

## AMENDED AGENDA

### COMPLIANCE AND AUDIT COMMITTEE MEETING OF THE EL CAMINO HOSPITAL BOARD

**Thursday, September 26, 2019 – 5:00 pm**  
El Camino Hospital, Conference Room E (ground floor)  
2500 Grant Road, Mountain View, CA 94040

**PURPOSE:** To advise and assist the El Camino Hospital (ECH) Hospital Board of Directors (“Board”) in its exercise of oversight of Corporate Compliance, Privacy, Internal and External Audit, Enterprise Risk Management, and Information Technology (IT) Security. The Committee will accomplish this by monitoring the compliance policies, controls, and processes of the organization and the engagement, independence, and performance of the internal auditor and external auditor. The Committee assists the Board in oversight of any regulatory audit and in assuring the organizational integrity of ECH in a manner consistent with its mission and purpose.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<b>1. CALL TO ORDER/ROLL CALL</b>	Sharon Anolik Shakked, Chair		<b>5:00 – 5:01pm</b>
<b>2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Sharon Anolik Shakked, Chair		<b>5:01 – 5:02</b>
<b>3. PUBLIC COMMUNICATION</b> 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	Sharon Anolik Shakked, Chair		<b>information</b> <b>5:02 – 5:05</b>
<b>4. CONSENT CALENDAR</b> <i>Any Committee Member or member of the public may remove an item for discussion before a motion is made.</i> <b>Approval</b> a. <a href="#">Minutes of the Open Session of the CAC Meeting (8/15/ 2019)</a> <b>Information</b> b. <a href="#">Status of FY20 Committee Goals</a>	Sharon Anolik Shakked, Chair	<i>public comment</i>	<b>motion required</b> <b>5:05 – 5:10</b>
<b>5. REPORT ON BOARD ACTIONS</b> <a href="#">ATTACHMENT 5</a>	Board Members		<b>information</b> <b>5:10 – 5:13</b>
<b>6. KPIs, SCORECARD, AND TRENDS</b> <a href="#">ATTACHMENT 6</a>	Diane Wigglesworth, Sr. Director, Corporate Compliance		<b>information</b> <b>5:13 – 5:18</b>
<b>7. ADJOURN TO CLOSED SESSION</b>	Sharon Anolik Shakked, Chair		<b>motion required</b> <b>5:18 – 5:19</b>
<b>8. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Sharon Anolik Shakked, Chair		<b>5:19 – 5:20</b>
<b>9. CONSENT CALENDAR</b> <i>Any Committee Member or member of the public may remove an item for discussion before a motion is made.</i> <b>Approval</b> <i>Gov’t Code Section 54957.2:</i> a. Minutes of the Closed Session of the CAC Meeting (8/15/2019)	Sharon Anolik Shakked, Chair		<b>motion required</b> <b>5:20 – 5:27</b>

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<b>Information</b> <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: b. Activity Log (July 2019) c. Activity Log (August 2019) d. Internal Audit Work Plan e. Committee Pacing Plan			
<b>10.</b> <i>Health &amp; Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: - Consolidated Financial Statements, 403(b) and Cash Balance Audit Results	Brian Conner, Joelle Pulver, and Bertha Minnihan, Moss Adams LLP		<b>motion required</b> <b>5:27 – 5:57</b>
<b>11.</b> <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - Enterprise Risk Management	Jim Griffith, COO; Mary Rotunno, General Counsel		<b>discussion</b> <b>5:57 – 6:07</b>
<b>12.</b> <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - Report on Internal Audit Activity	Diane Wigglesworth, Sr. Director, Corporate Compliance; Mary Rotunno, General Counsel		<b>discussion</b> <b>6:07 – 6:22</b>
<b>13.</b> <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - IT Security Discussion	Deb Muro, CIO; Brian Kreitzer, CISO; Mary Rotunno, General Counsel		<b>discussion</b> <b>6:22 – 6:52</b>
<b>14.</b> <i>Gov't Code Sections 54957</i> for report and discussion on personnel matters – Senior Management: - Executive Session	Sharon Anolik Shakked, Chair		<b>discussion</b> <b>6:52 – 6:57</b>
<b>15. ADJOURN TO OPEN SESSION</b>	Sharon Anolik Shakked, Chair		<b>motion required</b> <b>6:57 – 6:58</b>
<b>16. RECONVENE OPEN SESSION/REPORT OUT</b> To report any required disclosures regarding permissible actions taken during Closed Session.	Sharon Anolik Shakked, Chair		<b>information</b> <b>6:58 – 6:59</b>
<b>17. ADJOURNMENT</b>	Sharon Anolik Shakked, Chair		<b>motion required</b> <b>6:59 – 7:00pm</b>

#### Upcoming Meetings:

Regular Meetings: November 21, 2019; January 23, 2020; March 19, 2020; May 21, 2020

Education Sessions: April 22, 2020



**Minutes of the Open Session of the  
Compliance and Audit Committee  
Thursday, August 15, 2019  
El Camino Hospital | Conference Room E  
2500 Grant Road, Mountain View, CA 94040**

**Members Present**

**Sharon Anolik Shakked**, Chair  
**Lica Hartman** (via teleconference)  
**Christine Sublett**  
**Don Watters**

**Members Absent**

**Bob Rebitzer**, Vice Chair

Agenda Item	Comments/Discussion	Approvals/ Action
<b>1. CALL TO ORDER/ ROLL CALL</b>	The open session meeting of the Compliance and Audit Committee of El Camino Hospital (“the Committee”) was called to order at 5:00pm by Chair Anolik Shakked. A silent roll call was taken. Ms. Hartman participated by telephone and Mr. Rebitzer was absent. All other Committee members were present at roll call.	<b><i>Called to order at 5:00pm</i></b>
<b>2. POTENTIAL CONFLICT OF INTEREST</b>	Chair Anolik Shakked asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were reported.	
<b>3. PUBLIC COMMUNICATION</b>	None.	
<b>4. CONSENT CALENDAR</b>	<p>Chair Anolik Shakked asked if any member of the Committee or the public wished to remove an item from the consent calendar. Chair Anolik Shakked pulled item 2b “Status of FY20 Committee Goals” and asked why Committee Goal #2 isn’t paced until the March 19, 2020 meeting although the 2020 California Consumer Privacy Act goes into effect on January 1, 2020. Diane Wigglesworth, Sr. Director, Corporate Compliance, noted that staff will be working to evaluate the impact of the new law during Q2 and could certainly be ready to present on this topic at the Committee’s January 23, 2020 meeting and perhaps by the November 21, 2019 meeting. Chair Anolik Shakked requested that the Pacing Plan be updated to reflect this topic in November or January.</p> <p><b>Motion:</b> To approve the consent calendar: (a) Minutes of the Open Session of the Compliance and Audit Committee Meeting (May 16, 2019) and (b) Status of FY20 Committee Goals, but to amend the Pacing Plan to reflect presentation of the impact of the CCPA in November 2019 or January 2020.</p> <p><b>Movant:</b> Sublett <b>Second:</b> Hartman <b>Ayes:</b> Anolik Shakked, Hartman, Sublett, Watters <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> Rebitzer <b>Recused:</b> None</p>	<b><i>Consent Calendar approved as amended</i></b>
<b>5. REPORT ON BOARD ACTIONS</b>	Chair Anolik Shakked welcomed new Board and Committee member Don Watters. There was no additional input or questions about the written report.	
<b>6. RETENTION AND DESTRUCTION OF ORGANIZATION RECORDS</b>	Ms. Wigglesworth reminded the Committee that it had suggested the policy be more specific about e-mail and electronic retention. She reported that management obtained legal advice and information regarding best practices from CHA. She highlighted the revisions and commented	

	that the hospital can operationalize them. Committee members discussed whether a ten (10) year retention period is excessive and requested that staff reevaluate (1) whether there might be a difference between retention standards/benchmarks for “Records” and “Information” (and to clarify those definitions) and (2) whether the policy should cover not only records created at ECH, but also records created elsewhere that arrive at ECH.	
<b>7. AUDITOR ENGAGEMENT REVIEW: AMENDMENT TO PROPERTY MANAGEMENT CONSULTING AGREEMENT</b>	<p>Jim Griffith, COO, reported that the organization wants to engage Moss-Adams, ECH’s external auditor, to now assist with Phase II of our process for selecting an outside firm to manage all of the hospital’s properties. This fee for this phase of the engagement is \$10,000. The fee for the first phase was \$48,000.</p> <p>Chair Anolik Shakked noted this was an informational item and Mary Rotunno, General Counsel, noted that staff would like to know if the Committee members have any advice or concerns before the amendment to the contract with Moss Adams is signed.</p> <p>Ms. Hartman requested that the Committee be provided with the Statement of Work for these types of arrangements in the future. In response to questions, Mr. Griffith reported that Moss Adams does not have a financial interest in any property management firms.</p>	
<b>8. KPIs, SCORECARD, AND TRENDS</b>	<p>Ms. Wigglesworth reported that compliance activity related to billing, documentation and Stark issues increased slightly in FY19 from FY18, partly due to the opening of the SVMD-operated clinics. She also noted that the number of reportable privacy issues in FY19 was similar to FY18 and no citations regarding privacy violations were issued to the Hospital.</p> <p>Ms. Wigglesworth also reported that the California Department of Public Health (“CDPH”) fined ECH a total of \$4,500 for two incidents of delays in reporting regulatory issues. One was an 8-day delay and one was a 37 day delay. With the respect to the 37 day delay, ECH was unsure the event was reportable at the time. In response to questions, Ms. Wigglesworth explained that ECH has changed its process to modify its definition of what needs to be reported in alignment with CDPH’s expectations.</p>	
<b>9. ADJOURN TO CLOSED SESSION</b>	<p><b>Motion:</b> To adjourn to closed session at 5:24 pm.</p> <p><b>Movant:</b> Sublett</p> <p><b>Second:</b> Hartman</p> <p><b>Ayes:</b> Anolik Shakked, Hartman, Sublett, Watters</p> <p><b>Noes:</b> None</p> <p><b>Abstentions:</b> None</p> <p><b>Absent:</b> Rebitzer</p> <p><b>Recused:</b> None</p>	<i>Adjourned to closed session at 5:24 pm</i>
<b>10. AGENDA ITEM 21: RECONVENE OPEN SESSION/ REPORT OUT</b>	Open session was reconvened at 7:15pm. Agenda Items 10-21 were discussed in closed session. During the closed session, the Committee approved the Minutes of the Closed Session of the Compliance and Audit Committee Meeting (May16, 2019) by a unanimous vote of all members present (Anolik Shakked, Hartman, Sublett, Watters). Mr. Rebitzer was absent.	<i>Open session reconvened at 7:15pm</i>
<b>11. AGENDA ITEM 20: ADJOURNMENT</b>	<p><b>Motion:</b> To adjourn at 7:16pm.</p> <p><b>Movant:</b> Sublett</p> <p><b>Second:</b> Watters</p> <p><b>Ayes:</b> Anolik Shakked, Hartman, Sublett, Watters</p> <p><b>Noes:</b> None</p>	<i>Meeting adjourned at 7:16pm</i>

	<b>Abstentions:</b> None <b>Absent:</b> Rebitzer <b>Recused:</b> None	
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**Attest as to the approval of the foregoing minutes by the Compliance and Audit Committee of El Camino Hospital:**

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Sharon Anolik Shakked  
Chair, Compliance and Audit Committee

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## FY20 COMMITTEE GOALS

### Compliance and Audit Committee

#### PURPOSE

The purpose of the Compliance and Audit Committee (the "Committee") is to advise and assist the El Camino Hospital (ECH) Hospital Board of Directors ("Board") in its exercise of oversight of Corporate Compliance, Privacy, Internal and External Audit, Enterprise Risk Management, and Information Technology (IT) Security. The Committee will accomplish this by monitoring the compliance policies, controls, and processes of the organization and the engagement, independence, and performance of the internal auditor and external auditor. The Committee assists the Board in oversight of any regulatory audit and in assuring the organizational integrity of ECH in a manner consistent with its mission and purpose.

**STAFF:** **Diane Wigglesworth**, Sr. Director, Corporate Compliance (Executive Sponsor)

The Sr. Director, Corporate Compliance shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the Executive Team or outside consultants may participate in the meetings upon the recommendation of the Executive Sponsor and at the discretion of the Committee Chair.

GOALS	TIMELINE	METRICS
1. Review reporting from the new compliance program incident management tool and assess if the level of detail is sufficient for the committee's oversight.	Q2 FY20	Committee reviews and provides recommendations to the Compliance Officer – <b>paced for 11/21/19 meeting</b>
2. Review the hospital's assessment of the impact and any action plan, if applicable, of the 2020 California Consumer Privacy Act on Hospital operations.	Q2 FY20	Committee reviews and provides recommendations to the Compliance Officer - <b>paced for 11/21/19 meeting</b>
3. Review the results and mitigation action plan of a privacy and security risk assessment of SVMd.	Q3 FY20	Committee reviews and provides recommendations to the Compliance Officer - <b>paced for 3/19/20 meeting</b>
4. Review ECH's IT Security Strategic Plan.	Q4 FY20	Committee reviews and provides recommendations to CIO - <b>paced for 5/21/20 meeting</b>

#### SUBMITTED BY:

**Chair:** Sharon Anolik Shakked

**Executive Sponsor:** Diane Wigglesworth

Approved by the ECH Board of Directors 6/12/2019

**EL CAMINO HOSPITAL  
COMMITTEE MEETING COVER MEMO**

**To:** Compliance and Audit Committee  
**From:** Cindy Murphy, Director of Governance Services  
**Date:** September 26, 2019  
**Subject:** Report on Board Actions

**Purpose:**

To keep the Committee informed with regards to actions taken by the El Camino Hospital and El Camino Healthcare District Boards.

**Summary:**

1. **Situation:** It is important to keep the Committees informed about Board activity to provide context for Committee work. The list below is not meant to be exhaustive, but includes agenda items the Board voted on that are most likely to be of interest to or pertinent to the work of El Camino Hospital's Board Advisory Committees.
2. **Authority:** This is being brought to the Committees at the request of the Board and the Committees.
3. **Background:** Since the last Compliance and Audit Committee Meeting the Hospital Board has met twice and the District Board has not. In addition, since the Board has delegated certain authority to the Compliance and Audit Committee, the Finance Committee and the Executive Compensation Committee those approvals are also noted in this report.

**A. ECH Board Actions**

**August 21, 2019**

- Approved the FY20 El Camino Hospital Board Member Competency Matrix
- Approved the FY20 Board Education Plan
- Completed FY19 CEO Performance Evaluation
- Approved Cardiothoracic Surgery On-Call Panel Renewal
- Approved Colorectal Surgeon Physician Income Guarantee
- Approved FY19 Year-End Financial Report
- Approved FY20 and 21 Medical Staff Development Plan
- Approved Radiation Oncology Equipment Replacement
- Approved ED Remodel Project
- Approved Revised Medical Staff Bylaws
- Appointed Terrigal Burn, MD; Caroline Currie, Alyson Falwell and Krutica Sharma, MD to the Quality, Patient Care and Patient Experience Committee

**September 11, 2019:** No approvals of significance to the Committee

- B. Finance Committee Actions:** Met after this packet was distributed
- C. Compliance and Audit Committee:** None since last report.
- D. Executive Compensation Committee Actions:** Met after this packet was distributed

Report on Board Actions  
September 26, 2019

4.     Assessment: N/A
5.     Other Reviews: N/A
6.     Outcomes: N/A

**List of Attachments**: None.

**Suggested Committee Discussion Questions**: None.



**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
COMMITTEE MEETING COVER MEMO**

**To:** Compliance and Audit Committee  
**From:** Diane Wigglesworth, Sr. Director Corporate Compliance  
**Date:** September 26, 2019  
**Subject:** Key Performance Indicators (KPI)

**Purpose:**

To review the trends of the Compliance KPI's and discuss any trends of concern.

**Summary:**

1. Situation: The performance indicators should assist the Committee to monitor activity and identify organizational deficiencies or emerging risks.
2. Authority: The Committee is responsible for oversight of the Compliance program and monthly review of metrics.
3. Background: Key performance indicators were developed to track the required elements from the Federal Sentencing Guidelines and help the committee assess effectiveness of the program.
4. Assessment: The current fiscal year activity reported on this scorecard is related to hospital activity only and does not reflect SVMD or other entities activities. The total number of investigations, concerns, or inquires brought forth to the Compliance department continues to trend up. There was slight increase in privacy-related issues from patients and staff, which were addressed.
5. Other Reviews: N/A
6. Outcomes: Refer to Key Performance Indicator Compliance Scorecard

**List of Attachments:**

1. Corporate Compliance Scorecard FY 2019
2. KPI two-year trend Graph

**Suggested Committee Discussion Questions:**

1. Are there any trends of concern?

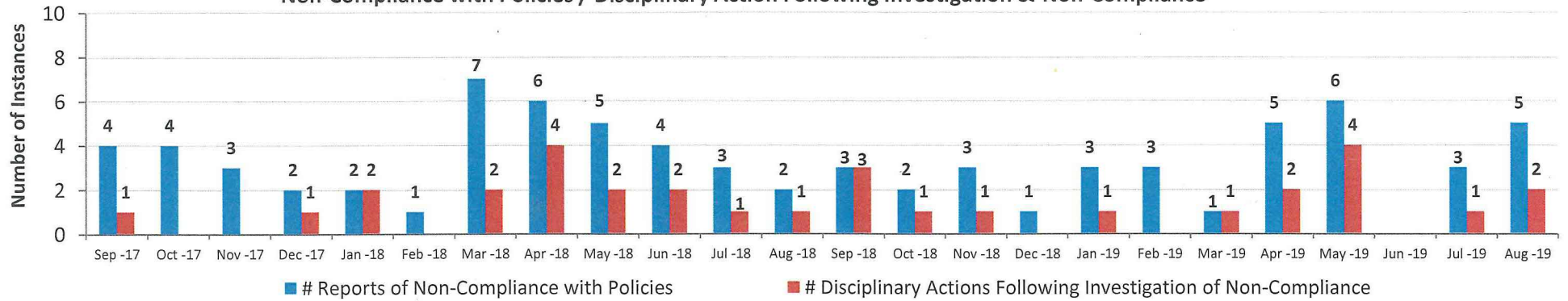
# Corporate Compliance Scorecard FY 20

## El Camino Hospital

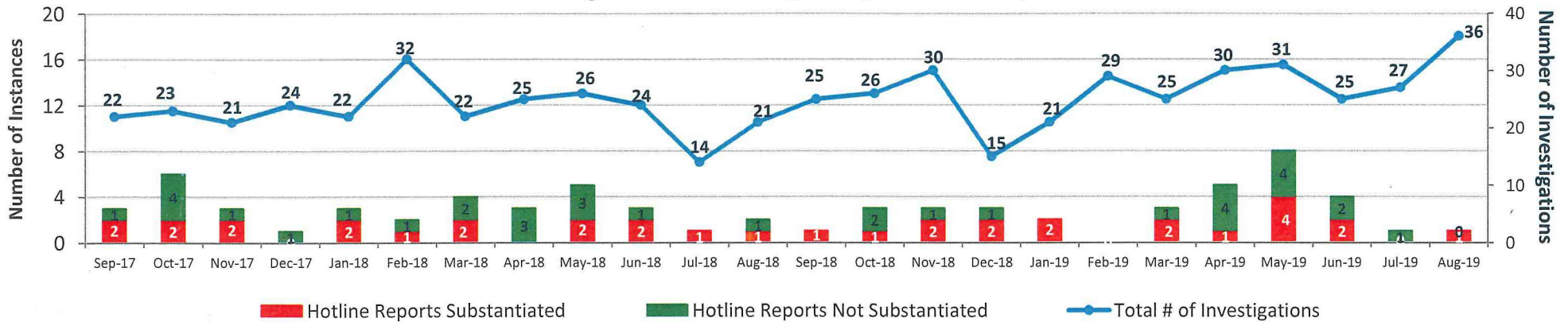
Key Performance Indicator	FY:20 Current Month	Current YTD Actual	Prior YTD Actual
<b>Total Number of Hospital Discharges (excluding normal newborn)</b>	<b>1,692</b>	<b>3,380</b>	<b>3,063</b>
<b>Core Elements</b>			
<b>Policies and Procedures</b>	Aug. 2019	Jul - Aug. FY 2020	Jul -Aug. FY 2019
Number of reported instance when policies not followed	5	8	5
Number of disciplinary actions due to Investigations	2	3	2
<b>Education and Training</b>	Aug. 2019	Jul - Aug. FY 2020	Jul -Aug. FY 2019
Percentage of new employees trained within 30 days of start date	100%	100%	100%
<b>Investigations</b>	Aug. 2019	Jul - Aug. FY 2020	Jul -Aug. FY 2019
Total number of investigations	36	63	35
Investigations open	0	2	0
Investigations closed	36	61	35
Hotline concerns substantiated	1	1	2
Hotline concerns not substantiated	0	1	1
Average number of days to investigate concerns	6.4	5.8	7
<b>Reporting Trends</b>	Aug. 2019	Jul - Aug. FY 2020	Jul -Aug. FY 2019
Anti-Kickback/Stark	3	7	4
EMTALA	0	1	0
HIPAA Reports	15	27	16
HIPAA Security Incidents	2	4	1
Billing or Claims	9	13	13
Conflict of Interest	2	2	0
General	7	12	8
<b>Reported Events to CMS</b>	Aug. 2019	Jul - Aug. FY 2020	FY 2019 Total
Number of total events self reported by ECH	0	0	0
Number of self reported events followed up by CMS	0	0	0
CMS initiated visits (separate from ECH self reported events)	0	0	0
Number of statement of deficiencies issued to ECH	0	0	0
Number of Actual Sanctions, fines or penalties	0	0	0
<b>Reported Events to CDPH</b>	Aug. 2019	Jul - Aug. FY 2020	FY 2019 Total
Number of total regulator events self reported by ECH	5	7	39
Number of self reported events followed up by CDPH	5	7	30
Number of total privacy breaches self reported by ECH	2	4	21
CDPH initiated visits (separate from ECH self reported events)	1	3	17
Number of statement of deficiencies issued to ECH	0	1	7
Number of Actual/Realized Sanctions, fines or penalties	\$ -	\$ -	\$ 4,500
<b>Monitoring and Audit Findings</b>	Aug. 2019	Jul - Aug. FY 2020	FY 2019 Total
Total number of Audit Findings	5	5	28
Number of findings identified has high severity	2	2	5
<b>Monitoring and Audit Findings</b>	Aug. 2019	Jul - Aug. FY 2020	FY 2019 Total
Number of Open Liability Claims	6	6	8
Number of Open Liability Lawsuits	8	8	6

## Policies & Procedures

### Non-Compliance with Policies / Disciplinary Action Following Investigation of Non-Compliance



### Investigations: Total Investigations / Hotline Activity



### Privacy Breaches Requiring Report to Outside Entity

