



Washington Township Health Care District

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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, April 28, 2021– 6:00 P.M.
Meeting Conducted by Teleconference
Dial In: 510-818-5900 Access Code: 6736

AGENDA

PRESENTED BY:

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| <p>I. CALL TO ORDER & PLEDGE OF ALLEGIANCE</p> <p>II. ROLL CALL</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>William Nicholson, M.D.
Board President</p> <p>Dee Antonio
District Clerk</p> |
| <p>IV. ANNOUNCEMENTS</p> | <p>Kimberly Hartz
Chief Executive Officer</p> |
| <p>V. ADJOURN TO CLOSED SESSION
<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. Report of Medical Staff and Quality Assurance Committee, Health & Safety Code section 32155</p> <ul style="list-style-type: none">• Medical Staff Credentials Report <p>B. Conference with Legal Counsel-Anticipated Litigation pursuant to Government Code section 54956.9(d)(2)</p> <p>C. Trade Secret pursuant to Health & Safety Code section 32106</p> <ul style="list-style-type: none">• New Service or Program | <p>Kimberly Hartz
Chief Executive Officer</p> |

Board Meeting Agenda
April 28, 2021

**VI. RECONVENE TO OPEN SESSION &
REPORT ON PERMISSIBLE ACTIONS
TAKEN DURING 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.

**DEVCO
FINANCIAL STATEMENTS**

Reporting Period 8

Month of February 2021

**Washington Township Hospital
Development Corporation
Summary Income Statement
February 2021**

Current Month				Year - To - Date			
Actual	Budget	Favorable/(Unfavorable)		Actual	Budget	Favorable/(Unfavorable)	
		Variance	%			Variance	%
1,978	2,739	(761)	(27.8%)	17,463	21,290	(3,827)	(18.0%)
315	244	71	29.1%	2,212	2,103	109	5.2%
2,293	2,983	(690)	(23.1%)	19,675	23,393	(3,718)	(15.9%)
3,201,319	3,987,707	(786,388)	(19.7%)	28,173,696	32,233,754	(4,060,058)	(12.6%)
819,527	851,950	(32,423)	(3.8%)	7,624,031	7,348,553	275,478	3.7%
4,020,846	4,839,657	(818,811)	(16.9%)	35,797,727	39,582,307	(3,784,580)	(9.6%)
1,556,916	2,040,675	483,759	23.7%	14,810,532	16,499,843	1,689,311	10.2%
48.6%	51.2%	2.6%		52.6%	51.2%	(1.4%)	
2,463,930	2,798,982	(335,052)	(12.0%)	20,987,195	23,082,464	(2,095,269)	(9.1%)
756,357	733,771	(22,586)	(3.1%)	6,505,181	6,251,600	(253,581)	(4.1%)
276,117	289,109	12,992	4.5%	2,194,785	2,378,391	183,606	7.7%
263,974	456,742	192,768	42.2%	2,683,429	3,548,085	864,656	24.4%
396,670	311,499	(85,171)	(27.3%)	2,243,084	2,592,835	349,751	13.5%
215,497	314,582	99,085	31.5%	2,176,612	2,545,978	369,366	14.5%
121,533	117,200	(4,333)	(3.7%)	789,949	870,335	80,386	9.2%
23,892	22,814	(1,078)	(4.7%)	234,938	203,575	(31,363)	(15.4%)
424,864	432,566	7,702	1.8%	4,319,771	3,926,115	(393,656)	(10.0%)
121,137	126,238	5,101	4.0%	1,076,090	1,061,323	(14,767)	(1.4%)
2,600,041	2,804,521	204,480	7.3%	22,223,839	23,378,237	1,154,398	4.9%
(136,111)	(5,539)	(130,572)	(2,357.3%)	(1,236,644)	(295,773)	(940,871)	(318.1%)
(16,028)	93,268	109,296	117.2%	60,079	633,376	573,297	90.5%
(120,083)	(98,807)	(21,276)	(21.5%)	(1,296,723)	(929,149)	(367,574)	(39.6%)

STRATEGIC PLANNING
PRIORITIES & PROGRESS REPORT
April 23, 2021

I. LEGISLATION

Federal and Local Economic Update

March economic data gave strong indications that the US economy is healing and that those who lost their jobs are coming back into the workforce as the recovery continues and restrictions are lifted. Aiding the economic recovery is the continued acceleration in the pace of vaccine distribution. CDC data shows 1 in 5 Americans are now fully vaccinated and 1/3 of the population has received at least one dose of a COVID-19 vaccine. President Biden announced that vaccine eligibility is now expanded to all adults nationwide, effective April 19th. In California, residents ages 16 and older are eligible for vaccination beginning April 15th. Some counties started vaccinations earlier than this date. While increased vaccination rates and eligibility are undeniably positive developments, they coincide with an uptick in COVID-19 cases, and public health experts warn of the need for continued vigilance.

Hiring rebounded in March as reopening throughout the country and stimulus revived economic activity. The March Bureau of Labor Statistics job report showed the U.S. economy added 916,000 jobs, far exceeding the projected gain of 660,000. This was the largest increase since August and marks the third straight monthly gain. February job gains were also revised upwards from 379,000 to 468,000. The unemployment rate continued its downward trend from 6.2% in February to 6.0% in March. Job gains in March remained strongest in the leisure and hospitality sector, but were more wide spread than February. Despite consistent growth the last 3 months, the economy still has a long path ahead to recover the 9 million jobs still outstanding from pre-pandemic levels of employment.

California's unemployment rate dropped 0.2 percentage points to 8.3% in March (state data has a month delay), as employers gained 119,600 jobs, according to California's Employment Development Department. February's numbers were also revised upwards by 15,100 jobs. This is a significant improvement from the state's peak unemployment rate of 16% in April 2020; however, there remains ground to recover in order to return to the pre-pandemic unemployment rate of 3.9% in February 2020.

In March 2021 (local data has a month delay), the District's unemployment rate decreased from 6.0% to 5.9%. Approximately 9,800 District residents in the labor force were unemployed.

Analysis of the economic indicators 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

California Legislature

The California Legislature is approximately halfway through the policy committee meeting period, reviewing the more than 2,500 bills introduced. Below are updates on key bills we are tracking for potential impacts to the District or the Healthcare System.

AB 1105 (Rodriquez) PPE for Vaccinated Hospital Employees

This bill would require employers to supply personal protective equipment to an employee, regardless of whether or not the employee has received a vaccination for COVID-19. The bill would also require employers to develop and implement a program to offer weekly COVID-19 screening and testing for health care personnel.

AB 650 (Muratsuchi)

This bill would require hospitals (excluding state and county hospitals) and private health care employers with 100 or more employees to pay health care workers a \$5/hour “hazard pay” premium from January 1, 2021 until the COVID-19 state of emergency is terminated. Health care worker is defined as any worker who provides direct patient care and services directly supporting patient care, including, but not limited, to physicians, pharmacists, clinicians, nurses, aides, technicians, janitorial and housekeeping staff, and food services workers. This bill is set to be heard in the Labor and Employment Committee on April 22nd. CHA has announced its opposition to this bill and is lobbying strongly against it.

AB 1020 (Friedman)

This bill would require that uninsured patients, or a patient with high medical costs who are at or below 400% of the federal poverty level, be eligible for charity care or discount payments from a hospital. It further specifies that a hospital may not report a patient to a credit reporting agency until 180 days after which it has been attempting to collect the debt. It would also not allow a hospital to send patient debt to a debt collector. This bill passed out of the Assembly Health Committee on April 20th and will be heard in the Appropriations Committee. CHA has indicated that it will remove its opposition as there were some amendments taken in committee.

AB 1130 (Wood) Healthcare Affordability

This bill would establish, within OSHPD, the Office of Health Care Affordability. The role of this office would be to gather claims data from payers, hospitals, and physicians to better understand health care costs. With this information, the Office would then establish cost targets for various segments of the health care marketplace. If a target is not met, the Office would potentially assess financial penalties. This bill is also relevant as it represents a counter to the “single payer” bill (AB 1400-Kalra). The Newsom Administration is supportive of this approach, but it is unclear if the author of this bill is in synch with the view of the Governor. This bill passed the Assembly Health Committee on April 6th. Dr. Wood is working with the Governor’s office on this bill. CHA is lobbying against it, as it contains price targets that the Office of Health Care Affordability will set.

AB 1131 (Wood) HIE

This bill creates a statewide health information exchange (HIE) by requiring health plans, hospitals, medical groups, testing laboratories, and nursing facilities, at a minimum, contribute to, access, exchange, and make available data through the network of health information exchanges for every person, as a condition of participation in a state health program, including Medi-Cal, Covered California, and CalPERS. CHA is actively involved in advocacy on this bill and moved to a support position. This bill was passed by the Assembly Health Committee on April 6th. CMA (California Medical Association) is championing a counter-bill, SB371 (Senator Pan) as an alternative to this state-run HIE.

SB 371 (Caballero)

This bill would require any federal funds the California Health and Human Services Agency (CHHSA) receives for health information technology and exchange to be deposited in the California Health Information Technology and Exchange Fund. The bill would authorize CHHSA to use the fund to provide grants to health care providers to implement or expand health information technology and to contract for direct data exchange technical assistance for safety net providers. The bill would require a health information organization to be connected to the California Trusted Exchange Network and to a qualified national network. The bill would also require a health care provider, health system, health care service plan, or health insurer that engages in health information exchange to comply with specified federal standards. This bill is being sponsored by the California Medical Association (CMA). It was heard in Senate Health on March 24th and passed.

SB 213 (Cortese)

This bill would define “injury” for a hospital employee who provides direct patient care in an acute care hospitals to include infectious diseases such as COVID-19, staph infections, TB, meningitis, and bloodborne infectious diseases. It would also create rebuttable presumptions that these injuries arose out of and in the course of employment and would set presumptions for specified time periods following the employee’s termination of employment. The bill passed out of the Senate Labor Committee on March 22nd and will go to the Appropriations Committee. The bill is sponsored by CNA, CA firefighters and other labor groups.

AB 1162 (Villapudua) Payment Reform Bill (CHA sponsored)

This bill would require health plans to pay claims as soon as possible, with a maximum of 20 calendar days, unless the claim is contested or denied, and eliminate some administrative burdens in how health plans process claim payment to hospitals. This bill would also clarify that the Department of Managed Health Care can require health plans to take certain actions during disasters, such as extending deadlines to file claims or suspending limitations on prescription refills. This bill passed out of the Health Committee on April 20th and will move on to the Appropriations Committee

AB 1132 (Wood)

This bill is similar to SB 977 (**Monning**) from last year that would give the Attorney General authority to approve purchases, mergers, acquisitions, and affiliations between various health care entities, as well as between other entities such as private equity groups. The bill also includes limitations on what can be included in a contract between health care providers and payers. WHHS's state legislative advisor has been in touch with Dr. Wood's office and according to him, this bill will not be pursued this year. Dr. Wood believes there are too many bills being introduced in the Health Committee this year. He intends to talk to other lawmakers about pulling other bills as well.

AB 1400 (Kalra) Single-Payer

This bill, the California Guaranteed Health Care for All Act, would create the California Guaranteed Health Care for All Program, or CalCare, to provide comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state. This bill is still with the Rules Committee. WHHS's state legislative advisor speculates it will not make it out of committee, as there is very little discussion occurring. The deadline for the bill to be heard in Health Committee is April 30th.

AB 1464 (Arambula) Seismic (CHA Sponsored)

This is a placeholder bill that CHA is actively negotiating to address 2030 seismic requirements. The details of this bill continue to evolve and will be shared as solidified. The bill is set to be heard at the Assembly Health Committee on April 27th. CHA wants to make this a budget item and put a line item in the May Revise that provides State funding for seismic upgrades. This is CHA's number one priority for the legislative session.

AB 370 (Arambula)

This bill would allow certain elective cardiac procedures to be done in ambulatory surgery centers (ASCs). The bill was heard in the Assembly Health Committee on April 13th. The bill passed 15-0 and now is headed to the Appropriation Committee. The bill was amended in the Health Committee to limit the number of ambulatory surgery centers that can do cardiac procedures to 50. SEIU is in opposition unless amended.

AB 1422 (Gabriel)

This bill creates a process for CDPH to make available a request from a hospital to flex its nurse to patient ratios. The process would also allow for public input on the flex request. The bill also requires the hospital to make the flex requests available to the public. The bill is set to be heard on April 20th in the Assembly Health Committee. CNA is a sponsor of this bill.

SB 637 (Newman) PPE/Staffing/Testing Reporting Requirement

This bill would require hospitals to report during any health-related state of emergency various information related to PPE, testing, and staffing to the California Department of Public Health (CDPH) on a daily basis. At other times, hospitals would be required to report that information on a weekly basis. This information would be publicly posted by CDPH.

This bill is sponsored by the California Nurses Association. The first hearing on April 14th was cancelled at the request of the author.

AB 835 (Nazarian)

This bill would require the Department of Public Health to develop protocols for emergency departments to provide “opt-out” HIV testing. This is a reintroduction of legislation from last year. This bill passed out of the Assembly Health Committee and will be heard by the Appropriations Committee. The association of ER physicians opposes this bill unless amended, as they feel this is a public health activity not an ED responsibility. It will add additional cost to ER visits and slow down throughput. The costs associated with the bill will cause it to be placed on the Suspense File, which is reserved for any bill that has a state cost of more than \$150,000. All bills placed on the Suspense File are handled at the same time by the Chair of the Committee. It is worth noting CHA has not taken a position on the bill. This is a little surprising as they have opposed the bill in the past.

SB 605 (Eggman)

This bill would enact the Medical Device Right to Repair Act. It would require an original manufacturer of powered medical equipment used in the treatment, monitoring, or diagnosis of a patient to provide documentation, parts, and tools used to inspect, diagnose, maintain, and repair powered medical equipment to an authorized repair provider on fair and reasonable terms, as defined. The bill would exempt from these requirements any trade secret information. The bill would subject a person who knowingly violates these provisions to specified civil penalties, and would authorize the Attorney General or a district attorney, county counsel, or city attorney to bring a civil action for this purpose. Washington Hospital Healthcare System wrote a letter in support on 4/6/21.

Federal Legislature

The Office of Management and Budget released highlights of President Biden’s FY 22 discretionary budget request, which outlined spending levels across federal agencies. This budget is non-binding; however, it highlights the administration’s fiscal priorities. Relative to healthcare, the budget request is a 23.5% increase (\$131.7 billion) for the Department of Health and Human Services. The CDC would receive \$8.7 billion (\$1.6 billion increase) to support modernization of public health capacities. The National Institutes of Health would receive \$51 billion (\$9 billion increase) with a new research division to focus on cancer, Alzheimer’s, and diabetes. The budget also contains \$1.6 billion for community mental health block grants, and additional funding for mental health, the opioid crisis, HIV/AIDS, gun violence, and equity related initiatives.

On March 31st, the White House released a fact sheet which outlined part one of the “American Jobs Plan”. Part one is focused on broad infrastructure projects, but also contains a few health care provisions, including expanding access to long term care services, investment in VA hospitals, and a \$30 billion investment in future pandemic prevention and mitigation strategies. Part one of the package is expected to expend \$2 trillion dollars over eight years and would be offset by a variety of tax changes, including increasing the corporate

tax to 28% and a new proposed global minimum tax. Part two of the package, expected to be released April 28th is expected to focus on health care and child care reforms. Reforms rumored to be included are permanently increasing ACA tax credits, new incentives for Medicaid expansion, lowering the Medicare age and expanding benefits, paid family and medical leave, and possibly adding more COVID-19 relief. This portion of the legislation is expected to be moved via budget reconciliation (simple majority) and to be funded in part by prescription drug pricing reform. It is likely to take several months for lawmakers to draft, negotiate and pass this massive infrastructure package. It is not clear if the White House will seek to have both parts of the American Jobs Plan pass at the same time.

On March 25th the Senate passed H.R. 1868 (90-2), which grants a 9 month extension of a moratorium on 2% Medicare payment sequester, which was due to go into effect April 1, 2021. On April 13th, the House passed the amended version as well, which extends the moratorium through the end of 2021. President Biden is expected to sign this bill into law shortly.

H.R. 2079, the Eliminating the Provider Relief Tax Fund Penalties Act of 2021 was recently introduced by Rep. Axne (D-IA) and Rep. Neal Dun (R-FL). The bill would clarify that providers who received funding from the Public Health and Social Services Emergency Fund (PHSSEF) would not have to count it as gross income and would not be subject to taxation. The bill also guarantees that any expense attributed to the provider relief fund would be tax deductible.

Federal Relief Advocacy Efforts

In discussion with Holland & Knight, Washington Hospital is pursuing four strategies to secure federal relief:

1. Provider Relief Funds: Holland & Knight estimates that there is between \$20-24 billion left unspent in the CARES Act fund. We are making a case to our elected representatives about spending down the funds from this act.
2. Rural Relief Fund: In the American Rescue Plan Act of 2021, \$8.5 billion was included for rural hospitals and providers. Holland & Knight determined that we are eligible to apply for this funding due to our rural CMS designation.
3. Community Project Funding: We have applied for federal underwriting for \$1.9 million in construction costs associated with the Warm Springs outpatient center through this new source of funding, which was formerly known as earmarks. Each of our Congressional representatives is able to submit up to ten of these Community Project Funding Requests, so we have submitted through Congressmen Khanna and Swalwell's offices.
4. Seismic Infrastructure Funding: This longer-term strategy will be aimed at securing infrastructure funding for Washington Hospital Healthcare System and California hospitals required to make major seismic upgrades. Even though Washington has secured G.O. bonds for seismic construction, this grant funding could help to offset some of the costs.

The process for advancing these strategies will hinge on making a strong case to our congress members and senators to take congressional action and provide federal support. We are currently developing a white paper that lays out our argument, and we will soon be scheduling calls with elected officials.

II. FOUNDATION

The Foundation continues to fundraise for the COVID-19 Emergency Relief Fund, while facilitating frequent meal donations to Hospital staff. More than 7,000 meal donations have been provided to the hospital to date, and the community continues to express a strong interest in supporting our healthcare workers.

Efforts continue on building the Planned Giving Program through weekly cultivation calls with prospects and publicity through our website and upcoming newsletter. The Foundation is also in the early stages of planning for Top Hat 2021, which may involve a hybrid virtual/in-person model to ensure we can maintain safety regulations.