



# 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, August 13, 2014 – 6:00 P.M.  
Conrad E. Anderson, MD Auditorium

### AGENDA

- |   | PRESENTED BY:  |
|---|--|
| <b>I. CALL TO ORDER &amp; PLEDGE OF ALLEGIANCE</b>  | Bernard Stewart, DDS<br>Board Member                                     |
| <b>II. ROLL CALL</b>  | Christine Flores<br>Executive Assistant                                  |
| <b>III. EDUCATION SESSION:</b>  |  |
| WHHS Intensivist Program: Patient and Family Centered Care  | Carmencita Agcaoili, MD<br>Medical Director, Intensivist Program         |
|   | Daniel Sweeney, MD<br>Assistant Medical Director,<br>Intensivist Program |
| <b>IV. CONSIDERATION OF MINUTES</b>   | <i>Motion Required</i>   |
| July 9, 21, 23, and 28, 2014  |  |
| <b>V. COMMUNICATIONS</b>  |  |
| A. Oral   |  |
| B. Written  |  |
| From Peter Lunny, MD, Chief of Staff, dated July 28, 2014 requesting approval of Medical Staff Credentialing Action Items | <i>Motion Required</i>   |
| C. Discussion of response to the 2013-2014 Alameda County Grand Jury Final Report   |  |

**VI. INFORMATION**

**PRESENTED BY:**

- |    |                                       |  |
|----|---------------------------------------|--|
| A. | Service League Report                 | Gail Tomita<br>Service League President  |
| B. | Medical Staff Report                  | Peter Lunny, MD<br>Chief of Staff  |
| C. | Hospital Calendar                     | Nancy Farber<br>Chief Executive Officer  |
| D. | Construction Report                   | Ed Fayen, Senior Associate<br>Administrator                                      |
| E. | Quality Report<br>Intensivist Program | Mary Bowron, DNP, RN, CIC<br>Senior Director of Quality &<br>Resource Management |
| F. | Finance Report                        | Chris Henry<br>Chief Financial Officer   |
| G. | Hospital Operations Report            | Nancy Farber<br>Chief Executive Officer  |

**VII. ACTION**

- |    |   |                                       |
|----|---|---------------------------------------|
| A. | Consideration of Supplementation of the Security System   | William Nicholson, MD<br>Board Member |
| B. | Consideration of taking a position on Proposition 46 on the November 2014 California Statewide Ballot |                                       |

**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. | <b>HUMAN RESOURCES</b><br>Discussion of Human Resources Matter, pursuant to California Government Code Section 54956.                        |
| B. | <b>RISK MANAGEMENT</b><br>Conference regarding Risk Management Matters, pursuant to Health & Safety Code Section 32155. Discussion of Claims |

Liabilities pending and anticipated litigation,  
pursuant to Government Code Section 54956.

C. STRATEGIC PLANNING

Discussion of Hospital Trade Secrets applicable to institution of new hospital services and facilities. No action will be taken, pursuant to Health & Safety Code Sections 1461, 1462 and 32106 and Government Code Section 54954.5(h). Likely date of release of information to be public: February 2015

D. EMERGENCY ITEMS

Emergency situations may be discussed in Closed Session if agreed to by a 2/3 vote of the members of the Board present, or by a unanimous vote of the Board members present, pursuant to California Government Code Sections 54956.6 and 54957(a).

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

Bernard Stewart, DDS  
Board Member

**X. ADJOURNMENT**

Bernard Stewart, DDS  
Board Member

<p>A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, July 9, 2014 in the Conrad E. Anderson, MD Auditorium, 2500 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.</p>	<p><i>CALL TO ORDER</i></p>
<p>Roll call was taken. Directors present: Bernard Stewart, DDS, William Nicholson, MD, Patricia Danielson, RHIT, Jacob Eapen, MD, Michael Wallace</p>	<p><i>ROLL CALL</i></p>
<p>Also present: Nancy Farber, Chief Executive Officer, Peter Lunny, Chief of Medical Staff, Jose Aguirre, Service League 1<sup>st</sup> Vice President, Catherine Bartling, District Clerk</p>	
<p>Guests: Kimberly Hartz, Ed Fayen, Chris Henry, Gus Arroyo, Donald Pipkin, Sandi Van Brocklin, Kathy Hunt, Doug Van Houten, JoAnne Pineda, Janice Stewart, Bryant Welch, Bill Emberley, Kristin Ferguson, Dan Nardoni, Tina Nunez, Albert Brooks, MD, Larry Bowen, Tashan Arriva, David Hayne, Mark Chatman, Angus Cochran, Mary Bowron, Nicholas Legge, Brian Smith, Alice Santos, Cindy Noonan, Chris Brown, Christine Nguyen-Flores</p>	
<p>Nancy Farber introduced Dr. Ash Jain, MD and Doug Van Houten, RN. Doug introduced JoAnne Pineda, Senior Program Director at the American Heart Association. Ms. Pineda congratulated Washington Hospital Health Systems for achieving the Gold Plus and Target Stroke award for implementing the Get with the Guidelines Stroke in the hospital within the community. There are several steps required to achieving this award, one in which is putting together a multi-disciplinary team. Washington Hospital's Physician Champion is Dr. Ash Jain and Doug Van Houten, RN is the Nurse Champion. The Guidelines Stroke Quality measures to improve quality of patient care and outcomes. The Target Stroke Award recognizes hospitals that are able to determine if a stroke patient coming through the emergency room is eligible for TPA, a critical medication provided for clot busting of a clot in a person's brain after having a stroke in 60 minutes or less for 50% of qualified patients.</p> <p>Ms. Farber introduced Albert Brooks, MD, Chief of Medical Services, Donald Pipkin, Assistant Chief of Strategic Management, and Christopher Brown, Director of Media Relations &amp; Integrated Marketing. Mr. Pipkin discussed the Background on Initiative Process noting the initiative is the power of the people of California to propose statues and to propose amendments to the California Constitution. Any matter that is a proper subject of legislation can become an initiative measure. Mr. Pipkin went on to discuss the initiative process comprised of seven major steps that include: Writing the initiative measure, request for title and summary, format of petitions, circulating petitions and gathering signatures, turning in signatures, verification of signatures, and qualification and approval.</p> <p>Dr. Brooks discussed the Background &amp; Potential Impacts on Physicians and Patients Primer on Micra. The Proposition 46 will be listed on the ballot as the "Drug and Alcohol testing of Doctors. Medical Negligence Lawsuits. Initiative Statue." Dr. Brooks went on to discuss the potential impacts which include Physician drug testing/presumption of guilt, mandatory check of dysfunctional drug prescription database, known as CURES, higher health care costs – increased health insurance premiums as well as increased taxes, reduced access to care, especially for the indigent, and more malpractice litigation and larger awards.</p>	<p><i>EDUCATION SESSION: Heart Association Stroke Award</i></p> <p><i>Medical Injury Compensation Reform Act (MICRA)</i></p>

<p>Mr. Brown reported on the Support, Opposition &amp; What is at Issue with Prop. 46 discussing who supports it, the diverse opposition, and what is really at issue with Prop 46. Mr. Brown continued and noted that according to the California's independent legislative analyst, Prop. 46 will increase health care costs across all sectors by 9.9 billion annually and changes to Medical Injury Compensation Reform Act could increase state and local government health care costs by hundreds of millions of dollars annually. According to the California Medical Association, Prop 46. Will reduce access and jeopardize people's ability to see their trusted doctor as well as threatening the privacy of personal prescription drug information.</p>	
<p>Director Danielson moved for approval of the minutes of June 11, 16, 23, and 25, 2014. Director Nicholson seconded the motion. Roll call was taken: Bernard Stewart, DDS - aye William Nicholson, MD - aye Patricia Danielson, RHIT - aye Jacob Eapen, MD – aye Michael Wallace – aye</p> <p>The motion unanimously carried.</p>	<p><i>APPROVAL OF MINUTES OF JUNE 11, 16, 23, AND 25, 2014</i></p>
<p>Kent Joraanstad, Chief of Rehab and Education Services presented the 4H Junior Livestock Auction held at the 2014 Alameda County Fair.</p> <p>This year, Mr. Joraanstad purchased 7 market hogs and 3 market lambs on behalf of Washington Hospital. The livestock will be processed and served to patients and the staff at the hospital.</p>	<p><i>COMMUNICATIONS ORAL</i></p>
<p>The following written communication was received from Peter Lunny, M.D., Chief of Staff, dated June 23, 2014, requesting approval of Medical Staff Credentialing Action Items as follows:</p> <p><u>Appointments:</u> Bhanot, Preete, MD; Jha, Ritesh, MD; McGuire, James, MD; Molitorisz, Silvia MD; Monticelli, Alisa, MD; Rose, Jack, MD; Sun, Yao, MD; Thiara, Randeep, MD; Walther, Ako, MD; Wang, Sean X., MD</p> <p><u>Reappointments:</u> Asfour, Fareed Ramzi, MD; Becker, Robert, MD; Bell, David, MD; Boyer, Barbara L., DO; Eichbaum, Eldan B., MD; Eriksen, Lief D., MD; Frey, Marietta, MD; Herscu, Gabriel, MD; Ho, Helen W., MD; Kong, Li Kuo., MD; Kunwar, Sandeep, MD; Lee, Jay J., MD; Lee, Sang H., MD; Leiphart, Victoria M., MD; Lenchner, Jeffrey B., MD; McCabe, Robert, MD; McMillan, Donna., MD; Navarro, Richardo, MD; Patel, Hemant D., MD; Robbins, Allison B., MD; Treynor, Elizabeth Childs, MD; Unson, Dennis S., MD; Yun, Romy., MD</p> <p><u>Transfer in Staff Category:</u> Asfour, Fareed Ramzi, MD; Frey, Marietta, MD; Kong, Li Kuo, MD; Lee, Sang H., MD; McCabe, Robert, MD.</p> <p><u>Completion of Proctoring &amp; Advancement in Staff Category:</u></p>	<p><i>COMMUNICATIONS WRITTEN</i></p>

<p>Whelan, Joelle, PA-C</p> <p><u>New Privilege Requests</u>          Nixon, Bruce, MD and Upender, Sunil, MD</p> <p><u>Resignations:</u>          Klein, Michael, MD; Lai, Nga, PA-C; Shimotsu, Victoria, MD.</p> <p>Director Wallace moved for approval of the credentialing action items. Director Nicholson seconded the motion.          Roll call was taken:</p> <p style="padding-left: 40px;">Bernard Stewart, DDS - aye          William Nicholson, MD - aye          Patricia Danielson, RHIT - aye          Jacob Eapen, MD – aye          Michael Wallace – aye</p> <p>The motion unanimously carried.</p>	
<p>Gail Tomita, Service League President presented the Service League Report and noted we have received renewal applications from scholarships awarded in previous years. Ms. Tomita shared a letter one student wrote on her current career goals and student status and noted that all winners contacted were very appreciative of the support they received.</p>	<p><i>SERVICE LEAGUE REPORT</i></p>
<p>Dr. Lunny reported there are 509 Medical Staff members.</p>	<p><i>MEDICAL STAFF REPORT</i></p>
<p><b><u>The Hospital Calendar video highlighted the following events:</u></b></p> <p>On Thursday, June 19th, Kristi Caracappa, Health Insurance Information Service Coordinator, presented on Medicare to the Seniors in Retirement (SIRS) group, at the Newark Pavilion; 90 people attended.</p> <p>On Saturday, June 21st, Washington Hospital participated in the Tropics Senior Health and Resource Fair in Union City. Lorie Roffelsen, Registered Dietitian presented information on nutrition and diabetes; 180 people attended.</p> <p><b><u>Upcoming Health Promotions &amp; Community Outreach Events</u></b></p> <p>The 2014 Central Park Summer Concert Series kicks off on Thursday, July 10th. Washington Hospital is the co-presenting sponsor. All concerts are held at the Central Park Performance Pavilion on Thursdays from 6:00 to 8:00 pm and are free and open to the public. Washington Hospital will be providing health information and health screenings during this 6-week concert series.</p> <p>On July 19th, Washington Hospital and the Taylor McAdam Bell Neurosciences Institute will host the Seventh Bay Area Symposium on Advances in Neurosciences. World-class neurologists, neurosurgeons, radiation oncologists and other health care professionals will be speaking at the Symposium. Nationally and internationally recognized experts will discuss a wide range of topics focused on neurological diseases, disorders, and treatment approaches. The Program Coordinators are Dr. Sandeep Kunwar, neurosurgeon, Dr. David Larson, Radiation</p>	<p><i>HOSPITAL CALENDAR:          Community Outreach</i></p>

<p>Oncologist, and Dr. Moses Taghioff, neurosurgeon.</p>	
<p><b><u>Washington Hospital Healthcare Foundation Report</u></b></p> <p>On October 11, the Washington Hospital Healthcare Foundation will host the 28th annual Top Hat dinner dance. This year's gala will be co-chaired by Rod Silveira and Skip Turner, the owners of Professional Home Care Associates and Neurosport, and Dr. Jan Henstorf, Chief Medical Information Officer at Washington Hospital. The trustees of the Foundation have designated the proceeds from this year's Top Hat gala towards the Washington Special Care Nursery, which is affiliated with UCSF Benioff Children's Hospital San Francisco. This unit in the hospital cares for babies born prematurely or with life-threatening conditions. Funds from the gala will support patients' families and provide technology upgrades.</p>	<p><i>HOSPITAL CALENDAR:                  Washington Hospital                  Foundation Report</i></p>
<p><b><u>Washington Hospital Employee Association, W.H.E.A.</u></b></p> <p>WHEA selected a winner of the annual \$2,000 Don Pickinpaugh Memorial Scholarship. Kaitlin Kopecki, daughter of Suzanne Kopecki in patient accounting, will attend Cal State University Fullerton in the fall majoring in Communications and Business. Kaitlin will receive her award on July 30th during a special reception. Also during the month of June, the Washington Hospital Employee Association donated tickets for the Oakland A's vs. Boston Red Sox baseball game to families from Abode Services.</p>	<p><i>HOSPITAL CALENDAR:                  Washington Hospital                  Employee Association,                  W.H.E.A.</i></p>
<p><b><u>The Washington Township Healthcare District Board of Directors Report</u></b></p> <p>In the past month, district board members represented Washington Township Health Care District at the Union City Chamber of Commerce's Spirit Awards Luncheon on June 13th and at the Newark Chamber of Commerce's Celebrating Business Luncheon on June 19th.</p>	<p><i>HOSPITAL CALENDAR:                  Washington Township                  Healthcare District Board                  of Directors Report</i></p>
<p><b><u>Washington On Wheels Mobile Health Clinic, W.O.W.</u></b></p> <p>During the month of June, the Washington On Wheels Mobile Health Clinic (W.O.W.) continued to serve community members at the Fremont Senior Center, the Fremont Family Resource Center, the Silliman Activity Center in Newark and the New Haven Adult School and the Ruggeri Senior Center in Union City.</p> <p>The W.O.W. Clinic also provided health care services to the students and families at Brier Elementary School in Fremont and Schilling Elementary in Newark.</p> <p>Washington On Wheels kicked off the Summer's free glucose screenings at the Newark Gardens, the Newark Senior Center, the Niles Canyon Mobile Home Estates, the Ruggeri Senior Center, and at all other scheduled sites. W.O.W. provided 201 screenings in June and found two people that were unaware of their elevated blood glucose. They are undergoing further testing and treatment for Diabetes.</p> <p>The total number of community members receiving healthcare from the Washington On Wheels Clinic during the month of June was 265.</p>	<p><i>HOSPITAL CALENDAR:                  Washington On Wheels                  Mobile Health Van</i></p>

<p><b><u>Internet Marketing</u></b></p> <p>There were over 42,270 visits to the hospital website in the month of June. The hospital's Physician Finder section was the most viewed webpage with 12,682 page views, followed by the Volunteers section with 10,798 and the Employment section with 9,617 page views. The About WHHS section had 7,28 views and the Women's Health and Pregnancy with 2,233.</p> <p><b><u>InHealth - Channel 78</u></b></p> <p>During the month of June, Washington Hospital's cable channel 78, InHealth, taped new programming including the June Board of Directors meeting, and a Diabetes Matters Program titled "Healthy or Hoax: Smart Food Choices."</p> <p>On March 26, 2014, the Congressional Subcommittee on Oversight and Investigations held a hearing entitled "Where Have All the Patients Gone? Examining the Psychiatric Bed Shortage." The hearing examined the shortage of beds reserved for psychiatric patients and the strain it exerts on the seriously mentally ill throughout our communities, in the form of homelessness, as well as increased contact with law enforcement and the criminal justice system.</p> <p>While the hearing took place in Washington DC, it's an important issue that has a local impact. Portions of the hearing will air on InHealth with an introduction provided by Nancy Farber, Chief Executive Officer of Washington Hospital, as she helps localize the conversation about this issue to Southern Alameda County and begins to educate the residents of the District about the critical shortage of inpatient psychiatric beds and mental health resources.</p> <p><b><u>Employee of the Month</u></b></p> <p>Cathy began her employment at Washington Hospital in 1989. During her 24+ year tenure with WHHS, Cathy has worked in a variety of areas in Human Resources such as Employment, Recruitment, Employee Selection, Contract Interpretation, Compensation and HRIS. Cathy now mostly works in Employment and has been described as a subject matter expert in the area of contract. Cathy has never been late and has not missed a single day within the last five years.</p>	<p><i>HOSPITAL CALENDAR: Internet Report</i></p> <p><i>HOSPITAL CALENDAR: InHealth</i></p> <p><i>HOSPITAL CALENDAR: Employee of the Month – Cathy Barry</i></p>
<p>Ms. Farber introduced Ed Fayen, Senior Associate Administrator. Mr. Fayen presented a construction update starting with the parking garage noting the parking garage went to the planning commission of the City of Fremont during the second week of June. There was a request from the planning commission that we change the monolithic structure that is presented to the Bart riders. The use permit was approved without any conditions and the heliport is on the roof of the garage.</p>	<p><i>CONSTRUCTION REPORT Construction Update</i></p>
<p>Nancy Farber introduced Mary Bowron, Senior Director of Quality &amp; Resource Management. Ms. Bowron presented the Joint Commission Targeted Solutions Tools (TST) for Hand Hygiene. Ms. Bowron discussed the renewed focus on hand hygiene, the background, the Joint Commission targeted solutions programs, goals, program components, and reasons for non-compliance. Ms. Bowron went on to discuss the Washington Hospital Hand Hygiene Program covering the elements, methodology, exceptions, program timelines, quality improvement results, and the sustainability plan which includes maintaining and measuring performance over</p>	<p><i>QUALITY REPORT The Joint Commission Targeted Solutions Tool (TST) for Hand Hygiene</i></p>



<p>time, ongoing feedback to managers, training of additional observers, sharing date and staff education, continuing to encourage patient feedback and involvement of the community.</p>	
<p>Chris Henry, Chief Financial Officer, presented the Finance Report for May 2014. The average daily census was 154.4 with admissions of 969 resulting in 4,787 patient days. Outpatient observation equivalent days were 227. The average length of stay was 4.86 days. The case mix index was 1.595. Deliveries were 159. Surgical cases were 339. Joint Replacement cases were 90. Neurosurgical cases were 28. Cardiac Surgical cases were 8. The Outpatient visits were 7,277 and Emergency visits were 4,451. Total productive FTEs were 1,209.0. FTEs per adjusted occupied bed were 6.55.</p>	<p><i>FINANCE REPORT</i></p>
<p>Ms. Farber presented the Hospital Operations Report for June. There were 905 patient admissions with an average daily census of 146. This was lower than the budget of 915 admissions and 12.8% below the budgeted average daily census of 167. Preliminary information indicated inpatient revenue for the month of June at approximately \$117,000,000; 55.8% was Medicare and 20.7% was Medi-Cal, for a total of 76.5% in government program revenue. There were 129 deliveries in the Hospital resulting in 282 baby days. There were 328 surgical cases at the Hospital and 577 cases at the Outpatient Surgery Center. The Emergency Room saw 4,226 patients. The clinics saw approximately 3,485 patients. FTEs per Adjusted Occupied Bed were 6.86.</p>	<p><i>HOSPITAL OPERATIONS REPORT</i></p>
<p>In accordance with District Law, Policies and Procedures, Director Danielson moved for approval of the proposed Pediatric Surgery Privileges. Director Wallace seconded the motion.        Roll call was taken:                            Bernard Stewart, DDS - aye                            William Nicholson, MD - aye                            Patricia Danielson, RHIT - aye                            Jacob Eapen, MD – aye                            Michael Wallace – aye         The motion unanimously carried.</p>	<p><i>APPROVAL OF MEDICAL STAFF PROPOSED PEDIATRIC SURGERY PRIVILEGES</i></p>
<p>In accordance with District Law, Policies and Procedures, Director Danielson moved for the Board of Directors to confirm the Chief Executive Officer's emergency approval to initiate the purchase and installation of an additional HVAC system in the Clinical Lab Department for an amount not to exceed \$51,000. This project was not included in the Fiscal Year 2014-2015 Capital Budget. Director Wallace seconded the motion.        Roll call was taken:                            Bernard Stewart, DDS - aye                            William Nicholson, MD - aye                            Patricia Danielson, RHIT - aye                            Jacob Eapen, MD – aye                            Michael Wallace – aye         The motion unanimously carried.</p>	<p><i>APPROVAL OF EMERGENCY REPAIRS OF THE CLINICAL LAB'S AIR CONDITIONING SYSTEM</i></p>

Board of Directors' Meeting

July 9, 2014

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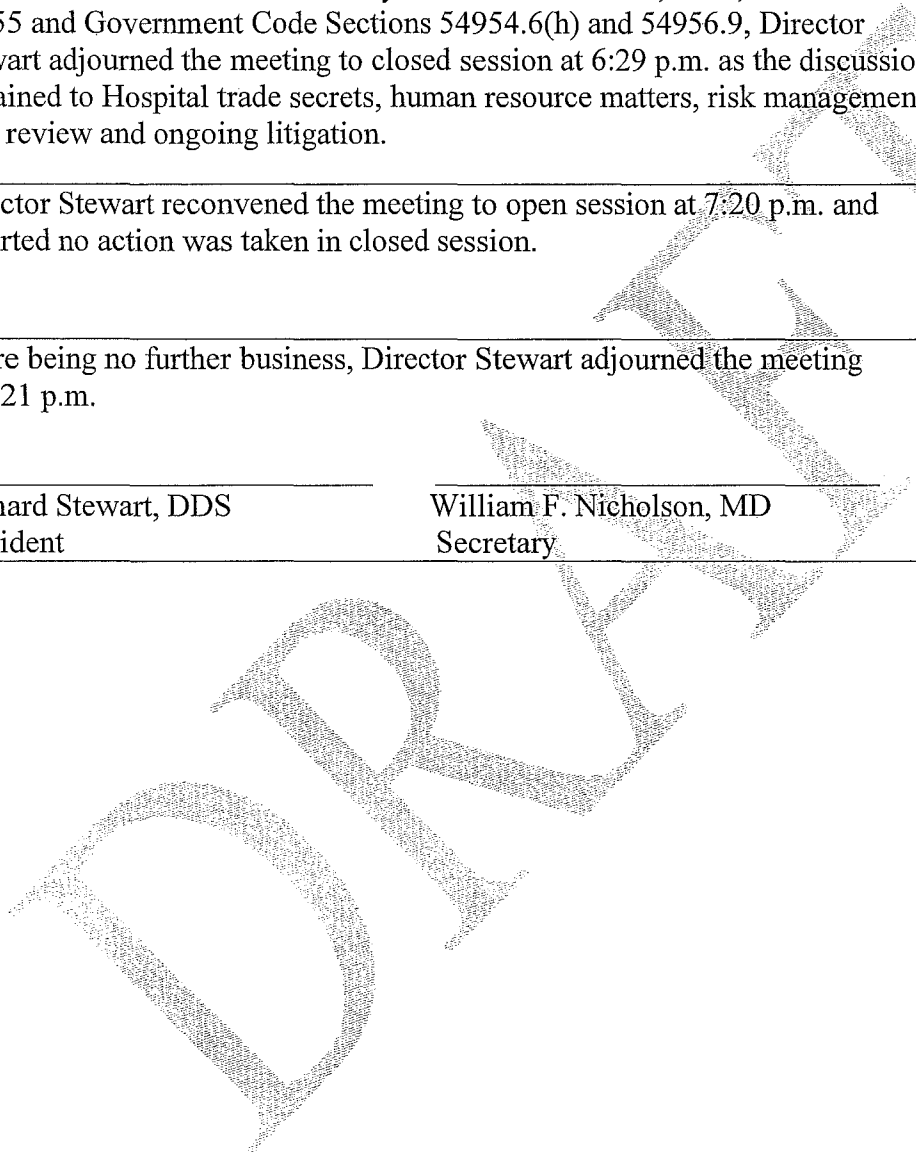
<p>In accordance with Health &amp; Safety Code Sections 1461, 1462, and 32106 and Government Code Section 54954.6(h). Director Stewart adjourned the meeting to closed section at 8:16p.m. as the discussion pertained to Hospital trade secrets, human resources matters and risk management.</p>	<p><i>ADJOURN TO CLOSED SESSION</i></p>
<p>Director Stewart reconvened the meeting to open session at 8:47p.m. and reported no action was taken in closed session.</p>	<p><i>RECONVENE TO OPEN SESSION &amp; REPORT ON CLOSED SESSION</i></p>
<p>There being no further business, Director Stewart adjourned the meeting at 8:47p.m.</p>	<p><i>ADJOURNMENT</i></p>
<p>_____ Bernard Stewart, DDS President</p>	<p>_____ William Nicholson, MD Secretary</p>

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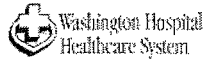
<p>A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, July 21, 2014 in the Boardroom, Washington Hospital, 2000 Mowry Avenue, Fremont, California. Director Stewart called the meeting to order at 6:06 p.m. and led those present in the Pledge of Allegiance.</p>	<p><i>CALL TO ORDER</i></p>
<p>Roll call was taken. Directors present: Bernard Stewart, DDS; William Nicholson, MD; Patricia Danielson, RHIT; Jacob Eapen, MD; Michael Wallace.</p>	<p><i>ROLL CALL</i></p>
<p>Also present: Nancy Farber, Chief Executive Officer; Kimberly Hartz, Senior Associate Administrator; Ed Fayen, Senior Associate Administrator; Chris Henry, Associate Administrator; Stephanie Williams, Associate Administrator; Bryant Welch, Associate Administrator; Brian Smith, MD; Diane Martin, MD; Catherine Bartling, District Clerk.</p>	
<p>There were no oral or written communications.</p>	<p><i>COMMUNICATIONS</i></p>
<p>In accordance with Health &amp; Safety Code Sections 1461, 1462 and 32106 and Government Code Section 54954.5(h) Director Stewart adjourned the meeting to closed session at 6:07 p.m., as the discussion pertained to Hospital trade secrets, Human Resources matters and Risk Management.</p>	<p><i>ADJOURN TO CLOSED SESSION</i></p>
<p>Director Stewart reconvened the meeting to open session at 7:30 p.m. and reported no action was taken in closed session.</p>	<p><i>RECONVENE TO OPEN SESSION &amp; REPORT ON CLOSED SESSION</i></p>
<p>There being no further business, Director Stewart adjourned the meeting at 8:02 p.m.</p>	<p><i>ADJOURNMENT</i></p>
<p>_____ Bernard Stewart, DDS President</p>	<p>_____ William F. Nicholson, MD Secretary</p>

<p>A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, July 23, 2014 in the Boardroom, Washington Hospital, 2000 Mowry Avenue, Fremont, California. Director Stewart called the meeting to order at 6:05 p.m. and led those present in the Pledge of Allegiance.</p>	<p><i>CALL TO ORDER</i></p>
<p>Roll call was taken. Directors present: Bernard Stewart, DDS; William Nicholson, MD; Patricia Danielson, RHIT; Jacob Eapen, MD; Michael Wallace</p>	<p><i>ROLL CALL</i></p>
<p>Also present: Nancy Farber, Chief Executive Officer; Kimberly Hartz, Senior Associate Administrator; Ed Fayen, Senior Associate Administrator; Chris Henry, Associate Administrator; Stephanie Williams, Associate Administrator; Tina Nunez, Associate Administrator; Bryant Welch, Associate Administrator; Albert Brooks, MD; Carlo Coppo; Paul Kozachenko; Eric Firstman; Ray Graves; Catherine Bartling, District Clerk; Christine Nguyen-Flores, Executive Assistant.</p>	
<p>There were no oral or written communications.</p>	<p><i>COMMUNICATIONS</i></p>
<p>In accordance with Health &amp; Safety Code Sections 1461, 1462, 32106 and 32155 and Government Code Sections 54954.6(h) and 54956.9, Director Stewart adjourned the meeting to closed session at 6:10 p.m. as the discussion pertained to Hospital trade secrets, human resource matters, risk management, peer review and ongoing litigation.</p>	<p><i>ADJOURN TO CLOSED SESSION</i></p>
<p>Director Stewart reconvened the meeting to open session at 6:25 p.m. and reported no action was taken in closed session.</p>	<p><i>RECONVENE TO OPEN SESSION &amp; REPORT ON CLOSED SESSION</i></p>
<p>Director Nicholson made the following motion, which was seconded by Director Eapen: In accordance with the direction of the Court of Appeal: (1) the Board's termination of Physician #1619's medical staff membership and hospital privileges is set aside as ordered by the Court of Appeal and the Superior Court to provide Physician #1619 an opportunity to address the JRC on the issue of whether the termination was justified; (2) the MEC is directed to conduct further peer review proceedings solely for the purpose of providing Physician #1619 with the opportunity to address the JRC on the issue of whether the termination is justified (by written briefs to be filed by MEC and Physician #1619), and that the administrative hearing process has not been exhausted as there currently is no final decision on this matter; and (3) the Board confirms that Physician #1619's membership has expired.</p> <p>Roll call was taken:  Bernard Stewart – Aye  William Nicholson, M.D. – Aye</p>	<p><i>IN THE MATTER OF PHYSICIAN #1619</i></p>

<p>Patricia Danielson, RHIT – Aye                  Jacob Eapen, M.D. – Aye                  Michael Wallace – Aye</p> <p>The motion unanimously carried.</p>	
<p>In accordance with Health &amp; Safety Code Sections 1461, 1462, 32106 and 32155 and Government Code Sections 54954.6(h) and 54956.9, Director Stewart adjourned the meeting to closed session at 6:29 p.m. as the discussion pertained to Hospital trade secrets, human resource matters, risk management, peer review and ongoing litigation.</p>	<p><i>ADJOURN TO                  CLOSED SESSION</i></p>
<p>Director Stewart reconvened the meeting to open session at 7:20 p.m. and reported no action was taken in closed session.</p>	<p><i>RECONVENE TO                  OPEN SESSION &amp;                  REPORT ON                  CLOSED SESSION</i></p>
<p>There being no further business, Director Stewart adjourned the meeting at 7:21 p.m.</p>	<p><i>ADJOURNMENT</i></p>
<p>_____                  Bernard Stewart, DDS                  President</p>	<p>_____                  William F. Nicholson, MD                  Secretary</p>

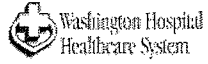


<p>A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, July 28, 2014, in the Boardroom, Washington Hospital, 2000 Mowry Avenue, Fremont, California. Director Daneilson called the meeting to order at 7:30 a.m.</p>	<p><i>CALL TO ORDER</i></p>
<p>Roll call was taken. Directors present: William Nicholson, MD; Patricia Danielson, RHIT, Jacob Eapen, MD Bernard Stewart, DDS (excused), Michael Wallace (excused), Nancy Farber, Chief Executive Officer (excused)</p>	<p><i>ROLL CALL</i></p>
<p>Also present: Peter Lunny, MD; Kranthi Achanta, MD; John Romano, MD; Jan Henstorf, MD; Albert Brooks, MD; Stephanie Williams</p>	
<p>There were no oral or written communications.</p>	<p><i>COMMUNICATIONS</i></p>
<p>Director Danielson 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 &amp; Safety Code Sections 1461 and 32155.</p>	<p><i>ADJOURN TO CLOSED SESSION</i></p>
<p>Director Danielson reconvened the meeting to open session at 8:40 a.m. and reported no action was taken in closed session.</p>	<p><i>RECONVENE TO OPEN SESSION &amp; REPORT ON CLOSED SESSION</i></p>
<p>There being no further business, the meeting adjourned at 8:40 a.m.</p>	<p><i>ADJOURNMENT</i></p>
<p>_____ Bernard Stewart, DDS President</p>	<p>_____ William F. Nicholson, MD Secretary</p>



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

**June 2014**



**WASHINGTON HOSPITAL  
INDEX TO BOARD FINANCIAL STATEMENTS  
June 2014**

<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:** August 8, 2014  
**TO:** Board of Directors  
**FROM:** Nancy Farber  
**SUBJECT:** Washington Hospital – June 2014  
Operating & Financial Activity

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## SUMMARY OF OPERATIONS – (Blue Schedules)

### 1. Utilization – Schedule Board 3

<u>ACUTE INPATIENT:</u>	<u>June Actual</u>	<u>Budget</u>	<u>Current 12 Month Avg.</u>
Average Daily Census	146.0	167.4	156.2
# of Admissions	905	915	954
Patient Days	4,380	5,021	4,751
Discharge ALOS	4.74	5.40	4.92

<u>OUTPATIENT:</u>	<u>June Actual</u>	<u>Budget</u>	<u>Current 12 Month Avg.</u>
OP Visits	7,312	8,170	7,557
ER Visits	4,226	4,469	4,252
Observation Equivalent Days – OP	248	383	258

Comparison of June 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 also below budget. Outpatient visits were lower than budget, and Emergency Room visits were below budget for the month.

**2. Staffing – Schedule Board 3**

Total paid FTEs were 58.3 below budget. Total productive FTEs for June were 1,185.4, 92.8 below the budgeted level of 1,278.2. Nonproductive FTEs were 34.5 above budget. Productive FTEs per adjusted occupied bed were 5.92, 0.18 above the budgeted level of 5.74, and total FTEs per adjusted occupied bed were 6.89, 0.43 above the budgeted level of 6.46.

**3. Income – Schedule Board 1**

For the month of June, the Hospital realized a gain of \$1,843,000 from operations.

Total Gross Patient Service Revenue of \$164,232,000 for June was 5.4% below budget, primarily due to lower volumes.

Deductions from Revenue of \$125,801,000 represented 76.60% of Total Gross Patient Service Revenue.

Total Operating Revenue of \$41,297,000 was \$284,000 (0.7%) above the budget.

Total Operating Expense was \$2,599,000 (6.2%) below the budgeted amount.

The Total Non-Operating Gain of \$1,349,000 for the month of June includes an unrealized loss on investments of \$265,000 and property tax revenue of \$1,306,000. This property tax revenue will be used to pay the debt service for the general obligation bonds.

The Total Net Gain for June was \$3,192,000, which was \$2,153,000 more than the budgeted gain of \$1,039,000.

The Total Net Gain for June using FASB accounting principles, in which the unrealized loss on investments and property tax revenues are removed from the non-operating income and expense, was \$2,151,000 compared to the budgeted loss of \$498,000.

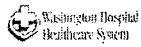
**4. Balance Sheet – Schedule Board 2**

Noteworthy changes in assets and liabilities in June 2014 included:

- A. Cash and Cash Equivalents decreased by approximately \$10 million, primarily as a result of transfers to the revenue bond funds for the July 1, 2014 principal and interest payments due.
- B. Prepaid Pension Costs increased by \$17.2 million, due to an additional \$18.5 in employer contributions funded in June 2014.

NANCY FARBER  
Chief Executive Officer

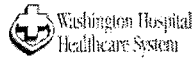
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WASHINGTON TOWNSHIP HEALTH CARE DISTRICT  
 STATEMENT OF REVENUES AND EXPENSES  
 June 2014  
 GASB FORMAT  
 (In thousands)

JUNE				YEAR TO DATE					
ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.		ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.	
				<b>1</b>	<b>OPERATING REVENUE</b>				
\$ 119,654	\$ 130,374	(\$10,720)	-8.2%	<b>2</b>	INPATIENT REVENUE	\$ 1,486,337	\$ 1,687,639	(\$201,302)	-11.9%
44,578	43,187	1,391	3.2%	<b>3</b>	OUTPATIENT REVENUE	511,595	525,667	(14,072)	-2.7%
<b>164,232</b>	<b>173,561</b>	<b>(9,329)</b>	<b>-5.4%</b>	<b>4</b>	<b>TOTAL PATIENT REVENUE</b>	<b>1,997,932</b>	<b>2,213,306</b>	<b>(215,374)</b>	<b>-9.7%</b>
<b>(125,801)</b>	<b>(132,988)</b>	<b>7,187</b>	<b>5.4%</b>	<b>5</b>	<b>CONTRACTUAL ALLOWANCES</b>	<b>(1,532,066)</b>	<b>(1,695,829)</b>	<b>163,763</b>	<b>9.7%</b>
<b>76.60%</b>	<b>76.62%</b>			<b>6</b>	<b>CONTRACTUAL AS % OF REVENUE</b>	<b>76.68%</b>	<b>76.62%</b>		
<b>38,431</b>	<b>40,573</b>	<b>(2,142)</b>	<b>-5.3%</b>	<b>7</b>	<b>NET PATIENT REVENUE</b>	<b>465,866</b>	<b>517,477</b>	<b>(51,611)</b>	<b>-10.0%</b>
2,866	440	2,426	551.4%	<b>8</b>	OTHER OPERATING INCOME	6,071	3,366	2,705	80.4%
<b>41,297</b>	<b>41,013</b>	<b>284</b>	<b>0.7%</b>	<b>9</b>	<b>TOTAL OPERATING REVENUE</b>	<b>471,937</b>	<b>520,843</b>	<b>(48,906)</b>	<b>-9.4%</b>
				<b>10</b>	<b>OPERATING EXPENSES</b>				
13,789	14,301	512	3.6%	<b>11</b>	SALARIES & WAGES	178,660	181,745	3,085	1.7%
5,950	6,616	666	10.1%	<b>12</b>	EMPLOYEE BENEFITS	76,184	77,340	1,156	1.5%
4,454	4,509	55	1.2%	<b>13</b>	SUPPLIES	51,056	57,297	6,241	10.9%
4,659	5,085	426	8.4%	<b>14</b>	PURCHASED SERVICES & PROF FEES	55,042	60,300	5,258	8.7%
1,224	1,404	180	12.8%	<b>15</b>	INSURANCE, UTILITIES & OTHER	16,041	16,738	697	4.2%
5,299	5,937	638	10.7%	<b>16</b>	PROVISION FOR DOUBTFUL ACCOUNTS	63,716	75,681	11,965	15.8%
3,084	3,360	276	8.2%	<b>17</b>	DEPRECIATION	33,450	34,816	1,366	3.9%
995	841	(154)	-18.3%	<b>18</b>	INTEREST EXPENSE	10,520	9,788	(732)	-7.5%
<b>39,454</b>	<b>42,053</b>	<b>2,599</b>	<b>6.2%</b>	<b>19</b>	<b>TOTAL OPERATING EXPENSE</b>	<b>484,669</b>	<b>513,705</b>	<b>29,036</b>	<b>5.7%</b>
<b>1,843</b>	<b>(1,040)</b>	<b>2,883</b>	<b>277.2%</b>	<b>20</b>	<b>OPERATING INCOME (LOSS)</b>	<b>(12,732)</b>	<b>7,138</b>	<b>(19,870)</b>	<b>-278.4%</b>
<b>4.46%</b>	<b>-2.54%</b>			<b>21</b>	<b>OPERATING INCOME MARGIN %</b>	<b>-2.70%</b>	<b>1.37%</b>		
224	452	(228)	-50.4%	<b>22</b>	<b>NON-OPERATING INCOME &amp; (EXPENSE)</b>				
(2)	-	(2)	0.0%	<b>23</b>	INVESTMENT INCOME	3,586	5,114	(1,528)	-29.9%
86	90	(4)	-4.4%	<b>23</b>	REALIZED GAIN/(LOSS) ON INVESTMENTS	14	-	14	0.0%
-	-	-	0.0%	<b>24</b>	RENTAL INCOME, NET	1,009	1,097	(88)	-8.0%
1,306	1,537	(231)	-15.0%	<b>25</b>	OTHER NON-OPERATING EXPENSE	(1,182)	(1,480)	298	20.1%
(265)	-	(265)	0.0%	<b>26</b>	PROPERTY TAX REVENUE	12,620	14,101	(1,481)	-10.5%
<b>1,349</b>	<b>2,079</b>	<b>(730)</b>	<b>-35.1%</b>	<b>27</b>	UNREALIZED GAIN/(LOSS) ON INVESTMENTS	528	-	528	0.0%
<b>\$ 3,192</b>	<b>\$ 1,039</b>	<b>\$ 2,153</b>	<b>207.2%</b>	<b>28</b>	<b>TOTAL NON-OPERATING INCOME &amp; EXPENSE</b>	<b>16,575</b>	<b>18,832</b>	<b>(2,257)</b>	<b>-12.0%</b>
<b>7.73%</b>	<b>2.53%</b>			<b>29</b>	<b>NET INCOME (LOSS)</b>	<b>\$ 3,843</b>	<b>\$ 25,970</b>	<b>\$ (22,127)</b>	<b>-85.2%</b>
				<b>30</b>	<b>NET INCOME MARGIN %</b>	<b>0.81%</b>	<b>4.99%</b>		
<b>\$ 2,151</b>	<b>\$ (498)</b>	<b>\$ 2,649</b>	<b>531.9%</b>	<b>31</b>	<b>NET INCOME (LOSS) USING FASB PRINCIPLES**</b>	<b>\$ (9,305)</b>	<b>\$ 11,869</b>	<b>\$ (21,174)</b>	<b>-178.4%</b>
<b>5.21%</b>	<b>-1.21%</b>				<b>NET INCOME MARGIN %</b>	<b>-1.97%</b>	<b>2.28%</b>		

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

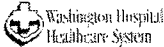


**WASHINGTON TOWNSHIP HEALTH CARE DISTRICT  
BALANCE SHEET**

SCHEDULE BOARD 2

June 2014  
(In thousands)

ASSETS		JUNE 2014	JUNE 2013	LIABILITIES AND NET ASSETS		JUNE 2014	JUNE 2013
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
1	CASH & CASH EQUIVALENTS	\$ 13,995	\$ 9,068	1	CURRENT MATURITIES OF L/T OBLIG	\$ 10,010	\$ 9,998
2	ACCOUNTS REC NET OF ALLOWANCES	54,447	57,396	2	ACCOUNTS PAYABLE	18,979	33,497
3	OTHER CURRENT ASSETS	8,189	7,496	3	OTHER ACCRUED LIABILITIES	44,984	42,620
4	TOTAL CURRENT ASSETS	<u>76,631</u>	<u>73,960</u>	4	INTEREST	<u>10,119</u>	<u>7,219</u>
				5	TOTAL CURRENT LIABILITIES	84,092	93,334
<b>ASSETS LIMITED AS TO USE</b>				<b>LONG-TERM DEBT OBLIGATIONS</b>			
6	BOARD DESIGNATED FOR CAPITAL AND OTHER	168,050	183,573	6	REVENUE BONDS AND OTHER	213,386	217,742
7	BOARD DESIGNATED FOR PENSION	-	114,366	7	GENERAL OBLIGATION BONDS	198,703	54,746
8	GENERAL OBLIGATION BOND FUNDS	152,696	28,582				
9	REVENUE BOND FUNDS	18,484	18,420				
10	OTHER ASSETS LIMITED AS TO USE	<u>15,030</u>	<u>15,418</u>				
11	TOTAL ASSETS LIMITED AS TO USE	354,260	360,359				
<b>OTHER ASSETS</b>				<b>OTHER LIABILITIES</b>			
12	PREPAID PENSION COSTS	64,305	-	12	PENSION FUNDING	-	52,098
13	OTHER	113,193	96,951	13	WORKERS' COMP	8,417	8,300
				14	SUPPLEMENTAL MEDICAL RETIREMENT	34,466	32,292
15	NET PROPERTY, PLANT & EQUIPMENT	399,527	392,251	15	NET ASSETS	468,852	465,009
16	TOTAL ASSETS	<u>\$ 1,007,916</u>	<u>\$ 923,521</u>	16	TOTAL LIABILITIES & NET ASSETS	<u>\$ 1,007,916</u>	<u>\$ 923,521</u>



**WASHINGTON TOWNSHIP HEALTH CARE DISTRICT  
OPERATING INDICATORS  
June 2014**

12 MONTH AVERAGE	JUNE						YEAR TO DATE			
	ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.			ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.
<b><u>PATIENTS IN HOSPITAL</u></b>										
156.2	146.0	167.4	(21.4)	-13%	1	ADULT & PEDS AVERAGE DAILY CENSUS	156.2	175.8	(19.6)	-11%
8.5	8.3	12.8	(4.5)	-35%	2	OUTPT OBSERVATION AVERAGE DAILY CENSUS	8.5	11.1	(2.6)	-23%
10.2	9.4	11.4	(2.0)	-18%	3	NURSERY AVERAGE DAILY CENSUS	10.2	12.0	(1.8)	-15%
<u>174.9</u>	<u>163.7</u>	<u>191.6</u>	<u>(27.9)</u>	<u>-15%</u>	4	TOTAL	<u>174.9</u>	<u>198.9</u>	<u>(24.0)</u>	<u>-12%</u>
4,751	4,380	5,021	(641)	-13%	5	ADULT & PEDS PATIENT DAYS	57,017	64,174	(7,157)	-11%
954	905	915	(10)	-1%	6	ADMISSIONS-ADULTS & PEDS	11,453	12,159	(706)	-6%
4.92	4.74	5.40	(0.66)	-12%	7	AVERAGE LENGTH OF STAY-ADULTS & PEDS	4.92	5.27	(0.35)	-7%
<b><u>OTHER KEY UTILIZATION STATISTICS</u></b>										
1.530	1.563	1.537	0.026	2%	8	OVERALL CASE MIX INDEX (CMI)	1.530	1.537	(0.007)	0%
<b><u>SURGICAL CASES</u></b>										
116	130	124	6	5%	9	JOINT REPLACEMENT CASES	1,392	1,522	(130)	-9%
24	21	14	7	50%	10	NEURO SURGICAL CASES	293	245	48	20%
9	9	13	(4)	-31%	11	CARDIAC SURGICAL CASES	111	164	(53)	-32%
69	64	37	27	73%	12	MINIMALLY INVASIVE CASES	829	486	343	71%
349	328	352	(24)	-7%	13	TOTAL CASES	4,182	4,606	(424)	-9%
368	359	405	(46)	-11%	14	TOTAL CATH PROCEDURES	4,411	4,864	(453)	-9%
34	26	42	(16)	-38%	15	PTCA PROCEDURES	411	527	(116)	-22%
145	129	152	(23)	-15%	16	DELIVERIES	1,742	1,942	(200)	-10%
7,557	7,312	8,170	(858)	-11%	17	OUTPATIENT VISITS	90,683	102,118	(11,435)	-11%
4,252	4,226	4,469	(243)	-5%	18	EMERGENCY VISITS	51,028	52,696	(1,668)	-3%
<b><u>LABOR INDICATORS</u></b>										
1,253.0	1,185.4	1,278.2	92.8	7%	19	PRODUCTIVE FTE'S	1,253.0	1,316.6	63.6	5%
189.7	195.4	160.9	(34.5)	-21%	20	NON PRODUCTIVE FTE'S	189.7	180.2	(9.5)	-5%
<u>1,442.7</u>	<u>1,380.8</u>	<u>1,439.1</u>	<u>58.3</u>	<u>4%</u>	21	TOTAL FTE'S	<u>1,442.7</u>	<u>1,496.8</u>	<u>54.1</u>	<u>4%</u>
5.97	5.92	5.74	(0.18)	-3%	22	PRODUCTIVE FTE/ADJ. OCCUPIED BED	5.97	5.71	(0.26)	-5%
6.87	6.89	6.46	(0.43)	-7%	23	TOTAL FTE/ADJ. OCCUPIED BED	6.87	6.49	(0.38)	-6%



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# Memorandum

**DATE:** August 8, 2014

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

**FROM:** Edward Fayen, Sr. Associate Administrator  
System Operations & Management Support Services

**SUBJECT: Purchase of DVR for Security Images**

Last year the Hospital upgraded its security camera system software (called the MATRIX), the upgrade included one Digital Video Recording "DVR" unit. The Hospital currently has two analog DVR units. They are both eight years old or older.

All of the new cameras we have been adding to the security system over the past three years have been digital cameras and their images can only be recorded by a DVR system. We are currently at capacity with our existing DVR and we are no longer able to hold images for one month period of time. This purchase will allow the capture and storage of images from all cameras (both analog and digital) on one additional DVR and will allow us to retire the other two analog DVRs. This purchase will also allow us to hold images for a period of approximately 30 days.

The total purchase price for the DVR is \$25,905.77. This purchase was included in the Fiscal Year 2015 Capital Equipment 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 a DVR system for an amount not to exceed \$25,905.77.

EF/mc



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# Memorandum

**DATE:** August 8, 2014

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

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

**SUBJECT:** MICRA and Proposition 46

The Medical Injury Compensation Reform Act (MICRA) of 1975 was enacted by the California Legislature as a way of curbing skyrocketing medical malpractice premium rates due to ever increasing non-economic (pain and suffering) damage awards resulting from successful malpractice lawsuits. MICRA set a non-economic damage award fee cap of \$250,000 while also capping attorney fees. Currently under MICRA, economic damages for past and future lost wages, past and future medical costs, and punitive damages are unlimited.

Proposition 46, also known as the MICRA reform measure, will be listed on the November ballot as the “Drug and Alcohol Testing of Doctors. Medical Negligence Lawsuits. Initiative Statue” and is principally supported by Consumer Attorneys of California and Consumer Watchdog. The measure aims at removing key elements of MICRA and has a foreseeable impact not only on all health care providers (physicians and hospitals), but may also affect health care consumers by potentially reducing access to care, increasing the costs of health insurance premiums and taxes, and allowing for more malpractice litigation and larger awards.

If approved, the measure would be the first law in the United States that would require:

- Random drug testing of physicians and the reporting of positive tests to the California Medical Board.
- Board suspension of physicians pending investigation of positive tests and disciplinary action if found to be impaired while on duty.
- Mandatory check of a drug prescription database, known as CURES.
- Would quadruple the malpractice cap to \$1.1 million for non-economic damages to account for inflation.

At the July 9, 2014 Board of Directors meeting, Hospital staff provided the Board with education about Proposition 46 and the potential impacts not only on Washington Hospital’s medical staff but on Hospital operations as well. It’s important to note that both the medical staff and Washington Hospital have existing drug testing policies and diversion programs for physicians and staff.

I urge the Board to publically state its opposition to Proposition 46. A draft resolution is attached.



**RESOLUTION NO. 1147**

**RESOLUTION OF THE BOARD OF DIRECTORS OF WASHINGTON  
TOWNSHIP HEALTH CARE DISTRICT TO OPPOSE PROPOSITION 46 ON  
THE NOVEMBER 2014 STATEWIDE BALLOT**

WHEREAS, Washington Township Health Care District is a local health care district (“District”) which owns and operates a general acute care hospital known as Washington Hospital and provides essential health care 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; and

WHEREAS, under existing law, the Medical Injury Compensation Reform Act (“MICRA”), patients are entitled to unlimited compensation for all economic damages, including compensation for lost wages and unlimited compensation for past and future medical costs; and

WHEREAS, according to the independent, non-partisan Legislative Analyst’s Office, Proposition 46 on the November 2014 California statewide ballot would increase health care costs across all sectors by \$9.9 billion dollars annually; and

WHEREAS, Proposition 46 would quadruple the cap on non-economic damages under the MICRA; and

WHEREAS, the Legislative Analyst’s Office warns that changes to MICRA could increase state and local government health care costs by “hundreds of millions of dollars annually”; and

WHEREAS, Proposition 46 also contains other provisions related to random drug testing of physicians and a prescription drug database that proponents have admitted are an attempt to gain voter support; and

WHEREAS, both the District and the Medical Staff have existing drug testing programs for physicians; and

WHEREAS, according to the California Medical Association, Proposition 46 would reduce access and jeopardize patients’ ability to see their trusted doctors and threaten the privacy of personal prescription drug information; and

WHEREAS, Proposition 46 is opposed by a diverse group of hundreds of other groups representing doctors, community health clinics, hospitals, nurses, labor unions, business and taxpayer groups, public safety groups, and community groups; and

WHEREAS, the Board held a public hearing at which members of the public were invited to address the Board and voice their support or opposition to Proposition 46; and

WHEREAS, the Board is required to base its decision on what it determines to be in the best interests of the District's residents.

NOW THEREFORE, be it resolved that:

1. Proposition 46, if passed, would have an adverse effect on the ability of District residents to access care and greatly increase the operating costs of the District.
2. The Washington Township Health Care District is officially opposed to Proposition 46 on the November 2014 California Statewide Ballot.
3. No public funds are to be used in the campaign for or against Proposition 46.

Passed and adopted by the Board of Directors of the Washington Township Health Care District this \_\_\_\_ day of \_\_\_\_\_, 2014 by the following vote:

AYES:

NOES:

ABSENT:

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BERNARD STEWART, D.D.S.  
President, Board of Directors  
Washington Township Health Care District

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WILLIAM F. NICHOLSON, M.D.  
Secretary, Board of Directors  
Washington Township Health Care District