



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, May 25, 2016 – 6:00 P.M.

Anderson C

AGENDA

- | | | |
|-------------|---|--|
| I. | CALL TO ORDER &
PLEDGE OF ALLEGIANCE | Michael Wallace
Board Member |
| II. | ROLL CALL | Christine Flores
District Clerk |
| III. | COMMUNICATIONS
A. Oral
B. Written | |
| IV. | 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:
May 2017 | Kimberly Hartz
Senior Associate Administrator

Ed Fayen
Senior Associate Administrator |
| V. | OPEN SESSION
Report on Closed Session | Michael Wallace
Board Member |
| VI. | ACTION
A. Consideration of Resolution No.
1167, Memorandum of
Understanding between Washington
Hospital and the California Nurses'
Association | |
| VII. | ADJOURNMENT | Michael Wallace
Board Member |

RESOLUTION 1167

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

Attached hereto and incorporated herein are 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 **California Nurses Association, (CNA)**, hereinafter called **CNA**, 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 **25th** day of **May, 2016**, by the following vote:

AYES:

NOES:

ABSENT:

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

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

2016 Executive Summary of Tentative Agreements Between Washington Hospital and CNA

Negotiations began on 07/02/15 and further negotiation meetings were held 08/17/15, 09/02/15, 09/23/15, 10/21/15, 11/02/15, 12/07/15, 01/11/16, 02/01/16, 03/07/16, 04/25/16 and 05/16/16.

The C.N.A. contract was ratified on 5/20/16.

Term of Memorandum

July 1, 2015 to June 30, 2019 (4 years) and the contract was negotiated with no re-openers.

Membership Covered

This agreement covers 715 registered nurses (as of 5/20/16)

Highlights of Key Financial Items

- Across the board increases throughout the four (4) year agreement which allows for Washington Hospital's registered nurse salaries to remain highly competitive (7% year 1, 4.5% year 2, 4.5% year 3, and 4% year 4).
- Establish a new longevity step (step 11) whereby nurses with 30 years or more of service receive an additional 4% in pay.

Key Contract Additions

- An expanded training fund was established so that nurses receive additional specialty area pay when they complete their certifications.
- Changes to our benefits plan were made so that our benefits also remain competitive and continue to be closely aligned to market.

**STRATEGIC PLANNING
PRIORITIES & PROGRESS REPORT
May 20, 2016**

I. LEGISLATION

Federal and Local Economic Update

The national economic outlook remains guarded. Domestic economic indicators continue to send mixed signals regarding the strength of the economy, as certain indicators such as consumer spending and housing market activity point to sustainable growth while some of the labor market indicators suggest a mild slowdown. The global economy continues to be characterized by uncertainty and mild to modest growth. Most economists are predicting the national economy to grow at an annual rate of 1.5 to 2.5 percent for the rest of 2016.

The Bureau of Labor Statistics job report showed the U.S. economy added 160,000 jobs in April, as the unemployment rate remained steady at 5.0%. It appears employers took their cue from other signs that economic growth was slowing by easing up new hiring. As an example of the mixed signals coming from key economic indicators, claims for U.S. jobless benefits fell sharply recently, decreasing by 16,000 to a seasonally adjusted 278,000. The four-week moving average, a less volatile measure, rose by 7,550 to 275,750. The national housing market continues its expected seasonal increase in activity, as sales of existing homes rose for the second straight month alongside steady job growth and historically low interest rates. Last month, the number of properties that received a foreclosure filing in the U.S. was 7% lower than the previous month and 20% lower than the same time last year. Home sales were up 21% compared with the previous month.

The California economy continues to grow, as the latest jobs report showed payroll jobs increased in March (state unemployment data lags national data by a month) by 46,300 jobs as the unemployment rate decreased to 5.4%, down from 5.5% a month earlier. Last month, the number of properties that received a foreclosure filing in the state was 13% lower than the previous month and 26% lower than the same time last year. Home sales were up 37% compared with the previous month.

Locally, the District's unemployment rate held steady in March, (local unemployment data lags national data by a month) remaining at 3.6%. Just fewer than 6,700 District residents in the labor force are unemployed. Foreclosure activity in the District was up last month at 39 foreclosures, and home sales figures in the District mirrored the pace seen at the national and state levels.

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 deadline for fiscal bills to pass out of Appropriations Committees in their house of origin is May 27, 2016. This is the day the suspense file will be handled for both committees. Staff continues the process of reviewing legislation that may impact the Health Care District, and will continue to monitor this legislation over the next several months as the bills progress through committees.

The Governor released his May revise of the Budget last Friday. He reduced the revenue forecast by \$1.9 billion reflecting lower revenues collected and a sluggish outlook. The theme of his press conference on releasing the May revise was focused on fiscal stability and not locking in ongoing funding that is not supported by the current revenue collections. Some specifics from the May revise included:

- The Governor endorsed the Senate Budget Proposal to utilize Prop 63 funds (Mental Health Services Act) to create a \$2 billion bond for the purpose of providing funding to administer homelessness and affordable housing programs.
- Funding as a result of the federally approved MCO tax.
- Funding from the approved Medi-Cal 2020 Waiver.
- Additional funds for Full Scope Medi-Cal coverage for undocumented children.

The budget sub-committees are wrapping up their meetings having gone through the Governor's May revise. Next week the budget committees will review the sub-committee recommendations and make any final changes before the houses will convene a conference committee to work through any differences between each house's budget proposals.

Some of the introduced legislation worth noting includes:

AB 2471 (Quirk) Health Care Districts: Dissolution

This bill currently sits in the Senate Committee on Government and Finance. This bill would require the Alameda County local agency formation commission to order the dissolution of the Eden Township Healthcare District if that health care district meets certain criteria. The criteria established by this bill would require the expedited dissolution of the District if the District: a) does not currently receive property tax; b) has substantial net assets; c) does not own or operate a hospital, medical clinic, wellness center, or ambulance service; and, d) fails to comply with the provisions of AB 2737 (Bonta). If Alameda LAFCO orders the dissolution of the District, the expedited dissolution process pursuant to AB 912 (Gordon), would require Alameda LAFCO to hold at least one noticed public hearing, and after conducting protest proceedings, order an election only if majority protest is registered. This bill is sponsored by Alameda County.

SB 1076 (Hernandez) General Acute Care Hospitals: Observation Services

This bill, reported on previously, has passed out of its house of origin and currently sits in the Assembly Committee on Health. This bill would require a general acute care hospital that provides observation services to comply with the same licensed nurse-to-patient ratios as supplemental emergency services. The bill would require that a patient receiving observation services receive written notice, as prescribed, that his or her care is being provided on an outpatient basis, which may affect the patient's health coverage reimbursement.

SB 1033 (Hill) Medical Professionals: Probation

This bill currently sits in the Assembly Appropriations Committee Suspense File. This bill would require specified licensees of the Medical Board of California on and after January 1, 2018 to disclose on a separate document her or his probationary status, certain information related to his or her probation, the address of his or her BreEZe profile Internet Web page or a specified Internet Web site, and the regulatory entity's telephone number to a patient, the patient's guardian, or the health care surrogate prior to the patient's first visit following the probationary order while the licensee is on probation under specified circumstances. Included in the notice would be information on the accusation alleging, a statement of issues indicating, or an administrative law judge's legal conclusion finding the licensee committed gross negligence or the if the licensee has been on probation more than once.

II. FOUNDATION

Capital Campaign

CCS, the consulting group working with the Foundation on a capital campaign for the Critical Care Pavilion, has begun its six-month engagement. Candidates are currently being recruited for the Case Statement Task Force, which is scheduled to convene on June 6. Staff and CCS continue to work with community members to identify top prospects who can make leadership gifts.

Golf Tournament

The 31st annual golf tournament was held at Castlewood Country Club on Monday, April 25. After expenses, the event netted out \$83,000 for the Surgical Services Fund. 190 golfers golfed with us on the day. Golfers were complimentary about the day of golf they experienced.

Top Hat

At the April quarterly meeting, the trustees of the Foundation voted to designate the Prenatal Diagnostic Service as the beneficiary of Top Hat XXX. Dr. Bettina Kurkjian and Marlene Weibel have been recruited as Co-Chairs for the event. The Top Hat Committee will hold its first meeting in early June.



Washington Hospital Healthcare System

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www.whhs.com

DEVCO FINANCIAL STATEMENTS

Reporting Period 9

Month of March 2016



**Washington Township Hospital
Development Corporation
Summary Income Statement
March 2016**

Current Month				Year - To - Date			
Actual	Budget	Favorable/(Unfavorable)		Actual	Budget	Favorable/(Unfavorable)	
		Variance	%			Variance	%
3,358	3,842	(484)	(12.6%)	28,400	31,920	(3,520)	(11.0%)
356	298	58	19.5%	3,510	3,757	(247)	(6.6%)
3,714	4,140	(426)	(10.3%)	31,910	35,677	(3,767)	(10.6%)
Gross Revenue							
3,820,765	3,561,319	259,446	7.3%	29,639,023	32,346,566	(2,707,543)	(8.4%)
823,691	768,526	55,165	7.2%	6,945,221	6,910,537	34,684	0.5%
4,644,456	4,329,845	314,611	7.3%	36,584,244	\$39,257,103	(2,672,859)	(6.8%)
Deductions							
2,007,454	1,942,850	(64,604)	(3.3%)	15,780,963	17,745,441	1,964,478	11.1%
52.5%	54.6%	2.0%		53.2%	54.9%	1.6%	
2,637,002	2,386,995	250,007	10.5%	20,803,281	21,511,662	(708,381)	(3.3%)
Expenses							
802,107	757,502	(44,605)	(5.9%)	7,213,257	6,725,351	(487,906)	(7.3%)
241,733	254,979	13,246	5.2%	2,307,288	2,281,834	(25,454)	(1.1%)
250,386	253,092	2,706	1.1%	2,212,754	2,301,993	89,239	3.9%
362,492	275,601	(86,891)	(31.5%)	2,548,333	2,570,151	21,818	0.8%
280,328	185,949	(94,379)	(50.8%)	1,808,707	1,741,009	(67,698)	(3.9%)
79,719	79,817	98	0.1%	717,758	717,080	(678)	(0.1%)
17,774	17,682	(92)	(0.5%)	170,973	176,491	5,518	3.1%
439,010	439,512	502	0.1%	3,899,007	3,956,304	57,297	1.4%
124,859	67,737	(57,122)	(84.3%)	1,143,815	621,918	(521,897)	(83.9%)
2,598,408	2,331,871	(266,537)	(11.4%)	22,021,892	21,092,131	(929,761)	(4.4%)
38,594	55,124	(16,530)	(30.0%)	(1,218,611)	419,531	(1,638,142)	(390.5%)
69,034	91,196	22,162	24.3%	3,751	818,813	815,062	99.5%
(30,440)	(36,072)	5,632	15.6%	(1,222,362)	(399,282)	(823,080)	(206.1%)