



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

Monday, September 27, 2021 – 7:30 a.m.
Zoom Meeting

AGENDA

- I. CALL TO ORDER & PLEDGE OF ALLEGIANCE** William Nicholson, MD
Board President
- II. ROLL CALL**
- III. COMMUNICATIONS**
 - A. Oral**

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.
 - B. Written**
- IV. CLOSED SESSION**

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.

 - A. Medical Audit and Quality Assurance** Shakir Hyder, MD
Chief of Staff

Reports regarding Medical Audit and Quality Assurance Matters pursuant to Health & Safety Code Sections 1461 and 32155.
- V. OPEN SESSION** William Nicholson, MD
Board President
 - A. Report on Closed Session**
- VI. ADJOURNMENT** William Nicholson, MD
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.

STRATEGIC PLANNING
PRIORITIES & PROGRESS REPORT
September 17, 2021

I. NATIONAL AND LOCAL ECONOMIC UPDATE

The outlook for the national economy is optimistic, however, economists have tapered their GDP growth expectations for the remainder of the year to 5.7%, down from a prior estimate of 6.2%. The global economic recovery continues to be uneven and largely dependent on the effectiveness of response to new and emerging variants of the Coronavirus and overall vaccination rates. Similar to the downward revision to national economic growth over the next quarter, economists have become less optimistic on the outlook for the global GDP forecast. Economists are projecting a 6.1% growth in global GDP, down from 6.3% a month ago. As cases of COVID have intensified over the past month due primarily to the Delta variant and new variants beginning to emerge, consumer and business sentiment has dampened.

The Bureau of Labor Statistic's jobs report showed that the United States added 235,000 jobs in August, as the unemployment rate declined to 5.2%, down from 5.4% in the previous month. The August jobs report showed the fewest jobs created in seven months, driven by a stalling hospitality and leisure industry. However, other details of the employment report showed the unemployment rate declined to a 17-month low, and July job growth was revised sharply upward from 943,000 to 1.053 million. The average hourly wage also grew by a healthy 0.6% and fewer people were experiencing long spells of unemployment. U.S. jobless claims also reached a pandemic low recently, as the number of new applicants declined to 310,000, a sign that the surge in COVID cases caused by the Delta variant has yet to lead to widespread layoffs. However, variants of the Coronavirus, to the extent they continue to emerge, will only serve to increase the uncertainty of sustained future economic growth.

California employers added 104,300 jobs in August as the state's unemployment rate declined slightly to 7.5%, down from 7.6% in the previous month, according to data released by the California Employment Development Department (EDD). The state unemployment rate has now dropped 8.5% from its pandemic peak of 16% in April 2020. California's job gains in August accounted for 44% of the nation's 235,000 overall jobs gain last month.

The District's unemployment rate declined in August to 5.5%, which is down from 5.6% in July. Approximately 10,050 District residents in the labor force are 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.

II. STATE LEGISLATIVE UPDATE

The deadline for California State legislators in both chambers to vote on bills that have been introduced this session ended on September 10th. All the bills that were passed out of the Assembly and Senate have gone to the Governor, who then has until October 10th to sign or veto them.

In recent weeks, two major pieces of health-care policy were being negotiated by CHA (California Hospital Association) and the Governor's office. **CHA was not able to reach an agreement with the Governor's office to have these measures included in a health budget trailer bill.**

CHA has said that it will continue discussions with the Governor and legislators in the next legislative session, but for now the negotiations are stalled. The two issues are:

Seismic Regulation (Formerly AB 1464 (Arambula): CHA requested two major changes:

- Extending the 2030 deadline to 2037.
- Applying 2030 standards only to the emergency department and areas that support the ED following a seismic event (clinical lab, radiology, pre-op holding, OR, PACU, anesthesia, ICU, and storage areas for food, water, testing and monitoring equipment, and pharmaceuticals). The level of services necessary to support the ED will be based on 150 percent of average ED admissions in 2017, 2018, and 2019.

Office of Health Care Affordability (Formerly AB 1130 (Wood): Dr. Wood and the Governor championed this issue. The role of the Office of Healthcare Affordability 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 being met by one or more of the health care entities, the Office would potentially assess financial penalties. Discussion on the bill was slowed by CMA (California Medical Association), which wanted to have physicians exempted from the data reporting requirements. CHA wanted all health care entities, including payers, to be held accountable for health care spending growth targets.

Staff has been tracking the following healthcare related bills as they move through the legislative process:

AB 858 (Jones-Sawyer)

This 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 made it to the Senate floor for a vote, but was placed on the Inactive File, probably because the author did not have the votes for it to pass. It is now a two-year bill and may return again next session.**

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. CHA has just come on with an Oppose position, as well as CMA. CHA will work to kill the bill in Appropriations Committee. Failing that, CHA will attempt to add language requiring payment for hospitals and physicians to reimburse for the cost of the tests. **This bill was put into suspense by the Senate Appropriations Committee and is not going forward.**

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. CHA has removed its opposition to the bill. **This bill was voted out of the Senate and has been sent to the Governor for signature.**

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. **This bill was voted out of the Senate and has been sent to the Governor for signature.**

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 CNA. **This bill went to the Assembly floor for a vote, but has not received a vote yet as of the drafting of this report.**

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. **This bill was held in the Senate Appropriations Committee and will not move forward this year.**

III. FEDERAL LEGISLATURE

Provider Relief Funds

On September 10th, DHHS announced that it will release \$17 billion in provider relief funds for health care providers affected by the COVID-19 pandemic. The funding will be administered through Health Resources and Services Administration. Payments will be based on providers' lost revenues and expenditures between July 1, 2020 and March 31, 2021. To promote equity, HRSA will provide a higher percentage of lost revenues and expenses for smaller providers as compared to larger providers and will provide bonus payments based on the amount of services providers give to Medicaid, CHIP and Medicare patients, priced at the generally higher Medicare rates. HRSA will begin accepting applications for the funding on September 29, 2021.

Infrastructure

Both the House and Senate have been out on recess. The Senate returned September 13th and the House September 20th. However, committees in both chambers have continued to work furiously to meet a September deadline to report out draft text for the Democrat's \$3.5 trillion budget package. The House Ways & Means Committee released a portion of the bill text that includes expansion of Medicare dental, vision, and hearing coverage using a phased implementation approach. The package is also rumored to include a \$250 billion investment in home and community-based services over ten years.

The goal is to reach agreement on a package for consideration by the full House and the Senate by the end of the month, but other issues, including consideration of a separate \$550 billion Senate-passed infrastructure deal, current federal funding expiring September 30th, and the threat of a looming debt ceiling are complicating the route to passage.

Democratic leadership plan to pass the package via reconciliation, which requires only a simple majority to pass, but they are up against razor thin margins in both chambers, especially the Senate. The progressive and moderate wings of the party have been at odds on several issues. More than 130 Democratic co-sponsors introduced a bill that would lower the Medicare eligibility age from 65 to 60, adding pressure to incorporate it into the larger package. On the other hand, moderates are looking to rein in spending. Senator Joe Manchin (D-WV) caused stir when he said that fellow Democrats should "hit the pause button" on the \$3.5 trillion package given Congress' other priorities and concerns over increasing inflation. These comments put the package at significant peril, as Senator Kyrsten Sinema (D-AZ) had previously asserted that she would "not support" a bill that costs \$3.5 trillion.

IV. ADVOCACY ACTIVITIES

As part of a coalition of safety-net hospitals with St. Rose Hospital and Alameda Health System, WHHS applied to Alameda County in August for an allotment of the \$324 million that it received from the federal government from American Rescue Plan Act (ARPA) funding. The coalition requested \$48 million -- \$34 million for AHS, \$8 million for St. Rose, and \$6 million for WHHS. The Board of Supervisors received 52 requests for ARPA funding, so Supervisor Wilma Chan is taking the lead on prioritizing requests. Supervisor Chan is expected to bring back recommendations to her colleagues on September 21st, with

the Board voting on making grants later in the month. The County itself is expected to hold onto some (or perhaps the majority) of the ARPA funding to underwrite the cost of its own COVID-19 pandemic expenses. Staff has been having conversations with the supervisors that represent the district, and is hoping to meet with Supervisor Chan later this month.

V. FOUNDATION

Grateful Patient Program

The Foundation sent its first round of quarterly mailers to recent patients of WHHS in late August. As part of our outreach efforts to date, the Foundation has received a handful of gifts from first time donors. We also recently received a \$150,000 gift from a Grateful Patient, facilitated by a member of the Hospital's Medical Staff.

Foundation Updates & Events

Due to the rise in Delta variant cases, the Foundation has made the difficult decision to cancel the 35th Annual Top Hat Gala. Top Hat's fund beneficiary, Washington Hospital's new Inpatient Acute Rehab Center (IRF), remains a philanthropic priority for the Foundation. In lieu of a traditional celebration, the Foundation will be sharing a series of videos from Hospital staff and patients to help illuminate the need and impact of the future IRF. Funds will be raised through cash gifts, a silent auction, and a raffle.

**DEVCO
FINANCIAL STATEMENTS**

Reporting Period 1

Month of July 2021

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

Current Month				Year - To - Date			
Actual	Budget	Favorable/(Unfavorable)		Actual	Budget	Favorable/(Unfavorable)	
		Variance	%			Variance	%
1,774	1,841	(67)	(3.6%)	1,774	1,841	(67)	(3.6%)
178	265	(87)	(32.8%)	178	265	(87)	(32.8%)
1,952	2,106	(154)	(7.3%)	1,952	2,106	(154)	(7.3%)
3,960,264	6,423,028	(2,462,764)	(38.3%)	3,960,264	6,423,028	(2,462,764)	(38.3%)
858,481	929,230	(70,749)	(7.6%)	858,481	929,230	(70,749)	(7.6%)
4,818,745	7,352,258	(2,533,513)	(34.5%)	4,818,745	7,352,258	(2,533,513)	(34.5%)
2,067,241	3,756,017	1,688,776	45.0%	2,067,241	3,756,017	1,688,776	45.0%
52.2%	58.5%	6.3%		52.2%	58.5%	6.3%	
2,751,504	3,596,241	(844,737)	(23.5%)	2,751,504	3,596,241	(844,737)	(23.5%)
942,283	878,431	(63,852)	(7.3%)	942,283	878,431	(63,852)	(7.3%)
276,560	299,367	22,807	7.6%	276,560	299,367	22,807	7.6%
582,410	699,537	117,127	16.7%	582,410	699,537	117,127	16.7%
212,160	264,993	52,833	19.9%	212,160	264,993	52,833	19.9%
228,823	324,694	95,871	29.5%	228,823	324,694	95,871	29.5%
187,465	208,440	20,975	10.1%	187,465	208,440	20,975	10.1%
28,338	31,426	3,088	9.8%	28,338	31,426	3,088	9.8%
484,990	466,856	(18,134)	(3.9%)	484,990	466,856	(18,134)	(3.9%)
179,231	199,562	20,331	10.2%	179,231	199,562	20,331	10.2%
3,122,260	3,373,306	251,046	7.4%	3,122,260	3,373,306	251,046	7.4%
(370,756)	222,935	(593,691)	(266.3%)	(370,756)	222,935	(593,691)	(266.3%)
(79,555)	136,572	216,127	158.3%	(79,555)	136,572	216,127	158.3%
(291,201)	86,363	(377,564)	(437.2%)	(291,201)	86,363	(377,564)	(437.2%)