



# Washington Township Health Care District

2000 Mowry Avenue, Fremont, California 94538-1716 | 510.797.1111

Kimberly Hartz, Chief Executive Officer

## Board of Directors

Jacob Eapen, MD  
William F. Nicholson, MD  
Bernard Stewart, DDS  
Michael J. Wallace  
Jeannie Yee

## BOARD OF DIRECTORS' MEETING

Wednesday, July 10, 2019 – 6:00 P.M.  
Conrad E. Anderson, MD Auditorium

### AGENDA

#### PRESENTED BY:

- |  |  |
|--|--|
| <b>I. CALL TO ORDER &amp; PLEDGE OF ALLEGIANCE</b>   | Bernard Stewart<br>Board Member  |
| <b>II. ROLL CALL</b>   | Dee Antonio<br>District Clerk  |
| <b>III. EDUCATION</b>  |  |
| WHEA: Don Pickinpaugh Scholarship Award  | Jahneen Zayad, WHEA President  |
| American Heart Association Stroke Awards & Presentation  | Elaina Gunn<br>American Heart Association                                |
|  | Jack Rose, MD and<br>Prabhjot Khalsa, MD<br>Co-Directors, Stroke Program |
| <b>IV. CONSIDERATION OF MINUTES</b>  |  |
| June 4, 12, 17, 24, and 26, 2019   | <i>Motion Required</i>   |
| <b>V. COMMUNICATIONS</b>   |  |
| A. Oral  |  |
| B. Written   |  |
| From Prasad Kilaru, MD, Chief of Staff, dated June 26, 2019 requesting approval of Medical Staff Credentialing Action Items. | <i>Motion Required</i>   |
| <b>VI. INFORMATION</b>   |  |
| A. Service League Report   | <b>PRESENTED BY:</b><br>Ruth McGautha<br>Service League                  |
| B. Medical Staff Report  | Prasad Kilaru, MD<br>Chief of Staff                                      |

C. Hospital Calendar

Kimberly Hartz  
Chief Executive Officer

D. Lean Report:

Washington Township Medical Foundation:  
Building a Lean Management Culture

Galen Hamilton  
Chief Operating Officer, WTMF

E. Quality Report:

Special Care Nursery (SCN) Program Update

James McGuire, M.D., M.P.H.  
Medical Director

F. Finance Report

Chris Henry  
Associate Administrator and  
Chief Financial Officer

G. Hospital Operations Report

Kimberly Hartz  
Chief Executive Officer

**VII. 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

C. Conference with Legal Counsel-Anticipated Litigation pursuant to Government Code section 54956.9(d)(2)

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

Bernard Stewart  
Board Member

**IX. ADJOURNMENT**

Bernard Stewart  
Board Member

A meeting of the Board of Directors of the Washington Township Health Care District was held on Tuesday, June 4, 2019 in the Board Room, 2000 Mowry Avenue, Fremont, California. Director Stewart 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: Bernard Stewart, DDS; William Nicholson, MD; Michael Wallace; Jacob Eapen, MD; Jeannie Yee

*ROLL CALL*

Also present: Nancy Farber, Chief Executive Officer; and Paul Kozachenko, Attorney

There were no oral communications.

*COMMUNICATIONS*

There were no written communications.

In accordance with Government Codes §54957 and §54957.6, Director Stewart adjourned the meeting to closed session at 6:00 p.m. as the discussion pertained to personnel matters and Labor Negotiations regarding the Chief Executive Officer.

*ADJOURN TO CLOSED SESSION*

Director Stewart reconvened the meeting to open session at 7:55 p.m. and reported that no reportable action was taken during closed session.

*RECONVENE TO OPEN SESSION & REPORT ON CLOSED SESSION*

There being no further business, Director Stewart adjourned the meeting at 7:55 p.m.

*ADJOURNMENT*

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Bernard Stewart  
President

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Michael J. Wallace  
Secretary

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, June 12, 2019 in the Conrad E. Anderson, MD Auditorium, 2500 Mowry Avenue, Fremont, California. Director Stewart called the meeting to order at 6:00 pm and led those present in the Pledge of Allegiance.

*CALL TO ORDER*

Roll call was taken: Directors present: Bernard Stewart, DDS; William Nicholson, MD; Jeannie Yee; Jacob Eapen, MD; Michael Wallace

*ROLL CALL*

Also present: Nancy Farber, Chief Executive Officer; Kranthi Achanta MD, Past Chief of Staff; Ruth McGautha, Service League President; Dee Antonio, District Clerk

Guests: Ed Fayen, Kimberly Hartz, Chris Henry, Tina Nunez, Stephanie Williams, Jeff Stuart MD, Kristin Ferguson, Mary Bowron, John Zubiena, David Hayne, Rob Lanci, Nick Legge, Kel Kanady, Gisela Hernandez, Donald Pipkin, Dan Nardoni, Paul Kozachenko

Director Nicholson moved for the following Board officers for the remainder of calendar year 2019:

*ELECTION OF OFFICERS*

President: Bernard Stewart, DDS  
First Vice President: William Nicholson, MD  
Second Vice President: Michael J. Wallace  
Treasurer: Jacob Eapen, MD  
Secretary: Jeannie Yee

Director Eapen seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD - aye  
Jeannie Yee – aye

Nancy Farber introduced Chris Henry, Senior Associate Administrator and Chief Financial Officer, and Dan Nardoni, Chief Financial Officer for Washington Township Medical Foundation to give the Budget Presentation for Fiscal Year 2019-2020. Mr. Henry began with a description of the National political environment including the Trump Healthcare Initiative. He then discussed California's economy and the SB-1152 Homeless Patient Discharge Law and other unfunded mandates. He reviewed the Morris Hyman Critical Care Pavilion's impact on the income statement and government payor reimbursement. Mr. Henry went on to list WHHS' various accomplishments in Healthgrades and other recognitions.

*EDUCATION  
Budget Estimate for FY  
2019-2020*

Mr. Nardoni reviewed the FY 2019-20 provisions as outlined in the budget, the Income Statement, Volume Indicators, and Performance Indicators. He showed a comparison of Actual 2018, Projected 2019, and Budgeted 2020 numbers for Admissions, Admissions by Payor, Patient Days, Deliveries, Total Surgical Cases, Total Cath Lab Procedures, Emergency Room Visits, and Outpatient Visits (non-ER). He reviewed Patient Service Revenue and Operating Expense Summary. His graph showed an operating expense trend of total expenses and total operating revenue running together along the same line. Mr. Nardoni covered the EBITDA

numbers and gave a summary of the non-operating income and expense. He also reviewed the Capital Project Requests for facilities projects and IT projects and the Capital Requests for equipment.

In accordance with District Law, Policies and Procedures, Director Nicholson moved that the Board of Directors approve Resolution No. 1198 which is the Budget Estimate for Fiscal Year 2019-2020. This Resolution provides the necessary funds required for the operation of the District and for the continued support of the Washington Township Hospital Development Corporation in its operations to promote the charitable and community service mission of the District.

*CONSIDERATION OF  
RESOLUTION No. 1198:  
BUDGET ESTIMATE  
FOR FY 2019-2020*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD – aye  
Jeannie Yee - aye

The motion unanimously carried.

Nancy Farber introduced Donald Pipkin, Chief of Strategic Management to present the Strategic Map for FY 2020-2022 “Healthcare System of Choice.” In his presentation, Mr. Pipkin covered the external environment highlights, the commitment to our Core Values as related to the Strategic Map components, and the strategic plan.

*EDUCATION  
Strategic Map 2020-2022*

In accordance with District Law, Policies and Procedures, Director Nicholson moved that the Board of Directors approve and adopt the Washington Hospital Healthcare System Strategic Map for FY 2020-2022 which depicts the key elements of Washington’s three-year strategy with the understanding that adjustments may need to be made as the environment changes.

*CONSIDERATION OF  
STRATEGIC MAP FY  
2020-2022*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD – aye  
Jeannie Yee - aye

The motion unanimously carried.

Director Nicholson moved for approval of the minutes of May 3, 7, 8, 20, 22, and 28, 2019.

*APPROVAL OF  
MINUTES OF May 3, 7,  
8, 20, 22, and 28, 2019*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD - aye  
Jeannie Yee - aye

The motion unanimously carried.

The following written communication received from Kranthi Achanta, MD, Past Chief of Staff, dated May28, 2019 requesting approval of Medical Staff Credentialing Action Items as follows:

*COMMUNICATIONS:  
WRITTEN*

Appointments

Anwar, Moshiur MD; Chan, Amber NP; Krishan, Rachna NP; Thaghali Siddegowda, Sunil Kumar MD

Temporary Privileges

Anwar, Moshiur MD; Chan, Amber NP; Krishan, Rachna NP; Thaghali Siddegowda, Sunil Kumar MD

Locum Tenens

Anwar, Moshiur MD

Reappointments – Two Year

Chakravorty, Aruna MD; Deol, Gurleen PA-C; Johnson, Craig MD; Lee, Christina MD; Matuszak III, Ronald MD; Multani, Jasbir “Jenny” MD; Nguyen, Doris MD; Saxena, Deepti MD; Shain, Alan MD; Shinghal, Rajesh MD; Singhal, Manish MD; Upender, Sunil MD

Reappointments – One Year

Carlson, Carl “Jeffrey” MD; Kumar, Pradeep MD; Kolluru, Gopala MD; Okamoto, Eric MD

Transfer in Staff Category

Ha, Huan MD; Lin, Joshua DO; Multani, Jasbir “Jenny” MD; Siddiqui, Imran MD

Completion of Proctoring Prior to Eligibility for Advancement in Staff Category

Ambati, Sreekanth MD; Gandhir, Garima DO; Myint, Kyaw MD; Oki, Yasuhiro MD; Yanga, Almario MD

Completion of Proctoring and Advancement in Staff Category

Ha, Huan MD; Lin, Joshua DO; Siddiqui, Imran MD; Quitevis, Richard NP

Extension of Proctoring and Provisional Category 1-year

Boparai, Namrita MD

Delete Privilege Requests

Carlson, Carl “Jeffrey” MD; Multani, Jasbir “Jenny” MD; Saxena, Deepti MD

Conflict of Interest

Kumar, Pradeep MD

Withdrawal of Application

Gill, Kanwar Rupinder MD; Thompson, Camelot NP

Resignations

Bastasch, Michael MD

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

Director Nicholson seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD - aye  
Jeannie Yee - aye

The motion unanimously carried.

Ruth McGautha, Service League, reported on the Service League activities, noting that following a volunteer information session attended by over one hundred prospective student volunteers, the Service League has eighty confirmed new volunteers ready to begin this month. Ms. McGautha also talked about the Pet Therapy program with initial visits completed by Russ Weinberg, handler, and Ringo. There are currently three teams in the program: Team Weinberg, Team Margolis, and Team Farber.

*SERVICE LEAGUE  
REPORT*

Dr. Kranthi Achanta reported there are 602 Medical Staff members which includes 361 active members.

*MEDICAL STAFF  
REPORT*

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

*HOSPITAL CALENDAR:  
Community Outreach*

**Past Health Promotions & Outreach Events**

Outreach Events included:

- May 9<sup>th</sup> – Green Team Energizer Station @ BART Station for National Bike to Work Day
- May 9<sup>th</sup> – Celebration of Life
- May 16<sup>th</sup> – Bad to the Bone: Understanding Osteoporosis
- June 1<sup>st</sup> & 2<sup>nd</sup> – Major sponsor for American Cancer Society “Tri City FUN Relay for Life
- June 2<sup>nd</sup> – Be Your Own Hero Bicycle Treasure Hunt
- June 4<sup>th</sup> – Wildfire Smoke and Your Lungs: Do You Need to Worry?

**Upcoming Health Promotions & Community Outreach Events**

Health Promotions and Outreach Events will include:

- June 13<sup>th</sup> – Vitamins and Supplements: How Usefyl Are They?
- June 20<sup>th</sup> – Throw on Your Athletic Shoes and Let’s Get Moving

**Bay Area Healthier Together**

In the month of April, Bay Area Healthier Together's topic was Stroke Awareness.

*HOSPITAL CALENDAR:  
Bay Area Healthier  
Together*

**Washington Hospital Healthcare Foundation**

- The Foundation will host the 33<sup>rd</sup> annual Top Hat dinner dance on Saturday, October 12<sup>th</sup>. The proceeds will go towards the support of the Washington Hospital Women's Center with the purchase of 3D mammography equipment.
- During the annual Scholarship luncheon hosted by the New Haven Schools Foundation on May 22<sup>nd</sup>, The Foundation presented scholarships to graduating seniors from James Logan High School: Jennifer Diaz and Margarita Garcia.
- The Foundation received a donation of stuffed animals from two Washington High School students donated to the Emergency Department and Pediatric Department. Three sixth-graders from Maloney Elementary School in Fremont raised funds through bake sales to create 47 care packages for patients undergoing cancer treatments.

*HOSPITAL CALENDAR:  
Washington Hospital  
Foundation Report*

**Board of Directors Report**

WTHCD Board Members attended the Indo-Americans for Better Community's Charity Ball on May 11<sup>th</sup>.

*WASHINGTON  
TOWNSHIP BOARD OF  
DIRECTORS REPORT*

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

WHEA awarded \$14,847 for Annual Wish List items.

*WASHINGTON  
HOSPITAL EMPLOYEE  
ASSOCIATION, W.H.E.A.  
WASHINGTON ON  
WHEELS (W.O.W.)  
MOBILE HEALTH  
CLINIC*

**Washington on Wheels**

The WOW Mobile Clinic provided quality health care services at the TCV Food Bank and Thrift Store, Sunrise Village, the Family Resource Center and the Irvington Presbyterian Church in Fremont; Ruggieri Senior Center, Union City Family Center, and Our Lady of the Rosary Church in Union City; and the Viola Blythe Community Services Center and the Salvation Army in Newark. The total number of community members receiving health care from the WOW van during the month of May was 153.

**Internet and Social Media Marketing**

Washington Hospital's website serves as a central source of information for the communities the District serves and beyond. The most viewed page was Employment with 33,190 views.

*HOSPITAL CALENDAR:  
Internet and Social Media  
Marketing*

**InHealth - Channel 78**

During the month of April, Washington Hospital's cable channel 78, InHealth, aired these programs:

- Endometriosis: Causes, Symptoms, Diagnosis and Treatment
- Gastrointestinal Disorders
- Metabolic Disorders
- Diabetes and Kidney Health
- May Board of Directors Meeting

*HOSPITAL CALENDAR:  
InHealth*



**Awards and Recognition**

- Washington Hospital proudly announced four recipients of the Nurse of the Year Award: Darcy Alley RN, William Cristobal MSN RN CEN, Heather Garcia RN, and Dexter Hermosura BSN RN-BC

*HOSPITAL CALENDAR:  
Awards and Recognition*

**Employee of the Month**

Menchu Cruz, Staff Nurse III, Observation Unit, 3 North was the June Employee of the Month.

*HOSPITAL CALENDAR:  
Employee of the Month –  
Menchu Cruz*

Nancy Farber introduced Kimberly Hartz, Senior Associate Administrator, who presented a Lean Certificate and Pin to Kranthi Achanta upon completion of his Lean Certification Training. This is a 12-18 month process that requires proficiency in Lean concepts and tools. To date, we have certified thirty-seven Managers and three Physicians.

*LEAN UPDATE  
Presentation of  
Certificate and Pin*

Mary Bowron, Chief of Quality and Resource Management presented the American College of Surgeons National Surgical Quality Improvement Program (NSQIP) 2019 Update. She reported that WHHS received Exemplary Status for being in the top 10% of hospitals with the lowest mortality rate for all surgical cases; for being in the top 10% of hospitals with the lowest complications for all surgical cases; and for being in the top 10% of hospitals with the lowest readmissions for all surgical cases; for being in the top 10% of hospitals with the lowest ventilator < 48 hours for all surgical cases; for being in the top 10% of hospitals with the lowest surgical site infections for all surgical cases; for being in the top 10% of hospitals with the lowest morbidity in general surgery; and for being in the top 10% of hospitals with the lowest VTE in Total Knee Replacement Surgery. WHHS had a lower rate of unplanned returns to the Operating Room within 30 days of surgery compared to the expected rate and WHHS cardiac surgery patients had a statistically significantly lower morbidity rate, urinary tract infection rate, surgical site infections rate, readmission rate, and ventilator duration over 48 hours rate that what was expected. WHHS hip replacement patients had lower rates of blood clots, infections and readmissions in the 30 days post-surgery.

*QUALITY REPORT:  
American College of  
Surgeons National  
Surgical Quality  
Improvement Program  
(NSQIP) 2019 Update*

Chris Henry, Chief Financial Officer, presented the Finance Report for April 2019. The average daily census was 165.2 with admissions of 991 resulting in 4,970 patient days. Outpatient observation equivalent days were 172. The average length of stay was 4.92 days. The case mix index was 1.456. Deliveries were 121. Surgical cases were 388. Joint Replacement cases were 168. Neurosurgical cases were 26. Cardiac Surgical cases were 5. The Outpatient visits were 7,880 and Emergency visits were 4,337. Total productive FTEs were 1,538.1. FTEs per adjusted occupied bed were 6.35.

*FINANCE REPORT*

Nancy Farber presented the Hospital Operations Report for May 2019. Preliminary information indicated gross revenue for the month at approximately \$139,597,000. The Average Length of Stay of 5.24 and there were 5,645 patient days. There were 411 Surgical Cases and 370 Cath Lab procedures at the Hospital. Deliveries were 135. Non-Emergency Outpatient visits were 8,168. Total FTEs per Adjusted Occupied Bed were 5.86. The Washington Outpatient Surgery Center had 500 cases and the clinics saw approximately 3,739 patients. Total Government Sponsored Preliminary Payor Mix was 72.0%, above the budget of 71.8%. Homeless Patient Total Encounters were 232 with an estimated unreimbursed cost of homeless care of \$418,000.

*HOSPITAL  
OPERATIONS REPORT*

In accordance with District Law, Policies and Procedures, Director Nicholson moved that the Board of Directors authorize the Chief Executive Officer to execute the proceed with the necessary contracts to complete the Special Care Nursery upgrades in an amount not to exceed \$169,250.00.

*CONSIDERATION OF  
SPECIAL CARE NURSRY  
UPGRADE*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD - aye  
Jeannie Yee - aye

The motion unanimously carried.

In accordance with District Law, Policies and Procedures, Director Nicholson moved that the Board of Directors authorize the Chief Executive Officer to proceed with the necessary contracts to complete the WestCom Nurse Call System upgrades for an amount not to exceed \$356,300.00.

*CONSIDERATION OF  
WESTCOM NURSE  
CALL SYSTEM  
UPGRADE*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD - aye  
Jeannie Yee - aye

The motion unanimously carried.

In accordance with District Law, Policies and Procedures, Director Nicholson moved that the Board of Directors authorize the Chief Executive Officer to proceed with the purchase of seven Medtronic F10 electrosurgical units in an amount not to exceed \$130,000.00.

*CONSIDERATION OF  
ELECTROSURGICAL  
UNITS*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD - aye  
Jeannie Yee - aye

The motion unanimously carried.

In accordance with District Law, Policies and Procedures, Director Nicholson moved that the Board of Directors authorize the Chief Executive Officer to proceed with the necessary contracts to proceed with the purchase of implementation services and software for a Patient Estimate Solution in an amount not to exceed \$72,521.00.

*CONSIDERATION OF  
PATIENT ESTIMATES  
SOLUTION*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD – aye  
Jeannie Yee - aye

The motion unanimously carried.

Reference attached document

*APPROVAL OF CHIEF  
EXECUTIVE OFFICER'S  
AT-RISK  
COMPENSATION*

Director Nicholson moved that the Board of Directors award “at risk” compensation to the CEO based on its compensation philosophy in an amount equal to 30% of base salary which equals \$262,180.

*CONSIDERATION OF  
CHIEF EXECUTIVE  
OFFICER AT RISK  
COMPENSATION*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD – aye  
Jeannie Yee - aye

The motion unanimously carried.

Reference attached document

*APPROVAL OF CHIEF  
EXECUTIVE OFFICER'S  
EMPLOYMENT  
AGREEMENT*

Director Nicholson moved that the Board of Directors approve the proposed employment agreement between the District and Kimberly Hartz for the position of Chief Executive Officer. The term of agreement is four years, consistent with the practice of the District related to its Chief Executive Officers. The term begins on July 1, 2019 and ends June 30, 2023. The President of the Board is authorized to execute the Chief Executive Officer Employment Agreement consistent with the action taken here tonight.

*CONSIDERATION OF  
CHIEF EXECUTIVE  
OFFICER  
EMPLOYMENT  
AGREEMENT*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD – aye  
Jeannie Yee - aye

The motion unanimously carried.

In accordance with Health & Safety Code Sections 1461, 1462 and 32106 and Government Section 54954.5(h) Director Stewart adjourned the meeting to closed session at 9:10 pm, as the discussion pertained to Hospital trade secrets, Human Resources matters, and Risk Management.

*ADJOURN TO CLOSED  
SESSION*

Director Stewart reconvened the meeting to open session at 9:28 pm and reported no action was taken in closed session.

*RECONVENE TO OPEN  
SESSION & REPORT ON  
CLOSED SESSION*

There being no further business, Director Stewart adjourned the meeting at 9:28 pm.

*ADJOURNMENT*

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Bernard Stewart  
President

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Jeannie Yee  
Secretary

MINUTES OF THE BOARD OF DIRECTORS OF  
WASHINGTON TOWNSHIP HEALTH CARE DISTRICT

June 12, 2019

Agenda Item VII.G

*Consideration of Chief Executive Officer At-Risk Compensation*

During the regular meeting of the Board of Directors (Board) on June 12, 2019, the Board considered Agenda Item VII.G, *Consideration of Chief Executive Officer Employment At-Risk Compensation*. The following Board members were present:

Dr. Bernard Stewart, President  
Dr. William F. Nicholson, First Vice President  
Michael J. Wallace, Second Vice President  
Dr. Jacob Eapen, Treasurer  
Jeannie Yee, Secretary

President Stewart introduced the agenda item. He indicated that the Board received in their packet a memo from Legal Counsel which provided background and ranges for consideration based on median and median maximum target opportunities for the California peer group. Dr. Stewart noted that the amount of the award is within the Board's discretion. He indicated he was inclined to support an award at the higher end of the range at 30%, which is not the highest but is above the median.

Dr. Stewart noted that the past fiscal year was spectacular for the Hospital with a great list of accomplishments largely due to the leadership of Nancy Farber. The most significant accomplishment was the completion and opening of the Morris Hyman Pavilion-a spectacular place. This took many years to complete and it was not easy. It required passage of bonds. Also, Dr. Stewart noted that the building is built using the base isolation system which will allow the building to withstand a significant seismic event. Residents will not have to travel great distances to receive care.

Dr. Stewart also mentioned the growth of the affiliation with UCSF. The Oncology Department as UCSF has recently been considered number one in the state of California and those resources are now available here on our campus. This is a tremendous accomplishment.

Dr. Stewart opened the public hearing. There were no speakers. Dr. Stewart closed the public hearing.

Director Dr. Nicholson agreed with Dr. Stewart's comments. Morris Hyman Pavilion came in on time and on budget. The Pavilion is a great facility. Dr. Nicholson also noted how wonderful it is to see the UCSF Oncology physicians on the campus. Dr. Nicholson also noted the benefits of the growth of the Hospitalist program.

Director Wallace agreed with the prior comments. Director Wallace noted that the accomplishments were due to focused strategic thinking avoiding the many distractions that occurred during the fiscal year.

Director Yee noted that Washington Hospital is the kind of Hospital we want it to be because of Nancy's leadership and heart. She supports the proposed award.

Director Eapen agreed with the previous comments. He supports an award at the 30% level.

Dr. Stewart called for a motion.

Dr. Nicholson moved that the Board award "at risk" compensation to the CEO based on its compensation philosophy in an amount equal to 30% of base salary which equals \$262,180. Director Wallace 2<sup>nd</sup> the motion.

President Stewart called for a vote:

The motion passed after a roll call vote:

President Stewart	AYE	Director Nicholson	AYE
Director Wallace	AYE	Director Eapen	AYE
Director Yee	AYE		

This concluded the consideration of this agenda item.

A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, June 17, 2019 in the Board Room, 2000 Mowry Avenue, Fremont, California. Director Stewart 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: Bernard Stewart, DDS; William Nicholson, MD; Michael Wallace; Jacob Eapen, MD; Jeannie Yee  
Excused:

*ROLL CALL*

Also present: Kimberly Hartz, Senior Associate Administrator; Ed Fayen, Senior Associate Administrator; Chris Henry, Chief Associate Administrator; Stephanie Williams, Associate Administrator; Tina Nunez; Paul Kozachenko, Attorney; Michael MacBryde, Consultant; Dee Antonio, District Clerk; Cheryl Renaud, Senior Executive Assistant

There were no oral communications.

*COMMUNICATIONS*

There were no written communications.

In accordance with Health & Safety Code Sections 32106 and California Government Code 54957, Director Stewart adjourned the meeting to closed session at 6:00 p.m., as the discussion pertained to personnel matters, trade secrets, and Conference with Legal Counsel regarding existing litigation pursuant to California Government Code Section 54956.9.

*ADJOURN TO CLOSED SESSION*

Director Stewart reconvened the meeting to open session at 7:02 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 Nicholson moved for the denial of a claim received on May 24, 2019 on behalf of Anjali Kulkarni and that the Chief Executive Officer be directed to provide notice in accordance with government code section 94956.

*CONSIDERATION OF CLAIM: Anjali Kulkarni*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD – aye  
Jeannie Yee – aye

The motion was unanimously carried.

Director Nicholson moved for the adoption of Resolution No. 1199, which is the Confirmation of the Appointment of Kimberly Hartz as the Chief Executive Officer of the District with all powers and duties of the Chief Executive Officer of the District as of July 1, 2019.

*RESOLUTION No. 1199  
– CONFIRMATION OF  
KIMBERLY HARTZ AS  
THE CHIEF  
EXECUTIVE OFFICER*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye

Michael Wallace – aye  
Jacob Eapen, MD – aye  
Jeannie Yee – aye

The motion was unanimously carried.

In accordance with District law, policies and procedures, I move that the Board of Directions authorize the Chief Executive Officer to proceed with the necessary contracts to purchase the GE Next Gen Ultrasound Machine for Vascular Imaging for an amount not to exceed \$49,982.00.

*CONSIDERATION OF  
ULTRASOUND  
MACHINE FOR  
VASCULAR IMAGING*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD – aye  
Jeannie Yee – aye

The motion was unanimously carried.

In accordance with District law, policies and procedures, I move that the Board of Directions authorize the Chief Executive Officer to proceed with the necessary contracts and proceed with the purchase the new IP Surveillance Cameras in an amount not to exceed \$437,043.88.

*CONSIDERATION OF  
MORRIS HYMAN  
CRITICAL CARE  
PAVILION SECURITY  
ENHANCEMENTS*

Director Wallace seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye  
William Nicholson, MD – aye  
Michael Wallace – aye  
Jacob Eapen, MD – aye  
Jeannie Yee – aye

The motion was unanimously carried.

There being no further business, Director Stewart adjourned the meeting at 7:06 p.m. *ADJOURNMENT*

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Bernard Stewart  
President

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Jeannie Yee  
Secretary



A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, June 24, 2019 in the Board Room, Washington Hospital, 2000 Mowry Avenue, Fremont, California. Director Stewart 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; Jacob Eapen, Jeannie Yee  
Excused: Michael Wallace

*ROLL CALL*

Also present: Timothy Tsoi, MD; Kranthi Achanta, MD; Peter Lunny, MD; Jan Henstorf, MD; Jeffrey Stuart, MD; John Romano, MD; Prasad Kilaru, MD; Kimberly Hartz, Senior Associate Administrator

There were no oral or written communications.

*COMMUNICATIONS*

Director Stewart 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 Stewart reconvened the meeting to open session at 8:30 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 8:30 a.m.

*ADJOURNMENT*

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Bernard Stewart  
President

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Jeannie Yee  
Secretary

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, June 26, 2019 in the Board Room, 2000 Mowry Avenue, Fremont, California. Director Stewart called the meeting to order at 6:02 p.m. and led those present in the Pledge of Allegiance.

*CALL TO ORDER*

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

*ROLL CALL*

Also present: Nancy Farber, Chief Executive Officer; Kimberly Hartz, Senior Associate Administrator; Ed Fayen, Senior Associate Administrator; Chris Henry, Chief Associate Administrator; Stephanie Williams, Associate Administrator; Cheryl Renaud, Acting District Clerk

There were no oral communications.

*COMMUNICATIONS*

There were no written communications.

In accordance with Health & Safety Code Sections 32106 and California Government Code 54957, Director Stewart adjourned the meeting to closed session at 6:02 p.m., as the discussion pertained to personnel matters, trade secrets, and Conference with Legal Counsel regarding existing litigation pursuant to California Government Code Section 54956.9.

*ADJOURN TO CLOSED SESSION*

Director Stewart reconvened the meeting to open session at 6:40 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 Stewart adjourned the meeting at 6:40 p.m.

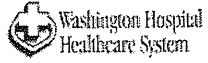
*ADJOURNMENT*

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Bernard Stewart  
President

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Jeannie Yee  
Secretary



**WASHINGTON HOSPITAL**  
**INDEX TO BOARD FINANCIAL STATEMENTS**  
**May 2019**

<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:** July 2, 2019  
**TO:** Board of Directors  
**FROM:** Kimberly Hartz  
**SUBJECT:** Washington Hospital – May 2019  
Operating & Financial Activity

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## SUMMARY OF OPERATIONS – (Blue Schedules)

### 1. Utilization – Schedule Board 3

	May <u>Actual</u>	May <u>Budget</u>	Current 12 <u>Month Avg.</u>
<u>ACUTE INPATIENT:</u>			
Average Daily Census	182.1	181.0	166.7
# of Admissions	1,061	1,180	995
Patient Days	5,645	5,611	5,064
Discharge ALOS	5.24	4.76	4.99
<u>OUTPATIENT:</u>			
OP Visits	8,168	7,450	7,494
ER Visits	4,587	5,140	4,280
Observation Equivalent Days – OP	182	141	174

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

### 2. Staffing – Schedule Board 3

Total paid FTEs were 32.8 below budget. Total productive FTEs for May were 1,360.6, 38.9 below the budgeted level of 1,399.5. Nonproductive FTEs were 6.1 above budget. Productive FTEs per adjusted occupied bed were 5.25, 0.57 below the budgeted level of 5.82. Total FTEs per adjusted occupied bed were 5.86, 0.59 below the budgeted level of 6.45.

**3. Income - Schedule Board 1**

For the month of May the Hospital realized income of \$3,256,000 from operations.

Total Gross Patient Service Revenue of \$198,503,000 for May was 0.2% below budget.

Deductions from Revenue of \$154,455,000 represented 77.81% of Total Gross Patient Service Revenue. This percentage is below the budgeted amount of 78.65%, primarily due to recognition of various supplemental funding amounts.

Total Operating Revenue of \$44,527,000 was \$1,251,000 (2.9%) above the budget.

Total Operating Expense of \$41,271,000 was \$1,380,000 (3.5%) above the budgeted amount.

The Total Non-Operating Income of \$1,109,000 for the month includes an unrealized gain on investments of \$1,001,000 and property tax revenue of \$1,439,000.

The Total Net Income for May was \$4,365,000, which was \$975,000 more than the budgeted income of \$3,390,000.

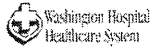
The Total Net Income for May using FASB accounting principles, in which the unrealized loss or income on investments, net interest expense on GO bonds and property tax revenues are removed from the non-operating income and expense, was \$3,104,000 compared to budgeted income of \$3,143,000.

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

There were no noteworthy changes in assets and liabilities when compared to April 2019.

KIMBERLY HARTZ  
Chief Executive Officer

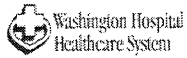
KH/CH



**WASHINGTON HOSPITAL**  
**STATEMENT OF REVENUES AND EXPENSES**  
**May 2019**  
**GASB FORMAT**  
**(In thousands)**

May				YEAR TO DATE				
ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.		ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.
<b>OPERATING REVENUE</b>					<b>OPERATING REVENUE</b>			
\$ 139,597	\$ 149,819	\$ (10,222)	-6.8%	1	\$ 1,367,890	\$ 1,504,651	\$ (136,761)	-9.1%
58,906	49,063	9,843	20.1%	2	582,309	483,609	98,700	20.4%
<b>198,503</b>	<b>198,882</b>	<b>(379)</b>	-0.2%	3	<b>1,950,199</b>	<b>1,988,260</b>	<b>(38,061)</b>	-1.9%
(148,468)	(152,238)	3,770	2.5%	4	(1,480,813)	(1,515,358)	34,545	2.3%
(5,987)	(4,190)	(1,797)	-42.9%	5	(47,459)	(41,695)	(5,764)	-13.8%
<b>(154,455)</b>	<b>(156,428)</b>	<b>1,973</b>	1.3%	6	<b>(1,528,272)</b>	<b>(1,557,053)</b>	<b>28,781</b>	1.8%
<b>77.81%</b>	<b>78.65%</b>			7	<b>78.36%</b>	<b>78.31%</b>		
<b>44,048</b>	<b>42,454</b>	<b>1,594</b>	3.8%	8	<b>421,927</b>	<b>431,207</b>	<b>(9,280)</b>	-2.2%
479	822	(343)	-41.7%	9	8,821	8,441	380	4.5%
<b>44,527</b>	<b>43,276</b>	<b>1,251</b>	2.9%	10	<b>430,748</b>	<b>439,648</b>	<b>(8,900)</b>	-2.0%
<b>OPERATING EXPENSES</b>					<b>OPERATING EXPENSES</b>			
17,985	18,276	291	1.6%	11	191,711	192,224	513	0.3%
7,696	6,296	(1,400)	-22.2%	12	72,587	70,785	(1,802)	-2.5%
5,263	5,209	(54)	-1.0%	13	54,532	53,280	(1,252)	-2.3%
4,217	4,689	472	10.1%	14	49,505	51,627	2,122	4.1%
1,573	1,634	61	3.7%	15	18,148	18,464	316	1.7%
4,537	3,787	(750)	-19.8%	16	37,852	37,337	(515)	-1.4%
<b>41,271</b>	<b>39,891</b>	<b>(1,380)</b>	-3.5%	17	<b>424,335</b>	<b>423,717</b>	<b>(618)</b>	-0.1%
<b>3,256</b>	<b>3,385</b>	<b>(129)</b>	-3.8%	18	<b>6,413</b>	<b>15,931</b>	<b>(9,518)</b>	-59.7%
<b>7.31%</b>	<b>7.82%</b>			19	<b>1.49%</b>	<b>3.62%</b>		
<b>NON-OPERATING INCOME &amp; (EXPENSE)</b>					<b>NON-OPERATING INCOME &amp; (EXPENSE)</b>			
354	346	8	2.3%	20	3,962	3,813	149	3.9%
50	-	50	0.0%	21	(341)	-	(341)	0.0%
(2,023)	(2,066)	43	2.1%	22	(15,717)	(16,374)	657	4.0%
288	286	2	0.7%	23	2,986	2,891	95	3.3%
-	-	-	0.0%	24	(1,611)	(1,611)	-	0.0%
-	-	-	0.0%	25	(2,402)	(2,379)	(23)	-1.0%
1,439	1,439	-	0.0%	26	15,746	15,746	-	0.0%
1,001	-	1,001	0.0%	27	3,310	-	3,310	0.0%
<b>1,109</b>	<b>5</b>	<b>1,104</b>	22080.0%	28	<b>5,933</b>	<b>2,086</b>	<b>3,847</b>	184.4%
<b>\$ 4,365</b>	<b>\$ 3,390</b>	<b>\$ 975</b>	28.8%	29	<b>\$ 12,346</b>	<b>\$ 18,017</b>	<b>\$ (5,671)</b>	-31.5%
<b>9.80%</b>	<b>7.83%</b>			30	<b>2.87%</b>	<b>4.10%</b>		
<b>\$ 3,104</b>	<b>\$ 3,143</b>	<b>\$ (39)</b>	-1.2%	31	<b>\$ 2,636</b>	<b>\$ 11,712</b>	<b>\$ (9,076)</b>	-77.5%
<b>6.97%</b>	<b>7.26%</b>				<b>0.61%</b>	<b>2.66%</b>		

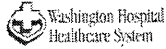
\*\*NET INCOME (FASB FORMAT) EXCLUDES PROPERTY TAX INCOME, NET INTEREST EXPENSE ON GO BONDS AND UNREALIZED GAIN(LOSS) ON INVESTMENTS



**WASHINGTON HOSPITAL**  
**BALANCE SHEET**  
**May 2019**  
*(In thousands)*

SCHEDULE BOARD 2

<b>ASSETS AND DEFERRED OUTFLOWS</b>			<b>May 2019</b>	<b>Audited June 2018</b>	<b>LIABILITIES, NET POSITION AND DEFERRED INFLOWS</b>			<b>May 2019</b>	<b>Audited June 2018</b>
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
1	CASH & CASH EQUIVALENTS	\$	38,927	\$	31,346	1	CURRENT MATURITIES OF L/T OBLIG	\$ 8,550	\$ 7,200
2	ACCOUNTS REC NET OF ALLOWANCES		66,056		58,517	2	ACCOUNTS PAYABLE	18,093	43,344
3	OTHER CURRENT ASSETS		11,576		11,100	3	OTHER ACCRUED LIABILITIES	51,032	53,279
4	<b>TOTAL CURRENT ASSETS</b>		<u>116,559</u>		<u>100,963</u>	4	INTEREST	9,734	12,090
						5	<b>TOTAL CURRENT LIABILITIES</b>	<u>87,409</u>	<u>115,913</u>
<b>ASSETS LIMITED AS TO USE</b>					<b>LONG-TERM DEBT OBLIGATIONS</b>				
6	BOARD DESIGNATED FOR CAPITAL AND OTHER		152,469		172,782	6	REVENUE BONDS AND OTHER	224,375	231,469
7	GENERAL OBLIGATION BOND FUNDS		43		15,355	7	GENERAL OBLIGATION BONDS	335,885	338,739
8	REVENUE BOND FUNDS		18,596		47,409	<b>OTHER LIABILITIES</b>			
9	BOND DEBT SERVICE FUNDS		18,739		29,413	10	NET PENSION LIABILITY	61,565	42,389
10	OTHER ASSETS LIMITED AS TO USE		12,416		12,161	11	WORKERS' COMP	7,936	8,118
11	<b>TOTAL ASSETS LIMITED AS TO USE</b>		<u>202,263</u>		<u>277,120</u>	12	SUPPLEMENTAL MEDICAL RETIREMENT	36,899	70,252
13	<b>OTHER ASSETS</b>		197,081		175,600	<b>NET POSITION</b>			
14	<b>NET PROPERTY, PLANT &amp; EQUIPMENT</b>		722,600		725,883	14	<b>NET POSITION</b>	502,874	490,528
15	<b>TOTAL ASSETS</b>	<b>\$</b>	<u><b>1,238,503</b></u>	<b>\$</b>	<u><b>1,279,566</b></u>	15	<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><b>\$ 1,256,943</b></u>	<u><b>\$ 1,297,408</b></u>
16	<b>DEFERRED OUTFLOWS</b>		65,785		39,445	16	<b>DEFERRED INFLOWS</b>	47,345	21,603
17	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$</b>	<u><b>1,304,288</b></u>	<b>\$</b>	<u><b>1,319,011</b></u>	17	<b>TOTAL LIABILITIES, NET POSITION AND DEFERRED INFLOWS</b>	<u><b>\$ 1,304,288</b></u>	<u><b>\$ 1,319,011</b></u>



**WASHINGTON HOSPITAL  
OPERATING INDICATORS  
May 2019**

12 MONTH AVERAGE	May						YEAR TO DATE			
	ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.			ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.
166.7	182.1	181.0	1.1	1%	1	<b><u>PATIENTS IN HOSPITAL</u></b>				
5.7	5.9	4.5	1.4	31%	2	ADULT & PEDS AVERAGE DAILY CENSUS	167.3	172.5	(5.2)	-3%
8.8	9.3	10.1	(0.8)	-8%	3	OUTPT OBSERVATION AVERAGE DAILY CENSUS	5.7	4.4	1.3	30%
					3	NEWBORN NURSERY AVERAGE DAILY CENSUS	8.9	9.9	(1.0)	-10%
181.2	197.3	195.6	1.7	1%	4	TOTAL	181.9	186.8	(4.9)	-3%
3.8	6.4	4.7	1.7	36%	5	SPECIAL CARE NURSERY AVERAGE DAILY CENSUS *	3.6	4.5	(0.9)	-20%
5,064	5,645	5,611	34	1%	6	ADULT & PEDS PATIENT DAYS	56,030	57,771	(1,741)	-3%
995	1,061	1,180	(119)	-10%	7	ADMISSIONS-ADULTS & PEDS	10,960	12,133	(1,173)	-10%
4.99	5.24	4.76	0.48	10%	8	AVERAGE LENGTH OF STAY-ADULTS & PEDS	5.04	4.76	0.28	6%
						<b><u>OTHER KEY UTILIZATION STATISTICS</u></b>				
1.468	1.462	1.476	(0.014)	-1%	9	OVERALL CASE MIX INDEX (CMI)	1.461	1.482	(0.021)	-1%
						<b><u>SURGICAL CASES</u></b>				
146	166	148	18	12%	10	JOINT REPLACEMENT CASES	1,617	1,585	32	2%
25	32	31	1	3%	11	NEUROSURGICAL CASES	276	303	(27)	-9%
8	9	13	(4)	-31%	12	CARDIAC SURGICAL CASES	82	116	(34)	-29%
202	204	196	8	4%	13	GENERAL SURGICAL CASES	2,211	2,058	153	7%
381	411	388	23	6%	14	TOTAL SURGICAL CASES	4,186	4,062	124	3%
353	370	354	16	5%	15	TOTAL CATH LAB PROCEDURES	3,857	3,707	150	4%
129	135	157	(22)	-14%	16	DELIVERIES	1,424	1,609	(185)	-11%
7,494	8,168	7,450	718	10%	17	OUTPATIENT VISITS	82,812	80,622	2,190	3%
4,280	4,587	5,140	(553)	-11%	18	EMERGENCY VISITS	47,235	51,082	(3,847)	-8%
						<b><u>LABOR INDICATORS</u></b>				
1,294.2	1,360.6	1,399.5	38.9	3%	19	PRODUCTIVE FTE'S	1,300.9	1,331.5	30.6	2%
179.2	155.5	149.4	(6.1)	-4%	20	NON PRODUCTIVE FTE'S	177.1	185.8	8.7	5%
1,473.4	1,516.1	1,548.9	32.8	2%	21	TOTAL FTE'S	1,478.0	1,517.3	39.3	3%
5.52	5.25	5.82	0.57	10%	22	PRODUCTIVE FTE/ADJ. OCCUPIED BED	5.45	5.84	0.39	7%
6.29	5.86	6.45	0.59	9%	23	TOTAL FTE/ADJ. OCCUPIED BED	6.20	6.66	0.46	7%

\* included in Adult and Peds Average Daily Census