



# Washington Township Health Care District

2000 Mowry Avenue, Fremont, California 94538-1716 • (510) 797-1111

Nancy Farber, Chief Executive Officer

## Board of Directors

Patricia Danielson, RHIT

Jacob Eapen, M.D.

William F. Nicholson, M.D.

Bernard Stewart, D.D.S.

Michael J. Wallace

## BOARD OF DIRECTORS' MEETING

Wednesday, April 13, 2016 – 6:00 P.M.

Conrad E. Anderson, MD Auditorium

### UPDATED AGENDA

	<b>PRESENTED BY:</b>
<b>I. CALL TO ORDER &amp; PLEDGE OF ALLEGIANCE</b>	Michael Wallace Board Member
<b>II. ROLL CALL</b>	Christine Flores District Clerk
<b>III. EDUCATION SESSION:</b> Care Everywhere	John Lee Chief Information Officer
<b>IV. CONSIDERATION OF MINUTES</b> March 9, 21, 23, and 28, 2016	<i>Motion Required</i>
<b>V. COMMUNICATIONS</b> A. Oral B. Written From Kranthi Achanta, MD Chief of Staff, dated March 28, 2016 requesting approval of Medical Staff Credentialing Action Items.	<i>Motion Required</i>
<b>VI. INFORMATION</b> A. Service League Report B. Medical Staff Report C. Hospital Calendar	<b>PRESENTED BY:</b> Debbie Jackson Service League President Kranthi Achanta, MD Chief of Staff Nancy Farber Chief Executive Officer

- |    |   |  |
|----|---|--|
| D. | Lean/Kaizen Report  | Kimberly Hartz<br>Senior Associate Administrator<br><br>Donald Pipkin<br>Chief of Strategic Management |
| E. | Construction Report   | Ed Fayen<br>Senior Associate Administrator   |
| F. | Quality Report<br>Leveraging an Electronic Medical Record<br>System for Successful Quality<br>Improvement | Mary Bowron, DNP, RN, CIC<br>Senior Director of Quality &<br>Resource Management                       |
| G. | Finance Report  | Chris Henry<br>Associate Administrator and<br>Chief Financial Officer                                  |
| H. | Hospital Operations Report  | Nancy Farber<br>Chief Executive Officer  |

**VII. ACTION**

- |    |  |                        |
|----|--|------------------------|
| A. | Consideration of Pension Investment Policy   | <i>Motion Required</i> |
| B. | Consideration of Unix to Linux Migration of<br>Epic Servers  |                        |
| C. | Consideration of Radiology Workstation<br>Upgrade  |                        |
| D. | Consideration of Intellidesk Upgrade   |                        |
| E. | Consideration of Convection Steamers   |                        |
| F. | Consideration of Resolution No. 1165<br>Resolution of the Board of Directors of<br>Washington Township Health Care District<br>Adopting Revisions to Operation of The<br>ICU/CCU |                        |

**VIII. ADJOURN TO CLOSED SESSION**

*In accordance with Section 1461, 1462, 32106 and 32155 of the California health & Safety Code and Sections 54962 and 54954.5 of the California Government Code, portions of this meeting may be held in closed session.*

- A. Report and discussion regarding California Government Code section 54957: Personnel matters

B. Report involving a trade secret pursuant to  
Health & Safety Code section 32106

New Program

Estimated date of public disclosure: April 2017

**IX. RECONVENE TO OPEN SESSION &  
REPORT ON CLOSED SESSION**

Michael Wallace  
Board Member

**X. ADJOURNMENT**

Michael Wallace  
Board Member

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, March 9, 2016 in the Conrad E. Anderson, MD Auditorium, 2500 Mowry Avenue, Fremont, California. Director Wallace called the meeting to order at 6:01p.m. and led those present in the Pledge of Allegiance.

*CALL TO ORDER*

Roll call was taken: Directors present: Michael Wallace; William Nicholson, MD; Bernard Stewart, DDS; Jacob Eapen, MD; Patricia Danielson, RHIT;

*ROLL CALL*

Also present: Nancy Farber, Chief Executive Officer; Kranthi Achanta, Chief of Medical Staff; Debbie Jackson, Service League President; Christine Flores, District Clerk

Guests: Kimberly Hartz, Ed Fayen, Chris Henry, Bryant Welch, Stephanie Williams, Tina Nunez, Kristin Ferguson, Mary Bowron, John Lee, Albert Brooks, MD, David Hayne, Angus Cochran

Nancy Farber, Chief Executive Officer introduced Vandana Sharma, MD, PhD. Dr. Sharma presented the Cancer & Breast Health Program presentation sharing history of the Washington Hospital Comprehensive Community Cancer Program (WHCCCP). The program was established in 1990 and received its 1<sup>st</sup> 3 year accreditation in 1993, followed by a 3 year accreditation in 1996 and a one-time only 4 year accreditation in 1999. In 2009, Washington Hospital received the Outstanding Achievement Award for the Cancer Genetics Program and the Sandy Amos, RN Infusion Center was opened in 2011. Dr. Sharma continued by sharing that in 2015, WHCCCP was recognized with the 3<sup>rd</sup> consecutive Outstanding Achievement Award; one of four programs to achieve this distinction among all national programs surveyed in the second half of 2015. A survey was conducted on November 5, 2015. There were 23 standards that were rated. WHCCCP excelled in all areas measured and many best practices were cited including: focusing on the patient first ethic in policies and procedures, conducting a superb Community Needs Assessment of cancer needs in Alameda County, RN Patient Navigation certifications, building a beautiful, sensitive and functional Women's Center, offering complementary and wellness services as well as a state of the art bra and wig salon.

*EDUCATION SESSION:  
Cancer & Breast Health  
Program*

Director Danielson moved for approval of the minutes of February 10, 22, 24, and 29, 2016.

*APPROVAL OF  
MINUTES OF  
FEBRUARY 10, 22, 24,  
AND 29, 2016*

Director Nicholson seconded the motion.

Roll call was taken:

Michael Wallace – aye  
William Nicholson, MD - aye  
Patricia Danielson, RHIT – aye  
Bernard Stewart, DDS - aye  
Jacob Eapen, MD - aye

The motion unanimously carried.

There were no oral communications.

*COMMUNICATIONS:  
ORAL*

The following written communication received from Kranthi Achanta, M.D., Chief of Staff, dated February 22, 2016 requesting approval of Medical Staff Credentialing Action Items as follows:

*COMMUNICATIONS:  
WRITTEN*

Appointments:

Pham, Alexander, MD; Mogal, Amy Cecelia, MD; Araujo, John, PA-C; Kim, Kyong-Mee, MD

Temporary Privileges:

Araujo, John, PA-C; Pham, Mogal, Amy Cecelia, MD; Pham, Alexander, MD

Locum Tenens:

Luh, George, MD

Reappointments:

Avon, Mark, MD; Azizirad, Omeed, MD; DeGalan, Steven, MD; Dela Cruz, Rhodora, MD; Henderson, Fiona, MD; Leong, Shirley, MD; Lin, Bruce, MD; Miller, Robert, MD; Minkin, Dale, MD; Ngo, Trang, MD; Prasad, Gautam, MD; Ragi, Kashmira, MD; Tay, David, MD; Tsoi, Timothy, MD

Transfer in Staff Category:

Jha, Ritesh, MD; Miller, David, MD; Miller, Rachel, PA-C; Wang, Sean, MD; Walther, Ako, MD

Completion of Proctoring & Advancement in Staff Category:

Friday, Jamilah, MD; Gay, Andre, MD; Jha, Ritesh, MD; Lee, Samann, PA-C; Lo, Diana, MD; Sun, Yao, MD; Wang, Sean, MD; Walther, Ako, MD

Completion of Proctoring Prior to Eligibility for Advancement in Staff Category

Su, Robert, MD

Completion of Proctoring in Specific Privilege

Terry, Yusef, PA-C

New Privilege Request

Naimi, Nasrin, MD

Delete Privilege Requests

Annadurai, Bala, MD; Leong, Shirley, MD; Minkin, Dale, DDS; Terry, Yusef, PA-C

Withdrawal of Application

Cao, Ying, MD; Elahi, Foad, MD; Welty, Christopher, MD; Whitlock, Matthew, MD

Resignations:

Hortsman, Kimberly, MD; Ting, Daniel, MD; Tun, Amy, MD

Director Nicholson moved for approval of the credentialing action items presented by Dr. Achanta.

Director Danielson seconded the motion.  
Roll call was taken:

Michael Wallace – aye  
William Nicholson, MD - aye  
Patricia Danielson, RHIT – aye  
Bernard Stewart, DDS - aye  
Jacob Eapen, MD - aye

The motion unanimously carried.

Debbie Jackson, Service League President presented the Service League Report. Ms. Jackson shared the newly elected board held its first monthly board meeting on March 9, 2016. The Finance Committee held its yearly budget meeting on March 7, 2016 and presented a new budget to the board of directors at their March monthly meeting. Many volunteers attended the signing of the beam for the Morris Hyman Critical Care Pavilion on March 3, 2016. In upcoming reports, a focus will be on highlighting the hours our volunteers have given to the hospital each month showing the commitment they have to volunteering at Washington Hospital. Ms. Jackson shared the total number of hours this month were 2,699.

*SERVICE LEAGUE  
REPORT*

Dr. Kranthi Achanta reported there are 557 Medical Staff members.

*MEDICAL STAFF  
REPORT  
HOSPITAL CALENDAR:  
Community Outreach*

**The Hospital Calendar video highlighted the following events:**

**Past Health Promotions & Outreach Events**

On Thursday, February 11<sup>th</sup>, Dr. Victoria Leiphart, gynecologist, presented “Menopause: A Mind-Body Connection Approach”; 24 people attended.

On Saturday, February 13<sup>th</sup>, the Washington Hospital Bioethics Committee presented a screening of the Frontline presentation of Dr. Atul Gawande’s “Being Mortal” video at the Niles Discovery Church. “Being Mortal” offers an exploration of aging, death, medicine, and contributes to the knowledge and understanding of advance health care planning.

Father Jeff Finley, Palliative Care Coordinator, facilitated a questions and answers session following the screening; 65 people attended.

On Friday, February 19<sup>th</sup>, the Washington Hospital Sports Medicine Program provided athletic trainers and hosted a first aid booth at the Tri-City area Special Olympics Basketball Tournament held at Newark Memorial High School; 262 student athletes participated in the event.

On Tuesday, February 23<sup>rd</sup> from 1:00 to 3:00 p.m., Dr. Gabriel Herscu, vascular surgeon, presented “Not a Superficial Problem: Varicose Veins and Chronic Venous Disease”; 30 people attended.

On Tuesday, March 1<sup>st</sup>, Dr. Dale Amanda Tylor, otolaryngologist, Dr. Charan Singh, neurologist, and Shelja Bansal, physical therapist, presented “Vertigo and Dizziness: What You Need to Know”; 81 people attended.

Additionally, on Tuesday, March 1<sup>st</sup>, Father Jeff Finley, Palliative Care Coordinator, presented to the Newark Optimist Club. The presentation educated participants on end of life issues related to hospice and palliative care; 23 people attended.

On Tuesday, March 8<sup>th</sup>, Shelja Bansal, physical therapist, presented "Balance and Falls Prevention"; 68 people attended.

### **Upcoming Health Promotions & Community Outreach Events**

On Tuesday, March 15<sup>th</sup> from 6:00 to 8:00 p.m., obstetrician/gynecologists Dr. Alison Slack and Dr. Stacie Macdonald along with Dr. Mark Saleh, urologist, will be presenting "Urinary Incontinence in Women: What You Need to Know."

On Saturday, March 19<sup>th</sup>, from 10:00 a.m. to 1:00 p.m., Washington Hospital will host Stroke Awareness Day. This event screens community members for carotid artery blockage, atrial fibrillation and provides cholesterol, blood sugar and blood pressure screenings.

On Thursday, March 31<sup>st</sup> from 6:00 to 8:00 p.m., Dr. Harman Chawla, internal and geriatrics medicine, will present "Cognitive Assessment as You Age."

On Tuesday, April 5<sup>th</sup> from 6:00 to 8:00 p.m., as part of the Stroke Education Series, Dr. Ash Jain, cardiologist, and Doug Van Houten, R.N., will present "Acute Management of Stroke: Chronic Care and Stroke Rehabilitation."

On Wednesday, April 4<sup>th</sup>, as part of the Washington Sports Medicine and Washington Outpatient Rehab Center bimonthly education series, Dr. Russell Nord, orthopedic surgeon, and Kory Langwell, physical therapist, will be presenting "Prevention and Treatment of Youth Sports Injuries"

On Thursday, April 7<sup>th</sup> from 7:00 to 8:00 p.m., as part of the Diabetes Matters Series, Minh-Thu Dennen, PharmD, will be presenting, "Brown Bag Medication Review."

On Friday, April 15<sup>th</sup> from 1:00 to 3:00 p.m., orthopedic surgeons Dr. John Dearborn and Dr. Alexander Sah will be presenting "Treatments for Knee Pain."

On Saturday April 16<sup>th</sup> from 10:00 a.m. to 2:00 p.m., Washington Hospital will host the 10th Annual Women's Health Conference. This event will feature topics such as treatment options for heartburn otherwise known as Gastro Esophageal Reflux Disease or GERD, weight management, and a heart-healthy cooking demonstration.

### **Washington Hospital Healthcare Foundation Report**

Washington Hospital Healthcare Foundation will host the 31<sup>st</sup> Annual Golf Tournament at Castlewood Country Club on April 25<sup>th</sup>. Held in memory of long-time Fremont businessman, Gene Angelo Pessagno, the tournament promises a day of great golf and fun surprises.

### **The Washington Township Healthcare District Board of Directors Report**

Washington Township Healthcare District Board Members attended League of Volunteers' Elegant Affaire on February 12<sup>th</sup>, the Fremont Education Foundation's

*HOSPITAL CALENDAR:  
Washington Hospital  
Foundation Report*

*HOSPITAL CALENDAR:  
The Washington  
Township Healthcare*

Excellence in Education Gala on February 26<sup>th</sup> and Abode Services' 9<sup>th</sup> Annual Journey Home Breakfast on March 4<sup>th</sup>.

*District Board of  
Directors Report*

**Washington Hospital Employee Association, W.H.E.A.**

On Friday, March 4<sup>th</sup>, Kristi Caracappa, WHEA President, attended the Journey Home Breakfast, held at the Fremont Marriott. Community members joined together to learn more about programs available at Abode Services.

*HOSPITAL CALENDAR:  
Washington Hospital  
Employee Association,  
W.H.E.A.*

**Washington On Wheels Mobile Health Clinic, W.O.W.**

During the month of February, the Washington On Wheels Mobile Health Clinic (W.O.W.) continued to serve community members at the Ruggieri Senior Center in Union City and the Fremont Senior Center as well as Brier Elementary School in Fremont; total number of community members receiving healthcare at the W.O.W. Clinic during the month of February was 30.

*HOSPITAL CALENDAR:  
Washington On Wheels  
Mobile Health Van*

**Internet Marketing**

There were over 29,073 visits to the hospital website in the month of February. The hospital's Employment section was the most viewed webpage with 11,330 page views, followed by the Physician Finder with 9,117 page views. The About WHHS section with 9,059 page views, the Volunteers section had 3,879 page views and the Women's Health and Pregnancy section had 1,694 page views.

*HOSPITAL  
CALENDAR:  
Internet Report*

**InHealth - Channel 78**

During the month of February, Washington Hospital's cable channel 78, InHealth, captured Diabetes Matters program named "Insulin Delivery - To Pump or Not to Pump"; a Sports Medicine Program titled "Exercise Injuries - Prevention and Treatment"; and two Health and Wellness programs called "Menopause - A Mind-Body Connection" and "Not a Superficial Problem - Varicose Veins and Chronic Venous Disease". In addition, InHealth aired the February Board of Directors Meeting; four Diabetes Matters programs called "Reading Food Labels", "What Do All Those Labs Mean?", "Diabetes Ups & Downs" and "Diabetes and Polycystic Ovary Syndrome"; three Health and Wellness programs titled "Relieving Back Pain", "The Real Impact of Hearing Loss", "Colon Cancer: What You Need to Know"; and the February Citizens' Bond Oversight Committee Meeting.

*HOSPITAL  
CALENDAR:  
InHealth*

**Awards and Recognitions**

Tammy Ballantyne was recently presented with the DAISY Award for extraordinary nurses. Tammy goes above and beyond to help the patients, families and staff with anything they need. Her extraordinary competence as an oncology nurse combined with her gentle, kind and loving presence are just a few qualities that she possesses. Tammy constantly exercises the "Patient First Ethic" that is the cornerstone of care at Washington Hospital. DAISY is an acronym for Diseases Attacking the Immune System and the award was established by the family of J. Patrick Barnes. His family established the award to honor the excellent work that nurses do every day.

*HOSPITAL  
CALENDAR:  
Awards and  
Recognitions*



**Additional Events**

On Thursday, March 3, a "Topping Off" ceremony was held for the Morris Hyman Critical Care Pavilion. Hattie Hyman Hughes and representatives from the Hyman family, Washington Township Healthcare District Board of Directors, the Development Corporation, the Washington Hospital Service League, the Washington Hospital Employee Association as well as the greater Hospital community, including employees, physicians and volunteers took part in singing the final beam and watching it get placed as part of the structural framing for of the new critical care pavilion. Construction on the facility is expected to be completed in 2018.

*HOSPITAL  
CALENDAR:  
Additional Events*

**Employee of the Month**

Diana Lynn Demarta joined Washington Hospital as a surgical support tech in the operating room in 1990. Since then, she obtained her LVN license and joined the Same Day Surgery Team, where she worked for many years. In 2013, Diana joined the Nursing Service Division Team and assumed the nursing assistant role on 3 West. More recently, Diana's responsibilities have expanded to include supporting Employee Health. When asked about her experience at Washington Hospital, Diana says that the Hospital is her second home, which she loves. When not working, Diana spends time with her husband and three children. She enjoys hiking trails throughout the Bay Area or going on road trips to places like Monterey to spend time at the beach. One of Diana's greatest loves is soccer, and is proud to self-identify as a soccer mom. Diana and her family live locally in Fremont.

*HOSPITAL  
CALENDAR: Employee  
of the Month – Diana  
Lynn Demarta*

Nancy Farber, Chief Executive Officer introduced Pattie Crome, Principal of Rona Consulting Group. Ms. Crome presented the Lean/Kaizen Report sharing the difference between conventional management and Lean leadership and discussed the essence of Lean in healthcare, leadership and cultural change, leadership commitments, and aligning the work. Ms. Crome shared surgical services results, emergency department sustained improvement, and medication management results. Ms. Crome continued and shared statements from the staff regarding the value stream target process as well as key learning from failed efforts: what are successful leaders doing; Declaration of compelling vision with metrics of success driven by customer, clarity of gap between current state and future state, Education and training of leadership, infrastructure development to support change, and model lines, just to name few.

*LEAN/KAIZEN  
REPORT*

Nancy Farber, Chief Executive Officer introduced Ed Fayen, Senior Associate Administrator. Mr. Fayen presented the construction update on the parking garage and the Morris Hyman Critical Care Pavilion. Mr. Fayen shared photos of the elevators on the ground floor, welding at stair #1, the Bart Building on the North side as well as a photo of the southern and eastern elevations. Mr. Fayen continued by sharing photos of the crawl space and seismic dampener, rebar in place for slab on deck ground floor, and hangers for overhead duct at the Morris Hyman Critical Care Pavilion. Mr. Fayen also shared photos from the beam signing ceremony on March 3, 2016, followed by a site view photo as of March 4, 2016.

*CONSTRUCTION  
REPORT  
Construction Update*

Mary Bowron, Senior Director of Quality and Resource Management presented the Quality Dashboard Quarter Ending December 2015. Ms. Bowron reported on Core Measure Compliance which included heart failure, pneumonia, acute myocardial infarction, venous thromboembolism, stroke, surgical care improvement and hospital outpatient surgery. Ms. Bowron continued by sharing the Infection Prevention Indicators which included central line associated bloodstream infections (CLABSI), surgical site infection (SSI), C-difficile, catheter associated urinary tract infections (CAUTI), and hospital acquired MRSA bloodstream infections. The nurse sensitive indicators were also discussed: reducing hospital acquired pressure ulcers and reducing inpatient falls with injury. Ms. Bowron shared the Joint Commission National Patient Safety Goals which comprised of hand off communication, patient identification, procedure time out and hand hygiene as well as the readmission rates for Medicare pneumonia and heart failure.

*QUALITY REPORT:  
Quality Dashboard –  
Quarter Ending  
December 2015*

Chris Henry, Chief Financial Officer, presented the Finance Report for January 2016. The average daily census was 182.5 with admissions of 1,098 resulting in 5,656 patient days. Outpatient observation equivalent days were 231. The average length of stay was 5.08 days. The case mix index was 1.548. Deliveries were 147. Surgical cases were 359. Joint Replacement cases were 133. Neurosurgical cases were 19. Cardiac Surgical cases were 9. The Outpatient visits were 6,752 and Emergency visits were 4,663. Total productive FTEs were 1,176.3. FTEs per adjusted occupied bed were 5.88.

*FINANCE REPORT*

Ms. Farber presented the Hospital Operations Report for February. There were 1,030 patient admissions resulting in 4,884 patient days. Preliminary information indicated inpatient revenue for the month of February at approximately \$167,100,000; government sponsored patient revenue made up 71.4% of total gross revenue. Non-Emergency Outpatient visits were 6,789. There were 328 surgical cases at the Hospital and 386 Cath Lab procedures. The clinics saw approximately 3,842 patients. FTEs per Adjusted Occupied Bed were 6.25.

*HOSPITAL  
OPERATIONS REPORT*

In accordance with District Law, Policies and Procedures, Director Danielson moved the Chief Executive Officer be authorized to proceed with the purchase of five (5) Neurosurgical Drills in an amount not to exceed \$247,279.00. This item was not approved in the FY16 Capital Asset Budget.

*APPROVAL OF NEURO  
DRILLS*

Director Nicholson seconded the motion.  
Roll call was taken:

Michael Wallace – aye  
William Nicholson, MD - aye  
Patricia Danielson, RHIT – aye  
Bernard Stewart, DDS - aye  
Jacob Eapen, MD - aye

The motion unanimously carried.

In accordance with District Law, Policies and Procedures, Director Danielson moved the Chief Executive Officer be authorized to enter into the necessary contracts and proceed with the purchase of the hardware, software, and implementation services for increased data storage for Electronic Health Information Growth, for a total amount not to exceed \$220,469.00. This is an approved project in the 2016 Capital Budget.

*APPROVAL OF  
INCREASED DATA  
STORAGE FOR  
ELECTRONIC HEALTH  
INFORMATION  
GROWTH*

Director Nicholson seconded the motion.  
Roll call was taken:

Michael Wallace – aye  
William Nicholson, MD - aye  
Patricia Danielson, RHIT – aye  
Bernard Stewart, DDS - aye  
Jacob Eapen, MD - aye

The motion unanimously carried.

In accordance with District Law, Policies and Procedures, Director Danielson moved the Chief Executive Officer be authorized to enter into the necessary contracts to proceed with the purchase of implementation services of the Clinical Quality Metric Software for a total amount not to exceed \$103,404.00. This is an approved item in the 2016 IS Capital Budget.

*APPROVAL OF  
CLINICAL QUALITY  
METRIC SOFTWARE*

Director Nicholson seconded the motion.  
Roll call was taken:

Michael Wallace – aye  
William Nicholson, MD - aye  
Patricia Danielson, RHIT – aye  
Bernard Stewart, DDS - aye  
Jacob Eapen, MD - aye

The motion unanimously carried.

In accordance with District Law, Policies and Procedures, Director Danielson moved the Chief Executive Officer be authorized to enter into the necessary contracts and proceed with the purchase of implementation services of the Perinatal Clinic Electronic Health Record Build for a total amount not to exceed \$149,460.00. This is an approved line item in the FY 2016 Capital Budget.

*APPROVAL OF  
PERINATAL CLINIC  
ELECTRONIC HEALTH  
RECORD BUILD*

Director Nicholson seconded the motion.  
Roll call was taken:

Michael Wallace – aye  
William Nicholson, MD - aye  
Patricia Danielson, RHIT – aye  
Bernard Stewart, DDS - aye  
Jacob Eapen, MD - aye

The motion unanimously carried.

Director Danielson moved for adoption of Resolution No. 1164, which is the Resolution of the Board of Directors of Washington Township Health Care District authorizing the Chief Executive Officer to enter into agreement with the Principal Financial Group regarding certain retirement benefits.

*ADOPTION OF  
RESOLUTION NO. 1164  
AUTHORIZING CHIEF  
EXECUTIVE OFFICER  
TO ENTER INTO  
AGREEMENT WITH  
THE PRINCIPAL  
FINANCIAL GROUP  
REGARDING CERTAIN  
RETIREMENT  
BENEFITS*

Director Nicholson seconded the motion.

Roll call was taken:

Michael Wallace – aye  
William Nicholson, MD - aye  
Patricia Danielson, RHIT – aye  
Bernard Stewart, DDS - aye  
Jacob Eapen, MD - aye

The motion unanimously carried.

In accordance with Health & Safety Code Sections 1461, 1462, and 32106 and Government Code Section 54954.6(h). Director Wallace adjourned the meeting to closed session at 8:33p.m. as the discussion pertained to Hospital trade secrets, human resources matters and risk management.

*ADJOURN TO CLOSED  
SESSION*

Director Wallace reconvened the meeting to open session at 9:13p.m. and reported no action was taken in closed session.

*RECONVENE TO OPEN  
SESSION & REPORT ON  
CLOSED SESSION*

There being no further business, Director Wallace adjourned the meeting at 9:14pm.

*ADJOURNMENT*

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Michael Wallace  
President

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Patricia Danielson, RHIT  
Secretary

A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, March 21, 2016 in the Anderson C Auditorium, 2500 Mowry Avenue, Fremont, California. Director Wallace called the meeting to order at 6:00 p.m. and led those present in the Pledge of Allegiance.

*CALL TO ORDER*

Roll call was taken. Directors present: Michael Wallace, William Nicholson, MD; Bernard Stewart, DDS; Patricia Danielson, RHIT; Jacob Eapen, MD

*ROLL CALL*

Also present: Nancy Farber, Chief Executive Officer; Kimberly Hartz, Senior Associate Administrator; Ed Fayen, Senior Associate Administrator; Bryant Welch, Associate Administrator, Tina Nunez, Associate Administrator, Chris Henry, Associate Administrator; Stephanie Williams, Associate Administrator; Christine Flores, District Clerk

There were no oral communications.

*COMMUNICATIONS*

There were no written communications.

In accordance with Health & Safety Code Sections 1461, 1462 and 32106 and Government Section 54954.5(h) Director Wallace adjourned the meeting to closed session at 6:01 p.m., as the discussion pertained to Hospital trade secrets, Human Resources matters and Risk Management.

*ADJOURN TO CLOSED SESSION*

Director Wallace reconvened the meeting to open session at 7:45 p.m. and reported no reportable action was taken in closed session.

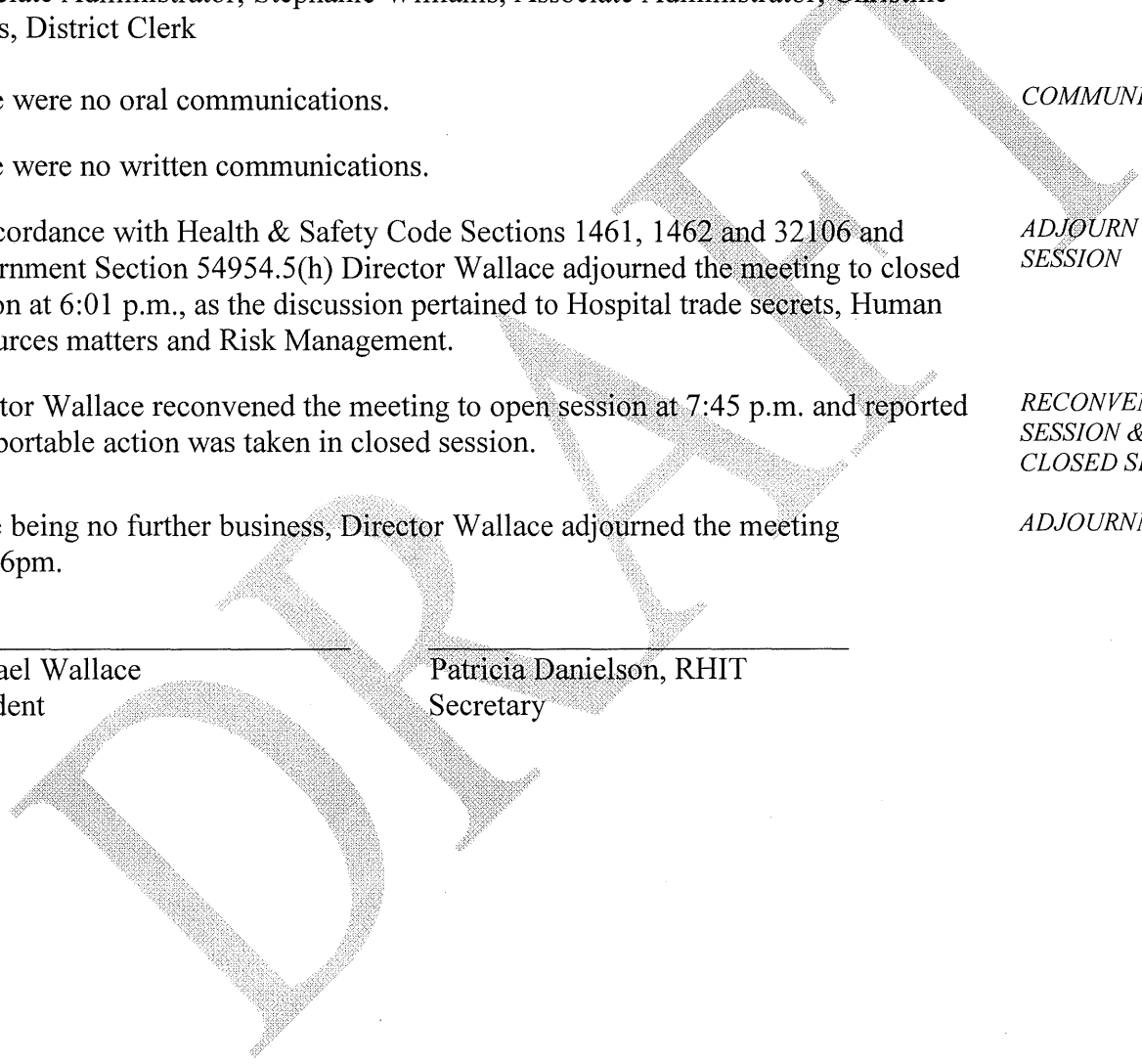
*RECONVENE TO OPEN SESSION & REPORT ON CLOSED SESSION*

There being no further business, Director Wallace adjourned the meeting at 7:46pm.

*ADJOURNMENT*

\_\_\_\_\_  
Michael Wallace  
President

\_\_\_\_\_  
Patricia Danielson, RHIT  
Secretary



A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, March 23, 2016 in the Anderson C Auditorium, 2500 Mowry Avenue, Fremont, California. Director Wallace called the meeting to order at 6:07 p.m. and led those present in the Pledge of Allegiance.

*CALL TO ORDER*

Roll call was taken. Directors present: Michael Wallace, William Nicholson, MD; Bernard Stewart, DDS; Patricia Danielson, RHIT; Jacob Eapen, MD

*ROLL CALL*

Also present: Nancy Farber, Chief Executive Officer; Kimberly Hartz, Senior Associate Administrator; Ed Fayen, Senior Associate Administrator; Bryant Welch, Associate Administrator, Tina Nunez, Associate Administrator, Chris Henry, Associate Administrator; Stephanie Williams, Associate Administrator; Christine Flores, District Clerk; John Lee, Chief Information Officer; Dianne Martin, MD

There were no oral communications.

*COMMUNICATIONS*

There were no written communications.

In accordance with Health & Safety Code Sections 1461, 1462 and 32106 and Government Section 54954.5(h) Director Wallace adjourned the meeting to closed session at 6:09 p.m., as the discussion pertained to Hospital trade secrets, Human Resources matters and Risk Management.

*ADJOURN TO CLOSED SESSION*

Director Wallace reconvened the meeting to open session at 7:45 p.m. and reported no reportable action was taken in closed session.

*RECONVENE TO OPEN SESSION & REPORT ON CLOSED SESSION*

In accordance with District Law, Policies and Procedures, Director Danielson moved the Chief Executive Officer be authorized to enter into the necessary contracts and proceed with the purchase of the hardware, software and implementation services for the EPIC Infection Control/Antimicrobial Stewardship Module for a total amount not to exceed \$403,310.00.

*CONSIDERATION OF INFECTION CONTROL MODULE*

Director Nicholson seconded the motion.

Roll call was taken:

- Michael Wallace – aye
- William Nicholson, MD - aye
- Patricia Danielson, RHIT – aye
- Bernard Stewart, DDS - aye
- Jacob Eapen, MD - aye

The motion unanimously carried.

There being no further business, Director Wallace adjourned the meeting at 7:48 p.m.

*ADJOURNMENT*

\_\_\_\_\_  
Michael Wallace  
President

\_\_\_\_\_  
Patricia Danielson, RHIT  
Secretary

A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, March 28, 2016 in the Boardroom, Washington Hospital, 2000 Mowry Avenue, Fremont, California. Director Nicholson called the meeting to order at 7:30 a.m.

*CALL  
TO  
ORDER*

Roll call was taken. Directors present: William Nicholson, MD; Bernard Stewart, DDS; Patricia Danielson, RHIT  
Excused: Michael Wallace; Jacob Eapen, MD

*ROLL  
CALL*

Also present: Nancy Farber, Chief Executive Officer; Kranthi Achanta, MD; Timothy Tsoi, MD; Jan Henstorf, MD; Peter Lunny, MD; John Romano, MD; Stephanie Williams, Associate Administrator; Albert Brooks, MD

There were no oral or written communications.

*COMMUNICATIONS*

Director Nicholson adjourned the meeting to closed session at 7:30 a.m. as the discussion pertained to Medical Audit and Quality Assurance Matters pursuant to Health & Safety Code Sections 1461 and 32155.

*ADJOURN TO CLOSED  
SESSION*

Director Nicholson reconvened the meeting to open session at 9:05 a.m. and reported no reportable action was taken in closed session.

*RECONVENE TO OPEN  
SESSION & REPORT ON  
CLOSED SESSION*

There being no further business, the meeting was adjourned at 9:05 a.m.

*ADJOURNMENT*

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Michael Wallace  
President

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Patricia Danielson, RHIT  
Secretary



Washington Hospital  
Healthcare System

S I N C E 1 9 4 8

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# Memorandum

**DATE:** April 8, 2016

**TO:** Board of Directors  
Washington Township Health Care District

**FROM:** Chris Henry, Associate Administrator and Chief Financial Officer *CH*

**SUBJECT:** Investment Policy

Attached please find the draft of the "Statement of Investment Guidelines of Objectives and Policies", which is on the agenda for consideration of the Board of Directors on Wednesday, April 13, 2016.

Attachment



# WASHINGTON TOWNSHIP HEALTH CARE DISTRICT RETIREMENT PLAN

## Statement of Investment Guidelines of Objectives and Policies

March 21, 2016

### INTRODUCTION

The following objectives and guidelines have been established by the Board of Directors in order to administer the Washington Township Health Care District Retirement Plan investments in a manner consistent with the District's funding policy and applicable statutory requirements. The Board of Directors reserve the right to amend and change these objectives and guidelines in the future as they deem prudent.

### A. INVESTMENT OBJECTIVES

1. The overall financial objective of the Plan is to meet present and future obligations to beneficiaries, while minimizing long-term contributions to the Plan (by earning an adequate return on Plan assets), with moderate volatility in year-to-year contribution levels. In pursuit of this objective, all investment-related decisions will be made with the goal of maximizing expected benefits to the Plan and its beneficiaries.
2. The primary investment return objective of the Plan is to provide a satisfactory return on investment for the support of the above objective based upon the prudent investor standard. The specific investment objective of the Plan is to attain an average annual nominal total return (net of investment management fees) over the long term (running five year periods) of 7.5%. It is recognized that the nominal return objective may be difficult to attain in every five-year period, but should be attainable over a series of five year periods.

### B. AUTHORITIES AND RESPONSIBILITIES

1. The Board of Directors is responsible for approving the investment policy of the Washington Township Health Care System Retirement Plan. The Board may authorize the appointment of investment managers (who may also serve as named fiduciaries) and any other investment advisor(s) as may be deemed appropriate in the execution of this policy.
2. Under the direction of the Board of the District, the Chief Executive Officer or designee is responsible for the implementation of this policy.
3. The Chief Executive Officer or designee should report investment activities of the Pension Plan to the Board quarterly. This report should include, where appropriate, a maturity schedule, current yield, market value, type of investment, institution and cost. In addition, the report must include third party confirmation that investment activities are occurring within the guidelines of this Policy.

### C. INVESTMENT MANAGEMENT STRUCTURE

1. The Plan will be managed by external investment managers who may also be designated as "a named fiduciary" as may be applicable. The investment managers have complete discretion to manage the assets in each particular portfolio to best achieve the Plan's investment objectives, within the guidelines set forth in this policy statement.

### D. PORTFOLIO COMPOSITION AND ASSET ALLOCATION

1. The total Plan shall be diversified both by asset class (e.g., equities, bonds, and cash equivalents) and within each asset class (e.g., within equities by economic sector, industry, quality, size, etc.). The purpose of diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the total Plan.

The initial transition of Plan assets into investments as directed by a new Investment Manager will be spread over a 12-month period.

Where possible cash contributions will be netted with cash outflows to avoid excessive investment transactions.

2. To achieve its investment objective, the Plan shall be divided into three parts: an "Equity Class", a "Fixed Income Class" and a "Diversifier Class". The Plan's long-term commitment to these asset classes shall be as follows:

	<u>Long-Term Target</u>	<u>Range</u>
Equity Class	60%	55-65%
Fixed Income Class	20%	15-25%
Diversifier Class	20%	15-25%

Over the long run, the allocation among the various classes is expected to be the single most important determinant of the Plan's investment performance.

Cash is held at the discretion of the investment managers, with the understanding that performance will be measured against equity benchmarks (for equity managers) or fixed income benchmarks (for fixed income managers). The portfolio will be periodically rebalanced through withdrawals, through the direction of new cash flow, or through transfers of assets among investment managers.

3. The **Equity Class**: The purpose of the Equity Class is to achieve a total return that, over a market cycle provides for growth in principal and current income (along with that from the Fixed Income Fund) sufficient to support current benefit payments, while in the long run preserving the purchasing power of the Plan's assets. It is recognized that the pursuit of this objective could entail the assumption of greater market variability and risk.

4. The Equity Class has a target allocation of 60% of total Plan assets at market value. Although the actual percentage of equities and equity reserves will vary with market conditions, levels shall not exceed 65% or fall below 55%. If out of compliance, the investment manager will rebalance back to within target allocation ranges within 30 days. This performance shall be measured by the Chief Executive Officer or designee.
5. The **Fixed Income Class**: The purpose of the Fixed Income Class (bonds and cash equivalents) is to provide further diversification and reduce the overall volatility of the Plan and therefore reduce the variability of contribution amounts to the Plan. This class also provides for a reduction in volatility of lower asset prices and is expected to reduce the overall volatility of the Plan, and to produce current income (to be added to dividend income from the Equity Class) in support of current benefit payments.
6. The Fixed Income Class has a target allocation of 20% of total Plan assets at market value. Although the actual percentage will fluctuate with market conditions, levels shall not exceed 25% or fall below 15%. If out of compliance, the investment manager will rebalance back to within target allocation ranges within 30 days. This performance shall be measured by the Chief Executive Officer or designee.
7. **The Diversifier Class**: The purpose of the Diversifier Class allocation (alternative strategies or asset classes) is to provide uncorrelated sources of return from traditional equity and fixed income classes. This allocation is expected to provide further diversification and reduce the overall volatility of the Plan.
8. The Diversifier Class has a target allocation of 20%, of the total Plan assets at market value. Although the actual percentage will fluctuate with market conditions, levels shall not exceed 25% or fall below 15%. If out of compliance, the investment manager will rebalance back to within target allocation ranges within 30 days. This performance shall be measured by the Chief Executive Officer or designee.
9. Additions to principal shall be allocated to investment classes according to policy.

#### **E. GUIDELINES FOR THE EQUITY CLASS**

1. The investment return objective for the Equity Class is to outperform broad market benchmarks net of fees and costs, when measured over rolling three-year and five-year periods, although performance over shorter and longer periods will be considered. In addition, investment manager performance will be measured against the median return of an appropriate universe of investment managers with broadly similar investment styles.
2. The Equity Class will be broadly diversified according to country, region, economic sector, industry, number of holdings, and other investment characteristics. Multiple managers of different focuses and styles should be considered if necessary to ensure sufficient diversification of this allocation.
3. Decisions as to individual security selection, security size and quality, number of industries and holdings, current income levels, and turnover are left to broad investment manager discretion, subject to the usual standards of fiduciary prudence. However, in no case shall a single security or issuer exceed 10% of the market value of the Equity Class. In addition,

no single major industry shall represent more than 25% of the market value of the Equity Class.

4. Unless otherwise instructed, equity managers may at their discretion hold investment reserves of either cash equivalents or bonds without limitation in terms of asset size or period of time, but with the understanding that performance will be measured against all-equity indexes as described above in paragraph E.1.

#### **F. GUIDELINES FOR THE FIXED INCOME CLASS**

1. The investment return objective of the Fixed Income Class is to outperform broad market benchmarks, net of costs and fees when measured over rolling three-year and five-year periods, although performance over shorter and longer periods will be considered.
2. Fixed Income Class managers may employ active management techniques but changes in overall portfolio duration should be moderate and incremental. The Board may want to discuss the duration guidelines with its fixed income managers to ensure that it is consistent with the managers' investment strategies.
3. To ensure sufficient diversification, multiple managers with different credit, region, strategy focuses may be utilized.
4. In general, the fixed income portfolio shall be well diversified with respect to country, type, industry, and issuer in order to minimize risk exposure. However, obligations issued or guaranteed by the U.S. Government may be held without limitation.

#### **G. GUIDELINES FOR THE DIVERSIFIER CLASS**

1. The objective of the Diversifier Class is to provide a return source not strongly correlated with either the Equity Class or the Fixed Income Class, and therefore provide benefits of reduced volatility of total fund returns.
2. The participating asset classes in the Diversifier Class may change from time to time, based on the evolving market opportunity set.
3. Credit Opportunities and Real Assets classes are included in the Diversifier Class. In general, active management is to be utilized for this Class and broad market benchmarks are to be used for performance measurement purposes.

#### **H. GUIDELINES FOR TRANSACTIONS**

1. As a general guideline that should apply to all assets managed, investment managers are held to the highest fiduciary standards and all transactions should be entered into on the basis of best execution.

## **I. MONITORING OF OBJECTIVES AND RESULTS**

1. All objectives and policies are in effect until modified by the Board, which will review these at least annually for their continued pertinence.
2. If at any time an investment manager believes that any aspect of the policy guidelines inhibits the investment performance of the account, it is the investment manager's responsibility to clearly communicate this view to the Chief Executive Officer or designee as soon as reasonably possible.
3. The Plan portfolios will be monitored on a continual basis for consistency in investment philosophy, return relative to objectives, and investment risk as measured by asset concentrations, exposure to extreme economic conditions, and market volatility. Portfolios will be reviewed by the Chief Executive Officer or designee on a quarterly basis, but results will be evaluated over rolling three- to five-year periods. However, the Staff will regularly review each investment manager in order to confirm that the factors underlying the performance expectations remain in place.
4. In addition to the information required in Section B. of this Policy, each investment manager will report the following information on a quarterly basis: total return (on a time-weighted basis) gross and net of all commissions and fees, additions and withdrawals from the account, current holdings at cost and at market, and purchases and sales for the quarter. Regular communication concerning investment strategy and outlook is expected. In addition, investment managers are required to inform the Chief Executive Officer or designee promptly of any material change in firm ownership, organizational structure, professional personnel, account structure (e.g., number, asset size and account minimum), major investment adjustments, or fundamental investment philosophy.
5. Funds held pending deployment will not count towards portfolio benchmark monitoring.

## **J. MONITORING THE INVESTMENT MANAGER**

1. Investment manager performance should be measured by how they construct the risk and return characteristics of the Plan portfolio as compared to the policy portfolio benchmark.
2. The investment return of each Asset Class (Equity, Fixed Income and Diversifier) shall be compared to their market benchmark.
3. The percentage of Class's outperforming their benchmark over time shall be monitored for consistency of outperformance.
4. The risk adjusted fund performance shall be measured against other like funds or peer group.

Revised March, 2016



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# Memorandum

**DATE:** March 21, 2016

**TO:** Nancy Farber, Chief Executive Officer

**FROM:** Ed Fayen, Senior Associate Administrator  
John Lee, Chief Information Officer

**SUBJECT:** Unix to Linux Migration of Epic Server

Migrating our primary and backup servers that are responsible for processing Epic cache database queries from the current IBM Unix platform to Linux will improve performance, increase scalability and save money. At the time we purchased and implemented Epic the IBM Unix platform was the primary utilized solution for the database server component. Today, one quarter of all Epic customers are now running on Linux and eighty percent of new implementations are setting up Linux for the database server component.

Furthermore, feedback from Epic customers is that the migration to Linux has improved performance of the overall Epic solution. By running Linux in place of IBM Unix we will also leverage our virtualization solution from VMWare that provides resilience and scalability with ease of disaster recovery. Finally, by moving to Linux today, we are able to trade in existing IBM licensing, lower annual maintenance fees from \$152,000 to \$8,400 and avoid purchasing a new IBM server that would otherwise be needed to support our next Epic system upgrade. Overall savings are projected at \$1,199,800 over the next three years.

The Epic IBM to Linux migration is expected to take approximately six months to complete and is part of the fiscal year 2016 IS capital budget.

In accordance with District Law, Policies and Procedures, it is requested that the Board of Directors authorize the Chief Executive Officer to enter into the necessary contracts and proceed with the purchase of the hardware and software for a total amount not to exceed \$398,175.44.



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# Memorandum

**DATE:** March 21, 2016

**TO:** Nancy Farber, Chief Executive Officer

**FROM:** Ed Fayen, Senior Associate Administrator  
John Lee, Chief Information Officer

**SUBJECT:** Radiology Workstation Upgrade

The current PACs workstations need to be upgraded so they can run the Windows 7 operating system and support version 11 of the PACs client application. New hardware is needed in order to adequately support Windows 7 which is required from a security perspective. Also, the current operating system in use, Windows XP, is no longer supported by Microsoft which means critical security updates are no longer being loaded to protect these workstations.

In addition, this project also enables Epic to be launched directly from the PACs workstation so that radiologists and other users will not have to utilize a second computer to launch and view Epic. This will help streamline the process for the Radiology department.

Finally, these client system upgrades for PACs will also prepare us for integration after a planned server system upgrade for PACs takes place which is proposed in the fiscal year 2017 Information Systems capital plan.

The PACs Client System Upgrades are expected to take approximately three months to complete and are part of the fiscal year 2016 IS capital budget.

In accordance with District Law, Policies and Procedures, it is requested that the Board of Directors authorize the Chief Executive Officer to enter into the necessary contracts and proceed with the purchase of the hardware, software and implementation services, for a total amount not to exceed \$61,441.74.



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# Memorandum

**DATE:** March 21, 2016

**TO:** Nancy Farber, Chief Executive Officer

**FROM:** Ed Fayen, Senior Associate Administrator  
John Lee, Chief Information Officer

**SUBJECT:** Intellidesk Upgrade

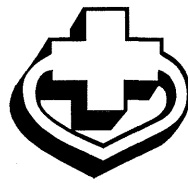
The current attendant console environment used by the PBX Operators needs to be upgraded in order to update the operating system of the workstations from Windows XP to Windows 7. In addition, the current version of Intellidesk software is no longer supported by the vendor and needs to be updated. The Intellidesk software is used to view and route incoming calls to the hospital and allows PBX Operators to quickly look up contact information as well as overhead page.

In addition, this upgrade will allow us to migrate to a newer SIP interface solution which provides more flexibility for the utilization of different wireless telephone devices which is important as we update our network and prepare to occupy the Morris Hyman Critical Care Pavilion.

The Intellidesk Upgrade project is expected to take approximately six months to complete and is part of the fiscal year 2016 IS Communications capital budget.

In accordance with District Law, Policies and Procedures, it is requested that the Board of Directors authorize the Chief Executive Officer to enter into the necessary contracts and proceed with the purchase of the hardware, software and implementation services, for a total amount not to exceed \$98,679.45.





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# Memorandum

**DATE:** March 2, 2016  
**TO:** Nancy Farber, Chief Executive Officer  
**FROM:** Ed Faye, Sr. Associate Administrator  
**SUBJECT:** Convection Steamers

A convection steamer provides pressureless cooking with forced convection steam and promotes efficient cooking and nutrient preservation. We currently have two steamers which are responsible for about 65% of total food production. The life cycle for convection steamers is eight to ten years with ideal maintenance. Our current steamers, aged ten and nineteen years, chronically break down and repairs are non-value added costs. Both steamers are at the end of their useful life.

The total cost for the purchase of two Convection Steamers is \$56,247.04 and was approved in the FY16 Capital Asset Budget.

In accordance with District Law, Policies and Procedures, I request that the Board of Directors authorize the Chief Executive Officer to proceed with the purchase of two Convection Steamers in an amount not to exceed \$56,247.04.

**RESOLUTION NO. 1165**

**RESOLUTION OF THE BOARD OF DIRECTORS OF WASHINGTON  
TOWNSHIP HEALTH CARE DISTRICT ADOPTING REVISIONS TO  
OPERATION OF THE ICU/CCU**

WHEREAS, the Washington Township Health Care District (the “District”) is a local health care district which owns and operates a general acute care hospital known as Washington Hospital and provides essential healthcare services to the population residing within the District’s political boundaries, including the cities of Fremont, Newark, Union City, parts of South Hayward and Sunol;

WHEREAS, the District implemented an intensivist program (the “Program”) in 2008 under which the District contracted with independent intensivists—physicians specially trained to treat critically ill patients in an intensive care unit—to be available on a 24/7 basis to provide care for unassigned patients and other patients (when requested by the treating physician) in the Intensive Care Unit (“ICU”) and Coronary Care Unit (“CCU”) at Washington Hospital;

WHEREAS, at its March 9, 2016 meeting, the Chief Executive Officer presented a Memorandum dated March 4, 2016 from the Chief Executive Officer entitled *Receive and Consider Information regarding Transition to Intensivist Directed Critical Care Model* containing Management’s proposal (the “Proposal”) that the District implement what is known as the “Intensivist Directed Critical Care Model”, whereby only qualified intensivists will be allowed to admit a patient to the ICU and CCU and serve as an attending physician to a patient in those units;

WHEREAS, the Board of Directors heard testimony at its March 9, 2016 meeting from Kimberly Hartz, Senior Associate Administrator, Dr. Albert Brooks, Chief of Medical Affairs, Dr. Kranthi Achanta, Chief of Staff, Dr. Carmencita Agcaoli, Medical Director of the Intensivist Program, Dr. Harpreet Dhillon, Chair, QRM Committee, and Dr. Kadeer Halimi, an Emergency Department physician, all expressing their support for the Proposal;

WHEREAS, on March 21, 2016, the Medical Executive Committee (the “MEC”) of the Washington Hospital Medical Staff held a meeting during which the MEC adopted the Proposal;

WHEREAS, the medical staff through its various departments, sections, the critical care committee and the joint conference committee has held discussions about changing to such an Intensivist Directed Care Model which included a recent special medical staff meeting on April 7, 2016 which provided an opportunity for questions and answers on the Intensivist Directed

Care Model and the role of primary care physicians, ER physicians, specialists, hospitalists in such a model.

WHEREAS, at its noticed regular meeting on April 13, 2016 any members of the public or the Medical Staff with questions or concerns regarding the Proposal were provided an opportunity to present the same to the Board of Directors;

WHEREAS, the Board of Directors, having fully considered the Proposal, the evidence described therein, and the testimony presented at its March 9, 2016 and April 13, 2016 meetings, makes the findings described below intending to adopt the Proposal.

NOW THEREFORE, be it resolved that:

1. The Board of Directors makes the following factual findings based on the Proposal, the evidence described therein, and the testimony presented at its March 9, 2016 and April 13, 2016 meetings:

(a) The quality of care provided in the ICU and CCU since the District implemented the Program has shown significant improvement attributable to the implementation of the Program, including a decrease in sepsis mortality, a reduction in the prevalence of hospital acquired pressure ulcers and a reduction in the average time a patient is on a ventilator.

(b) There is strong support in the medical literature that adoption of the Intensivist Directed Critical Care Model improves clinical outcomes in the ICU and CCU.

(c) The following Bay Area hospitals have adopted the same or similar Intensivist Directed Critical Care Models, indicating that the Intensivist Directed Critical Care Model is or will become the standard of care in the ICU and CCU in the Bay Area: (i) Eden Medical Center; (ii) Stanford Medical-ICU; (iii) Alta Bates Summit Medical Center, Alta Bates and Summit Campuses; (iv) Santa Clara Valley Medical Center; (v) Kaiser Santa Clara; (vi) Kaiser San Francisco; (vii) UCSF; and (viii) John Muir.

(d) The MEC has formally adopted the Proposal and there is strong support among the Medical Staff in favor of the Proposal.

2. The Board of Directors, having considered all of the evidence and testimony described above, finds that it is in the best interest of the District and its patients that the District adopt the Intensivist Directed Critical Care Model as described in the Proposal and, exercising its authority as the policy-making body of the District with overall responsibility for the management of the affairs of the District, approves the Proposal and directs Management to

implement the Intensivist Directed Critical Care Model in the District's ICU and CCU as described in the Proposal.

3. Under the Proposal, only a contracted Intensivist will be allowed to admit patients to the ICU/CCU and an Intensivist will be the Attending of record while the patient is in the ICU/CCU. As the Attending of record, the Intensivist will have final approval on all orders. All other physicians with the appropriate privileges will be allowed to consult in their areas of expertise as needed. They will be allowed to write orders in consultation with the Intensivist but the Intensivist will have final approval on all orders.

4. The Proposal is to be implemented as soon as reasonably possible in a timeframe to be determined at the discretion of the Chief Executive Officer.

5. The Chief Executive Officer is hereby authorized to take any and all actions necessary to execute any and all instruments and do any and all things deemed by her to be necessary, or desirable, to carry out the intent and purposes of the foregoing resolutions.

Passed and adopted by the Board of Directors of the Washington Township Health Care District this 13th day of April, 2016 by the following vote:

AYES:

NOES:

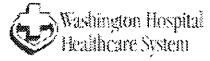
ABSENT:

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MICHAEL J. WALLACE  
President, Board of Directors  
Washington Township Health Care District

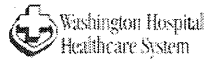
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PATRICIA DANIELSON, RHIT  
Secretary, Board of Directors  
Washington Township Health Care District



**WASHINGTON HOSPITAL**  
**MONTHLY OPERATING REPORT**

**February 2016**



**WASHINGTON HOSPITAL  
INDEX TO BOARD FINANCIAL STATEMENTS  
February 2016**

<b><u>Schedule Reference</u></b>	<b><u>Schedule Name</u></b>
<b>Board - 1</b>	Statement of Revenues and Expenses
<b>Board - 2</b>	Balance Sheet
<b>Board - 3</b>	Operating Indicators



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# Memorandum

**DATE:** April 8, 2016  
**TO:** Board of Directors  
**FROM:** Nancy Farber  
**SUBJECT:** Washington Hospital – February 2016  
Operating & Financial Activity

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## SUMMARY OF OPERATIONS – (Blue Schedules)

### 1. Utilization – Schedule Board 3

<u>ACUTE INPATIENT:</u>	February <u>Actual</u>	<u>Budget</u>	Current 12 <u>Month Avg.</u>
Average Daily Census	168.4	175.1	159.4
# of Admissions	1,030	1,068	1,010
Patient Days	4,884	5,078	4,863
Discharge ALOS	4.86	4.75	4.75

<u>OUTPATIENT:</u>	February <u>Actual</u>	<u>Budget</u>	Current 12 <u>Month Avg.</u>
OP Visits	6,789	7,301	7,267
ER Visits	4,710	4,586	4,426
Observation Equivalent Days – OP	219	261	252

Comparison of February acute inpatient statistics to those of the budget showed a lower level of admissions and a lower level of patient days. The average length of stay (ALOS) based on discharged days was above budget. Outpatient visits were lower than budget. Emergency Room visits were above budget for the month.

**2. Staffing – Schedule Board 3**

Total paid FTEs were 70.7 below budget. Total productive FTEs for February were 1,231.5, 69.3 below the budgeted level of 1,300.8. Nonproductive FTEs were 1.4 below budget. Productive FTEs per adjusted occupied bed were 5.49, the same as budget. Total FTEs per adjusted occupied bed were 6.25, 0.03 above the budgeted level of 6.22.

**3. Income - Schedule Board 1**

For the month of February the Hospital realized a gain of \$2,457,000 from operations.

Total Gross Patient Service Revenue of \$167,082,000 for February was 2.3% below budget.

Deductions from Revenue of \$128,313,000 represented 76.80% of Total Gross Patient Service Revenue. This percentage is below the budgeted amount of 77.04%.

Total Operating Revenue of \$40,346,000 was \$464,000 (1.1%) below the budget.

Total Operating Expense of \$37,889,000 was \$60,000 (0.2%) below the budgeted amount.

The Total Non-Operating Gain of \$1,820,000 for the month of February includes an unrealized gain on investments of \$89,000 and property tax revenue of \$1,364,000. This property tax revenue will be used to pay the debt service for the general obligation bonds.

The Total Net Gain for February was \$4,277,000, which was \$298,000 less than the budgeted gain of \$4,575,000.

The Total Net Gain for February using FASB accounting principles, in which the unrealized gain on investments and property tax revenues are removed from the non-operating income and expense, was \$2,824,000 compared to a budgeted gain of \$3,211,000.

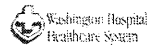


**4. Balance Sheet – Schedule Board 2**

There were no noteworthy changes in assets and liabilities when compared to January 2016.

NANCY FARBER  
Chief Executive Officer

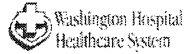
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**WASHINGTON HOSPITAL**  
**STATEMENT OF REVENUES AND EXPENSES**  
**February 2016**  
**GASB FORMAT**  
**(In thousands)**

FEBRUARY				YEAR TO DATE					
ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.		ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.	
				<b>1</b>	<b>OPERATING REVENUE</b>				
\$ 125,331	\$ 126,305	\$ (974)	-0.8%	<b>2</b>	INPATIENT REVENUE	\$ 991,923	\$ 985,143	\$ 6,780	0.7%
41,751	44,664	(2,913)	-6.5%	<b>3</b>	OUTPATIENT REVENUE	352,749	364,043	(11,294)	-3.1%
<b>167,082</b>	<b>170,969</b>	<b>(3,887)</b>	<b>-2.3%</b>	<b>4</b>	<b>TOTAL PATIENT REVENUE</b>	<b>1,344,672</b>	<b>1,349,186</b>	<b>(4,514)</b>	<b>-0.3%</b>
<b>(128,313)</b>	<b>(131,718)</b>	<b>3,405</b>	<b>2.6%</b>	<b>5</b>	<b>CONTRACTUAL ALLOWANCES</b>	<b>(1,033,054)</b>	<b>(1,038,265)</b>	<b>5,211</b>	<b>0.5%</b>
<b>76.80%</b>	<b>77.04%</b>			<b>6</b>	<b>CONTRACTUAL AS % OF REVENUE</b>	<b>76.83%</b>	<b>76.95%</b>		
<b>38,769</b>	<b>39,251</b>	<b>(482)</b>	<b>-1.2%</b>	<b>7</b>	<b>NET PATIENT REVENUE</b>	<b>311,618</b>	<b>310,921</b>	<b>697</b>	<b>0.2%</b>
1,577	1,559	18	1.2%	<b>8</b>	OTHER OPERATING INCOME	3,354	3,031	323	10.7%
<b>40,346</b>	<b>40,810</b>	<b>(464)</b>	<b>-1.1%</b>	<b>9</b>	<b>TOTAL OPERATING REVENUE</b>	<b>314,972</b>	<b>313,952</b>	<b>1,020</b>	<b>0.3%</b>
				<b>10</b>	<b>OPERATING EXPENSES</b>				
14,480	14,768	288	2.0%	<b>11</b>	SALARIES & WAGES	116,369	116,334	(35)	0.0%
6,074	5,834	(240)	-4.1%	<b>12</b>	EMPLOYEE BENEFITS	44,827	45,162	335	0.7%
4,198	4,141	(57)	-1.4%	<b>13</b>	SUPPLIES	34,098	33,458	(640)	-1.9%
4,336	4,823	487	10.1%	<b>14</b>	PURCHASED SERVICES & PROF FEES	38,742	39,761	1,019	2.6%
1,271	1,400	129	9.2%	<b>15</b>	INSURANCE, UTILITIES & OTHER	10,582	11,447	865	7.6%
3,969	3,452	(517)	-15.0%	<b>16</b>	PROVISION FOR DOUBTFUL ACCOUNTS	28,906	27,697	(1,209)	-4.4%
2,747	2,727	(20)	-0.7%	<b>17</b>	DEPRECIATION	21,802	21,685	(117)	-0.5%
814	804	(10)	-1.2%	<b>18</b>	INTEREST EXPENSE	6,585	6,600	15	0.2%
<b>37,889</b>	<b>37,949</b>	<b>60</b>	<b>0.2%</b>	<b>19</b>	<b>TOTAL OPERATING EXPENSE</b>	<b>301,911</b>	<b>302,144</b>	<b>233</b>	<b>0.1%</b>
<b>2,457</b>	<b>2,861</b>	<b>(404)</b>	<b>-14.1%</b>	<b>20</b>	<b>OPERATING INCOME (LOSS)</b>	<b>13,061</b>	<b>11,808</b>	<b>1,253</b>	<b>10.6%</b>
<b>6.09%</b>	<b>7.01%</b>			<b>21</b>	<b>OPERATING INCOME MARGIN %</b>	<b>4.15%</b>	<b>3.76%</b>		
				<b>22</b>	<b>NON-OPERATING INCOME &amp; (EXPENSE)</b>				
284	272	12	4.4%	<b>23</b>	INVESTMENT INCOME	1,902	1,830	72	3.9%
17	0	17	0.0%	<b>24</b>	REALIZED GAIN/(LOSS) ON INVESTMENTS	(83)	0	(83)	0.0%
66	78	(12)	-15.4%	<b>25</b>	RENTAL INCOME, NET	576	621	(45)	-7.2%
0	0	0	0.0%	<b>26</b>	OTHER NON-OPERATING, NET	(1,233)	(966)	(267)	-27.6%
1,364	1,364	0	0.0%	<b>27</b>	PROPERTY TAX REVENUE	10,333	10,332	1	0.0%
89	0	89	0.0%	<b>28</b>	UNREALIZED GAIN/(LOSS) ON INVESTMENTS	101	0	101	0.0%
<b>1,820</b>	<b>1,714</b>	<b>106</b>	<b>6.2%</b>	<b>29</b>	<b>TOTAL NON-OPERATING INCOME &amp; EXPENSE</b>	<b>11,596</b>	<b>11,817</b>	<b>(221)</b>	<b>-1.9%</b>
<b>\$ 4,277</b>	<b>\$ 4,575</b>	<b>\$ (298)</b>	<b>-6.5%</b>	<b>30</b>	<b>NET INCOME (LOSS)</b>	<b>\$ 24,657</b>	<b>\$ 23,625</b>	<b>\$ 1,032</b>	<b>4.4%</b>
<b>10.60%</b>	<b>11.21%</b>			<b>31</b>	<b>NET INCOME MARGIN %</b>	<b>7.83%</b>	<b>7.53%</b>		
<b>\$ 2,824</b>	<b>\$ 3,211</b>	<b>\$ (387)</b>	<b>-12.1%</b>	<b>32</b>	<b>NET INCOME (LOSS) USING FASB PRINCIPLES**</b>	<b>\$ 14,223</b>	<b>\$ 13,293</b>	<b>\$ 930</b>	<b>7.0%</b>
<b>7.00%</b>	<b>7.87%</b>				<b>NET INCOME MARGIN %</b>	<b>4.52%</b>	<b>4.23%</b>		

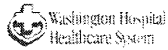
\*\*NET INCOME (FASB FORMAT) EXCLUDES PROPERTY TAX INCOME AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS



**WASHINGTON HOSPITAL**  
**BALANCE SHEET**  
 February 2016  
*(In thousands)*

SCHEDULE BOARD 2

ASSETS AND DEFERRED OUTFLOWS		FEBRUARY 2016	AUDITED JUNE 2015	LIABILITIES, NET POSITION AND DEFERRED INFLOWS		FEBRUARY 2016	AUDITED JUNE 2015
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
1	CASH & CASH EQUIVALENTS	\$ 29,148	\$ 19,275	1	CURRENT MATURITIES OF L/T OBLIG	\$ 6,165	\$ 5,995
2	ACCOUNTS REC NET OF ALLOWANCES	68,229	61,503	2	ACCOUNTS PAYABLE	23,799	28,024
3	OTHER CURRENT ASSETS	7,521	6,713	3	OTHER ACCRUED LIABILITIES	53,187	49,107
4	TOTAL CURRENT ASSETS	<u>104,898</u>	<u>87,491</u>	4	INTEREST	3,134	9,872
				5	TOTAL CURRENT LIABILITIES	<u>86,285</u>	<u>92,998</u>
<b>ASSETS LIMITED AS TO USE</b>				<b>LONG-TERM DEBT OBLIGATIONS</b>			
6	BOARD DESIGNATED FOR CAPITAL AND OTHER	185,824	184,164	6	REVENUE BONDS AND OTHER	204,138	208,626
7	GENERAL OBLIGATION BOND FUNDS	217,486	121,657	7	GENERAL OBLIGATION BONDS	343,166	197,346
8	REVENUE BOND FUNDS	10,432	10,390				
9	BOND DEBT SERVICE FUNDS	8,464	21,349	<b>OTHER LIABILITIES</b>			
10	OTHER ASSETS LIMITED AS TO USE	15,322	15,112	10	NET PENSION LIABILITY	48,079	66,440
11	TOTAL ASSETS LIMITED AS TO USE	<u>437,528</u>	<u>352,672</u>	11	WORKERS' COMP	9,076	8,609
13	OTHER ASSETS	135,100	122,848	12	SUPPLEMENTAL MEDICAL RETIREMENT	38,554	36,523
14	NET PROPERTY, PLANT & EQUIPMENT	450,928	416,245	14	NET POSITION	406,644	381,987
15	TOTAL ASSETS	<u>\$ 1,128,454</u>	<u>\$ 979,256</u>	15	TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,135,942</u>	<u>\$ 992,529</u>
16	DEFERRED OUTFLOWS	15,500	24,472	16	DEFERRED INFLOWS	8,012	11,199
17	TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 1,143,954</u>	<u>\$ 1,003,728</u>	17	TOTAL LIABILITIES, NET POSITION AND DEFERRED INFLOWS	<u>\$ 1,143,954</u>	<u>\$ 1,003,728</u>



**WASHINGTON HOSPITAL  
OPERATING INDICATORS**

February 2016

12 MONTH AVERAGE	FEBRUARY						YEAR TO DATE			
	ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.			ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.
	<b><u>PATIENTS IN HOSPITAL</u></b>									
159.4	168.4	175.1	(6.7)	-4%	1	ADULT & PEDS AVERAGE DAILY CENSUS	157.1	158.3	(1.2)	-1%
8.2	7.6	9.0	(1.4)	-16%	2	OUTPT OBSERVATION AVERAGE DAILY CENSUS	7.9	8.6	(0.7)	-8%
10.6	10.7	11.4	(0.7)	-6%	3	WELLBORN NURSERY AVERAGE DAILY CENSUS	10.7	10.9	(0.2)	-2%
178.2	186.7	195.5	(8.8)	-5%	4	TOTAL	175.7	177.8	(2.1)	-1%
3.8	3.9	3.6	0.3	8%	5	SPECIAL CARE NURSERY AVERAGE DAILY CENSUS *	3.7	3.4	0.3	9%
4,863	4,884	5,078	(194)	-4%	6	ADULT & PEDS PATIENT DAYS	38,326	38,632	(306)	-1%
1,010	1,030	1,068	(38)	-4%	7	ADMISSIONS-ADULTS & PEDS	8,021	8,329	(308)	-4%
4.75	4.86	4.75	0.11	2%	8	AVERAGE LENGTH OF STAY-ADULTS & PEDS	4.71	4.63	0.08	2%
	<b><u>OTHER KEY UTILIZATION STATISTICS</u></b>									
1,529	1,535	1,503	0.032	2%	9	OVERALL CASE MIX INDEX (CMI)	1.524	1.503	0.021	1%
	<b><u>SURGICAL CASES</u></b>									
132	126	113	13	12%	10	JOINT REPLACEMENT CASES	1,060	900	160	18%
25	28	21	7	33%	11	NEURO SURGICAL CASES	194	212	(18)	-8%
8	9	14	(5)	-36%	12	CARDIAC SURGICAL CASES	62	89	(27)	-30%
230	165	206	(41)	-20%	13	GENERAL SURGICAL CASES	1,860	1,619	241	15%
395	328	354	(26)	-7%	14	TOTAL SURGICAL CASES	3,176	2,820	356	13%
463	386	385	1	0%	15	TOTAL CATH LAB PROCEDURES	2,960	3,385	(425)	-13%
151	133	155	(22)	-14%	16	DELIVERIES	1,214	1,240	(26)	-2%
7,267	6,789	7,301	(512)	-7%	17	OUTPATIENT VISITS	56,603	58,213	(1,610)	-3%
4,426	4,710	4,586	124	3%	18	EMERGENCY VISITS	34,888	36,170	(1,282)	-4%
	<b><u>LABOR INDICATORS</u></b>									
1,199.0	1,231.5	1,300.8	69.3	5%	19	PRODUCTIVE FTE'S	1,202.0	1,221.2	19.2	2%
175.0	171.2	172.6	1.4	1%	20	NON PRODUCTIVE FTE'S	182.1	184.4	2.3	1%
1,374.0	1,402.7	1,473.4	70.7	5%	21	TOTAL FTE'S	1,384.1	1,405.6	21.5	2%
5.57	5.49	5.49	-	0%	22	PRODUCTIVE FTE/ADJ. OCCUPIED BED	5.64	5.63	(0.01)	0%
6.38	6.25	6.22	(0.03)	0%	23	TOTAL FTE/ADJ. OCCUPIED BED	6.50	6.48	(0.02)	0%

\* included in Adult and Peds Average Daily Census