



KERN HEALTH SYSTEMS

GOVERNANCE AND COMPLIANCE COMMITTEE MEETING

**Thursday, November 20, 2025
at
8:30 a.m.**

**Kern Health Systems
2900 Buck Owens Blvd.
4th floor – Kern River Room
Bakersfield, CA 93308**

For more information, call (661) 664-5000

AGENDA

GOVERNANCE AND COMPLIANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Thursday, November 20, 2025

8:30 A.M.

All agenda item supporting documentation is available for public review at Kern Health Systems in the Administration Department, 2900 Buck Owens Boulevard, Bakersfield, CA 93308 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

PLEASE SILENT CELL PHONES AND OTHER ELECTRONIC DEVICES DURING THE MEETING

COMMITTEE TO RECONVENE

Members: Acharya, Hoffmann, Meave, Turnipseed
ROLL CALL:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN HEALTH SYSTEMS STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE COMMITTEE OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE COMMITTEE CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

AGENDA

Governance and Compliance Committee Meeting
Kern Health Systems

Page 2
11/20/2025

PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda but under the jurisdiction of the Committee. Committee members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Committee at a later meeting. Also, the Committee may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))

COMMITTEE MATTERS

- 3) Report on Regulatory Audits Update (Fiscal Impact: None) -
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 4) Report on Kern Health Systems Employee Relations Practices (Fiscal Impact: None) -
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

ADJOURN TO THURSDAY, JANUARY 29, 2026 AT 8:30 A.M.

**AMERICANS WITH DISABILITIES ACT
(Government Code Section 54953.2)**

The meeting facilities at Kern Health Systems are accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the KHS Finance Committee may request assistance at the Kern Health Systems office, 2900 Buck Owens Boulevard, Bakersfield, California 93308 or by calling (661) 664-5000. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.



MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Regulatory Audits Update
DATE: November 20, 2025

BACKGROUND

2023 Routine Medical Follow Up Audit

The final report for the 2023 Department of Managed Health Care (DMHC) Medical Audit was received in October 2024 for audit period 09/01/2020 through 08/31/2022. Findings were related to:

- Inconsistent identification of all issues within exempt member grievances
- Delay in immediate notification to member of State Fair Hearing/Independent Medical Review rights
- Inconsistent identification of potential quality of care issues
- Inconsistent responses for grievances lack clear and concise explanation of decision and description of criteria /guideline used for clinical decision
- Delegate compliance with required utilization management notification standards
- Demonstrate care was not discontinued with concurrent review
- Post-stabilization care process errors
- Emergency services and treatment payment process

DMHC conducted a follow up survey on November 12, 2025 to validate corrective actions for the identified findings.

2025 DHCS Routine Medical Audit

KHS received notice for the scheduled Department of Health Care Services (DHCS) audit on October 30, 2025. The audit review period will be November 1, 2024 – December 31, 2025 and is scheduled for January 26, 2026. Audit focus areas include:

- Utilization Management
- Population Health Management and Coordination of Care
- Network and Access to Care
- Grievance, Appeals, and Member Rights\
- Quality Improvement and Health Equity Transformation
- Plan Organization and Administration

REQUESTED ACTION

Receive and file the Regulatory audit updates and refer to the KHS Board of Directors.



MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Devin Brown, Chief Human Resources Officer
SUBJECT: Response to Referral on Employee Relations Practices
DATE: November 20, 2025

BACKGROUND

At your Committee's August 2025 meeting, you requested feedback on how Kern Health Systems (KHS) and more particularly the Human Resources Department has addressed issues presented in recent employment law litigation matters.

Over the past year, Human Resources has focused on updating policies, strengthening leader accountability, and establishing a more consistent process for handling employee concerns. These efforts align with our goal of reducing employment-related claims and ensuring fair and compliant practices across KHS.

The attached presentation provides a brief overview of the key actions Human Resources has taken to strengthen our employee relations practices, reduce organizational risk, and reinforce a respectful workplace.

Highlights include updated policies, expanding training efforts for leaders and staff, the establishment of a new Employee Relations Team, improvements to communication and conflict resolution practices, and upcoming work focused on supervisor development and updates to leave management, hiring and performance evaluation.

We appreciate the Committee's support and oversight as we continue these efforts.

REQUESTED ACTION

Receive and file the Response to Referral on Employee Relations Practices and refer to the KHS Board of Directors.

Delivering a Respectful Workplace for KHS Employees

*Strategies to manage employee
relations and ensure legal
compliance.*

Agenda

- Understanding Employment Litigation Challenges
- Strengthening Employment Law Compliance
- Improving Employee Relations Practices
- Continuous Review and Improvement



KHS Employment- Related Lawsuits Trends



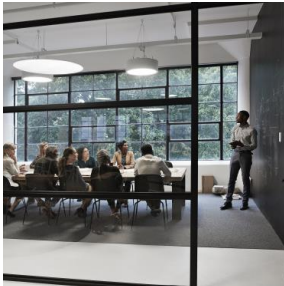
Disability Accommodation Claims

Three of our recent lawsuits included claims of failure to engage in the mandated interactive process prior to decisions made on leave or accommodation requests.



Retaliation

All our recent litigation cases have issues centered around KHS allegedly taking adverse employment actions for our employees' engagement in lawful activities.



Executive Leadership Involvement

A growing trend with our ELT being overly and unnecessarily involved in handling employee matters and communicating with the employees.



Reviewing and Updating Workplace Policies

In 2024 and 2025, HR created several policies to address common issues found in Employee Relations Matters:

Nepotism 15.37-I

Anti-Fraternization 15.38-I

Secondary Employment 15.39-I

Disciplinary Policy 15.42-I

Respectful Workplace Policy 15.45-I

Disability Accommodation Policy 15.46-I

Compliance Training for Managers and Staff

Training for all Supervisors, Managers, Directors, and Executives

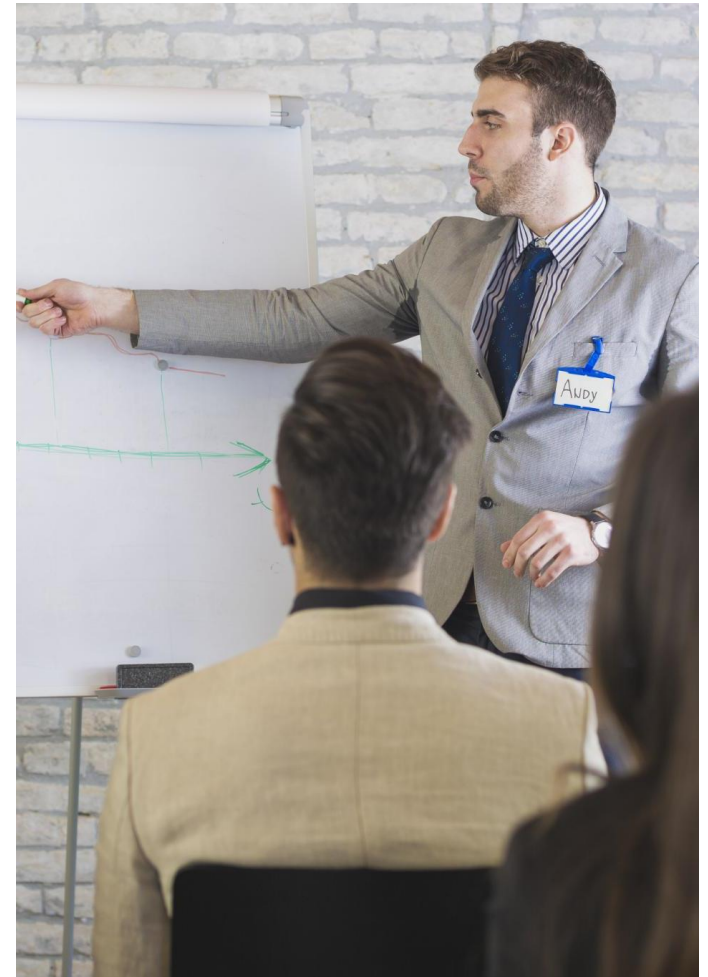
This summer, our nearly 100 staff in positions that manages or supervises other staff completed in-person training on the new Employee Relations policies.

Staff Acknowledgement and Training

The Employee Relations Team also held training for all staff on our Respectful Workplace Policy with the requirement that each employee was required to acknowledge receipt and understanding of the new policy.

Continued Mandated Training

All staff continued to complete State-mandated Harassment and Discrimination Prevention training.





Specialized Leadership Training

Impact of Senior Leadership Actions

An in-person training was provided by our outside litigation counsel on the role that senior leadership (Executives and Senior Directors) plays in an organization and how actions can be attributable to the organization.

Additional Sessions

We are in the process of scheduling additional sessions of this training for our Director-level roles as well.

Desired Outcomes

The goal of this training is to impress on each of these leaders the impact their actions and words can have on employment matters and the correct way to address issues that are brought to their attention.

Establishment and Training of Employee Relations Team

Human Resources has established a dedicated Employee Relations Team to handle all ER matters

Director of Employee Relations & Operations

Employee Relations Manager

Employee Relations Advisor

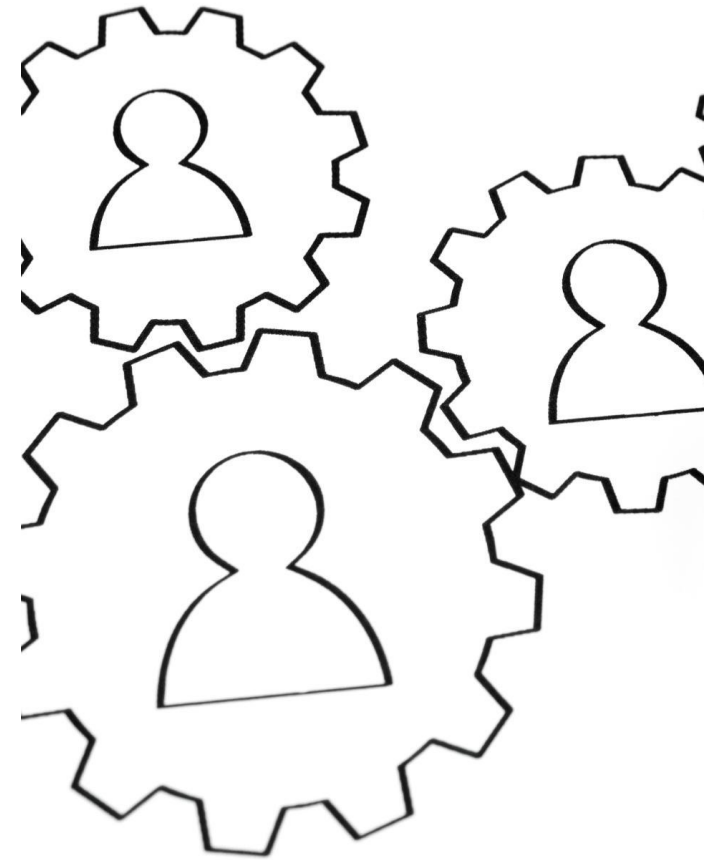
Specialized Training in Investigations

All team members have been trained in conducting workplace investigations through the California Public Employers Labor Relations Association.

Future training and certification is being schedule through the Association of Workplace Investigators.

Access to employment law counsel at Kennaday Leavitt





Continuous Improvement and Future Plans

Continuous Audit of Employment Practices

The Employee Relations Team will conduct quarterly review of our employment practices to ensure we are maintaining legal compliance.

Focus on Training of Frontline Supervisors

Human Resources plans to conduct focused training for new and current supervisors on how to effectively lead teams and ensure compliance with employee relations practices.

Adoption of Additional Policies

Human Resources is preparing updated policies in leave management, hiring and promotion process, and performance evaluation to ensure future application of fairness and compliance.

