,551
1230 - Fog Shop	80	-	-	-	-	1308 - LG Infrastructure	114	-	-	-	-
1315 - 205 So. Drive TI's	500	2	-	-	-	1313 - LG Rehab HVAC System/Structural	-	-	1,597	1,904	550
0908 - NPCR3 Seismic Upgrds	1,224	1,328	240	342	961	1219 - LG Spine OR	214	323	633	2,163	447
1125 - Will Pav Fire Sprinkler	39	-	-	-	-	1221 - LG Kitchen Refrig	85	-	-	-	-
1216 - New Main Process Imp Office	1	16	-	-	-	1248 - LG - CT Upgrades	26	345	197	6,669	1,673
1217 - MV Campus MEP Upgrades FY13	181	274	28	-	-	1249 - LG Mobile Imaging	146	-	-	-	-
1224 - Rehab Bldg HVAC Upgrades	202	81	14	6	-	1328 - LG Ortho Canopy FY14	255	209	-	-	-
1301 - Desktop Virtual	13	-	-	-	-	1345 - LG Lab HVAC	112	-	-	-	-
1304 - Rehab Wander Mgmt	87	-	-	-	-	1346 - LG OR 5, 6, and 7 Lights Replace	-	285	53	22	127
1310 - Melchor Cancer Center Expansion	44	13	-	-	-	1347 - LG Central Sterile Upgrades	-	181	43	66	-
1318 - Women's Hospital TI	48	48	29	2	-	1421 - LG MOB Improvements	-	198	65	303	356
1327 - Rehab Building Upgrades	-	15	20	-	22	1508 - LG NICU 4 Bed Expansion	-	-	-	207	-
1320 - 2500 Hosp Dr Roofing	75	81	-	-	-	1600 - 825 Pollard - Aspire Phase II	-	-	-	80	10
1340 - New Main ED Exam Room TVs	8	193	-	-	-	1603 - LG MOB Improvements	-	-	-	285	4,593
1341 - New Main Admin	32	103	-	-	-	Sub-Total Los Gatos Projects	5,276	6,246	6,116	14,780	12,306
1344 - New Main AV Upgrd	243	-	-	-	-	1550 - Land Acquisition	-	-	24,007	-	-
1400 - Oak Pav Cancer Center	-	5,208	666	52	156	1701 - 828 S Winchester Clinic TI	-	-	-	145	3,018
1403 - Hosp Drive BLDG 11 TI's	86	103	-	-	-	Sub-Total Other Strategic Projects	-	-	24,007	145	3,018
1404 - Park Pav HVAC	64	7	-	-	-	Subtotal Facilities Projects CIP	13,753	38,940	48,137	82,953	137,364
1405 - 1 - South Accessibility Upgrades	-	-	168	95	-	Grand Total	58,561	86,789	96,740	97,923	157,435
1408 - New Main Accessibility Upgrades	-	7	46	501	12						

**EL CAMINO HOSPITAL
BOARD MEETING COVER MEMO**

To: El Camino Hospital Board of Directors
From: Cecile Currier, VP, Corporate and Community Health Services and President,
CONCERN:EAP;
Barbara Avery, Director, Community Benefit
Date: March 13, 2019
Subject: FY19 Community Benefit Midterm Report

Purpose:

To update the Board of Directors on the midterm progress of the Community Benefit grants program.

Summary:

1. **Situation:** All Community Benefit grant partners are required to submit midterm reporting on their approved metrics and budget, as well as provide a narrative update on program progress, successes, challenges, and, as applicable, new trends in their field of work. All 49 grant partners submitted their midterm reports in January covering the first six months of the grant year.
2. **Authority:** Each year, the midterm Community Benefit dashboard is prepared by department staff after assessing grant reports.
3. **Background:** For FY19, the El Camino Hospital Board of Directors approved investing \$3,565,000 in 49 Community Benefit grants to address unmet local health needs. The framework for the hospital's grant funding priorities is the Community Health Needs Assessment (CHNA) which is conducted every three years, as required by state and federal regulations. Health needs are determined through the CHNA process which informs the development of three priorities: Healthy Body, Healthy Mind and Healthy Community.
4. **Assessment:** N/A
5. **Other Reviews:** N/A
6. **Outcomes:** Data from the Community Benefit Grants FY19 Year-over-Year Dashboard finds that 73% of programs met 80% or more of metric targets, similar to 72% in FY18.

METRICS:

Total individual metrics across all 49 grants: 193 metrics

- Year-over-Year (trending) metrics: 62%
- Metrics that were new or revised to be more robust for continuing programs: 10%
- Metrics for new programs: 28%
- Metrics that achieved midterm targets: 90%

TARGETS:

Midterm Metric Target Comparison over FY18 reflects the changes in targets for metrics.

Community Benefit Mid-Year Report
March 13, 2019

- 44% of targets increased
- 22% of targets decreased
- 34% of targets remained the same

FUNDING:

The annual grant funding by Health Priority:

- 24 Healthy Body grants - \$1,821,468
- 16 Healthy Mind grants - \$1,114,860
- 9 Healthy Community grants - \$628,672
- Financial update: on-track to spend all Board approved funding.

List of Attachments:

1. FY19 ECH Community Benefit Midterm Grants Year-Over-Year Dashboard

Suggested Board Discussion Questions: N/A. This is an consent item.

Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	FY17 % 6-month metrics met	FY17 Annual Target	FY17 Annual Actual	FY17 % Annual metrics met	FY18 6-month target	FY18 6-month actual	FY18 % 6-month metrics met	FY18 Annual Target	FY18 Annual Actual	FY18 % Annual metrics met	FY19 6-month target	FY19 6-month actual	FY19 % 6-month metrics met	FY19 Annual Target	Supporting Details for Variance				
HEALTHY BODY	5-2-1-0 FY19 Requested: \$25,000 FY19 Approved: \$25,000 FY18 Approved: \$15,000 FY18 Spent: \$10,396 New Metrics: 0 of 3	Students served	3,700	5,300	●	6,300	8,800	●	4,000	4,120	●	6,500	6,178	●	4,000	3,870	●	6,500					
		Students who report being active one or more hours per day after 5210 engagement	N/A	N/A	100%	53%	59%	●	100%	N/A	N/A	100%	56%	58%	●	67%	N/A	N/A	100%	56%			
		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		75%	66%	●		N/A	N/A		75%			
	BAWSI Girls Program FY19 Requested: \$20,667 FY19 Approved: \$16,500 FY18 Approved: \$16,000 FY18 Spent: \$16,000 FY17 Approved: \$16,000 FY17 Spent: \$16,000 New Metrics: 1 of 3	Youth served	60	65	●	120	133	●	60	62	●	120	130	●	60	65	●	120	124				
		Average weekly attendance	80%	88%	●	80%	89%	●	100%	80%	90%	●	80%	87%	●	100%	85%	84%	●	100%	85%		
		Parents who respond that they agree or strongly agree that their child wants to engage in more physical activity since joining the program	-	-		-	-			-	-		-	-			75%	92%	●		75%		
	BAWSI Rollers Program FY19 Requested: \$17,502 FY19 Approved: \$10,000 FY18 Approved: \$16,300 FY18 Spent: \$16,300 New Metrics: 2 of 3	Youth served	-	-		-	-		25	11	●	25	12	●	12	12	●	12	12				
		Average weekly attendance	-	-		-	-		New Partner in FY18	-	-		New Partner in FY18	-	-		85%	84%	●	100%	85		
		Parents who respond that they agree or strongly agree that their child wants to engage in more physical activity since joining the program	-	-		-	-			-	-		33%	-	-		75%	N/A		75%	Agency stated in the report that they have decided to administer the survey in the second half of the school year due to decreasing response rates for an already small group of participants.		
	Breathe California FY19 Requested: \$50,000 FY19 Approved: \$50,000 FY18 Approved: \$50,000 FY18 Spent: \$50,000 FY17 Approved: \$50,000 FY17 Spent: \$49,994 New Metrics: 2 of 3	Parents, children, teachers, and care providers served through air quality assessment and asthma management training	80	87	●	650	767	●	225	296	●	800	805	●	225	103	●	800	800	Staff vacancy caused program to miss midyear target but full-time position is now filled; agency has received numerous requests for bilingual services and anticipate meeting annual target.			
		Children with asthma who receive multi-session asthma education who have an increase in knowledge/skills, as measured by pre/post-tests, skills observation, and parent report	-	-		-	-		100%	-	-		100%	-	-		50%	70%	●	67%	70%		
		Home, school, and childcare centers served that reduce environmental hazards/triggers for asthma, as measured by comparison of assessments and re-assessments of respiratory hazards using the EPA's best-practice environmental checklist	-	-		-	-			-	-			-	-		50%	45%	●		50%		
	Cambrian School District School Nurse Program FY19 Requested: \$214,700 FY19 Approved: \$129,500 FY18 Awarded: \$116,315 FY18 Spent: \$116,315 New Metrics: 0 of 4	Students served	-	-		-	-		805	1,268	●	2,110	1,843	●	1,000	1,360	●	3,400	3,400	Nurse implemented learnings and insight from prior year and increased efficiency			
		Students who have failed health screenings who saw a healthcare provider	-	-		-	-		New Partner in FY18	20%	0%	●	New Partner in FY18	40%	28%	●	N/A	N/A		29%	Screenings occur towards the middle to end of the first half of the year, however, getting children scheduled and successfully seen by a provider takes place in the second half of the year		
		School staff who received CPR/AED training during Staff Development Days and who reported increased knowledge and confidence in the ability to perform CPR and use of an AED	-	-		-	-			10%	9%	●	30%	29%	●	10%	40%	●	30%	30%	Nurse focused on scheduling sessions in the first half of the year and worked to engage staff, including administrative assistants, health clerks and coaches		
		Teachers/staff at target schools that receive training on severe allergies, anaphylaxis, and EpiPen usage	-	-		-	-			15%	10%	●	30%	31%	●	10%	31%	●	30%	30%			
	Campbell Union School District School Nurse Program FY19 Requested: \$215,000 FY19 Approved: \$215,000 FY18 Approved: \$225,000 FY18 Spent: \$217,507 FY17 Approved: \$215,000 FY17 Spent: \$215,000 New Metrics: 0 of 5	Students served	2,060	2,073	●	3,924	3,942	●	2,060	1,883	●	4,560	3,910	●	2,100	1,994	●	3,950	3,950				
		Uninsured students who have applied for healthcare insurance	35%	38%	●	70%	64%	●	35%	61%	●	70%	72%	●	40%	48%	●	70%	70%				
		Students with a failed health screening who saw a healthcare provider	20%	45%	●	72%	75%	●	80%	40%	33%	●	66%	72%	70%	●	80%	40%	41%	●	100%	74%	
		Students identified as needing urgent dental care through on-site screenings who saw a dentist	N/A	N/A		80%	68%	●		N/A	N/A			60%	63%	●	N/A	N/A		60%			
Rosemary and Lynhaven students who receive fluoride varnish during onsite screenings		-	-		-	-			N/A	N/A			20%	30%	●	N/A	N/A		25%	The screening and fluoride varnish program components are administered in the second half of the school year			

Community Benefit Dashboard Notes

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● A metric receives a "red" dot if the target was not met by an 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	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	FY17 % 6-month metrics met	FY17 Annual Target	FY17 Annual Actual	FY17 % Annual metrics met	FY18 6-month target	FY18 6-month actual	FY18 % 6-month metrics met	FY18 Annual Target	FY18 Annual Actual	FY18 % Annual metrics met	FY19 6-month target	FY19 6-month actual	FY19 % 6-month metrics met	FY19 Annual Target	Supporting Details for Variance	
HEALTHY BODY	Cancer CAREpoint FY19 Requested: \$21,500 FY19 Approved: \$21,500 FY18 Approved: \$22,000 FY18 Spent: \$22,000 FY17 Approved: \$20,000 FY17 Spent: \$20,000 New Metrics: 0 of 3	Individuals served	50	151	●	130	419	●	150	152	●	400	358	●	150	171	●	400		
		Nutrition class services provided	440	465	●	900	1,380	●	648	644	●	1,296	1,299	●	490	514	●	1,260		
		Participants who report at least a moderate increase in understanding how nutrition may affect cancer treatments and medications	50%	94%	●	50%	91%	●	90%	93%	●	90%	95%	●	90%	96%	●	90%		
	Challenge Diabetes Program FY19 Requested: \$196,468 FY19 Approved: \$196,468 FY18 Approved: \$192,290 FY18 Spent: \$157,516 FY17 Approved: \$200,922 FY17 Spent: \$200,922 New Metrics: 1 of 6	Clients served in the program	375	542	●	375	542	●	420	520	●	420	520	●	450	396	●	450	Target was nearly met at 88%; an additional school-based component will be administered during the second half of the year to enroll additional clients; agency expects to meet year-end targets	
		Total services provided, including monthly food bags and workshops	-	-		-	-		-	-		-	-		2,000	1,969	●	4,000		
		Clients post-screened for HbA1c	N/A	N/A	100%	250	405	●	100%	N/A	N/A	100%	360	411	●	N/A	N/A	50%	360	
		Participants who experience at least a 0.10 percentage point decrease in HbA1c	-	-		-	-		-	-		-	-		25%	50%	●	N/A	25%	Screening occurs at the end of the program to ensure exposure to intervention.
		Participants scoring at least a 70% on knowledge of diabetes risks and prevention	-	-		-	-		-	-		-	-		68%	69%	●	N/A	68%	
		Participants who report at least 15 – 30 minutes of physical activity at least 4 – 5 times a week	-	-		-	-		-	-		-	-		75%	73%	●	N/A	75%	
	Community Health Partnership FY19 Requested: \$50,000 FY19 Approved: \$50,000 New Metrics: N/A	Clinic staff who attend learning collaborative training sessions on patient attribution and patient engagement	-	-		-	-		-	-		-	-		20	22	●	60		
		Safety net clinics where workflow is implemented to improve processing of member attribution lists, data and patient engagement	-	-		-	-		-	-		-	-		6	6	●	12	The two community health clinic organizations where the workflow was implemented in the first 6 months represent 6 clinics.	
		Increase in number of documented Initial Health Assessments (annual wellness exams or office visits) for previously unseen patients from baseline	-	-	New Partner in FY19	-	-	New Partner in FY19	-	-	New Partner in FY19	-	-	New Partner in FY19	1% (represents 844 patients)	6% (represents ~5,000 patients)	●	3%	The baseline documented Initial Health Assessment was 30.1% and the most recent reported aggregated Community Health Clinics organization at 36.9%. Agency is working with health plans to gather more data. (Note: small percentages do represent a large number of patients demonstrating significant impact.)	
	Cristo Rey Network FY19 Requested: \$40,000 FY19 Approved: \$10,000 FY18 Approved: \$10,000 FY18 Spent: \$10,000 FY17 Approved: \$27,402 FY17 Spent: \$26,102 New Metrics: 0 of 3	Students served	82	82	●	82	82	●	19	18	●	25	24	●	29	29	●	29		
		Physical activity student sessions provided	656	809	●	1,610	1,635	●	1512	1,296	●	3,146	2,565	●	40	38	●	80		
		Students who show improved Body Mass Index per scoring in the healthy range of 14-23	50%	53%	●	70%	73%	●	26%	56%	●	35%	68%	●	30%	38%	●	50%		
Cupertino Union School District School Nurse Program FY19 Requested: \$87,842 FY19 Approved: \$76,000 FY18 Approved: \$72,481 FY18 Spent: \$72,481 FY17 Approved: \$68,997 FY17 Spent: \$68,997 New metrics: 0 of 4	Students served	554	538	●	1,482	1,411	●	550	597	●	1,211	1,195	●	560	548	●	1,225			
	Students who failed a mandated health screening who saw a healthcare provider	40%	71%	●	75%	84%	●	60%	67%	●	82%	91%	●	62%	57%	●	85%			
	Kindergarteners identified as needing early intervention or urgent dental care through on-site screenings who saw a dentist	N/A	N/A	100%	75%	86%	●	100%	N/A	N/A	100%	80%	87%	●	N/A	N/A	100%	82%	Screening conducted in the second half of the school year	
	Teachers/staff at target schools that receive training on severe allergies, anaphylaxis, and EpiPen usage	50%	87%	●	75%	87%	●	75%	96%	●	80%	99%	●	80%	97%	●	85%	Nurse was able to conduct trainings earlier in the year where more staff were in attendance at staff meetings and volunteered to participate		
Gardner Family Health Network FY19 Requested: \$259,139 FY19 Approved: \$220,000 FY18 Approved: \$185,000 FY18 Spent: \$185,000 FY17 Approved: \$180,000 FY17 Spent: \$180,000 New Metrics: 0 of 4	Patients served	250	664	●	600	1,341	●	500	956	●	1,000	1,363	●	800	773	●	11,500			
	Services provided, including patient visits with a Registered Dietitian and/or Wellness Coordinator	750	995	●	1,800	2,762	●	700	1,030	●	2,100	2,747	●	1,280	1,163	●	2,560			
	Patients demonstrating a reduction in body weight	15%	55%	●	30%	60%	●	100%	50%	49%	●	50%	46%	●	49%	44%	●	49%		
	Patients demonstrating a reduction in HbA1c levels	15%	51%	●	30%	47%	●	100%	45%	71%	●	45%	63%	●	65%	50%	●	65%	Although 65% target was not met, within the 50% of patients who did lower their HbA1c, 32% successfully reduced their level by at least 0.2% or more	

Community Benefit Dashboard Notes

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● A metric receives a "red" dot if the target was not met by an 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	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	FY17 % 6-month metrics met	FY17 Annual Target	FY17 Annual Actual	FY17 % Annual metrics met	FY18 6-month target	FY18 6-month actual	FY18 % 6-month metrics met	FY18 Annual Target	FY18 Annual Actual	FY18 % Annual metrics met	FY19 6-month target	FY19 6-month actual	FY19 % 6-month metrics met	FY19 Annual Target	Supporting Details for Variance	
HEALTHY BODY	GoNoodle FY19 Requested: \$113,000 FY19 Approved: \$113,000 FY18 Approved: \$110,000 FY18 Spent: \$110,000 FY17 Approved: \$110,000 FY17 Spent: \$110,000 New Metrics: 1 of 5	Schools served	183	183	●	183	183	●	183	236	●	183	231	●	220	246	●	220	Addition of new middle schools and high schools	
		Active GoNoodle users as a percentage of school staff	-	-		-	-		-	-		-	-		45%	64%	●	55%		
		GoNoodle physical activity breaks played	100,000	161,211	●	200,000	299,311	●	100%	150,000	130,973	●	275,000	260,117	●	150,000	134,146	●	245,000	Target nearly met; performance was within 89% of goal; expect to achieve annual metric
		Teachers who believe GoNoodle benefits their students' focus and attention in the classroom	N/A	N/A		90%	96%	●	N/A	N/A		90%	92%	●	N/A	N/A		90%		
		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		90%	90%	●	N/A	N/A		90%	86%	●	N/A	N/A		90%		
	Healthier Kids Foundation DentalFirst & HearingFirst FY19 Requested: \$50,000 FY19 Approved: \$30,000 FY18 Approved: \$20,000 FY18 Spent \$20,000 Hearing Program (new) = 2 new metrics Dental Program (continuing) = 1 new metric	Children screened through DentalFirst	-	-		-	-		-	-	●	450	495	●	175	187	●	700		
		Children screened through HearingFirst	-	-		-	-		-	-		-	-		175	190	●	350	Hearing program is a new component added to grant in FY19.	
		Of children hearing screened who received a referral, the percent that received and completed appropriate hearing services	-	-		-	-		-	-		-	-		35%	37%	●	35%		
		Of children dental screened who received a referral, the percent that received and completed appropriate dental services	-	-		-	-		-	-		-	-		75%	73%	●	75%		
	Indian Health Center FY19 Requested: \$74,000 FY19 Approved: \$74,000 FY18 Approved: \$70,000 FY18 Spent \$60,838 New Metrics: 0 of 4	Individuals served	-	-		-	-		60	122	●	160	291	●	100	145	●	185	Agency increased outreach to patients	
		Services provided	-	-		-	-		676	652	●	1,510	1,360	●	515	479	●	1,400		
		Participants who decrease their BMI percentile	-	-		-	-		10%	32%	●	20%	48%	●	15%	39%	●	30%		
		Participants who are diagnosed with pre-diabetes or diabetes that decrease their HbA1c by at least 0.1 percentage points	-	-		-	-		30%	83%	●	70%	64%	●	35%	N/A		65%	Data unavailable, HbA1c testing will occur in second half of the grant year	
	Medical Respite FY19 Requested: \$13,500 FY19 Approved: \$13,500 FY18 Approved: \$13,500 FY18 Spent: \$13,500 FY17 Approved: \$13,500 FY17 Spent: \$13,500 New Metrics: 0 of 3	Patients served through full program	70	111	●	145	221	●	100	134	●	200	248	●	110	105	●	220		
		Program patients linked to Primary Care home	92%	91%	●	92%	90%	●	92%	90%	●	92%	95%	●	92%	91%	●	92%		
		Hospital days avoided for total program	275	444	●	550	884	●	400	536	●	800	992	●	420	420	●	420		
	Mt. Pleasant School District School Nurse Program FY19 Requested: \$124,000 FY19 Approved: \$124,000 New Metrics: N/A	Individuals served	-	-		-	-		-	-		-	-		800	1,158	●	2,100	First year this school district has had a nurse so informed target setting was challenging	
		School staff receiving CPR/AED, Epi-Pen and seizure training who reported increased knowledge/confidence in their ability to respond as measured by a four point rubric	-	-		-	-		-	-		-	-		80%	88%	●	80%		
		Students who saw a provider after a failed health screening	-	-		-	-		-	-		-	-		N/A	N/A		45%	Screenings occur towards the middle to end of the first half of the year, however, getting children scheduled and successfully seen by a provider takes place in the second half of the year	
		Uninsured students whose families have applied for healthcare coverage	-	-		-	-		-	-		-	-		N/A	N/A		20%	Process of getting families connected with eligible insurance generally takes families into the second half of the school year	
Playworks FY19 Requested: \$102,000 FY19 Approved: \$102,000 FY18 Approved: \$112,000 FY18 Spent: \$112,000 FY17 Approved: \$110,000 FY17 Spent: \$110,000 New Metrics: 2 of 5	Students served	2,710	2,690	●	2,710	2,690	●	2,326	2,696	●	2,326	2,365	●	2,328	2,332	●	2,328			
	Teachers/administrators surveyed who agree or strongly agree that Playworks helps increase physical activity	-	-		-	-		-	-		-	-		N/A	N/A		95%	Schools allow one-time survey at the end of the school year		
	Teachers/administrators surveyed who agree or strongly agree that Playworks helps to reduce bullying during recess	-	-		-	-		-	-		-	-		N/A	N/A		85%			
	Teachers reporting that overall student engagement increased use of positive language, attentiveness and participation in class	-	-		-	-		N/A	N/A		75%	95%	●	N/A	N/A		80%			
	Teachers/administrators reporting that Playworks positively impacts school climate	-	-		-	-		N/A	N/A		90%	99%	●	N/A	N/A		90%	The two new metrics are apart of agency's national survey		
Prediabetes Initiative (Hill and Company) FY19 Requested: \$200,000 FY19 Approved: \$140,000 FY18 Approved: \$150,000 FY18 Spent: \$150,000 FY17 Approved: \$204,596 FY17 Spent: \$204,596 New Metrics: 0 of 5	Community members reached through Promotores outreach program	1,500	3,468	●	3,000	5,754	●	1,000	1,414	●	2,500	3,189	●	1,350	1,415	●	3,000			
	Pre-diabetes presentations and informational tabling conducted in English and Spanish	50	119	●	185	211	●	75	106	●	136	205	●	75	96	●	165	Program was comprised of multiple weekly screenings, CDC pre-diabetes risk assessments and education		
	CDC Risk-Assessments Administered	900	2,993	●	3,000	4,535	●	800	1,134	●	2,000	2,548	●	1,080	1,149	●	2,400			
	Text messages delivered	-	-		-	-		1,000	4,858	●	3,500	5,974	●	15,700	15,987	●	44,856			
	Impressions through culturally relevant radio ads	-	-		-	-		-	-		-	-		-	-		1,278,000			

Community Benefit Dashboard Notes

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Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	FY17 % 6-month metrics met	FY17 Annual Target	FY17 Annual Actual	FY17 % Annual metrics met	FY18 6-month target	FY18 6-month actual	FY18 % 6-month metrics met	FY18 Annual Target	FY18 Annual Actual	FY18 % Annual metrics met	FY19 6-month target	FY19 6-month actual	FY19 % 6-month metrics met	FY19 Annual Target	Supporting Details for Variance	
HEALTHY BODY	Santa Clara County Public Health Department Better Health Pharmacy FY19 Requested: \$100,000 FY19 Approved: \$50,000 New Metrics: N/A	Individuals served	-	-		-	-		-	-		-	-		1,250	1,919	100%	2,500	This grant expanded access to essential chronic medications for patients and was able to serve greater number than anticipated	
		Prescriptions Filled	-	-		-	-		-	-		-	-		10,000	12,780	100%	20,000		
		Patients who report that the services they received help or were helped a great deal	-	-		-	-		-	-		-	-		95%	99%	100%	95%		
		Patients who report that the services were provided in their preferred language	-	-		-	-		-	-		-	-		95%	97%	100%	95%		
		Patients who report overall satisfaction as good or excellent	-	-		-	-		-	-		-	-		95%	99%	100%	95%		
	Silicon Valley Bicycle Coalition FY19 Requested: \$30,000 FY19 Approved: \$30,000 FY18 Approved: \$30,000 FY18 Spent: \$30,000 New Metrics: 0 of 4	Individuals served	-	-		-	-		-	100	30	30%	300	342	114%	60	58	97%	260	
		Safety workshops and community bike rides provided	-	-		-	-		-	165	39	23%	500	342	68%	125	114	91%	435	
		Bike Ambassadors trained in affordable housing communities to provide bicycling information and lead additional bike rides outside of and after program ends	-	-		-	-		-	-	-	0%	-	-	0%	4	4	100%	12	
		Increase in participants who report riding 6-10 times per year	-	-		-	-		-	5%	N/A	0%	20%	11%	55%	5%	3%	60%	20%	This is still a relatively new program for the agency; metric development and target setting was challenging. Agency is currently exploring new methods for assessing impact.
	Rehabilitation, Awareness, and Community Education for Stroke (RACES) FY19 Requested: \$47,000 FY19 Approved: \$40,000 New Metrics: N/A	Individuals served through Community Education and Outreach Beneficiaries through community events (not including clinical patients)	-	-		-	-		-	-	-		-	-		186	160	86%	382	This first year program narrowly missed target achieving 86%
		Clinical patients served through rehabilitation intervention services	-	-		-	-		-	-	-		-	-		14	14	100%	28	
		Rehabilitation component intervention services (hours)	-	-		-	-		-	-	-		-	-		520	625	120%	1,260	
		Participants who show a 10-point improvement in scores on the Western Aphasia Battery-Part 1 (quantifies severity of post-stroke communication impairment)	-	-		-	-		-	-	-		-	-		25%	N/A	0%	75%	Assessments were scheduled in November when agency clinic had to close due to poor air quality from wildfires; program rescheduled assessments for February.
		Participants who show a 5-point improvement in scores on the Quality of Communication Life Scale/QCLS (quantifies quality of communication as assessed by stroke/BI survivors)	-	-		-	-		-	-	-		-	-		25%	N/A	0%	75%	
	Valley Verde FY19 Requested: \$50,000 FY19 Approved: \$45,000 FY18 Approved: \$35,000 FY18 Spent: \$35,000 New Metrics: 0 of 4	Individuals/households served	-	-		-	-		-	81/18	82/17	100%	216/48	73/37	152%	92	90	98%	300	
		Services provided	-	-		-	-		-	48	46	96%	132	411	311%	152	150	99%	491	
		Participants reporting increased food security for themselves and their children by at least on level on the USDA range, as measured by pre- and post-participation surveys	-	-		-	-		-	80%	84%	105%	80%	84%	105%	80%	N/A	100%	80%	This year's participants speak languages other than Spanish, not spoken by staff, so agency experienced language barriers with the USDA survey questions. Agency plans to administer the time intensive evaluation in March.
		Participants reporting an increase in their knowledge of nutrition and healthy cooking, as measured by pre- and post-participation surveys and final focus group	-	-		-	-		-	80%	84%	105%	80%	80%	100%	80%	90%	113%	80%	
	Vista Center for the Blind and Visually Impaired FY19 Requested: \$52,957 FY19 Approved: \$40,000 New Metrics: N/A	Services provided (Information & Referral, Intake, Counseling, Support Group, Adapted Daily Living Skills, Orientation & Mobility, Assistive Technology, Low Vision Evaluation)	-	-		-	-		-	-	-		-	-		200	203	102%	450	
		Clients who rate at least a 4 on a scale of 1 (unsatisfactory) to 5 (satisfactory) that they were informed about resources, community agencies and programs that are available to help live with vision loss	-	-		-	-		-	-	-		-	-		90%	100%	111%	90%	
Clients who report being somewhat confident to confident in their ability to safely move within their residence		-	-		-	-		-	-	-		-	-		80%	100%	125%	80%		
Clients who indicate that they are able to read printed material after program participation		-	-		-	-		-	-	-		-	-		70%	71%	101%	70%		

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HEALTHY MIND	Almaden Valley Counseling Services FY19 Requested: \$80,000 FY19 Approved: \$60,000 FY18 Approved: \$46,000 FY18 Spent: \$46,000 FY17 Approved: \$43,457 FY17 Spent: \$43,457 New Metrics: 2 of 4	Students served	100	126	●	290	187	●	100	62	●	270	245	●	30	169	●	280	Schools requested more students be seen in groups than in past so higher number of students seen than anticipated	
		Counseling sessions provided	600	756	●	2,030	2,711	●	600	550	●	2,100	2,063	●	400	374	●	1,700		
		Students who improved by at least 3 points from pre-test to post-test on the 40-point Strengths and Difficulties Questionnaire and Impact Assessment based on self-report (for students age 11-17)	-	-		-	-		-	-		-	-		N/A	N/A		50%	50%	Most students complete services by end of school year, post-assessment is conducted in second half of the year
		Students who improved by at least 3 points from pre-test to post-test on the 40-point scale Strengths and Difficulties Questionnaire and Impact Assessment based on teacher or therapist report (for students age 10 and under)	-	-		-	-		-	-		-	-		N/A	N/A		50%	50%	
	Alum Rock Counseling Center FY19 Requested: \$30,000 FY19 Approved: \$30,000 FY18 Approved: \$20,000 FY18 Spent: \$20,000 New Metrics: 0 of 3	Youth served	-	-		-	-		10	10	●	10	10	●	10	13	●	13		
		Services provided	-	-		-	-		203	280	●	628	664	●	250	384	●	737	Program experienced strong attendance and participation compared to prior years	
		Students who will report not drinking alcohol, smoking cigarettes, or using drugs in the previous 30 days	-	-		-	-		75%	100%	●	90%	100%	●	75%	92%	●	90		
	Alzheimer's Association Latino Family Connections FY19 Requested: \$70,000 FY19 Approved: \$70,000 New Metrics: N/A	Individuals served	-	-		-	-		-	-		-	-		238	316	●	475		
		Services provided	-	-		-	-		-	-		-	-		476	316	●	726	Agency expects increased participation in second half of year	
		Participants in Educational Sessions and Forums/Conference who indicated they agree or strongly agree that they learned material to help them better care for their loved one with ADRD	-	-		-	-		-	-		-	-		98%	100%	●	98%		
		Participants in care consultations, support groups or informational and referrals who agree or strongly agree that they know about how family, friends and others can assist them with care and support or who indicated they know how to find resources to help them	-	-		-	-		-	-		-	-		N/A	N/A		95%		
	Bill Wilson Center FY19 Requested: \$25,000 FY19 Approved: \$25,000 FY18 Approved: \$25,000 FY18 Spent: \$25,000 New Metrics: 0 of 3	Youth served	-	-		-	-		6	6	●	12	12	●	6	6	●	12		
Services provided		-	-		-	-		70	81	●	140	153	●	70	61	●	140	Target nearly met, temporary vacancy of therapist led to slightly reduced number of services than targeted; agency expects to meet annual goal		
Clients who report demonstrating improvement in their coping skills		-	-		-	-		75%	100%	●	90%	100%	●	80%	100%	●	90%			
Cambrian School District Mental Health Counseling Program FY19 Requested: \$277,000 FY19 Approved: \$104,000 FY18 Approved: \$103,685 FY18 Spent: \$103,685 New Metrics: 0 of 4	Students served	-	-		-	-		40	55	●	110	95	●	40	48	●	110			
	Services provided	-	-		-	-		128	95	●	323	254	●	105	308	●	283	School district reports many children are in crisis and significantly more time was required to meet with students and parents		
	Students who improved by at least 3 points from pre-test (at the beginning of counseling services) to post-test (prior to termination of services) on the Strength and Difficulties Questionnaire and Impact Assessment based on teacher report (for students age 10 and under)	-	-		-	-		N/A	N/A		50%	65%	●	N/A	N/A		50%	50%	Most students complete services by end of school year, post-assessment is conducted in second half of the year	
	Students who improved by at least 3 points from pre-test (at the beginning of counseling services) to post-test (prior to termination of services) on the Strength and Difficulties Questionnaire and Impact Assessment based on self-report (for students age 11-17)	-	-		-	-		N/A	N/A		50%	50%	●	N/A	N/A		50%	50%		
Child Advocates of Silicon Valley FY19 Requested: \$35,000 FY19 Approved: \$30,000 FY18 Approved: \$25,000 FY18 Spent: \$25,000 New Metrics: 0 of 3	Foster children served	-	-		-	-		107	157	●	137	253	●	-	-		-	Agency shifted from reporting program wide data for individuals served to those covered by grant.		
	Foster children served	-	-		-	-		-	-		-	-		35	70	●	70	Program experienced increased referrals for foster youth		
	New volunteer Court Appointed Special Advocates (CASAs)	-	-		-	-		35	54	●	76	95	●	35	70	●	70	Recruitment of CASAs met the annual target in the first half of the year, however training continues throughout grant year.		
	CASA high school seniors who earn their diploma or equivalent	-	-		-	-		N/A	N/A		80%	75%	●	N/A	N/A		80%			

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HEALTHY MIND	Counseling and Support Services for Youth (CASSY) FY19 Requested: \$320,000 FY19 Approved: \$100,000 New Metrics: N/A	Students served	-	-		-	-		-	-		-	-		100	102	●	500	Most students complete services by end of school year, post-assessment is conducted in second half of the year	
		Total services hours provided	-	-		-	-		-	-		-	-		200	209	●	680		
		Students who work directly with CASSY therapists will meet one or more treatment goals by the end of the 12 sessions.	-	-		-	-		-	-		-	-		-	N/A	N/A			85%
		Students who improved by at least 3 points from pre-test to post-test on the 40-point scale Strengths and Difficulties Questionnaire and Impact Assessment based on self-report (for students age 11-17).	-	-		-	-		-	-		-	-		-	N/A	N/A			50%
		Students who improved by at least 3 points from pre-test to post-test on the 40-point scale Strengths and Difficulties Questionnaire and Impact Assessment based on teacher report (for students age 10 and under).	-	-		-	-		-	-		-	-		-	N/A	N/A			50%
	Cupertino Union School District Mental Health Counseling Program FY19 Requested: \$153,496 FY19 Approved: \$135,000 FY18 Approved: \$123,000 FY18 Spent: \$118,492 FY17 Approved: \$105,000 FY17 Spent: \$105,000 New Metrics: 0 of 5	Students served	80	73	●	170	143	●	92	88	●	186	169	●	195	258	●	395	Most students complete services by end of school year, post-assessment is conducted in second half of the year	
		Service hours provided	-	-		-	-		751	1,371	●	2,000	3,485	●	1,470	2,001	●	4,251		
		Students who improved by at least 3 points from pre-test (at the beginning of counseling services) to post-test (prior to termination of services) on the Strength and Difficulties Questionnaire and Impact Assessment based on teacher report (for students age 10 and under)	-	-		-	-		N/A	N/A		50%	60%	●	N/A	N/A		50%		
		Students who improved by at least 3 points from pre-test (at the beginning of counseling services) to post-test (prior to termination of services) on the Strength and Difficulties Questionnaire and Impact Assessment based on self-report (for students age 11-17)	-	-		-	-		N/A	N/A		50%	61%	●	N/A	N/A		50%		
		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%	63%	●	90%	73%	●	60%	66%	●	90%	75%	●	60%	61%	●	80%		
	Jewish Family Services of Silicon Valley To Life! Wellness for Seniors Program FY19 Requested: \$75,000 FY19 Approved: \$75,000 New Metrics: N/A	Individuals served	-	-		-	-		-	-		-	-		60	95	●	100	Agency shifted one type of service resulting in more repeat visits from clients	
		Encounters	-	-		-	-		-	-		-	-		195	884	●	359		
		Clients who report at least 6-point increase in mental well-being on the Warwick-Edinburgh Mental Well-Being Scale	-	-		-	-		-	-		-	-		35%	34%	●	60%		
		Clients who report utilization of at least two behavioral health services	-	-		-	-		-	-		-	-		70%	73%	●	95%		
		Clients who report decreased feelings of isolation due to the addition of one to three hours of planned social engagement	-	-		-	-		-	-		-	-		35%	36%	●	60%		
	LifeMoves Behavioral Moves FY19 Requested: \$25,000 FY19 Approved: \$25,000 New Metrics: N/A	Individuals served	-	-		-	-		-	-		-	-		25	29	●	80	100%	
		Hours of individual, group and milieu therapy	-	-		-	-		-	-		-	-		80	90	●	240		
		Clients who attend at least three individual therapy sessions who report improved functioning and well-being	-	-		-	-		-	-		-	-		85%	90%	●	85%		
		Clients who participate in at least three individual or group therapy report improved understanding of behavioral health issues associated with homelessness for themselves and their children, if any	-	-		-	-		-	-		-	-		75%	80%	●	75%		
	Momentum for Mental Health FY19 Requested: \$58,860 FY19 Approved: \$50,860 FY18 Approved: \$26,000 FY18 Spent: \$26,000 FY17 Approved: \$26,000 FY17 Spent: \$26,000 New Metrics: 0 of 3	Patients served	16	17	●	22	22	●	16	22	●	22	22	●	13	22	●	25	Outreach efforts during this period led to several more referrals than anticipated	
Services provided		90	191	●	180	331	●	90	349	●	180	443	●	165	168	●	330			
Patients who avoid psychiatric hospitalization for 12 months after admission after beginning services with Momentum		95%	100%	●	95%	100%	●	97%	100%	●	97%	100%	●	97%	100%	●	100%			

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HEALTHY MIND	Peninsula HealthCare Connection FY19 Requested: \$90,000 FY19 Approved: \$90,000 FY18 Approved: \$90,000 FY18 Spent: \$90,000 FY17 Approved: \$90,000 FY17 Spent: \$90,000 New Metrics: 0 of 4	Patients served	85	103	●	170	325	●	100	95	●	200	179	●	100	98	●	200		
		Visits including psychiatry, therapy, and case management	275	281	●	550	532	●	322	293	●	645	606	●	322	268	●	645	No show appointments have been a challenge, agency is more aggressively confirming appointments to increase completed appointments	
		Street outreach encounters.														75	245	●	150	New metric, target setting challenging
		Psychiatry patients that attend scheduled follow up appointments.														50%	50%	●	70%	
		Psychiatric patients not hospitalized in a 12 month period	85%	97%	●	85%	91%	●	85%	87%	●	85%	90%	●	85%	85%	●	85%		
HEALTHY MIND	Respite and Research for Alzheimer's Disease FY19 Requested: \$73,000 FY19 Approved: \$50,000 New Metrics: N/A	Individuals served	-	-		-	-		-	-		-	-		30	35	●	220	New program, target setting challenging	
		Nutritional, social activity and personal care services provided	-	-		-	-		-	-		-	-		10,500	15,341	●	25,500		
		Clients served who will experience a decrease in isolation of at least 1 point on a 5-item Likert scale (based on annual survey).	-	-		-	-		-	-		-	-		N/A	N/A		91%	91%	
		Clients who maintain and/or stabilize at least one activity of daily living (ADL) with a functioning score of 0-1 as measured by the dependency profile.	-	-		-	-		-	-		-	-		64%	70%	●	91%		
		Clients who experience improved socialization as measured by attending at least 4 activities daily with a functioning score of 0-2 as measured by the dependency profile.	-	-		-	-		-	-		-	-		64%	70%	●	91%		
HEALTHY MIND	Teen Success, Inc. FY19 Requested: \$35,000 FY19 Approved: \$20,000 FY18 Approved: \$20,000 FY18 Spent: \$20,000 New Metrics: 0 of 3	Individuals served	-	-		-	-		10	10	●	10	10	●	10	10	●	10		
		Services provided to teen mothers	-	-		-	-		80	74	●	100%	160	146	●	100%	115	101	●	225
		Individuals who are enrolled in school and working towards graduation or receive their high school diploma or GED	-	-		-	-		95%	92%	●	95%	93%	●	85%	86%	●	95%		
HEALTHY MIND	YWCA Silicon Valley FY19 Requested: \$ FY19 Approved: \$ FY18 Approved: \$20,000 FY18 Spent: \$20,000 New Metrics: 0 of 3	Individuals served	-	-		-	-		4	13	●	10	11	●	4	3	●	10		
		Services provided	-	-		-	-		40	32	●	66%	100	83	●	100%	20	14	●	50
		Individuals completing the program	-	-		-	-		60%	93%	●	60%	97%	●	75%	85%	●	75%		
HEALTHY MIND	Uplift (formerly EMQ) FY19 Requested: \$230,000 FY19 Approved: \$230,000 FY18 Approved: \$230,000 FY18 Spent: \$230,000 FY17 Approved: \$230,000 FY17 Spent: \$230,000 FY16 Approved: \$150,000 FY16 Spent: \$150,000 New Metrics: 4 of 6	Students served in Campbell Union High School District with individual and/or group counseling and classroom presentations	1,200	1,034	●	3,000	2,745	●	1,125	1,064	●	2,900	2,927	●	1,125	2,252	●	2,900	Program provided the majority of prevention services in first semester of school year	
		Service hours provided	-	-		-	-		1,040	960	●	2,290	2,160	●	1,040	724	●	2,290	Prevention services was the focus in first semester and generate fewer hours but referrals are up for second half of year and agency anticipates meeting annual target	
		Students who increase their school attendance for pre to post rating (defined as at least one point change on the CANS 50 assessment), among the students served who have school attendance issues														N/A	N/A		20%	Most students complete services by end of school year, post-assessment is conducted in second half of the year
		Students who decrease high risk behaviors from pre to post rating (defined as at least one point change on the CANS 50 assessment), among students served who have high risk behaviors														N/A	N/A		60%	
		Students who decrease their thoughts and feelings of suicide from pre to post rating (defined as at least a one point change on the CANS 50 assessment), among students served with suicidal thoughts and feelings														N/A	N/A		80%	
Students who increase coping skills from pre to post rating (defined as at least a one point change on the CANS 50 assessment), among students served with trauma, depression, anxiety, and/or anger														N/A	N/A		80%			

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HEALTHY COMMUNITY	Abode Services Project Independence & Rapid Re-Housing Program FY19 Requested: \$100,000 FY19 Approved: \$60,000 New Metrics: N/A	Individuals served	-	-		-	-		-	-		-	-		30	28	●	75	
		Services provided	-	-		-	-		-	-		-	-		57	52	●	254	
		Participants who maintain or increase income capacity, via stable employment within twelve months of contact	-	-		-	-		-	-		-	-		30%	29%	●	80%	
		Participants who are able to pay at maintain their housing or exit into other permanent housing	-	-		-	-		-	-		-	-		60%	57%	●	75%	
		Participants who connect with a primary care physician or access onsite nursing services	-	-		-	-		-	-		-	-		50%	47%	●	75%	
	Chinese Health Initiative FY19 Requested: \$45,750 FY19 Approved: \$40,000 FY18 Approved: \$30,000 FY18 Spent: \$30,000 FY17 Approved: \$30,000 FY17 Spent: \$30,000 New Metrics: 0 of 3	Individuals served	60	65	●	125	145	●	75	80	●	150	152	●	75	76	●	180	
		Services provided	125	120	●	250	315	●	150	135	●	300	301	●	100%	172	●	350	
		Participants who strongly agree or agree that the program's health education or screening helps them better manage their health	N/A	N/A		85%	86%	●	N/A	N/A		90%	95%	●	N/A	N/A		92%	
	Health Library Resource Center, Los Gatos FY19 Requested: \$63,672 FY19 Approved: \$63,672 FY19 Spent: \$ FY18 Approved: \$69,702 FY18 Spent: \$54,883 FY17 Approved: \$63,672 FY17 Spent: \$63,672 New Metrics: 0 of 2	Individuals served	702	664	●	1,404	1,270	●	708	680	●	1,416	1,656	●	700	599	●	1,416	
		Community members who strongly agree or agree that library information is appropriate for my needs	-	-		-	-		N/A	N/A		80%	77%	●	80%	75%	●	80%	
	Next Door Solutions FY19 Requested: \$75,000 FY19 Approved: \$75,000 FY19 Spent: \$ FY18 Approved: \$75,000 FY18 Spent: \$75,000 FY17 Approved: \$75,000 FY17 Spent: \$75,000 New Metrics: 0 of 4	Adults served through the Comprehensive Services For Victims of Domestic Violence Program	-	-		-	-		77	126	●	154	159	●	66	78	●	132	
		Services provided	833	779	●	1,665	1,623	●	564	819	●	1,133	1,293	●	566	621	●	1,133	
		Surveyed participants who report that they have gained at least one strategy to increase their safety or their children's safety	65%	95%	●	65%	92%	●	80%	93%	●	80%	94%	●	80%	92%	●	80%	
		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%	56%	●	50%	48%	●	50%	48%	●	50%	66%	●	50%	
	Pacific Hearing Connection FY19 Requested: \$20,000 FY19 Approved: \$20,000 New Metrics: N/A	Individuals served	-	-		-	-		-	-		-	-		50	51	●	100	
		Hearing aids fit	-	-		-	-		-	-		-	-		9	6	●	20	
	Racing Hearts FY19 Requested: \$25,000 FY19 Approved: \$25,000 FY18 Approved: \$25,000 FY18 Spent: \$25,000 FY17 Approved: \$25,000 FY17 Spent: \$25,000 New Metrics: 0 of 2	AEDs placed	100	214	●	200	373	●	100	186	●	200	293	●	750	732	●	750	
		Teachers and/or staff who attend an AED orientation will report knowing 3+ steps to do when an AED is needed.	60%	92%	●	80%	94%	●	85%	88%	●	85%	90%	●	90%	95%	●	90%	
	South Asian Heart Center FY19 Requested: \$360,000 FY19 Approved: \$170,000 FY18 Approved: \$240,000 FY18 Spent: \$240,000 FY17 Approved: \$360,000 FY17 Spent: \$360,000 New Metrics: 0 of 6	Individuals served	625	657	●	1,250	1,356	●	208	222	●	383	389	●	92	102	●	187	
		Services provided	2,750	2,607	●	7,500	6,468	●	814	888	●	2,044	2,050	●	499	510	●	1,018	
		Improvement in average level of weekly physical activity from baseline	14%	18%	●	16%	17%	●	19%	21%	●	20%	21%	●	20%	22%	●	21%	
		Improvement in average levels of daily servings of vegetables from baseline	11%	18%	●	13%	14%	●	18%	20%	●	20%	20%	●	19%	19%	●	20%	
		Improvement in levels of HDL-C as measured by follow-up lab test	3%	5%	●	4%	4%	●	4%	5%	●	5%	5%	●	5%	5%	●	6%	
		Improvement in cholesterol ratio as measured by follow-up lab test	5%	6%	●	6%	6%	●	7%	7%	●	7%	7%	●	6%	6%	●	7%	

Community Benefit Dashboard Notes

● 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 by an 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	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	FY17 % 6-month metrics met	FY17 Annual Target	FY17 Annual Actual	FY17 % Annual metrics met	FY18 6-month target	FY18 6-month actual	FY18 % 6-month metrics met	FY18 Annual Target	FY18 Annual Actual	FY18 % Annual metrics met	FY19 6-month target	FY19 6-month actual	FY19 % 6-month metrics met	FY19 Annual Target	Supporting Details for Variance
	West Valley Community Services - CARE FY19 Requested: \$150,000 FY19 Approved: \$150,000 <small>FY18 Approved: \$150,000 FY18 Spent: \$150,000 FY17 Approved: \$150,000 FY17 Spent: \$150,000</small> New Metrics: 0 of 4	Households served	60	66	●	120	128	●	63	63	●	122	122	●	65	65	●	124	
		Households that receive intensive Case Management services	30	30	●	60	63	●	30	30	●	60	60	●	10	10	●	20	
		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%	
		Program participants who will improve 1 point in the health domain through supportive services	N/A	N/A		60%	80%	●	N/A	N/A		80%	80%	●	N/A	N/A		80%	
	West Valley Community Services - CARE Senior Services FY19 Requested: \$25,000 FY19 Approved: \$25,000 <small>FY18 Approved: \$25,000 FY18 Spent: \$25,000 FY17 Approved: \$25,000 FY17 Spent: \$25,000</small> New Metrics: 0 of 3		10	10	●	22	22	●	10	10	●	22	43	●	15	20	●	35	
		Encounters provided	120	130	●	240	278	●	125	130	●	245	260	●	125	130	●	250	
		Case managed clients who increased in 3 of the 18 domains measured by Self Sufficiency Index	-	-		-	-		N/A	N/A		90%	90%	●	N/A	N/A		90%	

Community Benefit Dashboard Notes

● 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 by an 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

**RESOLUTION 2019-05 OF THE BOARD OF DIRECTORS OF
EL CAMINO HOSPITAL**

At a meeting duly called on March 13, 2019, the Board of Directors (the “Board”) of El Camino Hospital, a California nonprofit public benefit corporation (“ECH”), does hereby authorize, consent to, and adopt the following resolutions:

WHEREAS, ECH is the sole corporate member of Silicon Valley Medical Development, LLC, a California limited liability company (“SVMD”), which owns and operates certain outpatient medical clinic sites within the State of California for the provision of physician and related services and that are exempt from licensure pursuant to California Health & Safety Code Section 1206(g), as amended;

WHEREAS, SVMD entered into and executed that certain Settlement and Asset Purchase Agreement, (the “Purchase Agreement”) on February 15, 2019, as previously approved by this Board, with Verity Medical Foundation, a California nonprofit public benefit corporation (“VMF”), and San Jose Medical Clinic, Inc. d/b/a San Jose Medical Group, a California professional corporation (“SJMG”) for the purchase of certain tangible assets, contracts, and leases for space at certain clinic locations currently owned and operated by VMF (the “Clinics”);

WHEREAS, in connection with the assignment of certain payor contracts from SJMG and VMF to SVMD pursuant to the Purchase Agreement, including certain managed care contracts as agreed upon by the parties, SVMD applied for and obtained registration as a risk-bearing organization (“RBO”) from the Department of Managed Health Care (the “DMHC”), on March 1, 2019;

WHEREAS, to maintain SVMD’s registration as an RBO, SVMD must meet certain financial solvency requirements mandated by the DMHC, including certain tangible net equity, working capital, and the cash to claims ratio targets, specified by the DMHC;

WHEREAS, subject to the DMHC’s approval, ECH has determined that it is in the best interests of ECH to serve as a sponsoring organization (“Sponsoring Organization”) in order to allow SVMD to use a qualified guarantee to reduce its liabilities for purposes of calculating tangible net equity, working capital, and the cash to claims ratio to meet the RBO registration and reporting requirements (the “Guaranty”);

WHEREAS, in order to become a Sponsoring Organization, ECH shall submit an application to the DMHC and request approval, and ECH and SVMD shall enter into a guaranty agreement, in a form acceptable to the DMHC and in a substantially similar form as attached hereto as Exhibit A (the “Guaranty Agreement”);

WHEREAS, based on an assessment by ECH and SVMD of the projected financial risk that SVMD is anticipated to assume as an RBO, ECH and SVMD have determined that the Guaranty Agreement shall include a maximum monetary limit of Four Million Dollars (\$4,000,000) to be provided by ECH to SVMD under the terms of the Guaranty Agreement; and

WHEREAS, based upon the presentations made to this Board, and consideration of and deliberation on the benefits and risks to the ECH and SVMD associated with the proposed

arrangement described above (the “Sponsoring Arrangement”), this Board believes the Sponsoring Arrangement is in the best interests of the ECH and SVMD, and desires to approve the execution of the Guaranty Agreement, the submission of an application to the DMHC as a Sponsoring Organization, and the completion of any other documents and transactions contemplated thereby.

NOW, THEREFORE, BE IT RESOLVED, based on the foregoing recitals and all information made available to the Board regarding terms of the Guaranty Agreement, including the form of such agreement attached hereto, that the Board finds the Guaranty Agreement and Sponsoring Arrangement to be in the best interest of ECH, SVMD, and the communities served by ECH and SVMD, and, subject to the approval of the DMHC, hereby approves the effectuation of the Sponsoring Arrangement through SVMD’s entrance into the Guaranty Agreement and any other documentation required by the DMHC, consistent with the approvals contained herein.

RESOLVED FURTHER, that it is hereby approved that ECH and SVMD shall submit the Guaranty Agreement for approval by the DMHC and take all actions and steps necessary to give effect to the Sponsoring Arrangement.

RESOLVED FURTHER, that subject to the approval by the DMHC, entrance into the Guaranty Agreement and all terms therein and transactions contemplated thereunder, are hereby approved.

RESOLVED FURTHER, that all actions taken by the officers, agents, attorneys and employees of ECH and SVMD in connection with the Sponsoring Arrangement are hereby ratified and confirmed.

RESOLVED FURTHER, that this Board authorizes and directs all proper committees, officers, agents, attorneys and employees of ECH and SVMD to take or cause to be taken any and all such actions deemed necessary or appropriate to effectuate the Sponsoring Arrangement in a manner consistent with the intent of the foregoing resolutions, including, but not limited to: (1) to carry out, or cause to be carried out, all obligations of ECH and SVMD under the Sponsoring Arrangement and the Guaranty Agreement, including without limitation the execution and delivery of the agreements, certificates, and opinions required by the Guaranty Agreement and the payment of the expenses incurred or to be incurred by SVMD in connection with the Sponsoring Arrangement; and (2) to perform, or cause to be performed, such other acts as they shall consider necessary or advisable in connection with the Sponsoring Arrangement.

RESOLVED FURTHER, that any and all actions previously taken in furtherance of the transactions authorized or contemplated by the foregoing resolutions by any of the officers of SVMD be, and hereby are, ratified, approved and confirmed as the true acts and deeds of SVMD including, without limiting the foregoing, the execution, delivery, filing and/or recording of any agreements, certificates, filings, affidavits, instruments and other documents as may be or have been necessary or appropriate in order to effectuate the purposes of the foregoing resolutions, and the consummation of the transactions contemplated thereby.

(Signature Page Follows)

IN WITNESS WHEREOF, the Board of Directors of El Camino Hospital have executed and adopted these Resolutions at its meeting duly called and held on March 13, 2019, at which a quorum of the Board was present or represented.

By: _____

Name: _____

Title: _____

EXHIBIT A
GUARANTY AGREEMENT

(See attached)



Gavin Newsom, Governor
State of California
Health and Human Services Agency
DEPARTMENT OF MANAGED HEALTH CARE
980 9th Street, Suite 500
Sacramento, CA 95814
Phone: 916-324-8176 | Fax: 916-255-5241
www.HealthHelp.ca.gov

To: Interested Parties
From: Department of Managed Health Care
Subject: Sponsoring Organization

REQUIREMENTS FOR SPONSORING ORGANIZATIONS

Pursuant to California Health and Safety Code section 1375.4(b)(1)(B), a risk-bearing organization may reduce its liabilities for purposes of calculating its tangible net equity, working capital, and cash to claims ratio by the amount of any liabilities the payment of which is guaranteed by a sponsoring organization pursuant to a qualified guarantee.

A sponsoring organization is one that, itself, has a tangible net equity at least twice the amount it has guaranteed to any person or entity.

A qualified guarantee is one that meets all of the following:

- The guarantee is approved by a board resolution of the sponsoring organization.
- The guarantee provides that the sponsoring organization will submit audited annual financial statements to the Department and plan(s) within 120 days of the end of the sponsoring organization's fiscal year.
- The guarantee is unconditional except for a maximum monetary limit.
- The guarantee is not limited in duration with respect to liabilities existing at the inception of, or arising during the term of, the guarantee.
- The guarantee provides for six months' advance notice to the Department and plan(s) prior to its cancellation.

Enclosed is a qualified Guarantee Agreement of Sponsoring Organization for Risk-Bearing Organization (Guarantee) and an Application of Sponsoring Organization (Application).

Please do the following: Complete the Guarantee and Application and return these forms together with the documents requested on the Application to:

California Department of Managed Health Care
980 9th Street, Suite 500
Sacramento, California 95814
Attention: Michelle Yamanaka

Protecting the Health Care Rights of More Than 26 Million Californians
Contact the DMHC Help Center at 1-888-466-2219 or www.HealthHelp.ca.gov

The Department will review the materials and notify the parties of its decision. If you have any questions regarding the above, please contact Michelle Yamanaka, Supervising Examiner, at 916-322-0391 or email: michelle.yamanaka@dmhc.ca.gov.

APPLICATION OF SPONSORING ORGANIZATION

<u>NAME, ADDRESS AND TELEPHONE NUMBER OF RISK BEARING ORGANIZATION (RBO):</u>		<u>DMHC RBO NUMBER:</u>	
<u>LEGAL NAME OF SPONSORING ORGANIZATION:</u>		<u>CALIFORNIA SECRETARY OF STATE CORPORATION NUMBER:</u>	
<u>ADDRESS:</u>	<u>CITY:</u>	<u>STATE:</u>	<u>ZIP CODE:</u>
<u>CONTACT PERSON:</u>	<u>CONTACT PERSON'S TITLE:</u>	<u>TELEPHONE NO:</u>	
<u>GUARANTEE AMOUNT:</u>	<u>TOTAL OF ALL GUARANTEE AMOUNTS:</u>		
<u>DECLARATION:</u>			
I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.			
Executed at _____ on _____			
City and State		Date	
Signature of Declarant: _____			
Type or Print Name: _____			

The sponsoring organization must submit herewith the following documents to the California Department of Managed Health Care, 980 9th Street, Suite 500, Sacramento, California 95814. Attention: Michelle Yamanaka.

- Copy of executed Guarantee Agreement of Sponsoring Organization for Risk-Bearing Organization.

- Copy of sponsoring organization's most recent audited annual financial statements.
- A calculation of the sponsoring organization's tangible net equity in accordance with §1300.76(e) of Title 28, California Code of Regulations.
- A list of all persons and entities for which the sponsoring organization is currently providing a guarantee of funds (including specific amounts).

**GUARANTEE AGREEMENT OF SPONSORING ORGANIZATION
FOR RISK-BEARING ORGANIZATION**

This Guarantee Agreement of Sponsoring Organization for Risk-Bearing Organization ("Guarantee") is made this ___ day of _____, 20____, by Legal Sponsoring Organization Name ("Guarantor") and Legal Risk-Bearing Organization Name ("RBO"). Guarantor makes this guaranty as a sponsoring organization on behalf of RBO as a risk-bearing organization, as those terms are defined and used within Health and Safety Code section 1375.4 and regulations adopted thereunder. Specifically, Guarantor provides this guaranty for RBO to assist RBO in meeting the positive tangible net equity, positive working capital, and cash to claims ratio requirements of said statute and regulations.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and covenants hereinafter contained, the parties agree as follows:

1. GUARANTEE AGREEMENT

1.1 Liabilities Guaranteed. For valuable consideration, the Guarantor unconditionally guarantees the following liabilities of RBO: All liabilities of RBO up to the maximum monetary limit set forth in Section 1.2 below ("Guaranteed Liabilities"), said Guaranteed Liabilities to be paid in the following order:

- All current and non-current claims liability owed to providers not affiliated with RBO or Guarantor, as well as any additional claims reported by providers not affiliated with RBO or Guarantor during the 90 days following the date upon which the Guarantor begins to pay claims under this Guarantee, followed by
- All current and non-current claims liability owed to providers affiliated with the RBO or Guarantor, as well as any additional claims reported by providers

affiliated with the RBO or Guarantor during the 90 days following the date upon which the Guarantor begins to pay claims under this Guarantee, followed by

- All liability owed to other individuals or entities.

1.2 Extent of Liability. The liability of Guarantor for the Guaranteed Liabilities shall not exceed the sum of _____. Except for the foregoing sum, this Guarantee shall be unconditional. This Guarantee is not limited in duration with respect to liabilities existing at the inception of, or arising during the term of, this Guarantee.

1.3 Term of Guarantee. This Guarantee shall remain in effect for an indefinite term, subject to six (6) months advance written notice by Guarantor to the California Department of Managed Health Care and all licensed healthcare services plans under contract with RBO prior to the termination or cancellation of this Guarantee.

1.4 Reporting Requirements. Guarantor shall timely provide the California Department of Managed Health Care and other persons as required by law, including licensed health plans, with any and all financial reports as required by applicable statute including annual audited financial statements within one hundred twenty (120) days of the end of Guarantor's fiscal year.

1.5 Capacity and Authority. Guarantor and RBO represent and warrant that each has full authority and power to enter into this Guarantee.

1.6 Board Resolution. Guarantor represents and warrants that the execution of this Guarantee has been authorized by a valid board resolution.

1.7 Waiver. Until all of the Guaranteed Liabilities arising during the term of this Guaranty are satisfied, Guarantor shall have no right of subrogation, shall waive any right to enforce any remedy that Guarantor now has or may hereafter have against RBO, and shall waive any benefit of, and any right to participation in, any security now or hereafter held by Guarantor, up to the limits of this Guarantee as set forth in Section 1.2 above.

1.8 Effect on Heirs and Assigns. This Guarantee and the liability and obligations of Guarantor under this Guarantee are binding upon Guarantor and its respective heirs, executors, successor(s)-in-interest and assigns.

1.9 Governing Law and Modification. This Guarantee shall be deemed to be made under, and shall be governed by, the laws of the State of California in all respects, including matters of construction, validity, and performance, and its terms and provisions may not be waived, altered, modified, or amended except in writing duly signed by an authorized officer of RBO and Guarantor. Any proposed change or modification to this Guarantee shall require thirty (30) days advance written notice to the California Department of Managed Health Care and shall not be effective until the Department accepts the proposed change(s) within the thirty (30) day notice period.

1.10 Invalidity. If any provisions of this Guarantee contravene or are held invalid under the laws of any jurisdiction, this Guarantee shall be construed as though it did not contain that provision, and the rights and liabilities of the parties to this Agreement shall be construed and enforced accordingly.

IN WITNESS WHEREOF, the undersigned Guarantor and RBO have executed this Guarantee on _____, 20_____.

"GUARANTOR"

Name:

By:_____

Name, Title_____

"RBO"

Name:

By:_____

Name, Title_____

OPEN SESSION CEO Report
March 13, 2019
Dan Woods, CEO

Quality and Safety

To enhance the physician's efficiency within the EHR and meet The Joint Commission requirements related to the safe control of prescription pads, all controlled substance prescriptions now default to electronic prescribing. In addition, physicians can now use a single sign on solution to access the Cures Website to check on patients prior controlled substance prescriptions which is a new requirement to address the current opioid crisis.

Patient Experience

Clinicians can now customize Discharge Instructions or the After Visit Summary (AVS) in 8 additional languages (Arabic, Danish Dutch, French, German, Russian, Spanish, and Vietnamese). The AVS will be partially translated in these languages and the patient desiring a preferred language will receive two AVSs (one in the preferred language and one in English).

Financial Services

Global Healthcare Exchange ("GHX"), a company whose mission is to enable better patient care and billions in savings for the healthcare community by maximizing automation, efficiency and accuracy of business processes, honored ECH as one of the "Best 50" Healthcare Providers for Supply Chain Excellence. ECH ranked fifth overall at the GHX Best 50 Healthcare Providers for Supply Chain Excellence in 2018. To select the Best 50, GHX looked at the performance of more than 4,100 hospitals in the U.S. and Canada connected to the GHX electronic trading exchange. GHX identified the 50 healthcare organizations that scored highest in areas such as maximizing document automation, exchange utilization, and trading partner connections during the 2018 calendar year.

Information Services

Our March 3rd upgrade to Epic's current version (2018) provides improved efficiency and use of the system for physicians and nurses. Future upgrades will occur on a quarterly versus annual basis to provide more immediate access to the newest features and functionality.

Corporate and Community Health

Community Benefit Staff received 118 applications (64 Hospital and 54 District) for our FY20 grant program. Staff had the opportunity to participate in the Santa Clara County Public Health Department's chronic disease prevention strategic planning effort.

Government and Community Relations

Dr. Punit Sarna spoke to a Campbell Chamber of Commerce luncheon on heart disease prevention. Chamber CEO Ken Johnson offered their business members a 30% discount on Automated External Defibrillators (AEDs), part of a collaboration with the nonprofit Racing Hearts. This event continues the extensive work ECH has done to equip the community with easily accessible AEDs.



Dan Woods attended a luncheon with Governor Gavin Newsom and a small group of Silicon Valley CEOs. Brenda Taussig met with California Senate President Pro Tem Toni Atkins. It is already proving to be a very active year in state health and hospital legislation. Updates will be provided to the Board as developments evolve in Sacramento.

Marketing and Communications

To further employee engagement, leadership and staff participated in six town hall presentations across campuses during which we shared information about awards, our successful Joint Commission survey, Silicon Valley Medical Development, our LEAN transformation and plans for the year ahead. 250 Community members registered to attend the Heart and Vascular Institute's annual Heart Forum on March 2nd. Physicians representing the specialties of interventional cardiology, cardiothoracic surgery, electrophysiology, lifestyle medicine and women's heart health participated in this education program for the community.

Philanthropy

As of January 31, 2018, El Camino Hospital Foundation had secured \$13,472,695, more than double the \$6,175,000 FY19 fundraising goal.

Auxiliary

Our very dedicated Auxiliary contributed 6,299 volunteer hours in February 2019.

**EL CAMINO HOSPITAL
BOARD MEETING COVER MEMO**

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
Date: February 13, 2019
Subject: Report on El Camino Hospital Foundation Activities FY19 Period 7

Purpose: For information.

Summary:

1. **Situation:** As of January 31, 2018, El Camino Hospital Foundation has a secured \$13,472,695, more than double the \$6,175,000 FY19 fundraising goal.
2. **Authority:** N/A
3. **Background:**

Major Gifts & Planned Gifts

In January, the Foundation received more than \$5M in major and planned gifts, including a generous donation from Tad and Dianne Taube to endow the Tad and Dianne Taube Program for Adolescent Behavioral Health, which will support direct care services. In recognition of their gift, the new mental health and addiction services building will be called the Taube Pavilion.

The Foundation currently has additional major and planned gift proposals in the pipeline supporting capital and programmatic priorities, including a \$4 million gift from Mary and Doug Scrivner to endow adolescent mental health innovation. The Scrivners' new commitment extends their 2015 gift of \$1 million for the Scrivner Challenge, which generated an additional \$1.2 million in matching gifts and launched the endowment. Their recent donation will be reflected in the February report, bringing the Foundation's fundraising totals to the highest annual yield in its history.

Special Events

Golf

The 23rd annual El Camino Heritage Golf Tournament was held on Monday, October 29, 2018 at Sharon Heights Golf & Country Club. The 2018 tournament benefited the Norma Melchor Heart & Vascular Institute. In January, the Foundation received an additional \$10,499 in support of the event. Approximately \$10,000 in other commitments from the tournament is still expected to be received and staff is following up with donors and sponsors. The cost of fundraising for the event was well below the industry standard for events at just 39% of the gross revenue. The net proceeds that will be transferred to the Norma Melchor Heart & Vascular Institute exceed \$200,000.

South Asian Heart Center Event

A Night on the Scarlet Express, the annual gala benefiting the South Asian Heart Center, will be held on March 23, 2019 at the Computer History Museum. In January, the Foundation received \$12,700 in support of the event. The total reflected through January for this event is \$41,761 and also includes donations and sponsorship payments received this fiscal year that fulfilled commitments made for the 2018 event.

Norma's Literary Luncheon

The annual tribute to Norma Melchor was held on February 7, 2019 at Sharon Heights Golf & Country Club. The funds raised from the event will benefit the Breast Health Services Free Mammogram Program. In January, the Foundation received \$42,600 in sponsorships and ticket sales, bringing the amount raised for the event as of January 31st to \$86,450. With the annual generosity of the Melchor Family to cover the cost of the events, gross proceeds are expected to be in the range of \$165,000; final figures will be reflected in future Foundation reports.

Annual Giving

In January, the Foundation raised an additional \$176,308 in annual gifts from direct mail, H2H membership renewals and event registrations, Circle of Caring, Healthy Giving Newsletter, memorials, employee giving and online donations. The January report includes the projected annual recurring employee giving donations that the Foundation will receive through automatic payroll deductions.

4. Assessment: N/A
5. Other Reviews: El Camino Hospital Foundation Board Finance Committee (2/5/2019)
El Camino Hospital Foundation Board Executive Committee (2/5/2019)
El Camino Hospital Foundation Board of Directors (2/14/2019)
6. Outcomes: During the month of January, the Foundation secured \$5,557,192. By end of period 7, the Foundation has exceeded its FY19 fundraising goal of \$6,175,000. The Foundation currently has additional major and planned gift proposals in the pipeline supporting capital and programmatic priorities, scheduled to close by the end of the fiscal year.

List of Attachments:

1. El Camino Hospital Foundation FY19 Period 7 Fundraising Report

Suggested Board Discussion Questions: None.

FOUNDATION PERFORMANCE

<u>FY19 Fundraising Report through 1/31/19</u>					
ACTIVITY	FY19 YTD (7/1/18 - 1/31/19)	FY19 Goals	FY19 % of Goal	Difference Period 6 & 7	FY18 YTD (7/1/17 - 1/31/18)
Major & Planned Gifts	\$11,382,845	\$3,750,000	304%	\$5,028,867	\$2,870,202
Special Events	Spring Event	\$500	0%	\$0	\$1,000
	Golf	\$328,580	94%	\$10,499	\$333,650
	South Asian Heart Center Event	\$41,761	13%	\$12,700	\$118,571
	Norma's Literary Luncheon	\$86,450	43%	\$42,600	\$162,770
Annual Gifts	\$506,121	\$600,000	84%	\$176,308	\$481,123
Investment Income	\$1,126,438	\$500,000	225%	\$286,218	\$499,351
TOTALS	\$13,472,695	\$6,175,000	218%	\$5,557,192	\$4,466,667
<u>Highlighted Assets through 1/31/19</u>					
Board Designated Allocations		\$679,175			
Donor Endowments		\$3,590,066			
Operational Endowments		\$15,250,354			
Pledge Receivables		\$4,130,529			
Restricted Donations		\$12,732,538			
Unrestricted Donations		\$967,822			

El Camino Hospital Auxiliary
Membership Report to the Hospital Board
Meeting of March 13, 2019

Combined Data as of February 28, 2019 for Mountain View and Los Gatos Campuses

Membership Data:

Senior Members

Active Members	325	0 Net change compared to previous month
Dues Paid Inactive	4	(Includes Associates & Patrons)
Leave of Absence	8	
Subtotal	337	

Resigned in Month	2
Deceased in Month	1

Junior Members

Active Members	229	-8 Net Change compared to previous month
Dues Paid Inactive	0	
Leave of Absence	0	
Subtotal	229	

Total Active Members 554

Total Membership 566

Combined Auxiliary Hours from Inception (to February 28, 2019): 5,960,777

Combined Auxiliary Hours for FY2018 (to February 28, 2019): 53,109

Combined Auxiliary Hours for February 28, 2019: 6,299

H & N Hours for February, MV Estimated