



**Minutes of the Open Session of the
El Camino Hospital Board of Directors
Wednesday, August 12, 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.

Board Members Present

Lanhee Chen**, Chair
 Peter C. Fung, MD**
 Gary Kalbach**
 Julie Kliger**
 Julia E. Miller**, Secretary/Treasurer
 Jack Po, MD, PhD**
 Bob Rebitzer**
 George O. Ting, MD**
 Don Watters**
 John Zoglin**, Vice Chair

Board Members Absent

None
 **via teleconference

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 Chair Chen. A verbal roll call was taken. Director Ting joined the meeting during Agenda Item 4: Board Recognition. Director Po joined the meeting during Agenda Item 5: Quality Committee Report. Director Kalbach joined the meeting during Agenda Item 6: Financial Report. All other Board members were present at roll call. All members participated via teleconference and videoconference pursuant to Santa Clara County's shelter in place order. Chair Chen reviewed the logistics for the meeting. 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. AGENDA ITEM 4: BOARD RECOGNITION: RESOLUTION 2020-06	This item was taken out of order. Motion: To approve <i>Resolution 2020-08</i> . Movant: Miller Second: Rebitzer Ayes: Chen, Fung, Kliger, Miller, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Kalbach, Po Recused: None Dan Woods, CEO, recognized over 50 employees across several multidisciplinary teams for their collaboration and innovation in setting up COVID-19 testing for patients, staff, physicians, and community members.	Resolution 2020-08 approved
4. AGENDA ITEM 3: PUBLIC COMMUNICATION	None.	
5. QUALITY COMMITTEE REPORT	Director Ting, Quality Committee Vice Chair, highlighted the following from the Quality Committee's discussion at its August 3, 2020 meeting: - Review of organizational performance for C. Diff infection rates	

	<ul style="list-style-type: none"> - A patient story commending high level of service– the Committee requested a tally of positive versus negative feedback <p>Mark Adams, MD, CMO, reported that Committee reviewed the Silicon Valley Medical Development (SVMD) Healthcare Effectiveness Data and Information Set (HEDIS) composite, a performance measure. He provided an overview of the Quarterly Board Quality Dashboard (based on the Safe, Timely, Effective, Efficient, Equitable and Patient-Centered Care (STEEEP) framework) and FY20 performance. He noted that 1) discussion will be focused on red/underperforming areas and 2) FY21 targets will be set for SVMD.</p> <p>Director Rebitzer commented that Length of Stay disparity seems too hospital-centric and the disparities are more outcome or process-based. He also expressed concerns about scores for patient-centered measures.</p> <p>In response to Director Zoglin’s questions, Dan Woods, CEO, explained that the difference in the OAS CAHPS baseline versus target is due to a database change and noted that going forward the comparison will be apples to apples (state to state or nationally). Director Zoglin expressed concerns about the lack of progress toward the organization’s strategic goal for HCAHPS performance.</p> <p>Director Ting reported that data for Serious Safety Events (SSEs) is still coming in, so a final baseline will be brought forward for approval at a later date. Dr. Adams explained that on a journey to become a High Reliability Organization (HRO), SSE rates often increase before decreasing (toward the ultimate goal of zero) as an organization fosters a solid reporting culture.</p> <p>Dr. Adams reported that ECH achieved a Mortality Index of 0.74, better than top-performing organizations in the country (0.76).</p> <p>Dr. Adams further described ECH’s 4-Star rating for HCAHPS with CMS, noting that few California hospitals – primarily specialty facilities – have 5 stars, and ECH is a 5-Star CMS program for overall quality, safety, and experience.</p> <p>Director Kliger discontinued participation in the meeting.</p>	
<p>6. FINANCIAL REPORT</p>	<p>Michael Moody, Interim CFO, provided an overview of the FY20 Period 12 Financials and highlighted:</p> <ul style="list-style-type: none"> - Volume in June 2020 was 9% below budget (up from 30% below budget in April 2020). - Operating expenses were favorable. - Operating gain was \$21.3 million versus a budget of \$7.1 million. - Year-end adjustments for pension and workers’ compensation actuarial reports totaled about \$11 million as further detailed in the materials. - Net operating margin was \$46.6 million versus a budget \$79 million. - Taking into account market performance, ECH was only 3% below budget. - Cash balance was \$228 million, including \$76 million in advanced Medicare payments. <p>Mr. Moody noted that there have been tremendous efforts around freezing capital, controlling expenses, and rebuilding volume.</p> <p>In response to Director Po’s question regarding patient volume recovery, Mr. Moody described performance at other organizations and noted that</p>	<p><i>FY20 Period 12 Financials and FY21 Capital and Operating Budget approved</i></p>

	<p>ECH is doing exceptionally well.</p> <p>Director Rebitzer commended the team for the recovery so far.</p> <p>Mr. Moody reported that the annual financial audit is currently underway.</p> <p>Motion: To approve the FY20 Period 12 Financials.</p> <p>Movant: Po Second: Watters Ayes: Chen, Fung, Kalbach, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Kliger Recused: None</p> <p>Mr. Moody reviewed the FY21 Capital and Operating Budget:</p> <ul style="list-style-type: none"> - The Finance team has developed a forecast, which will be updated on an ongoing basis with FY21 actual results - Key assumptions include: volumes (ECH: 82.5% of pre-COVID volumes; SVMD: 85% of pre-COVID volumes), payor mix (stable and consistent with current experience), and underlying cost structure (adjusted with forecasted volume, 10% reduction in purchased services) - The capital budget was established for equipment and IT and sized based on forecasted cash flows of \$20 million. There will be additional evaluation of large outstanding capital projects. - On the consolidated profit and loss (P&L) statement, there are revenues of \$947 million, \$971 million in expenses, forecasted operating loss of \$24 million, and net margin of \$12 million. - Operating EBIDA is forecasted at \$56 million. <p>He noted that the Finance Committee recommended approval of the FY21 Budget.</p> <p>In response to Director Fung's questions, Mr. Moody explained that the rolling forecast will be brought back to the Finance Committee on an ongoing basis. FY21 Q1 performance will inform a re-forecast for the next three quarters, which would be brought to the Board.</p> <p>In response to Director Fung's question, Mary Rotunno, General Counsel, noted that staff will need to look into flexibility and forecasting for the District Board budget.</p> <p>Motion: To approve the FY21 Capital and Operating Budget.</p> <p>Movant: Fung Second: Po Ayes: Chen, Fung, Kalbach, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Kliger Recused: None</p>	
<p>7. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 6:23pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Hospital Board Meeting (7/8/2020); Minutes of the Closed Session of the Joint Hospital Board and Finance Committee Meeting (7/27/2020); Minutes of the Closed Session of the Executive Compensation Committee Meeting (5/28/2020); pursuant to <i>Health and Safety Code Section 32155</i>: Annual Performance Improvement Reports (Stroke Program, Anesthesia</p>	<p><i>Adjourned to closed session at 6:23pm</i></p>


	<p>Services, Palliative Care, Peri-Operative Services); 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>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 a conference with labor negotiator Dan Woods; FY21 Organizational Performance Goals; pursuant to <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets; FY21 Strategic Plan Metrics; pursuant to <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending threatened or litigation; <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 54957</i> for discussion and report on personnel performance matters – Senior Management: CEO Report on Legal Update, New Programs and Services, and Personnel; and pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – CEO Performance Review: Executive Session.</p> <p>Movant: Miller Second: Watters Ayes: Chen, Fung, Kalbach, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Kliger Recused: None</p>	
<p>8. AGENDA ITEM 16: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 8:29pm by Chair Chen. Director Kliger was absent. All other Board members were present and participated by video and teleconference. Agenda Items 8-15 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 (7/8/2020); Minutes of the Closed Session of the Joint Hospital Board and Finance Committee Meeting (7/27/2020); Minutes of the Closed Session of the Executive Compensation Committee Meeting (5/28/2020), by the following votes in favor: Chen, Kalbach, Miller, Rebitzer, Watters, Zoglin. Director Po abstained and Directors Fung, Kliger, and Ting were absent. The Board also approved the Annual Performance Improvement Reports by a unanimous vote in favor of all members present and participating in the meeting (Directors Chen, Fung, Kalbach, Miller, Po, Rebitzer, Watters, and Zoglin). Director Kliger and Ting were absent. The Board also approved the Medical Staff Report, including the credentials and privileges report, by a unanimous vote in favor of all members present and participating in the meeting (Directors Chen, Fung, Kalbach, Miller, Po, Rebitzer, Ting, Watters, and Zoglin). Director Kliger was absent.</p>	
<p>9. AGENDA ITEM 17: CONSENT CALENDAR</p>	<p>Chair Chen asked if any member of the Board or the public wished to remove an item from the consent calendar. No items were removed.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Hospital Board Meeting (7/8/2020); Minutes of the Open Session of the Special Hospital Board Meeting (7/27/2020); Minutes of the Open Session of the Joint Hospital Board and Finance Committee Meeting (7/27/2020); Designation of Applicant's Agent for Non-State Agencies Minutes of the Open Session of the Executive Compensation Committee Meeting (5/28/2020); FY20 Period 11 Financials; EKG Reading Panel Renewal Agreements; Gastroenterology (GI) Panel (MV); Radiation</p>	<p><i>Consent calendar approved</i></p>

	<p>Oncology Equipment Replacement – Updated Funding Request; October 2020 Joint Board and Committee Education Session; Medical Staff Report; and for information: Finance Committee Approvals and Executive Compensation Committee Approvals.</p> <p>Movant: Miller Second: Kalbach Ayes: Chen, Fung, Kalbach, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Kliger Recused: None</p>	
<p>10. AGENDA ITEM 18: FY21 ORGANIZATIONAL PERFORMANCE GOALS</p>	<p>Motion: To approve the Proposed FY21 Organizational Performance Goals.</p> <p>Movant: Watters Second: Kalbach Ayes: Chen, Fung, Kalbach, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Kliger Recused: None</p>	<p><i>FY21 Org Performance Goals approved</i></p>
<p>11. AGENDA ITEM 19: CEO REPORT</p>	<p>Dan Woods, CEO, described the implementation of iSAFE (Safety Always First at El Camino), a system for reporting safety events. He noted that personal protective equipment (PPE) is well-stocked and well-supplied. He also outlined the launch of ECH’s new “We Care” patient experience program: Warm Welcome, Engage and Empathy, Compassionate Communication, Ask and Anticipate, Respond Promptly, and Excellence Always.</p> <p>He discussed childcare programming through the YMCA and Foundation grant funding for employees and state-of-the-art media platforms in patient rooms that include meal ordering, environmental controls, personalized patient education, and integration with Epic.</p> <p>Mr. Woods provided an update on the El Camino Healthcare District’s COVID-19 testing program, with reduced turnaround time for results (now 3-5 days) and partnerships with local school districts and chambers of commerce for community popup testing sites.</p> <p>He noted that a proposed bill, SB758, would extend the 2030 hospital seismic deadline (to be fully operational after a major earthquake) to January 1, 2037.</p> <p>Mr. Woods thanked the community for their generous donations to the Foundation, which totaled over \$10 million in FY20.</p>	
<p>12. AGENDA ITEM 20: BOARD COMMENTS</p>	<p>Director Miller commended Foundation staff for their work during the COVID-19 pandemic.</p> <p>Director Fung suggested using group testing to save reagent supplies. Mr. Woods and Cheryl Reinking, RN, CNO noted that test grouping depends on the platform and staff are looking into it. Mr. Woods reported that ECH is investing in its own platform so there can be in-house, onsite testing in the future with faster processing times.</p>	
<p>13. AGENDA ITEM 21: ADJOURNMENT</p>	<p>Motion: To adjourn at 8:38pm.</p> <p>Movant: Fung Second: Miller</p>	<p><i>Meeting adjourned at 8:38pm</i></p>

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	Ayes: Chen, Fung, Kalbach, Miller, Po, Rebitzer, Ting, Watters, Zoglin Noes: None Abstentions: None Absent: Kliger Recused: None	
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Attest as to the approval of the foregoing minutes by the Board of Directors of El Camino Hospital:

DocuSigned by:

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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