



# 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, October 12, 2016 – 6:00 P.M.

Conrad E. Anderson, MD Auditorium

## AGENDA

**I. CALL TO ORDER &  
PLEDGE OF ALLEGIANCE**

**PRESENTED BY:**

Michael Wallace  
Board Member

**II. ROLL CALL**

Christine Flores  
District Clerk

**III. EDUCATION SESSION:**

Results of Annual Audit

Chris Henry  
Associate Administrator and  
Chief Financial Officer

Michael MacBryde  
PricewaterhouseCoopers

**IV. CONSIDERATION OF MINUTES**

September 13, 14, 19, 26, and 28, 2016

*Motion Required*

**V. COMMUNICATIONS**

A. Oral

B. Written

From Kranthi Achanta, MD Chief of Staff,  
dated September 26, 2016 requesting approval  
of Medical Staff Credentialing Action Items.

*Motion Required*

**VI. INFORMATION**

A. Service League Report

B. Medical Staff Report

**PRESENTED BY:**

Debbie Jackson  
Service League President

Kranthi Achanta, MD  
Chief of Staff

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| C. | Hospital Calendar  | Nancy Farber<br>Chief Executive Officer  |
| D. | Lean/Kaizen Update   | Kimberly Hartz<br>Senior Associate Administrator<br>Donald Pipkin<br>Chief of Strategic Management |
| E. | Construction Report  | Ed Fayen<br>Senior Associate Administrator   |
| F. | Quality Report<br>Infection Prevention Update:<br>Ensuring Safety of Endoscopic Procedures | Mary Bowron, DNP, RN, CIC<br>Senior Director of Quality &<br>Resource Management                   |
| G. | Finance Report   | Chris Henry<br>Associate Administrator and<br>Chief Financial Officer                              |
| H. | Hospital Operations Report   | Nancy Farber<br>Chief Executive Officer  |

**VII. ACTION**

- A. Consideration of Resolution No. 1173,  
Memorandum of Understanding between  
Washington Hospital and the Stationary  
Engineers, Local 39
- B. Consideration of Mission, Vision and Values  
Statements
- C. Consideration of the Washington Hospital  
Healthcare System Strategic Map: 2016-19
- D. Consideration of Chemistry Analyzers and  
Instrument Manager
- E. Consideration of Provation GI Software

**VIII. ADJOURN TO CLOSED SESSION**

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

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

- B. Report involving a trade secret pursuant to  
Health & Safety Code section 32106  
New Program  
Estimated date of public disclosure: October  
2017

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

Michael Wallace  
Board Member

**X. ADJOURNMENT**

Michael Wallace  
Board Member

A special meeting of the Board of Directors of the Washington Township Health Care District was held on Tuesday, September 13, 2016 in the Boardroom, 2000 Mowry Avenue, Fremont, California. Director Wallace called the meeting to order at 6:04 p.m. and led those present in the Pledge of Allegiance.

*CALL TO ORDER*

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

*ROLL CALL*

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

There were no oral communications.

*COMMUNICATIONS*

There were no written communications.

In accordance with Health & Safety Code Sections 1461, 1462 and 32106 and Government Section 54954.5(h) Director Wallace adjourned the meeting to closed session at 6:05 p.m., as the discussion pertained to Hospital trade secrets.

*ADJOURN TO CLOSED SESSION*

Director Wallace reconvened the meeting to open session at 7:05 p.m. and reported no reportable action was taken in closed session.

*RECONVENE TO OPEN SESSION & REPORT ON CLOSED SESSION*

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

*ADJOURNMENT*

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Michael Wallace  
President

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Patricia Danielson, RHIT  
Secretary

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, September 14, 2016 in the Conrad E. Anderson, MD Auditorium, 2500 Mowry Avenue, Fremont, California. Director Nicholson called the meeting to order at 6:01p.m. and led those present in the Pledge of Allegiance.

*CALL TO ORDER*

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

*ROLL CALL*

Also present: Nancy Farber, Chief Executive Officer; Kranthi Achanta; Chief of Medical Staff; Debbie Jackson; Service League 1<sup>st</sup> President; Christine Flores, District Clerk

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

Nancy Farber, Chief Executive Officer introduced Chris Henry, Chief Financial Officer. Mr. Henry introduced representatives from 4H Junior Live Stock Auction held at the 2016 Alameda County Fair: Russell McIntyre, Ben Carter, Bonnie Crawford, Allie Martin, Haley Battaglini, Braden Illingworth and Rachelle McIntyre. Each of the students shared their stories of how they became a part of 4H and how it has changed their lives. The livestock purchased will be processed and served to patients and staff at the hospital.

*EDUCATION SESSION:  
4H*

Director Nicholson moved for approval of the minutes of August 10, 15, 22, and 24, 2016.

*APPROVAL OF  
MINUTES OF AUGUST  
10, 15, 22, AND 24, 2016*

Director Stewart seconded the motion.  
Roll call was taken:

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

The unanimously carried.

There were no oral communications.

*COMMUNICATIONS:  
ORAL*

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

*COMMUNICATIONS:  
WRITTEN*

Appointments:

Arora, Rohit, MD; Chitterty, Aditi, MD; Jain, Bhawna, MD; Kharbanda, Ameeta, MD; Kim, Joshua, PA-C; Kuruma, Pavani, MD; Lusk, Leslie, MD; Szajer, Michael, CCP

Temporary Privileges:

Arora, Rohit, MD; Chitterty, Aditi, MD; Kim, Joshua, PA-C; Kharbanda, Ameeta, MD; Lusk, Leslie, MD; Szajer, Michael, CCP

Locum Tenens:

Lucas, Michael, CCP

Reappointments:

Araj, Ramsey, MD; Armstrong, Sherry, CCP; Banh, Co, MD; Bartis, Steven, DPM; Chan, Linda, MD; Crame, Lawrence, MD; Dugoni, Susan, MD; Freiheit, David, MD; Friday, Jamilah, MD; Gacote, Apolinar, MD; Gay, Andre, MD; Hajdena-Dawson, Monica, MD; Hallaj-Pour, Ali, MD; Halligan, Benjamin, MD; Harrell, Jill, MD; Heine, John, MD; Hu, Mary, MD; Irani, Adil, MD; Israni-Jiang, Manisha, MD; Janmohamed, Munir, MD; Jaureguito, John, MD; Joshi, Nitin, MD; Khalsa, Prabhjot, MD; Kim, Sunghoon, MD; Le, Amanda, MD; Lewis, Elizabeth, CNM; Lin, Jeff, MD; Lo, Diana, MD; McCune, Holly, MD; Motamed, Soheil, MD; Multani, Kuljeet, MD; Pareek, Gautam, MD; Prasad, Sudeepthi, MD; Reeves, Carla, CNM; Rimpel, Nicole, MD; Sadiq, Ahmed, MD; Siegal, Steven, MD; Stearns, William, MD; Unger, Alon, MD; Van Gompel, Gabriel, DPM; Zeidan, Frank, MD

Completion of Proctoring & Advancement in Staff Category:

Kim, Sunghoon, MD; Liang, Mark, MD; Shoo, Brenda, MD

Completion of Proctoring Prior to Eligibility for Advancement in Staff Category

Rostami, Rahid, MD; Nguyen, Amy, PA-C

Delete Privilege Requests

Bartis, Steven, DPM; Crame, Lawrence, MD; Friday, Jamilah, MD; Gacote, Apolinar, MD; Hallaj-Pour, Ali, MD; Halligan, Benjamin, MD; Heine, John, MD; Le, Amanda, MD; Lin, Jeff, MD; Multani, Kuljeet, MD; Prasad, Sudeepthi, MD; Rimpel, Nicole, MD; Stearns, William, MD

Withdrawal of Application

Park, Suny, MD; Itani, Shaker, MD

Resignations:

Popple, Clifford, MD; Idowu, Olajire, MD

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

Director Stewart seconded the motion.

Roll call was taken:

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

The motion unanimously carried.

Debbie Jackson, Service League President presented the Service League Report. Ms. Jackson shared that in the month of September. The Gift Shop is getting prepared for the upcoming holidays. Ms. Jackson attended a workshop on gift shop strategies in Fairfield and found it to be a very worthwhile event with an opportunity to

*SERVICE LEAGUE  
REPORT*

network with other managers in the area and the ability to connect with vendors. The Service League is continuing to bring new volunteers on board with Orientation Sessions. The last orientation session for the year is scheduled for to occur sometime in October. The Service League will be holding the 2nd Care Wear event in the Fremont/Union City rooms on September 29th and 30th. Ms. Jackson shared that The Masquerade Jewelry Sale will take place November 28th – 30th.

Dr. Kranthi Achanta reported there are 577 Medical Staff members.

*MEDICAL STAFF  
REPORT*

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

*HOSPITAL CALENDAR:  
Community Outreach*

**Past Health Promotions & Outreach Events**

The 2016 Central Park Summer Concert Series concluded on August 11<sup>th</sup>. The concerts were held at the Central Park Performance Pavilion. Washington Hospital was the co-presenting sponsor and provided health information and health screenings during the 6-week concert series.

On Tuesday, August 16<sup>th</sup>, as part of the Palliative Care Community Presentations, Father Jeff Finley, moderated the “Palliative Care: How Can This Help Me?” panel discussion.

On Thursday, August 18<sup>th</sup>, as part of the Women Empowering Women series, Dr. Victoria Leiphart, gynecologist, presented “How to Sleep Your Way to Better Health”; 14 people attended.

On Tuesday, August 23<sup>rd</sup>, Dr. Jason Van Tassel, otolaryngologist, presented “Obstructive Sleep Apnea: New Options for Treatment”; 112 people attended.

On Tuesday, September 6<sup>th</sup> as part of the Speaker’s Bureau, Kristi Caracappa, Health Insurance Information Service Coordinator, provided an overview of the Health Insurance Information Service program to the Newark Rotary; 18 people attended.

On Thursday, September 8<sup>th</sup>, Dr. Victoria Leiphart, gynecologist, presented “Mindful Healing”; 54 people attended.

On Tuesday, September 13<sup>th</sup>, as part of the Washington Women’s Center Lunch and Learn Series, Dr. Vandana Sharma, oncologist, presented “Early Detection and Prevention of Female Cancers.”

**Upcoming Health Promotions & Community Outreach Events**

On Thursday, September 15<sup>th</sup> from 7:00 to 8:30 pm, as part of the Women Empowering Women series, Dr. Victoria Leiphart, gynecologist, will present “Decoding Vitamins and Supplements.”

Also, on Thursday, September 15<sup>th</sup> from 7:00 to 9:00 pm, Kristi Caracappa, Health Insurance Information Service Coordinator, will present “New to Medicare: What You Need to Know”. This seminar will repeat on Thursday, September 22<sup>nd</sup> from 7:00 to 9:00 p.m.

On Sunday, September 18<sup>th</sup> Washington Hospital and Washington Township Medical Foundation will provide information on health related programs and services during the Community Information Faire at the City of Newark's 61<sup>st</sup> Anniversary of Newark Days. Newark Days is an annual celebration of the City's incorporation.

On Tuesday, September 20<sup>th</sup> from 6:30 to 8:00 pm, as part of the Palliative Care Community Presentations, Michelle Hedding, RN, Spiritual Care Coordinator, will moderate the "Interfaith Discussion on End of Life Topics" panel discussion.

On Wednesday, September 21<sup>st</sup> from 1:00 to 3:00 pm, Anna Mazzei, registered dietitian, will present "New Dietary Guidelines Support Healthy Choices."

Also on Wednesday, September 21<sup>st</sup>, as part of the Speaker's Bureau, Kristi Caracappa, Health Insurance Information Service Coordinator, will provide an overview of the Health Insurance Information Service program to the Optimist Club of Newark.

On Saturday, September 24<sup>th</sup> from 7:00 to 11:00 am, Washington Hospital will staff an information booth at the HERS KEEP ABREAST 5K and 10K run/walk and Health Expo at Quarry Lakes in Fremont.

On Tuesday, September 27<sup>th</sup> Dr. Carmencita Agcaoili, critical care medicine, and Dr. Kadeer Halimi, emergency medicine, will present "Learn the Signs and Symptoms of Sepsis."

On Thursday, September 29<sup>th</sup>, Washington Hospital will participate in the City of Fremont Health Fair. Washington Hospital staff will provide health-education, along with glucose and cholesterol screenings.

Also on Thursday, September 29<sup>th</sup>, from 6:00 to 8:00 pm, Dr. Michael Parmley, internist, will present, "Preventive Screenings; When and Why are They Important."

On Tuesday, October 4<sup>th</sup>, from 6:00 to 8:00 pm, Dr. Prasad Katta, endocrinologist, and Vida Reed, RN, will present, "Stop Diabetes Before It Starts."

Also on Tuesday, October 4<sup>th</sup>, from 6:00 to 8:00 pm, as part of the Stroke Education Series, Dr. Ash Jain, cardiologist, and Melissa Reyes, RN, will present "Living with Stroke: Future in Diagnosis and Management."

On Wednesday, October 5<sup>th</sup>, as part of the Washington Sports Medicine and Washington Outpatient Rehab Center bi-monthly education series, Kimberlee Alvari, registered dietitian, will present "Nutrition and Athletic Performance."

On Thursday, October 6<sup>th</sup>, as part of the Diabetes Matters Series, ABC, will present, "ABC."

On Tuesday, October 11<sup>th</sup> from 10:00 am to 1:00 pm, Kristi Caracappa, Health Insurance Information Service Coordinator, will present "Medicare Options: What You Need to Know."



**Washington Hospital Healthcare Foundation Report**

The Washington Hospital Healthcare Foundation will host the 30<sup>th</sup> Annual Top Hat gala on Saturday, October 8th. Proceeds from the evening will benefit Washington Hospital's Prenatal Diagnostic Center, a new clinical service offering critical prenatal care to expecting mothers with high-risk pregnancies. The Center will provide exceptional benefits to our community, including decreasing instances of low birth weight, improving pregnancy outcomes and improving newborn and infant health. Additionally, it will enable many high-risk expecting mothers to deliver at Washington Hospital without having to travel outside the District for this specialized service. This year's gala co-chairs, Dr. Albert Brooks, Dr. Bettina Kirkjian and Marlene Weibel promise that this 30<sup>th</sup> anniversary gala is not to be missed.

*HOSPITAL CALENDAR:  
Washington Hospital  
Foundation Report*

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

Washington Township Healthcare District Board Members attended the Ohlone College Golf Tournament on September 12th.

Board members will participate in the Newark Days Parade on September 17th.

*HOSPITAL CALENDAR:  
The Washington  
Township Healthcare  
District Board of  
Directors Report*

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

WHEA's Back to School Drive, "Fill a Back Pack Challenge," was a huge success. Altogether, hospital departments collected 22 backpacks, several bags of supplies and \$1,160 in cash donations. With the supplies and funds collected WHEA was able to fill and donate 40 backpacks and five bags of back-up school supplies to those served at Abode Services and SAVE.

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

WHEA will be hosting the American Red Cross who will hold a blood drive from 12 to 6 p.m. on Friday, September 23<sup>rd</sup>, in the Conrad E. Anderson, MD, Auditorium, room C. To schedule an appointment to give blood, call (800) RED-CROSS or visit [redcrossblood.org](http://redcrossblood.org) and enter the sponsor code: WHHS. WHEA's Back to School Drive, "Fill a Back Pack Challenge," was a huge success. Altogether, hospital departments collected 22 backpacks, several bags of supplies and \$1,160 in cash donations. With the supplies and funds collected WHEA was able to fill and donate 40 backpacks and five bags of back-up school supplies to those served at Abode Services and SAVE.

WHEA will be hosting the American Red Cross who will hold a blood drive from 12 to 6 p.m. on Friday, September 23<sup>rd</sup>, in the Conrad E. Anderson, MD, Auditorium, room C. To schedule an appointment to give blood, call (800) RED-CROSS or visit [redcrossblood.org](http://redcrossblood.org) and enter the sponsor code: WHHS.

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

During the month of August, the Washington On Wheels Mobile Health Clinic (W.O.W.) continued to serve community members at the Fremont Family Resource Center, the Fremont Senior Center and the Ruggieri Senior Center in Union City.

*HOSPITAL CALENDAR:  
Washington On Wheels  
Mobile Health Van*

Washington On Wheels continued with the Summer's free glucose screenings at Centro de Servicios in Union City, as well as all regularly scheduled community sites.

In August, W.O.W. provided glucose screenings to 54 individuals and of those 5 people tested had higher than normal glucose levels. They are undergoing further testing and treatment for Diabetes. The total number of community members receiving health care from the W.O.W. Clinic during the month of August was 122.

### **Internet Marketing**

There were over 29,809 visits to the hospital website in the month of August. The hospital's Employment section was the most viewed webpage with 17,039 page views, followed by the About WHHS section with 9,336 page views. The Physicians section with 9,036 page views. The Volunteers section had 3,456 page views and the Women's Health and Pregnancy section had 2,175 page views.

*HOSPITAL  
CALENDAR:  
Internet Report*

### **InHealth - Channel 78**

During the month of August, Washington Hospital's cable channel 78, InHealth, captured new programming including a Health and Wellness Program titled "Obstructive Sleep Apnea: New Options for Treatment," a Palliative Care Community Presentation called "Palliative Care: How Can This Help Me?," a Sports Medicine Program named "Big Changes in Concussion Care," and a Diabetes Matters program titled "Monitoring Matters." In addition, InHealth aired a Health and Wellness programs titled "Skin Health: What You Need to Know," the August Board of Directors meeting and the August Citizen's Bond Oversight Committee Meeting.

*HOSPITAL  
CALENDAR:  
InHealth*

### **Awards and Recognitions**

Washington Hospital is proud to announce that it has achieved Magnet® recognition, the highest honor granted by the American Nurses Credentialing Center (ANCC). As a Magnet-recognized organization, Washington Hospital remains among the 7.8 percent of hospitals nationwide that have received the highest national credential for nursing excellence, serving as the gold standard for nursing practice. This honor required evaluation by the ANCC to determine if Magnet standards were met. This process was both rigorous and thorough for all involved—from the bedside nurses to department heads, and support staff from throughout the Hospital, the executive team and members of the board of directors. Magnet recognition is an impressive and important distinction for the organization and staff as well as the communities served. With this achievement, Washington Hospital joins the country's Magnet community — a select group of domestic health care organizations. This prestigious honor reaffirms Washington Hospital's dedication to the Patient First Ethic and providing the highest quality of nursing care.

*HOSPITAL  
CALENDAR:  
Awards and  
Recognitions*

### **Employee of the Month**

Storekeeper, Victoria Cayetano is September's Employee of the Month. Victoria joined the Washington Hospital family December of 2009 and has been an asset to the Storeroom department. Victoria possess a calming demeanor and never appears overwhelm regardless of the workload. She is a team player and often volunteers to help colleagues without hesitation. Victoria is an athlete who has always enjoyed sports throughout her life. While attending Cal State East Bay, she was on the volleyball team and was a valued team member due to her height and technical

*HOSPITAL  
CALENDAR: Employee  
of the Month – Lucy*

skills. In addition to caring for her 3 children with her partner, Ryan, she regularly indulges in a game of volleyball, soft ball, and basketball. She also participates in several tournaments throughout the year. In addition to sports, Victoria and her family enjoy travelling.

Nancy Farber, Chief Executive Officer introduced Jimmy Chang, Interim Manager of 4West and the Infusion Center. Mr. Chang presented the Inpatient Medical-Surgical 4-West Lean Journey sharing the Lean Vision which included: commitment to the Patient First Ethic and improve patient experience, understand current processes, create a value stream map: analyze the current state, identify waste and employee lean tools to improve, and the redesign processes based on desired future state. Mr. Chang continued by sharing Lean Workshops of Fiscal Year 2016 which included the Value Stream Mapping in July 2015, 5S: Organization (Sort, set order, shine, standardize, sustain) in September 2015, Care Coordination I: Shift-to-Shift Handoff in November 2015, Discharge Process I & II: Admission to Discharge in October 2015/March 2016, and Roles and Responsibilities: Care Team in May 2016. Mr. Chang continued by discussing what occurs in each of the 5 workshops and shared the principles learned.

*LEAN/KAIZEN  
UPDATE*

Nancy Farber, Chief Executive Officer introduced Ed Fayen, Senior Associate Administrator. Mr. Fayen presented the construction update on the parking garage and the Morris Hyman Critical Care Pavilion. Mr. Fayen shared photos of the Electric Vehicle (EV) Charging station on the first floor of the parking garage as well as the Clear Vu Security Fence that was installed on the first floor of the parking garage. Mr. Fayen went on to share progress on the Morris Hyman Critical Care Pavilion. Photos of the seismic pipe joints in the crawl space and metal panels in place on in the North West Corner were shared as well as the framing of the priority walls on level 3 and the forming of the North Exterior Courtyard on Level 3. A photo of the site view of Phase 2 was also shared.

*CONSTRUCTION  
REPORT  
Construction Update*

Nancy Farber, Chief Executive Officer introduced Mary Bowron, Senior Director of Quality & Resource Management. Ms. Bowron starting by reporting on Core Measure Compliance which includes venous thromboembolism and stroke. Ms. Bowron continued by sharing the Infection Prevention Indicators which included central line associated bloodstream infections (CLABSI), C-difficile, catheter associated urinary tract infections (CAUTI), hospital acquired MRSA bloodstream infections, hospital acquired VRE infections, colon surgery, and abdominal hysterectomy. The nurse sensitive indicators were also discussed including reducing hospital acquired pressure ulcers and reducing inpatient falls with injury. Ms. Bowron shared the Joint Commission National Patient Safety Goals which comprised of hand off communication, patient identification, procedure time out and hand hygiene as well as the readmission rates for Medicare pneumonia and heart failure.

*QUALITY REPORT:  
Quality Dashboard:  
Quarter Ending June  
2016.*

Chris Henry, Chief Financial Officer, presented the Finance Report for July 2016. The average daily census was 140.1 with admissions of 943 resulting in 4,342 patient days. Outpatient observation equivalent days were 228. The average length

*FINANCE REPORT*

of stay was 4.40 days. The case mix index was 1.568. Deliveries were 137. Surgical cases were 368. Joint Replacement cases were 130. Neurosurgical cases were 26. Cardiac Surgical cases were 15. The Outpatient visits were 6,710 and Emergency visits were 4,262. Total productive FTEs were 1,149.6. FTEs per adjusted occupied bed were 7.18.

Ms. Farber presented the Hospital Operations Report for August. Preliminary information indicated inpatient revenue for the month of August at approximately \$166,100,000. There were 942 patient admissions with an Average Length of Stay of 4.84. There were 362 Surgical Cases and 366 Cath Lab procedures at the Hospital. Deliveries for August were 170. Non-Emergency Outpatient visits were 7,204. FTEs per Adjusted Occupied Bed were 5.7. The Washington Outpatient Surgery Center had 545 cases and the clinics saw approximately 3,704 patients.

*HOSPITAL  
OPERATIONS REPORT*

Reference attached document.

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

There being no further business, Director Wallace adjourned the meeting at 8:15pm.

*ADJOURNMENT*

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Michael Wallace  
President

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Patricia Danielson, RHIT  
Secretary

*DRAFT*

MINUTES OF THE BOARD OF DIRECTORS OF WASHINGTON HOSPITAL

September 14, 2016

Agenda Item VII.A

*Consideration of Chief Executive Officer Employment Agreement and At-Risk Compensation*

During the regular meeting of the Board of Directors (Board) on September 14, 2016 the Board considered Agenda Item VII.A, *Consideration of Chief Executive Officer Employment Agreement and At-Risk Compensation*. All Board members were present:

Michael J. Wallace, President

Patricia Danielson

Dr. Bernard Stewart

Dr. Jacob Eapen

Dr. William F. Nicholson

President Wallace invited District Counsel, Paul Kozachenko, to introduce the agenda item.

Mr. Kozachenko indicated that the Board would be considering the following three action items tonight: (1) whether to make a base salary adjustment to the CEO's salary based on the Board's compensation philosophy, which would mean an adjustment to match the 65<sup>th</sup> percentile of the California peer group; (2) whether to make an award of at-risk compensation of up to 20% of base salary consistent with the Board's philosophy of providing total cash compensation at around the 75<sup>th</sup> percentile of the California peer group; and (3) whether to extend the term of the employment agreement by one year.

Mr. Kozachenko noted that tonight's Board packet contains three documents related to this item: (1) a memorandum from Mr. Kozachenko with background information on the Board's process for adjusting compensation and summarizing the Board's compensation philosophy; (2) a memorandum from the Chief Executive Officer summarizing the District's accomplishments for the past fiscal year; and (3) a report from Integrated Health Strategies/Arthur J. Gallagher & Company ("IHS"). IHS is an independent healthcare compensation consultant. Its report provides the Board with independent data on base salary and total compensation for the California peer group. These documents were posted on the District's website on Friday and have been available for public review.

President Wallace opened the discussion concerning an adjustment to the CEO's base salary to the 65<sup>th</sup> percentile of the California peer group. Director Stewart made a motion that the Board adjust the CEO's base salary to the 65<sup>th</sup> percentile of the California peer group, which equals \$808,000.00, to be effective July 1, 2016. Director Nicholson seconded the motion.

President Wallace opened the public hearing and invited the public to speak. There were no speakers. President Wallace closed the public hearing.

President Wallace then invited the Board members to speak on the motion.

Director Stewart noted that the proposed base salary adjustment is based on the California peer group. This includes a large number of hospitals. This means that the CEO's base salary is established at the 65<sup>th</sup> percentile of that peer group. That salary is at the same level of many other hospitals in California. The District has for a long time had a policy of wage parity for all employees of the District. This also applies to the CEO, which means that the Board keeps her salary in parity with her peers.

President Wallace noted that this means the Board is using market information to set the CEO's salary.

Director Nicholson noted that the California peer group includes large and small hospitals, but that on average match the District in size based on net revenue. The net revenue for the District is around \$500 million per year. The peer group includes hospitals such as Eisenhower, Huntington Hospital, NorthBay Valley Hospital, Palomar, and Pomona Valley. The Board has good data available to it in the IHS report. Director Nicholson stated that he is in agreement with the motion and that the Board is moving appropriately to adjust the CEO's salary.

President Wallace called for a vote:

President Wallace	AYE	Director Nicholson	AYE
Director Danielson	AYE	Director Eapen	AYE
Director Stewart	AYE		

The motion passed.

Next, President Wallace opened the discussion regarding the award of at-risk compensation. He noted that an award of 20% of base salary is consistent with the Board's compensation philosophy of providing total cash compensation at the 75<sup>th</sup> percentile of the California peer group. Director Stewart made a motion that the Board award at-risk compensation based on its current compensation philosophy in the amount of 20% of the base salary, which equals \$155,000.00. Director Nicholson seconded the motion.

President Wallace opened the public hearing and invited the public to speak. There were no speakers. President Wallace closed the public hearing.

President Wallace invited the Board members to speak on the motion.

Director Stewart noted that the at-risk compensation award is an opportunity for the Board to provide additional compensation based on performance of the CEO and hospital. In considering the award, the Board looks at many different factors. Under the CEO's leadership, the District has had an outstanding year—it is hard to overestimate the success that the District has seen. One item that stands out is that two years ago the District's voters approved a general obligation bond. That has now refinanced, which saves the District's residents, who pay for the bond through their taxes, \$5.8 million. There are also other achievements, not least of which is Magnet status for the nursing program.

Director Danielson concurred with Director Stewart's comments. The refinancing was a tremendous benefit to the residents of the District, and the reduction in payments is another indication of how the leadership of this District feels about the people who live and work in the District. One other factor is the fact that the construction of the Morris Hyman Critical Care Pavilion has consistently been on time and on budget. The building contains many safety features for both patients and the staff. Director Danielson is confident that once completed, the District will be able to obtain status as a regional trauma center. This is something that needs to happen because right now patients must be transferred out of the District to receive trauma care. Also, the CEO is providing leadership in the community, beyond just the hospital and clinics. For example, she has brought in community groups such as the 4H club.

Director Nicholson concurred with the comments of Director Stewart and Director Danielson. He agrees that the District has had a very successful year, in large part due to the effective leadership of the CEO and the executive team she has assembled. Effective leadership means identifying opportunities and acting on them. As examples, Director Nicholson noted Director Stewart's comments regarding the refinance of the bonds and Director Danielson's comments concerning the ongoing construction and the fact that the construction is on time and on budget. The District needs these facilities as soon as possible. This is another reflection of the value of effective leadership. This is in stark contrast to what is happening at other facilities in the Bay Area such as Alta Bates in Berkeley. Alta Bates will likely close because it cannot meet the new seismic safety requirements.

Director Eapen concurred with the other Board members. As has been mentioned, the Board has considered many factors in determining the award of 20% of base salary. He values the outreach duties of a CEO. He also noted that revenue has increased and that there are more and more patients in the Foundation. These are all key factors.

President Wallace noted that this organization has a unique culture upon which rests the District's success. The groundwork for these results were set many years ago, partially through the CEO's selection of the management team but also through other decisions such as the decision to implement the Lean program in the hospital. President Wallace concurs with the statements of the other Directors, but what he is most satisfied with is the culture, the management team, and the groundwork the CEO is laying for the future.

President Wallace called for a vote:

President Wallace	AYE	Director Nicholson	AYE
Director Danielson	AYE	Director Eapen	AYE
Director Stewart	AYE		

The motion passed.

President Wallace then started the discussion concerning the extension of the CEO's contract by one year. Director Stewart made a motion that the employment agreement be extended for one year, for a term starting July 1, 2016 and ending June 30, 2020, and that the President of the Board be authorized to execute an

amendment to the employment agreement consistent with the actions taken tonight. Director Nicholson seconded the motion.

President Wallace then opened the public hearing and invited the public to speak. There were no speakers. President Wallace closed the public hearing.

President Wallace invited the Board members to speak on the motion.

Director Stewart noted that this past year HealthGrades awarded the hospital a 5-star rating for strokes, and the Joint Commission awarded the hospital its advanced primary stroke award for two years. This is very important to Director Stewart because he has a friend in the hospital receiving treatment for stroke tonight. The CEO has done a great job maintaining the quality of the services provided by this District and fully supports extending the agreement.

Director Nicholson concurred with the sentiments of Director Stewart and concurs with the motion.

President Wallace called for a vote:

President Wallace	AYE	Director Nicholson	AYE
Director Danielson	AYE	Director Eapen	AYE
Director Stewart	AYE		

The motion passed.

This concluded the consideration of this agenda item.



A special meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, September 19, 2016 in the Anderson C Auditorium, 2500 Mowry Avenue, Fremont, California. Director Wallace called the meeting to order at 5:59 p.m. and led those present in the Pledge of Allegiance.

*CALL TO ORDER*

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

*ROLL CALL*

Also present: Nancy Farber, Chief Executive Officer; Kimberly Hartz, Senior Associate Administrator; Bryant Welch, Associate Administrator, Tina Nunez, Associate Administrator, Chris Henry, Associate Administrator; Stephanie Williams, Associate Administrator; Paul Kozachenko; Colleen Doerr, Senior Executive Assistant II.

There were no oral communications.

*COMMUNICATIONS*

There were no written communications.

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

*ADJOURN TO CLOSED SESSION*

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

*RECONVENE TO OPEN SESSION & REPORT ON CLOSED SESSION*

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

*ADJOURNMENT*

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Michael Wallace  
President

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Patricia Danielson, RHIT  
Secretary

A meeting of the Board of Directors of the Washington Township Health Care District was held on Monday, September 26, 2016 in the Fremont Conference Room, Washington Hospital, 2000 Mowry Avenue, Fremont, California. Director Nicholson called the meeting to order at 7:30 a.m.

*CALL  
TO  
ORDER*

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

*ROLL  
CALL*

Also present: Kranthi Achanta, MD; Timothy Tsoi, MD; Peter Lunny, MD; Nancy Farber, Chief Executive Officer

There were no oral or written communications.

*COMMUNICATIONS*

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

*ADJOURN TO CLOSED  
SESSION*

Director Nicholson reconvened the meeting to open session at 9:00 a.m. and reported no reportable action was taken in closed session.

*RECONVENE TO OPEN  
SESSION & REPORT ON  
CLOSED SESSION*

There being no further business, the meeting was adjourned at 9:00 a.m.

*ADJOURNMENT*

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Michael Wallace  
President

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Patricia Danielson, RHIT  
Secretary

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, September 28, 2016 in the Anderson C Auditorium, 2500 Mowry Avenue, Fremont, California. Director Wallace called the meeting to order at 6:01 p.m. and led those present in the Pledge of Allegiance.

*CALL TO ORDER*

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

*ROLL CALL*

Also present: Nancy Farber, Chief Executive Officer; Kimberly Hartz, Senior Associate Administrator; Ed Fayen, Senior Associate Administrator; Bryant Welch, Associate Administrator, Tina Nunez, Associate Administrator, Chris Henry, Associate Administrator; Stephanie Williams, Associate Administrator; Colleen Doerr, Senior Executive Assistant II; Paul Kozachenko; Donald Pipkin, Michael MacBryde; Raushanah Davis

There were no oral communications.

*COMMUNICATIONS*

There were no written communications.

In accordance with Health & Safety Code Sections 1461, 1462 and 32106 and Government Section 54954.5(h) Director Wallace adjourned the meeting to closed session at 6:02 p.m., as the discussion pertained to Hospital trade secrets.

*ADJOURN TO CLOSED SESSION*

Director Wallace reconvened the meeting to open session at 8:16 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 the Chief Executive Officer be authorized to enter into the necessary contracts and proceed with the purchase of the Savi Scout breast localization surgical guidance system for a total amount not to exceed \$65,720. This item was included in the Fiscal Year 2017 Fixed Asset Capital Budget.

*CONSIDERATION OF BREAST LOCALIZATION AND SURGICAL GUIDANCE SYSTEM*

Director Stewart seconded the motion.

Roll call was taken:

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

The motion unanimously carried.

There being no further business, Director Wallace adjourned the meeting at 8:19 p.m.

*ADJOURNMENT*

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Michael Wallace  
President

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Patricia Danielson, RHIT  
Secretary

## RESOLUTION 1173

The Board of Directors of Washington Township Health Care District, County of Alameda, State of California, do hereby resolve as follows:

Approval of the tentative agreements to be incorporated inside a Memorandum of Understanding by and between the designated representative of Washington Hospital, that being the Chief Executive Officer, and the **Stationary Engineers, Local 39**, hereinafter called **Local 39**, a recognized majority representative under the terms of Board Resolution 331A.

The terms and conditions of the attached Memorandum are hereby implemented in their entirety effective on the various dates specified with the Memorandum.

Passed and adopted by the Board of Directors of Washington Township Health Care District this 12<sup>th</sup> day of **October, 2016**, by the following vote:

AYES:

NOES:

ABSENT:

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Michael J. Wallace  
President of the Washington Township  
Health Care District Board of Directors

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Patricia Danielson, RHIT  
Secretary of the Washington Township  
Health Care District Board of Directors

# **2016 Summary of Tentative Agreements Between Washington Hospital and Stationary Engineers, Local 39**

Negotiations began on 05/20/16 and further negotiation meetings were held 07/29/16, 08/05/16, 08/10/16, 08/17/16, 09/08/16, 09/15/16, 09/21/16, 09/23/16, 09/29/16 and 09/30/16.

The Stationary Engineers, Local 39 MOU was ratified by its membership on 10/05/16 (we believe the vote was 11 to 5).

## **Term of Memorandum**

The Local 39 MOU runs from October 1, 2016 to September 30, 2019 (4 years) and the MOU was negotiated with no re-openers.

## **Membership Covered**

This agreement covers 21 Engineers and Utility Workers.

## **Highlights of Key Financial Items**

### **Across the Boards**

- October 1, 2016            3.5%
- October 1, 2017            3.5%
- October 1, 2018            3.5%
- October 1, 2019            3.0%

These increases are well within our established budget and allow WHHS to remain very competitive within the market.

### **Key Contract Additions**

- Increase the training fund by \$20 each year per employee beginning 10/01/17.
- Increased shift differential payments for Engineers by .25 cents.
- Changes to our benefits plan were made so that our benefits also remain competitive and continue to be closely aligned to market.



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# Memorandum

**DATE:** October 7, 2016

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

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

**SUBJECT:** Mission, Vision and Values Statements

Attached for your approval are some recommended changes to the Washington Hospital Healthcare System Mission, Vision and Values statements. These were reviewed in conjunction with the strategic planning process that Washington recently underwent. It is important that the mission, vision and values statements concisely convey the purpose, direction and driving forces of our organization which I feel they do.

# Washington Hospital Health System

## Mission Statement

As the local Health Care District, our mission is to meet the healthcare needs of the District residents through medical services, education and research.

Within this scope, Washington Township Health Care District is committed to assuming the leadership role in improving and maintaining the health status of the residents by:

- Identifying and assessing community healthcare needs.
- Developing mechanisms to respond to the identified need within the financial capabilities of the District.
- Committing to a culture of patient safety and accountability.
- Adopting identified best practices.
- Providing access to high quality, cost-effective health services through an integrated delivery system.
- Partnering with a diverse medical staff and other providers to meet the health care needs of district residents.
- Providing appropriate employee, professional and community educational resources to enhance patient care and health promotion throughout the District.

## Vision

To support the fulfillment of the mission, the District's strategic vision is to be the regional medical center of choice in Southern Alameda County offering quality services that span the full range of care within the available financial resources.

## Values Statement

- Our organizational values stem directly from the origins of the Hospital District in 1948. The District was formed to provide access to patient care services for the residents of the Township, at a time when people had to leave their community and travel significant distances to find hospital care. The District

serves its community by providing high quality, affordable and convenient care. We are committed not only in law, but in spirit to local accountability.

- Healthcare is an intensely personal service. Underlying all that we offer is the recognition that healthcare is not a commodity. Our essential purpose is to improve the human condition. Our reason for being begins and ends with our patients and our community, and we are committed to a “patient first” ethic. To our patients we owe comfort, compassion and whenever possible, a cure. Our efforts are focused not just on ~~the~~ individuals and families, but also on the overall health of the community.
- It is our obligation to provide responsible stewardship of our resources, acting in all areas of our healthcare system with integrity, professionalism and with respect for a patient's right to choice.
- To our fellow employees, volunteers and members of our medical staff we owe a commitment to perform all of our responsibilities with loyalty, perseverance, self-discipline and dependability. We achieve these goals through our organizational commitment to innovation, process improvements and pursuit of excellence.





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## Memorandum

**DATE:** October 7, 2016

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

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

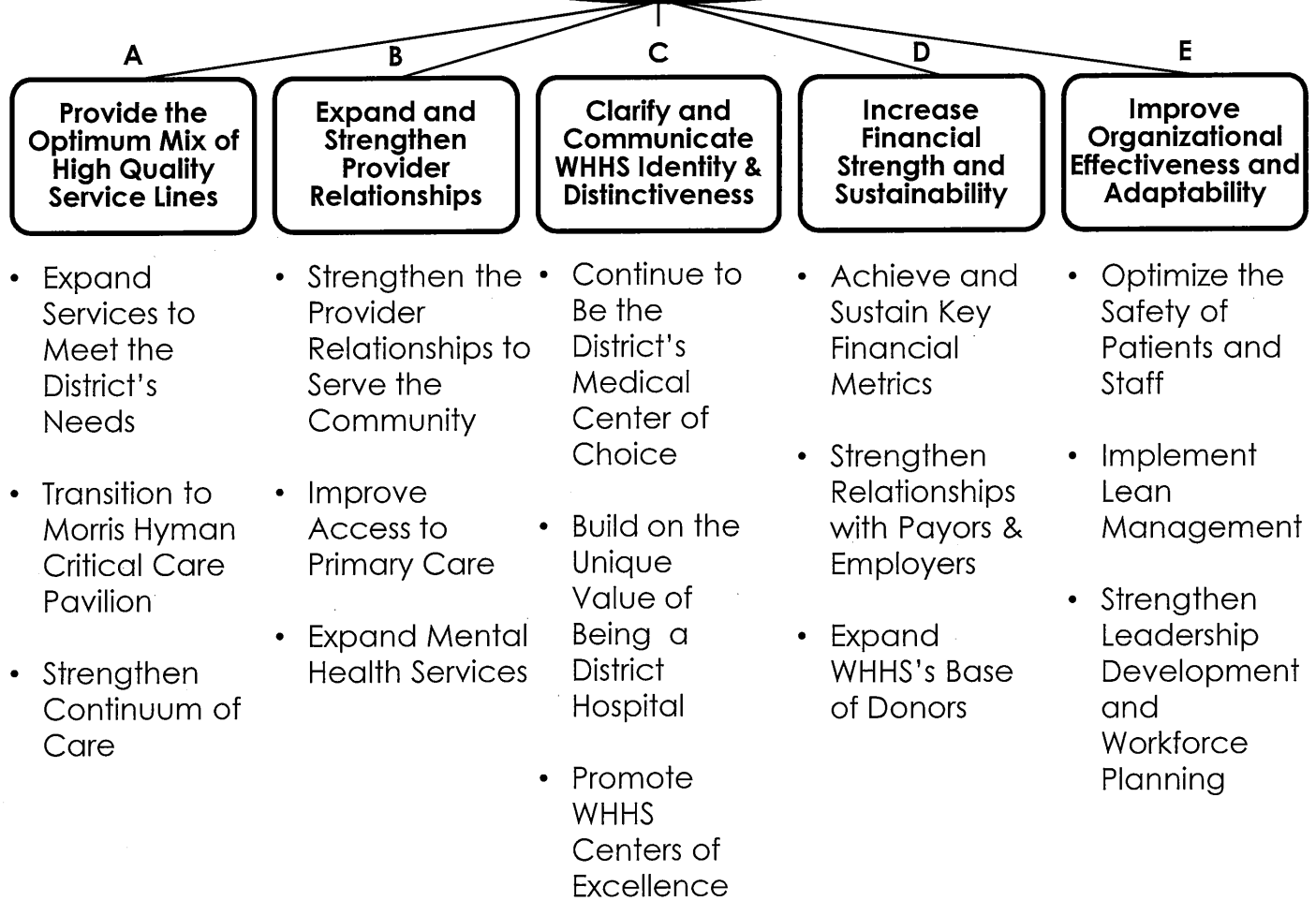
**SUBJECT:** Strategic Map: 2016-19

Attached for your approval is the Washington Hospital Healthcare System Strategic Map: 2016-19. Washington Hospital Healthcare System engaged Tim Fallon with the Clarion Group who has extensive experience facilitating strategic planning processes to assist the organization with the development of our strategic map. Mr. Fallon conducted extensive interviews with leadership, staff, physicians, other stakeholders, and identified community members.

During the development of this strategic map, Washington focused on achieving strategic effectiveness – an organization’s ability to set the right goals and consistently achieve them. The planning process entailed assessing the current situation of Washington Hospital Healthcare System, setting the future direction and then creating a strategic map that depicts how to move from the “current” state to the “future”. The strategic map depicts the key elements of Washington’s three-year strategy with the understanding that adjustments may need to be made as the environment changes. The oval at the top of the strategic map represents the central challenge. This challenge is supported by strategic priorities and objectives that will be the focus over the next three years. Overall, Washington Hospital Healthcare System has been very successful and the proposed Washington Hospital Healthcare System Strategic Map: 2016-19 will assist us with the direction for continued success.

# Washington Hospital Healthcare System Strategic Map: 2016-2019

**Position WHHS as the  
Medical Center of Choice for  
Patients, Providers, Staff,  
District Residents and All Payers**



**F Expand and Deepen Community Engagement to Improve Health**

**G Strengthen and Expand Strategic Alliances and Partnerships**

**H Drive Continuous Improvements in Quality, Value and Patient Satisfaction**



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# Memorandum

**DATE:** October 7, 2016

**TO:** Nancy Farber, Chief Executive Officer  
Kimberly Hartz, Sr. Associate Administrator

**FROM:** Tina Nunez, Associate Administrator Ambulatory  
John Lee, Chief Information Officer

**SUBJECT:** Abbott Chemistry Analyzers and Instrument Manager

We are requesting the approval of a project which will include the purchase of two new chemistry analyzers, Abbott Architects, and the purchase of the Instrument Manager, which is the middleware that connects the instruments to the electronic medical record (Epic - Beaker). The chemistry analyzers are being recommended to replace the two existing Ortho Vitros instruments. The Vitroses are on a lease contract, which will expire in March 2017. Both instruments are over 7 years old and have passed their technological capabilities. The purchase of the Abbott Architects will provide improved turnaround time for lab requests, decrease reagent/consumables costs, and reduce the number of testing platforms from six (6) down to one (1) over the course of two (2) years. The introduction of the new analyzers will also reduce labor spent on instrument maintenance.

In addition, this project includes the middleware software needed to integrate these new analyzers with our Epic Beaker setup. This project also includes the labor and the additional infrastructure needed to complete the build, testing and validation of the instruments. This integration will also include our new Hematology analyzers which will now be integrated via the Abbott Instrument Manager solution.

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 hardware, software and implementation services in the amount not to exceed \$759,042. These monies are included in the Fiscal Year 2017 Capital Budget.



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# Memorandum

**DATE:** September 13, 2016

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

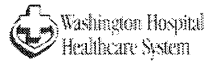
**FROM:** John Lee, Chief Information Officer

**SUBJECT:** Provation GI for Endoscopy

The current systems used to document GI procedures at the Washington Outpatient Surgery Center (WOSC) and at the hospital are not adequate. WOSC utilizes a legacy application that has not been upgraded in many years while the hospital utilizes a standard Epic documentation process that is not adequate for the detail required for GI procedures. Acquiring the Provation MD software solution will provide better procedure documentation, image capture and coding for endoscopy. The solution is best in class and endorsed by our Endoscopy physician leadership.

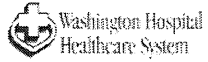
The Provation software will be installed and maintained at the hospital with interfaces setup to integrate with our Epic WeCare system. The setup, training and rollout are expected to take six months and will enable a standard protocol for WOSC and WHHS Endoscopy procedures. The expense and maintenance cost of the software solution will be shared 50/50 with the Washington Outpatient Surgery Center.

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 hardware, software and implementation services in an amount not to exceed \$219,468. These monies are included in the Fiscal Year 2017 Capital Budget.



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

**August 2016**



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

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



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# Memorandum

**DATE:** October 7, 2016  
**TO:** Board of Directors  
**FROM:** Nancy Farber  
**SUBJECT:** Washington Hospital – August 2016  
Operating & Financial Activity

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## SUMMARY OF OPERATIONS – (Blue Schedules)

### 1. Utilization – Schedule Board 3

<u>ACUTE INPATIENT:</u>	<u>August Actual</u>	<u>Budget</u>	<u>Current 12 Month Avg.</u>
Average Daily Census	148.3	150.8	155.2
# of Admissions	942	962	1,008
Patient Days	4,596	4,675	4,732
Discharge ALOS	4.84	4.86	4.64

<u>OUTPATIENT:</u>	<u>August Actual</u>	<u>Budget</u>	<u>Current 12 Month Avg.</u>
OP Visits	7,204	7,429	7,076
ER Visits	4,275	4,271	4,409
Observation Equivalent Days – OP	322	194	246

Comparison of August 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 below budget. Outpatient visits were lower than budget. Emergency Room visits were above budget for the month.

**2. Staffing – Schedule Board 3**

Total paid FTEs were 5.4 below budget. Total productive FTEs for August were 1,193.9, 3.3 below the budgeted level of 1,197.2. Nonproductive FTEs were 2.1 below budget. Productive FTEs per adjusted occupied bed were 5.70, 0.15 below the budgeted level of 5.85. Total FTEs per adjusted occupied bed were 6.59, 0.19 below the budgeted level of 6.78.

**3. Income - Schedule Board 1**

For the month of August the Hospital realized a loss of \$3,803,000 from operations.

Total Gross Patient Service Revenue of \$166,091,000 for August was 2.5% below budget.

Deductions from Revenue of \$130,321,000 represented 78.46% of Total Gross Patient Service Revenue. This percentage is above the budgeted amount of 76.33%.

Total Operating Revenue of \$36,626,000 was \$3,899,000 (9.6%) below the budget.

Total Operating Expense of \$40,429,000 was \$1,141,000 (2.9%) above the budgeted amount.

The Total Non-Operating Gain of \$1,139,000 for the month of August includes an unrealized loss on investments of \$608,000 and property tax revenue of \$1,344,000. This property tax revenue will be used to pay the debt service for the general obligation bonds.

The Total Net Loss for August was \$2,664,000, which was \$5,580,000 less than the budgeted gain of \$2,916,000.

The Total Net Loss for August 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 \$3,400,000 compared to a budgeted gain of \$1,521,000.

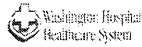


4. **Balance Sheet – Schedule Board 2**

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

NANCY FARBER  
Chief Executive Officer

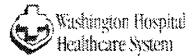
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**WASHINGTON HOSPITAL**  
**STATEMENT OF REVENUES AND EXPENSES**  
**August 2016**  
**GASB FORMAT**  
**(In thousands)**

AUGUST				YEAR TO DATE				
ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.		ACTUAL	BUDGET	FAV (UNFAV) VAR	% VAR.
				<b>1</b>	<b>OPERATING REVENUE</b>			
\$ 117,557	\$ 125,510	\$ (7,953)	-6.3%	<b>2</b>	\$ 234,541	\$ 245,897	\$ (11,356)	-4.6%
48,534	44,819	3,715	8.3%	<b>3</b>	91,060	88,273	2,787	3.2%
<b>166,091</b>	<b>170,329</b>	<b>(4,238)</b>	-2.5%	<b>4</b>	<b>325,601</b>	<b>334,170</b>	<b>(8,569)</b>	-2.6%
<b>(130,321)</b>	<b>(130,014)</b>	<b>(307)</b>	-0.2%	<b>5</b>	<b>(252,894)</b>	<b>(255,293)</b>	<b>2,399</b>	0.9%
<b>78.46%</b>	<b>76.33%</b>			<b>6</b>	<b>77.67%</b>	<b>76.40%</b>		
<b>35,770</b>	<b>40,315</b>	<b>(4,545)</b>	-11.3%	<b>7</b>	<b>72,707</b>	<b>78,877</b>	<b>(6,170)</b>	-7.8%
856	210	646	307.6%	<b>8</b>	1,351	417	934	224.0%
<b>36,626</b>	<b>40,525</b>	<b>(3,899)</b>	-9.6%	<b>9</b>	<b>74,058</b>	<b>79,294</b>	<b>(5,236)</b>	-6.6%
				<b>10</b>	<b>OPERATING EXPENSES</b>			
15,175	15,306	131	0.9%	<b>11</b>	30,264	30,530	266	0.9%
6,194	5,790	(404)	-7.0%	<b>12</b>	11,123	11,721	598	5.1%
4,572	4,581	9	0.2%	<b>13</b>	8,711	9,091	380	4.2%
5,120	5,055	(65)	-1.3%	<b>14</b>	9,969	10,046	77	0.8%
1,448	1,489	41	2.8%	<b>15</b>	2,829	2,998	169	5.6%
4,357	3,406	(951)	-27.9%	<b>16</b>	7,978	6,683	(1,295)	-19.4%
2,853	2,853	0	0.0%	<b>17</b>	5,589	5,589	0	0.0%
710	808	98	12.1%	<b>18</b>	1,537	1,632	95	5.8%
<b>40,429</b>	<b>39,288</b>	<b>(1,141)</b>	-2.9%	<b>19</b>	<b>78,000</b>	<b>78,290</b>	<b>290</b>	0.4%
<b>(3,803)</b>	<b>1,237</b>	<b>(5,040)</b>	-407.4%	<b>20</b>	<b>(3,942)</b>	<b>1,004</b>	<b>(4,946)</b>	-492.6%
<b>-10.38%</b>	<b>3.05%</b>			<b>21</b>	<b>-5.32%</b>	<b>1.27%</b>		
				<b>22</b>	<b>NON-OPERATING INCOME &amp; (EXPENSE)</b>			
338	221	117	52.9%	<b>23</b>	579	440	139	31.6%
22	0	22	0.0%	<b>24</b>	93	0	93	0.0%
43	63	(20)	-31.7%	<b>25</b>	108	125	(17)	-13.6%
1,344	1,395	(51)	-3.7%	<b>26</b>	2,708	2,649	59	2.2%
(608)	0	(608)	0.0%	<b>27</b>	(774)	0	(774)	0.0%
<b>1,139</b>	<b>1,679</b>	<b>(540)</b>	-32.2%	<b>28</b>	<b>2,714</b>	<b>3,214</b>	<b>(500)</b>	-15.6%
<b>\$ (2,664)</b>	<b>\$ 2,916</b>	<b>\$ (5,580)</b>	-191.4%	<b>29</b>	<b>\$ (1,228)</b>	<b>\$ 4,218</b>	<b>\$ (5,446)</b>	-129.1%
<b>-7.27%</b>	<b>7.20%</b>			<b>30</b>	<b>-1.66%</b>	<b>5.32%</b>		
<b>\$ (3,400)</b>	<b>\$ 1,521</b>	<b>\$ (4,921)</b>	-323.5%	<b>31</b>	<b>\$ (3,162)</b>	<b>\$ 1,569</b>	<b>\$ (4,731)</b>	-301.5%
<b>-9.28%</b>	<b>3.75%</b>				<b>-4.27%</b>	<b>1.98%</b>		

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



**WASHINGTON HOSPITAL  
BALANCE SHEET**

August 2016  
(In thousands)

SCHEDULE BOARD 2

<b>ASSETS AND DEFERRED OUTFLOWS</b>			<b>AUGUST 2016</b>	<b>UNAUDITED JUNE 2016</b>	<b>LIABILITIES, NET POSITION AND DEFERRED INFLOWS</b>			<b>AUGUST 2016</b>	<b>UNAUDITED JUNE 2016</b>
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
1	CASH & CASH EQUIVALENTS		\$ 42,751	\$ 38,459	1	CURRENT MATURITIES OF L/T OBLIG	\$ 6,456	\$ 5,056	
2	ACCOUNTS REC NET OF ALLOWANCES		61,980	62,580	2	ACCOUNTS PAYABLE	33,942	42,079	
3	OTHER CURRENT ASSETS		9,819	8,018	3	OTHER ACCRUED LIABILITIES	53,302	57,095	
4	TOTAL CURRENT ASSETS		114,550	109,057	4	INTEREST	3,057	11,321	
					5	TOTAL CURRENT LIABILITIES	96,757	115,551	
<b>ASSETS LIMITED AS TO USE</b>					<b>LONG-TERM DEBT OBLIGATIONS'</b>				
6	BOARD DESIGNATED FOR CAPITAL AND OTHER		187,472	187,431	6	REVENUE BONDS AND OTHER	198,714	204,019	
7	GENERAL OBLIGATION BOND FUNDS		163,179	184,470	7	GENERAL OBLIGATION BONDS	341,312	342,546	
8	REVENUE BOND FUNDS		10,436	10,441					
9	BOND DEBT SERVICE FUNDS		7,538	25,041	<b>OTHER LIABILITIES</b>				
10	OTHER ASSETS LIMITED AS TO USE		15,452	15,591	10	NET PENSION LIABILITY	55,857	52,960	
11	TOTAL ASSETS LIMITED AS TO USE		384,077	422,974	11	WORKERS' COMP	9,203	9,057	
					12	SUPPLEMENTAL MEDICAL RETIREMENT	39,307	38,791	
13	OTHER ASSETS		142,586	139,895					
14	NET PROPERTY, PLANT & EQUIPMENT		513,414	505,967	14	NET POSITION	424,188	425,416	
15	TOTAL ASSETS		\$ 1,154,627	\$ 1,177,893	15	TOTAL LIABILITIES AND NET POSITION	\$ 1,165,338	\$ 1,188,340	
16	DEFERRED OUTFLOWS		25,823	27,061	16	DEFERRED INFLOWS	15,112	16,614	
17	TOTAL ASSETS AND DEFERRED OUTFLOWS		\$ 1,180,450	\$ 1,204,954	17	TOTAL LIABILITIES, NET POSITION AND DEFERRED INFLOWS	\$ 1,180,450	\$ 1,204,954	

