

AMENDED AGENDA
SPECIAL MEETING OF THE
GOVERNANCE COMMITTEE OF THE
EL CAMINO HOSPITAL BOARD OF DIRECTORS

Tuesday, March 5, 2019 – 5:30pm

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

Bob Rebitzer will be participating via teleconference from Courtyard Marriot Riverside, 1510 University Ave, Riverside, CA 92507.

PURPOSE: To advise and assist the El Camino Hospital (ECH) Board of Directors (“Board”) in matters related to governance, board development, board effectiveness, and board composition, i.e., the nomination and appointment/ reappointment process. The Governance Committee ensures the Board and Committees are functioning at the highest level of governance standards.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Peter C. Fung, MD, Chair		5:30 – 5:32pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Peter C. Fung, MD, Chair		5:32 – 5:33
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	Peter C. Fung, MD, Chair		information 5:33 – 5:36
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 Governance Committee Meeting (November 6, 2018) Information b. Article of Interest c. Progress Against Committee Goals	Peter C. Fung, MD, Chair	<i>public comment</i>	motion required 5:36 – 5:38
5. REPORT ON BOARD ACTIONS ATTACHMENT 5	Peter C. Fung, MD, Chair		information 5:38 – 5:43
6. ANNUAL BOARD ASSESSMENT TOOL ATTACHMENT 6	Erica Osborne, Via Healthcare Consulting	<i>public comment</i>	possible motion 5:43 – 6:03
7. CONSIDER DESIGNATING BOARD SEAT TO THE CEO ATTACHMENT 7	Peter C. Fung, MD, Chair	<i>public comment</i>	possible motion 6:03 – 6:23
8. APRIL EDUCATION SESSION PLANNING ATTACHMENT 8	Peter C. Fung, MD, Chair	<i>public comment</i>	possible motion 6:23 – 6:38
9. PROGRESS ON FY19 BOARD GOALS ATTACHMENT 9	Peter C. Fung, MD, Chair	<i>public comment</i>	possible motion 6:38 – 6:58

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
10. DRAFT REVISED BOARD DIRECTOR COMPENSATION POLICY AND PROCEDURE ATTACHMENT 10	Cindy Murphy, Director of Governance Services	<i>public comment</i>	possible motion 6:58 – 7:08
11. QUALITY COMMITTEE CHARTER REVIEW ATTACHMENT 11	Peter C. Fung, MD, Chair	<i>public comment</i>	possible motion 7:08 – 7:13
12. DRAFT REVISED HOSPITAL BOARD OFFICERS NOMINATION AND SELECTION PROCEDURES ATTACHMENT 12	Peter C. Fung, MD, Chair	<i>public comment</i>	possible motion 7:13 – 7:23
13. ADJOURN TO CLOSED SESSION	Peter C. Fung, MD, Chair		motion required 7:23 – 7:24
14. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Peter C. Fung, MD, Chair		7:24 – 7:25
15. 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 Governance Committee Meeting (November 6, 2018)	Peter C. Fung, MD, Chair		motion required 7:25 – 7:26
16. ADJOURN TO OPEN SESSION	Peter C. Fung, MD, Chair		motion required 7:26 – 7:27
17. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.	Peter C. Fung, MD, Chair		7:27 – 7:28
18. FY19 COMMITTEE PACING PLAN ATTACHMENT 18	Peter C. Fung, MD, Chair		discussion 7:28 – 7:33
19. ROUND TABLE DISCUSSION ATTACHMENT 19	Peter C. Fung, MD, Chair		discussion 7:33 – 7:39
20. ADJOURNMENT	Peter C. Fung, MD, Chair	<i>public comment</i>	motion required 7:39 – 7:40pm

Upcoming Meetings: April 2, 2019 | June 4, 2019 || **Board & Committee Education:** April 24, 2019



**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>	
<p>12. ADJOURN TO CLOSED SESSION</p>	<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>	<p><i>Adjourned to closed session at 7:06pm.</i></p>
<p>13. AGENDA ITEM 16: RECONVENE OPEN SESSION/ REPORT OUT</p>	<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>	
<p>14. AGENDA ITEM 17: FY19 COMMITTEE PACING PLAN</p>	<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>	
<p>15. AGENDA ITEM 18: ROUND TABLE DISCUSSION</p>	<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

DRAFT

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About the Author

Pamela R. Knecht, President and CEO of **ACCORD LIMITED** and faculty member of The Governance Institute, has provided consulting services to a wide range of industries and organizations over her 34-year career. Her clients include for-profit and not-for-profit organizations in industries such as healthcare, financial services, distribution, retail, professional services, manufacturing, associations, social services, arts, and education. She has deep expertise in not-for-profit healthcare and closely-held businesses. During the last 20 years, she has focused on assisting owners, boards and CEOs across the country with strategic planning; governance assessment, restructuring and development; organizational diagnosis and change management; team effectiveness; and strategic partnership/merger facilitation.

Pam is a frequent speaker and facilitator at board retreats as well as at local, regional, and national conferences. She has authored numerous articles for AHA's *Trustee Magazine*, *GreatBoards*, ACHE's *Healthcare Executive*, and The Governance Institute's *BoardRoom Press*. She also authored or co-authored white papers on the topics of engaging the board in strategic planning, ensuring physician alignment, and setting strategic direction.

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Introduction: Why Committees Matter

Hospitals and health systems are facing more pressures and having to overcome more obstacles than ever before. The healthcare system is transforming, demanding fresh perspectives and different work at the board level. As board members strive to remain educated on healthcare developments, move their focus toward transforming care delivery to provide value and manage the health of populations, and ultimately lead the organization toward a successful future, they don't always have the time to focus on all key governance issues at each board meeting. In fact, boards should not try to address detailed topics; that is committee work.

Committees can be a powerful tool for ensuring that critical governance activities are consistently addressed and given the focus they need in order to keep the organization on track. Assessing your committee structure and functioning on a periodic basis ensures that responsibilities are delegated effectively, members of key committees (such as audit and executive compensation) are independent, committee charters are still useful, and there is optimal coordination between committees and reporting up to the board.

Increased Pressures on Boards and Committees

In addition to the pressure of creating a new business model based on value, today's boards are facing ever more scrutiny from regulators and legislators, which places more importance on the work done by board committees. Several state attorneys general have challenged recent board decisions, including a health system in Florida that wanted to convert one of its two hospitals to an ambulatory site (which would have been the responsibility of the strategic planning committee, for example). The Senate Finance Committee is questioning executive compensation oversight in not-for-profit health systems as compensation goes up and reimbursement, operating margins, and charity care levels go down (executive compensation committee responsibility). And the IRS requires answers to detailed questions regarding board and committee composition and director independence on the Form 990 (governance committee or audit and compliance committee responsibility).

What Great Committees Add

1. Focused expertise on issues
2. The ability to spend more time on more subjects
3. Highlighting of significant variances
4. Teeing up strategic questions
5. More efficient board meetings
6. Sounding board for management
7. Engaged stakeholders/candidates
8. More informed/educated board

Why Committees Falter

1. Structure not aligned with governance role
 2. Wrong and/or ambiguous role and authority (especially within health systems)
 3. Lack of clear expectations from the board
 4. Size is too large or too small for the role of the committee
 5. Lack of key competencies and good leadership
 6. Meeting frequency/length not appropriate to the role of the committee
 7. Insufficient “independence”
 8. Legacy agendas, packets, and presentations that lack current relevance
 9. Reports to the board don’t add value
 10. Perfunctory education or self-assessment
-

Six Keys to Committee Effectiveness

Having committees for the sake of it, without clear expectations and lines of authority, and without taking the time to properly staff them, will not help the board meet its strategic goals for the organization. There are six keys to maximizing committee effectiveness.

Structure and Composition

1. Align the committee structure with governance roles and models.
2. Clearly define each committee’s responsibilities and authority.
3. Choose members and leaders based on needed competencies (which stem from the committee’s responsibilities), and balanced with group effectiveness concepts.

Functioning and Practices

4. Plan and facilitate effective committee meetings (the same care should be taken as that with board meetings).
5. Provide valuable information and ask edgy questions.
6. Educate, evaluate, and continuously improve.

Evaluating the organization's committee effectiveness includes asking questions regarding the types of committees needed, committee composition (e.g., independent directors, experts in a particular field, non-board members, etc.), meeting schedules, level of authority given, and roles and responsibilities assigned. In making these assessments, the board can create a structure that fits its organization and helps it carry out its governance duties while supporting the organizational mission.

This *Elements of Governance*[®] explores these six keys to effectiveness and the various committees often used to help hospital and health system boards fulfill their oversight duties. It provides details regarding the responsibilities, structure, and challenges of committees, providing a platform for creating or enhancing your organization's board committees. Also included is a framework to develop committee charters for defining the purpose, role, composition, and meeting schedule of each board committee; as well as samples in the appendices, including a meeting calendar, meeting agenda, and a board and committee education program.

Determining the Right Committee Structure and Composition

As with most aspects of healthcare, hospitals and health systems are complex and have unique needs. There won't be one right committee structure for every organization; structures will vary of course depending upon the number of boards in the organization and how those boards are structured, as well as the major initiatives and priorities of the organization that need focus at the board level.

This section includes important considerations for determining the right committee structure and composition for your board.

Align Overall Committee Structure with Governance Roles and Responsibilities

The ideal board committee structure is one that is aligned with the governance role and model. This is an important distinction to make: committees do *governance* work, not management work. As a reminder, governance is:

- Approving high-level goals, plans, and policies that match the mission and vision
- Overseeing performance versus established goals
- Holding management accountable for results
- Bringing independent perspective, expertise, and experience
- Acting as ambassadors to external stakeholders

Boards and committees should not:

- Try to manage
- Confuse advice with direction
- Diagnose problems
- Design and implement solutions
- Fix problems

Committees (and sometimes *ad hoc* task forces) play a critical role in ensuring their boards perform their fiduciary duties:

- **Oversight:** setting the mission and strategic direction; creating policies and goals; hiring an effective CEO and monitoring CEO and organizational performance.
- **Duty of care:** requires board members to have knowledge of all reasonably available and pertinent information before taking action in a manner he or she reasonably believes to be in the best interest of the organization. (This requires rigorous analysis of data and information by committees prior to board discussion.)
- **Duty of loyalty:** requires board members to candidly discharge their duties in a manner designed to benefit only the corporate enterprise, not the individual interests of the board member. (This includes ensuring identification and management of conflicts)

of interest and independence issues; often done by the audit and compliance committee.)

- **Duty of obedience:** requires board members to ensure that the organization's decisions and activities adhere to its fundamental corporate purpose and charitable mission. (This includes assuring the strategic plan contains strategies and goals that will help the organization fulfill its mission; usually done by the strategic planning committee or task force.)

The committee structure should be aligned with the board's job description, which essentially entails the board's core responsibilities:

- Ensuring clinical quality, service excellence, and patient safety
- Approving strategic direction and overseeing performance
- Ensuring financial health, protecting assets, and overseeing risk management
- Hiring and overseeing excellent executive management
- Overseeing community benefit and stewardship
- Providing for effective governance

A common mistake is to create committees at the board level that cover concerns outside of the governance realm and belong in management's domain, such as facilities, marketing, and human resources/personnel. (The executive compensation committee has a place at the board level as it is making oversight and compensation-related decisions regarding highly paid individuals such as executives and employed physicians. The remaining human resource issues fall under the CEO's purview.)

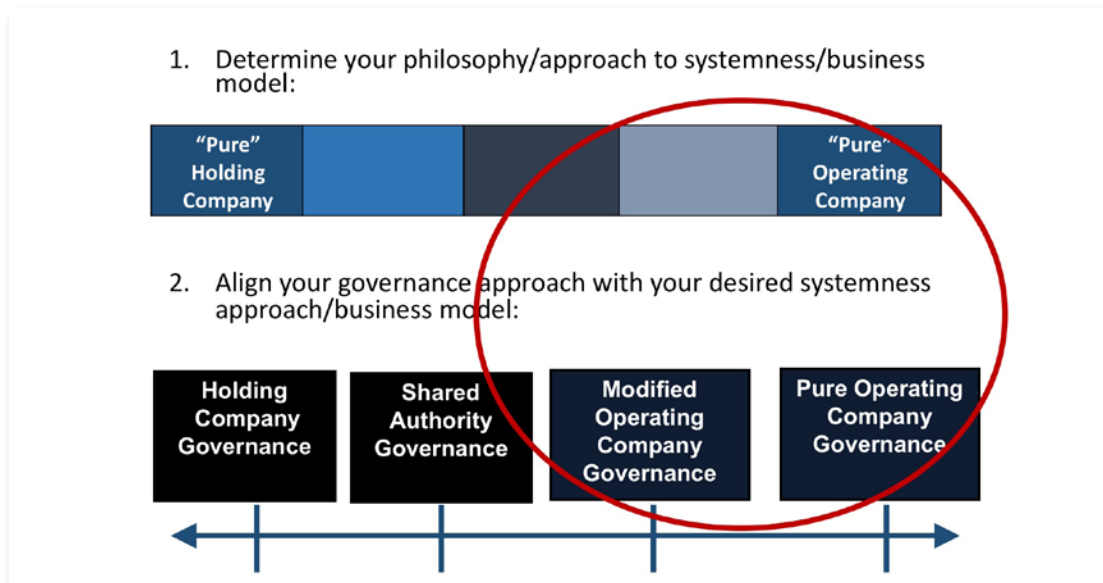


Considerations for Health Systems

Health systems have different committee structure considerations depending upon the number of boards in the system and their respective roles. Committee structures should be aligned with the health system's overall approach or philosophy regarding its evolution as a system and its desired business model.

For example, if the system is using a holding company model, then there may be numerous committees at the local hospital board level, and few at the system board level. If, however, the system is moving toward a centralized operating company model, there may be no or few boards and/or committees at the local hospital level (see **Exhibit 1**). (See the next section on typical committee structures and for more information on this topic.)

Exhibit 1: Aligning Governance Structure with Strategy



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Typical Committee Structures

The “right” committee structure is dependent on the type of board: standalone hospital board, system board, or subsidiary hospital board. Below are typical structures for each kind of board.

Standalone Hospital Board

This board will necessarily have “all” of the committees because it holds all the fiduciary duties and core governance responsibilities. We consider the “best practice” structure for this kind of board as having the following committees:

- Finance (which includes investment)
- Audit and compliance
- Executive compensation (which includes oversight of all highly-paid employees including employed physicians)

- Quality assurance (which includes clinical quality, patient safety, and service/satisfaction/experience)
- Strategic planning (some boards prefer to do strategic planning at the full board level; see page 9 for a discussion of whether to create this committee or use the full board)
- Community benefit (which includes mission fulfillment and advocacy)
- Governance (which includes nominating)
- Executive (this committee requires special care regarding the level of authority it is given to make decisions between board meetings; see the section entitled, “Committee Authority Options” on page 10)

Large Health System Board

System boards that are “parent” boards for large organizations will have all of the above committees and may also include the following committees:

- Investment
- Research and education (if that is part of the mission)

Subsidiary Hospital Board

Most health systems across the country are moving away from a holding company model, in which the subsidiary hospital board has significant authority, to more of a shared authority governance model, a modified operating company model, or a pure operating company model.

In all three of those newer models, the following key governance responsibilities are moved up to the system/parent board (so it does *not* make sense for the local board to have committees for those roles):

- Audit and compliance
- Strategic planning
- Executive compensation
- Finance
- Governance and nominating
- Executive

If the health system has decided to use a shared authority governance model, it might retain local hospital boards that have the following authority and associated committees (or, the hospital board may function as a committee of the whole for each of these topics):

- Quality, safety, and service (which includes medical staff credentialing and privileging)
- Community benefit (which includes advocacy)
- Fundraising/development (either in the absence of a separate foundation board or to support such a board)

Exhibit 2: Prevalence of Board Committees

Committee	2015	2013	2011	2009
Finance	84%	76%	76%	73%
Quality and/or Safety	74%	77%	72%	70%
Executive	72%	77%	78%	75%
Governance/Nominating	72%	77%	73%	72%
Executive Compensation	66%	60%	56%	54%
Strategic Planning	57%	57%	56%	54%
Audit/Compliance	51%	34%	30%	28%
Investment	40%	35%	36%	31%
Joint Conference	35%	40%	39%	40%
Audit	33%	32%	32%	26%
Compliance	28%	33%	31%	25%
Community Benefit	26%	18%	20%	15%
Facilities/Infrastructure/Maintenance	23%	25%	25%	22%
Human Resources	22%	20%	22%	24%
Physician Relations	21%	19%	17%	16%
Construction	17%	9%	16%	14%
Government Relations/Advocacy	13%	9%	11%	10%

Source: 2015 Biennial Survey of Hospitals and Healthcare Systems, The Governance Institute. (Note: The current prevalence of certain committees is not necessarily consistent with best practice, as described in the above section.)

Other Approaches

Some innovative approaches to committee structure have emerged given the transformation in care delivery and increased expectations of boards including:

- Patient experience committee
- Care transformation committee
- System information and quality committee
- Enterprise risk management committee

Additional Advice about Revising Committee Structures

The ideal committee structure is streamlined, using as few committees as possible. In order to make this feasible, the standing committees should be those that do the majority of the needed work between board meetings on ongoing, major issues concerning the board's fiduciary duties and core responsibilities, as described above. When other work is needed outside of the committees, the following options are recommended:

- Function as a “committee of the whole” when possible (e.g., carefully design processes that engage the full board in strategic planning discussions instead of relying on a standing strategic planning committee; many boards use this committee only on a periodic basis to do the “deep dive” research and information gathering when major changes or updates need to be made to the plan, and then engage the full board to approve new plans and discuss strategic issues throughout the year).
- Use task forces instead of standing committees when appropriate (e.g., create a physician alignment task force to study those issues for the full board's consideration).

Define Committee Authority, Size, and Composition

Once the standing committees have been identified, each committee requires clearly defined responsibilities and authority in order to ensure that they are spending the time on the necessary and appropriate work for that committee and not duplicating efforts of other committees or the full board. The first step is to create a written charter for each committee that includes the following essential items:¹

- **Purposes and authority:** does this committee have any decision-making authority or is it solely advisory to the full board?
- **Key responsibilities:** pulled from the list of the board's areas of oversight, such as nominating for the governance committee.
- **Meeting frequency:** desired number of meetings per year. This should be correlated with the job of the committee; for instance, the audit and compliance committee usually meets only two times per year; a standalone hospital's finance committee may need to meet monthly.
- **Membership:** describe the size of the committee and its composition, including any *ex officio*/management members and medical staff members; and independence requirements for certain committees (such as the executive compensation committee, which must be composed of 100 percent independent board members according to IRS Code 4958—not employed, not doing any business with the entity or a related entity, and not reportable on the Schedule L of the IRS Form 990). This section of the charter should also include terms and term limits.
- **Competencies:** all of the skills, perspectives, and diversity needed by the committee as a whole to perform its responsibilities.
- **Leadership:** who will be the leaders—the committee chair and vice chair? Will any committee leaders be *ex officio* such as the treasurer being the chair of the

¹ See sample committee charters at www.governanceinstitute.com/templates.

finance committee? Include terms and term limits for committee leadership (normally two-year terms and a maximum of two terms).

- **Staff:** which executive position will be responsible for supporting this committee? Typically the CFO supports the finance committee; the general counsel supports the governance committee.
- **Reporting responsibilities:** what is the expectation regarding how and when the committee will report to the board? (See page 15 for more information on this topic.)
- **Annual meeting calendar and work plan:** what is the typical work plan for this committee in a given year? (For example, the audit and compliance committee meets with the external auditor in __ month and with the full board in __ month.)
- **Annual self-evaluation and goals:** committees should evaluate their performance annually, and set improvement goals for the next year.

Note: Use general committee descriptions in the board bylaws; specifics should be in the committee charters.

Committee Authority Options

Boards can give their committees differing levels of authority (subject to state law). A committee that is advisory only “assists” the board by gathering information, conducting research, and making recommendations to the board, where the final decision making is made (this is the most common approach).

A committee with “partial” authority (which must be specified in writing, in the board’s bylaws and the committee charter), can make decisions on behalf of the full board but only in specific situations. For example:

- The audit and compliance committee can be authorized to select the external auditor.
- The quality committee can approve “clean” physician credentials.
- The governance committee can approve subsidiary board appointments.
- The finance committee can be authorized to approve unbudgeted transactions up to a certain dollar threshold.

(Note: large health systems are now tending to use the “partial authority” delegation more often, to free up time for the board to have other discussions, since time is the board’s most valuable resource.) (See **Appendix 1** for sample approval guidelines.)

The executive committee may be given full authority (again, this must be specified in writing) to act on behalf of the full board on certain or all matters, usually in an emergency situation in which there is not time to convene the full board. (See table below covering the pros and cons of various types of executive committees.)

Types of Executive Committees	Pros	Cons
Used in emergencies only	Ensures the full board is engaged in decision making	May be difficult to convene on short notice
Meets on a regular schedule	Ensures a vehicle, if needed, for timely decision making and advice to CEO or board chair	Often results in some board members being more 'in the know' than others, who may then feel 'out of the loop'
Frequently convenes meetings and calls	Provides multiple opportunities for securing advice, 'testing' decisions, and dealing with sensitive issues	Runs the risk of making decisions that should be made by the full board; can lead other board members to feel they are not performing their fiduciary duties; requires significant time

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Legal Considerations Regarding Delegating Decision Authority to Committees

- Delegating authority to a committee(s) can be an important tool in reshaping an organization's governance and allowing the board to focus on strategic matters.
- Unless authority is delegated, all matters (not in management's purview) must be considered and decided by the board.
- Boards cannot delegate to a committee any authority that the board does not have.
- Non-profit corporations are created pursuant to state law, and this law will establish the extent to which authority can be delegated to a board committee and the requirements for such delegation.
- Example: Under Texas law, the board of a non-profit corporation can establish a committee to exercise any powers of the board in its management of the corporation, provided:
 - » The corporation's bylaws authorize the board to designate committees.
 - » The bylaws or the creating resolution set forth the delegated authority.
 - » A majority of the membership of the authorized committee is made up of board members.
- Consult with counsel about the laws applicable to your organization. (Note: this must be done carefully and correctly.)

Source: Bernard Duco, Jr., former Chief Legal Officer, Memorial Hermann Health System; as presented in a Governance Institute Webinar with Bernard Duco and Pam Knecht on October 17, 2013.

Committee Member and Leader Selection

Choose committee members and leaders based on needed competencies balanced with group effectiveness concepts. This involves using a competency-based approach to committee membership as opposed to a representational approach (e.g., identify all the needed competencies, skills, and perspectives for the committee, based on the charter, and use that list to determine which individuals to invite to serve instead of “reserving” seats for individuals who represent certain constituency groups).

Other best practices related to committee membership, size, and leadership include the following:

- Five to nine people is considered to be the ideal size for good decision-making according to group dynamics experts (not 25 as seen in some committees).
- The committee must have at least one independent expert per responsibility (e.g., the Securities and Exchange Commission requires that at least one member of the audit committee of a publically-traded company be a Certified Public Accountant).
- The chair should be a board member, which allows improved lines of communication between the committee and the board.
- Include plans for chair succession, orientation, and coaching (be intentional about leadership development and succession).
- All board members should serve on at least one committee, but not too many; make sure to spread the work across all board members to use their time and expertise well. This also ensures that there is not an “exclusive” group that knows everything because they serve on all the committees. One way to handle this is to use the “rule of three”: each board member serves on just three governance entities (e.g., one board and two committees).
- Use non-board members from the community. This helps to increase expertise and creates a pool of potential board members. It can also increase the percentage of “independent” committee members.
- Control the number of non-committee members in the room (do not allow lots of staff/employees who are not committee members to sit in on committee meetings; bring individuals in to present, as needed, and then ask them to leave).
- Ensure appropriate physician involvement in committees (include physicians and other caregivers on some committees like finance, quality, and community benefit; however, be sure to maintain appropriate independence, as described below).
- Maintain sufficient “independence” of committee members (learn the IRS and other definitions of “independent” board and committee members and use that information to create a written board/committee policy regarding who can/cannot serve on the board and certain committees. Also address whether employed physicians can serve on committees. For example:
 - » The executive compensation committee should be 100 percent independent according to IRC 4958.
 - » The audit and compliance committee should be 100 percent independent as defined on the IRS Form 990.²

² See The Governance Institute’s sample definition of an independent director, found at www.governanceinstitute.com/templates.

Ensuring Effective Committee Functioning

Once the ideal committee structure is in place for your board, the effort does not end. Essentially, the main job of committees (and the executives who support them) is to prepare for *board* meetings. In order to do so, effective *committee* meetings help facilitate effective committee work and proper reporting up to the board. Thus, how committees plan and conduct meetings, ask questions, and continuously improve are important factors in ensuring effective committee functioning. The good news is, if you have effective mechanisms already in place for board meetings, planning, and development, you can use those same tools for your board committees. Each of these tools is described below in more detail.

Plan and Facilitate Effective Committee Meetings

Effective committee meeting practices ensure that the time spent by the board is as meaningful as possible for the participants. The board also needs to ensure that proper accountability for governance oversight is accomplished as a result of committee work.

Effective committee meeting practices include the following:

- An annual calendar with meeting frequency tied to the committee’s charter (see **Appendix 2. Sample Meeting Calendar**).
- Approximately two weeks prior to the committee meeting, the committee chair meets with the staff liaison/executive to develop the meeting agenda and materials.
- Meeting agendas contain expected times and objectives (e.g., action, information, education, or discussion) (see **Appendix 3. Sample Meeting Agenda**).
- Proper use of consent agendas (placing routine items such as reports, minutes, and other non-controversial items not requiring discussion or independent action as one agenda item to be approved as a whole).³
- The committee spends the majority of time on a few priority items, according to the committee charter.
- The committee chair includes “framing questions” for the key items to guide discussion.
- Use of a “tracking report” to follow priority open items.
- Providing committee members access (ideally via a secure board portal) to targeted, governance-level documents at least one week prior to committee meetings with the expectation that they will be read prior to the meeting (no review of advance documents during the meeting; members come prepared with questions).

³ *Proper and careful* use of a consent agenda must be emphasized. The organization may be at risk of liability if just one board member has a question about any item included in a consent agenda, and/or anything that a third-party would consider to be inappropriate is on the consent agenda.

- Time is set aside for education at each meeting (this is usually a practice for board meetings; however it should be considered for committee meetings depending upon need).
- The chair facilitates, encourages, and focuses discussion at governance level, and drives for closure/clarity of action (not using Roberts Rules).

(Note: all of these practices should also be used by the board chair and CEO as they plan for board meetings.)

Committee Meeting Frequency

Committee (% of respondents with this committee)	Meeting Frequency (% of all respondents)
Finance (84%)	Monthly (61%)
Quality/Safety (74%)	Monthly (47%)
Executive (72%)	As needed (53%)
Executive Compensation (66%)	Annually (35%)
Governance/Nominating (72%)	As needed (34%)
Strategic Planning (57%)	As needed (27%)
Community Benefit (26%)	As needed (30%)
Audit/Compliance (51%)	Quarterly (53%)

Source: 21st-Century Care Delivery: Governing in the New Healthcare Industry, 2015 Biennial Survey of Hospitals and Healthcare Systems, The Governance Institute.

Provide Valuable Information and Ask Edgy Questions

Remember, the purpose of board committee work is to provide oversight (not management). To remain at the proper governance level, the committees should ensure that their work is directly related to the board’s responsibilities (the “what”), not operational tasks (“the how”). For instance, board and committee work includes tracking of key indicators linked to the strategic plan. The committee dashboard report should include deeper, more specific metrics than the overall dashboard for the full board, but in line with what the board has determined needs to be measured and tracked by that committee. Variances should be easily identified (e.g., a graphical display of trends over time).

Planning and Decisions

As with the full board, it is essential to provide committees background information in advance and conduct the meeting assuming that it will be read ahead of time. This planning frees up critical meeting time to allow for in-depth discussions and the ability to make decisions at every meeting. The committee chair can highlight key points from the materials, to help “tee up” the subsequent discussion, but should avoid using too many (or any) presentation slides unless absolutely necessary. All slides that will be shared during a meeting should be adding true value to committee member understanding of the issues. Any visual graphics that need to be referred to during discussion (such as organization structure charts or finance tables) can be included in the committee materials provided in advance. (Note: management teams should ensure that the slides used in meetings are exactly the same as those in the pre-meeting packets to avoid confusing and frustrating committee or board members.)

Sample Reporting Expectations to the Full Board:

- **Consent agenda items** (for the board meeting agenda)
 - **Executive summary** (summary of committee “asks” of the board)
 - **Minutes and dashboard** (written meeting minutes and updated dashboard of progress on key metrics)
 - **Formal resolutions** (major transactions such as significant financings)
 - **Verbal presentations** (only if the committee has an “ask” of the board, and if so, committee chair, not staff, leads the presentation)
-



Edgy Questions for Dynamic Discussion

How effectively the committee reports its work to the board is, in one sense, more important than the committee's work itself. The board needs to know enough to use the committee's work and recommendations as a jumping off point for discussion and decision making, without having to "rehash" the work the committee has already done. One of the best ways committees can be valuable to the full board's discussion is to tee up "edgy" questions for the board to start with, based on key issues the committee has uncovered during its own meetings. Below are some samples by topic.

Mission/community benefit:

- Are we appropriately identifying community need and using our resources accordingly?
- Do we provide a full continuum of services to meet community need?

Finance:

- Can we afford our strategy?
- How ready are we for new payment systems based on value and patient outcomes?

Quality:

- To what degree are we clinically and operationally integrated? Is our level of integration sufficient to meet our strategic goals?
- Is our physician credentialing procedure disciplined, consistent, and effective?

Executive and physician compensation:

- Are our compensation plans in full compliance and competitive?

Governance:

- Does our governance model support integrated and accountable care?



Educate, Evaluate, and Continuously Improve

The last element in ensuring effective committees is development (again, similar to the way the board plans for board member education and performance improvement). The steps involved here include creating an intentional education program covering specific information the members need to carry out their responsibilities for that committee (see **Appendix 4** for a sample education program for committees and the board), and regularly evaluating the committee's performance.

Committee performance evaluation can be done via the following mechanisms:

- Annual goal-setting and performance evaluation of the committee's fulfillment of its charter, board expectations, and achievement of annual goals.
- Periodic or "sunset" review to determine if the committee is still relevant/necessary for current/future organizational changes and governance needs.
- Evaluation at the end of every meeting (see sidebar).

Committee Meeting Effectiveness Assessment Options (five minutes or less):

1. Brief discussion (What worked well/should be repeated? What should be changed/added/deleted?)
 2. Written form (score of 1–5 where 5 is high):
 - Were the meeting packet and agenda helpful?
 - Did key issues receive sufficient attention?
 - Did we spend the right amount of time on each issue?
 - Was there a sufficient amount of discussion (vs. presentation)?
 - Were discussions kept at the governance level?
 - Did all members participate fully?
 - Did we hold ourselves accountable to the rules of engagement?
-



Conclusion

Board committees—the workhorses of the board—are a perfect tool for focusing board work and providing the support the board needs to effectively govern the hospital or health system. Non-profit boards are facing increased scrutiny, which is making it even more important that boards deeply analyze organizational issues and consider all options.

Creating and developing proper, effective committees for the board provides a solid platform for thorough discussion to take place on key governance issues. This lays the groundwork for the board, enabling it to make informed decisions and decreasing its workload. Committees do not replace the work of the board, but rather aid the full board in fulfilling its responsibilities in a more efficient, manageable way. When executed properly, board members' (and executives') time is spent in the most valuable manner.

With the increasing amount of board responsibilities, now is the right time to rethink your organization's committee structure and functioning to ensure that they fit the culture and fulfill the needs of your hospital or health system. No two organizations are alike, so this will require a specific plan that takes into consideration the mission, goals, and size of the organization. By creating aligned structures that are carefully composed, and rigorous processes with educated committee members that are properly oriented, the board can fully use its committees and trust their work. At the same time, boards must not allow committees to do all the work—they should ensure their committees are bringing to them the key questions or issues that the full board needs to know or discuss (e.g., framing questions). This requires forethought, coordination, and time. Creating a successful committee structure and clear processes, and ensuring that those committees have the right people, vision, and drive will help guarantee that your board is prepared for any challenges or opportunities it faces in the coming years.



Resources from The Governance Institute

Below are links to Governance Institute publications and resources for additional information and resources pertaining to board committees:

White Papers

Maximizing the Effectiveness of the Board's Quality Committee (Fall 2015)

Governing the 21st-Century Health System: Creating the Right Structures, Policies, and Processes to Meet Current and Future Challenges and Opportunities (Fall 2013)

Board Recruitment and Retention: Building Better Boards, Now...and for Our Future (Spring 2013)

Webinars

"Committee Optimization: A Critical Component of World-Class Governance" (October 2013)

"A Paradigm for Effective Governance" (October 2012)

Other Resources

21st-Century Care Delivery: Governing in the New Healthcare Industry (2015 Biennial Survey of Hospitals and Healthcare Systems)

"The Evolution of Board Committees: What Works and What Doesn't" (*BoardRoom Press* special section, August 2010)

The Governance Institute also provides members with a self-assessment specially developed for board committees. Please contact The Governance Institute for more information at (877) 712-8778.

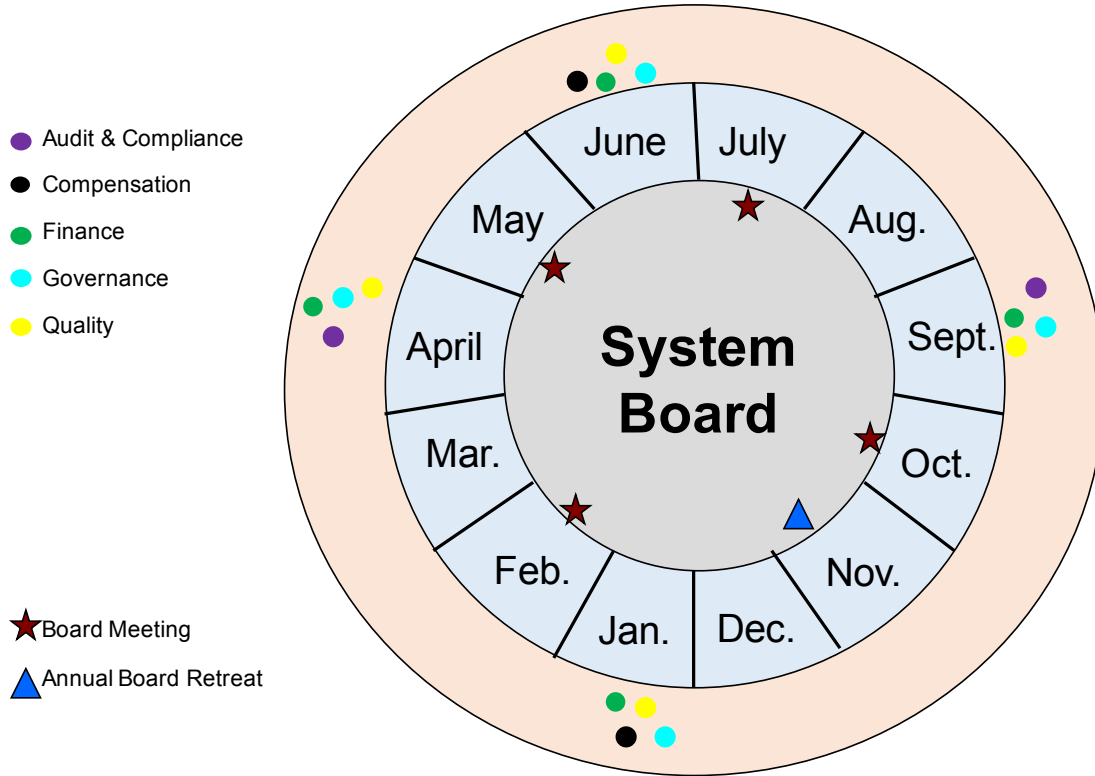
Appendix 1.

Sample Approval Guidelines for Board Committee Authority

Action	Required Approval(s)
Capital and operating budgets	Health system finance committee AND Health system board of directors
Unbudgeted projects:	
1. Under \$1.0 million	1. Health system CEO
2. Between \$1.0 million and \$5.0 million	2. Health system finance committee
3. Greater than \$5.0 million	3. Health system finance committee AND Health system board of directors

Source: Bernard Duco, Jr., former Chief Legal Officer, Memorial Hermann Health System; as presented in a Governance Institute Webinar with Bernard Duco and Pam Knecht on October 17, 2013.

Appendix 2. Sample Meeting Calendar



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Appendix 3. Sample Meeting Agenda

Time	Agenda Item	Presenter	Objective	Background Materials
5:00 P.M.	Welcome and Meeting Overview	Chair	Information	None
5:05 P.M.	Conflict of Interest Declaration	Chair	Information	Tab A
5:10 P.M.	Consent Agenda	Chair	Approval	Tab B
5:15 P.M.	Key Indicator/Dashboard Report and Discussion	Staff Liaison	Oversight	Tab C
5:30 P.M.	Key Topic(s) Discussion and Decision(s)	Chair and Staff Liaison	Approval	Tab D
6:50 P.M.	Meeting Evaluation	Chair	Input	Tab E
7:00 P.M.	Adjournment	Chair	Consent	None

Appendix 4. Sample Education Program for Committees and the Board

Educational Topics by Meeting

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Board		A		D		E	F		G		I	
Finance	B		J		D		A		I		F	
Gov. and Nom.			J			E		J		H		
Community Benefit		C		B		C		J		E		A
Quality	D	I	C	B	D		A	J	H	F	E	
Strategic Planning	E,A			K,B			C,F			I,H		
Retreat/ Education Sessions	B,J*		K*	A,B,E,F, H, K				C*		C,D,G,I, J		
Annual Board Orientation	B, C, D,E,H, K											

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A: Health Reform

B: Fiduciary Duties

C: Mission Matters

D: Quality Oversight

E: Strategic Direction

F: Physician Alignment

G: Advocacy

H: Institutional Integrity

I: Information Technology

J: Advanced Governance

K: Leadership & Board

Participation

*Educational sessions held at usual monthly board meeting time.

FY19 COMMITTEE GOALS

Governance Committee

PURPOSE

The purpose of the Governance Committee (the “Committee”) is to advise and assist the El Camino Hospital (ECH) Hospital Board of Directors (“Board”) in matters related to governance, board development, board effectiveness, and board composition, *i.e.*, the nomination and appointment/reappointment process. The Governance Committee ensures the Board and Committees are function at the highest level of governance standards.

STAFF: **Dan Woods**, Chief Executive Officer (Executive Sponsor); **Cindy Murphy**; Director of Governance Services

The CEO 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 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 governance structure of the Hospital Board, conduct research, and make recommendations on preferred competencies	Q1 FY19	- Recommendation for high-priority Hospital Board member competencies made to Hospital and District Board COMPLETED 8/7/18
	Q4 FY19	- Chair nominates Governance Committee member to serve on District Board Ad Hoc Committee and participate in the Non-District Board Member recruitment/interview process as requested by the District Board COMPLETE - C. Lai Serving
	Q4 FY19	- Assess implementation of changes to ECH Board Structure and make recommendations UPCOMING
2. Promote, enhance, and sustain competency-based, efficient, effective governance	Q2-Q3 FY19	- FY19 Self-Assessment Tool recommended to the Board (Q2) and survey completed (Q3) ON TRACK
	Q3-Q4 FY19	- Reports are completed and made available to the Board and the District Board (Q3-Q4) UPCOMING
	Quarterly	- Monitor progress toward achievement of FY19 Board Goals UPDATE PACED FOR 3/5 MTG
3. Develop Board and Committee Education Plan for FY19	Q1 FY19	- Develop and recommend FY19 Board and Committee Education Plan DISCUSSED AT 8/7/18 MTG; APRIL ED SESSION TO BE DISCUSSED AT 3/5 MTG
	Q2 FY19	- Recommend FY19 Annual Retreat Agenda to the Board COMPLETED 8/7/18

SUBMITTED BY:

Chair: Peter C. Fung, MD | **Executive Sponsor:** Dan Woods

**EL CAMINO HOSPITAL
COMMITTEE MEETING COVER MEMO**

To: Governance Committee
From: Cindy Murphy, Director of Governance Services
Date: March 5, 2019
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 Investment Committee Meeting the Hospital Board has met four times and the District Board has met three times. In addition, the Board has delegated certain authority to the Finance Committee and the Executive Compensation Committee. Going forward, those approvals will also be noted in this report.

A. ECH Board Actions

November 14, 2018

- Approved Resolution 2018-11 honoring Ganesh Krishna, MD for his innovative work in the field of Interventional Pulmonology
- Delegated Authority to the Finance Committee to approve certain physician contracts and to the Finance Committee and the Compliance and Audit Committee to approve the Annual Summary of Physician Financial Arrangements
- Approved revisions to the Quality, Patient Care, and Patient Experience Committee Charter including a refined definition of quality care and providing for the Committee to review and approve its annual quality dashboard
- Approved Revised Board and Committee Education Policy increasing the annual allowance to \$5,000 per Board member and per Committee.

December 5, 2018

- Approved Period 3 Financial Report
- Approved Letters of Rebuttable Presumption of Reasonableness
- Approved Professional Services Agreements for the Perinatal Diagnostic Center, Radiology, and the Hospitalists for the Mountain View Campus
- Approved Medical Director Agreement for the Aspire Program
- Approved Orthopedic Co-Management Agreement
- Approved Gastroenterology and Orthopedic Surgery Call Panel Agreements

January 16, 2019

- Approved Period 4 Financial Report
- Appointed George Ting, MD to the Investment Committee and Quality, Patient Care, and Patient Experience Committee,
- Appointed Julia Miller as Co-Liaison to the El Camino Hospital Foundation Board
- Approved funding for the Los Gatos Cancer Center Construction not to exceed \$6.4 million.
- Revised Policies: Signature Authority; Corporate Compliance: Physician Financial Arrangements; Board of Director Approval of Hospital Policies
- Approved Acquisition of Interests in El Camino Ambulatory and Capital Improvements not to exceed \$9.2 million in total.

February 13, 2019

- Approved Revised Women's Hospital Expansion Project Plan and additional \$10 million in funding
- Approved a process for the annual review of CEO performance.
- Approved funding for SVMMD Clinic Site Tenant Improvements (not to exceed \$8 million).
- Approved funding for replacement Interventional Services equipment (not to exceed \$13 million)
- Approved funding for replacement imaging equipment (not to exceed \$16.9 million).
- Approved Resolution 2019-03 approving effectuation of the Transaction and funding for SVMMD's acquisition and establishment of five multi-specialty clinics.

B. ECHD Board Actions

December 5, 2018

- Revised Community Benefits Grants Policy to comply with new statutory requirements
- Appointed John Zoglin as a member of the District's ECH Board Member Election Ad Hoc Committee
- Appointed Julia Miller as the District's Liaison to the CBAC

December 7, 2018

- Re-Elected Peter C. Fung, MD and elected George O. Ting, MD to four year terms on the ECH

January 22, 2019

- Recognized Community Benefit partner Fresh Approach for its mobile farmers' markets and other programs that address nutrition education and food insecurity.

C. Finance Committee Actions

January 30, 2019

- Approved funding for Waste Water Storage Project (not to exceed \$3.9 million)
- Approved funding for additional surgical robot (not to exceed \$1,550,000 after trade in)
- Approved PAMF Hospitalist Coverage Agreement for unassigned patients.
- Approved unassigned newborn coverage agreement.

D. Executive Compensation Committee

January 23, 2019

- Approved FY19 COO Individual Incentive Goals

4. Assessment: N/A

5. Other Reviews: N/A

6. Outcomes: N/A

List of Attachments: None.

Suggested Committee Discussion Questions: None



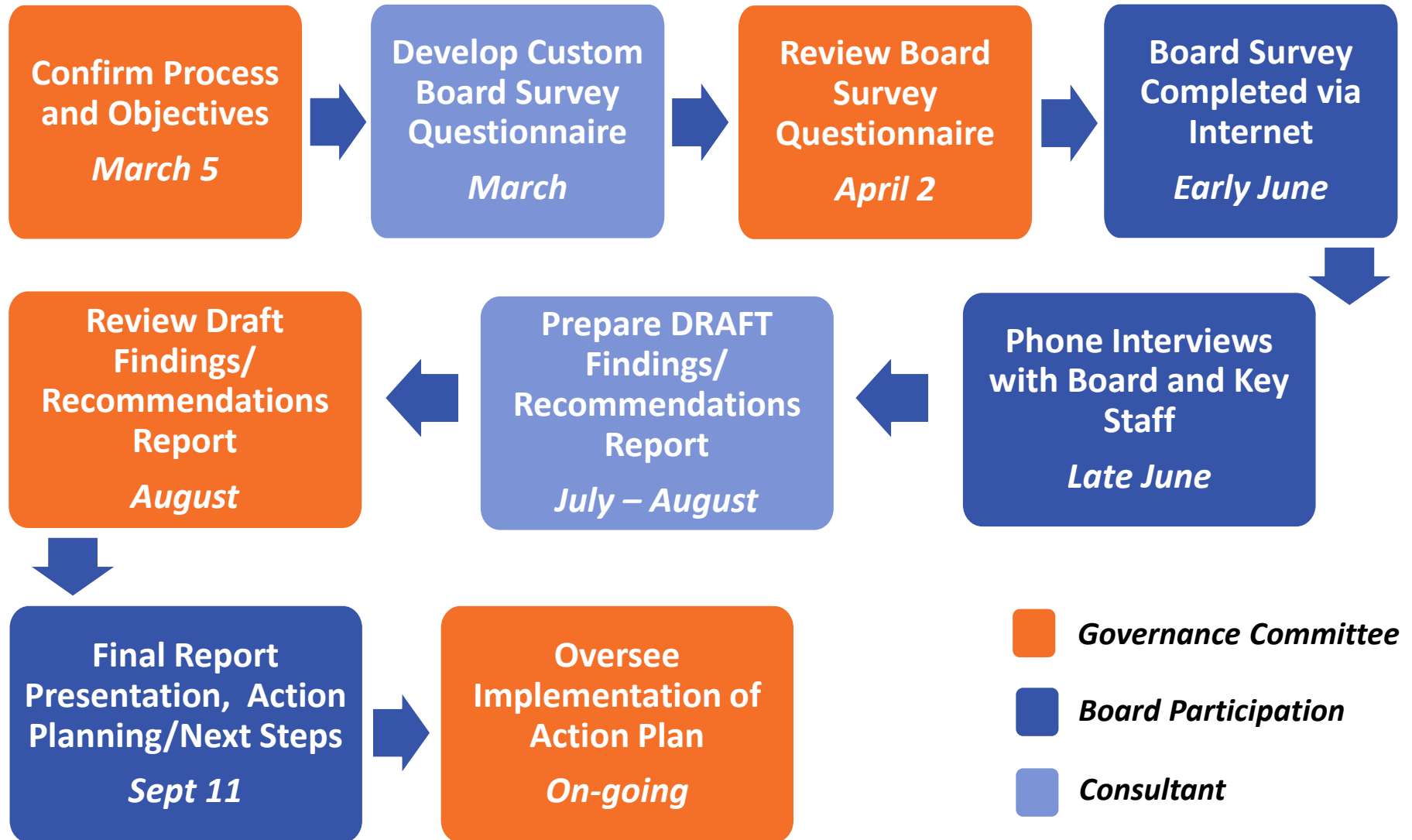
El Camino Hospital[®]
THE HOSPITAL OF SILICON VALLEY

2019 Board Self-Assessment

Governance Committee

Erica Osborne, Via Healthcare Consulting
March 5, 2019

Proposed Process



Proposed Objectives

- Assess overall board performance across key areas of governance
- Clarify and refresh board's understanding of its roles and responsibilities
- Identify strengths and areas for enhancement and/or improvement
- Reach agreement on 4-6 desired actions for strengthening board performance

Proposed Components

Survey

- Customized web-based questionnaire completed by all board members
- Performance rated from strongly agree to strongly disagree across six areas of key governance responsibilities
- Typically includes 35 - 50 statements with open-ended comment sections at the end of each section

Interviews

- 30 minute, confidential calls conducted with all 10 board members and 5-7 key executives
- Customized interview guide developed based on survey results
- Allows for further exploration of strengths and areas for enhancement identified by board members

Proposed Areas of Focus



Mission and Planning Oversight:
Setting Strategic Direction



Quality Oversight: Monitoring
Performance Improvement



Legal and Regulatory Oversight:
Ensuring Organizational Integrity



Finance and Audit Oversight:
Following the Money



Management Oversight: Enhancing
Board-Executive Relations



Board Effectiveness: Optimizing
Board Functioning

Discussion Questions

- What would success look like to you at the end of the board self-assessment process?
- What areas are of particular interest that you would like to explore in the survey?
- Who besides current board members should we include in the interviews?



El Camino Hospital[®]

THE HOSPITAL OF SILICON VALLEY

Consider Designating a Board Seat to the CEO

Governance Committee

Erica Osborne, Via Healthcare Consulting

March 5, 2019

Statistics: CEO Participation On the Board

- 46 % of respondents have an “ex-officio” CEO as a voting board member
- Health systems (78%) and subsidiaries (76%) have the highest percentage of voting CEO members

(2015 TGI Biennial Survey of Hospitals and Health Systems)

- 51 % of non-profits have CEO as a sitting board member


(Leading With Intent: 2017 National Index of NonProfit Board Practices)




Ex-officio means *“by virtue of the position”*



It does not confer voting rights, but is often confused as meaning the individual is a member of the board but does not have a vote



Ex-officio members have all of the rights and obligations of the board as stated in the bylaws



Per the California Nonprofit Corporations Code, *“[a] person who does not have authority to vote as a member of the governing body of the corporation, is not a director...regardless of title.”*

Ex-Officio, Voting and Non-Voting

Advantages:

- CEO has higher credibility and authority with the board and community
- CEO and board work in partnership with an equal voice and influence
- Board can better recruit and retain strong CEO candidates

Limitations:

- May create conflicts of interest
- Potential for board to rely too heavily on CEO's opinion
- Board may not adequately supervise/evaluate one of its own

Pros and Cons: CEO On The Board

Questions to Consider:

- What is the rationale for the CEO to be on your board?
- How well does everyone understand and respect the distinction between governance and management?
- How important is it for your CEO to have a high level of visibility and authority in the community? Would participating on the board add substantially to that perception?
- How concerned are you about possible conflicts of interest as a result of your CEO being a board member?
- What processes could be put in place to ensure appropriate management of perceived and actual conflicts of interest?



El Camino Hospital[®]

THE HOSPITAL OF SILICON VALLEY

“Governance at the Committee Level”

April 24, 2019 Education Session

Governance Committee

Erica Osborne, Via Healthcare Consulting

March 5, 2019



Potential Discussion Topics

- Importance of delineating clear roles and expectations
- Evaluating Committee effectiveness
- Perfecting the flow of information – What triggers committee reporting to the Board?
- Creating a generative committee

Suggestions



**EL CAMINO HOSPITAL
COMMITTEE MEETING COVER MEMO**

To: Governance Committee
From: Cindy Murphy, Director of Governance services
Date: March 5, 2019
Subject: Progress on FY19 Board Goals

Purpose:

To review Progress on FY19 Board Goals and to develop a plan to achieve the goals by the end of FY19.

Summary:

1. **Situation:** At the end of FY18, following recommendation by this Committee, the Board adopted the attached Board Goals. The goals were based on input obtained from Board members at its 2019 Retreat.
2. **Authority:** It is within the Committee's purview to make recommendations to the Board related to governance matters.
3. **Background:** Since the goals were developed, staff has worked with ECH's governance consultant to design and implement new templates for Board and Committee packet reports. The templates are designed to focus the Board and Committees on what is being requested and to provide governance level information necessary for decision making. The templates have been well received by the Board and management. As indicated in the attachment, there is still work to be done to achieve the goals. Most notably, board meetings are still significantly longer (planned and actual) than the desired two hours, packets continue to be greater than 50 pages and post meeting reviews have not been implemented.
4. **Assessment:** Continued attention to the goals is necessary.
5. **Other Reviews:** None
6. **Outcomes:** Complete FY19 Goals by the end of the FY.

List of Attachments:

1. FY19 Board Goals
2. Board Agendas August 2018 through February 2019
3. Board Management Compact
4. Post Board Meeting Review (Goal 1, Tactic 4 and Goal 2, Tactic 3) and Post Committee Meeting Review (Goal 3, Tactic 2)

Suggested Committee Discussion Questions:

1. Have Board meetings been conducted in accordance with issue focused agendas?
2. Although Board meetings continue to be longer than the goal of two hours, has the time been well spent? If not, where has time been wasted?
3. Have we provided adequate social opportunities for the Board?
4. Does the Board conduct itself in accordance with appropriate standards of conduct?
5. Should the Board and Committees implement the attached Post Meeting Reviews?

THEME	GOAL	TACTICS	NOTES																							
STRATEGIC GOVERNANCE	GOAL #1: The Board will function at a strategic governance level.	1. Meetings are conducted in accordance with issue focused agendas	Opinions? (Public Agendas 8/18 – 2/13 attached)																							
		2. Board meetings are planned to last no more than two hours	<table border="1"> <thead> <tr> <th>Planned Time</th> <th>Actual Time</th> <th>Page Count</th> </tr> </thead> <tbody> <tr> <td>08/2018 – 3:30</td> <td>4:00</td> <td>183</td> </tr> <tr> <td>09/2018 – 2:10</td> <td>2:14</td> <td>112</td> </tr> <tr> <td>10/2018 – 3:40</td> <td>3:38</td> <td>156</td> </tr> <tr> <td>11/2018 – 4:00</td> <td>3:38</td> <td>103</td> </tr> <tr> <td>01/2019 – 3:35</td> <td>3:12</td> <td>200</td> </tr> <tr> <td>02/2019 – 4:05</td> <td>4:23</td> <td>186</td> </tr> </tbody> </table>			Planned Time	Actual Time	Page Count	08/2018 – 3:30	4:00	183	09/2018 – 2:10	2:14	112	10/2018 – 3:40	3:38	156	11/2018 – 4:00	3:38	103	01/2019 – 3:35	3:12	200	02/2019 – 4:05	4:23	186
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01/2019 – 3:35	3:12	200																								
02/2019 – 4:05	4:23	186																								
See list above																										
Post-meeting review not yet implemented																										
Instituted on-boarding lunch with CEO and Board Chairs to discuss governance																										
See list above																										
BOARD CULTURE & DYNAMICS	GOAL #2: The Board will function in an environment that reflects collaboration, mutual respect, and accountability.	1. Create more social opportunities for Board members to establish and enhance relationships	Social hour before Joint Board Committee Educational Session hour; holiday dinner; social dinner hour before Board Retreat																							
		2. The Board will conduct itself in accordance with the Standards of Conduct	See attached Board Management Compact																							
		3. Board reviews adherence to approved and defined core organizational values at the conclusion of each meeting and implements changes based on review: - Quality, Compassion, Community, Collaboration, Stewardship, Innovation, and Accountability	Post-meeting review not yet implemented																							
EFFICIENT, EFFECTIVE USE OF COMMITTEES	GOAL #3: Board Committees will function effectively, efficiently, and communicate appropriately to the Board.	1. Committee members are given educational opportunities (internal and/or outside) that focus on effective governance at the Committee level	Committee education budget increased to \$5000 annually; Planned topic for April Joint Board and Committee Education: Governance at the Committee Level																							
		2. Create process for Committee members to give feedback on completeness and governance value of committee materials.	Not implemented																							
		3. Establish criteria for Committee information to be reported to the Board	Not implemented																							
		4. Enhance Standardization of Reports	New format for reporting adopted																							

AGENDA

REGULAR MEETING OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

Wednesday, August 15, 2018 – 5:30pm

El Camino Hospital | Conference Rooms A&B, F&G (ground floor)
2500 Grant Road Mountain View, CA 94040

MISSION: To heal, relieve suffering, and advance wellness as your publicly accountable health partner.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Lanhee Chen, Board Chair		5:30 – 5:32pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		5:32 – 5:33
3. BOARD RECOGNITION <i>Resolution 2018-08</i>	Mark Adams, MD, Interim CMO	<i>public comment</i>	motion required 5:33 – 5:38
4. FINANCE COMMITTEE REPORT Approval of FY18 Year-End Financials	John Zoglin, Finance Committee Chair; Iftikhar Hussain, CFO	<i>public comment</i>	possible motion 5:38 – 5:48
5. QUALITY COMMITTEE REPORT	David Reeder, Quality Committee Chair; Mark Adams, MD, Interim CMO		information 5:48 – 5:58
6. 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	Lanhee Chen, Board Chair		information 5:58 – 6:01
7. ADJOURN TO CLOSED SESSION	Lanhee Chen, Board Chair		motion required 6:01 – 6:02
8. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		6:02 – 6:03
9. CONSENT CALENDAR <i>Any Board Member 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 Hospital Board Meeting (August 6, 2018)	Lanhee Chen, Board Chair		motion required 6:03 – 6:05
10. Report involving Gov't Code Section 54957.6 for a conference with labor negotiator Dan Woods: - FY19 Chief Medical Officer Base Salary	Dan Woods, CEO		discussion 6:05 – 6:10
11. Report involving Gov't Code Section 54957 for discussion and report on personnel performance matters – Senior Management: - CEO Performance Review	Lanhee Chen, Board Chair		discussion 6:10 – 6:20

A copy of the agenda for the Regular Board 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>12. Report involving <i>Gov't Code Section 54957.6</i> for conference with labor negotiator Bob Miller:</p> <ul style="list-style-type: none"> - Proposed FY19 CEO Base Salary and Salary Range and Second Amendment to Executive Employment Agreement 	Bob Miller, Executive Compensation Committee Chair; Lanhee Chen, Board Chair		<p>discussion 6:20 – 6:40</p>
<p>13. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets:</p> <ul style="list-style-type: none"> - Market Implications for New Programs and Services 	Dan Woods, CEO		<p>discussion 6:40 – 7:10</p>
<p>14. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets:</p> <ul style="list-style-type: none"> - Physician Alignment Business Plan 	Bruce Harrison, President, Silicon Valley Medical Development, LLC		<p>discussion 7:10 – 7:40</p>
<p>15. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets:</p> <ul style="list-style-type: none"> - New Hospital Program 	Kelsey Martinez, Director, Marketing & Communications; Chris Bevolo, Executive Vice President, ReviveHealth		<p>discussion 7:40 – 8:20</p>
<p>16. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trades secrets; <i>Health and Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters; <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"> - CEO Report on New Services and Programs, Quality Assurance Matters, and Legal Matters 	Dan Woods, CEO		<p>discussion 8:20 – 8:30</p>
<p>17. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management:</p> <ul style="list-style-type: none"> - Executive Session 	Lanhee Chen, Board Chair		<p>discussion 8:30 – 8:35</p>
<p>18. ADJOURN TO OPEN SESSION</p>	Lanhee Chen, Board Chair		<p>motion required 8:35 – 8:36</p>
<p>19. RECONVENE OPEN SESSION/ REPORT OUT</p> <p>To report any required disclosures regarding permissible actions taken during Closed Session.</p>	Lanhee Chen, Board Chair		<p>8:36 – 8:37</p>
<p>20. CONSENT CALENDAR ITEMS: <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i></p>	Lanhee Chen, Board Chair	<i>public comment</i>	<p>motion required 8:37 – 8:39</p>
<p>Approval</p> <ul style="list-style-type: none"> a. Minutes of the Open Session of the Hospital Board Meeting (August 6, 2018) b. Resolution 2018-09: Regarding Withdrawal of SVMD from Benefit Plans <p><i>Reviewed by the Finance Committee</i></p> <ul style="list-style-type: none"> c. FY18 Period 11 Financials 			

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
d. Palliative Care Medical Director (Enterprise) e. Outpatient Medical Oncology Medical Director (MV) Renewal <i>Reviewed and Recommended for Approval by the Governance Committee</i> f. Proposed FY19/20 Hospital Board Competencies g. FY19 Board Education Plan <i>Information</i> h. Update on Major Construction Projects in Progress (MV campus) i. Report on Educational Activities			
21. APPROVAL OF FY19 CEO SALARY RANGE AND BASE SALARY	Lanhee Chen, Board Chair	<i>public comment</i>	motion required 8:39 – 8:41
22. APPROVAL OF SECOND AMENDMENT TO EXECUTIVE EMPLOYMENT AGREEMENT	Lanhee Chen, Board Chair	<i>public comment</i>	motion required 8:41 – 8:43
23. APPROVAL OF FY19 CMO BASE SALARY	Lanhee Chen, Board Chair	<i>public comment</i>	motion required 8:43 – 8:45
24. APPROVAL OF REBRANDING USING NEW BRAND ARCHITECTURE	Kelsey Martinez, Director, Marketing & Communications	<i>public comment</i>	motion required 8:45 – 8:50
25. LEADERSHIP UPDATE	Dan Woods, CEO		information 8:50 – 8:52
26. BOARD COMMENTS	Lanhee Chen, Board Chair		information 8:52 – 8:54
27. ADJOURNMENT	Lanhee Chen, Board Chair	<i>public comment</i>	motion required 8:54 – 8:55 pm

Upcoming Meetings:

- September 12, 2018
- October 10, 2018
- November 14, 2018
- December 12, 2018
- February 13, 2019
- March 13, 2019
- April 10, 2019
- May 8, 2019
- June 12, 2019

Board & Committee Education:

October 24, 2018 | April 24, 2019

AGENDA

REGULAR MEETING OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

Wednesday, September 12, 2018 – 5:45pm

El Camino Hospital | Conference Rooms A&B, F&G (ground floor)
2500 Grant Road Mountain View, CA 94040

MISSION: To heal, relieve suffering, and advance wellness as your publicly accountable health partner.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Lanhee Chen, Board Chair		5:45 – 5:47pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		5:47 – 5:48
3. BOARD RECOGNITION <i>Resolution 2018-10</i>	Dan Woods, CEO	<i>public comment</i>	motion required 5:48 – 5:53
4. QUALITY COMMITTEE REPORT	David Reeder, Quality Committee Chair; Mark Adams, MD, CMO		information 5:53 – 6:08
5. FY18 ORGANIZATIONAL GOAL ACHIEVEMENT	Dan Woods, CEO Mark Adams, MD, CMO	<i>public comment</i>	possible motion 6:08 – 6:18
6. PATHWAYS BUSINESS UPDATE	Barbara Burgess, CEO of Pathways Home Health & Hospice		discussion 6:18 – 6:48
7. 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	Lanhee Chen, Board Chair		information 6:48 – 6:51
8. ADJOURN TO CLOSED SESSION	Lanhee Chen, Board Chair		motion required 6:51 – 6:52
9. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		6:52 – 6:53
10. CONSENT CALENDAR <i>Any Board Member 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 Hospital Board Meeting (August 15, 2018) Information <i>Gov't Code Section 54956.9(d)(2) – conference with legal counsel – pending or threatened litigation:</i> b. Compliance Committee Report c. FY18 Annual Patient Safety Report	Lanhee Chen, Board Chair		motion required 6:53 – 6:55

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AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<p>11. <i>Health and Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Medical Staff Report</p>	Imtiaz Qureshi, MD, Mountain View Chief of Staff; Linda Teagle, MD, Los Gatos Chief of Staff		<p>motion required 6:55 – 7:05</p>
<p>12. <i>Health and Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Grievance</p>	Mark Adams, MD, CMO		<p>discussion 7:05 – 7:25</p>
<p>13. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trades secrets; <i>Health and Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters; <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - CEO Report on New Services and Programs, Quality Assurance Matters, and Legal Matters</p>	Dan Woods, CEO		<p>discussion 7:25 – 7:40</p>
<p>14. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: - Executive Session</p>	Lanhee Chen, Board Chair		<p>discussion 7:40 – 7:45</p>
<p>15. ADJOURN TO OPEN SESSION</p>	Lanhee Chen, Board Chair		<p>motion required 7:45 – 7:46</p>
<p>16. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.</p>	Lanhee Chen, Board Chair		<p>7:46 – 7:47</p>
<p>17. CONSENT CALENDAR ITEMS: <i>Any Board 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 Hospital Board Meeting (August 15, 2018) <i>Reviewed and Recommended for Approval by the Medical Executive Committee</i> b. Medical Staff Report Information c. Investment Committee Report d. Compliance Committee Report e. FY19 Period 1 Financials</p>	Lanhee Chen, Board Chair	<i>public comment</i>	<p>motion required 7:47 – 7:49</p>
<p>18. LEADERSHIP UPDATE</p>	Dan Woods, CEO		<p>information 7:49 – 7:52</p>
<p>19. BOARD COMMENTS</p>	Lanhee Chen, Board Chair		<p>information 7:52 – 7:54</p>

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
20. ADJOURNMENT	Lanhee Chen, Board Chair		motion required 7:54 – 7:55pm

Upcoming Meetings: October 10, 2018 | November 14, 2018 | December 12, 2018 | February 13, 2019 | March 13, 2019 | April 10, 2019 | May 8, 2019 | June 12, 2019

Board & Committee Education: October 24, 2018 | April 24, 2019

AGENDA

REGULAR MEETING OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

Wednesday, October 10, 2018 – 5:30pm

El Camino Hospital | Conference Rooms A&B, F&G (ground floor)
2500 Grant Road Mountain View, CA 94040

MISSION: To heal, relieve suffering, and advance wellness as your publicly accountable health partner.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Lanhee Chen, Board Chair		5:30 – 5:31pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		information 5:31 – 5:32
3. EL CAMINO HOSPITAL FOUNDATION REPORT	Jodi Barnard, President, ECH Foundation; Lane Melchor, Chair, ECH Foundation Board of Directors		information 5:32 – 5:47
4. FY19 PERIOD 2 FINANCIALS	Iftikhar Hussain, CFO	<i>public comment</i>	possible motion 5:47 – 5:57
5. QUALITY COMMITTEE REPORT	David Reeder, Quality Committee Chair; Cheryl Reinking, RN, CNO		information 5:57 – 6:12
6. QUALITY GOAL SETTING PROCESS	Dan Woods, CEO; Cheryl Reinking, RN, CNO		discussion 6:12 – 6:32
7. FY18 FINANCIAL AUDIT	Brian Conner, Moss Adams		information 6:32 – 6:42
8. 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	Lanhee Chen, Board Chair		information 6:42 – 6:45
9. ADJOURN TO CLOSED SESSION	Lanhee Chen, Board Chair		motion required 6:45 – 6:46
10. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		information 6:46 – 6:47
11. Report involving Gov't Code Section 54957 for discussion and report on personnel performance matters – Senior Management: - FY18 Financial Audit	Brian Conner, Moss Adams		discussion 6:47 – 6:52
12. CONSENT CALENDAR <i>Any Board Member 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 Hospital Board Meeting (September 12, 2018) b. Minutes of the Closed Session of the Executive Compensation Committee (May 24, 2018)	Lanhee Chen, Board Chair		motion required 6:52 – 6:54

A copy of the agenda for the Regular Board Meeting will be posted and distributed at least seventy two (72) hours prior to the meeting.

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AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<p>Information <i>Gov't Code Section 54957.6</i> for a conference with labor negotiator Dan Woods: c. Executive Compensation Committee Report</p>			
<p>13. <i>Health & Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Medical Staff Report</p>	Imtiaz Qureshi, MD, Mountain View Chief of Staff; Linda Teagle, MD, Los Gatos Chief of Staff		<p>motion required 6:54 – 7:04</p>
<p>14. <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - Annual Corporate Compliance Report</p>	Diane Wigglesworth, Sr. Director, Corporate Compliance		<p>discussion 7:04 – 7:14</p>
<p>15. <i>Gov't Code Section 54956.8</i> – conference with real estate negotiator Ken King regarding property (APN 406-26-017): - Real Estate</p>	Ken King, CASO		<p>possible motion 7:14 – 7:29</p>
<p>16. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trades secrets: - FY19 Strategic Plan Metrics Progress Update</p>	Dan Woods, CEO		<p>discussion 7:29 – 7:59</p>
<p>17. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trades secrets; <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - CEO Report on New Services and Programs, and Legal Matters</p>	Dan Woods, CEO		<p>discussion 7:59 – 8:09</p>
<p>18. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – CEO; <i>Gov't Code Section 54957.6</i> for a conference with labor negotiator Lanhee Chen: - FY18 CEO Discretionary Score</p>	Lanhee Chen, Board Chair		<p>possible motion 8:09 -8:19</p>
<p>19. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: - Executive Session</p>	Lanhee Chen, Board Chair		<p>discussion 8:19 – 8:24</p>
<p>20. ADJOURN TO OPEN SESSION</p>	Lanhee Chen, Board Chair		<p>motion required 8:24 – 8:25</p>
<p>21. RECONVENE OPEN SESSION/ REPORT OUT</p>	Lanhee Chen, Board Chair		<p>8:25 -8:26</p>
<p>To report any required disclosures regarding permissible actions taken during Closed Session.</p>			
<p>22. CONSENT CALENDAR ITEMS: <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i></p>	Lanhee Chen, Board Chair	<i>public comment</i>	<p>motion required 8:26 – 8:28</p>
<p>Approval a. Minutes of the Open Session of the Hospital</p>			

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<p>Board Meeting (September 12, 2018)</p> <p>b. Appointment of Quality Committee Chair c. Foundation Board of Directors Appointment</p> <p>Reviewed and Recommended for Approval by the Medical Executive Committee</p> <p>d. Medical Staff Report</p> <p>Reviewed and Recommended for Approval by the Compliance and Audit Committee</p> <p>e. Compliance Committee Report Human Resources Policies; Annual 403(b) Audit; Participant Cash Balance Plan Audit</p> <p>Reviewed and Recommended for Approval by the Executive Compensation Committee</p> <p>f. Minutes of the Open Session of the Executive Compensation Committee Meeting (May 24, 2018) g. Revised Executive Benefit Plan Policy Life Insurance, Eligibility Dates</p> <p>Reviewed and Recommended for Approval by the Finance Committee</p> <p>h. Los Gatos Imaging Equipment i. Medical Director, NICU (MV) j. Neuro-Interventional Panel (MV)</p> <p>Information</p> <p>k. FY18 Community Benefit Report l. Executive Compensation Committee Report Executive Incentive Compensation Payouts; FY19 COO Base Salary m. Report on Major Capital Projects in Process</p>			
<p>23. FY18 FINANCIAL AUDIT</p>	<p>Lanhee Chen, Board Chair</p>	<p><i>public comment</i></p>	<p>motion required 8:28 – 8:30</p>
<p>24. FY18 CEO INCENTIVE COMPENSATION PAYMENT</p>	<p>Lanhee Chen, Board Chair</p>	<p><i>public comment</i></p>	<p>possible motion 8:30 – 8:32</p>
<p>25. LEADERSHIP UPDATE</p>	<p>Dan Woods, CEO</p>		<p>information 8:32 – 8:35</p>
<p>26. BOARD COMMENTS</p>	<p>Lanhee Chen, Board Chair</p>		<p>information 8:35 – 8:39</p>
<p>27. ADJOURNMENT</p>	<p>Lanhee Chen, Board Chair</p>	<p><i>public comment</i></p>	<p>motion required 8:39 – 8:40pm</p>

Upcoming Meetings: November 14, 2018 | December 12, 2018 | February 13, 2019 | March 13, 2019 | April 10, 2019 | May 8, 2019 | June 12, 2019 || **Board & Committee Education:** October 24, 2018 | April 24, 2019

AGENDA

REGULAR MEETING OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

Wednesday, November 14, 2018 – 5:30pm

El Camino Hospital | Conference Rooms A&B, F&G (ground floor)
2500 Grant Road Mountain View, CA 94040

MISSION: To heal, relieve suffering, and advance wellness as your publicly accountable health partner.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	John Zoglin, Board Vice Chair		5:30 – 5:31pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	John Zoglin, Board Vice Chair		information 5:31 – 5:32
3. BOARD RECOGNITION <i>Resolution 2018-11</i>	Mark Adams, MD, CMO	<i>public comment</i>	motion required 5:32 – 5:37
4. QUALITY COMMITTEE REPORT	Julie Kliger, Quality Committee Chair; Mark Adams, MD, CMO		information 5:37 – 5:47
5. QUALITY GOAL SETTING PROCESS	Mark Adams, MD, CMO		information 5:47 – 6:07
6. GOVERNANCE COMMITTEE REPORT a. Informational/Discussion Items b. Proposed Delegations of Authority	Peter Fung, MD, Governance Committee Chair	<i>public comment</i>	possible motion 6:07 – 6:47
7. 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	John Zoglin, Board Vice Chair		information 6:47 – 6:50
8. ADJOURN TO CLOSED SESSION	John Zoglin, Board Vice Chair		motion required 6:50 – 6:56
9. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	John Zoglin, Board Vice Chair		information 6:56 – 6:57
10. CONSENT CALENDAR <i>Any Board Member 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 Hospital Board Meeting (October 10, 2018) b. Minutes of the Closed Session of the Special Meeting to Conduct a Study Session of the Hospital Board (October 24, 2018) Information <i>Gov't Code Section 54956.8 – conference with real estate negotiator Ken King regarding property (APN 406-26-017):</i> c. Real Estate Opportunity Update	John Zoglin, Board Vice Chair		motion required 6:57 – 6:59

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
11. <i>Health & Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Medical Staff Report	Imtiaz Qureshi, MD, Mountain View Chief of Staff; Linda Teagle, MD, Los Gatos Chief of Staff		motion required 6:59 – 7:09
12. <i>Gov't Code Section 54956.8</i> – conference with real estate negotiators Bruce Harrison and Ken King regarding lease of space at 4130 N. First Street, San Jose: - SVMD Clinic Site Real Estate Lease	Bruce Harrison, President, Silicon Valley Medical Development, LLC (SVMD); Ken King, CASO		possible motion 7:09 – 7:24
13. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: - FY19 Strategy Deployment Metrics Update	Dan Woods, CEO		discussion 7:24 – 7:59
14. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: - Market Development/New Services and Programs	Dan Woods, CEO		discussion 7:59 – 8:29
15. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: - SVMD Physician Practice Acquisition Update	Bruce Harrison, President, SVMD		discussion 8:29 - 8:59
16. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets; <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - CEO Report on New Services and Programs, and Legal Matters	Dan Woods, CEO		discussion 8:59 – 9:14
17. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: - Executive Session	John Zoglin, Board Vice Chair		discussion 9:14 – 9:19
18. ADJOURN TO OPEN SESSION	John Zoglin, Board Vice Chair		motion required 9:19 – 9:20
19. RECONVENE OPEN SESSION/ REPORT OUT	John Zoglin, Board Vice Chair		9:20 – 9:21
To report any required disclosures regarding permissible actions taken during Closed Session.			
20. CONSENT CALENDAR ITEMS: <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i>	John Zoglin, Board Vice Chair	<i>public comment</i>	motion required 9:21 – 9:23
Approval a. Minutes of the Open Session of the Hospital Board Meeting (October 10, 2018) b. Minutes of the Open Session of the Special Meeting to Conduct a Study Session of the Hospital Board (October 24, 2018)			

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<p><i>Reviewed and Recommended for Approval by the Governance Committee</i></p> <p>c. Proposed Revised Quality, Patient Care and Patient Experience Committee Charter</p> <p>d. Board and Committee Education Policy</p> <p><i>Reviewed and Recommended for Approval by the Medical Executive Committee</i></p> <p>e. Medical Staff Report</p> <p><i>Reviewed and Recommended for Approval by the Finance Committee</i></p> <p>f. FY19 Period 1 Financials</p>			
<p>21. CEO REPORT</p>	<p>Dan Woods, CEO</p>		<p>information 9:23 -9:26</p>
<p>22. BOARD COMMENTS</p>	<p>John Zoglin, Board Vice Chair</p>		<p>information 9:26 – 9:29</p>
<p>23. ADJOURNMENT</p>	<p>John Zoglin, Board Vice Chair</p>	<p><i>public comment</i></p>	<p>motion required 9:29 – 9:30pm</p>

Upcoming Meetings: December 5, 2018 | January 16, 2019 | February 13, 2019 | March 13, 2019 | April 10, 2019 | May 8, 2019 | June 12, 2019 || **Board & Committee Education:** April 24, 2019

AGENDA

REGULAR MEETING OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

Wednesday, December 5, 2018 – 6:15pm

El Camino Hospital | Conference Rooms A&B, F&G (ground floor)
2500 Grant Road Mountain View, CA 94040

MISSION: To heal, relieve suffering, and advance wellness as your publicly accountable health partner.

AGENDA ITEM	PRESENTED BY	ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Lanhee Chen, Board Chair	6:15 – 6:16pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair	information 6:16 – 6:17
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	Lanhee Chen, Board Chair	information 6:17 – 6:20
4. ADJOURN TO CLOSED SESSION	Lanhee Chen, Board Chair	motion required 6:20 – 6:26
5. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair	information 6:26 – 6:27
6. CONSENT CALENDAR <i>Any Board Member 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 Hospital Board Meeting (November 14, 2018) Reviewed and Recommended for Approval by the Executive Compensation Committee b. Minutes of the Closed Session of the Executive Compensation Committee Meeting (September 20, 2018)	Lanhee Chen, Board Chair	motion required 6:27 – 6:29
7. Health & Safety Code Section 32155 for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Medical Staff Report	Imtiaz Qureshi, MD, Mountain View Chief of Staff; Linda Teagle, MD, Los Gatos Chief of Staff	motion required 6:29 – 6:39
8. Health and Safety Code Section 32106(b) for a report and discussion involving health care facility trade secrets; <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - CEO Report on New Services and Programs, and Legal Matters	Dan Woods, CEO	discussion 6:39 – 6:49
9. Report involving Gov't Code Section 54957 for discussion and report on personnel performance matters – Senior Management: - Executive Session	Lanhee Chen, Board Chair	discussion 6:49 – 6:54

A copy of the agenda for the Regular Board 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
10. ADJOURN TO OPEN SESSION	Lanhee Chen, Board Chair		motion required 6:54 – 6:55
11. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.	Lanhee Chen, Board Chair		6:55 – 6:56
12. CONSENT CALENDAR ITEMS: <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i>	Lanhee Chen, Board Chair	<i>public comment</i>	motion required 6:56 – 6:59
<p>Approval</p> <p>a. Minutes of the Open Session of the Hospital Board Meeting (November 14, 2018)</p> <p>Reviewed and Recommended for Approval by the Executive Compensation Committee</p> <p>b. Minutes of the Open Session of the Executive Compensation Committee Meeting (September 20, 2018)</p> <p>c. Letters of Rebuttable Presumption of Reasonableness</p> <p>Reviewed and Recommended for Approval by the Finance Committee</p> <p>d. FY19 Period 3 Financials</p> <p>e. Professional Services Agreement, Perinatal Diagnostic Center (PDC) (MV)</p> <p>f. Professional Services Agreement, Radiology (Enterprise)</p> <p>g. Medical Director, ASPIRE Program (MV & LG)</p> <p>h. Gastroenterology Call Panel (MV)</p> <p>i. Orthopedic Surgery Call Panel (MV)</p> <p>j. Professional Services Agreement, Hospitalists (MV)</p> <p>k. Orthopedic Co-Management Agreement (Enterprise)</p> <p>Reviewed and Recommended for Approval by the Medical Executive Committee</p> <p>l. Medical Staff Report</p>			
13. ADJOURNMENT	Lanhee Chen, Board Chair	<i>public comment</i>	motion required 6:59 – 7:00pm

Upcoming Meetings: January 16, 2019 | February 13, 2019 | March 13, 2019 | April 10, 2019 | May 8, 2019 | June 12, 2019 || **Retreat:** February 27, 2019 || **Board & Committee Education:** April 24, 2019

AGENDA

REGULAR MEETING OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

Wednesday, January 16, 2019 – 5:30pm

El Camino Hospital | Conference Rooms A&B, F&G (ground floor)
2500 Grant Road Mountain View, CA 94040

Bob Rebitzer will be participating via teleconference from:
Omni Los Angeles Hotel at California Plaza | 251 South Olive Street Los Angeles, CA 90012.

MISSION: To heal, relieve suffering, and advance wellness as your publicly accountable health partner.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Lanhee Chen, Board Chair		5:30 – 5:31pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		information 5:31 – 5:32
3. BOARD RECOGNITION <i>Resolution 2019-01</i>	Cheryl Reinking, RN, CNO	<i>public comment</i>	motion required 5:32 – 5:37
4. FY19 PERIOD 4 FINANCIALS	Iftikhar Hussain, CFO	<i>public comment</i>	possible motion 5:37 – 5:47
5. QUALITY COMMITTEE REPORT	Julie Klinger, Quality Committee Chair; Mark Adams, MD, CMO		discussion 5:47 – 5:57
6. 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	Lanhee Chen, Board Chair		information 5:57 – 6:00
7. ADJOURN TO CLOSED SESSION	Lanhee Chen, Board Chair		motion required 6:00 – 6:06
8. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Board Chair		information 6:06 – 6:07
9. CONSENT CALENDAR <i>Any Board Member 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 Hospital Board Meeting (December 5, 2018)	Lanhee Chen, Board Chair		motion required 6:07 – 6:09
10. Health & Safety Code Section 32155 for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Medical Staff Report	Imtiaz Qureshi, MD, Enterprise Chief of Staff; Linda Teagle, MD, Los Gatos Chief of Staff		motion required 6:09 – 6:19
11. Health and Safety Code Section 32106(b) for a report and discussion involving health care facility trade secrets: - Surgery Center Transaction	Iftikhar Hussain, CFO		discussion 6:19 – 6:34

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AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
12. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: - SVMD Acquisition Update	Bruce Harrison, President, SVMD		discussion 6:34 – 8:33
13. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets; <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - CEO Report on New Services and Programs, and Legal Matters	Dan Woods, CEO		discussion 8:33 – 8:48
14. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: - Executive Session	Lanhee Chen, Board Chair		discussion 8:48 – 8:53
15. ADJOURN TO OPEN SESSION	Lanhee Chen, Board Chair		motion required 8:53 – 8:54
16. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.	Lanhee Chen, Board Chair		8:54 – 8:55
17. CONSENT CALENDAR ITEMS: <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i>	Lanhee Chen, Board Chair	<i>public comment</i>	motion required 8:55 – 8:58
<i>Approval</i> a. Minutes of the Open Session of the Hospital Board Meeting (December 5, 2018) b. Proposed Revised FY19 Committee Assignments <i>Reviewed and Recommended for Approval by the Finance Committee</i> c. Los Gatos Cancer Center Funding d. Revised Signature Authority Policy e. Revised Corporate Compliance: Physician Financial Arrangements Policy f. Revised Finance Committee Charter <i>Reviewed and Recommended for Approval by the Compliance and Audit Committee</i> g. Revised Board of Director Approval of Hospital Policies <i>Reviewed and Recommended for Approval by the Medical Executive Committee</i> h. Medical Staff Report <i>Information</i> i. FY19 Period 5 Financials j. Report on Major Capital Projects in Process			
18. SURGERY CENTER TRANSACTION	Iftikhar Hussain, CFO	<i>public comment</i>	possible motion 8:58 – 9:00
19. CEO REPORT	Dan Woods, CEO		information 9:00 – 9:02

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
20. BOARD COMMENTS	Lanhee Chen, Board Chair		information 9:02 – 9:04
21. ADJOURNMENT	Lanhee Chen, Board Chair	<i>public comment</i>	motion required 9:04 – 9:05pm

Upcoming Meetings: February 13, 2019 | March 13, 2019 | April 10, 2019 | May 8, 2019 | June 12, 2019 ||

Retreat: February 27, 2019 || **Board & Committee Education:** April 24, 2019

AGENDA

REGULAR MEETING OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

Wednesday, February 13, 2019 – 5:30pm

El Camino Hospital | Conference Rooms A&B, F&G (ground floor)
2500 Grant Road Mountain View, CA 94040

Jeffrey Davis, MD will be participating via teleconference from:

Diamante, Boulevard Diamante S/N, Lado Del Mar Colonia Los Cangr, Cabo San Lucas BCS, Mexico 23473

MISSION: To heal, relieve suffering, and advance wellness as your publicly accountable health partner.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	John Zoglin, Board Vice Chair		5:30 – 5:31pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	John Zoglin, Board Vice Chair		information 5:31 – 5:32
3. FY19 PERIOD 6 FINANCIALS	Iftikhar Hussain, CFO	<i>public comment</i>	possible motion 5:32 – 5:42
4. QUALITY COMMITTEE REPORT	Peter C. Fung, MD, Quality Committee Member; Mark Adams, MD, CMO		discussion 5:42 – 5:52
5. WOMEN'S HOSPITAL PROJECT FUNDING	Ken King, CASO	<i>public comment</i>	possible motion 5:52 – 6:22
6. CEO PERFORMANCE REVIEW PROCESS	Bob Miller, Executive Compensation Committee Chair	<i>public comment</i>	possible motion 6:22 – 6:37
7. 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	John Zoglin, Board Vice Chair		information 6:37 – 6:40
8. ADJOURN TO CLOSED SESSION	John Zoglin, Board Vice Chair		motion required 6:40 – 6:46
9. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	John Zoglin, Board Vice Chair		information 6:46 – 6:47
10. CONSENT CALENDAR <i>Any Board Member 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 Hospital Board Meeting (January 16, 2019) b. Minutes of the Closed Session of the Executive Compensation Committee Meeting (November 8, 2018) Information <i>Health & Safety Code Section 32106(b); Gov't Code Section 54957.6 for conference with labor negotiator Dan Woods:</i>	John Zoglin, Board Vice Chair		motion required 6:47 – 6:49

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AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
c. FY19 COO Individual Incentive Goals			
11. <i>Health & Safety Code Section 32155</i> for a report of the Medical Staff; deliberations concerning reports on Medical Staff quality assurance matters: - Medical Staff Report	Imtiaz Qureshi, MD, Enterprise Chief of Staff; Linda Teagle, MD, Los Gatos Chief of Staff		motion required 6:49 – 6:59
12. <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation: - Litigation Update	Mary Rotunno, General Counsel		discussion 6:59 – 7:29
13. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: - Update on Acquisition of New SVMD Clinics	Bruce Harrison, President, SVMD		discussion 7:29 – 8:04
14. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets: - Q2 FY19 Strategic Plan Metrics Update	Dan Woods, CEO		discussion 8:04 – 8:49
15. <i>Health and Safety Code Section 32106(b)</i> for a report and discussion involving health care facility trade secrets; <i>Gov't Code Section 54956.9(d)(2)</i> – conference with legal counsel – pending or threatened litigation; <i>Gov't Code Section 54957.6</i> for a conference with labor negotiator Dan Woods: - CEO Report on New Services and Programs, and Legal Matters	Dan Woods, CEO		discussion 8:49 – 9:04
16. Report involving <i>Gov't Code Section 54957</i> for discussion and report on personnel performance matters – Senior Management: - Executive Session	John Zoglin, Board Vice Chair		discussion 9:04 – 9:09
17. ADJOURN TO OPEN SESSION	John Zoglin, Board Vice Chair		motion required 9:09 – 9:10
18. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.	John Zoglin, Board Vice Chair		9:10 – 9:11
19. CONSENT CALENDAR ITEMS: <i>Any Board Member or member of the public may remove an item for discussion before a motion is made.</i>	John Zoglin, Board Vice Chair	<i>public comment</i>	motion required 9:11 – 9:13
Approval a. Minutes of the Open Session of the Hospital Board Meeting (January 16, 2019) b. <i>Resolution 2019-02: Approving Amendment to Pathways Home Health and Hospice Bylaws</i> Reviewed and Recommended for Approval by the Executive Compensation Committee c. Revised Executive Compensation Philosophy d. Minutes of the Open Session of the Executive Compensation Committee Meeting			

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<p>(November 8, 2018)</p> <p><i>Reviewed and Recommended for Approval by the Finance Committee</i></p> <ul style="list-style-type: none"> e. SVMD Clinic Site Tenant Improvements f. FY19 Period 5 Financials g. Interventional Equipment Replacement h. Imaging Equipment Replacement <p><i>Reviewed and Recommended for Approval by the Medical Executive Committee</i></p> <ul style="list-style-type: none"> i. Medical Staff Report <p><i>Information</i></p> <ul style="list-style-type: none"> j. Finance Committee Approvals Report k. Report on Major Capital Projects in Process 			
<p>20. RESOLUTION 2019-03: Approving Acquisition and Establishment of Five Multi-Specialty SVMD Clinics</p>	<p>Bruce Harrison, President, SVMD</p>	<p><i>public comment</i></p>	<p>possible motion 9:13 – 9:28</p>
<p>21. CEO REPORT</p>	<p>Dan Woods, CEO</p>		<p>information 9:28 – 9:31</p>
<p>22. BOARD COMMENTS</p>	<p>John Zoglin, Board Vice Chair</p>		<p>information 9:31 – 9:34</p>
<p>23. ADJOURNMENT</p>	<p>John Zoglin, Board Vice Chair</p>	<p><i>public comment</i></p>	<p>motion required 9:34 – 9:35pm</p>

Upcoming Meetings: March 13, 2019 | April 10, 2019 | May 8, 2019 | June 12, 2019 || **Retreat:** February 27, 2019 ||
Board & Committee Education: April 24, 2019

ECH Board-Management Compact

Last Updated: December 5, 2012

Introduction

This document codifies five core principles critical for effective health care governance. This compact is *an agreement between the board and management for how they will work together to build a high-performing culture based on mutual respect, honesty and professionalism.* The agreements herein shall guide the working relationship and normative behaviors between and among the board and management. This document should be reviewed, discussed and agreed upon on a regular basis by the hospital board, committees and management team, and be referenced in moments when it is believed an agreement is not being adhered to. To maintain accountability, the core principles and behaviors described in the compact will be incorporated into the annual performance assessments of the board, committees and management.

Board-Management Compact

Core Principle	The Board Agrees to...	The Management Team Agrees to...
<p>1. Strategic Thinking</p> <p><i>The generation and application of unique business insights and opportunities to create competitive advantage for the organization and ensure its long-term sustainability.</i></p>	<ul style="list-style-type: none"> Partner with management to create a compelling future direction for the organization. Use intentionally ECH's mission, vision, values and strategic direction to guide the board's decisions. Provide effective oversight and guidance by focusing on strategic direction and organizational capabilities, versus actually executing the plan. Achieve consensus on the future direction of ECH and speak with one voice, fully supporting the management in the execution of the strategic plan. Safeguard the interests of the organization and community by effectively overseeing risk and innovation. 	<ul style="list-style-type: none"> Engage the board at the appropriate times to benefit from its perspective on strategic matters. Convey how organizational goals, priorities and opportunities support ECH's mission, vision, values, and strategic direction. Provide timely updated metrics versus detailed summary of accomplishments. Be open to innovation and informed thinking and encourage innovation in others. Balance risk and innovation in developing strategic initiatives. Provide the board with strategic-level information and high-level analyses to equip the board in making informed decisions.
<p>2. Constructive Partnership</p> <p><i>A model of shared leadership that promotes collaboration, group cohesion, and role clarity.</i></p>	<ul style="list-style-type: none"> Model professional behavior in all interactions by listening attentively, speaking respectfully, and respecting others' differing points of view. Seek input from committees, management, physicians, and other stakeholders on appropriate matters before making decisions. Maintain clear boundaries between governance and operations. Challenge traditional thinking and be willing to ask management tough questions. 	<ul style="list-style-type: none"> Demonstrate regard for and consideration towards board and committee members who volunteer their time to the organization. Actively seek out board members' input to leverage their expertise and experience. Communicate effectively with the board and committees in a timely fashion. Be open and responsive to questions and challenges from the board.

Core Principle	The Board Agrees to...	The Management Team Agrees to...
<p>3. Results-Oriented</p> <p><i>Directing organizational strategy toward the achievement of objectives, producing desired outcomes, and delivering to the required time, cost, and quality.</i></p>	<ul style="list-style-type: none"> ▪ Ensure the board’s work is value-added, meaningful, and produces solutions that advance the goals of the board and the organization. ▪ Be a champion of change by supporting management’s effort to effectively carry out their plan and reach their objectives. ▪ Commit to building a culture of excellence that is driven by results and evidence-based practices. ▪ Advocate for system improvements that maintain quality and reduce variability in the delivery of health care services. 	<ul style="list-style-type: none"> ▪ Assess the efficiency, effectiveness, and impact of strategic initiatives and programs. ▪ Regularly update the board on the progress of strategic efforts against milestones. ▪ Ensure implementation of the highest clinical standards. ▪ Make patient safety a given, not a priority in competition with other priorities for limited resources and new programs.
<p>4. Accountability and Transparency</p> <p><i>Taking responsibility for one’s actions; demonstrating openness; two-way communication; integrity.</i></p>	<ul style="list-style-type: none"> ▪ Understand and adhere to the Brown Act. ▪ Advocate for ECH and have the community’s best interest in mind. ▪ Conduct oneself with the utmost level of confidentiality and professionalism. ▪ Speak openly and honestly with respect toward others. ▪ Take ownership and responsibility of one’s actions. 	<ul style="list-style-type: none"> ▪ Keep the board informed on significant issues, concerns or incidences that may potentially have a negative impact on the organization. ▪ Communicate openly and directly with staff and board/committee members. ▪ Speak openly and honestly with respect toward others. ▪ Take ownership and responsibility of one’s actions.
<p>5. Continuous Learning</p> <p><i>Growth through ongoing learning events and experiences.</i></p>	<ul style="list-style-type: none"> ▪ Pursue continuing education opportunities inside and outside the board room. ▪ Stay up-to-date on the healthcare industry and take advantage of educational opportunities provided by the hospital. ▪ Assess itself annually to evaluate its effectiveness and the value it adds to the organization. ▪ Provide honest, constructive feedback to improve performance and teamwork. 	<ul style="list-style-type: none"> ▪ Be receptive to the board’s feedback to improve performance and processes where appropriate. ▪ Keep the board and committees informed of learning opportunities to enhance board members’ understanding of ECH and the healthcare environment. ▪ Assess performance annually and engage in educational opportunities to advance learning and effectiveness.

Normative Behaviors

In addition to the principles identified in the compact, we agree to the following normative behaviors that shape our desired culture:

1. Presume good intent
2. Implement and continuously update compliance plan
3. Communicate directly and openly with one another
4. Engage in constructive debate over ideas, data and analysis to ensure due diligence
5. Speak with one voice once decisions are made
6. Seek feedback to continuously grow and learn

Board/Committee Name: _____

Meeting Date: _____

Overall, how would you rate the meeting's adherence to Core Organizational Values:

Quality | Compassion | Community | Collaboration | Stewardship | Innovation | Accountability

Excellent Very Good Good Fair Poor

Value of Agenda Items

Excellent Very Good Good Fair Poor

Particularly Valuable Topic(s):

Not Helpful Topic(s):

Appropriateness of Materials

Excellent Very Good Good Fair Poor

Best Materials (and why):

Least Appropriate Materials (and why):

Please share your thoughts regarding the amount of information/level of detail that was provided:

Prior to the meeting: More info/detail needed Sufficient info provided Less info/detail needed

At the meeting: More info/detail needed Sufficient info provided Less info/detail needed

Effectiveness of Discussions

Excellent Very Good Good Fair Poor

Most effective topic (and why):

Least effective topic (and why):

I would like: more time for Q&A same amount of time for Q&A less time for Q&A

Anything else to share?

**EL CAMINO HOSPITAL
COMMITTEE MEETING COVER MEMO**

To: Governance Committee
From: Cindy Murphy, Director of Governance Services
Date: March 6, 2018
Subject: Draft Revised Board Director Compensation Policy and Procedure

Recommendation(s):

To recommend the Board approve the Draft Revised Board Director Compensation Policy and Procedure.

Summary:

1. Situation: The Board Compensation and Reimbursement Policy and Procedure (“the Policy”) was last reviewed and approved as revised on May 10, 2017. The only substance revision proposes to increase the daily meal allowance to \$130.00 per day (\$35/day increase) and changes it to an **average** daily allowance for Board members when traveling on company business or education. Several other “clean-up” revisions are also proposed.
2. Authority: The Governance Committee is chartered to ensure Board education and development and the Policy supports payment of education and travel expenses incurred when Board members travel for Board education purposes.
3. Background: The meal allowance has not been increased since at least 2014 and is proposed to accommodate for increasing cost of meals while traveling. The PAMF/ECH JOC no longer exists.
4. Assessment: The proposed revisions update the policy appropriately.
5. Other Reviews: Legal Counsel and the Finance Department have reviewed and approved the proposed revisions.
6. Outcomes: None.

List of Attachments:

1. Draft Revised Board Director Compensation Policy and Procedure.

Suggested Committee Discussion Questions: None

TITLE:	El Camino Hospital Board Director Compensation and Reimbursement Policy and Procedure
CATEGORY:	Administration
LAST APPROVAL:	<u>Draft Revised January 28, 2019</u> May 10, 2017 (Revisions Effective July 1, 2017)

TYPE:	<input checked="" type="checkbox"/> Policy <input type="checkbox"/> Protocol <input type="checkbox"/> Scope of Service/ADT <input checked="" type="checkbox"/> Procedure <input type="checkbox"/> Standardized Process/Procedure
SUB-CATEGORY:	Board
OFFICE OF ORIGIN:	Administration
ORIGINAL DATE:	February 12, 2014 (applicable to events after 1/8/14)

I. **COVERAGE:** All Members of the El Camino Hospital Board of Directors with the exception of the Chief Executive Officer.

- II. **PURPOSE:**
- A. To define the events for which Board Directors other than the CEO shall receive compensation and reimbursement.
 - B. To define the amount of compensation Board Directors shall receive.
 - C. To define the procedures necessary to implement this policy.

III. **POLICY STATEMENT:**

- A. El Camino Hospital shall pay its Board Chairperson an annual stipend in the amount of \$12,000, payable during the third month of each quarter of the fiscal year.
- B. El Camino Hospital shall pay members of its Board of Directors, with the exception of the Board Chairperson, a stipend for in person attendance at each of the events listed below, not to exceed seven events per month. However, one of the compensable events per month may be attended by teleconference. Members of the Board of Directors who do not wish to receive such payments may notify the Director of Governance Services~~Board Liaison~~ and the CEO by submitting a “Board of Directors’ Compensation Op-Out” form. Any member not receiving compensation may request to receive such compensation for attendance at future events by notifying the Director of Governance Services~~Board Liaison~~ and the CEO. Notwithstanding the above, a stipend shall be paid for participation in the event described in Section C(3)(e) for either in person or telephonic attendance.

- C. Events which are subject to compensation include:
 - 1. Board members shall be paid \$200 for attendance at Regular, Special and Emergency Meetings of the El Camino Hospital Board of Directors.

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2. Board members shall be paid \$100 for attendance at meetings of the Standing Board Advisory Committees of which the Director is a member or an alternate.
3. In addition to the foregoing meetings, the Board, by adoption of this policy, declares that the following events constitute performance of official duties by a member of the Board of Directors for which Board members shall be paid \$100 for attending:
 - a. Meetings of the Board’s Ad Hoc Committee established by the Board of which the Director is a member.
 - b. Meetings of the El Camino Hospital Foundation, when the Director is then serving as a liaison to ~~an ex-officio member of~~ the Foundation Board.
 - c. Meetings of the Community Benefit Advisory Council (“CBAC”) if the Director has been appointed as a liaison to the CBAC by the El Camino Hospital Board of Directors.
 - d. ~~Meetings of the PAMF/ECH Joint Operating Council if the Director has been appointed as the Board’s liaison to the Council.~~
 - e. Advisory Committee Meeting agenda setting meetings, in person or telephonic, if the Director is the Chair of the Committee.
- D. El Camino Hospital shall also pay to members of its Board of Directors, including the Board Chairperson, (who request such payment reimbursement and submit the required form) an amount equal to his or her actual necessary travel and incidental expenses, including but not limited to travel, lodging and meals incurred (1) as a result of attending events specified in Section B above and (2) as a result of attending educational events funded by El Camino Hospital.
- E. Board members who reside within the El Camino Healthcare District shall not be eligible for reimbursement for mileage to events at El Camino Hospital.
- F. Board members are expected to use prudent judgment in selecting their travel accommodations and otherwise incurring expenses which will be reimbursed by the Hospital.
- G. This policy shall be implemented in accordance with the procedures described in Section VI below.

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IV. DEFINITIONS (if applicable):

N/A

V. REFERENCES:

N/A

VI. PROCEDURE:

A. Stipends

1. Hospital staff will track Board members' attendance at meetings and, on a monthly basis, provide Board members who have not opted out of the policy with a "Meeting Attendance Report Confirmation" Form for signature.
2. Upon receipt of the signed Meeting Attendance Report Confirmation and following approval of the Board Chair, (or the Vice Chair, in the case of the Chair's compensation) Hospital staff will forward the document to accounting.
3. Stipends paid to Directors are IRS Form 1099 – Miscellaneous reportable. Directors who have not opted out of participation (See, Section III A) and are accepting stipend payments must submit IRS FORM W-9 to ECH Accounting before receiving payment. Annually, ECH will provide IRS Form 1099-Miscellaneous to Directors receiving stipend compensation in excess of \$600.00 in a calendar year.

B. Use of Personal Vehicle for attendance at meetings or educational events.

1. The Hospital will pay the current IRS mileage rate for miles actually traveled, but not more than, from the Board member's home or usual place of business within California to events as defined in Section III B and to educational events funded by the Hospital. Board members who reside within the El Camino Healthcare District shall not be eligible for reimbursement for mileage traveled to events at El Camino Hospital.
2. To be reimbursed, the Board member must complete the Mileage Reimbursement form provided by the [Director of Governance Services](#) ~~Board Liaison~~. The form must be signed by the Board Chair (or the

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Vice Chair in the case of the Chair's reimbursement) and sent to accounting (OAK200) for processing.

- C. Educational seminars, conferences, events etc. attended for the benefit of the Hospital and in accordance with the Board and Committee Education Policy.
1. **Seminar/conference fees** will be reimbursed in full or at a pro-rated amount in accordance with the Board and Committee Education Policy.
 2. **Air travel** will be reimbursed at "coach" airfare rates. No reimbursement should be claimed for personal convenience fees such as those associated with priority boarding or seating upgrades.
 3. **Ground travel** to a seminar or a meeting using the Board member's personal vehicle will be reimbursed as noted in item D.1., at the current IRS mileage rate per mile. Board members should consider use of a rental car in cases where the expenses are expected to be less than the reimbursement for a personal vehicle.
 4. **Taxi, bus, rail, limo or rental car service**, if required at the destination, may be reimbursed by the Hospital if necessary for business purposes, as follows:
 - a. Reimbursement for car rental expenses incurred by the Board member will be limited to the amount charged for a standard "intermediate" car unless there is a business need for a larger vehicle (multiple travelers with luggage, for example). If the requester requests a larger automobile than is necessary to meet the business need, he/she is to have the rental agency document what the price would have been for a standard "intermediate" vehicle and seek reimbursement for only the lower amount. If a larger vehicle is required to meet a business need, this need must be documented on the "Business-Education-Travel Reimbursement Authorization" form.
 - b. Limousine service is permitted if it is no more expensive than available alternatives.
 - c. Board members should choose the least expensive available alternative suitable for the purpose and situation.
 5. **Lodging** will be reimbursed at the standard private room rate at the selected motel/hotel.

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6. **Meals** will be reimbursed at actual cost plus tip (normally 15%). The maximum reimbursement per day is an average of \$13095.00. It is the responsibility of the Board member to decide how he/she spends the average per day maximum allowable amount for meals. Detailed receipts indicating the items purchased must be submitted.

~~{Note: Other than contracted medical directors, this policy shall not apply to reimbursement for meals involving physicians, regardless of whether submitted by a physician or a non-physician employee. Refer to Policy 37.00 for expenses involving physicians.}~~

7. **Alcohol** will not be reimbursed unless approved by the CEO, CFO or Board Chair. Because approval will only be granted in unusual circumstances, it is recommended that Board members request approval in advance of the expenditure. The maximum reimbursement of \$13095.00 per day includes any approved expenses for alcohol.
8. **Telephone calls and Internet Service**, during travel, required for necessary Hospital business will be reimbursed at cost. These expenses should be itemized on the statement. The Hospital will also reimburse expenses for a personal telephone call home each day while on Hospital business. The conversation should be kept to a reasonable length and will be reimbursed at cost.

- D. The Hospital will not advance or reimburse for the following:
1. Any expenses of a spouse or other individual who accompanies the Board member on travel.
 2. Any additional expenses for travel by business or first class, or any charges for special boarding privileges or seats.
 3. Lodging amenities such as subscription television, valet service, cleaning/pressing of clothes (if the function is greater than one week, this service is allowed), concierge, etc. In-room meal service is subject to the normal meal reimbursement rates detailed in D.2.f above.
 4. If an offsite event is within a reasonable radius of the Board member's home or usual place of business and the function is starting after 7:30 a.m.

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and/or will be ending before 11:30 p.m., the Hospital will not pay for overnight accommodations, as it is expected that the Board member will commute that distance to and from the function within that business day.

5. Car rental fees on an individual basis where there is the opportunity to share a rental car for a group of participants.
6. Additional per mileage charge or gasoline expense by a car rental agency for personal pleasure driving.
7. Any entertainment such as theater, tours, nightclubs, etc.
8. Discretionary expenses for another Board member or Hospital staff, such as a birthday, holiday (e.g. Christmas), weddings, child birth, special days (i.e. Administrative Day, or some life event).
9. Professional memberships are generally not reimbursable.

E. Travel Reservations: When booking accommodations and/or air travel, the following points should be noted:

1. If a deposit is required to be made by the Hospital, prior approval of the travel request must be received in sufficient time for Accounting to process the request and ensure that the payment reaches its destination by the required date.
2. When booking air travel utilizing a travel agency, the Hospital's current travel agency must be used. Board members may book airfares over the Internet using the ~~Board member's~~ ~~employee's~~ personal credit card. The Board member must then seek reimbursement from the Hospital.
3. In most cases, air travel should be booked as a non-refundable fare. The much-lower cost of these non-refundable fares is normally so great that the extra cost, should a trip be re-scheduled, is still much less than paying a full-price fare.

F. Expense Account Reporting

1. Expense account reporting must be in conformity with minimum IRS standards and all expenses of \$25.00 or greater must be supported by detailed receipts. Expense reports must indicate as a minimum all of the following:
 - a. Business purpose
 - b. Date and location
 - c. Name and position

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2. Noncompliance with the above requirements could cause the reimbursement to be considered as additional compensation to the Board member and thus would become taxable (via a W-2 or Form 1099). To avoid this potential problem, the ~~Board member~~ ~~employee~~ must complete the "Business-Education-Travel Reimbursement Authorization" form and attach all supporting documentation.

G. Procedure for Completing Form

1. All Board members must complete the "Business-Education-Travel Reimbursement Authorization" form (Form 2085). Local business mileage reimbursement may be requested via the use of the Mileage Reimbursement form (form #54.00a).
2. Form #2085 is self-explanatory, but listed below are key points to remember.
 - a. All supporting documents must be attached to the request form. Examples of supporting documents include
 - i. Copy of registration form
 - ii. Lodging receipts
 - iii. *Detailed* meal receipts
 - iv. Car rental receipts
 - v. Parking fee receipts
 - b. In circumstances where a receipt is not obtainable (or lost), the Board member must attach a statement detailing the expense as to date, place, reason for expense, and amount. All reports with missing receipts require approval by the CFO or CEO.
 - c. Where receipts are given that include non-reimbursable expenses, these expenses must be marked in some fashion and deducted from the total so that only eligible expenses are reimbursed.
3. When travel advances are provided, the recipient must submit a final accounting of his/her expenses on the Business, Education, and Travel Expense form and return any excess advance, no later than 120 days from the date of the event. If this is not done, disciplinary action may be taken. In addition, any undocumented advance will be considered additional income to the recipient and reported as a W-2 or Form 1099 transaction.
4. Signature Authority (approval) for the completed form, as well as travel agency invoices, is as follows:

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- ~~a. Department Manager/Director up to \$5,000.00 per activity.~~
- ~~b. Department Line Vice President up to \$50,000.00 per activity.~~
- a. Director of Governance Services, Controller or CFO - up to \$25,000 per activity
- ~~b. CEO - amounts greater than \$250,000.00 per activity.~~

5. A Board Member cannot approve her/his own reimbursement of funds.

H. Exceptions: Because it is impossible to foresee every possible situation, it is recognized that exceptions may sometimes be appropriate. As a result, expenses which are not generally reimbursed under this policy may be reimbursed by the Hospital upon determination of the appropriateness and reasonableness of the expenses by the CEO or CFO. Any such exception, including the justification for the exception, shall be attached to the request for reimbursement.

VII. APPROVAL:

APPROVING COMMITTEES AND AUTHORIZING BODY	APPROVAL DATES
Originating Committee or UPC Committee	N/A
(name of) Medical Committee (if applicable):	N/A
ePolicy Committee:	N/A
Pharmacy and Therapeutics (if applicable):	N/A
Medical Executive Committee:	N/A
Board of Directors:	5/10/17
Historical Approvals:	2/12/1, 6/10/15 (applicable to covered events occurring after 1/8/14)

VIII. ATTACHMENTS (if applicable):

N/A

**EL CAMINO HOSPITAL
COMMITTEE MEETING COVER MEMO**

To: Governance Committee
From: Cindy Murphy, Director of Governance Service
Date: March 5, 2019
Subject: Review of Quality, Patient Care and Patient Experience Committee (“QC”) Charter

Recommendation(s): To recommend no revision to the Quality Committee Charter at this time.

Summary:

1. **Situation:** At its November 14, 2018 meeting, in accordance with the recommendation of the Quality, Patient Care, and Patient Experience Committee (“QC”) as well as this Committee, the Board approved revisions to the QC Charter. Although it was not raised by the proposed revisions, the Board also discussed whether it is appropriate for a non-Director member of the QC to serve as Chair of the QC. Following discussion, the Board referred the matter back to the Governance Committee for discussion and recommendation.
2. **Authority:** The Governance Committee reviews all recommended changes to the Committee Charters and makes recommendations for revisions to the Board.
3. **Background:** In 2014, the Board passed a resolution revising the Committee charters to permit Non-Director members of its Advisory Committees to serve as Committee Chairs. The charters also provide that if a Non-Director serves as Chair of a Committee, a Board Director must serve as Vice Chair of that Committee. This resolution did not apply to the Governance Committee, i.e. the Chair of the Governance Committee must be a Board Director. Currently, Julie Kliger, a Board Director, is the Chair of the QC. The question raised at the Board was focused on whether, since quality of care is a critically important part of the Board’s oversight responsibility, the Chair of the QC should always be a Board Director.
4. **Assessment:** Currently, Non-Director members are chairing the Executive Compensation Committee and the Compliance and Audit Committee. No concerns have been raised with respect to whether these committees are satisfying their duty of oversight. Since the QC is currently chaired by a Director member there is no current “problem” to solve. Staff recommends no change to the Charter to allow the Board flexibility should there come a time when the best option is to appoint someone other than a Board Director as Chair of the QC.
5. **Other Reviews:** None.
6. **Outcomes:** N/A

List of Attachments:

1. Quality Committee Charter as approved November 14, 2018

Suggested Committee Discussion Questions:

1. Is there an important reason to require that the Chair of the QC be a Board Director?

Quality, Patient Care and Patient Experience Committee Charter

Purpose

The purpose of the Quality, Patient Care and Patient Experience Committee (“Quality Committee” or the “Committee”) is to advise and assist the El Camino Hospital Board of Directors (“Board”) in constantly enhancing and enabling a culture of quality and safety at ECH. The committee will work to ensure that the staff, medical staff and management team are aligned in operationalizing the tenets described in the El Camino strategic plan related to delivering high quality healthcare to the patients that we serve. High quality care is defined as care that is: safe, timely, effective, efficient, equitable, and person-centered.

The organization will provide to the Committee standardized quality metrics with appropriate benchmarks so that the Committee can adequately assess the level of quality care being provided.

Authority

All governing authority for ECH resides with the Hospital Board except that which may be lawfully delegated to a specific Board committee. The Committee will report to the full Board at the next scheduled meeting any action or recommendation taken within the Committee’s authority. The Committee has the authority to select, recommend engagement, and supervise any consultant hired by the Board to advise the Board or Committee on issues related to clinical quality, safety, patient care and experience, risk prevention/risk management, and quality improvement. In addition, the Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.

Voting members of the Committee shall include the directors assigned to the Committee and external (non-director) members appointed to the Committee.

The Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.

Membership

- The Committee shall be comprised of two (2) or more Hospital Board members. The Chair of the Committee shall be appointed by the Board Chair, subject to approval by the Board. All members of the Committee shall be eligible to serve as Chair of the Committee.
- The Quality Committee may also include 1) no more than nine (9) external (non-Hospital Board member) members with expertise in assessing quality indicators, quality processes (*e.g.*, LEAN), patient safety, care integration, payor industry issues, customer service issues, population health management, alignment of goals and incentives, or medical staff members, and members who have previously held executive positions in other hospital institutions (*e.g.*, CNO, CMO, HR) and 2) no more than two (2) patient advocate members who have had significant exposure to ECH as a patient and/or family member of a patient. Approval of the full Board is required if more than nine external members are recommended to serve on this committee.

- All Committee members shall be appointed by the Board Chair, subject to approval by the Board, for a term of one year expiring on June 30th each year, renewable annually.
- It shall be within the discretion of the Chair of the Committee to appoint a Vice Chair from among the members of the Committee. If the Chair of the Committee is not a Hospital Board Director, the Vice Chair of the Committee shall be a Hospital Board Director.

Staff Support and Participation

The Chief Medical Officer (CMO) shall serve as the primary staff support to the Committee and is responsible for drafting the committee meeting agenda for the Committee Chair's consideration. Additional clinical representatives as well as members of the executive team may participate in the Committee meetings upon the recommendation of the CMO and subsequent approval from both the CEO and Committee Chair. This may include the Chief/Vice Chief of the Medical Staff.

General Responsibilities

The Committee's primary role is to develop a deep understanding of the organizational strategic plan, the quality plan, and associated risk management/prevention and performance improvement strategies and to advise the management team and the Board on these matters. With input from the Committee and other key stakeholders, the management team shall develop dashboard metrics that will be used to measure and track quality of care and outcomes, and patient satisfaction for the Committee's review and subsequent approval by the Board. It is the management team's responsibility to develop and provide the Committee with reports, plans, assessments, and other pertinent materials to inform, educate, and update the Committee, thereby allowing Committee members to engage in meaningful, data-driven discussions. Upon careful review and discussion and with input from management, the Committee shall then make recommendations to the Board. The Committee is responsible for 1) ensuring that performance metrics meet the Board's expectations; 2) align those metrics and associated process improvements to the quality plan, strategic plan, organizational goals; and 3) ensuring that communication to the Board and external constituents is well executed.

Specific Duties

The specific duties of the Committee include the following:

- Oversee management's development of a multi-year strategic quality plan (PaCT).
- Review and approve an annual "Quality Dashboard" for tracking purposes.
- Oversee management's development of Hospital's goals encompassing the measurement and improvement of safety, risk, efficiency, patient-centeredness, patient satisfaction, and the scope of continuum of care services.
- Review reports related to ECH-wide quality and patient safety initiatives in order to monitor and oversee the quality of patient care and service provided. Reports will be provided in the following areas:
 - ECH-wide performance regarding the quality care initiatives and goals highlighted in the strategic plan.
 - ECH-wide patient safety goals and hospital performance relative to patient safety targets.

- ECH-wide patient safety surveys (including the culture of safety survey), sentinel event and red alert reports, and risk management reports.
 - ECH-wide LEAN management activities and cultural transformation work.
 - ECH-wide patient satisfaction and patient experience surveys.
 - ECH-wide physician satisfaction surveys.
- Ensure the organization demonstrates proficiency through full compliance with regulatory requirements, to including, but limited to, The Joint Commission (TJC), Department of Health and Human Services (HHS), California Department of Public Health (CDPH), and Office of Civil Rights (OCR).
 - In cooperation with the Compliance Committee, review results of regulatory and accrediting body reviews and monitor compliance and any relevant corrective actions with accreditation and licensing requirements.
 - Review Sentinel Events (SE), Seriously Safety Events (SSE), and red alerts as per the hospital and board policy.
 - Oversee organizational quality and safety performance improvement for both hospital and medical staff activities.
 - Ensure that ECH scope of service and community activities and resources are responsive to community need.

Committee Effectiveness

The Committee is responsible for establishing its annual goals, objectives and work plan in alignment with the Board and Hospital's strategic goals. The Committee shall be focused on continuous improvement with regard to its processes, procedures, materials, and meetings, and other functions to enhance its contribution to the full Board. Committee members shall be responsible for keeping themselves up to date with respect to drivers of change in healthcare and their impact on quality activities and plans.

Meetings and Minutes

The Committee shall meet at least once per quarter. The Committee Chair shall determine the frequency of meetings based on the Committee's annual goals and work plan. Minutes shall be kept by the assigned staff and shall be delivered to all members of the Committee when the agenda for the subsequent meeting is delivered. The approved minutes shall be forwarded to the Board for information.

Meetings and actions of all committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of the Bylaws, concerning meetings and actions of directors. Special meetings of committees may also be called by resolution of the Board or the Committee Chair. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the Committee. Notice of any special meetings of the Committee requires a 24 hour notice.

**EL CAMINO HOSPITAL
COMMITTEE MEETING COVER MEMO**

To: Governance Committee
From: Cindy Murphy, Director of Governance Services
Date: March 5, 2019
Subject: Draft Revised Hospital Board Officers Nomination and Selection Procedures

Recommendation(s):

To recommend Board approval of the Draft Revised Hospital Board Officers Nomination and Selection Procedures.

Summary:

1. **Situation:** The current Board Officer terms expire on June 30, 2019 and the next Board Officer Election is scheduled for the May 8, 2019 Board meeting.
2. **Authority:** Per its Charter, this Committee is responsible for recommending to the full Board policies, processes, and procedures related to board development, board effectiveness, Board composition, and other governance matters.
3. **Background:** In May 2013, 2015, and 2017, the Board officer Election was conducted using the attached procedures and Board Chair competencies that were approved by the Board following recommendation of the this Committee.
4. **Assessment:** Staff is recommending two revisions 1) updating the dates for submitting declarations of interest and positions statements, and 2) removal of the reference to the CEO in Section 6 since the CEO is no longer a member of the Board. The Committee may want to discuss whether the Procedures and Competencies are working well for the Board and propose other revisions.
5. **Other Reviews:** None.
6. **Outcomes:** The Board should approve a revision no later than the April 10th Board meeting so that it is in place in preparation for the May 8th Board meeting.

List of Attachments:

1. Draft Revised Hospital Board Officers Nomination and Selection Procedures
2. Board Chair Competencies

Suggested Committee Discussion Questions:

1. Are the Procedures and Competencies still relevant and working well for the Board or would the Committee like to propose other revisions?

**HOSPITAL BOARD OFFICERS
NOMINATION AND SELECTION PROCEDURES
FOR FY18**

Draft Revised/Approved 034/0512/20197 by ECH Board of Directors

Any current director of the El Camino Hospital Board is eligible to serve as a Hospital Board Officer. The new Hospital Board Officer terms begin July 1, 20197. El Camino Hospital Board Officer elections shall be held in May of odd numbered years. Following the election, it shall be the role of the Board Chair-Elect to work with the Hospital CEO in May and June to develop a slate of Board Advisory Committee Chairs and members for the following fiscal year and to present the slate to the Board for approval in June.

Hospital Board Chair:

1. Interested Directors will declare their interest to the ~~Director of Governance Services~~ **Board Liaison** (Cindy Murphy) by close of business April 224, 20197. The ~~Director of Governance Services~~ **Board Liaison** will notify the Board of all declarations of interest by close of business April 235, 20197. Any other interested Directors will then declare their interest to the Board Liaison by close of business on April 246, 20197. The Board Liaison will notify the Board of any additional declarations of interest by close of business April 257, 20197. Interested Directors will prepare a one-page Position Statement that summarizes the candidate's interest and relevant experience as it relates to the attached Hospital Board Chair competencies, no later than close of business ~~April 29~~ **May 1**, 20197.
2. Position Statements will be distributed to Board members along with other routine Hospital Board materials one week in advance of the May 108, 20197 meeting.
3. Position Statements will be made available to the public and posted on the El Camino Hospital web-site when the Hospital Board materials are issued to the Board.
4. Standard questions for Hospital Board Chair:
 - a. What do you see as the ECH strategic priorities over the coming two years?
 - b. Name three defining roles of an effective Board Chair.
 - c. How would you judge the success of your leadership and the Board at the end of your term?
5. At the May 810, 20197 meeting, Interested Directors will present the information below, in public session, in the sequence outlined. Approximately 25 minutes will be allocated to each Interested Director: five (5) minutes for the Position Statement, ten (10) minutes for responses to standard questions, and (10) ten minutes to respond to general questions from the board and public:
 - a. Each interested director will read his or her Position Statement
 - b. Each interested director will provide responses to the standard questions. (Directors will present one question at a time in random order.)
 - c. The Public will be invited to ask Interested Directors any questions related to the candidate's interest in the position, and relevant experience as it relates to the Hospital Board Chair competencies

- d. The Board will be invited to ask Interested Directors any additional questions related to an Interested Director's candidacy.
6. Upon review and discussion of the candidates, the Board will vote in public session. ~~The CEO will recuse himself or herself from voting.~~ The current Chair will facilitate the discussion and voting process.
 7. The Hospital Board Chair will be elected by the Board in accordance with the following procedure at a meeting where a quorum is present.
 - a. Preliminary Balloting
 - i. Each Board member shall vote for a candidate via roll call.
 - ii. In the event a majority is not achieved, the vote will be announced for each candidate and the candidate receiving the lowest number of votes will be dropped from the next ballot.
 - iii. This procedure will continue until one candidate receives a majority of the votes cast.
 - iv. In the event a tie vote occurs (e.g., 3-3 or 4-2-2), Interested Directors may be asked additional questions by Hospital Board members and the balloting procedure will continue until a majority is achieved by one candidate.
 - b. Selection of a Board Chair
 - i. Following the preliminary balloting, the Board shall consider a motion to elect the candidate who has received the majority of the votes in his/her favor.
 - ii. If a motion pursuant to Section 7(b)(i) is not adopted by a majority of the Board members present at the meeting when a quorum is present, the Board shall continue to consider motions until a Board Chair is elected.

Hospital Vice-Chair:

1. At the May ~~8+0~~, 201~~97~~ Hospital Board meeting, Interested Directors will announce their candidacy following the successful election of the Hospital Board Chair.
2. Interested Directors will be asked questions, which relate to the candidate's experience, by other Hospital Board members in public session.
3. Voting will follow the same procedure as described in the Hospital Board Chair selection and appointment process above.

Hospital Secretary/Treasurer:

1. At the May ~~8+0~~, 201~~97~~ Hospital Board meeting, Interested Directors will announce their candidacy following the successful election of the Hospital Board Chair and the Hospital Vice-Chair.
2. Interested Directors will be asked questions, which relate to the candidate's experience, by other Hospital Board members in public session.
3. Voting will follow the same procedure as described in the Hospital Board Chair selection and appointment process above.

HOSPITAL BOARD CHAIR COMPETENCIES

Authors: Neal Cohen, MD and Mark Sickles (Former Governance Committee member)

April 10, 2013

Leadership Effectiveness

- Communicates a compelling and inspired vision of the future
- Aligns interests and efforts
- Inspires and motivates
- Orchestrates multiple activities to accomplish goals
- Achieves results representing “business as unusual”
- Engages the entire board in discussion, deliberation and decision making
- Creates a healthy and respectful dissatisfaction with the status quo

Innovative and Generative Thinking

- Engenders creative thinking on the part of all board members and facilitates transformation of ideas into effective actions that produce extraordinary results
- Fosters the creative process in others
- Thoughtfully identifies what may be missing from analysis and decision making to generate renewal and breakthrough

Organizational Awareness

- Enhances performance of people working at all levels of the organization
- Manages the organization at the strategic and systems level to reduce variation and dysfunction and increase predictability, harmony, and sustainable success
- Makes things happen through others without direct involvement
- Leverages people’s strengths while managing their developmental needs

Collaborative Spirit

- Ensures that the organization sets goals and objectives that are developed collaboratively and are supported by the entire organization
- Ensures the nature and degree of teamwork matches the task at hand
- Creates common ground to foster cooperation
- Transforms conflict into breakthrough
- Seeks information from a variety of sources before making decisions

Professionalism

- Maintains the highest level of integrity in all interactions with staff, leadership and the community at large
- Cool under pressure
- Fosters organizational integrity
- Holds things together during tough times
- Engages in fact-based conversations and root cause problem-solving
- Utilizes resources effectively and efficiently to get things done
- Inspires respect and trust throughout the organization that causes loyalty, dedication, and optimal performance

Strategy

- Ability to guide the board and leadership in identifying creative approaches to addressing current and anticipated challenges within the organization and, from these, determine the appropriate initiatives to pursue to gain competitive advantage and optimize the likelihood of long term success

Fiduciary Responsibilities

Ability to ensure:

- Maintains a commitment to ensuring positive net present value where operating income exceeds the annual cost of capital to the extent possible
- All work is dedicated to meeting or exceeding the expectations of all stakeholders
- Integrity and accuracy of financial statements and reporting systems

Risk & Risk Management

Ability to ensure the systematic approach to risk assessment and to defining risk management strategies related to the following:

- Investment
- Organizational Structure and Function
- Asset Management
- Strategy
- Operations/Finances
- Size/Diversity
- Compliance
- Reputation

Quality and Compliance

Ability to ensure:

- Internal standards far exceed external compliance standards of governmental and regulatory agencies
- Active identification and elimination of non-value-added work
- Pursuit of six sigma: zero defects, zero variability, and zero lead-times
- A customer-centric culture based on safety, efficacy and affordability

Governance

Ability to ensure:

- Alignment of interests and efforts of all stakeholders
- Shared understanding and pursuit of vision, mission, and strategy
- An approach to governance that causes effective leadership and management throughout the organization

Governance Committee

Updated January 31st, 2018

FY19 GC Pacing Plan – Q1		
July 2018	August 7, 2018	September 2018
<p style="text-align: center;"><i>No scheduled meeting</i></p> <p><i>At each meeting:</i></p> <p>Regular Consent Calendar Items: Minutes, Committee Recruitment Update, Article of Interest</p> <p>Other Regular Items:</p> <ul style="list-style-type: none"> - Board Recruitment Update - Report on Board Actions 	<ul style="list-style-type: none"> - Consider Hospital Board Member Competencies for FY19/20 - FY19 Board Education Plan <ul style="list-style-type: none"> o Topics Semi-Annual Board and Committee Education Sessions o Topic for Annual Retreat (February) o Topics For Board Meetings - Adopt Board Orientation Plan - Develop Specific Plan to Achieve FY19 Board Goals <ul style="list-style-type: none"> o Review Past Board Packets - Via Healthcare Consulting 	<p style="text-align: center;"><i>No scheduled meeting</i></p>
FY19 GC Pacing Plan – Q2		
October 2018	November 6, 2018	December 2018
<p style="text-align: center;"><i>October meeting moved to 11/6</i></p> <p style="text-align: center;">Wed., 10/24/2018 Board & Committee Educational Gathering</p>	<ul style="list-style-type: none"> - Review and Recommend Annual Board Self-Assessment Tool - Consider Proposed Delegations of Authority to Committees - Adopt Board Orientation Plan - Review Board Reimbursement Policy and Procedure - Review Board and Committee Education Policy - Review Changes to Board Materials 	<p style="text-align: center;"><i>No Meeting</i></p>

Governance Committee

Updated January 31st, 2018

FY19 GC Pacing Plan – Q3		
January 2019	February 2019	March 5, 2019
<p><i>No scheduled meeting</i></p>	<p>February meeting moved to 3/5</p> <p><i>Launch Board and Board Chair Assessments</i></p>	<ul style="list-style-type: none"> - Annual review of Advisory Comm Finalize Recommendation for Delegations of Authority to the Advisory Committees (Capital Expenditures/Signature Authority Policy) Assess Progress on FY19 Board Goals - Discuss CEO Board service - Board Compensation and Reimbursement Policy and Procedure - Board Self-Assessment Survey Tool Board of Director Approval of Hospital Policies (From 11/15 CAC) - <u>Review Quality Committee Charter – Qualifications to Serve as Chair</u> - <u>Planning April Education Session</u>
FY19 GC Pacing Plan – Q4		
April 2, 2019	May 2019	June 4, 2019
<ul style="list-style-type: none"> - Set FY20 Governance Committee Dates Review draft Board and Self-Assessment results - Develop FY20 Governance Committee Goals - Assess Progress on FY19 Board Goals - <u>Develop FY20 Board Goals</u> - <u>Assess ECH Board Structure (or in June?)</u> - <u>Hospital Board Officers Nomination & Selection Procedures</u> <p style="text-align: center;">Wed., 4/24/2019 Board & Committee Educational Gathering</p>	<p><i>No scheduled meeting</i></p> <p>May 20th - Early Bird Registration Deadline for American Hospital Association Leadership Summit (July 25-27 in San Diego)</p>	<ul style="list-style-type: none"> - Review and Recommend all FY20 Committee Goals to Board - <u>Annual Review of Composition of Advisory Committees</u> and Review <u>Proposed</u> Advisory Committee and Committee Chair Assignments - Review Committees’ progress against FY19 Goals - Confirm self-assessment sent to District (from GC charter) - Finalize FY20 Master Calendar (for Board approval in June) - Finalize FY19 GC Goals - Assess ECH Board Structure (Or in April?) <p style="text-align: center;"><i>Launch Board and Board Chair Assessments</i></p>

**EL CAMINO HOSPITAL
COMMITTEE MEETING COVER MEMO**

To: Governance Committee
From: Cindy Murphy, Director of Governance Services
Date: February 6, 2019
Subject: Roundtable Discussion

Purpose:

To review the effectiveness of the Committee's meeting.

Summary:

1. Situation: How effective was this meeting?
2. Authority: N/A
3. Background: We included an excerpt from the Governance Institute's "Elements of Governance" Series titled "Board Committees" in the Committee's February 6, 2018 packet. Committee Chair Fung asked that we include the questions posed in the "Committee Meeting Effectiveness Assessment Options" section for the Committee to discuss at the conclusion of the meeting.
4. Assessment: N/A
5. Other Reviews: N/A
6. Outcomes: N/A

List of Attachments: None.

Suggested Committee Discussion Questions:

1. Brief discussion topics: what worked well/should be repeated? What should be changed/added/deleted?
2. Were the meeting packet and agenda helpful?
3. Did key issues receive sufficient attention?
4. Did we spend the right amount of time on each issue?
5. Was there a significant amount of discussion (vs. presentation)?
6. Were discussions kept at the governance level?
7. Did all members participate fully?
8. Did we hold ourselves accountable to the rules of engagement?