



AGENDA

REGULAR MEETING OF THE EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS

Tuesday, October 22, 2019 – 5:30pm

El Camino Hospital | Conference Rooms EF&G (ground floor)
2500 Grant Road Mountain View, CA 94040

PURPOSE: The purpose of the District shall be (i) to establish, maintain and operate, or provide assistance in the operation of, one or more health facilities (as that term is defined in California Health and Safety Code Section 1250) or health services at any location within or without the territorial limits of the District, for the benefit of the District and the people served by the District; (ii) to acquire, maintain and operate ambulances or ambulance services within or without the District; (iii) to establish, maintain and operate, or provide assistance in the operation of free clinics, diagnostic and testing centers, health education programs, wellness and prevention programs, rehabilitation, aftercare, and such other health care services provider, groups, and organizations that are necessary for the maintenance of good physical and mental health in the communities served by the District; and (iv) to do any and all other acts and things necessary to carry out the provisions of the District's Bylaws and the Local Health District Law.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Gary Kalbach, Board Chair		5:30 – 5:31pm
2. SALUTE TO THE FLAG	Gary Kalbach, Board Chair		5:31 – 5:33pm
3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Gary Kalbach, Board Chair		5:33 – 5:34
4. PUBLIC COMMUNICATION a. Oral Comments <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.</i> b. Written Correspondence	Gary Kalbach, Board Chair		information 5:34 – 5:37
5. CONSENT CALENDAR <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i> Approval a. Minutes of the Open Session of the District Board Meeting (6/18/2019) b. FY19 Year-End Consolidated Financials Information c. Sponsorships (July-October 2019)	Gary Kalbach, Board Chair	<i>public comment</i>	motion required 5:37 – 5:39
6. COMMUNITY BENEFIT SPOTLIGHT <i>Resolution 2019-09</i> ATTACHMENT 6	Barbara Avery, Director, Community Benefit Tom Myers, Executive Director, CSA Mountain View-Los Altos	<i>public comment</i>	motion required 5:39 – 5:49
7. FINANCIAL REPORT a. ECHD FY19 Year-End Standalone Financials b. ECHD FY20 YTD Financials	Iftikhar Hussain, CFO	<i>public comment</i>	possible motion(s) 5:49 – 6:09
8. FY19 FINANCIAL AUDIT ATTACHMENT 8	Brian Conner, Moss Adams LLP		discussion 6:09 – 6:24
9. CAPITAL FUNDING REQUEST: MV CAMPUS COMPLETION PROJECT ATTACHMENT 9	Ken King, CASO	<i>public comment</i>	possible motion 6:24 – 6:39

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AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
10. REVIEW OF COMMUNITY BENEFIT GRANT MAKING PROCESS ATTACHMENT 10	Barbara Avery, Director, Community Benefit	<i>public comment</i>	possible motion(s) 6:39 – 7:24
11. FY19 COMMUNITY BENEFIT REPORT ATTACHMENT 11	Barbara Avery, Director, Community Benefit	<i>public comment</i>	possible motion 7:24 – 7:39
12. HOSPITAL BOARD MEMBER ELECTION AD HOC COMMITTEE REPORT ATTACHMENT 12	Julia Miller, Ad Hoc Committee Chair		discussion 7:39 – 7:49
13. RE-ELECTION OF EL CAMINO HOSPITAL BOARD MEMBERS	Gary Kalbach, Board Chair	<i>public comment</i>	possible motion 7:49 – 7:54
14. FY20 PACING PLAN ATTACHMENT 14	Gary Kalbach, Board Chair		discussion 7:54 – 7:59
15. ADJOURN TO CLOSED SESSION	Gary Kalbach, Board Chair	<i>public comment</i>	motion required 7:59 – 8:04
16. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Gary Kalbach, Board Chair		information 8:04 – 8:05
17. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: - FY19 Financial Audit	Brian Conner, Moss Adams LLP		discussion 8:05 – 8:10
18. CONSENT CALENDAR <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i> <i>Approval</i> <i>Gov't Code Section 54957.2:</i> a. Minutes of the Closed Session of the District Board Meeting (6/18/2019)	Gary Kalbach, Board Chair		motion required 8:10 – 8:12
19. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – CFO: - Annual Evaluation of the ECHD CFO	Dan Woods, CEO		discussion 8:12 – 8:22
20. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – CEO: - Annual Evaluation of the ECHD CEO	Gary Kalbach, Board Chair		discussion 8:22 – 8:32
21. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: - Executive Session	Gary Kalbach, Board Chair		discussion 8:32 – 8:37
22. ADJOURN TO OPEN SESSION	Gary Kalbach, Board Chair		motion required 8:37 – 8:38

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
23. RECONVENE OPEN SESSION/ REPORT OUT	Gary Kalbach, Board Chair		information 8:38 – 8:39
To report any required disclosures regarding permissible actions taken during Closed Session.			
24. APPROVAL OF FY19 FINANCIAL AUDIT	Gary Kalbach, Board Chair	<i>public comment</i>	possible motion 8:39 – 8:41pm
25. BOARD COMMENTS	Gary Kalbach, Board Chair		discussion 8:41 – 8:44pm
26. ADJOURNMENT	Gary Kalbach, Board Chair	<i>public comment</i>	motion required 8:44 – 8:45pm

Upcoming Meetings: January 28, 2020; March 17, 2020; May 19, 2020; June 16, 2020



**Minutes of the Open Session of the
Meeting of the El Camino Healthcare District Board of Directors
Tuesday, June 18, 2019**
El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040
Conference Rooms F&G (ground floor)

Board Members Present

Peter C. Fung, MD, Chair

Gary Kalbach

Julia E. Miller, Vice Chair

George O. Ting, MD

John Zoglin, Secretary/Treasurer

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 5:17pm by Chair Fung. A silent roll call was taken. All Board members were present. Director Ting arrived at 5:18pm and Director Zoglin arrived at 5:21pm during Agenda Item 6: Community Benefit Spotlight.	
2. SALUTE TO THE FLAG	Chair Fung led the Board members, staff, and members of the public present in the Pledge of Allegiance.	
3. 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.	
4. PUBLIC COMMUNICATION	None.	
5. CONSENT CALENDAR	<p>Chair Fung asked if any member of the Board or the public wished to remove an item from the consent calendar. No items were removed.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the District Board Meeting (May 20, 2019); Minutes of the Open Session of the District Board Meeting (May 21, 2019).</p> <p>Movant: Miller Second: Kalbach Ayes: Fung, Kalbach, Miller Noes: None Abstentions: None Absent: Ting, Zoglin Recused: None</p>	<i>Consent calendar approved</i>
6. COMMUNITY BENEFIT SPOTLIGHT: CRISTO REY	<p>Motion: To approve <i>Resolution 2019-05</i>.</p> <p>Movant: Kalbach Second: Miller Ayes: Fung, Kalbach, Miller, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None</p> <p>Barbara Avery, Director, Community Benefit, introduced Dr. Margaret Higgins, President of Cristo Rey San Jose Jesuit High School, and recognized the organization's three year partnership with El Camino Hospital.</p>	<i>Resolution 2019-05 approved</i>

	<p>Dr. Higgins described the history of the school and its student population (100% underserved families, 99% minority population, and 94% will be the first generation to attend college). She also described the impact of the partnership with El Camino Hospital that has supported the expansion of the school's health & wellness programming.</p> <p>The Board thanked Dr. Higgins and the Cristo Rey team for their work.</p>	
<p>7. RESOLUTION 2019-06</p>	<p>Michael Walsh, Controller, described the methodology for calculating the tax appropriation (Gann Limit) for FY20, which uses factors from the Department of Finance of the State of California, including cost-of-living factors and population changes.</p> <p>Motion: To approve <i>Resolution 2019-06</i>: Established Tax Appropriation Limit for FY20 (Gann Limit).</p> <p>Movant: Kalbach Second: Ting Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Resolution 2019-06 approved</i></p>
<p>8. PROPOSED FY20 COMMUNITY BENEFIT PLAN</p>	<p>Barbara Avery, Director, Community Benefit, explain that there were 59 community benefit proposals received and 54 recommended for funding by the Community Benefit Advisory Council (CBAC) for a plan total of \$7.8 million.</p> <p>She reported that MayView Community Health Center ("Mayview") requested an additional \$500,000, which was not in the set of proposals presented for review at the Board's study session in May. Ms. Avery also reviewed the grant requests of \$200,000 or more.</p> <p>Kenneth D. Graham, FACHE, CEO of MayView, joined the meeting via teleconference. Mr. Graham provided an overview of MayView's services for District residents and their request for additional funding.</p> <p>In response to questions from the Board, Mr. Graham explained that:</p> <ul style="list-style-type: none"> - MayView's overall budget is approximately \$9 million: half from patient revenues and half from subsidies and grants (\$1.2 million from ECHD, \$600,000 from the PRIME program, \$2.5 million contract with the County). - Stanford's involvement with MayView includes \$250,000 for a remodel project at MayView's Palo Alto site, physician faculty service as MayView board members, and 1.4 FTE doctors on staff. - This one-time need for additional funding is due to a new sustainability plan that features a complex repositioning of finances. Mr. Graham described components of the plan to 1) obtain a Federally Qualified Health Center (FQHC) grant, 2) upgrade their Medi-Cal payment structure, 3) improve the contract with Santa Clara County, and 4) begin a private fundraising program. The funding from the District would bridge the gap until the FQHC designation is received. - The timing for the request was due to the availability of the FQHC application from the federal government. <p>Director Zoglin suggested more visible acknowledgement of the partnership between the District and MayView on MayView's website. He also suggested considering providing medical services through El Camino</p>	<p><i>FY20 Community Benefit Plan approved</i></p>

	<p>Health rather than grant funding going forward.</p> <p>In response to questions from Director Miller, Mr. Graham described the direct referrals from El Camino and program development with the County.</p> <p>Mr. Graham thanked the Board for their support and discontinued participation in the meeting.</p> <p>Motion: To approve the proposed FY20 Community Benefit Plan.</p> <p>Movant: Miller Second: Kalbach Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>9. FINANCIAL REPORT</p>	<p>a. ECHD FY19 Period 10 Financials</p> <p>Iftikhar Hussain, CFO, reported that:</p> <ul style="list-style-type: none"> - On the consolidated financials, cash position remains strong, expenses are below plan, and investments continue to be volatile. - On standalone revenue and expenses, there is confirmation of second IGT payment in May/June and expenses are close to budget. <p>Director Miller suggested that the wages & benefits line item be removed as the District has no employees.</p> <p>In response to Board questions, Mr. Hussain reported that the \$170,000 variance in professional fees and purchased services is due to election-related fees for the Registrar of Voters.</p> <p>b. FY20 ECH Capital and Operating Budget</p> <p>Mr. Hussain noted that the budget has been reviewed and approved by the Hospital Board.</p> <p>c. FY20 ECHD Consolidated and Standalone Budget</p> <p>Mr. Hussain provided an overview of the consolidated and standalone budget, highlighting: 1) the Gann Limit calculation for FY20, 2) operating income of \$78 million for all affiliates, and 3) projected cash spend of \$292 million in FY20. He further described the facilities capital budget breakdown across approved, planned, and future projects.</p> <p>Motion: To approve the ECHD FY19 Period 10 Financials the ECH FY20 Capital and Operating Budget, and the FY20 ECHD Consolidated and Standalone Budget.</p> <p>Movant: Kalbach Second: Ting Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>d. Allocation of Capital Outlay Funds</p> <p>Ken King, CASO, described the recommendation to designate the FY17 funds totaling \$6.9 million in the Capital Outlay Fund in support of the Women's Hospital expansion renovation project. He noted that the funds must be specifically designated for use within use within a two-year period</p>	<p><i>ECHD FY19 Period 10 Financials; ECH FY20 Capital and Operating Budget; and FY20 ECHD Consolidated & Standalone Budget approved</i></p> <p><i>Capital Outlay Fund</i></p>

	<p>for capital land/building project or equipment that has a cost of greater than \$100,000 and a useful life of 10 years or more.</p> <p>In response to Director Zoglin's question, Mr. King explained that the cadence of fund allocation allows for prioritization of qualifying projects. He described some of the restrictions on the use of public funds and noted that capital outlay dollars are used for fees related to architectural work, permitting, inspections, etc.</p> <p>Motion: To approve the Allocation of Capital Outlay Funds.</p> <p>Movant: Kalbach Second: Ting Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<i>allocation approved</i>
10. APPOINTMENT OF LIAISON TO COMMUNITY BENEFIT ADVISORY COUNCIL (CBAC)	<p>Motion: To appoint Director Miller as the District Liaison to the CBAC.</p> <p>Movant: Fung Second: Kalbach Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<i>CBAC Liaison appointed</i>
11. BOARD OFFICER ELECTION	<p>Cindy Murphy, Director of Governance Services, reported that Director Kalbach has declared interest in serving as Chair.</p> <p>Director Fung requested nominations or declarations of interest from the floor for the position of Chair.</p> <p>Motion: To close the nominations for the position of Chair.</p> <p>Movant: Miller Second: Ting Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Motion: To elect Director Kalbach as ECHD Board Chair for a two-year term of service, effective July 1, 2019.</p> <p>Movant: Miller Second: Ting Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Cindy Murphy, Director of Governance Services, reported that Director Miller has declared interest in serving as Vice Chair.</p> <p>Director Fung requested nominations or declarations of interest from the floor for the position of Vice Chair. Director Zoglin suggested that the Board Chair and Vice Chair be on alternate election cycles and nominated Director Fung. Director Kalbach nominated Director Ting. Directors Fung</p>	<i>Board Officers elected</i>

and Ting accepted their nominations.

Director Miller nominated Director Zoglin, who declined the nomination.

Motion: To close the nominations for the position of Vice Chair.

Movant: Kalbach
Second: Ting
Ayes: Fung, Kalbach, Miller, Ting, Zoglin
Noes: None
Abstentions: None
Absent: None
Recused: None

For Round 1, the Directors cast the following votes for Vice Chair by written ballot, which were immediately reported by staff, attributing each vote to each Director:

Director Fung: Fung
Director Kalbach: Ting
Director Miller: Miller
Director Ting: Ting
Director Zoglin: Fung

For Round 2, the Directors cast the following votes for Vice Chair by written ballot, which were immediately reported by staff, attributing each vote to each Director:

Director Fung: Fung
Director Kalbach: Ting
Director Miller: Fung
Director Ting: Ting
Director Zoglin: Ting

Director Ting achieved a majority of votes in Round 2.

Motion: To elect Director Ting as ECHD Board Vice Chair for a two-year term of service, effective July 1, 2019.

Movant: Fung
Second: Miller
Ayes: Fung, Kalbach, Miller, Ting, Zoglin
Noes: None
Abstentions: None
Absent: None
Recused: None

Ms. Murphy reported that there were no declarations of interest for the Secretary/Treasurer position.

Director Fung requested nominations or declarations of interest from the floor for the position of Secretary/Treasurer. Director Fung nominated Director Miller.

Motion: To close the nominations for the position of Secretary/Treasurer.

Movant: Ting
Second: Kalbach
Ayes: Fung, Kalbach, Miller, Ting, Zoglin
Noes: None
Abstentions: None
Absent: None
Recused: None

	<p>Motion: To elect Director Miller as ECHD Board Secretary/Treasurer for a two-year term of service, effective July 1, 2019.</p> <p>Movant: Fung Second: Kalbach Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>12. RESOLUTION 2019-07</p>	<p>Motion: To appoint Director Miller as Chair of the El Camino Hospital Board Member Election Ad Hoc Committee.</p> <p>Movant: Fung Second: Kalbach Ayes: Fung, Kalbach, Miller, Ting Noes: None Abstentions: None Absent: Zoglin Recused: None</p> <p>Director Fung nominated Director Kalbach as the second member of the Ad Hoc Committee.</p> <p>Movant: Fung Second: Miller</p> <p>Director Zoglin suggested that the incoming Chair nominate the Ad Hoc Committee. The Board discussed the timing and the process of Ad Hoc Committee selection and Director Miller suggested that the new Board Chair consider a new process going forward.</p> <p>Director Kalbach declined the nomination and there was no vote on the motion. Director Fung nominated Director Zoglin, who declined the nomination. Director Miller nominated Director Ting, who accepted the nomination.</p> <p>Motion: To appoint Director Ting as the second member of the Ad Hoc Committee.</p> <p>Movant: Miller Second: Kalbach Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Motion: To approve <i>Resolution 2019-07</i> appointing Director Miller as the Chair of the Ad Hoc Committee, Director Ting as a member, and Hospital Board Chair Lanhee Chen and Governance Committee Member Christina Lai as advisors to the Committee.</p> <p>Movant: Fung Second: Kalbach Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Resolution 2019-07 approved</i></p>

13. RESOLUTION 2019-08	<p>Cindy Murphy, Director of Governance, explained that the Resolution will set the meeting dates for the next fiscal year.</p> <p>Motion: To approve <i>Resolution 2019-08</i>: Setting Meeting Dates for Fiscal Year 2020.</p> <p>Movant: Miller Second: Kalbach Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Resolution 2019-08 approved</i></p>
14. PROPOSED FY20 PACING PLAN	<p>Motion: To approve the Proposed FY20 Pacing Plan.</p> <p>Movant: Kalbach Second: Zoglin Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>FY20 Pacing Plan approved</i></p>
15. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 6:22pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of Minutes of the Closed Session of the District Board Meeting (May 21, 2019); pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: Executive Session.</p> <p>Movant: Kalbach Second: Miller Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Adjourned to closed session at 6:22pm</i></p>
16. AGENDA ITEM 20: RECONVENE OPEN SESSION/REPORT OUT	<p>Open session was reconvened at 6:44pm. Agenda items 16-19 were addressed in closed session.</p> <p>During the closed session, the Board approved the Minutes of the Closed Session of the District Board Meeting (May 21, 2019) by a unanimous vote in favor of all members present (Directors Fung, Miller, Kalbach, Ting, and Zoglin).</p>	
17. AGENDA ITEM 21: BOARD COMMENTS	<p>Director Miller announced that the Hospital is sponsoring the Jazz on the Plazz concert series and encouraged the public to attend.</p> <p>Director Kalbach thanked the Board for his selection as Board Chair.</p> <p>Director Fung thanked the Board for his time as Chair.</p>	
18. AGENDA ITEM 22: ADJOURNMENT	<p>Motion: To adjourn at 6:46pm.</p> <p>Movant: Miller Second: Ting Ayes: Fung, Kalbach, Miller, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting adjourned at 6:46pm.</i></p>

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

Gary Kalbach
Chair, ECHD Board

Julia E. Miller
Secretary, ECHD Board

Prepared by: Cindy Murphy, Director of Governance Services
Sarah Rosenberg, Contracts & Board Services Coordinator

DRAFT



Dedicated to improving the health and well being of the people in our community.

**Board Finance Presentation – Consolidated Statement
Fiscal Year 2019
7/1/2018- 6/30/2019**

Iftikhar Hussain, CFO

El Camino Healthcare District Board of Directors Meeting
October 22, 2019

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ECHD Consolidated Financial Statements (Includes El Camino Hospital)

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NOTE: Accounting standards require that audited financial statements for El Camino Healthcare District be presented in consolidated format, including El Camino Hospital and its controlled affiliates. In an effort to help ensure public accountability and further ensure the transparency of the District’s operations, the District also prepares internal, “Stand-Alone” financial statements which present information for the District by itself.



El Camino Healthcare District

Consolidated Comparative Balance Sheet (\$ Millions)

(Includes El Camino Hospital)

	Jun 30, 2019	June 30, 2018 Audited w/o Eliminations		Jun 30, 2019	June 30, 2018 Audited w/o Eliminations
<u>ASSETS</u>			<u>LIABILITIES & FUND BALANCE</u>		
Current Assets			Current Liabilities		
Cash & Investments	\$314	\$296	Accounts Payable & Accrued Exp ⁽⁵⁾	\$135	\$119
Patient Accounts Receivable, net	\$132	\$125	Bonds Payable - Current	12	7
Other Accounts and Notes Receivable	\$14	\$6	Bond Interest Payable	15	16
Inventories and Prepays	\$64	\$76	Other Liabilities	10	9
Total Current Assets	524	503	Total Current Liabilities	173	151
Board Designated Assets			Deferred Revenue	1	1
Foundation Reserves	17	16	Deferred Revenue Inflow of Resources	14	26
Community Benefit Fund	20	21	Long Term Liabilities		
Operational Reserve Fund ⁽¹⁾	141	129	Bond Payable	629	643
Workers Comp, Health & PTO Reserves	76	74	Benefit Obligations	48	47
Facilities Replacement Fund ⁽²⁾	216	189	Other Long-term Obligations	4	4
Catastrophic & Malpractice Reserve ⁽³⁾	22	20	Total Long Term Liabilities	681	695
Total Board Designated Assets	492	450	Fund Balance		
Non-Designated Assets			Unrestricted	1,396	1,268
Funds Held By Trustee ⁽⁴⁾	107	218	Board Designated & Restricted	412	359
Long Term Investments	376	346	Capital & Retained Earnings	17	16
Other Investments	39	35	Total Fund Balance	1,825	1,643
Net Property Plant & Equipment	1,097	920			
Deferred Outflows of Resources	30	21			
Other Assets	29	23			
Total Non-Designated Assets	1,678	1,563			
TOTAL ASSETS	\$2,694	\$2,516	TOTAL LIAB. & FUND BAL.	\$2,694	\$2,516



Note: Totals may not agree due to rounding. See page 5 for footnotes.

El Camino Healthcare District

Consolidated Comparative Statement of Revenues & Expenses (\$ Millions)

Year-to-Date through June 30, 2019

(Includes El Camino Hospital)

	<u>Actual</u>	<u>Budget</u>	<u>Fav (Unfav) Variance</u>	<u>Prior YTD FY Actual</u>
Net Patient Revenue ⁽⁶⁾	952	920	32	894
Other Operating Revenues ⁽⁷⁾	47	50	-2	45
Total Operating Revenues	999	969	30	939
Wages and Benefits	512	517	4	473
Supplies	139	141	3	128
Purchased Services	144	131	-13	121
Other	35	33	-2	30
Depreciation	52	53	1	50
Interest	4	8	3	5
Total Operating Expense ⁽⁸⁾	886	883	(3)	807
Operating Income	113	86	27	132
Non-Operating Income ⁽⁹⁾	65	40	25	74
Net Income	178	127	52	205



Note: Totals or variances may not agree due to rounding. See page 5 for footnotes.

El Camino Healthcare District
Notes to Consolidated Financial Statements
Current FY 2019 Actual to Budget
(Includes El Camino Hospital)

- 1) The increase is due to the annual resetting of a 60 day reserve of expenses based on the current fiscal year's Hospital budget.
- 2) The current period Facilities Replacement Fund is comprised of (\$ Millions):

ECH Capital Replacement Fund (i.e. Funded Depr.)	\$166
ECHD Appropriation Fund (fka: Capital Outlay)	15
ECH Women's Hospital Expansion	15
ECH BHS Replacement Building Fund	14
ECHD Capital Replacement Fund (i.e. Funded Depr.)	<u>6</u>
	<u>\$216</u>

- 3) The current period Catastrophic & Malpractice Fund is comprised of (\$ Millions):

ECH Catastrophic Fund (aka: Earthquake Fund)	\$20
ECH Malpractice Reserve	<u>2</u>
	<u>\$22</u>

- 4) The decrease is due to the Bond Project Fund disbursements for the IMOB and BHS construction.
- 5) The increase is due to the significant construction and facilities accruals booked at year end.
- 6) The increase in Net Patient Revenue was driven by increased volumes in Oncology visits (9.0%), Rehabilitation procedures (8.0%), and General Surgery (6.6%), along with \$4.6 million in cost report settlements.
- 7) Primarily the negative variance is due to the slow start up of the OP Pharmacy program that began in early fiscal 2019 and anticipated budget for the Los Gatos Infusion Center that will not occur until FY2020.
- 8) The negative variance in expenses was in the Purchased Services line driven by the Professional Services Agreements in SVMMD due to the acquisition of the San Jose Medical Group and the expansion of services due to the growth and services to support SVMMD, which was not projected in the fiscal year 2019 budget. Most other line items of expense had positive variances offsetting the Purchased Services negative variance.
- 9) The very positive variance is primarily due to strong performance in our investment returns this year.





EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Cecile Currier, VP Corp. & Comm. Health Svcs and President, CONCERN:EAP
Barbara Avery, Director Community Benefit
Date: October 22, 2019
Subject: Community Benefit Sponsorships

Purpose:

To provide the Board with FY20 ECHD Sponsorships from July 2019 – October 2019.

Summary:

1. **Situation:** Community Benefit Staff was asked to keep the Board informed regarding Community Benefit Sponsorships YTD.
2. **Authority:** Board reviewed and approved \$200,000 for Sponsorships in the FY20 Community Benefit Plan in June 2019.
3. **Background:**
 - Sponsorship information and instructions are available on the District website.
 - Requests include sponsorship packets that outline event date, purpose, levels of sponsorship and requirements for sponsor acknowledgement. These requests are reviewed throughout the year as they come in by Community Benefit Staff and the other designated departments that provide community sponsorships (e.g. Marketing & Communications and Government & Community Relations).
 - Community Benefit funded Sponsorships provide general support for health-related agencies improving the well-being of the community.
 - Community Benefit Sponsorships from July 2019 – October 2019 total \$79k for the following agencies:

- Adolescent Counseling Services	- Home First – Cold Weather Shelter, Sunnyvale
- Avenidas – Senior Services	- Momentum for Mental Health
- Community Services Agency, Mountain View	- Pacific Hearing Connection
- Downtown Streets Team – Addressing Homelessness, Sunnyvale	- Pathways Home Health & Hospice
	- Rebuilding Together– Falls Prevention
	- Valley Medical Center Foundation
4. **Assessment:** N/A
5. **Other Reviews:** N/A
6. **Outcomes:** N/A

List of Attachments: N/A

Suggested Board Discussion Questions: None. This is an informational consent item.

EL CAMINO HEALTHCARE DISTRICT

RESOLUTION 2019-09

RESOLUTION OF THE BOARD OF DIRECTORS OF EL CAMINO HEALTHCARE DISTRICT REGARDING RECOGNITION OF SERVICE TO THE COMMUNITY

WHEREAS, the Board of Directors of the El Camino Healthcare District values and wishes to recognize the contribution of individuals who serve the District's community as well as individuals who exemplify the El Camino Healthcare District's mission and values.

WHEREAS, the Board wishes to honor and recognize Community Services Agency of Mountain View and Los Altos for partnering with El Camino Healthcare District to deliver the Senior Intensive Clinical Case Management Program that aims to reduce the rate of re-hospitalizations and optimize functioning to avoid premature institutionalization amongst older adults.

El Camino Healthcare District and Community Services Agency of Mountain View and Los Altos began a partnership in 2012 to provide intensive case management services by licensed clinical staff for vulnerable, older adults with chronic conditions. The partnership aims to improve quality of life for older adults by reducing potential hospital readmissions and increasing the likelihood for them to live independently in their own homes. The Senior Intensive Clinical Case Management program at Community Services Agency of Mountain View and Los Altos has served over 800 older adults and delivered over 30,000 services. The services provided to the community include assistance with monitoring of health conditions, medication management and home visits from a Nurse Case Manager to overcome access barriers for homebound older adults.

WHEREAS, the Board would like to acknowledge Community Services Agency of Mountain View and Los Altos for its commitment to providing the Senior Intensive Clinical Case Management Program.

NOW THEREFORE BE IT RESOLVED that the Board does formally and unanimously pay tribute to:

Community Services Agency of Mountain View and Los Altos

IN WITNESS THEREOF, I have here unto set my hand this **22ND DAY OF OCTOBER, 2019**.

EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS:

Peter C. Fung, MD • Gary Kalbach • Julia E. Miller • George O. Ting, MD • John Zoglin

JULIA E. MILLER
SECRETARY/TREASURER
EL CAMINO HEALTHCARE DISTRICT BOARD OF DIRECTORS





Dedicated to improving the health and well being of the people in our community.

**Board Finance Presentation – ECHD Stand-Alone
Fiscal Year 2019
7/1/2018- 6/30/2019**

Iftikhar Hussain, CFO

El Camino Healthcare District Board of Directors Meeting
October 22, 2019

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NOTE: Accounting standards require that audited financial statements for El Camino Healthcare District be presented in consolidated format, including El Camino Hospital and its controlled affiliates. In an effort to help ensure public accountability and further ensure the transparency of the District’s operations, the District also prepares internal, “Stand-Alone” financial statements which present information for the District by itself.



El Camino Healthcare District

Stand-Alone Comparative Balance Sheet (\$ Thousands)

*These financial statements **exclude** the District's El Camino Hospital Corporation and its controlled affiliates*

	June 30, 2019	June 30, 2018		June 30, 2019	June 30, 2018
<u>ASSETS</u>			<u>LIABILITIES & FUND BALANCE</u>		
Cash & cash equiv	\$3,679	\$4,306	Accounts payable ⁽⁸⁾	\$0	\$0
Short term investments	8,523	2,377	Current portion of bonds	3,800	3,310
Due fm Retiree Health Plan ⁽¹⁾	30	10	Bond interest payable	2,403	2,603
S.C. M&O Taxes Receivable	0	0	Other Liabilities	102	106
Other current assets	17	21			
Total current assets	\$12,249	\$6,714	Total current liabilities	\$6,305	\$6,019
Operational Reserve Fund ⁽²⁾	1,500	1,500			
Capital Appropriation Fund ⁽³⁾	23,778	20,964			
Capital Replacement Fund ⁽⁴⁾	5,592	5,298	Deferred income	49	47
Community Benefit Fund ⁽⁵⁾	1,822	5,596	Bonds payable - long term	121,392	125,687
Total Board designated funds	\$32,693	\$33,358	Total liabilities	\$127,746	\$131,753
Funds held by trustee ⁽⁶⁾	\$24,028	\$20,837	Fund balance		
Capital assets, net ⁽⁷⁾	\$10,766	\$10,978	Unrestricted fund balance	\$55,558	\$50,692
			Restricted fund balance ⁽⁹⁾	(103,567)	(110,558)
			Total fund balance	(\$48,009)	(\$59,866)
TOTAL ASSETS	\$79,736	\$71,888	TOTAL LIAB & FUND BALANCE	\$79,736	\$71,888



Note: Totals may not agree due to rounding. See page 9 for footnotes.

El Camino Healthcare District

YTD **Stand-Alone** Stmt of Revenue and Expenses (\$ Thousands)

Comparative Year-to-Date June 30, 2019

*These financial statements **exclude** the District's El Camino Hospital Corporation and its controlled affiliates*

	Actual	Current Year Budget	Variance	Prior Full Year Actual
<u>REVENUES</u>				
(A) Ground Lease Revenue ⁽¹⁰⁾	\$ 96	\$ 96	\$ -	\$ 92
(B) Redevelopment Taxes ⁽¹¹⁾	268	156	112	256
(B) Unrestricted M&O Property Taxes ⁽¹¹⁾	8,429	8,429	-	8,025
(B) Restricted M&O Property Taxes ⁽¹¹⁾	8,989	8,300	689	7,831
(B) G.O. Taxes Levied for Debt Service ⁽¹¹⁾	9,989	10,200	(211)	9,266
(B) IGT/PRIME Medi-Cal Program ⁽¹²⁾	(6,829)	(2,351)	(4,478)	(6,469)
(B) Investment Income (net)	1,307	284	1,023	29
(B) Other income	-	-	-	0
TOTAL NET REVENUE	22,249	25,114	(2,865)	19,030
<u>EXPENSES</u>				
(A) Wages & Benefits ⁽¹³⁾	-	-	-	0
(A) Professional Fees & Purchased Svcs ⁽¹⁴⁾	629	567	(62)	439
(A) Supplies & Other Expenses	62	166	104	153
(B) G.O. Bond Interest Expense (net) ⁽¹⁵⁾	2,805	3,093	288	3,037
(B) Donations to Outside Organizations ⁽¹⁶⁾	7,337	7,000	(337)	6,847
(A) Depreciation / Amortization	212	225	13	231
TOTAL EXPENSES	11,045	11,051	6	10,707
NET INCOME	\$ 11,204	\$ 14,064	\$ (2,860)	\$ 8,323
 (A) Operating Revenues & Expenses (B) Non-operating Revenues & Expenses				
<u>RECAP STATEMENT OF REVENUES & EXPENSE</u>				
(A) Net Operating Revenues & Expenses	\$ (807)			
(B) Net Non-Operating Revenues & Expenses	12,011			
NET INCOME	\$ 11,204			



Note: Totals may not agree due to rounding. See page 9 for footnotes.

El Camino Healthcare District

Comparative YTD **Stand-Alone** Stmt of Fund Balance Activity (\$ Thousands)

*These financial statements **exclude** the District's El Camino Hospital Corporation and its controlled affiliates*

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Fiscal year beginning balance	\$ (59,866)	\$ (74,657)
Net income year-to-date	\$ 11,204	\$ 8,323
Transfers (to)/from ECH:		
IGT/PRIME Funding ⁽¹⁷⁾	\$ 6,829	\$ 6,469
Capital Appropriation projects ⁽¹⁸⁾	\$ (6,176)	-
Fiscal year ending balance	<u><u>\$ (48,009)</u></u>	<u><u>\$ (59,866)</u></u>



Note: Totals may not agree due to rounding. See page 10 for footnotes.

El Camino Healthcare District

Notes to Stand-Alone Financial Statements

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

- (1) **Due from Retiree Health Plan** – The monies due from Trustee for District's Retiree Healthcare Plan.
- (2) **Operational Reserve Fund** – Starting in FY 2014, the Board established an operational reserve for unanticipated operating expenses of the District.
- (3) **Capital Appropriation Fund** – The net increase of \$2.8 million is a combination of the transfer to the Hospital in support of the Women's Hospital upcoming renovation (\$6.1M) and this year's property taxes in excess of the Gann Limit (\$8.9M) that is restricted for the Capital Appropriation Fund.
- (4) **Capital Replacement Fund** – Formerly known as the Plant Facilities Fund (AKA - Funded Depreciation) which reserves monies for the major renovation or replacement of the portion of the YMCA (Park Pavilion) owned by the District.
- (5) **Community Benefit Fund** – This fund retains the unrestricted property M&O taxes to pay for its operations and to support its Community Benefit Programs. As the year ended there is approximately \$7.7 million to be transferred into this fund to be used in fiscal year 2020.
- (6) **Funds Held by Trustee** – Funds from General Obligation tax monies, being held to make the debt payments when due.
- (7) **Capital Net Assets** - The land on which the Mountain View Hospital resides, a portion of the YMCA building, property at the end of South Drive (currently for the Road Runners operations), and a vacant lot located at El Camino Real and Phyllis.
- (8) **Accounts Payable and Accrued Expenses** – Expenses due which have not yet been paid.
- (9) **Fund Balance** – The negative fund balance is a result of the General Obligation bonds which assisted in funding the replacement hospital facility in Mountain View. Accounting rules required the District to recognize the obligation in full at the time the bonds were issued ; receipts from taxpayers will be recognized in the year they are levied, slowly reducing the negative fund balance over the next 17 years.



El Camino Healthcare District

Notes to Stand-Alone Financial Statements

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

(10) Other Operating Revenue – Lease income from El Camino Hospital for its ground lease with the District.

(11) Taxes: Redevelopment, M&O, G.O. – Tax receipts (either received or to be received) during the period. Note amount for the G.O. Taxed Levied for Debt will come in less than prior year mostly due to the March 2017 G.O. Refunding that the District did that reduced the previously \$12.90 of assessed property valuation per \$100,000 to a current \$10.00 per \$100,000.

(12) IGT/PRIME Expense – A payment in support of the PRIME program, will provide a return at two (2) times this amount.

(13) Wages & Benefits – The District employs no employees. Employees are based at the Hospital, CONCERN, or SVMD entities. The District does contract with the Hospital and outside professional and general services organizations (see item 14).

(14) Professional Fees & Services – Detailed below:

• Community Benefit Support from ECH	\$ 397
• Registrar of Voters	177
• Legal	31
• Management Services	10
• Other	<u>14</u>
	<u>\$ 629</u>

(15) G.O. Bond Interest Expense – It is to be noted that on March 22, 2017 the District refunded \$99M of its remaining \$132M 2006 G.O. bond issue. Refunding of the 2006 G.O. debt, given current interest rates, caused a net present value savings of \$7M.

(16) Donations to Outside Organizations – Starting in FY 2014, the District is directly operating its Community Benefit Program at the District level. This represents amounts expended to grantees and sponsorships thus far in this fiscal year . Note the major payments to recipients are made in August and February of the fiscal year.

(17) IGT/PRIME Funding – Transfers from ECH for participation in the PRIME program thus far in FY 2019.

(18) Capital Appropriation Projects Transfer – This amount for FY2019 was the approved amount at the Board's June 2018 meeting to be transferred to the Hospital during FY2019 for the future renovation of the Women's Hospital after the IMOB is completed in the Fall 2019.



El Camino Healthcare District

Sources & Uses of Tax Receipts (\$Thousands)

*These financial statements **exclude** the District's El Camino Hospital Corporation and its controlled affiliates*

Sources of District Taxes

6/30/2019

(1) Maintenance and Operation and Government Obligation Taxes \$27,407

(2) Redevelopment Agency Taxes 268

Total District Tax Receipts \$27,675

Uses Required Obligations / Operations

(3) Government Obligation Bond 9,989

Total Cash Available for Operations, CB Programs, & Capital Appropriations 17,686

(4) Capital Appropriation Fund – Excess Gann Initiative Restricted* 8,989

Subtotal 8,697

(5) Operating Expenses 691

Subtotal 8,006

(6) Capital Replacement Fund (Park Pavilion) 276

Funds Available for Community Benefit Programs \$7,730

*Gann Limit Calculation for FY2019

\$8,429

(1) M&O and G.O. Taxes	• Cash receipts from the 1% ad valorem property taxes and Measure D taxes
(2) Redevelopment Agency Taxes	• Cash receipts from dissolution of redevelopment agencies
(3) Government Obligation Bond	• Levied for debt service
(4) Capital Appropriation Fund	• Excess amounts over the Gann Limit are restricted for use as capital
(5) Operating Expenses	• Expenses incurred in carrying out the District's day-to-day activities
(6) Capital Replacement Fund	• Fund to ensure that the District has adequate resources to fund repair and replacement of its capital assets (Park Pavilion)





Dedicated to improving the health and well being of the people in our community.

Board Finance Presentation
Fiscal Year 2020
7/1/2019- 8/31/2019

Iftikhar Hussain, CFO
El Camino Healthcare District Board of Directors Meeting
October 22, 2019

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ECHD Stand-Alone Financial Statements

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NOTE: Accounting standards require that audited financial statements for El Camino Healthcare District be presented in consolidated format, including El Camino Hospital and its controlled affiliates. In an effort to help ensure public accountability and further ensure the transparency of the District’s operations, the District also prepares internal, “Stand-Alone” financial statements which present information for the District by itself.



El Camino Healthcare District

Consolidated Comparative Balance Sheet (\$ Millions)

(Includes El Camino Hospital)

	Aug 31, 2019	June 30, 2019 Unaudited w/o Eliminations		Aug 31, 2019	June 30, 2019 Unaudited w/o Eliminations
ASSETS			LIABILITIES & FUND BALANCE		
Current Assets			Current Liabilities		
Cash & Investments	\$309	\$314	Accounts Payable & Accrued Exp ⁽⁵⁾	\$113	\$135
Patient Accounts Receivable, net	\$132	\$132	Bonds Payable - Current	13	12
Other Accounts and Notes Receivable	\$14	\$14	Bond Interest Payable	6	15
Inventories and Prepaids	\$64	\$64	Other Liabilities	10	10
Total Current Assets	520	524	Total Current Liabilities	142	173
Board Designated Assets			Deferred Revenue	1	1
Foundation Reserves	17	17	Deferred Revenue Inflow of Resources	14	14
Community Benefit Fund	23	20	Long Term Liabilities		
Operational Reserve Fund ⁽¹⁾	146	141	Bond Payable	622	629
Workers Comp, Health & PTO Reserves	77	76	Benefit Obligations	48	48
Facilities Replacement Fund ⁽²⁾	220	216	Other Long-term Obligations	4	4
Catastrophic & Malpractice Reserve ⁽³⁾	22	22	Total Long Term Liabilities	674	681
Total Board Designated Assets	504	492	Fund Balance		
Non-Designated Assets			Unrestricted	1,396	1,396
Funds Held By Trustee ⁽⁴⁾	88	107	Board Designated & Restricted	427	412
Long Term Investments	357	376	Capital & Retained Earnings	16	17
Other Investments	35	39	Total Fund Balance	1,840	1,825
Net Property Plant & Equipment	1,108	1,097	TOTAL LIAB. & FUND BAL.	\$2,671	\$2,694
Deferred Outflows of Resources	30	30			
Other Assets	30	29			
Total Non-Designated Assets	1,647	1,678			
TOTAL ASSETS	\$2,671	\$2,694			



Note: Totals may not agree due to rounding. See page 5 for footnotes.

El Camino Healthcare District

Consolidated Comparative Statement of Revenues & Expenses (\$ Millions)

Year-to-Date through August 31, 2019

(Includes El Camino Hospital)

	<u>Actual</u>	<u>Budget</u>	<u>Fav (Unfav) Variance</u>	<u>Prior YTD FY Actual</u>
Net Patient Revenue ⁽⁶⁾	169	161	8	149
Other Operating Revenues ⁽⁷⁾	8	8	0	6
Total Operating Revenues	177	169	8	155
Wages and Benefits	91	92	1	82
Supplies	26	23	-3	22
Purchased Services	27	26	0	20
Other	7	8	2	5
Depreciation	9	9	0	9
Interest	0	1	1	0
Total Operating Expense ⁽⁸⁾	160	160	(0)	139
Operating Income	16	8	8	16
Non-Operating Income ⁽⁹⁾	5	4	1	22
Net Income	21	13	8	37



Note: Totals or variances may not agree due to rounding. See page 5 for footnotes.

El Camino Healthcare District
Notes to Consolidated Financial Statements
Current FY 2020 Actual to Budget
(Includes El Camino Hospital)

- 1) The increase is due to the annual resetting of a 60 day reserve of expenses based on the current fiscal year's Hospital budget.
- 2) The current period Facilities Replacement Fund is comprised of (\$ Millions):

ECH Capital Replacement Fund (i.e. Funded Depr.)	\$161
ECHD Appropriation Fund (fka: Capital Outlay)	17
ECH Women's Hospital Expansion	22
ECH BHS Replacement Building Fund	14
ECHD Capital Replacement Fund (i.e. Funded Depr.)	<u>6</u>
	<u>\$220</u>

- 3) The current period Catastrophic & Malpractice Fund is comprised of (\$ Millions):

ECH Catastrophic Fund (aka: Earthquake Fund)	\$20
ECH Malpractice Reserve	<u>2</u>
	<u>\$22</u>

- 4) The decrease is due to the Bond Project Fund disbursements for the IMOB and BHS construction.
- 5) The decrease is due to the significant construction and facilities accruals booked at year end being paid in the current year.
- 6) The increase is due to volume growth & drove \$7.9M operating margin favorable variance. Despite the higher volumes, expenses remained close to budgeted.
- 7) Currently tracking to budget.
- 8) Total Operating Expenses are tracking to budget.
- 9) The positive variance is primarily due to strong performance in our investment returns this year.



El Camino Healthcare District

Stand-Alone Comparative Balance Sheet (\$ Thousands)

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

	Aug 31, 2019	June 30, 2019		Aug 31, 2019	June 30, 2019
ASSETS			LIABILITIES & FUND BALANCE		
Cash & cash equiv	\$1,867	\$3,679	Accounts payable ⁽¹⁰⁾	\$0	\$0
Short term investments ⁽¹⁾	2,324	8,523	Current portion of bonds	4,400	3,800
Due fm Retiree Health Plan ⁽²⁾	50	30	Bond interest payable ⁽¹¹⁾	1,017	2,403
S.C. M&O Taxes Receivable ⁽³⁾	3127	0	Other Liabilities	126	102
Other current assets	54	17			
Total current assets	\$7,422	\$12,249	Total current liabilities	\$5,543	\$6,305
Operational Reserve Fund ⁽⁴⁾	1,500	1,500			
Capital Appropriation Fund ⁽⁵⁾	16,952	23,778			
Capital Replacement Fund ⁽⁶⁾	5,606	5,592	Deferred income	33	49
Community Benefit Fund ⁽⁷⁾	5,647	1,822	Bonds payable - long term	116,992	121,392
Total Board designated funds	\$29,705	\$32,693	Total liabilities	\$122,568	\$127,746
Funds held by trustee ⁽⁸⁾	\$20,104	\$24,028	Fund balance		
Capital assets, net ⁽⁹⁾	\$10,756	\$10,766	Unrestricted fund balance	\$47,724	\$55,558
			Restricted fund balance ⁽¹²⁾	(102,305)	(103,567)
			Total fund balance	(\$54,581)	(\$48,009)
TOTAL ASSETS	\$67,987	\$79,736	TOTAL LIAB & FUND BALANCE	\$67,987	\$79,736



Note: Totals may not agree due to rounding. See page 9 for footnotes.

El Camino Healthcare District

YTD **Stand-Alone** Stmt of Revenue and Expenses (\$ Thousands)

Comparative Year-to-Date August 31, 2019

*These financial statements **exclude** the District's El Camino Hospital Corporation and its controlled affiliates*

	Actual	Current Year Budget	Variance	Prior Full Year Actual
<u>REVENUES</u>				
(A) Ground Lease Revenue ⁽¹³⁾	\$ 16	\$ 16	\$ -	\$ 96
(B) Redevelopment Taxes ⁽¹⁴⁾	4	-	4	268
(B) Unrestricted M&O Property Taxes ⁽¹⁴⁾	1,965	1,346	619	8,429
(B) Restricted M&O Property Taxes ⁽¹⁴⁾	1,276	1,276	-	8,989
(B) G.O. Taxes Levied for Debt Service ⁽¹⁴⁾	1,700	1,700	-	9,989
(B) IGT/PRIME Medi-Cal Program ⁽¹⁵⁾	(360)	-	(360)	(6,829)
(B) Investment Income (net)	128	67	61	1,307
(B) Other income	-	-	-	0
TOTAL NET REVENUE	4,729	4,405	324	22,249
<u>EXPENSES</u>				
(A) Wages & Benefits ⁽¹⁶⁾	-	-	-	0
(A) Professional Fees & Purchased Svcs ⁽¹⁷⁾	66	133	67	629
(A) Supplies & Other Expenses ⁽¹⁸⁾	4	18	14	62
(B) G.O. Bond Interest Expense (net) ⁽¹⁹⁾	439	1,084	645	2,805
(B) Donations to Outside Organizations ⁽²⁰⁾	4,316	5,195	879	7,337
(A) Depreciation / Amortization	10	10	-	212
TOTAL EXPENSES	4,835	6,440	1,605	11,045
NET INCOME	\$ (106)	\$ (2,036)	\$ 1,930	\$ 11,204
 (A) Operating Revenues & Expenses (B) Non-operating Revenues & Expenses				
<u>RECAP STATEMENT OF REVENUES & EXPENSE</u>				
(A) Net Operating Revenues & Expenses	\$ (64)			
(B) Net Non-Operating Revenues & Expenses	(42)			
NET INCOME	\$ (106)			



Note: Totals may not agree due to rounding. See page 9 for footnotes.

El Camino Healthcare District

Comparative YTD **Stand-Alone** Stmt of Fund Balance Activity (\$ Thousands)

*These financial statements **exclude** the District's El Camino Hospital Corporation and its controlled affiliates*

	<u>August 31, 2019</u>	<u>June 30, 2019</u>
Fiscal year beginning balance	\$ (48,009)	\$ (59,866)
Net income year-to-date	\$ (106)	\$ 11,204
Transfers (to)/from ECH:		
IGT/PRIME Funding ⁽²¹⁾	\$ 360	\$ 6,829
Capital Appropriation projects ⁽²²⁾	\$ (6,826)	(6,176)
Fiscal year ending balance	<u><u>\$ (54,581)</u></u>	<u><u>\$ (48,009)</u></u>



Note: Totals may not agree due to rounding. See page 10 for footnotes.

El Camino Healthcare District

Notes to Stand-Alone Financial Statements

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

- (1) **Short term investments** – The decrease is due to the ending June 2019 of unrestricted Gann Limit monies being transferred to the Community Benefit Fund to be used in the 2020 fiscal year.
- (2) **Due from Retiree Health Plan** – The monies due from Trustee for District's Retiree Healthcare Plan.
- (3) **S.C. M&O Taxes Receivable** – The increase is due to the accrued anticipated property taxes to be received in the new fiscal year.
- (4) **Operational Reserve Fund** – Starting in FY 2014, the Board established an operational reserve for unanticipated operating expenses of the District.
- (5) **Capital Appropriation Fund** – Decrease is due to funding of the committed \$6.8M of the Women's Hospital renovation project to commence after the IMOB is completed.
- (6) **Capital Replacement Fund** – Formerly known as the Plant Facilities Fund (AKA - Funded Depreciation) which reserves monies for the major renovation or replacement of the portion of the YMCA (Park Pavilion) owned by the District.
- (7) **Community Benefit Fund** – This fund retains unrestricted (Gann Limit) funds to support the District's operations and primarily to support its Community Benefit Programs.
- (8) **Funds Held by Trustee** – Funds from General Obligation tax monies, being held to make the debt payments when due.
- (9) **Capital Net Assets** - The land on which the Mountain View Hospital resides, a portion of the YMCA building, property at the end of South Drive (currently for the Road Runners operations), and a vacant lot located at El Camino Real and Phyllis.
- (10) **Accounts Payable and Accrued Expenses** – Expenses due which have not yet been paid.
- (11) **Bond Interest Payable** – The decrease is due to the semi-annual payment to G.O. bondholders made in August.
- (12) **Fund Balance** – The negative fund balance is a result of the General Obligation bonds which assisted in funding the replacement hospital facility in Mountain View. Accounting rules required the District to recognize the obligation in full at the time the bonds were issued ; receipts from taxpayers will be recognized in the year they are levied, slowly reducing the negative fund balance over the next 17 years.



El Camino Healthcare District

Notes to Stand-Alone Financial Statements

These financial statements exclude the District's El Camino Hospital Corporation and its controlled affiliates

(13) **Other Operating Revenue** – Lease income from El Camino Hospital for its ground lease with the District.

(14) **Taxes: Redevelopment, M&O, G.O.** – Tax receipts (either received or to be received) during the period. Note amount for the G.O. Taxed Levied for Debt will come in less than prior year mostly due to the March 2017 G.O. Refunding that the District did that reduced the previously \$12.90 of assessed property valuation per \$100,000 to a current \$10.00 per \$100,000.

(15) **IGT/PRIME Expense** – A payment in support of the PRIME or IGT programs.

(16) **Wages & Benefits** – The District employs no employees. Employees are based at the Hospital, CONCERN, or SVMMD entities. The District does contract with the Hospital and outside professional and general services organizations (see item 15).

(17) **Professional Fees & Services** – Actual detailed below:

• Community Benefit Support from ECH	\$ 66
	<u>\$ 66</u>

(18) **Supplies & Other Expenses** – Actual detailed below:

• Board Education / Travel	\$ 3
• Board Meeting Stipends	<u>\$ 1</u>
	<u>\$ 4</u>

(19) **G.O. Bond Interest Expense** – It is to be noted that on March 22, 2017 the District refunded \$99M of its remaining \$132M 2006 G.O. bond issue. Refunding of the 2006 G.O. debt, given current interest rates, caused a net present value savings of \$7M.

(20) **Donations to Outside Organizations** – Starting in FY 2014, the District is directly operating its Community Benefit Program at the District level. This represents amounts expended to grantees and sponsorships thus far in this fiscal year. Note the major payments to recipients are made in August and February of the fiscal year.

(21) **IGT/PRIME Funding** – Transfers from ECH for participation in the PRIME or IGT program thus far in FY 2020.

(22) **Capital Appropriation Projects Transfer** – This amount for FY2020 was the approved amount at the Board's June 2019 meeting to be transferred to the Hospital during FY2020 for the future renovation of the Women's Hospital after the IMOB is completed in late 2019.



El Camino Healthcare District

Sources & Uses of Tax Receipts (\$Thousands)

*These financial statements **exclude** the District's El Camino Hospital Corporation and its controlled affiliates*

Sources of District Taxes

8/31/2019

(1) Maintenance and Operation and Government Obligation Taxes \$4,491

(2) Redevelopment Agency Taxes 4

Total District Tax Receipts \$4,495

Uses Required Obligations / Operations

(3) Government Obligation Bond 1,700

Total Cash Available for Operations, CB Programs, & Capital Appropriations 2,795

(4) Capital Appropriation Fund – Excess Gann Initiative Restricted* 1,276

Subtotal 1,519

(5) Operating Expenses 70

Subtotal 1,449

(6) Capital Replacement Fund (Park Pavilion) 13

Funds Available for Community Benefit Programs \$1,436

*Gann Limit Calculation for FY2019 – needs updated for FY20*** \$8,845

(1) M&O and G.O. Taxes	• Cash receipts from the 1% ad valorem property taxes and Measure D taxes
(2) Redevelopment Agency Taxes	• Cash receipts from dissolution of redevelopment agencies
(3) Government Obligation Bond	• Levied for debt service
(4) Capital Appropriation Fund	• Excess amounts over the Gann Limit are restricted for use as capital
(5) Operating Expenses	• Expenses incurred in carrying out the District's day-to-day activities
(6) Capital Replacement Fund	• Fund to ensure that the District has adequate resources to fund repair and replacement of its capital assets (Park Pavilion)



Appendix: Major Budget Assumptions for FY2020

1. Pages 13 and 14: Are the pages 3 and 4 of the FY20 ECHD Stand-Alone Budget presented to the ECHD Board and approved on June 18, 2019.

2. Page 15: Additional detail about Community Benefit SW&B allocation process



Major Assumptions – El Camino Healthcare District

Excludes El Camino Hospital & its affiliates

- Other Operating Revenue is based on the existing ground lease agreement.
- Redevelopment Agency revenues were not budgeted for in FY2020 as it is anticipated that the County may cease these allocations.
- Operating Expenses are based on historical information with adjustments made for non-recurring events.
- Community Benefit Support fee based on the cost of services as follows:

Community Benefit Staff FY2020	Total Paid FTEs
VP Corp Comm Hlth Svcs	0.25
Director Community Benefit	0.75
Administrative Assistant	1.00
Sr Community Benefit Spec	2.00
Business Coordinator	0.21
Total	4.21
Total Salaries, Wages & Benefits	\$ 660,275
Estimated allocation of time at 60% =	\$ 397,138

- Supplies and Other Expenses includes modest increases for Direct Mail material, website development, advertising and postage. The District's association dues expect to remain constant (ACHD at \$25,000; CA Special Districts and SC County Special Districts at \$7,000).
- Depreciation on the YMCA building is projected to end approximately September as the District's portion of the building will be full depreciated and reserved.
- Expenses related to the G.O. bonds are based on the 2017 G.O. Refunding outcomes and required payment schedules.
- Investment income is based on the expected short-term rate of return for those funds.
- Community Benefit expenditures are based on the Community Benefit plan.
- IGT – Medi-Cal (PRIME) program - It is expected that the District/Hospital will participate in the program again this year.



El Camino Healthcare District

Information excludes El Camino Hospital & its affiliates

Revenues	FY2018 Actual	FY2019 Annualized	FY 2020 Budget	Change Favorable / (Unfavorable)	% Change
Other Operating Revenue	92	95	96	1	0.7%
Unrestricted M&O Property Taxes	8,025	8,429	8,845	416	4.9%
Restricted M&O Taxes	7,831	7,990	7,654	(336)	-4.2%
Taxes Levied for Debt Service	9,266	10,036	10,200	164	1.6%
Investment Income	753	1,452	897	(556)	-161.7%
Other - Redevelopment agency	256	197	-	(197)	-100.0%
Total Net Revenue	26,222	28,199	27,692	(508)	-1.8%
Expenses					
Community Benefit Support	370	397	397	(0)	0.0%
Management Services	10	10	10	-	0.0%
Supplies & Other Expenses	202	298	322	(25)	-7.6%
Depreciation/Amortization/Interest Expense	231	226	57	170	299.9%
G.O. Interest Expense (net)	3,761	3,469	3,320	149	4.5%
Community Benefit Program	6,847	7,300	7,800	(500)	-6.4%
IGT Medi-Cal Program Expense	6,469	2,967	3,342	(374)	-11.2%
Total Expenses	17,889	14,668	15,248	(580)	-3.8%
NET INCOME	8,333	13,531	12,444	(1,088)	-8.0%

FY20 BUDGET RECAP STATEMENT OF REVENUES & EXPENSE

(A) Net Operating Revenues & Expenses	(690)
(B) Net Non-Operating Revenues & Expenses	13,134
NET INCOME	12,444



Community Benefit SW&B Allocation

- Community Benefit staff are El Camino Hospital (ECH) employees who provide services to the District and to the Hospital Corporation.
- Pursuant to a Statement of Work (SOW) between El Camino Hospital and the District, Community Benefit Staff SW&B are allocated between the Hospital and the District.
- Per the SOW, the allocation is to be negotiated between the District Board Chair and the ECH Controller each spring for the coming fiscal year.
- For FY19, the allocation (60%) was based on the percentage of grant funds for each entity. Then Board Chair Fung and Board Vice Chair Miller participated in the negotiations with then Controller, Matt Harris.
- For FY20, the same percentage allocation (60%) was negotiated even though the percentage of District grant funds increased. Then Board Chair Fung and Board Vice Chair Miller participated in the negotiations with Controller, Michael Walsh.
- For FY20, The total SW&B for Community Benefit staff is budgeted at \$660, 275 with 60% (\$397,138) allocated to the District.





MOSSADAMS

2019 Audit Results: El Camino Healthcare District

June 30, 2019

[illegible]

Board of Directors

El Camino Healthcare District



Dear Board of Director Members:

Thank you for your continued engagement of Moss Adams LLP. We are pleased to have the opportunity to meet with you to discuss the results of our audit of the consolidated financial statements of El Camino Healthcare District (“the District”) for the year ended June 30, 2019

The accompanying report, which is intended solely for the use of the Board of Directors and management, presents important information regarding the District’s consolidated financial statements and our audit that we believe will be of interest to you. It is not intended and should not be used by anyone other than these specified parties.

We conducted our audit with the objectivity and independence that you expect. We receive the full support and assistance of the District’s personnel. We are pleased to serve and be associated with the District as its independent public accountants and look forward to our continued relationship.

We look forward to discussing our report or any other matters of interest with you during this meeting.

Agenda

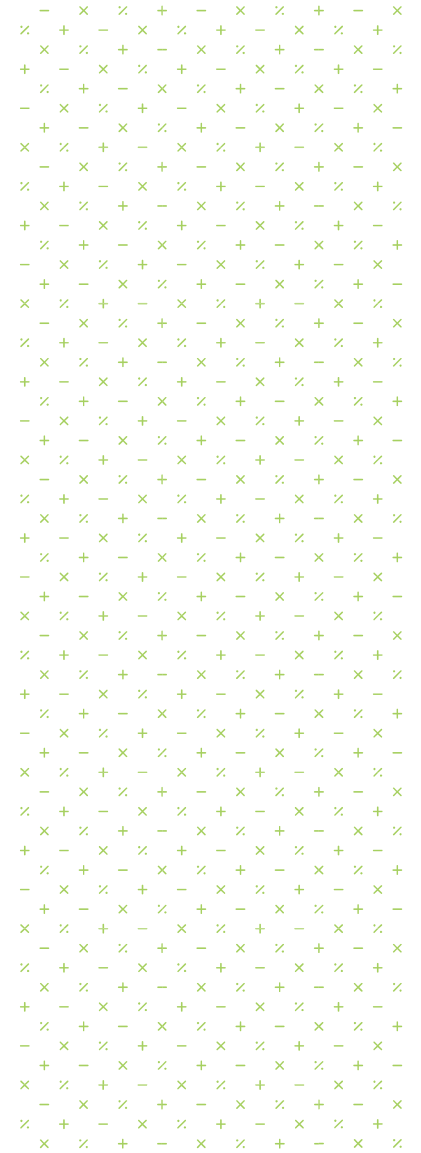
- Auditor Opinion and Reports
- Communication with Those Charged with Governance
- Other Information





Auditor Opinions & Reports

Better Together: Moss Adams & El Camino Healthcare District



Scope of Services

We have performed the following services for El Camino Healthcare District

- Annual consolidated financial statement audit as of and for the year ended June 30, 2019
- Annual El Camino Hospital Auxiliary financial statement audit for the year ended June 30, 2019

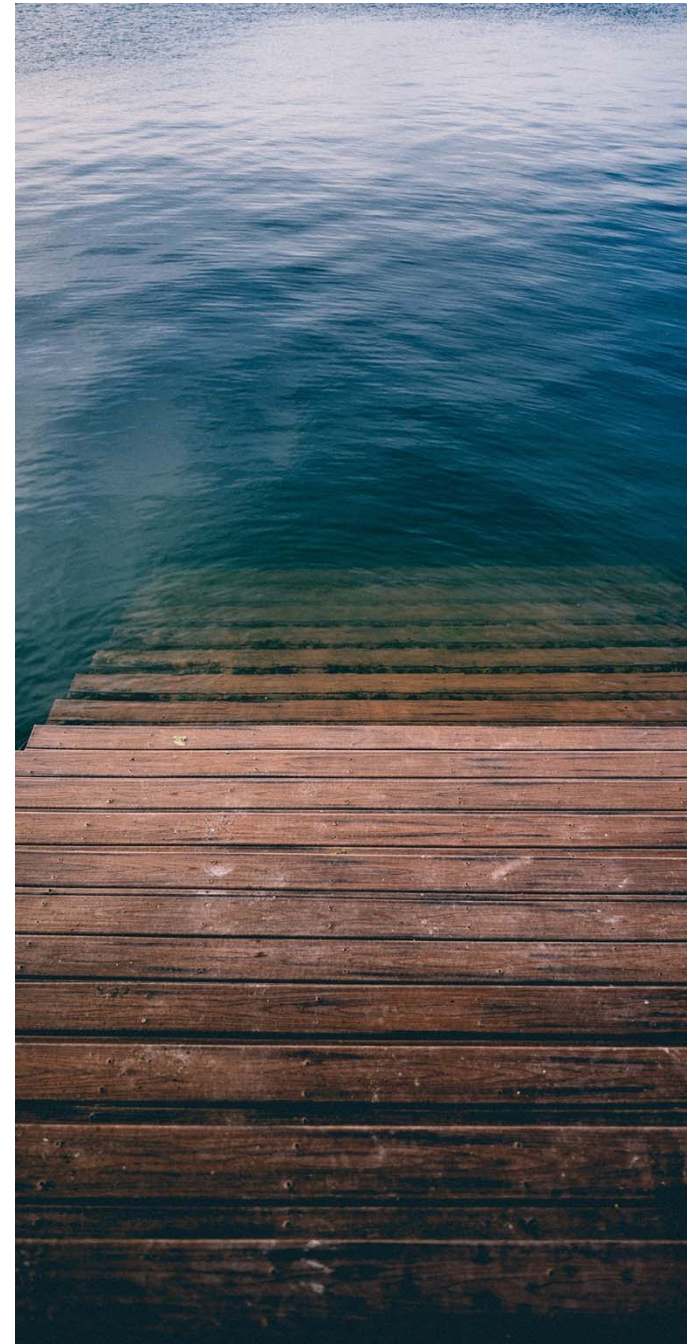
We have also performed nonattest services



Auditor Report on the Consolidated Financial Statements

Unmodified Opinion

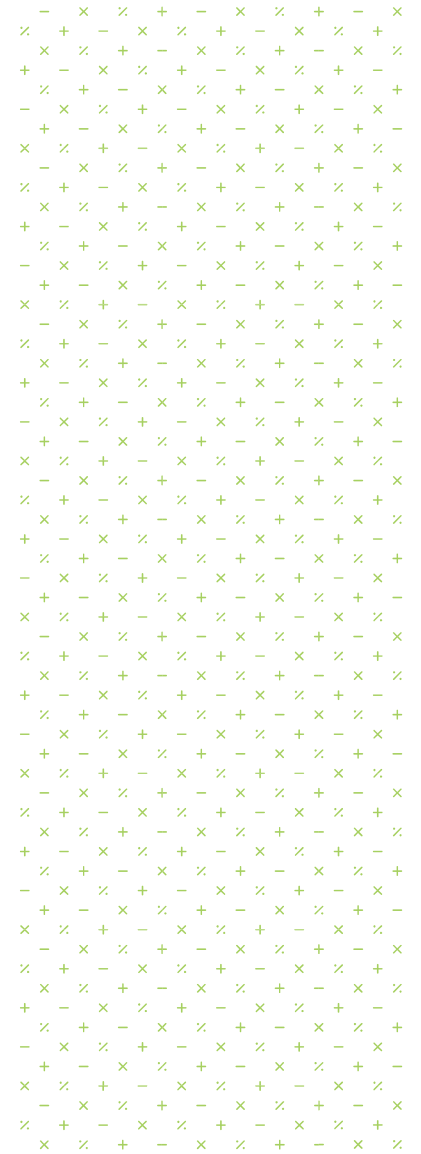
- Consolidated financial statements are presented fairly and in accordance with US GAAP



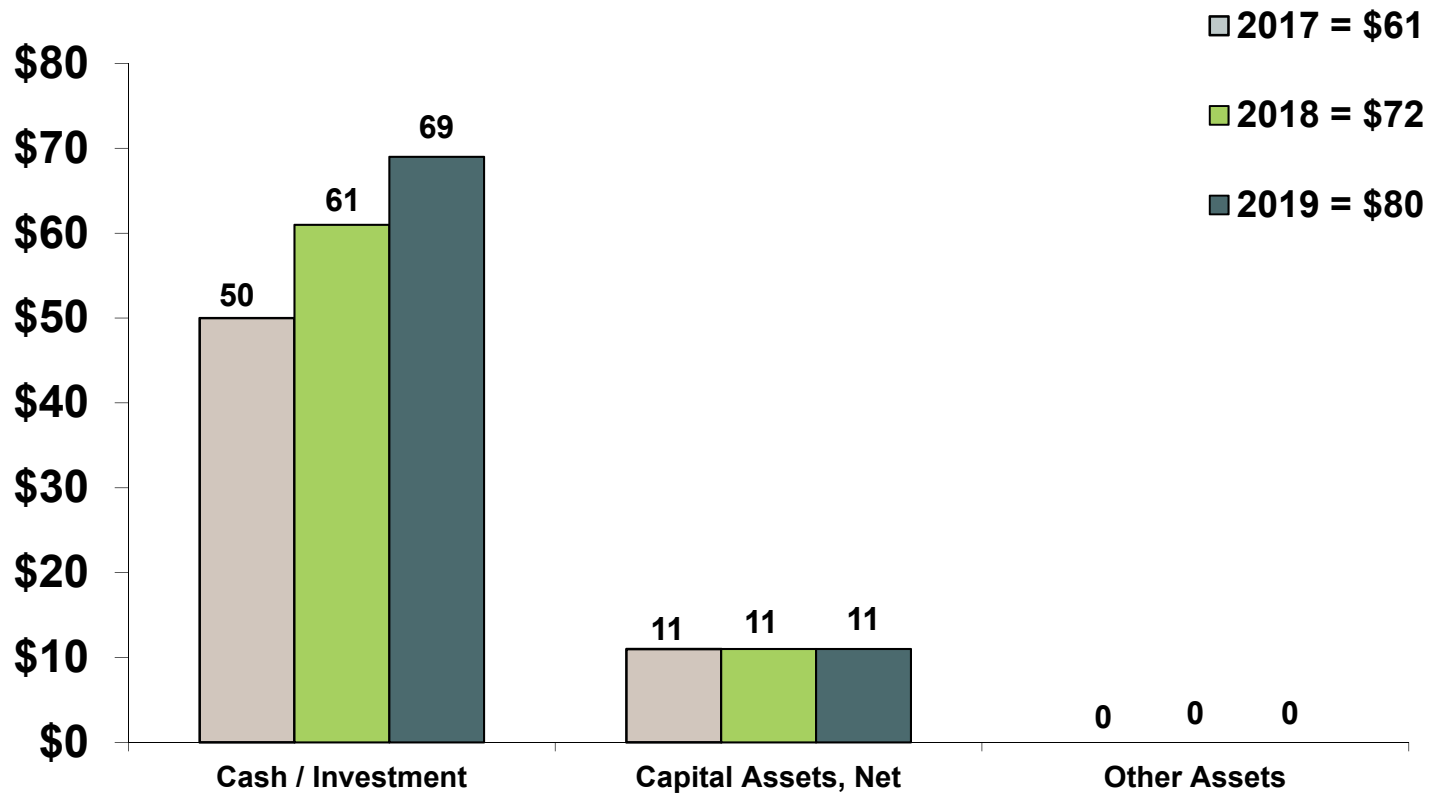


Statements of Net Position

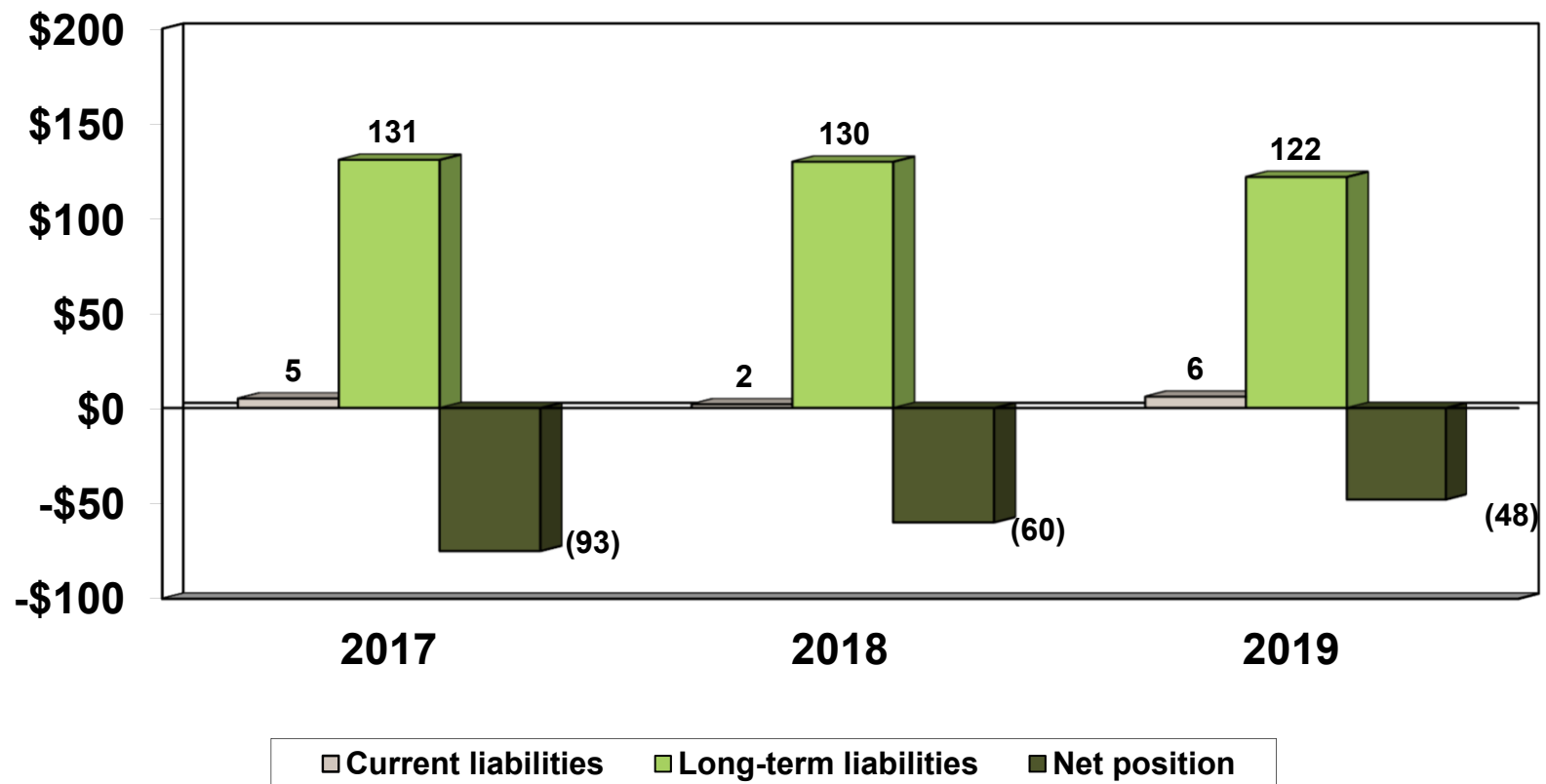
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Assets and Deferred Outflows (in millions)



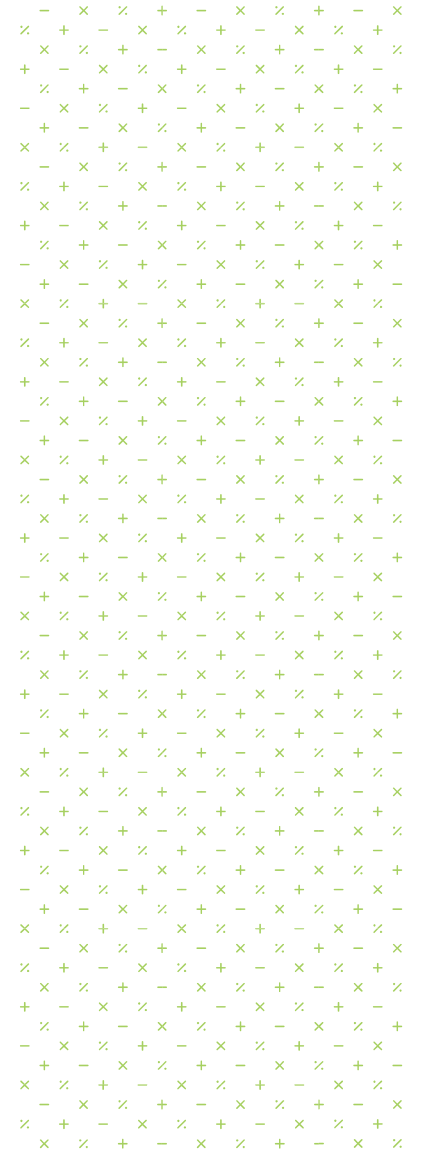
Liabilities, Deferred Inflows, and Net Position (in millions)





Operations

Better Together: Moss Adams & El Camino Healthcare District



Income Statement Year to Year Comparison

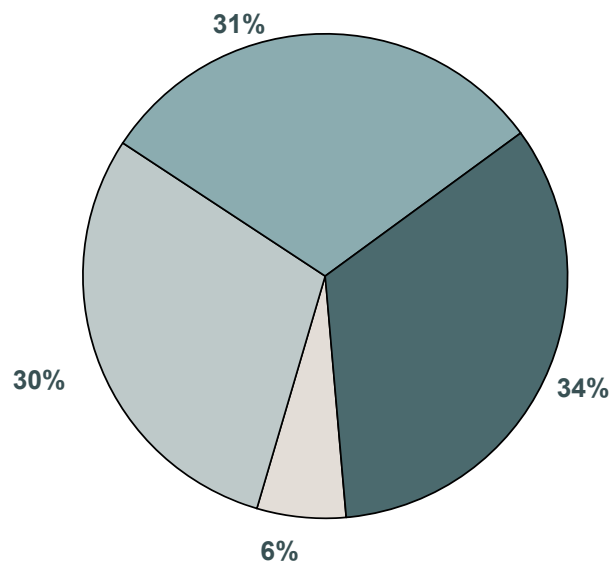
Sources of Nonoperating Revenues (in thousands)

June 30, 2019
\$29,360

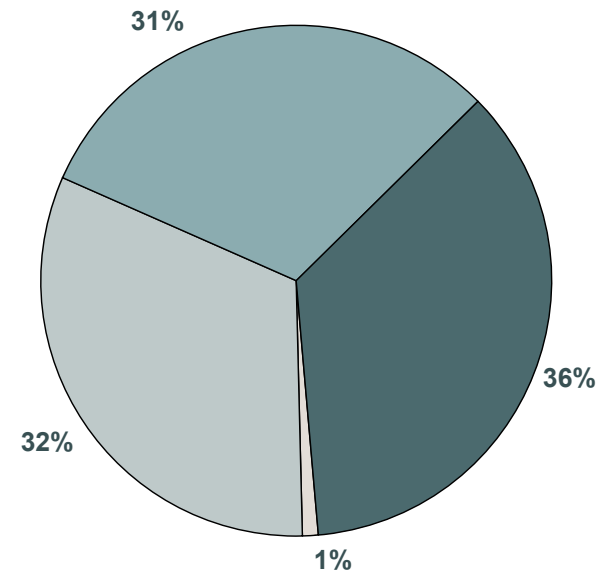
June 30, 2018
\$25,553



10

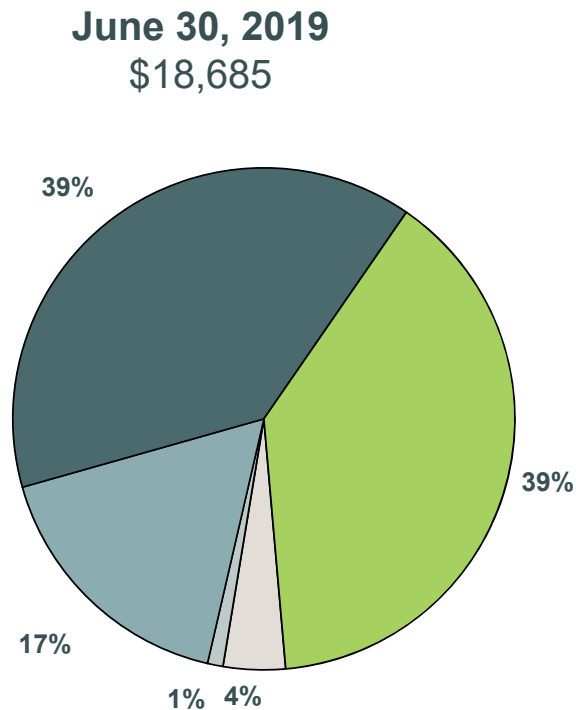


- Investment income, net
- Property tax revenue - designated for community benefit programs & operating expenses
- Property tax revenue - designated for capital expenditures
- Property tax revenue - levied for debt services

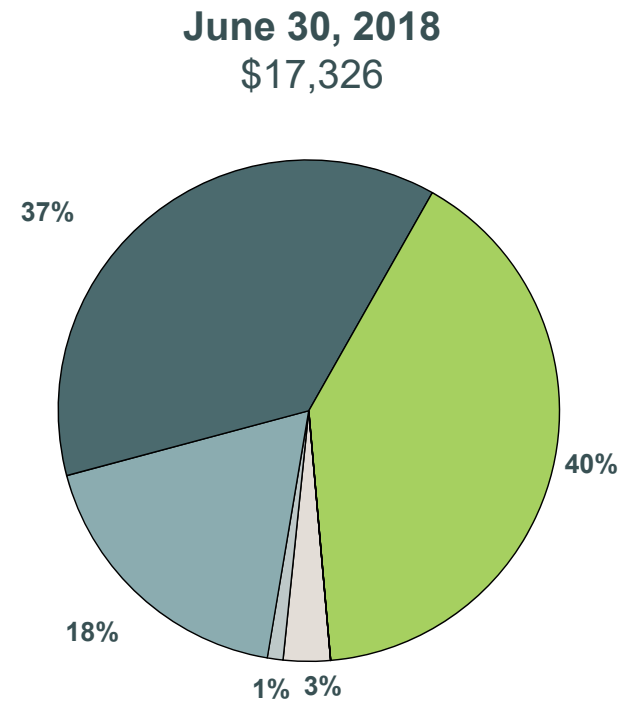


Income Statement Year to Year Comparison

Outflow of Expenses (in thousands)



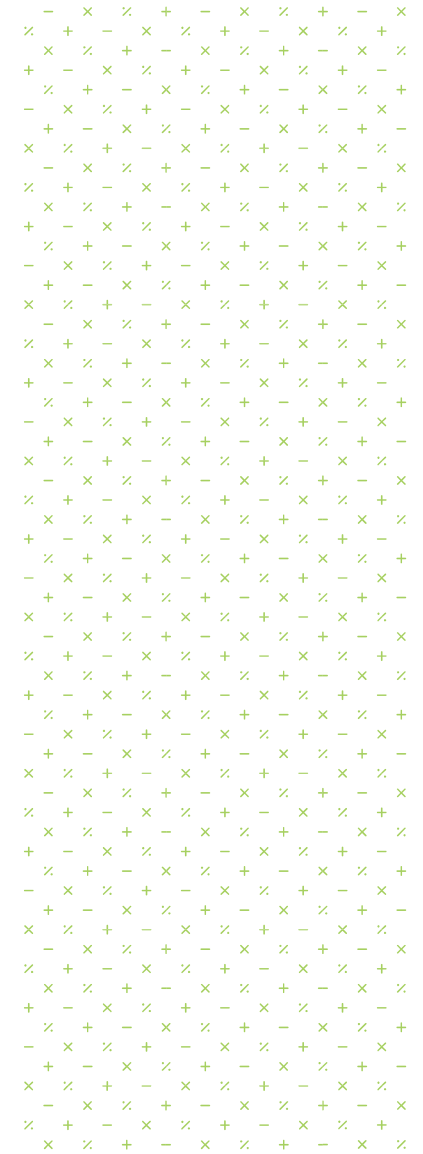
- Operating expenses - professional fees and purchased services
- Operating expenses - depreciation and amortization
- Nonoperating expenses - GO bond interest expenses
- Nonoperating expenses - IGT expense
- Nonoperating expenses - Community Benefit





Communication with Those Charged with Governance

Better Together: Moss Adams & El Camino Healthcare District



Our Responsibility

Our responsibility under US Generally Accepted Auditing Standards

1

To express our opinion on whether the consolidated financial statements prepared by management with your oversight are fairly presented, in all material respects, and in accordance with U.S. GAAP. However, our audit does not relieve you or management of your responsibilities.

2

To perform an audit in accordance with generally accepted auditing standards issued by the AICPA, Government Auditing Standards issued by the Comptroller General of the United States, and the California (CA) Code of Regulations, Title 2, Section 1131.2, State of Controller's Minimum Audit Requirements for CA Special Districts, and design the audit to obtain reasonable, rather than absolute, assurance about whether the consolidated financial statements are free of material misstatement.

3

To consider internal control over financial reporting and internal control over compliance as a basis for designing audit procedures but not for the purpose of expressing an opinion on its effectiveness or to provide assurance concerning such internal control.

4

To communicate findings that, in our judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.



Planned Scope & Timing of the Audit

It is the auditor's responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient and appropriate audit evidence and to communicate with those charged with governance and overview of the planned scope and timing of the audit.

OUR COMMENTS

- The planned scope and timing of the audit was communicated to the Compliance Committee at the audit entrance meeting and was included in the engagement letter for the year ended June 30, 2019.



Significant Accounting Policies & Unusual Transactions

The auditor should determine that the Board of Directors is informed about the initial selection of and changes in significant accounting policies or their application. The auditor should also determine that the Board of Directors is informed about the methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

OUR COMMENTS

- Management has the responsibility for selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in the footnotes to the consolidated financial statements. Throughout the course of an audit, we review changes, if any, to significant accounting policies or their application, and the initial selection and implementation of new policies. There were no changes to significant accounting policies for the year ended June 30, 2019.
- We believe management has selected and applied significant accounting policies appropriately and consistent with those of the prior year.



Management Judgements & Accounting Estimates

The Board of Directors should be informed about the process used by management in formulating particularly sensitive accounting estimates and about the basis for the auditor's conclusions regarding the reasonableness of those estimates.

OUR COMMENTS

- Management's judgements and accounting estimates are based on knowledge and experience about past and current events and assumptions about future events. We apply audit procedures to management's estimates to ascertain whether the estimates are reasonable under the circumstances and do not materially misstate the consolidated financial statements.
- Significant management estimates impacting the consolidated financial statements include the following: net patient service revenue, provision for uncollectible accounts, fair market values of investments, uninsured losses for professional liability, minimum pension liability, liability for workers' compensation claims, liability for post-retirement medical benefits, valuation of gift annuities and beneficial interest in charitable remainder unitrusts, and useful life of capital assets.
- We deem them to be reasonable.

Management Judgements & Accounting Estimates

Our views about the quantitative aspects of the entity's significant accounting policies, accounting estimates, and consolidated financial statement disclosures.

OUR COMMENTS

- The disclosures in the consolidated financial statements are clear and consistent. Certain consolidated financial statement disclosures are particularly sensitive because of their significance to financial statements users, however we do not believe any of the disclosures are particularly sensitive. We call your attention to the following notes:
 - Note 2 – Significant concentration of net patient accounts receivable
 - Note 5 – Fair value of investments
 - Note 6 – Capital assets
 - Note 7 – Employee benefit plans
 - Note 8 – Post-retirement medical benefits
 - Note 10 – Long-term debt
 - Note 13 – Related party transactions



Significant Audit Adjustments & Unadjusted Differences Considered by Management to Be Immaterial

The Board of Directors should be informed of all significant audit adjustments arising from the audit. Consideration should be given to whether an adjustment is indicative of a significant deficiency or a material weakness in the District's internal control over financial reporting, or in its process for reporting interim financial information, that could cause future consolidated financial statements to be materially misstated.

The Board of Directors should also be informed of uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented that were determined by management to be immaterial, both individually and in the aggregate, to the consolidated financial statements as a whole.

OUR COMMENTS

- Corrected misstatement:
 - CIP retention accrual
- There were no corrected and uncorrected misstatements.



Deficiencies in Internal Control

Any material weaknesses and significant deficiencies in the design or operation of internal control that came to the auditor's attention during the audit must be reported to the Board of Directors.

OUR COMMENTS

- Material weakness
 - None noted
- Significant deficiencies
 - Cutoff accrual





**THANK
YOU**



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*Report of Independent Auditors and
Consolidated Financial Statements with
Supplementary Information*

El Camino Healthcare District

June 30, 2019 and 2018

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Management's Discussion and Analysis

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El Camino Healthcare District

Management's Discussion and Analysis

For the Years Ended June 30, 2019, 2018, and 2017

El Camino Healthcare District (the "District") is comprised of six entities: the District, El Camino Hospital (the "Hospital"), El Camino Hospital Foundation (the "Foundation"), CONCERN: Employee Assistance Program ("CONCERN"), El Camino Surgery Center ("ECSC"), and Silicon Valley Medical Development, LLC ("SVMD").

Effective May 6, 2013, ECSC sold certain medical equipment, furnishings, fixtures, inventories, and other tangible personal property in exchange for a seven and one-half percent (7.5%) interest in El Camino Ambulatory Surgery Center ("ECASC"). As of March 2015, ECSC's interest in ECASC increased to 33.4%. ECSC provided a working capital line of credit to ECASC in a principal amount of \$750,000 of which it drew a credit line of \$484,000 that was fully repaid including interest in August 2016. The Hospital leases space to ECASC and provides other services, such as utilities and building/equipment maintenance. There was \$1,107,000 in rental income for the year ended June 30, 2019, and \$658,000 in rental income for the year ended June 30, 2018 related to this lease.

Subsequent to fiscal year 2019, effective on July 26, 2019, ECASC sold many of its assets to the Hospital. ECASC is now in the process of winding up its business and distributing its remaining assets to its members. ECSC has received its appropriate share of the sales price. ECSC expects to receive its share of any proceeds remaining after ECASC has completed its business. The Hospital will reopen the Surgery Center as an outpatient hospital department after completing certain building and equipment renovations. It is anticipated by mid-September 2019 to be in operation.

SVMD is organized as a California limited liability company and was formed in 2008. In fiscal year 2019, SVMD expanded to 12 clinic sites including certain assets of five clinics acquired through the bankruptcy of Verity Health System. The approximate number of affiliated providers has grown to over 80 across El Camino Medical Associates ("ECMA") and San Jose Medical Group.

Overview of the Consolidated Financial Statements

This annual report consists of the consolidated financial statements and notes to those statements. These statements are organized to present the District as a whole, including all the entities it controls. Financial information for each separate entity is shown in the supplemental schedules on the last pages of the report. In accordance with the Governmental Accounting Standards Board ("GASB") Codification Section 2200, *Comprehensive Annual Financial Report*, the District presents comparative financial highlights for the fiscal years ended June 30, 2019, 2018, and 2017. This discussion and analysis should be read in conjunction with the consolidated financial statements in this report.

The consolidated statements of net position, the consolidated statements of revenues, expenses, and changes in net position, and the consolidated statements of cash flows provide an indication of the District's financial health. The consolidated statements of net position include all the District's assets and liabilities, using the accrual basis of accounting. The consolidated statements of revenues, expenses, and changes in net position report all of the revenues and expenses during the time periods indicated. The consolidated statements of cash flows report the cash provided by the operating activities, as well as other cash sources such as investment income and cash payments for capital additions and improvements.

**El Camino Healthcare District
Management's Discussion and Analysis
For the Years Ended June 30, 2019, 2018, and 2017**

Consolidated Financial Highlights

Year Ended June 30, 2019

For fiscal year ending June 30, 2019, the District increased its net position by \$178 million. In 2019, operating revenues increase by \$53 million over 2018, this was the result of good volume, an increase in the commercial payer mix of 1% and inter-governmental Transfer ("IGT") / cost report settlements of \$20.4 million.

Year Ended June 30, 2018

Exceeding a positive 2017 fiscal year, this year topped the prior year in producing the now greatest net income by creating an increase in net position of \$215 million in the 2018 fiscal year, which is \$38 million over the fiscal year of 2017, which had been the most successful year in the District's history. This \$38 million increase was entirely earned out of operations with significant growth in operating revenues.

Year Ended June 30, 2017

In March 2017, the Hospital issued Revenue Bonds in the amount of \$292,435,000 to be used in its completion of the Master Facilities Plan at the Hospital's Mountain View campus. The primary projects that started in July 2016 are the Behavior Health Building replacement, expansion of the North Drive parking structure, and the construction of an integrated medical office building and associated parking structure.

Also in March 2017, the District refunded \$99,035,000 of its \$131,370,000 outstanding G.O. bonds that were issued in 2006 that assisted in building the Mountain View replacement hospital that was completed in November 2009. This refinancing resulted in a reduction of future interest payments with a present value of approximately \$7,000,000 and along with increased assessed property values reduced District residents' G.O. tax rate from the original \$12.90 per \$100,000 of assessed valuation to \$10.00 per \$100,000 of current assessed valuation.

The 2017 fiscal year ended with an increase to net position of \$177 million, of which \$106 million was produced from operations and another \$71 million in non-operating revenues, significantly driven by realized and unrealized gains from investments.

El Camino Healthcare District
Management's Discussion and Analysis
For the Years Ended June 30, 2019, 2018, and 2017

Summary of Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position
As of June 30, 2019, 2018 and 2017

(In Thousands)

	2019	2018	2017
Assets:			
Current assets	\$ 578,195	\$ 539,161	\$ 494,644
Board designated and restricted funds, net of current portion	786,202	715,395	568,776
Funds held by trustee, net of current portion	107,101	218,457	305,415
Capital assets, net	1,096,493	920,200	809,611
Other assets	78,841	96,160	70,095
Total assets	2,646,832	2,489,373	2,248,541
Deferred outflows:			
Loss on defeasance of bond payable	12,962	13,562	14,163
Deferred outflow of resources	7,436	5,200	5,700
Deferred outflow - actuarial	10,546	2,414	9,097
Total deferred outflows	30,944	21,176	28,960
Total assets and deferred outflows	\$ 2,677,776	\$ 2,510,549	\$ 2,277,501
Liabilities:			
Current liabilities	\$ 161,709	\$ 145,514	\$ 124,876
Bonds payable, net of current portion	625,443	642,235	654,027
Other long-term liabilities	59,437	56,629	48,289
Total liabilities	846,589	844,378	827,192
Deferred inflows:			
Deferred inflow of resources	3,893	3,638	3,521
Deferred inflow - actuarial	9,375	22,835	10,666
Total deferred inflows	13,268	26,473	14,187
Net position:			
Unrestricted and invested in capital assets, net	1,793,704	1,620,328	1,421,009
Restricted by donors - charity and other	16,759	15,652	11,651
Restricted - endowments	7,456	3,718	3,462
Total net position	1,817,919	1,639,698	1,436,122
Total liabilities, deferred inflows, and net position	\$ 2,677,776	\$ 2,510,549	\$ 2,277,501
Operating cash equivalents and short-term investments	\$ 393,519	\$ 370,877	\$ 350,689
Board designated, funds held by trustee, and restricted funds	917,081	954,815	887,324
Total available cash & investments	\$ 1,310,600	\$ 1,325,692	\$ 1,238,013

El Camino Healthcare District Management's Discussion and Analysis For the Years Ended June 30, 2019, 2018, and 2017

Investments

The District maintains sufficient cash balances to pay daily operational expenses and all short term liabilities. In late fiscal year 2012, the Hospital (exclusive of the District) selected an Investment Consultant to assist the Hospital and its subsidiaries in managing its investments, and both the investment policies for Surplus Cash and Cash Balance Plan were updated and approved by the Hospital Board of Directors (the Board). The policies allow for greater diversification in the investment portfolios to balance the need for liquidity with a long-term investment focus in order to improve investment returns and the organization's financial strength. Beginning early in fiscal year 2013, an Investment Committee was formed to perform the following responsibilities, among others: monitor performance of investment managers, monitor allocations across investment styles and investment managers, review compliance with the policies, and make recommendations for revisions to the policies. The number of money managers expanded from two money managers in fiscal year 2014 for Surplus Cash to approximately 30 managers in fiscal year 2019.

Capital Assets

Continuing on from fiscal year 2018, in fiscal year 2019, the Hospital continued construction on its three of four major projects at its Mountain View site, as the fourth project – the expansion of the North Drive Parking Garage was completed in August 2017 at its projected cost of \$24.5 million. In financing the four projects, the Hospital issued \$292,435,000 in tax-exempt revenue bonds in March 2017 to assist in covering a total of \$432 million in expenditures. The remaining monies to complete the remaining three projects will come from surplus cash. The three projects are:

Replacement of the Behavior Health Services building, this project is projected to be complete in December 2019 at a total cost of \$96.1 million, with approximately \$75.9 million in costs incurred at the end of FY2019.

Construction of an integrated medical office building ("IMOB") and an associated parking structure to be completed by late December 2019/early January 2020. Total cost is \$302.1 million, with approximately \$229.4 million in costs incurred at the end of FY2019.

An upgrade to the Central Utility Plant at a cost of \$8.4 million, which was completed and put into operations in February 2019 at its projected cost.

An expansion and renovation of the Women's Hospital at the Mountain View campus which will occur after the completion of the IMOB and the current physician tenants in the building on the second and third floors move into the completed IMOB in the first number of months in 2020. The Board thus far at the end of fiscal year 2019 has approved \$16 million towards the project of which \$6.7 million has been expended for design work. Current total project costs is projected to be \$111 million.

At the Los Gatos campus, the construction on an Infusion Center is underway during fiscal year 2019. The project is budgeted at \$6.4 million, of which \$3.8 million has been spent at the end of fiscal year 2019. These costs are being financed by \$42 million of the \$160 million 2015A tax-exempt bonds issued for various upgrades to the Los Gatos campus, which this Infusion Center be the final of these projects.

Also at Los Gatos, the Hospital purchased another Medical Office Building during fiscal year 2019 for a purchase price of \$13.5 million.

**El Camino Healthcare District
Management's Discussion and Analysis
For the Years Ended June 30, 2019, 2018, and 2017**

SVMD received Board approval in February 2019 to develop and construct a clinic in the San Jose area in the amount of \$8 million. It is in the design development phase and less than \$1 million has been expended at the end of the 2019 fiscal year.

El Camino Healthcare District
Management's Discussion and Analysis
For the Years Ended June 30, 2019, 2018, and 2017

Revenues and Expenses

The following table displays revenues and expenses for 2019, 2018, and 2017:

Revenues & Expenses			
Years Ended June 30, 2019, 2018 and 2017			
(In Thousands)			
	2019	2018	2017
Operating revenues:			
Net patient service revenue net of bad debt of \$13,293, \$21,407, and \$19,405 in 2019, 2018, and 2017, respectively	\$ 951,610	\$ 901,023	\$ 832,573
Other revenue	45,064	42,692	37,916
Total operating revenues	996,674	943,715	870,489
Operating expenses:			
Salaries, wages and benefits	510,178	471,132	451,416
Professional fees and purchased services	133,807	120,569	111,990
Supplies	147,328	128,072	121,888
Depreciation	52,504	49,957	48,179
Rent and utilities	20,293	15,783	16,265
Other	14,275	13,898	14,595
Total operating expenses	878,385	799,411	764,333
Operating income	118,289	144,304	106,156
Nonoperating revenue (expense) items:			
Bond interest expense, net	(8,024)	(9,011)	(6,697)
Intergovernmental transfer expense	(7,262)	(6,469)	(10,328)
Realized investment income	34,671	27,936	15,913
Unrealized investment gains	19,598	30,727	47,552
Property tax revenues	27,675	25,378	25,540
Restricted gifts, grants and other net of contributions to related parties	5,816	4,349	4,201
Unrealized (loss) gain on interest rate swap	(2,598)	1,151	3,429
Community benefit expense	(11,971)	(10,505)	(9,970)
Other, net	2,027	6,757	1,322
Total nonoperating revenues and expenses	59,932	70,313	70,962
Increase in net position	178,221	214,617	177,118
Total net position, beginning of year	1,639,698	1,436,122	1,259,004
CUMULATIVE EFFECT OF RESTATEMENT	-	(11,041)	-
Total net position, beginning of year, as restated	1,639,698	1,425,081	1,259,004
Total net position, end of year	\$ 1,817,919	\$ 1,639,698	\$ 1,436,122

**El Camino Healthcare District
Management's Discussion and Analysis
For the Years Ended June 30, 2019, 2018, and 2017**

Fiscal Year 2019 Consolidated Financial Analysis

Net Patient Services Revenues

Net patient services revenue in fiscal year 2019 increased by \$50.6 million, or 5.6% over fiscal year 2018. This increase was due to several factors which include an IGT payment of \$15.8 million, \$4.6 million of cost report settlement; volume increases in Oncology Visits (9.0%), Rehabilitation Procedure (8.0%) and General Surgery (6.6%) also contributed.

Specialty	2019 Days	2018 Days	% Change
Medical/Surgical	63,320	61,869	2%
Maternity	13,463	14,200	-5%
Pediatrics	12	25	-52%
NICU	4,526	4,350	4%
Psychiatry	7,099	6,823	4%
Normal newborn	9,951	10,467	-5%
Total	98,371	97,734	0.7%

Specialty	2019 LOS	2018 LOS	% Change
Medical/Surgical	4.5	4.5	0%
Maternity	3.0	3.0	0%
Pediatrics	0.9	1.7	-47%
NICU	11.3	10.5	8%
Psychiatry	8.5	7.9	8%
Normal newborn	2.4	2.5	-4%
Average Length of Stay ("LOS")	4.3	4.2	2.4%

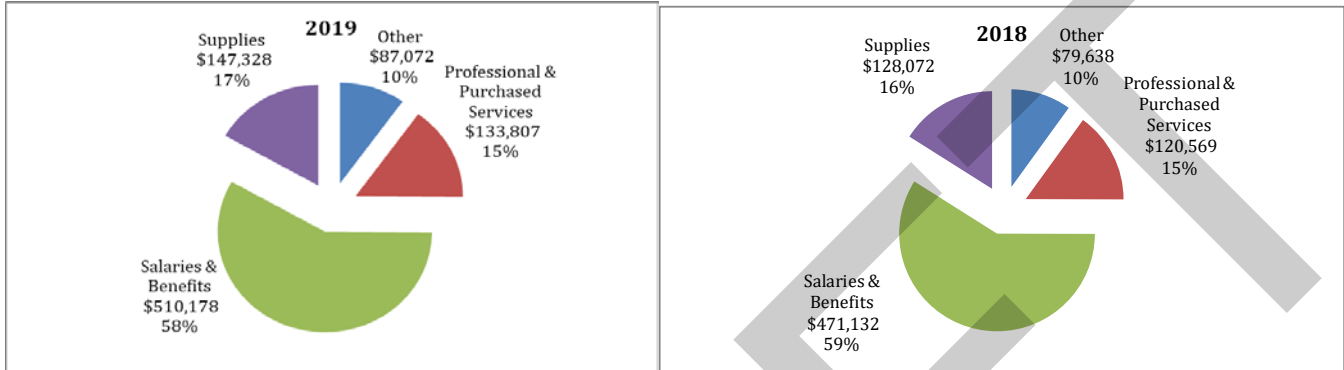
The overall case mix index, which is an indicator of patient acuity, was 1.52 in fiscal year 2019, and 1.54 in fiscal year 2018.

Other Revenue

Other revenues increased by \$2.4 million in fiscal year 2019 over the prior 2018 fiscal year. The primary increase of \$5.3 million was due to new payer capitation contracts that were assumed with the acquisition of San Jose Medical Group, along with an agreement to continue to provide Hospitalist services to the county hospitals for one year. This increase was offset by a loss of two major "Employee Assistance Program" contracts that are provided through our CONCERN entity.

El Camino Healthcare District Management's Discussion and Analysis For the Years Ended June 30, 2019, 2018, and 2017

Operating Expenses



Salaries and Wages

It is to be noted that the District as a stand-alone entity has no employees. All employees are at the Hospital and its related corporations.

Total salaries and wages (including employee benefits) increased by \$39.0 million in fiscal year 2019 over 2018, which is 58.1% of total operating expenses and consistent with fiscal year 2018. Salaries and wages (exclusive of employee benefits) increased by \$27.4 million over fiscal year 2018. Registered Nurses ("RN"), including registries, payroll salaries increased by \$11.7 million in fiscal year 2019 compared to 2018 primarily driven a 4% salary increase granted towards the end of the 2018 fiscal year and increased patient volumes. Another area that saw growth in salary expense was in SVMD as it began operations supporting the San Jose Medical Group and other physician initiatives in April 2019, thus salaries within SVMD grew by \$5.3 million in fiscal year 2019 over fiscal year 2018. Other areas within the Hospital also increased due to salary increases and volumes and activities. In total the FTE (Full Time Equivalent) grew by 103 FTE's over fiscal year 2018. Again a significant portion of the FTE increase was the employee growth in SVMD given the support of the San Jose Medical Group.

With an RN turnover rate of 2.1%, the Hospital continues to do better than the Northern California rate of 3.4% and the statewide rate of 3.0%, as published by the California Hospital Association ("CHA") at the end of the first quarter of the calendar year 2019.

Employees are represented by the Professional Resources for Nurses ("PRN"). On August 30, 2019, El Camino Hospital reached a tentative contract agreement with the PRN, which was subsequently ratified by vote on September 10, 2019.

Employees represented by SEIU United Healthcare Workers ("SEIU-UHW") are under a current contract that extends through June 30, 2021. In fiscal year 2019, SEIU-UHW workers received a 3.0% contractual wage increase effective July 1, 2018.

The Hospital's Stationary Engineers – Local 39 members ratified a five-year contract that through October 31, 2021. Local 39 members received a two-part contractual increase during fiscal year 2019, 2.0% effective November 4, 2018 and another 2.0% effective May 5, 2019.

El Camino Healthcare District

Management's Discussion and Analysis

For the Years Ended June 30, 2019, 2018, and 2017

Hospital-represented, non-management staff on a merit-based compensation structure received annual merit increases averaging 3.0% in July 2018.

Management and Executive staff received market-based adjustments or merit increases averaging 3.6% in August 2018.

Employee Benefits

Aggregate employee benefits, including accrued Paid Time Off ("PTO") and Extended Sick Leave increased by \$11.6 million.

Significant increases were as follows:

- Pension expense increased by \$2.2 million, primarily by decreased investment returns on the Plan's investment in the past year.
- PTO accrued expense increased by \$2.4 million over the 2018 fiscal year.
- Employer FICA (Social Security and Medicare) taxes increased by \$1.7 million in the current fiscal year.
- Healthcare (medical, dental, and vision) increased by \$2.0 million in fiscal year 2019 over 2018.

Professional and Purchased Services

Total professional and purchased services increased by \$13.2 million over the prior fiscal year.

The significant increases were as follows:

- Professional Service Agreements associated with SVMMD increase by \$6.3 million over prior year, mainly due to the acquisition of the San Jose Medical Group
- Purchases Services increased by \$6.9 million over prior year due to in cost associated with expansion of services due to growth and services to support SVMMD

Supplies

Total supplies increased by \$19.3 million in fiscal year 2019 over 2018. Pharmaceuticals increased by \$4.0 million over the 2018 fiscal year. At the Cancer Infusion Center, the service saw increased patient volumes, along with a higher acuity of the patients. The pharmaceutical industry saw an overall inflation rate of 10.5% for the year. Spine surgery had increased utilization causing a \$3.5 million increase in medical supplies. Other areas that saw increases were for certain heart and vascular devices, prosthesis and orthopedics devices, respiratory materials, and oxygen and other medical gases had significant increases.

**El Camino Healthcare District
Management's Discussion and Analysis
For the Years Ended June 30, 2019, 2018, and 2017**

Depreciation

Depreciation expense this fiscal year increased by \$2.5 million over fiscal year 2018. Primarily, the increase was for buildings and structures, in particular the new North Drive parking structure at the Mountain View campus coming on line and various major upgrades to the Los Gatos facilities, including the HVAC system and medical office buildings

Rent and Utilities

Rent and utilities this fiscal year was increased by \$4.5 million over fiscal year 2018, and was primarily driven by leased building cost, of which \$2.6 million was attributable to new leases of properties by SVMD for its various clinic sites.

Other Expense

Other expense increased in current fiscal year by \$377,000 over the prior year, principally for annual dues and subscription fees and offsite seminars and associated travel expense.

Non-operating Revenue (Expense) Items:

Bond Interest Expense, net

The decrease of \$987,000 in fiscal year 2019 over the prior year was due to the majority of interest being capitalized as the two large projects are still under construction. Nonetheless, the parking structure addition at the Mountain View campus was completed in August 2017 as was some significant renovation projects at the Los Gatos campus that were funded by the 2015A bonds.

Change in Net Unrealized Gains and Losses on Investments

For fiscal year 2019, the Hospital had approximately 30 money managers with different investment objectives for the Hospital's surplus cash investments. Total net unrealized gains/losses are reported in the consolidated financial statements during this fiscal year.

El Camino Healthcare District Management's Discussion and Analysis For the Years Ended June 30, 2019, 2018, and 2017

The Hospital experienced a change in net unrealized gains and losses on investments of \$19.6 million during fiscal year 2019 and the change in net unrealized gains and losses for fiscal year 2019 was a year over year ("YOY") decrease of \$11.1 million. The change in net unrealized gains and losses in 2019 were a result of strong investment results that were widespread across investment portfolios with particularly strong results within equities and fixed income investments. Fixed income investments experienced a change in net unrealized gains and losses of \$14.6 million during fiscal year 2019 as a decrease in interest rates positively impacted the market value of existing holdings. Externally held funds (excluding hedge funds) and mutual fund investments generated \$8.8 million in change in unrealized gains and losses. Within mutual funds, most equity funds generated unrealized gains throughout fiscal year 2019; however, U.S. domiciled holdings fared best. These results were consistent with strong equity market returns within domestic, and to a lesser extent, international equity markets as the S&P 500 Index returned +10.4% and the MSCI All Country World Index ex USA (net) returned +1.3% during fiscal year 2019. Separate account equities experienced negative changes in net unrealized gains and losses of \$1.6 million as the U.S. large-cap value equity manager realized gains on asset sales, which reduced unrealized gains. Hedge fund investments experienced a fall of \$3.1 million to the change in unrealized gains and losses with losses across the equity, credit, and macro strategies, partially offset by gains from the relative value strategy.

The YOY decrease in net unrealized gains and losses was due to a \$15.5 million decrease in externally held funds (excluding hedge funds) and mutual fund investments, a \$12.9 million decrease due to hedge fund investments, and a \$3.7 million decrease due to separate account equities. This was partially offset by a \$20.8 million increase due to fixed income investments. Within mutual fund investments, despite strong absolute gains in fiscal year 2019, equity funds were not able to keep pace with the level of gains experienced in fiscal year 2018, across both domestic and international equity holdings. The MSCI All Country World Index ex USA (net) returned +1.3% during fiscal year 2019, whereas the Index gained +7.3% in fiscal year 2018. Additionally, within domestic markets the S&P 500 Index gained +14.4% in fiscal year 2018 and +10.4% in fiscal year 2019.

Economic Factors and Next Year's Budget

The Board approved the fiscal year 2020 budget at their June 2019 meeting. The District is budgeting a combined increase in net position of \$129.4 million. For fiscal year 2020 budget, volumes are projected to increase by 4%, reimbursement rates are projected to increase by 2.6%, and expenses are projected to increase 3% over fiscal year 2019. The organization is focused on being a value based healthcare provider offering top decile, acute care quality at mid-level pricing, moving towards continuum partnerships that integrate physician networks, care coordination, and delivery strategies, while maintaining out "triple aim" of quality, service, and affordability.

Fiscal Year 2018 Consolidated Financial Analysis

Net Patient Services Revenues

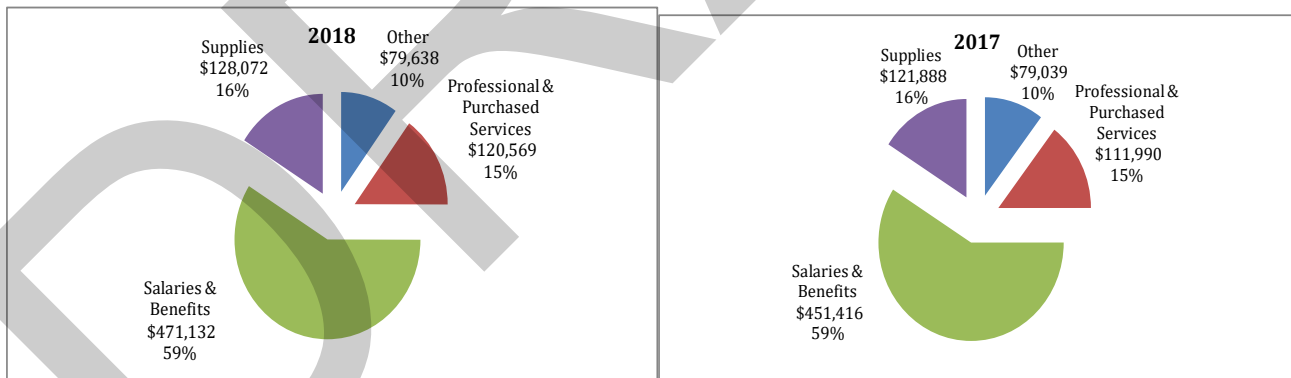
Net patient services revenue in fiscal year 2018 increased by \$68.5 million, or 8.2% over fiscal year 2017. This increase was due to several factors which include a IGT payment of \$8.4 million, along with FY 2018 participation being paid of \$1.7 million; a \$2.3 million of cost report settlement; volume increases in General Medicine (8.5%), Imaging (6.0%), General Surgery (5.2%) and Neurosciences (14.5%) also contributed. Another increase to this year's net patient revenue was due to the revision to the model that is done for calculating certain reserves, which provided a one-time reduction to estimated reserves in 2018.

El Camino Healthcare District
Management's Discussion and Analysis
For the Years Ended June 30, 2019, 2018, and 2017

Specialty	2018 Days	2017 Days	% Change
Medical/Surgical	61,869	61,187	1.1%
Maternity	14,200	14,413	-1.5%
Pediatrics	25	29	-13.8%
NICU	4,350	5,089	-14.5%
Psychiatry	6,823	6,558	4.0%
Normal newborn	10,467	10,498	-0.3%
Total	97,734	97,774	0.0%
Specialty	2018 LOS	2017 LOS	% Change
Medical/Surgical	4.5	4.7	-4.3%
Maternity	3.0	3.0	0.0%
Pediatrics	1.7	1.6	6.2%
NICU	10.5	9.7	8.2%
Psychiatry	7.9	9.2	-14.1%
Normal newborn	2.5	2.4	4.2%
Average LOS	4.2	4.3	-2.3%

The overall case mix index, which is an indicator of patient acuity, was 1.54 in fiscal year 2018, and 1.48 in fiscal year 2017.

Operating Expenses



El Camino Healthcare District

Management's Discussion and Analysis

For the Years Ended June 30, 2019, 2018, and 2017

Salaries and Wages

It is to be noted that the District as a stand-alone entity has no employees. All employees are at the Hospital and its related corporations.

Total salaries and wages (including employee benefits) increased by \$19.7 million in fiscal year 2018 over 2017, which is 59% of total operating expenses and consistent with fiscal year 2017. Salaries and wages (exclusive of employee benefits) increased by \$21.1 million over fiscal year 2017. RN, including registries, payroll salaries increased by \$10.7 million in fiscal year 2018 compared to 2017 primarily driven by patient volumes and including in this year the Hospital started a nursing new grad program to provide greater training in nursing operations at the Hospital at a cost of \$1.2 million. A number of other clinical areas saw growth as in respiratory care, operating rooms, imaging, and interventional services. In total the FTE grew by 88 FTE's over fiscal year 2017.

With an RN turnover rate of 2.2%, the Hospital continues to do better than the statewide rate of 2.5%, as published by the CHA at the end of the first quarter of the calendar year 2018.

Employees represented by the PRN are currently under contract. The Memorandum of Understanding ("MOU") was dated October 26, 2016 with an expiration date of June 30, 2019. Employees of PRN received a 4% contractual increase effective May 20, 2018.

Employees represented by SEIU-UHW are under a current contract that extends through June 2019. In fiscal year 2018, SEIU-UHW received a 3.0% contractual wage increase effective July 1, 2017.

The Hospital's Stationary Engineers – Local 39 members ratified a five-year contract that began November 1, 2016 through October 31, 2021, receiving a 3% contractual increase on November 5, 2017.

Hospital-represented, non-management staff on a merit based compensation structure received annual merit increases averaging 2.7% in July 2017.

Management and executive staff received market-based adjustments or merit increases averaging 2.7%; Management in August 2017.

Aggregate employee benefits, including accrued PTO and Extended Sick Leave decreased by \$1.4 million.

Significant decreases/increases were as follows:

- For the employees of PRN as they ratified their contract in fiscal year 2017, all members (1,218) were provided a Ratification Bonus that totaled \$2.5 million that was paid out in December 2016. This was a one-time event and did not occur in the current fiscal year
- Pension expense decreased by \$4.2 million, primarily by increased investment returns on the Plan's investment in the past year.
- Self-funded worker compensation expenses decreased by \$1.3 million primary in third party payments for employee injuries.
- PTO accrued expense increased by \$3.5 million over the 2017 fiscal year.

**El Camino Healthcare District
Management's Discussion and Analysis
For the Years Ended June 30, 2019, 2018, and 2017**

- Employer FICA (Social Security and Medicare) taxes increased by \$1.6 million in the current fiscal year.

Professional and Purchased Services

Total professional and purchased services increased by \$8.6 million over the prior fiscal year.

The significant increases were as follows:

- Continued on-going repairs in maintaining buildings and grounds to look and perform as they did when they came on line at the campuses of Mountain View and Los Gatos are a significant expense, thus in current fiscal year \$4.9 million was expended over fiscal year 2017. Maintaining the many state-of-the-art medical equipment added \$900,000 in the 2018 fiscal year over the prior year.
- Maintenance and upgrades to various software applications saw a \$1.4 million increase over the prior year.
- Physician services of participating on required on-call panels at both campuses and medical directorship fees increased by \$1.7 million in the current fiscal year.

Supplies

Total supplies increased by \$6.2 million in fiscal year 2018 over 2017. Pharmaceuticals increased by \$3.0 million over the 2017 year. At the Cancer Infusion Center, the service saw increased patient volumes, along with a higher acuity of the patients. The pharmaceutical industry saw an overall inflation rate of 4.1% for the year. Spine surgery had increased utilization causing a \$1.7 million in medical supplies. Other areas that saw increases were for certain heart and vascular devices, prosthesis and orthopedics devices, respiratory materials, and oxygen and other medical gases had significant increases.

Depreciation

Depreciation expense this fiscal year increased by \$1.8 million over fiscal year 2017. Primarily the increase was for buildings and structures, in particular the new North Drive parking structure at the Mountain View campus coming on line and various major upgrades to the Los Gatos facilities, including the HVAC system and medical office buildings.

Rent and Utilities

Rent and utilities this fiscal year was decreased by an insignificant \$482,000 over fiscal year 2017.

Other Expense

Other expense decreased in current fiscal year by \$697,000 over the prior year, principally for annual dues and subscription fees and offsite seminars and associated travel expense.

El Camino Healthcare District

Management's Discussion and Analysis

For the Years Ended June 30, 2019, 2018, and 2017

Non-operating Revenue and Expenses

Interest Expense

The increase of \$2.3 million in fiscal year 2018 over the prior year is due to a full year of the May 2017 \$292 million issue being placed. Though a majority of its interest is being capitalized as the major projects remain being constructed, the parking structure addition at the Mountain View campus was completed in August 2017 as was some significant renovation projects at the Los Gatos campus that were funded by the 2015A bonds.

Change in Net Unrealized Gains and Losses on Investments

For fiscal year 2018, the Hospital had approximately 30 money managers with different investment objectives for the Hospital's surplus cash investments. Total net unrealized gains/losses are reported in the consolidated financial statements during this fiscal year.

The Hospital experienced a change in net unrealized gains and losses on investments of \$30.7 million during fiscal year 2018 and the change in net unrealized gains and losses for fiscal year 2018 was a YOY decrease of \$16.8 million. The change in net unrealized gains and losses in 2018 were a result of strong investment results that were widespread across investment portfolios with the exception of fixed income portfolios. Externally held funds (excluding hedge funds) and mutual fund investments generated \$24.4 million in change in unrealized gains and losses. Within mutual funds, all equity funds generated significant unrealized gains throughout fiscal year 2018. These results were consistent with strong equity market returns within domestic and international equity markets as the S&P 500 Index returned +14.4% and the MSCI All Country World Index ex USA (net) returned +7.3% during fiscal year 2018. Separate account equities also experienced positive changes in net unrealized gains and losses of \$2.1 million primarily driven by results from the portfolio's U.S. small-cap growth equity and U.S. large-cap value equity manager. Hedge fund investments added \$9.8 million to the change in unrealized gains and losses with strong results across all four underlying strategies; equity, credit, relative value, and macro. Fixed income investments partially offset the impact of other asset classes as they experienced a negative change in net unrealized gains and losses of \$6.1 million during fiscal year 2018. An increase in interest rates led to unrealized losses for fixed income investments during fiscal year 2018.

Report of Independent Auditors

To the Board of Directors
El Camino Healthcare District

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of El Camino Healthcare District (the "District"), which comprise the consolidated statements of net position as of June 30, 2019 and 2018, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the District as of June 30, 2019 and 2018, and the consolidated results of operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The accompanying Management's Discussion and Analysis on pages 1 through 15, and the accompanying supplemental pension and post-retirement benefit information on pages 59 and 60, are not required parts of the consolidated financial statements but are supplementary information required by the Governmental Accounting Standards Board who considers them to be an essential part of financial reporting for placing the consolidated financial statements in an appropriate operational economic, or historical context. This supplementary information is the responsibility of the District's management. We have applied certain limited procedures in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the consolidated financial statements, and other knowledge we obtained during our audit of the consolidated financial statements. We do not express an opinion or provide any assurance on the supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements that collectively comprise the District's consolidated financial statements. The accompanying consolidating statement of net position and consolidating statement of revenues, expenses, and changes in net position, on pages 56 through 58, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of the District's management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements that collectively comprise the District's consolidated financial statements. The accompanying supplemental schedule of community benefit on page 61 is presented for purpose of additional analysis and is not a required part of the consolidated financial statements. This supplementary information is the responsibility of the District's management. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

San Francisco, California

 , 2019

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Consolidated Financial Statements

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El Camino Healthcare District
Consolidated Statements of Net Position
June 30, 2019 and 2018
(In Thousands)

	<u>2019</u>	<u>2018</u>
ASSETS AND DEFERRED OUTFLOWS		
Current assets		
Cash and cash equivalents	\$ 131,362	\$ 126,821
Short-term investments	262,157	244,056
Current portion of board-designated funds	23,778	20,963
Patient accounts receivable, net of allowances for doubtful accounts of \$48,123 and \$41,009 in 2019 and 2018, respectively	130,702	124,914
Prepaid expenses and other current assets	30,196	22,407
Total current assets	<u>578,195</u>	<u>539,161</u>
Non-current cash and investments		
Board-designated funds	785,552	714,995
Restricted funds	650	400
Funds held by trustee	107,101	218,457
	<u>893,303</u>	<u>933,852</u>
Capital assets		
Nondepreciable	483,909	305,797
Depreciable, net	612,584	614,403
Total capital assets	<u>1,096,493</u>	<u>920,200</u>
Pledges receivable, net of current portion	4,444	4,170
Prepaid pension asset	40,762	57,084
Investments in healthcare affiliates	29,742	31,268
Beneficial interest in charitable remainder unitrusts	3,893	3,638
Total assets	<u>2,646,832</u>	<u>2,489,373</u>
Deferred outflows of resources		
Loss on defeasance of bonds payable	12,962	13,562
Deferred outflows of resources	7,436	5,200
Deferred outflows - actuarial	10,546	2,414
Total deferred outflows of resources	<u>30,944</u>	<u>21,176</u>
Total assets and deferred outflows of resources	<u>\$ 2,677,776</u>	<u>\$ 2,510,549</u>

El Camino Healthcare District
Consolidated Statements of Net Position (continued)
June 30, 2019 and 2018
(In Thousands)

	<u>2019</u>	<u>2018</u>
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION		
Current liabilities		
Accounts payable and accrued expenses	\$ 57,529	\$ 51,036
Salaries, wages, and related liabilities	58,941	54,006
Other current liabilities	21,653	23,244
Estimated third-party payor settlements	11,156	10,068
Current portion of bonds payable	12,430	7,160
Total current liabilities	<u>161,709</u>	<u>145,514</u>
Bonds payable, net of current portion	625,443	642,235
Other long-term obligations	11,525	9,454
Workers' compensation, net of current portion	18,432	17,963
Post-retirement medical benefits, net of current portion	29,480	29,212
Total liabilities	<u>846,589</u>	<u>844,378</u>
Deferred inflow of resources		
Deferred inflow of resources	3,893	3,638
Deferred inflow of resources - actuarial	9,375	22,835
Total deferred inflow of resources	<u>13,268</u>	<u>26,473</u>
Net position		
Invested in capital assets, net of related debt	565,721	489,262
Restricted - expendable	16,759	15,652
Restricted - nonexpendable	7,456	3,718
Unrestricted	1,227,983	1,131,066
Total net position	<u>1,817,919</u>	<u>1,639,698</u>
Total liabilities, deferred inflows of resources, and net position	<u><u>\$ 2,677,776</u></u>	<u><u>\$ 2,510,549</u></u>

El Camino Healthcare District
Consolidated Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2019 and 2018
(In Thousands)

	<u>2019</u>	<u>2018</u>
OPERATING REVENUES		
Net patient service revenue (net of provision for bad debts of \$13,293 and \$21,407 in 2019 and 2018, respectively)	\$ 951,610	\$ 901,023
Other revenue	45,064	42,692
Total operating revenues	<u>996,674</u>	<u>943,715</u>
OPERATING EXPENSES		
Salaries, wages, and benefits	510,178	471,132
Professional fees and purchased services	133,807	120,569
Supplies	147,328	128,072
Depreciation	52,504	49,957
Rent and utilities	20,293	15,783
Other	14,275	13,898
Total operating expenses	<u>878,385</u>	<u>799,411</u>
Income from operations	<u>118,289</u>	<u>144,304</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income, net	54,269	58,663
Property tax revenue		
Designated to support community benefit programs and operating expenses	8,697	8,281
Designated to support capital expenditures	8,989	7,831
Levied for debt service	9,989	9,266
Bond interest expense, net	(8,024)	(9,011)
Intergovernmental transfer expense	(7,262)	(6,469)
Restricted gifts, grants and bequests, and other, net of contributions to related parties	5,816	4,349
Unrealized (loss) gain on interest rate swap	(2,598)	1,151
Community benefit expense	(11,971)	(10,505)
Other, net	2,027	6,757
Total nonoperating revenues	<u>59,932</u>	<u>70,313</u>
Increase in net position	178,221	214,617
TOTAL NET POSITION, beginning of year	<u>1,639,698</u>	<u>1,436,122</u>
CUMULATIVE EFFECT OF RESTATEMENT	<u>-</u>	<u>(11,041)</u>
TOTAL NET POSITION, beginning of year, as restated	<u>1,639,698</u>	<u>1,425,081</u>
TOTAL NET POSITION, end of year	<u><u>\$ 1,817,919</u></u>	<u><u>\$ 1,639,698</u></u>

El Camino Healthcare District
Consolidated Statements of Cash Flows
Years Ended June 30, 2019 and 2018
(In Thousands)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from and on behalf of patients	\$ 926,355	\$ 857,868
Other cash receipts	45,064	42,692
Cash payments to employees	(505,243)	(468,814)
Cash payments to suppliers	(316,449)	(253,530)
Net cash provided by operating activities	<u>149,727</u>	<u>178,216</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes	17,686	16,112
Restricted contributions and investment income	5,816	4,349
Net cash provided by noncapital financing activities	<u>23,502</u>	<u>20,461</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of property, plant, and equipment	(230,683)	(157,934)
Proceeds from disposal of property, plant and equipment	418	-
Payments on bonds payable	(7,160)	(7,305)
Interest paid on General Obligation bonds payable	(3,183)	(3,183)
Tax revenue related to General Obligation bonds payable	9,989	9,266
Net cash used in capital and related financing activities	<u>(230,619)</u>	<u>(159,156)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(884,635)	(1,304,891)
Sales of investments	792,912	1,125,512
Investment income, net	54,269	58,663
Community benefit and other investing activities	(11,971)	(10,505)
Change in funds held by trustee, net	111,356	86,958
Net cash provided by (used in) investing activities	<u>61,931</u>	<u>(44,263)</u>
Net increase (decrease) in cash and cash equivalents	4,541	(4,742)
CASH AND CASH EQUIVALENTS at beginning of year	<u>126,821</u>	<u>131,563</u>
CASH AND CASH EQUIVALENTS at end of year	<u><u>\$ 131,362</u></u>	<u><u>\$ 126,821</u></u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 118,289	\$ 144,304
Adjustments to reconcile income from operations to net cash from operating activities		
(Gain) loss on disposal of property, plant and equipment	(234)	2,838
Amortization of bond premium and bond issuance costs	(4,362)	(4,632)
Depreciation	52,504	49,957
Provision for bad debts	13,293	21,407
Changes in assets and liabilities		
Patient accounts receivable, net	(19,081)	(36,316)
Prepaid expenses and other current assets	8,149	(26,437)
Current liabilities	1,463	10,163
Other long-term obligations	1,030	(873)
Deferred inflows/outflows of resources - actuarial	(21,592)	18,852
Post-retirement medical benefits	268	(1,047)
Net cash provided by operating activities	<u><u>\$ 149,727</u></u>	<u><u>\$ 178,216</u></u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES		
Noncash purchase of property, plant, and equipment	<u>\$ 1,702</u>	<u>\$ 5,450</u>
Change in fair value of beneficial interest in charitable remainder unitrusts, and deferred inflow of resources, net	<u><u>\$ 255</u></u>	<u><u>\$ 117</u></u>

See accompanying notes.

El Camino Healthcare District

Notes to Consolidated Financial Statements

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – The El Camino Healthcare District (the “District”) includes the following component units, which are included as blended component units of the District’s consolidated financial statements: El Camino Hospital (the “Hospital”), El Camino Hospital Foundation (the “Foundation”), CONCERN: Employee Assistance Program (“CONCERN”), El Camino Surgery Center, LLC (“ECSC”), and Silicon Valley Medical Development, LLC (“SVMD”).

The District is organized as a political subdivision of the State of California and was created for the purpose of operating an acute care hospital and providing management services to certain related corporations. The District is the sole member of the Hospital, and the Hospital is the sole corporate member of the Foundation and CONCERN. As sole member, the District (with respect to the Hospital) and the Hospital (with respect to the Foundation and CONCERN) have certain powers, such as the appointment and removal of the boards of directors and approval of changes to the articles of incorporation and bylaws. As of June 30, 2019 and 2018, the Hospital owns 100% of ECSC.

SVMD is organized as a California limited liability company and was formed in 2008. In the fiscal year 2019, SVMD expanded to 12 clinic sites including certain assets of five clinics acquired through the bankruptcy of Verity Health System. The approximate number of affiliated providers has grown to over 80 across El Camino Medical Associates (“ECMA”) and San Jose Medical Group.

All significant inter-entity accounts and transactions have been eliminated in the consolidated financial statements.

The District utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis and consolidated financial statements are prepared using the economic resources measurement focus.

Accounting standards – Pursuant to Governmental Accounting Standards Board (“GASB”) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the District’s proprietary fund accounting and financial reporting practices are based on all applicable GASB pronouncements as well as codified pronouncements issued on or before November 30, 1989 and the California Code of Regulations, Title 2, Section 1131, State Controller’s *Minimum Audit Requirements* for California Special Districts and the State Controller’s Office prescribed reporting guidelines.

Use of estimates – The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Estimates include contractual allowances related to net patient service revenue, provision for uncollectible accounts, fair market values of investments, uninsured losses for professional liability, minimum pension liability, workers’ compensation liability, post-retirement medical benefits liability, valuation of gift annuities and beneficial interest in charitable remainder unitrusts, and useful lives of capital assets. Actual results could differ from those estimates.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Cash and cash equivalents – Cash and cash equivalents include deposits with financial institutions, and investments in highly liquid debt instruments with an original maturity of three months or less. In addition, in fiscal years 2019 and 2018, cash and cash equivalents include repurchase agreements, which consist of highly liquid obligations of U.S. governmental agencies. Cash and cash equivalents exclude amounts whose use is limited by board designation or by legal restriction.

Investments – Investments consist primarily of highly liquid debt instruments and other short-term interest-bearing certificates of deposit, U.S. Treasury bills, U.S. government obligations, hedge funds, hedge fund of funds, and corporate debt, excluding amounts whose use is limited by board designation or other arrangements under trust agreements.

Board-designated and restricted funds include assets set aside by the Board of Directors (the “Board”) for future capital improvements and other operational reserves, over which the Board retains control and may at its discretion use for other purposes; assets set aside for qualified capital outlay projects in compliance with state law; and assets restricted by donors or grantors.

Investment income, realized gains and losses, and unrealized gains and losses on investments are reflected as nonoperating revenue or expense.

Funds held by trustee – According to the terms of both indenture agreements (General Obligation and Revenue Bonds), these amounts are held by the bond trustee and paying agent and are maintained and managed by an investment manager or the trustee. These assets are available for the settlement of future current bond obligations and capital expenditures.

Capital assets – Capital asset acquisitions are recorded at cost. Donated property is recorded at its fair market value on the date of donation. All purchases over \$2,500 are capitalized. Equipment under capital lease is amortized on the straight-line basis over the shorter of the lease term or the estimated useful life of the equipment. Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the related assets. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Land improvements	16 years
Buildings and fixtures	25 – 47 years
Equipment	3 – 16 years

The District evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. Impairment losses on capital assets are measured using the method that best reflects the diminished service utility of the capital asset.

Except for capital assets acquired through gifts, contributions, or capital grants, interest cost on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Prepaid expenses and other current assets – Prepaid expenses and other current assets consist primarily of premiums paid in advance, inventories, dues, and other receivables related to new capitation and hospitalist contracts associated with Silicon Valley Medical Development.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Investments in healthcare affiliates – The Hospital holds an interest in Pathways Home Health & Hospice (“Pathways”), and five Satellite Dialysis Centers, which are reported using the equity method of accounting. ECSC holds an interest in El Camino Ambulatory Surgery Center (“ECASC”), which is reported using the cost method of accounting.

Affiliate	Percent interest
Pathways	50%
Satellite Dialysis of Mountain View, LLC	30%
El Camino Ambulatory Surgery Center	33%

Deferred outflows and inflows – The District records deferred outflows or inflows of resources in its consolidated financial statements for consumption or acquisition of its consolidated net position that is applicable to a future reporting period. These financial statement elements are distinct from assets and liabilities.

	2019	2018
Deferred outflows of resources as of June 30:		
Loss on defeasance of bonds payable	\$ 12,962	\$ 13,562
Deferred outflows of resources - employee benefit plan contribution	6,400	5,200
Deferred outflows of resources - goodwill	1,036	-
Deferred outflows - actuarial, employee benefit plan	10,392	2,414
Deferred outflows - actuarial, post-retirement medical benefit	154	-
Total	<u>\$ 30,944</u>	<u>\$ 21,176</u>
Deferred inflows of resources as of June 30:		
Deferred inflows of resources - charitable remainder unitrusts	\$ 3,893	\$ 3,638
Deferred inflows - actuarial, employee benefit plan	8,504	21,333
Deferred inflows - actuarial, post-retirement medical benefit	871	1,502
Total	<u>\$ 13,268</u>	<u>\$ 26,473</u>

Risk management – The Hospital is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Self-insurance plans – The Hospital maintains professional liability insurance on a claims-made basis, with liability limits of \$40,000,000 in aggregate, which is subject to a \$50,000 deductible. Additionally, the Hospital is self-insured for workers’ compensation benefits. The Hospital purchases a Workers’ Compensation Excess Policy that insures claims greater than \$1,000,000 with a limit of statutory and a \$1,000,000 deductible. Actuarial estimates of uninsured losses for professional liability and workers’ compensation have been accrued as other current liabilities and workers’ compensation, net of current portion, respectively, in the accompanying consolidated financial statements.

El Camino Healthcare District

Notes to Consolidated Financial Statements

The following is a summary of changes in workers' compensation liabilities for the years ended June 30 (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2019	\$ 20,263	\$ 2,670	\$ 2,201	\$ 20,732	\$ 2,300

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2018	\$ 20,007	\$ 2,810	\$ 2,554	\$ 20,263	\$ 2,300

Compensated absences – Vested or accumulated vacation and sick leave are recorded as an expense and liability of the Hospital as the benefits accrue to employees. For most employees, the maximum accumulated vacation is 400 hours. Sick leave is accumulated indefinitely at a maximum of 40 hours for a full-time employee per year, and is not vested with the employee upon termination.

The following is a summary of changes in compensated absences transactions for the years ended June 30, (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2019	\$ 24,783	\$ 49,603	\$ 47,884	\$ 26,502	\$ 26,502

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
2018	\$ 23,685	\$ 47,485	\$ 46,387	\$ 24,783	\$ 24,783

Interest rate swap agreements – During the fiscal year ended June 30, 2007, the Hospital entered into derivative instruments in the form of three swap agreements to hedge variable interest rate exposure. During the fiscal year ended June 30, 2008, the underlying variable rate debt was refunded for fixed rate debt, leaving the Hospital with speculative derivative instruments that largely offset the variable rate debt issued in 2009. Two of these swaps were terminated in the fiscal year ended June 30, 2010. Refer to Note 10 for a full description of the interest rate swap agreements.

Net position – Net position of the District is classified as invested in capital assets, restricted-expendable, restricted-nonexpendable, and unrestricted net position.

Invested in capital assets, net of related debt – Invested in capital assets of \$565,721,000 and \$489,262,000 at June 30, 2019 and 2018, respectively, represent investments in all capital assets (building and building improvements, furniture and fixtures, and information and technology equipment), net of depreciation less any debt issued to finance those capital assets.

Restricted-expendable – The restricted expendable net position is restricted through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation and includes assets in self-insurance trust funds, revenue bond reserve fund assets, and net position restricted to use by donors.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Restricted-nonexpendable – The restricted nonexpendable net position is equal to the principal portion of permanent endowments.

Unrestricted net position – Unrestricted net position consists of net position that does not meet the definition of invested in capital assets, net of related debt, or restricted.

Statements of revenues, expenses, and changes in net position – For purposes of presentation, transactions deemed by management to be ongoing, major, or central to the provisions of healthcare services are reported as revenues and expenses. Peripheral or incidental transactions are reported as gains and losses. These peripheral activities include investment income, property tax revenue, gifts, grants and bequests, change in net unrealized gains and losses on short-term investments, unrealized losses or gains on interest rate swap, and nonexchange contributions received from the Foundation's fundraising activities and are reported as nonoperating. Investments in Pathways Home Health & Hospice and Satellite Dialysis of Mountain View, LLC, are accounted for under the equity method. The Hospital's share of the operating income of these entities is included as other, net in the consolidated financial statements.

Net patient service revenue and patient accounts receivable – Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered, and adjusted in future periods as final settlements are determined. The distribution of net patient accounts receivable by payor is as follows:

	June 30,	
	2019	2018
Medicare	15%	16%
Medi-Cal	3%	3%
Commercial and other	81%	80%
Self pay	1%	1%
	<u>100%</u>	<u>100%</u>

Uncollectible accounts – The Hospital provides care to patients without requiring collateral or other security. Patient charges not covered by a third-party payor are billed directly to the patient if it is determined that the patient has the ability to pay. A provision for uncollectible accounts is recognized based on management's estimate of amounts that ultimately may be uncollectible.

Charity care – The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. The amount of estimated costs for services and supplies furnished under the Hospital's charity care policy aggregated approximately \$378,000 and \$1,691,000 for the years ended June 30, 2019 and 2018, respectively.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Property tax revenue – The District received approximately 16% in 2019 and 12% in 2018 of its total increase in net position from property taxes. These funds were designated as follows (in thousands):

	June 30,	
	2019	2018
Designated to support community benefit programs and operating expenses	\$ 8,697	\$ 8,281
Designated to support capital expenditures	\$ 8,989	\$ 7,831
Levied for debt service	\$ 9,989	\$ 9,266

Property taxes are levied by the County of Santa Clara on the District's behalf on January 1 and are intended to finance the District's activities of the same calendar year. Amounts levied are based on assessed property values as of the preceding July 1. Property taxes are considered delinquent on the day following each payment due date. Property taxes are recorded as nonoperating revenue by the District when they are earned.

Grants and contributions – From time to time, the District receives grants as well as contributions from individuals and private organizations. Revenues from grants and contributions are recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenues.

Income taxes – The District operates under the purview of the Internal Revenue Code (the "Code"), Section 115, and corresponding California Revenue and Taxation Code provisions. As such, it is not subject to state or federal taxes on income. CONCERN has also been granted tax-exempt status. However, income from the unrelated business activities of the Hospital and the Foundation is subject to income taxes. ECSC and SVMD are limited liability companies and are treated as pass-through entities for federal income tax purposes. Accordingly, no recognition has been given to federal income taxes in the accompanying consolidated financial statements.

Reclassifications – Certain amounts in the 2018 consolidated financial statements have been reclassified to conform to the 2019 presentation.

New accounting pronouncements - The GASB issued Statement No 84, *Fiduciary Activities* ("GASB No. 84"), which provides improved guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The Statement is effective for reporting periods beginning July 1, 2019. The District is currently assessing the impact of this standard on the District's consolidated financial statements.

El Camino Healthcare District

Notes to Consolidated Financial Statements

The GASB also issued GASB Statement No. 87, *Leases*, ("GASB No. 87"), which intends to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB No. 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The adoption of GASB No. 87 is effective for the District beginning July 1, 2020. The District is currently assessing the impact of this standard on the District's consolidated financial statements.

The GASB also issued GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, ("GASB No. 88"). Among other things, GASB No. 88 clarifies which liabilities governments should include in their note disclosures related to debt. GASB No. 88 requires that all debt disclosures present direct borrowings and direct placements of debt separately from other types of debt. GASB No. 88 further defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This statement further requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. The adoption of GASB No. 88 is effective for the District beginning July 1, 2019. The District is currently assessing the impact of this standard on the District's consolidated financial statements.

The GASB also issued GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, ("GASB No. 89"). GASB No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The adoption of GASB No. 89 is effective for the District beginning July 1, 2020. The District is currently assessing the impact of this standard on the District's consolidated financial statements.

The GASB also issued GASB Statement No. 91, *Conduit Debt Obligation*, ("GASB No. 91"). GASB No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The adoption of GASB No. 91 is effective for the District beginning July 1, 2021. The District is currently assessing the impact of this standard on the District's consolidated financial statements.

El Camino Healthcare District

Notes to Consolidated Financial Statements

NOTE 2 – OPERATING REVENUES

The following table reflects the percentage of net patient revenues by major payor group for the years ended June 30:

	2019	2018
Medicare (including Medicare HMO)	27%	26%
Commercial and other	69%	70%
Medi-Cal (including Medi-Cal HMO)	4%	4%
	<u>100%</u>	<u>100%</u>

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, fee schedules, prepaid payments per member, and per diem payments or a combination of these methods. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated settlements under reimbursement agreements with third-party payors.

Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system based on clinical, diagnostic, and other factors. Inpatient services are paid at prospectively determined rates per discharge. Payments for outpatient services are based on a stipulated amount per procedure. The Hospital is reimbursed for cost reimbursable items at a tentative rate, with final settlements determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The effect of updating prior year estimates for Medicare and other liabilities was to decrease 2019 income from operations by \$325,000, and decrease 2018 income from operations by \$3,638,500. The Hospital's cost reports have been audited by the Medicare fiscal intermediary through June 30, 2016.

Non-Designated Public Hospitals ("NDPHs"), including the Hospital, were authorized, in 2011's Assembly Bill ("AB") 113, to use intergovernmental transfers ("IGTs") to obtain federal supplemental funds for Medi-Cal inpatient fee-for-service. The IGTs are used to bring NDPHs, in the aggregate, up to their upper payment limit ("UPL"). The UPL is the federal maximum available under the Medicaid program, as calculated based on the actual costs of providing care. For the years ended June 30, 2019 and 2018, the Hospital recognized amounts under the IGT program of \$15,761,000 and \$14,862,000, respectively, which have been reported as net patient service revenue.

Medi-Cal and contracted rate payors are paid on a percentage of charges, per diem, per discharge, fee schedule, or a combination of these methods.

Laws and regulations governing the Medicare and Medi-Cal programs are complex and are subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change in the near term.

Included in other revenue are amounts from investments in health-related activities, rental income, cafeteria, and other nonpatient care revenue.

El Camino Healthcare District

Notes to Consolidated Financial Statements

NOTE 3 – CASH DEPOSITS

At June 30, 2019 and 2018, District cash deposits had carrying amounts of \$131,362,000 and \$126,821,000, respectively, and bank balances of \$141,006,000 and \$123,918,000, respectively. All of these funds were held in cash deposits, which are collateralized with the California Government Code (“CGC”), except for \$250,000 per account that is federally insured by the Federal Deposit Insurance Corporation (“FDIC”).

The District participated in a cash management program provided by its primary depository institution that allows cash in District concentration accounts to be swept daily and invested overnight in reverse agreements that are not exposed to custodial credit risk because the underlying securities are held by the buyer-lender. At June 30, 2018, balances in repurchase agreements had bank balances of \$122,709,000, and was included in the carrying amounts above.

During fiscal year 2019, El Camino transitioned from a cash management program that previously swept excess cash over-night, to a program where the funds remain in the depositories account and the bank pays interest on an average daily balance. Since the implementation of this new program the hospital has experience greater returns compared to the previous program.

NOTE 4 – BOARD-DESIGNATED FUNDS, FUNDS HELD BY TRUSTEE, RESTRICTED FUNDS, AND INVESTMENTS

Board-designated funds, funds held by trustee, restricted funds, and short-term investments, collectively, as of June 30, 2019 and 2018, comprised the following (in thousands):

	Amortized Costs	Gross Unrealized		Carrying Value
		Gains	Losses	
2019				
Cash and cash equivalents	\$ 101,833	\$ 100	\$ (331)	\$ 101,602
Mutual funds	267,413	97,473	(9,495)	355,391
Real estate funds	34,933	8,685	-	43,618
Hedge funds	127,779	24,343	(752)	151,370
Equities	35,869	8,839	(2,488)	42,220
Fixed income securities	471,611	14,625	(1,199)	485,037
	<u>\$ 1,039,438</u>	<u>\$ 154,065</u>	<u>\$ (14,265)</u>	<u>\$ 1,179,238</u>
2018				
Cash and cash equivalents	\$ 165,038	\$ 13	\$ -	\$ 165,051
Mutual funds	266,436	80,358	(3,096)	343,698
Real estate funds	27,403	18,287	-	45,690
Hedge funds	119,947	15,487	(518)	134,916
Equities	31,113	9,930	(1,471)	39,572
Fixed income securities	471,148	2,495	(3,699)	469,944
	<u>\$ 1,081,085</u>	<u>\$ 126,570</u>	<u>\$ (8,784)</u>	<u>\$ 1,198,871</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

At June 30, 2019, investment balances and average maturities were as follows:

Investment Type	Fair Value (in thousands)	Investment Maturities (in years)			
		Less than 1	1 to 5	6 to 10	More than 10
Short-term money market	\$ 99,816	\$ 99,816	\$ -	\$ -	\$ -
Government and agencies	276,922	7,277	107,589	23,273	138,783
Corporate bonds	182,873	22,721	93,943	20,292	45,917
Domestic fixed income	27,028	1,654	8,845	12,375	4,154
	586,639	\$ 131,468	\$ 210,377	\$ 55,940	\$ 188,854
Equities	42,220				
Mutual funds	355,391				
Real estate funds	43,618				
Hedge funds	151,370				
Total	\$ 1,179,238				

At June 30, 2018, investment balances and average maturities were as follows:

Investment Type	Fair Value (in thousands)	Investment Maturities (in years)			
		Less than 1	1 to 5	6 to 10	More than 10
Short-term money market	\$ 164,590	\$ 164,590	\$ -	\$ -	\$ -
Government and agencies	187,346	1,922	98,432	13,959	73,033
Corporate bonds	261,427	14,234	175,220	23,906	48,067
Domestic fixed income	19,691	1,142	6,395	8,689	3,465
Foreign fixed income	1,941	1,941	-	-	-
	634,995	\$ 183,829	\$ 280,047	\$ 46,554	\$ 124,565
Equities	39,572				
Mutual funds	343,698				
Real estate funds	45,690				
Hedge funds	134,916				
Total	\$ 1,198,871				

Interest rate risk – Through its investment policies, the District manages its exposure to fair value losses arising from increasing interest rates by limiting duration of fixed income securities in its portfolio to no more than 30% of the designated benchmark.

Credit risk – District investment policies require fixed income investments to have a minimum of 85% of a money manager's assets in investment grade assets. The investment policy requires investment managers maintain an average of A- or higher ratings as issued by a nationally recognized rating organization. Additionally, the investment policy requires no more than 5% of a money manager's portfolio at the time of purchase shall be invested in the securities of any one issuer, with the exception of a United States government agency, agency MBS or other Sovereign issues rated AAA or Aaa.

Foreign currency risk – The District's investment policy permits it to invest up to 30% of total investments in foreign currency denominated investments.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Alternative investments risk – The District’s alternative investments include ownership interest in a wide variety of partnership and fund structures that may be domestic or offshore. Generally, there is little or no regulation of these investments by the Securities and Exchange Commission or U.S. state attorneys general. These investments employ a wide variety of strategies including absolute return, hedge, venture capital, private equity and other strategies. Investments in this category may employ leverage to enhance the investment return. The District’s holdings can include financial assets such as marketable securities, nonmarketable securities, derivatives, and synthetic and structured instruments; real assets; tangible and intangible assets; and other funds and partnerships. Generally, these investments do not have a ready market. Interest in these investments may not be traded without approval of the general partner or fund management.

Alternative investments are subject to all of the risks described previously relating to equities and fixed income instruments. In addition, alternative strategies and their underlying assets and rights are subject to a broad array of economic and market vagaries that can limit or erode value. The underlying assets may not be held by a custodian either because they cannot be, or because the entity has chosen not to hold them in this form. Valuations determined by the investment manager, who has a conflict of interest in that he or she is compensated for performance are considered and reviewed by the District’s Investment Committee and the Board of Directors. Real assets may be subject to physical damage from a variety of means, loss from natural causes, theft of assets, lawsuits involving rights and other loss and damage including mortgage foreclosure risk. These risks may not be insured or insurable. Tangible assets are subject to loss from theft and other criminal actions and from natural causes. Intangible assets are subject to legal challenge and other possible impairment.

The carrying amount of deposits and investments are included in the District’s consolidated statements of net position as follows (in thousands):

	2019	2018
Included in the following consolidated statement of net position captions:		
Short-term investments	\$ 262,157	\$ 244,056
Current portion of board designated and funds held by trustee	23,778	20,963
Board designated, funds held by trustee, and restricted funds, less current portion	893,303	933,852
Total carrying amount of deposits and investments	\$ 1,179,238	\$ 1,198,871

NOTE 5 – FAIR VALUE

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is also established which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

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Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the consolidated statements of net position at June 30, 2019 and 2018, as well as the general classification of such instruments pursuant to the valuation hierarchy:

Mutual funds: Shares of mutual funds are valued at the net asset value (“NAV”) of shares held by the District and are valued at the closing price reported on the active market on which the individual securities are traded.

Common stock: Common stock is valued at the closing price reported on the active market on which the individual securities are traded.

Asset-backed securities: Asset-backed securities are valued via model using various inputs such as but not limited to daily cash flow, U.S. Treasury market, floating rate indices such as LIBOR and Prime as a benchmark yield, spread over index, periodic and life caps, next coupon adjustment date, and convertibility of the bond.

Corporate bonds, foreign bonds, and municipal bonds: Valued using pricing models maximizing the use of observable inputs for similar securities which includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

U.S. government securities: Fixed income funds are valued at the NAV of shares held by the District and are valued at the closing price reported on the active market on which the individual securities are traded.

Pooled, common & collective trusts: Investments are valued using the NAV of the fund. The NAV of a pooled or collective investment fund is calculated based on a compilation of primarily observable market information. The number of units of the fund that are outstanding on the calculation date is derived from observable purchase and redemption activity in the fund.

Hedge funds: The fair value of the investments is recorded at the investment manager’s net asset values, as determined by the fund administrator and subsequently audited by an external third party. The administrator has the appropriate expertise to determine the NAV. The District assesses the NAV and takes into consideration events such as suspended redemptions, restructuring, secondary sales, and investor defaults to determine if an adjustment is necessary. Additionally, asset holdings are reviewed within investment managers’ audited financial statements.

Limited Partnership Interests: The valuation of partnership interests may require significant management judgement. The District’s ownership is based upon their percentage of limited partnership interests divided by the total commitment of the fund. Specifically, inputs used to determine fair value include financial statements provided by the investment partnerships, which typically include fair market value capital account balances.

Interest rate swap: The fair value is estimated by a third party using inputs that are observable or that can be corroborated by observable market data and, therefore, are classified within Level 2 of the valuation hierarchy.

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Notes to Consolidated Financial Statements

Beneficial interest in charitable remainder unitrusts: The beneficial interest in charitable remainder unitrusts is measured at fair value, which is estimated as the present value of the expected future cash flows from trusts.

The following table presents the fair value measurements of financial instruments recognized in the accompanying consolidated statements of net position measured at fair value on a recurring basis and the level within the GASB No. 72 fair value hierarchy in which the fair value measurements fall at June 30 (in thousands):

Description	Level 1	Level 2	Level 3	2019
Investments by fair value level				
Asset backed securities				
Corporate backed obligations	\$ -	\$ 46,702	\$ -	\$ 46,702
Mortgage backed obligations	-	34,075	-	34,075
US Government Mortgage Pool	-	90,315	-	90,315
Common stock				
ADR & U.S. foreign stock	-	4,902	-	4,902
Energy	4,609	-	-	4,609
Financial services industry	8,377	-	-	8,377
Healthcare industry	2,207	-	-	2,207
Information Technology	4,053	-	-	4,053
Telecommunication services	655	-	-	655
Other	17,444	-	-	17,444
Corporate, municipal and foreign bonds				
Corporate bonds	-	164,278	-	164,278
Private placements	-	27,028	-	27,028
Municipal taxable	-	3,361	-	3,361
Mutual funds				
Mutual funds - equity	355,392	-	-	355,392
Mutual funds - taxable	17,133	-	-	17,133
U.S. Government securities				
Government agencies	1,463	-	-	1,463
U.S. treasury notes and bonds	102,468	-	-	102,468
Limited Partnership Interests	-	-	22,320	22,320
Total investments by fair value level	<u>\$ 513,801</u>	<u>\$ 370,661</u>	<u>\$ 22,320</u>	<u>906,782</u>
Cash equivalents				<u>102,725</u>
Investments measured at NAV				
Pooled, common & collective trusts				23,460
Equity hedge funds				51,565
Credit hedge funds				21,229
Macro hedge funds				41,310
Relative value hedge funds				30,815
Fixed income limited partnership				<u>1,352</u>
Total investments measured at NAV				<u>169,731</u>
Total investments				<u>\$ 1,179,238</u>
Beneficial interest in charitable remainder unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,893</u>	<u>\$ 3,893</u>
Interest rate swap	<u>\$ -</u>	<u>\$ (7,550)</u>	<u>\$ -</u>	<u>\$ (7,550)</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Description	Level 1	Level 2	Level 3	2018
Investments by fair value level				
Asset backed securities				
Corporate backed obligations	\$ -	\$ 16,404	\$ -	\$ 16,404
Mortgage backed obligations	-	24,141	-	24,141
Common stock				
ADR & U.S. foreign stock	-	5,671	-	5,671
Energy	5,034	-	-	5,034
Financial services industry	7,100	-	-	7,100
Healthcare industry	5,130	-	-	5,130
Information Technology	5,496	-	-	5,496
Telecommunication services	577	-	-	577
Other	11,663	-	-	11,663
Corporate, municipal and foreign bonds				
Corporate bonds	-	221,026	-	221,026
Private placements	-	19,691	-	19,691
Municipal taxable	-	4,874	-	4,874
Foreign bonds	-	1,941	-	1,941
Mutual funds				
Mutual funds - equity	326,452	-	-	326,452
Mutual funds - taxable	16,379	-	-	16,379
U.S. Government securities				
Government agencies	62,723	-	-	62,723
U.S. treasury notes and bonds	118,191	-	-	118,191
Limited Partnership Interests	-	-	23,725	23,725
Total investments by fair value level	<u>\$ 558,745</u>	<u>\$ 293,748</u>	<u>\$ 23,725</u>	<u>876,218</u>
Cash equivalents				<u>165,051</u>
Investments measured at NAV				
Pooled, common & collective trusts				22,046
Equity hedge funds				49,290
Credit hedge funds				32,089
Macro hedge funds				37,363
Relative value hedge funds				15,946
Fixed income limited partnership				868
Total investments measured at NAV				<u>157,602</u>
Total investments				<u>\$ 1,198,871</u>
Beneficial interest in charitable remainder unitrusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,638</u>	<u>\$ 3,638</u>
Interest rate swap	<u>\$ -</u>	<u>\$ (5,595)</u>	<u>\$ -</u>	<u>\$ (5,595)</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

The following table provides the fair value and redemption terms and restrictions for investments redeemable NAV at June 30 (in thousands):

	2019 Fair Value	2018 Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice
Pooled, common & collective trusts	\$ 23,460	\$ 22,046	\$ -	Monthly	30 days
Equity hedge funds	51,565	49,290	-	Quarterly	90 days
Credit hedge funds	21,229	32,089	-	Monthly, Quarterly	15 - 60 days
Macro hedge funds	41,310	37,363	-	Monthly, Quarterly	5 - 90 days
Relative value hedge funds	30,815	15,946	-	Quarterly, Annually	45 days
Fixed income limited partnership	1,352	868	-	Monthly	1 day
Total investments measured at NAV	<u>\$ 169,731</u>	<u>\$ 157,602</u>	<u>\$ -</u>		
Limited Partnership Interests	<u>\$ 22,320</u>	<u>\$ 23,725</u>	<u>\$ 31,592</u>	n/a	n/a

Pooled, common & collective trusts - includes investments in one small cap fund that invest in domestic equity. Investments are valued using the NAV per share of the fund. The NAV per share is based on the value of the underlying assets owned by the fund, minus its liabilities, divided by the number of shares outstanding.

Equity hedge funds - includes investments in six hedge funds that employ both long and short strategies primarily in common stocks. Equity hedge strategies typically have a directional bias (long or short) and trade in equities and equity related derivatives. The fair values of the investments in this type have been determined using the NAV per share of the investments. Investments representing approximately 1% of the value of the investments in this type include restrictions such as certain classes with side pocket investments which may only be redeemed upon realization of the underlying investments.

Credit hedge funds - includes investments in three hedge funds that is comprised of distressed securities, credit long/short, emerging market debt and credit event driven. Credit hedge strategies typically have a directional bias and involve the purchase of various types of debt, equity, trade claims and fixed income securities. The fair values of the investments in this type have been determined using the NAV per share of the investments. Investments representing approximately 67% of the value of the investments in this type include restrictions that do not allow for redemptions in the first year after acquisition and other imposed gates.

Macro hedge funds - includes investments in four hedge funds that invests in global macro, managed futures, commodities and currencies. Macro hedge strategies typically have a directional bias and involve the purchase of a variety of securities and/or derivatives related to major markets. Managed future strategies trade similar instruments but are typically implemented by computerized system. The fair values of the investments in this type have been determined using the NAV per share of the investments.

Relative value hedge funds - includes investments in five hedge funds that typically does not display a distinct directional bias. Relative value encompasses a range of strategies covering different asset classes. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments. Investments representing approximately 1% of the value of the investments may include lock up, imposed gates, and other restrictions that preclude them from redeeming their share or ownership interest for an uncertain or extended period of time from the measurement date.

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Notes to Consolidated Financial Statements

Fixed income limited partnership - includes investments in a limited partnership fund of funds that invest primarily in investment grade non-US dollar denominated fixed income securities. The fund may enter into swap agreements, forward settlement agreements, futures, contracts, and options on future contracts as well as purchase and sell covered put and call options. Investments are valued using the NAV per share of the fund. There is a provision in the limited partnership agreement that allows the general partner to limit redemption under certain circumstances.

Limited Partnership Interests - investments in closed-end, commitment based private equity real estate partnerships. The valuation of partnership interests in these funds may require significant management judgement. The District's ownership is based upon their percentage of limited partnership interests divided by the total commitment of the fund. Inputs used to determine fair value include financial statements provided by the investment partnerships, which typically include fair market value capital account balances. These investments can never be redeemed with the funds. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the fund.

NOTE 6 – CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2019, is as follows (in thousands):

	Balance June 30, 2018	Increases	Decreases	Balance June 30, 2019
Capital assets not being depreciated				
Land	\$ 84,807	\$ 8,097	\$ -	\$ 92,904
Construction in progress	220,990	170,015	-	391,005
	<u>305,797</u>	<u>178,112</u>	<u>-</u>	<u>483,909</u>
Capital assets being depreciated				
Land improvement	15,731	37	-	15,768
Buildings	820,273	15,779	-	836,052
Capital equipment	363,861	34,999	9,252	389,608
	<u>1,199,865</u>	<u>50,815</u>	<u>9,252</u>	<u>1,241,428</u>
Less accumulated depreciation for				
Land improvement	9,821	818	-	10,639
Buildings	306,021	26,926	-	332,947
Capital equipment	269,620	24,760	9,122	285,258
	<u>585,462</u>	<u>52,504</u>	<u>9,122</u>	<u>628,844</u>
Total capital assets being depreciated, net	<u>614,403</u>	<u>(1,689)</u>	<u>130</u>	<u>612,584</u>
Total capital assets, net	<u>\$ 920,200</u>	<u>\$ 176,423</u>	<u>\$ 130</u>	<u>\$ 1,096,493</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Capital assets activity for the year ended June 30, 2018, is as follows (in thousands):

	Balance June 30, 2017	Increases	Decreases	Balance June 30, 2018
Capital assets not being depreciated				
Land	\$ 83,462	\$ 1,345	\$ -	\$ 84,807
Construction in progress	138,016	82,974	-	220,990
	<u>221,478</u>	<u>84,319</u>	<u>-</u>	<u>305,797</u>
Capital assets being depreciated				
Land improvement	13,872	1,859	-	15,731
Buildings	760,521	59,752	-	820,273
Capital equipment	352,549	17,454	6,142	363,861
	<u>1,126,942</u>	<u>79,065</u>	<u>6,142</u>	<u>1,199,865</u>
Less accumulated depreciation for				
Land improvement	9,001	820	-	9,821
Buildings	280,857	25,164	-	306,021
Capital equipment	248,951	23,973	3,304	269,620
	<u>538,809</u>	<u>49,957</u>	<u>3,304</u>	<u>585,462</u>
Total capital assets being depreciated, net	<u>588,133</u>	<u>29,108</u>	<u>2,838</u>	<u>614,403</u>
Total capital assets, net	<u>\$ 809,611</u>	<u>\$ 113,427</u>	<u>\$ 2,838</u>	<u>\$ 920,200</u>

Construction contracts of approximately \$561,300,000 was approved for various projects, including the construction of the four major projects at the Mountain View campus of the Integrated Medical Office Building ("IMOB"), Behavior Health Services replacement building, North Drive parking structure expansion, and Central Utility Plant Upgrade, as well as continued improvements at the Los Gatos site for the Imaging department, medical office building, and seismic upgrades. At June 30, 2019, the remaining commitment on these contracts approximated \$139,600,000.

Capitalized interest was \$15,227,000 and \$16,563,000 for the years ended June 30, 2019 and 2018, respectively.

NOTE 7 – EMPLOYEE BENEFIT PLANS

The Hospital sponsors a cash-balance pension plan (the "Plan"), which has been in effect since January 1, 1995. The Plan covers employees who are 21 years of age and have completed one year of credited service. Participants are entitled to a lump-sum distribution or monthly benefits at age 65 based on a predetermined formula that considers years of service and compensation. Effective July 1, 1999, employer Plan benefits are calculated as 5% of a participant's annual plan compensation, and the annual interest is an indexed rate based on the return on ten-year U.S. treasury securities. Participants are fully vested in their account balances after five pension years.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Certain retired and terminated employees and certain participants covered by a collective bargaining agreement continue to participate under provisions of a defined-benefit retirement plan in effect prior to January 1, 1995. Participant data for the Plan, as of the measurement date January 1 for the indicated years is as follows:

	<u>2019</u>	<u>2018</u>
Active	2,735	2,676
Retirees and beneficiaries	559	526
Vested terminated	989	1,017
Total participants	<u>4,283</u>	<u>4,219</u>

Components of pension cost and deferred outflows and inflows of resources as calculated under the requirements of GASB No. 68 are as follows (in thousands):

	<u>2019</u>	<u>2018</u>
Deferred outflows of resources as of June 30:		
Difference between expected and actual experience	\$ 1,669	\$ 2,103
Changes in assumptions	149	311
Difference between projected and actual investment earnings	8,574	-
Total	<u>\$ 10,392</u>	<u>\$ 2,414</u>
Deferred inflows of resources as of June 30:		
Difference between expected and actual experience	\$ (2,636)	\$ (2,934)
Changes in assumptions	(5,868)	(7,398)
Difference between projected and actual investment earnings	-	(11,001)
Total	<u>\$ (8,504)</u>	<u>\$ (21,333)</u>
Contributions between the measurement date and fiscal year end recognized as a deferred outflow of resources	<u>\$ 6,400</u>	<u>\$ 5,200</u>

Amounts reported as deferred outflows and inflows of resources to pensions will be recognized in pension expense are as follows (in thousands):

2020	\$ 1,102
2021	(1,101)
2022	(968)
2023	3,176
2024	(268)
Thereafter	(53)
	<u>\$ 1,888</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

The following table summarizes changes in pension liability for fiscal years ended June 30, 2019 and 2018, with a measurement date of December 31, 2018 and 2017, respectively, (in thousands):

	2019	2018
Service cost	\$ 8,891	\$ 8,633
Interest	12,304	11,849
Differences between expected and actual experience	(439)	2,228
Changes of assumptions	(9)	(1,877)
Benefit payments	(13,724)	(13,271)
Net change in total pension liability	7,023	7,562
Total pension liability beginning of fiscal year	202,932	195,370
Total pension liability end of fiscal year	<u>\$ 209,955</u>	<u>\$ 202,932</u>
	2019 with Measurement Date of December 31, 2018	2018 with Measurement Date of December 31, 2017
Total pension liability	\$ 209,955	\$ 202,932
Plan fiduciary net position	<u>250,717</u>	<u>260,016</u>
Net pension asset	<u>\$ (40,762)</u>	<u>\$ (57,084)</u>
Plan's fiduciary net position as a percentage of total pension liability	119.41%	128.13%
Covered payroll	\$ 315,317	\$ 297,737
Net pension asset as a percentage of covered payroll	-12.93%	-19.17%
Contributions between the measurement date and year ended June 30, as deferred outflow of resources	\$ 6,400	\$ 5,200

El Camino Healthcare District

Notes to Consolidated Financial Statements

The following table summarizes the actuarial assumptions used to determine net pension asset and plan fiduciary net position as of June 30, 2019 and 2018:

Valuation Date	Contributions related to the actuarially determined contributions are made for the plan year January 1 to December 31.
Actuarial Cost Method	Entry Age Normal Method in accordance with GASB No. 68
Asset Valuation Method	Market Value
Actuarial Assumptions	
Projected Salary Increases	4.00%
Mortality	Based on the RE-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006 and project with Mortality Improvement Scale MP-2018
Discount Rate	6.00%

Sensitivity of net pension asset (in thousands):

	1% Decrease 5%	Current Discount Rate 6%	1% Increase 7%
Net pension asset as of December 31, 2018	\$ (19,889)	\$ (40,762)	\$ (58,731)
Net pension asset as of December 31, 2017	\$ (36,579)	\$ (57,084)	\$ (74,694)

The following table summarizes target asset class for the plan fiduciary net position as of June 30, 2019 and 2018:

Asset Class	Neutral	Asset Rebalancing Range	Expected Long- Term Real Rate of Return
Domestic Equities	32%	27% - 37%	8.69%
International Equities	18%	15% - 21%	7.66%
Alternatives	20%	17% - 23%	5.38%
Broad Fixed Income	25%	20% - 30%	2.86%
Cash	5%	0% - 8%	1.04%
Total	100%		6.00%

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Notes to Consolidated Financial Statements

Eligible employees of the Hospital may also elect to participate in a separate deferred compensation plan (the 403(b) plan) pursuant to Section 403(b) of the Code. The Hospital acts as the administrator and sponsor, and the 403(b) plan's assets are held by trustees designated by the Hospital's management. Employees are eligible to participate upon employment, and participants are immediately vested in their elective contributions plus actual earnings thereon. The Hospital will match employee contributions to the 403(b) plan, subject to a maximum of 4% of each participant's annual plan compensation. Participants are eligible for employer match in the second plan year in which they work at least 1,000 hours, and they must be on the payroll at the end of the plan year (December 31). Employer matching contributions under the 403(b) plan are made to the cash-balance pension plan and earn interest as defined by that plan. Employer matching contributions to the 403(b) plan of \$11,529,000 and \$10,625,000 in 2019 and 2018, respectively, are included in benefits expense. Participants are immediately vested in the employer contributions included in the cash-balance pension plan.

The Hospital's net pension asset was measured as of December 31, 2018 and 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the consolidated financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

NOTE 8 – POST-RETIREMENT MEDICAL BENEFITS

The Hospital provides healthcare benefits and life insurance for retired employees who meet eligibility requirements as outlined in the plan document, as approved by the board of directors of the Hospital. All employees who attain age 55 with a minimum of 20 years of enrollment in the Hospital's healthcare program and are enrolled in one of the plans upon retirement, and who were hired prior to July 1, 1994, are eligible. Under the plan, employees are credited with employment history accumulated under a prior Hospital plan.

Benefits are funded by the Hospital on a pay-as-you go basis. If a participant terminates from the Hospital after 20 years of enrollment but before reaching age 62, he or she can choose to contribute to the plan between ages 55 and 61 to retain the plan's benefits. At age 62, eligible retirees are given an annual credit based on years of service to pay for health benefits.

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Employees covered – At June 30, the following employees were covered by the Hospital:

	2019	2018
Active	318	318
Inactive plan members or beneficiaries currently receiving benefits	284	284
Inactive plan members entitled to but not yet receiving benefits	-	-
Total participants	<u>602</u>	<u>602</u>

Components of post-retirement medical benefits expense and deferred inflows and outflows of resources as calculated under the requirements of GASB No. 75 are as follows (in thousands) as of June 30:

	2019	2018
Service cost	\$ 273	\$ 299
Interest	911	819
Differences between expected and actual experience	(141)	-
Changes of assumptions	83	(447)
Current period recognition of prior years' deferred inflows of resources	(447)	-
Total post-retirement medical benefits expense	<u>\$ 679</u>	<u>\$ 671</u>

	2019	2018
Deferred outflows of resources as of June 30:		
Changes in benefit terms	\$ -	\$ -
Difference between expected and actual experience	-	-
Changes in assumptions	154	-
Total	<u>\$ 154</u>	<u>\$ -</u>

	2019	2018
Deferred inflows of resources as of June 30:		
Changes in benefit terms	\$ -	\$ -
Difference between expected and actual experience	-	-
Changes in assumptions	(871)	(1,502)
Total	<u>\$ (871)</u>	<u>\$ (1,502)</u>

Amounts reported as deferred outflows and inflows of resources to post-retirement medical benefits will be recognized in post-retirement medical benefits expense are as follows (in thousands):

2020	\$ (506)
2021	(211)
2022	-
2023	-
2024	-
Thereafter	-
	<u>\$ (717)</u>

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Notes to Consolidated Financial Statements

The following table summarizes changes in post-retirement medical benefits liability for fiscal year ended June 30, 2019 and 2018, with a measurement date of July 1, 2018 and 2017, respectively (in thousands):

	2019	2018
Service cost	\$ 273	\$ 299
Interest	911	819
Change in benefit terms	-	-
Differences between expected and actual experience	(404)	-
Changes in assumptions or other input	236	(1,502)
Contributions - El Camino Hospital	-	-
Benefit payments	(748)	(663)
Net changes	268	(1,047)
Net post-retirement medical benefits liability at beginning of year	29,212	30,259
Net post-retirement medical benefits liability at end of year	\$ 29,480	\$ 29,212

The following table summarizes the actuarial assumptions used to determine net post-retirement medical benefits as of June 30, 2019 and 2018:

Valuation Date	July 1, 2017; measurement date of June 30, 2018
Actuarial Cost Method	Entry Age Normal, level percent of pay
Asset Valuation Method	Not applicable
Actuarial Assumptions	
Projected Salary Increases	4.00%
Mortality	RP-2014 Healthy Annuitant and Employee tables for males and females scaled back to 2006 using scale MP-2014, and then projected generationally using projection scale MP-2017.
Discount Rate	2.98%
Healthcare cost trend rates:	8% for 2018, graded to 4.5% for year 2027 and beyond for ages pre-65; and 6% for 2018, graded to 4.50% for year 2027 and beyond for ages post-65.

Sensitivity of post-retirement medical benefits liability (in thousands) due to change in discount rates as of June 30:

	2019		
	1% Decrease 1.98%	Current Discount Rate 2.98%	1% Increase 3.98%
Net post-retirement medical benefits liability	\$ 33,182	\$ 29,480	\$ 26,368
	2018		
	1% Decrease 2.13%	Current Discount Rate 3.13%	1% Increase 4.13%
Net post-retirement medical benefits liability	\$ 32,983	\$ 29,212	\$ 26,049

El Camino Healthcare District

Notes to Consolidated Financial Statements

Sensitivity of post-retirement medical benefits liability (in thousands) due to change in healthcare cost trend:

	<u>1% Decrease</u>	<u>Current Trend rate</u>	<u>1% Increase</u>
June 30, 2019	\$ 28,917	\$ 29,480	\$ 30,145
June 30, 2018	\$ 28,677	\$ 29,212	\$ 29,845

NOTE 9 – INSURANCE PLANS

The Hospital purchases professional, general, automobile, and directors and officers liability insurance from BETA Healthcare Group (“BHG”), and also purchases all-risk property insurance (including limited flood), fiduciary, crime, cyber, and excess workers’ compensation coverage needs from Alliant Insurance Services (“Alliant”). The Hospital’s coverage is under a claims-made policy with limits of \$30 million per occurrence, \$40 million in the annual aggregate, and with a self-insured retention level of \$50,000 per claim.

There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted from services provided to patients. The Hospital has actuarial estimates performed annually on its self-insurance plans of professional liability and workers’ compensation benefits. Estimated liabilities (which have not been discounted) have been actuarially determined at an expected 75% confidence level and include an estimate of incurred, but not reported, claims. The balances are included in salaries and wages payable, workers’ compensation and other long-term liabilities in the accompanying consolidated statements of net position.

El Camino Healthcare District **Notes to Consolidated Financial Statements**

NOTE 10 – BONDS PAYABLE

Bonds payable consists of the following obligations (in thousands):

	June 30,	
	2019	2018
El Camino Hospital District		
2006 General Obligation Bonds		
Principal	\$ 32,335	\$ 32,335
Unamortized premium	495	645
2017 General Obligation Bonds		
Principal	92,155	95,465
Unamortized premium	702	1,197
El Camino Hospital Revenue Bonds		
Series 2009		
Principal	50,000	50,000
Series 2015A		
Principal	143,760	147,610
Unamortized premium	10,896	12,484
Series 2017A		
Principal	292,435	292,435
Unamortized premium	15,095	17,224
Total long-term debt	637,873	649,395
Less current maturities	12,430	7,160
Maturities due after one year	\$ 625,443	\$ 642,235

	2019			
	Balance at June 30, 2018	Increases	Decreases	Balance at June 30, 2019
General obligation bonds	\$ 129,642	\$ -	\$ 3,955	\$ 125,687
Revenue bonds	519,753	-	7,567	512,186
	<u>\$ 649,395</u>	<u>\$ -</u>	<u>\$ 11,522</u>	<u>\$ 637,873</u>
	2018			
	Balance at June 30, 2017	Increases	Decreases	Balance at June 30, 2018
General obligation bonds	\$ 133,935	\$ -	\$ 4,293	\$ 129,642
Revenue bonds	527,397	-	7,644	519,753
	<u>\$ 661,332</u>	<u>\$ -</u>	<u>\$ 11,937</u>	<u>\$ 649,395</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

2006 General Obligation Bonds – Upon voter approval, in November 2003, the District issued in 2006, \$148,000,000 principal amount of 2006 General Obligation Bonds, which consists of \$115,665,000 of Current Interest Bonds. Interest on the Current Interest Bonds is payable semiannually at rates ranging from 4% to 5% and principal maturities ranging from \$2,065,000 in 2016 to \$18,050,000 in 2036 are due annually on August 1. Interest at rates ranging from 4.38% to 4.48% and principal of the Capital Appreciation Bonds are payable only at maturity. In March 2017, the District advanced refunded a portion of the 2006 General Obligation Bonds, through the issuance of the 2017 General Obligation Refunding Bonds.

The Current Interest Bonds maturing on or after August 1, 2017, may be redeemed prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after February 1, 2017, at a redemption price equal to the principal amount of the Current Interest Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

The Bonds are general obligations of the District payable from ad valorem taxes. Payment of principal, interest and maturity value of the Bonds, when due, is insured by a municipal bond insurance policy.

2017 General Obligation Bonds – Upon voter approval, in March 2017, the District advanced refunded a portion of the 2006 General Obligation Bonds, through the issuance of the \$99,035,000 2017 General Obligation Refunding Bonds, which consists of \$115,665,000 of Current Interest Bonds, and \$32,335,000 of Capital Appreciation Bonds. Interest on the 2017 General Obligation Refunding Bonds is payable semiannually at rates ranging from 2% to 5% and principal maturities ranging from \$3,570,000 in 2017 to \$17,480,000 in 2036 are due annually on August 1. This refinancing resulted in a reduction of future interest payments with a present value of approximately \$7,000,000.

Revenue Bonds, Series 2009 – In April 2009, the Hospital issued \$50,000,000 of Santa Clara County Financing Authority Insured Revenue Bonds, Series 2009A to fund completion of the Hospital replacement construction project. Interest on the bonds is payable on the business day immediately following the applicable remarketing period. Principal maturities on the bonds range from \$100,000 in 2025 to \$10,920,000 in 2044, and are due annually on February 1.

The 2009 Series Revenue bond agreement contains various restrictive covenants which include, among other things, minimum debt service coverage, maintenance of minimum liquidity, and requirement to maintain certain financial ratios.

The bonds are secured by a pledge of gross revenues to an Indenture of Trust (“Indenture”) dated March 16, 2007. The Indenture contains certain covenants that, among other things, require the District to deposit all gross revenues of the Hospital as soon as practicable upon receipt. The Indenture also requires the Hospital to maintain a long-term debt service coverage ratio of 1.15 to 1.00. Failure to comply with the restrictive covenants of the Indenture could result in all of the unpaid principal and accrued interest of the bonds becoming due immediately, at the option of the trustee.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Revenue Bonds, Series 2015A – In May 2015, the Hospital advance refunded its Series 2007 Santa Clara County Financing Authority Insured Revenue Bonds (“Series 2007”) through the issuance of the \$160,455,000 of Santa Clara County Financing Authority Insured Revenue Bonds (“Series 2015A”). The issuance of the Series 2015A is to (i) finance and refinance certain capital expenditures owned by the Hospital (the Project - \$40,300,000), (ii) advance refund (\$120,100,000) the Santa Clara County Financing Authority Insured Revenue Bonds of the Hospital Series 2007A, 2007B, and 2007C, and (iii) pay costs incurred in the connection of the issuance of the Bonds.

Revenue Bonds, Series 2017A – In February 2017, the Hospital issued \$292,435,000 of California Health Facilities Financing Authority Revenue Bonds (“Series 2017”) to finance certain capital expenditures at facilities owned or operated by the Hospital, to finance a portion of the interest payable of the Series 2017 through January 31, 2019, and to pay costs incurred in connection with the issuance of the Series 2017. The Series 2017 consists of \$130,660,000 Serial Bonds and \$161,775,000 Term Bonds. Principal maturities for the Serial Bonds range from \$4,665,000 in 2020 to \$10,565,000 in 2037, and are due annually on February 1. Principal maturities for the Term Bonds range from \$30,710,000 in 2042 to \$56,065,000 in 2047, and are due annually on February 1.

Letter of credit – In March 2009, in connection with the issuance of the 2009 Series Revenue bonds, the Hospital obtained an irrevocable Letter of Credit issued by a bank for \$50,000,000. This Letter of Credit expires **October of 2022** and requires the Hospital to maintain a long-term debt service coverage ratio of 1.20 to 1.00.

Management believes all financial debt covenants were met for the years ended June 30, 2019 and 2018.

Debt service requirements for bonds payable are as follows (in thousands):

Year Ending June 30,	General Obligation Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2020	\$ 3,800	\$ 3,816	\$ 8,630	\$ 20,704
2021	4,400	3,626	9,020	20,312
2022	5,050	3,406	9,430	19,902
2023	5,760	3,154	9,905	19,431
2024	3,293	6,343	10,400	18,935
2025-2029	17,633	38,526	60,300	86,409
2030-2034	36,599	34,975	76,535	70,537
2035-2039	47,955	3,955	74,010	51,276
2040-2044	-	-	114,925	29,872
2045-2049	-	-	113,040	8,011
	<u>\$ 124,490</u>	<u>\$ 97,801</u>	<u>\$ 486,195</u>	<u>\$ 345,389</u>

El Camino Healthcare District

Notes to Consolidated Financial Statements

Interest rate swap – On March 7, 2007, the Hospital entered into three interest rate swap agreements in connection with the issuance of the Series 2007 Revenue Bonds. The intention of the swap is to create debt with a synthetic, fixed interest rate on the variable-rate Revenue Bonds. The swaps were effective March 23, 2007, with a termination date of February 1, 2041, and notional amounts of \$50 million each, these terms match the terms of the underlying Series 2007 Revenue Bonds. Under each swap transaction, the Hospital pays a fixed rate of interest of 3.204% and the counterparty pays a variable rate of interest equal to the sum of (i) 56% of USD-LIBOR-BBA plus (ii) .23%. In March 2008, the Hospital Board directed management to terminate the floating to fixed interest rate swap when economically prudent in connection with the refunding of their Series 2007 Revenue Bonds. In December 2009, two of the three swaps were terminated. The fair value of the remaining swap is a liability of \$7,550,000 at June 30, 2019, and \$5,595,000 at June 30, 2018, included in other long-term obligations in the consolidated statements of net position.

Risks associated with the swap agreements – From the Hospital's perspective, the following risks are generally associated with swap agreements:

Credit risk – The counterparty becomes insolvent or is otherwise not able to perform its financial obligations. In the event the counterparty becomes insolvent or their credit rating falls below BBB-/Baa2 the Hospital has the right to terminate the swap. Upon exercise of early termination, the amounts due from or to the counterparty will be determined by the market pricing of the swaps at the time of termination.

Termination risk – The Hospital or counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If, at the time of the termination, the swap has a negative fair value, the Hospital would be liable to the counterparty for that payment.

NOTE 11 – RESTRICTED NET POSITION

Restricted net position consists of donor-restricted contributions and grants and cash restricted for regulatory requirements, which are to be used as follows (in thousands):

	<u>2019</u>	<u>2018</u>
Charity and other Endowments	\$ 16,759 6,806	\$ 15,652 3,318
Restricted by donor for specific uses	23,565	18,970
Restricted by Department of Managed Health Care	650	400
Total restricted net position	<u>\$ 24,215</u>	<u>\$ 19,370</u>

Permanently restricted contributions ("endowments") remain intact, with the earnings on such funds providing an ongoing source of revenue to be used primarily for education.

El Camino Healthcare District

Notes to Consolidated Financial Statements

NOTE 12 – CHARITABLE REMAINDER UNITRUSTS

The Foundation is the beneficiary of several irrevocable charitable remainder unitrusts in which the gift assets are held by trustees and administered for the benefit of the Foundation and other beneficiaries. The assets are held under trust agreements with an outside trustee. The donors maintain the right to income earned on the assets during their lifetime and, in some cases, during the lifetime of their survivors.

Pursuant to GASB No. 81, the Foundation recognizes an asset and a deferred inflow of resources when it becomes aware of the agreements and has sufficient information to measure the beneficial interest, in accordance with the asset recognition criteria in GASB No. 81. The beneficial interest asset is measured at fair value, which is estimated as the present value of the expected future cash flows from trusts. The applicable federal discount rate for June 2019 and June 2018 of 2.8% and 3.4% per annum, respectively, and The Standard Ordinary Mortality Rate Table were used to arrive at the present value. Change in the fair value of the beneficial interest asset is recognized as an increase or decrease in the related deferred inflow of resources. As the remainder interest beneficiary, the Foundation recognizes revenue for the beneficial interest at the termination of the agreement, as stipulated in the agreements.

NOTE 13 – RELATED-PARTY TRANSACTIONS

The Hospital pays vendor-related expenses on behalf of the Foundation and is reimbursed for these costs incurred. The Hospital also pays employee-related expenses, which are reimbursed by the Foundation. The Foundation's employees also participate in the cash-balance pension plan, sponsored by the Hospital. Full footnote disclosures relating to the cash-balance pension plan is included in the consolidated financial statements. The Hospital performs certain administrative functions on behalf of the Foundation for which no amounts are charged to the Foundation. As of June 30, 2019 and 2018, the Foundation has a payable to the Hospital in the amount of \$248,000 and \$173,000, respectively. During the fiscal years 2019 and 2018, the Foundation paid the Hospital \$2,292,000 and \$2,576,000 for such expenses, respectively, which included amounts for operations, but also disbursements from Donor Restricted Funds in support of Hospital operations and capital acquisitions.

In June 2012, the Hospital Board approved the funding of the Foundation's salaries, wages, and benefits for fiscal year 2019 and 2018, thus along with the 2012 fiscal year approved funding of the Foundation's rent provided a maximum funding of \$1,783,000 for both items on an ongoing basis. All related party transactions are eliminated upon consolidation.

As of June 30, 2019 and 2018, CONCERN has a payable to the Hospital in the amount of \$1,002,000 and \$1,077,000, respectively. During the fiscal years ended June 30, 2019 and 2018, CONCERN paid the Hospital \$9,228,000 and \$11,576,000 for these expenses, respectively. All related party transactions are eliminated upon consolidation.

As of June 30, 2019 and 2018, SVMD has a payable to the Hospital of \$6,139,000 and \$789,000, respectively. During fiscal years ended June 30, 2019 and 2018, SVMD paid the Hospital \$17,184,000 and \$3,002,000 for its expenses, respectively. All related party transactions are eliminated upon consolidation.

El Camino Healthcare District

Notes to Consolidated Financial Statements

The Hospital leases the space to ECASC and provides certain services, such as utilities and building/equipment maintenance. There was \$1,107,000 of rental income recorded for the year ended June 30, 2019, and \$658,000 of rental income recorded for the year ended June 30, 2018, related to the lease.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Litigation – The District is a defendant in various legal proceedings arising out of the normal conduct of its business. In the opinion of management and its legal representatives, the District has valid and substantial defenses, and settlements or awards arising from legal proceedings, if any, will not exceed existing insurance coverage, nor will they have a material adverse effect on the financial position, results of operations, or liquidity of the District.

Lease commitments – The District is obligated for land and office rental under the terms of various operating lease agreements. Following is a schedule by year of future minimum lease payments under operating leases as of June 30, 2019 (in thousands):

	<u>Operating Lease Commitments</u>	<u>Lease Income</u>	<u>Net Lease Benefit (Expense)</u>
2020	\$ 8,239	\$ 14,073	\$ 5,834
2021	7,713	12,244	4,531
2022	7,122	9,695	2,573
2023	6,463	7,969	1,506
2024	6,382	6,176	(206)
Thereafter	30,441	12,013	(18,428)
	<u>\$ 66,360</u>	<u>\$ 62,170</u>	<u>\$ (4,190)</u>

Total rental expense in 2019 and 2018 for all operating leases was approximately \$6,510,000 and \$6,016,000, respectively.

El Camino Healthcare District

Notes to Consolidated Financial Statements

Regulatory environment – The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medi-Cal fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. The District is subject to routine surveys and reviews by federal, state and local regulatory authorities. The District has also received inquiries from healthcare regulatory authorities regarding its compliance with laws and regulations. Although the District management is not aware of any violations of laws and regulations, it has received corrective action requests as a result of completed and on-going surveys from applicable regulatory authorities. Management continually works in a timely manner to implement operational changes and procedures to address all corrective action requests from regulatory authorities. Breaches of these laws and regulations and noncompliance with survey corrective action requests could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

Hospital Seismic Safety Act – In the 2010 fiscal year, the Mountain View campus completed its three-year construction of the Hospital Replacement Project with the opening of its new five story, 450,000 square foot, state-of-the-art hospital facility on November 15, 2009. This completion made the Mountain View hospital campus in compliance with the State of California's Senate Bill ("SB") 1953 in meeting all requirements of the Hospital Seismic Safety Act of 1994.

At the Los Gatos campus, where most of the buildings were constructed in the 1960's, the campus has been going through a seismic compliance review. All required seismic upgrades to make the Los Gatos site in seismic compliance to 2030 were completed during 2015.

Collective bargaining agreement – Approximately 78% of the District's employees are covered by collective bargaining agreements. These employees are members of 3 unions.

NOTE 15 – HEALTH CARE REFORM

The Patient Protection and Affordable Care Act ("PPACA") allowed for the expansion of Medicaid members in the State of California. Any further federal or state changed funding could have an impact on the District. With the changes in the executive branch, the future of PPACA and impact of future changes in Medicaid to the District is uncertain at this time.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the consolidated statement of net position date but before the consolidated financial statements are available to be issued. The District recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the consolidated statement of net position date, including the estimates inherent in the process of preparing the consolidated financial statements. The District's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the consolidated statement of net position date but arose after the consolidated statement of net position date and before consolidated financial statements are available to be issued.

Effective July 26, 2019, ECASC sold its assets to the Hospital. ECASC is in the process of winding up its business and distributing its remaining assets to its members. ECSC has received its appropriate share of the sales price. ECSC expects to receive its share of any proceeds remaining after ECASC has completed its business. The Hospital will reopen the ECASC as an outpatient hospital department after completing certain building and equipment renovations with anticipated operations date in mid-September 2019.

On August 30, 2019, El Camino Hospital reached a tentative contract agreement with the PRN, which was subsequently ratified by vote on September 10, 2019.

The Hospital's irrevocable letter of credit obtained in connection with the issuance of the 2009 Series Revenue bonds was extended subsequent to June 30, 2019, **expiring October 2022.**

Supplementary Information

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El Camino Healthcare District
Consolidating Statement of Net Position
June 30, 2019
(In Thousands)

	El Camino Healthcare District	El Camino Hospital	El Camino Hospital Foundation	CONCERN	El Camino Surgery Center, LLC	Silicon Valley Medical Development	Eliminations	El Camino Healthcare District and Affiliates
ASSETS AND DEFERRED OUTFLOWS								
Current assets								
Cash and cash equivalents	\$ 3,679	\$ 117,494	\$ 3,262	\$ 775	\$ 676	\$ 5,476	\$ -	\$ 131,362
Short-term investments	8,523	238,086	1,407	14,141	-	-	-	262,157
Current portion of board designated funds	23,778	-	-	-	-	-	-	23,778
Patient accounts receivable, net of allowances for doubtful accounts of \$48,123	-	126,437	-	371	-	3,894	-	130,702
Prepaid expenses and other current assets	47	34,396	503	213	-	3,603	(8,566)	30,196
Total current assets	36,027	516,413	5,172	15,500	676	12,973	(8,566)	578,195
Non-current cash and investments								
Board-designated funds	8,915	743,262	33,375	-	-	-	-	785,552
Restricted funds	-	-	-	650	-	-	-	650
Funds held by trustee	24,028	83,073	-	-	-	-	-	107,101
	32,943	826,335	33,375	650	-	-	-	893,303
Capital assets								
Nondepreciable	10,585	473,324	-	-	-	-	-	483,909
Depreciable, net	181	604,515	28	1,295	-	6,565	-	612,584
Total capital assets	10,766	1,077,839	28	1,295	-	6,565	-	1,096,493
Pledges receivable, net of current portion	-	-	4,444	-	-	-	-	4,444
Prepaid pension asset	-	40,762	-	-	-	-	-	40,762
Investments in healthcare affiliates	-	37,150	-	-	1,381	-	(8,789)	29,742
Beneficial interest in charitable remainder unitrust	-	-	3,893	-	-	-	-	3,893
Total assets	79,736	2,498,499	46,912	17,445	2,057	19,538	(17,355)	2,646,832
Deferred outflows of resources								
Loss on defeasance of bonds payable	-	12,962	-	-	-	-	-	12,962
Deferred outflows of resources	-	6,400	-	-	-	1,036	-	7,436
Deferred outflows - actuarial	-	10,546	-	-	-	-	-	10,546
Total deferred outflows of resources	-	29,908	-	-	-	1,036	-	30,944
Total assets and deferred outflows of resources	\$ 79,736	\$ 2,528,407	\$ 46,912	\$ 17,445	\$ 2,057	\$ 20,574	\$ (17,355)	\$ 2,677,776

El Camino Healthcare District
Consolidating Statement of Net Position
June 30, 2019
(In Thousands)

	El Camino Healthcare District	El Camino Hospital	El Camino Hospital Foundation	CONCERN	El Camino Surgery Center, LLC	Silicon Valley Medical Development	Eliminations	El Camino Healthcare District and Affiliates
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION								
Current liabilities								
Accounts payable and accrued expenses	\$ -	\$ 53,365	\$ -	\$ 513	\$ 8	\$ 9,791	\$ (6,148)	\$ 57,529
Salaries, wages, and related liabilities	-	57,917	-	495	-	529	-	58,941
Other current liabilities	2,059	20,061	801	1,150	-	-	(2,418)	21,653
Estimated third-party payor settlements	-	11,156	-	-	-	-	-	11,156
Current portion of bonds payable	3,800	8,630	-	-	-	-	-	12,430
Total current liabilities	5,859	151,129	801	2,158	8	10,320	(8,566)	161,709
Bonds payable, net of current portion	121,887	503,556	-	-	-	-	-	625,443
Other long-term obligations	-	11,525	-	-	-	-	-	11,525
Workers' compensation, net of current portion	-	18,432	-	-	-	-	-	18,432
Post-retirement medical benefits, net of current portion	-	29,480	-	-	-	-	-	29,480
Total liabilities	127,746	714,122	801	2,158	8	10,320	(8,566)	846,589
Deferred inflows of resources								
Deferred inflows of resources	-	-	3,893	-	-	-	-	3,893
Deferred inflows of resources - actuarial	-	9,375	-	-	-	-	-	9,375
Total deferred inflows of resources	-	9,375	3,893	-	-	-	-	13,268
Net position								
Invested in capital assets, net of related debt	(90,893)	648,726	28	1,295	-	6,565	-	565,721
Restricted - expendable	-	-	16,759	-	-	-	-	16,759
Restricted - nonexpendable	-	-	6,806	650	-	-	-	7,456
Unrestricted	42,883	1,156,184	18,625	13,342	2,049	3,689	(8,789)	1,227,983
Total net position	(48,010)	1,804,910	42,218	15,287	2,049	10,254	(8,789)	1,817,919
Total liabilities, deferred inflows of resources, and net position	<u>\$ 79,736</u>	<u>\$ 2,528,407</u>	<u>\$ 46,912</u>	<u>\$ 17,445</u>	<u>\$ 2,057</u>	<u>\$ 20,574</u>	<u>\$ (17,355)</u>	<u>\$ 2,677,776</u>

El Camino Healthcare District
Consolidating Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2019
(In Thousands)

	El Camino Healthcare District	El Camino Hospital	El Camino Hospital Foundation	CONCERN	El Camino Surgery Center, LLC	Silicon Valley Medical Development	Eliminations	El Camino Healthcare District and Affiliates
Operating revenues								
Net patient service revenue (net of provision for bad debts of \$13,293)	\$ -	\$ 944,048	\$ -	\$ -	\$ -	\$ 7,562	\$ -	\$ 951,610
Other revenue	96	29,303	-	10,941	-	5,508	(784)	45,064
Total operating revenues	96	973,351	-	10,941	-	13,070	(784)	996,674
Operating expenses								
Salaries, wages and benefits	-	499,813	1,411	2,832	-	6,122	-	510,178
Professional fees and purchased services	691	112,838	709	5,833	115	12,854	767	133,807
Supplies	-	136,855	124	-	-	10,349	-	147,328
Depreciation	212	51,587	80	15	-	610	-	52,504
Rent and utilities	-	17,112	13	318	-	2,948	(98)	20,293
Other	-	12,921	134	442	-	2,179	(1,401)	14,275
Total operating expenses	903	831,126	2,471	9,440	115	35,062	(732)	878,385
(Loss) income from operations	(807)	142,225	(2,471)	1,501	(115)	(21,992)	(52)	118,289
Nonoperating revenues (expenses):								
Investment income, net	1,685	49,185	2,325	1,070	4	-	-	54,269
Property tax revenue								
Designated for community benefit programs and operating expenses	8,697	-	-	-	-	-	-	8,697
Designated for capital expenditures	8,989	-	-	-	-	-	-	8,989
Levied for debt service	9,989	-	-	-	-	-	-	9,989
Bond interest expense, net	(3,183)	(4,841)	-	-	-	-	-	(8,024)
Intergovernmental transfer expense	(7,262)	-	-	-	-	-	-	(7,262)
Restricted gifts, grants and bequests, and other, net of contributions to related parties	-	-	7,098	-	-	-	(1,282)	5,816
Unrealized loss on interest rate swap	-	(2,598)	-	-	-	-	-	(2,598)
Community benefit expense	(7,337)	(3,714)	-	(2,096)	-	-	1,176	(11,971)
Other, net	-	(21,596)	-	1,480	-	27,588	(5,445)	2,027
Total nonoperating revenues (expenses)	11,578	16,436	9,423	454	4	27,588	(5,551)	59,932
Excess (deficit) of revenues over expenses before capital transfers	10,771	158,661	6,952	1,955	(111)	5,596	(5,603)	178,221
Capital transfers	1,086	(1,106)	-	(714)	-	734	-	-
Increase (decrease) in net position	11,857	157,555	6,952	1,241	(111)	6,330	(5,603)	178,221
Total net (deficit) position, beginning of year	(59,867)	1,647,355	35,266	14,046	2,160	3,924	(3,186)	1,639,698
Total net (deficit) position, end of year	\$ (48,010)	\$ 1,804,910	\$ 42,218	\$ 15,287	\$ 2,049	\$ 10,254	\$ (8,789)	\$ 1,817,919

El Camino Healthcare District
Supplemental Pension and Post-Retirement Benefit Information
For the Years Ended June 30, 2019 and 2018

Supplemental pension information – The following tables summarize changes in net pension asset (in thousands):

	2019	2018
Service cost	\$ 8,891	\$ 8,633
Interest	12,304	11,849
Differences between expected and actual experience	(439)	2,228
Changes of assumptions	(9)	(1,877)
Benefit payments	(13,724)	(13,271)
Net change in total pension liability	7,023	7,562
Total pension liability beginning of fiscal year	202,932	195,370
Total pension liability end of fiscal year	<u>\$ 209,955</u>	<u>\$ 202,932</u>
	2019	2018
Contributions	\$ 11,600	\$ 10,900
Net investment income	(7,175)	34,335
Benefit payments, including refunds of member contributions	(13,724)	(13,271)
Net change in Plan fiduciary net position	(9,299)	31,964
Plan fiduciary net position beginning of fiscal year	260,016	228,052
Plan fiduciary net position end of fiscal year	250,717	260,016
Plan's net pension asset end of the fiscal year	<u>\$ (40,762)</u>	<u>\$ (57,084)</u>
Covered payroll	\$ 315,317	\$ 297,737
Net pension asset as a percentage of covered payroll	-12.93%	-19.17%
Contributions	\$ 6,400	\$ 5,200

El Camino Healthcare District

Supplemental Pension and Post-retire Retirement Information

For the Years Ended June 30, 2019 and 2017

The following table summarizes the contribution status of the Hospital's cash-balance pension plan (in thousands) over the last ten years:

	FY2019	FY2018	FY2017	FY2016	FY2015
Actuarially determined contribution	\$ 10,888	\$ 10,154	\$ 8,445	\$ 2,735	\$ -
Contributions related to actuarially determined contribution	\$ 12,800	\$ 11,600	\$ 10,900	\$ 10,500	\$ 10,800
Contribution deficiency (excess)	-	-	-	-	-
Covered payroll	\$ 315,317	\$ 297,737	\$ 283,435	\$ 283,776	\$ 266,844
Contribution as % of covered payroll	4.06%	3.90%	3.85%	3.70%	4.05%
Contributions made during the fiscal year	\$ 12,800	\$ 10,400	\$ 10,900	\$ 9,900	\$ 14,400

	FY2014	FY2013	FY2012	FY2011	FY2010
Actuarially determined contribution	\$ 8,463	\$ 7,613	\$ 1,400	\$ 12,023	\$ 7,156
Contributions related to actuarially determined contribution	\$ 14,400	\$ 12,000	\$ 11,005	\$ 19,811	\$ 7,644
Contribution deficiency (excess)	-	-	-	-	-
Covered payroll	\$ 242,343	\$ 223,754	\$ 208,910	\$ 205,693	\$ 178,937
Contribution as % of covered payroll	5.94%	5.36%	5.27%	9.63%	4.27%
Contributions made during the fiscal year	\$ 12,600	\$ 23,610	\$ 11,249	\$ 5,400	\$ 18,100

Actuarially determined contributions are calculated as of January 1 and are based on the IRS minimum funding requirement. The contributions related to the actuarially determined contributions are amounts made for the plan year January 1 to December 31. Contributions made during the fiscal year are contribution amounts made during July 1 and June 30.

Supplemental post-retirement benefit information – As of June 30, 2018 and 2019, post-retirement medical benefits plan's fiduciary net position as a percentage of the total OPEB liability is 0%.

The 2018 and 2017 covered payroll for the active population eligible to participate in the post-retirement medical benefits plan is \$35,794,800. The net post-retirement medical benefits liability as of July 1, 2018, and 2017, is \$29,479,700 and \$29,212,400, respectively. The net post-retirement medical benefits liability as a percentage of covered-employee payroll, as of the same time period was 82.36% and 81.61%, respectively.

El Camino Healthcare District
Supplemental Schedule of Community Benefit (unaudited)
For the Years Ended June 30, 2019 and 2018

The District and the Hospital maintain records to identify and monitor the level of direct community benefit it provides. These records include the charges foregone for providing the patient care furnished under its charity care policy. For the years ended June 30, 2019 and 2018, the estimated costs of providing community benefit in excess of reimbursement from governmental programs were as follows (in thousands):

	<u>2019</u>	<u>2018</u>
Unpaid costs of Medi-Cal programs	\$ 33,618	\$ 30,556
Indigent charity care	<u>378</u>	<u>1,691</u>
	33,996	32,247
Other community-based programs		
Dialysis	-	79
Psychiatric	7,933	6,918
Clinical trial	425	728
Ambulatory care	10,423	9,711
Community health center	-	360
Psychiatric outpatient	<u>2,935</u>	<u>3,451</u>
Total other community-based programs	<u>21,716</u>	<u>21,247</u>
Total community benefits	<u>\$ 55,712</u>	<u>\$ 53,494</u>

In furtherance of its purpose to benefit the community, the Hospital provides numerous other services to the community for which charges are not generated and revenues have not been accounted for in the accompanying consolidated financial statements. These services include providing access to healthcare through interpreters, referral and transport services, healthcare screening, community support groups and health educational programs, and certain home care and hospice programs. The estimated costs of Medicare programs in excess of reimbursement from Medicare were \$107,800,000 and \$104,776,000 for the years ended June 30, 2019 and 2018, respectively.

The Hospital also provides services to the community through the operations of the El Camino Hospital Auxiliary, Inc. (the "Auxiliary"). Services provided by volunteers of the Auxiliary, free of charge to the community, include assistance and counseling to patients and visitors, provision of scholarship awards to qualifying paramedical students, and daily personal contact with members of the community who are living alone. In 2019 and 2018, these volunteers contributed approximately 77,000 hours and 85,000 hours, in providing these services, the value of which is not recorded in the accompanying consolidated financial statements.

*Communications with
Those Charged with Governance*

El Camino Healthcare District

June 30, 2019

Communications with Those Charged with Governance

To the Board of Directors
El Camino Healthcare District

We have audited the consolidated financial statements of El Camino Healthcare District (the "District"), as of and for the year ended June 30, 2019, and have issued our report thereon dated **October __, 2019**. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated March 21, 2019, our responsibility, as described by professional standards, is to form and express an opinion about whether the consolidated financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and the California Code of Regulations, Title 2, Section 1131.2, State Controller's Minimum Audit Requirements for California Special Districts. We will also report on whether the consolidating statement of net position, consolidating statement of revenues, expenses, and changes in net position, and supplemental pension and postretirement benefit information, are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole. Our audit of the consolidated financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit in accordance with auditing standards generally accepted in the United States of America and the California Code of Regulations, Title 2 Section 1131.2, State Controller's Minimum Audit Requirements for California Special Districts, and to design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free from material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we considered the District's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the consolidated financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing we previously communicated to you in the Compliance Committee meeting on March 21, 2019, and the engagement letter dated March 21, 2019.

Significant Audit Findings and Issues

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the consolidated financial statements. There have been no new accounting policies adopted and there were no changes in the application of existing policies during fiscal year 2019. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the consolidated financial statements in a different period than when the transaction occurred.

Significant Accounting Estimates

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's consolidated financial statements were:

- Management's estimate of net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. We evaluated the key factors and assumptions used to develop the estimated net realizable amounts. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimate of the provision for uncollectible accounts is recognized based on management's estimate of amounts that ultimately may be uncollectible. El Camino Hospital provides care to patients without requiring collateral or other security. Patient charges not covered by a third-party payor are billed directly to the patient if it is determined that the patient has the ability to pay. We evaluated the key factors and assumptions used to develop the provision for uncollectible accounts. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.

- Management's estimate of the fair market values of investments in the absence of readily-determinable fair values is based on information provided by the fund managers. We have gained an understanding of management's estimate methodology and examined the documentation supporting this methodology. We evaluated the key factors and assumptions used to develop the fair market value of investments. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimate of uninsured losses for professional liability is recognized based on management's estimate of historical claims experience. We evaluated the key factors and assumptions used to develop the actuarial estimates of uninsured losses for professional liabilities and workers' compensation. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimate of the minimum pension liability is actuarially determined using assumptions on the long-term rate of return on pension plan assets, the discount rate used to determine the present value of benefit obligations, and the rate of compensation increases. These assumptions are provided by management. We have evaluated the key factors and assumptions used to develop the estimate. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimated liability for workers' compensation claims is recognized based on management's estimate of historical claims experience and known activity subsequent to year-end. We evaluated the key factors and assumptions used to develop the actuarial estimates of uninsured losses for professional liabilities and workers' compensation. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimated liability for post-retirement medical benefits is actuarially determined using assumptions on the long-term rate of return on plan assets, the discount rate used to determine the present value of benefit obligations, and the rate of compensation increases. These assumptions are provided by management. We have evaluated the key factors and assumptions used to develop the estimate. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimates of useful lives of capital assets are based on the intended use and are within accounting principles generally accepted in the United States of America. We found management's basis to be reasonable in relation to the consolidated financial statements taken as a whole.
- Management's estimate of the discount rate used to value the gift annuities and beneficial interest in charitable remainder unitrusts have been estimated based on certain variables related to specific donor information. We evaluated key factors and assumptions used to develop the discount rate used to value the gift annuities and beneficial interest in charitable remainder unitrusts in determining that they are reasonable in relation to the consolidated financial statements taken as a whole.

Actual results could differ from these estimates. In accordance with accounting principles generally accepted in the United States of America, any change in these estimates is reflected in the consolidated financial statements in the year of change.

Consolidated Financial Statement Disclosures

The disclosures in the consolidated financial statements are consistent, clear, and understandable. Certain consolidated financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's consolidated financial statements were those surrounding related-party transactions, significant concentration of net patient accounts receivable, investments and fair value of investments, capital assets, employee benefit plans, post-retirement medical benefits, insurance plans, long-term debt, and commitment and contingencies.

Significant Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

Corrected Misstatements: None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the consolidated financial statements as a whole.

Uncorrected Misstatements: There were no uncorrected misstatements identified.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, which could be significant to the District's consolidated financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated **October __, 2019**.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's consolidated financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Significant Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the District, and is not intended to be, and should not be, used by anyone other than these specified parties.

San Francisco, California

October __, 2019

DRAFT

*Communication of Internal
Control Related Matters*

El Camino Healthcare District

June 30, 2019

Communications of Internal Control Related Matters

To the Board of Directors
El Camino Healthcare District

In planning and performing our audit of the financial statements of El Camino Healthcare District (the "District"), as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Our audit was also not designed to identify deficiencies in internal control that might be significant deficiencies. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the District's internal control to be a significant deficiency:

Cut-off Process

Observation: During our audit of the District's accruals, we noted that the District was not properly booking and estimating costs incurred (including construction retention) as of the year end date, resulting in an under accrual of costs and fixed assets in the fiscal year under audit and costs being recorded in the incorrect period.

Recommendation: We recommend management improve its monthly and annual close procedures and estimate tracking to ensure all accruals are properly made.

Management's Response: Management agrees that there should be a process in place to record accruals at year end. Management will modify its current process and in addition it will require at year end that there are two levels of approvals of year end accruals to ensure that the liabilities are adequately recorded for.

We believe the following operational or administrative recommendation may be of potential benefit to the District:

Authorized Signors

Observation: During the course of our audit procedures, we noted that former employees remained as authorized personnel on certain investment accounts.

Recommendation: We recommend management review their authorized signors for all accounts to ensure only current employees are included and to institute a plan to remove employees from accounts once they leave the organization.

Management's Response: Management agrees with the findings. Effective September 12, 2019 we have remediated all signature deficiencies. In addition, we have implemented a new process whereby we maintain a complete inventory of all signature cards on the secured shared server.

The District's written responses to the significant deficiency and operational recommendation identified in our audit were not subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties.

San Francisco, California
October __, 2019



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Ken King, CASO
Date: October 22, 2019
Subject: Mountain View Campus Completion Project

Recommendation(s):

To approve the initial funding for the M.V. Campus Completion Project that begins with the demolition of the original hospital building and includes the construction of a temporary Shipping and Receiving Yard at a cost not to exceed \$24.9 million. The final phase of the project will require additional approval and funding.

Summary:

1. **Situation:** The District Board approved Master Facilities Plan for the Mountain View Campus, including the demolition of the original hospital building to make way for the final campus configuration, which, at a minimum, will include the following elements:

- A. Retention or replacement of the 15,000 SF "Lab/Laundry Building Structure"
- B. Construction of a corridor link between the Main Hospital and the new Taube Pavilion
- C. A new service yard configuration with access to the new (Existing) loading dock
- D. New waste and recycle storage areas
- E. Water storage tanks to meet 2030 seismic requirements
- F. Installation of Energy Cells that will provide on-site generated electricity
- G. A landscaped courtyard adjacent to the Taube Pavilion as required by the Planned Community Permit

The plan is to execute the initial work of designing, permitting, and executing the demolition, which will take 18 to 20 months, while carefully considering various options for completing the final campus configuration. We would begin the planning and development of the final phase immediately and have a proposed plan ready for review in March 2020.

Proceeding in this manner allows us to accelerate the plan development and review/permit process for the first two phases, while allowing time to evaluate and consider the exact scope and cost of the third and final phase.

2. **Authority:** Expenditures exceeding \$25 million require the approval of the Healthcare District Board of Directors. Note that the initial approval is less than the \$25 million limit; however, the third final phase of this project will exceed the limit.
3. **Background:** Both the Planned Community Permit for the Replacement Hospital Project and the Planned Community Permit for the current campus construction require us to demolish the original hospital building. The demolition includes the safe severing of all utilities and the abatement of all hazardous materials that exist in the original construction. It also includes the installation of "shoring" designed to protect the existing structures and to retain the soil from

falling into what will be a very large hole in the middle of our campus. All of this, while ensuring safe access and egress into and out of the existing buildings, along with uninterrupted deliveries and disposals.

The overall plan is to develop three (3) major phases of work with separate OSHPD Permit Packages:

Phase 1. Partial Demolition & Construction of Temporary Shipping & Receiving Yard

Phase 2. Complete Demolition of Old Main Hospital Building

Phase 3. Redevelopment of the entire site within the footprint of the original hospital building site. (Exact Scope of Work and cost to be determined)

4. Assessment: The demolition of the original hospital building is required and the creation of a temporary Shipping and Receiving Yard is required before the entire building can be demolished. The estimated costs for the initial two phases includes required features that ensure that life safety is maintained and that the adjacent structures are protected, complete abatement of building elements that contain hazardous materials, sequence of work that reduces the risk of impact to hospital operations and the safe removal of the entire structure that has nine floor levels including a sub-basement and a penthouse. The initial expenditure clears the path for the final phase of construction which will complete the Mountain View Campus development.

Current Funding Requested:

		Phase 1	Phase 2	Phase 3	Total Request
				Design Only	
Estimated Construction Costs		3,370,395	13,426,379	TBD	16,796,773
Soft Costs		1,815,928	2,511,319	1,400,000	5,727,247
FF&E		100,000	0	TBD	100,000
Contingency	10%	528,632	1,593,770	140,000	2,262,402
		5,814,955	17,531,468	1,540,000	24,886,423
				Rounded	24,900,000

5. Other Reviews: This plan has been reviewed and approved by the Hospital Board of Directors at its October 10, 2019 meeting, the Executive Team, and, pending approval, we will be reviewing the plan with the City of Mountain View to ensure compliance with the Planned Community Permit.
6. Outcomes: The target date for the Phase 1 Permit is April 2020 and the target date for the Phase 2 permit is July 2020. The total duration of construction/demolition for the first two phases is approximately twelve (12) months. This timeline requires that the Phase 3 Site Redevelopment to be designed and permitted by March 2021.

List of Attachments:

1. Power Point Presentation

Suggested Board Discussion Questions:

1. What is the estimated cost of the third and final phase?



Capital Facilities Project Request
MV Campus Completion Project

Healthcare District Board of Directors –
October 22, 2019

Ken King, CASO

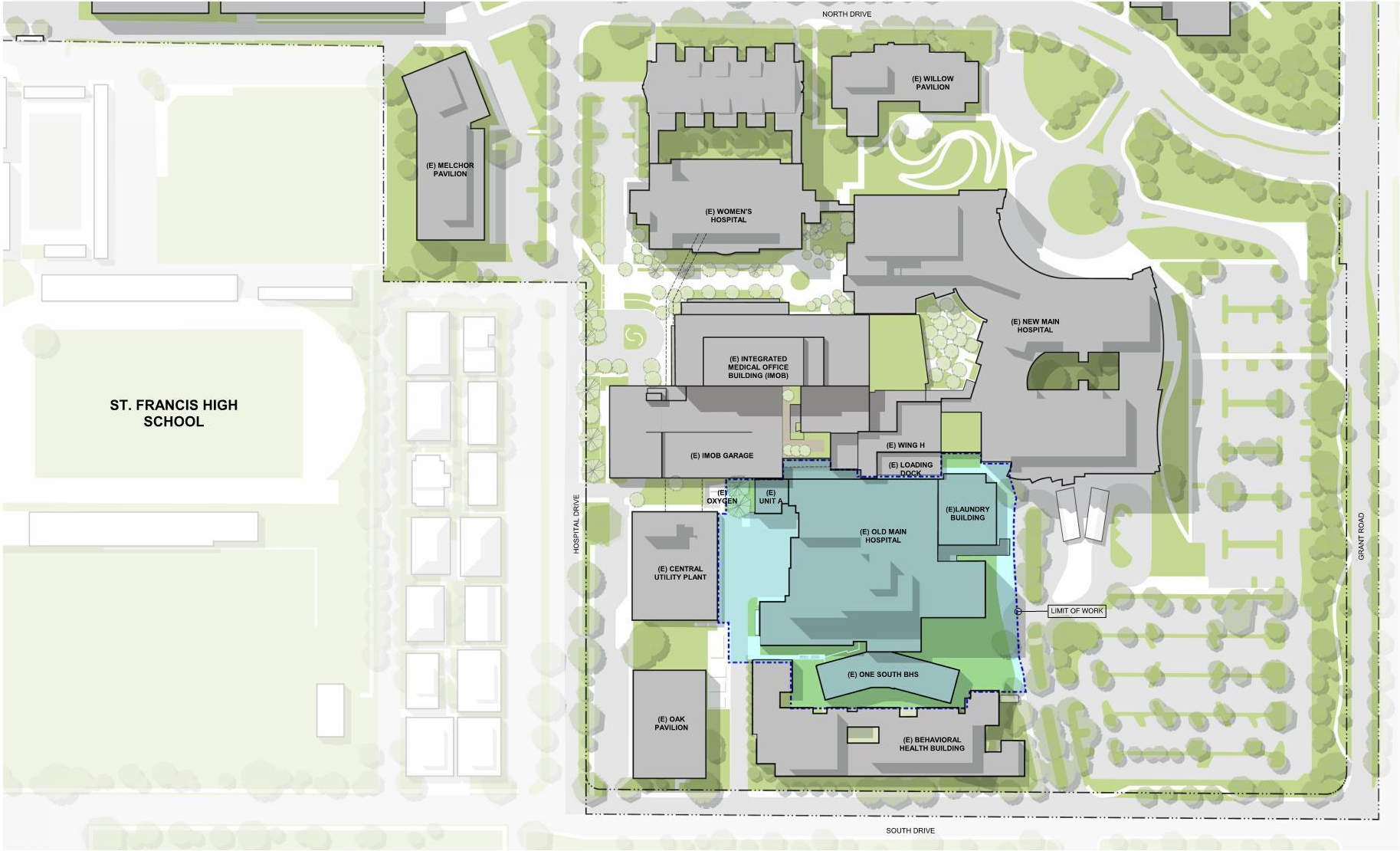
Project Overview

- The Healthcare District Board Approved Master Facilities Plan for the Mountain View Campus includes the demolition of the original hospital building to make way for the final campus configuration which at a minimum includes the following elements:
 - Retention or replacement of the 15,000 SF “Lab/Laundry Building Structure”
 - Construction of a corridor link between the Main Hospital and the new Taube Pavilion
 - A new service yard configuration with access to the new (existing) loading dock
 - New waste and recycle storage areas
 - Water storage tanks to meet 2030 seismic requirements
 - Area to install Energy Cells that provide on-site generated electricity
 - An outdoor landscaped courtyard adjacent to the Taube Pavilion as required by the PCP

Sequence to Achieve Results

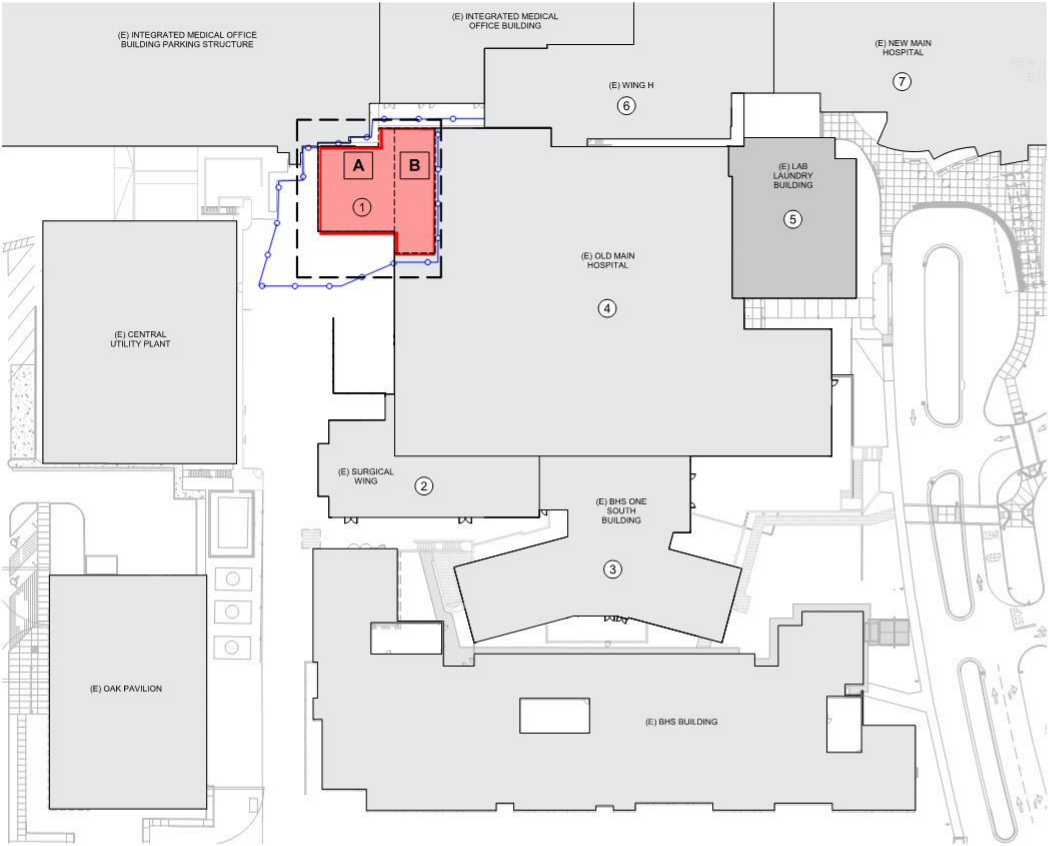
- In order to design and construct the completion of the Mountain View Campus we must first demolish the original hospital building.
- In order to demolish the original hospital building we need to create a temporary shipping and receiving yard because the existing loading dock is an element of the original hospital building.
- The plan has been developed as three (3) major phases of work, each with separate OSHPD Permit Packages:
 1. Partial Demolition & Construction of Temporary Shipping & Receiving Yard
 2. Complete Demolition of Old Main Hospital Building
 3. Redevelopment of the entire site to complete the Mountain View Campus.
(Exact Scope of Work to be determined)

Project Zone

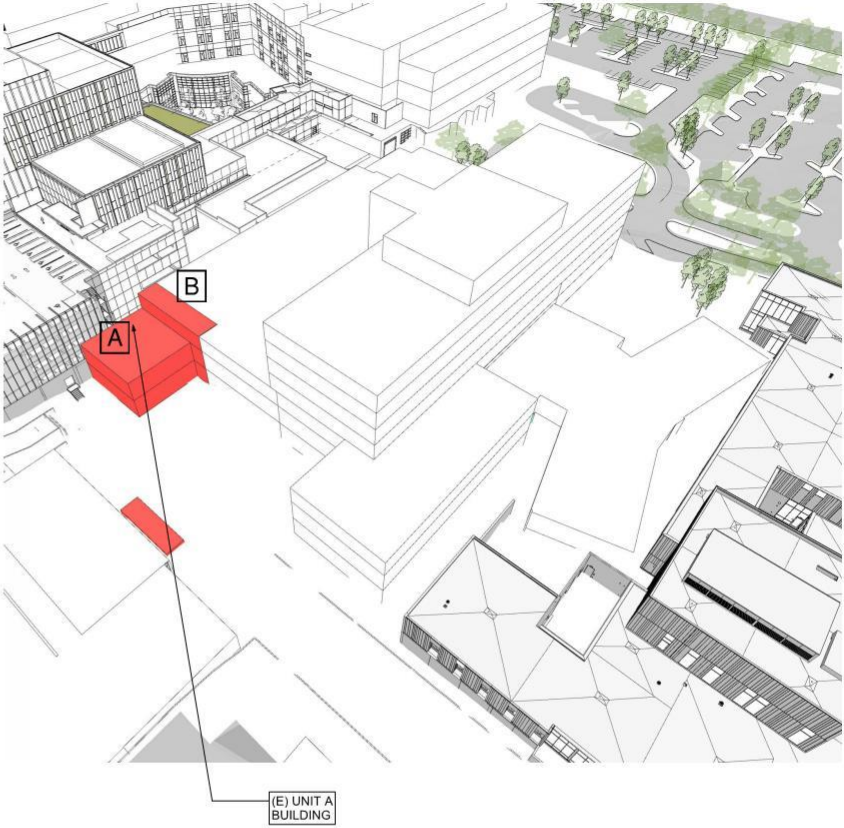


PACKAGE 0: OVERALL EXISTING SITEWORK EXTENTS

Phase 1 Demolition



- A** DEMOLITION OF (E) UNIT A BUILDING, SEE SHEET TLD-02
- B** SOFT DEMOLITION OF (E) SECTION OF OLD MAIN HOSPITAL, SEE SHEET TLD-02

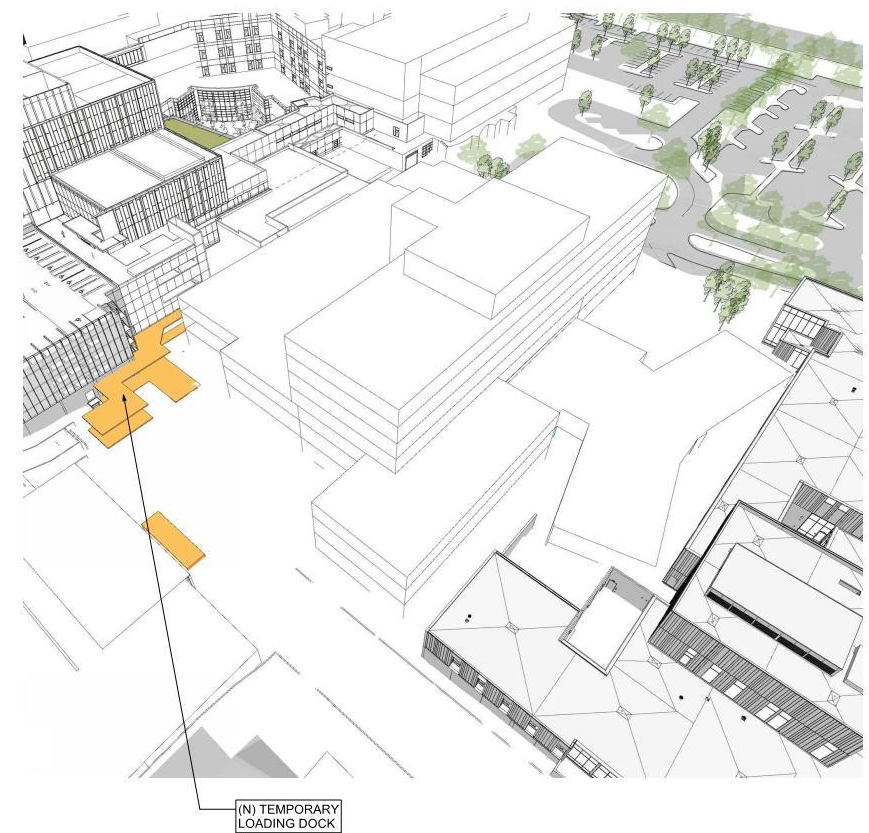
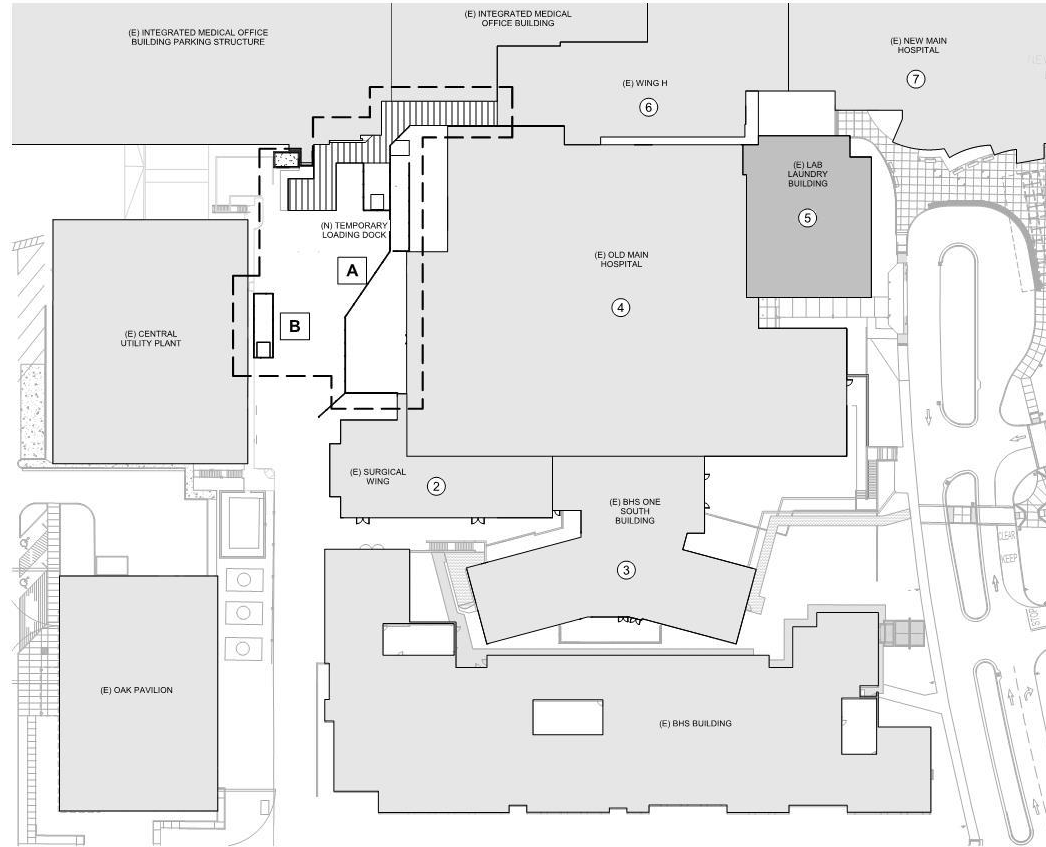


PACKAGE 1: WING A DEMOLITION

WRNSSTUDIO

OLD MAIN DEMOLITION & SITE WORK | 08/22/2019

Phase 1 Construction



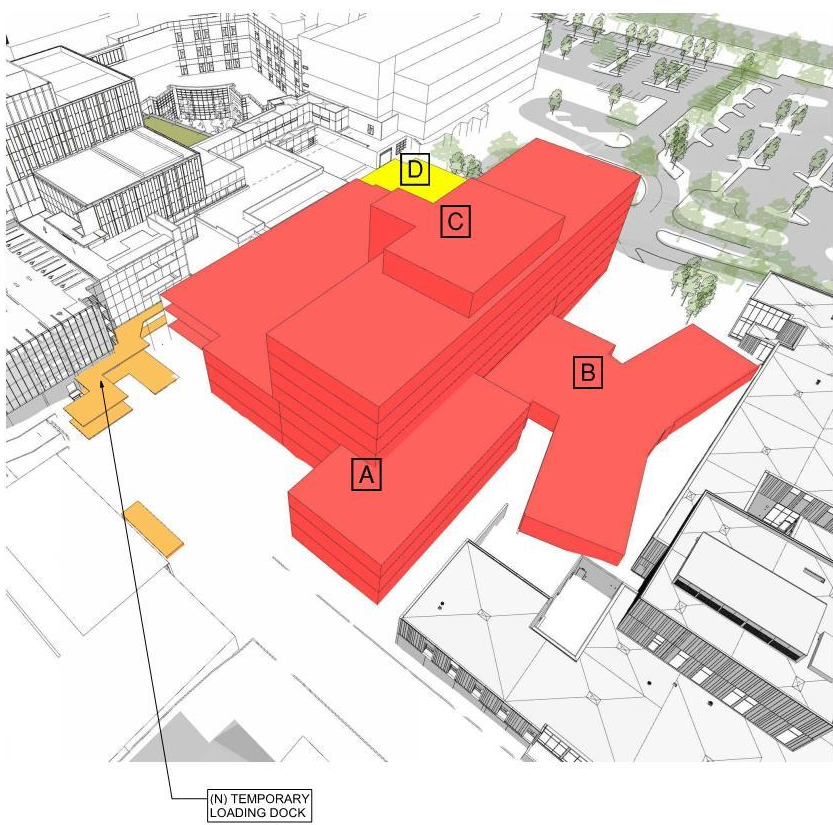
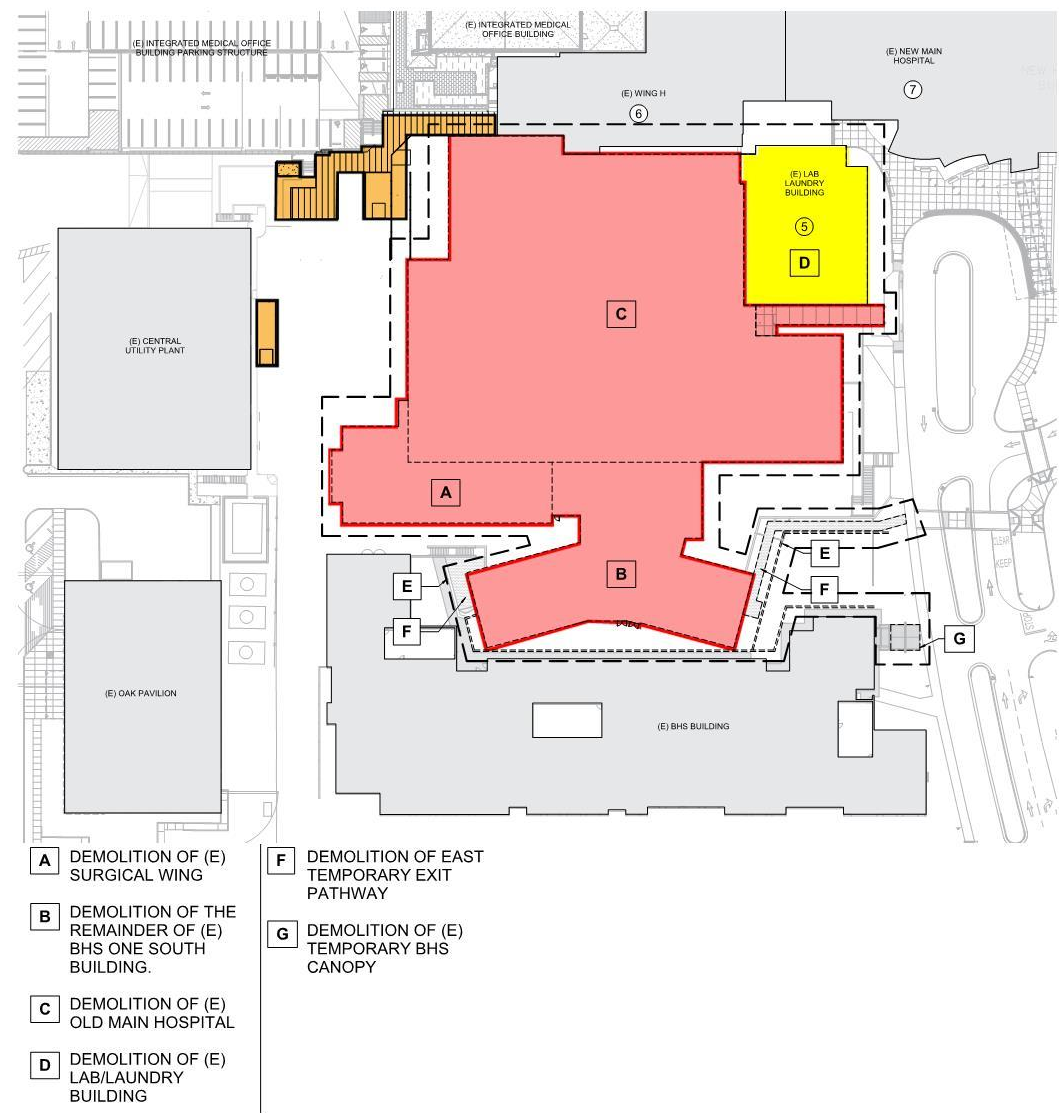
- A CONSTRUCTION OF (N) TEMPORARY LOADING DOCK, SEE SHEET TLD-03
- B (N) BAILER AREA, SEE SHEET TLD-03

PACKAGE 1: TEMPORARY LOADING DOCK

WRNSSTUDIO

OLD MAIN DEMOLITION & SITE WORK | 08/22/2019

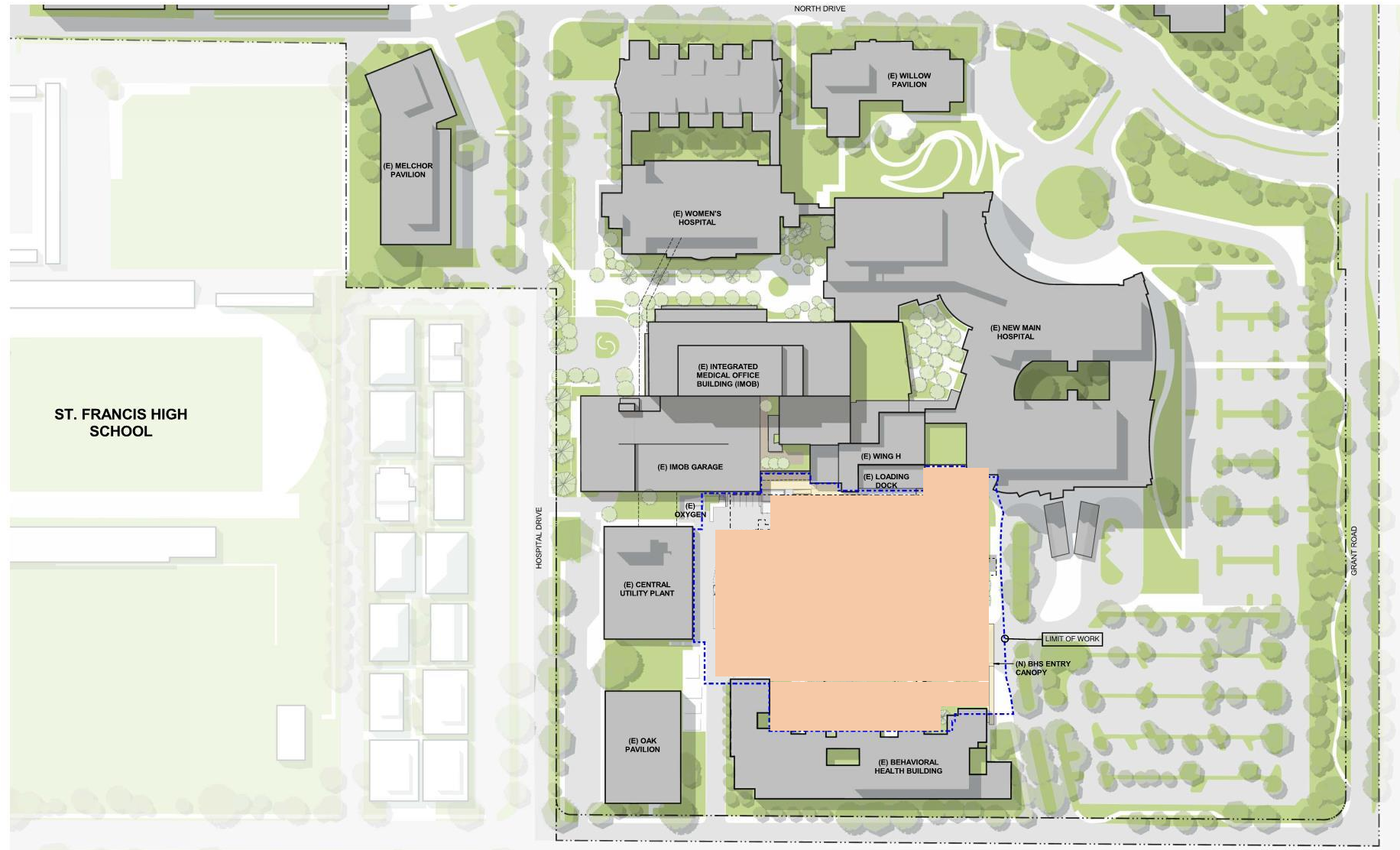
Phase 2 Demolition



PACKAGE 2: OLD MAIN HOSPITAL DEMOLITION

OLD MAIN DEMOLITION & SITE WORK | 08/22/2019

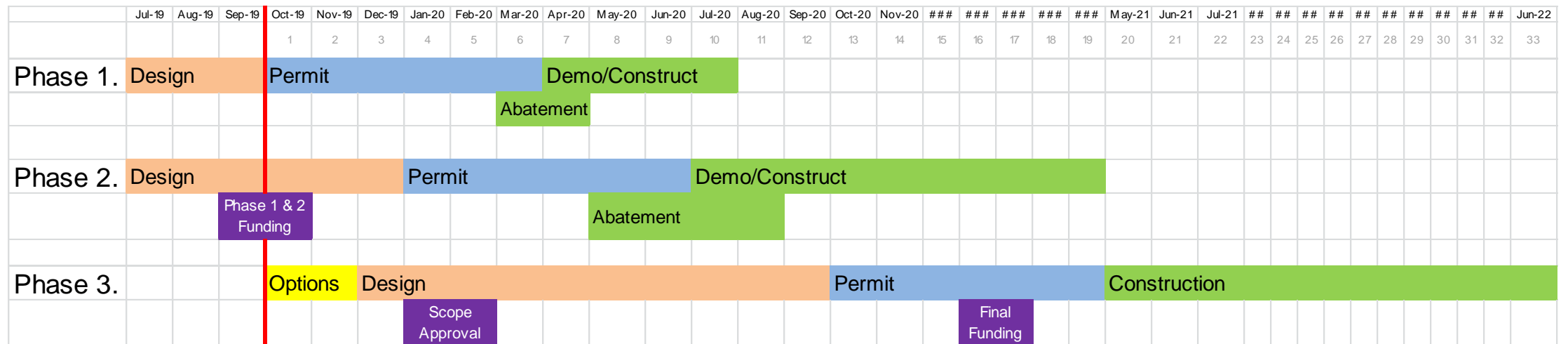
Phase 3 TBD



Cost Estimates – Phases 1 & 2

		Phase 1	Phase 2	Phase 3	Total Request
				Design Only	
Estimated Construction Costs		3,370,395	13,426,379	TBD	16,796,773
Soft Costs		1,815,928	2,511,319	1,400,000	5,727,247
FF&E		100,000	0	TBD	100,000
Contingency	10%	528,632	1,593,770	140,000	2,262,402
		5,814,955	17,531,468	1,540,000	24,886,423
				Rounded	24,900,000

Timeline





Current Request

- As recommended the Healthcare District Board is requested to approve funding for the first two phases of work for the M.V. Campus Completion Project at a cost not to exceed \$24.9 million while management develops the scope, cost and recommendation for the final phase which will complete the Mountain View Campus.

Questions?



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Cecile Currier, VP Corp. & Comm. Health Svcs and President, CONCERN:EAP
Barbara Avery, Director Community Benefit
Date: October 22, 2019
Subject: Community Benefit Grant Making Process

Purpose:

1. Provide direction to staff as we enter the FY21 grant application review and approval cycle
2. Provide education to the Board to inform its decision making.

Summary:

1. **Situation:** The Community Benefit team was asked to provide information addressing Board member inquiries about a) social determinants of health, b) District funding for Hospital-Operated (Community Benefit) Programs (HOPs), and c) support for Small Grants.
2. **Authority:** Each year, the Board approves the District's Community Benefit Plan.
3. **Background:** The El Camino Healthcare District provides an annual Community Benefit grant program based on the most recent Community Health Needs Assessment (CHNA). It serves to identify the top unmet health needs that are mapped to three priority areas for the Community Benefit grant program. Grant program proposals must address at least one of the documented health needs and undergo an extensive review process.

Community Benefit was requested to provide an overview of the following items:

A) Community Health Needs Assessment (CHNA); B) Social Determinants of Health; C) Grant Application Process; D) Community Benefit Advisory Council (CBAC) Composition; E) Hospital Operated (Community Benefit) Programs (HOPs); F) Small Grants

A. Community Health Needs Assessment (CHNA)

- **Purpose:** To identify the top unmet health needs. Grant proposals must align with at least one of the health needs determined by the CHNA.
- **Frequency:** Formal CHNA required every three years and is conducted with the Community Benefit Hospital Coalition (2019 chaired by ECH): Kaiser Permanente San Jose & Santa Clara, Lucile Packard Children's Hospital Stanford, O'Connor Hospital, St. Louise Regional Hospital, Stanford Health Care, Palo Alto Medical Foundation and Santa Clara County Public Health Department.
- **State and Federal Requirement:**
 - The CHNA process complies with state and federal requirements, which includes documenting how the assessment was conducted, including the community served, who was involved in the assessment, the process and methods used, and the community's significant health needs.
 - The IRS requires the inclusion of a significant community voice in the process through 1) Focus Groups, 2) Key Informant Interviews and 3) collaboration with the local Public Health Department.

- Focus Groups must include 1) Medically underserved, 2) Low-income and 3) Minority populations.
- CHNAs must be available to the public (typically through an organization's website) with a mechanism to collect community comments. It also assists in developing Community Benefit Plans pursuant to California State Senate Bill 697.
- **Key Features/Process:**
 - In Phase I, the Community Benefit Hospital Coalition developed common content by collecting and synthesizing primary and secondary data, including more than 200 quantitative health indicators. Benchmarking (state and Healthy People 2020) and community input are hallmarks of the process. It also included:
 - Eight focus groups and eight key informant interviews representing low-income, minority, medically underserved, homeless, older adult and youth populations.
 - Expert key informant interviews included Dr. Sara Cody, Santa Clara County Health Officer.
 - In Phase II, each organization uses the common content developed during Phase I to develop their specific CHNA.
- **2019 CHNA Outcomes:**
 - Seven health needs rose to the top: Diabetes & Obesity, Healthcare Access & Delivery, Oral/Dental Health, Behavioral Health, Cognitive Decline, Economic Stability, Housing & Homelessness
 - Chronic Disease (other than Diabetes & Obesity) and Violence & Injury Prevention to address falls prevention and domestic violence, are also included
 - A number of social determinants of health (SDOH) were identified as top community health needs, recognized by IRS guidelines as Community Benefit.

B. Social Determinants of Health (SDOH)

- **Definition:** *Social determinants of health are conditions in the environments in which people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks (Healthy People 2020, Health and Human Services).*
- **Background:** SDOH are increasingly recognized as health needs from numerous agencies including the American Hospital Association, Robert Wood Johnson Foundation, Kaiser Permanente, California Endowment, Aetna, Humana, CDC, Health and Human Services, and even codified by the IRS. There is broad recognition of reducing healthcare costs by addressing SDOH. Hospitals are increasingly investing in SDOH programs, such as Food as Medicine.
- **Data:**
 - According to the American Hospital Association, a person's health and well-being, excluding genetics, is attributable to: 40% socioeconomic factors, 30% health behaviors, 20% access to health care and quality of services and 10% physical environment
 - According to the Advisory Board, "Socioeconomic factors are far stronger determinants of health outcomes than medical care, and addressing SDOH has been shown to be effective in improving outcomes."
 - Local data example: In Santa Clara County, almost 4 in 10 people who experience food insecurity do not qualify for federal assistance due to household income (includes 46% of all food-insecure children).
- **ECHD Grant Portfolio:** Our Community Benefit grants have long funded programs addressing some of the upstream issues now recognized as SDOH, such as nutrition

education and social work case management to help people navigate and access eligible social benefits. Of the FY19 \$7.1M in District grants, 3.9% funded direct food assistance and less than 1% (0.4%) funded direct housing assistance.

- SDOH, such as food insecurity, offer a continuum of strategies from upstream work on nutrition education to direct services such as placing farmer's markets in food deserts and meal delivery to homebound low-income older adults

Additional Information:

- [HEALTH AFFAIRS VOL. 37, NO. 1](#): CULTURE OF HEALTH, MEDICARE & MORE Funders Support Projects on Social Determinants of Health; [Available here](#).
- [HEALTH AFFAIRS](#) BLOG RE: SDOH ROI, JANUARY 16, 2019 *Meeting Individual Social Needs Falls Short of Addressing Social Determinants of Health*, [Available here](#).
- AMA J. Ethics. 2019;21(3):E248-258. *Hospitals' Obligation to Address Social Determinants of Health*. Sullivan, H. R. [Available here](#).

C. Grant Application Process

- **Community Benefit (CB) Goal:** To provide a diverse range of services and activities that address the cause and impact of identified health related needs. Strategies include prevention and direct services, such as management of chronic diseases, access to primary and integrated care, and programming to support physical activity, mental and social-emotional health.
- **Process Overview:**
 1. Grant applications released → 2. Proposals submitted → 3. Staff assessment → 4. Community Benefit Advisory Council (CBAC) review and recommendations → 5. Board Study Session → 6. Development of annual Community Benefit Plan → 7. Board review and approval → 8. Applicant notification → 9. Grant Agreements
- 1. Grant applications released online in January
 - a. Broad community notification about grant cycle opening
 - b. Comprehensive Grant Guidebook includes examples, tips, step-by-step visuals of the process and Community Benefit Department contact information to support applicants
- 2. Proposals submitted in late February (typically ~120 received for District and Hospital)
 - a. Application components include: health need addressed, population served, proposed services, evaluation and data collection strategy, budgets and metrics and five organizational documents including IRS Determination Letter
- 3. Staff assessment for: clear program design to impact identified health need(s), meaningful and achievable metrics, performance history (if applicable), appropriate program staff, evaluation plans and tools, program-appropriate budget and other quality indicators
 - a. Comprehensive summaries developed by staff for each application and compiled for CBAC and Board. Information includes: agency overview, program goal, health needs addressed, population served, services provided and location, current metrics and prior metric performance (if applicable), requested funding and prior funding history
 - i. A recommendation is provided with each summary (staff meets with Controller to assess available funds for next cycle)
 - ii. Staff is concurrently analyzing current grantee mid-year reports and synthesizing data, which inform assessment

4. CBAC Grant Review and recommendation meeting in April (*see* section D below).
5. Board Study Session in May
 - a. Board is presented with summaries reflecting CBAC funding recommendations; staff present to address questions
6. Development of annual Community Benefit Plan provided to Board
7. Board review of CB Plan; amend and approve funding in June
 - a. Board is the final approving body
8. Applicants notified of funding status
9. Staff generates grant agreements (typically 100+ ECHD and ECH grant partners)
 - a. For organizations not awarded full requested funding, metrics and budgets are adjusted to align with awarded amount
 - b. Staff is concurrently analyzing FY19 year-end reports and synthesizing data

D. Community Benefit Advisory Council (CBAC)

- **History:** Formed in FY09, comprised of key hospital staff. In FY12, community members were added.
- **Current Composition:**
 - Community members knowledgeable about the unmet health needs and gaps in services in our community: 7-9 members
 - Board liaisons: one for each Board, role is to provide Board insight into CBAC recommendation process and relay information between CBAC and Board
 - Standing members: VP Corporate & Community Health Services and Director Community Benefit
- **Purpose:** To provide an informed community voice. The advisory council ensures broad engagement in the development of the annual Community Benefit Plan that is presented to the Board for final review and approval
- **Tenure:** Community members may serve two three-year terms and Board Liaisons are appointed by the Board each year.
- **Selection:** Prospective members are vetted and appointed by VP, Director, and staff. Areas of expertise are updated as community needs change.
- **Requirements:** Attend meetings (3-4 annually) or provide feedback on agenda items prior to the meeting, serve as an ambassador for the work done through Community Benefit
- **Confidentiality and Recusal:** Members must sign annual confidentiality statement and must recuse themselves from discussions about organizations where they have Board or other ties that represent a conflict of interest.

E. Hospital Operated (Community Benefit) Programs (HOPs)

- **Four Programs:** Chinese Health Initiative (CHI), Health Library & Resource Center (HLRC), RoadRunners (RR) and South Asian Heart Center (SAHC)
- **History:** Programs were developed by the Hospital to extend health services to the broader community and are departments of the hospital. In 2012, the Local Agency Formation

Commission Oversight (LAFCO) review determined that the use of District tax dollars are appropriate to support HOPs if identical procedures are applied to all requests.

- **Issue:** Should HOPs be mostly or fully funded by the Hospital?
- **District CB Funding Data:**
 - *What portion of District CB funding is allocated to HOPs?* 12% (\$930k) in FY19, 10% (\$815k) in FY20
 - *What portion of these programs is District CB funding?* 44% in FY19, 39% in FY20
 - *How has District CB funding of HOPs changed over last five years?* Decreased by \$262k or 24%
 - *How many people do HOPs serve in the District?* Nearly 22k people in FY19

F. Small Grants

- **History:** Started in FY17 at request of CBAC
- **Purpose:** To provide support for small organizations, which are important to the health and wellbeing of District residents, with fewer reporting requirements
- **Amount:** \$25k or less
- **Criteria:** Budgets of \$1.5M or less
- **Requirements:** Submit Support Grant application, same mid-year and year-end reporting except no impact metrics
- **FY19 Data:**
 - 14 of 54 grants (26%) are Support Grants
 - Funding: \$294k (4%) of \$7.1M grant funding
 - Performance: 12 of 14 (86%) met metrics
- **Support Grant Examples Include:** BAWSI Girls & Rollers, Matter of Balance (falls prevention program), Breathe California (senior respiratory program)

4. Assessment: N/A

5. Other Reviews: N/A

6. Outcomes: Board review and provide guidance on Community Benefit Grant Making Process.

List of Attachments:

1. 2019 Community Health Needs Assessment (CHNA):
https://www.elcaminohealthcaredistrict.org/sites/echd/files/2019-Community-Health-Needs-Assessment-20190615_0.pdf

Suggested Board Discussion Questions:

1. Is the Board as a whole supportive of continued District funding of HOPs?
2. Is the Board as a whole supportive of the small grant program?
3. Is the Board as a whole supportive of District funding for programs that address the SDOH?



*Dedicated to improving the health and
well being of the people in our community.*

Community Benefit

Cecile Currier , VP Corporate & Community Health Services

Barbara Avery, Director Community Benefit

El Camino Healthcare District Board of Directors Meeting

10/22/19

Community Benefit Grant Making Process

Community Health Needs Assessment (CHNA)

Social Determinants of Health

Grant Application Process

Community Benefit Advisory Council (CBAC) Composition

Hospital Operated Programs Community Benefit Programs (HOPs)

Small Grants



Full Board Discussion





EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Cecile Currier, VP Corporate and Community Health Services and President
CONCERN, EAP - Barbara Avery, Director Community Benefit
Date: October 22, 2019
Subject: FY19 Community Benefit Dashboard and Annual Report to the Community

Purpose:

To provide the Board with the FY19 Community Benefit Annual Report and the Annual Year-over-Year Dashboard.

Summary:

1. Situation:

FY19 Annual Report provides a summary of the Community Benefit investment for both the District and Hospital.

- Financials: reported separately for District and Hospital
- Grants: listed with identification of funding source (District or Hospital)
- Impact data: portfolio reported jointly for District and Hospital grants

At the conclusion of each fiscal year, the Community Benefit staff reviews yearend grant reports to assess metric and budget performance against targets as well as review qualitative information on program successes, challenges and trends. Staff also receives data from a number of Hospital departments for programs that generate a benefit for the community per IRS guidelines. Much of this data comes from the Finance Department and comprises the Hospital's Total Community Benefit (\$65M). Staff prepares an annual report and the Year-Over-Year Dashboard. The report will be voluntarily submitted to OSHPD and distributed and promoted to the community in early November. A web-based report and the print PDF will be on both El Camino Healthcare District and El Camino Health websites. The District report microsite is:
www.elcaminohealthcaredistrict.org/communitybenefit2019.

- #### **2. Authority:** The report is prepared by CB staff and approved by the VP of Corporate and Community Health Services prior to presentation to the Board.
- #### **3. Background:** In FY19, El Camino Healthcare District invested \$7,233,496 in Community Benefit grants and sponsorships to address unmet local health needs. The framework for the grant funding priorities is the Community Health Needs Assessment (CHNA), which is conducted every three years, as required by state and federal regulations.
- #### **4. Assessment:** El Camino Healthcare District's FY19 Community Benefit represents a 25% increase over FY16, 13% increase from FY17 and a 5% increase over FY18. Data from the Community Benefit Grants Year-over-Year Dashboard finds that 81% of programs met 80% or more of metric targets and only two of the 54 programs met 50% or less of their metrics. Of the 194 individual metrics across all programs, 90% of annual targets were met.

FY19 Community Benefit Report
October 22, 2019

The grant funding by Health Priority was as follows:

- 24 Healthy Body grants at \$4,335,556
- 12 Healthy Mind grants at \$1,203,000
- 17 Healthy Community grants at \$1,547,154

5. Other Reviews: N/A

6. Outcomes: N/A

List of Attachments:

1. FY19 Community Benefit Annual Report – print supplement to web-based report at www.elcaminohealthcaredistrict.org/communitybenefit2019
2. FY19 El Camino Healthcare District Community Benefit Grants Year-over-Year Dashboard

Suggested Board Discussion Questions: N/A



Improving Health
Changing **Lives**

Community Benefit | Annual Report FY 2019



EL CAMINO HEALTHCARE DISTRICT



Community Benefit Financial Report FY 2019

El Camino Healthcare District

\$7,233,496
GRANTS & SPONSORSHIPS

El Camino Hospital

\$3,802,846
GRANTS & SPONSORSHIPS

\$64.9M El Camino Hospital
TOTAL COMMUNITY BENEFIT



- \$33,618,096** Government-Sponsored Healthcare (Unreimbursed Medi-Cal)
- \$21,291,293** Subsidized Health Services
- \$3,351,626** Financial Assistance (Charity Care)
- \$3,802,846** Grants and Sponsorships
- \$1,963,110** Health Professions Education
- \$425,155** Clinical Research
- \$255,751** Community Benefit Operations
- \$161,034** Community Health Improvement Services

+ \$108M in Uncompensated Medicare
(Not Included in Community Benefit Total)

From Our Leadership

DEAR COMMUNITY MEMBERS,

We invite you to read the FY 2019 Community Benefit Report for El Camino Healthcare District and El Camino Hospital, “Improving Health, Changing Lives.” The report highlights our financial investment in community health and how we, together with our partners, are responding to the unmet health needs of our neighbors, particularly the most vulnerable and underserved. In FY 2019 our investments included:

- **El Camino Hospital Total Community Benefit:** \$64.9 million serving 117,860 people, including \$3.8 million for grants and sponsorships.
- **El Camino Healthcare District Community Benefit:** \$7.2 million in grants and sponsorships serving 75,140 people.
- **\$11 million** combined total for 103 grants and 71 sponsorships.

The El Camino Hospital Total Community Benefit included charity care and unreimbursed MediCal for nearly 12,000 patients at our two hospitals. Through community grants, the District and the Hospital both fund local efforts to provide access to quality health and wellness services through grant partnerships with the safety net clinics, school districts and nonprofit organizations highlighted in this report.

These investments promote better health, often through culturally relevant, multilingual programs recognizing the rich diversity of our community. Highlights of our combined community grants programs from both the District and Hospital include:

- **110,990 students** at local schools received care from nurses, health screenings, mental health counseling, and physical activity and nutrition programs.
- **26,900 people** received free primary care, management services for chronic diseases and related health services.
- **10,980 people** received free mental health services.

In response to growing mental health needs, we have increased our grants program and welcome the opening of the new Taube Pavilion with additional inpatient beds and a dedicated women’s unit. On all fronts, we are ensuring there are more mental health services in schools, community clinics, and through our Scrivner Center for Mental Health & Addiction Services.

Please take a moment to learn more about how our Community Benefit commitment is improving lives.

Peter C. Fung, MD, FY19 Chair, Board of Directors, El Camino Healthcare District

Lanhee J. Chen, Chair, FY19 Chair, Board of Directors, El Camino Hospital

Dan Woods, Chief Executive Officer, El Camino Health and El Camino Healthcare District

El Camino Healthcare District Board of Directors

Peter C. Fung, MD, MS, FACP, FAAN, FAHA, FY19 Chair, FY19 Community Benefit Advisory Council (CBAC) Board Liaison

Gary Kalbach

Julia E. Miller, FY19 Vice Chair, FY19 CBAC Board Liaison

George O. Ting, MD

John L. Zoglin, FY19 Secretary/Treasurer

El Camino Hospital Board of Directors

Lanhee J. Chen, JD, PhD, FY19 Chair

Peter C. Fung, MD, MS, FACP, FAAN, FAHA, FY19 CBAC Board Liaison

Jeffrey M. Davis, MD, MPH

Gary Kalbach

Julie Kliger, MPA, BSN

Julia E. Miller, FY19 Secretary/Treasurer, FY19 CBAC Board Liaison

Bob Rebitzer

George O. Ting, MD

Don C. Watters

John L. Zoglin, FY19 Vice Chair

El Camino Health

Dan Woods, Chief Executive Officer, El Camino Health and El Camino Healthcare District



EL CAMINO HEALTHCARE DISTRICT



FISCAL YEAR 2019

Community Benefit Grant Funding



\$11 MILLION COMBINED INVESTMENTS FOR **174 GRANTS** AND **SPONSORSHIPS**
TO ADDRESS UNMET HEALTH NEEDS IN OUR COMMUNITY

Healthy Body Partners

These grants aim to prevent the onset of disease and improve access to primary care, chronic disease management, oral health, and health and wellness education.

5210 Health Awareness Program Partnership

School-based nutrition and health program at Cambrian, Campbell, Cupertino Union, Fremont and Sunnyvale School Districts

Funding: **El Camino Healthcare District (ECHD)**

El Camino Hospital (ECH)

Bay Area Women's Sports Initiative (BAWSI)

Physical activity and self-esteem program for girls at Campbell and Sunnyvale School Districts

ECHD, ECH

Breathe California

Screenings, education and home assessment for families of children with asthma and seniors with respiratory conditions

ECHD, ECH

Cambrian School District

School nurse program

ECH

Campbell Union School District

School nurse program

ECH

Cancer CAREpoint

Nutrition education and support

ECH

Challenge Diabetes Program

Pre-diabetes screening and education for community service agencies

ECH

Community Health Partnership

Safety net clinic capacity building and training

ECH

Community Services Agency, Mountain View

Intensive case management for seniors with chronic disease

ECHD

Cristo Rey Network

School health and wellness program

ECH

Cupertino Union School District

School nurse program

ECHD, ECH

Day Worker Center

Promoting wellness and nutrition among the underserved

ECHD

Fresh Approach

Mobile Farmers Market and nutrition education

ECHD

Gardner Family Health Network

Clinical services and healthy behavior change program for pre-diabetic and diabetic patients

ECH

GoNoodle

Movement and mindfulness programs for youth at 184 schools in 17 school districts

ECHD, ECH

Health Mobile

Mobile dental services for homeless and low-income community members

ECHD

Healthier Kids Foundation

Dental and hearing screenings for children

ECHD, ECH

Hope's Corner

Nutritious meals for homeless and the food insecure

ECHD

Indian Health Center

Clinical services and healthy behavior change program for at-risk and diabetic youth

ECH

Living Classroom

Garden-based school nutrition program at Mountain View Whisman and Sunnyvale School Districts

ECHD

Lucile Packard Foundation for Children's Health

Teen Health Van at Mountain View Los Altos High School District for at-risk youth

ECHD

Magical Bridge Foundation

Playgrounds designed for children with disabilities in Mountain View and Sunnyvale

ECHD

MayView Community Health Center

Primary care and preventive services for uninsured

ECHD

Medical Respite

Medical care and social services for homeless patients

ECHD, ECH

Mount Pleasant School District

School nurse program

ECH

Mountain View Whisman School District

School nurse program

ECHD

New Directions

Coordination of care and connection to safety net services for homeless and at-risk community members

ECHD

Pathways Home Health and Hospice

Compassionate care for the uninsured and underinsured

ECHD

Planned Parenthood Mar Monte

Primary care and preventive health services for the underserved at the Mountain View Health Center

ECHD

Pre-Diabetes Initiative

Awareness, screening and chronic disease management resources for pre-diabetes

ECH

Playworks

Physical activity and school climate program in Campbell Union, Mountain View Whisman and Sunnyvale School Districts

ECHD, ECH

Reach Potential Movement

Physical activity and health programs for low-income youth in Sunnyvale

ECHD

The Health Trust

Meals on Wheels program for older adults

ECHD

Santa Clara County Public Health Department – Better Health Pharmacy

No-cost medication program for low-income individuals

ECH

Santa Clara Valley Medical Center

Primary and behavioral mobile healthcare for homeless and dental services for low-income and homeless adults

ECHD

Sunnyvale School District

School nurse program

ECHD

Tower Foundation of San Jose State University

Rehabilitation, awareness and community education for stroke (RACES)

ECH

Vista Center for the Blind and Visually Impaired

Vision rehabilitation program

ECHD, ECH

Healthy Mind Partners

These grants provide access to mental health services for youth and adults and address issues such as depression, anxiety, dementia, domestic violence and substance abuse.

Acknowledge Alliance

Resilience and social emotional learning lessons for students

ECHD

Almaden Valley Counseling Service

School-based social emotional skill building

ECH

Alum Rock Counseling Center

Counseling for at-risk youth

ECH

Alzheimer's Association

Asian Dementia Initiative and Latino Family Connections: Culturally-based services for patients and caregivers

ECHD, ECH

Avenidas

Adult day health program

ECHD

Bill Wilson Center

Psychotherapy for children who have suffered abuse

ECH

Cambrian School District

Mental health counseling

ECH

Center for Age-Friendly Excellence

Senior inclusion and participation project

ECHD

CHAC

Mental health counseling at Sunnyvale School District

ECHD

Child Advocates of Silicon Valley

Advocacy and support services for foster teens

ECH

Counseling and Support Services for Youth (CASSY)

Mental health counseling at Campbell Union School District

ECH

Cupertino Union School District

Mental health counseling

ECH

Eating Disorders Resource Center

Support for recovery

ECHD

Jewish Family Services of Silicon Valley

Mental health support for low-income older adults

ECH

Friends for Youth

Connecting at-risk youth with supportive mentors

ECHD

Law Foundation of Silicon Valley

Removing legal barriers to mental health services

ECHD

LifeMoves

Behavioral health services at homeless shelters

ECH

Los Altos School District

Mental health counseling

ECHD

Mission Be

Mindfulness training for elementary and high school students

ECHD

Momentum for Mental Health

Psychiatric services and medication management for the underinsured and uninsured

ECHD, ECH

Mountain View Los Altos Union High School District

Mental health counseling

ECHD

National Alliance on Mental Illness (NAMI)**Santa Clara County**

Peer support for mental health conditions

ECHD

Peninsula HealthCare Connection

Psychiatric services and medication management for homeless and at-risk community members

ECH

Respite and Research for Alzheimer's Disease

Addressing senior isolation and providing caregiver respite

ECH

Teen Success, Inc.

Promoting self-sufficiency and health education for teen mothers

ECH

Uplift Family Services

Mental health counseling and addiction prevention services for Campbell Union High School District

ECH

YWCA of Silicon Valley

Support for at-risk women

ECHD



Healthy Community Partners

These grants promote the improvement of overall health in the community with programs that focus on falls prevention, health screenings, domestic violence and social work case management.

Abode Services

Promoting housing security for families through assistance and case management

ECH

American Heart Association

Hypertension initiative: blood pressure awareness, screening and blood pressure management

ECHD

Chinese Health Initiative

Screenings and education

ECHD, ECH

Family & Children Services (a division of Caminar)

Domestic violence survivor services

ECHD

Farewell to Falls

In-home assessment, education and exercise recommendations

ECHD

Health Library & Resource Center - Los Gatos & Mountain View

Eldercare support, health information and medical literature searches

ECHD, ECH

Maitri

Culturally focused crisis counseling and legal representation for domestic violence victims

ECHD

Matter of Balance

Falls prevention classes for seniors

ECHD

Mountain View Police Department, Youth Services Unit

Camps for at-risk youth

ECHD

Next Door Solutions

Crisis counseling, shelter services and support for victims of domestic violence

ECH

Pacific Hearing Connection

Screening and access to free or reduced-cost hearing aids for children and adults

ECH

Racing Hearts

Automated External Defibrillator (AED) Program, placing nearly 800 devices throughout Santa Clara County, including all public schools

ECH



Rebuilding Together

Home repair program for seniors at risk for falls

ECHD

RoadRunners

Patient transportation program

ECHD

Silicon Valley Bicycle Coalition

Promoting safe physical activity in affordable housing communities

ECH

South Asian Heart Center

Screenings and education for heart disease and diabetes

ECHD, ECH

Sunnyvale Community Services

Emergency assistance and social work case management

ECHD

Valley Verde

Home gardens and nutrition education for low-income households

ECH

West Valley Community Services

Social work case management, benefits assistance, and nutrition workshops for at-risk families and seniors

ECHD

YMCA Silicon Valley

Summer camp for low-income youth

ECHD

Our Partnerships Achieved Meaningful Results

THROUGH 103 GRANTS IN FY2019, we addressed the health needs of our most vulnerable community members, gave youth a healthier start in life, and improved mental health. Our partners helped people with complex health and life circumstances get medical and dental services and connect them to public benefits. At schools, nurses and mental health counselors filled the gap in care for at-risk students while other programs helped youth make healthy food choices, exercise and build self-esteem. We are ensuring that more people can get mental health services in schools, community clinics and settings such as homeless shelters. Through culturally appropriate, multilingual services, our partnerships are making the community healthier and more vibrant.

Clinics & Community Health

\$5.8 million
INVESTED

26,900
PEOPLE SERVED



121,430
Services Provided



14,470
Older Adults Served



5,860
Dental Services Provided



11,230
People Served Through
Nutrition Education &
Food Access Programs



“The Community Benefit grant allows our clinic to extend our mission and services to low-income individuals and families in order for them to access quality medical care, regardless of their ability to pay.”

**— Kenneth Graham, CEO at MayView
Community Health Center**

Health in Schools

\$3.3 million

INVESTED

110,990

STUDENTS SERVED



21,240

Students Served
by School Nurses



255

Schools benefited from
grant programs



28

School Districts benefited
from grant programs



78,090

Youth Building Healthy
Behaviors Through Exercise
& Nutrition Programs

“This grant makes a huge difference in the lives of our students. Our grant-funded healthcare providers support our students, who otherwise may not receive the care they need. The school nurse not only supports students’ daily health needs but also provides outreach and resources to families who need assistance.”

—Kari Ito, Principal at Nimitz Elementary School in Sunnyvale, Cupertino Union School District

Mental Health

\$2.9 million

INVESTED

10,980

PEOPLE SERVED



24,900

Hours of Mental Health
Services for K-12 Schools



81%

Teens Who Reduced
High Risk Behavior
Post-program



30,330

Adult Mental Health
Services Provided



90%

Homeless People
Who Report Improved
Well-being Post-therapy

Grant Cycle and Timeline

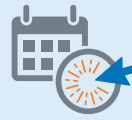
EL CAMINO HEALTHCARE DISTRICT AND EL CAMINO HOSPITAL PROVIDE ANNUAL GRANTS to community-based organizations, clinics and schools to address local unmet health needs. This annual report provides an overview of these programs and the critical services they deliver.

This year, we published the 2019 Community Health Needs Assessment (CHNA), which guides the Community Benefit grants program using the following priority area framework: Healthy Body, Healthy Mind and Healthy Community. Every three years, El Camino Hospital conducts a CHNA to determine the most pressing health issues in our region alongside other local healthcare leaders — including six nonprofit hospitals, Santa Clara County Public Health Department, the Hospital Council of Northern and Central California, and Palo Alto Medical Foundation.

The annual grant cycle opens in January each year. For more information about grants and to access the 2019 CHNA visit: elcaminohealth.org/communitybenefit, or elcaminohealthcaredistrict.org/communitybenefit.

**In the last five years,
El Camino Healthcare District
and El Camino Hospital invested
\$47.4 million
in community grants and
sponsorships.**

JANUARY



Grant Applications
Available on District and
Hospital Websites

FEBRUARY



Grant Applications Due

MARCH / APRIL / MAY

Application Review with
Community Benefit Advisory Council

Development of
Annual Community Benefit Plan

JUNE

District and Hospital Boards of Directors
Review Community Benefit Plans

Applicants Notified of Funding Approvals

JULY



New Fiscal Year Grant
Programs Begin

FY 2019 Sponsorship Recipients

El Camino Healthcare District

Adolescent Counseling Services
American Diabetes Association
American Red Cross
Avenidas
BAWSI (Bay Area Women's Sports Initiative)
CHAC (Community Health Awareness Council)
City of Mountain View Senior Center
City of Sunnyvale Senior Center
Community Services Agency Mountain View
Downtown Streets Team Addressing Homelessness
Healthier Kids Foundation
HomeFirst
Mentor Tutor Connection
Momentum for Mental Health
Pacific Stroke Association
Pancreatic Cancer Action Network
Parkinson's Institute and Clinical Center
Pathways Home Health and Hospice
Rebuilding Together Silicon Valley
Sunnyvale Rotary Foundation
Unity Care
Valley Medical Center Foundation

El Camino Hospital

AACI (Asian Americans for Community Involvement)
Abilities United
Aging Services Collaborative
Alum Rock Counseling Center
Alzheimer's Association
American Cancer Society Silicon Valley
American Heart Association
American Red Cross
Bay Area Older Adults
Bonnie J. Addario Lung Cancer Foundation
Caminar/Family & Children Services
Cancer Carepoint, Inc.
Child Advocates of Silicon Valley
Chinese American Coalition for Compassionate Care
Chinese Cancer Memorial Foundation
City of San Jose Senior Winter Walk and Resource Fair
Community Health Partnership
Community Seva
Cristo Rey Network
Cystic Fibrosis Foundation
Gardner Family Health Network
Happy Hollow Senior Event
Hispanic Foundation of Silicon Valley
Hope Services
JW House
Los Gatos Lions Club Youth Mental Health Event
March of Dimes
National Alliance on Mental Illness (NAMI)
Santa Clara County
Next Door Solutions
North Valley Community Foundation
PACT (People Acting in Community Together)
Parkinson's Foundation, Inc.
Planned Parenthood Mar Monte Kids in Common
Children's Summit
Project Cornerstone
Services for Brain Injury
Silicon Valley Bicycle Coalition
Silicon Valley Council of Nonprofits
Silicon Valley Leadership Group Turkey Trot and
Heart & Soles Run
Stroke Awareness Foundation
Uplift Family Services
Valley Verde
West Valley Community Services
YWCA Silicon Valley



Ensuring people in need have the opportunity to enjoy better health is central to our grant funding. We do this through prevention and management of chronic diseases, access to integrated care, and increasing opportunities for physical activity and social-emotional health.

Improving Health Changing Lives

Read our full report online at elcaminohealth.org/communitybenefit2019

El Camino Healthcare District

2500 Grant Road
Mountain View, CA 94040



El Camino Health

2500 Grant Road
Mountain View, CA 94040



El Camino Healthcare District was formed pursuant to the California Local Health Care District Law (California Health and Safety Code Sections 32000 et seq.) in the 1950s. The District's purpose is to establish, maintain and operate, or provide assistance in the operation of one or more health facilities (as that term is defined in the California Health and Safety Code Section 1250) or health services at any location within or without the territorial limits of the District, for the benefit of the District and the people served by the District, and to do any and all other acts and things necessary to carry out the provisions of the District's Bylaws and the Local Health Care District Law. The District's boundaries encompass Mountain View and Los Altos, large portions of Sunnyvale and Los Altos Hills, and small sections of Cupertino, Santa Clara and Palo Alto. The District is governed by a five-member publicly elected Board and provides oversight of El Camino Hospital, a nonprofit community hospital. The District also administers a Community Benefit Program, which addresses unmet health needs through grants and collaborations with local schools, nonprofits, and social and health service providers.

El Camino Health aims to deliver a healthcare experience that is personalized and designed around an individual's needs. El Camino Health includes two nonprofit acute care hospitals in Los Gatos and Mountain View and urgent care, multi-specialty care and primary care locations across Santa Clara County. Hospital key medical specialties include cancer, heart and vascular, lifestyle medicine, men's health, mental health and addictions, pulmonology, mother-baby, orthopedic and spine, stroke, urology and women's health. Affiliated partners include Silicon Valley Medical Development, El Camino Health Foundation and Concern.

Through the Community Benefit Grant Program, El Camino Health partners with organizations working to address the unmet health needs of underserved and at-risk community members in an effort to improve the overall health and well-being of the community. The Community Benefit Grant Program provides grants and sponsorships for programs focusing on preventing disease, improving mental health, and making healthy choices and healthcare more accessible.



EL CAMINO HEALTHCARE DISTRICT



El Camino Health

Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	<div><div></div><div></div></div> <div>FY17 % 6-month metrics met</div>	FY17 Annual Target	FY17 Annual Actual	<div><div></div><div></div></div> <div>FY17 % Annual metrics met</div>	FY18 6-month target	FY18 6-month actual	<div><div></div><div></div></div> <div>FY18 % 6-month metrics met</div>	FY18 Annual Target	FY18 Annual Actual	<div><div></div><div></div></div> <div>FY18 % Annual metrics met</div>	FY19 6-month target	FY19 6-month actual	<div><div></div><div></div></div> <div>FY19 % 6-month metrics met</div>	FY19 Annual Target	FY19 Annual Actual	<div><div></div><div></div></div> <div>FY19 % Annual Metrics Met</div>	Supporting Details for Variance	
<div><div>HEALTHY BODY</div><div></div></div>	CSA-MV: Senior Intensive Case Management FY19 Approved: \$200,000 FY19 Spent: \$200,000 FY18 Approved: \$221,401 FY18 Spent: \$180,087 FY17 Approved: \$151,551 FY17 Spent: \$116,894 New Metrics: 0 of 5	Clients served	62	58	<div><div></div><div></div></div>	90	71	<div><div></div><div></div></div>	97	64	<div><div></div><div></div></div>	142	83	<div><div></div><div></div></div>	52	53	<div><div></div><div></div></div>	80	77	<div><div></div><div></div></div>	These two metrics have been replaced by metrics below for clarity; included in Dashboard for context and program reporting history.	
		Services provided	1,181	1,220	<div><div></div><div></div></div>	2,362	3,042	<div><div></div><div></div></div>	2,249	1,753	<div><div></div><div></div></div>	4,532	3,931	<div><div></div><div></div></div>	2,050	2,456	<div><div></div><div></div></div>	4,532	5,052	<div><div></div><div></div></div>		
		Clients who were re-hospitalized within 1 - 30 days for reasons related to a chronic health condition* *Lower percentage desired	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	1%	1.5% Lower percentage desired	<div><div></div><div></div></div>	1%	2.5% Lower percentage desired	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>		
		Clients who were re-hospitalized within 31 - 90 days for reasons related to a chronic health condition* *Lower percentage desired	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	4%	0% Lower percentage desired	<div><div></div><div></div></div>	4%	2.5% Lower percentage desired	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>		
		Clients who were not re-hospitalized within 1 - 30 days for reasons related to a chronic health condition	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	90%	87%	<div><div></div><div></div></div>	90%	92%	<div><div></div><div></div></div>		
		Clients who were not re-hospitalized within 31 - 90 days for reasons related to a chronic health condition	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	85%	83%	<div><div></div><div></div></div>	85%	100%	<div><div></div><div></div></div>		
		Patients with hypertension who attained or maintained blood pressure <140/90 mm Hg or blood pressure goal recommended by physician	35%	67%	<div><div></div><div></div></div>	80%	86%	<div><div></div><div></div></div>	60%	67%	<div><div></div><div></div></div>	60%	75%	<div><div></div><div></div></div>	61%	75%	<div><div></div><div></div></div>	61%	89%	<div><div></div><div></div></div>		
	Cupertino Union School District <i>School Nurse Program</i> FY19 Approved: \$87,842 FY19 Spent: \$87,842 FY18 Approved: \$72,481 FY18 Spent: \$72,481 FY17 Approved: \$68,997 FY17 Spent: \$68,997 New Metrics: 0 of 4	Students served	578	821	<div><div></div><div></div></div>	1,458	1,848	<div><div></div><div></div></div>	850	930	<div><div></div><div></div></div>	1,848	1,859	<div><div></div><div></div></div>	900	867	<div><div></div><div></div></div>	1,850	1,734	<div><div></div><div></div></div>	100%	
		Students who failed a mandated health screening who saw a healthcare provider	22%	54%	<div><div></div><div></div></div>	74%	91%	<div><div></div><div></div></div>	45%	61%	<div><div></div><div></div></div>	80%	86%	<div><div></div><div></div></div>	50%	54%	<div><div></div><div></div></div>	82%	89%	<div><div></div><div></div></div>		
		Students in Kindergarten who were identified as needing early intervention or urgent dental care through on-site screenings who saw a dentist	N/A	N/A	<div><div></div><div></div></div>	75%	92%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	82%	83%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	85%	85%	<div><div></div><div></div></div>		
		Teachers/staff at target schools that receive training on severe allergies, anaphylaxis, and EpiPen usage	20%	70%	<div><div></div><div></div></div>	20%	72%	<div><div></div><div></div></div>	60%	72%	<div><div></div><div></div></div>	65%	72%	<div><div></div><div></div></div>	65%	73%	<div><div></div><div></div></div>	70%	73%	<div><div></div><div></div></div>		
	Fresh Approach FY19 Approved: \$92,704 FY19 Spent: \$92,704 FY18 Approved: \$70,000 FY18 Spent: \$70,000 FY17 Approved: \$35,000 FY17 Spent: \$29,572 New Metrics: 1 of 5	Individuals served	120	113	<div><div></div><div></div></div>	120	113	<div><div></div><div></div></div>	70	0	<div><div></div><div></div></div>	105	117	<div><div></div><div></div></div>	100	302	<div><div></div><div></div></div>	340	908	<div><div></div><div></div></div>	80%	During FY19, program implemented new system for tracking mobile farmers' market customers that was not established at time of setting targets. There was also growth in program eligibility to now include MediCal recipients, increasing customers. The VeggieRx program also increased in participation and average household size was greater than expected. Targets have increased accordingly for FY20, including additional capability to track customers' household size.
		Encounters provided	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	210	302	<div><div></div><div></div></div>	503	1,024	<div><div></div><div></div></div>		
		Mobile Farmers' Market (Freshest Cargo) customers report increasing their fruits and vegetable consumption since starting to shop at Freshest Cargo	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	65%	62%	<div><div></div><div></div></div>		
		Participants who attend 6 or more classes will lose 2% or more of their original body weight and/or improve their BMI	-	-	<div><div></div><div></div></div>	-	-	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	30%	32%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	30%	28%	<div><div></div><div></div></div>		
		Participants who attended 6 or more classes will report regularly eating 2 additional servings of fruits and vegetables at the end of the program than they did at the beginning of the program	N/A	N/A	<div><div></div><div></div></div>	80%	89%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	82%	80%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	85%	48%	<div><div></div><div></div></div>		A similar survey question found that 78% of participants reported eating more servings of fruits and vegetables after program; this survey question asks what participants ate 'yesterday'. Program is evaluating survey methods.
	GoNoodle FY19 Approved: \$36,000 FY19 Spent: \$36,000 FY18 Approved: \$35,000 FY18 Spent: \$35,000 FY17 Approved: \$35,000 FY17 Spent: \$35,000 New Metrics: 0 of 5	Schools served	25	25	<div><div></div><div></div></div>	25	25	<div><div></div><div></div></div>	25	27	<div><div></div><div></div></div>	25	24	<div><div></div><div></div></div>	25	26	<div><div></div><div></div></div>	25	27	<div><div></div><div></div></div>	100%	
		GoNoodle physical activity breaks played	15,000	14,652	<div><div></div><div></div></div>	30,000	34,000	<div><div></div><div></div></div>	15,000	18,354	<div><div></div><div></div></div>	30,000	35,320	<div><div></div><div></div></div>	20,000	19,139	<div><div></div><div></div></div>	34,000	36,090	<div><div></div><div></div></div>		
		Student physical activity minutes achieved	800,000	833,546	<div><div></div><div></div></div>	1,600,000	1,987,357	<div><div></div><div></div></div>	820,000	995,635	<div><div></div><div></div></div>	1,640,000	1,987,135	<div><div></div><div></div></div>	1,300,000	1,073,485	<div><div></div><div></div></div>	2,000,000	2,092,476	<div><div></div><div></div></div>		
		Teachers who believe GoNoodle benefits their students' focus and attention in the classroom	N/A	N/A	<div><div></div><div></div></div>	90%	96%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	90%	92%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	90%	93%	<div><div></div><div></div></div>		
		Teachers who agree that GoNoodle Plus physical activity breaks are a valuable resource in helping their students succeed in core subjects	N/A	N/A	<div><div></div><div></div></div>	90%	90%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	90%	86%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	60%	80%	<div><div></div><div></div></div>		
	Health Mobile FY19 Approved: \$150,000 FY19 Spent: \$150,000 FY18 Approved: \$148,832 FY18 Spent: \$148,832 FY17 Approved: \$148,832 FY17 Spent: \$148,832 New Metrics: 0 of 4	Low-income and homeless individuals served	250	149	<div><div></div><div></div></div>	500	451	<div><div></div><div></div></div>	145	152	<div><div></div><div></div></div>	500	485	<div><div></div><div></div></div>	150	143	<div><div></div><div></div></div>	400	369	<div><div></div><div></div></div>	100%	
		Dental procedures provided	510	690	<div><div></div><div></div></div>	1,152	3,126	<div><div></div><div></div></div>	725	619	<div><div></div><div></div></div>	2,500	2,792	<div><div></div><div></div></div>	600	610	<div><div></div><div></div></div>	2,600	2,460	<div><div></div><div></div></div>		
		Patients who report increased knowledge about their oral health	80%	86%	<div><div></div><div></div></div>	80%	86%	<div><div></div><div></div></div>	83%	91%	<div><div></div><div></div></div>	83%	91%	<div><div></div><div></div></div>	85%	86%	<div><div></div><div></div></div>	85%	80%	<div><div></div><div></div></div>		
		Patients who report no pain after their first visit	80%	87%	<div><div></div><div></div></div>	80%	88%	<div><div></div><div></div></div>	83%	92%	<div><div></div><div></div></div>	83%	92%	<div><div></div><div></div></div>	85%	84%	<div><div></div><div></div></div>	85%	83%	<div><div></div><div></div></div>		

Community Benefit Dashboard Notes

A metric receives a “green” dot if the target was met, exceeded or within 10% of the target goal

A metric receives a “red” dot if the target was not met by an excess of 10% of the target goal

N/A There are some 6-month metric targets with “N/A” because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	<div><div></div><div></div></div> FY17 % 6-month metrics met	FY17 Annual Target	FY17 Annual Actual	<div><div></div><div></div></div> FY17 % Annual metrics met	FY18 6-month target	FY18 6-month actual	<div><div></div><div></div></div> FY18 % 6-month metrics met	FY18 Annual Target	FY18 Annual Actual	<div><div></div><div></div></div> FY18 % Annual metrics met	FY19 6-month target	FY19 6-month actual	<div><div></div><div></div></div> FY19 % 6-month metrics met	FY19 Annual Target	FY19 Annual Actual	<div><div></div><div></div></div> FY19 Annual Metrics Met	Supporting Details for Variance	
<div>HEALTHY BODY</div>	Healthier Kids Foundation <i>HearingFirst & DentalFirst</i> FY19 Approved: \$40,000 FY19 Spent: \$40,000 FY18 Approved: \$20,000 FY18 Spent: \$20,000 <i>* (two separate grants of \$10,000 in FY18)</i> New Metrics: N/A	Children screened	-	-		-	-		-	-		-	-		450	551	<div><div></div><div></div></div>	900	1013	<div><div></div><div></div></div>		
		Of children hearing screened who received a referral, the percent that received and completed appropriate hearing services	-	-	N/A	-	-	N/A	-	-	N/A	-	-	N/A	20%	14%	35%	28%	<div><div></div><div></div></div> 100%			
		Of children dental screened who received a referral, the percent that received and completed appropriate dental services	-	-		-	-		-	-		-	-		75%	95%	75%	80%	<div><div></div><div></div></div>			
	Living Classroom FY19 Approved: \$88,000 FY19 Spent: \$88,000 FY18 Approved: \$78,000 FY18 Spent: \$78,000 FY17 Approved: \$78,000 FY17 Spent: \$78,000 New Metrics: 0 of 4	Students served	2,500	2,830	<div><div></div><div></div></div>	4,300	4,834	<div><div></div><div></div></div>	2,610	2,795	<div><div></div><div></div></div>	4,500	4,512	<div><div></div><div></div></div>	2,900	3,800	<div><div></div><div></div></div>	50%	4,800	4,367	<div><div></div><div></div></div>	
		Students eating produce grown in school gardens	1,500	2000	<div><div></div><div></div></div>	3,200	3,987	<div><div></div><div></div></div>	2,000	1,650	<div><div></div><div></div></div>	N/A	N/A		1,600	1285	<div><div></div><div></div></div>	3,500	3,400	<div><div></div><div></div></div>		
		Students involved in planting and harvesting fruits and vegetables for Farm-to-Lunch Program	75	75	<div><div></div><div></div></div>	150	150	<div><div></div><div></div></div>	145	135	<div><div></div><div></div></div>	250	235	<div><div></div><div></div></div>	145	180	<div><div></div><div></div></div>	235	276	<div><div></div><div></div></div>		
		Classroom lessons given across all grades T/K - 5	250	222	<div><div></div><div></div></div>	570	564	<div><div></div><div></div></div>	190	170	<div><div></div><div></div></div>	330	348	<div><div></div><div></div></div>	348	248	<div><div></div><div></div></div>	600	646	<div><div></div><div></div></div>		
	Magical Bridge <i>Inclusive Playgrounds</i> FY19 Approved: \$150,000 FY19 Spent: \$150,000 New Metrics: N/A	Project planning completion for adaptive playground in Sunnyvale	-	-		-	-	N/A	-	-		-	-	N/A	40%	64%	80%	100%	<div><div></div><div></div></div> 100%			
	MayView Community Health Center FY19 Approved: \$1,007,000 FY19 Spent: \$1,007,000 FY18 Approved: \$858,400 FY18 Spent: \$858,400 FY17 Approved: \$700,000 FY17 Spent: \$700,000 New Metrics: 0 of 7	Uninsured patients served	-	-		-	-		425	983	<div><div></div><div></div></div>	850	1763	<div><div></div><div></div></div>	845	946	<div><div></div><div></div></div>	86%	1,695	1,741	<div><div></div><div></div></div>	
		Patient visits provided	-	-		-	-		1,125	1,813	<div><div></div><div></div></div>	2,250	3,829	<div><div></div><div></div></div>	1,695	1,742	<div><div></div><div></div></div>	3,388	3,484	<div><div></div><div></div></div>		
		Lab services for uninsured	-	-		-	-		1,125	1,210	<div><div></div><div></div></div>	2,250	3,118	<div><div></div><div></div></div>	1,105	1,212	<div><div></div><div></div></div>	2,800	3,484	<div><div></div><div></div></div>		
		Diabetic patients with LDL less than 130 mg/dL	-	-		-	-		71%	64%	<div><div></div><div></div></div>	71%	68%	<div><div></div><div></div></div>	65%	64%	<div><div></div><div></div></div>	67%	68%	<div><div></div><div></div></div>		
		Diabetic patients with HbA1c Levels less than 9 points	-	-		-	-		72%	77%	<div><div></div><div></div></div>	72%	73%	<div><div></div><div></div></div>	72%	66%	<div><div></div><div></div></div>	74%	71%	<div><div></div><div></div></div>		
		Hypertension patients whose blood pressure is less than 140/90 mm Hg	-	-		-	-		78%	80%	<div><div></div><div></div></div>	78%	80%	<div><div></div><div></div></div>	78%	76%	<div><div></div><div></div></div>	78%	80%	<div><div></div><div></div></div>		
		Patients aged 51-75 years with completed annual colorectal screening	-	-		-	-		48%	36%	<div><div></div><div></div></div>	86%	88%	<div><div></div><div></div></div>	70%	34%	<div><div></div><div></div></div>	72%	55%	<div><div></div><div></div></div>	MayView experienced a large influx of new patients who needed several screenings. Screenings often require more time for patients to engage; clinic now has Health Coaches to assist with patient outreach which did improve outcome but not to the projected target.	
	Medical Respite FY19 Approved: \$80,000 FY19 Spent: \$80,000 FY18 Approved: \$80,000 FY18 Spent: \$80,000 FY17 Approved: \$80,000 FY17 Spent: \$80,000 New Metrics: 0 of 4	Patients served in full program	70	111	<div><div></div><div></div></div>	145	221	<div><div></div><div></div></div>	100	134	<div><div></div><div></div></div>	200	248	<div><div></div><div></div></div>	110	105	<div><div></div><div></div></div>	75%	220	191	<div><div></div><div></div></div>	Shelter where program operates had construction and renovation work which reduced the number of patients that could be accepted.
		Patients linked to Primary Care home	92%	91%	<div><div></div><div></div></div>	92%	90%	<div><div></div><div></div></div>	92%	90%	<div><div></div><div></div></div>	92%	95%	<div><div></div><div></div></div>	92%	91%	<div><div></div><div></div></div>	92%	91%	<div><div></div><div></div></div>		
		Patients served with overflow beds	18	17	<div><div></div><div></div></div>	36	33	<div><div></div><div></div></div>	18	19	<div><div></div><div></div></div>	36	42	<div><div></div><div></div></div>	18	13	<div><div></div><div></div></div>	36	24	<div><div></div><div></div></div>	Existing patients required lengththier than usual use of overflow beds while waiting for housing and other benefits.	
		Hospital days avoided for total program (based on full Medical Respite program)	275	444	<div><div></div><div></div></div>	550	884	<div><div></div><div></div></div>	400	536	<div><div></div><div></div></div>	800	992	<div><div></div><div></div></div>	420	420	<div><div></div><div></div></div>	840	764	<div><div></div><div></div></div>		
	Mountain View Whisman School District FY19 Approved: \$206,777 FY19 Spent: \$206,777 FY18 Approved: \$190,488 FY18 Spent: \$190,488 FY17 Approved: \$220,321 FY17 Spent: \$196,285 New Metrics: 0 of 5	Students served	1,700	1,544	<div><div></div><div></div></div>	3,400	3,459	<div><div></div><div></div></div>	1,700	1,730	<div><div></div><div></div></div>	3,400	3,461	<div><div></div><div></div></div>	1,700	2,006	<div><div></div><div></div></div>	100%	3,400	4,012	<div><div></div><div></div></div>	
		Students with failed screenings who saw a provider	N/A	N/A		78%	74%	<div><div></div><div></div></div>	N/A	N/A		78%	75%	<div><div></div><div></div></div>	N/A	N/A		78%	67%	<div><div></div><div></div></div>	Nurse are experiencing increased difficulty getting responses from parents about whether they got their child seen by a provider.	
		Students needing a Child Health and Disability Program exam who saw a provider	30%	27%	<div><div></div><div></div></div>	64%	48%	<div><div></div><div></div></div>	30%	33%	<div><div></div><div></div></div>	55%	59%	<div><div></div><div></div></div>	30%	45%	<div><div></div><div></div></div>	55%	59%	<div><div></div><div></div></div>		
		Students needing an oral health exam who saw a provider	30%	27%	<div><div></div><div></div></div>	70%	66%	<div><div></div><div></div></div>	30%	30%	<div><div></div><div></div></div>	70%	63%	<div><div></div><div></div></div>	30%	30%	<div><div></div><div></div></div>	70%	71%	<div><div></div><div></div></div>		
		Students who report decreased anxiety levels	N/A	N/A		80%	67%	<div><div></div><div></div></div>	N/A	N/A		80%	67%	<div><div></div><div></div></div>	N/A	N/A		70%	100%	<div><div></div><div></div></div>	New program modules were available with the intervention which helped improve outcomes.	

Community Benefit Dashboard Notes

A metric receives a “green” dot if the target was met, exceeded or within 10% of the target goal

A metric receives a “red” dot if the target was not met by an excess of 10% of the target goal

N/A

There are some 6-month metric targets with “N/A” because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	<div><div></div><div></div></div> FY17 % 6-month metrics met	FY17 Annual Target	FY17 Annual Actual	<div><div></div><div></div></div>	FY17 % Annual metrics met	FY18 6-month target	FY18 6-month actual	<div><div></div><div></div></div>	FY18 % 6-month metrics met	FY18 Annual Target	FY18 Annual Actual	<div><div></div><div></div></div>	FY18 % Annual metrics met	FY19 6-month target	FY19 6-month actual	<div><div></div><div></div></div>	FY19 % 6-month metrics met	FY19 Annual Target	FY19 Annual Actual	<div><div></div><div></div></div>	FY19 Annual Metrics Met	Supporting Details for Variance	
<div>HEALTHY BODY</div>	New Directions <small>FY19 Approved: \$180,038 FY19 Spent: \$180,038 FY18 Approved: \$140,000 FY18 Spent: \$140,000 FY17 Approved: \$140,000 FY17 Spent: \$140,000 New Metrics: 2 of 5</small>	Individuals served	18	20	<div><div></div><div></div></div>	25	33	<div><div></div><div></div></div>	100%	20	22	<div><div></div><div></div></div>	100%	28	30	<div><div></div><div></div></div>	100%	26	17	<div><div></div><div></div></div>	33%	36	36	<div><div></div><div></div></div>	80%		
		Services provided	300	368	<div><div></div><div></div></div>		660	938		<div><div></div><div></div></div>	400	510		<div><div></div><div></div></div>	700	949		<div><div></div><div></div></div>	520	323		<div><div></div><div></div></div>	900	837		<div><div></div><div></div></div>	
		Enrolled patients will complete treatment within twelve months or less	-	-			-	-			-	-			-	-			N/A	N/A			95%	91%		<div><div></div><div></div></div>	
		Enrolled clients will be connected to and establish services with a minimum of one basic needs benefits program	-	-			-	-			-	-			-	-			N/A	N/A			75%	81%		<div><div></div><div></div></div>	
		Enrolled patients in need of mental health or substance abuse treatment or services will be referred to and seen by a treatment provider	40%	50%	<div><div></div><div></div></div>		65%	67%	<div><div></div><div></div></div>	45%	75%	<div><div></div><div></div></div>		65%	71%	<div><div></div><div></div></div>		50%	81%	<div><div></div><div></div></div>		70%	61%	<div><div></div><div></div></div>		Metric narrowly missed. Some clients decline offer for connection to behavioral health services. Case Managers use a variety of evidence-based approaches, such as motivational interviewing, to encourage clients to access offered benefits and services.	
	Pathways <small>FY19 Approved: \$55,000 FY19 Spent: \$55,000 FY18 Approved: \$50,000 FY18 Spent: \$50,000 FY17 Approved: \$70,000 FY17 Spent: \$70,000 New Metrics: 0 of 4</small>	Patients served	20	12	<div><div></div><div></div></div>	40	39	<div><div></div><div></div></div>	50%	15	28	<div><div></div><div></div></div>	100%	30	51	<div><div></div><div></div></div>	100%	20	50	<div><div></div><div></div></div>	100%	41	68	<div><div></div><div></div></div>	100%		
		Services provided	256	81	<div><div></div><div></div></div>		512	291		<div><div></div><div></div></div>	105	261		<div><div></div><div></div></div>	210	328		<div><div></div><div></div></div>	160	391		<div><div></div><div></div></div>	328	555		<div><div></div><div></div></div>	
		Home Health 30-day re-hospitalization rates* <i>*Lower percentage desired</i>								12%	12.7% Lower percentage desired	<div><div></div><div></div></div>		12%	10% Lower percentage desired	<div><div></div><div></div></div>		12%	11%	<div><div></div><div></div></div>		12%	12%	<div><div></div><div></div></div>			
		Hospice patients who report getting as much help with pain as they needed								78%	79%	<div><div></div><div></div></div>		78%	83%	<div><div></div><div></div></div>		78%	84%	<div><div></div><div></div></div>		78%	85%	<div><div></div><div></div></div>			
	Planned Parenthood Mar Monte <small>FY19 Approved: \$125,000 FY19 Spent: \$125,000 FY18 Approved: \$100,000 FY18 Spent: \$100,000 New Metrics: 0 OF 4</small>	Patients served	-	-		N/A	-		N/A	120	159	<div><div></div><div></div></div>	100%	240	256	<div><div></div><div></div></div>	80%	137	149	<div><div></div><div></div></div>	40%	274	247	<div><div></div><div></div></div>	75%		
		Visits provided	-	-			-			225	227	<div><div></div><div></div></div>		450	426	<div><div></div><div></div></div>		257	208	<div><div></div><div></div></div>		514	372	<div><div></div><div></div></div>		Staff shortage (two clinicians; one primary care coordinator) prevented the health center from providing as many visits as projected. New clinicians have been hired.	
		Hemoglobin A1c of less than 8 for diabetes patients	-	-			-			60%	63%	<div><div></div><div></div></div>		60%	57%	<div><div></div><div></div></div>		60%	58%	<div><div></div><div></div></div>		60%	57%	<div><div></div><div></div></div>			
		Annual colon cancer screening completed as appropriate for target age group	-	-			-			50%	50%	<div><div></div><div></div></div>		50%	44%	<div><div></div><div></div></div>		50%	44%	<div><div></div><div></div></div>		50%	57%	<div><div></div><div></div></div>			
	Playworks <small>FY19 Approved: \$242,500 FY19 Spent: \$242,500 FY18 Approved: \$278,000 FY18 Spent: \$278,000 FY17 Approved: \$270,000 FY17 Spent: \$270,000 New Metrics: 2 of 5</small>	Students served	6,950	6,300	<div><div></div><div></div></div>	100%	6,950	6,400	<div><div></div><div></div></div>	100%	5,916	5,948	<div><div></div><div></div></div>	100%	5,916	5,944	<div><div></div><div></div></div>	100%	5,900	5,603	<div><div></div><div></div></div>	100%	5,900	5,603	<div><div></div><div></div></div>	100%	
		Teachers/administrators surveyed who agree or strongly agree that Playworks helps increase physical activity	-	-			-		-		-		-		-		N/A		N/A		95%		98%	<div><div></div><div></div></div>			
		Teachers/administrators surveyed who agree or strongly agree that Playworks helps to reduce bullying during recess	-	-			-		-		-		-		-		N/A		N/A		85%		85%	<div><div></div><div></div></div>			
		Teachers reporting that overall student engagement increased use of positive language, attentiveness and participation in class	-	-			-		N/A		N/A		75%		93%	<div><div></div><div></div></div>	N/A		N/A		80%		100%	<div><div></div><div></div></div>			
		Teachers/administrators reporting that Playworks positively impacts school climate	-	-			-		N/A		N/A		90%		98%	<div><div></div><div></div></div>	N/A		N/A		96%		100%	<div><div></div><div></div></div>			
	Santa Clara Valley Health Center - Sunnyvale <small>FY19 Approved: \$1,075,000 FY19 Spent: \$1,075,000 FY18 Approved: \$1,000,000 FY18 Spent: \$1,000,000 FY17 Approved: \$968,000 FY17 Spent: \$968,000 New Metrics: 0 of 7</small>	Individuals served	-	-		83%	-		100%	-	-		100%	-	-		100%	650	909		100%	1,460	1,471	<div><div></div><div></div></div>	100%		
		Primary Care and Behavioral Health patients	-	-			-			100	95	<div><div></div><div></div></div>		200	267	<div><div></div><div></div></div>		100	180	<div><div></div><div></div></div>		220	328	<div><div></div><div></div></div>		FY18 was a discovery year for the Program. Since then, outreach has been effective in identifying patients and providing transportation to the mobile medical van for treatment. Additionally, a new wave of homeless patients who came to the Sunnyvale Winter Shelter were referred.	
		Dental Clinic patients	450	485	<div><div></div><div></div></div>		1,000	941		<div><div></div><div></div></div>	530	693		<div><div></div><div></div></div>	1,240	1,169		<div><div></div><div></div></div>	550	729		<div><div></div><div></div></div>	1,240	1,143		<div><div></div><div></div></div>	
		Encounters provided	-	-			-			-	-			-	-			1,710	2,165			4,370	4,377	<div><div></div><div></div></div>			
		Primary Care and Behavioral Health encounters								300	309	<div><div></div><div></div></div>		800	851	<div><div></div><div></div></div>		300	462	<div><div></div><div></div></div>		820	975	<div><div></div><div></div></div>			
		Dental Clinic encounters	1,600	1,640	<div><div></div><div></div></div>		3,000	3,155		<div><div></div><div></div></div>	1,410	1,338		<div><div></div><div></div></div>	3,480	3,667		<div><div></div><div></div></div>	1,410	1,703		<div><div></div><div></div></div>	3,550	3,402		<div><div></div><div></div></div>	
		Behavioral health patients who adhere to treatment plans after receiving neuropsychological testing and motivational interviews.	-	-			-			50%	60%	<div><div></div><div></div></div>		85%	80%	<div><div></div><div></div></div>		50%	94%	<div><div></div><div></div></div>		85%	82%	<div><div></div><div></div></div>			
		Emergency/urgent dental patients who return for maintenance exam within 6-months	-	-			-			40%	66%	<div><div></div><div></div></div>		40%	97%	<div><div></div><div></div></div>		50%	52%	<div><div></div><div></div></div>		50%	N/A				
		Dental or emergency dental patients that requires oral surgery treatment of a wisdom tooth/surgical extraction and has the treatment completed in specialty dental clinic	-	-			-			25%	24%	<div><div></div><div></div></div>		40%	43%	<div><div></div><div></div></div>		25%	23%	<div><div></div><div></div></div>		40%	N/A			Data protocols changed during the year resulting in an inability to provide outcomes consistent with metric and prior data. Revised for FY20.	



Community Benefit Dashboard Notes

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A metric receives a “red” dot if the target was not met by an excess of 10% of the target goal

N/A

There are some 6-month metric targets with “N/A” because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	<div><div></div><div></div></div> <div>FY17 % 6-month metrics met</div>	FY17 Annual Target	FY17 Annual Actual	<div><div></div><div></div></div> <div>FY17 % Annual metrics met</div>	FY18 6-month target	FY18 6-month actual	<div><div></div><div></div></div> <div>FY18 % 6-month metrics met</div>	FY18 Annual Target	FY18 Annual Actual	<div><div></div><div></div></div> <div>FY18 % Annual metrics met</div>	FY19 6-month target	FY19 6-month actual	<div><div></div><div></div></div> <div>FY19 % 6-month metrics met</div>	FY19 Annual Target	FY19 Annual Actual	<div><div></div><div></div></div> <div>FY19 % Annual metrics met</div>	FY19 Annual Metrics Met	Supporting Details for Variance
<div><div>HEALTHY BODY</div><div></div></div>	Sunnyvale School District <div>FY19 Approved: \$287,000 FY19 Spent: \$287,000 FY18 Approved: \$275,000 FY18 Spent: \$275,000 FY17 Approved: \$275,000 FY17 Spent: \$275,000</div> <div>New Metrics: 0 of 5</div>	Students served	2,230	2,200	<div><div></div><div></div></div>	4,450	4,395	<div><div></div><div></div></div>	2,216	2,206	<div><div></div><div></div></div>	4,432	4,401	<div><div></div><div></div></div>	2,205	2,245	<div><div></div><div></div></div>	4,410	4,442	<div><div></div><div></div></div>		
		Students with failed vision or hearing screenings who saw their health care provider	43%	50%	<div><div></div><div></div></div>	74%	73%	<div><div></div><div></div></div>	50%	45%	<div><div></div><div></div></div>	75%	73%	<div><div></div><div></div></div>	50%	53%	<div><div></div><div></div></div>	70%	66%	<div><div></div><div></div></div>		
		Students chronically absent due to illness (> 10% of school days) who improved attendance	64%	60%	<div><div></div><div></div></div>	65%	66%	<div><div></div><div></div></div>	65%	61%	<div><div></div><div></div></div>	66%	67%	<div><div></div><div></div></div>	66%	60%	<div><div></div><div></div></div>	67%	64%	<div><div></div><div></div></div>		
		Kindergarten students who received a well-child exam as measured by the receipt of a completed CHDP (Child Health and Disability Prevention Program) "Health Exam for School Entry" Form	-	-		-	-		35%	30%	<div><div></div><div></div></div>	70%	63%	<div><div></div><div></div></div>	32%	34%	<div><div></div><div></div></div>	65%	63%	<div><div></div><div></div></div>		
		Staff who received CPR/AED training during Staff Development Days and who reported increased knowledge and confidence in the ability to perform CPR and use of an AED	-	-		-	-		80%	N/A		90%	100%	<div><div></div><div></div></div>	N/A	N/A		90%	96%	<div><div></div><div></div></div>		
	Teen Health Van <div>FY19 Approved: \$95,000 FY19 Spent: \$92,559 FY18 Approved: \$92,000 FY18 Spent: \$92,000 FY17 Approved: \$85,000 FY17 Spent: \$85,000</div> <div>New Metrics: 0 of 5</div>	Students served	45	104	<div><div></div><div></div></div>	90	135	<div><div></div><div></div></div>	55	46	<div><div></div><div></div></div>	110	102	<div><div></div><div></div></div>	52	57	<div><div></div><div></div></div>	104	103	<div><div></div><div></div></div>		
		Services provided	182	382	<div><div></div><div></div></div>	365	523	<div><div></div><div></div></div>	200	248	<div><div></div><div></div></div>	400	441	<div><div></div><div></div></div>	215	207	<div><div></div><div></div></div>	430	280	<div><div></div><div></div></div>		Short periods of staff vacancies led to decline in services.
		Students screened for depression who receive social worker consultation, treatment by a Packard Hospital psychiatrist, and/or medications	95%	95%	<div><div></div><div></div></div>	95%	95%	<div><div></div><div></div></div>	95%	95%	<div><div></div><div></div></div>	95%	98%	<div><div></div><div></div></div>	95%	98%	<div><div></div><div></div></div>	95%	95%	<div><div></div><div></div></div>		Staff confirmed actual performance values, as they are identical to targets.
		Students who receive nutrition consultations and demonstrate improvement in at least one lifestyle behavior related to weight management	N/A	N/A		60%	60%	<div><div></div><div></div></div>	N/A	N/A		60%	62%	<div><div></div><div></div></div>	N/A	N/A		60%	60%	<div><div></div><div></div></div>		
		Students who decrease their use of alcohol or drugs by 1 level out of 5	N/A	N/A		55%	60%	<div><div></div><div></div></div>	N/A	N/A		55%	56%	<div><div></div><div></div></div>	N/A	N/A		55%	55%	<div><div></div><div></div></div>		
<div><div>HEALTHY MIND</div><div></div></div>	Acknowledge Alliance <div>FY19 Approved: \$50,000 FY19 Spent: \$50,000 FY18 Approved: \$35,000 FY18 Spent: \$35,000 FY17 Approved: \$35,000 FY17 Spent: \$35,000</div> <div>New Metrics: 0 of 4</div>	Students who receive direct social emotional learning lessons and/or classroom resilience support	250	240	<div><div></div><div></div></div>	946	955	<div><div></div><div></div></div>	240	0	<div><div></div><div></div></div>	950	900	<div><div></div><div></div></div>	335	511	<div><div></div><div></div></div>	1,341	1,181	<div><div></div><div></div></div>		Target nearly met; performance overall strong.
		Educators who receive resilience support services through: one on one training, classroom observations, professional development, and/or teacher support groups	50	101	<div><div></div><div></div></div>	101	101	<div><div></div><div></div></div>	50	33	<div><div></div><div></div></div>	100	153	<div><div></div><div></div></div>	33	80	<div><div></div><div></div></div>	100	206	<div><div></div><div></div></div>		
		Teachers will report using at least one strength-based strategy to engage and reach their students at least monthly.	N/A	N/A		80%	93%	<div><div></div><div></div></div>	N/A	N/A		90%	94%	<div><div></div><div></div></div>	N/A	N/A		85%	95%	<div><div></div><div></div></div>		
		Students who report applying the techniques learned from the social emotional lessons "sometimes" or "more often"	N/A	N/A		60%	53%	<div><div></div><div></div></div>	N/A	N/A		50%	53%	<div><div></div><div></div></div>	N/A	N/A		55%	54%	<div><div></div><div></div></div>		
	Alzheimer's Association: Asian Dementia Initiative <div>FY19 Approved: \$70,000 FY19 Spent: \$70,000 FY18 Approved: \$70,000 FY18 Spent: \$70,000 FY17 Approved: \$70,000 FY17 Spent: \$70,000</div> <div>New Metrics: 1 of 5</div> <div>Applied but not approved for funding in FY20</div>	Individual served	500	513	<div><div></div><div></div></div>	830	1,869	<div><div></div><div></div></div>	364	341	<div><div></div><div></div></div>	595	1,002	<div><div></div><div></div></div>	570	148	<div><div></div><div></div></div>	900	474	<div><div></div><div></div></div>		Multiple reporting challenges; program did not receive funding in FY20.
		Encounters provided	830	837	<div><div></div><div></div></div>	1,720	2,307	<div><div></div><div></div></div>	850	884	<div><div></div><div></div></div>	1,740	1,901	<div><div></div><div></div></div>	545	232	<div><div></div><div></div></div>	1,350	765	<div><div></div><div></div></div>		
		Volunteers who indicate they agree or strongly agree that they were satisfied with the training or the presenter	-	-		-	-		-	-		-	-		-	-		95%	100%	<div><div></div><div></div></div>		
		Participants in educational sessions who indicated they agree or strongly agree that they learned to help them better care for their loved one	-	-		-	-		95%	98%	<div><div></div><div></div></div>	95%	95%	<div><div></div><div></div></div>	98%	100%	<div><div></div><div></div></div>	98%	99%	<div><div></div><div></div></div>		
		Support group participants who agree or strongly agree they better understand how family, friends and others can assist them with care and support	-	-		-	-		N/A	N/A		95%	100%	<div><div></div><div></div></div>	N/A	N/A		96%	100%	<div><div></div><div></div></div>		
	Avenidas <div>FY19 Approved: \$50,000 FY19 Spent: \$50,000 FY18 Approved: \$45,000 FY18 Spent: \$45,000</div> <div>New Metrics: 0 of 4</div>	Older adults and family members served	-	-		-	-		75	78	<div><div></div><div></div></div>	98	108	<div><div></div><div></div></div>	76	74	<div><div></div><div></div></div>	96	98	<div><div></div><div></div></div>		
		Services provided	-	-		-	-		955	1,012	<div><div></div><div></div></div>	1,910	2,033	<div><div></div><div></div></div>	975	923	<div><div></div><div></div></div>	1,950	1,962	<div><div></div><div></div></div>		
		Older adults who maintain at least 3 essential Activities of Daily Living	-	-		-	-		90%	88%	<div><div></div><div></div></div>	90%	91%	<div><div></div><div></div></div>	90%	92%	<div><div></div><div></div></div>	90%	91%	<div><div></div><div></div></div>		
		Family members/caregivers who report an increase in their knowledge of successful self-help strategies	-	-		-	-		90%	95%	<div><div></div><div></div></div>	90%	96%	<div><div></div><div></div></div>	95%	98%	<div><div></div><div></div></div>	95%	95%	<div><div></div><div></div></div>		
	CHAC <div>FY19 Approved: \$280,000 FY19 Spent: \$280,000 FY18 Approved: \$181,000 FY18 Spent: \$181,000 FY17 Approved: \$181,000 FY17 Spent: \$181,000</div> <div>New Metrics: 0 of 6</div>	Students served through counseling	250	353	<div><div></div><div></div></div>	700	561	<div><div></div><div></div></div>	314	364	<div><div></div><div></div></div>	786	1,010	<div><div></div><div></div></div>	350	442	<div><div></div><div></div></div>	1150	874	<div><div></div><div></div></div>		Metric not met for several reasons: new EHR system implemented during grant year (after target-setting), makes targets less applicable to actual data as well as historical data not trending. New data system shows unique numbers served was over-represented and services provided under-represented; this data represents baseline for next FY and FY20 metrics adjusted accordingly. Greater confidence in data with system improvement. Additionally, program is retaining clients longer due to high degree of need.
		Services hours provided	2,180	3,179	<div><div></div><div></div></div>	6,008	6,380	<div><div></div><div></div></div>	2,808	2,210	<div><div></div><div></div></div>	7,040	6,681	<div><div></div><div></div></div>	2,800	4,411	<div><div></div><div></div></div>	8,600	10,655	<div><div></div><div></div></div>		
		Students who improve by at least 3 points from pre-test to post-test on the 40-point scale Strengths and Difficulties Questionnaire and Impact Assessment based on self-report (for students age 11-17)	-	-		-	-		N/A	N/A		50%	36%	<div><div></div><div></div></div>	N/A	N/A		40%	47%	<div><div></div><div></div></div>		Partner expressed challenges with survey methodology, in discussion with staff. The result of 41% is not far from previous year's 46%.
		Students who improve by at least 3 points from pre-test to post test on the 40-point scale Strengths and Difficulties Questionnaire and Impact Assessment based on teacher report for ages 10 and under	-	-		-	-		N/A	N/A		50%	46%	<div><div></div><div></div></div>	N/A	N/A		50%	41%	<div><div></div><div></div></div>		
		JFK students served who showed a 15% or better improvement on the JFK Survey	-	-		-	-		N/A	N/A		80%	31%	<div><div></div><div></div></div>	N/A	N/A		70%	76%	<div><div></div><div></div></div>		
		Tween Talk students served who show a 15% or better improvement on the Tween Talk Survey	-	-		-	-		N/A	N/A		80%	38%	<div><div></div><div></div></div>	N/A	N/A		70%	78%	<div><div></div><div></div></div>		

Community Benefit Dashboard Notes

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A metric receives a "red" dot if the target was not met by an excess of 10% of the target goal

N/A

There are some 6-month metric targets with "N/A" because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	<div><div></div><div></div></div> <div>FY17 % 6-month metrics met</div>	FY17 Annual Target	FY17 Annual Actual	<div><div></div><div></div></div> <div>FY17 % Annual metrics met</div>	FY18 6-month target	FY18 6-month actual	<div><div></div><div></div></div> <div>FY18 % 6-month metrics met</div>	FY18 Annual Target	FY18 Annual Actual	<div><div></div><div></div></div> <div>FY18 % Annual metrics met</div>	FY19 6-month target	FY19 6-month actual	<div><div></div><div></div></div> <div>FY19 % 6-month metrics met</div>	FY19 Annual Target	FY19 Annual Actual	<div><div></div><div></div></div> <div>FY19 Annual Metrics Met</div>	Supporting Details for Variance
<div><div>HEALTHY MIND</div><div></div></div>	Law Foundation - Mental Health Advocacy Project <small>FY19 Approved: \$65,000 FY19 Spent: \$65,000 FY18 Approved: \$62,000 FY18 Spent: \$62,000 FY17 Approved: \$61,919 FY17 Spent: \$61,919 New Metrics: 0 of 4</small>	Individuals served	31	37	<div><div></div><div></div></div>	62	65	<div><div></div><div></div></div>	31	34	<div><div></div><div></div></div>	62	58	<div><div></div><div></div></div>	31	49	<div><div></div><div></div></div>	62	74	<div><div></div><div></div></div>	Program received targeted number of RSVPs, however experienced unanticipated no-shows. In the future, program plans to expand outreach and RSVPs to better anticipate no-shows.
		Healthcare providers served through educational presentation	62	0	<div><div></div><div></div></div>	124	85	<div><div></div><div></div></div>	62	43	<div><div></div><div></div></div>	124	111	<div><div></div><div></div></div>	62	66	<div><div></div><div></div></div>	124	94	<div><div></div><div></div></div>	
		Providers receiving training who increase their understanding of their patients’ rights to medical benefits and other forms of public assistance	75%	0%	<div><div></div><div></div></div>	75%	80%	<div><div></div><div></div></div>	75%	100%	<div><div></div><div></div></div>	75%	100%	<div><div></div><div></div></div>	75%	100%	<div><div></div><div></div></div>	75%	91%	<div><div></div><div></div></div>	
		Clients receiving services for benefits issues who successfully access or maintain health benefits or other safety-net benefits	75%	83%	<div><div></div><div></div></div>	75%	68%	<div><div></div><div></div></div>	75%	80%	<div><div></div><div></div></div>	75%	93%	<div><div></div><div></div></div>	75%	80%	<div><div></div><div></div></div>	75%	85%	<div><div></div><div></div></div>	
	Los Altos School District <small>FY19 Approved: \$100,000 FY19 Spent: \$100,000 FY18 Approved: \$100,000 FY18 Spent: \$100,000 FY17 Approved: \$100,000 FY17 Spent: \$100,000 New Metrics: 1 of 4</small>	Students served	20	42	<div><div></div><div></div></div>	50	74	<div><div></div><div></div></div>	45	50	<div><div></div><div></div></div>	90	127	<div><div></div><div></div></div>	45	54	<div><div></div><div></div></div>	100	126	<div><div></div><div></div></div>	Due to increased acute needs, more hours of intensive therapy were provided.
		Services provided/encounters (in hours)	280	386	<div><div></div><div></div></div>	1,180	1,162	<div><div></div><div></div></div>	201	393	<div><div></div><div></div></div>	403	760	<div><div></div><div></div></div>	250	359	<div><div></div><div></div></div>	500	1,047	<div><div></div><div></div></div>	
		Parents who report increased knowledge of how to support their adolescent by at least one point on a 1-5 pt. scale	-	-		-	-		-	-		-	-		N/A	N/A		75%	89%	<div><div></div><div></div></div>	
		Students who improved from pre-test (at the beginning of counseling services) to post-test (prior to termination of services) on the Strength and Difficulties Questionnaire and Impact Assessment based on self-report for students age 11-17	-	-		-	-		N/A	N/A		50%	55%	<div><div></div><div></div></div>	N/A	N/A		50%	66%	<div><div></div><div></div></div>	
	Momentum for Mental Health <small>FY19 Approved: \$268,000 FY19 Spent: \$268,000 FY18 Approved: \$241,000 FY18 Spent: \$241,000 FY17 Approved: \$241,000 FY17 Spent: \$241,000 New Metrics: 0 of 4</small>	Patients served	100	81	<div><div></div><div></div></div>	118	114	<div><div></div><div></div></div>	100	92	<div><div></div><div></div></div>	118	118	<div><div></div><div></div></div>	58	69	<div><div></div><div></div></div>	118	112	<div><div></div><div></div></div>	100%
		Services provided	808	690	<div><div></div><div></div></div>	1,615	1,541	<div><div></div><div></div></div>	808	859	<div><div></div><div></div></div>	1,615	1,699	<div><div></div><div></div></div>	858	565	<div><div></div><div></div></div>	1,715	1,875	<div><div></div><div></div></div>	
		Patients who avoid psychiatric hospitalization for 12 months after admission after beginning services with Momentum	95%	100%	<div><div></div><div></div></div>	95%	99%	<div><div></div><div></div></div>	97%	99%	<div><div></div><div></div></div>	97%	91%	<div><div></div><div></div></div>	97%	99%	<div><div></div><div></div></div>	97%	99%	<div><div></div><div></div></div>	
		Patients who report a reduction of two points or more in Generalized Anxiety Disorder-7 (GAD-7) to measure severity of anxiety	-	-		-	-		85%	85%	<div><div></div><div></div></div>	85%	99%	<div><div></div><div></div></div>	70%	73%	<div><div></div><div></div></div>	80%	74%	<div><div></div><div></div></div>	
	Mountain View Los Altos High School District <small>FY19 Approved: \$160,000 FY19 Spent: \$160,000 FY18 Approved: \$160,000 FY18 Spent: \$160,000 FY17 Approved: \$160,000 FY17 Spent: \$160,000 New Metrics: 4 of 6</small>	Students served	75	96	<div><div></div><div></div></div>	150	150	<div><div></div><div></div></div>	75	87	<div><div></div><div></div></div>	150	159	<div><div></div><div></div></div>	75	118	<div><div></div><div></div></div>	150	192	<div><div></div><div></div></div>	100%
		Hours of services provided	1,260	1,591	<div><div></div><div></div></div>	2,520	3,137	<div><div></div><div></div></div>	1,260	1,405	<div><div></div><div></div></div>	2,520	3,031	<div><div></div><div></div></div>	1,260	1,083	<div><div></div><div></div></div>	2,520	2,319	<div><div></div><div></div></div>	
		Students who increase their school attendance for pre to post rating (defined as at least one point change on the CANS 50 assessment), among the students served who have school attendance issues	-	-		-	-		-	-		-	-		N/A	N/A		20%	48%	<div><div></div><div></div></div>	
		Students who decrease high risk behaviors from pre to post rating (defined as at least alone point change on the CANS 50 assessment), among students served who have high risk behaviors	-	-		-	-		-	-		-	-		N/A	N/A		60%	96%	<div><div></div><div></div></div>	
		Students who decrease their thoughts and feelings of suicide from pre to post rating (defined as at least a one point change on the CANS 50 assessment), among students served with suicidal thoughts and feelings	-	-		-	-		-	-		-	-		N/A	N/A		80%	100%	<div><div></div><div></div></div>	
		Students who increase coping skills from pre to post rating (defined as at least a one point change on the CANS 50 assessment), among students served with trauma, depression, anxiety, and/or anger	-	-		-	-		-	-		-	-		N/A	N/A		80%	79%	<div><div></div><div></div></div>	



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Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	<div><div></div><div></div></div> <div>FY17 % 6-month metrics met</div>	FY17 Annual Target	FY17 Annual Actual	<div><div></div><div></div></div> <div>FY17 % Annual metrics met</div>	FY18 6-month target	FY18 6-month actual	<div><div></div><div></div></div> <div>FY18 % 6-month metrics met</div>	FY18 Annual Target	FY18 Annual Actual	<div><div></div><div></div></div> <div>FY18 % Annual metrics met</div>	FY19 6-month target	FY19 6-month actual	<div><div></div><div></div></div> <div>FY19 % 6-month metrics met</div>	FY19 Annual Target	FY19 Annual Actual	<div><div></div><div></div></div> <div>FY19 Annual Metrics Met</div>	Supporting Details for Variance
<div><div>HEALTHY MIND</div><div></div></div>	NAMI SCC FY19 Approved: \$90,000 FY19 Spent: \$90,000 FY18 Approved: \$80,000 FY18 Spent: \$80,000 FY17 Approved: \$100,000 FY17 Spent: \$100,000 New Metrics: 0 of 5	Participants	36	43	<div><div></div><div></div></div>	71	79	<div><div></div><div></div></div>	31	38	<div><div></div><div></div></div>	62	73	<div><div></div><div></div></div>	32	35	<div><div></div><div></div></div>	63	68	<div><div></div><div></div></div>	
		Peer PALS and Peer Mentors visits	450	477	<div><div></div><div></div></div>	900	868	<div><div></div><div></div></div>	388	410	<div><div></div><div></div></div>	776	792	<div><div></div><div></div></div>	512	513	<div><div></div><div></div></div>	1,008	965	<div><div></div><div></div></div>	
		Peer PALS and Peer Mentors phone calls	901	1,105	<div><div></div><div></div></div>	1,801	1,887	<div><div></div><div></div></div>	782	830	<div><div></div><div></div></div>	1,563	1,661	<div><div></div><div></div></div>	1024	1,030	<div><div></div><div></div></div>	2,016	1,865	<div><div></div><div></div></div>	
		Participants reporting that the program helped them feel more hopeful about their futures and their recovery	70%	78%	<div><div></div><div></div></div>	70%	76%	<div><div></div><div></div></div>	70%	75%	<div><div></div><div></div></div>	70%	80%	<div><div></div><div></div></div>	70%	77%	<div><div></div><div></div></div>	70%	80%	<div><div></div><div></div></div>	
		Participants reporting that the program helped them be more compliant with their treatment plan	65%	94%	<div><div></div><div></div></div>	65%	93%	<div><div></div><div></div></div>	80%	80%	<div><div></div><div></div></div>	80%	77%	<div><div></div><div></div></div>	80%	80%	<div><div></div><div></div></div>	80%	87%	<div><div></div><div></div></div>	
<div><div>HEALTHY COMMUNITY</div><div></div></div>	Caminar (Family & Children Services) FY19 Approved: \$50,000 FY19 Spent: \$18,130 FY18 Approved: \$50,000 FY18 Spent: \$50,000 FY17 Approved: \$50,000 FY17 Spent: \$50,000 New Metrics: 0 of 4	Individuals served	30	69	<div><div></div><div></div></div>	66	112	<div><div></div><div></div></div>	32	52	<div><div></div><div></div></div>	69	69	<div><div></div><div></div></div>	40	41	<div><div></div><div></div></div>	85	55	<div><div></div><div></div></div>	Fewer new clients added in second half of year due to a higher level of clients needing continuing support from first half of year.
		Service units provided (counseling, support groups, advocacy, and education)	96	139	<div><div></div><div></div></div>	230	248	<div><div></div><div></div></div>	257	220	<div><div></div><div></div></div>	628	531	<div><div></div><div></div></div>	275	297	<div><div></div><div></div></div>	628	859	<div><div></div><div></div></div>	
		Counseling/advocacy beneficiaries who will report achieving the goal(s) for which they sought assistance	75%	100%	<div><div></div><div></div></div>	80%	99%	<div><div></div><div></div></div>	80%	100%	<div><div></div><div></div></div>	85%	100%	<div><div></div><div></div></div>	80%	100%	<div><div></div><div></div></div>	85%	100%	<div><div></div><div></div></div>	In response to achieving some outcome metrics at 100%, agency developed new metrics for FY20 to demonstrate impact.
		Counseling/advocacy beneficiaries who will report increased knowledge of domestic violence and safety strategies	80%	100%	<div><div></div><div></div></div>	90%	100%	<div><div></div><div></div></div>	90%	100%	<div><div></div><div></div></div>	90%	100%	<div><div></div><div></div></div>	90%	100%	<div><div></div><div></div></div>	90%	100%	<div><div></div><div></div></div>	
	CHI FY19 Approved: \$250,000 FY19 Spent: \$250,000 FY18 Approved: \$234,000 FY18 Spent: \$234,000 FY17 Approved: \$215,200 FY17 Spent: \$210,235 New Metrics: 0 of 4	Individuals served	300	326	<div><div></div><div></div></div>	625	706	<div><div></div><div></div></div>	400	419	<div><div></div><div></div></div>	800	850	<div><div></div><div></div></div>	400	430	<div><div></div><div></div></div>	865	1,060	<div><div></div><div></div></div>	
		Services provided	700	638	<div><div></div><div></div></div>	1,450	1,785	<div><div></div><div></div></div>	800	706	<div><div></div><div></div></div>	1,700	1,723	<div><div></div><div></div></div>	800	976	<div><div></div><div></div></div>	1,815	2,157	<div><div></div><div></div></div>	
		Individuals who received assistance to help them better access care (e.g. referrals to physicians, getting connected to services, providing healthcare resources)	80	85	<div><div></div><div></div></div>	165	205	<div><div></div><div></div></div>	83	82	<div><div></div><div></div></div>	165	175	<div><div></div><div></div></div>	85	122	<div><div></div><div></div></div>	175	224	<div><div></div><div></div></div>	
		Participants who strongly agree or agree that the program’s health education or screening helps them better manage their health	N/A	N/A		85%	86%	<div><div></div><div></div></div>	N/A	N/A	<div><div></div><div></div></div>	90%	95%	<div><div></div><div></div></div>	N/A	N/A		92%	94%	<div><div></div><div></div></div>	
	Farewell to Falls FY19 Approved: \$26,600 FY19 Spent: \$25,737 FY18 Approved: \$35,000 FY18 Spent: \$24,899 FY17 Approved: \$29,160 FY17 Spent: \$19,510 New Metrics: 0 of 3	Older adults served	20	20	<div><div></div><div></div></div>	60	57	<div><div></div><div></div></div>	22	29	<div><div></div><div></div></div>	68	62	<div><div></div><div></div></div>	25	25	<div><div></div><div></div></div>	60	69	<div><div></div><div></div></div>	
		Older adults who are compliant with exercise recommendations	50%	55%	<div><div></div><div></div></div>	50%	81%	<div><div></div><div></div></div>	60%	62%	<div><div></div><div></div></div>	60%	50%	<div><div></div><div></div></div>	60%	63%	<div><div></div><div></div></div>	50%	74%	<div><div></div><div></div></div>	
		Older adults who decrease injurious falls that require a 911 call, Emergency Department, or doctor’s visit	80%	100%	<div><div></div><div></div></div>	70%	92%	<div><div></div><div></div></div>	80%	87%	<div><div></div><div></div></div>	80%	95%	<div><div></div><div></div></div>	80%	75%	<div><div></div><div></div></div>	90%	79%	<div><div></div><div></div></div>	Metric narrowly missed; program evaluation found that frequency of falls decreased from 2.02 falls per person prior to enrolling in the program to 1.15 post-intervention one year later, and the frequency of having no falls increased from 25% to 48%.
	HLRC - MV FY19 Approved: \$250,000 FY19 Spent: \$250,000 FY18 Approved: \$373,491 FY18 Spent: \$364,891 FY17 Approved: \$393,491 FY17 Spent: \$388,874 New Metrics: 0 of 4	Individuals served	12,015	10,768	<div><div></div><div></div></div>	24,030	21,149	<div><div></div><div></div></div>	12,015	11,198	<div><div></div><div></div></div>	23,900	22,101	<div><div></div><div></div></div>	10,500	10,034	<div><div></div><div></div></div>	21,000	18,954	<div><div></div><div></div></div>	
		Health consultations provided	-	-		-	-		140	212	<div><div></div><div></div></div>	280	396	<div><div></div><div></div></div>	140	138	<div><div></div><div></div></div>	280	309	<div><div></div><div></div></div>	
		Individuals who strongly agree or agree that eldercare referrals appropriate to their needs	95%	83%	<div><div></div><div></div></div>	95%	87%	<div><div></div><div></div></div>	95%	100%	<div><div></div><div></div></div>	95%	100%	<div><div></div><div></div></div>	95%	75%	<div><div></div><div></div></div>	95%	95%	<div><div></div><div></div></div>	
		Individuals who strongly agree or agree that eldercare consultations increased their knowledge of care options	95%	100%	<div><div></div><div></div></div>	95%	100%	<div><div></div><div></div></div>	95%	100%	<div><div></div><div></div></div>	95%	100%	<div><div></div><div></div></div>	95%	75%	<div><div></div><div></div></div>	95%	94%	<div><div></div><div></div></div>	
	Hypertension Initiative - American Heart Association Health Screenings and Check Change. Control Program FY19 Approved: \$103,000 FY19 Spent: \$103,000 FY18 Approved: \$76,734 FY18 Spent: \$76,734 FY17 Requested: \$66,500 FY17 Approved: \$66,500 New Metrics: 1 of 6	Participants reached through education and community screenings	250	351	<div><div></div><div></div></div>	1,000	1,023	<div><div></div><div></div></div>	400	443	<div><div></div><div></div></div>	1,000	873	<div><div></div><div></div></div>	400	440	<div><div></div><div></div></div>	1,000	1,010	<div><div></div><div></div></div>	
		Individuals served through Check.Change.Control blood pressure program	50	54	<div><div></div><div></div></div>	100	105	<div><div></div><div></div></div>	50	85	<div><div></div><div></div></div>	150	196	<div><div></div><div></div></div>	90	120	<div><div></div><div></div></div>	180	210	<div><div></div><div></div></div>	
		Participants who improve blood pressure by 10mmHg	-	-		-	-		-	-		-	-		30%	31%	<div><div></div><div></div></div>	30%	35%	<div><div></div><div></div></div>	
		Participants who are compliant with measuring their blood pressure eight times within the four months of the Check.Change.Control program	N/A	N/A		50%	58%	<div><div></div><div></div></div>	N/A	N/A		50%	54%	<div><div></div><div></div></div>	50%	50%	<div><div></div><div></div></div>	50%	45%	<div><div></div><div></div></div>	
		Participants who report adopting healthy behaviors to improve blood pressure (including increasing intake of fruits and vegetables to 4 servings/day and increasing exercise to 30 minutes/day)	N/A	N/A		30%	25%	<div><div></div><div></div></div>	N/A	N/A		30%	37%	<div><div></div><div></div></div>	30%	N/A	<div><div></div><div></div></div>	30%	32%	<div><div></div><div></div></div>	
		Heart Health Hub events coordinated	2	2	<div><div></div><div></div></div>	4	6	<div><div></div><div></div></div>	4	5	<div><div></div><div></div></div>	8	10	<div><div></div><div></div></div>	4	4	<div><div></div><div></div></div>	8	8	<div><div></div><div></div></div>	
	Maitri FY19 Approved: \$50,000 FY19 Spent: \$50,000 FY18 Approved: \$40,000 FY18 Spent: \$40,000 FY17 Approved: \$30,000 FY17 Spent: \$30,000 New Metrics: 1 of 5	Adults served	5	14	<div><div></div><div></div></div>	10	26	<div><div></div><div></div></div>	10	30	<div><div></div><div></div></div>	20	39	<div><div></div><div></div></div>	11	22	<div><div></div><div></div></div>	30	32	<div><div></div><div></div></div>	
		Services provided	-	-		-	-		45	64	<div><div></div><div></div></div>	91	111	<div><div></div><div></div></div>	45	47	<div><div></div><div></div></div>	90	122	<div><div></div><div></div></div>	
		Clients will achieve their economic security goals, which may include finding a job, taking educational courses, or becoming more financially literate	-	-		-	-		-	-		-	-		70%	80%	<div><div></div><div></div></div>	70%	77%	<div><div></div><div></div></div>	
		Peer counseling clients surveyed will report increased emotional well being due peer counseling	-	-		-	-		70%	80%	<div><div></div><div></div></div>	70%	80%	<div><div></div><div></div></div>	70%	70%	<div><div></div><div></div></div>	75%	80%	<div><div></div><div></div></div>	
		Legal clients who report increased awareness of their legal rights	70%	88%	<div><div></div><div></div></div>	75%	89%	<div><div></div><div></div></div>	70%	69%	<div><div></div><div></div></div>	75%	88%	<div><div></div><div></div></div>	70%	81%	<div><div></div><div></div></div>	75%	77%	<div><div></div><div></div></div>	
	Rebuilding Together FY19 Approved: \$75,000 FY19 Spent: \$75,000 FY18 Approved: \$65,000 FY18 Spent: \$65,000 FY17 Approved: \$50,000 FY17 Spent: \$50,000 New Metrics: 0 of 3	Homes assessed and modification planned for seniors aged 62+ or individuals at higher risk of fall (i.e. disability or illness)	5	6	<div><div></div><div></div></div>	14	14	<div><div></div><div></div></div>	6	7	<div><div></div><div></div></div>	25	23	<div><div></div><div></div></div>	10	13	<div><div></div><div></div></div>	28	27	<div><div></div><div></div></div>	
		Recipients who report not having an unintentional injury resulting from a fall in their home after completed home repairs	N/A	N/A		80%	100%	<div><div></div><div></div></div>	N/A	N/A		85%	77%	<div><div></div><div></div></div>	85%	100%	<div><div></div><div></div></div>	85%	94%	<div><div></div><div></div></div>	
		Recipients who report feeling safer in their homes after completed home repairs	80%	100%	<div><div></div><div></div></div>	80%	100%	<div><div></div><div></div></div>	N/A	N/A		80%	81%	<div><div></div><div></div></div>	85%	100%	<div><div></div><div></div></div>	85%	100%	<div><div></div><div></div></div>	

A metric receives a “green” dot if the target was met, exceeded or within 10% of the target goal

A metric receives a “red” dot if the target was not met by an excess of 10% of the target goal

N/A There are some 6-month metric targets with “N/A” because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	<div><div></div><div></div></div> <div>FY17 % 6-month metrics met</div>	FY17 Annual Target	FY17 Annual Actual	<div><div></div><div></div></div> <div>FY17 % Annual metrics met</div>	FY18 6-month target	FY18 6-month actual	<div><div></div><div></div></div> <div>FY18 % 6-month metrics met</div>	FY18 Annual Target	FY18 Annual Actual	<div><div></div><div></div></div> <div>FY18 % Annual metrics met</div>	FY19 6-month target	FY19 6-month actual	<div><div></div><div></div></div> <div>FY19 % 6-month metrics met</div>	FY19 Annual Target	FY19 Annual Actual	<div><div></div><div></div></div> <div>FY19 Annual Metrics Met</div>	Supporting Details for Variance
<div><div>HEALTHY COMMUNITY</div><div></div></div>	RoadRunners - MV <small>FY19 Approved: \$250,353 FY19 Spent: \$250,353 FY18 Approved: \$275,353 FY18 Spent: \$275,353 FY17 Approved: \$313,353 FY17 Spent: \$288,361 New Metrics: 0 of 4</small>	Older adults served	532	727	<div><div></div><div></div></div>	1,200	1,272	<div><div></div><div></div></div>	727	856	<div><div></div><div></div></div>	1,200	1,869	<div><div></div><div></div></div>	575	730	<div><div></div><div></div></div>	1,150	1,511	<div><div></div><div></div></div>	
		Rides provided	4,230	4,322	<div><div></div><div></div></div>	8,460	8,223	<div><div></div><div></div></div>	4,322	4,703	<div><div></div><div></div></div>	8,460	9,724	<div><div></div><div></div></div>	4,519	4,939	<div><div></div><div></div></div>	9,038	9,917	<div><div></div><div></div></div>	
		Older adults who strongly agree or agree that having RoadRunners services helped in maintaining their independence	90%	96%	<div><div></div><div></div></div>	92%	92%	<div><div></div><div></div></div>	96%	96%	<div><div></div><div></div></div>	95%	92%	<div><div></div><div></div></div>	90%	96%	<div><div></div><div></div></div>	90%	93%	<div><div></div><div></div></div>	100%
		Older adults who strongly agree or agree with the statement that having RoadRunners services made it possible to get to their medical appointments	95%	96%	<div><div></div><div></div></div>	95%	93%	<div><div></div><div></div></div>	96%	88%	<div><div></div><div></div></div>	95%	94%	<div><div></div><div></div></div>	95%	97%	<div><div></div><div></div></div>	95%	94%	<div><div></div><div></div></div>	
	South Asian Heart Center <small>FY19 Approved: \$180,000 FY19 Spent: \$180,000 FY18 Approved: \$160,000 FY18 Spent \$160,000 FY17 Approved: \$180,000 FY17 Spent: \$180,000 New Metrics: 0 of 6</small>	Individuals served	220	231	<div><div></div><div></div></div>	440	471	<div><div></div><div></div></div>	73	79	<div><div></div><div></div></div>	147	151	<div><div></div><div></div></div>	97	106	<div><div></div><div></div></div>	198	204	<div><div></div><div></div></div>	
		Services provided	950	921	<div><div></div><div></div></div>	2,600	2,600	<div><div></div><div></div></div>	295	321	<div><div></div><div></div></div>	798	785	<div><div></div><div></div></div>	528	512	<div><div></div><div></div></div>	1,078	1,081	<div><div></div><div></div></div>	
		Improvement in average level of weekly physical activity from baseline	14%	18%	<div><div></div><div></div></div>	16%	17%	<div><div></div><div></div></div>	19%	21%	<div><div></div><div></div></div>	20%	21%	<div><div></div><div></div></div>	20%	22%	<div><div></div><div></div></div>	21%	22%	<div><div></div><div></div></div>	
		Improvement in average levels of daily servings of vegetables from baseline	11%	18%	<div><div></div><div></div></div>	13%	14%	<div><div></div><div></div></div>	18%	20%	<div><div></div><div></div></div>	20%	20%	<div><div></div><div></div></div>	19%	19%	<div><div></div><div></div></div>	20%	20%	<div><div></div><div></div></div>	
		Improvement in levels of HDL-C as measured by follow-up lab test	3%	5%	<div><div></div><div></div></div>	4%	4%	<div><div></div><div></div></div>	4%	5%	<div><div></div><div></div></div>	4%	5%	<div><div></div><div></div></div>	5%	5%	<div><div></div><div></div></div>	6%	6%	<div><div></div><div></div></div>	
		Improvement in cholesterol ratio as measured by follow-up lab test	5%	6%	<div><div></div><div></div></div>	6%	6%	<div><div></div><div></div></div>	7%	7%	<div><div></div><div></div></div>	7%	7%	<div><div></div><div></div></div>	6%	6%	<div><div></div><div></div></div>	7%	7%	<div><div></div><div></div></div>	
	Sunnyvale Community Services Social Work Case Mgmt. <small>FY19 Approved: \$85,400 FY19 Spent: \$85,400 FY18 Approved: \$85,400 FY18 Spent: \$85,400 FY17 Approved: \$75,000 FY17 Spent: \$75,000 New Metrics: 1 of 5</small>	Individuals enrolled in Comprehensive Case Management	45	46	<div><div></div><div></div></div>	100	93	<div><div></div><div></div></div>	40	50	<div><div></div><div></div></div>	105	107	<div><div></div><div></div></div>	45	95	<div><div></div><div></div></div>	105	144	<div><div></div><div></div></div>	
		Services provided for nutrition programs	270	292	<div><div></div><div></div></div>	600	590	<div><div></div><div></div></div>	240	298	<div><div></div><div></div></div>	630	671	<div><div></div><div></div></div>	270	287	<div><div></div><div></div></div>	630	518	<div><div></div><div></div></div>	Some families needed to move out of Sunnyvale and were connected to similar programs in their new community.
		Meetings conducted to implement case plan	-	-		-	-		-	-		-	-		135	217	<div><div></div><div></div></div>	315	682	<div><div></div><div></div></div>	
		Sheltered clients who maintain housing for 60 days after financial assistance and referrals	90%	100%	<div><div></div><div></div></div>	90%	90%	<div><div></div><div></div></div>	90%	0%	<div><div></div><div></div></div>	90%	100%	<div><div></div><div></div></div>	90%	93%	<div><div></div><div></div></div>	90%	96%	<div><div></div><div></div></div>	
		Homeless clients who are moved to temporary/permanent housing within 6 months of case plan	80%	81%	<div><div></div><div></div></div>	80%	81%	<div><div></div><div></div></div>	80%	0%	<div><div></div><div></div></div>	80%	100%	<div><div></div><div></div></div>	80%	75%	<div><div></div><div></div></div>	80%	75%	<div><div></div><div></div></div>	
	Sunnyvale Community Services Emergency Assistance <small>FY19 Approved: \$100,000 FY19 Spent: \$100,000 FY18 Approved: \$100,000 FY18 Spent: \$100,000 FY17 Approved: \$85,000 FY17 Spent: \$85,000 New Metrics: 1 of 5</small>	Individuals served	2,450	2,384	<div><div></div><div></div></div>	2,600	2,600	<div><div></div><div></div></div>	2,000	2,476	<div><div></div><div></div></div>	3,000	3,086	<div><div></div><div></div></div>	2,000	2,180	<div><div></div><div></div></div>	3,000	2,977	<div><div></div><div></div></div>	
		Individuals receiving financial assistance for health-related bills	16	10	<div><div></div><div></div></div>	33	30	<div><div></div><div></div></div>	20	59	<div><div></div><div></div></div>	45	66	<div><div></div><div></div></div>	20	33	<div><div></div><div></div></div>	45	36	<div><div></div><div></div></div>	For this line item, majority of funds were expended in first half of the grant year.
		Homebound senior clients who receive at least six monthly visits and food deliveries from a social worker or volunteer													90%	96%	<div><div></div><div></div></div>	90%	93%	<div><div></div><div></div></div>	
		Individuals receiving financial assistance for medically related bills who are still housed 60 days after assistance - if they are not homeless when assisted	75%	100%	<div><div></div><div></div></div>	75%	100%	<div><div></div><div></div></div>	75%	100%	<div><div></div><div></div></div>	75%	80%	<div><div></div><div></div></div>	80%	100%	<div><div></div><div></div></div>	80%	100%	<div><div></div><div></div></div>	
		Individuals who rate emergency assistance service as effective in meeting their needs as 4 or 5 on a 5-point scale	N/A	N/A		80%	95%	<div><div></div><div></div></div>	N/A	N/A		80%	84%	<div><div></div><div></div></div>	N/A	N/A		80%	88%	<div><div></div><div></div></div>	
The Health Trust Meals on Wheels <small>FY19 Approved: \$78,000 FY19 Spent: \$78,000 FY18 Approved \$100,000 FY18 Spent: \$100,000 New Metrics: 1 of 4</small>	Individuals served	-	-		-	-		55	28	<div><div></div><div></div></div>	75	100	<div><div></div><div></div></div>	45	54	<div><div></div><div></div></div>	58	55	<div><div></div><div></div></div>		
	Meals delivered	-	-		-	-		3,600	1,048	<div><div></div><div></div></div>	8,800	7,964	<div><div></div><div></div></div>	2,808	6,986	<div><div></div><div></div></div>	6,864	12,043	<div><div></div><div></div></div>	Client reports that "it is difficult to predict how many meals a client will consume in a year as they can choose the number of weekly meals. illnesses or hospital stays can impact this number. This year's clients consumed an average of 219 meal per person where the average is 140 meals. Data indicates that the most needy clients were identified and were nutritionally at risk before they started the program. Other funding was sought to pay for the additional meals."	
	Wellness checks administered	-	-		-	-		2,340	681	<div><div></div><div></div></div>	5,720	5,122	<div><div></div><div></div></div>	1,750	4,122	<div><div></div><div></div></div>	4,460	7,186	<div><div></div><div></div></div>		
	Clients will show an increase in their overall score for social isolation, indicating the client is less socially isolated													25%	50%	<div><div></div><div></div></div>	25%	52%	<div><div></div><div></div></div>		
YMCA <small>FY19 Approved: \$75,000 FY19 Spent: \$75,000 FY18 Approved \$70,000 FY18 Spent: \$70,000 FY17 Approved: \$70,000 FY17 Spent: \$70,000 New Metrics: 0 of 3</small>	Campers served (K-8)	200	227	<div><div></div><div></div></div>	400	408	<div><div></div><div></div></div>	225	277	<div><div></div><div></div></div>	420	437	<div><div></div><div></div></div>	295	327	<div><div></div><div></div></div>	460	616	<div><div></div><div></div></div>		
	Families who agree or strongly that their children were more physically active after attending camp	70%	83%	<div><div></div><div></div></div>	70%	70%	<div><div></div><div></div></div>	75%	83%	<div><div></div><div></div></div>	75%	94%	<div><div></div><div></div></div>	87%	94%	<div><div></div><div></div></div>	87%	94%	<div><div></div><div></div></div>		
	Families who agree or strongly agree that their child eats more fruits and vegetables after attending camp	40%	49%	<div><div></div><div></div></div>	40%	49%	<div><div></div><div></div></div>	50%	51%	<div><div></div><div></div></div>	50%	85%	<div><div></div><div></div></div>	55%	85%	<div><div></div><div></div></div>	55%	85%	<div><div></div><div></div></div>		

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Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	<div><div></div><div></div></div> FY17 % 6- month metrics met	FY17 Annual Target	FY17 Annual Actual	<div><div></div><div></div></div> FY17 % Annual metrics met	FY18 6-month target	FY18 6-month actual	<div><div></div><div></div></div> FY18 % 6- month metrics met	FY18 Annual Target	FY18 Annual Actual	<div><div></div><div></div></div> FY18 % Annual metrics met	FY19 6-month target	FY19 6-month actual	<div><div></div><div></div></div> FY19 % 6- month metrics met	FY19 Annual Target	FY19 Annual Actual	<div><div></div><div></div></div> FY19 Annual Metrics Met	Supporting Details for Variance						
Small Grants																											
<div>HEALTHY BODY</div>	5-2-1-0 FY19 Approved: \$15,000 FY19 Spent: \$4,589 FY18 Approved \$25,000 FY18 Spent: \$25,000 FY17 Approved: \$30,000 FY17 Spent: \$12,809	Students served	5,000	6,627	<div><div></div><div></div></div>	100%	7,000	7,500	<div><div></div><div></div></div>	100%	5,000	4,943	<div><div></div><div></div></div>	100%	7,000	6,917	<div><div></div><div></div></div>	100%	5,000	3,913	<div><div></div><div></div></div>	0%	7,135	6,212	<div><div></div><div></div></div>	0%	Agency narrowly missed metric; due to renovation at one school, agency unable to provide programming activities for whole year.
	BAWSI <i>BAWSI Girls</i> (Small Grant) FY19 Approved: \$19,000 FY19 Spent: \$19,000 FY18 Approved: \$16,605 FY18 Spent: \$16,605 FY17 Approved: \$16,000 FY17 Spent: \$16,000	Youth served	60	60	<div><div></div><div></div></div>	100%	112	98	<div><div></div><div></div></div>	0%	60	65	<div><div></div><div></div></div>	100%	120	113	<div><div></div><div></div></div>	100%	60	62	<div><div></div><div></div></div>	100%	120	130	<div><div></div><div></div></div>	100%	
	BAWSI <i>BAWSI Rollers</i> (Small Grant) FY19 Approved: \$17,500 FY19 Spent: \$17,500 FY18 Approved \$16,000 FY18 Spent: \$16,000	Youth served	-	N/A		N/A	-	5,000	N/A	25	23	<div><div></div><div></div></div>	100%	25	26	<div><div></div><div></div></div>	100%	25	19	<div><div></div><div></div></div>	0%	25	18	<div><div></div><div></div></div>	0%	Enrollment of special education students eligible for the program was lower this school year.	
	Breathe California <i>Seniors Breathe Easy</i> (Small Grant) FY19 Approved: \$25,000 FY19 Spent: \$25,000 FY18 Approved: \$20,000 FY18 Spent: \$20,000 FY17 Approved: \$25,000 FY17 Spent: \$25,000	Older adults served	N/A	N/A		N/A	1,000	1,045	<div><div></div><div></div></div>	100%	400	373	<div><div></div><div></div></div>	100%	1,000	2,230	<div><div></div><div></div></div>	100%	400	143	<div><div></div><div></div></div>	0%	1,000	2,095	<div><div></div><div></div></div>	100%	Program had productive second half of year reaching 935 seniors with information & referrals, 688 with health education presentations and 395 through pulmonary function testing, oximeter reading & blood pressure monitoring screenings.
	Day Worker Center (Small Grant) FY19 Approved: \$25,000 FY19 Spent: \$25,000 FY18 Approved: \$25,000 FY18 Spent: \$25,000 FY17 Approved: \$25,000 FY17 Spent: \$25,000	Individuals served with nutritious meals	300	431	<div><div></div><div></div></div>	100%	460	535	<div><div></div><div></div></div>	100%	325	302	<div><div></div><div></div></div>	100%	475	523	<div><div></div><div></div></div>	100%	350	327	<div><div></div><div></div></div>	100%	525	481	<div><div></div><div></div></div>	100%	
	Hope's Corner (Small Grant) FY19 Approved: \$25,000 FY19 Spent: \$25,000 FY18 Approved: \$25,000 FY18 Spent: \$25,000 FY17 Approved: \$25,000 FY17 Spent: \$25,000	Individuals served	325	350	<div><div></div><div></div></div>	100%	325	327	<div><div></div><div></div></div>	100%	350	350	<div><div></div><div></div></div>	100%	350	350	<div><div></div><div></div></div>	100%	250	260	<div><div></div><div></div></div>	100%	275	300	<div><div></div><div></div></div>	100%	
	Vista Center (Small Grant) FY19 Approved: \$24,921 FY19 Spent: \$23,882	Individuals served														15	17	<div><div></div><div></div></div>	100%	36	42	<div><div></div><div></div></div>	100%				



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There are some 6-month metric targets with “N/A” because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year

Health Priority Area	Partner	FY19 Metrics	FY17 6-month target	FY17 6-month actual	<div><div></div><div></div></div> FY17 % 6- month metrics met	FY17 Annual Target	FY17 Annual Actual	<div><div></div><div></div></div> FY17 % Annual metrics met	FY18 6-month target	FY18 6-month actual	<div><div></div><div></div></div> FY18 % 6- month metrics met	FY18 Annual Target	FY18 Annual Actual	<div><div></div><div></div></div> FY18 % Annual metrics met	FY19 6-month target	FY19 6-month actual	<div><div></div><div></div></div> FY19 % 6- month metrics met	FY19 Annual Target	FY19 Annual Actual	<div><div></div><div></div></div> FY19 Annual Metrics Met	Supporting Details for Variance
Small Grants (Continued)																					
<div><div>HEALTHY MIND</div><div></div></div>	Center for Age-Friendly Excellence (CAFE)/ Senior Inclusion and Participation Project (SIPP) (Small Grant) <small>FY19 Approved: \$25,000 FY19 Spent: \$25,000</small>	Older adults served													150	189	<div><div></div><div></div></div> 100%	250	284	<div><div></div><div></div></div> 100%	
	EDRC (Small Grant) <small>FY19 Approved: \$20,000 FY19 Spent: \$20,000 FY18 Approved: \$20,000 FY18 Spent: \$20,000 FY17 Approved: \$20,000 FY17 Spent: \$20,000</small>	Individuals served	196	265	<div><div></div><div></div></div> 100%	350	335	<div><div></div><div></div></div> 100%	78	78	<div><div></div><div></div></div> 100%	375	342	<div><div></div><div></div></div> 100%	212	187	<div><div></div><div></div></div> 0%	424	410	<div><div></div><div></div></div> 100%	
	Mission Be (Small Grant) <small>FY19 Approved: \$25,000 FY19 Spent: \$25,000</small>	Individuals served													238	288	<div><div></div><div></div></div> 100%	475	577	<div><div></div><div></div></div> 100%	Attendance at parent workshops and faculty presentations exceeded expectations.
<div><div>HEALTHY COMMUNITY</div><div></div></div>	Friends for Youth (Small Grant) <small>FY19 Approved: \$20,000 FY19 Spent: \$20,000 FY18 Approved: \$15,000 FY18 Spent: \$15,000 FY17 Approved: \$20,000 FY17 Spent: \$20,000</small> <small>Applied but not approved for funding in FY20</small>	Youth served	25	37	<div><div></div><div></div></div> 100%	47	60	<div><div></div><div></div></div> 100%	35	40	<div><div></div><div></div></div> 100%	48	56	<div><div></div><div></div></div> 100%	40	36	<div><div></div><div></div></div> 100%	60	56	<div><div></div><div></div></div> 100%	
	Matter of Balance (Small Grant) <small>FY19 Approved: \$14,330 FY19 Spent: \$14,330 FY18 Approved: \$14,000 FY18 Spent: \$14,000 FY17 Approved: \$10,628 FY17 Spent: \$ 10,032</small>	At-risk older adults served	50	35	<div><div></div><div></div></div> 0%	120	117	<div><div></div><div></div></div> 100%	40	41	<div><div></div><div></div></div> 100%	135	155	<div><div></div><div></div></div> 100%	50	66	<div><div></div><div></div></div> 100%	165	189	<div><div></div><div></div></div> 100%	
	MVPD - Dreams and Futures Camp (Small Grant) <small>FY19 Approved: \$25,000 FY19 Spent: \$25,000 FY18 Approved: \$25,000 FY18 Spent: \$25,000 FY17 Approved: \$25,000 FY17 Spent: \$25,000</small>	Youth served	40	32	<div><div></div><div></div></div> 0%	95	64	<div><div></div><div></div></div> 0%	40	49	<div><div></div><div></div></div> 100%	80	97	<div><div></div><div></div></div> 100%	40	40	<div><div></div><div></div></div> 100%	80	97	<div><div></div><div></div></div> 100%	
	Reach Potential Movement (Small Grant) <small>FY19 Approved: \$25,000 FY19 Spent: \$25,000 FY18 Approved: \$20,000 FY18 Spent \$20,000</small>	Youth served	-	-	N/A	-	-	N/A	125	119	<div><div></div><div></div></div> 100%	150	138	<div><div></div><div></div></div> 100%	40	42	<div><div></div><div></div></div> 100%	125	126	<div><div></div><div></div></div> 100%	

Community Benefit Dashboard Notes

A metric receives a “green” dot if the target was met, exceeded or within 10% of the target goal

A metric receives a “red” dot if the target was not met by an excess of 10% of the target goal

N/A There are some 6-month metric targets with “N/A” because the client/patient has not had significant exposure to the intervention in order to accurately evaluate effectiveness or because activities or surveys are not scheduled until the second half of the year



EL CAMINO HEALTHCARE DISTRICT BOARD MEETING COVER MEMO

To: El Camino Healthcare District Board of Directors
From: Julia Miller, Ad Hoc Committee Chair
Date: October 22, 2019
Subject: El Camino Hospital Board Member Election Ad Hoc Committee Chair Report

Recommendation: To re-elect El Camino Hospital Board of Directors Members Julie Kliger and Bob Rebitzer for 3-year terms effective July 1, 2020.

Summary:

1. **Situation:** The initial terms of service of El Camino Hospital ("ECH") Board Directors Julie Kliger and Bob Rebitzer expire on June 30, 2019. Pursuant to the ECHB Bylaws, they are both eligible to serve two additional 3-year terms.
2. **Authority:** On June 18, 2019, The El Camino Healthcare District ("ECHD") Board appointed myself and Director Ting to serve on an Ad Hoc Committee tasked with considering and preparing for the FY20 election or re-election of one or more Directors to the El Camino Hospital Board. Pursuant to the El Camino Hospital Bylaws, Article III Section 3.12, the ECHD Board has the authority to elect Directors to the El Camino Hospital Board of Directors
3. **Background:** The Ad Hoc Committee held a meeting on September 11, 2019, along with our advisors Lanhee Chen and Christina Lai. We reviewed the results of the Competency Matrix Survey, the Board Member Peer Review Survey, both Director's updated resumes, attendance records, and their questionnaire responses. They were then both interviewed by the Committee. Following a detailed discussion between Director Ting and myself, along with the advisors, Board Chair Chen and ECH Governance Committee member Lai, an agreement to recommend that Directors Kliger and Rebitzer be re-elected to the ECH Board for second terms was reached.
4. **Other Reviews:** Ad Hoc Committee as above.
5. **Outcomes:** Re- Election of two ECH Board Directors.

List of Attachments:

1. Competency Matrix Survey
2. Kliger Questionnaire Responses
3. Rebitzer Questionnaire Responses

Suggested Board Discussion Questions. None.



NYGREN CONSULTING
GOVERNANCE STRATEGY LEADERSHIP

El Camino Hospital

2019 Hospital Board Competency Matrix



Submitted on: September 9, 2019
Prepared for: Ad Hoc Committee
Prepared by: JoAnn McNutt, PhD, and Zach Morfin, PhD

A Guide to Reading This Report

- 4.00 and Above
- Between 3.00 and 3.99
- Below 3.00

The numbers in the table below are examples. They are not the actual scores for ECH's 2019 Competency Matrix survey.

Collective Competencies										Universal Attributes		
Complex Market Partnerships	Long-range Strategic Planning	Health Care	Finance/Operations	Clinical Integration/Continuum of Care	Healthcare Reform	Oversight of Diverse Business Portfolio	Complex	Experience in More Than One Market	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.50	4.50	4.50	3.88	4.50	4.63	4.00	3.75	4.13	4.50	4.75	4.25	4.43
3.88	4.00	4.00	3.50	3.88	4.00	3.63	3.75	4.13	4.38	4.20	4.00	4.20
This row does not represent the same director.										4.00	4.00	4.00
3.75	3.63	3.25	3.38	3.38	3.38	3.13	3.50	3.50	3.50	4.00	3.83	3.88
3.38	3.13	3.00	3.13	3.00	3.38	3.13	3.38	3.38	3.38	3.63	3.50	3.88
3.00	2.63	2.63	2.63	2.63	2.63	3.17	3.00	3.25	3.13	3.50	3.50	3.50
2.00	2.50	2.00	2.00	2.00	2.17	2.63	3.00	2.50	2.67	3.00	3.00	3.00
2.00	2.50	2.00	2.00	2.00	2.00	2.14	1.71	1.86	2.00	1.71	1.71	1.71
3.30	3.50	3.27	3.04	3.28	3.22	3.24	3.21	3.37	3.43	3.60	3.61	3.89
Overall = 3.29										Overall = 3.70		

Director, Jo Smith, scored the highest in this competency area.

Director, Jane Brown, scored highest in this competency area.

Data should be read top to bottom to see how the board scored in each area.

This score represents the average of all directors' scores in this competency area.

Director, Jo Smith, scored the lowest in this competency area.

This score represents the board's aggregate average across all Collective Competencies.

District Board Members' Results

The results in this section represent the District Directors' ratings only

Self-ratings are not included; total N = 5

District Board Members' Ratings of the Hospital Board

Ratings from the District Board Members (N=5) (Includes directors' ratings of Bob Rebitzer and Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.40	4.40	4.00	4.50	4.60	4.40	4.00	4.20	4.20	4.80	4.20	4.00
4.20	4.20	4.00	4.20	4.40	4.00	3.80	4.00	4.20	4.60	4.00	3.75
4.00	4.20	3.80	4.00	4.00	4.00	3.75	3.80	4.00	4.40	4.00	3.60
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.80	3.75	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.50	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.60	3.80	3.40	3.25	3.50	3.75	3.60	3.40
3.40	3.20	2.80	3.25	3.50	3.00	3.25	3.20	3.40	3.50	3.50	3.25
3.00	3.00	2.50	3.00	3.25	2.80	3.25	3.00	3.20	3.20	3.00	3.20
3.00	2.75	2.50	2.80	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.55	3.53	3.27	3.52	3.62	3.38	3.33	3.35	3.48	3.74	3.54	3.43
Average = 3.45									Average = 3.57		

Notes:

- Highest rated Collective Competency was Healthcare Policy; lowest was Experience Leading High-Performing Organizations, including Board Experience
- Highest rated Universal Attribute was Analytical Thinker; lowest was Community Oriented

District Board Members' Ratings of the Hospital Board (continued)

Ratings from the District Board Members (N=5) (Does NOT include directors' ratings of Bob Rebitzer)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.20	4.20	4.00	4.50	4.60	4.40	3.80	4.00	4.20	4.80	4.00	4.00
4.00	4.20	3.80	4.20	4.00	4.00	3.75	3.80	4.00	4.60	4.00	3.75
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.80	3.75	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.50	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.60	3.80	3.40	3.25	3.50	3.75	3.60	3.40
3.40	3.20	2.80	3.25	3.50	3.00	3.25	3.20	3.40	3.50	3.50	3.25
3.00	3.00	2.50	3.00	3.25	2.80	3.25	3.00	3.20	3.20	3.00	3.20
3.00	2.75	2.50	2.80	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.46	3.43	3.19	3.46	3.53	3.31	3.26	3.26	3.39	3.67	3.46	3.41
Average = 3.36									Average = 3.51		

Notes (same as previous page):

- Highest rated Collective Competency was Healthcare Policy; lowest was Experience Leading High-Performing Organizations, including Board Experience
- Highest rated Universal Attribute was Analytical Thinker; lowest was Community Oriented

District Board Members' Ratings of the Hospital Board (continued)

Ratings from the District Board Members (N=5) (Does NOT include directors' ratings of Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.40	4.40	4.00	4.50	4.60	4.40	4.00	4.20	4.20	4.80	4.20	4.00
4.20	4.20	4.00	4.20	4.40	4.00	3.80	4.00	4.20	4.60	4.00	3.75
4.00	4.20	3.80	4.00	4.00	4.00	3.75	3.80	3.75	4.40	4.00	3.60
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.50	3.50	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.25	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.50	3.80	3.25	3.20	3.40	3.75	3.50	3.40
3.00	3.00	2.50	3.25	3.25	3.00	3.25	3.00	3.20	3.50	3.00	3.25
3.00	2.75	2.50	3.00	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.57	3.56	3.32	3.59	3.62	3.44	3.32	3.30	3.42	3.80	3.53	3.46
Average = 3.46									Average = 3.59		

Notes:

- Highest rated Collective Competency was Healthcare Policy; lowest was Experience in More Than One Area of Continuum of Care
- Highest rated Universal Attribute was Analytical Thinker; lowest was Community Oriented

District Board Members' Ratings of the Hospital Board (continued)

Ratings from the District Board Members (N=5) (Does NOT include directors' ratings of Bob Rebitzer or Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.20	4.20	4.00	4.50	4.60	4.40	3.80	4.00	4.20	4.80	4.00	4.00
4.00	4.20	3.80	4.20	4.00	4.00	3.75	3.80	3.75	4.60	4.00	3.75
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.50	3.50	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.25	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.50	3.80	3.25	3.20	3.40	3.75	3.50	3.40
3.00	3.00	2.50	3.25	3.25	3.00	3.25	3.00	3.20	3.50	3.00	3.25
3.00	2.75	2.50	3.00	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.46	3.46	3.24	3.54	3.53	3.38	3.24	3.19	3.32	3.73	3.44	3.44
Average = 3.37									Average = 3.54		

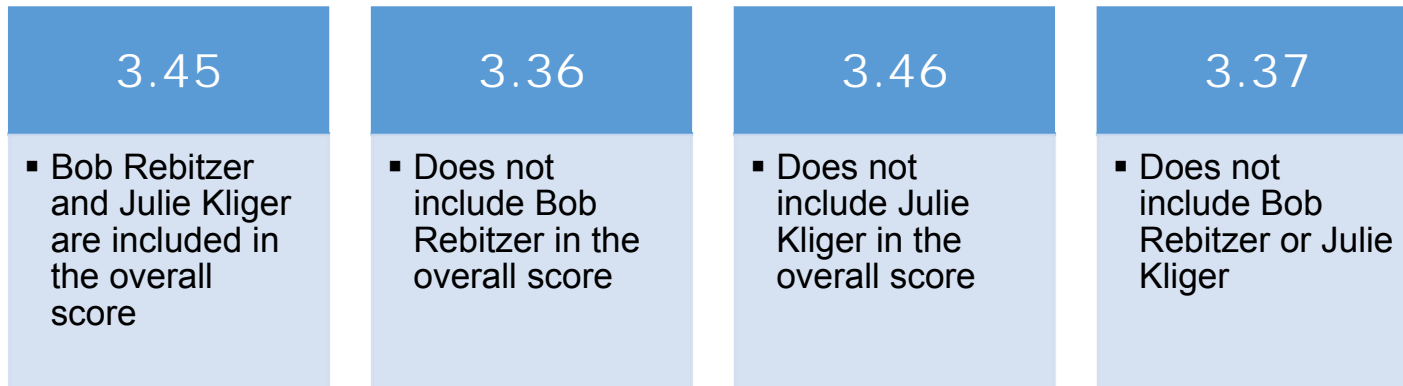
Notes:

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Experience in More Than One Area of the Continuum of Care
- Highest rated Universal Attribute was Analytical Thinker; lowest were Collaborative and Community Oriented

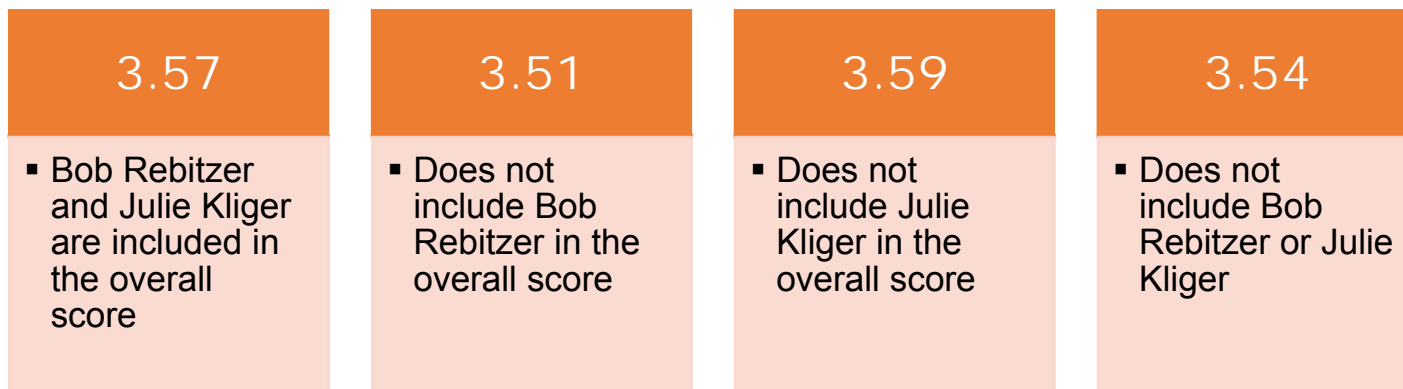
Summary

District Board Members' Ratings of the Hospital Board

Comparison of **Collective Competencies** Overall Averages



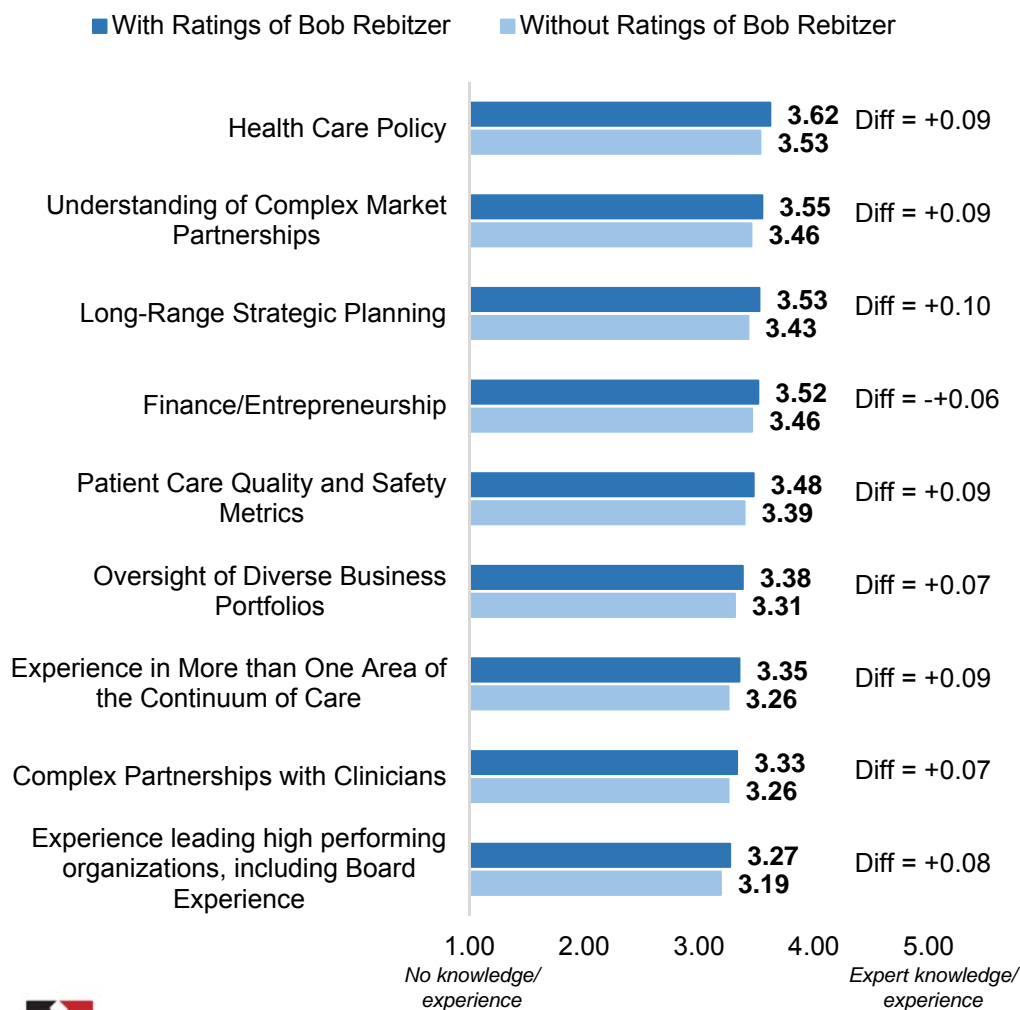
Comparison of **Universal Attributes** Overall Averages



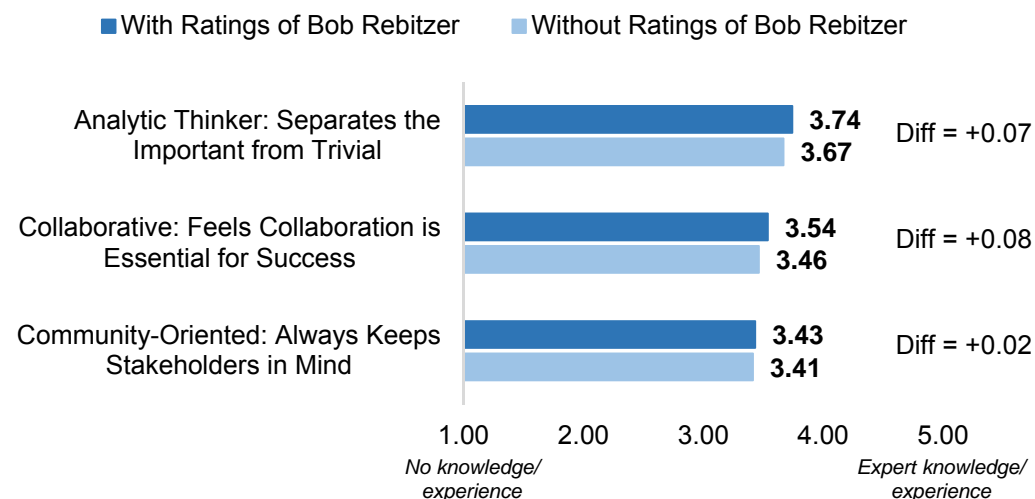
District Board Members' Ratings of the Hospital Board (continued)

The competency scores are shown in the graphs below. The dark blue bars include the District Board's ratings of Bob Rebitzer, whereas the light blue bars do not. The difference in scores is indicated to the right. The average difference in ratings across all Collective Competencies is +0.08. The average difference in ratings across all Universal Attributes is +0.06.

Collective Competencies



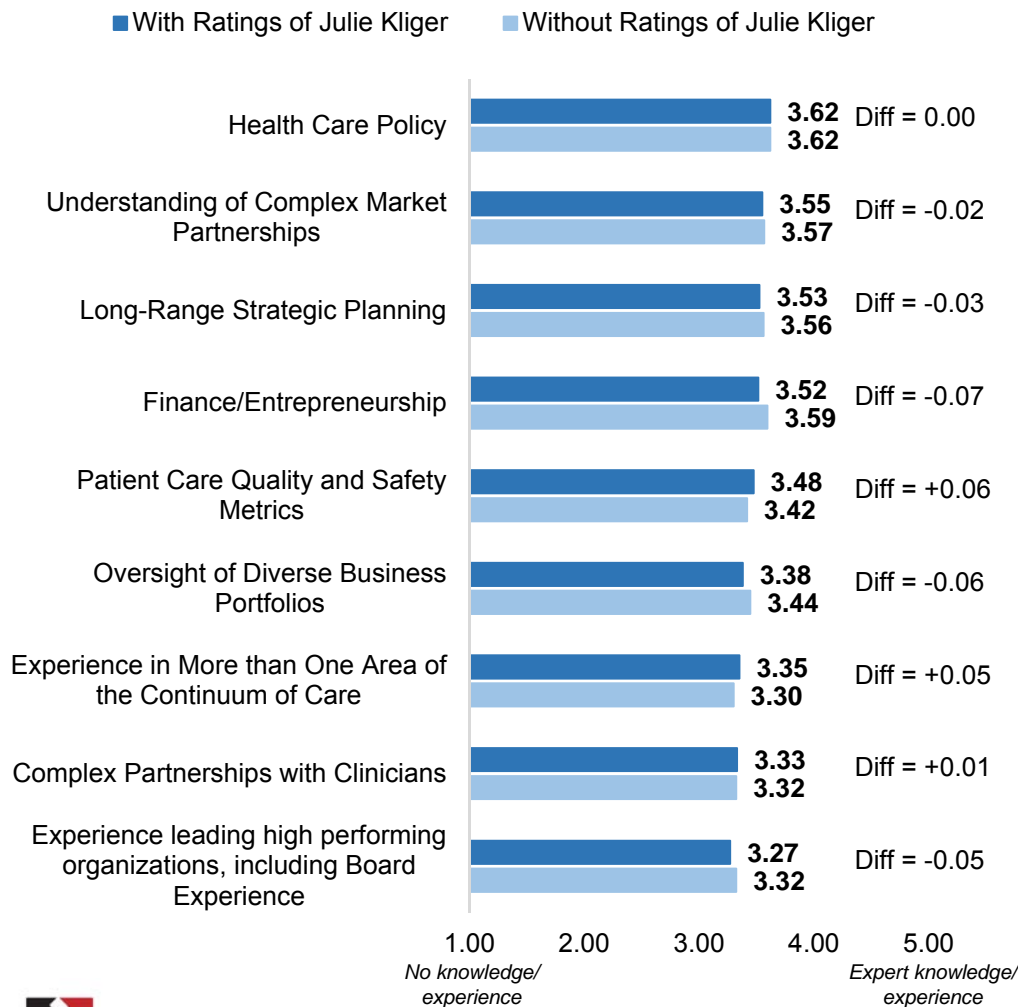
Universal Attributes



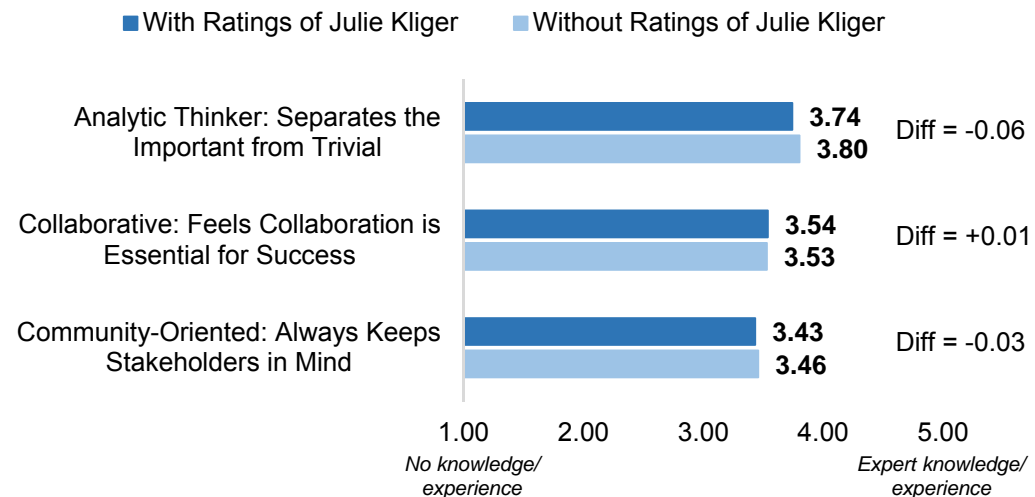
District Board Members' Ratings of the Hospital Board (continued)

The competency scores are shown in the graphs below. The dark blue bars include the District Board's ratings of Julie Kliger, whereas the light blue bars do not. The difference in scores is indicated to the right. The average difference in ratings across all Collective Competencies is -0.01. The average difference in ratings across all Universal Attributes is -0.03.

Collective Competencies



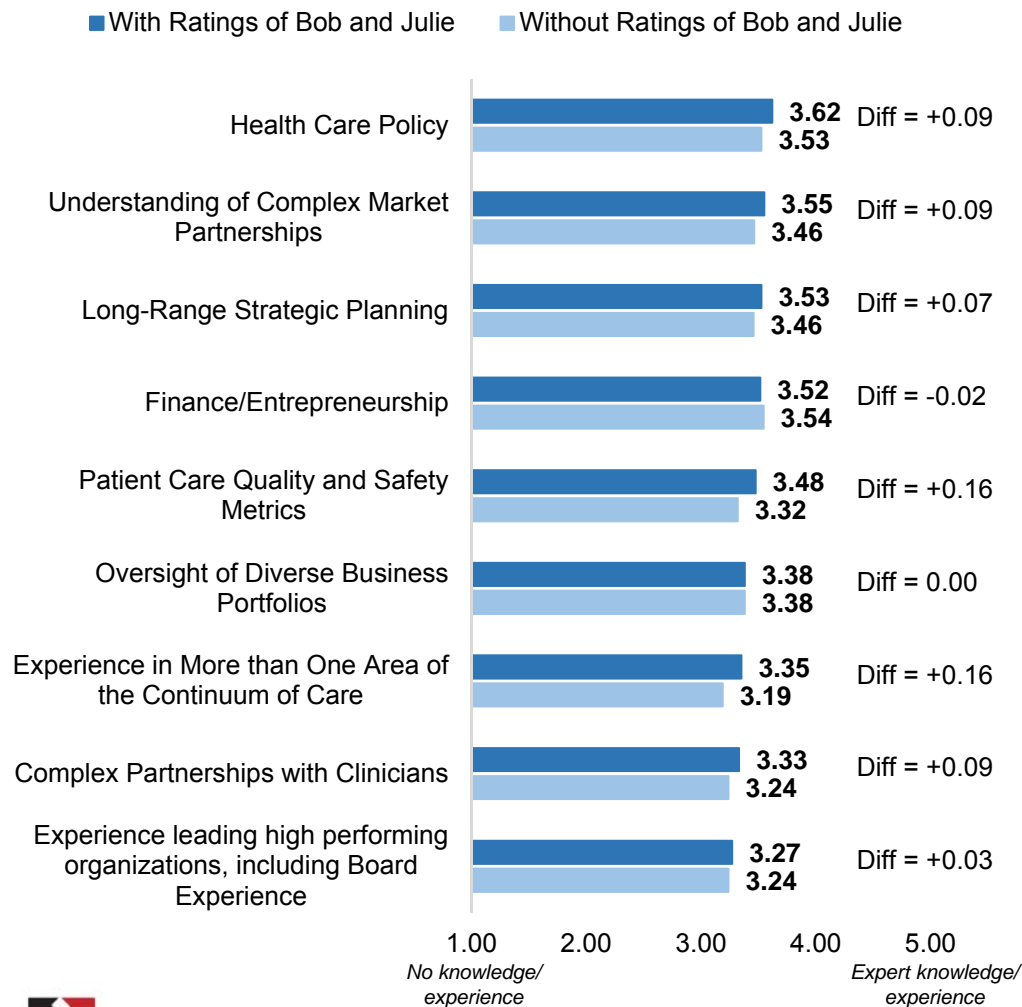
Universal Attributes



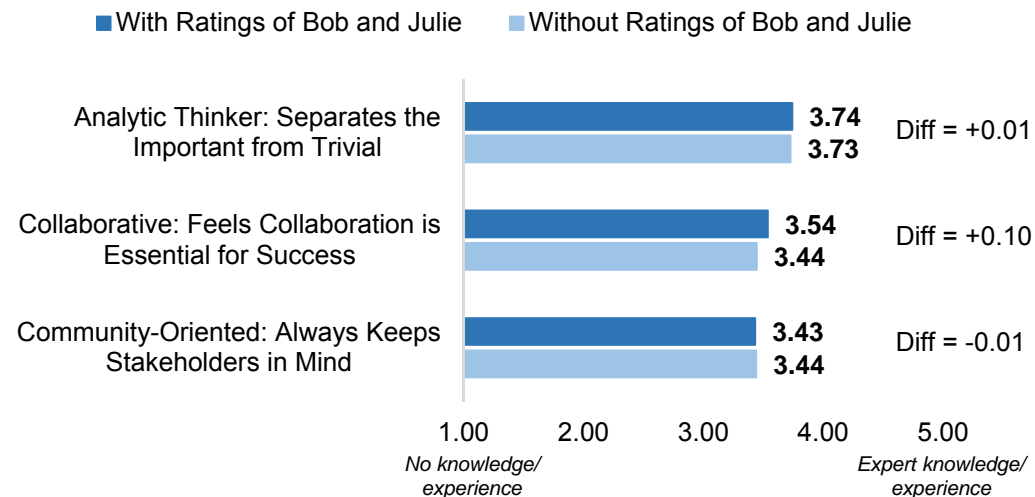
District Board Members' Ratings of the Hospital Board (continued)

The competency scores are shown in the graphs below. The dark blue bars include the District Board's ratings of Bob Rebitzer and Julie Kliger, whereas the light blue bars do not. The difference in scores is indicated to the right. The average difference in ratings across all Collective Competencies is +0.08. The average difference in ratings across all Universal Attributes is +0.16.

Collective Competencies



Universal Attributes



Non-District Board Members Results

The results in this section represent the Non-District Directors' ratings only

Self-ratings are not included; total N = 5

Non-District Board Members' Ratings of the Hospital Board

Ratings from the Non-District Board Members (N=5) (Includes directors' ratings of Bob Rebitzer and Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.50	4.67	4.75	5.00	5.00	4.80	4.25	4.75	4.50	5.00	4.75	4.50
4.33	4.50	4.67	4.75	4.75	4.50	4.25	4.50	4.00	4.80	4.67	4.40
4.25	4.40	4.60	4.50	4.50	4.33	4.25	4.25	4.00	4.75	4.60	4.25
4.25	4.25	4.25	4.40	3.80	4.33	4.00	4.00	3.40	4.33	4.33	4.20
4.20	4.25	4.00	4.33	3.75	4.25	3.80	3.80	3.40	4.20	4.25	4.00
4.00	4.00	4.00	4.33	3.40	4.20	3.75	3.40	3.00	4.00	4.25	4.00
4.00	4.00	3.80	4.00	3.20	3.50	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.89	3.97	3.89	4.07	3.58	3.84	3.51	3.56	3.23	4.09	4.13	4.06
Average = 3.72									Average = 4.09		

Notes:

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Community Oriented

Non-District Board Members' Ratings of the Hospital Board (continued)

Ratings from the Non-District Board Members (N=5) (Does NOT include directors' ratings of Bob Rebitzer)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.33	4.67	4.67	5.00	5.00	4.80	4.25	4.50	4.50	4.80	4.75	4.50
4.25	4.40	4.60	4.50	4.50	4.33	4.25	4.25	4.00	4.75	4.67	4.40
4.25	4.25	4.25	4.40	3.80	4.33	4.00	4.00	3.40	4.33	4.60	4.25
4.20	4.25	4.00	4.33	3.75	4.25	3.80	3.80	3.40	4.20	4.33	4.20
4.00	4.00	4.00	4.33	3.40	4.20	3.75	3.40	3.00	4.00	4.25	4.00
4.00	4.00	3.80	4.00	3.20	3.50	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.83	3.91	3.79	3.99	3.45	3.76	3.43	3.42	3.14	3.99	4.12	4.07
Average = 3.64									Average = 4.06		

Notes:

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Analytical Thinker

Non-District Board Members' Ratings of the Hospital Board (continued)

Ratings from the Non-District Board Members (N=5) (Does NOT include directors' ratings of Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.50	4.67	4.75	5.00	5.00	4.80	4.25	4.75	4.00	5.00	4.75	4.50
4.33	4.50	4.67	4.75	4.75	4.50	4.25	4.25	4.00	4.80	4.67	4.40
4.25	4.40	4.60	4.50	3.80	4.33	4.00	4.00	3.40	4.75	4.60	4.20
4.20	4.25	4.25	4.40	3.75	4.33	3.80	3.80	3.40	4.33	4.33	4.00
4.00	4.00	4.00	4.33	3.40	4.25	3.75	3.40	3.00	4.20	4.25	4.00
4.00	4.00	3.80	4.33	3.20	4.20	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.85	3.94	3.87	4.07	3.48	3.87	3.43	3.45	3.08	4.10	4.12	4.04
Average = 3.67									Average = 4.08		

Notes:

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Community Oriented

Non-District Board Members' Ratings of the Hospital Board (continued)

Ratings from the Non-District Board Members (N=5) (Does NOT include directors' ratings of Bob Rebitzer or Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.33	4.67	4.67	5.00	5.00	4.80	4.25	4.25	4.00	4.80	4.75	4.50
4.25	4.40	4.60	4.50	3.80	4.33	4.00	4.00	3.40	4.75	4.67	4.40
4.20	4.25	4.25	4.40	3.75	4.33	3.80	3.80	3.40	4.33	4.60	4.20
4.00	4.00	4.00	4.33	3.40	4.25	3.75	3.40	3.00	4.20	4.33	4.00
4.00	4.00	3.80	4.33	3.20	4.20	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.77	3.86	3.76	3.99	3.32	3.80	3.33	3.29	2.97	3.99	4.10	4.04
Average = 3.57									Average = 4.04		

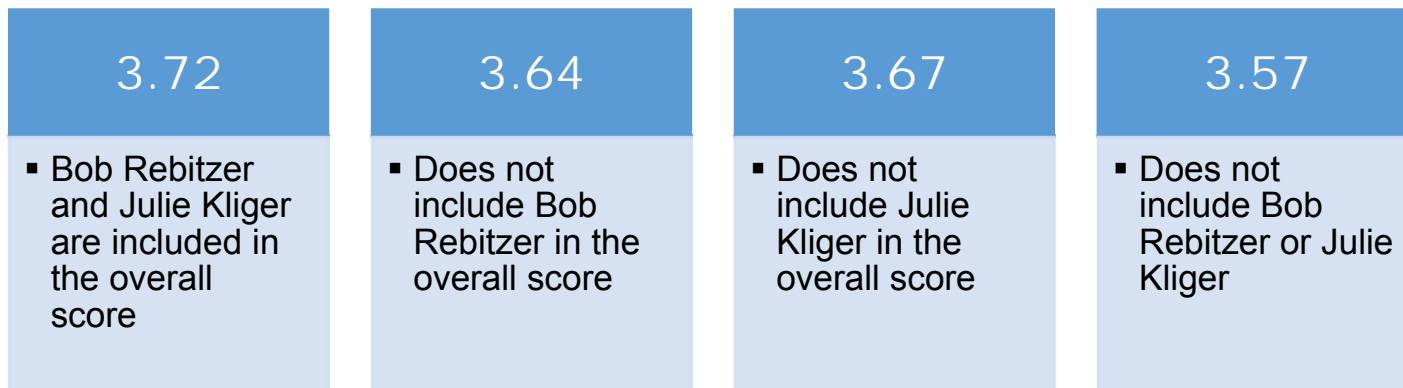
Notes:

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Analytical Thinker

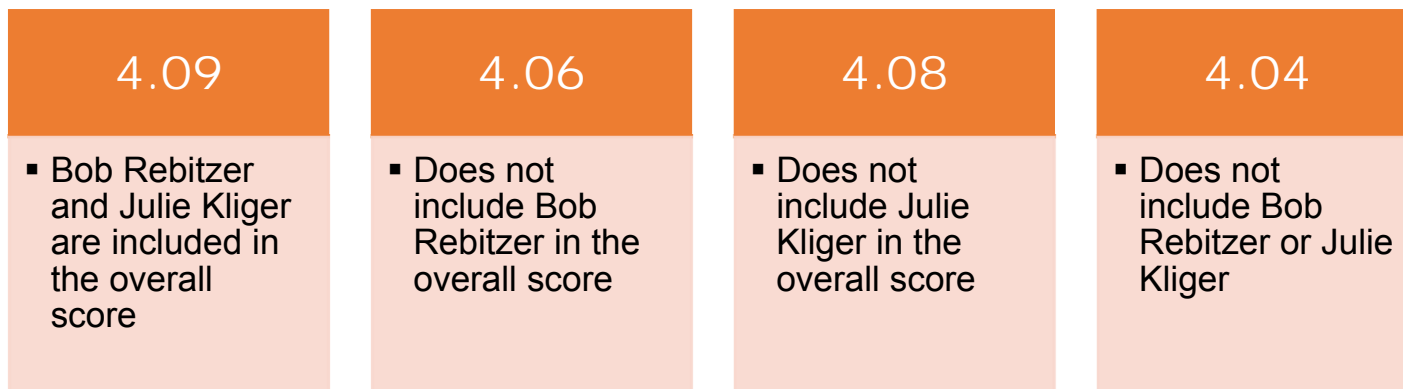
Summary

Non-District Board Members' Ratings of the Hospital Board

Comparison of **Collective Competencies** Overall Averages



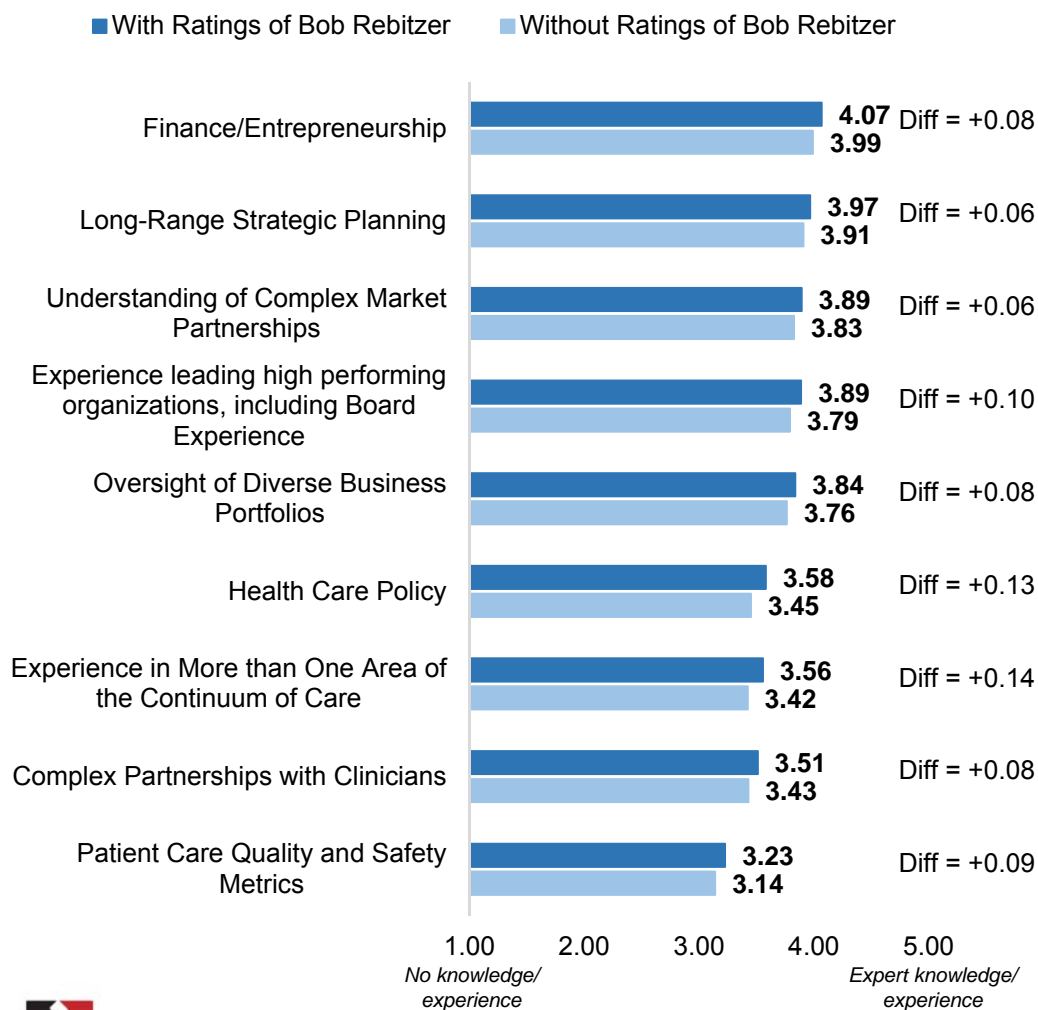
Comparison of **Universal Attributes** Overall Averages



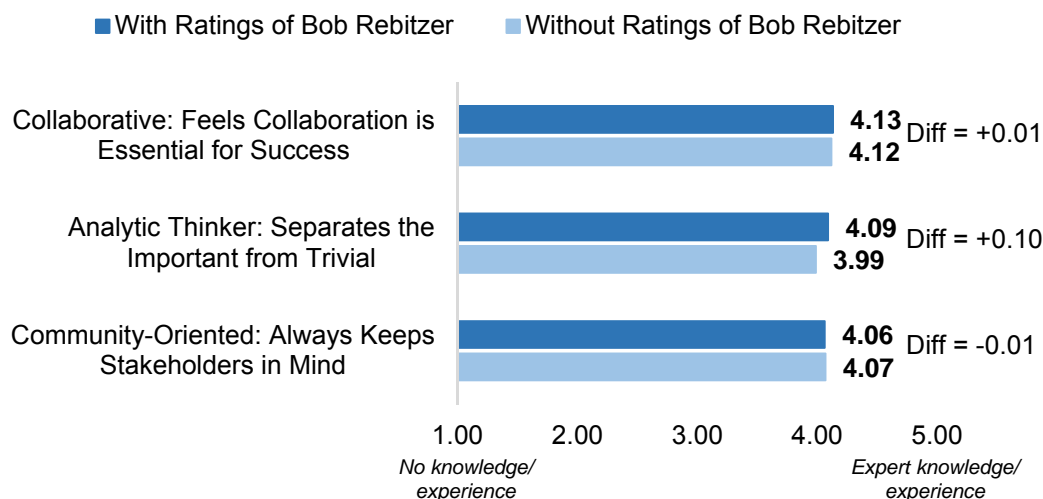
Non-District Board Members' Ratings of the Hospital Board (continued)

The competency scores are shown in the graphs below. The dark blue bars include the Non-District Board's ratings of Bob Rebitzer, whereas the light blue bars do not. The difference in scores is indicated to the right. The average difference in ratings across all Collective Competencies is +0.09. The average difference in ratings across all Universal Attributes is +0.04.

Collective Competencies



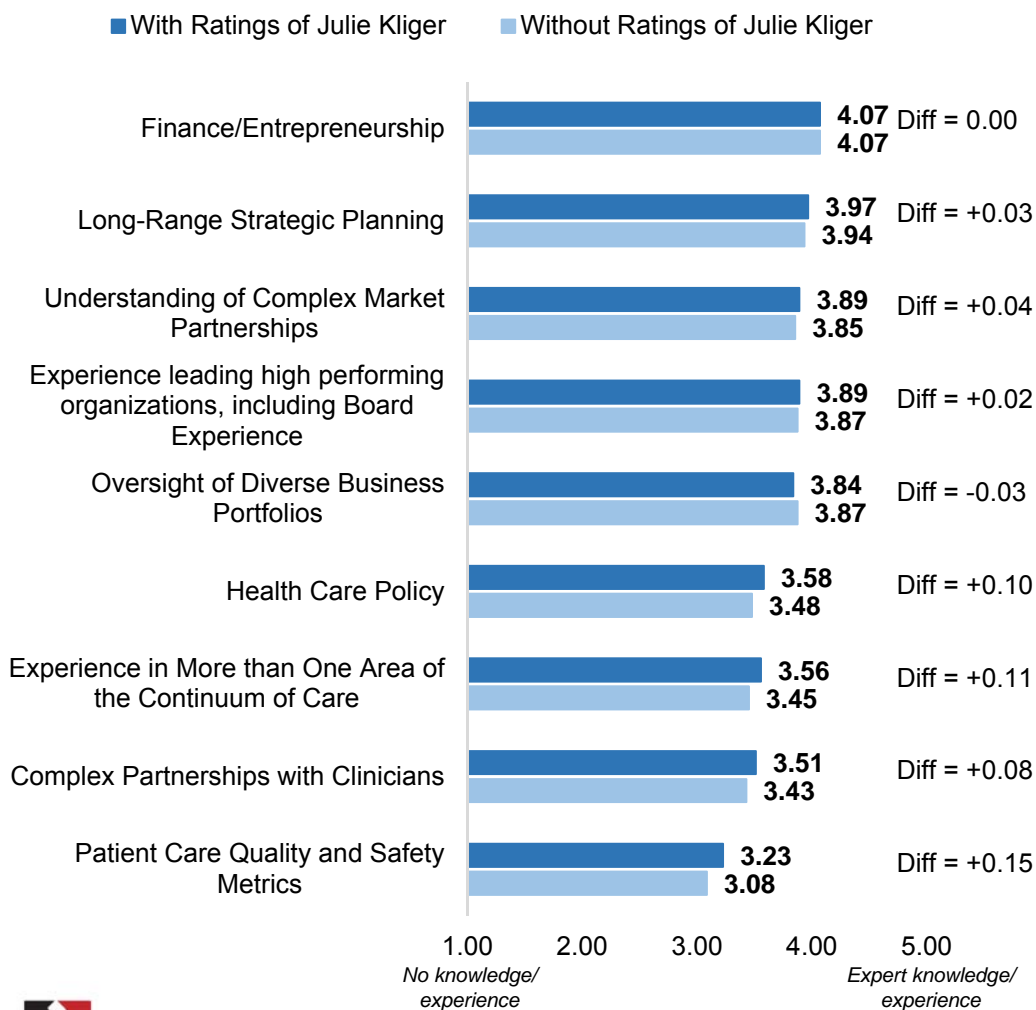
Universal Attributes



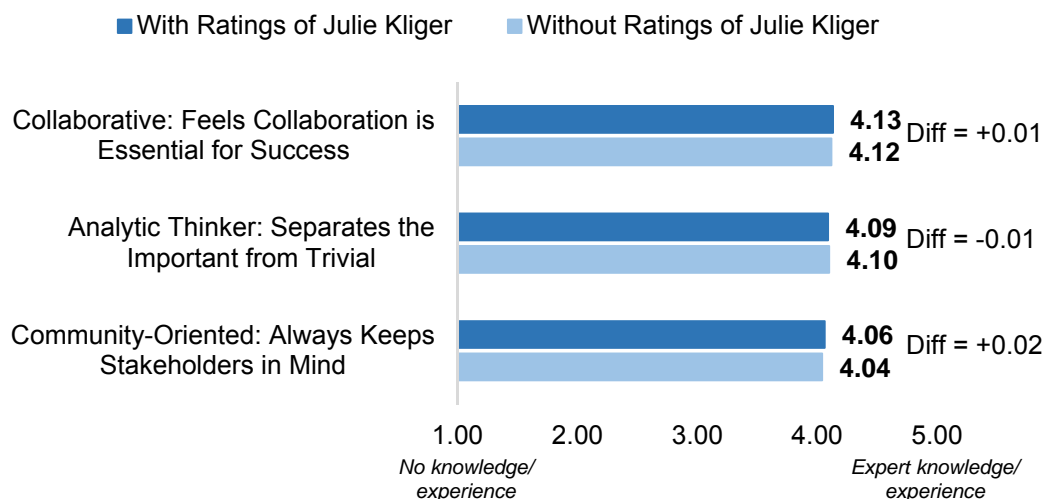
Non-District Board Members' Ratings of the Hospital Board (continued)

The competency scores are shown in the graphs below. The dark blue bars include the Non-District Board's ratings of Julie Kliger, whereas the light blue bars do not. The difference in scores is indicated to the right. The average difference in ratings across all Collective Competencies is +0.05. The average difference in ratings across all Universal Attributes is +0.01.

Collective Competencies



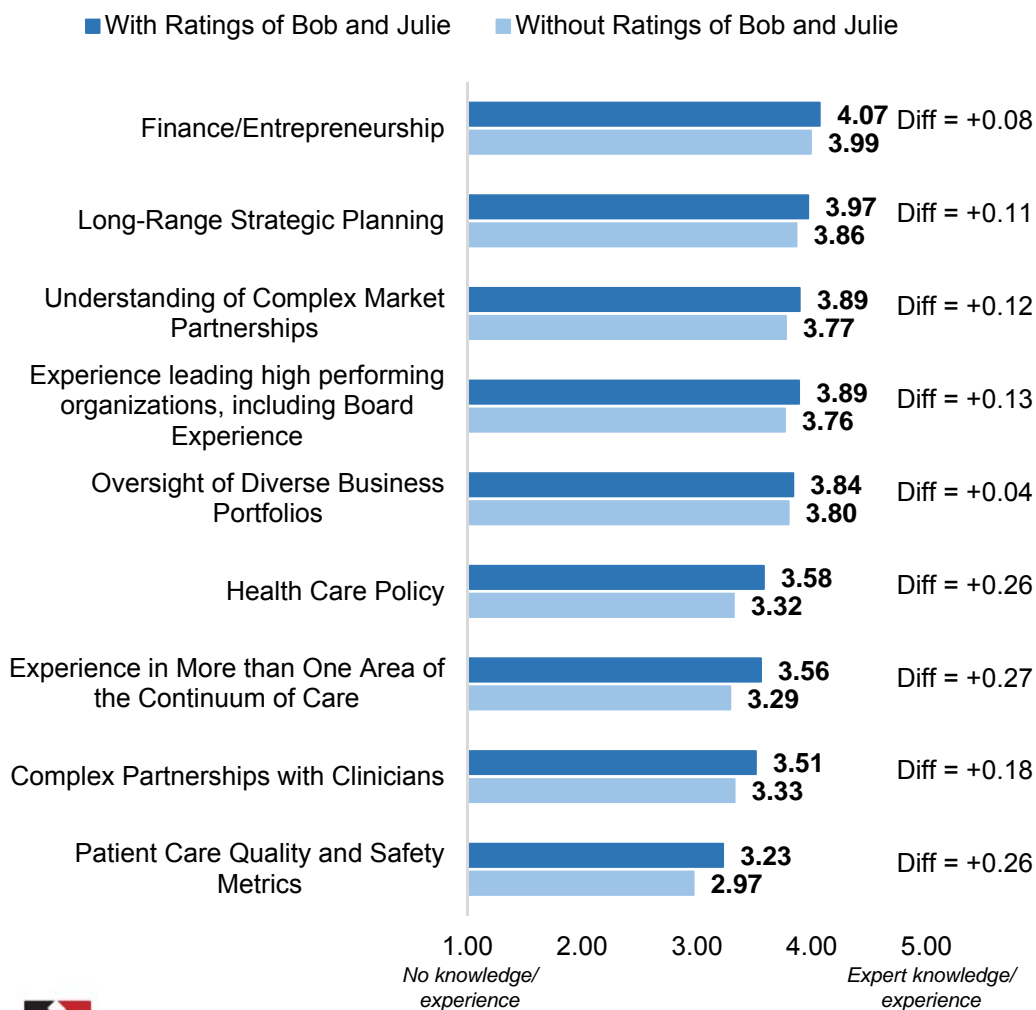
Universal Attributes



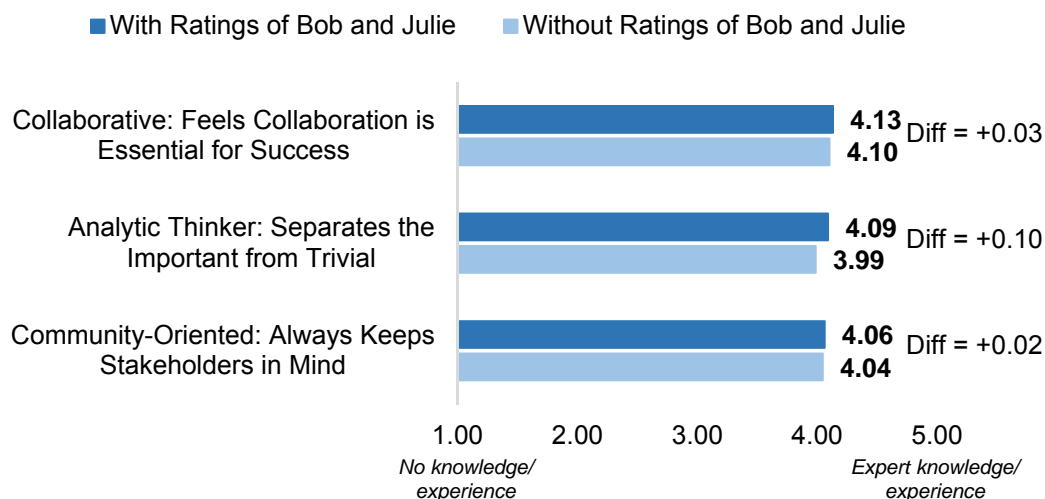
Non-District Board Members' Ratings of the Hospital Board (continued)

The competency scores are shown in the graphs below. The dark blue bars include the Non-District Board's ratings of Bob Rebitzer and Julie Kliger, whereas the light blue bars do not. The difference in scores is indicated to the right. The average difference in ratings across all Collective Competencies is +0.16. The average difference in ratings across all Universal Attributes is +0.03.

Collective Competencies



Universal Attributes



Conclusions

Conclusions for Robert Rebitzer

▪ Differences When Robert Rebitzer is Not Included as a Board Member:

- The District and Non-District Board Members rated Robert Rebitzer the highest out of all directors.
- The District Board rated him the highest in the following competency areas: Understanding of Complex Market Partnerships; Long-Range Strategic Planning; Complex Partnerships with Clinicians; Experience in More than One Area of the Continuum of Care; and Collaborative: Feels Collaboration is Essential for Success.
- He was also among the top two highest rated directors by the District Board in the areas of Experience Leading High Performing Organizations, including Board Experience; Healthcare Policy; and Patient Care Quality and Safety Metrics.
- Similarly, the Non-District Board rated Robert the highest in the areas of Understanding of Complex Market Partnerships; Experience Leading High Performing Organizations, including Board Experience; Experience in More than One Area of the Continuum of Care; and Analytic Thinker: Separates the Important from Trivial.
- The Non-District Board rated him among the top two highest directors in the areas of Long-Range Strategic Planning; Finance/Entrepreneurship; Health Care Policy; and Oversight of Diverse Business Portfolios.
- Removing his scores from the District Board's averages in these areas resulted in a notable decrease in scores for Experience Leading High Performing Organizations, including Board Experience (diff = 0.12) and Long-Range Strategic Planning (diff = 0.10). Differences in the average scores for the other competencies were minimal.
 - Experience Leading High Performing Organizations, including Board Experience (3.27 vs. 3.19)
 - Long-Range Strategic Planning (3.53 vs. 3.43)
 - Understanding of Complex Market Partnerships (3.55 vs. 3.46)
 - Complex Partnerships with Clinicians (3.33 vs. 3.26)
 - Experience in More than One Area of the Continuum of Care (3.35 vs. 3.26)
 - Collaborative: Feels Collaboration is Essential for Success (3.54 vs. 3.46)
- Next, we ran a simple method of counting the number of green boxes. The idea is that you would have fewer green boxes if the board is losing a high-performing director. Here are the results:
 - District Board Members: 37 vs. 26 green boxes (Robert Rebitzer accounts for the loss of 11 green boxes)
 - Non-District Board Members: 69 vs. 57 (Robert Rebitzer accounts for the loss of 12 green boxes)
- Results show there is agreement among the District Board and Non-District Board Members that the Hospital Board would be losing a highly experienced director if not reappointed.

Conclusions for Julie Kliger

▪ Differences When Julie Kliger is Not Included as a Board Member:

- The District Board gave Julie Kliger an overall average score of 3.32 across all 12 competencies, which fell below the District Board's aggregate average of the Hospital Board (3.48).
- The District Board's highest average competency rating for Julie was 4.00 in the area of Patient Care Quality and Safety Metrics. Her average scores from the District Board for two competencies fell below 3.00, including Experience Leading High Performing Organizations, including Board Experience; and Finance/Entrepreneurship. Her remaining scores from the District Board ranged between 3.00 – 3.99.
- The Non-District Board, however, gave Julie an overall average score of 4.19, which was above the Non-District's aggregate average of the Hospital Board (3.82).
- The Non-District Board rated her the highest on Patient Care Quality and Safety Metrics. She also was rated among the top two directors in the area of Experience in More than One Area of the Continuum of Care, and among the top 3 in the areas of Healthcare Policy and Complex Partnerships with Clinicians.
- Removing her scores from the Non-District Board's averages in these areas resulted in a notable decrease in average scores for Patient Care Quality and Safety Metrics (diff = 0.15); Experience in More than One Area of the Continuum of Care (diff = 0.11); and Healthcare Policy (diff = 0.10). The difference in the average score for Complex Partnerships with Clinicians was minimal.
 - Patient Care Quality and Safety Metrics (3.23 vs. 3.08)
 - Experience in More than One Area of the Continuum of Care (3.56 vs. 3.45)
 - Healthcare Policy (3.58 vs. 3.48)
 - Complex Partnerships with Clinicians (3.51 vs. 3.43)
- Next, we ran a simple method of counting the number of green boxes. Here are the results:
 - District Board Members: 37 vs. 36 green boxes (Julie Kliger accounts for the loss of 1 green box)
 - Non-District Board Members: 69 vs. 58 (Julie Kliger accounts for the loss of 11 green boxes)
- According to the District Board Members' data, losing Julie Kliger will have a minimal negative impact. Non-District Board Members' data shows the board would be losing expertise in 11 competency areas. There is a notable disagreement in how they view Julie Kliger's competency as a director.

Conclusions for the District vs. Non-District Board Members

▪ Differences between the District and Non-District Board Members' Ratings of the Hospital Board:

- The Non-District Board Members rated the Hospital Board significantly higher than the District Board across the Collective Competencies (3.72 vs. 3.45, respectively, when ratings for Robert Rebitzer and Julie Kliger are included). The same pattern was true for the Universal Attributes (4.09 vs. 3.57).
- The District Board rated Experience Leading High-Performing Organizations, including Board Experience, as the lowest rated collective skill, whereas the Non-District Board rated Patient Care Quality and Safety Metrics as the lowest (also when ratings for Robert Rebitzer and Julie Kliger are included).
- These discrepancies in perception of the Hospital Board's overall competency should be examined. As we reflect on the data, a few questions come to mind that bear discussion:
 - *Why do the District Board Members continue to perceive the Hospital Board more critically? What might be the issues underlying the gap between their perceptions?*
 - *What core competencies should take priority when recruiting the next Non-District Director?*
 - *How can the District Board strengthen its recruitment and nominating process, if at all?*

Appendix | Comparisons of the District and Non-District Directors' Ratings

This section compares the District Directors' ratings against the Non-District Directors' ratings

Side-by-Side Comparison (Includes Ratings of Bob Rebitzer)

Number of Green Boxes = 37

Number of Green Boxes = 69

District Board Members' Ratings of the Hospital Board

Ratings from the District Board Members (N=5)
(Includes directors' ratings of Bob Rebitzer)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.40	4.40	4.00	4.50	4.60	4.40	4.00	4.20	4.20	4.80	4.20	4.00
4.20	4.20	4.00	4.20	4.40	4.00	3.80	4.00	4.20	4.60	4.00	3.75
4.00	4.20	3.80	4.00	4.00	4.00	3.75	3.80	4.00	4.40	4.00	3.60
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.80	3.75	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.50	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.60	3.80	3.40	3.25	3.50	3.75	3.60	3.40
3.40	3.20	2.80	3.25	3.50	3.00	3.25	3.20	3.40	3.50	3.50	3.25
3.00	3.00	2.50	3.00	3.25	2.80	3.25	3.00	3.20	3.20	3.00	3.20
3.00	2.75	2.50	2.80	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.55	3.53	3.27	3.52	3.62	3.38	3.33	3.35	3.48	3.74	3.54	3.43
Average = 3.45									Average = 3.57		

Notes:

- Highest rated Collective Competency was Healthcare Policy; lowest was Experience Leading High-Performing Organizations, including Board Experience
- Highest rated Universal Attribute was Analytical Thinker; lowest was Community Oriented



ECH 2019 Hospital Board Competency Matrix | September 2019

District Board Ratings

- Ratings in green were given to three District Board members and five Non-District Board members
- Ratings in red were given to four District Board members and one Non-District Board member

Non-District Board Members' Ratings of the Hospital Board

Ratings from the Non-District Board Members (N=5)
(Includes directors' ratings of Bob Rebitzer)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.50	4.67	4.75	5.00	5.00	4.80	4.25	4.75	4.50	5.00	4.75	4.50
4.33	4.50	4.67	4.75	4.75	4.50	4.25	4.50	4.00	4.80	4.67	4.40
4.25	4.40	4.60	4.50	4.50	4.33	4.25	4.25	4.00	4.75	4.60	4.25
4.25	4.25	4.25	4.40	3.80	4.33	4.00	4.00	3.40	4.33	4.33	4.20
4.20	4.25	4.00	4.33	3.75	4.25	3.80	3.80	3.40	4.20	4.25	4.00
4.00	4.00	4.00	4.33	3.40	4.20	3.75	3.40	3.00	4.00	4.25	4.00
4.00	4.00	3.80	4.00	3.20	3.50	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.89	3.97	3.89	4.07	3.58	3.84	3.51	3.56	3.23	4.09	4.13	4.06
Average = 3.72									Average = 4.09		

Notes:

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Community Oriented



ECH 2019 Hospital Board Competency Matrix | September 2019

Non-District Board Ratings

- Ratings in green were given to five District Board members and five Non-District Board members
- Ratings in red were given to two District Board members and two Non-District Board members

Side-by-Side Comparison (Without Bob Rebitzer)

Number of Green Boxes = 26 (lose 11 green boxes)

Number of Green Boxes = 57 (lose 12 green boxes)

District Board Members' Ratings of the Hospital Board (continued)

Ratings from the District Board Members (N=5)
(Does NOT include directors' ratings of Bob Rebitzer)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies								Universal Attributes			
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.20	4.20	4.00	4.50	4.60	4.40	3.80	4.00	4.20	4.80	4.00	4.00
4.00	4.20	3.80	4.20	4.00	4.00	3.75	3.80	4.00	4.60	4.00	3.75
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.80	3.75	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.50	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.60	3.80	3.40	3.25	3.50	3.75	3.60	3.40
3.40	3.20	2.80	3.25	3.50	3.00	3.25	3.20	3.40	3.50	3.50	3.25
3.00	3.00	2.50	3.00	3.25	2.80	3.25	3.00	3.20	3.20	3.00	3.20
3.00	2.75	2.50	2.80	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.46	3.43	3.19	3.46	3.53	3.31	3.26	3.26	3.39	3.67	3.46	3.41
Average = 3.36								Average = 3.51			

Notes (same as previous page):

- Highest rated Collective Competency was Healthcare Policy; lowest was Experience Leading High-Performing Organizations, including Board Experience
- Highest rated Universal Attribute was Analytical Thinker; lowest was Community Oriented

Non-District Board Members' Ratings of the Hospital Board (continued)

Ratings from the Non-District Board Members (N=5)
(Does NOT include directors' ratings of Bob Rebitzer)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies								Universal Attributes			
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.33	4.67	4.67	5.00	5.00	4.80	4.25	4.50	4.50	4.80	4.75	4.50
4.25	4.40	4.60	4.50	4.50	4.33	4.25	4.25	4.00	4.75	4.67	4.40
4.25	4.25	4.25	4.40	3.80	4.33	4.00	4.00	3.40	4.33	4.60	4.25
4.20	4.25	4.00	4.33	3.75	4.25	3.80	3.80	3.40	4.20	4.33	4.20
4.00	4.00	4.00	4.33	3.40	4.20	3.75	3.40	3.00	4.00	4.25	4.00
4.00	4.00	3.80	4.00	3.20	3.50	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.83	3.91	3.79	3.99	3.45	3.76	3.43	3.42	3.14	3.99	4.12	4.07
Average = 3.64								Average = 4.06			

Notes (same as previous page):

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Community Oriented

Side-by-Side Comparison (Includes Ratings of Julie Kliger)

Number of Green Boxes = 37

Number of Green Boxes = 69

District Board Members' Ratings of the Hospital Board

Ratings from the District Board Members (N=5)
(Includes directors' ratings of Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.40	4.40	4.00	4.50	4.60	4.40	4.00	4.20	4.20	4.80	4.20	4.00
4.20	4.20	4.00	4.20	4.40	4.00	3.80	4.00	4.20	4.60	4.00	3.75
4.00	4.20	3.80	4.00	4.00	4.00	3.75	3.80	4.00	4.40	4.00	3.60
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.80	3.75	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.50	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.60	3.80	3.40	3.25	3.50	3.75	3.60	3.40
3.40	3.20	2.80	3.25	3.50	3.00	3.25	3.20	3.40	3.50	3.50	3.25
3.00	3.00	2.50	3.00	3.25	2.80	3.25	3.00	3.20	3.20	3.00	3.20
3.00	2.75	2.50	2.80	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.55	3.53	3.27	3.52	3.62	3.38	3.33	3.35	3.48	3.74	3.54	3.43
Average = 3.45									Average = 3.57		

Notes:

- Highest rated Collective Competency was Healthcare Policy; lowest was Experience Leading High-Performing Organizations, including Board Experience
- Highest rated Universal Attribute was Analytical Thinker; lowest was Community Oriented

Non-District Board Members' Ratings of the Hospital Board

Ratings from the Non-District Board Members (N=5)
(Includes directors' ratings of Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/ Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.50	4.67	4.75	5.00	5.00	4.80	4.25	4.75	4.50	5.00	4.75	4.50
4.33	4.50	4.67	4.75	4.75	4.50	4.25	4.50	4.00	4.80	4.67	4.40
4.25	4.40	4.60	4.50	4.50	4.33	4.25	4.25	4.00	4.75	4.60	4.25
4.25	4.25	4.25	4.40	3.80	4.33	4.00	4.00	3.40	4.33	4.33	4.20
4.20	4.25	4.00	4.33	3.75	4.25	3.80	3.80	3.40	4.20	4.25	4.00
4.00	4.00	4.00	4.33	3.40	4.20	3.75	3.40	3.00	4.00	4.25	4.00
4.00	4.00	3.80	4.00	3.20	3.50	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.89	3.97	3.89	4.07	3.58	3.84	3.51	3.56	3.23	4.09	4.13	4.06
Average = 3.72									Average = 4.09		

Notes:

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Community Oriented

Side-by-Side Comparison (Without Julie Kliger)

Number of Green Boxes = 36 (lose 1 green box)

Number of Green Boxes = 58 (lose 11 green boxes)

District Board Members' Ratings of the Hospital Board (continued)

Ratings from the District Board Members (N=5)
(Does NOT include directors' ratings of Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.40	4.40	4.00	4.50	4.60	4.40	4.00	4.20	4.20	4.80	4.20	4.00
4.20	4.20	4.00	4.20	4.40	4.00	3.80	4.00	4.20	4.60	4.00	3.75
4.00	4.20	3.80	4.00	4.00	4.00	3.75	3.80	3.75	4.40	4.00	3.60
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.50	3.50	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.25	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.50	3.80	3.25	3.20	3.40	3.75	3.50	3.40
3.00	3.00	2.50	3.25	3.25	3.00	3.25	3.00	3.20	3.50	3.00	3.25
3.00	2.75	2.50	3.00	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.57	3.56	3.32	3.59	3.62	3.44	3.32	3.30	3.42	3.80	3.53	3.46
Average = 3.46									Average = 3.59		

Notes:

- Highest rated Collective Competency was Healthcare Policy; lowest was Experience in More Than One Area of Continuum of Care
- Highest rated Universal Attribute was Analytical Thinker; lowest was Community Oriented

Non-District Board Members' Ratings of the Hospital Board (continued)

Ratings from the Non-District Board Members (N=5)
(Does NOT include directors' ratings of Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.50	4.67	4.75	5.00	5.00	4.80	4.25	4.75	4.00	5.00	4.75	4.50
4.33	4.50	4.67	4.75	4.75	4.50	4.25	4.25	4.00	4.80	4.67	4.40
4.25	4.40	4.60	4.50	3.80	4.33	4.00	4.00	3.40	4.75	4.60	4.20
4.20	4.25	4.25	4.40	3.75	4.33	3.80	3.80	3.40	4.33	4.33	4.00
4.00	4.00	4.00	4.33	3.40	4.25	3.75	3.40	3.00	4.20	4.25	4.00
4.00	4.00	3.80	4.33	3.20	4.20	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.85	3.94	3.87	4.07	3.48	3.87	3.43	3.45	3.08	4.10	4.12	4.04
Average = 3.67									Average = 4.08		

Notes (same as previous page):

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Community Oriented

Side-by-Side Comparison (Includes Ratings of Bob and Julie)

Number of Green Boxes = 37

Number of Green Boxes = 69

District Board Members' Ratings of the Hospital Board

Ratings from the District Board Members (N=5)
(Includes directors' ratings of Bob Rebitzer and Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.40	4.40	4.00	4.50	4.60	4.40	4.00	4.20	4.20	4.80	4.20	4.00
4.20	4.20	4.00	4.20	4.40	4.00	3.80	4.00	4.20	4.60	4.00	3.75
4.00	4.20	3.80	4.00	4.00	4.00	3.75	3.80	4.00	4.40	4.00	3.60
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.80	3.75	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.50	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.60	3.80	3.40	3.25	3.50	3.75	3.60	3.40
3.40	3.20	2.80	3.25	3.50	3.00	3.25	3.20	3.40	3.50	3.50	3.25
3.00	3.00	2.50	3.00	3.25	2.80	3.25	3.00	3.20	3.20	3.00	3.20
3.00	2.75	2.50	2.80	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.55	3.53	3.27	3.52	3.62	3.38	3.33	3.35	3.48	3.74	3.54	3.43
Average = 3.45									Average = 3.57		

Notes:

- Highest rated Collective Competency was Healthcare Policy; lowest was Experience Leading High-Performing Organizations, including Board Experience
- Highest rated Universal Attribute was Analytical Thinker; lowest was Community Oriented

Non-District Board Members' Ratings of the Hospital Board

Ratings from the Non-District Board Members (N=5)
(Includes directors' ratings of Bob Rebitzer and Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/ Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.50	4.67	4.75	5.00	5.00	4.80	4.25	4.75	4.50	5.00	4.75	4.50
4.33	4.50	4.67	4.75	4.75	4.50	4.25	4.50	4.00	4.80	4.67	4.40
4.25	4.40	4.60	4.50	4.50	4.33	4.25	4.25	4.00	4.75	4.60	4.25
4.25	4.25	4.25	4.40	3.80	4.33	4.00	4.00	3.40	4.33	4.33	4.20
4.20	4.25	4.00	4.33	3.75	4.25	3.80	3.80	3.40	4.20	4.25	4.00
4.00	4.00	4.00	4.33	3.40	4.20	3.75	3.40	3.00	4.00	4.25	4.00
4.00	4.00	3.80	4.00	3.20	3.50	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.89	3.97	3.89	4.07	3.58	3.84	3.51	3.56	3.23	4.09	4.13	4.06
Average = 3.72									Average = 4.09		

Notes:

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Community Oriented

Side-by-Side Comparison (Without Bob and Julie)

Number of Green Boxes = 25 (lose 12 green boxes)

Number of Green Boxes = 46 (lose 23 green boxes)

District Board Members' Ratings of the Hospital Board (continued)

Ratings from the District Board Members (N=5)
(Does NOT include directors' ratings of Bob Rebitzer and Julie Kliger)

■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.20	4.20	4.00	4.50	4.60	4.40	3.80	4.00	4.20	4.80	4.00	4.00
4.00	4.20	3.80	4.20	4.00	4.00	3.75	3.80	3.75	4.60	4.00	3.75
4.00	4.00	3.75	4.00	3.75	4.00	3.50	3.50	3.50	4.40	3.80	3.50
4.00	3.75	3.60	3.80	3.60	3.80	3.40	3.25	3.50	4.25	3.75	3.40
3.50	3.75	3.50	3.60	3.50	3.80	3.25	3.20	3.40	3.75	3.50	3.40
3.00	3.00	2.50	3.25	3.25	3.00	3.25	3.00	3.20	3.50	3.00	3.25
3.00	2.75	2.50	3.00	3.00	2.50	3.20	2.75	3.00	3.00	3.00	3.20
2.00	2.00	2.25	2.00	2.50	1.50	1.75	2.00	2.00	1.50	2.50	3.00
3.46	3.46	3.24	3.54	3.53	3.38	3.24	3.19	3.32	3.73	3.44	3.44
Average = 3.37									Average = 3.54		

Notes:

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Experience in More Than One Area of the Continuum of Care
- Highest rated Universal Attribute was Analytical Thinker; Collaborative and Community Oriented tied

Non-District Board Members' Ratings of the Hospital Board (continued)

Ratings from the Non-District Board Members (N=5)
(Does NOT include directors' ratings of Bob Rebitzer and Julie Kliger)

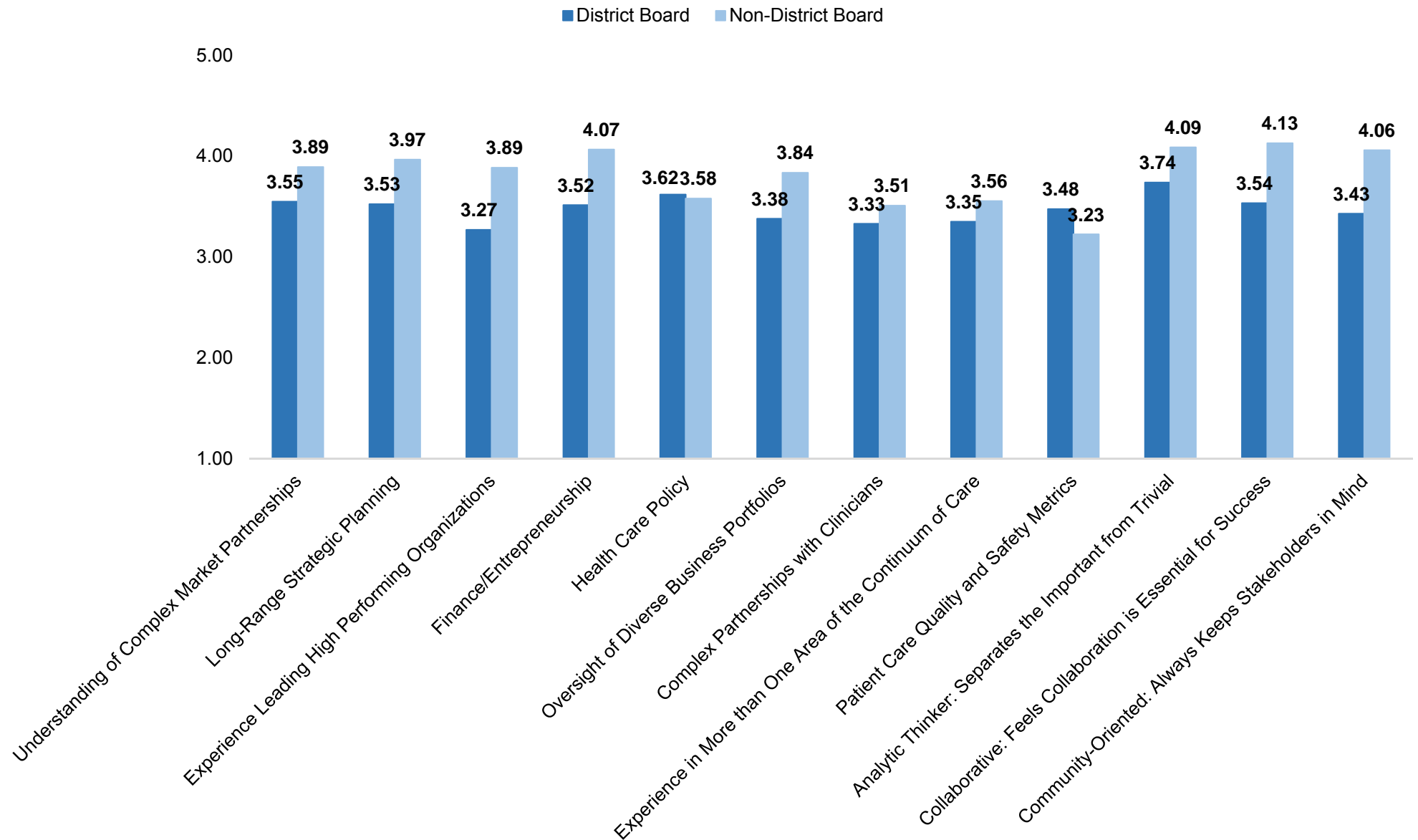
■ 4.00 and Above
■ Between 3.00 and 3.99
■ Below 3.00

Collective Competencies									Universal Attributes		
Understanding of Complex Market Partnerships	Long-range Strategic Planning	Experience Leading High-Performing Organizations	Finance/ Entrepreneurship	Healthcare Policy	Oversight of Diverse Business Portfolios	Complex Partnerships w/ Clinicians	Experience in More Than One Area of Continuum of Care	Patient Care Quality and Safety Metrics	Analytical Thinker	Collaborative	Community Oriented
4.33	4.67	4.67	5.00	5.00	4.80	4.25	4.25	4.00	4.80	4.75	4.50
4.25	4.40	4.60	4.50	3.80	4.33	4.00	4.00	3.40	4.75	4.67	4.40
4.20	4.25	4.25	4.40	3.75	4.33	3.80	3.80	3.40	4.33	4.60	4.20
4.00	4.00	4.00	4.33	3.40	4.25	3.75	3.40	3.00	4.20	4.33	4.00
4.00	4.00	3.80	4.33	3.20	4.20	3.40	3.25	2.80	4.00	4.25	4.00
3.60	3.40	3.20	3.75	3.00	3.25	3.20	3.20	2.75	3.80	3.80	4.00
3.40	3.40	3.00	3.40	2.40	2.80	2.20	2.40	2.40	3.20	3.60	3.75
2.40	2.80	2.60	2.20	2.00	2.40	2.00	2.00	2.00	2.80	2.80	3.50
3.77	3.86	3.76	3.99	3.32	3.80	3.33	3.29	2.97	3.99	4.10	4.04
Average = 3.57									Average = 4.04		

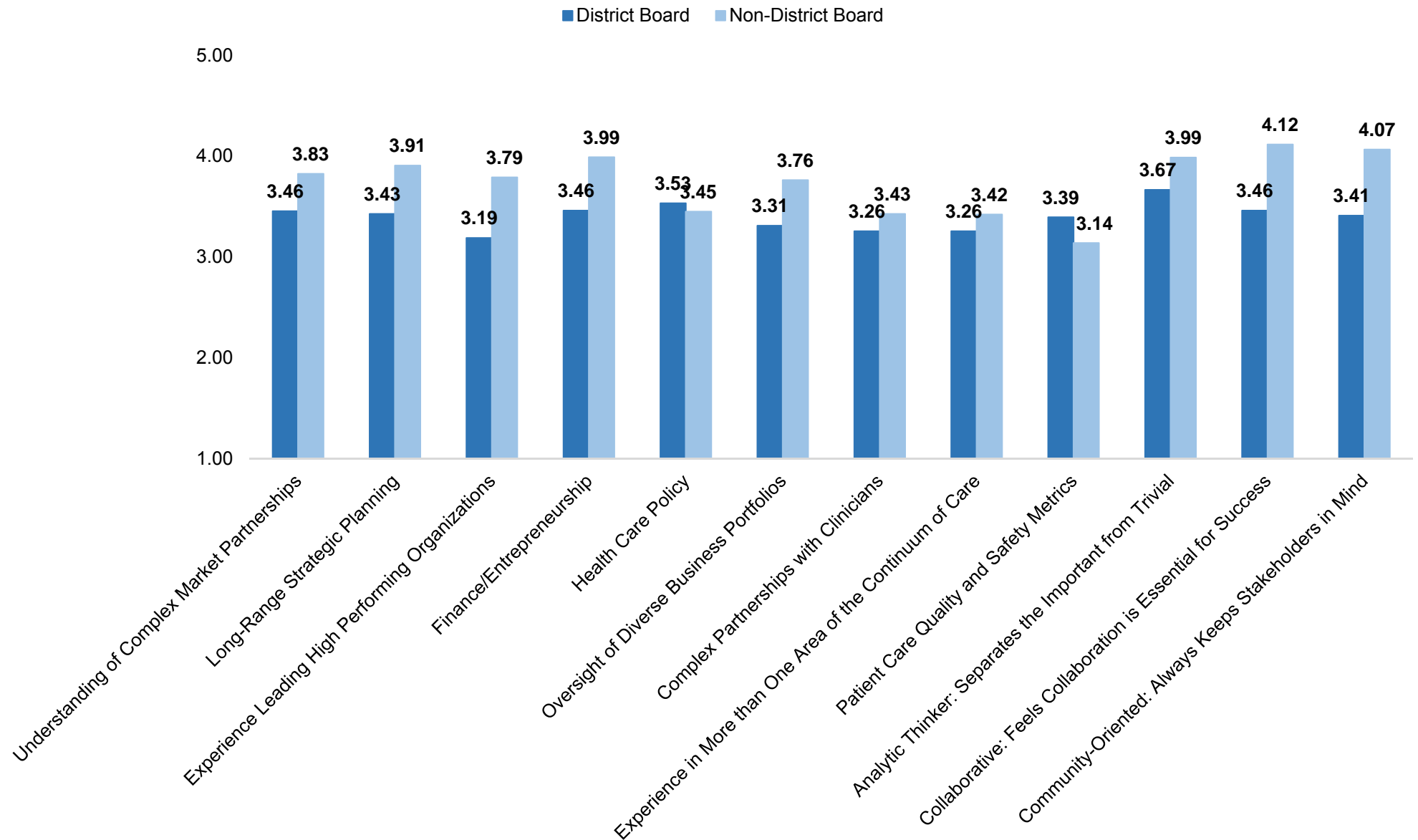
Notes (same as previous page):

- Highest rated Collective Competency was Finance/Entrepreneurship; lowest was Patient Care Quality and Safety Metrics
- Highest rated Universal Attribute was Collaborative; lowest was Community Oriented

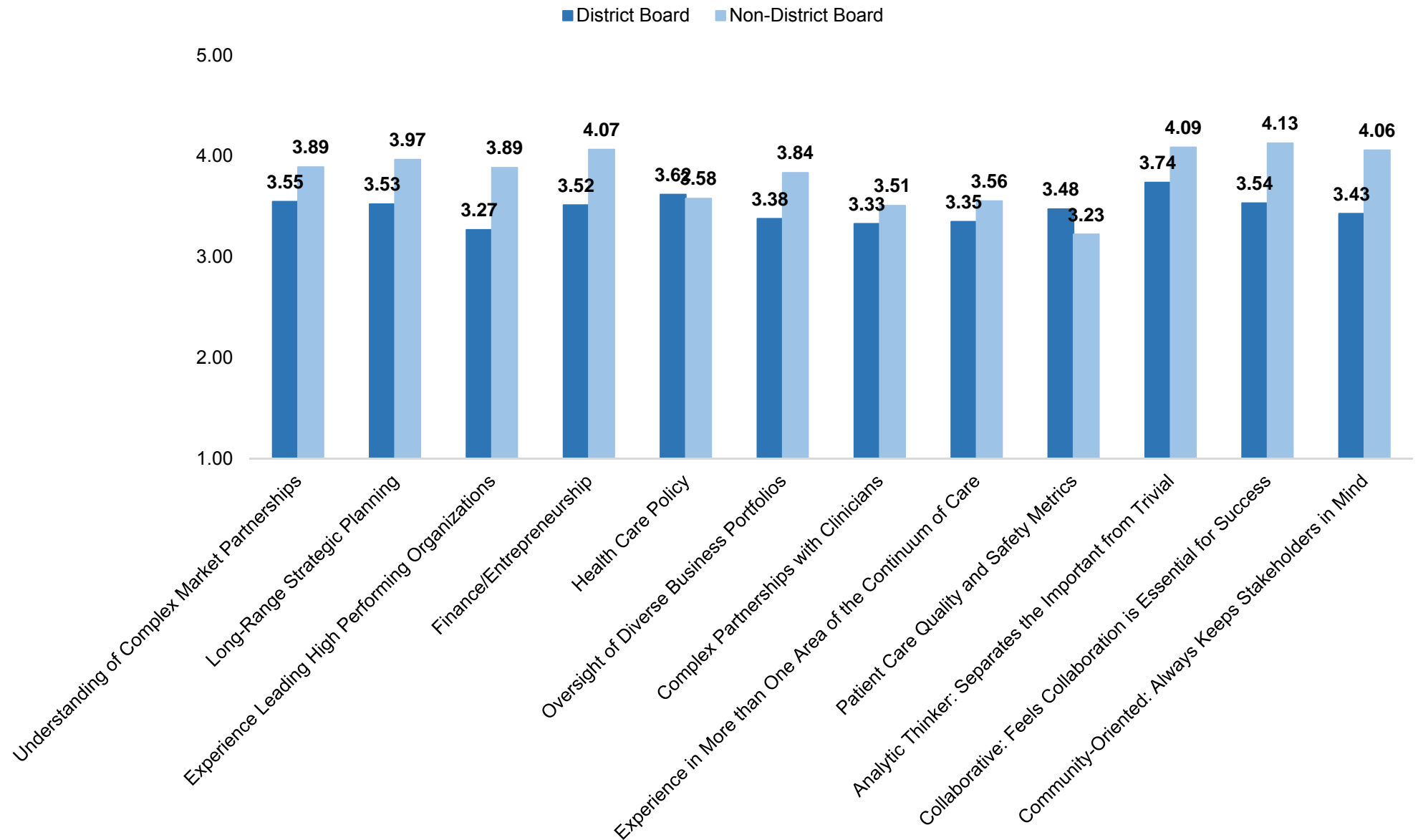
Side-by-Side Comparison (Includes Ratings of Bob Rebitzer)



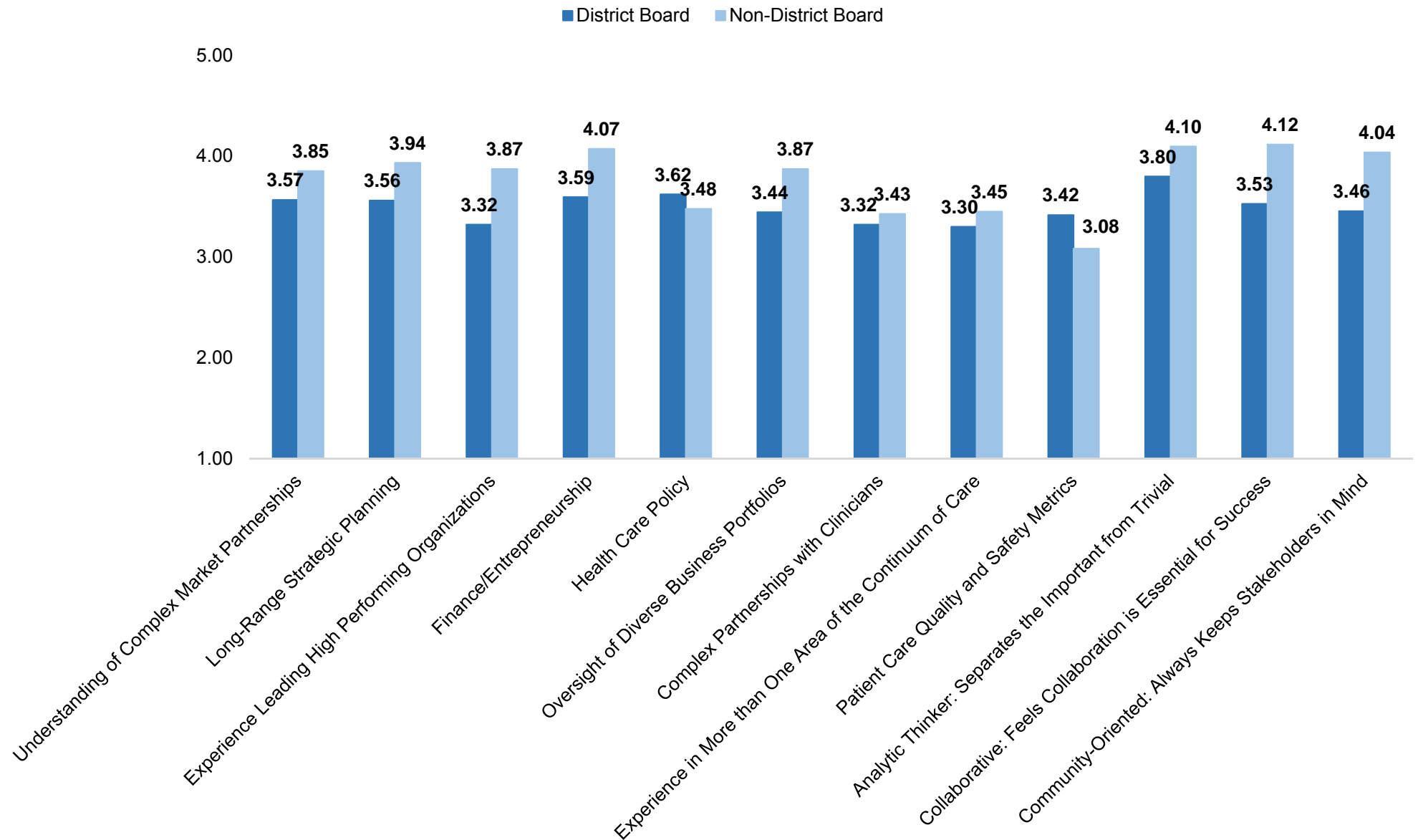
Side-by-Side Comparison (Without Ratings of Bob Rebitzer)



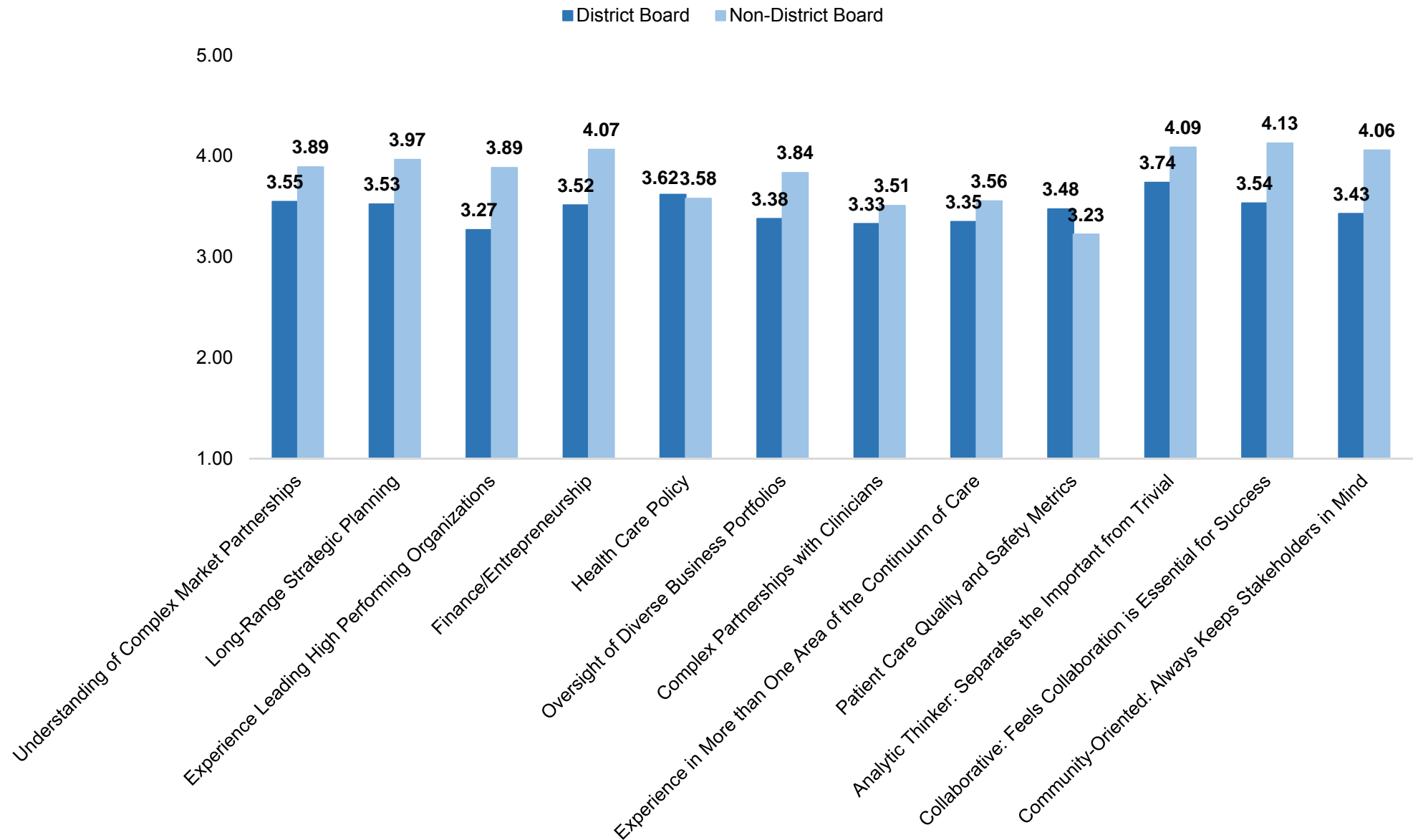
Side-by-Side Comparison (Includes Ratings of Julie Kliger)



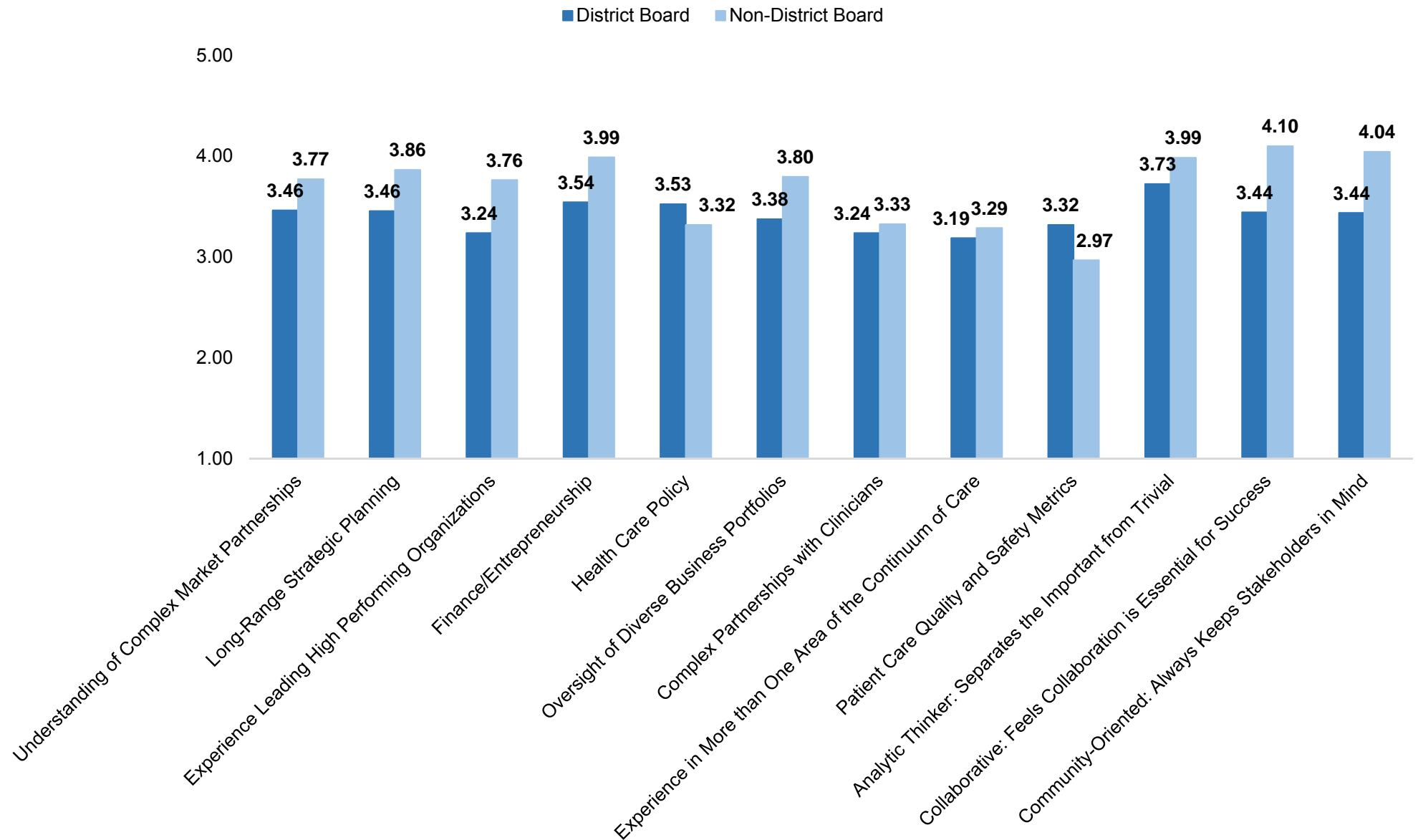
Side-by-Side Comparison (Without Ratings of Julie Kliger)



Side-by-Side Comparison (Includes Ratings of Bob and Julie)



Side-by-Side Comparison (Without Ratings of Bob and Julie)





NYGRENCONSULTING
GOVERNANCE STRATEGY LEADERSHIP

Office: 415-686-3767 | Fax: 415-358-4804
info@nygrenconsulting.com | www.nygrenconsulting.com

***El Camino Hospital Board of Directors
Re-Election Candidate Questionnaire***

Name: Julie Kliger

Address: 13100 Skyline Blvd, Oakland, CA

Contact Phone: 510-551-3330

Occupation: Healthcare consultant

Email Address: julie@thealtosgroup.com

1. Why are you interested in continuing to serve on the El Camino Hospital Board of Directors?

The reasons that drew me to this post two years ago are still alive and relevant for me: I believe strongly in the mission of the hospital (and now health system), and I feel an obligation to the community. These reasons are even truer for me today than they were two years ago.

I believe ECH is at an inflection point of growth and significance within a competitive and dynamic market and I'd like to continue to steward this journey. I hope that my experience and knowledge of the market is viewed as positive, additive and helps inform the strategic choices the leadership team must make.

I feel that I'm just getting the 'hang' of the Board and how best to interact with my fellow members. I also believe that it takes a bit of time to fully understand and appreciate the issues and opportunities confronting the health system; which is to say, that I anticipate my feedback and guidance to be richer, more contextualized and more targeted moving into my second term.

2. At the beginning of FY20, the El Camino Hospital Board approved a Competency Matrix that identified the following top five competencies for its Board in the coming year:

- Understanding of Complex Market Partnerships,
- Long Range Strategic Planning,
- Experience leading a high performing organizations including Board level experience, and
- Finance/Entrepreneurship
- Healthcare Policy

How do you meet one or more of these competencies?

My strengths and experiences skew towards organizational performance in quality, physician partnerships and operational improvement. Strategic planning in the context of complex markets is also an area of knowledge and experience. I've worked in healthcare for my entire career—an as clinician in pediatrics, psychiatry and emergency medicine and as a healthcare consultant.

My other areas of knowledge and experiences are in the areas of developing programs which build business lines across the continuum of care, and developing strategies to extend an organization's capacity to improve access and quality in their market.

3. What other skills and experience do you feel you bring to this appointment?

I understand this marketplace specifically. This can be useful when considering strategic moves. I understand care delivery as a nurse, which is a different perspective from that of a physician or a Lay Board member. Additionally, I believe I am a team player and strive to support the organization's missions and goals.

I believe that quality of care and a culture of excellence are not just 'nice things to have,' but are the pillars of successful health-providing organizations. Why is this so? Quality—and the striving towards ever better quality—drives down inefficiencies, mistakes, delays in care, and drives up better outcomes and leaner service provisioning, which in turn, improves productivity and reduces re-work and risk, which in-turn, improves the reputation and quality scores which are publicly reported, which, in the end, allows a hospital to be competitive, innovate, negotiate favorable payer contracting, and stay in business. I can contribute significantly in defining this strategic growth area.

4. Have you ever served on a Board of Directors? If so, which ones?

Yes, I served on the Sepsis Alliance Board for nearly 8 years.

5. In your opinion, what are the key issues facing El Camino Hospital today?

Quality, quality visioning and execution. Quality of care, reputational quality and service quality are the key factors of competition in this competitive landscape.

On becoming a 'system.' Coordination, integration, governance and developing systems of accountability and oversight are critical to the success of this enterprise.

6. Are you willing to commit to at least three years as a Board member and are you able to continue to meet the Board's attendance requirements?

Yes. I have been able meet the requirements set forth for serving Board members and plan to continue to do so.

7. What is your sense of the role of a board of directors, its responsibilities in governance, and how it is separate from the role of management?

The role of the Board is to ensure, through proper and strong management structure, that the organization is meeting its mission and multiple 'bottom lines,' including finance, quality, and market place leadership. The Board's role is also to reduce risk and advance the organization's security through prudent oversight.

8. What one characteristic sets you apart from others and positions you to bring unique value to the El Camino Hospital Board of Directors?

I believe wholeheartedly that those who choose to serve in healthcare must understand the significance of this type of work: People come to hospitals and become patients. Patients are forced to trust. We are the holders of that trust. We must meet the covenant of this trust or we are not doing our best work.

I'm not sure I can claim this characteristic as distinctive from my fellow Board members, however, I have a sincere dedication to the mission of the organization, its providers and its patients who view this organization as their most important community asset.

And, I believe that ECH is blessed with having extremely talented set of Board members. Other Board members are very thoughtful and sharp, which is an asset for the health system.

***El Camino Hospital Board of Directors
Re-Election Candidate Questionnaire***

Name: Bob Rebitzer

Address: 159 Seale Avenue Palo Alto, CA94301

Contact Phone: 415-987-2491

Occupation: Managing Director, Healthcare Strategy Consulting

Email Address: bob_rebitzer@elcaminohealth.org

1. Why are you interested in continuing to serve on the El Camino Hospital Board of Directors?

I joined the Board with two goals in mind: improve the Board's ability to function as a governance body and support the transition from a hospital based organization to a health system. I think we have made progress against both these goals but that there is more work to be done. I'd like to continue pursuing these goals in my next term as a director.

2. At the beginning of FY20, the El Camino Hospital Board approved a Competency Matrix that identified the following top five competencies for its Board in the coming year:

- Understanding of Complex Market Partnerships,
- Long Range Strategic Planning,
- Experience leading a high performing organizations including Board level experience, and
- Finance/Entrepreneurship
- Healthcare Policy

How do you meet one or more of these competencies?

I have worked in long range strategic planning for healthcare organizations for more than 30 years. As a management consultant, I have also worked with boards and executive leaders throughout my career to help them lead their organizations to a high level of performance. I have also worked at the intersection of management and healthcare policy in a number of areas including Medi-Cal, privacy issues and the treatment of substance use disorder. In addition, at the Stanford Clinical Excellence Research Center (CERC) I helped devise a curriculum to train our fellows in the political economy of the US Healthcare system.

3. What other skills and experience do you feel you bring to this appointment?

I began my working life as a community organizer. I appreciate the role of community stakeholders, and a vibrant District Board, in the success of the enterprise.

4. Have you ever served on a Board of Directors? If so, which ones?

Yes. Gideon Hausner Jewish Day School and the Center for Care Innovation (CCI). CCI provides technical assistance to FQHCs and other safety net institutions.

5. In your opinion, what are the key issues facing El Camino Hospital today?

A. Making the transition to a healthcare system while managing the relationships with other major systems in the area.

B. Preparing the system to survive in a less rich reimbursement environment with a higher proportion of public sector payers.

C. Finding ways to continue to support independent medical practices while pursuing A, above.

6. Are you willing to commit to at least three years as a Board member and are you able to continue to meet the Board's attendance requirements?

Yes.

7. What is your sense of the role of a board of directors, its responsibilities in governance, and how it is separate from the role of management?

Governance is the province of the board of directors. The goals of governance are to set the strategic direction of the organization, select the CEO and hold the CEO accountable for implementing the strategic direction. The role of the board is to support the CEO and his team as they carry on the work of the organization.

Management is the actual running of the organization. Management is responsible for implementing the strategy and achieving the objectives set by the board of directors.

8. What one characteristic sets you apart from others and positions you to bring unique value to the El Camino Hospital Board of Directors?

I am a good listener and a creative partner in solving problems.

**EL CAMINO HEALTHCARE DISTRICT BOARD
FY2020 PACING PLAN**

FY20 Q1		
JULY 2019	AUGUST 2019	SEPTEMBER 2019
No Meeting	No Meeting	No Meeting
FY20 Q2		
OCTOBER 22, 2019	NOVEMBER 2019	DECEMBER 2019
<ul style="list-style-type: none"> ▪ FY20 YTD ECHD Financials ▪ Community Benefit Spotlight ▪ FY19 Community Benefit Year End Report ▪ FY19 Stand-Alone Financials ▪ FY19 Financial Audit Presentation – Consolidated ECH District Financials ▪ Approve FY19 Hospital Audit ▪ Hospital Board Member Election Ad Hoc Committee Report ▪ Pacing Plan ▪ Approval of Minutes ▪ FY19 CEO and CFO Performance Review ▪ <u>Possible Revision to ECH Bylaws (Committee Appointment Process)</u> ▪ <u>Re- Election of El Camino Hospital Board Members</u> ▪ <u>Community Benefit Process</u> 	No Meeting	No Meeting

FY20 Q3		
JANUARY 21 or 28, 2020	FEBRUARY 2020	MARCH 17, 2020
<ul style="list-style-type: none"> ▪ Recognition (As Needed) ▪ Community Benefit Spotlight (If Time Allows) ▪ FY20 YTD ECHD Financials ▪ Hospital Board Member Election Ad Hoc Committee Report (if necessary) ▪ Pacing Plan ▪ Approval of Minutes 	No Meeting	<ul style="list-style-type: none"> ▪ Recognition (As Needed) ▪ Community Benefit Spotlight (If Time Allows) ▪ FY20 YTD ECHD Financials ▪ Hospital Board Member Election Ad Hoc Committee Report (if necessary) ▪ Approve Resolution Calling for November 2020 Election ▪ Pacing Plan ▪ Approval of Minutes
FY20 Q4		
APRIL 2020	MAY 19, 2020	JUNE 16, 2020
No Meeting	<ul style="list-style-type: none"> ▪ FY 21 Community Benefit Plan Study Session ▪ Community Benefit Mid-Year Metrics ▪ Hospital Board Member Election Ad Hoc Committee Report (If necessary) 	<ul style="list-style-type: none"> ▪ Recognition (As Needed) ▪ Community Benefit Spotlight (If Time Allows) ▪ FY20 YTD ECHD Financials ▪ Tax Appropriation for FY21 ▪ District Capital Outlay Fund ▪ Hospital Board Member Election Ad Hoc Committee Report (if necessary) ▪ Approval of FY21 Community Benefit Plan ▪ Approve ECH FY21 Budget ▪ Approve ECHD FY21 Budget ▪ Appointment of Liaison to the Community Benefit Advisory Council ▪ Appoint FY21 Hospital Board Member Election Ad Hoc Committee ▪ Approval of Minutes and FY21 Pacing Plan ▪ Resolution Setting FY21 Regular Meeting Dates