

## AGENDA

### GOVERNANCE COMMITTEE OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

**Tuesday, October 15, 2019 – 5:30pm**

El Camino Hospital | Conference Room A (ground floor)  
2500 Grant Road Mountain View, CA 94040

**PURPOSE:** To advise and assist the El Camino Hospital (ECH) Board of Directors (“Board”) in matters related to governance, board development, board effectiveness, and board composition, i.e., the nomination and appointment/ reappointment process. The Governance Committee ensures the Board and Committees are functioning at the highest level of governance standards.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<b>1. CALL TO ORDER/ROLL CALL</b>	Peter C. Fung, MD, Chair		<b>5:30 – 5:32pm</b>
<b>2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Peter C. Fung, MD, Chair		<b>information 5:32 – 5:33</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	Peter C. Fung, MD, Chair		<b>information 5:33 – 5:36</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 Governance Cmte Meeting (8/13/2019)</a>  <b>Information</b> b. <a href="#">Article of Interest</a>	Peter C. Fung, MD, Chair	<i>public comment</i>	<b>motion required 5:36 – 5:38</b>
<b>5. REPORT ON BOARD ACTIONS</b> <a href="#">ATTACHMENT 5</a>	Peter C. Fung, MD, Chair		<b>information 5:38 – 5:43</b>
<b>6. FY19 BOARD ACTION PLAN</b> <a href="#">ATTACHMENT 6</a>	Erica Osborne, Via Healthcare Consulting	<i>public comment</i>	<b>possible motion 5:43 – 6:13</b>
<b>7. BOARD RETREAT PLANNING</b>	Cindy Murphy, Director of Governance Services		<b>discussion 6:13 – 6:28</b>
<b>8. SYSTEM GOVERNANCE AD HOC COMMITTEE REPORT</b> <a href="#">ATTACHMENT 8</a>	Gary Kalbach, Ad Hoc Committee Chair	<i>public comment</i>	<b>possible motion 6:28 – 6:48</b>
<b>9. PROCESS FOR ELECTION AND RE-ELECTION OF NDBMs TO THE EL CAMINO HOSPITAL BOARD</b> <a href="#">ATTACHMENT 9</a>	Cindy Murphy, Director of Governance Services	<i>public comment</i>	<b>possible motion 6:48 – 7:03</b>
<b>10. GOVERNANCE COMMITTEE RECRUITMENT</b> <a href="#">ATTACHMENT 10</a>	Peter C. Fung, MD, Chair	<i>public comment</i>	<b>possible motion 7:03 – 7:13</b>
<b>11. ADJOURN TO CLOSED SESSION</b>	Peter C. Fung, MD, Chair		<b>motion required 7:13 – 7:14</b>

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<b>12. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Peter C. Fung, MD, Chair		<b>information</b> <b>7:14 – 7:15</b>
<b>13. 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 Governance Cmte Meeting (8/13/2019)	Peter C. Fung, MD, Chair		<b>motion required</b> <b>7:15 – 7:17</b>
<b>14.</b> <i>Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation:</i> - Review of Delegation of Authority to Committees	Peter C. Fung, MD, Chair; Mary Rotunno, General Counsel		<b>discussion</b> <b>7:17 – 7:27</b>
<b>15. ADJOURN TO OPEN SESSION</b>	Peter C. Fung, MD, Chair		<b>motion required</b> <b>7:27 – 7:28</b>
<b>16. RECONVENE OPEN SESSION/ REPORT OUT</b> To report any required disclosures regarding permissible actions taken during Closed Session.	Peter C. Fung, MD, Chair		<b>information</b> <b>7:28 – 7:29</b>
<b>17. FY20 PACING PLAN</b> <a href="#">ATTACHMENT 17</a>	Peter C. Fung, MD, Chair		<b>discussion</b> <b>7:29 – 7:31</b>
<b>18. ROUND TABLE DISCUSSION</b> <a href="#">ATTACHMENT 18</a>	Peter C. Fung, MD, Chair		<b>discussion</b> <b>7:31 – 7:34</b>
<b>19. ADJOURNMENT</b>	Peter C. Fung, MD, Chair	<i>public comment</i>	<b>motion required</b> <b>7:34 – 7:35pm</b>

**Upcoming Meetings:**

Regular Meetings: February 4, 2020; March 31, 2020; June 2, 2020

Education Sessions: April 22, 2020



Minutes of the Open Session of the  
El Camino Hospital Board of Directors  
Governance Committee

Tuesday, August 13, 2019

El Camino Hospital | Conference Room A (ground floor)  
2500 Grant Road, Mountain View, CA 94040

**Members Present**

Peter C. Fung, MD, Chair  
Gary Kalbach, Vice Chair  
Christina Lai  
Peter Moran\*\*  
Bob Rebitzer

**Members Absent**

None

\*\*via teleconference

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session of the regular meeting of the Governance Committee of El Camino Hospital (the “Committee”) was called to order at 5:30pm by Chair Fung. Roll call was taken. Committee Member Peter Moran participated via teleconference. All other Committee members were present at roll call.	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Fung asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were noted.	
3. PUBLIC COMMUNICATION	None.	
4. CONSENT CALENDAR	Chair Fung asked if any member of the Committee or the public wished to remove an item from the consent calendar. No items were removed.  <b>Motion:</b> To approve the consent calendar: Minutes of the Open Session of the Governance Committee Meeting (May 29, 2019); and for information: Board and Committee Recruitment Update, Article of Interest.  <b>Movant:</b> Kalbach <b>Second:</b> Fung <b>Ayes:</b> Fung, Kalbach, Lai, Moran, Rebitzer <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None	<b>Consent Calendar approved</b>
5. REPORT ON BOARD ACTIONS	Chair Fung highlighted the El Camino Healthcare District’s allocation of funds to the District’s Capital Outlay fund for the Women’s Hospital Renovation and Expansion Project on the Mountain View Campus, the election of District Board Officers, and the appointment of Julia Miller as liaison to the Community Benefit Advisory Council.	
6. FY19 BOARD SELF ASSESMENT RESULTS	Erica Osborne of Via Healthcare Consulting presented the findings and recommendations of the FY19 Board Self-Assessment that was conducted via an online survey and telephone interviews with the Board between May and July 2019. Several members of the executive leadership team who frequently interact with the Board also participated in the interviews. Ms. Osborne and the Committee members discussed the recommendations, particularly the opportunity for the Board to renew and revise its focus on governance of quality care, including closer alignment of the work of the Quality Committee and the Board, and a retreat-style meeting or series of meetings dedicated to education around quality oversight. The Committee members also discussed focusing the Board agendas on fewer items and	

	<p>allowing more time for discussion of those matters critical for Board oversight as opposed to receiving oral reports. Ms. Osborne noted she would incorporate the Committee's feedback into her report to the Board on August 21, 2019</p> <p>No action was taken.</p>	
<b>7. FY20 HOSPITAL BOARD MEMBER COMPETENCIES</b>	<p>The Committee members reviewed the Draft FY20 Competency Matrix and discussed its purpose. Mr. Rebitzer suggested that Healthcare Reform be changed to Healthcare Policy in Competency #5 as being more relevant at this time.</p> <p><b>Motion:</b> To recommend the Board adopt the Draft FY20 Competency Matrix as revised, changing the word "reform" to the word "policy" in Competency #5.</p> <p><b>Movant:</b> Kalbach <b>Second:</b> Fung <b>Ayes:</b> Fung, Kalbach, Lai, Moran, Rebitzer <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<b><i>FY20 Hospital Board Member Competencies recommended for adoption</i></b>
<b>8. FY20 BOARD EDUCATION PLAN</b>	<p>The Committee discussed the proposed Board Education Plan, commenting that it will be important for the Board to focus on quality and that a multi-year education plan should be put in place that includes bringing in highly qualified presenters for in-house presentations. Committee members also noted that it would be very helpful to get Advisory Committee members involved in attending conferences.</p> <p><b>Motion:</b> To recommend the Board adopt the Proposed Board Education Plan.</p> <p><b>Movant:</b> Kalbach <b>Second:</b> Rebitzer <b>Ayes:</b> Fung, Kalbach, Lai, Moran, Rebitzer <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<b><i>Proposed FY20 Board Education Plan recommended for adoption</i></b>
<b>9. AD HOC COMMITTEE REPORT</b>	<p>Committee Member Kalbach, Chair of the Ad Hoc Committee on System Governance, reported that the Ad Hoc Committee met once with staff members Dan Woods, Mary Rotunno, and Cindy Murphy. He reported that the Ad Hoc Committee discussed addressing system governance issues through developing/revising Bylaws for the SVMD organization and the Charters of the ECH Board Advisory Committees. The Ad Hoc Committee's next scheduled meeting is August 27, 2019 and it will bring a report and recommendations to the October Governance Committee meeting.</p>	<b><i>Ad Hoc Committee Report to be paced for October</i></b>
<b>10. PROCESS FOR ELECTION AND RE-ELECTION OF NDBMS TO THE EL CAMINO HOSPITAL BOARD OF DIRECTORS</b>	<p>The Committee members discussed the process and whether it should be revised: 1) with respect to the number of advisors, 2) to clarify the role and authority of the Chair, and 3) to clarify how the Committee makes decisions. Ms. Lai and Mr. Kalbach offered to work with Cindy Murphy to develop some proposed revisions for the Committee to review at its October meeting.</p> <p>No action was taken.</p>	<b><i>Process to be paced for discussion October</i></b>

<b>11. ECH LEADERSHIP SUCCESSION PLANNING</b>	Kathryn Fisk, CHRO, described the organization's Leadership Development Plan and process for developing identified high potential leaders. She also reported that management has identified internal interim successors for all members of the C-Suite except the CIO. Mr. Moran commented that it is a critical function of the Board to identify an immediate/emergency successor for the CEO.	
<b>12. GOVERNANCE COMMITTEE RECRUITMENT: POSSIBLE AD HOC COMMITTEE APPOINTMENT</b>	<p>The Committee members discussed adding an additional Non-Director member to the Committee and expressed a desire to do so if the right candidate could be found.</p> <p><b>Motion:</b> To appoint Committee members Fung and Moran to an Ad Hoc Committee tasked with working on recruitment of a new Committee member.</p> <p><b>Movant:</b> Fung <b>Second:</b> Rebitzer <b>Ayes:</b> Fung, Kalbach, Lai, Moran, Rebitzer <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<i>Ad Hoc Committee appointed</i>
<b>13. ADJOURN TO CLOSED SESSION</b>	<p><b>Motion:</b> To adjourn to closed session at 7:13pm.</p> <p><b>Movant:</b> Kalbach <b>Second:</b> Lai <b>Ayes:</b> Fung, Kalbach, Lai, Moran, Rebitzer <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<i>Adjourned to closed session at 7:13pm</i>
<b>14. AGENDA ITEM 17: RECONVENE OPEN SESSION/ REPORT OUT</b>	Open session was reconvened at 7:14pm. Agenda items 14-16 were addressed in closed session. During the closed session, the Committee approved the Minutes of the Closed Session of the Governance Committee Meeting (May 29, 2019) by a unanimous vote in favor of all members present (Fung, Kalbach, Lai, Moran, Rebitzer).	
<b>15. AGENDA ITEM 18: FY20 PACING PLAN</b>	<p><b>Motion:</b> To approve the FY20 Pacing Plan</p> <p><b>Movant:</b> Kalbach <b>Second:</b> Rebitzer <b>Ayes:</b> Fung, Kalbach, Lai, Moran, Rebitzer <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<i>FY20 Pacing Plan approved</i>
<b>16. AGENDA ITEM 19: ROUND TABLE DISCUSSION</b>	The Committee and staff discussed the effectiveness of the meeting.	
<b>17. AGENDA ITEM 20: ADJOURNMENT</b>	<p><b>Motion:</b> To adjourn at 7:21pm.</p> <p><b>Movant:</b> Rebitzer <b>Second:</b> Kalbach <b>Ayes:</b> Fung, Kalbach, Lai, Moran, Rebitzer <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None</p>	<i>Meeting adjourned at 7:21pm</i>

	<b>Recused:</b> None	
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**Attest as to the approval of the foregoing minutes by the Governance Committee of El Camino Hospital:**

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Peter C. Fung, MD  
Chair, Governance Committee

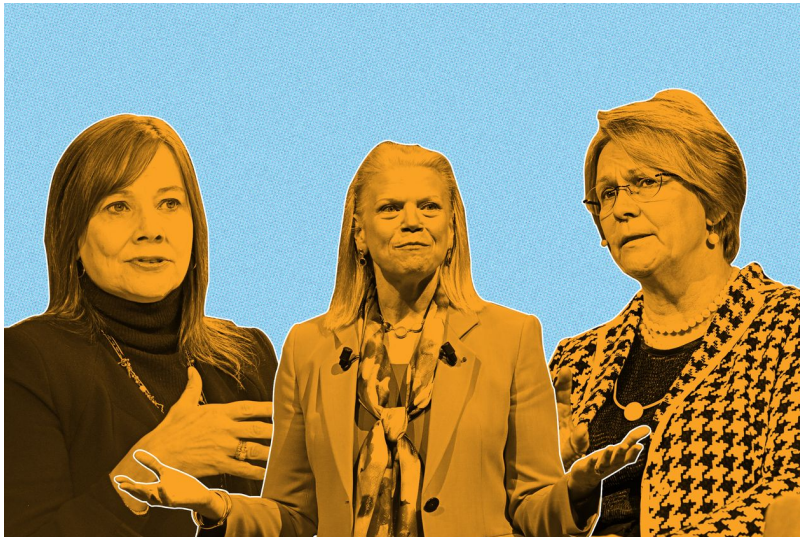
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## HEARD ON THE STREET

# For Women in Business, It's All About Critical Mass

Companies and boards with many women, not just token females, may outperform



CEOs from left to right: GM's Mary Barra, IBM's Virginia Rometty and Occidental Petroleum's Vicki Hollub PHOTO: PHOTO ILLUSTRATION BY EMIL LENDOF/THE WALL STREET JOURNAL; PHOTOS: GETTY IMAGES, REUTERS, BLOOMBERG NEWS

*By Laura Forman*

Aug. 14, 2019 7:00 am ET

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SECOND IN A SERIES ON WOMEN IN THE ECONOMY

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One small step into the corner office by a female executive could mean a giant leap for a firm's bottom line, depending on how she gets her foot in the door.

Women still dramatically lag behind men in holding corporate leadership positions, but they are climbing the ranks. An analysis by Catalyst found that as of January, just 5% of CEO roles at S&P 500 companies were held by women. Among the handful at the helm of blue chips are

Virginia Rometty of International Business Machines, Mary Barra of General Motors and Vicki Hollub of Occidental Petroleum.

At the same time, The Wall Street Journal reported last month that all S&P 500 companies now have at least one female board member, with 27% of all board seats filled by women, up from 17% in 2012. But while data link senior women to improved business economics, merely adding a token woman to a board or senior management seat could actually have deleterious effects.

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#### SHARE YOUR THOUGHTS

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*As a woman, what does having more women in positions of corporate leadership mean to you? Join the conversation below.*

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There are plenty of factors that would suggest more female leaders in business are coming. The college enrollment rate for high-school graduates is now higher for women than for men, according to the Bureau of Labor Statistics. Those students are choosing degrees that translate to the corporate world. According to the Association to Advance Collegiate Schools of Business, women represent 58% of all graduates in social science, law and business globally. Some 40% of M.B.A. graduates in the U.S. are now women. With more qualified women in the applicant pool, it follows that women should be landing more senior roles.

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#### ALSO IN THIS SERIES

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- When Women Bring Home a Bigger Slice of the Bacon

Some of the change has been mandated. Last year, California became the first U.S. state to require female board representation. Sen. Hannah-Beth Jackson, who sponsored the bill, said the rule would benefit the economy and each of the companies involved. This gender-based regulation

isn't unique: In 2008, Norway required at least 40% of the boards of listed companies to be comprised of women, and many countries followed suit with similar quotas.

On the surface, gains in gender equality at the top seem like a good thing. A 2016 survey by Marcus Noland and colleagues at the Peterson Institute for International Economics found that for profitable firms, a move from no female leaders to 30% representation was associated with a 15% increase in the net revenue margin.

But just adding a female to a senior role doesn't guarantee better outcomes. Legislation might come with unwanted side effects. The so-called golden-skirt effect, whereby a few qualified women are invited to sit on many boards, is one concern. The fear is those women will be stretched too thin, leading to less effective oversight.



Shoehorning women into important roles can also be counterproductive, according to Michelle Duguid, an associate professor at the Cornell Johnson Graduate School of Management. Her research shows the heightened visibility of being a minority can prompt jealousy of other qualified female applicants, as well as fear that less-qualified women will reinforce existing negative stereotypes. These threats can effectively curtail growing diversity, she found.

To avoid token representation amid increasing regulation, firms may want to accelerate the pace of female hires beyond what is required. While the Peterson survey didn't show that having a female chief executive by itself increased profitability, it found "robust" evidence for higher profitability associated with raising the percentage of overall female leaders in the C-suite.

A recent study by Jill Gould out of the University of South Australia Business School and collaborators found a positive, nonlinear relationship between female board representation and female executive representation across organizations listed on the Australian Stock Exchange. In other words, firms may be able to maximize the benefits of the "trickle-down effect" by making multiple simultaneous appointments of women to board roles. Senior women often advocate to hire other women, the study suggests. And even if they don't, their presence attracts other women aspiring to senior roles. A study of more than 20,000 firms from the U.S. Equal Employment Opportunity Commission showed a similar effect between women in top managerial and midlevel management positions.

More educated women vying for executive positions will eventually result in more women at the top of the corporate world, mandated or not.

**Write to Laura Forman at [laura.forman@wsj.com](mailto:laura.forman@wsj.com)**



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

**To:** Governance Committee  
**From:** Cindy Murphy, Director of Governance Services  
**Date:** October 15, 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 Governance Committee Meeting the Hospital Board has met twice and the District Board has not. The Hospital Board will also meet on October 10, 2019, after distribution of this packet. 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:**

- Approved Employee Wellness & Health Professional Services Agreement
- Approved Maternal Child Health Professional Services Agreement
- Approved NICU Consulting Agreement.

Report on Board Actions  
October 15, 2019

**C. Compliance and Audit Committee:** None since last report.

**D. Executive Compensation Committee Actions:**

- Executive Incentive Program Payments Approved Pending Board Approval of Organizational Goal Score.
- FY20 Annualized Base Salary for ECH Foundation President Approved.

**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:** Governance Committee  
**From:** Erica Osborne, Via Healthcare Consulting  
**Date:** October 15, 2019  
**Subject:** El Camino Hospital Board 2019-2020 Board Action Plan Review

**Recommendation(s):**

To review and recommend approval of the 2019-2020 El Camino Hospital (ECH) Board Action Plan.

**Summary:**

1. Situation: Attached is the 2019-2020 ECH Board Action Plan, which was developed based on the results of the 2019 Board Self-Assessment. It is broken down into the four areas of focus including quality oversight, meeting effectiveness, ongoing education/training, and board culture.
2. Authority: In accordance to ECH policies/practices, the Governance Committee is tasked with reviewing and recommending approval of the annual board action plan.
3. Background: Via Healthcare conducted a comprehensive BSA process for the ECH Board in the summer of 2019. The process included an online survey completed by all board members as well as interviews with board member and executive leadership interviews. The results of the assessment and a set of recommendations were developed and presented to the ECH Board in August 2019.
4. Assessment: At the August 21, 2019 ECH Board meeting, Board members discussed the findings, identifying and prioritizing a list of enhancement actions the Board could undertake to improve its effectiveness over the next year. The action plan represents the agreed upon actions that the full board would like to pursue.
5. Other Reviews: None.
6. Outcomes: Upon the approval of the 2019-2020 ECH Board Action Plan, the Governance Committee would be tasked with developing and overseeing the implementation of the annual ECH Board Action Plan. It is recommended that progress be reported to the full board on a quarterly basis.

**List of Attachments:**

1. The 2019-2020 El Camino Hospital Board Action Plan

**Suggested Committee Discussion Questions:**

1. What are the metrics that could be used to evaluate the board's progress and how should those be presented to the board?

## 2019-2020 El Camino Health Board Action Plan

	What	Who	By When	Current Status
<b>Quality Oversight</b>				
1.	Adopt a customized, actionable approach to effective quality. <ul style="list-style-type: none"> <li>Review and discuss available approaches to quality oversight. Frameworks to consider might include IHI Framework for Governance of Health System Quality, AHRQ High Reliability Organizations, and LEAN Six Sigma among others.</li> <li>Identify and incorporate aspects from the different frameworks to create a customized approach to quality oversight at ECH.</li> </ul>	Quality Committee Chair, CMO	End Q1 2020	
2.	Hold an educational meeting or series of meetings focused on quality oversight. These sessions will provide: <ul style="list-style-type: none"> <li>Additional education on the board's role in quality oversight including information on quality goals, indicators and how to interpret data.</li> <li>An opportunity to discuss how ECH defines quality and what the organization's approach should be.</li> </ul>	Quality Committee Chair, CMO	Scheduled for [DATE]	
<b>Meeting Effectiveness</b>				
3.	Restructure board meeting presentations to improve focus and promote dialogue.	CEO, Dir Gov Services	December 2019	
4.	Revisit meeting frequency to determine whether current schedule is optimal and adds value.	Board Chair, CEO	End Q2 2020	
5.	Implement a board meeting evaluation to assess quality of materials, mechanics and results of the meeting.	Board Chair, CEO	September 2019	
<b>Ongoing Governance Education/Training</b>				
6.	Develop an intentional, multi-year strategy for ongoing board education. The intent would be to identify topics and modalities that would enhance the governance competencies and engagement of the ECH Hospital Board.	Governance Committee	December 2019	
<b>Enhancing Board Culture</b>				
7.	Convene board members outside the typical board meeting structure to facilitate greater cohesiveness and teamwork on a quarterly or bi-annual basis.	Board Chair, CEO, Dir Gov Services	Ongoing	

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

**To:** Governance Committee  
**From:** Cindy Murphy, Director of Governance Services  
**Date:** October 15, 2019  
**Subject:** System Governance Ad Hoc Committee Report – Proposed Charter Revisions

**Recommendation(s):**

To recommend the El Camino Hospital Board of Directors adopt the proposed revisions to the Finance Committee, Compliance and Audit Committee, Quality, Patient Care and Patient Experience Committee, Governance Committee, Investment Committee, and Executive Compensation Committee Charters.

**Summary:**

1. Situation: The System Governance Committee is tasked with developing recommendations for ECH Board and Committee oversight of ECH's affiliated entities as ECH grows into a health system providing a broader array of health services "outside the hospital's four walls." The Ad Hoc Committee determined that some changes to the Charters are needed address system governance issues. *See*, Section 2a below. For efficiency sake, staff is also proposing that the Governance Committee review and recommend some additional changes to the Charters, unrelated to the system governance issues (*See*, sections 2, b and c, below)
2. Authority: This is within the scope of the Governance Committee's chartered responsibility to "monitor and recommend improvements or changes to the on-going governance process and procedures of the Hospital Board in order to enhance overall efficiency of the Board and Advisory Committee Structure."

3. Background:

The following changes are proposed to four of the charters (Finance, Governance, Compliance and Quality):

- A. Add the language: "for El Camino Hospital and its affiliated entities where ECH is the sole corporate member ("the Organization")" in the "Purpose" section of each Charter to clarify that the Committees' oversight responsibilities extend to all entities where ECH is the sole corporate members.
- B. Replace reference to ECH with "the Organization" also to clarify the breadth of oversight responsibility.
- C. Replace former "Hospital" logo with new "Health" logo and at the same time emphasize the Committees are El Camino Hospital Board Advisory Committees.
- D. Provide for a physician member of the El Camino Hospital Board's Quality Committee to also serve as a member of SVMD LLC's Board of Managers' Quality Committee.

Unrelated to the system governance issues, the following change is proposed to all six Committee Charters to clarify and memorialize the process for appointing Committee members. "All Committee members, **with the exception of new non-Hospital Board members**, shall be appointed by the Board Chair, subject to approval by the Board. **New non-Hospital Board members shall be appointed by the Committee, subject to approval of the Board.** All Committee appointments shall be for a term of one year expiring on June 30<sup>th</sup>, renewable annually.

System Governance Ad Hoc Committee Report  
October 15, 2019

Unrelated to the system governance issues, the Compliance and Audit Committee proposed adding (1) Cyber Security (as distinguished from IT Security) and (2) “review of any scope of work for the external auditors outside of the annual financial statement audit” to its oversight responsibilities.

4. Assessment: These changes will enhance and clarify system governance, provide an opportunity for deeper review of the Medical Staff Credentials and Privileges report at the Committee level, memorialize the process for Committee appointments in the Charters, and clarify that the Compliance and Audit Committee has oversight responsibility for both IT and Cyber Security.
5. Other Reviews: None.
6. Outcomes: N/A

**List of Attachments:**

1. Draft Revised Committee Charters

**Suggested Committee Discussion Questions:** None.

**El Camino Hospital Board of Directors**  
**Compliance and Audit Committee Charter**  
**Draft Revised 7/31/2019**

## 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 ~~for El Camino Hospital and its affiliated entities where ECH is the sole corporate member (“the Organization”).~~ The Committee will accomplish this by monitoring the compliance policies, controls, and processes of the ~~organization~~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~~the Organization’s mission and purpose.

## Authority

All governing authority for ~~ECH~~the Organization resides with the Hospital Board except that which may be lawfully delegated to a specific Board committee. The Committee will report to the full Board at the next scheduled meeting any action or recommendation taken within the Committee’s authority. The Committee has the authority to select, recommend engagement, and supervise any consultant hired by the Board to advise the Board or Committee on compliance, privacy, ~~IT security~~Information Technology (IT) and Cyber Security, including physical security (safeguards and access control), enterprise risk management, or audit related issues. In addition, the Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.

Voting members of the Committee shall include the directors assigned to the Committee and external (non-director) members appointed to the Committee.

## Membership

- The Committee shall be comprised of two (2) or more Hospital Board members. The Chair of the Committee shall be appointed by the Board Chair, subject to approval by the Board. All members of the Committee shall be eligible to serve as Chair of the Committee.
- The Committee may also include two to four (2-4) external (non-Hospital Board member) members with expertise in compliance, privacy, enterprise risk, ~~IT security~~Information Technology (IT) and Cyber Security, audit, and/or financial management expertise.
- All Committee members, with the exception of new non-Hospital Board members, shall be appointed by the Board Chair, subject to approval by the Board. New non-Hospital Board members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30<sup>th</sup> ~~each year~~, renewable annually.
- It shall be within the discretion of the Chair of the Committee to appoint a Vice Chair from among the members of the Committee. If the Chair of the Committee is not a Hospital Board Director, the Vice Chair of the Committee shall be a Hospital Board Director.



## Conflict of Interest

Members of the Committee shall be independent (as defined in Appendix) as to conflicts of interest with ~~El Camino Hospital~~the Organization pursuant to the Conflict of Interest Policy. Should there be a potential conflict, the determination regarding independence shall follow the criteria approved by the Board (*see* appendix).

Any member of a Board or Board committee who has a conflict of interest with respect to a proposed contract, transaction, relationship, arrangement, or activity shall refrain from the deliberations and vote on any matter related to the contract, transaction, or arrangement. Such member, however, may be present to answer questions and provide information needed by the Board or Board Committee for its deliberations. The Board Chair may appoint one or more qualified individuals to take the place of any affected member of a Board or Board Committee with regard to the matter or interest being considered. Any such reconstituted Committee shall be considered to have all rights, authority, and obligations of the Committee.

## Staff Support and Participation

The Sr. Director of Corporate Compliance (“Corporate Compliance Officer”) shall serve as the primary staff support to the Committee and is responsible for drafting the committee meeting agenda for the Committee Chair’s consideration. Additional members of the executive team may participate in the Committee meetings upon the recommendation of the Corporate Compliance Officer and subsequent approval from both the CEO and Committee Chair.

## General Responsibilities

The Committee’s primary role is to provide oversight and to advise the management team and the Board on matters pertaining to this Committee. With input from the Committee, the management team shall develop dashboard metrics that will be used to measure and track corporate compliance, privacy, audit, ~~IT~~Information Technology (IT) and Cyber Security, and enterprise risk management for the Committee’s review and subsequent approval by the Board. It is the management team’s responsibility to develop and provide the Committee with reports, plans, assessments, and other pertinent materials to inform, educate, and update the Committee, thereby allowing Committee members to engage in meaningful, data-driven discussions. Upon careful review and discussion and with input from management, the Committee shall then make recommendations to the Board. The Committee is responsible for monitoring that performance metrics are being met to the Board’s expectations and requiring explanation of any deficiencies and reporting to the Board such deficiencies.

## Specific Duties

The specific duties of the Committee include the following:

- A. **Corporate Compliance, Privacy, Information Technology (IT) and Cyber Security, and Enterprise Risk Management Functions**
  - Oversee the activities of the Corporate Compliance program and all subcommittees providing support relative to corporate compliance.
  - Oversee the activities of the Privacy program, including, but not limited to HIPAA/patient privacy, administrative, technical, and physical security safeguards.

- Oversee the ~~IT security~~Information Technology (IT) and Cyber Security risk assessment process and review the mitigation plan to reduce vulnerabilities. Review at least annually the overall status of the ~~IT security~~Information Technology (IT) and Cyber Security program.
- Oversee efforts to develop, implement, and maintain an effective Information Technology (IT security) and Cyber Security program and ~~advise~~advise the Board on risk tolerance levels.
- Advise the ~~organization~~Organization on Enterprise Risk Management structure and provide oversight of Enterprise Risk reporting metrics and measurements to help monitor ~~organizational~~the Organization's risks.
- Advise the ~~organization~~Organization on corporate compliance implementation strategies. Review strategies for improving the corporate compliance program(s) and recommend for approval by the Board.
- Review with management the assessment of physician relationship risk as it relates to Stark laws, anti-kickback statutes, and other compliance rules and regulations.
- Encourage continuous improvement of policies and procedures for corporate accountability, integrity, and privacy. Review the ~~organization's~~Organization's policy oversight guidelines and oversee the process being systematic and robust.

#### **B. Internal Audit Functions**

- Provide direction related to findings and recommendations of internal audits performed.
- Provide direction for issues relating to internal audit responses by management.
- Review the annual internal audit priorities for the ~~organization~~Organization.
- Serve as the ad hoc governance team regarding non-routine investigations or action taken by external agencies and authorities against ~~ECH~~the Organization.
- Recommend policies and processes for approval by the Board relating to systems of internal controls for finance.
- Oversee the work of independent compliance, audit, and privacy staff.
- Provide escalation vehicle from any source to identify and address relevant issues.

#### **C. External Audit Functions**

- Make recommendations to the Board regarding the external financial audit firm selection, retention, and, when necessary, replacement.
- Review the expected fee for the audit and assure that the fee is fair to the ~~organization~~Organization and is compatible with a full, complete, and professional audit. Make recommendations to the Board.
- Review the scope and approach of the annual audit, including the identification of business and financial risks and exposures, with the external auditor.
- Meet with the auditor and management, as needed, to resolve issues regarding financial reporting, and make recommendations to the Board for discussion and action.
- Any services provided by the external auditors, outside the scope of the annual audit of financial statements must be presented to the Committee for ~~pre-approval~~review and discussion of proposed scope of work in advance of executing an agreement with the auditors.

- Review the external auditor reports and financial statements before presentation to the Board. Make recommendations to the Board.
- At the completion of the annual audit examination, review the following with management and the external auditors:
  - The ~~organization's~~Organization's annual financial statements and related footnotes.
  - The external auditor's audit of the financial statements and the auditor's report thereon.
  - Judgments about the quality, not just the acceptability of accounting principles and the clarity of the financial disclosure practices used or proposed to be used, and particularly the degree of aggressiveness or conservatism of accounting principles and underlying estimates.
  - Any significant changes in scope required in the external auditor's plan.
  - Any serious difficulties or disputes with management encountered during the course of the audit.
- Conduct an executive session if necessary to allow the Committee to meet privately with the auditor.
- Review all significant financial communications to external parties (e.g., public, press, lenders, creditors and regulators), ensuring they are prepared in accordance with generally accepted accounting principles and fairly represent the financial condition of ~~ECH~~the Organization.
- Review and recommend for approval by the Board the audit firm's annual engagement proposal and review the independent auditor's performance.

## Independence of the External Auditor

It is the Committee's responsibility to confirm the independence of the external auditor on an annual basis through a written statement. The statement shall confirm their independence and address services or relationships that may impact independence. The lead and concurring partner on the audit engagement team may not serve for more than five years unless special circumstances exist and with the approval of the Board. Members of the external audit team are prohibited from employment ~~at ECH~~with the Organization in a financial role within one year of leaving the external audit firm.

## Committee Effectiveness

The Committee is responsible for establishing its annual goals, objectives and work plan in alignment with the Board and ~~Hospital's~~the Organization's strategic goals. The Committee shall be focused on continuous improvement with regard to its processes, procedures, materials, and meetings, and other functions to enhance its contribution to the full Board.

## Meetings and Minutes

The Committee shall meet at least once per quarter. The Committee Chair shall determine the frequency of meetings based on the Committee's annual goals and work plan. Minutes shall be kept by the assigned staff and shall be delivered to all members of the Committee when the agenda for the subsequent meeting is delivered. The approved minutes shall be forwarded to the Board for information.

Meetings and actions of all committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of the Bylaws, concerning meetings and actions of directors.



Special meetings of committees may also be called by resolution of the Board. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the Committee. Notice of any special meetings of the Committee requires a 24 hour notice.

## Appendix

### Definition of Independent Director – Compliance and Audit Committee

1. An independent director is a more limited and narrow classification of director than otherwise required by law and is not meant to expand or limit the definition of interested director for purposes of the El Camino Hospital Conflict of Interest Policy or to expand or reduce the scope of any legal duty or otherwise applicable legal obligation of a director. The Board of Directors, by separate resolution, may determine to limit membership on particular committees to independent directors to avoid even the appearance of a conflict of interest.
2. A member of the Board of Directors of El Camino Hospital shall be deemed to be an independent director so long as such director (and any spouse, sibling, parent, son or daughter, son- or daughter-in-law or grandparent or descendant of the director):
  - i. has not, within the preceding twelve (12) months, received payments from El Camino Hospital, a subsidiary or affiliate of El Camino Hospital in excess of Ten Thousand Dollars (\$10,000), excluding reimbursement of expenses or other permitted payments to a director related to service as a director;
  - ii. does not own an interest in an entity, or serve as a Board member or executive of an entity, that is a direct competitor of El Camino Hospital (or an entity controlling, controlled by or under common control with El Camino Hospital) for patients or services, located within ten (10) miles of El Camino Hospital (or an entity controlling, controlled by or under common control with El Camino Hospital). An entity is not a direct competitor if it provides competing services in the above area that do not exceed ten percent (10%) of such entity's revenues.
3. If a director is an owner of an entity, then the amount received from El Camino Hospital during any period shall be determined by multiplying the percentage ownership interest of the director in such entity by the total amount paid by El Camino Hospital to such entity during such period.
4. Each director appointed to the Compensation Committee and the Compliance and Internal Audit Committee shall be, at the time of appointment and while a member of such Committee, an independent director as defined above.
5. **Note:** Other laws may prohibit certain contracts or interests in their entirety and this definition is not intended to narrow or otherwise limit the application of any such law.

## **El Camino Hospital Board of Directors** **Executive Compensation Committee Charter** **Draft Revised 7-30-19**

### **Purpose**

The purpose of the Executive Compensation Committee (“Committee”) is to assist the El Camino Hospital (ECH) Hospital Board of Directors (“Board”) in its responsibilities related to the Hospital’s executive compensation philosophy and policies. The Committee shall advise the Board to meet all applicable legal and regulatory requirements as it relates to executive compensation.

### **Authority**

All governing authority for ECH resides with the Hospital Board except that which may be lawfully delegated to a specific Board committee. The Committee will report to the full Board at the next scheduled meeting any action or recommendation taken within the Committee’s authority. The Committee has the authority to select, engage and supervise a consultant to advise the Board and the Committee on executive compensation issues. In addition, the Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.

### **Membership**

- The Executive Compensation Committee shall be comprised of two (2) or more Hospital Board members. The Committee may also include 2-4 external (non-director) members with knowledge of executive compensation practices, executive leadership and/or corporate human resource management.
- Executive compensation consultants will be retained as appropriate and participate as directed.
- The Chair of the Committee shall be appointed by the Board Chair, subject to approval by the Board. All members of the Committee shall be eligible to serve as Chair of the Committee.
- All Committee members, with the exception of new non-Hospital Board members, shall be appointed by the Board Chair, subject to approval by the Board. New non-Hospital Board members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30<sup>th</sup> ~~each year~~, renewable annually.
- It shall be within the discretion of the Chair of the Committee to appoint a Vice-Chair from among the members of the Committee. If the Chair of the Committee is not a Hospital Board member, the Vice-Chair must be a Hospital Board member.
- All members of the Committee must be independent directors with no conflict of interest regarding compensation or benefits for the executives whose compensation is reviewed and recommended by the Committee. Should there be a potential conflict, the determination regarding independence shall follow the criteria approved by the Board and as per the Independent Director Policy (*see* attached Appendix).

### **Staff Support and Participation**

The Chief Human Resources Officer shall serve as the primary staff support to the Committee and is responsible for drafting the committee meeting agenda for the Committee Chair’s consideration. The

CEO, and other staff members as appropriate, may serve as a non-voting liaison to the Committee and may attend meetings at the discretion of the Committee Chair. These individuals shall be recused when the Committee is reviewing their individual compensation.

## **General Responsibilities**

The Committee is responsible for recommending to the full Board policies, processes and procedures related to executive compensation philosophy, operating performance against standards, executive development and succession planning.

## **Specific Duties**

The El Camino Hospital Board has adopted Resolution 2018-05 delegating certain decision-making authority to the Executive Compensation Committee. Resolution 2018-05 controls in the case of any inconsistency between this Charter and the Resolution or attachments to the Resolution. The specific duties of the Executive Compensation Committee include the following:

### **A. Executive Compensation**

- Develop a compensation philosophy that clearly explains the guiding principles on which executive pay decisions are based. Recommend the philosophy for approval by the Board.
- Develop executive compensation policies to be approved by the Board.
- Review and maintain an executive compensation and benefit program consistent with the executive compensation policies, which have been approved by the Board. Recommend any material changes in the program for approval by the Board.
- Review the CEO's salary range, performance incentive program, benefit plan, and perquisites. Recommend to the Board any salary change to base salary range and/or base salary as well as performance incentive payouts based on organizational performance.
- Review the CEO's recommendations regarding salary and performance incentive payouts for the upcoming year for the executives whose compensation is subject to review by the Committee based on the CEO's evaluation of the executives' individual performance. Approve recommendations for any salary range or base salary changes and/or any performance incentive payouts within established guidelines based on the CEO's evaluation of the executives' individual performance. Recommend to the Board any salary changes and/or performance incentive payments that are outside established guidelines.
- Periodically evaluate the executive compensation program, including the charter, policies, and philosophy on which it is based, to assess its effectiveness in meeting the Hospital's needs for recruiting, retaining, developing, and motivating qualified leaders to execute the Hospital's strategic and short term objectives..
- Periodically review the total value, cost and reasonableness of severance and benefits for executives.
- Annually review and present for Board acceptance the letter of rebuttable presumption of reasonableness.
- Review market analyses and recommendation of the Committee's independent executive compensation consultant.



- Approve salary ranges for each new executive and approve placement in the range for those executives eligible for the plan within established guidelines. Recommend a salary range to the Board and placement therein for the CEO and or actions for other executives that are outside established guidelines.

**B. Performance Goals Setting and Assessment**

- Review and provide input into the CEO's recommendations regarding annual organization goals and measures used in the Executive Performance Incentive Plan. Recommend organizational performance incentive goals and measurements for approval by the Board.
- Provide input into establishing the CEO's annual individual performance incentive goals and performance appraisal process to execute the Hospital's strategic plan. Recommend the CEO's individual annual goals and measures for approval by the Board.
- Provide input into establishing the executive team's annual performance incentive goals to execute the Hospital's strategic plan and approve the annual goals and measures.

**C. Executive Succession and Development**

- Review annually the CEO's own succession plan, including a leadership and professional development plan based on the previous year's talent assessment.
- Review annually the CEO's succession plan for the executive team members, which shall include the process by which potential executives are identified and developed.

## **Committee Effectiveness**

The Committee is responsible for establishing its annual goals, objectives and workplan in alignment with the Board and Hospital's strategic goals. The Committee shall be focused on continuous improvement with regard to its processes, procedures, materials, and meetings, and other functions to enhance its contribution to the full Board. In addition, the Committee shall provide counsel and advice to the Board as requested.

## **Meetings and Minutes**

The Committee shall meet at least once per quarter. The Committee Chair shall determine the frequency of meetings based on the Committee's annual goals and work plan. Minutes shall be kept by the assigned staff and shall be delivered to all members of the Committee when the agenda for the subsequent meeting is delivered. The approved minutes shall be forwarded to the Board for information.

Meetings and actions of all advisory committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of the Bylaws, concerning meetings and actions of directors. Special meetings of advisory committees may also be called by resolution of the Board and the Committee Chair. Notice of any special meetings of the Committee requires a 24 hour notice.



## Appendix

### Definition of Independent Director – Compensation Committee

1. An independent director is a more limited and narrow classification of director than otherwise required by law and is not meant to expand or limit the definition of interested director for purposes of the El Camino Hospital Conflict of Interest Policy or to expand or reduce the scope of any legal duty or otherwise applicable legal obligation of a director. The Board of Directors, by separate resolution, may determine to limit membership on particular committees to independent directors to avoid even the appearance of a conflict of interest.
2. A member of the Board of Directors of El Camino Hospital shall be deemed to be an independent director so long as such director (and any spouse, sibling, parent, son or daughter, son- or daughter-in-law or grandparent or descendant of the director):
  - i. has not, within the preceding twelve (12) months, received payments from El Camino Hospital, a subsidiary or affiliate of El Camino Hospital in excess of Ten Thousand Dollars (\$10,000), excluding reimbursement of expenses or other permitted payments to a director related to service as a director;
  - ii. does not own an interest in an entity, or serve as a Board member or executive of an entity, that is a direct competitor of El Camino Hospital (or an entity controlling, controlled by or under common control with El Camino Hospital) for patients or services, located within ten (10) miles of El Camino Hospital (or an entity controlling, controlled by or under common control with El Camino Hospital). An entity is not a direct competitor if it provides competing services in the above area that do not exceed ten percent (10%) of such entity's revenues.
3. If a director is an owner of an entity, then the amount received from El Camino Hospital during any period shall be determined by multiplying the percentage ownership interest of the director in such entity by the total amount paid by El Camino Hospital to such entity during such period.
4. Each director appointed to the Compensation Committee and the Compliance and Internal Audit Committee shall be, at the time of appointment and while a member of such Committee, an independent director as defined above.
5. **Note:** Other laws may prohibit certain contracts or interests in their entirety and this definition is not intended to narrow or otherwise limit the application of any such law.

## El Camino Hospital Board of Directors

### **Finance Committee Charter**

**Draft Revised 7/31/2019**

#### **Purpose**

The purpose of the Finance Committee (the “Committee”) is to assist the El Camino Hospital (ECH) Board of Directors to (“Board”) provide oversight, information sharing and financial reviews related to operating and capital budgeting, financial planning, financial reporting, capital structure, banking relationships and certain contractual agreements for El Camino Hospital ~~(ECH) Board of Directors (“Board”)~~ and its affiliated entities where ECH is the sole corporate member (“the Organization”). In carrying out its review, advisory and oversight responsibilities, the Committee shall remain flexible in order to best define financial strategies that react to changing conditions.

#### **Authority**

All governing authority for ~~ECH~~ the Organization resides with the Board and, except as specifically provided in Sections E and F of “Specific Duties,” the Committee serves as an advisory body only. The Committee will report to the Board at the next scheduled meeting any recommendation made or action taken within the Committee’s authority. The Committee has the authority to select, engage, and supervise any consultant it deems necessary to advise the Committee on issues related to its responsibilities. In addition, the Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.

Voting members of the Committee shall include the directors assigned to the Committee and external (non-director) members appointed to the Committee.

#### **Membership**

- The Committee shall be comprised of two (2) or more Hospital Board members. The Chair of the Committee shall be appointed by the Board Chair, subject to approval by the Board. All members of the Committee shall be eligible to serve as Chair of the Committee.
- The Finance Committee may also include 2-4 external (non-Hospital Board member) members with expertise which is relevant to the Committee’s areas of responsibility, such as banking, financial management, planning and real estate development, etc.
- All Committee members, with the exception of new non-Hospital Board members, shall be appointed by the Board Chair, subject to approval by the Board. New non-Hospital Board members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year, expiring on June 30<sup>th</sup> ~~each year~~, renewable annually.
- It shall be within the discretion of the Chair of the Committee to appoint a Vice-Chair from among the members of the Committee. If the Chair of the Committee is not a Hospital Board member, the Vice-Chair must be a Hospital Board member.

#### **Staff Support and Participation**

The CFO shall serve as the primary staff support to the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the executive team may participate in the Committee meetings as deemed necessary.

## **General Responsibilities**

The Committee's primary role is to provide oversight and to advise the management team and the Board on matters brought to this Committee. With input from the Committee, the management team shall develop dashboard metrics that will be used to measure and track financial performance for the Committee's review. It is the management team's responsibility to develop and provide the Committee with reports, plans, assessments, and other pertinent materials to inform, educate, and update the Committee, thereby allowing Committee members to engage in meaningful, data-driven discussions. Upon careful review and discussion and with input from management, the Committee shall then make recommendations to the Board. The Committee is responsible for ensuring that performance metrics which are not being met to the Board's expectations are reported to the Board.

## **Specific Duties**

The specific duties of the Committee are:

### **A. Budgeting**

- Review the annual operating and capital budgets for alignment with the mission and vision of ~~ECH~~the Organization and make recommendations to the Board.
- Review any financial requests in excess of the CEO's signing authority and make recommendations to the Board.
- Review ~~ECH's~~the Organization's long-range forecasts and financial plans and make recommendations to management regarding steps advisable to improve ~~ECH's~~the Organization's financial strength.

### **B. Financial Reporting**

- Review each accounting period's financial statements and ensure the Board is advised of any necessary corrective actions.
- Obtain a clear understanding of ~~ECH's~~the Organization's financial reporting process by reviewing the hospital's dashboard items and periodic financial reports and advise management on how to improve its financial reporting in order to improve accountability and ease of reading and understanding.

### **C. Financial Planning and Forecasting**

- Semi-annually receive an update on management's assessment of expected results as well as potential risks related to the payor contracts.
- Evaluate the financial implications of emerging payment processes and provide advice to management regarding associated risk management concerns.
- Evaluate financial planning and forecasting to help ensure it remains in alignment with the mission and strategic direction of ~~ECH~~the Organization.

### **D. Treasury, Pension Plans, and Contracting Concerns**

- Review and make recommendations to the Board regarding all new debt issuances and derivative instruments in excess of \$1 million.
- Monitor compliance with debt covenants and evaluate ~~ECH's~~the Organization's capital structure.
- Review and make recommendations to the Board regarding changes in banking relationships, including, without limitation, depository accounts, investment accounts and major credit facilities. The term “major credit facilities” does not include management-approved trade credit facilities offered in the ordinary course of business by vendors to the hospital. The Committee may recommend delegation of approval authority for specified changes to the CFO, but must maintain reporting and oversight of any such changes
- Review and make recommendations to the Board regarding proposed plan design or benefit design changes in excess of management authority limits to employee retirement plans, excluding changes to investments within those plans.
- Review and make recommendations to the Board regarding contractual agreements with persons considered to be “insiders” under IRS regulations, and those which are in excess of the CEO’s signing authority

**E. Capital and Program Analysis**

- Review and make recommendations to the Board with respect to the business plans of all capital items or proposed business ventures in excess of the CEO’s signing authority, and all variances to budget in excess of the CEO’s signing authority on projects in process.
- Review retrospective analyses of all strategic business ventures and all strategic capital expenditures in excess of \$2.5 million, as presented by management or as per the review schedule set forth by the Committee, to assess the reasonableness of business plans that were developed at the time of original approval and to promote learning as a result of any identified issues or concerns.
- Review and recommend approval for the acquisition or disposition of capital which is in excess of \$5 million.
- Approve unbudgeted capital expenditures exceeding the CEO’s signature authority but not in excess of \$5 million.

**F. Physician Financial Arrangements**

- Review and recommend for Board approval Physician Financial Arrangements in excess of 75% of fair market value in accordance with the Corporate Compliance: Physician Financial Arrangements Policy.
- Approve Physician Financial Arrangements in excess of 250,000 annually or if upon renewal or amendment, the annual increase is greater than 10% in accordance with the Corporate Compliance: Physician Financial Arrangements Policy.
- Approve the Annual Summary Report of Physician Financial Arrangements.

**G. Financial Policies**

- Review and recommend approval of any Board-level financial policies, excluding any financial policies for which responsibility has been specifically assigned to another Board Committee.

**H. Ongoing Education**

- Endorse and encourage Committee education and dialogue relative to emerging healthcare issues that will impact the viability and strategic direction of ~~ECH~~the Organization.

**I. Management Partnership**

- Work in partnership with the CFO and other hospital executives to assist in the development of financial policies which will help ensure ~~organizational~~the Organization's success.
- Provide ongoing counsel to the CFO regarding areas of opportunity for either personal or organizational improvement.

**Committee Effectiveness**

The Committee is responsible for establishing its annual goals, objectives and work plan in alignment with the Board and Hospital's strategic goals. The Committee strives for continuous improvement with regard to its processes, procedures, materials, and meetings, and other functions to enhance its contribution to the full Board.

**Meetings and Minutes**

The Committee shall meet at least once per quarter. The Committee Chair shall determine the frequency of meetings based on the Committee's annual goals and work plan and the operational requirements of the organization. Minutes shall be kept by the assigned staff and shall be delivered to all members of the Committee when the agenda for the subsequent meeting is delivered. The approved minutes shall be forwarded to the Board for information.

Meetings and actions of all committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of the Bylaws, concerning meetings and actions of directors. Special meetings of committees may also be called by resolution of the Board or the Committee Chair. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the Committee. Notice of any special meetings of the Committee requires a 24 hour notice.

## **El Camino Hospital Board of Directors**

### **Investment Committee Charter**

### **Draft Revised 7/30/19**

#### **Purpose**

The purpose of the Investment Committee (the “Committee”) is to develop and recommend to the El Camino Hospital (ECH) Board of Directors (“Board”) the organization’s investment policies, maintain current knowledge of the management and investment of the invested funds of the hospital and its pension plan(s), provide guidance to management in its investment management role, and provide oversight of the allocation of the investment assets.

#### **Authority**

All governing authority for ECH resides with the Hospital Board except that which may be lawfully delegated to a specific Board committee or subcommittee. All of the recommendations of the Committee flow to the El Camino Hospital Board for action. Reports of the Committee will be provided to the subsequently scheduled Board meeting. The Committee has the authority to recommend one or more investment managers for the hospital, monitor the performance of such investment managers, and monitor adherence to the investment policies of the hospital.

Voting members of the Committee shall include the directors assigned to the Committee and external (non-director) members appointed to the Committee.

The Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.

#### **Membership**

- The Investment Committee shall be comprised of two (2) or more Hospital Board members. The Chair of the Committee shall be appointed by the Board Chair, subject to approval by the Board. All members of the Committee shall be eligible to serve as Chair of the Committee.
- The Investment Committee may also include 2-4 external (non-Hospital Board member) members with expertise areas such as finance, banking, and investment management.
- All Committee members, with the exception of new non-Hospital Board members, shall be appointed by the Board Chair, subject to approval by the Board. New non-Hospital Board members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30<sup>th</sup> ~~each year~~, renewable annually.
- It shall be within the discretion of the Chair of the Committee to appoint a Vice Chair from among the members of the Committee. If the Chair of the Committee is not a Hospital Board member, the Vice Chair must be a Hospital Board member. All members of the Committee must be independent with no conflicts of interest regarding hospital investments. Should there be a potential conflict, the determination regarding independence shall follow the criteria approved by the Board.

#### **Staff Support and Participation**

The CFO shall serve as the primary staff support to the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the management team may participate in the Committee meetings as deemed necessary.

## **General Responsibilities**

The Committee's primary role is to provide oversight and to advise the management team and the Board on matters pertaining to this Committee. With input from the Committee, the management team shall work with its investment advisor(s) to develop dashboard metrics that will be used to measure and track investment performance for the Committee's review and subsequent approval by the Board. It is the management team's responsibility to develop and provide the Committee with reports, plans, assessments, and other pertinent materials to inform, educate, and update the Committee, thereby allowing Committee members to engage in meaningful, data-driven discussions. The Committee is responsible for ensuring that performance metrics are being met to the Board's expectations and that the Board is apprised of any deviations therefrom.

## **Specific Duties**

The specific duties of the Governance Committee include the following:

### **A. Investment**

- Define the necessary skill sets, diversity and other attributes required for Board members to support Hospital strategy, goals, community needs and current market conditions.
- Review and recommend for approval by the Board the investment policies for corporate assets and Cash Balance Plan assets. Review and make recommendations to the Board regarding the selection of an independent investment advisor. The Board will appoint the investment advisor, and management, in consultation with the Committee, will appoint the investment managers.
- Monitor the performance of the investment managers through reports from the independent investment advisor, and make recommendations for change when appropriate.
- Monitor investment allocations and make recommendations to the Board if assets are managed inconsistently with approved investment policies.
- Monitor the financial stability and safety of the institutions which have custody of the Hospital's assets, and make recommendations for change when appropriate.
- Monitor the investment performance of the specific investment vehicles made available to employees through their 403(b) Retirement Plan.
- Review recommendations from the Retirement Plan Administrative Committee (RPAC) regarding the selection of an independent investment advisor for the employees' 403(b) Retirement Plan and make recommendations to the Board. The Board will appoint the investment advisor, and the RPAC will monitor, select, and replace the Core investment choices.

### **B. Ongoing Education**

- Endorse and encourage Investment Committee education and dialogue relative to the work of the Committee.

## **Committee Effectiveness**



The Committee is responsible for establishing its annual goals, objectives and pacing plan in alignment with the Board and Hospital's strategic goals. The Committee shall be focused on continuous improvement with regard to its processes, procedures, materials, and meetings, and other functions to enhance its contribution to the full Board.

## **Meetings and Minutes**

The Committee shall meet at least once per quarter. The Committee Chair, in collaboration with hospital management, shall determine the frequency of meetings based on the Committee's annual goals and work plan and the operational needs of the organization. Minutes shall be kept by the assigned staff and shall be delivered to all members of the Committee when the agenda for the subsequent meeting is delivered. The approved minutes shall be forwarded to the Board for information.

Meetings and actions of all Advisory committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of the Bylaws, concerning meetings and actions of directors. Special meetings of Advisory committees may also be called by resolution of the Board or by the Committee Chair. Notice of any special meetings of the Committee requires a 24 hour notice.



## El Camino Hospital Board of Directors

### **Governance Committee Charter**

### **Draft Revised 7/31/2019**

#### **Purpose**

The purpose of the Governance Committee (“Committee”) is to advise the El Camino Hospital (ECH) Hospital Board of Directors (“Board”) in matters related to governance, board development, board effectiveness, and board composition; ( i.e., the nomination and appointment/reappointment process and succession planning for the Board-) for El Camino Hospital and its affiliated entities where ECH is the sole corporate member (“the Organization”). The Governance Committee ensures the ~~Board and its Advisory committees are~~Organization is functioning at the highest level of governance standards.

#### **Authority**

All governing authority for ~~ECH~~the Organization resides with the Hospital Board for ECH and with the boards of the affiliated entities except that which may be lawfully delegated to a specific ~~Board~~board committee. The Committee will report to the ~~full~~ Board at the next scheduled meeting any action or recommendation taken within the Committee’s authority. The Committee has the authority to select, recommend engagement, and supervise any consultant hired by the Board to advise the Board or Committee on governance-related issues. In addition, the Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.

#### **Membership**

- The Governance Committee shall be comprised of two (2) or more Hospital Board members. The Chair of the Committee shall be a Hospital Board director who shall be appointed by the Board Chair, subject to approval by the Board. .
- The Governance Committee may also include 2-4 external (non-Hospital Board member) members with expertise in governance, organizational leadership or as a hospital or health system executive.
- All Committee members, with the exception of new non-Hospital Board members, shall be appointed by the Board Chair, subject to approval by the Board; New non-Hospital Board members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30<sup>th</sup> each year, renewable annually.
- The Governance Committee shall review and make recommendations to the Board regarding the Board Chair’s appointments of Advisory Committee Chairs and Advisory Committee members.
- It shall be within the discretion of the Chair of the Committee to appoint a Vice-Chair from among the members of the Committee.
- All members of the Governance Committee shall be independent.

#### **Staff Support and Participation**

The CEO shall attend meetings and serve as the primary staff support to the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the executive team may participate in the Committee meetings upon the recommendation of the CEO and at the discretion of the Committee Chair.

## General Responsibilities

The Committee is responsible for recommending to the ~~full board~~Board policies, processes and procedures related to board development, board effectiveness, board composition and other governance matters ~~for the Organization~~.

## Specific Duties

The specific duties of the Governance Committee include the following:

- A. **Board Composition, Development, and Effectiveness:** Ensure that the Board ~~is~~and the boards of the affiliated entities are committed to the discipline of doing the right things the right way.

### Composition

- Define the necessary skill sets, diversity and other attributes required for Board members to support Hospital strategy, goals, community needs and current market conditions.
- Make recommendations to the Board regarding Board Composition.

### Orientation, Education and Development

- Adopt the orientation program for newly-appointed members to the Hospital Board of Directors and newly-appointed Board Committee members.
- Recommend a policy, budget and annual plan for Hospital Board and Committee member education, training and development.

### Board Evaluation

- Recommend an evaluation instrument and process to be used by the Hospital Board for evaluation of Board governance.
- Ensure there is a board performance evaluation completed on an annual basis, and as appropriate, evaluation of the individual directors, committees and their chairs, and the Board Chair.
- Ensure submission of Hospital Board's annual self-evaluation to the El Camino Healthcare District Board of Directors.

### Board Efficiency

- Monitor and recommend improvements or changes to the on-going governance process and procedures of the Hospital Board in order to enhance overall efficiency of the Board and Advisory Committee Structure.
- Ensure the Board develops a master Board meeting calendar to establish a cadence of information flow and dialogue, such that the Board has sufficient time to review the minutes and recommendations of the committees. The cadence must accommodate a flow of approvals from Committee to the full Board.

**B. Support of Board Advisory Committee Alignment with Organizational Strategy and Goals**Development of Process for Advisory Committee Review of Advisory Committee Goals and Charters

- Recommend process for the development of annual Board Advisory Committee goals which includes: 1) Linkage of committee goals to organizational goals and strategy, to the Board; and 2) the Board's review and approval.
- Ensure all Board Advisory committees conduct ~~bi-annual~~biennial review of Advisory committee charters and recommend any changes to the Board for approval.

Development of Board Advisory Committee Membership Succession Plan

- Ensure membership succession plan considers organizational strategy and goals.
- Develop process for Advisory committee use to identify a need for increase or change in membership to further alignment with organizational strategy and goals.

**C. Articles of Incorporation, Bylaws, and Policies**

- Provide for a review of the Hospital's Articles of Incorporation and Bylaws at least once every three years.
- Provide for a review of Articles of Incorporation and Bylaws of affiliated entities as needed
- Monitor legal and regulatory issues affecting governance- of the Organization.
- Recommend updates to ~~Hospital Board~~the Organization's governance policies where necessary and as required by legal and regulatory agencies.

**Committee Effectiveness**

The Committee is responsible for establishing its annual goals, objectives and pacing plan in alignment with the Board and ~~Hospital's~~the Organization's strategic goals. The Committee shall be focused on continuous improvement with regard to its processes, procedures, materials, and meetings, and other functions to enhance its contribution to the full Board.

**Meetings and Minutes**

The Committee shall meet at least once per quarter. The Committee Chair shall determine the frequency of meetings based on the Committee's annual goals and work plan. Minutes shall be kept by the assigned staff and shall be delivered to all members of the Committee when the agenda for the subsequent meeting is delivered. The approved minutes shall be forwarded to the Board for information.

Meetings and actions of all Advisory committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of the Bylaws, concerning meetings and actions of directors. Special meetings of Advisory committees may also be called by resolution of the Board and the Committee Chair. Notice of any special meetings of the Committee requires a 24 hour notice.

## El Camino Hospital Board of Directors

### Quality, Patient Care and Patient Experience Committee Charter

#### Draft Revised 9/20/2019

### Purpose

The purpose of the Quality, Patient Care and Patient Experience Committee (“Quality Committee” or the “Committee”) is to advise and assist the El Camino Hospital Board of Directors (“Board”) in constantly enhancing and enabling a culture of quality and safety at ECH, El Camino Hospital and its affiliated entities where ECH is the sole corporate member (“the Organization”). The Committee will work to ensure that the staff, medical staff and management team are aligned in operationalizing the tenets described in the El Camino Organization’s strategic plan related to delivering high quality healthcare to the-all patients that we serve. High quality care is defined as care that is: safe, timely, effective, efficient, equitable, and person-centered.

The organization Organization will provide to the Committee standardized quality metrics with appropriate benchmarks so that the Committee can adequately assess the level of quality care being provided.

### Authority

All governing authority for ECH-the Organization resides with the Hospital Board for ECH and with the boards of the affiliated entities except that which may be lawfully delegated to a specific Boardboard committee. The Committee will report to the ~~full~~ Board at the next scheduled meeting any action or recommendation taken within the Committee’s authority. The Committee has the authority to select, recommend engagement, and supervise any consultant hired by the Board to advise the Board or Committee on issues related to clinical quality, safety, patient care and experience, risk prevention/risk management, and quality improvement. In addition, the Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.

Voting members of the Committee shall include the directors assigned to the Committee and external (non-director) members appointed to the Committee.

~~The Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.~~

### Membership

- The Committee shall be comprised of two (2) or more Hospital Board members and shall include a physician who is also a member of the Silicon Valley Medical Development, LLC (SVMD) Quality Committee. The Chair of the Committee shall be appointed by the Board Chair, subject to approval by the Board. All members of the Committee shall be eligible to serve as Chair of the Committee.

- The Quality Committee may also include 1) no more than nine (9) external (non-Hospital Board member) members with expertise in assessing quality indicators, quality processes (e.g., LEAN), patient safety, care integration, payor industry issues, customer service issues, population health management, alignment of goals and incentives, or medical staff members, and members who have previously held executive positions in other hospital institutions (e.g., CNO, CMO, HR) and 2) no more than two (2) patient advocate members who have had significant exposure to ECH as a patient and/or family member of a patient. Approval of the full Board is required if more than nine external members are recommended to serve on this committee.
- All Committee members, with the exception of new non-Hospital Board members shall be appointed by the Board Chair, subject to approval by the Board. New non-Hospital Board members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30th each year, renewable annually.
- It shall be within the discretion of the Chair of the Committee to appoint a Vice Chair from among the members of the Committee. If the Chair of the Committee is not a Hospital Board Director, the Vice Chair of the Committee shall be a Hospital Board Director.

## Staff Support and Participation

The Chief Medical Officer (CMO) shall serve as the primary staff support to the Committee and is responsible for drafting the committee meeting agenda for the Committee Chair's consideration. Additional clinical representatives as well as members of the executive team may participate in the Committee meetings upon the recommendation of the CMO and subsequent approval from both the CEO and Committee Chair. This may include the Chief/Vice Chief of the Medical Staff.

## General Responsibilities

The Committee's primary role is to develop a deep understanding of the ~~organizational~~Organizational strategic plan, the quality plan, and associated risk management/prevention and performance improvement strategies and to advise the management team and the Board on these matters. With input from the Committee and other key stakeholders, the management team shall develop dashboard metrics that will be used to measure and track quality of care and outcomes, and patient satisfaction for the Committee's review and subsequent approval by the Board. It is the management team's responsibility to develop and provide the Committee with reports, plans, assessments, and other pertinent materials to inform, educate, and update the Committee, thereby allowing Committee members to engage in meaningful, data-driven discussions. Upon careful review and discussion and with input from management, the Committee shall then make recommendations to the Board. The Committee is responsible for 1) ensuring that performance metrics meet the Board's expectations; 2) align those metrics and associated process improvements to the quality plan, strategic plan, organizational goals; and 3) ensuring that communication to the Board and external constituents is well executed.

## Specific Duties

The specific duties of the Committee include the following:

- Oversee management's development of a multi-year strategic quality plan (PaCT).
- Review and approve an annual "Quality Dashboard" for tracking purposes.

- Oversee management's development of ~~Hospital's~~the Organization's goals encompassing the measurement and improvement of safety, risk, efficiency, patient-centeredness, patient satisfaction, and the scope of continuum of care services.
- Review reports related to ~~ECH~~Organization-wide quality and patient safety initiatives in order to monitor and oversee the quality of patient care and service provided. Reports will be provided in the following areas:
  - ~~ECH~~Organization-wide performance regarding the quality care initiatives and goals highlighted in the strategic plan.
  - ~~ECH~~Organization-wide patient safety goals and hospital performance relative to patient safety targets.
  - ~~ECH~~Organization-wide patient safety surveys (including the culture of safety survey), sentinel event and red alert reports, and risk management reports.
  - ~~ECH~~Organization-wide LEAN management activities and cultural transformation work.
  - ~~ECH~~Organization-wide patient satisfaction and patient experience surveys.
  - ~~ECH~~Organization-wide physician satisfaction surveys.
- Ensure the organization demonstrates proficiency through full compliance with regulatory requirements, to including, but limited to, The Joint Commission (TJC), Department of Health and Human Services (HHS), California Department of Public Health (CDPH), and Office of Civil Rights (OCR).
- In cooperation with the Compliance Committee, review results of regulatory and accrediting body reviews and monitor compliance and any relevant corrective actions with accreditation and licensing requirements.
- Review Sentinel Events (SE), Seriously Safety Events (SSE), and red alerts as per the hospital and board policy.
- Oversee organizational quality and safety performance improvement for both ~~hospital~~the Organization's and medical staff activities.
- Ensure that ~~ECH~~the Organization's scope of service and community activities and resources are responsive to community need.

## Committee Effectiveness

The Committee is responsible for establishing its annual goals, objectives and work plan in alignment with the Board and ~~Hospital's~~the Organization's strategic goals. The Committee shall be focused on continuous improvement with regard to its processes, procedures, materials, and meetings, and other functions to enhance its contribution to the full Board. Committee members shall be responsible for keeping themselves up to date with respect to drivers of change in healthcare and their impact on quality activities and plans.

## Meetings and Minutes

The Committee shall meet at least once per quarter. The Committee Chair shall determine the frequency of meetings based on the Committee's annual goals and work plan. Minutes shall be kept by the assigned staff and shall be delivered to all members of the Committee when the agenda for the subsequent meeting is delivered. The approved minutes shall be forwarded to the Board for information.



Meetings and actions of all committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of the Bylaws, concerning meetings and actions of directors. Special meetings of committees may also be called by resolution of the Board or the Committee Chair. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the Committee. Notice of any special meetings of the Committee requires a 24 hour notice.



## **SVMD Governance**

*Ad Hoc Committee Recommendation*

*Governance Committee Meeting*

*October 15, 2019*



# Introduction

- Silicon Valley Medical Development, LLC ("SVMD") owns and operates multi-specialty medical clinics in northern California, 1206 (G)
- SVMD currently operates:
  - 12 clinic sites with approximately 80 physicians employed by two medical groups SJMG and ECMA
  - A managed care organization with approximately 200 contracted providers
- The sole member of SVMD is El Camino Hospital
- An Operating Agreement between El Camino Hospital and SVMD defines the terms and governance relationship between the affiliated entities.

# SVMD Board of Managers

The SVMD Board of Managers retains overall responsibility for the governance of all affairs of SVMD

- The Board shall consist of nine (9) Directors each of whom shall have one (1) vote with respect to all matters or actions submitted to the Board;
- Two of the Board members are community-based individuals appointed by ECH's CEO
- Four are appointed by the ECH CEO and may include the hospital CEO, CFO, CMO, COO
- One is the President of SVMD
- The ECH Board shall have the reserved power to ratify or approve the Board of Managers.
- Two are full-time physicians in connection with a medical group affiliated with SVMD. (Not more than forty-nine percent (49%) of the Directors at any given time may be interested persons or physicians in active medical practice in the community served by the Corporation). These physicians may be excused by the Board for topics which may present a conflict.

# SVMD Board of Managers

## Responsibilities:

- Recommend Approval of the SVMD strategic plan
- Approve strategic plans of Affiliated Groups
- Approve addition of new medical groups
- Recommend Annual Budget to ECH
- May create committees, approve Committee Charters and appoint Committee Members
  - Finance Committee
  - Quality Improvement and Credentialing Committee
  - Compliance Committee

# SVMD Board Meetings

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## Annual Meeting

- An annual meeting of the Board of Managers shall be held each year at a time and place to be determined by the Board of Managers from time to time

## Regular Meetings

- Such meetings shall be held not less frequently than quarterly
- The Board of Managers may approve items by resolution in lieu of regular meetings of the Board

## Special Meetings

- Special meetings of the Board of Managers may be called at any time by the Chair, the SVMD President or by any two (2) or more Directors

# El Camino Hospital Board

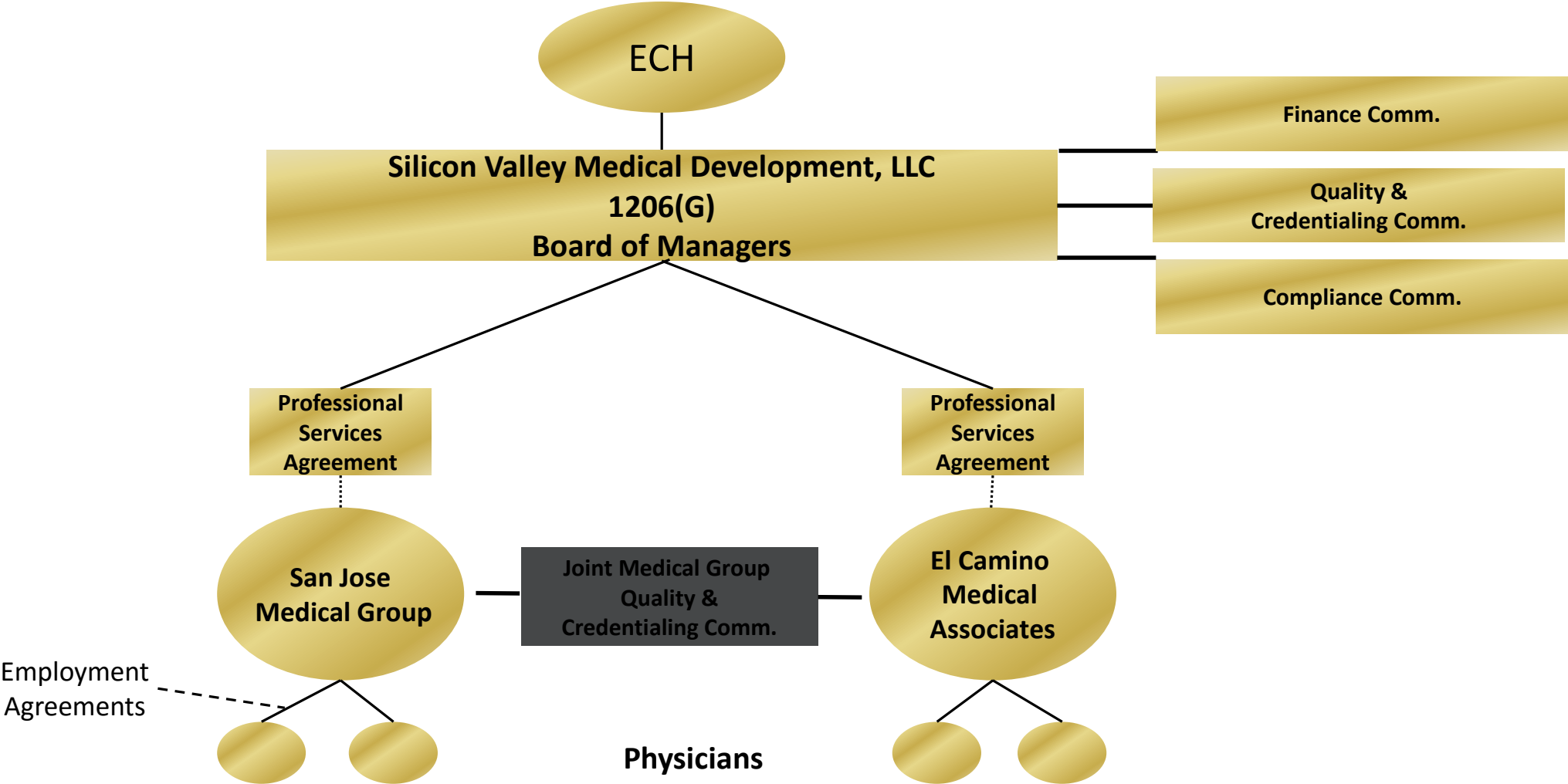
## Reserved Powers of El Camino Hospital Board from Operating Agreement:

- Approves SVMD Strategic Plan as recommended by SVMD Board of Managers
- Approves annual Operating and Capital Budget as recommended by SVMD Board of Managers
- Approves unbudgeted expenses above \$1million and capital expenditures greater than \$5million
- Is informed on SVMD performance to Strategic Metrics semi-annually
- Approves any merger, consolidation, reorganization or dissolution of SVMD and any amendment or restatement of the Operating Agreement
- Approves any transfer, sale or disposition of SVMD's assets
- Approves any action of SVMD that potentially violates ECH's tax-exempt status

## El Camino Hospital Board Committees are informed and consulted:

- ECH Quality Committee :SVMD Quality Plan and semi-annual report of performance metrics, Ad hoc communication of organizational risks
- ECH Compliance Committee: SVMD Compliance Plan and annual report, Ad hoc communication of organizational risks
- ECH Finance Committee: SVMD financial plan and semi-annual report of performance of metrics; SVMD Annual operating and capital budget; SVMD five-year financial plan, Ad hoc updates as requested

# Governance Structure



# Quality Improvement and Credentialing Committee

- Responsible for the planning, direction, coordination and oversight of quality improvement and credentialing activities and the development and oversight of the procedures and infrastructure which will ensure that SVMD quality Oversight of quality improvement and performance improvement initiatives, customer service and patient satisfaction
- Ensures that all staff and providers have the appropriate skills, knowledge and credentials required to fulfil their roles and responsibilities.
- Ensures that strategies and systems are in place to encourage the pursuit of continuous improvement and excellence.
- Oversees the clinical risk management framework for identifying, monitoring and managing significant risks.
- Satisfies itself that insurance arrangements are appropriate for the risk management framework, where appropriate.
- Reports clinical key performance indicators to the SVMD Board of Managers
- Reviews compliance with clinical performance management and reporting requirements
- Identifies that the performance reporting and information that is reported to the Board uses appropriate benchmarks, targets and trend analysis
- Provides summary reports related to organizational performance and improvement, adverse events, regulatory encounters and vulnerabilities and environmental safety
- Recommends priorities for quality and safety improvement and commissions all improvement teams to address quality and safety vulnerabilities
- Ensures educational activities are consistent with 1206 (G) requirements

# Quality Improvement and Credentialing Committee Composition

- One (1) Committee Member nominated by ECH Quality Committee and selected and appointed by the SVMD Board of Managers
- Chief Medical Officer at El Camino Hospital
- Two (2) other physician representatives who provide services on a full-time basis in connection with a medical group affiliated with SVMD and selected and appointed by the SVMD Board. Physicians must also serve as representatives in Medical Group Quality and Credentialing Committees. One of these Physician committee members shall be appointed to the ECH Quality Committee.
- One (1) other physician representative who provides services on a full-time basis in connection with a medical group affiliated with SVMD and serves as the Medical Director of SVMD's managed care organization.
- SVMD Clinical Quality Nurse
- SVMD Chief Medical Information Officer



# Compliance Committee

- Monitor the adequacy of compliance policies and practices, including conflicts of interest.
- Review current and pending litigation and regulatory proceedings that bear on the Committee's responsibilities.
- Monitor system of internal control and the adequacy of accounting, financial and operational policies and practices on financial and significant compliance reporting.
- Review with management and the internal auditor the annual internal audit plan and discuss the extent to which it addresses high risk areas.
- Appoint the Compliance Officer and approve any decision to terminate or significantly modify the responsibilities of the Chief Compliance Officer.
- Review with SVMD management and the Chief Compliance Officer, at least annually, the Code of Conduct and the compliance program and discuss the extent to which the compliance program addresses high-risk areas of compliance concern.
- Review the monthly and annual reports on the activities of the Compliance Department.

# Compliance Committee

- Receive periodic reports from the Compliance Officer concerning the effectiveness of the compliance program, discuss significant compliance issues and ensure that an adequate mechanism exists for significant compliance concerns to be brought to the attention of the Committee.
- Report annually to the SVMD Board and ECH Compliance Committee a summary of the Committee's activities and significant audit findings.

# Compliance Committee Composition

- One (1) Committee Member nominated by ECH Compliance Committee and selected and appointed by the SVMD Board of Managers
- SVMD Compliance Officer
- SVMD President
- SVMD Legal Counsel
- SVMD VP of Finance

# Finance Committee

- The purpose of the SVMD Finance Committee is to provide advice and recommendations to the SVMD Board of Managers, which has delegated to the Finance Committee responsibility.
- Duties include review and recommendation to the SVMD Board approval of the annual operating and capital budget.
- Review of financial performance and financial metrics
- Review and approval of certain Asset Purchase Agreements or agreements above a threshold.

# Finance Committee Composition

- The Finance Committee shall be comprised of three (3) voting members (each, a “Committee Member”), as follows:
- One (1) Committee Member shall be nominated by the ECH Finance Committee and appointed by the SVMD Board of Managers
- One (1) Committee Member shall be the CFO at El Camino Hospital
- One (1) Committee Member shall be the SVMD VP of Finance
- One (1) Committee Member shall be the SVMD President

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

**To:** Governance Committee  
**From:** Gary Kalbach and Christina Lai, Governance Committee Members  
**Date:** October 15, 2019  
**Subject:** Process for Election and Re-Election of Non District Board Members (NDBMs) to the El Camino Hospital Board of Directors (“Process”)

**Recommendation(s):**

To recommend the El Camino Hospital Board of Directors recommend the El Camino Healthcare District Board of Directors continue using the current Process as modified.

**Summary:**

1. Situation: The Process has been in place since December 2014 with a number of minor revisions, most recently in May 2018.
2. Authority: Each year, we the Governance Committee is asked to review the Process and associated surveys and propose any possible changes to them. (*See*, Process, Section 9) At our August 13, 2019 meeting, the Committee asked us to work with staff to propose some revisions to address concerns expressed by Board and Committee members.
3. Background: The current Process is being used by the District Board as it considers the re-appointment of Directors Kliger and Rebitzer.
4. Assessment: The Process has generally worked well. One challenge can be dealing with non-alignment of Ad Hoc Committee members when there is no way to break a tie vote. Another challenge has been determining how much weight to assign to the various competency criteria. Also, the general competencies outlined in Section B3-6 are essentially duplicative of or conflict with those set forth in the Competency Matrix. The proposed revisions are designed to address these concerns. In addition, staff suggested some revisions [replace sections A(4)(a) (i) and (ii) with added section A(1) (d) and revised section (A(3)(a)(ii)] to address timing issues and improve the flow of the process.
5. Other Reviews: None.
6. Outcomes: N/A

**List of Attachments:**

1. Draft Revised Process for Election and Re-Election of Non District Board Members (NDBMs) to the El Camino Hospital Board of Directors (“Process”)
2. ECH Board Member Re-election Report Survey

**Suggested Committee Discussion Questions:**

1. Should weighting be assigned to any of the competencies in Sections B, C, or D?
2. Is the ECH Board Member Re-election Report Survey a valuable tool?
3. Should there be any additional provisions for communication with current Board members whose terms are expiring other than those identified in Section A(2)(i) [Conversation with District Board Chair] and Section A(4)(a)(i) [Interview with Ad Hoc Committee and Advisors].
4. Should Section B items 3-6 be eliminated?
5. Are any other changes to the Process warranted?



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**Process for Re- Election and Election  
Of Non-District Board Members  
To The El Camino Hospital Board of Directors.\***  
**Draft Revised For Discussion 10\_15\_19**

**BOARD OF DIRECTORS**

Neysa Fligor  
Peter C. Fung, MD  
Julia E. Miller  
David Reeder  
John L. Zoglin

**A. Timeline**

**1. Previous FYQ4:**

- a.** The District Board Chair shall appoint a District Director as Chair of an Ad Hoc Committee. In addition to serving as a member of the Ad Hoc Committee, the Ad Hoc Committee Chair's role shall be to set the Ad Hoc Committee's meeting agendas, work with staff to set meeting dates and facilitate the meetings.
- b.** ~~T-and~~ the Board shall approve the appointment of one additional District Director as a member of the Committee.
- c.** The Board shall also approve the appointment of up to two advisors to the Ad Hoc Committee. One advisor should be a Non Hospital Director member of the El Camino Hospital Governance Committee (who has been referred by the Chair of the Governance Committee) and the other should be a Hospital Director who is not a member of the District Board (who has been referred by the Chair of the El Camino Hospital Board).
- a.d.** The District Board, on the recommendation of the Hospital Board and Hospital Governance Committee, shall approve a Hospital Board Competency Matrix and a Hospital Non District Board Member ("NDBM") Position Description for the upcoming fiscal year.

**2. FYQ1 – ~~Regular District Board Meeting:~~**

~~Prior to Meeting, The~~ District Board Chair (i) asks the El Camino Hospital Director(s), who is ~~an NDBM not also a member of the District Board~~ whose term is next to expire ~~(Non District Board Member "NDBM")~~ to declare interest and (ii) informs the ~~Chair of the Ad Hoc Committee District Board~~ of intent ~~(via Board packet).~~

**3. FY Q1/Q2 – Regular District Board Meeting:**

- a. Prior to the Meeting:**
  - i.** District and Hospital Board Members: Complete the ECH Board Competency Matrix Survey and, unless the Ad Hoc Committee votes not to use it in a given year, ECH Board Member Re-Election Report Survey.
  - ii.** ~~District Board Members: Review Position Specification in place at time of election to the Hospital Board and the ECH Board Member NDBM~~

- ~~Job Description. Ad Hoc Committee analyzes survey results, interviews the NDBM, reviews candidate profile (updated resume, candidate questionnaire and attendance report), and develops a recommendation regarding re-election of the NDBM to the Hospital Board~~
- b. ~~At the Meeting: Discuss portfolio of skills needs.~~
4. FYQ2 – Regular District Board Meeting:
- ~~—Prior to the Meeting:~~
- ~~—Ad Hoc committee analyzes evaluations, (3) (a) above, interviews the NDBM, and develops recommendation regarding re-election of NDBM to the Hospital Board.~~
- ~~e. Hospital Board, on the recommendation of the Governance Committee proposes a revised Position Description to the District Board.~~
- ~~—At the Meeting:~~
- ~~e.a.~~ District Board considers re-election of NDBM.
- ~~f.b.~~ If NDBM is re-elected, the Hospital Board shall be notified.
- ~~g.c.~~ If NDBM is not re-elected, the District Board will authorize external recruitment of a new NDBM.
- ~~h.d.~~ If there are any mid-term vacancies or other open seats on the Hospital Board the District Board will authorize a timeline for recruitment to fill those seats. Any individual may apply and staff shall solicit applications from the public, the ECH Board, the ECH Foundation Board, ECH Board Advisory Committees and the Executive Leadership Team.
5. FYQ2 or Q3 – Begin external search as authorized in Section 4(c) and (d)(b)(iii) and (iv) if necessary.
6. FYQ2 or Q3 – Regular District Board Meeting:
- a. Ad Hoc Committee to present an interim update to the District Board.
- i. Incorporate Board feedback into further recruitment efforts.
- ii. Plan for interviews – direct staff to schedule.
7. FYQ3 or Q4 – Regular District Board Meeting:
- a. Prior to the Meeting: Ad Hoc Committee to summarize interviews for the Board packet and make a recommendation to the District Board
- b. District Board Considers AD Hoc Committee recommendation and votes to elect new NDBM(s) to the Hospital Board.
8. This process to be confirmed by the District Board annually when the process is complete.
9. The following matters are delegated to the El Camino Hospital Board Governance Committee:
- a. FYQ3 – Review and recommend changes to the survey tools identified in section 3(a)(i).
- b. FYQ3 – Review and recommend changes to this process.
- c. FYQ3 – Review and recommend changes to NDBM Position Specification and Job Description.
- d. Participate in the recruitment effort of new NDBM by referring a member to advise the Ad Hoc Committee as described in #1 above.



B. General (Primary) Competencies

1. Understanding of the vital role El Camino Hospital plays in the broader region.
2. Loyalty to El Camino Hospital's charitable purposes.
3. ~~Knowledge of healthcare reform (Affordable Care Act) implications.~~
4. Ability to understand and monitor the following:
  - a. Diverse portfolio of businesses and programs
  - b. Complex partnerships with clinicians
  - c. Programs to create a continuum of care
  - d. Investment in technology
  - e. Assumption of risk for population health
  - f. Resource allocation
  - g. Quality metrics
5. Commitment to continuing learning.
6. Demonstrated strategic thinking.
7. ~~Efforts to recruit potential Advisory Committee members.~~
8. Understanding and support of the role the District Board plays in Governance of the 501(c)(3) corporation.

C. Portfolio Skill Set

1. Complementary to skill sets of other Board members (gap-filling).
2. Applicable to the then current market. (See, Competency Matrix)

D. Other (Secondary) Criteria

1. Positive working relationship with other Board members.
2. Productive working relationship with the El Camino Hospital CEO.
3. Attendance at Board and Committee meetings.
4. ~~See, Competency Matrix.~~

*\*Approved 12/9/2014; revised 3/17/2015; revised 6/14/2016; revised 1/25/2017, revised 10/17/2017; 5/15/2018*

## **El Camino Healthcare District**

### El Camino Hospital Board Member Evaluation

Prepared for: El Camino Healthcare District  
March 2014

This peer assessment tool is prepared for members of the El Camino Healthcare District for use in the Evaluation of members of the El Camino Hospital Board of Directors. This tool can also be used for self-assessment to compare self-ratings with the average of peer ratings.

## Board Member Peer Review

	Strongly Disagree	Disagree	Neither Agree/ Disagree	Agree	Strongly Agree	Not at all/Unable to Judge
<b>Fiduciary and Strategic Oversight</b>						
1. Demonstrates an understanding of fiduciary responsibility and stewardship of ECH's resources.	1	2	3	4	5	N/A
2. Demonstrates loyalty to ECH's charitable purposes.	1	2	3	4	5	N/A
3. Demonstrates an understanding of how ECH's strategic direction compliments the vital role ECH plays in the broader region.	1	2	3	4	5	N/A
4. Offers insights that reflect strategic thinking about the future of the institution.	1	2	3	4	5	N/A
5. Understands the board's role in governance and does not inappropriately intervene in areas delegated to management.	1	2	3	4	5	N/A
<b>Knowledge and Expertise</b>						
6. Brings skills and knowledge that distinctly adds value to the overall competency of the board.	1	2	3	4	5	N/A
7. Demonstrates sufficient knowledge of healthcare reform implications to govern effectively.	1	2	3	4	5	N/A
8. Seeks the appropriate level of information from staff to govern effectively.	1	2	3	4	5	N/A
9. Demonstrates a clear understanding of the role the District Board plays in governance of the 501(c)(3) corporation.	1	2	3	4	5	N/A
10. Is supportive of the role the District Board plays in governing ECH.	1	2	3	4	5	N/A

	Strongly Disagree	Disagree	Neither Agree/ Disagree	Agree	Strongly Agree	Not at all/Unable to Judge
11. Demonstrates ability to understand and oversee the following:						
a. Diverse portfolio of businesses and programs	1	2	3	4	5	N/A
b. Complex partnerships with clinicians	1	2	3	4	5	N/A
c. Programs to create a continuum of care	1	2	3	4	5	N/A
d. Investment in technology	1	2	3	4	5	N/A
e. Assumption of risk for population health	1	2	3	4	5	N/A
f. Resource allocation	1	2	3	4	5	N/A
g. Quality metrics	1	2	3	4	5	N/A
<b>Interpersonal and Communication</b>						
12. Treats others in a respectful manner.	1	2	3	4	5	N/A
13. Creates a blameless culture by giving others the benefit of the doubt; assumes good intent of others before making judgment.	1	2	3	4	5	N/A
14. Takes responsibility for his/her actions; is able to admit mistakes.	1	2	3	4	5	N/A
15. Communicates effectively during meetings.	1	2	3	4	5	N/A
16. Operates in an open and transparent manner.	1	2	3	4	5	N/A
17. Behaves in a manner that models the highest standard of ethics and integrity.	1	2	3	4	5	N/A
18. Possesses self-awareness of his/her strengths and limitations.	1	2	3	4	5	N/A
19. Is able to modify behavior with feedback given by other.	1	2	3	4	5	N/A
<b>Relationships</b>						
20. Has a positive working relationship with fellow board members.	1	2	3	4	5	N/A
21. Has a positive working relationship with the ECH CEO.	1	2	3	4	5	N/A
22. Has a positive working relationship with the management team.	1	2	3	4	5	N/A
23. Is able to foster relationships with others even when styles or personalities may differ.	1	2	3	4	5	N/A
<b>Participation</b>						
24. Comes prepared to meetings.	1	2	3	4	5	N/A

	Strongly Disagree	Disagree	Neither Agree/ Disagree	Agree	Strongly Agree	Not at all/Unable to Judge
25. Participates effectively in board meetings; speaks up and actively listens.	1	2	3	4	5	N/A
26. Participates effectively in committees.	1	2	3	4	5	N/A
27. Adds value in comments to the board.	1	2	3	4	5	N/A
28. Makes an effort to recruit potential Advisory Committee members.	1	2	3	4	5	N/A
29. Demonstrates a commitment to continuous learning.	1	2	3	4	5	N/A
30. Advocates on behalf of ECH.	1	2	3	4	5	N/A
<b>Decision Making</b>						
31. Demonstrates clear, logical thinking when deliberating an issue.	1	2	3	4	5	N/A
32. Demonstrates an ability to identify the costs, benefits, and consequences of Board decisions.	1	2	3	4	5	N/A
33. Weighs all sides of the issue before reaching a conclusion.	1	2	3	4	5	N/A
34. Supports the board once a decision has been made.	1	2	3	4	5	N/A
35. Appropriately questions data and information presented to the Board for its deliberations.	1	2	3	4	5	N/A

1. What do you believe are this Director's greatest strengths?

2. What are his/her areas for development?

If you marked a 1 or 2 on any of the items above, please provide an explanation.

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

**To:** Governance Committee  
**From:** Cindy Murphy, Director of Governance Services  
**Date:** October 15, 2019  
**Subject:** Governance Committee Recruitment

**Purpose:** To update the Committee on the recruitment of new members.

**Summary:**

1. **Situation:** Per its Charter, the Governance Committee may have up to four Non-Director members, currently there are two.
2. **Authority:** At its last meeting, the Committee appointed members Pete Moran and Peter C. Fung, MD to an Ad Hoc Committee tasked with addressing recruitment of new members.
3. **Background:** On September 19, 2019, Ad Hoc Committee members Fung and Moran met with Dan Woods, CEO, and Cindy Murphy, Director of Governance Services, to discuss the recruitment. A position description, questionnaire/application, and process for recruitment were agreed to. An announcement for the position will be placed in the Mountain View Voice, Sunnyvale Sun, and Los Altos Town Crier weekly for two weeks beginning on October 9<sup>th</sup>. We also provided the application materials to all Board members, Advisory Committee members, and Executive team members to pass along to qualified and interested colleagues.
4. **Assessment:** Application materials are due no later than November 20, 2019. The Ad Hoc Committee will meet between then and December 6<sup>th</sup> to review applications and decide which applicants to interview.
5. **Other Reviews:** None.
6. **Outcomes:** N/A

**List of Attachments:**

1. Governance Committee Application/Questionnaire
2. Governance Committee Member Position Description

**Suggested Committee Discussion Questions:** None. This is an informational item.

**Candidate Questionnaire  
El Camino Hospital Board of Directors  
Governance Committee**

1. Governance – Please describe how your professional background demonstrates your knowledge and experience monitoring and strengthening Board policies and procedures related to:
  - Board development
  - Board efficiency
  - Board effectiveness
  - Board composition
  - Committee Functioning
  
2. Organizational Leadership Skill- Please describe how your professional background demonstrates your knowledge and experience in:
  - Dashboards
  - Annual planning
  - Performance monitoring
  
3. Hospital or health system executive management – - Please describe how your professional background demonstrates your knowledge and experience in:
  - Governance of a complex healthcare system
  - Governance in a variety of industries
  - Board Experience (for profit or not for profit)
  - Knowledge of legal or regulatory issues affecting governance
  - Understanding of Healthcare Districts

4. Why are you interested in being considered as a member of El Camino Hospital's Governance Committee?
5. Are there any civil, employment-related or criminal incidents in your background that we may uncover in a reference or background check?
6. Are you able to make the necessary time commitment?
7. Would this position create a conflict of interest with any of your other commitments?





**EL CAMINO HOSPITAL BOARD OF DIRECTORS**  
**Governance Committee**  
**Position Description**

Revised 9/19/2019

**Committee Charter and Responsibilities**

See attached.

**Committee Membership Requirements**

The purpose of the Governance Committee (“Committee”) is to advise the El Camino Hospital (ECH) Hospital Board of Directors (“Board”) in matters related to governance, board development, board effectiveness, and board composition, *i.e.*, the nomination and appointment/reappointment process and succession planning for the Board. The Governance Committee ensures the Board and its Advisory committees are functioning at the highest level of governance standards. This Committee typically meets on Tuesdays five times throughout the year at 5:30 p.m. The Committee position is non-compensated, (*i.e.*, volunteer) and has a one-year renewable term. We are seeking to fill one to two positions with individuals meeting the qualifications noted below.

**Professional Experience/Competencies**

Candidates possessing significant experience in one or more of the following prioritized areas:

- Board Governance
  - Effectiveness
  - Efficiency
  - Board and Management Relationships
- Organizational Leadership Skill
- Healthcare Executive Leadership

**Education/Credentials**

An advanced degree is preferred, but not required.

**Work Style and Personal Traits**

- Able to focus comments and participate in effective governance of a hospital
- Inquisitive and thoughtful
- Patient-Centered Orientation
- High integrity
- Mission-driven and caring
- Able to drive change
- Results-oriented
- High energy, possessing a sense of urgency
- Collaborative nature
- Flexibility (healthcare reform is a moving target)
- Clear communicator
- Creative, imaginative, an innovator
- Possessing a sense of humor

**Governance Committee**

Updated 9/3/2019

FY20 GC Pacing Plan – Q1		
July 2019	August 13, 2019	September 2019
<p><i>No scheduled meeting</i></p> <p>At each meeting:</p> <p><b>Regular Consent Calendar Items:</b> Minutes, Committee Recruitment Update, Article of Interest</p> <p><b>Other Regular Items:</b></p> <ul style="list-style-type: none"> <li>- Board Recruitment Update</li> <li>- Report on Board Actions</li> </ul>	<ul style="list-style-type: none"> <li>- Consider Hospital Board Member Competencies for FY20/21</li> <li>- FY20 Board Education Plan                             <ul style="list-style-type: none"> <li>o Topics for Semi-Annual Board and Committee Education Sessions</li> <li>o Topic for Annual Retreat (February)</li> </ul> </li> <li>- Review Annual Board Self-Assessment (BSA) Results and Develop Action Plan</li> <li>- Review Process for Election and Re-Election of NDBM's to the ECH Board</li> <li>- ECH Leadership Succession Planning</li> <li>- Governance Committee Recruitment</li> </ul>	<p><i>No scheduled meeting</i></p>
FY20 GC Pacing Plan – Q2		
October 15, 2019	November 2019	December 2019
<ul style="list-style-type: none"> <li>- <del>Review and Recommend Annual Board and Committee Self-Assessment Tool (?)</del></li> <li>- Review Delegations of Authority to Committees</li> <li>- Review Process for Election and Re-Election of Non-District Board Members to the El Camino Hospital Board of Directors</li> <li>- Final Planning October 23 <u>Board Retreat</u> <del>Education Session</del></li> <li>- Assess Progress on FY20 Board Action Plan</li> <li>- <u>System</u> Governance Ad Hoc Committee Report</li> <li>- <b>Governance Committee Recruitment</b></li> </ul> <p><b>Wed., 10/23/2019</b> <b>Board &amp; Committee Educational Gathering</b></p>	<p><i>No Scheduled Meeting</i></p>	<p><i>No scheduled meeting</i></p>

Updated 9/3/2019

FY20 GC Pacing Plan – Q3		
January 2020	February 4, 2020	March 31, 2020
No scheduled meeting	<ul style="list-style-type: none"> <li>- Planning April Education Session</li> <li>- Assess progress on FY20 Board Action Plan</li> <li>- Final Planning for February 26<sup>th</sup> Board Retreat</li> <li>- Review and Recommend Annual Board and Committee Self-Assessment Tool (?)</li> </ul>	<ul style="list-style-type: none"> <li>- Set FY21 Governance Committee Dates</li> <li>- Develop FY21 Governance Committee Goals</li> <li>- Final Planning April Education Session</li> </ul>
FY20 GC Pacing Plan – Q4		
April 2020	May 2020	June 2, 2020
No scheduled meeting	No scheduled meeting	<ul style="list-style-type: none"> <li>- Review and Recommend all FY20 Committee Goals to Board</li> <li>- Review Proposed Advisory Committee and Committee Chair Assignments</li> <li>- Review Committees' progress against FY19 Goals</li> <li>- Confirm Self-Assessment Sent to District (from GC charter)</li> <li>- Finalize FY20 Master Calendar (for Board approval in June)</li> <li>- Assess ECH Board Structure</li> </ul>
<p>Wed. 4/22/2020</p> <p>Board &amp; Committee Educational Gathering</p>	<p>Launch Board and Committee Self-Assessment</p>	

**EL CAMINO HOSPITAL  
COMMITTEE MEETING COVER MEMO**

**To:** Governance Committee  
**From:** Cindy Murphy, Director of Governance Services  
**Date:** October 15, 2019  
**Subject:** Roundtable Discussion

**Purpose:**

To review the effectiveness of the Committee's meeting.

**Summary:**

1. Situation: How effective was this meeting?
2. Authority: N/A
3. Background: We included an excerpt from the Governance Institute's "Elements of Governance" Series titled "Board Committees" in the Committee's February 6, 2018 packet. Committee Chair Fung asked that we include the questions posed in the "Committee Meeting Effectiveness Assessment Options" section for the Committee to discuss at the conclusion of the meeting.
4. Assessment: N/A
5. Other Reviews: N/A
6. Outcomes: N/A

**List of Attachments:** None.

**Suggested Committee Discussion Questions:**

1. Brief discussion topics: what worked well/should be repeated? What should be changed/added/deleted?
2. Were the meeting packet and agenda helpful?
3. Did key issues receive sufficient attention?
4. Did we spend the right amount of time on each issue?
5. Was there a significant amount of discussion (vs. presentation)?
6. Were discussions kept at the governance level?
7. Did all members participate fully?
8. Did we hold ourselves accountable to the rules of engagement?