

Posted  
 Wednesday,  
 April 24, 2024



# SPECIAL SESSION BOARD OF DIRECTORS MEETING AGENDA

Thursday, April 25, 2024  
 11:30 a.m.

Please see page 2 for meeting location options

The Board may take action on any of the items listed below, including items labeled "Informational Only"	Time	Target
<b>I. CALL TO ORDER</b>		<b>11:30</b>
<b>II. ESTABLISHMENT OF QUORUM</b>	1	11:31
<b>III. PUBLIC COMMENTS<sup>1</sup></b>	30	12:01
<b>IV. ADJOURNMENT TO CLOSED SESSION</b>	1	12:02
<ul style="list-style-type: none"> <li>a. Pursuant to California Government Code § 54956.6 — CONFERENCE WITH LEGAL COUNSEL— ANTICIPATED LITIGATION — Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: One (1) potential case</li> </ul>	15	12:17
<b>V. RE-ADJOURNMENT TO OPEN SESSION</b>	1	12:18
<b>VI. ACTION RESULTING FROM CLOSED SESSION – IF ANY</b>	1	12:19
<b>VII. APPROVAL of BYLAWS, CHARTERS, RESOLUTIONS and OTHER ACTIONS (ADD A)</b>		
<ul style="list-style-type: none"> <li>a. Resolution No. 04.25.24(01)-08 of the Board of Directors of Palomar Health to Approve Policy for Unbudgeted Items (Pp 2 – 6)</li> </ul>	10	12:29
<b>VIII. FINAL ADJOURNMENT</b>	1	<b>12:30</b>

Note: If you have a disability, please notify us by calling 760.740.6375, prior to the event so that we may provide reasonable accommodations

<sup>1</sup> 3 minutes allowed per speaker. For further details, see Request for Public Comment Process and Policy on page 3 of the agenda.



## Special Session Board of Directors Meeting Location Options

Palomar Medical Center Escondido  
1<sup>st</sup> Floor Conference Room Two  
2185 Citracado Parkway, Escondido, CA 92029

- Elected Board Members of the Palomar Health Board of Directors will attend at this location, unless otherwise noticed below
- Non-Board member attendees, and members of the public may also attend at this location

<https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting?rtc=1>

Meeting ID: 246 787 754 892

Passcode: uUAfcV

or

Dial in using your phone at 929.352.2216; Access Code: 474 989 073#<sup>1</sup>

- Non-Board member attendees, and members of the public may also attend the meeting virtually utilizing the above link

4747 Viewridge Avenue, Suite 106, San Diego, CA. 92123  
3225 N Harbor Drive, San Diego, CA. 92101

- An elected member of the Board of Directors will be attending the meeting virtually from these locations

<sup>1</sup> *New to Microsoft Teams? Get the app now and be ready when your first meeting starts: [Download Teams](#)*

DocID: 21790  
Revision: 9  
Status: Official

**Source:**  
Administrative  
Board of Directors

**Applies to Facilities:**  
All Palomar Health Facilities

**Applies to Departments:**  
Board of Directors

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## Policy: Public Comments and Attendance at Public Board Meetings

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### **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:**

A. None defined.

### **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.

**(REFERENCED BY** [Public Comment Form](#)

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\\$9](https://www.lucidoc.com/cgi/doc-gw.pl?ref=pphealth:21790$9).

# Special Session Board of Directors Meeting

Meeting will begin at **11:30 a.m.**



## Request for Public Comments

If you would like to make a public comment, submit your request by doing the following:

- **In Person:** Submit a Public Comment Form, or verbally submit a request, to the Board Clerk
- **Virtual:** Enter your name and “Public Comment” in the chat function

Those who submit a request will be called on during the Public Comments section and given 3 minutes to speak.

### Public Comments Process

Pursuant to the Brown Act, the Board of Directors can only take action on items listed on the posted agenda. To ensure comments from the public can be made, there is a 30 minute public comments period at the beginning of the meeting. Each speaker who has requested to make a comment is granted three (3) minutes to speak. The public comment period is an opportunity to address the Board of Directors on agenda items or items of general interest within the subject matter jurisdiction of Palomar Health.

# ADDENDUM A

**RESOLUTION NO. 04.25.24(01)-08**

**RESOLUTION OF THE BOARD OF DIRECTORS OF PALOMAR HEALTH TO  
APPROVE POLICY FOR UNBUDGETED ITEMS**

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**WHEREAS**, the Board of Directors of Palomar Health desires to enact the attached policy.

**PASSED AND ADOPTED** by the Board of Directors of Palomar Health held on April 25, 2024, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

DATED: April 25, 2024

<b>APPROVED:</b>  <hr/> Jeff Griffith, Chair Board of Directors Palomar Health	<b>ATTESTED:</b>  <hr/> Terry Corrales, RN, Secretary Board of Directors Palomar Health
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**Policy for Board Consideration & Approval of Material Items**  
**Proposed by Mesa Rock Healthcare Management**

In recognition of the principals of fiscal management and observance of the authority of the Board (hereafter “Board”) of Palomar Health (hereafter “Palomar”) over such matters as recognized in Health & Safety Code § 32121, Article IV.B.4 of the Bylaws (the “Bylaws”) of Palomar, and elsewhere, the Board hereby adopts the following policy that governs the policies and procedures whereby Mesa Rock Healthcare Management, Inc. (“Mesa Rock”)—operating pursuant to the Management Services Agreement (“MSA”) approved on February 29, 2024, between Palomar and Mesa Rock—may request from time to time for the Board to authorize Mesa Rock to undertake certain material unbudgeted arrangements, or other such material arrangements, on behalf of Palomar. For purposes of this policy, any “material” action represents an action which, pursuant to Section 2.4.2 of the MSA, will cause Palomar to pay or incur more than \$2,000,000 per year in expense, or is otherwise material to Palomar’s operations and finances in the best judgment of Mesa Rock.

**I. Applicability**

Pursuant to the MSA section 2.4.2, Mesa Rock is “authorized on behalf of and without any further approval from the Board” in carrying out those items “contemplated in any then current Annual Budget.” Mesa Rock may further enter into commitments that are not contemplated in a budget if those commitments would “obligate[] the Health Care District to pay less than \$2,000,000 per year.” This policy therefore governs all such transactions, as well as any other transaction that in the best judgment of Mesa Rock requires approval of the Board (each, a “Material Transaction”) that are:

1. Not contemplated in the Annual Budget or other budget approved by the Board;  
and
2. Would obligate Palomar to pay \$2,000,000.00 per year or more, or is otherwise material to Palomar’s operations and finances, as determined by the best judgment of Mesa Rock.

**II. Procedure**

If and when Mesa Rock determines that this Policy is applicable to a transaction under Section I (*supra*), and Mesa Rock seeks Board approval of a Material Transaction, Mesa Rock and the Board, as applicable, must do all of the following:

1. Mesa Rock will prepare a summary of the Material Transaction (the “Summary of Terms”), to include the following:
  - a. A summary of the key financial, operational and other terms of the Material Transaction, as determined by the best judgment of Mesa Rock;
  - b. The term and termination provisions for the proposed Material Transaction, including but not limited to any proposed commencement date, renewal date, expiration date, and/or early termination provisions;

c. A statement of the financial impact to Palomar (including without limitation the estimated amount, per year, which Palomar will be obligated to pay, together with sufficient detail concerning the sources and uses of such payments); and

d. The basis, if any, why the Material Transaction was not included in the Annual Budget, such as circumstances arising after the Annual Budget, exclusion to protect trade secrets or other confidentiality, or other basis.

2. Mesa Rock will provide the Summary of Terms to the Chair of the Board, or the Chair's designee, or such other persons as the Bylaws may permit, for review. The Summary of Terms must be provided on a timely basis, which means prior to taking any material action or financial obligation.

3. Mesa Rock will request that the Chair (or such other person as the Bylaws may permit) set a meeting of the Board, whether special or at a regular session, whether closed or open, to seek approval of the transaction(s) contemplated by the Summary of Terms at the soonest opportunity, all consistent with applicable law.

4. The Chair of the Board, or such other person as the Bylaws may permit, must then set the meeting in accordance with the foregoing.

5. Prior to the time of the meeting set by ¶4, in accordance with the procedures of the Ralph M. Brown Act and other applicable law, the Chair, or such other person as the Bylaws may permit, must cause to circulate to the Board the Summary of Terms.

6. Mesa Rock in concert with counsel to Palomar will prepare proposed resolutions (the "Resolutions") affirming the Material Transaction for presentation to the Board at the meeting set by ¶4. The proposed Resolutions must include:

a. Authority to proceed with the transaction Material Transaction on substantially the terms outlined in the Summary of Terms;

b. Authority to Mesa Rock to take such actions and execute such agreements as Mesa Rock may reasonably determine to effectuate the Material Transaction;

c. Direction to Palomar personnel to take such steps as are necessary to perform the Material Transaction; and

d. Direction to Palomar to reconcile the Material Transaction to Palomar's annual budgets for each year during the term of such Material Transaction.

7. At the meeting set by ¶4, and after taking any required due diligence by the Board, the Board take up the proposed Resolutions, hear the recommendation of any relevant Committee as to its approval, and vote whether or not to pass the Resolutions.

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### **III. Effect**

Approval of a the Resolutions described in Section II(6) (*supra*) will constitute the consent and approval of the Board, consistent with Section 2.4.2 of the MSA, to each of iteds identified in the Resolutions.