



**Minutes of the Open Session of the
El Camino Healthcare District Board of Directors
Tuesday, March 15, 2022**

Pursuant to Government code section 54953(e)(1), El Camino Health will not be providing a physical location to the public for this meeting. Instead, the public is invited to join the open session meeting via teleconference at:

Board Members Present

Peter C. Fung, MD Vice-Chair
Julia E. Miller, Chair
Carol A. Somersille, MD Secretary/Treasurer
George O. Ting, MD
John Zoglin

Board Members Absent

Members Excused

None

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	Chair Miller called to order the open session of the Regular Meeting of the El Camino Healthcare District Board of Directors (the "Board") at 5:33 pm and reviewed the logistics for the meeting. A verbal roll call was taken; all Board members were present at the roll call, and a quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020, and N-29-20 dated March 18, 2020.	<i>Call to Order at 5:33 pm.</i>
2. SALUTE TO THE FLAG	Chair Miller asked Dan Woods, CEO, to lead all present in the Pledge of Allegiance.	
3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Miller asked if any Board members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
4. PUBLIC COMMUNICATION	There was no public communication.	
5. CONSENT CALENDAR	<p>Chair Miller asked if any member of the Board or the public wished to remove an item from the consent calendar.</p> <p>Director Zoglin requested to remove 5c – Minutes of the Open Session of the District Board Meeting (1/25/22) for discussion.</p> <p>Motion: To approve the consent calendar excluding item 5b to include:</p> <ul style="list-style-type: none"> a. Continuation of Resolution 2021-10 of the Board of Directors Making Findings and Determinations Under AB 361 for Teleconference Meetings c. Minutes of the Open Session of the El Camino Healthcare District Board Meeting (12/01/2021) <p>Movant: Fung Second: Somersille Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p> <p>Director Zoglin requested that the phrasing on page 16, section 13 of the minutes and policy be revised to reflect what was voted on, specifically "and share the information with the full district board." Discussion ensued.</p> <p>Motion: To approve the consent calendar to include:</p> <ul style="list-style-type: none"> b. Open Minutes of January 25, 2022, El Camino Healthcare District Board Meeting, with requested revisions. 	<i>The consent calendar was approved.</i>

	<p>Movant: Zoglin Second: Somersille Ayes: Fung, Somersille, Ting, Zoglin Noes: None Abstentions: Miller Absent: None Recused: None</p>	
<p>6. EL CAMINO HEALTHCARE DISTRICT BOARD HEALTH AND SAFETY CODE RESOLUTION: <i>Resolution 2022-02</i></p>	<p>Motion: To conduct a public hearing to adopt Resolution 2022-02 Health and Safety Code</p> <p>Movant: Fung Second: Miller Ayes: Fung, Miller, Somersille, Ting Noes: Zoglin Abstentions: None Absent: None Recused: None</p>	<p>A public hearing was held, and Resolution 2022-02 was approved.</p>
<p>7. ENTERPRISE STRATEGY</p>	<p>Dan Woods presented the Enterprise Strategic Plan.</p> <p>Motion: To approve the Enterprise Strategy</p> <p>Movant: Fung Second: Somersille Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p>Enterprise Strategy was approved.</p>
<p>8. COMPLIANCE ISSUE REVIEW PROCESS POLICY <i>D&O Insurance Coverage</i></p>	<p>Carlos Bohorquez, CFO, summarized and reviewed the current Directors and Officers Insurance Policy, detailed in the packet materials. Director Miller asked how the D&O liability insurance affects the District Board Members now that they are employees. Mary Rotunno, General Counsel, explained that District Board Members are employees of the District for tax purposes only.</p>	
<p>9. COMPLIANCE ISSUE REVIEW PROCESS POLICY <i>Reimbursement of Board Member Legal Expenses</i></p>	<p>Mary Rotunno, General Counsel, asked the Board of Directors for any questions or feedback on the memo prepared by Alison Bassett from BBK Law. Discussion ensued regarding the reimbursement of legal fees for the defense of a Board member being investigated.</p> <p>Director Fung asked for clarification and guidance on page 31, line 1, regarding the governing body adopting a written policy.</p> <p>Ms. Bassett stated that a policy must be in place for reimbursement to occur, and each reimbursement has specific requirements, which are further explained in the Tort Claims Act.</p> <p>Director Fung further inquired about the process, in which case a board member may need legal help.</p> <p>Ms. Bassett confirmed there should be a discussion of whether or not the board member was acting within or contrary to the scope of their duties.</p> <p>Ms. Bassett reiterated that reimbursement of legal fees outside of the civil action under the Tort Claims Act should not be included in any policy because it is not allowed under the law. The Board decides whether they will retain outside counsel for the defense of the board member.</p> <p>Director Somersille asked how a board member would know they can have a defense if they are not aware that an investigation is a civil action until after the fact.</p> <p>In Conclusion, Ms. Bassett summarized that the District could authorize the reimbursement of legal fees but only under certain circumstances, where the district is bringing a civil action or proceeding against a board</p>	


	<p>member to suspend, remove or penalize them. Then the District may engage outside counsel directly to allow that board member to have a defense for that civil proceeding. That is the situation where the defense in the outside counsel is permitted. Still, it is not permitted to determine if the board member engaged in misconduct under the policy. It is also not allowed to reimburse a board member for hiring outside counsel directly.</p>	
<p>10. EL CAMINO HEALTHCARE DISTRICT BOARD MEMBER TRANSITION TO W-2 EMPLOYEES <i>W2 or 1099 Requirement</i></p>	<p>Mary Rotunno, General Counsel, asked the Board of Directors if they had any further concerns on the memo prepared to address previous issues regarding the transition to W-2 employees.</p> <p>Director Fung asked if a W-2 is required if a board member does not want a stipend but does want to be covered by workman's compensation.</p> <p>Ms. Rotunno explained that the District provides workman's compensation benefits under the labor code requirement that only applies to W-2 employees receiving compensation. If you are a volunteer, meaning declining compensation, there is no requirement for workman's compensation coverage under the labor code. Ms. Rotunno further explained that if a board member was injured in a meeting, the hospital has general liability insurance that would cover anyone on the hospital premises.</p> <p>Director Miller asked Ms. Rotunno to explore options where a board member could donate their stipend and still receive workman's compensation benefits.</p>	
<p>11. EL CAMINO HEALTHCARE DISTRICT BOARD MEMBER TRANSITION TO W-2 EMPLOYEES <i>Health Benefits Discussion</i></p>	<p>As previously discussed, Greg Souza, Interim CHRO, explained that District Board members are not an employee of the hospital; therefore, hospital policy that governs who is eligible for benefits does not apply.</p> <p>From an advisory perspective, Mr. Souza advised the board to potentially seek legal counsel or advice regarding establishing a benefit plan for board members, legal advice can explain how that would be done, and implications for the hospital will flow in that direction.</p> <p>Dr. Somersille asked for clarification on what other districts are doing.</p> <p>Mr. Souza agreed to explore other district hospital data and bring it back to the next meeting.</p>	
<p>12. REVIEW EL CAMINO HEALTHCARE DISTRICT MISSION STATEMENT AND POSSIBLE ADHOC COMMITTEE FORMATION</p>	<p>Chair Miller informed the Board of the appointment of Director Carol Somersille as the FY22 El Camino Healthcare District Board Ad Hoc Committee Chair to review the Healthcare District Mission and Purpose. Chair Miller called for a motion to approve the appointment of an additional member.</p> <p>Motion: To form an Ad Hoc Committee to review the district mission statement and purpose and approve the appointment of an additional member</p> <p>Movant: Somersille Second: Miller Ayes: Fung, Miller, Somersille Noes: Zoglin Abstentions: Ting Absent: None Recused: None</p> <p>The Board of Directors discussed the formation of the Ad Hoc committee. Director Fung volunteered to serve. Director Zoglin asked Director Ting if he would consider serving on the committee, and Director Ting declined. Chair Miller stated it would be nice if Director Zoglin would consider serving on the Committee. Director Zoglin noted that he would be okay with the recommendation of himself or Director Fung. Director Somersille stated that she would prefer Director Zoglin as the additional member as</p>	<p>Resolution 2022-04 was approved.</p>

	Director Fung is already serving on the Bylaws and Policies AdHoc Committee.	
13. COMMUNITY BENEFIT STRATEGIC UPDATE	<p>Jon Cowan presented the Community Benefit Strategic Update and asked the Board of Directors for their feedback.</p> <p>Director Ting asked how the Community Health Needs Assessment data would be used and interpreted.</p> <p>Mr. Cowan explained that the Community Health Needs Assessment data could be used and interpreted in many ways as the results are broad. He further disclosed that the results from the last needs assessment were used to determine how funds were allocated to each community health need. There was a discussion regarding allocating funding for branding and marketing so that the efforts made by El Camino Health are more visible to the community.</p>	
14. ECHD FY22 YTD FINANCIALS	<p>Carlos Bohorquez, Chief Financial Officer, presented the FY22 YTD Financials and highlighted the following:</p> <ul style="list-style-type: none"> • \$3.269B in total Assets as of January 31, 2022 • \$2.226B in total Fund Balance as of January 31, 2022 • Cash and investments decreased by 61 million dollars • Board Designated Assets increased by 116 million dollars • Deferred Revenue decreased by 30 million • Total operating revenues are favorable to budget by 11%. • Year over Year, increased by about 19%, mainly driven by a strong rebound in volume. <p>Mr. Bohorquez concluded that from an operational standpoint, we are doing much better than budget and significantly better than last fiscal year. A brief discussion ensued.</p> <p>Motion: To approve FY22 YTD Financials</p> <p>Movant: Zoglin</p> <p>Second: Fung</p> <p>Ayes: Fung, Miller, Somersille, Ting, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p>	ECHD FY22 YTD Financials were approved.
15. ADJOURN TO CLOSED SESSION	<p>To adjourn to closed session at 7:23 pm pursuant to Gov't Code Section 54957.2 for approval of the Minutes of the Closed Session of the District Board Meeting (01/25/22), pursuant to Gov't Code Section 54957 for discussion on personnel performance matters, an Executive Session with the CEO.</p> <p>Motion: To approve to adjourn to closed session at 7:23 pm.</p> <p>Movant: Somersille</p> <p>Second: Zoglin</p> <p>Ayes: Fung, Miller, Somersille, Ting, Zoglin</p> <p>Noes: None</p> <p>Abstentions: None</p> <p>Absent: None</p> <p>Recused: None</p>	Adjourned to closed session at 7:23 pm.
16. AGENDA ITEM 19: RECONVENE TO OPEN SESSION/ REPORT OUT	<p>The open session of the El Camino Healthcare District Board of Directors was reconvened at 7:48 pm. Agenda items 16-18 were addressed in the closed session.</p> <p>During the closed session, the Board approved the closed session minutes of the 01/25/22 El Camino Healthcare District Board of Directors</p>	Open Session reconvened at 7:48 pm.

	by all Board Members present. (Directors Fung, Miller, Somersille, Ting, and Zoglin).	
17. AGENDA ITEM 20: BOARD COMMENTS	None were noted.	
18. AGENDA ITEM 21: ADJOURNMENT	Motion: To adjourn at 7:51 pm. Movant: Somersille Second: Fung Ayes: Fung, Miller, Somersille, Ting, Zoglin Noes: None Abstentions: None Absent: None Recused: None	Meeting adjourned at 7:51 pm.

Attest as to the approval of the foregoing minutes by the Board of Directors of El Camino Healthcare District:


Julia E. Miller
Chair, ECHD Board


Carol Somersille, MD
Secretary/Treasurer, ECHD Board

Prepared by: Stephanie Iljin, Manager, Administration
Jennifer Bettendorf, Executive Assistant II