



**Minutes of the Open Session of the Regular Meeting of the
El Camino Healthcare District Board of Directors
Tuesday, June 14, 2016
El Camino Hospital, Conference Rooms E, F & G
2500 Grant Road, Mountain View, CA 94040**

Board Members Present

Dennis Chiu
Peter Fung, MD
Julia Miller
David Reeder
John Zoglin

Board Members Absent

None

Members Excused

None

Agenda Item	Comments/Discussion	Approvals/Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the El Camino Healthcare District Board of Directors (the "Board") was called to order at 5:39 pm by Chair Fung.	
2. SALUTE TO THE FLAG	Director Fung led the Board members, staff, and members of the public present in the Pledge of Allegiance.	
3. ROLL CALL	A silent roll call was taken. All Board members were present.	
4. PUBLIC COMMUNICATION	There were no comments from the public.	
5. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Fung asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
6. CONSENT CALENDAR	<p>Chair Fung asked if any member of the Board or the public wished to remove an item from the consent calendar.</p> <p>Chair Fung requested that item 6b (<i>Resolution 2016-05: To approve proposed amendments to ECH Bylaws Article IV, Section 4.3(c) and 4.7</i>) be removed for discussion.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the District Board Meeting (March 15, 2016); <i>Resolution 2016-06: To establish tax appropriation limit for FY17; and Draft Revised Process for Re-election and Election of Non-District Board Members to the El Camino Hospital Board of Directors.</i></p> <p>Movant: Miller Second: Chiu Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>In response to Director Fung's question regarding the "2012 Directors", Mary Rotunno, General Counsel, explained that "2012 Directors" is defined in the bylaws as Hospital Board Directors who are not District Board members. This proposed amendment provides for consistent rules for the Directors</p>	<i>Consent calendar approved</i>

	<p>who are District Board members and those who are not. She reviewed the <i>Gov't Code</i> and <i>Health and Safety Code</i> exceptions that allow for a District Board member to have a contract with the Hospital to provide professional services to Hospital patients, such as an ED On-Call Panel. She also explained that the 49% restriction on interested directors (any person being compensated by the Corporation or a relative of that person) is a California statutory requirement for non-profit corporations.</p> <p>Motion: To approve <i>Resolution 2016-05</i>.</p> <p>Movant: Reeder Second: Zoglin Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
7. FINANCIAL REPORT	<p>a. <u>ECHD FY16 YTD (Period 10) Financials</u></p> <p>Iftikhar Hussain, Chief Financial Officer, reported that for all District entities, including the Hospital, the District is \$2 million behind budget as of April. The \$17 million negative variance in expenses is primarily due to go-live expenses related to Epic, but was offset somewhat by better revenues in part due to better collections and fewer denials. The District is behind budget by \$33 million on non-operating expenses. Mr. Hussain explained that the budget provided for a 4% return on investments, but there is a year to date loss of \$7.8 million. Mr. Hussain also explained that revenues for the District are higher than budget due to increased property tax collections.</p> <p>In response to Director Fung's question, Mr. Hussain clarified the IGT Medi-Cal program, where the District, rather than the Hospital, must pay the State. In return, the State secures matching federal funding and pays the District back. In response to Director Chiu's question, Mr. Hussain confirmed that none of the tax revenues were used to purchase property or finance construction outside the District.</p> <p>In response to Director Zoglin's question, Matt Harris, Controller, stated that the District expected to receive another \$1.1 million in tax revenues by the end of the fiscal year.</p> <p>Motion: To approve the ECHD FY16 Period 10 Financials.</p> <p>Movant: Chiu Second: Reeder Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>b. <u>Fiscal Year 17 El Camino Hospital Capital and Operating Budget</u></p> <p>Mr. Hussain noted that the FY17 El Camino Hospital Budget</p>	<p><i>ECHD FY17 Period 10 Financials, FY17 El Camino Hospital Capital and Operating Budget, ECHD FY17 Standalone and Consolidated Budget, and Capital Appropriation Fund Request approved</i></p>

	<p>had been discussed at the Hospital Board meeting and asked the Directors if there were any questions. No questions were asked.</p> <p>Motion: To approve the FY17 El Camino Hospital Capital and Operating Budget.</p> <p>Movant: Reeder Second: Chiu Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>c. <u>ECHD FY17 Standalone and Consolidated Budget</u></p> <p>Mr. Hussain reported that the District budget provides for similar tax revenues for FY17 and no other significant change.</p> <p>Motion: To approve ECHD FY17 Standalone and Consolidated Budget.</p> <p>Movant: Chiu Second: Reeder Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>d. <u>Capital Appropriation Fund</u></p> <p>Ken King, Chief Administrative Services Officer, outlined the Capital Appropriation Fund request, for FY14 and FY15 funds totaling just over \$9 million. This request is to allocate those funds to support the renovation of the Women's Hospital, which is part of the overall Mountain View Campus Development Plan. In response to Chair Fung's question, Mr. King explained that capital fund appropriation requests are usually made on an annual or semi-annual basis and the funds must be appropriated to a qualifying project within certain time limit or be returned.</p> <p>Motion: To approve the Capital Appropriation Fund Request.</p> <p>Movant: Miller Second: Reeder Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
8. FY17 COMMUNITY BENEFIT PLAN	<p>Cecile Currier, VP of Corporate and Community Health Services, presented the District's Community Benefit (CB) Plan. She thanked the Community Benefit Advisory Council and Directors Fung and Miller for their active participation in reviewing the grant proposals. Ms. Currier explained that the</p>	<i>FY17 Community Benefit Plan approved</i>

total recommended grant funding is \$6.4 million and the total plan amount is \$7 million, which will reach 70,000 community members, in 7 school districts across 3 cities with 53 grants.

She described the Community Benefit department's extensive outreach efforts to raise awareness about funding opportunities; there are 18 new partners this year, the largest number ever. She outlined the researched-based approaches by partners, highlighting Mathematica Policy Research's study of Playworks and GoNoodle operations and the importance of using this research in ECHD decision-making.

Ms. Currier emphasized the strategy to fund needs rather than funding partners. She identified some of the critical community needs the District has invested in, strategies to address those needs, and specific grantees for each area: primary care access, oral health, domestic violence, and hypertension.

She outlined the audit plan to review the four largest community grant recipients.

In response to Director Miller's questions, Ms. Currier described the money allocated to Next Door Solutions from the Hospital and the District. She clarified the District funding would cover a pilot program within District boundaries. Ms. Currier also described Vision to Learn's proposed services at the Sunnyvale School District, introducing their mobile van to the Healthcare District.

Director Zoglin requested more detail on how organizations are working to meet their goals, commenting that organizations should be meeting appropriate targets in order to receive additional funding. Tomi Ryba, CEO, suggested that if organizations are not meeting 50% of their goal(s) at mid-year, this information should be provided to CBAC regarding the barriers faced and the confidence in the organization to achieve their goals. She also suggested that relevant concerns and reports be elevated to the Board. Barbara Avery, Director of Community Benefit, described the process for pilot programs, and explained they often require a few years to ramp up and fully develop programming. Director Fung requested a mid-year report on outcomes and metrics.

Director Miller expressed her hope that there will be more visits to grantee sites planned in FY17.

Director Reeder recommended relying on the expertise of Ms. Currier, her staff, and CBAC in their review of proposals. He also suggested changing the pacing of the review process given that reports on performance are not available until after funding is approved for the next fiscal year.

The Board members discussed whether it is more likely to meet the District's mission to fund organizations not currently operating in the District or to fund organizations that provide similar though perhaps somewhat different or less comprehensive services that have experience serving the

	<p>District. The Board members discussed engaging in a 6-month review to ensure organizations are on target to meet their goals. Director Chiu suggested a study session prior to the release of the Proposed Community Benefit Plan to address questions before the funding request needs approval.</p> <p>Motion: To approve the FY17 Community Benefit Plan as presented.</p> <p>Movant: Zoglin</p> <p>Second: Reeder</p> <p>Director Miller proposed a friendly amendment to approve the plan with the exception of the funding for Vision to Learn and Next Door Solutions – to be pulled for further review. Director Zoglin declined the amendment and suggested a separate conversation on changing the approval process at a later date.</p> <p>Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>9. MOUNTAIN VIEW CAMPUS DEVELOPMENT PLAN APPROVAL</p>	<p>Ken King, Chief Administrative Services Officer, presented El Camino Hospital's Mountain View Campus Development Plan for District approval as required per the terms and conditions of the Hospital's Ground Lease. Mr. King outlined how these projects support the purpose and interests of the Healthcare District, by providing modernized and expanded facilities for various services including mental health services, outpatient services, environments for moms and babies, integrated spaces for physician offices and clinics, and improved access for patients. He noted these projects are consistent with the strategic direction of the Hospital.</p> <p>In response to Director Fung's question, Mr. King outlined the planned parking improvement and traffic mitigation measures, specifically a 10% reduction in single occupancy vehicles coming to campus during peak periods through shuttles, stacking and valet parking, and physician parking permits. He reported that the Mountain View Zoning Administrator recommended approval of the Hospital's Environmental Impact Report (EIR), and it is to be presented at the City Council's public hearing on June 22.</p> <p>In response to Director Miller's question, Mr. King described the Hospital's proposal to increase the size of replacement heritage trees from 24" box trees to 36" box trees, and to replace each tree removed from the campus with three new trees.</p> <p>Motion: To approve the Mountain View Campus Development Plan as presented.</p> <p>Movant: Reeder Second: Chiu Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None</p>	<p><i>Mountain View Campus Development Plan approved</i></p>

	<p>Abstentions: None Absent: None Recused: None</p>	
<p>10. RESOLUTION 2016-07: REVISING REGULAR MEETING DATES FOR CALENDAR YEAR 2016</p>	<p>Cindy Murphy, Board Liaison outlined the two additional meeting dates proposed in 2016. The purpose of the August 16th meeting would be for consideration of funding request for some of the Mountain View Campus Development Projects following approval by the Hospital Board. The December 6th meeting would be for the purpose of swearing in newly elected or reelected District Board members and to possibly consider the election of Hospital Board members.</p> <p>An alternative would be to schedule a District Board meeting following the Hospital Board meeting on August 10th, instead of the proposed August 16th meeting. However, staff noted it would better serve the public to schedule an extra meeting, rather than to schedule sizable funding approvals late at night.</p> <p>Motion: To approve Resolution 2016-07.</p> <p>Movant: Reeder Second: Miller Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Resolution 2016-07 approved</i></p>
<p>11. RESOLUTION 2016-08: APPOINTMENT OF ECH BOARD MEMBER ELECTION AD HOC COMMITTEE</p>	<p>Chair Fung acknowledged Directors Zoglin and Miller and Mr. Gary Kalbach of the El Camino Hospital Governance Committee who have served as members of this committee for the last two years. He appointed Director Reeder as Chair of the Election Ad Hoc Committee for FY17 and recommended that Gary Kalbach continue to serve. Director Chiu nominated Director Miller to fill the remaining seat and she accepted.</p> <p>Motion: To approve Resolution 2016-08 appointing Director Reeder as Chair and Director Miller and Mr. Kalbach as members of the FY17 ECH Board Member Election Ad Hoc Committee.</p> <p>Movant: Chiu Second: Miller Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Resolution 2016-08 approved</i></p>
<p>12. VOLUNTARY CAMPAIGN SPENDING LIMITS</p>	<p>Director Reeder explained his concerns regarding the way public elections are conducted, the <i>Citizens United</i> decision of the Supreme Court, and the growing costs of running for public office driving the average citizen out of the electoral process. Director Fung stressed the need for an even playing field between incumbents and newcomers, allowing newcomers to establish themselves through advertising and expenditures.</p>	

	<p>Director Chiu described the costs of reaching and educating voters in the District and noted that limits would prohibit ECHD candidates from reaching the public, especially in a presidential election year.</p> <p>Director Zoglin commented on the controversial nature of campaign finance reform, especially with organizations outside the District spending significant amounts of money in opposition to particular candidates' campaigns.</p> <p>Directors Fung, Chiu, Zoglin, and Miller commented that they would not support a measure to adopt voluntary spending limits at this time.</p> <p>No action was taken.</p>	
<p>13. DISTRICT PARTICIPATION IN VOLUNTARY ASSOCIATIONS</p>	<p>Tomi Ryba, President and CEO, provided a short list and review of associations in which the District participates:</p> <ul style="list-style-type: none"> - California Special Districts Association (CSDA): training and education on the Brown Act - Santa Clara County Special Districts Association (SCCSDA): local affiliate of CSDA - Association of California Healthcare Districts (ACHD): annual cost is \$45,000; provides training and education, legislative advocacy, and public awareness. Financial issues have been deferred to DHLF (see below). - District Hospital Leadership Forum (DHLF): works effectively with District Hospitals; helped ECH receive \$10.9 funding for PRIME grants and have supported IGT of \$6 million. The staff is well trained on issues in Sacramento and Washington. Both Brenda Taussig, Director of Government and Community Relations, and Iftikhar Hussain, CFO, utilize DHLF resources. <p>Director Miller described her participation on ACHD's Board and the education she has received about bills pending before the state legislature. She also noted that Director Chiu was named ACHD's Trustee of the Year. The Board discussed the value of ACHD membership.</p> <p>Director Zoglin commented that the DHLF and ACHD seem to provide somewhat duplicative services. Director Reeder commented that he has attended some ACHD meetings and found the organization to be more beneficial to smaller healthcare districts.</p> <p>Ms. Ryba asked for guidance from the Board on whether or not staff should pursue renewal of these various memberships. Chair Fung asked Ms. Ryba to bring this topic back in August for further consideration.</p>	<p><i>Topic to be revisited in August 2016</i></p>
<p>14. DRAFT REVISED MEDIA POLICY</p>	<p>Kelsey Martinez, Interim Director of Marketing & Communications, presented the draft revised media policy which clarifies guidelines about distribution of information regarding Board member activities. This District policy was drafted to be consistent with the Hospital's Revised Release</p>	<p><i>Revised District media policy approved</i></p>

	<p>of Information to the Media approved by the Hospital Board in June.</p> <p>The Board discussed a recent press release request regarding a political event hosted at the Mountain View Whisman School District. This forum with the Registrar of Voters was intended to educate any members of the public who wished to run for the El Camino Healthcare District Board. Directors Chiu, Miller, and Reeder attended. Director Reeder commented that the media policy should not inhibit the public from learning more about the District and the Board.</p> <p>In response to Director Fung's question, Ms. Ryba explained that in the event of a conflict between the Healthcare District Board of Directors and the CEO, the Chair of the District Board serves as the official ECHD spokesperson.</p> <p>Motion: To approved the revised Media Policy.</p> <p>Movant: Miller Second: Zoglin Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
15. BOARD COMMENTS	There were no additional Board comments.	
16. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 7:38 pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the District Board Meeting (March 15, 2016); pursuant to <i>Gov't Code Section 54956.9(d)(2)</i> for conference with legal counsel – pending or threatened litigation and <i>Health and Safety Code Section 32106(b)</i> for a report involving health care facility trade secrets: Review of Annual El Camino Hospital Board Self-Assessment; and pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters: Executive Session.</p> <p>Movant: Miller Second: Chiu Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<i>Meeting adjourned to closed session</i>
17. AGENDA ITEM 22: RECONVENE OPEN SESSION	<p>Open session was reconvened at 9:17 pm.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the March 15, 2016 District Board Meeting by a unanimous vote in favor by all members present (Directors Chiu, Fung, Miller, Reeder, Zoglin).</p>	
18. AGENDA ITEM 23: FY17 PACING PLAN	<p>Motion: To approve the FY17 Pacing Plan.</p> <p>Movant: Miller Second: Chiu Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None</p>	<i>FY17 pacing plan approved</i>

	Abstentions: None Absent: None Recused: None	
19. AGENDA ITEM 24 – ADJOURNMENT	Motion: To adjourn at 9:18 pm. Movant: Reeder Second: Chiu Ayes: Chiu, Fung, Miller, Reeder, Zoglin Noes: None Abstentions: None Absent: None Recused: None	<i>Meeting adjourned at 10:41 pm.</i>

Attest as to the approval of the foregoing minutes by the Board of Directors of El Camino Healthcare District:



Peter C. Fung, MD
Chair, ECHD Board

Julia Miller
ECHD Board Secretary

Prepared by: Cindy Murphy, Board Liaison
Sarah Rosenberg, Contracts & Board Services Coordinator