

# Palomar Pomerado Health Internal Audit and Compliance Board Committee

**Tuesday 19, 2009  
8:00 a.m.**

**PPH Grand Office Bldg  
456 E. Grand. Escondido  
Conference Room - 1<sup>st</sup> floor**

## A G E N D A



**Call To Order**

- Public Comments
- \*Approval of Minutes – March 20, 2009

**Item**

**Presenter**

**Mins**

- |    |   |                            |
|----|---|----------------------------|
| 1. | • Update on RAC Revenue Audit Contractors       | Margie Drobatschewsky      |
| 2. | • Update on Corporate Compliance Officer search | Janine Sarti               |
| 3. | • Update on OIG Work Plan                       | Janine Sarti for Tom Boyle |
| 4. | • Report on the Compliance Hotline              | Janine Sarti               |
| 5. | • Internal Audit & Comp Committee Charter       | Janine Sarti               |
| 6. | • Report on Internal Audit Services activities  | Janine Sarti for Tom Boyle |
| 7. | • Report of Executive Expenses YTD              | Janine Sarti for Tom Boyle |
| 8. | • Open Discussion                               | All                        |
| 9. | * Date/Time/Location of Next Meeting            | Linda Greer                |

**ADJOURNMENT**

Linda Greer, Chairman	Janine Sarti, General Counsel	John Lilley, M.D.
Jerry Kaufman, M.A.P.T.	Bob Hemker, CFO	Lachlan Macleay, M.D,
Alan Larson, M.D.	Tom Boyle, Internal Audit Officer	Bruce Krider, M.A., Alt
Michael Covert, CEO	Joanna Sainmervil, Admin Fellow	Nicole Dennis, BOD Secretary

**NOTE: Asterisks indicate anticipated action; action is not limited to those designated items.**

“In observance of the ADA, Americans with Disabilities Act, please notify us at (858) 675-5230, forty-eight hours prior to meeting so that we may provide reasonable accommodations”.

**Palomar Pomerado Health  
INTERNAL AUDIT & COMPLIANCE  
BOARD SUB-COMMITTEE MEETING**

PPH Corporate Building  
456 E. Grand Ave.  
1<sup>st</sup> Floor Conference Room  
March 20, 2009

AGENDA ITEM/ PRESENTER/ORIGINATING DATE	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/ RESPONSIBLE PARTY/FINALIZED
<b>CALL TO ORDER</b>	8:00am by Dir Greer. Quorum comprised of Directors, Greer, Larson and Krider.  <b>Also attending:</b> Janine Sarti, Michael Covert, Tom Boyle, Steve Barrett, Chris Udall, Luba Halich and Margie Drobatschewsky.  Regrets from: Dir Kaufman		
<b>NOTICE OF MEETING</b>	Notice of Meeting was posted consistent with legal requirements.		
<b>PUBLIC COMMENTS</b>	None		
<b>APPROVAL OF MINUTES</b> •	The minutes of February 17, 2009 were reviewed and approved.	<b>MOTION:</b> by Dir Krider, 2 <sup>nd</sup> by Dir Larson and carried to approve the February 17, 2009 minutes as submitted. All in favor - none opposed.	
• <b>Status of Dir of Corporate Compliance search</b>	Janine Sarti reported on the status of the recruitment for Director of Corporate Compliance by the recruiting firm KornFerry.  A draft selection criteria grid has been prepared and will be sent to the Board for review.		
• <b>Report on Compliance Hotline activity</b>	Janine Sarti reported that she had personally received 5 calls regarding compliance issues. The Compliance hot-line has not had any calls since last reported.  It has been identified that the whole operational list needs to be reviewed to look for possible matches. PPH electronically		

<b>AGENDA ITEM/ PRESENTER/ORIGINATING DATE</b>	<b>DISCUSSION</b>	<b>CONCLUSIONS/ACTION</b>	<b>FOLLOW-UP/ RESPONSIBLE PARTY/FINALIZED</b>
	receives possible matches, but the correct departments may not be receiving the needed information in order to confirm the match.		
<ul style="list-style-type: none"> <li>• <b>Report on Internal Audit and Compliance Committee Charter</b></li> </ul>	Dir. Linda Greer reported that the charter has been approved and would like to have it made available on the Board portal as well as on Lucidoc.		
<ul style="list-style-type: none"> <li>• <b>Update on Internal Audit Services</b></li> </ul>	<p>Tom Boyle gave a report on the Internal Audit reporting and monitoring projects as well as provided a chart for review.</p> <p>Completed, in process and planned projects were listed. Job descriptions for a senior compliance auditor and for a senior internal auditor were listed.</p> <p>Dir Larson stated that he would like to be kept informed of the return on investment of adding additional staff to the Internal Audit department.</p>		
<ul style="list-style-type: none"> <li>• <b>Update on New Privacy Laws</b></li> </ul>	<p>Luba Halich gave a report on California privacy laws AS 211 and SB 541. The laws are part of the Health and Safety Code, are anti snooping laws, and have no good faith exceptions. They also have both individual and facilities fines as well as establish the Office of Health Information Integrity within California Health and Human Services Agency.</p> <p>Luba Halich outlined what PPH is required to do, defined unauthorized access and provided examples of violations.</p>		
<ul style="list-style-type: none"> <li>• <b>Report on Contract Performance Tool</b></li> </ul>	Steve Barrett and Chris Udall gave a report on the new contract performance tool, Crystal, that is being used for contract performance reports. Chris Udall discussed the abilities and limitations of the tool. Chris walked through an example of the reporting capabilities highlighting its ability to show year over year trends, exporting abilities and level of data detail. An example was also shown of the		

<b>AGENDA ITEM/ PRESENTER/ORIGINATING DATE</b>	<b>DISCUSSION</b>	<b>CONCLUSIONS/ACTION</b>	<b>FOLLOW-UP/ RESPONSIBLE PARTY/FINALIZED</b>
	whole health plan, MedService, data detail and year over year summary.		
<ul style="list-style-type: none"> <li>• <b>Open discussion</b></li> </ul>	<p>Dir Greer requested periodic updates from the Compliance Oversight Committee.</p> <p>Dir Greer suggested a monthly rotation between Tom Boyle and the Director of Corporate Compliance to the Internal Audit and Compliance committee once a Director of Corporate Compliance has been hired.</p> <p>Dir Greer asked that Tom Boyle give the committee an update of the OIG Work Plan at the April 21<sup>st</sup> meeting.</p> <p>Dir Larson stated that he would like a yearly report from Tom Boyle to the full Board on the projects and accomplishments of the Audit department.</p> <p>Dir Greer suggested that a closed session be added as a standing item to the agenda.</p>		
<ul style="list-style-type: none"> <li>• <b>Date/Time &amp; Location of next meeting</b></li> </ul>	April 21, 2009, 8:00 am in the <b>corporate conference room @ 456 E. Grand.</b>		
<b>(FINAL) ADJOURNMENT</b>	9:31am	Dir Greer moved to adjourn. Dir Krider 2 <sup>nd</sup> motion.	
<b>SIGNATURES</b> <ul style="list-style-type: none"> <li>▪ <b>Committee Chairperson</b></li> <li>▪ <b>Secretary to Committee</b></li> </ul>	<hr/> [Linda C. Greer, R.N.] <hr/> [Nicole Dennis]		