

Board of Directors' Meeting

March 12, 2025

Page 1 of 9

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, March 12, 2025 in the Medical Oncology Conference Room at 2500 Mowry Avenue, 2nd Floor, Suite # 243, Fremont and Zoom access was provided. Director Wallace called the meeting to order at 6:00 p.m. and led those in attendance of the meeting in the Pledge of Allegiance.

CALL TO ORDER

*PLEDGE OF
ALLEGIANCE*

Roll call was taken: Directors present: Michael Wallace; William Nicholson, MD; Jeannie Yee; Bernard Stewart, DDS; Jacob Eapen, MD

ROLL CALL

Also present: Kimberly Hartz; Larry LaBossiere; Ajay Sial; Paul Kozachenko; Kel Kanady; Jerri Randrup; Mark Saleh, MD; Sheela Vijay; Laura Anning; Ramin Beygui, MD; John Zubiena; Mary Bowron; Melissa Carvalho; Alvin Aguirre; John Lee; Brian Smith, MD; Prasad Kilaru, MD; Angus Cochran; Marcus Watkins; Dan Nardoni; Melissa Garcia; Donald Pipkin; Gisela Hernandez; Sri Boddu; Cheryl Renaud; Shirley Ehrlich

Director Wallace welcomed any members of the general public to the meeting.

OPENING REMARKS

Director Wallace noted that Public Notice for this meeting, including Zoom information, was posted appropriately on our website. This meeting was recorded for broadcast at a later date.

There were no Oral Communications.

*COMMUNICATIONS:
ORAL*

There were no Written Communications.

*COMMUNICATIONS:
WRITTEN*

Director Wallace presented the Consent Calendar for consideration:

CONSENT CALENDAR

- A. Consideration of the Minutes of the Regular Meetings of the District Board: February 12, 24 & 26, 2025.

Director Eapen moved that the Board of Directors approve the Consent Calendar, Item A. Director Stewart seconded the motion.

Roll call was taken:

Michael Wallace – aye
William Nicholson, MD – aye
Jeannie Yee - aye
Bernard Stewart, DDS – aye
Jacob Eapen, MD - aye

Motion Approved.

Board of Directors' Meeting

March 12, 2025

Page 2 of 9

Kimberly Hartz, Chief Executive Officer, introduced Dr. Ramin Beygui, Medical Director, Cardiothoracic Surgery Program, and Larry LaBossiere, Vice President and Chief Operating Officer, who presented the CT Surgery and Structural Heart Program at Washington Health. Mr. LaBossiere announced that Washington Health celebrated a milestone in conducting its 100th Transcatheter Aortic Valve Replacement (TAVR) procedure in this past year, which has become a standard of care for Aortic Stenosis, often out performing open surgical repair.

*PRESENTATION; CT
SURGERY &
STRUCTURAL HEART
PROGRAM*

Dr. Beygui stated that Washington Health treats a wide variety of cardiac (both heart and chest) conditions such as Valvular Disease, Atrial Fibrillation, Aortic Dissection/Aneurysm, Coronary Artery Disease (CAD), Aortic Stenosis and Congenital Defects using the latest innovations. The associated procedures include Open Valve Replacement, Left Atrial Appendage Closure, Maze Procedure, Open Repair (EVAR, TEVAR, Root Repair), Cardiac Bypass Surgery, Septal Repair, Coarctation of Aorta and Transcatheter Aortic Valve Replacements (TAVR).

Dr. Beygui shared the outcomes on the Coronary Artery Bypass Grafting (CABG) for 2023 and 2024 which resulted in zero mortalities.

Washington Health has expanded services to include a Fellowship Program with UCSF Fellows, the initiation of Trauma Services, Robotic CT Surgery, Left Atrial Appendage Occlusion for Atrial Fibrillation (WATCHMAN) and a dedicated Cardiac Operating Room for elective and emergent procedures.

Dr. Beygui elaborated on the Structural Heart Program and how catheter-based techniques are used to treat conditions which affect the valves, walls, chambers and muscles of the heart. These conditions have historically been treated via open heart procedures or left untreated. A Structural Heart Physician is an interventional cardiologist who obtains an additional year of training to be better prepared to treat patients that can experience shorter hospitalization, less pain and a faster recovery time.

Structural Heart Procedures include Atrial Septal Defect Repair (ASD), Patent Foramen Ovale Closure (PFO), Mitral Valvuloplasty, Paravalvular Leak (PVL), Aortic Balloon Valvuloplasty (BAV), Transcatheter Aortic Valve Replacements (TAVR), Left Atrial Appendage Occlusion for Atrial Fibrillation (WATCHMAN) and Mitral valve repair for severe mitral valve leaks (MITRACLIP).

The Watchman Program started at Washington Health in 2024. The Mitraclip Program is expected to launch in April of 2025. Dr. Beygui also shared the TAVR outcomes for 2023 and 2024 with outstanding results with zero mortalities, zero significant cardiac events, zero acute kidney injuries, zero disabling bleeding, zero device complications and 100% completed Cardiomyopathy Questionnaires performed.

Board of Directors' Meeting

March 12, 2025

Page 3 of 9

Dr. Mark Saleh, Chief of Medical Staff, reported that there are 668 Medical Staff members, 366 active members. Dr. Saleh stated that Medical Staff Services has scheduled the Annual Dinner Dance for June 2025.

*MEDICAL STAFF
REPORT*

Sheela Vijay, Service League President, reported that for the month of February, 229 Service League volunteers contributed a total of 2,051 hours across various departments within the hospital.

*SERVICE LEAGUE
REPORT*

The Service League held the Annual Meeting Luncheon on February 18, 2025. Attendees also enjoyed seeing some of the volunteers in vintage uniforms, a nostalgic and meaningful tribute to the past. Donald Pipkin, Chief of Strategic Management at Washington Health, provided a presentation on rebranding. Following his presentation, a vote was taken and the rebranding of the Service League passed by majority. It will now be known as Washington Health Service League.

At the Annual Meeting, the Service League Volunteers elected the slate of officers for the 2025-2026 Term as follows:

Sheela Vijay – President
Jill Ziman – First Vice President
Vallerie Walter – Second Vice President
Corissa Babary – Treasurer
Marlene Iyemura – Secretary
Marina Bigongiari – Parliamentarian

Sheela thanked Kimberly Hartz and the Board of Directors for their continued support.

Evangeline Imana-Iyemura, Director of Volunteer Services, and Sheela attended a mini-conference hosted by California Association of Hospitals and Health Systems. Erika Frank, Vice President and Legal Counsel of the California Hospital Association, spoke on key considerations for managing volunteers. The conference provided valuable strategies to enhance the program and an opportunity to exchange best practices with colleagues from other hospitals. Sheela and Evangeline look forward to putting these insights into action.

Sheela reported that Garrett Cordes, Trauma Injury Prevention Coordinator, and Ginger Miramontes, Trauma Performance Improvement Coordinator, began offering “A Matter of Balance” class to Service League Members, 60 and older, designed to improve balance and prevent falls. The class has enrolled 12 volunteers. The Service League anticipates continuing this important program and welcoming more participants in the future.

Board of Directors' Meeting

March 12, 2025

Page 4 of 9

Kimberly Hartz, Chief Executive Officer, introduced Mary Bowron, Chief Quality Officer, who presented the Quality Dashboard for the quarter ending December 31, 2024, comparing WHHS statistics to State and National Benchmarks. There were zero Hospital Acquired MSRA in the past quarter, which was lower than the 0.908 predicted number of infections. We had zero Catheter Associated Urinary Tract Infection (CAUTI), which was lower than the 1.181 predicted number of infections; zero Central Line Bloodstream Infections (CLABSI), which was lower than the 1.44 predicted number of infections. There were zero Surgical Site Infections (SSI) following Colon Surgery, which was lower than the 0.06 predicted number of infections. We had zero SSI following Abdominal Surgery, which was lower than the 0.051 predicted number of infections, and three hospital-wide Clostridium Difficile (C.diff) infections, which was lower than the 10.684 predicted number of infections. Hand Hygiene was at 98.9%.

*QUALITY REPORT:
QUALITY
DASHBOARD Q/E
DECEMBER 2024*

Moderate fall with injury rate for the quarter at 0.34. The national benchmark rate was not available. Hospital acquired Pressure Ulcer rate of 0. The national benchmark rate was not available for Quarter Ending December 2024.

The 30-day readmission rate for AMI discharges was higher than the CMS national benchmark (18.8% versus 14.6%). The 30-day Medicare pneumonia readmissions rate was lower compared to the CMS national benchmark (11.1% versus 15.3%). 30-day Medicare Heart Failure readmissions was higher (24.5% versus 18.8%) than the CMS benchmark. 30-day Medicare Chronic Obstructive Pulmonary Disease (COPD) readmission rate was lower than the CMS benchmark (17.6% versus 18.3%). The 30-day Medicare CABG readmission rate was lower (0% versus 10.1%) than the CMS benchmark. 30-day Medicare Total Hip Arthroplasty (THA) and/or Total Knee Arthroplasty (TKA) was lower than the CMS benchmark (4% versus 5.1%).

Ajay Sial, Interim Vice President & Chief Financial Officer, presented the Finance Report for January 2025. The average daily inpatient census was 183.1 with discharges of 1,069 resulting in 5,677 patient days. Outpatient observation equivalent days were 337. The average length of stay was 5.38 days. The case mix index was 1.626. Deliveries were 144. Surgical cases were 539. The Outpatient visits were 9,508. Cath Lab cases were 183. Emergency visits were 5,838. Joint Replacement cases were 204. Neurosurgical cases were 29. Cardiac Surgical cases were 10. Total FTEs were 1,675.4. FTEs per adjusted occupied bed was 5.44. Overall, the net income for January was \$5,300,000.

FINANCE REPORT

Kimberly Hartz, Chief Executive Officer, presented the Hospital Operations Report for February 2025. Patient gross revenue of \$223.3 million for February was favorable to budget of \$219.0 million (2.0%), and it was higher than February 2024 by \$19.2 million (9.4%).

*HOSPITAL
OPERATIONS REPORT*

Board of Directors' Meeting

March 12, 2025

Page 5 of 9

Trauma Cases of 142 for February was favorable to the budget of 112 by 30 (26.8%). Trauma gross revenue of \$14.3 million for February was unfavorable to the budget of \$14.5 million by \$0.2 million (1.5%).

The Average Length of Stay was 5.24. The Average Daily Inpatient Census was 188.6 and was unfavorable to budget of 188.8 by 0.2 (0.1%). There were 988 Discharges that was unfavorable to budget of 997 by 9 (0.9%).

There were 5,282 patient days and was unfavorable to budget of 5,286 by 4 days (0.1%). There were 515 Surgical Cases and 188 Cath Lab cases at the Hospital.

Deliveries were 126. Non-Emergency Outpatient visits were 8,544. Emergency Room visits were 5,113. Total Government Sponsored Preliminary Payor Mix was 74.1%, against the budget of 74.5%. Total FTEs per Adjusted Occupied Bed were 5.50.

There was \$224K in charity care adjustments in February 2025.

March Employee of the Month is Priya Chokshi, Staff Nurse II, Intermediate Care Unit.

EMPLOYEE OF THE MONTH

Past Health Promotions & Community Outreach Events:

HOSPITAL CALENDAR

- February 7: Night to Shine – First Aid Volunteers – Resonate Church, Fremont
- February 19: Breast Cancer Prevention, Early Detection, and Treatment – Virtual ABWA Meeting
- February 20: Advanced Directives and POLSTs – Newark Senior Advisory
- February 22: Union City Lions Club Crab Feed – Southern Alameda County Buddhist Church, Union City
- February 25: Union City Mayor Gary Singh presented Washington Health with a proclamation honoring our partnership on heart health education.
- February 26: New Technology for Robotic Knee Replacement – Facebook and YouTube
- February 28: Heart Smart: Simple Steps to a Healthier You – Acacia Creek Senior Living
- March 2: Union City Superhero Fun Run – City Hall, Union City
- March 5: Fall Prevention – Fremont Community Ambassador Program for Seniors Training
- March 6: Signs and Symptoms of Stroke – Union City Health Walk, Mark Green Sports Center
- March 11: James Logan HS Job & Community Expo – James Logan High School, Union City
- March 12: Menopause and Hormone Replacement Therapy – Facebook and YouTube

Board of Directors' Meeting

March 12, 2025

Page 6 of 9

Upcoming Health Promotions & Community Outreach Events:

- March 19: Stop the Bleed Training – Fremont Community Ambassador Program for Seniors Training
- March 21: Sports Safety Presentation for Fremont Rush Soccer – Washington West
- March 22: Union City Culture Fest – Kennedy Park, Union City
- March 25: Nutrition for Brain Health – Acacia Creek Senior Living Community
- March 26: Trauma Program Update – Facebook and YouTube
- April 1: Walking Safety Heart Smart Challenge Health Walk – Ruggieri Senior Center, Union City
- April 2: Matter of Balance Class – Acacia Creek
- April 9: What to Expect at the Infusion Center – Facebook and YouTube

On February 22, Washington Health Team Members were recognized for celebrating a milestone anniversary with the Health System. Over 110 employees received their award and were thanked for their tenure in person. There were two 40-year awardees; Diana Haney, Pharmacy Technician Supervisor, and Cathy McCall, Clinical Lab Scientist.

At the Employee Recognition Event, Christine Mikkelsen, RN, Women's Center Coordinator, was awarded the Nancy Farber Patient First Ethic Award. As a breast health navigator, Christine has made a profound difference in the lives of breast cancer patients. Christine's work ethic consistently exceeds expectations and she always demonstrates compassion and dedication to patients. Congratulations to Christine on being the 2025 Patient First Ethic Awardee.

The Foundation is hosting a free charitable giving and estate planning seminar on Tuesday, March 11 at 5pm on Zoom and in the Anderson Auditorium. More details can be found on the Foundation's website.

The Foundation's 38th Annual Golf Tournament is scheduled for Monday, May 12 at the Club at Castlewood. More details will be shared in the months to come.

Kimberly Hartz, Chief Executive Officer, requested an Amendment to Resolution No. 1264: The Budget for Morris Hyman Critical Care Pavilion Infill Project that was approved by the Board of Directors on June 26, 2024. On January 8, 2025 the Board of Directors approved the bid from Webcor Construction of \$56,714,444 as the most responsible best value bid for the Infill Project. The bid from Webcor Construction came in at \$4,543,215 over the Board approved budget, including all project contingencies. The request of the Infill Project Budget Amendment is \$9,006,293 as this was necessary for a project of this size and complexity.

*ACTION ITEM:
BUDGET
AMENDMENT FOR
THE MORRIS HYMAN
CRITICAL CARE
PAVILION INFILL
PROJECT*

Director Eapen moved the recommended action. Dr. Nicholson seconded the motion.

Board of Directors' Meeting

March 12, 2025

Page 7 of 9

Roll call was taken:

Michael Wallace – aye
William Nicholson, MD – aye
Jeannie Yee - aye
Bernard Stewart, DDS – aye
Jacob Eapen, MD - aye

Motion Approved.

During the regular meeting of the Board of Directors (Board) on March 12, 2025, the Board considered Agenda Item VII.B, consisting of the following items pertaining to the Chief Executive Officer Employment Agreement: (i) Consideration of Adjustments to Base Salary; (ii) Consideration of Award of “At Risk” Compensation; and (iii) Consideration of Extension of Term of Employment Agreement. The following Board members were present:

*CONSIDERATION OF
CHIEF EXECUTIVE
OFFICER
EMPLOYMENT
AGREEMENT*

President Michael Wallace
Director William F. Nicholson
Director Jeannie Yee
Director Bernard Stewart
Director Jacob Eapen

President Wallace introduced the agenda item. First, the Board will consider adjusting Ms. Hartz's base salary. Second, the Board will consider whether to give an incentive award for the fiscal year ending June 30, 2024. Finally, the Board will consider extending the term of the Employment Agreement.

*CONSIDERATION OF
ADJUSTMENTS TO
BASE SALARY*

At the request of President Wallace, Mr. Kozachenko reviewed the Board's compensation philosophy, the Board's previous actions regarding CEO's compensation, and the procedure for making adjustments to the CEO's compensation. Mr. Kozachenko referenced the Gallagher Report (included in the Board packet and posted on the District's website) which provided the Board with peer information which the Board could use in determining a base salary adjustment and an incentive award. Gallagher is an independent compensation consultant.

Ms. Hartz addressed the Board. Ms. Hartz reviewed some of the major achievements for the previous fiscal years. Ms. Hartz also asked that, due to the continuing fiscal challenges, including the impact of a 40% increase in labor and drug costs and the failure of payors to keep up with inflation, the Board defer consideration of an incentive award.

President Wallace began the Board's discussion concerning the CEO's compensation. He reviewed the history and noted that the Board's philosophy has been to compensate the CEO at the 65th percentile of the California peer group. When the District hired Ms. Hartz in 2019 as a new CEO, and it was appropriate to

Board of Directors’ Meeting
March 12, 2025
Page 8 of 9

start her at a lower rate than the 65th percentile and gradually increase her salary to the goal of the 65th percentile as she gained experience as the CEO.

Mr. Wallace mentioned what he believed to be Ms. Hartz’ most significant achievements for the past fiscal year. First, the expanding the District’s world-class cancer care through our continued growing affiliation with UCSF. Second, Ms. Hartz significantly improved the District’s financial picture, generating a positive EBIDA of 17.1 million dollars. Third, and most significant, was achieving Trauma Center designation. This was no small accomplishment. Ms. Hartz and her team deserve the highest praise. As a result, the Trauma Center has already saved dozens of lives, lives that no doubt would have ended had those patients required transport to a distant trauma center. President Wallace noted that whether you are already a patient of Washington Health, or a Kaiser member or someone without insurance, the Trauma Center is available to save your life or the lives of your loved ones.

Ms. Hartz has been CEO now for five years. He indicated he had no hesitancy supporting an adjustment to Ms. Hartz salary to equal the 65th percentile of \$1,062,000 as shown in the Gallagher Report.

The other Board members, one by one, concurred with President Wallace in praising Ms. Hartz outstanding performance.

President Wallace opened the public hearing on the issue of the adjustment of the CEO’s base salary. There were no speakers.

President Wallace closed the public hearing on the issue of the adjustment of the CEO’s base salary.

Director Eapen moved that the Board increase the CEO’s base salary to \$1,062,000.00 which is at the 65th percentile of the California peer group and that the adjustment be effective July 1, 2024. Director Nicholson seconded the motion.

President Wallace called for a vote:

President Wallace	AYE	Director Nicholson	AYE
Director Yee	AYE	Director Stewart	AYE
Director Eapen	AYE		

The motion passed.

President Wallace directed the Board to consider the second action item regarding an award of incentive compensation. He noted that the Board has the discretion to award up to 25% of her base salary, or \$238,925.00.

*CONSIDERATION OF
AWARD OF “AT RISK”
COMPENSATION*

Director Stewart stated his belief that Ms. Hartz deserves the entire award. He noted, however, that Ms. Hartz asked the Board to defer consideration of an incentive

Board of Directors' Meeting

March 12, 2025

Page 9 of 9

award. He believes that the Board should be mindful of her concerns. The other Board Members concurred. No action or vote was taken. There were no comments from the public.

President Wallace turned to the third action item, whether to extend the term of the employment agreement. He asked for a motion to extend the term of the employment agreement to June 30, 2028. There were no comments from the Board members or the public. Director Eapen made a motion that the Board extend the term of the employment agreement for two years, for a new term starting July 1, 2024, and ending June 30, 2028, and to authorize the President of the Board to execute an amendment to the employment agreement consistent with the actions approved by the Board at this meeting. Director Stewart seconded the motion.

*CONSIDERATION OF
EXTENSION OF TERM
OF EMPLOYMENT
AGREEMENT*

President Wallace called for a vote:

President Wallace	AYE	Director Nicholson	AYE
Director Yee	AYE	Director Stewart	AYE
Director Eapen	AYE		

The motion passed.

Ms. Hartz complimented her team and noted that her success would not be possible without them.

This concluded the discussion on this agenda item.

There being no further business, Director Wallace adjourned the meeting at 8:00 p.m.

ADJOURNMENT

Signed by:

Michael Wallace

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Michael Wallace

President

DocuSigned by:

Jacob Eapen, MD

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Jacob Eapen, MD

Secretary