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Source:
 Administrative
 Board of Directors

Applies to Facilities:
 All Palomar Health Facilities

Applies to Departments:
 All Departments

Bylaws : Bylaws of Palomar Health

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.
- C. "Brown Act" means the Ralph M. Brown Act, see California Government Code § 54950 *et seq.* and California Health and Safety Code §§ 32106 and 32155.
- 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 any 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 State 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 disbursement 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 notifying 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

agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, must be allowed to attend any session held pursuant to this section. The Board Chair may establish a procedure for readmitting an individual or individuals not responsible for willfully disrupting the orderly conduct of the meeting.

G. Medical Staff Representation. With the exception of closed sessions at which such representation is not requested by the Board, the Medical Staff of each Facility has the right of representation at all meetings of the Board, by and through the Chief of Staff, or designee, of each Medical Staff, who has the right of attendance, the right to participate in Board discussions and deliberations, but who does not have the right to vote.

H. Regular Meetings.

1. The Board must hold an annual organizational meeting on or around December, during which the Board must elect its officers for the next calendar year. One member must be elected as Chair, one as Vice Chair, one as Secretary, and one as Treasurer.
2. At the annual organizational meeting, the Board must pass a resolution stating the dates, times, and places of the Board's regular monthly meetings for the following calendar year. The Board may later change the date, time, or location of a meeting upon resolution made at a regular Board meeting. Prior to the annual organizational meeting, a Board Calendar must be distributed to the Board for review and input. The Calendar must contain all events of significance that are known at that time, such significance to be determined by the Board, as well as proposed dates of Board meetings. Subsequently, a resolution will be prepared based on input received and will be presented for approval in December of each calendar year.
3. Notice, including the meeting's agenda, must be provided in accordance with Government Code section 54954.2(a)(1) at least 72 hours prior to the beginning of regular meetings.
4. The 72-hour requirement can be waived, and items can be added to regular meetings if any of the following criteria are met:
 - a. During the meeting, a majority of the Board determines that there is an emergency as defined by Government Code section 54956.5 which would give rise to the ability to call an emergency meeting as described below; or
 - b. If at least two thirds of the Board members are present, and by a vote of at least two thirds of those Board members present, the Board determines there is a need to take immediate action, and the need for action came to the attention of the District after the agenda was posted.
 - c. If less than two thirds of the Board members are present, and by a unanimous vote of those Board members present, the Board determines there is a need to take immediate action, and the need for action came to the attention of the District after the agenda was posted.
 - d. The item was posted for a prior meeting occurring not more than five calendar days prior to the date action is taken on the item and at the prior meeting the item was continued to the meeting at which action is being taken, as allowed by Government Code section 54954.2.

I. Special Meetings. A special meeting may be called at any time by the Chair, or by a majority of Board members, by delivering at least 24 hours' written notice as required by Government Code section 54956. Written notice may be dispensed with as to any Board member who, at or prior to the time the meeting convenes, files with the Secretary a written waiver of notice. Such written notice may also be dispensed with as to any Member who is actually present at the meeting at the time it convenes.

J. Emergency Meetings.

1. In the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, such as a work stoppage, crippling activity, or another activity that severely impairs public health, safety, or both, as determined by a majority of the Board members, the Board may hold an emergency meeting without complying with either or both the 24-hour notice or posting requirements, provided it complies with the requirements defined in Government Code section 54956.5.
2. The minutes of an emergency meeting, a list of persons who the Chair or his or her designee notified or attempted to notify, a copy of the roll call vote and any actions taken at the meeting must be publicly posted for a minimum of ten days as soon as possible after the meeting.

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 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.

Document Owner: DeBruin, Kevin

Approvals

- **Committees:**

- **Signers:**

Kevin DeBruin

Kevin DeBruin, Chief Legal Officer (06/03/2022 03:58PM PST)

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Attachments: Conflict of Interest Code

(REFERENCED BY THIS DOCUMENT)

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