



Washington Township Hospital Development Corporation

2000 Mowry Avenue, Fremont, CA 94538-1716

July 17, 2017

MEETING NOTICE

The meeting of the Board of Directors of the Washington Township Hospital Development Corporation will be held on Tuesday, July 25, 2017. The meeting will be held in the Board Room of Washington Hospital, located at 2000 Mowry Avenue, Fremont, California and will commence at 1:00 p.m.

In accordance with Sections 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.

This notice is posted pursuant to Section 54956 of the Government Code.

By direction of the President & Chief Executive Officer
Washington Township Hospital Development Corporation

VANESSA TERRASAS
Recording Secretary



Washington Township Hospital Development Corporation

2000 Mowry Avenue, Fremont, CA 94538-1716

AGENDA

BOARD OF DIRECTORS' MEETING WASHINGTON TOWNSHIP HOSPITAL DEVELOPMENT CORPORATION

July 25, 2017 – 1:00 P.M.
2000 Mowry Avenue, Fremont, CA 94538
Board Room – First Floor

Assistance for the Disabled: If you are disabled in any way and need accommodation to participate in the meeting, please call Vanessa Terrasas, Recording Secretary, at (510) 791-3438 for assistance so the necessary arrangements can be made.

- | | | PRESENTED BY: |
|-------------|---|---|
| I. | CALL TO ORDER | Chair |
| II. | ROLL CALL | Vanessa Terrasas,
Executive Assistant |
| III. | CONSIDERATION OF MINUTES OF
May 8, 2017 | <i>Motion Required</i> |
| IV. | COMMUNICATIONS
A. Oral
B. Written | |
| V. | PRESIDENT AND CHIEF EXECUTIVE
OFFICER REPORT | Nancy Farber,
President and Chief Executive
Officer |

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|--------------|---|-------|
| VI. | CLOSED SESSION | Chair |
| VII. | ADJOURN TO OPEN SESSION & REPORT ON
CLOSED SESSION | Chair |
| VIII. | OPEN SESSION
A. Report to Open Session

B. Action Item

1. Acceptance of the Washington Township
Hospital Development Corporation Budget
Estimate for Fiscal Year 2017/18.

2. Purchase of the Washington Township
Medical Foundation Gadox DR Upgrade
Radiographic System. | Chair |
| IX. | ADJOURNMENT | Chair |

NEXT MEETING: TBD

The meeting of the Board of Directors of the Washington Township Hospital Development Corporation was held on May 8, 2017 in the Board Room of Washington Hospital, 2000 Mowry Avenue, Fremont, California. Chairman Sah called the meeting to order at 7:34 am.

CALL TO ORDER

Present: Russ Blowers, Shirley Buschke, Miro Garcia, Gloria Villasana Fuerniss, Benn Sah, M.D., Nancy Farber, Chief Executive Officer

ROLL CALL

Absent: None

Also present: Kimberly Hartz, Sr. Associate Administrator, Ambulatory Care Services; Tina Nunez, Associate Administrator, Ambulatory Care Services; Chris Henry, Sr. Associate Administrator/CFO; Michael Engle, Sr. Director Ambulatory Care Services; Vanessa Terrasas, Executive Assistant; Robert Alfieri, Chief, Facilities Services

Guest: None

A motion was made by Director Blowers, seconded by Director Garcia to approve the minutes of the meeting of February 13, 2017. The motion was carried by the following vote:

*APPROVAL OF
MINUTES OF
February 13, 2017*

Ayes: Directors Blowers, Buschke, Fuerniss, Garcia and Sah

Noes: None

Abstain: None

Absent: None

Robert Alfieri, Chief of Facilities Services at Washington Hospital, presented an update on the Morris Hyman Critical Care Pavilion. Mr. Alfieri provided a time lapse of the Hospital campus which showed an aerial view of the campus from 2007 to date. Mr. Alfieri noted construction is on schedule to be completed in 2018.

*EDUCATION SESSION
Morris Hyman Critical
Care Pavilion*

Ms. Hartz noted there was no written or oral communication.

COMMUNICATIONS

Ms. Farber spoke about health care reform and provided an overview of policy issues that may arise. She noted the leadership in the House of Representatives recently proposed and then withdrew the American Health Care Act, which would have repealed and replaced significant parts of the Affordable Care Act (ACA). Ms. Farber stated that discussions continue about possible paths to repealing the ACA, but are also shifting focus to administrative changes to the ACA. She informed the group that a community seminar featuring lobbyists from Holland and Knight, based out of Washington D.C., will be held onsite May 9th to discuss the latest developments and other key health care policy issues.

*PRESIDENT & CHIEF
EXECUTIVE OFFICER
REPORT*

Ms. Farber reported the hospital cafeteria and service area will be closed for a period of three months due to required plumbing work. There are issues with the underground pipes and they will need to be replaced. Ms. Farber noted that in order to access the pipes, an area of the cafeteria will be under construction. She noted

this project will impact the ability for kitchen staff to cook and provide meals to patients and staff. During construction, a temporary modular kitchen will be setup onsite behind the hospital where kitchen staff will be able to prepare meals for patients. Ms. Farber said during the kitchen closure, "to go" snacks and light meals will be available for staff and visitors. We are also working with the City to be able to provide food trucks onsite for staff and visitors.

*PRESIDENT & CHIEF
EXECUTIVE OFFICER
REPORT CONT'D*

Ms. Farber reviewed the Institutional Agenda for the fiscal year 2017-2018 which included a number of items but not limited to Infection Control, Facility Master Plan Update, Lean and ER/Critical Care Pavilion.

Ms. Farber announced that funds from the WHHS Foundation's 2017 Annual Top Hat Dinner Dance will help to purchase a linear accelerator for the Radiation Oncology Center. The linear accelerator is used to treat cancer patients and is currently 15 years old and needs to be replaced.

Ms. Farber stated the ED physicians will be merging with a new group. This will not only impact the Emergency Department, but the Urgent Care Clinic as well. The Urgent Care physicians will also be joining this new local emergency group.

In accordance with Sections 1461, 1462, 32106 and 32155 of the California Health & Safety Code and Sections 54962 and 54954.5 of the California Government Code, Chairman Sah adjourned the meeting to a closed session at 8:38 a.m.

ADJOURNMENT

Chairman Sah adjourned the meeting to open session at 8:48 a.m. He reported that no action was taken in closed session.

There being no further business, the meeting adjourned at 8:48 a.m. The next meeting is currently scheduled for August 14, 2017 at 7:30a.m.

Benn Sah, M.D.
Chair

Russ Blowers
Secretary



Washington Township Hospital Development Corporation

2000 Mowry Avenue, Fremont, CA 94538-1716

DATE July 17, 2017
TO: Board of Directors
Washington Township Hospital Development Corporation
FROM: Nancy Farber
President and Chief Executive Officer
SUBJECT: **Washington Township Hospital Development Corporation
Budget Estimate FY 2017/18**

The Budget Estimate for FY 2017/18 for the Washington Township Hospital Development Corporation (DEVCO) is being presented to the Board of Directors of the Development Corporation for its adoption.

This budget takes into account inflation, contracted changes, staffing changes and other operating changes.

For the FY 2017/18, the Washington Township Hospital Development Corporation is budgeted as follows:

Visits are budgeted at 47,452
Total Operating Revenue is budgeted at \$31,413,695
Total Expenses are budgeted at \$29,459,454
Net Income is budgeted at \$507,852
Total Capital Budget of \$4,419,030

I am recommending that the Board of Directors of the Washington Hospital Development Corporation approve the FY 2017/18 Budget Estimate.

NANCY FARBER
President and Chief Executive Officer



DEVELOPMENT
CORPORATION

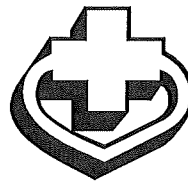
Washington Township Hospital Development Corporation

Income Statement

Budget Estimate FY 2017/18

	Budget Estimate FY 2017/18	Projected FY 2016/17	\$ Change	% Change
Visits	47,452	46,213	1,239	2.7%
Gross Patient Revenue	\$53,024,828	\$48,129,525	\$4,895,303	10.2%
Other Revenue	7,192,359	8,612,424	(1,420,065)	-16.5%
Contractual Allowances	28,803,492	26,416,424	(2,387,068)	-9.0%
Total Operating Revenue	\$31,413,695	\$30,325,525	\$1,088,170	3.6%
Expense:				
Salaries	\$6,731,769	\$6,645,458	(\$86,311)	-1.3%
Benefits	2,399,980	2,332,043	(67,937)	-2.9%
Supplies	3,816,060	3,333,585	(482,475)	-14.5%
Contract Mgmt Services	531,928	551,745	19,817	3.6%
Professional Fees	1,610,517	1,566,735	(43,782)	-2.8%
Purchased Services	2,740,643	2,903,574	162,931	5.6%
Purchased Labor	2,657,281	2,466,424	(190,857)	-7.7%
Purchased Benefits	740,181	663,943	(76,238)	-11.5%
Legal & Audit	130,190	125,074	(5,116)	-4.1%
Depreciation	1,137,466	949,425	(188,041)	-19.8%
Utilities	271,123	252,749	(18,374)	-7.3%
Building Lease	5,112,218	5,484,704	372,486	6.8%
Vehicle Lease	1	1	0	0.0%
Vehicle Expense	4,465	4,349	(116)	-2.7%
Interest Expense	52,603	27,201	(25,402)	-93.4%
Professional Liab Ins	81,742	69,645	(12,097)	-17.4%
Taxes, Fees & Licenses	257,195	261,756	4,561	1.7%
Other Expense	1,184,091	1,177,897	(6,194)	-0.5%
Total Expense	\$29,459,454	\$28,816,308	(\$643,146)	-2.2%
Income from Operations	\$1,954,241	\$1,509,217	\$445,024	29.5%
Minority Interest in WOSC	1,446,389	1,358,827	(87,562)	-6.4%
Net Income/(Loss)	\$507,852	\$150,390	\$357,462	237.7%

* This budget includes the Washington Radiation Oncology Center.



Memorandum

DATE: May 24, 2017

TO: Board of Directors
Washington Township Hospital Development Corporation

FROM: Nancy Farber, President and Chief Executive Officer

SUBJECT: Purchase of Gadox DR Upgrade Radiographic System

The X-ray processor in the WTMF Orthopedic Surgery department is 12 years old, and breaks down regularly. The processor has required a significant number of repairs in recent years, and the company that has been servicing the processor has recommended that it be replaced. In addition, the current processor utilizes computed radiography, which can take several minutes to capture an image, while digital radiography may capture an image in seconds. Starting in 2018, Medicare will reimburse 7% less for x-rays performed using computed radiography. For these reasons, the Orthopedic Surgery department requests the replacement of the current x-ray processor with a digital radiography system. The cost of a new processor is:

Gadox DR Upgrade Radiographic System	\$38,000.00
Applications Training	\$ 3,000.00
Freight	\$ 320.00
Tax	\$ 3,515.00
Total	\$44,835.00

In accordance with District Law, policies and procedures, I request that the Board of Directors of the Washington Township Hospital Development Corporation authorize the President and Chief Executive Officer to proceed with the purchase of Gadox DR Upgrade Radiographic System for the Washington Township Medical Foundation Orthopedic Surgery Department in an amount not to exceed \$44,835.00. This equipment was not part of the approved FY 2016/17 Fixed Asset Budget.