

The meeting of the Board of Directors of the Washington Township Hospital Development Corporation was held on June 9, 2014 in the Board Room of Washington Hospital, 2000 Mowry Avenue, Fremont, California. Chairman Sah called the meeting to order at 7:43 am.

*CALL
TO
ORDER*

Present: Russ Blowers, Shirley Buschke, Miro Garcia, James Stone, Benn Sah, M.D., Nancy Farber, Chief Executive Officer

*ROLL
CALL*

Absent: None

Also present: Kimberly Hartz, Sr. Associate Administrator, Ambulatory Care Services; Chris Henry, Associate Administrator/CFO; Tina Nunez, Associate Administrator, Ambulatory Care Services; Michael Engle, Sr. Director Ambulatory Care Services; Vanessa Terrasas, Recording Secretary

A motion was made by Director Buschke, seconded by Director Blowers to approve the minutes of the meeting of February 10, 2014 and October 31, 2013. The motion was carried by the following vote:

*APPROVAL OF
MINUTES OF
February 10, 2014 and
October 31, 2013*

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

Noes: None

Abstain: None

Absent: None

No oral or written communications were received.

COMMUNICATIONS

Ms. Farber reported that we are currently in the open window for The Joint Commission unannounced survey and they could arrive at any time. Departments have been working on Joint Commission preparation. Ms. Farber noted The Joint Commission may specifically want to review the Dialysis Department and the Level II Special Care Nursery as these two areas have recently changed. The Dialysis Department transitioned from in-house to a leased service and the license to the Special Care Nursery was recently transitioned from Lucile Packard to Washington Hospital.

*PRESIDENT & CHIEF
EXECUTIVE OFFICER
REPORT*

Ms. Farber noted the transition from Lucile Packard to Washington Hospital went very smoothly. Over ninety percent (90%) of Lucile Packard nurses stayed with Washington Hospital and Washington has been pleased with the physician support from UCSF.

Ms. Farber informed the Board about an incident that occurred after hours that involved a male who wandered throughout the main Hospital. He claimed he was here to repair a broken refrigerator and asked for a code to a staff lounge. When staff refused to provide him the code, and told him to wait to speak with the Engineering Department, he exited the Hospital and did not return. Ms. Farber expressed her concern and noted this person's actions are very suspicious. Hospital staff has been alerted to the incident and are being asked to contact security to report any suspicious activity or person.

Ms. Farber mentioned the Hospital participated in Operation Urban Rescue, a multi-agency disaster training exercise involving the Fremont Police Department and the National Guard. The training simulated an explosion and an active shooter exercise. The exercise was a success and the information gathered will be used to further develop the Hospital emergency operations plan.

*PRESIDENT & CHIEF
EXECUTIVE OFFICER
REPORT CONT'D*

Ms. Farber noted there will be upcoming training exercises that will teach nurses how to barricade themselves and protect their patients in a hostile environment.

Ms. Farber stated the Hospital budget will be presented to the District Board of Directors at the end of June for approval. Ms. Farber explained that the Healthcare System has not met its financial targets. There will be significant cost reductions across many areas. Ms. Farber stated that hospitals are facing an unprecedented set of economic circumstances due to reductions in reimbursement from the Affordable Care Act, Medicare and commercial payors. These are all having a significant negative impact on Washington's finances. Ms. Farber revealed that two main projects this next year for the Hospital will be the reformulation of the Chargemaster and the introduction of the LEAN program. Washington Hospital executives and District Board members will be educated on the LEAN training and a presentation will be shown to the DEVCO Board members at a scheduled Board meeting.

Ms. Farber discussed the concerns with the Fremont Surgery Center and the three cases that were transferred from the Center to Washington's Emergency Department.

Ms. Farber reported that Valley Care has announced they have affiliated with Stanford Hospital.

Ms. Farber talked about how the Medical Injury Compensation Reform Act (MICRA) may raise the limit on pain and suffering damages in medical malpractice lawsuits from \$250,000 to \$1.2 million. The changes to the Act will be placed on a ballot initiative which must be submitted to the State and meet the required signature allowance in order to be placed on the ballot. Ms. Farber explained this is very concerning to Washington Hospital and physicians.

Ms. Farber announced Washington Hospital and the City of Fremont have reached an agreement on the crosswalk between Washington West and the Emergency Room. The City made several modifications that include narrowing the street lanes on Civic Center Drive and removing the left turn lane leading from Civic Center Drive into Washington West. Also the pine trees that lined Civic Center Drive were removed to lessen potential visual impairment.

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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, Chairman Sah adjourned the meeting to closed session at 8:55 a.m. *ADJOURN TO CLOSED SESSION*

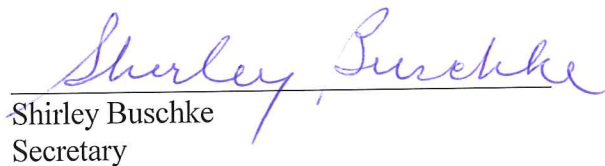
Chairman Sah adjourned the meeting to open session at 9:15 a.m. He reported that no action was taken in closed session. *ADJOURN TO OPEN SESSION*

There being no further business, the meeting adjourned at 9:15 a.m. The next meeting is currently scheduled for Monday, August 11, 2014 at 7:30 am. *ADJOURNMENT*

Respectfully submitted,



Benn Sah, M.D.
Chairman



Shirley Buschke
Secretary