

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, November 14, 2018 in the Conrad E. Anderson, MD Auditorium, 2500 Mowry Avenue, Fremont, California. Director Wallace called the meeting to order at 6:00 pm and led those present in the Pledge of Allegiance.

CALL TO ORDER

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

ROLL CALL

Also present: Kimberly Hartz, Senior Associate Administrator; Timothy Tsoi MD, Chief of Staff; Jeannie Yee, Service League President; Dee Antonio, District Clerk

Guests: Ed Fayen, Chris Henry, Tina Nunez, Stephanie Williams, Albert Brooks MD, John Lee, Kristin Ferguson, Mary Bowron, John Zubiena, David Hayne, Rob Lanci, Paul Kozachenko

Kimberly Hartz, Senior Associate Administrator, introduced Dr. Steven Zonner, a member of the Washington Sports Medicine Team, who serves as the concussion expert. He presented the findings from a concussion study that was done in partnership with Indiana University on football players at a local High School here in Fremont. He began with an overview of the program and proceeded to discuss the association of increased Serum S100β with Football subconcussive head impacts. He described two types of head movements: Linear acceleration and Rotational acceleration. He talked about blood biomarkers.

*EDUCATION SESSION:
High School Football
Concussion Study*

Director Nicholson moved for approval of the minutes of October 10, 22, and 24, 2018.

*APPROVAL OF
MINUTES OF October
10, 22, Ind 24, 2018*

Director Stewart seconded the motion.

Roll call was taken:

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

The motion carried.

There were no oral communications.

*COMMUNICATIONS:
ORAL*

Mr. Wallace acknowledged receipt of a written communication from Mr. Bill Gallagher from California Nurses Association/National Nurses United. On behalf of the Board, Mr. Wallace directed staff to respond directly to Mr. Gallagher.

*COMMUNICATIONS:
WRITTEN*

The following written communication received from Timothy Tsoi, MD, Chief of Staff, dated October 22, 2018 requesting approval of Medical Staff Credentialing Action Items as follows:

Appointments

Dao, Jackelynn NP; Patel, Yesha DO; Stoll, Nancy MD

Temporary Privileges

Dao, Jackelynn NP; Patel, Yesha DO

Reappointments – Two Year

Bastasch, Michael MD; Beissner, Irene MD; Bindal, Ashwani MD; Dolgasheva, Assol MD; Hsieh, Kisseng MD; Hua, Nancy MD; Jhaveri, Soham DO; Lee, Connie MD; Lipson, Brian MD; Martin, Dianne MD; Morrissey, Kevin MD; Shah, Shaista MD; Suri, Rajesh MD; Wat, Stephen DDS; Wong, Helen MD; Wright, Richard MD; Yu, Stanley MD

Reappointments – One Year

Ahuja, Rajiv MD; Chen, Kwan Sian MD; Cheng, David MD; Clauson, William MD; Iocco, John MD; Pavesi, Marco MD; Schuchard, Marilee MD

Non-Reappointments – Deemed to have Resigned

Paragas, Norma MD

Transfer in Staff Category

Arriola, Jennifer CCP; Friday, Jamilah MD; Gunda, Narayana MD; Holley, David MD; Kennedy, Daniel MD; Raghu Subramanian, Charumathi MD; Wong, Helen MD

Completion of Proctoring & Advancement in Staff Category

Holley, David MD

Completion of Proctoring Prior to Eligibility for Advancement in Staff Category

Chahal, Gurpreet MD; Fan, Wei MD; Jurani, Sonia MD; Singh, Gurinder MD; Tran, Thai Hang NP

Extension of Proctorship and Provisional Category

Lee, Teng MD

New Privilege Requests

Sud, Sohil MD

Delete Privilege Requests

Cheng, David MD; Hsieh, Kisseng MD; Pavesi, Marco MD; Sud, Sohil MD

Resignations

Garn, Karen PA-C; Gusman, Katarina MD; Lam, Lisa MD; Lee, Christina MD; McCabe, Robert; Wilson, Byron MD

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

Director Stewart seconded the motion.

Roll call was taken:

Michael Wallace – aye
Bernard Stewart, DDS - aye
Jacob Eapen, MD – aye

William Nicholson, MD – aye
Patricia Danielson, RHIT – absent

The motion carried.

Jeannie Yee, Service League, reported on the Service League activities, including the Annual Gift Shop Holiday Show and Raffle, the upcoming Masquerade \$5 Sale and a new Assistant Director of Volunteer Services. Ms. Yee noted that the Service League held a Disaster Response Drill ; 17 of 29 total volunteers on the list would be able to respond in an actual emergency (59%).

*SERVICE LEAGUE
REPORT*

Dr. Timothy Tsoi reported there are 596 Medical Staff members which includes 350 active members.

*MEDICAL STAFF
REPORT*

The Hospital Calendar video highlighted the following events:

*HOSPITAL CALENDAR:
Community Outreach*

Past Health Promotions & Outreach Events

Outreach Events included:

- October 13th – Brier Elementary School (Fremont) annual health fair for students, teachers and parents
- October 18th – Tenth Anniversary: Annual Think Pink Breast Health Awareness
- October 24th & 25th – Washington Sports Medicine: sports physical clinics
- October 24th – The Link between Hepatitis B and Liver Cancer: Prevention and Treatment
- October 26th – Special Olympics Soccer Tournament @ Maloney Elementary School (athletic trainers provided by Washington Sports Medicine)
- October 27th – Advances in Neurosciences Bay Area Symposium
- November 2nd - Special Olympics Soccer Tournament @ American High School (athletic trainers provided by Washington Sports Medicine)
- November 8th – Caring for Someone with Dementia or Other Medical-related Memory Loss
- November 10th – Annual Diabetes Awareness Health Fair
- November 13th – Getting Through the Holidays When You Are Grieving

Upcoming Health Promotions & Community Outreach Events

Health Promotions and Outreach Events will include:

- November 15th – Keeping Your Brain Healthy
- November 28th – How to Sleep Your Way to Better Health
- November 30th – Healthy Holiday Cooking Demonstration
- December 6th – Diabetes Matters: Latino Cuisine

Bay Area Healthier Together

In the month of October, Bay Area Healthier Together's topic was Building for the Future which highlighted the new Morris Hyman Critical Care Pavilion.

*HOSPITAL CALENDAR:
Bay Area Healthier
Together*

Washington Hospital Healthcare Foundation

On Saturday, October 13th, the Washington Hospital Healthcare Foundation hosted the 32nd annual Top Hat dinner dance, chaired by Marsha Badella, Dr. Carmen

*HOSPITAL CALENDAR:
Washington Hospital
Foundation Report*

Agcaoili, medical director of the Intensive Care Unit, and Dr. Kadeer Halimi, medical director of the Emergency Department. The evening raised \$190,000.

The Niles Festival of Lights Parade will be November 24th.

Trees of Angels Celebration Events:

- November 26th – Bernardin Family McDonalds
- November 29th – Washington West
- December 3rd – Newark City Hall
- December 5th – Union City City Hall

W.H.E.A

WHEA concluded the 2018 Drive for Warmth clothing drive on Monday, November 5th.

Washington on Wheels

The WOW Mobile Clinic provided occupational health services, including influenza vaccines, at: California Brazing, Fremont Bank, Lee's Imperial Welding, Marterion Brush Inc., Mizuho OSI, and Omron Scientific. The total number of community members receiving health care from the WOW van during the month of October was 464.

Internet and Social Media Marketing

Washington Hospital's website serves as a central source of information for the communities the District serves and beyond. The most viewed page was About WHHS with 39,225 views.

InHealth - Channel 78

During the month of August, Washington Hospital's cable channel 78, InHealth, aired these programs:

- Taking Charge of Your Health
- The Link Between Hepatitis B and Liver Cancer
- Healthy Food Across Cultures: Filipino Foods
- Peripheral Vascular Disease: What You Need to Know
- Securing Care Preferences through Advance Health Care Directives
- October District Board of Directors Meeting

Veteran's Wall

The following names were added to the Veteran's recognition wall: Bryn Jesse (Army), Sterling Jones (Marines), Michael Levitt (Marines), Bryan Treff (Marines), Craig Uhler (Navy), Alexander Watson (Army).

Awards and Recognitions

On October 20th, Washington Hospital hosted the annual employee recognition reception. PBX Operator Nancy Tondag celebrated 50 years with WHHS.

Healthgrades announced that Washington Hospital is a recipient of its America's

*WASHINGTON
HOSPITAL EMPLOYEES
ASSOCIATION (WHEA)*

*WASHINGTON ON
WHEELS (W.O.W.)
MOBILE HEALTH
CLINIC*

*HOSPITAL CALENDAR:
Internet and Social Media
Marketing*

*HOSPITAL CALENDAR:
InHealth*

*HOSPITAL CALENDAR:
Additional Events &
Announcements*

*HOSPITAL CALENDAR:
Awards & Recognitions*

100 Best Hospitals for Joint Replacement for the eighth consecutive year. The Hospital also received America's 100 Best Hospitals for Orthopedic Surgery award for a second consecutive year.

Washington Hospital's Stroke Program received the American Heart Association/American Stroke Association's Get With the Guidelines Stroke Gold Plus Quality Achievement Award and the Target: Stroke Elite Plus award.

Washington Hospital received an award from the American College of Surgeons National Surgical Quality Improvement Program for achieving "Meritorious" status with regards to surgical outcomes.

Employee of the Month

Hye Ran Yang joined the nursing staff in 2008 and worked as a critical care nurse until 2011 when she was asked to lend her expertise, analytic skills and clinical background to the Epic Project. In 2013, she became a permanent member of the Information Services team. She is responsible for several projects including Epic Infection Control module, Sepsis Identification, and managing the logic for Epic pain alerts.

*HOSPITAL CALENDAR:
Employee of the Month –
Hye Ran Yang RN*

Kimberly Hartz introduced Chris Brown, Director of the Kaizen Promotion Office. Mr. Brown presented a Lean Certificate and Pin to David Hayne, Raju Thiara, Sam Avila, and Vicki Otting upon completion of their Lean Certification Training. This is a 12-18 month process that requires proficiency in Lean concepts and tools. To date, we have certified thirty-seven Managers and two Physicians.

*LEAN UPDATE
Medical Imaging
Department Transition
Workshops*

Ed Fayen presented the construction update on the Morris Hyman Critical Care Pavilion sharing photographs of the new loading dock, future bio-swale area, east side employee entrance, and ending with the Site View. Mr. Fayen noted that with the successful licensing on November 9th and the opening of the Morris Hyman Critical Care Pavilion on November 13th, this will be the last construction report on Phase II.

*CONSTRUCTION
REPORT
Construction Update*

Mary Bowron, Chief of Quality and Resource Management presented the Quality Dashboard for the quarter ending September 2018 comparing WHHS statistics to State and National benchmarks. Venous Thromboembolism: VT Prevention dropped to 93% and ICU VT Prevention rose to 100%. Stroke: Our performance was above National Level for Stroke Education and Rehab Assessment. Discharge Meds to Prevent Clots was slightly below. Central Line Associated Bloodstream Infections: Our infection rate was higher than predicted. We had one MRSA Bloodstream infection and no hospital-acquired VRE infections. C-Difficile: We were again lower than predicted this past quarter. Surgical Site Infections: We had no infections following colon surgery or abdominal hysterectomy.

*QUALITY REPORT:
Quality Dashboard:
Quarter Ending
September 2018*

The National Patient Safety Goals were reviewed. The Hand Off Communication was better than the Joint Commission Goal of 90% for the last quarter, as well as over the past two years. Patient Identification was at 100% compliance in the last quarter. The Procedure Time Out was at 99.8% compliance. Hand Hygiene was at

80.7%.

We had a higher percent of 30-day medicare pneumonia readmissions compared to the CMS national benchmark (21.8% versus 16.7%); higher percent of AMI readmissions (29.2% versus 16.0%); and matched the percent for 30-day CHF readmissions (21.5% versus 21.6%).

Chris Henry, Chief Financial Officer, presented the Finance Report for September 2018. The average daily census was 146.2 with admissions of 909 resulting in 4,386 patient days. Outpatient observation equivalent days were 155. The average length of stay was 4.62 days. The case mix index was 1.545. Deliveries were 136. Surgical cases were 360. Joint Replacement cases were 124. Neurosurgical cases were 28. Cardiac Surgical cases were 4. The Outpatient visits were 6,897 and Emergency visits were 4,085. Total productive FTEs were 1,220.1. FTEs per adjusted occupied bed were 6.61.

FINANCE REPORT

Nancy Farber presented the Hospital Operations Report for October 2018. Preliminary information indicated gross revenue for the month at approximately \$171,065,000. The Average Length of Stay of 4.61 and there were 4,463 patient days. There were 402 Surgical Cases and 427 Cath Lab procedures at the Hospital. Deliveries were 136. Non-Emergency Outpatient visits were 7,945. FTEs per Adjusted Occupied Bed were 6.62. The Washington Outpatient Surgery Center had 531 cases and the clinics saw approximately 3,786 patients. Total Government Sponsored Preliminary Payor Mix was 70.9%, below the budget of 71.4%.

*HOSPITAL
OPERATIONS REPORT*

In accordance with District Law, Policies and Procedures, Director Eapen moved for adoption of Resolution No. 1190 which provides for the approval of the Washington Hospital Medical Staff Bylaws and Policies as approved by the Washington Hospital Medical Staff on September 11, 2018. These include:

*CONSIDERATION OF
Resolution No. 1190 of
the Board of Directors of
Washington Township
Health Care District
Approving Washington
Hospital Medical Staff
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1. Bylaws;
2. Organization Manual;
3. Credentialing Policy;
4. Focused Professional Practice Evaluation ("FPPE") Policy;
5. Ongoing Professional Practice Evaluation ("OPPE") Policy;
6. Practitioner Access to Confidential Files Policy;
7. Practitioner Health Policy;
8. Professional Practice Evaluation Policy;
9. Professionalism Policy; and
10. Review of Concerns Related to Utilization Policy.

Director Nicholson seconded the motion.

Roll call was taken:

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

The motion carried.

Reference attached document

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

In accordance with District Law, Policies and Procedures, Director Eapen moved that the Board of Directors increase the Chief Executive Officer's base salary by 4% which is around the 65th percentile of the California Peer Group, which equals \$873,933, and that this adjustment shall be effective as of July 1, 2018.

*CONSIDERATION OF
Adjustments to Base
Salary*

Director Nicholson seconded the motion.

Roll call was taken:

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

The motion carried.

In accordance with District Law, Policies and Procedures, Director Eapen moved that the Board of Directors award "at risk" compensation to the CEO based on its current compensation philosophy in an amount equal to 25% of base salary which equals \$210,080 which does not exceed the 75th percentile of the California Peer Group.

*CONSIDERATION OF
Award of "At Risk"
Compensation*

Director Nicholson seconded the motion.

Roll call was taken:

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

The motion carried.

In accordance with District Law, Policies and Procedures, Director Eapen moved that the Employment Agreement be extended for one year, for a new term beginning July 1, 2018 and ending June 30, 2022; and the President of the Board be authorized to execute an amendment to the Employment Agreement consistent with the actions taken here tonight.

*CONSIDERATION OF
Extension of Term of
Employment Agreement
and Authority to
President*

Director Nicholson seconded the motion.

Roll call was taken:

Michael Wallace – aye
Bernard Stewart, DDS - aye

Jacob Eapen, MD – aye
William Nicholson, MD - aye
Patricia Danielson, RHIT – absent

The motion carried.

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 7:56 pm, as the discussion pertained to Hospital trade secrets, Human Resources matters, and Risk Management.


*ADJOURN TO CLOSED
SESSION*

Director Wallace reconvened the meeting to open session at 8:30 pm and reported no action was taken in closed session.

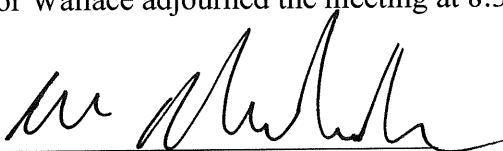
*RECONVENE TO OPEN
SESSION & REPORT ON
CLOSED SESSION*

There being no further business, Director Wallace adjourned the meeting at 8:30 pm.

ADJOURNMENT



Michael Wallace
President



William Nicholson, MD
Secretary

MINUTES OF THE BOARD OF DIRECTORS OF
WASHINGTON TOWNSHIP HEALTH CARE DISTRICT

November 14, 2018

Agenda Item VII.B

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

During the regular meeting of the Board of Directors (Board) on November 14, 2018, the Board considered Agenda Item VII.B, *Consideration of Chief Executive Officer Employment Agreement and At-Risk Compensation*. The following Board members were present:

Michael J. Wallace, President
Dr. Bernard Stewart, First Vice President
Dr. Jacob Eapen, Second Vice President
Dr. William F. Nicholson, Secretary

Director Patricia Danielson was not present at the meeting.

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

Mr. Kozachenko indicated that the Board considers the CEO's compensation annually. Specifically, the Board will be considering an adjustment to base salary and making an award of at-risk compensation. He noted that this review usually occurs in September but is being considered at this meeting due to construction and licensing of the Morris Hyman Critical Care Pavilion. 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 around the 65th percentile of the California peer group; (2) whether to make an award of at-risk compensation consistent with the Board's philosophy of providing total cash compensation which would not exceed the 75th 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 agenda item: (1) a memorandum from Mr. Kozachenko with background information on the Board's process for adjusting cash compensation and summarizing the Board's compensation philosophy; (2) a memorandum from the Chief Executive Officer summarizing the accomplishments from the prior fiscal year; and (3) a report from Integrated Health Strategies ("IHS") for 2018. He explained that IHS is an independent healthcare compensation consultant. Its report provides the Board with independent data on base salary and total cash compensation for comparable California healthcare organizations and provides the Board the information it needs to make decisions about the CEO's compensation. These documents were posted on the District's website on Friday and are available for public review.

The Board did not have any questions for Mr. Kozachenko.

Director Eapen made a motion to increase the CEO's base salary by 4% to around the 65th percentile of the peer group, which would make her base salary \$873,933.00, such increase to be effective July 1, 2018. Director Nicholson seconded the motion.

President Wallace opened the public hearing on the issue of the adjustment of the CEO's base salary.

President Wallace closed the public hearing on the issue of the adjustment of the CEO's base salary. There were no comments.

President Wallace called for a vote:

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

The motion passed.

Director Eapen made a motion to award the CEO at-risk compensation based on its current compensation philosophy in the amount of 25% of base salary, or \$210,080.00, which does not exceed the 75th percentile of the California peer group. Director Nicholson seconded the motion.

President Wallace opened the public hearing on the issue of the award of at-risk compensation.

President Wallace closed the public hearing on the issue of the award of at-risk compensation. There were no comments.

President Wallace opened the discussion concerning the award of at-risk compensation. He mentioned that there were many accomplishments of the CEO and her staff over the past year. He noted that the financial performance of the District was astounding, with a bottom line of \$47 million under GASB standards and \$33 million under FASB standards. He also noted the opening of the Morris Hyman Critical Care Pavilion on time and on budget, which he described as a major accomplishment in the history of Washington Hospital. He noted that Washington Hospital has been recognized nationally for its quality of care.

Director Stewart stated that the past year has been a remarkable year, by any standard, for the District. He cited the District's financial performance, national recognition for quality of care, and the opening of the Morris Hyman Critical Care Pavilion. He noted that this has been a tremendous year for the District. He supports an award of the full amount of the at-risk compensation to the CEO.

Director Nicholson concurred with the comments of President Wallace and Director Stewart. He noted that in healthcare, results matter, and the District has had excellent results. Director Nicholson specifically cited the opening of the Morris Hyman Critical Care Pavilion on time and budget and the smooth move into the new building yesterday. He also noted that the District's financial performance has been outstanding and that the numerous awards received by the District over the past year are evidence of the quality of care provided

by Washington Hospital. He fully supports the motion and applauded the CEO and her team in that they have been able to deliver to the community these wonderful results.

Director Eapen concurred with the comments from the other Board members.

President Wallace called for a vote:

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

The motion passed.

Director Eapen moved that the Board extend the CEO's employment agreement by one year, for a term starting on July 1, 2018 and ending on June 30, 2022, and that the President of the Board be authorized to execute an amendment to the employment agreement consistent with the actions taken by the Board. Director Nicholson seconded the motion.

There were no other comments from the Board.

There were no comments from the public.

President Wallace called for a vote:

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

The motion passed.

This concluded the consideration of this agenda item.