



Washington Township Health Care District

2000 Mowry Avenue, Fremont, California 94538-1716 | 510.797.1111

Kimberly Hartz, Chief Executive Officer

Board of Directors

Jacob Eapen, MD
William F. Nicholson, MD
Bernard Stewart, DDS
Michael J. Wallace
Jeannie Yee

BOARD OF DIRECTORS' MEETING

Wednesday, January 27, 2021– 6:00 P.M.
Meeting Conducted by Teleconference
Dial In: 510-818-5900 Access Code: 6736

AGENDA

PRESENTED BY:

- | | |
|---|--|
| <p>I. CALL TO ORDER & PLEDGE OF ALLEGIANCE</p> | <p>William Nicholson, M.D.
Board President</p> |
| <p>II. ROLL CALL</p> | <p>Dee Antonio
District Clerk</p> |
| <p>III. COMMUNICATIONS</p> <p>A. Oral
<i>This opportunity is provided for persons in the audience to make a brief statement, not to exceed three (3) minutes on issues or concerns not covered by the agenda. "Request to Speak" cards should be filled out in advance and presented to the District Clerk. For the record, please state your name.</i></p> <p>B. Written</p> | |
| <p>IV. CONSENT CALENDAR</p> <p><i>Items listed under the Consent Calendar include reviewed reports and recommendations and are acted upon by one motion of the Board. Any Board Member or member of the public may remove an item for discussion before a motion is made.</i></p> <p>A. Consideration of Unbudgeted Capital Request:
Mattresses (\$44,238.24)</p> | |
| <p>V. CLOSED SESSION</p> <p><i>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.</i></p> <p>A. Conference involving trade secrets pursuant to Health & Safety Code section 32106</p> <p>B. Report of Medical Staff and Quality Assurance Committee, Health & Safety Code section 32155</p> | <p>Kimberly Hartz
Chief Executive Officer</p> |

Board Meeting Agenda
January 27, 2021

VI. OPEN SESSION

Report on Closed Session

William Nicholson, M.D.
Board President

VII. ADJOURNMENT

William Nicholson, M.D.
Board President

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the District Clerk at (510) 818-6500. Notification two working days prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.



Memorandum

DATE: January 8, 2021

TO: Kimberly Hartz, Chief Executive Officer

FROM: Stephanie Williams, Vice President and Chief Nursing Officer

SUBJECT: CAPITAL EQUIPMENT – MATTRESSES

The current mattresses on various units throughout the house are more than 20 years old and need replacing. The Service League graciously donated \$45,000 for the purpose of assisting us in the replacement of mattresses.

Due to this, I am recommending the following mattresses be purchased as Capital equipment:

1. Bed Tech Mattresses (replacing mattresses on 6 West) – Total \$9,434.57
 - a. 8 Mattresses x \$1,100/each = \$8,800
 - b. Shipping = \$634.57
2. Stryker Isoflex Mattresses (replacing mattresses on OB, Med/Surg) – Total \$34,803.77
 - a. 10 Mattresses x \$3,185.70/each = \$31,857
 - b. Sales Tax = \$2,946.77

In accordance with District Law, Policies and Procedures, it is requested that the Board of Directors authorize the Chief Executive Officer to enter into the necessary contracts and proceed with the purchase of the above item.

The approximate total for the above equipment is \$44,238.34. This expenditure is unbudgeted but will be paid through the Foundation.

APPROVAL:

Kimberly Hartz
Chief Executive Officer

**DEVCO
FINANCIAL STATEMENTS**

Reporting Period 5

Month of November 2020

**Washington Township Hospital
Development Corporation
Summary Income Statement
November 2020**

Current Month				Year - To - Date			
Actual	Budget	Favorable/(Unfavorable)		Actual	Budget	Favorable/(Unfavorable)	
		Variance	%			Variance	%
2,196	2,626	(430)	(16.4%)	11,785	12,658	(873)	(6.9%)
271	289	(18)	(6.2%)	1,496	1,323	173	13.1%
2,467	2,915	(448)	(15.4%)	13,281	13,981	(700)	(5.0%)
3,699,110	4,320,293	(621,183)	(14.4%)	17,607,941	19,842,195	(2,234,254)	(11.3%)
929,973	852,674	77,299	9.1%	4,887,473	4,766,815	120,658	2.5%
4,629,083	5,172,967	(543,884)	(10.5%)	22,495,414	24,609,010	(2,113,596)	(8.6%)
2,108,125	2,214,327	106,202	4.8%	9,285,852	10,165,746	879,894	8.7%
57.0%	51.3%	(5.7%)		52.7%	51.2%	(1.5%)	
2,520,958	2,958,640	(437,682)	(14.8%)	13,209,562	14,443,264	(1,233,702)	(8.5%)
778,317	812,981	34,664	4.3%	4,133,123	3,860,262	(272,861)	(7.1%)
271,617	301,086	29,469	9.8%	1,365,030	1,474,959	109,929	7.5%
423,250	471,380	48,130	10.2%	1,764,763	2,183,710	418,947	19.2%
274,864	332,804	57,940	17.4%	1,349,408	1,607,364	257,956	16.0%
249,280	300,931	51,651	17.2%	1,361,243	1,549,830	188,587	12.2%
91,360	117,463	26,103	22.2%	455,704	518,526	62,822	12.1%
21,963	22,385	422	1.9%	127,054	136,944	9,890	7.2%
627,719	492,182	(135,537)	(27.5%)	2,896,603	2,629,422	(267,181)	(10.2%)
120,944	125,618	4,674	3.7%	683,966	671,077	(12,889)	(1.9%)
2,859,314	2,976,830	117,516	3.9%	14,136,894	14,632,094	495,200	3.4%
(338,356)	(18,190)	(320,166)	(1,760.1%)	(927,332)	(188,830)	(738,502)	(391.1%)
(52,540)	115,105	167,645	145.6%	(14,202)	376,550	390,752	103.8%
(285,816)	(133,295)	(152,521)	(114.4%)	(913,130)	(565,380)	(347,750)	(61.5%)

STRATEGIC PLANNING

PRIORITIES & PROGRESS REPORT

January 22, 2021

I. LEGISLATION

Federal and Local Economic Update

The national economic outlook continues to remain unfavorable, as certain key economic indicators have started to show declines over the past several weeks as the incidence of COVID-19 continues to increase across the country. The global pandemic continues to put a significant strain on financial, commercial, and services sectors across all segments of the national and global economies.

The Bureau of Labor Statistics job report showed the U.S. economy lost 140,000 jobs in December, as the unemployment rate remained the same as the previous month at 6.7%. The unemployment decline was the first month the U.S. has lost jobs since April 2020. The U.S. economy is still missing approximately 10 million jobs since the COVID-19 pandemic started, with little prospect that they will be recovered anytime soon. Although the official unemployment rate was unchanged at 6.7%, economists estimate true unemployment is several points higher because the official jobless rate doesn't include about 4 million people who left the labor force last year. Claims for U.S. jobless benefits continue to come in at relatively high levels and rose significantly recently, as 965,000 Americans filed for unemployment last week, which is the most since August and a sign that the rise in COVID-19 cases is causing a spike in layoffs. This current and anticipated increases in cases through the next few weeks may impact the economic recovery, as states decide to continue to shutdown portions of their economy.

The California economy showed an increase in jobs in November (state unemployment data lags national data by a month), as the economy added 57,100 jobs and the state's unemployment rate declined to 8.2%, down from 9.0% in the previous month. However, California's economy lost momentum in November as COVID-19 infections started to climb. November's job report shows the lowest number of jobs gained since the pandemic began, and California has regained fewer than half of the more than 2.6 million jobs it lost in March and April because of the COVID-19 pandemic. Like the national economy, the impact from the global pandemic is significant for the state's economy. It is expected to continue over the coming months as cases are rising across the state and counties have shut down major portions of their economies once again.

Locally, the District's unemployment rate declined in November (local unemployment data lags national data by a month) to 5.6%, down from 6.7% in the previous month. Approximately 10,300 District residents in the labor force are unemployed.

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

State and Federal Legislative Update

CA Legislature

The legislature reconvened from the holiday recess on January 4, 2021 and will have until February 19 to introduce any bills for this session. Staff will monitor introduced legislation in order to assess the potential impacts to the District or the Healthcare System.

Coming into 2021 there is a significant change in tone and feeling in Sacramento. Only a year ago Governor Newsom was riding the wave of an economy that seemed to surpass all expectations. The state was in great financial shape with strong reserves while chipping away at its debts. Come March the pandemic hit, and the wave came crashing down. The budget quickly turned into a massive deficit and numerous programs were being cut. The Legislature was shut down for extended periods of time and the Governor began issuing numerous executive orders to try and manage the various impacts of the pandemic. For this, the Governor received both accolades for acting quickly, but faced significant criticisms from both the left and right ranging from not including the Democrats in the Legislature in more of the actions around the state, purchasing protective patient equipment (PPE), to bringing the economy to a screeching halt with his mandated shutdowns.

As the year wore on, the criticisms became more frequent and reached a height when he was spotted at the high-end French Laundry restaurant in Napa Valley celebrating the 50th birthday of a close friend who happens to be one of the top lobbyists in town. The scene was the Governor and his wife with a dozen friends not wearing masks and seated at arguably an indoor table all of which violated the executive orders he put in place. Before this, there had been some noise around a recall campaign being pushed by conservatives, but this event provided some momentum.

In December, Newsom made some changes to his staff. He brought in Dee Dee Meyers to be a senior adviser. Meyers became nationally known as press secretary for President Bill Clinton. He also brought in Jim De Boo who is a well-known Sacramento operative with strong California connections. With these additions, his Chief of Staff, Ann O'Leary resigned. It is thought O'Leary may be up for a position in President-elect Biden's administration. Although it is common for changes in staffing within an Administration, hiring Meyers and De Boo can be seen as recognition of Governor Newsom's need for help with his critics.

With the pandemic growing, the Legislature began by delaying their return for the start of the two-year session by a week. The Legislature also has indicated the beginning of the Legislative year would look similar to last year, with limitations on the number of policy committee hearings and the number of bills that would move forward. The consensus continues to be the Legislature will focus on issues targeting the impacts of the pandemic. In the health area, several issues that did not get resolved will be back, including legislation on seismic requirements, hospital balance billing, market consolidation in the health care area, and more attempts to control health care costs. It is also anticipated that the California Nurses Association will be sponsoring another attempt to establish a single payer health system.

Last Friday, Governor Newsom released his proposed budget for 2021-2022 fiscal year. The state is in remarkably good fiscal shape given the challenges with the pandemic. There is a \$14 billion surplus projected for the coming fiscal year. He is proposing to use this surplus, along with an additional \$20 billion in current state reserves, to create a resiliency fund to provide funding for various groups suffering during the pandemic. Below are a few of those programs:

- \$2.4 billion for Golden State Stimulus - \$600 state payment to low-income workers
- \$575 million for grants to small business and small non-profit cultural organizations and fee relief for impacted industries, such as restaurants and personal services
- \$2 billion for the safe reopening of schools
- \$400 million to increase number of students receiving preventative and early intervention behavioral health services by schools
- \$777.5 million for a California Jobs Initiative to provide incentives targeted at accelerating investment and job creation
- \$500 million for infill infrastructure to accelerate housing development

There were also several proposals related to healthcare. One statistic that stood out was the Governor estimating the Medi-Cal Program will grow from 14,000,000 enrollees in 2020/2021 to more than 15,600,000 in 2021/2022. This growth in the Medi-Cal Program is also leading to a number of proposals to address health care costs and affordability. These include:

- Creation of the Office of Health Care Affordability, which will be charged with increasing transparency on cost and quality, developing cost targets for the health care industry, enforcing compliance through financial penalties, and filling gaps in market oversight of transactions that may adversely impact market competition. The proposal also would include this new office and recast the Office of Statewide Health Planning and Development (OSHPD) under the umbrella of a new Department of Health Care Affordability and Infrastructure.
- Continue to launch CalAim. This proposal was pursued last year before the pandemic hit, at which time it was placed on hold. This program looks to expand on previous Medi-Cal demonstration programs to:
 - Identify and manage Medi-Cal enrollees through whole person care approaches and addressing social determinants of health
 - Make Medi-Cal more consistent and seamless by reducing complexity and increasing flexibility
 - Improve quality outcomes, reduce health disparities, and drive delivery system transformation and innovation through value-based initiatives, modernization of systems, and payment reform
 - Expand utilization of health information exchange – the stated goals with this proposal include:
 - Enable the right access to health information at the right time resulting in improved health and outcomes

- Identify and overcome barriers to exchanging health information between public programs, as well as with California providers and consumers
- Engage consumers and their providers in managing medical, behavioral and social services through appropriate, streamlined access to electronic health information

This proposal also mentioned that hospitals, health plans, and medical groups as a condition of participating in state health programs such as Medi-Cal, Covered California, and CalPERS, contribute to, access, exchange, and make available data through the network of health information exchanges for every person.

Health Plan Equity and Quality Standards – Through the Department of Managed Health Care, establish a priority set of standard quality measures for full service and behavioral health plans, including quality and health equity benchmark standards and to take enforcement actions against non-compliant plans.

Funds for County Behavioral Health – The Governor is proposing \$750 million in one-time funds for competitive grants to counties to acquire and rehabilitate real estate to expand the community continuum of behavioral health treatment resources.

Delay suspension of Proposition 56 Supplemental Payment Program – A total of \$3.2 billion (\$2.2 billion in federal funds, \$718 million in Prop 56 funds, and \$275 million in General Fund) will be used to provide payments to physicians for various health programs the majority of which will be for physicians treating Medi-Cal enrollees. These funds have been largely targeted towards primary and preventative care.

Details on these proposals will be forthcoming as the Legislature begins reviewing the proposal through the budget process. As the details become available, staff will continue to monitor their progress and the potential impact on the District.

Federal Legislature

The Democratic Candidate, Joe Biden, was sworn in as the next President of the United States on January 20, 2021. Staff is working with the District's Washington D.C. counsel, Holland & Knight, to determine what impact this election may have on health care in the coming year.

II. FOUNDATION

COVID-19 EMERGENCY RESPONSE FUND

With a generous donation from Fremont Bank Foundation, Washington Hospital Foundation has surpassed its original goal and raised over \$1,159,000 for the COVID-19 Emergency Relief Fund. In addition to the support of Fremont Bank Foundation, Washington Hospital Foundation also received a \$30,000 gift from a longtime donor last week. There has also been an increased interest from our community in providing meals to our hospital staff, thanks in part to the generous outreach of Mayor Lily Mei. We've been able to schedule multiple weekly meal donations to numerous hospital departments.

FOUNDATION MEETINGS

The Foundation's Annual Meeting is on Tuesday, January 26th at 5:00 p.m. via Zoom.