



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

Monday, June 20, 2016 – 6:00 P.M.

Boardroom

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 involving a trade secret
pursuant to Health & Safety Code
section 32106
New Program | Nancy Farber
Chief Executive Officer |
| V. | OPEN SESSION
Report on Closed Session | Michael Wallace
Board Member |
| VI. | ACTION
A. Consideration of Resolution No.
1169, Calling District General
Election
B. Consideration of Resolution No.
1170, Consolidation of District
Election with Statewide General
Election | |
| VII. | ADJOURNMENT | Michael Wallace
Board Member |

RESOLUTION NO. 1169

**RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF
WASHINGTON TOWNSHIP HEALTH CARE DISTRICT OF ALAMEDA
COUNTY, STATE OF CALIFORNIA, CALLING A DISTRICT GENERAL
ELECTION TO BE HELD IN WASHINGTON TOWNSHIP HEALTH CARE
DISTRICT ON NOVEMBER 8, 2016**

WHEREAS, Section 32100 of the Health and Safety Code of the State of California provides that the elective officers of a local health care district shall be a board of directors consisting of five (5) members, each of whom shall be a registered voter residing in the District and whose term shall be four (4) years; and

WHEREAS, the term of two Directors, out of the existing Directors, shall expire at noon on the first Friday of December of 2016; and

WHEREAS, Section 32100.5 of the Health and Safety Code provides that an election which shall be known as the Health Care District General Election, shall be held in each local health care district on the first Tuesday after the first Monday in November of each even-numbered year, at which a successor shall be chosen for each officer whose term shall expire; and

WHEREAS, the Washington Township Health Care District General Election shall be consolidated with the statewide General Election pursuant to Part 3, (commencing with Section 10400), Division 10 of the Elections Code, and the person receiving the highest number of votes for each office to be filled at such election shall be elected hereto; and

WHEREAS, the term of office of each of the two persons elected to fill those terms expiring at noon on the first Friday of December, 2016 shall be four (4) years or until his or her successor is elected and has qualified, and

NOW THEREFORE, BE IT RESOLVED AND ORDERED AS FOLLOWS:

1. That in accordance with the provision of Section 32100 and 32100.5 of the Health and Safety Code of the State of California, a Health Care District General Election be and the same hereby is called and the same shall be held in said Washington Township Health Care District of Alameda County, State of California, on Tuesday, November 8, 2016, from the hour of 7:00 o'clock a.m., of said day until the hour of 8:00 o'clock p.m., of said day during which period of time electors of the said Washington Township Health Care District may vote for the successor of each of the two (2) members of the Board of Directors of Washington Township Health Care District of Alameda County, State of California, whose terms are about to expire, to serve for terms of four (4) years; and
2. That all registered voters residing within Washington Township Health Care District of Alameda County, State of California, are qualified electors at said election, and the manner of voting, the form of ballot to be used, and in all other particulars said Health Care District General Election shall be held in accordance with the General Election laws of the State of California;
3. Not less than thirty (30) days prior to the date of said Health Care District General Election, the Board of Directors of said District, shall by resolution entered on its minutes, designate the precincts into which said District shall be divided for the conduct of said Health Care District

General Election, and the polling place for each precinct and shall appoint for each precinct an election board consisting of at least one inspector, one Judge, and two (2) clerks, selected from the electors of said District, and shall provide for the giving of notice of said election pursuant to law.

Passed and adopted by the Board of Directors of the Washington Township Health Care District this 20th day of June, 2016 by the following vote:

AYES:

NOES:

ABSENT:

MICHAEL J. WALLACE
President, Board of Directors
Washington Township
Health Care District

PATRICIA DANIELSON, RHIT
Secretary, Board of Directors
Washington Township
Health Care District

RESOLUTION NO. 1170

RESOLUTION ORDERING THE CONSOLIDATION OF THE HEALTH CARE DISTRICT GENERAL ELECTION TO BE HELD IN WASHINGTON TOWNSHIP HEALTH CARE DISTRICT OF ALAMEDA COUNTY, STATE OF CALIFORNIA ON NOVEMBER 8, 2016, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON NOVEMBER 8, 2016, AND REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA TO CONSOLIDATE SAID HEALTH CARE DISTRICT GENERAL ELECTION WITH SAID STATEWIDE GENERAL ELECTION, INsofar AS THE TERRITORY IN WHICH SAID ELECTIONS ARE TO BE HELD IS THE SAME.

WHEREAS, the Board of Directors of WASHINGTON TOWNSHIP HEALTH CARE DISTRICT is the governing body of the WASHINGTON TOWNSHIP HEALTH CARE DISTRICT of Alameda County, State of California, and has called a Health Care District General Election to be held in said District on November 8, 2016, for the purpose of choosing a successor of each of the TWO members of the Board of Directors whose terms are about to expire; and

WHEREAS, WASHINGTON TOWNSHIP HEALTH CARE DISTRICT of Alameda County is situated entirely within the boundaries of Washington Township, Alameda County, State of California; and

WHEREAS, it is desirable that said Health Care District General Election be consolidated with the statewide General Election to be held on November 8, 2016, insofar as the same shall be held in the same territory;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of WASHINGTON TOWNSHIP HEALTH CARE DISTRICT of Alameda County, State of California, as follows:

1. That the Health Care District General Election called and to be held on November 8, 2016, in said WASHINGTON TOWNSHIP HEALTH CARE DISTRICT of Alameda County, shall be and the same is hereby consolidated with the statewide General Election to be held on said date throughout the State of California, insofar as the territory in which said elections are to be held is the same, to wit: within the boundaries of Washington Township, Alameda County, California.

2. That the Board of Supervisors of the County of Alameda is requested to consolidate said Health Care District General Election to be held on November 8, 2016 in said WASHINGTON TOWNSHIP HEALTH CARE DISTRICT of Alameda County for the purpose of choosing a successor for each of the two (2) members of the Board of Health Care Directors whose terms are about to expire on the first Friday of December 2016 with the statewide General Election to be held on November 8, 2016 insofar as the territory with the County of Alameda is the same as the territory within the boundaries of said WASHINGTON TOWNSHIP HEALTH CARE DISTRICT of Alameda County, to wit: within the boundaries of Washington Township, Alameda County, State of California, and that the territory affected by this order of consolidation, the election precincts, polling places, and voting booths, shall in every case be the same as those established and provided for said statewide General Election and that the election officers in each precinct shall in every case be the same, to wit: the election officers to be appointed by said Board of Supervisors and that there shall be only one set of election officers in each polling place and that all proceedings held in the premises shall be recorded in one set of election papers and

that the election shall be held in all respects as though there were only one election within said territory affected by such order of consolidation, and that the names of the persons proposed by petition as candidates for each of said offices of members of the Board of Directors of said Health Care District be set forth on the ballots for said statewide General Election in substantially the following form:

(WASHINGTON TOWNSHIP HEALTH CARE DISTRICT)
(BOARD OF DIRECTORS: FOUR-YEAR TERM, VOTE FOR TWO)

3. That said Board of Supervisors of the County of Alameda is authorized and requested to cause the canvass of the returns of said Washington Township Health Care District General Election and to direct the Registrar of Voters to certify said results of said General Election of this Board of Directors of Washington Township Health Care District of Alameda County when such results have been ascertained; and
4. That any candidate filing a candidate's statement of qualifications pursuant to Section 13307 of the California Elections Code shall pay the actual prorated costs of printing and handling said candidate's statement as provided therein. Said candidate's statement shall contain no more than 400 words. Candidates will not be permitted to submit other materials to be sent with the sample ballot and voter's pamphlet.

5. BE IT FURTHER RESOLVED that the Secretary of this Board of Directors is hereby directed to file a certified copy of this Resolution with the Board of Supervisors of the County of Alameda.

Passed and adopted by the Board of Directors of WASHINGTON TOWNSHIP HEALTH CARE DISTRICT this 20th day of June 2016, by the following vote:

AYES:

NOES:

ABSENT:

MICHAEL J. WALLACE
President, Board of Directors
Washington Township
Health Care District

PATRICIA DANIELSON, RHIT
Secretary, Board of Directors
Washington Township
Health Care District

STRATEGIC PLANNING
PRIORITIES & PROGRESS REPORT
June 17, 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 point to positive economic strength while some of the labor market indicators continue to suggest a potentially concerning slowdown. The Federal Reserve reiterated the numerous uncertainties facing the national economy during their June meeting, as they decided to not make changes to the target interest rate.

The Bureau of Labor Statistics job report showed the U.S. economy added just 38,000 jobs in May, as the unemployment rate ticked down to 4.7%. This is the weakest jobs report in nearly six years. Meanwhile, the unemployment rate dropped to its lowest level in nearly nine years as people abandoned the labor force. Economic indicators related to the jobs market continue to send conflicting signals, as claims for U.S. jobless benefits fell again recently, decreasing by 4,000 to a seasonally adjusted 264,000. The four-week moving average, a less volatile measure, fell by 7,500 to 269,500. The national housing market continues to show positive signs of growth, as new home sales hit their highest monthly level since April of 2008 and home prices nationally continue on a steady rise. 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 29% compared with the previous month.

The California economy continues to grow, as the latest jobs report showed payroll jobs increased in April (state unemployment data lags national data by a month) by 59,600 jobs as the unemployment rate decreased to 5.3%, down from 5.4% a month earlier. A recent report by the independent Legislative Analyst's Office shows that the California GDP growth rate between 2014 and 2015 was 3.2%, the highest of any state and well above the 1.5% national average during the same period. 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 39% compared with the previous month.

Locally, the District's unemployment rate ticked down in April, (local unemployment data lags national data by a month) decreasing to 3.5%, down from 3.6% a month earlier. Just over 6,400 District residents in the labor force are unemployed. Foreclosure activity in the District was steady 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

June 3rd was the deadline for each house to pass bills introduced in that house. Summer recess will begin on July 1, and the Legislature will reconvene on August 1. August 31 is the last day for each house to pass bills, at which point they will go to the Governor.

The Legislature voted on June 15 to pass the Budget Bill, which includes expanding Medi-Cal coverage to immigrant children who are in the country illegally. An estimated 170,000 children will qualify for medical coverage under this provision. The fiscal impact to the state is estimated at \$40 million in the first year and an estimated \$132 million annually after that.

Some of the introduced legislation worth noting includes:

AB 2471 (Quirk) Health Care Districts: Dissolution

This bill continues to sit in the Senate Committee on Government and Finance and is scheduled for a hearing on June 22. 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. One of the big questions surrounding this bill is what will happen to the tax revenue that the District now receives if it is dissolved.

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

This bill continues to sit in the Assembly Committee on Health and a hearing has not yet been scheduled. 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 (1:4). The bill would require that a patient receiving observation services receive written notice 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 is dead for this legislative session. This bill would have required specified licensees (such as physicians) 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 BreZE 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.

AB 2737 (Bonta) Non-provider Health Care Districts

This bill currently sits in the Senate Committee on Health and is scheduled for a hearing on June 29. The Local Health Care District Law provides for local health care districts that govern certain health care facilities. Each health care district has specific duties and powers respecting the creation, administration, and maintenance of the districts, including the authority to purchase, receive, take, hold, lease, use, and enjoy property of every kind and description within and without the limits of the district. This bill would require a non-provider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses, as defined. The bill would require a non-provider health care district to pay any amount required to be paid in the district's annual budget year by a final judgment, court order, or arbitration award before payment of those grants or administrative expenses. By requiring a higher level of service from non-provider health care districts, this bill would impose a state-mandated local program.

SB 957 (Hueso) Healthcare Districts: Design-Build Process

This bill currently sits in the Assembly Committee on Local Government and is scheduled for a hearing on June 29. This bill would authorize, until January 1, 2025, any health care district to use the design-build process when contracting for the construction of a hospital or health facility building. Because the bill would expand the application of the procurement process to additional design-build entities, the bill would expand the crime of perjury, thereby imposing a state-mandated local program

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. The Campaign Task Force has met once to review the draft version of the Case Statement and will convene again later this month. The Campaign Cabinet will be convening for the first time in the second half of July. Initial leadership solicitations will occur in July.

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, Dr. Al Brooks, and Marlene Weibel have been recruited as Co-Chairs for the event. The Top Hat Committee will hold its first meeting in the second half of June.



Washington Hospital Healthcare System

2000 Mowry Avenue Fremont California 94538-1716 • (510) 797-1111
www.whhs.com

DEVCO FINANCIAL STATEMENTS

Reporting Period 10

Month of April 2016

Nancy Farber, Chief Executive Officer

Washington Township Health Care District • Washington Hospital • Institute for Joint Restoration and Research
Sandy Amos R.N. Infusion Center • Taylor McAdam Bell Neuroscience Institute • Washington Center for Wound Healing and Hyperbaric Medicine
Washington Outpatient Imaging Center • Washington Outpatient Rehabilitation Center • Washington Outpatient Surgery Center
Washington Radiation Oncology Center • Washington Special Care Nursery • Washington Urgent Care • Washington Women's Center



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

Current Month			
Actual	Budget	Favorable/(Unfavorable)	
		Variance	% Variance
3,365	3,664.00	(299)	(8.2%)
295	296.00	(1)	(0.3%)
3,660	3,960.00	(300)	(7.6%)
3,511,399	3,361,010.00	150,389	4.5%
822,006	813,673.00	8,333	1.0%
4,333,405	4,174,683.00	158,722	3.8%
1,910,969	1,838,083.00	(72,886)	(4.0%)
54.4%	0.55	0.3%	
2,422,436	2,336,600.00	85,836	3.7%
706,606	720,841.00	14,235	2.0%
237,095	245,510.00	8,415	3.4%
213,392	238,702.00	25,310	10.6%
290,843	265,759.00	(25,084)	(9.4%)
186,944	179,051.00	(7,893)	(4.4%)
79,689	79,766.00	77	0.1%
20,519	17,890.00	(2,629)	(14.7%)
451,302	453,006.00	1,704	0.4%
163,787	66,995.00	(96,792)	(144.5%)
2,350,177	2,267,520.00	(82,657)	(3.6%)
72,259	69,080.00	3,179	4.6%
57,061	70,794.00	13,733	19.4%
15,198	-1,714.00	16,912	986.7%

Year - To - Date				
Actual	Budget	Favorable/(Unfavorable)		
		Variance	% Variance	
31,765	35,584	(3,819)	(10.7%)	
3,805	4,053	(248)	(6.1%)	
35,570	39,637	(4,067)	(10.3%)	
Gross Revenue				
(4) Patient Revenue	33,150,422	35,707,577	(2,557,155)	(7.2%)
(5) Other Revenue	7,767,227	7,724,210	43,017	0.6%
(6) Total Gross Revenue	40,917,649	\$43,431,787	(2,514,138)	(5.8%)
Deductions				
(7) Total Deductions	17,691,932	19,583,525	1,891,593	9.7%
Contractual Percentage				
	53.4%	54.8%	1.5%	
(8) Net Revenue	23,225,717	23,848,262	(622,545)	(2.6%)
Expenses				
(9) Purchased Labor	7,919,863	7,446,192	(473,671)	(6.4%)
(10) Purchased Benefits	2,544,383	2,527,344	(17,039)	(0.7%)
(11) Supplies	2,426,146	2,540,696	114,550	4.5%
(13) Professional Fees	2,839,175	2,835,910	(3,265)	(0.1%)
(14) Purchased Services	1,995,651	1,920,060	(75,591)	(3.9%)
(16) Depreciation and Amort	797,447	796,846	(601)	(0.1%)
(17) Utilities	191,492	194,381	2,889	1.5%
(18) Building Lease	4,350,309	4,409,310	59,001	1.3%
(19) Other Expenses	1,307,602	688,913	(618,689)	(89.8%)
(20) Total Expenses	24,372,068	23,359,652	(1,012,416)	(4.3%)
(21) Net Operating Income/Loss	(1,146,351)	488,610	(1,634,961)	(334.6%)
(22) Minority Interest	60,812	855,694	794,882	92.9%
(23) Net Income/Loss	(1,207,163)	(367,084)	(840,079)	(228.9%)