


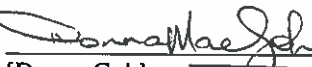
**Palomar Pomerado Health  
INTERNAL AUDIT & COMPLIANCE  
BOARD SUB-COMMITTEE MEETING**

PPH Corporate Building  
456 E. Grand Ave.  
1<sup>st</sup> Floor Conference Room  
August 18, 2009

AGENDA ITEM/ PRESENTER/ORIGINATING DATE	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/ RESPONSIBLE PARTY/FINALIZED
<b>CALL TO ORDER</b>	8:00 A.M. by Dir Greer. Quorum comprised of Directors Greer, Krider, and Kaufman.  <b>Also attending:</b> Janine Sarti, David Tam, Bob Hemker, Lachlan Macleay, MD, Tom Boyle, Marty Knutson, and Brenda Turner.		
<b>NOTICE OF MEETING</b>	Notice of Meeting was posted consistent with legal requirements.		
<b>PUBLIC COMMENTS</b>	None		
<b>ACTIONS AND OBSERVATIONS</b>	Dir Greer made the following recommendations for the minutes of July 21, 2009: <ul style="list-style-type: none"> <li>• Remove Alan Larson, M.D. from the committee member list.</li> <li>• Page 3: Revise “Three” to “There.”</li> <li>• Page 4: Dir Greer inquired Ms. Knutson if she felt the 6-month time period was reasonable to get acquainted with the organization and provide an initial compliance assessment.</li> <li>• Page 6: Dir Greer inquired if Mr. Boyle is working with Ms. Sarti on developing controls for expense reimbursement to include vendors and contractors.</li> </ul>	<b>REMOVED. REVISED.</b>  Marty concurred this was acceptable.  Mr. Boyle had presented to EMT Finance the issue of controlling reimbursements and he has been tasked by EMT Finance to develop a district-standard procedure for all PPH including vendors and contractors. A draft procedure is due at the next EMT Finance on Monday, September 21, 2009.	

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	<ul style="list-style-type: none"> <li>Page 6: Under "Construction Audit," delete "Dir Greer agreed that PPH . . . start of such processes."</li> </ul>	<b>DELETED.</b>	
<b>APPROVAL OF MINUTES</b> <ul style="list-style-type: none"> <li></li> </ul>	The minutes of July 21, 2009 were reviewed and approved.	<b>MOTION:</b> by Dir Krider, 2 <sup>nd</sup> by Dir Kaufman and carried to approve the July 21, 2009 minutes as submitted.  All in favor — none opposed.	
<ul style="list-style-type: none"> <li><b>Welcome / Introductions</b></li> </ul>	Mr. Boyle informed the Committee that due to some transition difficulties, the start date for the newly-hired Senior Compliance Auditor has been rescheduled to August 24, 2009. Therefore, the introduction will be postponed till the next Audit-Compliance Board Meeting.		
<ul style="list-style-type: none"> <li><b>Creating Continuous Compliance Readiness at PPH</b></li> </ul>	Ms. Knutson presented her ideas on creating continuous compliance readiness. Highlights of the presentation include: <ul style="list-style-type: none"> <li>Goal for PPH is to have continuous compliance readiness.</li> <li>Compliance and ethics support each other.</li> <li>Identity theft deadline by the FTC is November 1, 2009. The draft plan for PPH will be presented to the Board for approval. Regular monitoring on efforts related to this plan is anticipated for this</li> <li>Of the different stages/levels of compliance program development, Ms. Knutson observes that efforts at PPH are at a "newish" stage.</li> <li>Departments have been writing corrective plans for regulatory deficiencies with Legal's assistance; however, this should be coordinated with the CCO.</li> <li>Target is to have an awareness survey in spring, 2010 and use that as a baseline</li> </ul>	Creating Continuous Compliance Readiness at PPH Presentation is available on the Leadership Drive.	

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	<p>for future efforts.</p> <ul style="list-style-type: none"> <li>• There is need to raise awareness that everyone is to speak up where compliance matters is concerned.</li> <li>• Researching the possibility of highlighting compliance in each issue of "Momentum."</li> <li>• Ms. Knutson will be working with Steve Inscoe, Director of Organizational Learning, to review how compliance topics have been covered in the required annual safety test for all staff.</li> <li>• Immediate change in new-employee orientation for compliance has already been put in place.</li> <li>• Privacy training should not be optional.</li> <li>• Need to better disseminate information from top to bottom.</li> <li>• Evaluate self-report procedures and follow-up processes.</li> <li>• The goal of all these efforts is to be more proactive with prevention rather than reactive.</li> </ul>		
<ul style="list-style-type: none"> <li>• <b>Hotline Services via Global Compliance</b></li> </ul>	<ul style="list-style-type: none"> <li>• Legal selected this vendor out of several reviewed.</li> <li>• Live person 24/7, 365 days, in 150 languages answering calls.</li> <li>• Same phone number.</li> <li>• Incident management system included.</li> <li>• Budget will be under Compliance; approximately \$1K – 3K.</li> <li>• Will be available via internet and intranet with current language being English. Target is to include Spanish and Tagalog versions of the website as well.</li> <li>• Service will roll out after presentation at Leadership Meeting on Thursday, August 27, 2009.</li> </ul>		

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<ul style="list-style-type: none"> <li>• <b>Open discussion</b></li> </ul>	<p>Dir Krider requested clarification on the roles and functions between Audit, Compliance, and Legal. His interests include:</p> <ul style="list-style-type: none"> <li>• How do the three components correlate, coordinate, and communicate in addressing issues that would/could involve all three.</li> </ul>		<p><b>For next meeting, Ms. Sarti, Ms. Knutson, Mr. Boyle to provide presentation on their triage methods where Audit, Compliance, and Legal are involved together.</b></p>
<ul style="list-style-type: none"> <li>• <b>Date/Time &amp; Location of next meeting</b></li> </ul>	<p><b>Tuesday, September 15, 2009, 8:00 A.M. in the Corporate Conference Room @ 456 E. Grand.</b></p>		
<p><b>(FINAL) ADJOURNMENT</b></p>	<p>9:45 A.M.</p>	<p>Dir Greer moved to adjourn. Dir Kaufman 2<sup>nd</sup> motion.</p>	
<p><b>SIGNATURES</b></p> <ul style="list-style-type: none"> <li>▪ <b>Committee Chairperson</b></li> <li>▪ <b>Secretary to Committee</b></li> </ul>	<p>  [Linda C. Greer, R.N.]</p> <p>  [Donna Goh]</p>		