# Board Audit & Compliance Committee Meeting Minutes – Tuesday, April 19, 2022

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## Discussion

### Notice of Meeting

Notice of meeting schedule was posted Wednesday, April 13, 2022. The agenda packet was posted on the Palomar Health website on Wednesday, April 13, 2022.

### Call to Order

The meeting was held virtually pursuant to Board Resolution No. 01.10.22(03)-03 via GoToMeeting and called to order at 4:00 p.m. by Committee Chair Linda Greer.

## I. Establishment of Quorum

- Quorum comprised of Chair Linda Greer, Director Laurie Edwards-Tate, and Director Laura Barry
- Absent: Director Michael Pacheco

## II. Public Comments

There were no public comments

## III. Follow Up Items

There were no follow up items

## IV. Agenda Item(s) for Review

1. Approve Tuesday, February 15, 2022 Board Audit and Compliance Committee Meeting Minutes
### BOARD AUDIT & COMPLIANCE COMMITTEE MEETING MINUTES – TUESDAY, APRIL 19, 2022

#### AGENDA ITEM

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#### DISCUSSION

**MOTION** by Director Edwards-Tate, 2nd by Director Barry to approve the February 15, 2022 Board Audit and Compliance Committee Meeting Minutes. Roll call voting was utilized. Director Edwards-Tate - Aye Director Barry - Aye Director Greer - Aye

All in favor. None opposed.

Discussion: None

2. Approve 2022 Compliance Audit Schedule

**MOTION** by Director Edwards-Tate, 2nd by Director Barry to approve the 2022 Compliance Audit Schedule. Roll call voting was utilized. Director Edwards-Tate - Aye Director Barry - Aye Director Greer - Aye

All in favor. None opposed.

Discussion: Chair Greer stated the Compliance Department is working on several audits and will bring the findings to the Board Audit and Compliance Committee when completed.

3. Compliance Program Effectiveness, Request for Proposals (CPE, RFPs)
**Board Audit & Compliance Committee Meeting Minutes – Tuesday, April 19, 2022**

### Agenda Item

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<td><strong>Discussion</strong></td>
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**MOTION:** none was required. This was an informational presentation/discussion.

**Discussion:** Ms. Helen Waishkey, Corporate Compliance Officer, stated that the Office of Inspector General (OIG) and Federal Sentencing Guidelines for Organizations (FSGO) require healthcare and covered entities to perform Compliance Program Effectiveness reviews every three years. To accomplish this the Compliance Department sent Requests for Proposals to Moss Adams, BH & Associates, SunHawk Consulting, and Taiga. The Compliance Department selected BH & Associates to perform the audit; this will be Palomar Health’s year one baseline audit. For years two and three, Ms. Waishkey and Mr. King will perform the audits. In the fourth year, the Compliance Department will once again outsource the audit to an outside vendor.

### 4. 2022 April Compliance and Ethics Training

**MOTION:** none was required. This was an informational presentation/discussion.

**Discussion:** Director Greed stated that Palomar Health is adhering to its compliance and ethics standards, which in turn are generating better results within Palomar Health. This will make it easy to see and address any issues that come up in the future. Director Greer also agreed with Ms. Waishkey’s comment about Palomar Health’s need for check and balances especially since it is an element the OIG requires and OIG prosecutors look for. The OIG is looking to ensure companies have a Compliance Program and performs compliance program effectiveness reviews every three years. The companies that follow OIG instructions are viewed in a more positive manner and this compliance may help in reducing fines and penalties. The OIG prefers that top executives and board members embrace OIG standards and that companies provide additional training beyond the annual trainings. Director Greer said it is imperative that Palomar Health embraces compliance and ethics in a top down approach.

Director Barry requested a summary of the audits that were proposed and agreed to in the previous presentation.

Ms. Waishkey presented the following:

1. State and Federal Signage are signs that must be posted throughout the healthcare facility. Ms. Waishkey has created a spreadsheet of all required signage and will walk each facility through the requirements to ensure signs are posted correctly such as:
   a. the Maternity Ward needs signs stating the area is protected, monitored, and identification is required,
   b. privacy signs must be posted in conspicuous places,
   c. danger signs must be posted in Radiology and the Laboratory, and
   d. the Dietary area needs to have schedules posted where anyone can see them.
## BOARD AUDIT & COMPLIANCE COMMITTEE MEETING MINUTES – TUESDAY, APRIL 19, 2022

### AGENDA ITEM | CONCLUSION/ACTION | FOLLOW UP/RESPONSIBLE PARTY | FINAL?
---|---|---|---

### DISCUSSION

2. Compliance Program Effectiveness included sending and receiving RFPs, selecting a company, and the company will now perform a review of Palomar Health’s Compliance Program effectiveness and organizational education. The Compliance Department is planning to show that Palomar Health is going beyond the average and providing more than just yearly education.

3. 340B Drug Program is required by Health Resources and Services Administration (HRSA) and HRSA requires that all healthcare entities with a 340B drug program be audited by an outside vendor on an annual basis. The audit always covers claims from April to September. Palomar Health was just audited by HRSA and the results have not yet been received. Ms. Waishkey also stated that the 340B Drug Program allows healthcare entities to purchase drugs at a discounted rate and then pass those drug savings to patients, plus those monies, discounts, and benefits allow the healthcare organization to create other programs that benefit patients.

4. Palomar Health’s Home Health program will be audited for the first time to ensure they are complying with regulatory requirements.

Director Greer requested a short review of the financial audit. Mr. DeBruin, Esq. stated that the financial audit would come to the Board Audit & Compliance committee first. Usually an Audit and Compliance meeting is held with all the Board Members and Director Greer would chair the meeting. This will be Moss Adams’ final year auditing Palomar Health. In October Mr. DeBruin, Esq. believes the CEO, CFO, or Executive Management Team will propose a new vendor for the financial audit and an RFP will begin the selection process.

### V. FINAL ADJOURNMENT

**MOTION:** none

Discussion: Committee Chair Greer asked if there were any subjects the committee wanted to discuss at the next meeting. Hearing no replies and there being no further business, Committee Chair Greer adjourned the meeting at 4:25 p.m.

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**COMMITTEE CHAIR**

Linda Greer

**COMMITTEE SECRETARY**

Nanette Irwin, BSIT

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04.19.22 Board Audit & Compliance Committee Meeting Minutes