



**Minutes of the Open Session of the
Governance Committee**

Tuesday, November 6, 2018

**El Camino Hospital | Conference Room A (ground floor)
2500 Grant Road, Mountain View, CA 94040**

Members Present

Peter C. Fung, MD, Chair
Gary Kalbach, Vice Chair
Christina Lai
Peter Moran
Bob Rebitzer

Members Absent

Julia E. Miller

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Governance Committee of El Camino Hospital (the “Committee”) was called to order at 5:34pm by Chair Fung. A silent roll call was taken. Ms. Miller was absent. All other Committee members were present.	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Fung asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were noted.	
3. PUBLIC COMMUNICATION	None.	
4. CONSENT CALENDAR	<p>Chair Fung asked if any member of the Committee or the public wished to remove an item from the consent calendar. Chair Fung requested that Agenda Item 4d: Articles of Interest be pulled for discussion.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Governance Committee Meeting (August 7, 2018); Draft Revised Quality Committee Charter.</p> <p>Movant: Kalbach Second: Moran Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstain: None Absent: Miller Recused: None</p> <p>The Committee, Dan Woods, CEO, and Erica Osborne from Via Healthcare Consulting discussed the most effective frequency of CEO reports and in-depth financial and quality updates (potentially quarterly) to the Board, given the Board’s meeting schedule. Mr. Rebitzer noted that the next phase of enhancing Board meetings should focus on transitioning to issue-based rather than report-based agendas.</p>	<i>Consent Calendar approved</i>
5. REPORT ON BOARD ACTIONS	<p>Chair Fung referred to the written report in the packet, highlighting the appointment of Robin Driscoll to the Foundation Board.</p> <p>Chair Fung suggested that staff provide brief biographies on the Committee members to all Board and Committee members.</p> <p>In response to Mr. Moran’s question, the Board members on the Committee described the amount of time spent at the October Hospital Board meeting on discussion versus items for approval. The Committee and Ms. Osborne discussed how meetings should focus on generative discussion rather than reporting out and clarification and their initial impressions of the October</p>	<i>Committee bios to be collected and distributed</i>

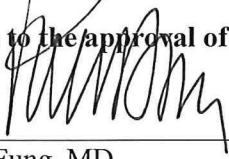
	Hospital Board packet.	
6. BOARD REIMBURSEMENT POLICY AND PROCEDURE	<p>Chair Fung requested that the policy be revised to remove references to outdated items, like the PAMF/ECH Joint Operating Council referenced in Section III(C)(3)(d).</p> <p>The Committee requested that a revised policy be brought back to the Committee's next meeting.</p>	<i>Policy review to be paced for next meeting</i>
7. BOARD AND COMMITTEE EDUCATION POLICY	<p>In response to Mr. Moran's question, Ms. Murphy described the utilization of education funds available for Board and Committee members.</p> <p>Motion: To recommend that the Board approve the revised Board and Committee Education Policy.</p> <p>Movant: Kalbach Second: Lai Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstain: None Absent: Miller Recused: None</p>	<i>Policy recommended for approval</i>
8. BOARD ASSESSMENT TOOL	<p>Ms. Murphy and the Committee discussed staff's recommendation to engage Via Healthcare Consulting to perform the Board's annual self-assessment, including: 1) current work with and knowledge of the Board and the executive team, 2) an action plan at the conclusion of the assessment, and 3) fresh perspective to continue on a path to more effective and efficient governance.</p> <p>Ms. Osborne and the Committee discussed the inclusion of management teams in board assessments. Ms. Osborne noted that an assessment could be structured with 1) a survey for Board members to rate themselves and 2) interviews with both the Board and the executive team. She explained that Via would use of targeted survey questions and frank discussions with the Board to facilitate improved relationships between Board members and staff.</p> <p>Motion: To recommend that the Board direct staff to engage Via Healthcare Consulting to conduct a Board self-assessment in late spring or summer 2019.</p> <p>Movant: Kalbach Second: Moran Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstain: None Absent: Miller Recused: None</p> <p>Ms. Murphy noted that staff will bring a proposed survey tool to the Committee's March meeting following Board approval of this recommendation.</p>	<i>Board assessment recommended for approval</i>
9. PROPOSED COMMITTEE DELEGATIONS OF AUTHORITY	<p>Ms. Murphy described the recommended areas of delegated authority to the Finance Committee and Compliance and Audit Committees and potential impact at the Board level. She noted that there was review of the Investment and Quality Committees, but there are no proposals for delegation of authority for those Committees at this time.</p> <p>The Committee discussed that the proposals are reasonable, will take appropriate advantage of the Committees' expertise, and have substantial</p>	<p><i>Delegations of Authority recommended for approval</i></p> <p><i>Capital Funding</i></p>

	<p>impact on the Board's time spent reviewing and approving these matters.</p> <p>In response to Committee questions, Ms. Murphy and Mr. Woods explained the current signature authority policy, the process for requests with the capital committee, and review and approval of budgeted and unbudgeted items. Mr. Moran noted that the Board has the chance to weigh in on large capital allocations during the budget process.</p> <p>The Committee requested that the delegation regarding funding requests be revised to delegate authority to the Finance Committee to approve only budgeted items over \$5 million and that unbudgeted items and anything over \$5 million would still require Board approval. Ms. Murphy suggested that the change be taken back to the Finance Committee for review.</p> <p>Motion: To recommend that the Board delegate:</p> <ul style="list-style-type: none"> (a) Authority to Compliance and Audit and Finance Committees to review and approve the Annual Report of Physician Financial Arrangements; (b) The same authority to approve physician financial arrangements that is currently reserved to the Board in accordance with the Physician Financial Arrangements Policy, but that do not exceed the 75th percentile of fair market value. <p>Movant: Moran Second: Kalbach Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstain: None Absent: Miller Recused: None</p>	<p><i>Request delegation to be brought back to the Finance Committee for review</i></p>
<p>10. BOARD ORIENTATION PROGRAM</p>	<p>Mr. Rebitzer and Ms. Lai recommended that discussion on the philosophy of governance versus management be included in the orientation program. The Committee, staff, and Ms. Osborne discussed potential parties to facilitate this conversation (Via Healthcare Consulting, Director of Governance Services, and/or Board Chair).</p> <p>Motion: To approve the proposed Board Orientation Program, including governance/management as a topic for the lunch (an hour and a half) with the new Board member, the CEO, and the Board Chair.</p> <p>Movant: Kalbach Second: Moran Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstain: None Absent: Miller Recused: None</p>	<p><i>Board Orientation program adopted</i></p>
<p>11. BOARD AGENDA AND PACKET REVIEW</p>	<p>Ms. Osborne provided an overview of Via Healthcare Consulting's review of the October Hospital Board packet, commending staff on a successful implementation of Via's recommendations. She highlighted consistent use of executive summaries, focusing on "the ask" up front, reduction in the overall packet size by removing presentations, and intentional use of detail/links to full documents.</p> <p>She noted that this would be an iterative process; the Board currently receives strong reports on where the organization is right now and there is an opportunity to broaden focus to "so what" and "what could be." She described three different frameworks for Board work: fiduciary, strategic, and generative governance (focusing on macro-level issues and what that</p>	

	<p>means for the organization).</p> <p>Ms. Osborne outlined opportunities going forward: 1) continue to curate information, 2) use presentation time for less reporting out and more discussion, 3) include fewer items on agendas (using consent calendars, delegation), 4) increase education, and 5) build a collaborative partnership between the Board, Committees, and management team.</p> <p>She explained that Via will provide feedback to staff about reframing topics on the agenda.</p> <p>The Committee and Ms. Osborne discussed delegations of authority, including constituent perceptions, documentation of Committee discussions and decisions, and best practices. Chair Fung suggested that the District Board discuss delegations of authority with its new members following the election.</p> <p>The Committee and staff discussed education for new District Board members (including providing talking points for Directors) and the community as a whole regarding the District and its relationship with the Hospital.</p> <p>Mr. Moran commented that a Board must shift focus and meeting time from solely fiduciary responsibilities in order to provide strategic and generative governance.</p> <p>Mr. Kalbach commended staff for their work on making the Board materials more streamlined and efficient.</p>	
12. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 7:06pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of the Minutes of the Closed Session of the Governance Committee Meeting (August 7, 2018).</p> <p>Movant: Moran Second: Kalbach Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstain: None Absent: Miller Recused: None</p>	<i>Adjourned to closed session at 7:06pm.</i>
13. AGENDA ITEM 16: RECONVENE OPEN SESSION/ REPORT OUT	<p>Open session was reconvened at 7:07pm. Agenda items 13-15 were addressed in closed session. During the closed session, the Committee approved the Minutes of the Closed Session of the Governance Committee Meeting (August 7, 2018) by a unanimous vote in favor of all members present (Fung, Kalbach, Lai, Moran, Rebitzer). Ms. Miller was absent.</p>	
14. AGENDA ITEM 17: FY19 COMMITTEE PACING PLAN	<p>Mr. Woods described change in internal Board material preparation process to 1) set expectations for materials, 2) review draft materials with the full executive team ahead of distribution to the Board, and 2) debrief with the team post-meeting.</p> <p>The Committee noted that a December meeting to review the November Hospital Board materials is not needed at this time.</p>	
15. AGENDA ITEM 18: ROUND TABLE DISCUSSION	<p>The Committee reviewed the effectiveness of the discussion and materials for the meeting.</p> <p>Mr. Rebitzer suggested that next steps should focus on issue-based agendas. Mr. Woods noted that he will be discussing the Committee's and Via's recommendations with the Board Chair.</p> <p>Chair Fung requested that the Governance Committee Report to the Board</p>	

	include the suggestion for quarterly financial and quality reporting. Ms. Murphy noted that the changes to the October materials, which incorporated recommendations from the Committee, were well received by the Board and thanked the Committee for their continued support in these efforts.	
16. AGENDA ITEM 19: ADJOURNMENT	Motion: To adjourn at 7:17pm. Movant: Kalbach Second: Moran Ayes: Fung, Kalbach, Lai, Moran, Rebitzer Noes: None Abstain: None Absent: Miller Recused: None	<i>Meeting adjourned at 7:17pm.</i>

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



Peter C. Fung, MD
Chair, Governance Committee