BOARD GOVERNANCE COMMITTEE
MEETING AGENDA
Thursday, August 4, 2022
12:00 p.m.
Meeting participation to be Virtual pursuant to Board Resolution No. 01.10.22(03)-03
Please see meeting log-in information below

**PLEASE MUTE YOUR MICROPHONE UPON ENTERING THE VIRTUAL MEETING ROOM AND WHEN NOT SPEAKING**

<table>
<thead>
<tr>
<th>Time</th>
<th>Form A Page</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CALL TO ORDER</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Establishment of Quorum</td>
<td>1</td>
<td>12:00</td>
</tr>
<tr>
<td>II. Public Comments</td>
<td>30</td>
<td>12:01</td>
</tr>
<tr>
<td>III. Follow-up Items: None</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>IV. Action Item(s)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. *Minutes; Board Governance Committee Meeting – Thursday, June 2, 2022 (ADD A - Pp 12-16)</td>
<td>5</td>
<td>12:31</td>
</tr>
<tr>
<td>2. *Policy Review-Discussion: Board Dispute Resolution #TBD (ADD B - Pp 17-19)</td>
<td>5</td>
<td>12:36</td>
</tr>
<tr>
<td>7. *Policy Review and Retirement-Board Agenda Creation #63352 (ADD G - Pp 31-33)</td>
<td>5</td>
<td>1:56</td>
</tr>
<tr>
<td>9. *Creation of Standing Committee Charters</td>
<td>5</td>
<td>1:06</td>
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<tr>
<td><strong>V. Standing Item(s)</strong></td>
<td></td>
<td></td>
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<tr>
<td>1. Legislative Update, June 24, 2022 (ADD I - Pp 46-51)</td>
<td>5</td>
<td>1:11</td>
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<tr>
<td><strong>VI. Roundtable</strong></td>
<td>5</td>
<td>1:21</td>
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</tbody>
</table>

**FINAL ADJOURNMENT**

* Asterisks indicate anticipated action. Action is not limited to those designated items.

**Please join the meeting from your computer, tablet, or smartphone:** [https://global.gotomeeting.com/join/517951597](https://global.gotomeeting.com/join/517951597)

**You can also dial in using your phone. United States (Toll Free):** 1 866 899 4679
**United States:** +1 (872) 240-3212

**Access Code:** 517-951-597

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TO: Board Governance Committee

MEETING DATE: Thursday, August 4, 2022

FROM: Nanette Irwin – Committee Secretary

Background: The minutes of the Board Governance Committee meeting held on Thursday, June 2, 2022 is respectfully submitted for review/approval.

Budget Impact: N/A

Staff Recommendation: Review/Approval

Committee Questions: N/A

COMMITTEE RECOMMENDATION:

Motion: X

Individual Action:

Information:

Required Time:
### TO:
Board Governance Committee

### MEETING DATE:
Thursday, August 4, 2022

### FROM:
Nanette Irwin – Committee Secretary

### Background:
The new policy Board Dispute Resolution is respectfully submitted to the Board Governance Committee for its initial review/approval.

### Budget Impact:
N/A

### Staff Recommendation:
Review/Approval

### Committee Questions:
N/A

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<table>
<thead>
<tr>
<th>COMMITTEE RECOMMENDATION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motion: X</td>
</tr>
<tr>
<td>Individual Action:</td>
</tr>
<tr>
<td>Information:</td>
</tr>
<tr>
<td>Required Time:</td>
</tr>
</tbody>
</table>
Board Governance Committee 
Policy: 
Extraordinary Event Management #58873

TO: Board Governance Committee
MEETING DATE: Thursday, August 4, 2022
FROM: Nanette Irwin – Committee Secretary

Background: The Extraordinary Event Management policy is respectfully submitted to the Board Governance Committee for its yearly review/approval.

Budget Impact: N/A
Staff Recommendation: Review/Approval
Committee Questions: N/A

COMMITTEE RECOMMENDATION:
Motion: X
Individual Action:
Information:
Required Time:
TO: Board Governance Committee

MEETING DATE: Thursday, August 4, 2022

FROM: Nanette Irwin – Committee Secretary

Background: The Political Activities on Palomar Health Property policy is respectfully submitted to the Board Governance Committee for its tri-yearly review/approval.

Budget Impact: N/A

Staff Recommendation: Review/Approval

Committee Questions: N/A

COMMITTEE RECOMMENDATION:

Motion: X

Individual Action:

Information:

Required Time:
TO: Board Governance Committee  

MEETING DATE: Thursday, August 4, 2022  

FROM: Nanette Irwin – Committee Secretary  

Background: The Public Comment and Attendance at Public Board Meetings policy is respectfully submitted to the Board Governance Committee as background information for the Public Comment Form.  

Budget Impact: N/A  

Staff Recommendation: Informational  

Committee Questions: N/A  

COMMITTEE RECOMMENDATION:  

Motion:  

Individual Action:  

Information: X  

Required Time:
TO: Board Governance Committee

MEETING DATE: Thursday, August 4, 2022

FROM: Nanette Irwin – Committee Secretary

Background: The Public Comment Form is respectfully submitted to the Board Governance Committee for its tri-yearly review/approval.

Budget Impact: N/A

Staff Recommendation: Review/Approval

Committee Questions: N/A

COMMITTEE RECOMMENDATION:

Motion: X

Individual Action:

Information:

Required Time:
TO: Board Governance Committee

MEETING DATE: Thursday, August 4, 2022

FROM: Nanette Irwin – Committee Secretary

Background: The Board Agenda Creation policy is respectfully submitted to the Board Governance Committee for review/retirement.

Budget Impact: N/A

Staff Recommendation: Review/Retirement

Committee Questions: N/A

COMMITTEE RECOMMENDATION:

Motion: X

Individual Action:

Information:

Required Time:
TO: Board Governance Committee

MEETING DATE: Thursday, August 4, 2022

FROM: Nanette Irwin – Committee Secretary

Background: The Update Non-Voting Members topic is respectfully submitted to the Board Governance Committee for review/approval.

Budget Impact: N/A

Staff Recommendation: Review Approval

Committee Questions: N/A

COMMITTEE RECOMMENDATION:

Motion: X

Individual Action:

Information:

Required Time:
TO: Board Governance Committee

MEETING DATE: Thursday, August 4, 2022

FROM: Nanette Irwin – Committee Secretary

Background: The Creating Standing Committee Charters topic is respectfully submitted to the Board Governance Committee for discussion.

Budget Impact: N/A

Staff Recommendation: Discussion

Committee Questions: N/A

COMMITTEE RECOMMENDATION:

Motion: X

Individual Action:

Information:

Required Time:
TO: Board Governance Committee

MEETING DATE: Thursday, August 4, 2022

FROM: Nanette Irwin – Committee Secretary

Background: The Legislative Update is respectfully submitted to the Board Governance Committee for its information.

Budget Impact: N/A

Staff Recommendation: Information

Committee Questions: N/A

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:
TO: Board Governance Committee

MEETING DATE: Thursday, August 4, 2022

FROM: Nanette Irwin – Committee Secretary

Background: The Lucidoc Board Policy Listing is respectfully submitted to the Board Governance Committee for its information.

Budget Impact: N/A

Staff Recommendation: Information

Committee Questions: N/A

COMMITTEE RECOMMENDATION:

Motion: 

Individual Action: 

Information: X

Required Time: 

ADDENDUM A
**Board GOVERNANCE COMMITTEE MEETING MINUTES – Thursday, June 2, 2022**

<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
<th>CONCLUSION/ACTION</th>
<th>FOLLOW UP/RESPONSIBLE PARTY</th>
<th>FINAL?</th>
</tr>
</thead>
</table>

**DISCUSSION**

**NOTICE OF MEETING**

Notice of upcoming meeting was posted Thursday, May 26, 2022. Full agenda packet was posted on the Palomar Health website on Thursday, May 26, 2022.

**CALL TO ORDER**

The meeting was held virtually via GoToMeeting pursuant to Board Resolution No. 01.10.22(03)-03 and called to order at 12:02 p.m. by Committee Chair Jeff Griffith.

**ESTABLISHMENT OF QUORUM**

- Quorum comprised of: Chair, Jeff Griffith, Director Terry Corrales, and Director Laura Barry who arrived late
- Excused Absences: None

**PUBLIC COMMENTS**

- None.

**FOLLOW UP ITEMS**

- None

**ACTION ITEMS**

1. **Minutes: Board Governance Committee Meeting – Thursday, June 2, 2022**

   The committee reviewed the Thursday, June 2, 2022 Board Governance Committee Meeting minutes and approved as written.

   **MOTION** by Director Corrales, 2nd by Director Griffith to approve the June 2, 2022 meeting minutes as written.

   Roll call voting was utilized: Y
<table>
<thead>
<tr>
<th>Motion</th>
<th>Director Corrales - Aye</th>
<th>Director Griffith - Aye</th>
<th>All in favor. None opposed.</th>
</tr>
</thead>
</table>

**DISCUSSION:** None

2. Board Policy; Retirement of Policies

<table>
<thead>
<tr>
<th>Motion</th>
<th>Committee Secretary to forward policies to the Full Board for review and retirement.</th>
<th>Director Corrales, 2nd by Director Griffith to retire seven policies, items 2 through 8 of the agenda. Roll call voting was utilized: Director Corrales - Aye Director Griffith - Aye All in favor. None opposed.</th>
</tr>
</thead>
</table>

**DISCUSSION:** Mr. DeBruin, Esq. stated that the policies (items 2 through 4 and item 6 were subsumed into the Bylaws of Palomar Health. Policy, item 5 was recommended for retirement by outside counsel because there is already clear language describing the duties of the CEO in the Bylaws of Palomar Health policy. Director Corrales enquired if it was appropriate to do one motion for approval of items 2 through 8. Mr. DeBruin, Esq. stated that it was appropriate to approve multiple policies, items 2 through 8, in one motion.

3. Board Policy; Create a “Conflict Resolution Between Board Members” policy discussion

<table>
<thead>
<tr>
<th>Motion</th>
<th>Mr. DeBruin, Esq. and Mr. Holtzman, Esq. to develop a new Conflict Resolution Between Board Members policy for review by the Board Governance Committee. Committee Secretary to add the Conflict Resolution Between Board Members policy to the August Board Governance Committee meeting as an action item.</th>
<th>Director Corrales, 2nd by Director Griffith to develop a Conflict Resolution Between Board Members policy to be brought back to the Board Governance Committee meeting for further review and discussion. Roll call voting was utilized: Director Corrales - Aye Director Griffith - Aye All in favor. None opposed.</th>
</tr>
</thead>
</table>

**DISCUSSION:** Mr. DeBruin, Esq. coordinated with Mr. Holtzman, Esq. to research other California Healthcare Districts for examples of Conflict Resolution Between Board Members policies. Mr. Holtzman, Esq. provided the Summary Results presentation from the Tahoe Forest Hospital District 2014 Governance Self-Assessment. Unfortunately, Mr. Holtzman’s team could not find an actual policy or template and had suggested using a conflict resolution firm or mediator. Mr. DeBruin, Esq. stated that he and Mr. Holtzman, Esq. could draft a policy fairly quickly based on the input from the committee, which could include the power to recommend members engage in conflict mediation. If conflict mediation is a requirement, further legal review would be needed. Mr. Holtzman, Esq. agreed that it would be fairly easy to put together a policy that could include a multistep escalating process. Mr. Holtzman, Esq. then asked if corporate counseling within Palomar Health is available to Board Members.

Director Corrales agreed that a recommended conflict mediation process would be better than a required process, and questioned where Board Members could obtain conflict resolution mediation, what the end point is, would availability be sufficient, and would counselors determine meeting attendance status and counseling completeness? Mr. Holtzman, Esq. stated that it would be best to have voluntary counseling and that meeting attendance should not be affected by counseling. If the committee adopted a required counseling process, the counseling would need to be paid through District funds. Sanctions could be levied against non-compliant directors, although levying sanctions defeats the purpose of conflict resolution.
Director Griffith stated that he wanted the policy to define a process and create an additional tool that resolves problems within the board; not a disciplinary process. Director Griffith asked Ms. Hansen if the Employee Assistance Program (EAP) was available to Board Members as he would like to offer a variety of options such as EAP, counseling, etc. Mr. Geoffrey Washburn confirmed that Palomar Health's EAP could be utilized for Board Members.

Director Griffith requested that Mr. DeBruin, Esq. begin the development of a conflict resolution policy. Mr. DeBruin, Esq. stated that he could have something to the committee members for review by Independence Day and for discussion at the August Board Governance Committee meeting. Mr. DeBruin, Esq. will work with Mr. Holtzman, Esq. over the next couple of weeks to develop a comprehensive policy and then obtain input from the committee members.

4. Policy: Bylaws of Palomar Health #59212 (for reference) and Board of Directors Code of Conduct #68552 (for reference)

Information Only

Y

Discussion: Mr. DeBruin explained that the Bylaws of Palomar Health and the Board of Directors Code of Conduct policies were included so committee members could use them to cross refer the policies that were absorbed into them (located in article 4 section 2 through 8).

*INFORMATIONAL ITEMS

1. Standing Items

• The Hurst, Brooks, Espinosa Legislative update, dated May 20, 2022 was referenced.

Information Only

Committee Secretary to provide all updates and mark sections pertaining to Healthcare Districts and Palomar Health for future meetings. Y

Discussion: Director Corrales requested that the Legislative update be marked to indicate which items deal with California Healthcare Districts and Palomar Health. Mr. DeBruin, Esq. affirmed that this would be done and that all articles that occur between the Board Governance Committee meetings will also be provided.

• The Lucidoc List of Board Policies dated May 25, 2022 was referenced.

Information Only

Y

2. RoundTable/Comments

• None

FINAL ADJOURNMENT

Meeting adjourned by Director Griffith at 12:22 PM.

SIGNATURES:

ACTING COMMITTEE CHAIR

Jeff Griffith, EMT-P
COMMITTEE SECRETARY

Nanette Irwin, BSIT
Board Dispute Resolution Policy

Purpose

The Palomar Health Board of Directors ("Board") adopts this policy ("Board Dispute Resolution Policy"), which recognizes the Board’s collective responsibility to manage disputes in a timely, constructive manner.

Disputes will arise. Dispute resolution techniques encourage discussion, debate, and the free flow of ideas. Throughout a dispute cycle, interpersonal skills assist directors to engage each other constructively and manage tensions. Chief among these skills are effective communication, respect for cultural sensitivities, consensus building, managing emotions, and constructive disagreement.

Article I. DEFINITIONS

A. Effective Communication: Effective communicators exchanging ideas, thoughts, opinions, knowledge, and data so that the message is received and understood with clarity and purpose.

B. Consensus Building: Consensus builders undertake a good-faith effort to meet the interests of all stakeholders and seek unanimous agreement.

C. Managing Emotions: Those who self-regulate and effectively manage the emotions of those who surround them de-amplify conflict by creating space for many voices to feel heard and respected.

D. Constructive Disagreement: Stakeholders constructively disagree when they take ownership over issues and debate them with an aim toward resolution and problem-solving for the improvement of the organization as a whole.

Article II. BOARD MEMBER COMMITMENT TO DISPUTE RESOLUTION

A. Palomar Board members will endeavor to employ the above interpersonal dispute resolution skills with members of the administration, staff, each other, and the public. For purposes of resolving conflict among individual board members or factions of the Board, the below alternative dispute resolution ("ADR") procedures may be invoked and employed at any time, in coordination with Palomar’s legal team led by its Chief Legal Officer or General Counsel, or equivalent position ("Legal"), to ensure compliance with the Ralph M. Brown Act (Government Code sections 54950-54963, referred to as the “Brown Act”) open meeting requirements.

Article III. RESORT TO THIRD-PARTY NEUTRAL
A. What is ADR
   1. ADR is a framework of voluntary and amicable procedures for resolving governance disputes more quickly and at less cost than by using traditional litigation tactics or approaches. ADR procedures include negotiation, mediation, and arbitration.

B. Negotiation
   1. An interactive process in which two or more parties with differing interests seek agreement.

C. Mediation
   1. A voluntary, usually confidential process in which an impartial third party (mediator) assists the disputing parties toward a negotiated agreement. The parties in mediation craft the terms of an agreement by consensus, and the agreement may be enforced as a contract.

D. Arbitration
   1. A proceeding voluntarily chosen by parties who want the settlement of a dispute determined by an impartial arbitrator of their own mutual selection. The parties agree in advance that the arbitrator’s decision, based on the case merits, will be final and binding. If the parties choose nonbinding arbitration, they retain the right to bring a claim before a court.

E. Upon the recommendation of Legal, the Board may vote by simple majority to employ any external negotiator, mediator, consultant, standing neutral, or arbitrator in a Board dispute. Such independent third parties or dispute resolution experts may help prevent or dissipate disputes by facilitating Board discussion. Should any individual Board member or faction of the Board seek resort to such third-party dispute resolution procedures, the interested Board member(s) will duly inform Legal in accordance with Brown Act notice and serial meeting requirements, and provide the basis for the request in writing. Such request shall be evaluated by Legal in consultation with the Board Chair. Given the requirements of the Brown Act, such a request and the procedures selected by Legal shall ensure compliance with the Brown Act; as such, the procedure may not be kept confidential in accordance with traditional ADR processes and principles, and each Board member acknowledges the same.
ADDENDUM C
Policy : Extraordinary Event Management

I. PURPOSE:
To establish a set of guidelines for notifying the Board of Directors when key events occur that pose a significant risk to Palomar Health.

II. DEFINITIONS:
Extraordinary Events: Events that may pose a significant risk to Palomar Health.

III. TEXT / STANDARDS OF PRACTICE:
“Extraordinary Events” as outlined below must be reported to the Chair of the Board and the appropriate Board Committee Chair(s) by the Chief Executive Officer (CEO) or designated leadership team member in a timely manner as outlined in the applicable procedures. To the extent that an Extraordinary Event requires confidential treatment, communications should be initiated by an attorney representing Palomar Health in order to be protected by legal privileges.

List of “Extraordinary Events”

1. Publicity. All non-routine matters that are likely to be the subject of media coverage.
2. Employee Terminations and Discipline
   a. Pending termination of any key personnel for any reason.
   b. Pending termination of any non-consultant employee related to fraud, theft, breach of patient confidentiality, or any circumstances that are likely to be the subject of publicity.
   c. A recommendation to forego suspension or termination of an employee that materially departs from standard guidelines/practices regarding employee discipline or termination.
   d. Any deviation from standard limitations on an employee’s physical and electronic access during an administrative leave pending completion of an investigation that lasts longer than five (5) days.
3. Major System Failures and Other Threats to Physical Safety or Security of Employees, Patients, or Visitors. Events not involving direct patient care that create a risk of significant physical harm, violence or other harm to employees, patients or visitors. Examples include, but are not limited to, threats of physical violence, significant life/safety threats, and significant failures involving primary electronic systems or physical infrastructure.
4. Significant Patient Privacy or Confidential Data Breach. Any suspected breach of protected health information or confidential Palomar Health data which is of a significant volume or is assessed as likely to result in any public disclosure.
5. Any Suspected Drug Diversion. Any suspected theft or other diversion of drugs which is likely to result in discipline of an employee or has any potential to adversely affect patient care.
6. Patient Care Matters. Any patient care matter involving extraordinary circumstances, such as one or more of the following:
   a. Probable liability exposure of $1 million or greater;
   b. Probable media coverage (negative or positive);
   c. Involves a "systems issue" that exposes multiple patients to risk of serious injury;
   d. Involves significant detrimental impact on involved care providers;
   e. Involves a “never event” or sentinel event
7. Matters Covered by Legal, Risk, Compliance or Departments of Related Functions.
   a. Any pending, threatened, or reasonably likely litigation, claim or assessment, including those arising from noncompliance with laws and regulations regarding the administration of federal or state programs (such as Medicare, Fraud & Abuse, Stark, EMTALA, Securities Laws, etc.) that meets one or more of the following:
      i. Likely to exceed the designated threshold amount of $50,000 in alignment with current health district law; or
ii. Involves currently unassessed risks that appear to potentially involve extraordinary penalties (such as termination of licensure, accreditation or qualification for payment for substantial services/activities).

b. Any act of fraud, suspected fraud, or breach of ethical standards on the part of any Palomar Health employee in the following categories:
   i. Someone in a significant position of leadership;
   ii. A person who is directly involved in or is in a position to impact the internal financial accounting/reporting process; or
   iii. An event of theft that does or could involve a material financial loss to the company.

c. All investigations by governmental entities involving a reasonable likelihood that the government contact could result in a finding of illegality, required correction of process, or other noncompliance with any law or regulation.

d. All internal investigations under “Attorney Client Privilege” involving a reasonable likelihood that the investigation could result in a finding of illegality, required correction of process, or other noncompliance with any law or regulation.

8. Regulatory-Related. Any matter that must be reported to a regulatory body within 24 hours and any instance in which a regulatory body makes an unscheduled visit for the purposes of an investigation.

9. Policy to be reviewed every 3 years.

IV. ADDENDUM:

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Document Owner: DeBruin, Kevin
Approvals
   - Committees:
Original Effective Date: 01/04/2018
Revision Date: [07/05/2021 Rev. 2]
Attachments: Patient Safety Event Response, Investigation and Follow-Up

(REFERENCED BY THIS DOCUMENT)

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at https://www.lucidoc.com/cgi/doc-gw.pl?ref=pphealth:58873.
Policy: Political Activities on Palomar Health Property

I. PURPOSE:

This policy governs political activities on District premises and is in accordance with California Government Code; in keeping with the District's role in providing quality health care services to the residents in an organized, caring and safe manner; and mindful of the District's governmental status and inherent impartiality.

II. DEFINITIONS:

For purposes of this policy, the terms officer, employee or candidate shall include all who hold or seek to hold a District office or any individual employed by the District. All references to District premises or property shall be inclusive.

III. TEXT / STANDARDS OF PRACTICE:

A. No one who holds, or who is seeking election or appointment to, any office or employment in a state or local agency shall, directly or indirectly, use, promise, threaten or attempt to use, any office, authority, or influence, whether then possessed or merely anticipated, to confer upon or secure for any individual person, or to aid or obstruct any individual person in securing, or to prevent any individual person from securing, any position, nomination, confirmation, promotion, or change in compensation or position, within the state or local agency, upon consideration or condition that the vote or political influence or action of such person or another shall be given or used in behalf of, or withheld from, any candidate, officer, or party, or upon any other corrupt condition or consideration. This prohibition shall apply to urging or discouraging the individual employee's action.

B. No officer, employee or candidate for elective office or employment with Palomar Health shall solicit a political contribution, directly or indirectly, from an officer or employee nor from any list of officers or employees with knowledge that the individual from whom the contribution is solicited is an officer or employee. This prohibition excludes those solicitations made to a significant segment of the public that may include officers or employees.

C. No person who is seeking election or appointment to an office or employment in the District shall use, directly or indirectly, any District office or equipment for political activity.

D. No officers, employees or candidates shall use confidential information obtained in the course of employment or affiliation with the District for political activity.

E. No officer, employee or candidate for employment or elective office shall offer to increase the compensation of another in exchange for a promise of a vote, contribution, loan or compensation in any manner, including contributions to committees controlled directly or indirectly by the individual who holds or seeks to hold an office or position of employment.

F. No officer or employee of the District shall participate in political activities of any kind while in uniform or during working hours.

G. Political activity on District premises is expressly forbidden.

H. Nothing in this policy is intended to prevent officers or employees of the District from soliciting or receiving political funds or contributions while off duty, off premises and out of uniform, as long as such activities are consistent with Government Code Section 3201-3209

I. This policy will be reviewed and updated as required or at least every three years.

IV. ADDENDUM:

Document Owner: DeBruin, Kevin
Approvals
- Committees: [07/10/2019 Rev. 5]
Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at https://www.lucidoc.com/cgi/doc-gw.pl?ref=pphealth:21783.
ADDENDUM E
Policy: Public Comments and Attendance at Public Board Meetings

I. PURPOSE:

A. It is the intention of the Palomar Health Board of Directors to hear public comment about any topic that is under its jurisdiction. This policy is intended to provide guidelines in the interest of conducting orderly, open public meetings while ensuring that the public is afforded ample opportunity to attend and to address the board at any meetings of the whole board or board committees.

II. DEFINITIONS:

III. TEXT / STANDARDS OF PRACTICE:

A. There will be one time period allotted for public comment at the start of the public meeting. Should the chair determine that further public comment is required during a public meeting, the chair can call for such additional public comment immediately prior to the adjournment of the public meeting. Members of the public who wish to address the Board are asked to complete a Request for Public Comment form and submit to the Board Assistant prior to or during the meeting. The information requested shall be limited to name, address, phone number and subject, however, the requesting public member shall submit the requested information voluntarily. It will not be a condition of speaking.

B. Should Board action be requested, it is encouraged that the public requestor include the request on the Request for Public Comment as well. Any member of the public who is speaking is encouraged to submit written copies of the presentation.

C. The subject matter of any speaker must be germane to Palomar Health's jurisdiction.

D. Based solely on the number of speaking requests, the Board will set the time allowed for each speaker prior to the public sections of the meeting, but usually will not exceed 3 minutes per speaker, with a cumulative total of thirty minutes.

E. Questions or comments will be entertained during the "Public Comments" section on the agenda. All public comments will be limited to the designated times, including at all board meetings, committee meetings and board workshops.

F. All voting and non-voting members of a Board committee will be seated at the table. Name placards will be created as placeholders for those seats for Board members, committee members, staff, and scribes. Any other attendees, staff or public, are welcome to sit at seats that do not have name placards, as well as on any other chairs in the room. For Palomar Health Board meetings, members of the public will sit in a seating area designated for the public.

G. In the event of a disturbance that is sufficient to impede the proceedings, all persons may be excluded with the exception of newspaper personnel who were not involved in the disturbance in question.

H. The public shall be afforded those rights listed below (Government Code Section 54953 and 54954).
   1. To receive appropriate notice of meetings;
   2. To attend with no pre-conditions to attendance;
   3. To testify within reasonable limits prior to ordering consideration of the subject in question;
   4. To know the result of any ballots cast;
   5. To broadcast or record proceedings (conditional on lack of disruption to meeting);
   6. To review recordings of meetings within thirty days of recording; minutes to be Board approved before release,
   7. To publicly criticize Palomar Health or the Board; and
   8. To review without delay agendas of all public meetings and any other writings distributed at the meeting.

I. This policy will be reviewed and updated as required or at least every three years.

IV. ADDENDUM:

Original Document Date: 2/94
Reviewed: 8/95; 1/99; 9/05
Revision Number: 1 Dated: 9/20/05
Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at https://www.lucidoc.com/cgi/doc-gw.pl?ref=pphealth:21790.
ADDENDUM F
BOARD OF DIRECTORS
REQUEST FOR PUBLIC COMMENT

MEETING DATE: ________________________________________________________________

NAME: _______________________________________________________________________

ADDRESS: ____________________________________________________________________

REPRESENTING: ________________________________________________________________

PHONE NO: ____________________________________________________________________

SUBJECT: _____________________________________________________________________

________________________________________________________________________________

________________________________________________________________________________

________________________________________________________________________________

DESIRED ACTION: __________________________________________________________________

________________________________________________________________________________

________________________________________________________________________________

Notice

One “Request for Public Comment” form shall be completed by each individual speaker, irrespective of a group, and submitted to the Board Assistant prior to or during the meeting, as well as written copies of presentations, if applicable.

Presentations are limited by time and confined to the subject requested; five minutes per speaker with a cumulative total of fifteen minutes per topic.

Public comments will be entertained during the “Public Comment” section on the agenda. All public comments will be limited to the designated times, including at all board meetings, committee meetings and board workshops.

The “Public Forum” portion of this meeting is an opportunity for members of the public to address the Board regarding any item not on the agenda. Comments for all speakers are limited to a maximum of five minutes per person and fifteen minutes in total from all speakers during this Forum. To comply with California State Law (the Brown Act) the Board will not discuss or vote on any speaker’s topic during this meeting, although the topic may be placed on the agenda for a future meeting.

In the interest of limited time, please keep your comments brief and specific – avoiding repetition of points already made by previous speakers.

Members of the public are asked to be seated in the area designated for the public.

(See Policy on reverse)
ADDENDUM G
I. PURPOSE:

To establish an open and transparent process regarding Agenda Creation for all Board and Board Committee meetings. A process that is consistent with relevant positions of the Brown Act, that facilitates meetings focused on the business of the district as it relates to the specific Board duties of Oversight, Governance and Strategic Planning, that provides individual Board Members the ability to bring their issues and concerns to meeting agendas subject to the provisions of this policy, and that documents all agenda requests (approved or not). This policy also defines authority for Board and Board Committee meeting agenda creation.

III. BOARD COMMITTEES

1. Board Committee Chair holds the primary responsibility for their specific Board Committee Meeting Agendas. The Board Committee Chair will routinely work with the specific Committee Administrative Liaison assigned to their Board Committee and their administrative support personnel in creating agendas. Board Committee Chair will, by policy, carefully consider all input regarding Agenda items from the Committee Administrative Liaison. The authority for approval of final agendas for Board Committee Meetings will reside with the Board Committee Chair. Any disagreement, dispute or confusion over specific agenda items and/or their appropriateness on the agenda between the Board Committee Chair and the Committee Administrative Liaison that cannot be resolved will be referred to the Board Chair for resolution. The Board Chair, if indicated, may consult with Board or Corporate Counsel, CEO, and/or other members of the Administrative team to achieve resolution. If Board Chair feels the issue cannot be satisfactorily resolved the Board Chair will take the issue to the Board.

2. Individual Board Committee Members may request to have the Board Committee Chair place items on the Board Committee Agenda. These requests can be made via Email (copying Board Chair for information purposes). The Board Committee Chair will consider each item so requested and determine whether or not it is an appropriate Board Committee Agenda item. The Board Committee Chair will make every effort to accommodate all reasonable individual Committee Member requests including refining the requested agenda item as indicated. The Board Committee Chair may decline to put the item on the Board Committee Agenda based upon their judgment. All such requested but not approved agenda items will be placed on the Board Committee Meeting Agenda as a list of "Requested but not approved Agenda items". Any disagreement, dispute or confusion over specific agenda items and/or their appropriateness on the agenda between the Board Committee Chair and an individual Board Committee Member that cannot be resolved will be referred to the Board Chair for resolution. Board Chair, if indicated, may consult with the Board or Corporate Counsel, CEO and/or other members of the Administrative team to achieve resolution. If the Board Chair feels the issue cannot be satisfactorily resolved the Board Chair will take the issue to the Board.

3. All Board Committee Meeting Agendas will include the following standardized verbiage, " * Asterisks indicate anticipated action. Action is not limited to those designated items."

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at 32
ADDENDUM H
Purpose: To establish such rules and procedures not inconsistent with applicable governing laws and regulations, that in the opinion of the Board of Directors are appropriate to provide for the exercise of its authority, duties, and responsibilities to the institution, for the protection of assets, and the quality of services the District provides to its patients and constituents.

I. Article I: Definitions
   A. "Board" means the Board of Directors of the District.
   B. "Board Member" means Member.
   D. "District" means Palomar Health.
   E. "Facility" or "Facilities" means a Hospital or the Hospitals, Home Health, Skilled Nursing Facilities, or any other health care facility or facilities operated by the District.
   F. "Foundation" means the Palomar Health Foundation.
   G. "Hospital(s)" means Palomar Medical Center Escondido, 2185 Citracado Parkway, Escondido, California, and Palomar Medical Center Poway, 15615 Pomerado Road, Poway, California.
   H. "Medical Staff(s)" or "Staff(s)" means the organized medical staff of Palomar Medical Centers Escondido and Poway and/or the organized medical staff of other District facilities, as indicated.
   I. "Member" means each individual Director of the Board.
   J. "Practitioner" includes, but is not limited to a physician (i.e., M.D. or D.O.), dentist (D.D.S. or D.M.D.), Advanced Practice Provider (N.P. or P.A.), psychologist, or podiatrist (D.P.M.), who is duly licensed in the State of California to practice within the scope of said license.

II. Article II: Organization, Powers, and Purposes
   A. Organization. The District is a political subdivision of the State of California organized under Division 23 of the Health and Safety Code ("Local Health Care District Law").
   B. Purposes and Powers. The District is organized for the purposes described in the Local Health Care District Law and has and may exercise such powers in furtherance of its purposes as are now or may hereafter be set forth in the Local Health Care District Law and any other applicable statutes, rules, or regulations of the State of California or the United States, as applicable.
   C. Bylaws, Policies and Procedures. The Board has the power to adopt, amend, and promulgate District Bylaws, policies, and procedures as appropriate.
   D. Dissolution. Any proposal to dissolve the District is subject to confirmation by the voters of the District in accordance with Government Code section 56650 et seq.

III. Article III: Offices
   A. Principal Office. The principal office of the District is currently located at 2125 Citracado Parkway, Suite 300, Escondido, CA 92029.
   B. Other Offices. Branch or subordinate offices may be established at any time by the Board at any place or places within the boundaries of the District.

IV. Article IV: Board
   A. Board General Powers. The Board is the governing body of the District. All District powers may be exercised by or under the direction of the Board. The Board is authorized to make appropriate delegations of its powers and authority to officers and employees. It is the responsibility of the Board, functioning collectively, to govern the institution. To that end the Board will oversee the development of policies, processes, and procedures that enable the District to fulfill its mission and vision in an effective and ethical manner.
1. Each individual Member is accountable to the Board and to the institution and acts only as a part of the Board. Each individual Member works within the structure of the Board towards the establishment and oversight of the implementation of policies and monitoring of the District's performance with respect to strategic direction, financial stewardship, quality outcomes, and leadership of the District.

2. Members of the Board of Directors will exercise authority with respect to the District and its affairs only when acting as part of the Board of Directors and only during Board of Directors meetings or meetings of authorized committees of the Board of Directors ("Board Committee(s)"). An exception is the Chair of the Board of Directors who will collaborate and meet with the District's Chief Executive Officer ("CEO") regularly and as needed regarding issues regarding the Business of the District, including but not limited to, future Board meetings and their agendas. Members of the Board of Directors are not authorized to independently exercise management authority with respect to the District or its affairs except as expressly delegated by the Board.

B. Board Specific Responsibilities:

1. Regularly review and where appropriate, update, the mission and vision statements that guide the District and its system affiliates ("system"), and enable it to meet the needs of its citizens in accordance with its Charter.

2. Direct and oversee the establishment of advisory Board Committees, whether standing or special ("ad-hoc").

3. Direct the Medical Staff(s) in conjunction with any administrative leadership:
   a. to independently and regularly report to the Board regarding the quality and safety of clinical care provided with the District's facilities and programs;
   b. to establish policies and processes that provide for and facilitate the Board’s ability to oversee the delivery of safe and effective care in the District's facilities and programs;
   c. to establish and implement policies and processes that enable the Board to oversee and review the competency of medical staff.

4. Regularly review and, where appropriate, update, all financial policies, plans, and programs for the District and enhance the preservation of the District's assets and resources on behalf of the District. This includes, but is not limited to, undertaking, approving, and publishing an annual audit, engaging the services of a qualified accountant of accepted reputation to conduct the audit and to prepare a report, which must be made available online.

5. Regularly review and where appropriate, update, a comprehensive strategic plan, consistent with the District's mission and vision that aligns with the District's financial, human resources, facilities, technology and quality plans.

6. Advocate on behalf of the District's policies, programs, and plans within the community served and with other constituent groups.

7. Recruit, employ, and evaluate the performance of the CEO in accordance with goals and objectives established for the CEO by the Board, with both short- and long-term considerations.

8. Establish and implement ethical policies that minimize conflicts of interest and ensure compliance with governmental, regulatory, and other agency standards, laws, and principles relative to excellent stewardship of the District.

9. Periodically evaluate the Board's performance to continually enhance the effective stewardship of the District.

10. Perform other duties as may be assigned or directed by the Board.

C. Board Duties. Members of the Board of Directors have duties as provided by applicable law, any Board-approved policy of the District, and Palomar Health's Board of Directors Code of Conduct ("Code of Conduct").

D. Board Number and Qualification.

1. The Board will consist of seven (7) members who are elected or appointed in accordance with the Local Health Care District Law of the State of California, and other applicable law, each of whom must be a registered voter residing within the District.

2. The Member of the Board of Directors elected to represent a District zone must be a resident of the zone from which he or she is elected for thirty (30) days preceding the date of the election and must be a registered voter in that zone. Termination of residency in a zone by a Member of the Board of Directors will create an immediate vacancy for that zone unless a substitute residence within the zone is established within thirty (30) days after the termination of residency.

E. Conflicts of Interests. The Board will endeavor to eliminate from its decision-making processes financial or other interests possessed by its members that conflict with the District's interests. Members shall, to the best of their ability, adhere to the provisions of the Code of Conduct and all laws and regulations relating to conflicts of interests, including but not limited to the Government Code and Health and Safety Code.

F. Election and Term of Office. Members are elected by zones within the District pursuant to maps as time to time passed by resolution. At the November 2020 General Election, three members of the Palomar Health District Board of Directors will be elected on a by-zone basis from the three even numbered, single-member zones (specifically, Zones 2, 4, and 6, as such zones may be amended), and every four years thereafter. At the General
Election in November 2022, four members of the Palomar Health Board of Directors will be elected from the four odd-numbered, single-member zones (specifically, Zones 1, 3, 5, and 7, as such zones may be amended), and every four years thereafter. Any person appointed to fill a vacancy holds office for the remainder of the unexpired term.

G. Oath of Office. In compliance with the requirements of section 3, Article XX of the Constitution of the State of California, California Government Code section 1360, and District Resolution 9.14.87(02) all Members, as publicly elected officials of the Sate of California must take an oath of office.

1. Except where prohibited by law, the oath of office will be administered before the Member assumes office and may be accomplished by obtaining the Member’s signature on a written copy of the oath. Should an official ceremony be preferred (such as oral recitation of the oath), the one administering the oath must be authorized to administer oaths, such as a notary public, a judicial officer, or other authorized individual.

2. All signed oath documents must be retained on file in the office of the Secretary of the District.

3. Consistent with California law, the District will not penalize an individual who fails to take the oath for bona fide, legally cognizable reasons. The absence of the oath of a Member does not undermine the acts of the Board as a whole. Actions of a Board taken with an unsworn Member are valid if the vote is such as would be valid in the absence of the unsworn Member, and in any event may be validated by adoption of a resolution which ratifies the past act of the Board.

H. Board Member Remuneration.

1. Each Member of the Board shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board. The determination of whether a Member's activities on any specific day are compensable must be made in a manner consistent with Article 2.3 (commencing with section 53232) of Chapter 2 of Part 1 of Division 2 of Title 5 of the California Government Code. Reimbursement for these expenses is subject to section 53232.2 and 53232.3 of the California Government Code.

2. Members will receive per diem remuneration of $100.00 per meeting, not to exceed five (5) meetings per month, unless the Board determines, based on findings supported by substantial evidence as adopted in a written policy updated at least annually, that more than five (5) meetings per calendar month—but no more than six (6)—is necessary for the effective operation of the District. See Health & Safety Code section 32103. The following is a list of those meetings that constitute the performance of official duties for which a Member may receive payment:
   a. Board meetings, whether regular, special, or emergency;
   b. Education sessions sponsored by the District;
   c. Board Committee meetings, including meetings of ad-hoc Committees;
   d. Palomar Health Pension Committee;
   e. Palomar Health Foundation Board Meeting;
   f. North County Health Development Board Meeting;
   g. Meetings by the Chair of the Board or a Committee with District employees in preparation for Board or Committee meetings; and
   h. Such other meetings as the Board of Directors may determine.

3. Members must participate in required ethics training prescribed by Government Code section 53232 et seq., as well as mandatory Sexual Harassment Prevention and Civility training, to be eligible for per diem remuneration.

I. Orientation and Training. An orientation consisting of materials and programs will be provided to each newly seated Board Member which familiarizes them with his or her duties and responsibilities, including but not necessarily limited to, good governance practices, mandatory Sexual Harassment Prevention and Civility training, the Brown Act, Ethics training (AB 1234 training), and the Code of Conduct.

1. Members must complete all applicable training mandated by Federal, State, and local law.

2. Members are expected to participate in the entire Board orientation process and additional ongoing training. Members who do not fulfill this participation expectation are subject to the provisions of the Code of Conduct and may be subject to sanctions in accordance with such policy.

J. Self-Evaluation of Board. The Board must evaluate its performance and the performance of its officers on an annual or other periodic basis.

1. This self-evaluation must be conducted in accordance with the Code of Conduct.

2. Members must participate in the Board assessment or self-assessment process. Members who fail to do so are subject to provisions of the Code of Conduct and may be subject to sanctions in accordance with such policy.

K. Vacancies. Vacancies on the Board must be filled in accordance with the applicable provisions of the Government Code and Health & Safety Code.

L. Resignation or Removal. Any Board member may resign effective upon giving written notice to the Chair or the Secretary of the Board, unless the notice specifies a later time for the effectiveness of such resignation. Pursuant to California Health and Safety Code section 32100.2, the term of any member of the Board expires if the
member is absent from three consecutive regular Board meetings or from three of any five consecutive regular meetings of the Board and if the Board by resolution declares that a vacancy exists on the Board. All or any of the Members of the Board may be recalled at any time by the voters following the recall procedure set forth in Division 16 of the Election Code.

M. Liability Insurance. The District must procure and maintain appropriate policies of insurance (which may include self-insurance) to the extent permitted or required by law.

N. Indemnification of Directors and Officers. The District may indemnify Members of the Board and officers to the full extent permitted and as required by law and as authorized by the Board against all claims, liabilities, and expenses incurred as a result of an action by the Board, except in the instance of willful misconduct in performance of duties.

O. Health and Welfare Benefits. The Board may provide health and welfare benefits, pursuant to Government Code section 53200 et seq., for the benefit of its elected and former members and their dependents, or permit its elected and former members and their dependents to participate in District programs for such benefits, in accordance with all applicable laws and regulations and current District policy.

V. Article V: Board Officers

A. Chair. The Board must elect one of its members as Chair at an organizational regular meeting. In the event of a vacancy in the office of Chair, the Board may elect a new Chair. The Chair will be the principal officer of the Board and will preside at all meetings of the Board. The Chair must appoint all Board committee members and committee Chairs, and must perform all duties incident to the office and such other duties as may be prescribed by the Board from time to time, to include:

1. Presiding over all meetings of the Board; this includes, but is not limited to, setting the content of the Board agenda, working with the Secretary, as well as Board or Corporate Counsel, as appropriate, to effectuate any notices as required by law.
2. Recognizing Members entitled to the floor.
3. Stating and putting to vote all questions which are regularly moved, or necessarily arise in the course of the proceedings, and to announce the result of the vote.
4. Protecting the Board from annoyance from irrelevant or improper motions through appropriate rules of order.
5. Assisting in the expediting of business in all ways compatible with the rights of the collective Board and its individual Members, and deciding all questions of order.
6. Informing the Board, when necessary, or when referred to for the purpose, on a point of order or practice pertinent to pending business.
7. Authenticating all the acts, orders, and proceedings of the Board, and declaring its will.
8. Coordinating with the District's CEO and administrative management for the implementation of Board direction and policies.
9. Designating and directing Members of the Board to undertake special responsibilities and to report to the Chair on those activities as directed.
10. Appointing Members of standing or ad-hoc committees with formal notification to the Board in a timely fashion and no later than the next meeting of the Board.
11. Representing the Board at official functions when necessary.
12. Serving as spokesperson for the Board regarding Board actions.
13. Providing regular updates to the Board regarding major activities within the District, using administrative support and in conjunction with the CEO, as appropriate.
14. Implementing processes designed to facilitate the collective awareness of the Board regarding major activities within the District so that all individual board members are provided the opportunity to be equally informed.

B. Vice Chair. The Board must elect one of its members as Vice Chair at an organizational meeting. In the absence of the Chair, the Vice Chair must perform the duties of the Chair.

C. Secretary. The Board must elect one of its members Secretary at an organizational meeting. The Secretary must provide for review and approval of minutes of all open meetings of the Board. The Secretary must give or cause to be given appropriate notices in accordance with these Bylaws or as required by law and acts as custodian of District records and reports and of the District’s seal.

D. Treasurer. The Board must elect one of its members Treasurer at an organizational meeting. The Treasurer will oversee the safekeeping and disbursal of the funds in the treasury of the District.

E. Tenure. Each Board officer described above may serve a one-year term, commencing on the first day of January after the organizational meeting at which he or she is elected to the position. Each officer holds office until the end of the one-year term, or until a successor is elected, unless he or she sooner resigns or is removed from office.

F. Removal. A Board officer described above may be removed from office by the affirmative vote of four members of the Board not counting the affected Board member. In addition, an officer described above will automatically be removed from office when his or her successor is elected and is sworn in as a Board member.
VI. Article VI: President and CEO, Inferior Officers.

A. President and CEO. The Board must select and employ a President and CEO who will report to the Board. The President and CEO must have sufficient education, training, and experience to fulfill his or her responsibilities, which include but are not limited to overseeing and managing the day to day operations of the District, the District facilities, and implementing the strategic mission and vision of the District as directed by the Board. The Board is responsible for developing, maintaining, and periodically updating a detailed job description for the President and CEO, which job description must set forth the specific duties and requirements of the position in compliance with Title 22 of the California Code of Regulation section 70701(a)(G)(2). All other District employees report directly to the CEO or his/her subordinates, with the exception of the Compliance Officer who may report independently and directly to the Board at their discretion or at the request of the Board Chair.

B. Subordinate Officers. The President and CEO may select and employ such other officers as the District may, in the CEO's discretion, require, each of whom shall hold office for such period, have such authority, and perform such duties as the President and Chief Executive Officer may determine in consultation with the Board.

C. Evaluation of CEO. Members may participate in evaluation of the CEO performed by the Board on at least an annual basis, as determined by the Board. This evaluation will be performed in accordance with the Board CEO Evaluation and Compensation Policy.

VII. Article VII: Board Meetings

A. Board Meeting. A meeting of the Board is any congregation of a majority of the members of the Board at the same time and place to hear, discuss, or deliberate upon any item that is within the subject matter jurisdiction of the Board. A meeting is also the use of direct or indirect communications, personal intermediaries or technological devices employed by a majority of the Members of the Board to develop a collective concurrence as to action to be made. Notwithstanding, a majority (four or more members) of the Board may communicate directly or through technological devices solely for the purpose of calling a special meeting, but not to discuss the substance of any such special meeting. If such a meeting is properly called for by a majority of the Board, the Board Chair, in conjunction with administrative support, must facilitate the process of scheduling and properly noticing the special meeting in a timely manner without undue delay and in such a way so as to allow for the attendance of as many Members as is practically possible.

B. Open to The Public. Meetings of the Board are open to the public, except as otherwise provided in applicable laws or regulations, including but not limited to the Brown Act and the Local Health Care District Law.

1. Members of the public must be afforded an opportunity to provide input to District processes and Board meetings to the extent permitted under applicable laws, including but not limited to the Brown Act and the Local Health Care District Law, as well as any applicable District policies.

2. In conformity with applicable law, the District does not require public comments to be submitted in advance of the meeting and provides an opportunity for the public to address the Board for a set, timed, public comment period, and will not close public comment until the assigned comment period has elapsed. Notwithstanding the foregoing, in the event that the time allotted to public comment has not elapsed, but there are no other registered public comments, the Board may proceed to other business, provided that the registration period for public comment remains open for the fully allotted time. Should a person register a comment after the Board has proceeded to other business but before the expiration of the time for public comment, the Board must immediately permit the public comment, only after which it may continue the business to which it proceeded. A registered comment received after the fully allotted time for public comment has elapsed is untimely, and may be submitted at the next scheduled session at the election of the person submitting the registration for public comment, such election to be noted in the submitted registration for public comment.

C. Opening Ceremony for Board Meetings. To promote an atmosphere of patriotism, civility and solemnity at public Board meetings, the meetings may be opened with the Pledge of Allegiance and/or an invocation, based on the nature of the meeting. The purpose of any invocation will be secular in nature. The Pledge of Allegiance and any recitation are to precede Board meeting agenda action items. The title on the appropriate section of the agenda is to read "Pledge of Allegiance to the Flag" and, if applicable, "Recitation." The Chair of the Board, or other Board member as designated by the Chair, will lead the Pledge of Allegiance.

D. Quorum. A majority of the voting members of the Board constitutes a quorum for the transaction of business at any Board meeting except as otherwise required by law.

E. Manner of Acting. The act of a majority of the members of the Board present at a meeting at which a quorum is present is the act of the Board. No act taken at a meeting at which less than a quorum was present is valid. The Board may follow Robert's Rules of Order as guidance when taking action and obtaining information. Notwithstanding Robert's Rules of Order, the Board may take action on an item of new business provided the Board complies with all applicable law, including but not limited to the Brown Act.

F. Disrupted Meetings. In the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible, and order cannot be restored by the removal of individuals who were willfully interrupting the meeting, the Board Chair may order the meeting room closed and continue in closed session for the remainder of the session, or until the Board Chair determines, in their reasonable discretion, that the session may return to open without disruption. Only matters appearing on the
VIII. Article VIII: Board Committees

A. Appointment. Standing committees are established by the Board and must be advisory in nature unless otherwise specifically authorized to act by the Board. Members of all committees, whether standing or special (ad-hoc) will be appointed by the Chair of the Board.

1. A standing committee of the Board is any commission, committee, board, or other body, whether permanent or temporary, which is created by formal action of the Board and has continuing subject matter jurisdiction and/or a meeting schedule fixed by charter, ordinance, resolution, or formal action of the Board. Actions of committees must be advisory in nature with recommendations being made to the Board.

2. Special or ad-hoc committees are appointed by the Chair of the Board and may exist for a single, limited purpose with no continuing subject matter or jurisdiction. Special or advisory committees must be advisory in
nature and may make recommendations to the Board. The committee disbands immediately upon conclusion of the purpose for which it was appointed.

3. All meetings of standing committees are subject to the Brown Act, as applicable, including but not limited to all applicable notice requirements.

B. Standing Committees. There will be the following standing committees of the Board: Finance; Governance; Audit and Compliance; Human Resources; Strategic and Facilities; Community Relations; and Quality Review. All recommendations must be ratified by the Board prior to any action taken.

1. Finance Committee.
   a. Chair. The Board Treasurer may serve as the Chair of the Board Finance Committee.
   b. Voting Membership. The Finance Committee will consist of six voting members: three members of the Board, the President and Chief Executive Officer, and the Chief of Staff from each hospital. There will be three alternate Committee members.
   c. Role of Alternate(s).
      i. One alternate will be a member of the Board, also appointed by the Chair of the Board who must attend Committee meetings when serving as an alternate for an absent voting Board Committee member; however, if the Board Member first alternate is also not available another Board Member may attend as a voting member with Board Chair approval. An alternate enjoys voting rights only in the absence of a voting Board Committee member. Unless a Board member alternate enjoys voting rights, they may attend the meeting only as an observer.
      ii. The second and third alternate Committee members will be the Chiefs of Staff Elect from each hospital, who will attend Committee meetings and enjoy voting rights on the Committee only when serving as an alternate for their respective Chief of Staff.
   d. Non-Voting Membership. The Chief Financial Officer, the Chief Operations Officer, the Chief Medical Officer, the Vice President of Finance, and the Chief Nurse Executive are non-voting members.
   e. Duties. Provide oversight to determine and facilitate the financial viability of the organization through the effective establishment of sound policies and development of a system of controls to safeguard the preservation and use of assets and resources. The specific duties of the Committee will be established by separate Committee Charter, as recommended by the Committee from time-to-time and as approved by the Board.

2. Audit and Compliance Committee.
   a. Voting Membership. Membership may consist of no more than three Members of the Board and one alternate.
   b. Role of Alternate(s). One alternate will be a member of the Board, also appointed by the Chair of the Board, who must attend Committee meetings when serving as an alternate for an absent voting Board Committee member; however, if the Board Member first alternate is also not available another Board Member may attend as a voting member with Board Chair approval. An alternate enjoys voting rights only in the absence of a voting Board Committee member. Unless a Board member alternate enjoys voting rights, they may attend the meeting only as an observer.
   c. Non-Voting Membership. The President and Chief Executive Officer, the Chief Legal Officer, the Compliance Manager, and a physician appointee are non-voting members. Any District executive, representative, or director will attend as an invited guest.
   d. Duties. Determine and establish that appropriate review mechanisms and management of the District's assets and resources are in place and that the organization complies with all applicable state and federal regulations relative to the audit and financial stewardship of the District. The specific duties of the Committee will be established by separate Committee Charter, as recommended by the Committee from time-to-time and as approved by the Board.

3. Governance Committee.
   a. Voting Membership. Membership may consist of no more than three members of the Board and one alternate.
   b. Role of Alternate(s). One alternate will be a member of the Board, also appointed by the Chair of the Board, who must attend Committee meetings when serving as an alternate for an absent voting Board Committee member; however, if the Board Member first alternate is also not available another Board Member may attend as a voting member with Board Chair approval. An alternate enjoys voting rights only in the absence of a voting Board Committee member. Unless a Board member alternate enjoys voting rights, they may attend the meeting only as an observer.
   c. Non-Voting Membership. The President and Chief Executive Officer, the Chief Legal Officer, the Chief Financial Officer, the Chief Operations Officer, the Chief Medical Officer, and the Director of Clinical Operations Improvement are non-voting members.
   d. Duties. Oversee, establish, and monitor the effective and efficient management of the governmental processes of the Board. The specific duties of the Committee will be established by separate
Committee Charter, as recommended by the Committee from time-to-time and as approved by the Board.

4. Human Resources Committee.
   a. Voting Membership.
   b. Membership may consist of no more than three members of the Board and one alternate.
   c. Role of Alternate(s). One alternate will be a member of the Board, also appointed by the Chair of the Board, who must attend Committee meetings when serving as an alternate for an absent voting Board Committee member; however, if the Board Member first alternate is also not available another Board Member may attend as a voting member with Board Chair approval. An alternate enjoys voting rights only in the absence of a voting Board Committee member. Unless a Board member alternate enjoys voting rights, they may attend the meeting only as an observer.
   d. Non-Voting Membership. The President and Chief Executive Officer, the Chief Human Resources Officer, the Chief Nurse Executive, the Vice President Continuum Care, and the Vice President Perioperative Services are non-voting members.
   e. Duties. Help develop a workforce environment that effectively translates the District's mission and vision into reality on a daily basis. The specific duties of the Committee will be established by separate Committee Charter, as recommended by the Committee from time-to-time and as approved by the Board.

5. Strategic and Facilities Planning Committee.
   a. Voting Membership.
   b. The Committee will consist of six voting members: Three Members of the Board, the President and Chief Executive Officer, and the Chief of Staff from each hospital.
   c. Role of Alternate(s).
      1. There will be three alternate Committee members:
      2. One alternate will be a member of the Board, also appointed by the Chair of the Board, who must attend Committee meetings when serving as an alternate for an absent voting Board Committee member; however, if the Board Member first alternate is also not available another Board Member may attend as a voting member with Board Chair approval. An alternate enjoys voting rights only in the absence of a voting Board Committee member. Unless a Board member alternate enjoys voting rights, they may attend the meeting only as an observer.
         i. The second and third alternate Committee Members will be the Chiefs of Staff elected from each hospital, who will attend Committee meetings and enjoy voting rights on the Committee only when serving as an alternate for their respective Chief of Staff.
   d. Non-Voting Membership. The Chief Financial Officer, the Chief Operations Officer, the Chief Medical Officer, the Chief Nursing Executive, the Chief Administrative Officer, the Chief Legal Officer, the Chief Human Resources Officer, the Vice President Philanthropy, the Senior Director of Managed Care and Business Development, and a board member of the Palomar Health Foundation, recommended by the Foundation and approved by the Committee Chair are non-voting members. As needed, other appropriate relevant staff in facilities, planning, and compliance may be requested to attend to facilitate the work of the Committee.
   e. Duties. The duties of the Committee include but are not limited to:
      i. Regarding the Strategic Function: Review, assess and establish that the mission and vision of the Board are implemented in an effective and meaningful manner through the establishment and implementation of plans and programs that enhance the well-being of the citizens of the District.
      ii. Regarding the Facilities Function: Provide oversight for the development, expansion, modernization and replacement of the District's facilities and grounds to promote the physical life of the assets belonging to the District and to ensure the safety and well-being of those working in and being served in the facilities and on the grounds.
      iii. The specific duties of the Committee will be established by separate Committee Charter, as recommended by the Committee from time-to-time and as approved by the Board.

6. Quality Review Committee.
   a. Voting Membership. The Committee will consist of five voting members, including three Members of the Board and the Chairs of Medical Staff Quality Management Committees of Palomar Medical Center Escondido and Palomar Medical Center Poway, and one alternate.
   b. Non-Voting Membership. The President and Chief Executive Officer, the Chief Operations Officer, the Chief Financial Officer, the Chief Legal Officer, the Chief Medical Officer, the Chief Nursing Executive, the Medical Quality Officer, and the Vice President of Quality and Patient Safety are non-voting members.
   c. Role of Alternate(s). One alternate will be a member of the Board, also appointed by the Chair of the Board, who must attend Committee meetings when serving as an alternate for an absent voting Board Committee member; however, if the Board Member first alternate is also not available another Board
Member may attend as a voting member with Board Chair approval. An alternate enjoys voting rights only in the absence of a voting Board Committee member. Unless a Board member alternate enjoys voting rights, they may attend the meeting only as an observer.

d. Duties. The duties of the Committee include but are not limited to oversight of performance improvement and patient safety. The specific duties of the Committee will be established by separate Committee Charter, as recommended by the Committee from time-to-time and as approved by the Board.

7. Community Relations Committee.

a. Voting Membership.

b. The Committee will consist of five voting members, including three members of the Board and one alternate

c. Role of Alternate(s). One alternate will be a member of the Board, also appointed by the Chair of the Board, who must attend Committee meetings when serving as an alternate for an absent voting Board Committee member; however, if the Board Member first alternate is also not available another Board Member may attend as a voting member with Board Chair approval. An alternate enjoys voting rights only in the absence of a voting Board Committee member. Unless a Board member alternate enjoys voting rights, they may attend the meeting only as an observer.

d. Non-Voting Membership. The Chief Operations Officer, the Vice President of Continuum Care, the Foundation Philanthropy Officer, a Marketing Representative, an RN representative, and a representative of the Patient Experience Focus Group are non-voting members.

e. Duties. Develop plans and programs that help to communicate the District's mission and vision to various constituents and related groups and to educate the public on Healthcare and wellness issues facing the citizens of the District. The specific duties of the Committee will be established by separate Committee Charter, as recommended by the Committee from time-to-time and as approved by the Board.

C. Special Committees. Special or ad-hoc committees may be appointed by the Chair who will then notify the Board for special tasks as circumstances warrant. Upon completion of the task for which appointed, such special committee is immediately discharged. All recommendations must be ratified by the Board prior to any action taken.

D. Advisors. A committee Chair may invite individuals with expertise in a pertinent area to voluntarily work with and assist the committee. Such advisors may not vote or be counted in determining the existence of a quorum and may be excluded from any committee session at the discretion of the committee Chair.

E. Meetings and Notice. Meetings of a committee may be called by the Chair of the Board, the Chair of the committee, or a majority of the committee's voting members. The Chair of the committee is responsible for contacting alternate committee members in the event their participation is needed for any given committee meeting. All committee meetings will follow proper notice procedures as provided in applicable law, including but not limited to the Brown Act.

F. Quorum. A majority of the voting members of a committee constitutes a quorum for the transaction of business at any meeting of such committee.

G. Manner of Acting. The act of a majority of the members of a committee present at a meeting at which a quorum is present is the act of the committee so meeting, such actions limited to the making of recommendations to the Board. Each committee must keep minutes of its proceedings and must report to the Board. No act taken at a meeting at which less than a quorum was present is valid.

H. Tenure. Each member of a committee described above serves a one-year term, commencing on the first day of January after the annual organizational meeting at which he or she is elected or appointed. Each committee member holds office until a successor is elected, unless he or she sooner resigns or is removed from office by the Board.

IX. Article IX: Medical Staffs

A. Organization.

1. There will be separate Medical Staff organizations for both Palomar Medical Center Escondido and for Palomar Medical Center Poway with appropriate officers and bylaws. The Medical Staff of each Hospital is self-governing with respect to the professional work performed in that Hospital. Membership in the respective Medical Staff organization is a prerequisite to the exercise of clinical privileges in each Hospital, except as otherwise specifically provided in each Hospital's Medical Staff bylaws.

2. District Facilities other than the Hospitals may also have professional personnel organized as a medical or professional staff, when deemed appropriate by the Board pursuant to applicable law and The Joint Commission and/or other appropriate accreditation standards. The Board will establish the rules and regulations applicable to any such staff and may delegate such responsibilities, and perform such functions, as may be required by applicable law and The Joint Commission and/or other appropriate accreditation standards. To the extent provided by such rules, regulations, laws and standards, the medical or professional staffs of such Facilities must perform those functions specified in these Bylaws.
B. Medical Staff Bylaws. Each Medical Staff organization must propose and adopt by vote bylaws, rules, and regulations for its internal governance which are subject to, and effective upon, Board approval, which may not be unreasonably withheld. The bylaws, rules, and regulations will be periodically reviewed for consistency with Hospital policy and applicable legal and other requirements. The bylaws must create an effective administrative unit to discharge the functions and responsibilities assigned to the Medical Staffs by the Board. The bylaws, rules, and regulations must state the purpose, functions, and organization of the Medical Staffs and must set forth the policies by which the Medical Staffs exercise and account for their delegated authority and responsibilities. The bylaws, rules, and regulations must also establish mechanisms for the selection by the Medical Staff of its officers, departmental chairs, and committees.

C. Medical Staff Membership and Clinical Privileges.

1. Membership on the Medical Staffs is restricted to Practitioners who are competent in their respective fields, worthy in character and in professional ethics, and who are currently licensed by the State of California. The bylaws of the Medical Staffs may provide for additional qualifications for membership and privileges, as appropriate.

2. While retaining its ultimate authority to independently investigate and/or evaluate Medical Staff matters, the Board hereby recognizes the duty and responsibility of the Medical Staffs to carry out Medical Staff activities, including the investigation and evaluation of all matters relating to Medical Staff membership, clinical privileges and corrective action. The Medical Staffs must forward to the Board specific written recommendations, with appropriate supporting documentation that will allow the Board to take informed action, related to at least the following:
   a. Medical Staff structure and organization;
   b. The process used to review credentials and to delineate individual clinical privileges;
   c. Appointing and reappointing Medical Staff members, and restricting, reducing, suspending, terminating and revoking Medical Staff membership;
   d. Granting, modifying, restricting, reducing, suspending, terminating, and revoking clinical privileges;
   e. Matters relating to professional competency;
   f. The process by which Medical Staff membership may be terminated; and
   g. The process for fair hearing procedures.

3. Final action on all matters relating to Medical Staff membership, clinical privileges and corrective action will be taken by the Board after considering the Medical Staff recommendations. The Board may use the advice of the Medical Staff in granting and defining the scope of clinical privileges to individuals, commensurate with their qualifications, experience, and present capabilities. If the Board does not concur with the Medical Staff recommendation relative to Medical Staff appointment, reappointment, or termination of appointment, and granting or curtailment of clinical privileges, there will be a review of the recommendation by a conference of two Board members and two members of the relevant Medical Staff, before the Board renders a final decision.

4. No applicant may be denied Medical Staff membership and/or clinical privileges on the basis of sex, race, creed, color, or national origin, or on the basis of any other criterion lacking professional justification or not in accordance with all applicable laws. The Hospitals may not discriminate with respect to employment, staff privileges or the provision of professional services against a licensed clinical psychologist within the scope of his or her licensure, or against a physician, dentist, or podiatrist on the basis of whether the physician or podiatrist holds an M.D., D.O., D.D.S., D.M.D., or D.P.M. degree. Wherever staffing requirements for a service mandate that the physician responsible for the service be certified or eligible for certification by an appropriate American medical board, such position may be filled by an osteopathic physician who is certified or eligible for certification by the equivalent appropriate American Osteopathic Board.

D. Performance Improvement.

1. The Medical Staffs must meet at regular intervals to review and analyze their clinical experience, to assess, preserve, and improve the overall quality and efficiency of patient care in the Hospitals and other District Facilities, as applicable. The medical records of patients will be the basis for such review and analysis. The Medical Staffs will identify and implement an appropriate response to findings. The Board may further require mechanisms to assure that patients with the same health problems are receiving a consistent level of care. Such performance improvement activities must be regularly reported to the Board.

2. The Medical Staffs must provide recommendations to the Board as necessary regarding the organization of the Medical Staffs’ performance improvement activities as well as the processes designed for conducting, evaluating, and revising such activities. The Board may take appropriate action based on such recommendations.

3. The Board hereby recognizes the duty and responsibility of the Medical Staffs to carry out these performance improvement activities. The Board, through the President and CEO, will provide whatever administrative assistance is reasonably necessary to support and facilitate such performance improvement activities.

E. Medical Records. A complete and accurate medical record must be prepared and maintained for each patient.
F. Terms and Conditions. The terms and conditions of Medical Staff membership, and of the exercise of clinical privileges, will be as specified in the Hospitals' Medical Staff bylaws.

G. Procedure. The procedure to be followed by the Medical Staff and the Board in acting on matters of membership status, clinical privileges, and corrective action, must be specified in the applicable Medical Staff bylaws.

H. Appellate Review. Any adverse action taken by the Board with respect to a Practitioner's Staff status or clinical privileges, is, except under circumstances for which specific provision is made in the Medical Staff bylaws, subject to the practitioner's right to appeal to appellate review in accordance with procedures set forth in the bylaws of the Medical Staffs.

X. Article X: Claims and Judicial Remedies
   A. Claims. The District is subject to Division 3.6 of Title 1 of the California Government Code, pertaining to claims against public entities. The CEO, or his or her designee, is authorized to perform those functions of the Board specified in Part 3 of that Division, including the allowance, compromise or settlement of any claims where the amount to be paid from the District's treasury does not exceed $50,000.

XI. Article XI: Amendment
   A. These Bylaws may be amended or repealed by vote of at least four members of the Board at any Board meeting. Such amendments or repeal shall be effective immediately, except as otherwise indicated by the Board.

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**Document Owner:** DeBruin, Kevin

**Approvals**
- **Committees:**
- **Signers:**
  
  Kevin DeBruin
  
  Kevin DeBruin, Chief Legal Officer (06/03/2022 03:58PM PST)

**Original Effective Date:** 06/07/2018

**Revision Date:** [06/03/2022 Rev. 8]

**Attachments:**
(REFERENCED BY THIS DOCUMENT)

Conflict of Interest Code

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*Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at https://www.lucidoc.com/cgi/doc-gw.pl?ref=pphealth:59212.*
ADDENDUM I
Happy Fiscal New Year! Legislature on Recess; Budget Put to Bed (Mostly); Much Work Ahead in August

As you are undoubtedly aware, the Legislature has adjourned as of yesterday afternoon for the entire month of July. It was a rather eventful week beginning with the announcement on Sunday night of a final budget package followed by extraordinarily lengthy policy committee hearings throughout the week given today’s deadline for policy committees to meet and take action on bills. Once the members return on August 1, they will focus on Appropriations Committee hearings for all fiscal bills that moved out of policy committees. The last two and a half weeks of session will be solely dedicated to floor session during which the houses will debate measures and determine which will head to the Governor’s desk for his consideration.

In the meantime, read HBE’s detailed summary of the final budget package here.

Update on Bills of Note

SB 1338 – CARE Act Clears Final Policy Hurdle

On Tuesday, the Assembly Health Committee held the final policy committee discussion of SB 1338 (Umberg and Eggman), the measure that would implement the Governor’s Community Assistance, Recovery, and Empowerment (CARE) Act Program.

CSAC First Vice President Supervisor Chuck Washington, Riverside County, provided testimony on the outstanding county concerns – which continue to be primarily centered around sufficiency of resources, a phased-in implementation, and the needed revisions to the sanctions provisions.

Assembly Health Committee members generally expressed bipartisan enthusiasm with the CARE Act framework. To give a flavor of the nature of members’ sentiments, we offer the following:

- Assembly Member Aguiar-Curry: “I can’t wait.”
Assembly Member Waldron: “When I first heard the proposal, I was really excited. This [plan] may come to fruition if it’s done right. It’s not a perfect proposal by any means. But it provides a first step to make actionable change.”

Assembly Member McCarty: “The status quo is not working.”

Assembly Member Mayes: “I see this as one of the most monumental pieces of public policy that the Legislature has proposed in the last eight years. I do think this is an instance that we got it just about right [as far as balancing] civil liberties and the obligation to serve.”

Chair Wood: “No doubt that the behavioral health system has to be more effective. Too often our efforts fail those we attempt to serve. There is a lack of housing, lack of psych beds, lack of care coordination. At the heart of this bill, we are asking counties to prioritize and get services to people who need them the most... There is always a desire for more. I have never heard a county or city say they have enough resources.”

Legislators did acknowledge the concerns they were hearing – the need for resources, a thoughtful phased-in implementation, housing resources, penalties reserved for those who truly fail.

Chair Wood, mindful of his rural district, did push the Administration to consider county preparedness and a phased-in approach. He recognized that not all counties are created equal, and the state needs to focus on a strong and effectively coordinated program. He urged the Administration to reach out to counties during the July legislative break to develop and refine an implementation plan. He noted that rural counties are woefully unprepared, lacking technical expertise and workforce. Finally, he noted that sanctions and receiverships contemplated in the measure could undermine the good that counties are doing.

Assembly Health Committee passed the measure 14-0, with Assembly Member Bigelow not voting. The Assembly Appropriations Committee will hear the measure in August.

Note that a new set of substantive amendments were incorporated into SB 1338 as of this morning; more to come on counties’ ongoing efforts to seek additional refinements and amendments in the weeks ahead.

**SB 443 (Hertzberg) – Emergency medical services (EMS): prehospital EMS**

SB 443 was gutted and amended on June 16 to make sweeping changes to the emergency medical services system. Assembly Health Committee was scheduled to hear the bill with its new content on June 28, but the measure was pulled from the agenda. Because the bill did not receive a hearing prior to the policy committee deadline of July 1, the measure is effectively dead for the year. However, it is likely the sponsor – California Fire Chiefs Association – will revisit this issue in 2023.

**AB 2724 (Arambula) – Kaiser Medi-Cal Contract – TO GOVERNOR**

AB 2724 passed off the Senate and Assembly Floors on the evening of June 29. The measure is headed to the Governor for action (since the Administration acted as a sponsor of the bill, the Governor is expected to sign the measure soon). This measure would implement the direct Medi-Cal contract between the Department of Health Care Services and Kaiser Permanente.

**AB 32 (Aguilar-Curry) – Telehealth**

Senate Health Committee heard AB 32, by Assembly Member Aguiar-Curry, on June 30. The measure is intended to comprehensively address California’s telehealth policies for Medi-Cal and commercial insurance. The measure is being sponsored by the California Association of Public Hospitals and
Health Systems, the CommunityHealth+ Advocates (which is affiliated with the California Primary Care Association), Essential Access Health, and Planned Parenthood Affiliates of California.

AB 32, as amended on June 20, does the following:

- Expands the definition of synchronous interaction for purposes of telehealth to include audio-video, audio only, such as telephone, and other virtual communication.
- Extends telehealth payment parity to Medi-Cal managed care and allows remote eligibility determinations, enrollment, and recertification for Medi-Cal and specified Medi-Cal programs.
- Requires the Department of Health Care Services to conduct an evaluation of the benefits of telehealth.
- Makes other policy changes related to telehealth reimbursement and policy for federally qualified health centers, rural health centers, other Medi-Cal enrolled clinics, Drug Medi-Cal and other providers.
- Allows for telehealth as part of a Medi-Cal managed care alternative access request with respect to time and distance standards. Extends the sunset on time and distance standards to January 1, 2026.

We anticipate more amendments to AB 32 to address potential clean up to the Administration’s telehealth language in the health omnibus trailer bill (see SB 184).

**SB 1416 (Eggman) – Mental Health Services: Gravely Disabled Persons**

SB 1416 would expand the definition of “gravely disabled” in the Lanterman-Petris-Short (LPS) Act for individuals with a mental health disorder to include the inability of an individual to provide for their basic personal needs for medical care in addition to being unable to provide for their basic personal needs for food, clothing, and shelter. The bill was double referred to Assembly Health Committee, which passed the measure last week, and Assembly Judiciary Committee. Assembly Judiciary Committee did not hear the measure before the deadline for policy bills to be heard in the second house, so it will not be advancing this year.

**AB 1608 (Gipson) – Deconsolidation of Coroner and Sheriff Functions**

AB 1608, by Assembly Member Mike Gipson, passed the Senate Governance and Finance Committee this week with a commitment by the author to amend the bill to clarify the timing of its implementation. Sponsored by various civil rights and justice reform groups along with several organizations representing physicians, the bill’s stated intent is to eliminate any possible bias for autopsies associated with law enforcement-involved deaths. This bill, however, takes a very broad approach by eliminating counties’ ability to consolidate the coroner-sheriff function, an organizational structure currently employed in 48 counties. The bill passed out of the Senate Public Safety this week.

Amendments now in print clarify that the governance change will go into effect once the term of newly elected sheriffs (those taking office in January 2023) ends. With the incorporation of these changes, the bill now is keyed fiscal meaning that it will be referred to the Senate Appropriations Committee for an August hearing.
**AB 1972 (Ward) – Grand Juror Pay Increase**

*AB 1972*, by Assembly Member Chris Ward, would – among other provisions – increase the daily rate paid to grand jurors from $15 per day to 70 percent of individual counties’ median income. The stated objective of the rate increase is to recruit a more diverse set of grand jurors; counties are solely responsible for grand jury costs. The bill applies to civil and criminal grand juries.

The statewide county associations – CSAC, UCC, and RCRC – are jointly opposed to the measure because of the considerable fiscal impact. Although AB 1972 is non-specific as to the process for determining individual counties’ median income, one source (U.S. Department of Commerce, Bureau of Economic Analysis) suggests that AB 1972 would increase the current rate anywhere from 620 percent ($108/day) at the low end to 2,513 percent ($392/day) in the highest cost-of-living regions of our state. Our collective research also indicates that civil grand jurors meet frequently – often at least once if not multiple times per week, a factor that drives the overall cost impact considerably higher than the Legislature’s assessment has reflected.

Despite broad county opposition, the Senate Judiciary Committee approved the measure this week. The county coalition will continue to press for resolution of the cost impacts in advance of the August hearing in the Senate Appropriations Committee.

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**SCA 10 (Atkins and Rendon) – Right to Abortion and Contraception**

This week, the Legislature approved [Senate Constitutional Amendment 10](#), a measure that would, upon voter approval, enshrine the right to abortion and contraception in the state Constitution. The measure is authored by Senate President pro Tempore Toni Atkins and Assembly Speaker Anthony Rendon. Specifically, SCA 10 adds to the state Constitution:

> The state shall not deny or interfere with an individual's reproductive freedom in their most intimate decisions, which includes their fundamental right to choose to have an abortion and their fundamental right to choose or refuse contraceptives. This section is intended to further the constitutional right to privacy guaranteed by Section 1, and the constitutional right to not be denied equal protection guaranteed by Section 7. Nothing herein narrows or limits the right to privacy or equal protection.

Voters will consider the measure on the November 2022 ballot.

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**SB 54 (Allen) – Recycled Plastics Compromise Legislation – SIGNED INTO LAW**

Thursday morning, just in the nick of time, the Legislature sent [SB 54](#) (Allen) to Governor Newsom, marking a years-long end to the debate over how to address the proliferation of single-use plastics. Following agreement on a legislative solution, proponents of a ballot measure that sought to impose a fee on the use of single-use plastic packaging and foodware announced that they would pull their proposal from the November ballot. In late-breaking news, Governor Newsom [announced](#) last night that he signed the plastics measure into law.

SB 54 enacts the Plastic Pollution Prevention and Packaging Producer Responsibility Act (Act), which imposes minimum content requirements for single-use packaging and food service ware and source reduction requirements for plastic single-use packaging and food service ware, to be achieved through an extended producer responsibility (EPR) program.
DOF Monthly Finance Bulletin: Revenues Close to Estimates

The Department of Finance monthly Finance Bulletin was released late last week, indicating that revenues for the first eleven months of the 2021-22 fiscal year were pretty much spot-on with the 2022-23 May Revision estimates. Total cash receipts were $200 million above the forecast, while cash receipts for the month were $1.106 billion above the forecast, due to higher proceeds from the sales and use tax and corporation tax.

Personal income tax receipts to the General Fund for the fiscal year were $1.124 billion below the forecast of $131.488 billion. Cash receipts for May were $86 million below the forecast of $6.409 billion. Sales and use tax revenues for the first eleven months of the fiscal year were $463 million above the forecast of $29.878 billion. Cash receipts for May were $460 million above the forecast of $3.955 billion. Corporation tax cash receipts for the first eleven months of the fiscal year were $592 million above the forecast of $34.841 billion. Most of the $592 million above forecast, or $363 million, was due to Pass-Through Entity (PTE) elective tax payments. Cash receipts for May were $487 million above the month's forecast of $857 million. PTE elective tax payments were $370 million above the forecast of $0. (Since final 2021 tax year PTE elective tax payments were due in March and the first 2022 tax year PTE elective tax payments are not due until June, the forecast assumed no payments would be made in May.)

Feds Approve Phase-In of Medi-Cal Asset Test Elimination

On June 29, 2022, the Department of Health Care Services received federal approval of California’s two-phased approach to increase, and eventually eliminate, asset limits for certain Non-Modified Adjusted Gross Income (Non-MAGI) Medi-Cal populations through the CalAIM Section 1115 Demonstration waiver amendment. The changes will affect the Non-MAGI Medi-Cal beneficiary population who have historically been limited in the amount of property they can own and retain, and still be eligible for Medi-Cal.

Effective July 1, 2022, asset limits will be increased to $130,000 per person and $65,000 for each additional household member. The prior asset limits were $2,000 per person and $3,000 for two people. This increase in asset limits will make Medi-Cal coverage accessible to a larger number of potentially vulnerable Californians, including elderly and disabled individuals. The eventual elimination of the asset limit will be implemented no sooner than January 1, 2024.

Please feel free to contact any one of us at Hurst Brooks Espinosa with questions ...
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