



Board of Directors Meeting Minutes – Monday, August 8, 2022

Agenda Item

- *Discussion*

Conclusion / Action /Follow Up

NOTICE OF MEETING

Notice of Meeting was posted at the Palomar Health Administrative Office; also posted with full agenda packet to the Palomar Health website on Wednesday, August 3, 2022, which is consistent with legal requirements.

I. CALL TO ORDER

Pursuant to Palomar Health Board Resolution No. 01.10.22(03)-03, the meeting was held virtually, and called to order at 6:54 p.m. by Board Chair Linda Greer.

II. ESTABLISHMENT OF QUORUM

Quorum comprised of Directors Barry, Clark, Corrales, Edwards-Tate, Greer, Griffith

Excused Absence: Director Pacheco. Director Griffith noted that he may have to leave the meeting at a certain point and was excused to do.

III. OPENING CEREMONY – Pledge of Allegiance to the Flag

The Pledge of Allegiance to the Flag was recited in unison.

MISSION AND VISION STATEMENTS

The Palomar Health mission and vision statements are as follows:

- *The mission of Palomar Health is to heal, comfort and promote health in the communities we serve.*
- *The vision of Palomar Health is to be the health system of choice for patients, physicians and employees, recognized nationally for the highest quality of clinical care and access to comprehensive services.*

IV. PUBLIC COMMENTS

There were no public comments.

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V. PRESENTATIONS

A. Patient Experience

- Chief Administrative Officer Stephanie Baker introduced District Director Wound Care & Hyperbaric Medicine, Outpatient Cardiac & Pulmonary Rehab Carolyn Masengale, who provided an overview of the Outpatient Cardiac Rehab program, noting that it is certified through the American Association of Cardiovascular and Pulmonary Rehabilitation Program. The program helps patients achieve their individual goals by providing expert education and assistance in a safe, monitored environment in which to exercise, learn and heal. Approximately 2,000 patients have gone through the program thus far, achieving a 90% completion rate, which is higher than the national average of 79%. We share our patient’s victories and encourage them throughout their program; this care is reflected in the positive outcomes we see in them.
- Ms. Masengale introduced former Cardiac Rehab patient Melody Parke, who agreed to share the letter she wrote to Palomar Health in gratitude of the outstanding care she received. Ms. Masengale added that Ms. Parke is a very special person, and everyone is very happy for her success.
 - Ms. Parke thanked the board for inviting her to share her experience, noting that this program is like no other due to the amazing staff and their attention to detail with every patient. Noted that when she started at the program she was suffering from post-traumatic stress disorder. The question staff member Lauren King asked her was truly the beginning of her healing journey back to being herself again. The way Ms. King posed this very simple, yet profound question, made her feel human again. The question was “on a scale from 0 to Melody, where are you”? She could tell from then on that she had a partner in her healing process; everyone there was loving and emotionally present all during her rehabilitation. It was the beginning step toward to move Ms. Parke out of her trauma fog of misery and into feeling a glimmer of hope that she had not felt in quite some time. She felt genuinely cared for in that moment and actually seen as a human being. Ms. Parke went on to say that all of the patients who come to the Cardiac Rehab program come with their “broken hearts”, and know they have a long journey back to the self, which usually differs greatly from the self they knew before. This is a tough journey to say the least, but because of the extraordinary care provided to her and to countless other patients by the team at Palomar Cardiac Rehab, Ms. Parke has begun to find her way home again. She is humbly grateful and thankful to the entire Palomar Cardiac Rehab team.
- Chair Greer thanked Ms. Parke for taking the time to share her journey, adding that stories like hers are the reason healthcare workers choose this profession.

B. Physician Updates

The Physician Updates was tabled.

C. Citi Presentation

- Chief Financial Officer Hugh King introduced Citigroup representative Chad Kenan, who reviewed the presentation distributed in the meeting packet. Mr. King noted that later in the year administration would be asking the board for authorization to proceed toward a bond issue to refinance some variable rate debt to that of fixed rate debt. The underwriters and investment bankers from Citigroup and counselors from Kaufman Hall will speak to the benefits of refinancing at this time. Then Palomar, along with the working group, will look to finalize the plan of finance to position the system optimally in the coming months.
 - Chair Greer noted she is gratified to hear that the organization will be moving away from variable interest rates to fixed rates for the bonds.
 - Director Clark asked if there was only one interest rate swap agreement, for which Mr. Kenan responded that there was one agreement on the 2006 bonds; it was not renewable and was executed to final maturity in 2006.

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VI. APPROVAL OF MINUTES

- A. Special Closed Session Board of Directors Meeting - Monday, July 11, 2022
- B. Board of Directors Meeting - Monday, July 11, 2022

A. MOTION: By Director Corrales, 2nd by Director Griffith and carried to approve agenda item VI.A. Monday, July 11, 2022 Special Closed Session Board of Directors Meeting and agenda item VI.B. Monday, July 11, 2022 Board of Directors Meeting minutes as presented. Roll call voting was utilized.
Director Corrales – aye Director Griffith – aye
Director Greer – aye Director Barry – aye
Director Clark – aye Director Pacheco – absent
Director Edwards-Tate – aye
Chair Greer announced that six board members were in favor. None opposed. No abstentions. One absence. Motion approved.

There was no discussion.

VII.* APPROVAL OF AGENDA *to accept the Consent Items as listed*

- A. Executed, Budgeted, Routine Physician Agreements
- B. Palomar Medical Center Escondido Medical Staff Credentialing & Reappointments
- C. Palomar Medical Center Poway Medical Staff Credentialing & Reappointments
- D. Modification to the Nurse Practitioner Clinical Privilege Checklist - hospital at Home Telemedicine Privileges
- E. Modification to the Nurse Practitioner (NP) Clinical Privileges Checklist - Acute Care
- F. Modification to the Physician Assistant Clinical Privileges - Surgery, OB/GYN and/or Urology
- G. Modification to the CPR Requirements for Allied Health professional Medical Staff Policy

MOTION: By Director Barry, 2nd by Director Corrales and carried to approve agenda items VII.A. – VII.G. as presented. Roll call voting was utilized.
Director Corrales – aye Director Griffith – aye
Director Greer – aye Director Barry – aye
Director Clark – aye Director Pacheco – absent
Director Edwards-Tate – aye
Chair Greer announced that six board members were in favor. None opposed. No abstentions. One absence. Motion approved.

There was no discussion.

VIII. REPORTS

- A. Medical Staffs**

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1. Palomar Medical Center Escondido

Palomar Medical Center Escondido Chief of Staff Dr. Sabiha Pasha provided the following report:

- A Joint Conference Committee meeting was held on July 28th; many good ideas were shared. The committee agreed that better effort needs to be made re: communication between the medical staff and administration.
- At the recent Medical Executive Committee meeting there was discussion re: the closure of the gero/psych unit, which, while it is understood as to why it is occurring, will still be a loss to our community.
- COVID numbers holding steady at approximately 20 cases.
- Monkey pox cases are very minimal at this time.

2. Palomar Medical Center Poway

Palomar Medical Center Poway Chief of Staff Dr. Edward Gurrola II provided the following report:

- Successfully bringing on more travelers to staff the operating rooms; now running three full rooms Monday – Friday. Added four new anesthesiologists; in the process of hiring more.
- Reported that the psych and gero/psych units were taking up the entire third floor of the hospital. The organization was not able to get a waiver to continue using those beds for gero/psych patients; therefore, they will be moving on because this group is easier to place. The move will free up the 17 beds they were occupying. This is a mixed blessing as beds for both types of patients are greatly needed.
 - Chair Greer noted that regulatory compliance compels Palomar Health to make this move; it is not something the organization wanted to do.
 - Director Clark asked what the average occupancy rate is for those 17 med surg beds, where the psych and gero/psych patients will be transferred to, and why. Dr. Gurrola responded that in general these beds are always full. He noted that it is very costly to get med surg rooms compliant for gero/psych patients. The Poway campus does have a locked unit with 12 compliant beds that house gero/psych patients. When the downtown campus closed, the psych patients there got transferred to the Poway rooms that are not compliant as well as to the 12 beds in the locked, conforming unit. The California Department of Public Health (CDPH) had granted extensions to allow the organization to use the entire floor as a psych unit; that did not apply to the Joint Commission, who will be here prior to Thanksgiving. At that time those rooms will not be compliant and the organization would be under orders to comply immediately; it would cost millions of dollars to make the changes. It was felt that the gero/psych patients would be easier to place because of the better reimbursement rate of the care providers. This has all been inevitable, and because of all of these factors Palomar would not be able to bill for these patients when the waiver expires on October 31st.

B. Administrative

1. President and CEO

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<ul style="list-style-type: none">• Discussion	Conclusion / Action /Follow Up
<p>Palomar Health President and CEO Diane Hansen provided the following report:</p> <ul style="list-style-type: none">• Is excited to share that the new Poway Ambulatory Surgery Center is scheduled to open within the next couple of months. Will take board members on a tour prior to that time. A ribbon cutting event will also be scheduled.• Thanked the executive team and participating board members for attending the SeaWorld employee appreciation days. Originally there were 2,100 tickets for the event, but due to its popularity that number soared to 6,200. The team worked hard to find the funding for the extra tickets so no one would have to be turned away; it was a tremendous turnout. The employees and their families had a great time and were very appreciative.• Currently preparing for the external audits; fine tuning everything for when the auditors arrive. They will return later in the fall to review the results with the board. Pre-audit work began in the spring.• Thanked Mr. Kenan, Ms. Riley and their teams for the refunding opportunity discussed earlier in the evening. Beyond creating additional cash flow it will offer us the ability to focus on building out the final two floors of the medical center as well as the much needed improvements at the Poway campus i.e. ER, ICU redesign. Big thank you to Mr. King, Citigroup and Kaufman Hall for making this a reality with the refunding. Looking forward to obtaining board approval for these processes, which will create substantial opportunities for growth that could not be realized but for this.• Gero-psych unit – Ms. Hansen wanted everyone to know that Palomar had hoped to get approval when we received a waiver from CDPH. The potential was for this to be the bridge to get us to the psychiatric hospital. She stated that this is not a decision we had anticipated or wished to have to make. We have made a commitment to providing outstanding behavioral health services, to building a psychiatric hospital and making this a priority for the organization. This has not changed; we have not waived. We simply did not have an opportunity to make another decision. The 17 beds being taken away from us is not a decision that we would have made. Ms. Baker and her team have exhausted every opportunity with regulatory and quality, going so far as to call the county and CDPH asking for help to get Joint Commission approval so that these valuable services would not be lost. This was not a quickly made decision; we have been working on the issue since April. Wanted to give these employees enough time and notice about the shutdown so they could make thoughtful decisions about where they want to transfer, and how we are going to upskill them. We have offered all of them educational resources if they would like to move into another department at Palomar Health. Ms. Hansen apologized that the decision had to be made; stating again that it was not made by Palomar; rather it was forced upon us. One population or the other would have to be displaced. We must make the right decision to place those gero/psych folks in the right homes if they are available in order to secure good care. The rest of the behavioral health patients will continue to stay here, and we need to have the right setting and support to take care of them.<ul style="list-style-type: none">○ Chair Greer added that from a clinical standpoint it is always best to have patients in the most appropriate environment for their healing and care; therefore, if the Poway space is not safe enough to be approved by the Joint Commission this alternative becomes the right thing to do for their safety. She is looking forward to bringing the psychiatric hospital build forward. Possibility to have gero/psych patients there as well at some point.	

2. Chair of the Board

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Palomar Health Board Chairwoman Linda Greer provided the following report:

- Per recommendation of governance, each board committee will create a charter to be used as a framework that will define the purpose, authority, responsibility and limitations of the various committees and their membership. Committees will then forward their charters to the full board for review. Once approved, any future committee revisions / updates will be made to the charters rather than by the current process of updating them in the board bylaws document, which is quite cumbersome.
- Chair Greer is proud to report that five of the seven board members will be able to attend the Association of California Healthcare District's (ACHD) annual meeting in September. She also wished to thank the board members for their timely attention to the completion of the mandatory ethics training program, as it is required yearly and will also be used as part of the submission package for ACHD's Hospital of the Year Award. Winner to be announced at the annual meeting.

i. Recognition

- The Board of Directors has instituted an employee recognition program, the process for which can be found on page 153 of the board meeting packet. Nominees to be employees who live the Palomar Health mission and values every day. Board secretary to forward nomination form to board members for their use. Recipients will be honored at the monthly board meetings.

IX. *APPROVAL OF BYLAWS, CHARTERS, RESOLUTIONS

Agenda Item

<ul style="list-style-type: none"> <i>Discussion</i> 	<p><i>Conclusion / Action /Follow Up</i></p>
<p>A. Scopes of Service for Perioperative Services PMC Poway, Gero-Psychiatric Unit (GPU) PMC Poway and for Medical Records PMC Escondido and PMC Poway</p> <p>B. Resolution No. 08.08.22(01)-17 of the Board of Directors of Palomar Health Concerning the Levy and Collection of Taxes by the Board of Supervisors of the County of San Diego for Fiscal Year 2022-2023 to Pay Principal and Interest on General Obligation Bonds and Authorizing the Taking of All Actions Necessary in Connection Therewith</p>	<p>A. MOTION: By Director Corrales, 2nd by Director Griffith and carried to approve the Scopes of Service for Perioperative Services PMC Poway, Gero-Psychiatric Unit (GPU) PMC Poway and for Medical Records PMC Escondido and PMC Poway as presented. Roll call voting was utilized. Director Corrales – aye Director Griffith – aye Director Greer – aye Director Barry – aye Director Clark – aye Director Pacheco – absent Director Edwards-Tate – absent Chair Greer announced that five board members were in favor. None opposed. No abstentions. Two absences. Motion approved.</p> <p>B. MOTION: By Director Barry, 2nd by Director Clark and carried to approve Resolution No. 08.08.22(01)-17 of the Board of Directors of Palomar Health Concerning the Levy and Collection of Taxes by the Board of Supervisors of the County of San Diego for Fiscal Year 2022-2023 to Pay Principal and Interest on General Obligation Bonds and Authorizing the Taking of All Actions Necessary in Connection Therewith as presented. Roll call voting was utilized. Director Corrales – aye Director Griffith – aye Director Greer – aye Director Barry – aye Director Clark – aye Director Pacheco – absent Director Edwards-Tate – absent Chair Greer announced that five board members were in favor. None opposed. No abstentions. Two absences. Motion approved.</p>
<ul style="list-style-type: none"> A. Utilizing the information on page 9 of the meeting packet, Chief Legal Officer Kevin DeBruin provided information re: the request for board approval of the Scopes of Service. B. Utilizing the information on page 12 of the meeting packet, Mr. King provided information re: the request for board approval of the resolution. 	

C. Resolution No. 08.08.22(02)-18 of the Board of Directors of Palomar Health: Establishment of Appropriations Limit for Fiscal Year 2023

D. Resolution No. 08.08.22(03)-19 of the Board of Directors of Palomar Health Authorizing the Undertaking of a Financing in an Aggregate Principal Amount Not to Exceed \$280,000,000

E. Resolution No. 08.08.22(04)-20 of the board of Directors of Palomar Health: Morgan Stanley Authorized Persons and Enabling Resolutions for Municipalities & Certain Other Unincorporated Entities for DVP Accounts

C. **MOTION:** By Director Clark, 2nd by Director Griffith and carried to approve Resolution No. 08.08.22(02)-18 of the Board of Directors of Palomar Health: Establishment of Appropriations Limit for Fiscal Year 2023 as presented. Roll call voting was utilized.
Director Corrales – aye Director Griffith – aye
Director Greer – aye Director Barry – aye
Director Clark – aye Director Pacheco – absent
Director Edwards-Tate – aye
Chair Greer announced that six board members were in favor. None opposed. No abstentions. One absence. Motion approved.

D. **MOTION:** By Director Barry, 2nd by Director Griffith and carried to approve Resolution No. 08.08.22(03)-19 of the Board of Directors of Palomar Health Authorizing the Undertaking of a Financing in an Aggregate Principal Amount Not to Exceed \$280,000,000 as presented. Roll call voting was utilized.
Director Corrales – aye Director Griffith – aye
Director Greer – aye Director Barry – aye
Director Clark – aye Director Pacheco – absent
Director Edwards-Tate – aye
Chair Greer announced that six board members were in favor. None opposed. No abstentions. One absence. Motion approved.

E. **MOTION:** By Director Barry, 2nd by Director Clark and carried to approve Resolution No. 08.08.22(04)-20 of the board of Directors of Palomar Health: Morgan Stanley Authorized Persons and Enabling Resolutions for Municipalities & Certain Other Unincorporated Entities for DVP Accounts as presented. Roll call voting was utilized.
Director Corrales – aye Director Griffith – absent
Director Greer – aye Director Barry – aye
Director Clark – aye Director Pacheco – absent
Director Edwards-Tate – aye
Chair Greer announced that five board members were in favor. None opposed. No abstentions. Two absences. Motion approved.

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<ul style="list-style-type: none">• C. Utilizing the information on page 13 of the meeting packet, Mr. King provided information re: the request for board approval of the resolution.• D. Utilizing the information on page 14 of the meeting packet, Mr. King provided information re: the request for board approval of the resolution to authorize administration to proceed with putting together a plan for the financing strategies, which will be brought to the board for approval.• E. Utilizing the information on page 15 of the meeting packet, Mr. King provided information re: the request for board approval of the resolution.	
<p>F. Resolution No. 08.08.22(05)-21 of the Board of Directors of Palomar Health: Bank of America Deposit Account and Treasury Management Services Banking Resolution and Certificate of Incumbency</p> <p>G. California Department of Public Health (CDPH) Change of Administrator Application for Palomar Medical Center Escondido and Palomar Medical Center Poway</p>	<p>F. MOTION: By Director Edwards-Tate, 2nd by Director Clark and carried to approve Resolution No. 08.08.22(05)-21 of the Board of Directors of Palomar Health: Bank of America Deposit Account and Treasury Management Services Banking Resolution and Certificate of Incumbency as presented. Roll call voting was utilized. Director Corrales – aye Director Griffith – absent Director Greer – aye Director Barry – aye Director Clark – aye Director Pacheco – absent Director Edwards-Tate – aye Chair Greer announced that five board members were in favor. None opposed. No abstentions. Two absences. Motion approved.</p> <p>G. MOTION: By Director Barry, 2nd by Director Clark and carried to approve California Department of Public Health (CDPH) Change of Administrator Application for Palomar Medical Center Escondido and Palomar Medical Center Poway as presented. Roll call voting was utilized. Director Corrales – aye Director Griffith – absent Director Greer – aye Director Barry – aye Director Clark – aye Director Pacheco – absent Director Edwards-Tate – aye Chair Greer announced that five board members were in favor. None opposed. No abstentions. Two absences. Motion approved.</p>
<ul style="list-style-type: none">• F. Utilizing the information on page 16 of the meeting packet, Mr. King provided information re: the request for board approval of the resolution.• G. Request for board approval of the CDPH Change of Administrator application, with Stephanie Baker replacing Sheila Brown.	

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X. COMMITTEE REPORTS *(information only unless otherwise noted)*

A. Audit and Compliance Committee

- Committee Chair Greer shared highlights from the meeting summary, which was included in the agenda packet.

B. Community Relations Committee

- Committee Chair Corrales reported that the committee was dark in July.

C. Finance Committee

- Committee Chair Barry shared highlights from the meeting summary and presentation, which were included in the agenda packet.
 - Director Clark asked if the reason for there not being any financial data for June is because of the audit process being currently under way, for which Mr. King responded in the affirmative.

D. Governance Committee

- In Committee Chair Griffith's absence, Chair Greer reported that the committee was dark in July.

E. Human Resources Committee

- Committee Chair Corrales reported that the committee was dark in July.

F. Quality Review Committee

- Committee Chair Greer shared highlights from the meeting summary and presentations, which were included in the meeting packet. Special thank you to Dr. Filiciotto for the report he presented to the committee.

G. Strategic & Facilities Planning Committee

- In Committee Chair Pacheco's absence, committee member Laura Barry reported that the meeting summary and presentation were included in the agenda packet.
 - Of special note, the parking garage is on track to open this October. The committee has also begun working on their charter.

XI. FINAL ADJOURNMENT

- There being no further business, Chair Greer adjourned the meeting at 8:07 p.m.

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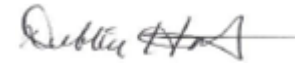
Signatures:

Board Secretary



Terry Corrales, R.N.

Board Assistant



Debbie Hollick