BOARD OF DIRECTORS' MEETING WASHINGTON TOWNSHIP HOSPITAL DEVELOPMENT CORPORATION

Board of Directors

Russ Blowers Shirley Buschke

Miro Garcia

Benn Sah, M.D.

James Stone

Monday, May 11, 2015 – 7:30 A.M. 2000 Mowry Avenue, Fremont, CA 94538 Board Room – First Floor

Assistance for the Disabled: If you are disabled in any way and need accommodation to participate in the meeting, please call Vanessa Terrasas, Recording Secretary, at (510) 791-3438 for assistance so the necessary arrangements can be made.

I.	CALL TO ORDER	PRESENTED BY: Chair
II.	ROLL CALL	Vanessa Terrasas, Clerk
III.	EDUCATION SESSION A. Lean Presentation	Donald Pipkin, Chief, Strategic Management
IV.	CONSIDERATION OF MINUTES OF March 9, 2015	Motion Required
V.	COMMUNICATIONS A. Oral B. Written	
VI.	PRESIDENT AND CHIEF EXECUTIVE OFFICER REPORT	Nancy Farber, President and Chief Executive Officer

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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.

VII.	CLOSED SESSION	Chair
VIII.	ADJOURN TO OPEN SESSION & REPORT ON CLOSED SESSION	Chair
IX.	OPEN SESSION A. Report to Open Session B. Action Item	Chair
Х.	ADJOURNMENT	Chair

NEXT MEETING: MONDAY, AUGUST 10, 2015

The meeting of the Board of Directors of the Washington Township Hospital CALL Development Corporation was held on March 9, 2015 in the Board Room of TO Washington Hospital, 2000 Mowry Avenue, Fremont, California. Chairman ORDER Sah called the meeting to order at 7:34 am.

Present: Russ Blowers, Shirley Buschke, Miro Garcia, James Stone, Benn Sah, ROLL M.D.

CALL

Nancy Farber, Chief Executive Officer, Tina Nunez, Associate Absent: Administrator, Ambulatory Care Services

Also present: Kimberly Hartz, Sr. Associate Administrator, Ambulatory Care Services: Chris Henry, Associate Administrator/CFO; Michael Engle, Sr. Director Ambulatory Care Services; Vanessa Terrasas, Recording Secretary, Kristin Ferguson, Chief of Compliance

Director Blowers made mention of the third paragraph on page 3 in the minutes of October 13, 2014 incorrectly noted Director Russ rather than Director Blowers. A motion was made by Director Blowers, seconded by Director Stone, to approve the minutes of the meeting of October 13, 2014 with the correction. The motion was carried by the following vote:

APPROVAL OF MINUTES OF October 13, 2014

Ayes: Directors Blowers, Buschke, Garcia, Sah and Stone

Noes: None Absent: None Abstain: None

At its January 14, 2015 meeting, the District Board of Directors voted to ELECTION OF reappoint the Washington Township Hospital Development Corporation Board OFFICERS 2015 Members. A motion was made by Director Blowers, seconded by Director Stone, to reelect the members as follows:

Benn Sah, M.D. as Chair, Shirley Buschke as Secretary and James Stone as Treasurer. The motion was carried by the following vote:

Ayes: Directors Blowers, Buschke, Garcia, Sah and Stone

Noes: None Absent: None Abstain: None

No oral or written communications were received.

COMMUNICATIONS

Kristin Ferguson, Chief of Compliance at Washington Hospital, provided ethics AB 1234 ETHICS training to the Board. This training is required of local public officials including members of the legislative body of a local public agency, whether elected or appointed, who receive any type of compensation, salary or stipend, or reimbursement of expenses, and those employees designated by the agency to

TRAINING

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receive the training. It is required officials receive a minimum of two (2) hours AB 1234 ETHICS of ethics training every two years.

TRAINING CONT'D

Ms. Hartz provided the President and Chief Executive Officer Report on behalf PRESIDENT & CHIEF of Ms. Farber who was not present.

EXECUTIVE OFFICER REPORT

Ms. Hartz explained that the Hospital experienced a high census during January and February. Although this may result in financial improvement for the Hospital, the focus remains on becoming a high quality, low cost provider. Rona Consulting Group, Lean health care consultants, is assisting Washington with this and our "Lean journey." Rona is conducting training for staff so they may become certified in Lean which is based on the Toyota Production System. A management presentation of the Lean system will be given to the DEVCO Board at an upcoming meeting.

Ms. Hartz mentioned a few initiatives in development with Washington Hospital and UCSF. Recruitment for a cardiac surgeon to partner with our current cardiac surgeon is one such initiative.

Ms. Hartz reported on the groundbreaking of the Morris Hyman Critical Care Pavilion at Washington Hospital. More than 300 people turned out. The new building will house a larger emergency room and expanded intensive care and coronary care units and will provide space for 68 additional private medical/surgical beds. In addition to the building of the critical care pavilion, construction on a new parking garage is in progress.

Ms. Hartz provided an update on the crosswalk between Washington West and the Hospital's Emergency Room. At its January 14, 2015 meeting, the District Board of Directors voted to install a traffic light to improve the crosswalk safety. The installation is pending. Ms. Farber continues to work with the City of Fremont for this long term resolution.

Ms. Hartz announced that at its February 11, 2015 meeting, the District Board of Directors unanimously adopted a policy, effective immediately, that establishes the campus of Washington Hospital and all related entities as well as Districtowned vehicles as tobacco and smoke-free zones.

In accordance with Sections 1461, 1462, 32106 and 32155 of the California ADJOURN TO CLOSED Health & Safety Code and Sections 54962 and 54954.5 of the California

SESSION

Government Code, Chairman Sah adjourned the meeting to closed session at 8:22 a.m.

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Chairman Sah adjourned the meeting to open session at 8:48 a.m.

ADJOURN TO OPEN **SESSION**

Director Stone moved to accept the amendment to the original Newark Medical AMENDMENT TO THE Clinic budget of \$4,015.13. The additional amount was due to exchanging the NEWARK MEDICAL uninterrupted power supply (UPS) for a smaller unit. The original UPS was CLINIC BUDGET ordered according to architect specifications, but was too large for the designated space due to additional equipment that had been added to the space after the original architect plans.

On a second from Director Buschke, the motion was carried with the following vote:

Ayes: Directors Blowers, Buschke, Garcia, Sah and Stone

Noes: None Absent: None Abstain: None

There being no further business, the meeting adjourned at 8:50 a.m. The next ADJOURNMENT meeting is currently scheduled for Monday, May 11, 2015 at 7:30 am.

Benn Sah, M.D.	Shirley Buschke	
Chairman	Secretary	

5/7/15

Washington Township Hospital Development Corporation Summary Income Statement February 2015

Year-To-Date Favorable/(Unfavorable)	%	Validito	7 6%	(0.1%)	6.7%		13.2%	2.5%	11.4%		(15.1%)		8.7%		(%6.9%)	(1.8%)	(%6 U)	(%6.9)	(3.5%)	(7.7%)	(12.6%)	(0.6%)	(25.7%)	(2.6%)	9.8%	(4.1%)	71.6%	(40 0%)	197.5%		
	Variance		2 037	(4)	2,033		4.073.815	156,171	4,229,986		(2,378,297)	(%6.0)	1,851,689		(462.876)	(41.779)	(22,650)	000()	(53.351)	(151.828)	(16,083)	(3,471)	(35,256)	(86,874)	63,927	(810,241)	1,041,448	(465,044)	576,404		
	Budget		26.878	3,505	30,383		30,944,246	6,159,497	\$37,103,743		15,731,927	20.8%	21,371,816		6,689,392	2,269,634	2,519,095	124,000	1,528,873	1,965,818	127,836	615,354	137,262	3,287,371	652,348	19,916,983	1,454,833	1.162.948	291,885		
		Actual		28.915	3,501	32,416		35,018,061	6,315,668	41,333,729		18,110,224	51.7%	23,223,505		7,152,268	2,311,413	2.541.745	124,000	1,582,224	2,117,646	143,919	618,825	172,518	3,374,245	588,421	20,727,224	2,496,281	1,627,992	868,289	
,				1) Visits	(2) Treatments & Procedures	(3) Total	Gross Revenue	(4) Patient Revenue	(5) Other Revenue	(6) Total Gross Revenue	Deductions	(7) Total Deductions	Contractual Percentage	(8) Net Revenue	Expenses	(9) Purchased Labor	(10) Purchased Benefits	(11) Supplies		(13) Professional Fees	(14) Purchased Services	(15) Legal and Audit				(19) Other Expenses	(20) Total Expenses	(21) Net Operating Income/Loss	(22) Minority Interest	(23) Net Income	
Current Month Favorable/(Unfavorable)	avorable)	% Variance			15.3%				1.9%	19.7%		(20.6%)		19.1%		(7.2%)	(6.2%)	(8.8%)	%0.0	(16.2%)	(10.6%)	13.7%	(%6.0)	(22.4%)	0.2%		(6.1%)	212.9%	(105.6%)	699.4%	
	Variance		369	40	409		865,454	13,633	879,087		(391,929)	1.1%	487,158		(56,614)	(16,837)	(26,004)	0	(31,169)	(24,854)	2,143	(662)	(3,344)	948	10,370	(146,023)	341,135	(138,605)	202,530		
	ı	Budget		3,234	261	3,495		3,725,836	730,791	4,456,627		1,900,905	51.0%	2,555,722		786,905	271,518	295,005	15,500	191,944	234,162	15,667	74,419	14,916	410,562	84,876	2,395,474	160,248	131,292	28,956	
		Actual		3,603	301	3,904		4,591,290	744,424	5,335,714		2,292,834	49.9%	3,042,880		843,519	288,355	321,009	15,500	223,113	259,016	13,524	15,081	18,260	409,614	74,500	2,541,497	501,383	269,897	231,486	

Board of Directors

Russ Blowers Shirley Buschke Miro Garcia Benn Sah, M.D. James Stone

May 5, 2015

MEETING NOTICE

The scheduled meeting of the Board of Directors of the Washington Township Hospital Development Corporation will be held on Monday, May 11, 2015. The meeting will be held in the Board Room of Washington Hospital, and will commence at 7:30 a.m.

In accordance with Sections 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.

This notice is posted pursuant to Section 54956 of the Government Code.

By direction of the President & Chief Executive Officer Washington Township Hospital Development Corporation

VANESSA TERRASAS

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Recording Secretary