



**Minutes of the Open Session of the
El Camino Hospital Board of Directors
Wednesday, May 20, 2020**

Pursuant to State of California Executive Order N-29-20 dated March 18, 2020, El Camino Health did not provide a physical location for this meeting. Instead, the public was invited to join the open session meeting via teleconference.

<u>Board Members Present</u>	<u>Board Members Absent</u>	<u>Members Excused</u>
Lanhee Chen**, Chair	None	None
Peter C. Fung, MD**		
Gary Kalbach**	**via teleconference	
Julie Kliger**		
Julia E. Miller**, Secretary/Treasurer		
Jack Po, MD, PhD**		
Bob Rebitzer**		
George O. Ting, MD**		
Don Watters**		
John Zoglin**, Vice Chair		

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 Chair Chen. A verbal roll call was taken. Chair Chen reviewed the logistics for the meeting. All Board members were present and participated via teleconference and videoconference pursuant to Santa Clara County's shelter in place order. A quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020 and N-29-20 dated March 18, 2020.	
2. POTENTIAL CONFLICTS 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 noted.	
3. PUBLIC COMMUNICATION	None.	
4. BOARD RECOGNITION: RESOLUTION 2020-04	<p>Motion: To approve <i>Resolution 2020-04</i> recognizing the SOS Team.</p> <p>Movant: Kalbach</p> <p>Second: Po</p> <p>Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Ting, Watters, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p> <p>Kathryn Fisk, CHRO, recognized Mari Numanlia-Wone and the Support our Staff (SOS) Team for providing care for employees and medical staff impacted by emotionally challenging events.</p>	Resolution 2020-04 approved
5. BOARD RECOGNITION: RESOLUTION 2020-05	<p>Motion: To approve <i>Resolution 2020-05</i> recognizing the 4B Nursing Team.</p> <p>Movant: Miller</p> <p>Second: Kalbach</p> <p>Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Ting, Watters, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p>	Resolution 2020-05 approved

	Cheryl Reinking, RN, CNO recognized the 4B Nursing team for performing an act of kindness and supporting their peers during a challenging time near the beginning of the novel coronavirus (COVID-19) pandemic.	
6. QUALITY COMMITTEE REPORT	<p>Director Kliger, Quality Committee Chair, highlighted the following from the Quality Committee’s discussion at its May 6, 2020 meeting:</p> <ul style="list-style-type: none"> - A positive patient story from Chair Kliger’s colleague. - Review of the proposed FY21 quality-focused organizational goals: 1) reducing the readmission index and 2) reducing the rate of serious safety events (SSEs), and 3) improving “likelihood to recommend.” The Committee will have the opportunity to recommend approval of these goals at its June meeting. - The Committee proposed a quarterly review of the Board-level quality dashboard. Director Kliger noted that the focus will be on activities that fall outside of target ranges over a quarter, including indicators that have fallen behind or are doing exceptionally well. <p>In response to Director Ting’s question related to the patient story, Director Kliger described the suggestions for improvements to ECH’s website to make information for delivering mothers easier to find. Director Kliger commended ECH staff for their communication and quality work.</p> <p>Mark Adams, MD, CMO, reported that:</p> <ol style="list-style-type: none"> 1. There has been an uptick in the mortality index primarily driven by non-COVID-19 patients with severe respiratory diseases. Staff is monitoring this. 2. On a very positive note, one of ECH’s first COVID-19 patients will be heading home after a short stay in acute rehabilitation. <p>In response to Director Ting’s question, Dr. Adams further discussed the mortality index, noting that a decrease in elective procedures did not affect the risk adjustment, but staff can take a closer look at any impact from COVID-19 in the coming months.</p> <p>Cheryl Reinking, RN, CNO, described responsiveness scores for FY20 for HCAHPS, which typically dip in the winter months. She noted that staff is reviewing how the current No Visitor policy has affected patients. In response to Director Zoglin’s question, Ms. Reinking described the performance related to the Likelihood to Recommend HCAHPS score. She explained that during the pandemic, the Likelihood to Recommend and Emergency Department scores have improved and all campaigns and messaging are focused on keeping patients and the community safe.</p> <p>Motion: To approve the Board Quality Dashboard to be provided to the Board on a quarterly basis.</p> <p>Movant: Kalbach Second: Miller Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Quarterly Board Quality dashboard approved</i></p>
7. AGENDA ITEM 5: FY20 PERIOD 8 FINANCIALS	<p>Michael Moody, Interim CFO, provided an overview of the FY20 Period 9 Financials and highlighted the impact on ECH’s volume and revenue from Santa Clara County’s Shelter in Place Order, effective March 16, 2020 and the order from the Centers for Disease Control (CDC) to halt elective</p>	<p><i>FY20 Period 9 Financials approved</i></p>

	<p>procedures:</p> <ul style="list-style-type: none"> - Operating revenue was about 20% below budget (a negative variance of \$18.9 million). Operating expenses were at budget. - Net operating margin was a loss of \$9.7 million versus a budgeted gain of \$10.3 million. - For non-operating income, there was a loss of almost \$72 million in March driven by the market, especially for equities and alternative investments in ECH's portfolio. - Operating margin was still approximating budget (\$52 million versus \$57 million) <p>Mr. Moody commented that on a year-to-date basis, the budget may not be relevant for Q4. He also noted that there has been a significant recovery of the investment portfolio, which was valued at over \$1 billion at the end of April 2020.</p> <p>Mr. Moody also outlined the proposed revised FY21 budget and financial forecasting timeline. He explained that Finance is developing a "rolling" forecast that will be updated monthly based on trends; this approach was discussed and reviewed by the Finance Committee at their April 27, 2020 meeting. The proposed timeline includes:</p> <ul style="list-style-type: none"> - June 3, 2020: Finance Committee review of revised timeline and key assumptions for the rolling forecast and development of an FY21 budget - June 10, 2020: Hospital Board review of first rolling forecast output and recovery plan tactics - July 27, 2020: Joint Hospital Board and Finance Committee review of updated forecast and FY21 budget - August 19, 2020: Hospital Board review and approval of FY21 budget and latest rolling forecast - August 19, 2020: District Board review and approval of FY21 budget (The District Board is required to have an approved budget by September 1, 2020) <p>Director Fung requested that monthly financial reports include a summary/score of the investment portfolio performance in lay terms (e.g., as expected, better/worse than expectations).</p> <p>In response to Director Po's question, Mr. Moody explained that the forecasting model includes Silicon Valley Medical Development (SVMD).</p> <p>Motion: To approve the FY20 Period 9 Financials.</p> <p>Movant: Fung Second: Watters Ayes: Chen, Fung, Kalbach, Klinger, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Subsequent reports to include investment performance summary</i></p>
<p>8. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 6:14pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Hospital Board Meeting (4/15/2020) and Minutes of the Closed Session of the Executive Compensation Committee Meeting (4/2/2020); pursuant to <i>Health and Safety Code Section 32155</i>: Enterprise Quality Council Minutes; pursuant to <i>Health and Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality</p>	<p><i>Adjourned to closed session at 6:14pm</i></p>

	<p>assurance matters: Medical Staff Report; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: FY20 Strategic Plan Metrics Update; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets and <i>Health and Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: COVID-19 Response, Recovery Plan, and Proposed FY21 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: LG Campus Planning; 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</i> for discussion and report on personnel performance matters – Senior Management: CEO Report on New Programs; 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: Ting Second: Miller Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>9. AGENDA ITEM 18: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 8:45pm by Chair Chen. Agenda Items 8-16 were addressed in closed session. Director Rebitzer discontinued participation in the meeting during the closed session.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the Hospital Board Meeting (4/15/2020), Minutes of the Closed Session of the Executive Compensation Committee Meeting (4/2/2020) and the Medical Staff Report, including the credentials and privileges report, by a unanimous vote in favor of all members participating in the meeting (Directors Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Ting, Watters, and Zoglin).</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. Director Kalbach and Director Zoglin requested removal of Item 19d: Revised Investment Policies and Item 19b: Approval of Imaging Equipment Service Agreements respectively.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (4/15/2020); Minutes of the Open Session of the Executive Compensation Committee Meeting (4/2/2020); Medical Staff Report.</p> <p>Movant: Ting Second: Miller Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Rebitzer Recused: None</p> <p>In response to Director Zoglin's questions, Ken King, CASO, described the limited availability of third-party maintenance vendors and the negotiation</p>	<p><i>Consent calendar approved</i></p>

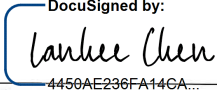
	<p>with Siemens for maintenance services, including savings of \$116,000 annually and uptime guarantees.</p> <p>Motion: To approve the consent calendar: Approval of Imaging Equipment Service Agreements.</p> <p>Movant: Zoglin Second: Kalbach Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Rebitzer Recused: None</p> <p>Director Kalbach described the unanimous recommendation from the Investment Committee to modify the cash balance and surplus cash investment policies to allow for private equity and private debt investments. He noted that this approach (partnering with organization(s) with expertise in distressed debt) 1) provides unique opportunities in times of market volatility and 2) would affect at most \$20 million of the \$1 billion investment portfolio.</p> <p>In response to Director Fung’s questions, Director Kalbach explained that private equities do not have public ratings (<i>e.g.</i>, Moody’s, S&P).</p> <p>Motion: To approve the consent calendar: Revised Investment Policies.</p> <p>Movant: Kalbach Second: Kliger Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Rebitzer Recused: None</p>	
<p>11. AGENDA ITEM 20: CEO REPORT</p>	<p>Dan Woods, CEO, described the Hospital’s participation in the TRILUMINATE clinical research study, the beginning of ECH’s extracorporeal membrane oxygenation (ECMO) program, the opening of the Los Gatos Infusion Center on April 27, 2020, and the closure of the COVID-19 Incident Command Center (duties have been distributed within existing operations).</p> <p>Mr. Woods reviewed 1) move-in dates for new buildings on the Mountain View campus: Taube Pavilion (June 10, 2020) and Sobrato Pavilion (June 24, 2020), 2) continued partnership with the YMCA to provide care for healthcare workers’ children ages 3-12, 3) programming and services provided by CONCERN:EAP, the South Asian Heart Center (SAHC), and Chinese Health Initiative (CHI), and 4) the Nutrition Services department program to provide grocery items to healthcare workers</p> <p>He highlighted Nurse’s Week and the 200th anniversary of Florence Nightingale’s birthday. He commended Cheryl Reinking, RN, CNO for her work.</p> <p>He thanked ECH’s neighbors and the community for their overwhelming support and reported that the Foundation has received in excess of \$2.5 million as well as in-kind donations, including meals from a variety of local restaurants. Mr. Woods thanked the Auxiliary for their service, noting that volunteers have been asked to stay home during the shelter in place order.</p>	

Open Minutes: ECH Regular Board Meeting
May 20, 2020 | Page 6

12. AGENDA ITEM 21: BOARD COMMENTS	Director Miller thanked Ms. Reinking for her efforts.	
13. AGENDA ITEM 22: ADJOURNMENT	Motion: To adjourn at 9:09pm. Movant: Kalbach Second: Watters Ayes: Chen, Fung, Kalbach, Kliger, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None	<i>Meeting adjourned at 9:09pm</i>

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

DocuSigned by:



4450AE236FA14CA...

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 Administrator/Governance Services EA