



Washington Township Hospital Development Corporation

2000 Mowry Avenue, Fremont, CA 94538-1716

February 2, 2018

ANNUAL MEETING NOTICE

The annual meeting of the Board of Directors of the Washington Township Hospital Development Corporation will be held on Monday, February 12, 2018. The meeting will be held in the Board Room of Washington Hospital, located at 2000 Mowry Avenue, Fremont, California and will commence at 7:30a.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' ANNUAL MEETING WASHINGTON TOWNSHIP HOSPITAL DEVELOPMENT CORPORATION

Monday, February 12, 2018 – 7:30 A.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
November 13, 2017 | <i>Motion Required</i> |
| IV. | ELECTION OF OFFICERS | <i>Motion Required</i> |
| V. | COMMUNICATIONS
A. Oral
B. Written | |
| VI. | PRESIDENT AND CHIEF EXECUTIVE
OFFICER REPORT | Nancy Farber,
President and Chief Executive
Officer |

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.

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

B. Action Item

1. Purchase of the Linear Accelerator, Planning
System, and Vault Construction for the
Radiation Oncology Center. | Chair |
| X. | ADJOURNMENT | Chair |

NEXT MEETING: May 21, 2018

The meeting of the Board of Directors of the Washington Township Hospital Development Corporation was held on November 13, 2017 in the Cardiovascular Conference Room of Washington Hospital, 2000 Mowry Avenue, Fremont, California. Chairman Sah called the meeting to order at 7:35 a.m. *CALL TO ORDER*

Present: Russ Blowers, Gloria Villasana Fuerniss, Benn Sah, M.D., Jeannie Yee, Nancy Farber, Chief Executive Officer *ROLL CALL*

Absent: Miro Garcia

Also present: Kimberly Hartz, Sr. Associate Administrator, Ambulatory Care Services; Chris Henry, Sr. Associate Administrator/CFO; Tina Nunez, Associate Administrator, Ambulatory Care Services; Vanessa Terrasas, Executive Assistant

Guest: Donald Pipkin, Chief of Strategic Management, Robert Alfieri, Chief of Facilities Services, Plant Maintenance

A motion was made by Director Blowers, seconded by Director Villasana Fuerniss, to approve the minutes of the meeting of September 18, 2017. The motion was carried by the following vote: *APPROVAL OF MINUTES OF September 18, 2017*

Ayes: Directors Blowers, Villasana Fuerniss and Sah

Noes: None

Absent: Director Garcia

Abstain: Director Yee

With the recent resignation of Director Shirley Buschke, Chairman Sah announced the appointment of Ms. Jeannie Yee by the Board of Directors of the Washington Township Health Care District to the DEVCO Board. Ms. Yee has served on the Service League Board from 2008 to current holding multiple positions and is familiar with the workings of the Washington Hospital Healthcare System. Ms. Yee has been a Service League volunteer since 2003 and has donated over 7,500 hours to the Hospital. *COMMUNICATIONS*

Mr. Donald Pipkin provided an update on the Lean program. He stated Washington Hospital is now in its third year into the program, and the Healthcare System's Lean transformation journey is progressing well. Departments are dedicating time to practicing tools, methods and daily management within their area(s). Almost all managers and many physicians have been through Lean training and education. *EDUCATION SESSION
Lean Update*

Ms. Farber announced that Washington has been selected to partner with KGO San Francisco and the Zizzo Group to provide health education to the Bay Area. She noted that there was a preselection process and interviews conducted and Washington Hospital was selected for a 2-year partnership. This will be a positive for the District as it will result in more visibility especially with the upcoming 60th anniversary of the Hospital and 70th anniversary of the District as well as the opening of the Morris Hyman Critical Care Pavilion. *PRESIDENT & CHIEF EXECUTIVE OFFICER REPORT*

Ms. Farber noted there will be an upcoming lecture given by Anna Lembke, M.D., Chief, Addiction Medicine Dual Diagnosis Clinic, at Stanford University School of Medicine. Dr. Lembke will be on site on February 14th from 12:30 – 1:30 p.m. to discuss the rise of prescription drug addiction in the U.S. fueled in part by the actions of doctors and the structure of the U.S. healthcare system. Ms. Farber encouraged the Board to attend this lecture and noted copies of Dr. Lembke's book will be distributed to them once received.

*PRESIDENT & CHIEF
EXECUTIVE OFFICER
REPORT CONT'D*

Ms. Farber informed the Board that the Washington On Wheels mobile van has been deployed to Santa Rosa Community Health Centers. The deployment was in response to the recent wildfire in Sonoma County that destroyed many health clinics in the area. The van will provide health services and will remain in Santa Rosa through January 2018.

Robert Alfieri, Chief of Facilities Services at Washington Hospital, presented an update on the Morris Hyman Critical Care Pavilion. Mr. Alfieri noted Doug Van Houten, former Washington Hospital assistant chief nursing officer, will return from his retirement to Washington Hospital to lead the transition to the new pavilion.

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 8:36 a.m.

*ADJOURN TO
CLOSED SESSION*

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

*ADJOURN TO OPEN
SESSION*

There being no further business, the meeting adjourned at 8:55 a.m. The next meeting is currently scheduled for February 2018 at 7:30 a.m. Date to be confirmed.

ADJOURNMENT

Benn Sah, M.D.
Chair

Russ Blowers
Secretary

Washington Township Hospital
Development Corporation
Summary Income Statement
November 2017

	Current Month			Year-To-Date		
	Actual	Budget	Favorable/(Unfavorable) %	Actual	Budget	Favorable/(Unfavorable) %
(1) Visits	3,223	3,223	0.2%	16,588	16,588	0.6%
(2) Treatments & Procedures	295	631	(53.2%)	1,540	2,046	(24.7%)
(3) Total	3,525	3,854	(8.5%)	10,222	18,634	(412)
Gross Revenue						
(4) Patient Revenue	3,766,227	3,501,994	203,233	18,103,820	18,058,830	45,090
(5) Other Revenue	798,767	782,528	16,239	4,089,402	3,931,711	157,691
(6) Total Gross Revenue	4,563,994	4,364,522	219,472	22,193,322	21,990,641	202,781
Deductions						
(7) Total Deductions	1,850,396	1,855,861	5,465	8,746,384	9,364,001	617,697
Contractual Percentage	48.9%	51.8%	2.9%	40.3%	51.9%	3.6%
(8) Net Revenue	2,733,598	2,508,661	224,937	13,446,938	12,626,460	820,478
Expenses						
(9) Purchased Labor	704,453	759,323	(54,870)	3,835,732	3,830,849	4,883
(10) Purchased Benefits	231,609	258,008	(26,397)	1,234,866	1,298,469	63,503
(11) Supplies	294,984	293,912	1,072	1,448,212	1,563,842	115,630
(13) Professional Fees	307,440	304,139	3,309	1,426,099	1,468,585	42,486
(14) Purchased Services	197,644	188,951	8,693	993,352	948,718	44,634
(16) Depreciation and Amort	84,043	80,839	3,204	415,593	399,753	15,840
(17) Utilities	19,585	19,180	395	124,123	117,611	6,512
(18) Building Lease	424,605	421,953	2,652	2,111,772	2,155,227	43,455
(19) Other Expenses	119,502	128,408	(8,906)	623,237	639,047	16,610
(20) Total Expenses	2,463,073	2,464,121	(9,752)	12,313,086	12,422,901	109,815
(21) Net Operating Income/Loss	269,725	54,540	215,185	1,133,852	203,559	930,293
(22) Minority Interest	129,765	63,848	(65,917)	714,807	329,605	(385,002)
(23) Net Income/Loss	139,960	(9,308)	149,268	419,245	(123,046)	542,291



Memorandum

DATE: February 8, 2018

TO: Board of Directors
Washington Township Hospital Development Corporation

FROM: Nancy Farber,
President and Chief Executive Officer

SUBJECT: Radiation Oncology Linear Accelerator, Planning System, and Vault Construction

The Washington Radiation Oncology Center currently uses a Varian 21EX linear accelerator that was purchased more than fifteen years ago and is at the end of its useful life and therefore needs to be replaced.

In addition, the Washington Radiation Oncology Center currently uses the Philips Pinnacle treatment planning system, and it is recommended that the planning system be replaced with an improved planning system called RayStation. The Philips Pinnacle planning platform was installed more than ten years ago, and the industry is beginning to move away from this platform due to the fact Philips is not investing as much in research and development in the platform.

The Washington Radiation Oncology Center is a single-vault clinic. Staff reviewed potential options for the installation of a new linear accelerator, the impact this process may have on patients and clinic operations if performed in the existing vault, and the expense of the various options such as the installation and lease of a mobile linear accelerator while the new linear accelerator is installed or the construction of a second vault that would allow for minimal impact to existing patients and clinic operations. It is recommended that a second vault be built at the Washington Radiation Oncology Center.

The requested capital equipment purchases and the design and construction of a second vault include:

- | | |
|--|-------------|
| • Linear Accelerator & RayStation Software | \$2,725,447 |
| • Second Vault Design and Construction | \$1,719,000 |
| • Contingency (10%) | \$444,445 |

The total capital expense request (including taxes) for the items noted above is \$4,888,892. The Fiscal Year 2017-18 capital budget for the project is \$4,401,250. It is requested that the Board of Directors authorize the Chief Executive Officer to proceed with the purchase of the equipment and the design and construction of the second vault for an amount not to exceed of \$4,888,892 which represents an increase of \$487,642 from the current FY 2018 project budget.