



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

Monday, September 24, 2018– 6:00 P.M.

Board Room, 2000 Mowry Avenue

AGENDA

PRESENTED BY:

- | | |
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| I. CALL TO ORDER & PLEDGE OF ALLEGIANCE | Michael Wallace
Board Member |
| II. ROLL CALL | Dee Antonio
District Clerk |
| III. COMMUNICATIONS | |
| A. Oral | |
| B. Written | |
| IV. CLOSED SESSION | |
| A. Conference with Legal Counsel-Anticipated Litigation pursuant to Government Code section 54956.9(d)(2) (1 matter) | Nancy Farber
Chief Executive Officer |
| B. Conference involving a trade secret pursuant to Health & Safety Code section 32106 | |
| C. Report on personnel matters, Cal Gov. Code Section 54957 | |
| V. OPEN SESSION | |
| Report on Closed Session | Michael Wallace
Board Member |
| VI. ADJOURNMENT | Michael Wallace
Board Member |

STRATEGIC PLANNING
PRIORITIES & PROGRESS REPORT
September 21, 2018

I. LEGISLATION

Federal and Local Economic Update

The national economic outlook remains cautiously optimistic. The latest national labor figures continue to show strong job growth, a low unemployment rate, and very low unemployment claims. As the international tariff trade battles continue, it is expected that prolonged tariff moves will likely have a negative impact on global economic growth in the coming quarters.

The Bureau of Labor Statistics job report showed the U.S. economy created 201,000 jobs in August, as the unemployment rate remained at 3.9%, the lowest rate in 18-years. Hourly wage growth increased again this month, growing by 2.9% over the prior year, which is slightly higher than the wage growth seen in June and July. This is the fastest year-over-year gain in 8 years, however when adjusting for inflation wage growth remains flat. Claims for U.S. jobless benefits continue to remain at historically low levels, coming in recently at 204,000, which is the lowest level in nearly 49 years. The four-week moving average, a less volatile measure, declined to 208,000 which is also the lowest level in almost 49 years. Economists are sending warning signals, however, that the recent tariff maneuvers by the United States, China, and other nations will likely put a damper on the labor market in the coming quarters. While the national housing market generally remains strong, there are continued signs that regions of the country are headed for a housing market slowdown. Rising home prices over the last five years, coupled with rising interest rates, has started to negatively impact home sales and we are starting to see a shift towards a buyer's market.

The California economy showed strong job growth in July (state unemployment data lags national data by a month), adding 46,700 jobs as the state's unemployment rate remained at a historically low 4.2% as more individuals entered the labor market. June's job report was also revised from the 800 new jobs previously reported to a revised figure of 21,500 new jobs. This is the 100th straight month of employment expansion for the State. As is the case across the nation, wage growth in California remains stubbornly low, coming in at a 2.2% increase compared to a year earlier. Similar to the national market, the California housing market is strong, however there are continued signs that we may be headed for a market slowdown as sales activity declined for the fourth straight month due in part to affordability concerns.

Locally, the District's unemployment rate decreased slightly in July (local unemployment data lags national data by a month) to 2.8% from 3.1% in the previous month. Just over 5,450 District residents in the labor force are unemployed.

Analysis of all of the economic measures included above is ongoing and carefully monitored for potential impacts to hospitals and opportunities for Washington to contribute expertise and advocacy through our elected officials.

State and Federal Legislative Update

CA Legislature

The Legislature finished up the two-year Session earlier this month and all bills have been sent to the Governor's desk. There were not a large number of healthcare-related bills sent to the Governor this Session, as many Legislators are waiting for the next Governor to test out more single payer and cost-containment approaches. We do expect a fair number of bills targeting systemic changes to the health care system when the next Session begins in January. The Governor has until September 30 to sign or veto bills.

Some of the bills worth highlighting include:

SB 1152 (Hernandez) Hospital Patient Discharge Process: Homeless Patients

This bill currently sits on the Governor's desk. This bill is opposed by the California Hospital Association, the California Medical Association, and the District Hospital Leadership Forum among others. Current law requires each hospital to have a written discharge planning policy and process that requires that the appropriate arrangements for post-hospital care are made prior to discharge for those patients likely to suffer adverse health consequences upon discharge if there is no adequate discharge planning. This bill would require each hospital to include a written homeless patient discharge planning policy and process within the hospital discharge policy that includes a number of provisions including offering a meal, weather appropriate clothing, and transportation up to 30 minutes or 30 miles from the hospital. The bill also includes preemption language stating a local jurisdiction would be allowed to establish more stringent standards. The primary concern of opponents of the bill is the adequate supply of post-hospital resources for homeless patients that are needed to meet the demand.

AB 1790 (Salas) Valley Fever Education, Early Diagnosis, and Treatment Act

This bill was signed by the Governor. Existing law requires the State Department of Public Health to establish a list of reportable communicable and non-communicable diseases and conditions and specify the timeliness requirements related to the reporting of each disease and condition. Existing law requires the department to develop information about various communicable diseases, including hepatitis C and meningococcal disease, and to make the information available to the public. This bill would establish the Valley Fever Education, Early Diagnosis, and Treatment Act and would, among other things, require the department to conduct a valley fever (coccidioidomycosis) awareness campaign to communicate with local health jurisdictions, providers, and the public about valley fever. The bill would authorize the department to award grants or enter into contracts to perform activities related to the awareness campaign.

AB 3032 (Frazier) Maternal Mental Health Conditions

This bill currently sits on the Governor's desk. This bill would require a general acute care hospital or special hospital that has a perinatal unit to develop and implement, by January 1, 2020, a program relating to maternal mental health conditions including, but not limited to, postpartum depression. The bill would require the program to include, among other things, education and information about maternal mental health conditions for women, families, and hospital perinatal unit employees.

AB 2019 (Aguiar-Curry) Health Care Districts

This bill has been signed by the Governor. This bill would require the board of directors to include specified information, such as the district's policy for providing assistance or grant funding, on the district's Internet Web site. The bill would require that policy to contain, among other things, the district's plan for distributing grant funds for each fiscal year and a process for providing, accepting, and reviewing grant applications. The bill would also require the board to, upon filing a petition under federal bankruptcy law, provide written notice within 10 business days to the local agency formation commission of the principal county in which the district is located. The bill would require a district that is authorized and elects to use the design-build process for the construction of housing to require that at least 20% of the residential units constructed be subject to a recorded affordability restriction for at least 55 years and be affordable to lower income households, very low income households, extremely low income households, and persons and families of low or moderate income, unless the city, county, or city and county in which the district is predominantly located has adopted a local ordinance that requires a greater percentage of the units be affordable to those groups or unless the construction is for purposes of building workforce housing, health facilities, or retirement facilities. By increasing the duties of the board of directors, including duties related to disclosure of public records, the bill would impose a state-mandated local program.

AB 2760 (Wood) Naloxone Hydrochloride and other FDA-approved drugs

This bill has been signed by the Governor. This bill requires a prescriber to offer a prescription for naloxone hydrochloride or another drug approved by the United States Food and Drug Administration for the complete or partial reversal of opioid depression to a patient when certain conditions are present and to provide education on overdose prevention and the use of naloxone hydrochloride or another drug to the patient and specified others. The bill would subject a prescriber to referral to the Medical Board of California charged with regulating his or her license for the imposition of administrative sanctions, as that board deems appropriate, for violating those provisions.

Federal Legislature

Opioid Crisis

The Senate recently passed H.R. 6, “SUPPORT for Patients and Communities Act,” to address the ongoing opioid crisis.

The Senate package includes:

- The STOP Act—Stop illegal drugs, including fentanyl, from coming across the border through the mail;
- New non-addictive painkillers, research, and fast-track;
- Support for comprehensive opioid recovery centers;
- Prevention of “doctor-shopping” by improving state prescription drug monitoring programs;
- Expansion of the use of telehealth services for the treatment of opioid use disorder and other substance use disorders;
- Several changes to Medicare and Medicaid to try to expand access to addiction treatment and limit the over-prescription of opioid painkillers within the programs.

The Senate and the House will now work through a conference committee to resolve any differences between the House and Senate opioid legislation that has been passed over the past few weeks, and a vote on the revised legislation is expected as early as next week. It is expected a bill will be presented to the President in October.

II. FOUNDATION

Critical Care Capital Campaign

The capital campaign has been under way for over a year now and has raised \$5,525,000 from community donors, physicians and employees. Our stretch goal for the campaign is \$7.5 million.

32nd Annual Top Hat Dinner Dance

The Foundation’s annual Top Hat gala will be held on Saturday, October 13. The co-chairs for this year’s event are Marsha Badella, Foundation trustee, Dr. Carmen Agcaoili, and Dr. Kadeer Halimi. The dinner dance will raise funds for medical equipment needed in the new ICU/CCU in the Morris Hyman Critical Care Pavilion. To date we have raised \$206,500 in sponsorships against a budget of \$262,500. 320 attendees have registered to join us.



Washington Hospital Healthcare System

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www.whhs.com

DEVCO FINANCIAL STATEMENTS

Reporting Period 1

Month of July 2018

Nancy Farber, Chief Executive Officer

Washington Township Health Care District • Washington Hospital • Institute for Joint Restoration and Research
Sandy Amos R.N. Infusion Center • Taylor McAdam Bell Neuroscience Institute • Washington Center for Wound Healing and Hyperbaric Medicine
Washington Outpatient Imaging Center • Washington Outpatient Rehabilitation Center • Washington Outpatient Surgery Center
Washington Radiation Oncology Center • Washington Special Care Nursery • Washington Urgent Care • Washington Women's Center



**Washington Township Hospital
Development Corporation
Summary Income Statement
July 2018**

Current Month				Year - To - Date			
Actual	Budget	Favorable/(Unfavorable)		Actual	Budget	Favorable/(Unfavorable)	
		Variance	%			Variance	%
3,213	3,271	(58)	(1.8%)	3,213	3,271	(58)	(1.8%)
250	197	53	26.9%	250	197	53	26.9%
3,463	3,468	(5)	(0.1%)	3,463	3,468	(5)	(0.1%)
3,812,789	4,086,530	(273,741)	(6.7%)	3,812,789	4,086,530	(273,741)	(6.7%)
779,542	782,945	(3,403)	(0.4%)	779,542	782,945	(3,403)	(0.4%)
4,592,331	4,869,475	(277,144)	(5.7%)	4,592,331	4,869,475	(277,144)	(5.7%)
1,893,456	1,967,745	74,289	3.8%	1,893,456	1,967,745	74,289	3.8%
49.7%	48.2%	(1.5%)		49.7%	48.2%	(1.5%)	
2,698,875	2,901,730	(202,855)	(7.0%)	2,698,875	2,901,730	(202,855)	(7.0%)
822,301	852,833	30,532	3.6%	822,301	852,833	30,532	3.6%
269,991	299,902	29,911	10.0%	269,991	299,902	29,911	10.0%
231,008	330,063	99,055	30.0%	231,008	330,063	99,055	30.0%
295,395	260,311	(35,084)	(13.5%)	295,395	260,311	(35,084)	(13.5%)
185,106	186,914	1,808	1.0%	185,106	186,914	1,808	1.0%
90,175	92,854	2,679	2.9%	90,175	92,854	2,679	2.9%
25,924	25,039	(885)	(3.5%)	25,924	25,039	(885)	(3.5%)
439,032	439,200	168	0.0%	439,032	439,200	168	0.0%
141,440	128,450	(12,990)	(10.1%)	141,440	128,450	(12,990)	(10.1%)
2,500,372	2,615,566	115,194	4.4%	2,500,372	2,615,566	115,194	4.4%
198,503	286,164	(87,661)	(30.6%)	198,503	286,164	(87,661)	(30.6%)
143,403	193,822	50,419	26.0%	143,403	193,822	50,419	26.0%
55,100	92,342	(37,242)	(40.3%)	55,100	92,342	(37,242)	(40.3%)