

AGENDA
COMPLIANCE AND AUDIT COMMITTEE MEETING
OF THE EL CAMINO HOSPITAL BOARD
Thursday, September 27, 2018 – 5:00 pm
 El Camino Hospital, Conference Room E (ground floor)
 2500 Grant Road, Mountain View, CA 94040

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

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
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 Compliance and Audit Committee Meeting (Aug. 22, 2018) Information b. Status of FY19 Committee Goals 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. POSSIBLE DELEGATION OF AUTHORITY TO COMMITTEE ATTACHMENT 6	Cindy Murphy, Director, Governance Services	<i>public comment</i>	possible motion 5:15 – 5:25
7. KPIs, SCORECARD, AND TRENDS ATTACHMENT 7	Diane Wigglesworth, Sr. Director, Corporate Compliance		information 5:25 – 5:30
8. ADJOURN TO CLOSED SESSION	Sharon Anolik Shakked, Chair		motion required 5:30 – 5:31
9. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Sharon Anolik Shakked, Chair		5:31 – 5:32

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
10. 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 Compliance and Audit Committee Meeting (August 22, 2018) Information <i>Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation:</i> b. Compliance Log (July-Aug 2018) c. Privacy Log (July-Aug 2018) d. Internal Audit Work Plan e. Committee Pacing Plan	Sharon Anolik Shakked, Chair		motion required 5:32 – 5:40
11. Health & Safety Code Section 32106(b) for a report and discussion involving health care facility trade secrets: - Consolidated Financial Statements, 403(b) and Cash Balance Audit Results	Brian Conner and Joelle Pulver, Moss Adams LLP		motion required 5:40 – 6:00
12. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: - Report on Internal Audit Activity	Diane Wigglesworth, Sr. Director, Corporate Compliance		information 6:00 – 6:10
13. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: - GDPR and California Consumer Privacy Act of 2018 Impacts	Susan Gomez, Assistant General Counsel		information 6:10 – 6:35
14. Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation: - IT Security Discussion	Deb Muro, CIO		information 6:35 – 6:50
15. Gov't Code Sections 54957 for report and discussion on personnel matters – Senior Management: - Executive Session	Sharon Anolik Shakked, Chair		discussion 6:50 – 6:54
16. ADJOURN TO OPEN SESSION	Sharon Anolik Shakked, Chair		motion required 6:54 – 6:55
17. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.	Sharon Anolik Shakked, Chair		6:55 – 6:59
18. ADJOURNMENT	Sharon Anolik Shakked, Chair		motion required 6:59 – 7:00pm



**Minutes of the Open Session of the
Compliance and Audit Committee
Wednesday, August 22, 2018**

**El Camino Hospital | Conference Room E
2500 Grant Road, Mountain View, CA 94040**

Members Present

Sharon Anolik Shakked, Chair
(via teleconference)
Neysa Fligor, Vice Chair
Lica Hartman
Julia Miller
Christine Sublett

Members Absent

Bob Rebitzer

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 5:01pm by Chair Anolik Shakked, who participated via teleconference. A verbal roll call was taken. Mr. Rebitzer was absent. All other Committee members were present at roll call.	
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 an item from the consent calendar. No items were removed.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Corporate Compliance/Privacy and Internal Audit Committee Meeting (May 17, 2018); Minutes of the Open Session of the Joint Meeting of the Corporate Compliance/Privacy and Internal Audit Committee and the El Camino Hospital Board of Directors (May 9, 2018); and for information: Status of FY19 Committee Goals.</p> <p>Movant: Fligor Second: Hartman Ayes: Anolik Shakked, Fligor, Hartman, Miller, Sublett Noes: None Abstentions: None Absent: Rebitzer Recused: None</p>	<i>Consent Calendar approved</i>
5. REPORT ON BOARD ACTIONS	<p>Ms. Fligor referred to the recent Board actions as further detailed in the packet. She described the upcoming election in November 2018 and its effect on District Board membership.</p> <p>Chair Anolik Shakked requested a copy of the Board goals for all Committee members’ information.</p>	<i>Staff to provide copies of the FY19 Board Goals</i>
6. POLICIES FOR APPROVAL	<p>Diane Wigglesworth, Sr. Director, Corporate Compliance, outlined the policies as further detailed in the packet.</p> <p>In response to Ms. Miller’s and Ms. Fligor’s questions, Ms. Wigglesworth described the process for internal policy drafting and review by outside counsel, the review and approval process, and the alignment of policies and</p>	<i>Policies recommend- ed for approval</i>

	<p>procedures by the business owners.</p> <p>Ms. Fligor requested that the language regarding conflicts and order of precedence be further refined.</p> <p>Motion: To recommend that the Board approve the policies with the edit noted above regarding conflicts.</p> <p>Movant: Sublett Second: Fligor Ayes: Anolik Shakked, Fligor, Hartman, Miller, Sublett Noes: None Abstentions: None Absent: Rebitzer Recused: None</p>	
7. COMMITTEE AGENDA ITEMS AND MATERIALS DISCUSSION	<p>Ms. Wigglesworth noted that the Committee's self-assessment included a recommendation to evaluate agenda items and review materials and asked the Committee for feedback.</p> <p>Ms. Fligor requested that Ms. Wigglesworth continue to highlight important items for the Committee's attention. The Committee noted that there are no revisions to agendas or materials at this time. Ms. Sublett commented that issues, questions, and requests for information are resolved in a timely manner.</p> <p>Ms. Wigglesworth suggested and the Committee agreed that Articles of Interest in future packets would be useful and educational.</p>	
8. KPIs, SCORECARD, AND TRENDS	<p>Ms. Wigglesworth reported that the number of issues brought to and investigated by Compliance is consistent with the previous year. She commended staff, patients, and community members for reaching out to Compliance in response to incidents and praised the overall reporting culture. She noted that there has been an increase in the number of reportable privacy breaches.</p> <p>Ms. Hartman suggested developing an acceptable range of key risk indicators, where trending outside of the range would require notification/escalation. Alex Robison from Protiviti noted that there are no CMS guidelines in this area and management would need to develop the guardrails. The Committee requested a recommendation from staff regarding an updated KPI/trend summary, including escalation thresholds, and whether or not this could or should be a closed session topic.</p>	<i>Staff to provide an updated KPI/trend summary</i>
9. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 5:29pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of Minutes of the Closed Session of the Corporate Compliance/Privacy and Internal Audit Committee Meeting (May 17, 2018) and Minutes of the Closed Session of the Joint Meeting of the Corporate Compliance/Privacy and Internal Audit Committee and the El Camino Hospital Board of Directors (May 9, 2018); pursuant to <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: for information (Compliance Log, Privacy Log, Internal Audit Follow Up, Internal Audit Work Plan, Committee Pacing Plan); pursuant to <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: Report on Internal Audit Activity; pursuant to <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: FY18 Patient Safety Report; pursuant to <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: FY18 Annual Compliance and Privacy Report; pursuant to <i>Gov't Code Section 54956.9(d)(2)</i> – conference</p>	<i>Adjourned to closed session at 5:29pm.</i>

	<p>with legal counsel – pending or threatened litigation: IT Security Discussion; pursuant to <i>Gov't Code Section 54957</i> for discussion and report on personnel matters: Executive Session – Senior Management.</p> <p>Movant: Sublett Second: Hartman Ayes: Anolik Shakked, Fligor, Hartman, Miller, Sublett Noes: None Abstentions: None Absent: None Recused: None</p>	
10. AGENDA ITEM 18: RECONVENE OPEN SESSION/ REPORT OUT	<p>Open session was reconvened at 7:18pm. Agenda Items 10-17 were covered in closed session.</p> <p>During the closed session, the Committee approved the Minutes of the Closed Session of the Corporate Compliance/Privacy and Internal Audit Committee Meeting (May 17, 2018) and the Minutes of the Closed Session of the Joint Meeting of the Corporate Compliance/Privacy and Internal Audit Committee and the El Camino Hospital Board of Directors (May 9, 2018) by a unanimous vote of all members present (Anolik Shakked (via teleconference), Fligor, Hartman, Miller, Sublett). Mr. Rebitzer was absent.</p>	
11. AGENDA ITEM 19: ADJOURNMENT	<p>Motion: To adjourn at 7:19pm.</p> <p>Movant: Sublett Second: Hartman Ayes: Anolik Shakked, Fligor, Hartman, Sublett Noes: None Abstentions: None Absent: Miller, Rebitzer Recused: None</p>	<p><i>Meeting adjourned at 7:19pm.</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

FY19 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 the Hospital's Compliance Program internal assessment compared to DOJ 2017 Compliance Program guidance on the evaluation of Compliance Programs	Q2 FY19	Committee recommends changes in Compliance Program to Compliance Officer Upcoming/paced
2. Ensure strategic alignment and proper oversight of the Enterprise Risk Management (ERM) Program	Q3 FY19	Committee reviews and provides guidance to the Board on the ERM Program, including developing a risk escalation process and ensuring regular reporting to the Board on ERM Upcoming/paced
3. Review results of IT metrics tracked during the fiscal year to ensure metrics support appropriate oversight	Q4 FY19	Committee reviews and provides recommendations to the CIO Upcoming/paced
4. Review ECH's IT Security Program, specifically as it relates to medical device security	Q4 FY19	Committee reviews controls related to medical device security (including any applicable procedure updates) Upcoming/paced

SUBMITTED BY:

Chair: Sharon Anolik Shakked

Executive Sponsor: Diane Wigglesworth

Approved by the El Camino Hospital Board on June 13, 2018

Providence Health accused of \$188.1M upcoding scheme: 6 things to know

Written by Kelly Gooch | August 16, 2018 | [Print](#) | [Email](#)

Data analytics firm Integra Med Analytics filed a lawsuit against Renton, Wash.-based Providence Health & Services seeking \$188.1 million related to alleged Medicare upcoding.

Here are six things to know:

1. Integra filed a False Claims Act lawsuit Aug. 10 in the U.S. District Court of Central California against Providence Health & Services, which is now Providence St. Joseph Health. The lawsuit alleges Providence routinely used unwarranted major complication and comorbidity secondary codes on Medicare claims to inflate reimbursement.
2. According to the 100-page lawsuit, Integra discovered the unwarranted secondary codes during an analysis of Medicare claims dating back to 2011. Integra said an investigation of the business practices of Providence and its consultant, clinical documentation improvement company J.A. Thomas and Associates, "confirmed that Providence's false Medicare claims were not only intentional but were part of a systematic effort to boost its Medicare revenue."
3. The lawsuit specifically alleges Providence and its consultant were "pushing doctors to make unwarranted diagnoses" and "using leading queries to change doctors' original diagnoses." Integra claims JATA's proprietary software also was made to manipulate diagnoses.
4. Adding a complication or comorbidity secondary code to a Medicare claim can result in an increased claim value of between about \$1,000 and \$10,000, according to the lawsuit. Adding a major complication or comorbidity secondary code can result in an increased claim value of between \$1,000 and \$25,000. Integra said it found 1,429 of Providence's more than 11,000 claims involving a femoral neck fracture had an accompanying secondary major complication or comorbidity of encephalopathy.
5. Overall, Integra seeks to recover more than \$188.1 million paid by the federal government in connection with Providence's actions.
6. A Providence spokesperson told *Becker's Hospital Review* hospital officials received a partial version of the complaint this week and are thoroughly reviewing the allegations. "Prior to that review, we reiterate that Providence St. Joseph Health follows rigorous standards for Medicare reimbursement claims, based on all relevant regulation and supported by our core values. The government has declined to be a party in the litigation and we will proceed based upon our review and how and if the case moves forward," she said.

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Business Continuity/Disaster Recovery , Electronic Healthcare Records , Governance

Should Staff Ever Use Personal Devices to Access Patient Data?

Incident at Oklahoma Dept. of Veterans Affairs Spotlights Tough Choices

Marianne Kolbasuk McGee (HealthInfoSec) • August 14, 2018 • 1 Comment

Is it ever acceptable to allow healthcare workers to use their personal smartphones to access patient information? How about for delivering patient care during a network outage?

See Also: How to Keep Your Endpoints Safe from Cybercrime

These are some of the key questions emerging from a recent controversy involving leaders at the Oklahoma Department of Veterans Affairs who reportedly made the decision to temporarily allow employees at two VA healthcare facilities in the state to use their personal smartphones to access patients records for several hours during a network outage in July.

Three Oklahoma state representatives have demanded in a recent letter to Oklahoma Gov. Mary Fallin that she fire two state VA officials - executive director Doug Elliott and clinical compliance director Tina Williams, alleging that their decision to allow the VA employees access to patient records using personal devices violates HIPAA and other privacy regulations.

A spokesman for Fallin's office tells Information Security Media Group that the state's CISO, Mark Gower, looked into the matter, and in a resulting report determined the actions by the VA did not result in any violations of state or federal privacy regulations.

Plus, as governor, Fallin has no authority to fire the VA leaders - those matters fall under the authority of the state's VA commission, the governor's spokesman adds.

No Records Access, No Meds

The state's VA commission has no plans to fire the VA leaders and has no immediate plans to set up a special meeting to even discuss the matter, an Oklahoma VA department spokesman tells ISMG.

Approximately 50 VA clinicians were granted temporary access via their personal mobile devices to the records of patients in two Oklahoma VA facilities during the six-hour outage, he says.

"Access was given only so those patients could get their medications. Otherwise, these patients wouldn't have been able to get their medications," he says. There are a total of about 500 patients at the two VA facilities that were impacted by the situation, and only some of those patients needed their medications during the outage, he says.

Good or Bad Idea?

HIPAA violation or not, is it ever a good idea to allow healthcare employees to use their personal smartphones to access patient records? What about during a crisis situation?

"These are really tricky issues," says privacy attorney Kirk Nahra of the law firm Wiley Rein. "You have to think about two paths on these questions - how is this situation [involving employee smartphone access to patient records] handled

normally, and what - if anything - can be done differently in an emergency situation? Both questions essentially involve thorough thinking as part of an overall risk assessment process."

Companies of all kinds - in healthcare and otherwise - have to figure out how to manage the fact that data can be transmitted to mobile devices, whether personal or employer based, Nahra says. "What a company allows and what it does not allow - and how it 'prevents' what it doesn't allow - is a critical component of any risk assessment today."

Companies have to develop a strategy that balances appropriate risks as well as business needs, the attorney adds.

Special Circumstances

Providing healthcare workers with access to patient records via a personally owned device is acceptable "under the right conditions," says Keith Fricke, principal consultant at tw-Security.

"Risk exists with permitting any mobile devices access to sensitive information, regardless of who owns the device, if it is not properly secured."

—Keith Fricke, tw-Security

"Specifically, the device must be properly secured with mobile device management software. This becomes a case of balancing security and privacy with the needs of delivering patient care," he says. "Risk exists with permitting any mobile devices access to sensitive information, regardless of who owns the device, if it is not properly secured. Some MDM solutions offer a way to compartmentalize access to company information, separating it from personal data on a personally owned device."

Mac McMillan, CEO of security consultancy CynergisTek, agrees that the circumstances around providing employees special access to patient records is an important consideration.

"If it is the only way to ensure appropriate timely care for patients, I would hope that administrators and caregivers would always err on the side of taking care of the patient first and privacy second," he says. "The real question here is whether this was operationally necessary or were there other options less risky. Secondly, what level of disaster planning had they done? Let's face it; it's always easier to arm chair quarterback after the fact.

"In cybersecurity we manage risk. We don't ever eliminate it entirely; we manage it. In this case, did the risk to the patient outweigh the potential risk to the confidentiality of their data? What I haven't heard in this discussion is any proof that any information was compromised, but what I think we did hear was our veterans were cared for."

Report Findings

The Aug. 9 report issued by Oklahoma state CISO Gower's office in response to the state reps' letter to Fallin demanding the VA firings says his office's investigation "does not show there to be any identified issues with violations of the HIPAA privacy or security Rules, or the State of Oklahoma Breach Notification Act."

That determination was made based on several factors, the report notes.

"Access to the electronic medical records from mobile devices was authorized on a limited basis to address an emergency need, for the treatment of patients in care," the report says. "This access was performed by vetted and authorized [VA] staff who have access to electronic protected health information and personally identifiable information in their normal course of duties and are required to maintain compliance to [VA] HIPAA privacy and security training, policies and procedures."

Additionally, the EMR was accessed by a limited number of authorized VA staff "through the use of mobile devices, which still required the use of mandated security credentials and processes that are prescribed in the HIPAA Security Rule and supported by the EMR vendor to provide mobile access securely," the report notes.

Unexpected Problems

The outage occurred on July 25 when the Oklahoma Office of Management and Enterprise Services was overseeing telecommunications maintenance "on the state fiber, for a scheduled outage," the report notes. The outage had an "unintended impact" on two Oklahoma VA sites, it says.

"The ODVA sites contacted the appropriate ODVA informatics team, who reviewed the outage and the need for care and made the authorization to enable the ability in the PointClickCare [EMR] system to allow for mobile access for limited individuals, during the time frame of the network outage."

Planning Ahead

Some security experts note that with proper continuity planning, access to patient records might have been enabled without the use of employees' personal devices.

"Replicating systems to another data center can provide access via workstation or laptop instead of from a smartphone," Fricke notes.

McMillan adds: "Many organizations have a second tier of systems that are not connected to the internet, or even the network full time, that are capable of printing out the patients record or information in emergency circumstances. What should be looked at [in the Oklahoma VA incident] is whether the administrators' decisions were necessary as a result of poor prior disaster recovery/business continuity planning. While the decision to take the risk may have made sense presented with the circumstances, those circumstances may have been different had more thorough planning been accomplished."

About the Author



Marianne Kolbasuk McGee

Executive Editor, HealthcareInfoSecurity

McGee is executive editor of Information Security Media Group's HealthcareInfoSecurity.com media site. She has about 30 years of IT journalism experience, with a focus on healthcare information technology issues for more than 15 years. Before joining ISMG in 2012, she was a reporter at InformationWeek magazine and news site, and played a lead role in the launch of InformationWeek's healthcare IT media site.

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ECH BOARD COMMITTEE MEETING AGENDA ITEM COVER SHEET

Item:	Report on ECH and ECHD Board Actions Compliance and Audit Committee September 27, 2018
Responsible party:	Cindy Murphy, Director of Governance Services
Action requested:	For Information
Background: <p>In FY16, we added this item to each Board Committee agenda to keep Committee members informed about Board actions via a verbal report by the Committee Chair. This written report is intended to supplement a verbal report by the Chair of the Committee and/or Board members who also serve on the Committee.</p>	
Other Board Advisory Committees that reviewed the issue and recommendation, if any: <p>None.</p>	
Summary and session objectives: <p>To inform the Committee about recent Board actions.</p>	
Suggested discussion questions: None.	
Proposed Committee motion, if any: None. This is an informational item.	
LIST OF ATTACHMENTS: <ol style="list-style-type: none"> 1. Report on August and September 2018 ECH and ECHD Board Actions 	

ECH Board Actions*

1. August 15, 2018
 - a. Resolution 2018-08 Recognizing the Sepsis Team for Joint Commission Gold Seal of Approval Award
 - b. FY18 Year End Financials
 - c. FY19 Base Salary for Chief Medical Officer Mark Adams, MD
 - d. FY19 CEO Salary Range and Base Salary
 - e. Second Amendment to Executive (CEO) Employment Agreement extending Mortgage Assistance benefit for additional 12 months
 - f. Approved of Re-Branding Using New Brand Architecture (El Camino Health)
2. September 12, 2018 – Approved FY18 Organizational Goal Score

ECHD Board Actions*

1. September 12, 2018 - Approved of Re-Branding Using New Brand Architecture (El Camino Health)

*This list 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.

ECH BOARD COMMITTEE MEETING AGENDA ITEM COVER SHEET

Item:	Delegation of Authority to the Advisory Committees Compliance and Audit Committee September 27, 2018
Responsible party:	Cindy Murphy, Director of Governance Services; Diane Wigglesworth, Sr. Director, Corporate Compliance
Action requested:	For Discussion and Possible Motion
<p>Background: At its May 2018 meeting, the Board delegated authority to the Executive Compensation Committee to make final decisions regarding some executive (non-CEO) compensation matters. Subsequently, to achieve the purpose of reducing Board administrative review and freeing up Board time for strategic work, the Governance Committee recommended that the Board consider delegating authority to its other Committees. The Board directed staff to suggest areas of possible delegation of authority to the Board's other committees. If the Committees accept those suggestions, or have others, they will be taken to the Governance Committee for review and possible recommendation to the Board.</p> <ol style="list-style-type: none"> 1. <u>Annual Review of Physician Financial Arrangements</u> – The Corporate Compliance: Physician Financial Arrangements – Review and Approval Policy requires presentation of a summary report to this Committee, the Finance Committee, and the full Board describing the arrangements, the organizational need that justifies each arrangement, the total annual amount paid to each physician or group, comparison to prior year, and any recommendations for change to policy or procedure related to physician financial arrangements. For Medical Directorships, the summary report also includes goals, contracted rate and hours, and performance against goals. The Board receives the informational report on its consent calendar. 2. <u>Internal Audit Work Plan</u> – Each year, the Compliance Department performs a risk assessment which forms the basis of the following year's Internal Audit Work Plan. Since the Federal Sentencing Guidelines require governing body oversight of the Plan, the Proposed Plan is brought forward to the Committee for review and recommendation in May and to the Board for approval on the consent calendar in June. 	
<p>Other Board Advisory Committees that reviewed the issue and recommendation, if any: None to date. However, the Finance Committee would still need to review the proposal to delegate Annual Review of the Physician Financial Arrangements Summary Report and the Governance Committee will review all recommendations for Delegation of Authority prior to Board approval.</p>	
<p>Summary and session objectives:</p> <ol style="list-style-type: none"> 1. To consider recommending that the Board delegate the following: <ol style="list-style-type: none"> a. Annual Review of the Physician Financial Arrangements Summary Report to the Compliance and Audit and Finance Committees. The Committees would each provide a 	

ECH BOARD COMMITTEE MEETING AGENDA ITEM COVER SHEET

	<p>report to the Board that the Summary Report has been reviewed and recommend any changes to policy or procedure, but the Board packet would not include the detail of the summary report.</p> <p>2. Approval of the Annual Internal Work Plan to the Compliance and Audit Committee.</p>
	<p>Suggested discussion questions:</p> <ol style="list-style-type: none"> 1. Assuming the Board would be informed of the review and/or approvals, is there any reason the Board should not make the suggested delegations? 2. Would the proposed delegations take appropriate advantage of the Committee's expertise and have substantial impact on the Board's time spent reviewing and approving these matters?
	<p>Proposed Committee motion(s) , if any:</p> <ol style="list-style-type: none"> 1. To recommend that the Governance Committee recommend the Board approve a revision to the Physician Financial Arrangements – Review and Approval policy delegating Review of the Physician Financial Arrangements Summary Report to the Finance and Compliance and Audit Committees: 2. To recommend that the Governance Committee recommend the Board delegate approval of the Internal Audit Work Plan to the Compliance and Audit Committee
	<p>LIST OF ATTACHMENTS: None.</p>

ECH BOARD COMMITTEE MEETING AGENDA ITEM COVER SHEET

Item:	Key Performance Indicators Compliance and Audit Committee September 27, 2018
Responsible party:	Diane Wigglesworth, Sr. Director, Corporate Compliance
Action requested:	For Information
Background: Key performance indicators were developed to track required elements from the Federal Sentencing Guidelines. These indicators help the Committee monitor activity and review organizational trends.	
Other Board Advisory Committees that reviewed the issue and recommendation, if any: None.	
Summary and session objectives: To review the trending of key indicators. The number of issues brought to the Compliance Department during the month of July was slightly down from the two-year average; August was consistent with previous months. There was also a slight decrease in the number of HIPAA reports brought forth; however, the Hospital did self-report a few privacy breaches to the California Department of Public Health (CDPH). All incidents were reviewed and mitigation actions were addressed. CDPH has investigated the reported incidents and issued no corrective actions to the Hospital.	
Suggested discussion questions: 1. Are there any trends of concern?	
Proposed Committee motion, if any: None. This is an informational item.	
LIST OF ATTACHMENTS: 1. Corporate Compliance Scorecard 2. KPI 2-year Trend Graph	

Corporate Compliance Scorecard FY19

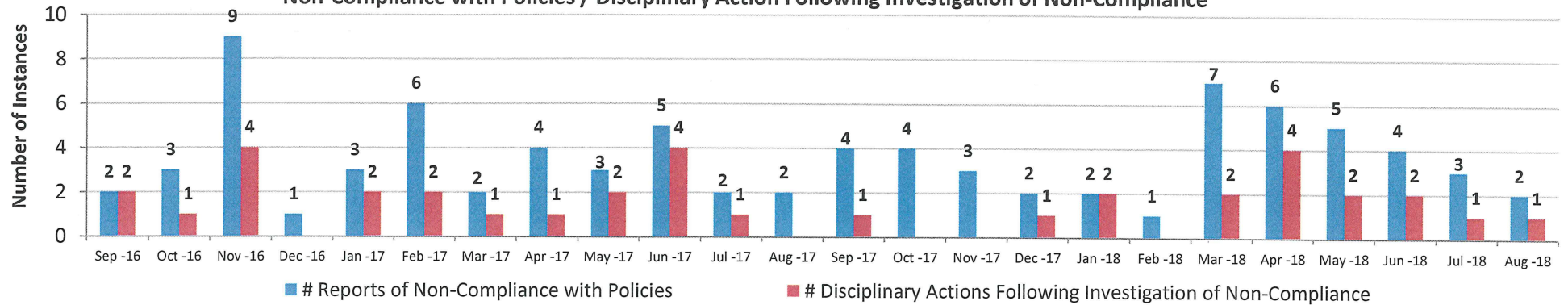
El Camino Hospital

Key Performance Indicator	FY19 Current Month	Current YTD Actual	Prior YTD Actual
Total Number of Hospital Discharges (excluding normal newborn)	1,582	3,063	3,287
Core Elements			
Policies and Procedures	Aug. 2018	Jul - Aug. FY 2019	Jul -Aug FY 2018
Number of reported instance when policies not followed	2	5	4
Number of disciplinary actions due to Investigations	1	2	1
Education and Training	Aug. 2018	Jul - Aug. FY 2019	Jul -Aug FY 2018
Percentage of new employees trained within 30 days of start date	100%	100%	100%
Investigations	Aug. 2018	Jul - Aug. FY 2019	Jul -Aug FY 2018
Total number of investigations	21	35	38
Investigations open	0	4	0
Investigations closed	21	31	38
Hotline concerns substantiated	1	2	3
Hotline concerns not substantiated	1	0	1
Average number of days to investigate concerns	7	7	7
Reporting Trends	Aug. 2018	Jul - Aug. FY 2019	Jul -Aug FY 2018
Anti-Kickback/Stark	2	4	4
EMTALA	0	0	0
HIPAA Reports	11	16	26
HIPAA Security Incidents	0	1	1
Billing or Claims	7	13	11
Conflict of Interest	0	0	1
Reported Events to CMS	Aug. 2018	Jul - Aug. FY 2019	FY 2018 Total
Number of total events self reported by ECH	0	0	0
Number of self reported events followed up by CMS	0	0	0
CMS initiated visits (separate from ECH self reported events)	0	0	0
Number of statement of deficiencies issued to ECH	0	0	0
Number of Actual Sanctions, fines or penalties	0	0	0
Reported Events to CDPH	Aug. 2018	Jul - Aug. FY 2019	FY 2018 Total
Number of total regulator events self reported by ECH	2	2	34
Number of self reported events followed up by CDPH	2	2	21
Number of total privacy breaches self reported by ECH	2	3	19
CDPH initiated visits (separate from ECH self reported events)	1	4	9
Number of statement of deficiencies issued to ECH	0	0	9
Number of Actual/Realized Sanctions, fines or penalties	0	0	0
Monitoring and Audit Findings	Aug. 2018	Jul - Aug. FY 2019	FY 2018 Total
Total number of Audit Findings	4	10	36
Number of findings identified has high severity	2	3	4
Monitoring and Audit Findings	Aug. 2018	Jul - Aug. FY 2019	FY 2018 Total
Number of Open Liability Claims	8	9	9
Number of Open Liability Lawsuits	7	8	8

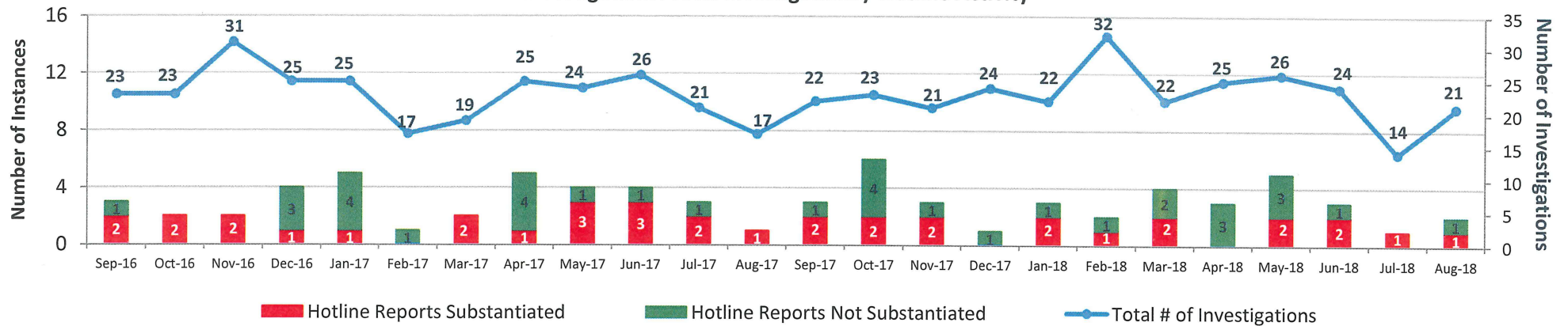
Corporate Compliance

Policies & Procedures

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



Investigations: Total Investigations / Hotline Activity



Privacy Breaches Requiring Report to Outside Entity

