



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

Tuesday, October 15, 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 5:32pm by Chair Fung. Roll call was taken. Committee Member Bob Rebitzer joined meeting at 5:36pm during Agenda Item 6: Board Action Plan. All other Committee members were physically 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. Motion: To approve the consent calendar: Minutes of the Open Session of the Governance Committee Meeting (8/13/2019); and for information: Article of Interest. Movant: Kalbach Second: Moran Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstentions: None Absent: None Recused: None	<i>Consent Calendar approved</i>
5. REPORT ON BOARD ACTIONS	There was no discussion on this topic.	
6. FY19 BOARD ACTION PLAN	Cindy Murphy, Director of Governance Services, noted that the Board asked for refinements to the Board Action Plan and reported status and progress: <ul style="list-style-type: none">- A Joint Meeting of the Quality Committee and Hospital Board has been scheduled for October 23, 2019.- There is ongoing work to use template cover memos more efficiently to provide context and clearly outline what the Board/Committees are being asked to do. Ms. Murphy proposed drafting a Board calendar and pacing plan with eight board meetings per year. She explained that this would involve restructuring Committee meeting cadence as well. The Committee and staff engaged in a robust discussion, including 1) concerns that the agendas are already packed and 2) focusing on meeting efficiency first (discussion rather than reporting,	

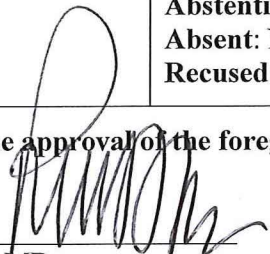
	<p>presentations that do not repeat what is in the packet, actively scheduling shorter meetings, timing in the closed session, etc.). Mr. Rebitzer suggested and the Committee agreed to ask Ms. Murphy to bring back to the Committee a “thought experiment,” what agendas for eight, efficient meetings would look like. Mr. Woods noted that it would be worth capping agendas at 2.5-3 hours in length and that staff could consider different times of day for the meetings. Chair Fung suggested reviewing what reports can be monthly versus quarterly and soliciting opinions from members of the Board and the management team.</p> <p>Ms. Murphy described the use of a Board meeting evaluation form. The Committee suggested 1) educating the Board about the purpose of the evaluation to prompt more detailed responses, 2) allowing time before the conclusion of the meeting to complete the surveys, perhaps in Executive Session, 3) listing specific agenda items for review, and 4) adding a question to help the Board evaluate itself and its meeting management.</p> <p>She also described an upcoming Board social event in December 2019.</p> <p>Mr. Moran expressed concerns about achieving successful and sufficient quality oversight. Chair Fung noted that there are four new Quality Committee members.</p> <p>Motion: To approve the Board Action Plan.</p> <p>Movant: Kalbach Second: Fung Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstentions: None Absent: None Recused: None</p> <p>This item will be brought forward to the Board for review and approval.</p>	
<p>7. BOARD RETREAT PLANNING</p>	<p>Dan Woods, CEO discussed the planning for the October 23, 2019 study session of the Hospital Board and Quality Committee meeting. He described the proposed agenda, including 1) pre-reading and/or presentation on the current state of quality and review of the strategic quality and safety plan that outlines the desired and future state and 2) case discussion that explores the roles of each of the stakeholders (Board, Quality Committee, Medical Staff, management team) in reaching that future state.</p> <p>Mr. Woods and the Committee discussed topics to cover including:</p> <ul style="list-style-type: none"> - Level setting: Organizational and quality strategy, current and desired state, gap analysis and how do we as an organization get there. - How do I (a Board member, a Committee member) engage in quality? - Review of the basics, how to read a run chart. <p>The Committee also discussed logistics and how much can be feasibly discussed in a 3-hour meeting.</p> <p>The Committee suggested providing materials and discussion questions in advance and having a two part meeting focused on 1) current vs. desired state and how to get there and 2) defining what quality oversight looks like. Mr. Moran suggested that the alignment on governance definitions and everyone’s roles should be solidified first.</p> <p>Chair Fung and Mr. Woods commented that this is only the beginning of the quality journey and there will need to be more than one meeting.</p> <p>Ms. Lai suggested starting the meeting with introductions and initial</p>	

	<p>reactions to/questions about the pre-meeting materials.</p> <p>Staff discussed the facilitator for this meeting. Committee members encouraged staff to postpone if resources will not be ready in time.</p>	
<p>8. SYSTEM GOVERNANCE AD HOC COMMITTEE REPORT</p>	<p>Bruce Harrison, President, SVMD joined the meeting.</p> <p>Dan Woods, CEO, described the balance of interests related to SVMD and system governance, including keeping trade secrets confidential and employing physicians in a competitive space, compliance with laws regarding the corporate practice of medicine, and providing information to ECH, the sole corporate member of SVMD, so that the Board feels comfortable with SVMD's management. explained that employing physicians is a highly competitive space</p> <p>Mr. Kalbach, Chair of the System Governance Ad Hoc Committee, described the Committee's review of whether SVMD should move to a foundation (1206(l)) model) and the determination that for now, it can remain a limited liability company. He also reviewed the proposed changes to the Compliance, Finance, Governance, and Quality Committee Charters to make them enterprise committees, including oversight of SVMD.</p> <p>In response to Chair Fung's questions:</p> <ol style="list-style-type: none"> 1. Mary Rotunno, General Counsel confirmed that there is no legal requirement for the Chair of ECH's Compliance and Audit Committee to be a Board member. 2. The Committee requested defined and consistent language when referring to the non-Hospital Board members/Community members/external members serving on the Committee. 3. The Committee requested additional information about best practices for term limits for committee members. <p>Mr. Kalbach reviewed the Ad Hoc Committee recommendations as further detailed in the packet regarding proposed SVMD Committees and ECH system Committees and how they would interact and relate to each other.</p> <p>Ms. Rotunno reviewed the conditions that would make the SVMD governing body and its committees subject to the Brown Act, noting that the proposed structure would not be subject to the Brown Act. She also explained that the proposed Board of Managers membership includes "community-based individuals" appointed by ECH's CEO, which could be a Hospital or District Board member.</p> <p>The Committee discussed the proposed physician members of the SVMD Board and requested that the description for "full time" physicians be changed to "practicing" physicians. Mr. Harrison and Ms. Rotunno further described the Corporations Code requirement for non-profits that no more than 49% of Directors at any given time may be interested persons or physicians in active medical practice in the community served by the Corporation. Mr. Harrison proposed and the Committee voiced support of the physician Board members' appointment by the SVMD Board.</p> <p>The Committee and staff discussed:</p> <ul style="list-style-type: none"> - The necessity of SVMD board committees, noting that committees are working groups for the board. Members commented that SVMD Board Finance and Compliance Committees are not be needed at this time, but can be useful as the organization grows. - How ECH Board Committees are informed and consulted through reporting and ad hoc communications. The Committee requested quarterly quality and finance reporting. Ms. Rotunno clarified that 	<p><i>Proposed Charter changes recommended for approval</i></p>

	<p>the Board of Managers would provide these reports if there is not an SVMD Board Committee in place for that area.</p> <ul style="list-style-type: none"> - The ECH Finance Committee's review of the return on investment in SVMD. Ms. Rotunno and Mr. Harrison explained that any physician financial arrangements must be within fair market value and have demonstrated community need. Mr. Rebitzer commented that if referrals are not appropriate, there should be an alternate metric to measure success that can be tracked. <p>Motion: To recommend that the Board approve the Proposed Charter changes and amendments to the proposed governance structure including: 1) "practicing" physicians on the SVMD Board of Managers who are appointed by the SVMD Board, 2) forming an SVMD Board Committee for Quality and Credentialing now and Finance and Compliance Committees later when the organization has grown, and 3) quarterly reporting to the corresponding ECH Board Committees for finance and quality and annual reporting for compliance.</p> <p>Movant: Moran Second: Kalbach</p> <p>In response to Mr. Rebitzer's question, Ms. Rotunno explained that the audit is a consolidated audit, which includes SVMD.</p> <p>Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstentions: None Absent: None Recused: None</p> <p>Mr. Harrison left the meeting.</p>	
<p>9. PROCESS FOR ELECTION AND RE-ELECTION OF NDBMS TO THE EL CAMINO HOSPITAL BOARD OF DIRECTORS</p>	<p>Ms. Murphy reported that Ms. Lai and Mr. Kalbach worked with her on the proposed revisions.</p> <p>In response to Chair Fung's question, Ms. Murphy clarified that Section 3(a)(ii) refers to a "recommendation [to the District Board] regarding re-election of the NDBM to the Hospital Board."</p> <p>Motion: To recommend that the Hospital Board recommend that the District board continue using the current Process as modified.</p> <p>Movant: Moran Second: Kalbach Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Revised Process recommended for approval</i></p>
<p>10. GOVERNANCE COMMITTEE RECRUITMENT</p>	<p>Chair Fung reported that he, Mr. Moran, Mr. Woods, and Ms. Murphy met regarding the position description and questionnaire. He explained that an ad has been posted in local newspapers and the recruitment materials were sent to all Committee members.</p> <p>Ms. Murphy described expressions of interest in the position, but reported that no applications have been received. Submissions are due November 20, 2019.</p>	
<p>11. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 7:16pm.</p> <p>Movant: Moran Second: Kalbach</p>	<p><i>Adjourned to closed session at 7:16pm</i></p>

	Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstentions: None Absent: None Recused: None	
12. AGENDA ITEM 16: RECONVENE OPEN SESSION/ REPORT OUT	Open session was reconvened at 7:29pm. Agenda items 12-15 were addressed in closed session. During the closed session, the Committee approved the Minutes of the Closed Session of the Governance Committee Meeting (8/13/2019) by a unanimous vote in favor of all members present (Fung, Kalbach, Lai, Moran, Rebitzer).	
13. AGENDA ITEM 17: FY20 PACING PLAN	Ms. Murphy summarized the new requests from the meeting, noting that she will bring the proposed "thought exercise" FY21 Board calendar/pacing plan and additional information about Committee member term limits to the Committee's February 2020 meeting.	
14. AGENDA ITEM 18: ROUND TABLE DISCUSSION	The Committee and staff discussed the effectiveness of the meeting.	
15. AGENDA ITEM 19: ADJOURNMENT	Motion: To adjourn at 7:38pm. Movant: Rebitzer Second: Kalbach Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstentions: None Absent: None Recused: None	<i>Meeting adjourned at 7:38pm</i>

Attest as to the approval of the foregoing minutes by the Governance Committee of El Camino Hospital:


 Peter C. Fung, MD
 Chair, Governance Committee