



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, June 23, 2021– 6:00 P.M.
Meeting Conducted by Teleconference
Dial In: 510-818-5900 Access Code: 6736

AGENDA

PRESENTED BY:

- | | |
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| I. CALL TO ORDER & PLEDGE OF ALLEGIANCE | William Nicholson, M.D.
Board President |
| II. ROLL CALL | Dee Antonio
District Clerk |
| III. COMMUNICATIONS | |
| 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> | |
| B. Written | |
| IV. ACTION | |
| A. Consideration of Siemens Upgrade | <i>Motion Required</i> |
| V. ANNOUNCEMENTS | |
| VI. CLOSED SESSION | Kimberly Hartz
Chief Executive Officer |
| A. Report of Medical Staff and Quality Assurance Committee pursuant to Health & Safety Code section 32155 | |
| B. Conference involving trade secrets pursuant to Health & Safety Code section 32106: New Services | |
| C. Conference involving Personnel Matters: Chief Executive Officer | |
| VII. OPEN SESSION | |

Board Meeting Agenda
June 23, 2021

Report on Permissible Actions Taken During Closed
Session

William Nicholson, M.D.
Board President

VIII. 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: June 18, 2021

TO: Kimberly Hartz, Chief Executive Officer

FROM: Ed Fayen, Executive Vice President and COO

SUBJECT: Siemens Upgrade

The Siemens Building Automation System is the seamless communication for the Central Utility Plant, CJR, Morris Hyman, and the Main Tower. The Siemens system controls and monitors the hospital buildings for temperature levels, fire safety, and critical alarms. This will be the second phase of the digital upgrade to bring the Main Tower from analog to a digital platform that matches Morris Hyman Pavilion.

This item was approved in the FY21 Capital Budget for \$437,000.00.

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 agreements to proceed with the upgrade to the Siemens Building Automation System for a total amount not to exceed **\$217,330.00**.

EF/ld

**DEVCO
FINANCIAL STATEMENTS**

Reporting Period 10

Month of April 2021

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

Current Month				Year - To - Date			
Actual	Budget	Favorable/(Unfavorable)		Actual	Budget	Favorable/(Unfavorable)	
		Variance	%			Variance	%
2,238	2,990	(752)	(25.2%)	22,138	27,358	(5,220)	(19.1%)
279	279	0	0.0%	2,821	2,668	153	5.7%
2,517	3,269	(752)	(23.0%)	24,959	30,026	(5,067)	(16.9%)
				Gross Revenue			
4,437,101	4,426,156	10,945	0.2%	36,649,985	41,113,740	(4,463,755)	(10.9%)
882,652	933,235	(50,583)	(5.4%)	10,027,230	9,183,416	843,814	9.2%
5,319,753	5,359,391	(39,638)	(0.7%)	46,677,215	50,297,156	(3,619,941)	(7.2%)
				Deductions			
2,413,345	2,265,362	(147,983)	(6.5%)	19,303,700	21,042,873	1,739,173	8.3%
54.4%	51.2%	(3.2%)		52.7%	51.2%	(1.5%)	
2,906,408	3,094,029	(187,621)	(6.1%)	27,373,515	29,254,283	(1,880,768)	(6.4%)
				Expenses			
879,803	843,989	(35,814)	(4.2%)	8,268,072	7,961,978	(306,094)	(3.8%)
288,792	305,458	16,666	5.5%	2,753,921	2,995,578	241,657	8.1%
369,430	479,839	110,409	23.0%	3,522,163	4,515,796	993,633	22.0%
338,609	334,631	(3,978)	(1.2%)	3,014,958	3,284,866	269,908	8.2%
221,464	299,498	78,034	26.1%	2,628,051	3,154,456	526,405	16.7%
121,867	117,027	(4,840)	(4.1%)	1,034,453	1,104,406	69,953	6.3%
25,280	23,083	(2,197)	(9.5%)	284,573	252,501	(32,072)	(12.7%)
416,917	432,566	15,649	3.6%	5,190,463	4,791,249	(399,214)	(8.3%)
122,742	123,002	260	0.2%	1,324,727	1,311,933	(12,794)	(1.0%)
2,784,904	2,959,093	174,189	5.9%	28,021,381	29,372,763	1,351,382	4.6%
121,504	134,936	(13,432)	(10.0%)	(647,866)	(118,480)	(529,386)	(446.8%)
91,309	124,278	32,969	26.5%	110,657	866,736	756,079	87.2%
30,195	10,658	19,537	183.3%	(758,523)	(985,216)	226,693	23.0%

**STRATEGIC PLANNING
PRIORITIES & PROGRESS REPORT
June 18, 2021**

I. LEGISLATION

Federal and Local Economic Update

Prospects for the world economy have brightened over the past month, however, this recovery is unlike many recoveries before it. The global economic recovery is likely to remain uneven and dependent on the effectiveness of vaccination programs and public health policies. Some countries are recovering faster than others. The United States and Korea, for example, are beginning to reach pre-pandemic levels of per capita income after about 18 months since the pandemic began. According to the Organization for Economic Co-operation and Development (OECD), much of Europe is expected to take nearly three years to recover, and in many South American and African countries, it could take between three and five years. The United States, with its aggressive pandemic aid measures and relatively rapid vaccine rollout, is propelling the world economy as it acts as a source of demand across the globe. Ultimately, the outlook for the U.S. economy will depend on the ability of other countries to take over as drivers of global demand in the months ahead.

The Bureau of Labor Statistic's jobs report showed that the United States added 559,000 jobs in May, as the unemployment rate declined to 5.8% from 6.1% in the previous month. The report, which again was below economists' expectations this month, is the latest indication of the continuing economic pressures facing the White House and policy makers at the Fed. The economy is still down 7.5 million jobs since the pandemic began. Meanwhile, business owners continue to report difficulty filling open positions, as 48 percent of all small businesses surveyed by the National Federation of Independent Business reported unfilled job openings, which is 26 points higher than the decades-long average of 22 percent. A picture is beginning to emerge of a potentially slower economic recovery, with unforeseen complications from a public health crisis that was like no other, before a speedy return to full employment.

California employers added 104,500 jobs in May and the state's unemployment rate declined to 7.9%, down from 8.0% in the previous month according to data released by the California Employment Development Department (EDD) today. According to recent reports by UCLA economists, California's strict public health measures during the pandemic protected the state's economy, setting the stage for a faster economic recovery in the state than nationwide.

The District's unemployment rate was 5.3% in May, down from 5.4% in April, with approximately 9,500 District residents in the labor force unemployed. These figures are calculated using the California EDD Department data for Cities and Census Designated Places.

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

We have now finished the first half of the legislative year. All bills were required to pass the house of origin on Friday June 4. There is no break for legislators yet, as they now start the policy committee hearings, which began on June 7. The deadline for bills to pass out of the second house policy committees is July 15th. The Legislature will then take their summer recess from July 15th until August 16th. From there, the bills will move to the Appropriations Committees where they can be heard until August 27th. After the 27th, it will be Floor Session only until the session ends on September 10th.

Below are updates on key bills we are tracking for potential impacts to the District or the Healthcare System.

AB 1464 (Arambula) (CHA Sponsored)

This is a placeholder bill that CHA is actively negotiating to address 2030 seismic deadlines. The details of this bill continue to evolve, but currently CHA is pushing for a seven-year extension, though they would settle for a five-year extension. CHA is also advocating that only emergency departments, critical care units, and operating suites need to be housed in the highest level of seismic hardening. CHA wants the changes to seismic regulations included in the Health Policy Budget Trailer Bill. The Governor made no mention of the issue in the May Revise. Labor is staunchly opposed to the bill and is lobbying heavily against it. Because this is CHA's number one priority for the legislative session, it is working very closely with the Governor's office and the Speaker of the House.

AB 1130 (Wood)

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 sync with the view of the Governor. 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. **This bill passed the assembly and is now in the Senate.**

AB 650 (Muratsuchi)

This bill mandated Hazard Pay Retention Bonuses for any worker who provides direct patient care or supports patient care. **The bill was not taken up on the Assembly floor, as it only had 25 of the 40 votes necessary for passage.** It is now a two-year bill. Despite the bill's failure, SEIU has been circulating a letter asking the Legislature to provide \$8 billion of American Rescue Plan funds to pay essential workers who worked during the pandemic. \$2 billion would be reserved for healthcare workers and \$6 billion would be for non-

healthcare workers. SEIU is proposing this would help offset some of the costs for hospitals and other sectors in AB 650.

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. Washington Hospital Healthcare System wrote a letter in support on 4/6/21. **The bill was held on the Senate Appropriations Committee Suspense File and not brought forward for a vote. It is now a two-year bill.**

SB 642 (Kamlager)

Prohibits a health facility from requiring a physician, as a condition of obtaining clinical privileges, to comply with policies that are not ratified by the medical staff, that directly or indirectly restrict the ability of the physician to provide a particular medical treatment, or from requiring a physician to obtain permission from a non-physician to perform a medical treatment for which consent has been obtained from the patient, unless the health facility lacks the equipment to provide the service, or a full review of the evidence by members of the medical staff determines that the care is not medically appropriate. Adds to the list of factors that the Attorney General may use to determine whether to give consent to a nonprofit health facility transaction. The California Medical Association is driving this bill. **This bill was made into a two-year bill by the Senate Appropriations Committee.**

AB 858 (Jones-Sawyer)

This bill prohibits use of an EMR to limit a worker who is providing direct patient care from exercising independent clinical judgement, and specifies that such a worker is free to override health information technology (HIT) and clinical practice guidelines under certain circumstances. It requires employers to notify all workers who provide direct patient care prior to implementing new information technology. It also requires that representatives of professional practice committees be given an opportunity to participate in the selection, design, building, and validation of new technology impacting medical or nursing care. This bill is sponsored by CNA. **This bill passed the Assembly and is now in the Senate.**

AB 1131 (Wood)

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. CMA is championing a counter-bill, SB 371 (Caballero), as an alternative to this state-run HIE. **The bill was made into a two-year bill in the Assembly Appropriations Committee.**

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 passed the Senate and is now in the Assembly.**

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. 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. It is worth noting that CHA has not taken a position on the bill, which is a little surprising, as they have opposed the bill in the past. **This bill passed the Senate and is now in the Assembly.**

SB 221 (Wiener)

This bill codifies existing timely access to care standards for health plans and health insurers, applies these requirements to Medi-Cal managed care plans, and adds a standard for non-urgent follow-up appointments for non-physician mental health care, or substance use disorder providers within ten business days of the prior appointment. **This bill passed the Senate Appropriations Committee, but was not heard on the Senate floor. It is now a two-year bill.**

AB 1162 (Villapudua)

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 payments 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. CHA sponsored. **This bill was held on the Assembly Appropriations Committee Suspense File.**

AB 1020 (Friedman)

This bill would require that uninsured patients, or a patient with high medical costs who are at or below 400 percent 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 prohibit a hospital from sending patient debt to a debt collector. During the hearing in the Health Committee, the author and CHA indicated they had reached an

agreement on language for the bill that would remove CHA's opposition. **This bill passed the Assembly and is now in the Senate.**

AB 1400 (Kalra)

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 with the Rules Committee and has not been referred. **This legislation is dead for the year.**

AB 370 (Arambula)

This bill would allow certain elective cardiac procedures to be done in ambulatory surgery centers (ASCs). 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. **The bill was held on the Assembly Appropriations Committee Suspense File.**

SB 213 (Cortese)

This bill would define "injury" for a hospital employee who provides direct patient care in an acute care hospital 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 is sponsored by CNA, CA firefighters and other labor groups. **The bill only received 20 votes on the Senate floor, which was one vote shy of the 21 needed to pass. The bill is now a two-year bill.**

AB 1422 (Gabriel)

This bill creates a process for CDPH to make public a request from a hospital to flex its nurse to patient ratios. The process would allow for public input on the flex request. The bill also requires the hospital to make the flex requests available to the public. CNA is a sponsor of this bill. **The bill passed the Assembly and is now in the Senate.**

SB 637 (Newman)

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 bill passed the Senate and is now in the Assembly.**

AB 1105 (Rodriguez) 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. **The bill passed the Assembly and is now in the Senate.**

II. FEDERAL LEGISLATION

Infrastructure

Bipartisan infrastructure talks between the Biden administration and Republican senators led by Senator Shelley Moore Capito (R-WV) have collapsed, with the sides still hundreds of billions of dollars apart. The administration has now begun talks with a bipartisan group of 20 senators, but prospects for an agreement are dim. The Senate parliamentarian has ruled that the Democrats can only use the budget reconciliation process one more time during 2021. Democrats had hoped to use reconciliation to advance the President's Build Back Better agenda – passing the American Jobs Plan, the American Families Plan, and health care reform proposals to expand the Medicare program and lower the price of prescription drugs over multiple reconciliation packages. Instead, Democrats likely will only be able to use reconciliation to pass one legislative package with a simple majority vote during the remainder of this year.

Doctors of Community Act

A bill was introduced in the House Tuesday that would permanently authorize the Teaching Health Center Graduate Medical Education Program that trains primary care doctors and boost funding to more than \$500 million per year for a decade. The Doctors of Community Act is expected to fund an additional 100 medical education programs and 1,600 resident and physician slots across the country and is expected to be introduced in the Senate next week.

III. FEDERAL RELIEF ADVOCACY ACTIVITIES

Staff continue to work with our federal congressional delegation to secure relief for our COVID-19 related losses. We are making a case to our congressional representatives and senators that hospitals need access to the unspent CARES Act money now, and that DHHS should open up the application process as soon as possible. Representatives Ro Khanna and Eric Swalwell have offered to send a letter on our behalf to DHHS Secretary Javier Becerra, requesting that he expedite the release of the undistributed CARES Act funds. The letter will be sent during the week of 6/14/21. Secy. Becerra told the Senate Appropriations Committee this week that a deadline has not yet been determined for the tranche of money in the CARES fund that remains unspent. He said that he wants to have more transparency in the distribution process and target funds to institutions that serve high numbers of Medicaid and low-income patients.

IV. FOUNDATION

Planned Giving Program

The Foundation continues to focus efforts on expanding its Planned Giving Program, which to date has documented \$825,000 in future gifts from a handful of donors. We continue our personalized outreach efforts to community members to discuss the mutual benefits of planned giving. The Foundation is also exploring additional marketing strategies for the program, including hosting a planned giving seminar later this year.

Foundation Updates & Events

The Foundation continues to explore options for Top Hat 2021. Since the in-person event, tentatively scheduled for October 9th, will be significantly smaller than in years past, we are exploring hybrid models to enable the larger community to join us virtually. The Foundation is cautiously monitoring the COVID-19 case rate and will hold off making any final planning decisions until we have a clearer picture of where we'll be in October. It is anticipated that the funds raised from the event will be going toward the acute rehabilitation project.

As part of the mid-year disbursement, the Foundation facilitated \$1,402,286.00 in donations to the Hospital in May for pledge payments to the Morris Hyman Critical Care Pavilion and for other programming, including Palliative Care, the 2018 Neuroscience Symposium and the past purchase of the 3D Mammography.