

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

Thursday, August 19, 2021 – 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:

Dial-In: 1-669-900-9128. Meeting Code: 994 7183 8310. 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	Jack Po MD, Chair		5:00 – 5:01pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Jack Po MD, 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	Jack Po MD, 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 (5/20/2021) Information b. Status of FY22 Committee Goals	Jack Po MD, Chair	<i>public comment</i>	motion required 5:05 – 5:10
5. <u>REPORT ON BOARD ACTIONS</u>	Board Members		information 5:10 – 5:15
6. ADJOURN TO CLOSED SESSION	Jack Po MD, Chair		motion required 5:15– 5:16
7. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Jack Po MD, Chair		5:16 – 5:17
8. 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 CAC Meeting (3/18/2021) b. Minutes of the Closed Session of the CAC Meeting (5/20/21)	Jack Po MD, Chair		motion required 5:17 – 5:35

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<p>Information <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation:</p> <ul style="list-style-type: none"> c. KPI Scorecard and Trends d. Activity Log May 2021 e. Activity Log June 2021 f. Internal Audit Work Plan g. Internal Audit Follow Up Table h. Committee Pacing Plan 			
<p>9. <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: REVIEW FY 2021 ANNUAL PATIENT SAFETY/CLAIMS REPORT</p>	Sheetal Shah, Director Risk Management & Patient Safety; Mary Rotunno, General Counsel		information 5:35 – 5:45
<p>10. <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: IT SECURITY DISCUSSION AND STRATEGIC PLAN</p>	Deb Muro, CIO; Joe Voje, CISO; Mary Rotunno, General Counsel		discussion 5:45 – 6:10
<p>11. <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: ENTERPRISE RISK MANAGEMENT</p>	Jim Griffith, COO; Mary Rotunno, General Counsel		discussion 6:10 – 6:20
<p>12. <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: REVIEW FY 2021 ENTERPRISE COMPLIANCE PROGRAM REPORT</p>	Diane Wigglesworth, Sr. Dir. Corporate Compliance; Mary Rotunno, General Counsel		information 6:20 – 6:35
<p>13. <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: REPORT INTERNAL AUDIT ACTIVITY a. Supplemental information to the Post Acquisitions Clinic Operations Review</p>	Diane Wigglesworth, Sr. Dir. Corporate Compliance; Mary Rotunno, General Counsel		information 6:35 – 6:40
<p>14. <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: COMPLIANCE WORK PLAN FOR FY 2022</p>	Diane Wigglesworth, Sr. Dir. Corporate Compliance; Mary Rotunno, General Counsel		discussion 6:40 – 6:50
<p>15. <i>Gov't Code Sections 54957</i> for report and discussion on personnel matters – Senior Management: - Executive Session</p>	Jack Po MD, Chair		discussion 6:50 – 6:57
<p>16. ADJOURN TO OPEN SESSION</p>	Jack Po MD, Chair		motion required 6:57 – 6:57
<p>17. RECONVENE OPEN SESSION/ REPORT OUT</p>	Jack Po MD, Chair		information 6:57 – 7:00
<p>To report any required disclosures regarding permissible actions taken during Closed Session.</p>			

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
18. ADJOURNMENT	Jack Po MD, Chair		motion required 7:00pm

Upcoming Meetings:

Regular Meetings: September 30, 2021, November 18, 2021, January 27, 2022, March 24, 2022, May 19, 2022



**Minutes of the Open Session of the
Compliance and Audit Committee
of the El Camino Hospital Board of Directors
Thursday, May 20, 2021**

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
Julia Miller

Members Absent

****All via teleconference**

Agenda Item	Comments/Discussion	Approvals/ Action
<p>1. CALL TO ORDER/ ROLL CALL</p>	<p>The open session meeting of the Compliance and Audit Committee of El Camino Hospital (“the Committee”) was called to order at 5:00 pm 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.</p>	<p><i>Called to order at 5:00 pm</i></p>
<p>2. POTENTIAL CONFLICT OF INTEREST</p>	<p>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.</p>	
<p>3. PUBLIC COMMUNICATION</p>	<p>None.</p>	
<p>4. CONSENT CALENDAR</p>	<p>Chair Anolik Shakked asked if any Committee members or the public wished to discuss any item from the consent calendar.</p> <p>Chair Anolik Shakked pulled the minutes of the open session of the CAC meeting (3/18/21), item 4a, from the consent calendar for discussion. She pointed out that the header needs to be added to the meeting minute’s template upon final approval.</p> <p>Chair Anolik Shakked pulled item 4b, the proposed FY 22 committee goals, from the consent calendar for discussion. She noted that the first goal listed was more of a pacing calendar item rather than a goal, and Ms. Wigglesworth agreed to move it to the pacing calendar.</p> <p>Ms. Miller inquired for item 4b whether the months could be included in the timeline column so that the Committee could benchmark the goals halfway through to conduct status updates; Ms. Wigglesworth confirmed that could occur.</p> <p>Chair Anolik Shakked asked Ms. Sublett whether she believed that the 3rd goal was drafted correctly to review the IT security plan and that it was mapped to critical business activities; Ms. Sublett confirmed that the goal is drafted appropriately.</p> <p>Chair Anolik Shakked inquired if review of ECH’s IT security strategic plan listed as a fourth committee goal, should remain a separate goal since the mapping of IT security plan would be included in the deliverable of the third goal. It was agreed a separate goal is not needed and that the third goal should include the CISO should be provided recommendations from the committee in addition to the CIO.</p> <p>Ms. Wigglesworth confirmed that these changes could be made.</p>	<p><i>Consent Calendar approved.</i></p>

	<p>Chair Anolik Shakked reminded the Committee that there was discussion at the previous Committee meeting about creating a Committee goal around risk tolerance. The Committee discussed and believe that the goal should be to provide guidance to the organization on risk tolerance. All Committee members agreed.</p> <p>Ms. Wiggsworth reiterated edits to the FY 22 Committee goals as follows: The first goal would be removed and replaced with providing guidance to the organization on risk tolerance related to enterprise risk management. The second and third committee goals remain the same, however, the third goal will include a review of IT’s strategic plan and recommendations would be provided to the CIO and CISO. The timeline will also include the dates as to when these items will be presented to the Committee.</p> <p>Motion: To approve the consent calendar items a) Minutes of the Open Session of the Compliance and Audit Committee Meeting (3/18/2021); b) Proposed FY22 Committee Goals as modified; c) Status of FY21 Committee Goals; and d) Article of Interest.</p> <p>Movant: Miller Second: Hartman Ayes: Anolik Shakked, Hartman, Miller, Po, & Sublett Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>5. REVISION TO STARK LAW AND ANTI-KICKBACK STATUTE EDUCATION</p>	<p>Laura Martin, a partner from Katten Muchin Rosenman LLP, joined the meeting to provide education to the members of the committee on recent revisions to the Stark Law. She addressed the most significant changes under the law, which include new value-based care exceptions, new commercial reasonableness, and a new “bright-line” standard for unlawful compensation. She also went over how these new rules impact common physician arrangements and what the board members can do to promote compliance.</p> <p>Chair Anolik Shakked suggested that during the education session, any questions that need to be addressed be done so in a hypothetical format; questions containing sensitive information will be moved to closed session.</p> <p>Mr. Po addressed Jim Griffith, COO, and inquired if he thought the changes to the law would impact current physician arrangements with the hospital in any way.</p> <p>Mr. Griffith suggested that this question could potentially be discussed during the closed session and that Ms. Wiggsworth can provide more details regarding definitive practices as to how risk in this area could be mitigated.</p> <p>Mr. Po asked what cybersecurity meant with regards to these new rules.</p> <p>Ms. Martin explained that Stark currently covers electronic health records, donations of existing hardware, software, and even people where the purpose is to promote cybersecurity in regards to Stark Law exceptions and rules.</p> <p>Laura Martin left the meeting.</p>	
<p>6. REPORT ON BOARD ACTIONS</p>	<p>Mr. Po added more context to the Board leadership plan. He explained that the Board decided that it would be best have to some continuity of the</p>	

	<p>Board Chair, so Chair Lanhee Chen’s term was extended for an additional year. Additionally, there was a new position created in which the vice chair would potentially be elected to the chair within a year based on an election. He added that Bob Rebitzer was elected to Vice-Chair, and Julia Miller was re-elected as the Secretary-Treasurer.</p> <p>Chair Anolik Shakked inquired about the resolution 2021-04, temporary suspension of El Camino Hospital Bylaws, Article VIII, section 8.3.</p> <p>Ms. Miller explained that the suspension of the bylaw concerned the extension of the Chairman of the Board for an additional year, as the term would have otherwise ended after two years. She explained the Board wanted Chair Lanhee Chen to continue his term for succession planning purposes.</p>	
<p>7. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 5:45 pm. Movant: Miller Second: Po Ayes: Anolik Shakked, Hartman, Miller, Po, & Sublett Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Adjourned to closed session at 5:45 pm</i></p>
<p>8. AGENDA ITEM 17: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 7:19. Agenda items 8-15 were discussed in closed session. During the closed session, no items were approved</p>	<p><i>Open session reconvened at 7:19 pm</i></p>
<p>9. AGENDA ITEM 18: ADJOURNMENT</p>	<p>Motion: To adjourn at 7:20pm. Movant: Miller Second: Po Ayes: Anolik Shakked, Hartman, Miller, Sublett, Po Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting adjourned at 7:20 pm</i></p>

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

FY22 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. Provide guidance to the organization on risk tolerance related to Enterprise Risk Management.	Q1 FY22 (Presenting 9/30/21)	Committee reviews and provides recommendations to the Compliance Officer and recommends if any information should be presented to the Board.
2. Receive education on new OIG guidance regarding compliance programs and fraud alerts.	Q3 FY22 (Presenting 1/27/22)	Committee receives education and recommends information that should be presented to the Board.
3. Review identified cyber risks for the organization in the context of critical business functions and how the cybersecurity plan and initiatives are protecting critical business activities within the IT strategic plan.	Q4 FY22 (Presenting 5/19/22)	Committee reviews and provides recommendations to the CIO and CISO.

SUBMITTED BY:

Chair: Jack Po, MD

Executive Sponsor: Diane Wigglesworth

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

To: Compliance and Audit Committee
From: Stephanie Iljin, Supervisor of Executive Administration
Date: August 19, 2021
Subject: Report on Board Actions

Purpose: To keep the Committee informed regarding actions taken by the El Camino Hospital and El Camino Healthcare District Boards.

Summary:

1. **Situation:** It is essential to keep the Committees informed about Board activity to provide context for Committee work. The list below is not meant to be exhaustive; still, it 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 time we provided this report to the Compliance and Audit Committee, the Hospital Board has met once, and the District Board has met twice. In addition, since the Board has delegated specific authority to the Executive Compensation Committee, the Compliance and Audit Committee, and the Finance Committee, those approvals are also noted in this report.

Board/Committee	Meeting Date	Actions (Approvals unless otherwise noted)
ECH Board	June 23, 2021	<ul style="list-style-type: none"> - FY 2021 Period 10 Financials - FY 2022 Individual Executive Performance Incentive Goals - Medical Staff Credentials and Privileges Report - Quality Council Minutes - Amendment to the CEO Employment Agreement - Executive Performance Incentive and Benefit Plan Design - New Enterprise Anesthesia Services Agreement, MV Nighttime Intensivist Services Agreement, and Line of Credit Agreement - FY 2022 Master Calendar - FY 2022 Committee Goals - FY 2022 Committee Liaisons Appointments - FY 2022 Community Benefit Plan - FY 2022 Organizational Performance Incentive Plan Goals - FY 2021 Period 9 Financials - Infection Control Medical Director Agreement - Medical Staff Report - MV Major Projects Update
ECHD Board	June 17, 2021	<ul style="list-style-type: none"> - FY22 Community Benefit Plan Study Session

Report on Board Actions
August 19, 2021

Board/Committee	Meeting Date	Actions (Approvals unless otherwise noted)
	June 29, 2021	<ul style="list-style-type: none"> - ECH FY 2022 Budget - ECHD FY 2022 Budget - ECHD FY 2022 Pacing Plan - District Capital Outlay Funds - Resolution 2021-08 FY 2022 Regular Meeting Dates - Resolution 2021-09 Granting Utility Easement for EV Charging Stations - Resolution 2021-10 Establishing Tax Appropriation Limit for FY 2022 (Gann Limit) - ECHD Covid-19 Community Testing Program - FY 2022 Community Benefits Plan - FY 2022 Community Benefits Advisory Liaison Appointment - District Board Officers Election: <ul style="list-style-type: none"> o Chair – Miller, Vice-Chair- Fung, Secretary/Treasurer - Somersille
Executive Compensation Committee	May 27, 2021	<ul style="list-style-type: none"> - Proposed FY 2022 Committee Goals - Proposed FY 2022 Committee Dates - appointment of ad hoc search committee - Proposed FY 2022 executive performance incentive plan organizational goals
Compliance Committee	N/A	
Finance Committee	May 24, 2021	<ul style="list-style-type: none"> - FY 2022 Goals - FY 2022 Pacing Plan - FY 2022 Proposed Dates - Los Gatos Associate Chief Medical Officer Renewal Agreement - Enterprise Control Medical Director Renewal Agreement

List of Attachments: None.

Suggested Committee Discussion Questions: None.