

AGENDA
GOVERNANCE COMMITTEE OF THE
EL CAMINO HOSPITAL BOARD OF DIRECTORS

Tuesday, June 11, 2024– 5:30 pm

El Camino Hospital | 2500 Grant Road Mountain View, CA 94040

THE PUBLIC IS INVITED TO JOIN THE OPEN SESSION PORTION OF THE MEETING LIVE AT THE ADDRESS ABOVE OR VIA TELECONFERENCE AT:

1-669-900-9128, MEETING CODE: **984 4774 5205#**. No participant code. Just press #.

To watch the meeting, please visit: [GC Meeting Link](#)

NOTE: In the event that there are technical problems or disruptions that prevent remote public participation, the Chair has the discretion to continue the meeting without remote public participation options, provided that no Board member is participating in the meeting via teleconference.

A copy of the agenda for the Committee Meeting will be posted and distributed at least twenty-four (24) hours prior to the meeting. In compliance the Americans with Disabilities Act, please notify us at **(650) 988-8254** 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	ACTION	ESTIMATED TIMES
1	CALL TO ORDER/ROLL CALL	Lanhee Chen, Chair		5:30 pm
2	CONSIDER AB 2449 REQUESTS	Lanhee Chen, Chair	Possible Motion	5:30
3	POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Lanhee Chen, Chair	Information	5:30
4	PUBLIC COMMUNICATION a. Oral Comments <i>This opportunity is provided for persons to address the Board on any matter within the subject matter jurisdiction of the Board that is not on this agenda. Speakers are limited to three (3) minutes each.</i> b. Written Public Comments <i>Comments may be submitted by mail to the El Camino Hospital Governance Committee at 2500 Grant Avenue, Mountain View, CA 94040. Written comments will be distributed to the Board as quickly as possible. Please note it may take up to 24 hours for documents to be posted on the agenda.</i>	Lanhee Chen, Chair	Information	5:30
5	<u>REVIEW REVISIONS TO ADVISORY COMMITTEE CHARTERS</u>	Theresa Fuentes, Chief Legal Officer	Possible Motion	5:30 – 5:50
6	<u>REVIEW REVISIONS TO PROPOSED COMMITTEE GOVERNANCE POLICY</u>	Theresa Fuentes, Chief Legal Officer	Possible Motion	5:50 – 6:00
7	GOVERNANCE COMMITTEE PROGRESS a. FY24 Governance Committee Goals b. FY24 Governance Committee Pacing Plan	Tracy Fowler, Director Governance Services	Information	6:00 – 6:05
8	FY25 COMMITTEE PLANNING ITEMS: a. FY25 Governance Committee Dates	Lanhee Chen, Chair	Motion Required	6:05 – 6:10

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
9	FY25 BOARD AND ADVISORY COMMITTEES PLANNING a. Proposed FY25 Board and Committee Calendar b. Proposed FY25 Advisory Committee Goals c. Proposed FY25 Advisory Committee Pacing Plans d. Proposed FY25 Advisory Committee, Committee Chair and Liaison Assignments	Dan Woods, CEO Tracy Fowler, Director Governance Services	Motion Required	6:10 – 6:25
10	BOARD AND COMMITTEE ASSESSMENTS	Lanhee Chen, Chair Dan Woods, CEO	Information	6:25 – 6:30
11	CONSENT CALENDAR ITEMS: a. Approve Minutes of the Open Session of the Governance Committee Meeting (03/12/2024)	Lanhee Chen, Chair	Motion Required	6:30 – 6:35
12	COMMITTEE ANNOUNCEMENTS	Lanhee Chen, Chair	Discussion	6:35 – 6:40
13	ADJOURNMENT	Lanhee Chen, Chair	Motion Required	6:40

**EL CAMINO HOSPITAL BOARD OF DIRECTORS
COMMITTEE MEETING MEMO**

To: Governance Committee
From: Theresa Fuentes
Date: June 11, 2024
Subject: Advisory Committee Charters

Recommendation:

To recommend Board and Committee approvals of the attached Advisory Committee Charters, as revised.

Summary: The attached Advisory Committee Charters require regular review as part of best governance practices. Questions have arisen from a few committees regarding the scope of the committees and requesting clarification of the term “organization,” “El Camino Health” or “ECH.” In addition, with the revisions to committee member terms, expectations, and appointment/removal processes as outlined in the new Board Committee Governance Policy, it is recommended for efficiency and consistency that the charters simply refer to the new governance policy on these topics rather than restate them in each charter.

During the April 23 2024 Board meeting, we recommended to the Board that the Governance Committee conduct a review of all of the charters on the questions noted above, and then following Governance Committee review, the charters be distributed to each committee in August, 2024 for any further comment, and then to the Board for approval. We are suggesting revisions as follows:

- Standardized language using “El Camino Hospital” when referring to the Hospital instead of “El Camino Health” or “ECH” and clarifying the meaning of the use of the term “Organization” to include affiliated entities where the Hospital is the sole corporate member per the governing documents of the affiliated entities.
- Clarify language for committees that have broader duties relating to the affiliated entities.
- Clarification that committees are advisory and including citation to the Hospital Bylaws.
- Alignment with proposed new Committee Governance policy re committee member terms, expectations, and appointment/removal process

List of Attachments:

1. Compliance and Audit Committee Charter – Redline
2. Executive Compensation Committee Charter - Redline
3. Finance Committee Charter - Redline
4. Governance Committee Charter - Redline
5. Investment Committee Charter - Redline
6. Quality Committee Charter - Redline

El Camino Hospital Board of Directors Compliance and Audit Committee Charter

Purpose

The purpose of the Compliance and Audit Committee (the “Committee”) is to advise and assist the El Camino Hospital (“Hospital”)CH) Board of Directors (“Board”) in its exercise of oversight of Corporate Compliance, Privacy, Internal and External Audit, Enterprise Risk Management, and Information Technology (IT) Security for El Camino Hospital per the Hospital Bylaws and the Hospital’s its affiliated entities where ECH is the sole corporate member pursuant to the operating agreements and governance documents of those entities (“the Organization”). The Committee will accomplish this by monitoring the compliance policies, controls, and processes of the Organization and the engagement, independence, and performance of the internal auditor and external auditor. The Committee assists the Board in oversight of any regulatory audit and in assuring the organizational integrity in a manner consistent with the Organization’s mission and purpose.

Authority

The Committee is an Advisory Committee of the Board pursuant to Article VII, Sec. 7.6 of the Hospital Bylaws. All governing authority for the ~~Hospital Organization~~ resides with the Hospital Board except that which may be lawfully delegated to a specific Board committee. All governing authority for the Hospital’s affiliated entities resides with the boards of those entities except that which may be lawfully delegated. Any reporting by affiliated entities to the Committee shall be consistent with the operating and governing documents of those affiliated entities.

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 compliance, privacy, Information Technology (IT) and Cyber Security, including physical security (safeguards and access control), enterprise risk management, or audit related issues. 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.

Membership

- The Committee shall be comprised of two (2) or more Hospital Board members who shall be appointed and removed pursuant to the El Camino Hospital Board Committee Governance Policy. ~~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 Committee may also include two to four (2-4) Community members¹ with expertise in compliance, privacy, enterprise risk, Information Technology (IT) and Cyber Security, audit, and/or financial management expertise.
- All Committee members, ~~Chairs and Vice Chairs with the exception of new Community Members, shall be appointed and removed in accordance with the El Camino Hospital Board Committee Governance Policy. by the Board Chair, subject to approval by the Board. New Community Members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30th, 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.~~

Conflict of Interest

Members of the Committee shall be independent (as defined in Appendix) as to conflicts of interest with the Organization pursuant to the Conflict of Interest Policy. Should there be a potential conflict, the determination regarding independence shall follow the criteria approved by the Board (see appendix).

Any member of a Board or Board committee who has a conflict of interest with respect to a proposed contract, transaction, relationship, arrangement, or activity shall refrain from the deliberations and vote on any matter related to the contract, transaction, or arrangement. Such members, however, may be present to answer questions and provide information needed by the Board or Board Committee for its deliberations. The Board Chair may appoint one or more qualified individuals to take the place of any affected member of a Board or Board Committee with regard to the matter or interest being considered. Any such reconstituted Committee shall be considered to have all rights, authority, and obligations of the Committee.

Staff Support and Participation

The Sr. Director of Corporate Compliance (“Corporate Compliance Officer”) 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 members of the executive team may participate in the Committee meetings upon the recommendation of the Corporate Compliance Officer and subsequent approval from both the CEO and Committee Chair.

General Responsibilities

The Committee’s primary role is to provide oversight and to advise the management team and the Board on matters pertaining to this Committee. With input from the Committee, the management team shall develop dashboard metrics that will be used to measure and track corporate compliance, privacy, audit, Information Technology (IT) and Cyber Security, and enterprise risk management 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,

¹ Community Members are defined as Members of the Committee who are not El Camino Hospital Board Directors.

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 monitoring that performance metrics are being met to the Board's expectations and requiring explanation of any deficiencies and reporting to the Board such deficiencies.

Specific Duties

The specific duties of the Committee include the following:

A. Corporate Compliance, Privacy, Information Technology (IT) and Cyber Security, and Enterprise Risk Management Functions

- Oversee the activities of the Corporate Compliance program and all subcommittees providing support relative to corporate compliance.
- Oversee the activities of the Privacy program, including, but not limited to HIPAA/patient privacy, administrative, technical, and physical security safeguards.
- Oversee the Information Technology (IT) and Cyber Security risk assessment process and review the mitigation plan to reduce vulnerabilities. Review at least annually the overall status of the Information Technology (IT) and Cyber Security program.
- Oversee efforts to develop, implement, and maintain an effective Information Technology (IT) and Cyber Security program and advise the Board on risk tolerance levels.
- Advise the Organization on Enterprise Risk Management structure and provide oversight of Enterprise Risk reporting metrics and measurements to help monitor the Organization's risks.
- Advise the Organization on corporate compliance implementation strategies. Review strategies for improving the corporate compliance program(s) and recommend for approval by the Board.
- Review with management the assessment of physician relationship risk as it relates to Stark laws, anti-kickback statutes, and other compliance rules and regulations.
- Encourage continuous improvement of policies and procedures for corporate accountability, integrity, and privacy. Review the Organization's policy oversight guidelines and oversee the process being systematic and robust.

B. Internal Audit Functions

- Provide direction related to findings and recommendations of internal audits performed.
- Provide direction for issues relating to internal audit responses by management.
- Review the annual internal audit priorities for the Organization.
- Serve as the ad hoc governance team regarding non-routine investigations or action taken by external agencies and authorities against the Organization.

- Recommend policies and processes for approval by the Board relating to systems of internal controls for finance.
- Oversee the work of independent compliance, audit, and privacy staff.
- Provide escalation vehicle from any source to identify and address relevant issues.

C. External Audit Functions

- Make recommendations to the Board regarding the external financial audit firm selection, retention, and, when necessary, replacement.
- Review the expected fee for the audit and assure that the fee is fair to the Organization and is compatible with a full, complete, and professional audit. Make recommendations to the Board.
- Review the scope and approach of the annual audit, including the identification of business and financial risks and exposures, with the external auditor.
- Meet with the auditor and management, as needed, to resolve issues regarding financial reporting, and make recommendations to the Board for discussion and action.
- Any services provided by the external auditors, outside the scope of the annual audit of financial statements must be presented to the Committee for review and discussion of the proposed scope of work in advance of executing an agreement with the auditors.
- Review the external auditor reports and financial statements before presentation to the Board. Make recommendations to the Board.
- At the completion of the annual audit examination, review the following with management and the external auditors:
 - The Organization's annual financial statements and related footnotes.
 - The external auditor's audit of the financial statements and the auditor's report thereon.
 - Judgments about the quality, not just the acceptability of accounting principles and the clarity of the financial disclosure practices used or proposed to be used, and particularly the degree of aggressiveness or conservatism of accounting principles and underlying estimates.
 - Any significant changes in scope are required in the external auditor's plan.
 - Any serious difficulties or disputes with management encountered during the course of the audit.
- Conduct an executive session if necessary to allow the Committee to meet privately with the auditor.
- Review all significant financial communications to external parties (e.g., public, press, lenders, creditors and regulators), ensuring they are prepared in accordance with generally accepted accounting principles and fairly represent the financial condition of the Organization.

- Review and recommend for approval by the Board the audit firm's annual engagement proposal and review the independent auditor's performance.

Independence of the External Auditor

It is the Committee's responsibility to confirm the independence of the external auditor on an annual basis through a written statement. The statement shall confirm their independence and address services or relationships that may impact independence. The lead and concurring partner on the audit engagement team may not serve for more than five years unless special circumstances exist and with the approval of the Board. Members of the external audit team are prohibited from employment with the Organization in a financial role within one year of leaving the external audit firm.

Committee Effectiveness

The Committee is responsible for establishing its annual goals, objectives and work plan in alignment with the Board and the Organization'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.

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. 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.

Appendix

Definition of Independent Director – Compliance and Audit Committee

1. An independent director is a more limited and narrow classification of director than otherwise required by law and is not meant to expand or limit the definition of interested director for purposes of the El Camino Hospital Conflict of Interest Policy or to expand or reduce the scope of any legal duty or otherwise applicable legal obligation of a director. The Board of Directors, by separate resolution, may determine to limit membership on committees to independent directors to avoid even the appearance of a conflict of interest.
2. A member of the Board of Directors of El Camino Hospital shall be deemed to be an independent director so long as such director (and any spouse, sibling, parent, son or daughter, son- or daughter-in-law or grandparent or descendant of the director):
 - i. has not, within the preceding twelve (12) months, received payments from El Camino Hospital, a subsidiary or affiliate of El Camino Hospital in excess of Ten Thousand Dollars (\$10,000), excluding reimbursement of expenses or other permitted payments to a director related to service as a director.
 - ii. does not own an interest in an entity or serve as a Board member or executive of an entity, that is a direct competitor of El Camino Hospital (or an entity controlling, controlled by or under common control with El Camino Hospital) for patients or services, located within ten (10) miles of El Camino Hospital (or an entity controlling, controlled by or under common control with El Camino Hospital). An entity is not a direct competitor if it provides competing services in the above area that do not exceed ten percent (10%) of such entity's revenues.
3. If a director is an owner of an entity, then the amount received from El Camino Hospital during any period shall be determined by multiplying the percentage ownership interest of the director in such entity by the total amount paid by El Camino Hospital to such entity during such period.
4. Each director appointed to the Compensation Committee and the Compliance and Internal Audit Committee shall be, at the time of appointment and while a member of such Committee, an independent director as defined above.
5. **Note:** Other laws may prohibit certain contracts or interests in their entirety and this definition is not intended to narrow or otherwise limit the application of any such law.

El Camino Hospital Board of Directors Executive Compensation Committee Charter

Purpose

The purpose of the Executive Compensation Committee (“Committee”) is to assist the El Camino Hospital (“Hospital”/“ECH”) Hospital Board of Directors (“Board”) in its responsibilities related to the Hospital’s executive compensation philosophy and policies. The Committee shall advise the Board to meet all applicable legal and regulatory requirements as it relates to executive compensation.

Authority

The Committee is an Advisory Committee of the Board pursuant to Article VII, Sec. 7.6 of the Hospital Bylaws. All governing authority for the Hospital, 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, engage and supervise a consultant to advise the Board and the Committee on executive compensation issues. 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.

Membership

- The Executive Compensation Committee shall be comprised of two (2) or more Hospital Board members. The Committee may also include 2-5 Community¹ members with knowledge of executive compensation practices, executive leadership and/or corporate human resource management.
- Executive compensation consultants will be retained as appropriate and participate as directed.
- The Chair of the Committee shall be appointed and removed pursuant to the El Camino Hospital Board Committee Governance Policy. ~~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.~~
- All Committee members, Chairs, and Vice Chairs with the exception of new Community members, shall be appointed and removed in accordance with the El Camino Hospital Board Committee Governance Policy. ~~by the Board Chair, subject to approval by the Board. New Community members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30th, renewable annually.~~

¹ Community Members are defined as Members of the Committee who are not El Camino Hospital Board Directors.



- ~~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 member, the Vice-Chair must be a Hospital Board member.~~
- All members of the Committee must be independent with no conflict of interest regarding compensation or benefits for the executives whose compensation is reviewed and recommended by the Committee. Should there be a potential conflict, the determination regarding independence shall follow the criteria approved by the Board and as per the Conflict of Interest Policy.

Staff Support and Participation

The Chief Human Resources Officer 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. The CEO, and other staff members, as appropriate, may serve as a non-voting liaison to the Committee and may attend meetings at the discretion of the Committee Chair. These individuals shall be ~~recused~~ excused when the Committee is reviewing their individual compensation.

General Responsibilities

The Committee is responsible for recommending to the full Board policies, processes and procedures related to executive compensation philosophy, operating performance against standards, executive development, and succession planning.

Specific Duties

The El Camino Hospital Board has adopted Resolution 2018-05, as may be subsequently revised by the Board, delegating Board, delegating certain decision-making authority to the Executive Compensation Committee. Resolution 2018-05 and any subsequent revisions controls in the case of any inconsistency between this Charter and the Resolution or attachments to the Resolution. The specific duties of the Executive Compensation Committee include the following:

A. Executive Compensation

- Develop a compensation philosophy that clearly explains the guiding principles on which executive pay decisions are based. Recommend the philosophy for approval by the Board.
- Develop executive compensation policies to be approved by the Board.
- Review and maintain an executive compensation and benefit program consistent with the executive compensation policies, which have been approved by the Board. Recommend any material changes in the program for approval by the Board.
- Review the CEO's total remuneration, ~~and r~~ and r Recommend to the Board any changes to the CEO's total remuneration package.
- Review the CEO's recommendations regarding salary and performance incentive payouts for the upcoming year for the executives whose compensation is subject to review by the

Committee based on the CEO's evaluation of the executives' individual performance. Approve recommendations for any salary range or base salary changes and/or any performance incentive payouts within established guidelines based on the CEO's evaluation of the executives' individual performance. Recommend to the Board any salary changes and/or performance incentive payments that are outside established guidelines.

- Periodically evaluate the executive compensation program, including the charter, policies, and philosophy on which it is based, to assess its effectiveness in meeting the Hospital's needs for recruiting, retaining, developing, and motivating qualified leaders to execute the Hospital's strategic and short term objectives.
- Review market analyses and recommendation of the Committee's independent executive compensation consultant.
- Approve salary ranges for each new executive and approve placement in the range for those executives eligible for the plan within established guidelines. Recommend a salary range to the Board ~~and placement therein~~ for the CEO and or actions for other executives that are outside established guidelines.

B. Performance Goals Setting and Assessment

- Review and provide input into the CEO's recommendations regarding annual organization goals and measures used in the Executive Performance Incentive Plan. Recommend organizational performance incentive goals and measurements for approval by the Board.
- Provide input into ~~establishing the process used to evaluate the CEO's annual individual performance incentive goals and performance, appraisal process to execute the Hospital's strategic plan. Recommend the CEO's individual annual goals and measures for approval by the Board.~~
- Provide input into establishing the executive team's annual performance incentive goals to execute the Hospital's strategic plan and approve the annual goals and measures.

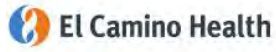
C. Executive Succession and Development

- ~~The Committee Chair will R~~review annually the CEO's own succession plan, including a leadership and professional development plan based on the previous year's talent assessment.
- ~~The Committee Chair will r~~Review annually the CEO's succession plan for the executive team members, which shall include the process by which potential executives are identified and developed.

Commented [DD1]: The Committee reviews the succession planning process. The actual plan (with names) is reviewed by the CEO, the ECC Chair, and the Board Chair.

Committee Effectiveness

The Committee is responsible for establishing its annual goals, objectives and workplan in alignment with the Board's 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. In addition, the Committee shall provide counsel and advice to the Board as requested.



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 the draft of such minutes shall be delivered to all members of the Committee when the agenda for the subsequent meeting is delivered. The draft minutes shall separately be delivered to the ECC Chair within one week of the meeting for future meeting planning purposes. The approved minutes shall be posted to the Board portal for information.

Meetings and actions of all advisory 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 advisory committees may also be called by resolution of the Board and the Committee Chair. Notice of any special meetings of the Committee requires a 24-hour notice.

Appendix

Definition of Independent Member – Compensation Committee

1. An independent committee member is a more limited and narrow classification of member than otherwise required by law and is not meant to expand or limit the definition of interested member for purposes of the El Camino Hospital Conflict of Interest Policy or to expand or reduce the scope of any legal duty or otherwise applicable legal obligation of a director. The Board of Directors, by separate resolution, may determine to limit membership on particular committees to independent members to avoid even the appearance of a conflict of interest.
2. A member of the El Camino Hospital Advisory Committees shall be deemed to be an independent member so long as such member (and any spouse, sibling, parent, son or daughter, son- or daughter-in-law or grandparent or descendant of the member):
 - i. has not, within the preceding twelve (12) months, received payments from El Camino Hospital, a subsidiary or affiliate of El Camino Hospital in excess of Ten Thousand Dollars (\$10,000), excluding reimbursement of expenses or other permitted payments to a director related to service as a member;
 - ii. does not own an interest in an entity, or serve as a Board member or executive of an entity, that is a direct competitor of El Camino Hospital (or an entity controlling, controlled by or under common control with El Camino Hospital) for patients or services, located within ten (10) miles of El Camino Hospital (or an entity controlling, controlled by or under common control with El Camino Hospital). An entity is not a direct competitor if it provides competing services in the above area that do not exceed ten percent (10%) of such entity's revenues.
3. If a member is an owner of an entity, then the amount received from El Camino Hospital during any period shall be determined by multiplying the percentage ownership interest of the member in such entity by the total amount paid by El Camino Hospital to such entity during such period.
4. Each member appointed to the Compensation Committee and the Compliance and Internal Audit Committee shall be, at the time of appointment and while a member of such Committee, an independent member as defined above.
5. **Note:** Other laws may prohibit certain contracts or interests in their entirety and this definition is not intended to narrow or otherwise limit the application of any such law.

El Camino Hospital Board of Directors Finance Committee Charter

Purpose

The purpose of the Finance Committee (the “Committee”) is to assist the El Camino Hospital (“Hospital”~~ECH~~) Board of Directors ~~to~~ (“Board”) to provide oversight, information sharing and financial reviews ~~related~~ to operating and capital budgeting, financial planning, financial reporting, capital structure, banking relationships and certain contractual agreements for El Camino Hospital and the Hospital’s ~~and its~~ affiliated entities where the Hospital~~ECH~~ is the sole corporate member pursuant to the operating agreements and governance documents of those entities (“the Organization”). In carrying out its review, advisory and oversight responsibilities, the Committee shall remain flexible in order to best define financial strategies that react to changing conditions.

Authority

The Committee is an Advisory Committee of the Board pursuant to Article VII, Sec. 7.6 of the Hospital Bylaws. All governing authority for the Organization resides with the Boards of each entity and, except as specifically provided in Sections E and F of “Specific Duties,” the Committee serves as an advisory body only. The Committee will report to the Board at the next scheduled meeting any recommendation made or action taken within the Committee’s authority. The Committee has the authority to select, engage, and supervise any consultant it deems necessary to advise the Committee on issues related to its responsibilities. 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.

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 ~~Finance~~ Committee may also include 2-4 Community members¹ with expertise which is relevant to the Committee’s areas of responsibility, such as banking, financial management, planning and real estate development, etc.
- All Committee members, Chairs, and Vice Chairs shall be appointed and removed pursuant to the El Camino Hospital Board Committee Governance Policy. ~~, with the exception of new Community members, shall be appointed by the Board Chair, subject to approval by the Board. New Community members shall be appointed by the~~

¹ Community Members are defined as Members of the Committee who are not El Camino Hospital Board Directors.

~~Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year, expiring on June 30th, 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 member, the Vice Chair must be a Hospital Board member.~~

Staff Support and Participation

The CFO 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 members of the executive team may participate in the Committee meetings as deemed necessary.

General Responsibilities

The Committee's primary role is to provide oversight and to advise the management team and the Board on matters brought to this Committee. With input from the Committee, the management team shall develop dashboard metrics that will be used to measure and track financial performance for the Committee's review. 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 ensuring that performance metrics which are not being met to the Board's expectations are reported to the Board.

Specific Duties

The specific duties of the Committee are:

A. Budgeting

- Review the annual operating and capital budgets for alignment with the mission and vision of the Organization and make recommendations to the Board.
- Review any financial requests in excess of the CEO's signing authority and make recommendations to the Board.
- Review the Organization's long-range forecasts and financial plans and make recommendations to management regarding steps advisable to improve the Organization's financial strength.

B. Financial Reporting

- Review each accounting period's financial statements and ensure the Board is advised of any necessary corrective actions.
- Obtain a clear understanding of the Organization's financial reporting process by reviewing the hospital's dashboard items and periodic financial reports and advise

management on how to improve its financial reporting in order to improve accountability and ease of reading and understanding.

C. Financial Planning and Forecasting

- Semi-annually receive an update on management's assessment of expected results as well as potential risks related to the payor contracts.
- Evaluate the financial implications of emerging payment processes and provide advice to management regarding associated risk management concerns.
- Evaluate financial planning and forecasting to help ensure it remains in alignment with the mission and strategic direction of the Organization.

D. Treasury, Pension Plans, and Contracting Concerns

- Review and make recommendations to the Board regarding all new debt issuances and derivative instruments in excess of \$1 million.
- Monitor compliance with debt covenants and evaluate the Organization's capital structure.
- Review and make recommendations to the Board regarding changes in banking relationships, including, without limitation, depository accounts, investment accounts and major credit facilities. The term "major credit facilities" does not include management-approved trade credit facilities offered in the ordinary course of business by vendors to the hospital. The Committee may recommend delegation of approval authority for specified changes to the CFO, but must maintain reporting and oversight of any such changes
- Review and make recommendations to the Board regarding proposed plan design or benefit design changes in excess of management authority limits to employee retirement plans, excluding changes to investments within those plans.
- Review and make recommendations to the Board regarding contractual agreements with persons considered to be "insiders" under IRS regulations, and those which are in excess of the CEO's signing authority

E. Capital and Program Analysis

- Review and make recommendations to the Board with respect to the business plans of all capital items or proposed business ventures in excess of the CEO's signing authority, and all variances to budget in excess of the CEO's signing authority on projects in process.
- Review retrospective analyses of all strategic business ventures and all strategic capital expenditures in excess of \$2.5 million, as presented by management or as per the review schedule set forth by the Committee, to assess the reasonableness of business plans that were developed at the time of original approval and to promote learning as a result of any identified issues or concerns.
- Review and recommend approval for the acquisition or disposition of capital which is in excess of \$5 million.

- Approve unbudgeted capital expenditures exceeding the CEO's signature authority but not in excess of \$5 million.
- Approve the annual ECH Community Benefit Plan including grants to outside organizations, sponsorships and placeholder funds, combined which shall not exceed \$5 million annually.

F. Physician Financial Arrangements

- Review and ~~approve recommend for Board approval~~ Physician Financial Arrangements in excess of 75% of fair market value and recommend for Board approval Physician Financial Arrangements in excess of 90% of fair market value in accordance with the Corporate Compliance: Physician Financial Arrangements Policy.
- ~~Approve Physician Financial Arrangements in excess of 250,000 annually or if upon renewal or amendment, the annual increase is greater than 10% in accordance with the Corporate Compliance: Physician Financial Arrangements Policy.~~
- Approve the Annual Summary Report of Physician Financial Arrangements.

G. Financial Policies

- Review and recommend approval of any Board-level financial policies, excluding any financial policies for which responsibility has been specifically assigned to another Board Committee.

H. Ongoing Education

- Endorse and encourage Committee education and dialogue relative to emerging healthcare issues that will impact the viability and strategic direction of the Organization,

I. Management Partnership

- Work in partnership with the CFO and other hospital executives to assist in the development of financial policies which will help ensure the Organization's success.
- Provide ongoing counsel to the CFO regarding areas of opportunity for either personal or organizational improvement.

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 strives for continuous improvement with regard to its processes, procedures, materials, and meetings, and other functions to enhance its contribution to the full Board.

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 and the operational

requirements of the organization. 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 Board of Directors Governance Committee Charter

Purpose

The purpose of the Governance Committee (“Committee”) is to advise the El Camino Hospital (“Hospital”) ~~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 and succession planning for the Board) for El Camino Hospital and the Hospital’s its affiliated entities where the Hospital ECH is the sole corporate member pursuant to the operating agreements and governance documents of those entities (“the Organization”). The Governance Committee ensures the Organization is functioning at the highest level of governance standards.

Authority

The Committee is an Advisory Committee of the Board pursuant to Article VII, Sec. 7.6 of the Hospital Bylaws. All governing authority for the Organization resides with the boards of each entity Hospital Board for ECH and with the boards of the affiliated entities except that which may be lawfully delegated to a specific board committee. The Committee will report to the 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 governance-related issues. 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.

Membership

- The Governance Committee shall be comprised of two (2) or more Hospital Board members who shall be appointed and removed pursuant to the El Camino Hospital Board Committee Governance Policy. ~~The Chair of the Committee shall be a Hospital Board director who shall be appointed by the Board Chair, subject to approval by the Board.~~
- The Governance Committee may also include 2-4 Community members¹ with expertise in governance, organizational leadership or as a hospital or health system executive.
- All Committee members, Chairs, and Vice Chairs shall be appointed and removed in accordance with the El Camino Hospital Board Committee Governance Policy. ~~with the exception of new Community members, shall be appointed by the Board Chair, subject to approval by the Board. New Community members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30th each year, renewable annually.~~

¹ Community Members are defined as Members of the Committee who are not El Camino Hospital Board Directors.

- ~~• The Governance Committee shall review and make recommendations to the Board regarding the Board Chair's appointments of Advisory Committee Chairs and Advisory Committee members.~~
- ~~• It shall be within the discretion of the Chair of the Committee to appoint a Vice Chair from among the members of the Committee.~~
- All members of the Governance Committee shall be independent.

Staff Support and Participation

The CEO shall attend meetings and 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 members of the executive team may participate in the Committee meetings upon the recommendation of the CEO and at the discretion of the Committee Chair.

General Responsibilities

The Committee is responsible for recommending to the Board policies, processes and procedures related to board development, board effectiveness, board composition and other governance matters for the Organization.

Specific Duties

The specific duties of the Governance Committee include the following:

- A. **Board Composition, Development, and Effectiveness:** Ensure that the Board and the boards of the affiliated entities are committed to the discipline of doing the right things the right way.

Composition

- Define the necessary skill sets, diversity and other attributes required for Board members to support Hospital strategy, goals, community needs and current market conditions.
- ~~•~~ Make recommendations to the Board regarding Board Composition.

~~• The Governance Committee shall~~ Review and make recommendations to the Board regarding the Board Chair's appointments of Advisory Committee Chairs and Advisory Committee members.

Orientation, Education and Development

- Adopt the orientation program for newly-appointed members to the Hospital Board of Directors and newly-appointed Board Committee members.
- Recommend a policy, budget and annual plan for Hospital Board and Committee member education, training and development.

Board Evaluation

- Recommend an evaluation instrument and process to be used by the Hospital Board for evaluation of Board governance.
- Ensure there is a board performance evaluation completed on an annual basis, and as appropriate, evaluation of the individual directors, committees and their chairs, and the Board Chair.
- Ensure submission of Hospital Board's annual self-evaluation to the El Camino Healthcare District Board of Directors.

Board Efficiency

- Monitor and recommend improvements or changes to the on-going governance process and procedures of the Hospital Board in order to enhance overall efficiency of the Board and Advisory Committee Structure.
- Ensure the Board develops a master Board meeting calendar to establish a cadence of information flow and dialogue, such that the Board has sufficient time to review the minutes and recommendations of the committees. The cadence must accommodate a flow of approvals from Committee to the full Board.

B. Support of Board Advisory Committee Alignment with Organizational Strategy and Goals

Development of Process for Advisory Committee Review of Advisory Committee Goals and Charters

- Recommend process for the development of annual Board Advisory Committee goals which includes: 1) Linkage of committee goals to organizational goals and strategy, to the Board; and 2) the Board's review and approval.
- Ensure all Board Advisory committees conduct biennial review of Advisory committee charters and recommend any changes to the Board for approval.

Development of Board Advisory Committee Membership Succession Plan

- Ensure membership succession plan considers organizational strategy and goals.
- Develop process for Advisory committee use to identify a need for increase or change in membership to further alignment with organizational strategy and goals.

C. Articles of Incorporation, Bylaws, and Policies

- Provide for a review of the Hospital's Articles of Incorporation and Bylaws at least once every three years.
- Provide for a review of Articles of Incorporation and Bylaws of affiliated entities as needed
- Monitor legal and regulatory issues affecting governance of the Organization.
- Recommend updates to the Organization's governance policies where necessary and as required by legal and regulatory agencies.

Committee Effectiveness

The Committee is responsible for establishing its annual goals, objectives and pacing plan in alignment with the Board and the Organization'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.

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 Advisory 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 Advisory committees may also be called by resolution of the Board and the Committee Chair. Notice of any special meetings of the Committee requires a 24-hour notice.

El Camino Hospital Board of Directors Investment Committee Charter

Purpose

The purpose of the Investment Committee (the “Committee”) is to develop and recommend to the El Camino Hospital (“Hospital”) ECH Board of Directors (“Board”) the organization’s investment policies, maintain current knowledge of the management and investment of the invested funds of the Hospital and its pension plan(s), provide guidance to management in its investment management role, and provide oversight of the allocation of the investment assets for the Hospital and the Hospital’s affiliated entities where the Hospital is the sole corporate member pursuant to the operating agreements and governing documents of those entities (the “organization”).

Authority

All governing authority for the Hospital ECH resides with the Hospital Board except that which may be lawfully delegated to a specific Board committee or subcommittee. All of the recommendations of the Committee flow to the El Camino Hospital Board for action. Reports of the Committee will be provided to the subsequently scheduled Board meeting. The Committee has the authority to recommend one or more investment managers for the hospital, monitor the performance of such investment managers, and monitor adherence to the investment policies of the hospital.

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 Investment 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 Investment Committee may also include 2-5 Community Members with expertise in areas such as finance, banking, and investment management.
- ~~All Committee members, Chairs, and Vice-Chairs shall be appointed and removed pursuant to the El Camino Hospital Board Committee Governance Policy. with the exception of new Community members, shall be appointed by the Board Chair, subject to approval by the Board. New Community members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30th, 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 member, the Vice Chair must be a Hospital Board member.~~
- All members of the Committee must be independent with no conflicts of interest regarding hospital investments. Should there be a potential conflict, the determination regarding independence shall follow the criteria approved by the Board.

Staff Support and Participation

The CFO 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 members of the management team may participate in the Committee meetings as deemed necessary.

General Responsibilities

The Committee's primary role is to provide oversight and to advise the management team and the Board on matters pertaining to this Committee. With input from the Committee, the management team shall work with its investment advisor(s) to develop dashboard metrics that will be used to measure and track investment performance 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. The Committee is responsible for ensuring that performance metrics are being met to the Board's expectations and that the Board is apprised of any deviations therefrom.

Specific Duties

The specific duties of the Investment Committee include the following:

A. Investment

- Define the necessary skill sets, diversity and other attributes required for Board members to support Hospital strategy, goals, community needs and current market conditions.
- Review and recommend for approval by the Board the investment policies for corporate assets and Cash Balance Plan assets. Review and make recommendations to the Board regarding the selection of an independent investment advisor. The Board will appoint the investment advisor, and management, in consultation with the Committee, will appoint the investment managers.
- Monitor the performance of the investment managers through reports from the independent investment advisor and make recommendations for changes when appropriate.
- Monitor investment allocations and make recommendations to the Board if assets are managed inconsistently with approved investment policies.
- Monitor the financial stability and safety of the institutions which have custody of the Hospital's assets and make recommendations for changes when appropriate.

- Monitor the investment performance of the specific investment vehicles made available to employees through their 403(b) Retirement Plan.
- Review recommendations from the Retirement Plan Administrative Committee (RPAC) regarding the selection of an independent investment advisor for the employees' 403(b) Retirement Plan and make recommendations to the Board. The Board will appoint the investment advisor, and the RPAC will monitor, select, and replace the Core investment choices.

B. Ongoing Education

- Endorse and encourage Investment Committee education and dialogue relative to the work of the Committee.

Committee Effectiveness

The Committee is responsible for establishing its annual goals, objectives and pacing 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.

Meetings and Minutes

The Committee shall meet at least once per quarter. The Committee Chair, in collaboration with hospital management, shall determine the frequency of meetings based on the Committee's annual goals and work plan and the operational needs of the organization. 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 Advisory 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 Advisory committees may also be called by resolution of the Board or by the Committee Chair. Notice of any special meetings of the Committee requires a 24-hour notice.

El Camino Hospital Board of Directors 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”) to monitor and support the quality and safety of care provided at El Camino Hospital (“Hospital”) per the Hospital Bylaws and through reporting by the El Camino Health Medical Network (ECHMN) per the operating agreement between the Hospital and Silicon Valley Medical Development (SVMD). For purposes of this policy, “Organization-wide” refers to Hospital and ECHMN/SVMD. ~~For the Hospital, The~~ Committee will utilize the Institute of Medicine’s framework for measuring and improving quality care in these five domains: safe, timely, effective, efficient, equitable, and person-centered (STEEEP). ECHMN/SVMD reporting utilizes the merit-based incentive payment system (MIPS) established by the Centers for Medicare and Medicaid (CMS), the Healthcare Effectiveness Data and Information Set (HEDIS) quality measures established by the National Committee for Quality Assurance (NCQA), or such other reporting as recommended by ECHMN Board of Managers.

The Hospital and ECHMN/SVMD El Camino Health management will provide the Committee with standardized quality metrics with appropriate benchmarks, when available, so that the Committee can adequately assess the quality of care being provided. Hospital and ECHMN/SVMD ECH Management and Quality Committee members will collaborate to identify and improve opportunities for quality improvement.

Authority

The Committee is an Advisory Committee of the Board pursuant to Article VII, Sec. 7.6 of the Hospital Bylaws. All governing authority for the Hospital the Organization resides with the Hospital Board except that which may be lawfully delegated to a specific Board committee. for ECH. All governing authority for ECHMN/SVMD resides with and with the boards of those e affiliated entities except that which may be lawfully delegated. Any reporting by ECHMN/SVMD or other affiliated entities to the Committee shall be consistent with the operating and governing documents of those affiliated entities. to a specific board committee.

The Committee will report to the 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, *ex-officio* members and alternates and external (non-director) members appointed to the Committee.

Membership

- The Committee shall be comprised of two (2) or more Hospital Board members who shall be appointed and removed pursuant to the El Camino Hospital Board Committee Governance Policy. ~~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 Committee shall also include as ex officio voting members of the Committee the following individuals: (1) the Enterprise Chief of the Medical Staff, (2) ~~and~~ the Los Gatos Campus Chief of Staff as *ex officio* voting members of the Committee. The Enterprise Vice Chief of Staff or the Los Gatos Vice Chief of Staff shall serve as alternate voting members of the Committee and replace, respectively the Enterprise Chief of Staff or the Los Gatos Chief of Staff if such person is absent from a Committee meeting.
- The Quality Committee may also include 1) no more than nine (9) Community members¹ with expertise in assessing quality indicators, quality processes, 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) as well as other areas as needed; ~~and 2) no more than two (2) patient advocate members who have had significant exposure to the Organization ECH as a patient and/or family member of a patient. Approval of the full Board is required if more than nine Community members are recommended to serve on this Committee.~~
- All Committee members, Chairs and Vice Chairs, ~~with the exception of new Community members, ex-officio members and alternates,~~ shall be appointed and removed in accordance with the El Camino Hospital Board Committee Governance Policy. ~~appointed by the Board Chair, subject to approval by the Board. New Community members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of a minimum of 12 months 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.~~

Executive Support and Participation

The Chief Quality Officer (CQO) shall serve as the primary executive to 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 CQO and subsequent approval from both the CEO and Committee Chair.

General Responsibilities

The Committee will collaborate with management to identify opportunities for quality and safety improvement. The Committee will support the implementation and monitoring of process improvement plans to address and close quality and safety gaps. Members of the Quality

¹ Community Members are defined as Members of the Committee who are not El Camino Hospital Board Directors or *ex-officio* members or alternates.

Committee will model behaviors, attitudes and actions consistent with the [Organization's ECH](#) tenets of a High Reliable Organization, specifically, focusing on creating strong relationships between everyone on the team to engender a culture of psychological safety which promotes our [Organization's ECH](#) mission to achieve zero patient harm. The management team shall develop dashboard metrics that will be used to measure and track quality, safety and patient experience performance 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 performance metrics meet the Board's expectations; 2) aligning those metrics and associated process improvements to the quality plan, strategic plan, organizational goals; and 3) ensuring communication to the Board and external constituents is well executed.

Specific Duties

The Committee shall partner with management to support the following activities:

1. Quality Planning—Advocate for an enterprise strategy plan [that](#) is quality-centric.
2. Quality Control—Review quality processes and performance on a regular basis.
3. Quality Improvement—Review performance of major process improvement projects on a regular basis.

Specific duties of the Committee include the following:

- Review and approve which measures to include and track on the quarterly Board Quality Report (STEEEP): ["Quality Dashboard"](#) for tracking purposes.
- Oversee management's development of the Organization's goals encompassing the measurement and improvement of quality, safety and patient experience as tracked on the Enterprise Quality, Patient Care and Patient Experience Dashboard
- Review reports related to Organization-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:
 - Organization-wide performance regarding the quality care initiatives and goals highlighted in the strategic plan.
 - Organization-wide patient safety goals and hospital performance relative to patient safety targets.
 - Organization-wide patient safety surveys (including the culture of safety survey), sentinel event and red alert reports, and risk management reports.
 - Organization-wide patient satisfaction and patient experience surveys.
 - Organization-wide provider satisfaction surveys.
- Ensure the organization demonstrates proficiency through full compliance with regulatory requirements including, but not 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 annual report on actions taken to improve patient safety as per the Safety Event Reporting policy that is maintained in policy and procedure management software.
- Oversee organizational quality and safety performance improvement for ~~both the Organization's and Hospital's~~ Hospital's medical staff activities.
- Review the Hospital Medical Executive Committee's monthly credentialing and privileging reports and make recommendations to the Board.

Committee Effectiveness

The Committee is responsible for establishing its annual goals, objectives and work plan in alignment with the Board and the Organization'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 shared ~~with~~ with 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 BOARD OF DIRECTORS
COMMITTEE MEETING MEMO**

To: El Camino Hospital Governance Committee
From: Theresa Fuentes, Chief Legal Officer
Date: June 11, 2024
Subject: ECH Board Policy Update

Recommendation(s):

To recommend approval of El Camino Hospital Board Committee Governance Policy.

Summary:

The Committee Governance Policy is a new policy that was created to establish consistency across the Board committees regarding term, appointment, removal, and membership on Committees, and attendance and meeting expectations. Committee Charters will be updated to cite this new policy.

The Committee Governance Policy was reviewed and recommended for Board approval at the March 12, 2024, Governance Committee meeting. The Governance Committee recommended that the terms for committee members be updated to three years. At the April 23, 2024, El Camino Hospital Board meeting, the Board recommended that the three-year terms be staggered to maintain continuity and ease recruitment efforts, and to bring the policy back to a future meeting.

Edits have been made consistent with the Board's request to provide for three-year staggered terms. The new edits are reflected in the attached redline. Upon review and recommendation from the Governance Committee, the policy will be brought back to the Board in August, 2024.

Policy	Changes	Effective Date
El Camino Hospital Board Committee Governance Policy	NEW POLICY, with edits to address comments from the Hospital Board.	After ECHB approval – August 2024

List of Attachments:

1. Redlined DRAFT El Camino Hospital Board Committee Governance Policy

TITLE: El Camino Hospital Board Committee Governance Policy

CATEGORY: Administrative

FIRST APPROVAL: ECHB August XX, 2024

Coverage:

All Members of the El Camino Hospital Board of Directors (“Board”) and Board Advisory Committees (“Committees”). The Governance Committee shall review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

Authority:

The Board has established the following standing Advisory Committees pursuant to Article 7.6 of the El Camino Hospital Bylaws: Compliance and Audit Committee; Executive Compensation Committee; Finance Committee, Governance Committee, Investment Committee; and Quality, Patient Care, and Patient Experience Committee. The Committees have the authority granted to them per the Hospital Bylaws, the Committee Charter, and majority action of the Board. Committees may study, advise and make recommendations to the Board on matters within the committee’s area of responsibility as stated in the Committee Charter. The authority of committees is limited to advisory recommendations except in responsibilities directly delegated by the Board. Committees may provide recommendations for the Board to consider, which recommendations may be considered, adopted, amended or rejected by the Board in the Board’s sole discretion. Committees shall have no authority to take action or otherwise render decisions that are binding upon the Board or staff except as otherwise stated in the Bylaws, the Committee’s Charter, or majority action of the Board. To the extent of any conflict with the Committee Charter, this policy controls.

Membership:

Each committee shall have the membership as stated in the Committee Charter but must be composed of at least two members of the Board (“Director Members”), as well as people who are not members of the Board (“Community Members”). Director membership on any single Committee shall not constitute a quorum of either Board or Healthcare District Board membership. The Chair of a committee is its presiding officer. In the absence of the Chair, the Vice-Chair (or if no Vice-Chair, any member of the Committee as determined by the Chair or the Board) shall perform the duties of the Chair.

Appointment and Removal:

The Board Chair (or Board Chair-elect in Board officer election years) shall appoint the Director Members and Committee Chairs, subject to approval of the Board. Community Members shall be appointed by the Committee, subject to approval of the Board. All Board Chair appointments shall be reviewed by the Governance Committee before submission to the Board.

Committee Chairs may appoint and remove a Vice-Chair at the Committee Chair’s discretion. However, if the Committee Chair is not a Director Member, a Vice Chair must be appointed who is a Director, in which case the Director Vice-Chair shall be appointed the same as any other Director Member.

The Board has the authority to remove Director Members and Community Members at any time either with or without the Committee’s recommendation, in the Board’s sole discretion.

TITLE: El Camino Hospital Board Committee Governance Policy

CATEGORY: Administrative

FIRST APPROVAL: ECHB August XX, 2024

Term

Director Members and Chairs shall serve Members of the committee, excluding Directors and Chairs, and Community Members serve a term of *three* full or partial fiscal years depending on date of appointment and eligibility to serve. Director and Community Members shall be divided into three appointment categories, as nearly equal in number as possible, as follows: (a) Class 1, the initial term of which shall expire June 30, 2025, and subsequent terms shall be three years each; (b) Class 2, the initial term of which shall expire June 30, 2026, and subsequent terms shall be three years each; (c) Class 3, the initial term of which shall expire June 30, 2027, and subsequent terms shall be three years each. Each class shall hold committee membership until successors are appointed.

Committee Chair and Vice Chair appointments shall be reviewed annually by the Board Chair (or Chair-Elect). Chair and Vice Chair appointments may be changed at any time without effecting the term of that person's membership on the Committee.

Director Members, Community Members, Chairs, and Vice Chairs may serve consecutive terms.

If a community member wishes to vacate a position, the committee member shall submit a written resignation letter addressed to the Chair of the Committee and the Chair of the Board, with a copy to the CEO and Governance Services.

Attendance:

Committee members are expected to attend in person and meaningfully participate in all committee meetings absent extenuating circumstances. Remote virtual participation is generally only allowed for just cause or emergency situations such as physical or family medical emergency, childcare, illness, disability, or Board or Committee related travel. Remote virtual participation must comply with the requirements of the Ralph M. Brown Act. Committee members may be removed from the Committee for repeated failure to satisfy attendance requirements.

If a member is physically not present ~~absent or virtual~~ for more than two meetings in a calendar year, the Committee Chair shall contact that member and remind the member of this policy. If the member continues ~~to be absent or virtual~~ to not be physically absent despite the warning, the Committee shall consider a recommendation to the Board for removal.

Meetings:

All Committees shall have a Committee Charter approved by the Board.

Committee meetings shall be open to the public except for items permitted to be discussed in closed session and held in accordance with the provisions of the Ralph M. Brown Act. At least 72 hours before a committee meeting, Governance Services shall post an agenda containing a brief, general description

TITLE: **El Camino Hospital Board Committee Governance Policy**

CATEGORY: Administrative

FIRST APPROVAL: ECHB August XX, 2024

of each item of business to be discussed at the committee meeting. The posting shall be accessible to the public.

The minutes of each committee meeting, including any recommendation of a committee, shall include a summary of the information presented and the recommended actions. ECHB staff will prepare minutes of each meeting. Draft minutes will be provided to the committee at the next available committee meeting for committee member review and approval. Once approved, minutes will be made a part of the Board's permanent records.

A majority of the members of each committee shall constitute a quorum for the transaction of business.

Only members of the committee are entitled to make, second or vote on any motion or other action of the committee. Each committee member shall be entitled to one vote on all matters considered by the committee. A simple majority vote of the members of the Committee shall designate approval of a motion.

All committee communications must go through the designated committee Chair.

The specific committees and their respective responsibilities are as stated in the Charter for each Committee.

DRAFT

FY24 GOVERNANCE COMMITTEE GOALS

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.

GOALS	METRICS	STATUS
<p>1. Foster a culture of continuous learning</p>	<ul style="list-style-type: none"> - Review and approve Board Orientation content if any new material is to be included. - Recommend resource communication plan for board approval to include method of sharing articles of interest, conference calendar, and reports from attendees of conferences - Recommend FY24 Annual Retreat Agenda to the Board - Recommend FY24 Joint Education session topics to the Board 	<ul style="list-style-type: none"> - Board onboarding material was reviewed by GC in 2023. Materials have been successfully implemented in onboarding QC, CAC, and ECC committee members and an ECHB Director. For FY25 we are suggested implementation of mentorship as part of onboarding as well. - Boardvantage dashboard contains a list of conferences and resources. We have used the educational activity report template at ECHB meetings to get information from conference participants. - ECHB Strategy session held on April 23, 2024. Strategic Impact webinar shared on May 23, 2024.
<p>2. Improve board and Committee Effectiveness</p>	<ul style="list-style-type: none"> - FY24 Board and Committee Assessment Plan – comprehensive assessment of board, committees and executives 	<ul style="list-style-type: none"> - Spencer Stuart will conduct board and committee assessments. - Feedback from the ECHD Reappointment Process will be included as part of the plan
	<ul style="list-style-type: none"> - Review and revision of ECHB Bylaws. - Develop Board Action plan - based on assessment results recommended to board 	<ul style="list-style-type: none"> - Paced for September 2024 GC meeting - This will be done following the board and committee assessments.
<p>3. Promote ethical behavior and ensuring that the organization is acting in accordance with its values and principles.</p>	<ul style="list-style-type: none"> - Develop and implement ECHB Code of Conduct - Propose annual acknowledgement process for ECHB Code of Conduct - Monitor the frequency of Code of Conduct revision to ensure it remains current with the organization's culture and external factors 	<ul style="list-style-type: none"> - Complete - Paced for June 11, 2024 GC meeting. Staff will share acknowledgement of Code of Conduct on Boardvantage. - Ongoing.

FY24 Governance Committee Pacing Plan

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
STANDING AGENDA ITEMS												
Standing Consent Agenda Items		✓				✓			✓			✓
Minutes		✓				✓			✓			✓
APPROVAL ITEMS												
Board Education						✓			✓			
Board Assessment									✓			✓
Review GC Assessment Questions						✓						
Review Progress Against Goals						✓			✓			
Develop next FY GC Goals									✓			
Review Advisory Committee and Committee Chair Assignments												✓
Finalize Next FY Master Calendar												✓
DISCUSSION ITEMS												
Plan for Joint Education Session		✓							✓			
Plan for Board Retreat						✓						
ECHB Policy Review						✓			✓			

Governance Committee Meetings
FY2025 Dates

RECOMMENDED GC DATES TUESDAYS - 5:30 PM
Tuesday September 17, 2024
Tuesday, December 3, 2024
Tuesday, March 25, 2025
Tuesday, June 3, 2025

JULY 2024

S	M	T	W	T	F	S
	1	2	3	4 Indep. Day	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31	1	2	3

AUGUST 2024

S	M	T	W	T	F	S
28	29	30	31	1	2	3
4	5 QC	6	7 ECHB	8	9	10
11	12 IC	13	14 ECHMN	15	16	17
18	19	20 ECHD	21	22	23	24
25	26 FC	27	28	29	30	31

SEPTEMBER 2024

S	M	T	W	T	F	S
1	2 Labor Day	3 QC	4	5	6	7
8	9	10	11 ECHB	12	13	14
15	16	17 GC	18	19	20	21
22	23	24	25 CAC	26 ECC	27	28
29	30	1	2	3	4	5

OCTOBER 2024

S	M	T	W	T	F	S
30	31	1	2 Rosh Hashanah	3	4	5
6	7	8	9 ECHB	10	11 Yom Kippur	12
13	14 FC Columbus Day	15 ECHD	16	17	18	19
20	21	22	23	24	25 ECHD SV	26
27	28	29	30	31	1	2

NOVEMBER 2024

S	M	T	W	T	F	S
27	28	29	30	1	1	2
3	4 QC	5	6	7	8	9
10	11 Veterans Day	12	13 CAC	14 ECC	15	16
17	18	19	20 ECHB	21 ECHMN	22	23
24	25	26	27	28 Thanksgiving	29	30

DECEMBER 2024

S	M	T	W	T	F	S
1	2 QC	3 GC	4 ECHD (Election Results)	5 FC	6	7
8	9 IC	10	11 ECHB	12	13 ECHD SV	14
15	16	17	18	19	20	21
22	23	24 Xmas Eve	25 Xmas / Hanukkah Begins	26	27	28
29	30	31 NYE	1	2	3	4

JANUARY 2025

S	M	T	W	T	F	S
29	30	31	1 NYD	2 Hanukkah Ends	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20 MLK	21	22	23	24	25
26	27 FC	28	29 Chinese New Year	30	31	1

FEBRUARY 2025

S	M	T	W	T	F	S
26	27	28	29	30	31	1
2	3 QC	4	5 ECHB	6	7	8
9	10 IC	11 ECHD	12	13 ECHMN	14 ECHD SV	15
16 Ski Week	17 Pres. Day	18	19	20	21	22
23	24 FC IC	25	26 CAC	27	28 Ramadan Begins	1

MARCH 2025

S	M	T	W	T	F	S
23	24	25	26	27	28	1
2	3 QC	4	5	6	7	8
9	10	11	12 ECHB	13 ECHMN	14	15
16	17	18 ECHD	19	20 ECC	21	22
23/30	24/31 FC	25 GC	26	27	28 ECHD SV	29 Ramadan Ends

APRIL 2025

S	M	T	W	T	F	S
30	31	1	2	3	4	5
6	7 Spring Break	8	9	10	11	12 Passover
13	14 Holy Monday	15	16 ECHB	17	18	19
20 Easter/ Passover	21	22	23 CAC	24	25	26
27	28	29 Passover End	30 Eid al-Fitr	1	2	3

MAY 2025

*all Committees must meet and approve FY2026 goals before ECC and GC

S	M	T	W	T	F	S
27	28	29	30	1	2	3
4	5 QC	6	7	8	9	10
11	12 IC	13	14 ECHB	15 ECHMN	16	17
18	19 FC	20 ECHD	21	22	23	24
25	26 Mem. Day	27	28	29	30	31

JUNE 2025

S	M	T	W	T	F	S
1	2 QC	3 GC	4	5 ECC	6	7
8	9	10	11	12	13	14
15	16	17 ECHD	18 ECHB	19	20	21
22	23	24	25 CAC	26	27	28
29	30	1	2	3	4	5

District Board ECHD	Hospital Board ECHB	Executive Comp ECC	Finance FC	Quality QC	Compliance CAC	Governance GC	Investment IC	ECHMN
7x per year (Year 2)	10x per year	4x per year	6x per year	8x per year	5x per year	4x per year	4x per year	6x per year

FY25 COMMITTEE GOALS

Compliance and Audit Committee

PURPOSE

The purpose of the Compliance and Audit Committee (the “Committee”) is to advise and assist the El Camino Hospital (ECH) Hospital Board of Directors (“Board”) in its exercise of oversight of Corporate Compliance, Privacy, Internal Audits, Financial Audit, Enterprise Risk Management, and Cybersecurity. The Committee will accomplish this by monitoring the compliance policies, controls, and processes of the organization and the engagement, independence, and performance of the external financial auditor. The Committee assists the Board in oversight of any regulatory audit and in assuring the organizational integrity of ECH in a manner consistent with its mission and purpose.

STAFF: **Diane Wigglesworth**, Compliance/Privacy Officer (Executive Sponsor)

The Sr. Director, Corporate Compliance, shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair’s consideration. Additional members of the Executive Team or outside consultants may participate in the meetings upon the recommendation of the Executive Sponsor and at the discretion of the Committee Chair.

GOALS	TIMELINE	METRICS
1. Review proposed modifications to the Conflict of Interest (COI) policy, disclosure form, and the recommended process of annual reviews.	Q1 FY25	Committee reviews and provides feedback to the Compliance Officer.
2. Participate in education regarding the 2024 revised FTC antitrust enforcement actions regarding proposed mergers and acquisitions or other compliance or regulatory issues around the ambulatory expansion of the health system.	Q2 FY25	Committee receives education and training regarding the changes and impact to organization.
3. Review ongoing progress on implementation of the 2027 Strategic Plan and provide feedback regarding any recommended compliance assessments.	Q3 FY25	Committee provides recommendations if compliance assessments are needed for any new strategies the organization may undertake.

SUBMITTED BY:

Chair: Jack Po, MD

Executive Sponsor: Diane Wigglesworth

FY25 COMMITTEE GOALS AND PACING PLAN

Executive Compensation Committee

The purpose of the Executive Compensation Committee (the “Committee”) is to assist the El Camino Hospital (ECH) Hospital Board of Directors (“Board”) in its responsibilities related to the Hospital’s executive compensation philosophy and policies. The Committee will advise the Board to meet all legal and regulatory requirements as it relates to executive compensation.

STAFF: **Deanna Dudley**, Chief Human Resources Officer (Executive Sponsor)

The CHRO 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 and for developing and disseminating in a timely manner management’s recommendations to the Committee and appropriate supporting information to facilitate the Committee’s deliberations and exercise of its responsibilities. The CEO, and other staff members as appropriate, may serve as a non-voting liaison to the Committee and may participate at the discretion of the Committee Chair. These individuals shall be recused when the Committee is reviewing their individual compensation.

GOALS	TIMELINE	METRICS/PACING PLAN
1. Provide oversight and approvals for compensation-related decisions, including performance incentive goal-setting and plan design	Q1 (-)	<ul style="list-style-type: none"> - Review and approve FY25 executive base salaries - Review and recommend FY24 Organizational Incentive Score - Review and approve FY24 individual incentive scores - Review and approve FY24 executive payout amounts
	Q2 (-)	<ul style="list-style-type: none"> - Process Review: Executive Performance Management - Process Review: Succession and Development Planning
	Q3 (-)	<ul style="list-style-type: none"> - Recommend FY26 ECC Committee goals - Receive update on ECH Q2 strategic plan - Review potential ECC policy changes - Process Review: Executive Goal Setting
	Q4 (-)	<ul style="list-style-type: none"> - Review and recommend proposed FY26 organizational incentive goals - Review and approve FY26 individual executive goals
2. Evaluate the effectiveness of the independent compensation consultant	Q4 (-)	<ul style="list-style-type: none"> - Conduct annual evaluation of ECC consultant

SUBMITTED BY: Chair: Bob Miller | **Executive Sponsor:** Deanna Dudley

FY2025 FINANCE COMMITTEE GOALS

PURPOSE:

The purpose of the Finance Committee (the “Committee”) is to provide oversight, information sharing, and financial reviews related to budgeting, capital budgeting, long-range financial planning and forecasting, and monthly financial reporting for the El Camino Hospital (ECH) Hospital Board of Directors (“Board”). In carrying out its review, advisory, and oversight responsibilities, the Finance Committee shall remain flexible in order to best define financial strategies that react to changing conditions.

STAFF: Carlos Bohorquez, Chief Financial Officer (Executive Sponsor)

The CFO 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. Summary of Physician Financial Agreements	Q3	March 2025
2. Review Progress on Opportunities / Risks identified by Management for FY2025 and Managed Care Update	Q2, Q3	Progress on Opportunities / Risks (December 2024), Managed Care update (January 2025)
3. Review Strategy, Goals and Performance of ECHMN, Joint Ventures / Business Affiliates, Impact of Strategic Initiatives on Market Share and progress on Implementation of 2027 Strategic Plan	Q1	Overview & Financial Performance JVs / Business Affiliates (August 2024)
	Q2	Progress on 2027 Strategic Plan (December 2024), Foundation – Strategic Update (December 2024)
	Q3	Impact of Strategic Initiatives – Market Share Update (January 2025), ECHMN (January 2025), Hospital Community Benefits Program (March 2025),
	Q4	Progress on 2027 Strategic Plan (May 2025)
4. Fiscal Year End Performance Review	Q1	FYE 2024 Review of Operating, Financial and Balance Sheet Performance and KPIs (August 2024)

SUBMITTED BY: Chair: Don Watters | Executive Sponsor: Carlos Bohorquez, Chief Financial Officer

PROPOSED FY25 COMMITTEE GOALS

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.

GOALS	ACTIONS/METRICS	STATUS
1. Enhance Board Composition, Development, and Effectiveness	<ul style="list-style-type: none"> - In conjunction with the ECHD Re-Appointment and Recruitment, provide a method for regular competency and skills assessment of the Board. - Organize education sessions on industry trends and best governance practices. - Maintain resource section on Boardvantage of pertinent conferences, resources, newsletters, and professional organizations. - Implement regular and comprehensive board and committee assessments. - Develop Board Action plan - based on assessment results. - Develop onboarding mentorship program pairing experienced and new Board/Committee members. 	-
2. Review and Update Governance Documents and Policies	<ul style="list-style-type: none"> - Schedule regular reviews of Bylaws and policies. - Develop communication and/or training as necessary for policy updates. 	-
3. Support Board Advisory Committee Alignment with Organizational Strategy and Goals	<ul style="list-style-type: none"> - Ensure regular review of Advisory Committee goals and charters. - Hold joint education sessions between Board, Advisory Committees, and organizational leadership to ensure alignment with organizational needs. 	-
4. Promote ethical behavior and ensuring that the organization is acting in accordance with its values and principles.	<ul style="list-style-type: none"> - Monitor the frequency of Code of Conduct revision to ensure it remains current with the organization's culture and external factors - Monitor the annual acknowledgement of Conflict of Interest policy. 	-

FY2025 COMMITTEE GOALS

Investment Committee

PURPOSE

The purpose of the Investment Committee is to develop and recommend to the El Camino Hospital (ECH) Board of Directors (“Board”) the investment policies governing the Hospital’s assets, maintain current knowledge of the management and investment funds of the Hospital, and provide oversight of the allocation of the investment assets.

STAFF: Carlos Bohorquez, Chief Financial Officer (Executive Sponsor)

The CFO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair’s consideration. Additional members of the Executive Team or hospital staff may participate in the meetings upon the recommendation of the CFO and at the discretion of the Committee Chair. The CEO is an ex-officio member of this Committee.

GOALS	TIMELINE	METRICS
1. Review performance Surplus Cash and Cash Balance Portfolios & Recommendations of Adjustments to Managers / Allocations	Each Quarter	Committee review / approval of recommendations by management / consultant (if needed)
2. Implementation of Updated Investment Policy	FY2025 Q1-Q4	August 2024 – May 2025: Alternative Investments
3. Review 403(b) Performance	FY2025 Q2	December 2024
4. Enterprise Risk Management Update	FY2024 Q3	February 2025
5. Investment Policy Review	FY2025 Q4	May 2025: Committee approval of updated policy (if needed)
6. Education Topics - <TOPICS TBD>	FY2025: Q2 & Q4	December 2024: TBD; May 2025: TBD

SUBMITTED BY:

Chair: Brooks Nelson

Executive Sponsor: Carlos Bohorquez, CFO

FY25 COMMITTEE GOALS

Quality, Patient Care, and Patient Experience Committee

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”) to monitor and support the quality and safety of care provided at El Camino Health (“ECH”). The Committee will utilize the Institute of Medicine’s framework for measuring and improving quality care in these five domains: **safe, timely, effective, efficient, equitable, and person-centered** (STEEEP).

STAFF: Chief Quality Officer (Executive Sponsor)

The CQO and Senior Director of Quality shall serve as the primary staff to support the Committee and are responsible for drafting the Committee meeting agenda for the Committee Chair’s consideration. Additional clinical representatives and 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. These may include: Chiefs/Vice Chiefs of the Medical Staff, physicians, nurses, and members from the community advisory councils, or the community at-large.

GOALS	TIMELINE	METRICS
1. Ensure the metrics included on the Quality Committee dashboards are in alignment with the El Camino Hospital Board strategic plan.	Q4FY24 review and update which measures to include on the FY25 Quality Dashboards.	Quality and experience performance measures aligned with the STEEEP domains of; safe, timely, effective, efficient, equitable, and person-centered.
2. Monitor Quality, Patient Care, and Patient Experience performance in accordance with the pacing plan to track progress towards achieving targets.	Q4FY24 review FY25 Incentive Goal recommendations for Quality, Safety, and Patient Experience pillars.	Performance measures on the Quality Dashboards. <ul style="list-style-type: none"> ▪ Monthly Quality Dashboard ▪ Quarterly Board Level Quality Dashboard
3. Identify and reduce health care disparities for ECH patients.	Biannual report to Quality Committee FY25.	Monitor the effectiveness of ECH activities to reduce healthcare disparities through review of the biannual “health equity report”.
4. Foster a culture of collaboration, transparency, and continuous improvement within the Quality Committee.	Fiscal Year 2025	<ul style="list-style-type: none"> • Attend a minimum of 6 meetings in person. • Actively participate in discussions at each meeting. • Review of annual committee self-assessment results as facilitated by the Director of Governance.
5. Committee members participate in ongoing training and development to deepen their knowledge of quality, patient care, and patient experience topics.	Fiscal Year 2025	Attend a conference and/or session with a subject matter expert. <ul style="list-style-type: none"> • Verbal/Written report of key learnings to the Quality Committee.

Chair: Carol Somersille, MD

Executive Sponsor: Chief Quality Officer

Compliance and Audit Committee FY24 Pacing Plan

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	MAY		JUN
STANDING AGENDA ITEMS												
Results of Internal Audits			✓		✓			✓		✓		✓
Cybersecurity Program					✓			✓				✓
Enterprise Risk Management Metrics					✓					✓		
Discussion Items/Committee Actions												
Review FY 23 Annual Enterprise Compliance Program Report			✓									
Review FY 23 Annual Patient Safety/Claims Report			✓									
Review next FY Enterprise Compliance Work Plan												✓
Review Status of Current FY Compliance Work Plan Activity Completed												✓
Receive FY 23 Financial Auditors Consolidated Financial Statements, 403(b) and Cash Balance Audit results			✓									
Review Management's Summary Report of Physician Financial Agreements								✓				
Approve next FY Committee Goals and Meeting Dates										✓		
Review FY 24 Annual Financial Audit Plan with Financial Auditors								✓				
Review OIG Work Plan and Management's Response								✓				
Review Internal Audit Risk Assessment and next FY Internal Audit Work Plan										✓		
COMMITTEE GOALS												
Review revised ERM Metrics based on feedback from Hospital Board or new areas of strategic focus					✓							
Review Vision 2027 Strategic Plans					✓							
Review process and timeline for succession plan for Compliance/ Privacy Officer Role								✓		✓		

FY25 COMMITTEE GOALS AND PACING PLAN

Executive Compensation Committee

The purpose of the Executive Compensation Committee (the “Committee”) is to assist the El Camino Hospital (ECH) Hospital Board of Directors (“Board”) in its responsibilities related to the Hospital’s executive compensation philosophy and policies. The Committee will advise the Board to meet all legal and regulatory requirements as it relates to executive compensation.

STAFF: **Deanna Dudley**, Chief Human Resources Officer (Executive Sponsor)

The CHRO 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 and for developing and disseminating in a timely manner management’s recommendations to the Committee and appropriate supporting information to facilitate the Committee’s deliberations and exercise of its responsibilities. The CEO, and other staff members as appropriate, may serve as a non-voting liaison to the Committee and may participate at the discretion of the Committee Chair. These individuals shall be recused when the Committee is reviewing their individual compensation.

GOALS	TIMELINE	METRICS/PACING PLAN
1. Provide oversight and approvals for compensation-related decisions, including performance incentive goal-setting and plan design	Q1 (-)	<ul style="list-style-type: none"> - Review and approve FY25 executive base salaries - Review and recommend FY24 Organizational Incentive Score - Review and approve FY24 individual incentive scores - Review and approve FY24 executive payout amounts
	Q2 (-)	<ul style="list-style-type: none"> - Process Review: Executive Performance Management - Process Review: Succession and Development Planning
	Q3 (-)	<ul style="list-style-type: none"> - Recommend FY26 ECC Committee goals - Receive update on ECH Q2 strategic plan - Review potential ECC policy changes - Process Review: Executive Goal Setting
	Q4 (-)	<ul style="list-style-type: none"> - Review and recommend proposed FY26 organizational incentive goals - Review and approve FY26 individual executive goals
2. Evaluate the effectiveness of the independent compensation consultant	Q4 (-)	<ul style="list-style-type: none"> - Conduct annual evaluation of ECC consultant

SUBMITTED BY: Chair: Bob Miller | **Executive Sponsor:** Deanna Dudley

FY2025 Finance Committee Pacing Plan												
AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	8/26	SEPT	10/14	NOV	12/5	1/27	2/24	3/31	APR	5/26	JUN
STANDING AGENDA ITEMS												
Standing Consent Agenda Items		✓		✓		✓	✓		✓		✓	
Minutes		✓		✓		✓	✓		✓		✓	
Period Financials Report (Approval)		✓		✓		✓	✓		✓		✓	
Board Actions		✓		✓		✓	✓		✓		✓	
APPROVAL ITEMS												
Candidate Interviews & Recommendation to Appoint (If required to add/replace committee member)												
Financial Report Year-End Results		✓										
Next FY Committee Goals, Dates, Plan									✓		✓	
Next FY Org. Goals											✓	
Next FY Community Benefit Grant Program											✓	
Physician Contracts		✓		✓		✓	✓		✓		✓	
DISCUSSION ITEMS												
Financial Report (Pre-Audit Year-End Results)		✓										
Financial Performance JVs/ Business Affiliates		✓										
Progress on Opportunities/ Risks						✓						
Medical Staff Development Plan (every 2 years)									✓			
Impact of Strategic Initiatives/Market Share Update							✓					

FY2025 Finance Committee Pacing Plan												
AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	8/26	SEPT	10/14	NOV	12/5	1/27	2/24	3/31	APR	5/26	JUN
Progress Against Committee Goals & Pacing Plan (Quarterly)					✓			✓		✓		
Foundation Strategic Update					✓							
ECHMN Update							✓		✓			
Community Benefit Grant Application Process					✓				✓			
Progress Against 2027 Strategic Plan					✓						✓	
Managed Care Update							✓					
Long-Range Financial Forecast (Joint FC / IC Meeting)								✓				
Next FY Budget and Preliminary Assumptions Review									✓			
Review FY Operational / Capital Budget for Recommendation to Board									✓		✓	
Summary Physician Financial Arrangements									✓			
Post Implementation (as needed)												
Other Updates¹ (as needed)												
1. Includes updates on special projects/joint ventures/real estate, ad-hoc updates												

Proposed FY25 Governance Committee Pacing Plan

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Minutes			✓			✓			✓			✓
Review Progress Against Goals			✓			✓			✓			✓
Board Action Plan Development			✓									
ECHD Reappointment Support			✓									
Board/Committee Onboarding Plan			✓									
ECHB Policy Review						✓						
Board Education						✓						
Board Assessment Plan Overview									✓			
Plan for Joint Education Session									✓			
Develop next FY GC Goals									✓			
Review Advisory Committees Next FY Goals												✓
Review Advisory Committee and Committee Chair Assignments												✓
Finalize Next FY Master Calendar												✓

FY2025 Investment Committee Pacing Plan

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	8/12	SEP	OCT	NOV	12/9	2/10	2/24	MAR	APR	5/12	JUN
STANDING AGENDA ITEMS												
Standing Consent Agenda Items		✓				✓	✓				✓	
Minutes		✓				✓	✓				✓	
CFO Report Out		✓				✓	✓				✓	
APPROVAL ITEMS												
Next FY Committee Goals, Dates, Plan							✓				✓	
Next FY Org. Goals											✓	
Progress Against Committee Goals						✓	✓				✓	
Review/Approval of Updated Investment Policy											✓	
DISCUSSION ITEMS												
Capital Markets Review & Portfolio Performance		✓				✓	✓				✓	
Tactical Asset Allocation Positioning & Market Outlook		✓				✓	✓				✓	
Long-Range Financial Forecast								✓				
Asset Allocation & Enterprise Risk Framework							✓					
403(b) Investment Performance						✓						
Education Topic: Topics TBD						✓					✓	

Quality, Patient Care, and Patient Experience Committee FY25 Pacing Plan

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
STANDING AGENDA ITEMS												
Consent Calendar ¹		✓	✓		✓	✓		✓	✓		✓	✓
Verbal Committee Member Expertise Sharing or Chair's Report		✓	✓		✓	✓		✓	✓		✓	✓
Patient Experience Story		✓	✓		✓	✓		✓	✓		✓	✓
Serious Safety/Red Alert Event (as needed)		✓	✓		✓	✓		✓	✓		✓	✓
Recommend Credentialing and Privileges Report		✓	✓		✓	✓		✓	✓		✓	✓
Quality Council Minutes		✓	✓		✓	✓		✓	✓		✓	✓
SPECIAL AGENDA ITEMS – OTHER REPORTS												
Quality & Safety Review of reportable events		✓			✓			✓			✓	
Quarterly Board Level Quality/ Experience Dashboard Review		✓			✓			✓			✓	
El Camino Health Medical Network Report		✓			✓			✓			✓	
Committee Self-Assessment Results Review												✓
Annual Patient Safety Report			✓									
Annual Culture of Safety Survey Report			✓									
Patient Experience Report			✓						✓			
Health Equity Report						✓						✓
Recommend Safety Report for the Environment of Care					✓							
PSI Report						✓						
Value-Based Purchasing Report									✓			
Recommend Quality Assessment & Performance Improvement Plan (QAPI)					✓							
Refresh Quality/Experience Dashboard measures for FY26												✓
Artificial Intelligence Report						✓						
COMMITTEE/ORGANIZATIONAL GOALS/CALENDAR												
Propose Committee Goals									✓			
Recommend Committee Goals											✓	
Propose FY Committee Meeting dates									✓			
Recommend FY Committee Meeting dates											✓	
Propose Organization Goals									✓			
Recommend Organization Goals											✓	
Propose Pacing Plan									✓			
Recommend Pacing Plan											✓	
Review & Revise Charter									✓			
Recommend Charter											✓	

1: Includes Approval of Minutes (Open & Closed), Current FY Monthly Quality/Experience Dashboard, Progress Against FY Committee Goals (Quarterly), Current FY Pacing Plan (Quarterly), CDI Dashboard (November), Core Measures (Semi-Annual), Leapfrog (June)

FY25 El Camino Hospital Board of Directors Advisory Committee & Liaison Appointments

COMMITTEE APPOINTMENTS						
COMMITTEE	COMPLIANCE & AUDIT	EXEC COMPENSATION	FINANCE	GOVERNANCE	INVESTMENT	QUALITY
CHAIR	Lica Hartman	Bob Miller*	Don Watters	Lanhee J. Chen	Brooks Nelson	Carol Somersille, MD
VICE CHAIR	Julia E. Miller	Wayne Doiguchi	Bill Hooper	Christina Lai	John Zoglin	Melora Simon
BOARD MEMBERS	Jack Po, MD	Carol Somersille, MD	Wayne Doiguchi	Don Watters	Peter C. Fung, MD	Jack Po, MD
		George O. Ting, MD	Peter C. Fung, MD	Julia E. Miller		John Zoglin
COMMUNITY MEMBERS	Sylvia Fong	Tom Asmar	Cynthia Stewart	Ken Alvares	Nicola Boone	Krutica Sharma
	Sharon Anolik Shakked	Mary Hassett	RECRUIT	Mike Kasperzak	John Conover	Pancho Chang
	Christine Sublett	Estrella Parker			Robin Driscoll	RECRUIT
		Todd Shaw			Ken Frier	
MEDICAL STAFF OFFICERS & MEDICAL NETWORK BOARD MEMBERS						Prithvi Legha, MD
						Philip Ho, MD
						Steve Xanthopoulos, MD <i>Alternate</i>
						Shahram Gholami, MD <i>Alternate</i>
LIAISON APPOINTMENTS				LEGEND: *Hospital Board Members *District Board Members *Community & Staff Members		
COMMUNITY BENEFIT ADVISORY COUNCIL (CBAC) (Liaison)*		Carol Somersille, MD		ECH FOUNDATION BOARD OF DIRECTORS (Liaison)		Julia E. Miller

*Develop transition plan for Bob Miller

*CBAC Liaison is appointed by ECHD.

To Be Approved by Hospital Board of Directors: 06/12/2024

Proposed by Bob Rebitzer and Jack Po: 05/06/2024

EL CAMINO HOSPITAL BOARD OF DIRECTORS COMMITTEE MEETING MEMO

To: Governance Committee
From: Lanhee Chen, Governance Chair
Dan Woods, CEO
Date: June 11, 2024
Subject: Board and Committees Assessment Update

Purpose:

To provide an update on progress with the annual Board and Committees Self-Assessment.

Summary:

The Governance Committee's primary function is to advise and assist the El Camino Health Hospital Board of Directors on matters pertaining to governance, board development, board effectiveness, and board composition. The Committee ensures that the Board and its Committees operate at the highest standards of governance. Regular assessments of the Board and its Committees facilitate informed recommendations for improvements. We are aligning the timing of the bi-annual board and committee assessments with the annual CEO assessment to provide the best holistic view of the organization's leadership. An overview of the timeline is provided as an attachment.

The Hospital Board of Directors is engaging Spencer Stuart, an independent consulting firm, to conduct a comprehensive governance assessment. This assessment aims to enhance the processes and practices of the Board and its Advisory Committees. Spencer Stuart brings valuable experience with our Board and will implement a streamlined plan using a combination of surveys and interviews.

Board and Committee Self-Assessment Process

The self-assessment process includes surveys and structured interviews covering various aspects of board function, including:

1. **Board Meetings**
 - Adequacy of time for inquiry and oversight.
 - Focus on appropriate topics such as oversight and board education.
 - Timeliness and sufficiency of meeting materials.
 - Effectiveness of Board Chair in managing discussions and time.
2. **Board Role**
 - Clarity and understanding of expectations for board service.
 - Engagement in meaningful discussions.
 - Reasonableness of time commitments.
3. **Board Culture and Dynamics**
 - Collegiality and mutual respect among board members.
 - Professional boundaries between governance and management.
 - Communication skills and openness in expressing views.
4. **Board Skills, Experience, and Attributes (Including Diversity)**
 - Subject matter expertise and appropriate competencies.
 - Diversity in thought, experience, gender, race, and ethnic representation.
 - Cultivation of a pipeline of qualified candidates.
5. **Relationship with Management**

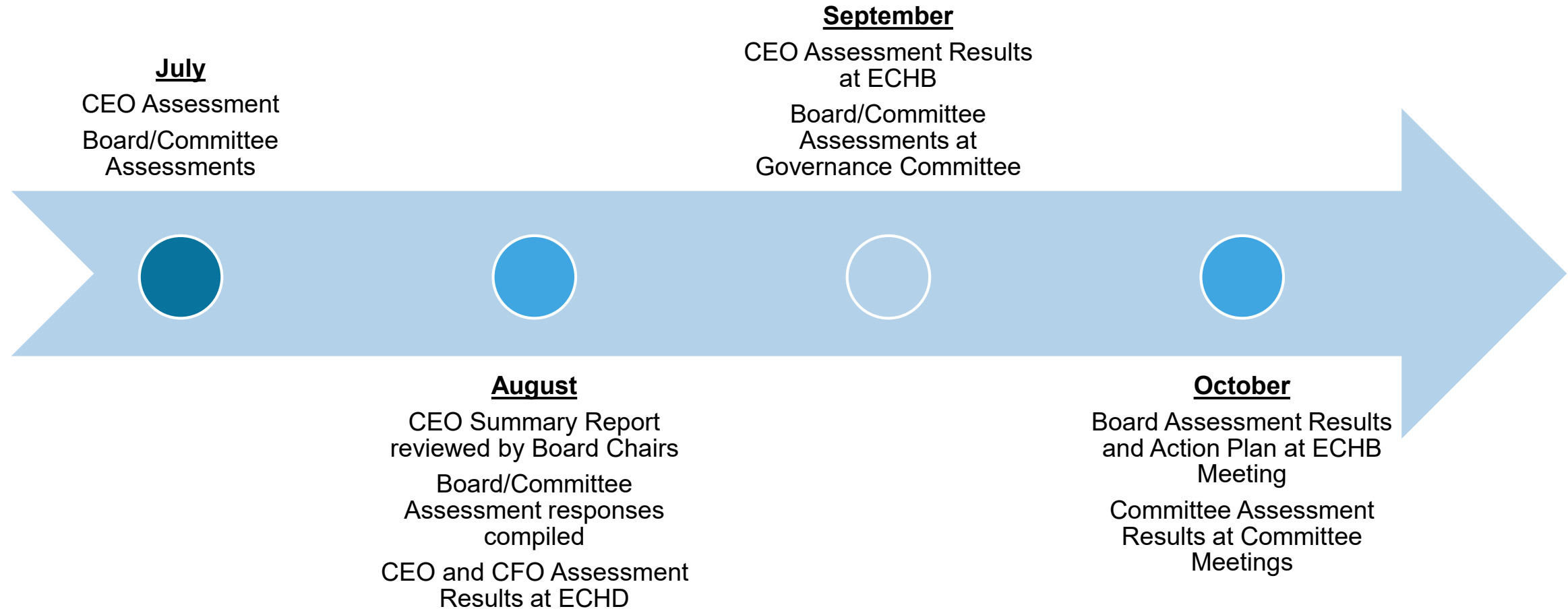
- Mutual trust and respect between the Board and executive management.
- Quality of board materials provided by management.
- Procedures for setting and assessing the CEO's objectives and performance.
- 6. Execution of Board's Oversight Responsibilities**
 - Effectiveness in deliberating and approving performance goals.
 - Understanding and reflection of the organization's mission and vision.
 - Oversight of strategic planning, financial performance, quality, and patient care.
 - Mechanisms for resolving conflicts of interest.
- 7. Committee Effectiveness**
 - Proper number and composition of committees.
 - Monitoring performance and providing feedback.
 - Committee structure and operating procedures.
 - Experience and effectiveness of committee members.
 - Timeliness and adequacy of committee agendas and support materials.
- 8. Self-Reflection on Board Contributions**
 - Understanding of board expectations and roles.
 - Leveraging of individual expertise and experience.
 - Preparation and participation in board activities.
 - Working relationships with other board members.
 - Overall satisfaction and reward from board service.

Attachments:

- Overview of Leadership Assessment Timeline
- Board and Committee Self-Assessment Surveys

Leadership Assessments Timeline

– CEO timeline is annual and Board/Committee timeline is bi-annual



BOARD EFFECTIVENESS REVIEW 2024

BOARD QUESTIONNAIRE

1. Board Meetings	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. The Board accomplishes our duties with adequate time for thoughtful inquiry and oversight, achieving the appropriate balance between presentation and engagement/discussion.					
2. Board meetings focus on appropriate topics, such as areas of oversight and related Board education.					
3. Board members receive meeting notices, written agendas, minutes and other appropriate materials well in advance of meetings with appropriate time to review and prepare for meetings.					
4. The Board Chair effectively manages board dialogue, e.g., ensures that all voices are heard, guides discussion towards closure and decision, manages time and the meeting agenda effectively.					

What topics would you like to see covered in future board meetings?

Additional Comments on Board Meetings

2. Board Role	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. The expectations for board service are clearly articulated and well understood by board members.					
2. Board members engage in productive and meaningful discussion.					
3. The time commitment board members are asked to make is reasonable and appropriate for fulfilling our duties.					

Additional comments on Board Role?

3. Board Culture and Dynamics	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/NA
1. The Board operates with a spirit of collegiality and there is a culture of mutual respect among board members.					
2. Board members honor the professional boundaries between governance and management.					
3. Board members possess strong communication skills, knowing when to listen and when to speak up.					
4. Board members are comfortable expressing their views openly and productively both in board meetings and with board leadership and management, as needed.					

Additional comments on Board Culture and Dynamics?

4. Board skills, experiences, and attributes including diversity	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/NA
1. The Board is composed of members with optimal subject matter expertise and appropriate competencies.					
2. The Board membership comprises diversity of thought, experience, gender, race and ethnic representation, and perspective in order to add greater value to the Board's deliberations.					
3. The Board actively cultivates new candidates to form a pipeline of potential candidates who are qualified based on defined, competency-based criteria.					

Additional comments on Board skills, experiences, and attributes, including diversity?

5. Relationship with Management	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/NA
1. The Board and executive management exhibit mutual trust and respect and foster transparency in the working relationship.					

2. Management provides high quality board materials, with the appropriate level of detail, to enable the Board to effectively carry out its oversight responsibilities.					
3. The Board has a defined procedure in place for establishing the Chief Executive Officer's yearly objectives.					
4. On an annual basis, the Board effectively assesses the performance of the Chief Executive Officer.					
5. The Board has an effective working relationship with the Chief Executive Officer and leadership team.					

Additional comments on the Board's relationship with the executive Management team?

6. Execution of Board's Oversight Responsibilities	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. On an annual basis, the Board effectively deliberates on and approves appropriate performance goals.					
2. The Board understands the mission, and vision and reflects these understandings on key issues throughout the year.					
3. The organization's strategic planning processes are effective, and the Board provides appropriate input into the strategic planning process, taking into account all key stakeholders.					
4. The Board effectively assesses the organization's financial performance in relation to its goals.					
5. The Board has established procedures to effectively oversee quality.					
6. The Board carefully reviews quality and patient care.					
7. The Board frequently evaluates the organization's performance in relation to community healthcare needs.					
8. The Board has an effective mechanism in place for resolving potential conflicts of interest.					
9. The Board, through its committees, also provides effective oversight in the key					

areas of Compliance and Audit; Finance; Investment; Executive Compensation; Governance; Quality, Patient Care and Patient Experience.					
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Additional comments on oversight of setting strategy, performance goals and other key areas of responsibility?

Please select the committee with which you are associated at El Camino Health:

- Compliance and Audit
- Executive Compensation
- Governance
- Finance
- Investment
- Quality, Patient Care and Patient Experience

7. Committee Effectiveness	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. The Board has the proper number of committees representing specific issues of specialized expertise.					
2. Board members are organized properly into appropriate committees based on background and expertise of each member.					
3. During the course of the year, the Board effectively monitors performance against its goals and provides feedback regarding any needed course correction, including through regular reports of the appropriate committees tasked with specific oversight responsibilities.					
4. The current committee structure, and operating procedures are effective.					
5. Committee members have the experience to serve effectively.					
6. Committee agendas are prepared and circulated timely and contain all pertinent information, minutes are taken accurately, and informational and					

logistical support are provided by management and outside advisors.					
7. The committee has strong leadership.					

Additional comments on Committee Effectiveness?

8. Self-reflection on your contributions to the Board	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. I understand what the Board expects of me in my role as member and the function, role, and responsibilities of being a Board Member.					
2. As a Board Member, my expertise and experience are being fully leveraged.					
3. I prepare for and actively participate in board meetings as well as other activities expected of me as a Board Member.					
4. I have a positive working relationship with other Board Members.					
5. I find serving on the Board to be a satisfying and rewarding experience.					

Additional reflection on the performance of the Board (open response)

1. Please provide any additional comments on the effectiveness of the Board over the last year.
2. Looking to the future, what should be the goals of the Board over the next two years; what do we want to accomplish as a board separate from the goals of the organization? (E.g., expanded board education programs; changes; enhanced communication; better use of board meeting time; other potential areas of responsibility and oversight?).
3. Do you have other input about the Board that has not been addressed in this survey?

COMMITTEE EFFECTIVENESS REVIEW 2024

COMMITTEE QUESTIONNAIRE

Please select the committee with which you are associated at El Camino Health:

- Compliance and Audit
- Executive Compensation
- Governance
- Finance
- Investment
- Quality, Patient Care and Patient Experience

1. Committee Meetings	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. The Committee accomplishes our duties with adequate time for thoughtful inquiry and oversight, achieving the appropriate balance between presentation and engagement/discussion.					
2. Committee meetings focus on appropriate topics, such as areas of oversight and related education.					
3. Committee members receive meeting notices, written agendas, minutes and other appropriate materials well in advance of meetings with appropriate time to review and prepare for meetings.					
4. The Committee Chair effectively manages Committee dialogue, e.g., ensures that all voices are heard, guides discussion towards closure and decision, manages time and the meeting agenda effectively.					

What topics would you like to see covered in future Committee meetings?

Additional Comments on Committee Meetings

2. Committee Role	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
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1. The expectations for Committee service are clearly articulated and well understood by Committee members.					
2. Committee members engage in productive and meaningful discussion.					
3. The time commitment Committee members are asked to make is reasonable and appropriate for fulfilling our duties.					

Additional comments on Committee Role?

3. Committee Culture and Dynamics	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/NA
1. The Committee operates with a spirit of collegiality and there is a culture of mutual respect among Committee members.					
2. Committee members honor the professional boundaries between governance and management.					
3. Committee members possess strong communication skills, knowing when to listen and when to speak up.					
4. Committee members are comfortable expressing their views openly and productively both in Committee meetings and with Committee leadership and management, as needed.					

Additional comments on Committee Culture and Dynamics?

4. Committee skills, experiences, and attributes including diversity	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/NA
1. The Committee is composed of members with optimal subject matter expertise and appropriate competencies.					
2. The Committee membership comprises diversity of thought, experience, gender, race and ethnic representation, and perspective in order to add greater value to the Committee's deliberations.					

3. The Committee actively cultivates new candidates to form a pipeline of potential candidates who are qualified based on defined, competency-based criteria.					
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Additional comments on Committee skills, experiences, and attributes, including diversity?

5. Relationship with Management	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. The Committee and executive management exhibit mutual trust and respect and foster transparency in the working relationship.					
2. Management provides high quality Committee materials, with the appropriate level of detail, to enable the Committee to effectively carry out its oversight responsibilities.					
3. The Committee has an effective working relationship with the executive sponsor and hospital staff.					

Additional comments on the Committee’s relationship with the executive Management team?

6. Execution of Committee’s Oversight Responsibilities	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. On an annual basis, the Committee effectively deliberates on and approves appropriate performance goals.					
2. The Committee understands the mission, and vision and reflects these understandings on key issues throughout the year.					
3. The organization’s strategic planning processes are effective, and the Committee provides appropriate input into the strategic planning process, taking into account all key stakeholders.					
4. The Committee has established procedures to effectively oversee quality.					
5. The Committee has an effective mechanism in place for resolving potential conflicts of interest.					

Additional comments on oversight of setting strategy, performance goals and other key areas of responsibility?

7. Committee Effectiveness	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. The Committee has the proper number of community members representing specific issues of specialized expertise.					
2. During the course of the year, the Committee effectively monitors performance against its goals and provides feedback regarding any needed course correction, including through regular reports of the appropriate committees tasked with specific oversight responsibilities.					
3. The current committee structure, and operating procedures are effective.					
4. Committee members have the experience to serve effectively.					
5. Committee agendas are prepared and circulated timely and contain all pertinent information, minutes are taken accurately, and informational and logistical support are provided by management and outside advisors.					
6. The committee has strong leadership.					

Additional comments on Committee Effectiveness?

8. Self-reflection on your contributions to the Committee	Strongly disagree	Disagree	Agree	Strongly agree	Unknown/ NA
1. I understand what the Committee expects of me in my role as member and the function, role, and responsibilities of being a Committee Member.					
2. As a Committee Member, my expertise and experience are being fully leveraged.					

3. I prepare for and actively participate in Committee meetings as well as other activities expected of me as a Committee Member.					
4. I have a positive working relationship with other Committee Members.					
5. I find serving on the Committee to be a satisfying and rewarding experience.					

Additional reflection on the performance of the Committee (open response)

1. Please provide any additional comments on the effectiveness of the Committee over the last year.
2. Looking to the future, what should be the goals of the Committee over the next two years; what do we want to accomplish as a Committee separate from the goals of the organization? (E.g., expanded Committee education programs; changes; enhanced communication; better use of Committee meeting time; other potential areas of responsibility and oversight?).
3. Do you have other input about the Committee that has not been addressed in this survey?

**Minutes of the Open Session of the
 Governance Committee of the
 El Camino Hospital Board of Directors
 Tuesday, March 12, 2024**

Members Present

Ken Alvares
Lanhee Chen, Chair
Christina Lai
Julia Miller
Don Watters

Members Absent

Michael Kasperzak

Others Present

Dan Woods, CEO
Theresa Fuentes, CLO
Tracy Fowler, Director, Governance Services
Gabriel Fernandez, Coordinator, Governance Services

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session of the regular meeting of the Governance Committee of El Camino Hospital (the “Committee”) was called to order at 5:58 pm by Chair Lanhee Chen. A verbal roll call was taken. A quorum was present	<i>Called to order at 5:58 pm</i>
2. CONSIDER APPROVAL FOR AB 2449 REQUESTS	Chair Chen announced that there were no requests received today to appear remotely for Just Cause or Emergence. No motion was necessary.	
3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Chen asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were noted.	
4. PUBLIC COMMUNICATION	Chair Chen invited the members of the public to address the Committee, no members of the public were in attendance and no comments were provided.	
5. CONSENT CALENDAR	<p>Motion: To approve the Open Session consent calendar.</p> <p>For Approval: a) Minutes of the Open Session Governance Committee Meeting (12/12/2024)</p> <p>Movant: Watters Second: Miller Ayes: Alvares, Chen, Lai, Miller, Watters Noes: None Abstentions: None Absent: Kasperzak Recused: None</p>	<i>Consent Calendar approved.</i>
6. GOVERNANCE COMMITTEE PROGRESS	Ms. Fowler shared the progress on the FY24 Governance Committee Goals. She noted the change in the format for the committee goals to demonstrate progress more clearly as directed by the Committee at the last meeting. The Committee discussed the current repository of candidates for Board and Committee openings and the methodology surrounding the continuing development of the repository.	<i>Actions: Staff to refine the Board/ Committee repository to reflect candidate interest to potentially serve on the Board and Committees and their relevant competencies.</i>

<p>7. BOARD TRAINING AND DEVELOPMENT</p>	<p>Mr. Woods led a robust conversation with the Committee regarding the ongoing plans for board training and development. Mr. Woods highlighted the objectives for the April Hospital Board Strategy session, as well as defining traits a successful health system should exhibit. Mr. Woods highlighted that the session would guide the Board on strategies for strategic goal setting in a health system. The Committee highlighted the necessity to constantly revisit and adapt the organization’s strategic plan to be in line with the evolving nature of the market. Mr. Woods also highlighted the plans for the May Joint Education Session for the Board and Committees.</p>	
<p>8. FY25 COMMITTEE PLANNING ITEMS</p>	<p>Ms. Fowler presented the FY25 Committee Planning Items to the Committee for review. The Committee inquired regarding revisions made to the charters. Ms. Fuentes provided an update on the charter revisions and the goal for staff to refine and standardize the charters across the committees.</p> <p>Motion: To approve the FY25 Committee Goals.</p> <p>Movant: Lai Second: Alvares Ayes: Alvares, Chen, Lai, Miller, Watters Noes: None Abstentions: None Absent: Kasperzak Recused: None</p> <p>Motion: To approve the FY25 Pacing Plan.</p> <p>Movant:Watters Second: Miller Ayes: Alvares, Chen, Lai, Miller, Watters Noes: None Abstentions: None Absent: Kasperzak Recused: None</p>	<p><i>FY25 Committee Goals Approved.</i></p> <p><i>FY25 Pacing Plan Approved.</i></p>
<p>9. BOARD AND COMMITTEE ASSESSMENT PLAN UPDATE</p>	<p>Chair Chen shared an update of his board assessment discussion with a governance consultant from Spencer Stuart. Chair Chen expressed a desire for the assessments to be measurable from year to year, to best achieve consistent reviewable data that can track progress.</p>	

<p>10. ECH BOARD POLICIES</p>	<p>Ms. Fuentes opened the discussion with a summary of the current policy update request. The Committee discussed the policy, including revising the committee member terms to three years.</p> <p>Motion: To recommend the El Camino Hospital Board Committee Governance Policy for El Camino Hospital Board Approval, with modification of three-year term for committee members.</p> <p>Movant: Alvares Second: Miller Ayes: Alvares, Chen, Lai, Miller, Watters Noes: None Abstentions: None Absent: Kasperzak Recused: None</p> <p>Motion: To recommend approval of the Board and Advisory Committee Continuing Education Policy for El Camino Hospital Board Approval</p> <p>Movant: Miller Second: Watters Ayes: Alvares, Chen, Lai, Miller, Watters Noes: None Abstentions: None Absent: Kasperzak Recused: None</p>	<p>Motions approved.</p> <p>Actions: For EHCB Committee Governance Policy: Staff to revise the Committee term to three (3) years, to be aligned with Hospital Board member term.</p>
<p>11. COMMITTEE ANNOUNCEMENTS</p>	<p>Ms. Fowler provided an update on internal software updates to the Board portal software utilized by the organization.</p>	
<p>12. ADJOURNMENT</p>	<p>Motion: To adjourn at 7:15 pm.</p> <p>Movant: Alvares Second: Miller Ayes: Alvares, Chen, Lai, Miller, Watters Noes: None Abstentions: None Absent: Kasperzak Recused: None</p>	<p>Meeting Adjourned at 7:15 pm</p>

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

 Gabriel Fernandez
 Coordinator, Governance Services

Prepared by: Gabriel Fernandez, Coordinator, Governance Services
 Reviewed by: Theresa Fuentes, CLO; Tracy Fowler, Director, Governance Services