



AUDIT AND COMPLIANCE COMMITTEE MEETING

THURSDAY, September 13, 2018

5:30pm-7:00pm

Conference Center Located at Highland Care Pavilion

1411 East 31st Street Oakland, CA 94602

Ronna Jojola Gonsalves, Clerk of the Board

(510) 535-7515

LOCATION:

Open Session: HCP Conference Center

COMMITTEE MEMBERS

Kinkini Banerjee, *Chair*

Gary Charland

Louis Chicone

MINUTES

THE MEETING WAS CALLED TO ORDER AT 5:34PM

ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT:

Kinkini Banerjee and Louis Chicoine.

ABSENT: Gary Charland

A quorum was established.

A. ACTION: Approval of the Minutes of the June 14, 2018 Audit and Compliance Committee meeting

ACTION: A motion was made and seconded to approve the minutes of the June 14, 2018 Audit and Compliance Committee Meeting. The motion passed.

AYES: Trustees Banerjee and Chicoine

NAYS: None

ABSTENTION: None

B. REPORT/DISCUSSION: Internal Audit/Compliance Reporting

Rick Kibler, VP, Compliance & Internal Audit

1. Compliance Strategic Plan

Mr. Kibler reviewed the presentation beginning on agenda packet page 11.

Trustee Banerjee asked if the OakCare employees would be trained on how to submit an expense report and if there had been duplicate payments as a result of an employee submitting a report and then OakCare submitting a request for reimbursement on the same charge. Mr. Kibler said OakCare had a person who submitted all the requests who was correctly trained. He also said that there had been about \$26,000 in duplicate payments over a period of a year. They requested reimbursement from OakCare.

Trustee Banerjee asked if the non-monetary compensation concerns were applicable to the other physician employee groups as well as OakCare. Mr. Kibler said it would be applicable to other groups, but there were no issues with the other groups. The OakCare documentation was not as complete. Mike Moye, General Counsel, said that they were concerned about whether what they had been reimbursing was compliant with Alameda Health System (AHS) policies.

Trustee Banerjee asked about the filed expense reports that didn't have receipts. She wanted to know how AHS reinforced to OakCare they needed to include the receipts on a regular basis. Mr. Kibler said they met with OakCare who implemented changes immediately. He said they continued the dialogue with OakCare and with internal Accounts Payable to make sure the correct documents were consistently submitted.

Trustee Chicoine asked if there was an opportunity to bring technology in to help with the currently manual processing of these reports. Mr. Kibler said there has been discussion regarding another module in Lawson to accommodate that, but it was expensive and not approved yet. Delvecchio Finley, Chief Executive Officer, said they did a long-range assessment and the Electronic Health Records (EHR) project took priority and it was not advised to upgrade Lawson during the EHR implementation. They were working on using the current system more efficiently in the meantime.

Trustee Banerjee asked about the HIPAA fixes that had a due date of June but were still in process. Mr. Kibler said some of that was his inability to do a timely follow up and in some cases the responses were inadequate, and he was working with management to get updated dates.

Trustee Chicoine said he was shocked about some of the compliance issues and was illuminated to the organizational culture changes that needed to take place. The change needed to come from the investment of the current leadership. Mr. Kibler said they were working closely with the labor groups to ensure that tightened policies were followed. Trustee Chicoine said it was difficult to understand how AHS had a policy of less than termination for what could be a criminal act. Mr. Moye said that there was a matter of finding the right balance and determining intent. The policy was much clearer than previously.

Trustee Banerjee said they needed to vote on the charter and then have the Board vote on it. She said it was Mr. Kibler's performance evaluation piece by the Audit committee that needed to be operationalized in coordination with HR. Mr. Kibler said the intent of the CRG recommendation was for the Committee to have some oversight of his review. He said the process was that he would write a self-assessment, his leadership would comment, then it would go to the committee to see if it was as expected. Trustee Banerjee said they wanted an additional assessment for the Board and some stakeholders across the system. She asked if that was possible to bring that to the full Board by October. Mr. Moye said if there were additional components the Board wanted considered, the appropriate place for it would be in the review system. He was not sure how the system worked and couldn't comment on the timeline for getting something added. Mr. Kibler suggested they write up some comments after the closed session and give them to Mr. Moye to add to his review. He also suggested they put the charter through to the Board and they can work out the details of how to provide their feedback as needed. Trustee Banerjee agreed.

C. INFORMATION: Status Reports (Written Reports)

Rick Kibler, VP, Compliance & Internal Audit

1. Internal Audit Reports
 - a) Status of FY2018 Internal Audit and Compliance Plan
 - b) Status of FY2019 Internal Audit and Compliance Plan
 - c) Follow-up to Past Audit Reports
 - d) Physician Non-Monetary Compensation
 - e) Physician Compensation
 - f) HIPAA Walkthrough Assessment Highland Acute
 - g) HIPAA Walkthrough Assessment Alameda Hospital
 - h) HIPAA Walkthrough Assessment Alameda SNFs

2. Compliance Program Reports
 - a) Compliance Program Assessment
 - b) Compliance Program Report
 - c) AHS Compliance Dashboard FY17 4QTR
 - d) Recent News

D. INFORMATION: Annual Audit and Compliance Committee Agenda Calendar and Follow-Up

Committee

1. Audit and Compliance Committee Master Calendar and Follow-up Worksheet
2. AHS Board of Trustees Issue Tracking Form AUDIT COMPLIANCE Committee

Mr. Moye announced that the Committee would meet in closed session to discuss three items. The first was a potential litigation matter, the second was several pending litigation matters as listed on the agenda, and the third was the performance evaluation for the VP of Compliance & Internal Audit.

CLOSED SESSION:

1. Potential Litigation [1 matter]
M. D. Moye, General Counsel
Significant Exposure to Litigation
[Government Code Section 54957.9(d)(4)]

2. Pending Litigation [8 matters]
M. D. Moye, General Counsel
[Government Code Section 54957.9(d)(4)]
 - O'Neal v. AHS
 - Gebreselassie v. AHS
 - Gonzales v. AHS
 - Jones v. AHS
 - Jantz v. AHS
 - Ridge v. AHS
 - Kirkham v. AHS
 - Romero v. AHS

3. Public Employee Performance Evaluation
[Government Code Section 54957(b)]
Title: Vice President, Compliance & Internal Audit

OPEN SESSION

E. Report on Action Taken in Closed Session

PUBLIC COMMENT - None

TRUSTEE COMMENTS - None

ADJOURNMENT - 7:45PM

This is to certify that the foregoing is a true and correct copy of the minutes of the Audit and Compliance Committee meeting of September 13, 2018 as approved by the Audit and Compliance Committee on November 8, 2018:



Ronna Jojola Gonsalves
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by: _____



M.D. Moya
General Counsel