



**Minutes of the Open Session of the  
Governance Committee of the  
El Camino Hospital Board of Directors  
Tuesday, February 2, 2021**

Pursuant to State of California Executive Order N-29-20 dated March 18, 2020, El Camino Health did not provide a physical location for this meeting. Instead, the public was invited to join the open session meeting via teleconference.

**Members Present**

**Ken Alvares\*\***  
**Peter C. Fung, MD, Chair\*\***  
**Gary Kalbach, Vice Chair\*\***  
**Michael Kasperzak\*\***  
**Christina Lai\*\***  
**Peter Moran\*\***  
**Bob Rebitzer\*\***

**Members Absent**

None  
 \*\*via teleconference

Agenda Item	Comments/Discussion	Approvals/ Action
<b>1. CALL TO ORDER/ ROLL CALL</b>	The open session of the regular meeting of the Governance Committee of El Camino Hospital (the “Committee”) was called to order at 5:31pm by Chair Fung. A verbal roll call was taken. Ms. Lai joined the meeting at 5:35pm during Agenda Item 4: Consent Calendar. All other Committee members were present at roll call. All Committee members participated via videoconference pursuant to Santa Clara County’s shelter in place order. A quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020 and N-29-20 dated March 18, 2020.	
<b>2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Chair Fung asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were noted.	
<b>3. PUBLIC COMMUNICATION</b>	None.	
<b>4. CONSENT CALENDAR</b>	<p>Chair Fung asked if any member of the Committee or the public wished to remove an item from the consent calendar. No items were removed.</p> <p><b>Motion:</b> To approve the consent calendar: Minutes of the Open Session of the Governance Committee Meeting (10/20/2020) and for information: Article of Interest; FY21 Pacing Plan; FY221 Board Action Plan Status.</p> <p><b>Movant:</b> Kalbach  <b>Second:</b> Kasperzak  <b>Ayes:</b> Alvares, Fung, Kalbach, Kasperzak, Lai, Moran, Rebitzer  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<b>Consent Calendar approved</b>
<b>5. REPORT ON BOARD ACTIONS</b>	<p>Chair Fung referred the Committee members to the report in the packet and highlighted the election of Carol Somersille, MD and re-election of Julia Miller and John Zoglin to the El Camino Healthcare District Board.</p> <p>In response to Chair Fung’s question regarding the special election for LACFO, Cindy Murphy, Director of Governance Services, reported that one of the Open Space Special District Board Members won the alternate position and that their terms are for four years.</p>	

	<p>Chair Fung reported that the District Board approved the re-allocation of \$1,000,000 to a Community Vaccination Program.</p> <p>Chair Fung noted that the District Board formed an Ad Hoc Committee for the election and re-election of Non-District Board Hospital Board members.</p>	
<p><b>6. PLANNING BOARD EDUCATION: UNDERSTANDING SYSTEMNESS AND PROMOTING SYSTEM ALIGNMENT</b></p>	<p>Dan Woods, CEO, explained that of hospital “systemness” will be included in the discussion at the Hospital Board’s strategic planning session on February 24, 2021 with the strategic advisors. He commented that “systemness” from a patient’s perspective is a seamless environment and transfer throughout care (primary, specialty care, hospital), and physician alignment and medical record systems are integral.</p>	
<p><b>7. DRAFT RESOLUTION 2021-02</b></p>	<p>Mr. Kalbach described the impetus for and details of the proposal. He noted that there were challenges with the Hospital Board review of the Community Benefit plan in FY20; Lanhee Chen, Board Chair, asked Governance Committee to review the process on the Hospital side. He explained that the proposal is to form a Committee under the CEO’s purview and have the Finance Committee of the Hospital Board approve the Hospital’s Community Benefit Plan.</p> <p>Mr. Woods explained that the intent is to create a streamlined process at a governing level and to reduce the amount of Board time spent on lower dollar programs. He outlined the structure of grant funding: 1) Hospital dollars and 2) District taxpayer dollars. Both are sets of funding (Hospital and District) currently reviewed and recommended by the Community Benefit Advisory Council (CBAC).</p> <p>Mr. Woods further described the proposal, noting that 1) the grants would be reviewed and recommended by this internal committee to align grant funding with health system strategy, 2) the Finance Committee is an appropriate body to approve this funding as they already review strategic presentations and authorize funds in other areas, and 3) the Finance Committee would be delegated authority for approval of up to \$5 million and the approvals would be reported to the Board for information.</p> <p>The Committee and staff engaged in a robust discussion about the proposal:</p> <ul style="list-style-type: none"> <li>- The perspectives added by the CBAC</li> <li>- Differences in structure between the Hospital and District Community Benefit grant funding – including the geography of District funds (which must be used to support those who live, work, or go to school in the District)</li> <li>- How the community voice is heard and captured in the process</li> <li>- Funding priorities (supporting the underserved in the community, health outside the walls of the hospital, IRS definition of community benefit)</li> <li>- Long-term grantees</li> <li>- No foreseen impacts to staff; the reviewing/approving body would change, but Community Benefit staff would still be researching, supporting grantees through the application process, and preparing summaries and recommendations</li> <li>- Potential blowback due to a perceived reduction in the level of transparency, more financially rather than community-focused.</li> <li>- Guidelines and intent for how funding is distributed, how to codify/structure that intent, and what would govern the decision making of the Hospital’s reviewing body</li> </ul>	<p><i>Draft Revised Finance Committee Charter, Draft Revised ECH Community Benefit Policy, and Draft Resolution 2021-02 recommended for approval</i></p>

	<p>Chair Fung suggested either 1) involvement of the CBAC with the Hospital's reviewing committee or 2) calling out the intent/guidelines to follow specifically in the policy.</p> <p>Mr. Woods commented that the issue to be addressed is Hospital Board time spent reviewing \$5,000 to \$20,000 grants.</p> <p><b>Motion:</b> To recommend that the El Camino Hospital Board approve the proposed changes to the Finance Committee Charter, Revised ECH Community Benefit Grants Policy, and <i>Resolution 2021-02</i>.</p> <p><b>Movant:</b> Kalbach  <b>Second:</b> Rebitzer  <b>Ayes:</b> Alvares, Fung, Kalbach, Kasperzak, Lai, Moran, Rebitzer  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	
<p><b>8. FY21 BOARD MEMBER COMPETENCIES</b></p>	<p>Chair Fung suggested 1) changing Competency #2 from "long-range strategic planning" to "strategy and strategic planning" and 2) include diversity on the list.</p> <p>The Committee discussed how to include diversity and the importance of thoughtfully defining it (gender, ethnicity, race, age, experience, profession (doctors, nurses)).</p> <p>Mr. Alvares commented that competencies should reflect what is needed by the organization now; he requested additional background to support why this is the right list, which is customized and timely, not just a general list of "good" qualities for all board members.</p> <p>The Committee discussed 1) their comfort with the current list, 2) the historical process for developing and tweaking this list of competencies, 3) additional proposed competencies: technology, "systemness," experience with forward/backward integration, board effectiveness, culture (innovators, team builders), and 4) whether the competencies should be on the Board or with advisors, consultants, and/or management.</p> <p>Ms. Lai commented that diversity should be defined and could potentially be two line items, one for gender/ethnicity/age and one for experience/professions/backgrounds.</p> <p><b>Motion:</b> To recommend that the Board approve the proposed FY21 competencies with the addition of diversity of gender, ethnicity, age, and profession.</p> <p><b>Movant:</b> Fung</p> <p><b>Friendly Amendment</b> (Rebitzer): To add diversity, but to allow time to come up with a more considered definition and make that amendment at a later date.</p> <p>Ms. Murphy explained that this approval is somewhat time sensitive as the District Board is beginning to deploy its Ad Hoc Committee, which will use these competencies to review the election and re-election of Non-District Hospital Board members. She suggested that a thoughtfully considered definition of diversity could be added for next year. Mr. Kasperzak commented that even if diversity is not specifically articulated on the list, it can still be considered.</p>	<p><i>Proposed  FY21  Competencies  recommended  for approval</i></p>

	<p>Mr. Woods and Ms. Murphy discussed Ad Hoc Committee's use of the competency list as a data point (along with candidate interviews and other surveys) rather than a decision maker.</p> <p><b>Motion:</b> To recommend that the Board approve the proposed list with no changes.</p> <p><b>Movant:</b> Fung  <b>Second:</b> Moran  <b>Ayes:</b> Alvares, Fung, Kasperzak, Lai, Moran, Rebitzer  <b>Noes:</b> None  <b>Abstentions:</b> Kalbach  <b>Absent:</b> None  <b>Recused:</b> None</p> <p>Mr. Alvarez requested to start this process earlier for FY22 and to include more context for the proposed competencies.</p>	
<b>9. PLANNING APRIL 2021 EDUCATION SESSION</b>	Ms. Murphy reviewed the proposed agenda for the April 2021 Joint Board and Committee Education Session to update the Committees on state of implementation of strategic plan and the Board's strategic planning process and results.	
<b>10. ADJOURN TO CLOSED SESSION</b>	<p><b>Motion:</b> To adjourn to closed session at 6:40 pm.</p> <p><b>Movant:</b> Kasperzak  <b>Second:</b> Moran  <b>Ayes:</b> Alvares, Fung, Kalbach, Kasperzak, Lai, Moran, Rebitzer  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<i>Adjourned to closed session at 6:40 pm</i>
<b>11. AGENDA ITEM 15: RECONVENE OPEN SESSION/ REPORT OUT</b>	Open session was reconvened at 6:42. Agenda items 12-14 were addressed in closed session. During the closed session, the Committee approved the Minutes of the Closed Session of the Governance Committee Meeting (10/13/2020) by a unanimous vote in favor of all members present by teleconference (Alvares, Fung, Kalbach, Kasperzak, Lai, Moran, Rebitzer).	
<b>12. AGENDA ITEM 16: ROUND TABLE DISCUSSION</b>	The Committee reviewed the effectiveness of the meeting, noting that there was room for improvement at this meeting. The Committee members thanked Ms. Murphy for her work for the Committee and the organization.	
<b>13. AGENDA ITEM 17: ADJOURNMENT</b>	<p><b>Motion:</b> To adjourn at 6:45pm.</p> <p><b>Movant:</b> Moran  <b>Second:</b> Kalbach  <b>Ayes:</b> Alvares, Fung, Kalbach, Kasperzak, Lai, Moran, Rebitzer  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<i>Meeting adjourned at 6:45pm</i>

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

DocuSigned by:

*Peter Fung*

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Peter C. Fung, MD

Chair, Governance Committee