

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

Thursday, August 20, 2020 – 5:00 pm
 El Camino Hospital, 2500 Grant Road, Mountain View, CA 94040

**PURSUANT TO STATE OF CALIFORNIA EXECUTIVE ORDER N-29-20 DATED MARCH 18, 2020, EL CAMINO HEALTH WILL NOT BE PROVIDING A PHYSICAL LOCATION FOR THIS MEETING. INSTEAD, THE PUBLIC IS INVITED TO JOIN THE OPEN SESSION MEETING VIA TELECONFERENCE AT:
 1-669-900-9128, MEETING CODE: 760-083-0558#. No participant code. Just press #.**

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

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Sharon Anolik Shakked, Chair		5:00 – 5:01pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Sharon Anolik Shakked, Chair		5:01 – 5:02
3. PUBLIC COMMUNICATION a. Oral Comments <i>This opportunity is provided for persons in the audience to make a brief statement, not to exceed three (3) minutes on issues or concerns not covered by the agenda.</i> b. Written Correspondence	Sharon Anolik Shakked, Chair		information 5:02 – 5:05
4. CONSENT CALENDAR <i>Any Committee Member or member of the public may remove an item for discussion before a motion is made.</i> Approval a. Minutes of the Open Session of the CAC Meeting (5/21/2020) Information b. Status of FY21 Committee Goals (modified) c. Articles of Interest	Sharon Anolik Shakked, Chair	<i>public comment</i>	motion required 5:05 – 5:10
5. REPORT ON BOARD ACTIONS ATTACHMENT 5	Board Members		information 5:10 – 5:15
6. KPIs, SCORECARD, AND TRENDS ATTACHMENT 6	Diane Wigglesworth, Sr. Director, Corporate Compliance		information 5:15 – 5:20
7. ADJOURN TO CLOSED SESSION	Sharon Anolik Shakked, Chair		motion required 5:20– 5:21
8. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Sharon Anolik Shakked, Chair		5:21 – 5:22
9. CONSENT CALENDAR <i>Any Committee Member or member of the public may remove an item for discussion before a motion is made.</i> Approval <i>Gov’t Code Section 54957.2:</i> a. Minutes of the Closed Session of the	Sharon Anolik Shakked, Chair		motion required 5:22 – 5:35

A copy of the agenda for the Regular Committee Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting. In observance of the Americans with Disabilities Act, please notify us at (650) 988-7504 prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<p>CAC Meeting (5/21/2020)</p> <p>Information Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: b. Activity Log May 2020 c. Activity Log June 2020 d. Internal Audit Work Plan e. Committee Pacing Plan</p>			
<p>10. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: - FY 2020 Patient Safety/Claims Report</p>	<p>Sheetal Shah, Director Risk Management & Patient Safety Mary Rotunno, General Counsel</p>		<p>information 5:35 – 5:45</p>
<p>11. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: - Enterprise Risk Management</p>	<p>Jim Griffith, COO; Mary Rotunno, General Counsel</p>		<p>information 5:45 – 5:53</p>
<p>12. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: - Review Drug Diversion Program Timeline</p>	<p>Jim Griffith, COO; Mary Rotunno, General Counsel</p>		<p>information 5:53 – 6:00</p>
<p>13. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: Report on Internal Audit Activity</p>	<p>Diane Wigglesworth, Sr. Director, Corporate Compliance; Mary Rotunno, General Counsel</p>		<p>information 6:00 – 6:05</p>
<p>14. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: - FY 2020 Annual Compliance and Privacy Report</p>	<p>Diane Wigglesworth, Sr. Director, Corporate Compliance; Mary Rotunno, General Counsel</p>		<p>information 6:05 – 6:20</p>
<p>15. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: Hospital and SVMD Compliance Work Plan for FY 2021 (Committee Goal)</p>	<p>Diane Wigglesworth, Sr. Director, Corporate Compliance; Mary Rotunno, General Counsel</p>		<p>discussion 6:20 – 6:30</p>
<p>16. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: - IT Security Discussion</p>	<p>Deb Muro, CIO; Mike Mellor, Interim CISO Mary Rotunno, General Counsel</p>		<p>discussion 6:30 – 6:50</p>
<p>17. Gov't Code Sections 54957 for report and discussion on personnel matters – Senior Management: - Executive Session</p>	<p>Sharon Anolik Shakked, Chair</p>		<p>discussion 6:50 – 6:55</p>
<p>18. ADJOURN TO OPEN SESSION</p>	<p>Sharon Anolik Shakked, Chair</p>		<p>motion required 6:55 – 6:56</p>
<p>19. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.</p>	<p>Sharon Anolik Shakked, Chair</p>		<p>information 6:56 – 6:58</p>

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
20. ADJOURNMENT	Sharon Anolik Shakked, Chair		motion required 6:58 – 7:00pm

Upcoming Meetings:

Regular Meetings:

September 24, 2020

October 28, 2020 (Joint Board and Committee Educational Session)

November 19, 2020

January 28, 2021

March 18, 2021

May 20, 2021



**Minutes of the Open Session of the
Compliance and Audit Committee
of the El Camino Hospital Board of Directors
Thursday, May 21, 2020**

El Camino Hospital | 2500 Hospital Drive, Mountain View, CA 94040

Members Present**

Sharon Anolik Shakked, Chair
Lica Hartman
Jack Po, MD, Vice Chair
Christine Sublett
Don Watters

Members Absent

****All via teleconference**

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Compliance and Audit Committee of El Camino Hospital (“the Committee”) was called to order at 5:00pm by Chair Anolik Shakked. All Committee members participated via teleconference and were present at roll call. A quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020 and N-29-20 dated March 18, 2020.	<i>Called to order at 5:00pm</i>
2. POTENTIAL CONFLICT OF INTEREST	Chair Anolik Shakked asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were reported.	
3. PUBLIC COMMUNICATION	None.	
4. CONSENT CALENDAR	<p>Chair Anolik Shakked asked if any member of the Committee or the public wished to remove any agenda items from the consent calendar. No committee members asked for items to be removed.</p> <p>Chair Anolik Shakked pulled agenda items 4b and 4c for discussion. In regards to Item 4b regarding the Status of FY20 Committee Goals: Chair Anolik Shakked stated that Goal #3 Review the hospital’s assessment and any action plans if necessary of the impact of the new 2020 California Consumer Privacy Act on Hospital operations will not be met at this meeting due to insufficiency in materials provided. Diane Wigglesworth, Sr. Director, Corporate Compliance, confirmed that there will be a short conversation about the topic during the IT report, and confirmed additional information will be presented at the August meeting. In regards to Item 4c regarding the Proposed FY21 Committee Goals, Chair Anolik Shakked requested clarification on what recommendations the committee would be providing for Goal #3 (related to Board education). Ms. Wigglesworth explained that after the education session, the committee should recommend if any of the information should be presented to the Hospital Board regarding the revisions to the Stark Law and Anti-Kickback Statute. Mary Rotunno, General Counsel, also stated that Goal #3 would also be subjective to when the final rules will be issued. Ms. Wigglesworth asked if the committee would like this goal be removed. Chair Anolik Shakked recommended leaving Goal #3 on the Proposed FY21 Committee Goals.</p> <p>Motion: To approve the consent calendar a) Minutes of the Open Session of the Compliance and Audit Committee Meeting (03/19/2020); and for information: b) Status of FY20 Committee Goals and c) Proposed FY21 Committee Goals.</p> <p>Movant: Hartman</p>	<i>Consent Calendar approved</i>

	<p>Second: Po Ayes: Anolik Shakked, Hartman, Po, Sublett, & Watters Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>5. REPORT ON BOARD ACTIONS</p>	<p>Chair Anolik Shakked asked if any Committee members had any questions about the Report on Board Actions. No questions were reported.</p>	
<p>6. KPIs, SCORECARD, AND TRENDS</p>	<p>Ms. Wigglesworth reported on the Key Performance Indicators. Ms. Wigglesworth noted last year's YTD numbers included SVMD activity whereas this year's number do not. She also indicated there were a number of new COVID-19 related issues regarding billing and privacy that were addressed; details are reflected in the logs included in the closed session materials.</p> <p>In response to a committee member's questions, Ms. Wigglesworth confirmed that there were categories added to this scorecard which explains why some are noted as zero from the previous years. Ms. Hartman suggested for management to state 'N/A' instead of putting 'zero' for the previous year if categories did not have data gathered. Ms. Wigglesworth also explained that the "Total Incidents" are inquiries or concerns that were brought to the compliance department and not all inquiries are investigated or substantiated one way or the other. Chair Anolik Shakked suggests that the titling be changed to 'issues' or 'reports' so that it doesn't unintentionally imply validated concerns.</p>	
<p>7. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 5:24pm. Movant: Hartman Second: Po Ayes: Anolik Shakked, Hartman, Po, Sublett, & Watters Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Adjourned to closed session at 5:24pm</i></p>
<p>8. AGENDA ITEM 16: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 7:36pm. Agenda items 8-15 were discussed in closed session. During the closed session, the Committee approved the Minutes of the Closed Session of the Compliance and Audit Committee Meeting (1/23/2020 and 3/19/2020) and the proposed FY21 Internal Audit Work Plan.</p> <p>Ms. Wigglesworth provided an updated to the Committee stating that on the Pacing Calendar in the month of August, management had indicated the SVMD Compliance Program Annual Report would be presented; however, the timing will not work out because the SVMD Board needs to review it first. Therefore, the report will be paced to be received by the committee at the September meeting.</p>	<p><i>Open session reconvened at 7:36pm</i></p>

9. AGENDA ITEM 17: ADJOURNMENT	Motion: To adjourn at 7:40pm. Movant: Watters Second: Sublett Ayes: Anolik Shakked, Hartman, Po, Sublett, & Watters Noes: None Abstentions: None Absent: None Recused: None	<i>Meeting adjourned at 7:40pm</i>
---	--	--

Attest as to the approval of the foregoing minutes by the Compliance and Audit Committee of El Camino Hospital:

Sharon Anolik Shakked
Chair, Compliance and Audit Committee

DRAFT

FY21 COMMITTEE GOALS

Compliance and Audit Committee

PURPOSE

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

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

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

GOALS	TIMELINE	METRICS
1. Review Hospital and SVMD Compliance Work Plan for FY 2021.	Q1 FY21	Committee reviews and provides recommendations to the Compliance Officer
2. Review Business Continuity and Disaster Recovery Plan <u>with focus on effectiveness and appropriateness of COVID-19 Pandemic response and recovery</u>	Q2 <u>or</u> Q3 FY21	Committee reviews and provides <u>a report to the Board and</u> recommendations to COO <u>that include assessment of COVID-19 response and recovery as well as a look back at preparedness had the anticipated "surge" occurred in FY20 Q3 and Q4.</u>
3. Participate in education session presented by Legal Counsel regarding revisions to Stark Law and Anti-Kickback Statute	Q3 FY21	Committee receives education and recommends information to be presented to the Board
4. Review ECH's IT Security Strategic Plan.	Q4 FY21	Committee reviews and provides recommendations to CIO

SUBMITTED BY:

Chair: Sharon Anolik Shakked

Executive Sponsor: Diane Wigglesworth

Board Approved with Suggested Modification on June 10, 2020 (Compliance Committee to review and motion if approval of the modification)



Stanford Hospital Accused of Alleged \$468 Million Dollar Healthcare Billing Fraud; DOJ Filed its Second Statement of Interest in Federal Court

The Department of Justice just filed a "Statement of Interest" in Federal Court in support of the false claims action ("FCA") against Stanford Health Care (formerly Stanford Hospitals & Clinics). The case is captioned United States vs. Stanford et. al. The Complaint alleges Stanford engaged in government fraud in excess of \$468 Million Dollars.

Stanford, CA, June 19, 2020 --(PR.com)-- The Department of Justice just filed its second Statement of Interest urging the Federal Court to rule against Stanford Health Care (formerly Stanford medicine, and Stanford Hospitals and Clinics).

The Complaint alleges that Stanford Health Care and its surgeons freely took advantage of a flawed medical payment system by habitually upcoding and unbundling major surgical codes as well as unbundling and charging exorbitant fees; Stanford University also collected money from Stanford Hospital through an undisclosed hefty slush fund entitled the "Dean's Tax" and monetized Stanford Hospital's new \$2 billion dollar "corridor and arcade" which opened on November 17, 2019; Stanford executives and department managers pushed aggressive billing and maintained a culture of pushing profits at any cost regardless of the medical documentation and records; and Stanford also manipulated patient medical and nursing records to upcode time and units of exorbitant surgical supplies, many of which were never used.

The Complaint alleges that Stanford began the scheme on or about 2008 whereby they exploited a newly implemented "EPIC" electronic medical record system and fraudulently circumvented loopholes in medical billing. Stanford upcoded and unbundled services resulting in hundreds of thousands of unlawful health insurance claims and that Stanford egregiously instructed and required that its medical billers and coders always bill at the maximum level and fees, regardless of medical necessity, lack of substantiating medical records, and failure to adhere to national Correct Coding Initiatives. The complaint further alleges Stanford's failure to mitigate or cease the conduct once put on notice and demanded to cease unlawful billing.

The lawsuit further alleges that Stanford knew they were submitting fraudulent claims and failed to correct their misconduct because they demonstrated repeated willingness to send refund check after refund check to certain patients multiple times in 2017 and 2018 for admitted unbundled and upcoded billings. The patients then made these refund checks available to the DOJ. Allegedly, Stanford would periodically unlawfully write off certain patient balances when the patients detected the upcoding and filed grievances.

The Federal lawsuit brought on behalf of the United States government against Stanford Hospital, captioned, United States vs. Stanford et. al. (Case No. CV 17-08726-DSF) (AFMx) is a live case in the Central District Federal Court. The lawsuit was filed on behalf of taxpayers as an under-seal Complaint. The lawsuit remained under federal court ordered seal from December 2017 to August 2, 2019 pursuant to 31 U.S.C. § 3279, which governs fraud against the government, as alleged here. FCA statutes allow



private individuals to disclose to the government “original information” and allegations of fraud by contractors improperly receiving funds from the federal or state departments, and thus bring a “qui tam” claim on behalf of the government. Congress specifically designed the qui tam provisions to supplement the government’s resources with those of private parties called the relator.

The case alleges ongoing and institutional healthcare billing fraud by Defendants Stanford Hospital, Lucille Packard Children’s Hospital, Stanford Healthcare, and its surgeons including Dr. Frederick Dirbas (also doing business as “Software for Surgeons” in Menlo Park). Stanford Vice President and Healthcare Billing Compliance Officer Debra Zumwalt, also a Menlo Park resident, is a named Defendant in this case. She is alleged to be one of the masterminds behind Stanford’s healthcare schemes designed to maximize profits over safety. Ms. Zumwalt is concurrently a named Defendant in another, albeit unrelated, fraud action pending in the San Francisco State Court (CGC-18-565596), captioned, Devesa vs. Stanford-StartX Fund et. al.

The lawsuit alleges that Stanford and Stanford Healthcare are organized under IRS rules as purported not-for-profit organizations that pay no taxes. The suit alleges that Stanford collected more than \$4 billion dollars of healthcare revenues in 2016 alone, and that Stanford’s tax returns show it nearly doubled its Medicare revenues from the government from 2012 (\$460.4 million) to 2016 (\$755.7 million).

According to a source involved in the investigation, Stanford Hospital's healthcare upcoding allegations have been authenticated by the government. The triable issues remain only as to determination of the total fraud on the government and treble damages (penalties) of approximately \$10,000 for each false claim act by Stanford.

The Law Offices of Gloria Juarez represents the interests of the Relator, on behalf of the United States. Ms. Juarez's office has a special interest in prosecuting false claims act cases and uncovering Stanford Healthcare fraud.



Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Friday, November 15, 2019

California Health System and Surgical Group Agree to Settle Claims Arising from Improper Compensation Arrangements

Several hospitals owned and operated by Sutter Health (Sutter), a California-based healthcare services provider, and Sacramento Cardiovascular Surgeons Medical Group Inc. (Sac Cardio), a practice group of three cardiovascular surgeons, have agreed to pay the United States a total of \$46,123,516 to resolve allegations arising from claims they submitted to the Medicare program, the Department of Justice announced today.

The Physician Self-Referral Law, commonly known as the Stark Law, prohibits a hospital from billing Medicare for certain services referred by physicians with whom the hospital has a financial relationship, unless that relationship satisfies one of the law's statutory or regulatory exceptions. It is intended to ensure that medical decision-making is not influenced by improper financial incentives and is instead based on the best interests of the patient.

As part of the settlements announced today, one of Sutter's hospitals, Sutter Memorial Center Sacramento (SMCS), has agreed to pay \$30.5 million to resolve certain allegations that, from 2012 to 2014, it violated the Stark Law by billing Medicare for services referred by Sac Cardio physicians, to whom it paid amounts under a series of compensation arrangements that exceeded the fair market value of the services provided. Relatedly, Sac Cardio has agreed to pay \$506,000 to resolve allegations that it knowingly submitted duplicative bills to Medicare for services performed by physician assistants that it was leasing to SMCS under one of those compensation arrangements.

"Improper financial arrangements between hospitals and physicians can influence the type and amount of health care that is provided," said Assistant Attorney General Jody Hunt of the Department of Justice's Civil Division. "The Department is committed to taking action to eliminate improper inducements that can impact physician decision-making."

"This office will continue to take all appropriate action to help ensure that the beneficiaries of federal health care programs receive services untainted by improper financial incentives," said U.S. Attorney David L. Anderson for the Northern District of California.

"Providers must rigorously comply with the law and Medicare requirements" said U.S. Attorney McGregor W. Scott for the Eastern District of California. "This office is committed to pursuing enforcement actions that will ensure the integrity of federal health care programs."

Separately, Sutter has agreed to pay \$15,117,516 to resolve other conduct that it self-disclosed to the United States, principally concerning additional violations of the Stark Law. Specifically, Sutter hospitals submitted Medicare claims that resulted from referrals by physicians to whom those hospitals (1) paid compensation under personal services arrangements that exceeded the fair market value of the services provided; (2) leased office space at below-market rates; and (3) reimbursed physician-recruitment expenses that exceeded the actual recruitment expenses at issue. Additionally, several Sutter ambulatory surgical centers double-billed the Medicare program by submitting claims that included radiological services for which Medicare separately paid another entity that had performed those services.

Certain allegations relating to SMCS and Sac Cardio were originally brought by Laurie Hanvey in a lawsuit filed under the whistleblower provisions of the False Claims Act, which allow private parties to bring suit on behalf of the federal government and to share in any recovery. The whistleblower will receive \$5,891,140 as her share of the federal government's recovery in this case. The case is captioned *United States ex rel. Hanvey v. Sutter Health et al.*, Civil Action No. 14-4100 (N.D. Cal.).

These matters were handled on behalf of the government by the Civil Division's Commercial Litigation Branch, the U.S. Attorney's Office for the Northern District of California, and the U.S. Attorney's Office for the Eastern District of California. Investigative support was provided by the Department of Health and Human Services' Office of the Inspector General.

The claims resolved by these settlements are allegations only and there has been no determination of liability.

Component(s):

Civil Division

USAO - California, Northern

Press Release Number:

19-1259

Updated November 15, 2019

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

To: Compliance and Audit Committee
From: Cindy Murphy, Director of Governance Services
Date: August 20, 2020
Subject: Report on Board Actions

Purpose:

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

Summary:

1. **Situation:** It is important to keep the Committees informed about Board activity to provide context for Committee work. The list below is not meant to be exhaustive, but includes agenda items the Board voted on that are most likely to be of interest to or pertinent to the work of El Camino Hospital's Board Advisory Committees.
2. **Authority:** This is being brought to the Committees at the request of the Board and the Committees.
3. **Background:** Since the last Compliance and Audit Committee meeting, the Hospital Board has met five times and the District Board has four times. 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.

Board/Committee	Meeting Date	Actions (Approvals unless otherwise noted)
ECH Board	May 20, 2020	<ul style="list-style-type: none"> - FY20 Period 9 Financials - Medical Staff Report including the Credentials and Privileges Report - Imaging Equipment Service Agreements - Revised Investment Policy
	June 10, 2020	<ul style="list-style-type: none"> - Medical Staff Report including the Credentials and Privileges Report - FY20 Period 10 Financials - FY21 Community Benefit Grant Program Funding - Medical Staff Report - Deferral of Revisions to Executive Salary Ranges for FY21 - Medical Director Agreements - FY21 Board and Committee Master Calendar - FY21 Advisory Committee Goals - FY21 Advisory and Committee Liaison Agreements - Restructuring of FY 20 Incentive Goals
	July 8, 2020	<ul style="list-style-type: none"> - Strategic Planning Session
	July 27, 2020	<ul style="list-style-type: none"> - Joint Meeting With the Finance Committee to Review Proposed FY21 Budget
	August 12, 2020	<ul style="list-style-type: none"> - FY21 Organizational Performance Goals - FY20 Period 12 Financials

Report on Board Actions
August 20, 2020

Board/Committee	Meeting Date	Actions (Approvals unless otherwise noted)
		<ul style="list-style-type: none"> - FY21 Capital and Operating Budget - Increased Funding For Radiation Oncology Equipment - Medical Staff Report Including Credentials and Privileges Report
ECHD Board	May 19, 2020	<ul style="list-style-type: none"> - FY20 YTD Financials - Proposed Budget Expense Allocations to ECHD for FY21 (Community Benefit Staff SW&B and Association Memberships) - Resolution 2020-04 Requesting for and Consenting to Consolidation of Election - Funding for District to Provide COVID-19 Community Testing
	June 16, 2020	<ul style="list-style-type: none"> - FY20 YTD Financials - Allocation of \$7,830,671 in FY18 Capital Outlay Funds to Mountain View Women’s Hospital Expansion Project - Modification to District Funded Community COVID-19 Testing Program Authorization - Funding for FY21 Community Benefit Grant Program - Appointed Director Miller as Liaison to the Community Benefit Advisory Council
	July 15, 2020	<ul style="list-style-type: none"> - Appointment of Ad Hoc Committee to Review Compliance Issue
	August 12, 2020	<ul style="list-style-type: none"> - FY21 ECHD Consolidated and Stand Alone Budgets - Resolution Setting Annual Tax Appropriation Limit (Gann Limit)
Finance Committee	July 27, 2020	<ul style="list-style-type: none"> - Funding NTE \$1.85 for Replacement Sterile Processing Equipment
Compliance and Audit Committee		<ul style="list-style-type: none"> - N/A
Exec. Comp Committee	July 28, 2020	<ul style="list-style-type: none"> - FY21 CFO Base Salary

4. Assessment: N/A

5. Other Reviews: N/A

6. Outcomes: N/A

List of Attachments: None.

Suggested Committee Discussion Questions: None.

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

To: Compliance and Audit Committee
From: Diane Wigglesworth, Sr. Director Corporate Compliance
Date: August 20, 2020
Subject: Key Performance Indicators (KPI)
Purpose:

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

Summary:

1. **Situation:** The performance indicators should assist the Committee to monitor activity and identify organizational deficiencies or emerging risks.
2. **Authority:** The committee is responsible for oversight of the Compliance program and monthly review of metrics.
3. **Background:** Key performance indicators were developed to track the required elements from the Federal Sentencing Guidelines and help the committee assess effectiveness of the program.
4. **Assessment:** The total number of investigations, concerns, or inquires brought forth to the Compliance department continues to trend up slightly from the previous fiscal year. Hotline activity remains consistent with previous years. There were some reportable privacy errors that were investigated and determined to be related to registration errors which caused documentation to be sent to incorrect physicians. Once identified the incidents were reported to CDPH and registration has been corrected to mitigated future errors.
5. **Other Reviews:** N/A
6. **Outcomes:** Refer to Key Performance Indicator Compliance Scorecard

List of Attachments:

1. Corporate Compliance Scorecard FY 2020
2. KPI two-year trend Graph by Quarters
3. YTD Bar Graph and Definitions

Suggested Committee Discussion Questions:

1. Are there any trends of concern?

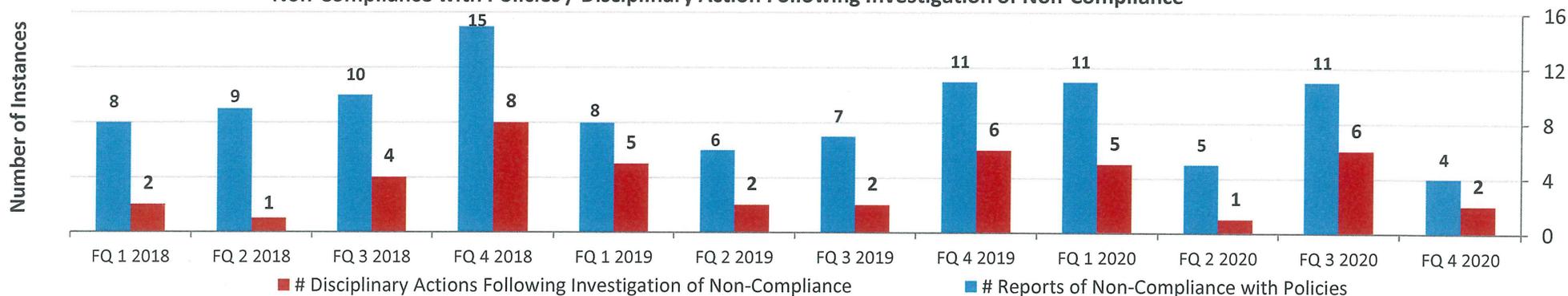
Corporate Compliance Scorecard FY 20

El Camino Hospital

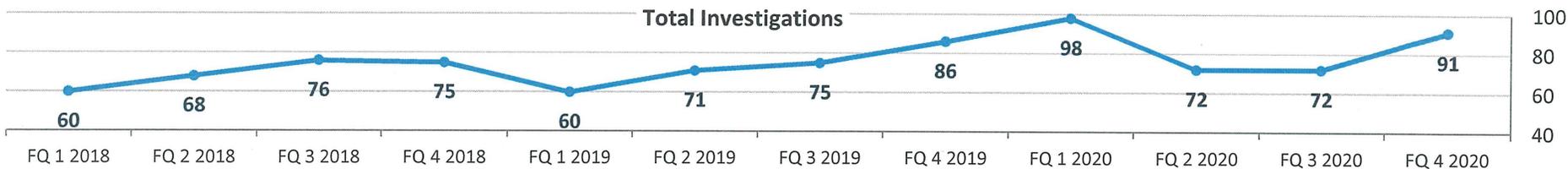
Key Performance Indicator	FY:20 Current Month	Current YTD Actual	Prior YTD Actual
Total Number of Hospital Discharges (excluding normal newborn)	1,425	18,966	19,681
Core Elements			
Policies and Procedures			
	Jun. 2020	Jul - Jun. FY 2020	Jul -Jun. FY 2019
Number of reported instance when policies not followed	1	31	32
Number of disciplinary actions due to Investigations	1	14	15
Education and Training			
	Jun. 2020	Jul - Jun. FY 2020	Jul -Jun. FY 2019
Percentage of new employees trained within 30 days of start date	100%	100%	100%
Investigations			
	Jun. 2020	Jul - Jun. FY 2020	Jul -Jun. FY 2019
Total number of investigations	26	333	313
Investigations open	0	1	0
Investigations closed	26	332	313
Hotline concerns substantiated	3	11	19
Hotline concerns not substantiated	1	23	16
Average number of days to investigate concerns	3.6	4.3	7
Reporting Trends			
	Jun. 2020	Jul - Jun. FY 2020	Jul -Jun. FY 2019
Anti-Kickback/Stark/Beneficiary Inducement	5	32	37
EMTALA	0	6	4
HIPAA Reports	9	130	136
HIPAA Security Incidents	1	11	11
Billing or Claims or Documentation	5	62	63
Conflict of Interest	0	5	2
Business Relationship	0	13	4
General	6	74	56
Reported Events to CMS			
	Jun. 2020	Jul - Jun. FY 2020	FY 2019 Total
Number of total events self reported by ECH	0	0	0
Number of self reported events followed up by CMS	0	0	0
CMS initiated visits (separate from ECH self reported events)	0	2	0
Number of statement of deficiencies issued to ECH	0	19	0
Number of Actual Sanctions, fines or penalties	0	0	0
Reported Events to CDPH			
	Jun. 2020	Jul - Jun. FY 2020	FY 2019 Total
Number of total regulator events self reported by ECH	2	34	39
Number of self reported events followed up by CDPH	0	30	30
Number of total privacy breaches self reported by ECH	4	21	21
CDPH initiated visits (separate from ECH self reported events)	0	6	17
Number of statement of deficiencies issued to ECH	0	2	7
Number of Actual/Realized Sanctions, fines or penalties	\$ -	\$ -	\$ 4,500
Monitoring and Audit Findings			
	Jun. 2020	Jul - Jun. FY 2020	FY 2019 Total
Total number of Audit Findings	0	24	28
Number of findings identified has high severity	0	5	5
Monitoring and Audit Findings			
	Jun. 2020	Jul - Jun. FY 2020	FY 2019 Total
Number of Open Liability Claims	5	5	8
Number of Open Liability Lawsuits	6	6	6

Policies & Procedures

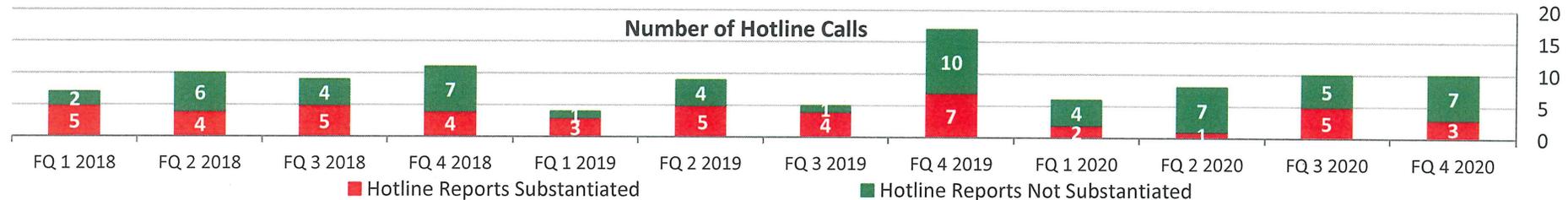
Non-Compliance with Policies / Disciplinary Action Following Investigation of Non-Compliance



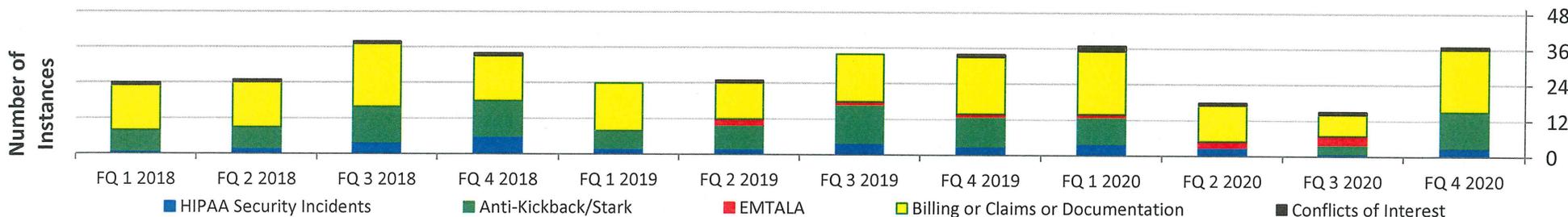
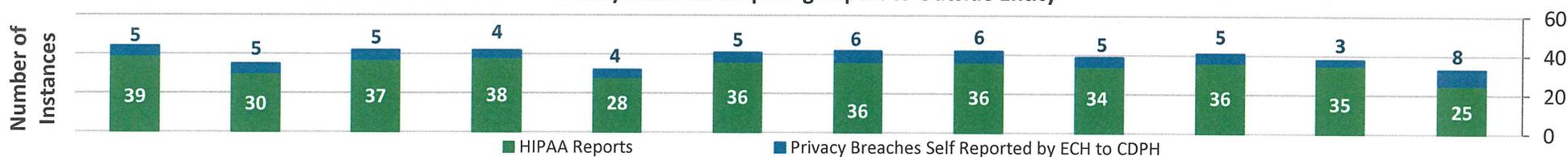
Total Investigations

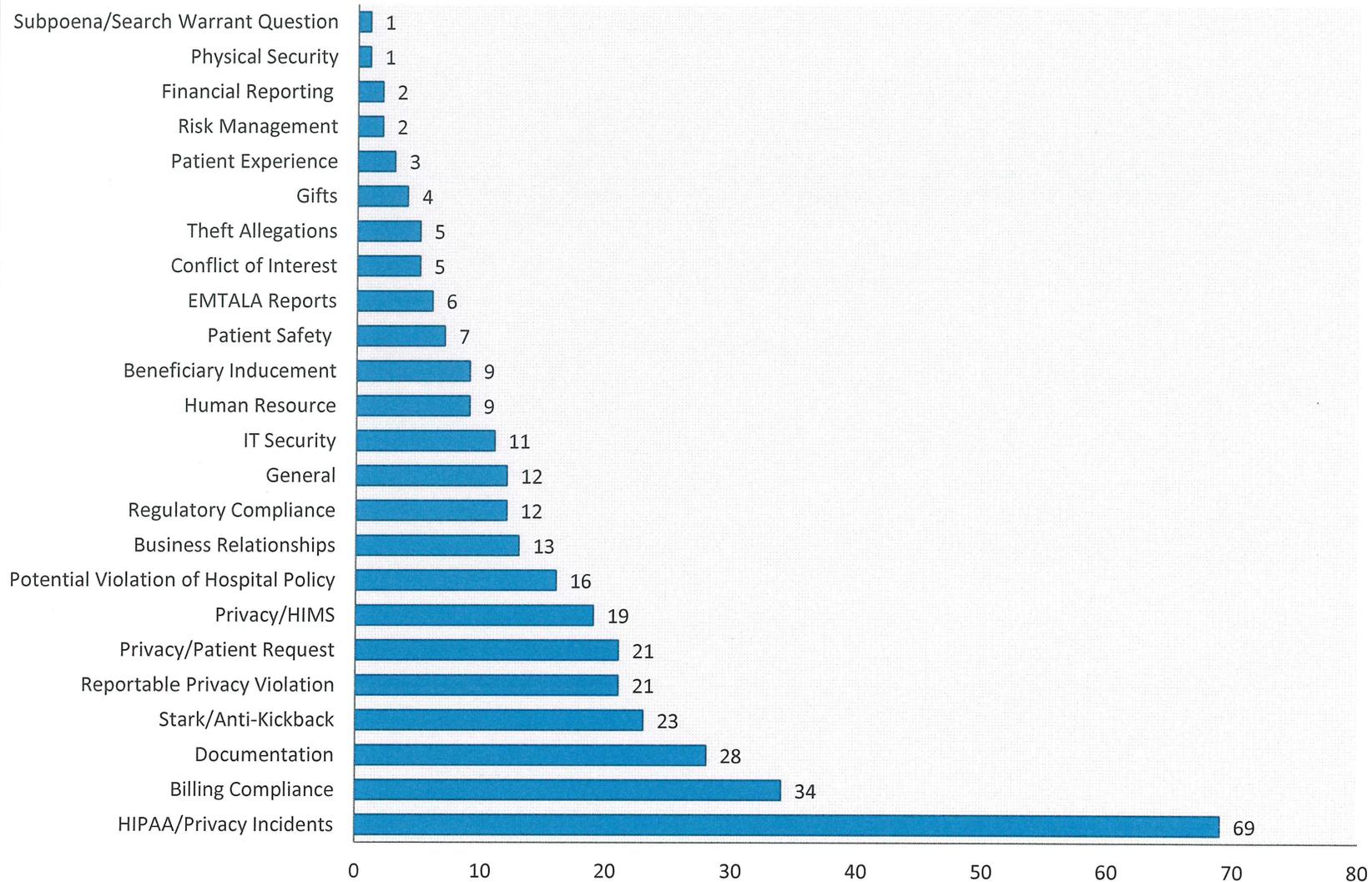


Number of Hotline Calls



Privacy Breaches Requiring Report to Outside Entity





Total Issues Reported 333

Legend

Category Name	Category Descriptions
Beneficiary Inducement	Potential risk of inducing the referral of a Medicare beneficiary
Billing Compliance	Risks related to CPT, diagnosis coding, charges, CMS billing regulations
Business Relationships	Concerns regarding vendor arrangements
Conflict of Interest	Disclosures or concerns regarding potential conflict
Documentation	Concerns regarding appropriate/adequate documentation or altering documentation
EMTALA Reports	Concerns regarding potential violation of EMTALA regulation
Financial Reporting	Issues related to financial misconduct, internal controls, expense reporting
General	Various
Gifts	Questions/concerns regarding gifts offered or received
HIPAA/Privacy Incidents	Potential privacy issue, question or violation of hospital policy
Human Resource	Issues related to employee or manager conduct & other HR functions
IT Security	Reports related to IT security or physical device
Patient Experience	Patient experience complaints
Patient Safety	Quality or patient safety concerns
Physical Security	Concerns regarding physical security or access
Potential Violation of Hospital Policy	Concerns related to hospital policy or standards of conduct violations
Privacy/HIMS	Issues related to release of medical record(s)
Privacy/Patient Request	Patient initiated HIPAA or privacy-related request
Reportable Privacy Violation	HIPAA violations/breaches that are reportable to HHS/CDPH and patients
Risk Management/Regulatory	Incidents involving regulatory compliance
Stark/Anti-Kickback	Risks related to physician referrals or contract arrangements
Subpoena/Search Warrant	Request or questions regarding subpoena/search warrant received
Theft Allegations	Concerns regarding theft or misuse of corporate assets