



**Minutes of the Open Session of the
Compliance and Audit Committee
Thursday, September 27, 2018
El Camino Hospital | Conference Room E
2500 Grant Road, Mountain View, CA 94040**

Members Present

Sharon Anolik Shakked, Chair
Lica Hartman
Julia Miller
Bob Rebitzer
Christine Sublett

Members Absent

Neysa Fligor, Vice Chair

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. A silent roll call was taken. Mr. Rebitzer arrived at 5:03pm during Agenda Item 5: Report on Board Actions. Ms. Fligor 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>Chair Anolik Shakked thanked Ms. Wigglesworth for the inclusion of the Articles of Interest.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Compliance and Audit Committee Meeting (August 22, 2018); and for information: Status of FY19 Committee Goals; Articles of Interest</p> <p>Movant: Sublett Second: Hartman Ayes: Anolik Shakked, Hartman, Miller, Rebitzer, Sublett Noes: None Abstentions: None Absent: Fligor Recused: None</p>	<i>Consent Calendar approved</i>
5. REPORT ON BOARD ACTIONS	<p>Ms. Miller referred to the recent Board actions as further detailed in the packet. She described the hiring of ECH's permanent Chief Medical Officer.</p> <p>Cindy Murphy, Director of Governance Services, reported that at its September 20th meeting, the Executive Compensation Committee approved the FY19 Chief Operating Officer Base Salary. She noted that the new COO will start at ECH at the end of October.</p>	
6. POSSIBLE DELEGATION OF AUTHORITY TO THE COMMITTEE	<p>Ms. Murphy described the two proposed areas of authority to delegate to the Committee as further detailed in the packet: 1) annual review of physician financial arrangements; and 2) approval of the internal audit work plan.</p> <p>In response to questions from the Committee, Ms. Murphy, Mary Rotunno, General Counsel, and Diane Wigglesworth, Sr. Director, Corporate</p>	

	<p>Compliance explained that these delegations would 1) provide the Committee with authority to approve items that are already part of the Committee's body of work and 2) would still require reporting Committee actions to the Board for information. Ms. Murphy noted that the Governance Committee will consider the timing of implementing any approved delegations.</p> <p>In response to Chair Anolik Shakked's question, Ms. Rotunno noted that other boards similarly delegate authority to their committees and Ms. Murphy reported that one of Via Consulting's recommendations included not repeating Committee work at the Board level.</p> <p>Mr. Rebitzer noted that any delegation is reversible and can be corrected over time. He suggested review after a year to evaluate how well delegations are working.</p> <p>Ms. Hartman recommended that delegations include clear escalation paths (process and criteria) to quickly and effectively bring issues forward that require Board attention. Chair Anolik Shakked suggested having training for Committees and Committee Chairs regarding escalation.</p> <p>Ms. Murphy and the Committee discussed 1) the current process for Committee reports, 3) the approved delegation of authority and its associated processes for the Executive Compensation Committee, and 3) the current proposed delegation for the Finance Committee.</p> <p>Ms. Wigglesworth noted that the areas of delegation for this Committee are lower risk areas.</p> <p>Motion: To recommend that the Board delegate two items of authority noted above to the Committee.</p> <p>Movant: Sublett</p> <p>Ms. Miller proposed an amendment to the motion to include the concept of delegated authority on a "trial basis." The Committee discussed this proposal.</p> <p>Revised Motion: To recommend that the Board delegate two items of authority noted above to the Committee and to recommend that the Governance Committee consider a trial basis and education on escalation to ensure consistency across Committees.</p> <p>Movant: Sublett Second: Miller Ayes: Anolik Shakked, Hartman, Miller, Rebitzer, Sublett Noes: None Abstentions: None Absent: Fligor Recused: None</p>	
<p>7. KPIs, SCORECARD, AND TRENDS</p>	<p>Ms. Wigglesworth reported that the number of issues brought to and investigated by Compliance is consistent with the previous year, noting 1) a decrease in HIPAA-related issues and 2) lower patient volume in July.</p> <p>Ms. Wigglesworth explained that there has been difficulty developing escalation thresholds/ranges for key risk indicators, but will continue to research the topic.</p> <p>Chair Anolik Shakked and Ms. Wigglesworth discussed the total number of audit findings year-to-date and the potential variation of findings reported from audit to audit.</p>	

8. ADJOURN TO CLOSED SESSION	Motion: To adjourn to closed session at 5:21pm. Movant: Miller Second: Sublett Ayes: Anolik Shakked, Fligor, Hartman, Miller, Rebitzer, Sublett Noes: None Abstentions: None Absent: None Recused: None	<i>Adjourned to closed session at 5:29pm.</i>
9. AGENDA ITEM 17: RECONVENE OPEN SESSION/ REPORT OUT	Open session was reconvened at 7:18pm. Agenda Items 9-16 were covered in closed session. During the closed session, the Committee approved the Minutes of the Closed Session of the Compliance and Audit Committee Meeting (August 22, 2018) by a unanimous vote of all members present (Anolik Shakked, Hartman, Miller, Rebitzer, Sublett). Ms. Fligor was absent. The Committee also recommended for approval the FY18 Financial Audit by a unanimous vote of all members present (Anolik Shakked, Hartman, Rebitzer, Sublett). Ms. Fligor and Ms. Miller were absent.	
10. AGENDA ITEM 18: ADJOURNMENT	Motion: To adjourn at 7:19pm. Movant: Sublett Second: Hartman Ayes: Anolik Shakked, Hartman, Rebitzer, Sublett Noes: None Abstentions: None Absent: Fligor, Miller Recused: None	<i>Meeting adjourned at 7:19pm.</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