

Minutes

**Valleywise Community Health Centers Governing Council Meeting
Virginia G. Piper Charitable Trust Pavilion
2609 East Roosevelt Street, Phoenix, AZ 85008
2nd Floor, Auditoriums 1 and 2
September 2, 2026, 5:30 p.m.**

Members Present:

Earl Arbuckle, Chair
Nelly Clotter-Woods, Vice Chair – *participated remotely*
Piedad Blake, Member
Glenda Cota, Member – *participated remotely*
Chris Hooper, Member
Aime Ishimwe, Member – *participated remotely*
Maria Mancinas, Member
Norma Muñoz, Member
Steven Pettigrew, Member
Eileen Sullivan, Member
Wayne Tormala, Member

Members Absent:

Essen Otu, Member

Others/Guest Presenters:

Michael D. White, MD, MBA, President & Chief Executive Officer,
Valleywise Health
Michelle Barker, DHSc, Chief Executive Officer of the Federally Qualified
Health Centers – *participated remotely*
Warren Whitney, MBA, Executive Vice President, Chief Administrative
Officer
Paige Pataky, JD, Assistant General Counsel
Melanie Talbot, Chief Governance Officer and Clerk of the Board
Frank Hemeon, Interim Executive Vice President, Chief Financial Officer
Tina Babenko, EdD, MJ, Chief Compliance Officer
Merima Bucaj, Medical Director of Ambulatory Service

Recorded by:

Denise Tapia, Deputy Clerk of the Board

Call to Order:

Chair Arbuckle called the meeting to order at 5:30 p.m.

Roll Call

Ms. Tapia called roll. Following roll call, she noted ten of the twelve voting members of the Valleywise Community Health Centers Governing Council (Governing Council) were present, which represented a quorum. Mr. Ishimwe joined after roll call.

For the benefit of all participants, Ms. Tapia announced the Governing Council members who participated remotely.

Call to the Public

Chair Arbuckle called for public comment. There were none.

**Valleywise Community Health Centers Governing Council
Meeting Minutes – General Session – September 2, 2026**

General Session, Presentation, Discussion and Action:

1. Approval of Consent Agenda:
 - a. Minutes:
 - i. Approve Valleywise Community Health Centers Governing Council Meeting minutes dated August 5, 2026
 - b. Contracts:
 - i. Intentionally Left Blank
 - c. Governance:
 - i. Approve letter of recognition from the Valleywise Community Health Centers Governing Council to the Valleywise Comprehensive Health Center-Peoria Dental Clinic on their inauguration into the 80's Club
 - ii. Approve letter of recognition from the Valleywise Community Health Centers Governing Council to the Valleywise Comprehensive Health Center-Phoenix Dental Clinic on their inauguration into the 80's Club
 - iii. Approve the amended Charter for the Valleywise Community Health Centers Governing Council's Connecting with the Community Ad Hoc Committee
 - d. Medical Staff:
 - i. Intentionally Left Bank

MOTION: Mr. Hooper moved to approve consent agenda. Mr. Pettigrew seconded.

VOTE: 10 Ayes: Chair Arbuckle, Vice Chair Clotter-Woods, Ms. Blake, Ms. Cota, Mr. Hooper, Ms. Mancinas, Ms. Muñoz, Mr. Pettigrew, Ms. Sullivan, Mr. Tormala
0 Nays
2 Absent: Mr. Ishimwe, Mr. Otu
Motion passed.

Mission Statement

Ms. Blake read the Mission Statement aloud.

NOTE: Mr. Ishimwe joined at 5:33 p.m.

General Session, Presentation, Discussion and Action:

2. Mission Moment – A Patient Story

This item was not discussed.

General Session, Presentation, Discussion and Action, cont.:

4. Discuss the Lease of Valleywise Health's Mobile Health Unit with Circle the City

Mr. Whitney explained that the Valleywise Health's Mobile Health Unit (MHU) had remained unused for a considerable period. Circle the City submitted an unsolicited lease proposal, and after completing a fair market value assessment, both parties reached an agreement for a 36-month lease at \$4,000 per month.

Under the terms of the agreement, Circle the City received a right of first refusal should Valleywise Health decide to sell the MHU during or at the conclusion of the lease term. Any potential sale would be based on fair market value at that time. Circle the City agreed to assume responsibility for maintenance, insurance coverage, removal of Valleywise Health branding, and installation of its own identifying signage at their expense.

Mr. Whitney noted that Circle the City was highly appreciative of the partnership and collaboration. He said that the organization had experienced ongoing challenges with its existing mobile unit and was eager to utilize the MHU to enhance its ability to serve community members in need.

Ms. Mancinas inquired whether the MHU would be stationed at a single location.

Mr. Whitney shared that the MHU would be stored at the Circle the City's main headquarters, which would serve as its permanent storage location, but the MHU would not remain at that site exclusively. He noted that Circle the City planned to operate the unit throughout the community on a scheduled basis, using it for outreach and mobile healthcare services.

Dr. Barker noted that Circle the City was a Federally Qualified Health Center (FQHC) with similar Health Resources and Services Administration (HRSA) requirements, patient populations, and service areas as Valleywise Health. She stated that Circle the City served unhoused individuals and was well-suited to utilize the MHU in accordance with its intended purpose.

3. Discuss and Review Compliance Program Update

Ms. Babenko provided an update on the compliance program, including an overview of fiscal year (FY) 2026 compliance activities, the compliance risk assessment, and strategies to address the organization's high-priority compliance and regulatory risks for FY 2027.

She stated that the compliance hotline remained a fundamental component of an effective compliance program, providing employees, patients, and other stakeholders with a mechanism to raise concerns, ask questions, and report potential misconduct. She reviewed hotline and investigation data for each quarter of FY 2026 and highlighted privacy investigations that resulted in reportable breaches to the Office for Civil Rights (OCR), the agency responsible for Health Insurance Portability and Accountability Act of 1996 (HIPAA) enforcement.

Ms. Babenko noted that reportable privacy breaches increased during the third and fourth quarters compared to the first half of the fiscal year. Ms. Babenko explained that all potential breaches underwent a formal breach assessment process. When an impermissible use or disclosure of protected health information (PHI) met the required reporting threshold, notifications were made to both OCR and affected patients within the required timeframes. She reported that a total of 16 reportable breaches occurred during FY 2026 and indicated that the number did not raise significant concerns to her.

Ms. Sullivan asked whether the reported incidents were privacy breaches or HIPAA violations.

Ms. Babenko shared that while a privacy incident could have involved a HIPAA violation, not all incidents met the threshold of a reportable breach. She emphasized that HIPAA violations were taken seriously and could vary in severity. She then provided examples.

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General Session, Presentation, Discussion and Action, cont.:

3. Discuss and Review Compliance Program Update, cont.

Chair Arbuckle questioned whether reporting an incident to the OCR automatically resulted in sanctions against the organization.

Ms. Babenko stated that reporting a breach to the OCR did not automatically result in sanctions. She explained that OCR determined whether any enforcement action was warranted. She noted that reporting potential breaches demonstrated appropriate oversight and compliance, whereas failing to report incidents of concern could present a greater risk to the organization.

She summarized compliance hotline activity by alert level and reported that the majority of cases in FY 2026 were classified as low-risk concerns. She noted that the alert-level classification system had been implemented midyear, resulting in more detailed reporting during the third and fourth quarters.

Ms. Babenko reported that the average time to close cases increased from 13 days in the first quarter to 24 days in the third and fourth quarters of FY 2026. She attributed the increase in reporting activity to enhanced awareness efforts, including the posting of new hotline materials throughout Valleywise Health facilities and compliance training activities.

Despite the increase in case volume, Ms. Babenko stated that the average case closure time remained within the 30-day benchmark and noted that the overall trends did not raise compliance concerns.

Mr. Hooper asked what factors were considered in determining when a case could be closed.

Ms. Babenko said that a case would be considered closed after a thorough investigation had been completed and a determination had been made as to whether the allegation was substantiated or unsubstantiated.

She highlighted several accomplishments of the Compliance Department during FY 2026. She noted improvements in governance through redesigned committee structures and reporting processes, modernization of compliance infrastructure through policy updates, enhanced education programs, and strengthened privacy initiatives. She also reported increased organizational capacity through staffing investments and risk assessment activities, which positioned the program to take a more proactive approach to identifying and addressing compliance risks while promoting a culture of compliance throughout the organization.

Ms. Babenko reviewed the FY 2026 compliance risk assessment and noted that it was conducted as a proactive measure to identify and prioritize compliance risks before they resulted in regulatory, legal, or operational issues. She stated that the assessment considered regulatory guidance, industry trends, enforcement actions, and feedback from Valleywise Health leaders.

She reported that, as part of the FY 2027 compliance and internal audit work plans, 93 interviews were conducted across the organization to assess risk exposure, evaluate control effectiveness, and review oversight processes. The results were validated with stakeholders and presented to the Executive Compliance Committee. She noted that the resulting internal audit and compliance work plans for FY 2027 were approved by the Maricopa County Special Health Care District Board of Directors (Board). She further explained that a standardized scoring methodology was used to evaluate risks based on likelihood, potential impact, and existing controls, providing a consistent framework for prioritizing compliance activities.

Ms. Babenko highlighted the FY 2027 compliance risk assessment dashboard results noting there were 46 compliance and regulatory risks that had been identified across the organization. Of those, 26 risks were categorized as low risk, 13 as medium risk, and seven as high risk. She stated that the overall distribution was encouraging and reflected a typical risk profile, with the majority at 57% being assessed as low risk.

**Valleywise Community Health Centers Governing Council
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General Session, Presentation, Discussion and Action, cont.:

3. Discuss and Review Compliance Program Update, cont.

Ms. Sullivan requested examples of risks that were classified as high risk.

Ms. Babenko stated that certain compliance risks were inherently high risk for healthcare organizations, including billing and coding, medical necessity, documentation requirements, privacy, and cybersecurity. She explained that these areas involved complex regulatory and payer requirements and could also be affected by legislative changes.

She presented the internal audit work plan and stated that six audits were planned. The areas of focus included revenue integrity and billing compliance, which she noted would continually remain on the work plan, as well as payroll governance and compensation accuracy; patient financial assistance and sliding fee program compliance; inventory management; No Surprises Act compliance; and cash handling and financial controls. She explained that the internal audit plan was intentionally designed to balance regulatory compliance, financial stewardship, operational controls, and revenue cycle risk. Ms. Babenko said she was in the process of developing the internal audit scopes in collaboration with operational leaders and noted that the work plan could be adjusted at any time to address evolving risks throughout the year.

Mr. Hooper questioned how the sliding fee program compliance audit would be conducted and what impact the audit findings could have on patients.

Ms. Babenko explained that the audit would review whether policies align with regulatory requirements and whether processes were being followed consistently, including verifying that good faith estimates were provided appropriately and that related templates meet regulatory standards.

Ms. Mancinas raised the question whether the audits were being implemented in response to past internal audit findings or non-compliance issues.

Ms. Babenko noted that the audits were selected based on the organization's risk assessment and overall risk profile. She noted that certain areas, such as No Surprises Act compliance, had experienced issues with good faith estimate templates, making them appropriate areas for testing controls and evaluating compliance.

Ms. Mancinas inquired whether the audits were conducted by Valleywise Health staff.

Ms. Babenko mentioned that the audits would not be conducted by Valleywise Health staff but by a third party, as it was important for audits to remain objective and it would provide an unbiased assessment.

Ms. Muñoz asked why it was called the No Surprises Act.

Ms. Babenko indicated that the name came directly from the federal No Surprises Act, which was intended to protect uninsured individuals or those who choose not to use their insurance by requiring providers to give a good faith estimate of expected costs and help prevent unexpected medical bills.

Mr. Hooper sought insight into any significant opportunities for improvement identified since Ms. Babenko joined the organization. He also asked about the importance of education and training and whether Governing Council members and staff would receive retraining in areas where improvements were needed.

Ms. Babenko stated that she was excited about the upcoming audits because they would establish a baseline and framework for evaluating organizational processes. She noted that effective healthcare organizations maintain both internal audit and compliance work plans and emphasized that audits were intended to identify opportunities for continuous improvement. She explained that findings may range from minor policy adjustments and additional staff education to more significant issues requiring corrective action.

**Valleywise Community Health Centers Governing Council
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General Session, Presentation, Discussion and Action, cont.:

3. Discuss and Review Compliance Program Update, cont.

Ms. Babenko reviewed several compliance initiatives included in the compliance work plan, noting that some risks were more effectively addressed through targeted compliance activities rather than audits. She highlighted priority projects including a conflict of interest governance gap assessment, a HIPAA privacy risk assessment, evaluation of professional fee billing processes, monitoring compliance with Arizona fingerprint clearance card requirements, and a review of consent management practices.

She announced the establishment of a Billing, Coding, and Documentation Committee to strengthen oversight of billing and denial management trends and support proactive risk mitigation. She stated that a gap assessment of annual mandatory training requirements would be conducted to ensure regulatory and accreditation standards were met and supported by appropriate governance and accountability measures.

Ms. Babenko highlighted three additional compliance program priorities that were not tied to specific risks identified in the assessment but remained important to the organization. These included enhancing compliance education and training, strengthening policy review and management processes, and continuing oversight of the compliance hotline and reporting trends.

MOTION: Mr. Tormala moved to recess general session and reconvene in executive session at 6:21 p.m. Ms. Sullivan seconded.

VOTE: 11 Ayes: Chair Arbuckle, Vice Chair Clotter-Woods, Ms. Blake, Ms. Cota, Mr. Hooper, Mr. Ishimwe, Ms. Mancinas, Ms. Muñoz, Mr. Pettigrew, Ms. Sullivan, Mr. Tormala
0 Nays
1 Absent: Mr. Otu
Motion passed.

General Session, Presentation, Discussion and Action, cont.:

Chair Arbuckle reconvened general session at 6:37 p.m.

5. Discuss, Review and Approve the Federally Qualified Health Center Clinic of the Year for Fiscal Year 2026 and a Congratulatory Letter from the Governing Council to Clinic Staff

Dr. Barker requested that Valleywise Community Health Center - North Phoenix be named as the Clinic of the year for FY 2026. She explained that the award was based on improvement in four equally weighted areas: patient experience, volume to budget, total visits, and employee engagement. She stated that Valleywise Community Health Center - North Phoenix demonstrated significant improvement across all categories, including an 81.4% patient experience score, a positive variance to budget, a 23.7% increase in total visits, and an employee engagement score of 81.8%, representing a 14% increase from the previous year. She added that the clinic's performance reflected a strong culture of teamwork and patient care.

MOTION: Mr. Hooper moved to approve Valleywise Community Health Center-North Phoenix as Clinic of the Year for fiscal year 2026 and a congratulatory letter from the Governing Council to clinic staff. Mr. Pettigrew seconded.

VOTE: 11 Ayes: Chair Arbuckle, Vice Chair Clotter-Woods, Ms. Blake, Ms. Cota, Mr. Hooper, Mr. Ishimwe, Ms. Mancinas, Ms. Muñoz, Mr. Pettigrew, Ms. Sullivan, Mr. Tormala
0 Nays
1 Absent: Mr. Otu
Motion passed.

**Valleywise Community Health Centers Governing Council
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General Session, Presentation, Discussion and Action, cont.:

6. Report on the 2026 National Association of Community Health Centers (NACHC) Community Health Institute (CHI) Conference

Vice Chair Clotter-Woods reported that attending the 2026 NACHC CHI conference strengthened her commitment to effectively serving on the Governing Council and provided valuable insight into healthcare governance. She highlighted the importance of strong governance structures, clear Governing Council and Chief Executive Officer (CEO) roles, and communication to support leadership.

She stated that a key theme of the conference was preparing for uncertainty through strategic scenario planning, emphasizing the Governing Council's responsibility to ask thoughtful questions, understand risks and compliance issues, and make informed policy and resource decisions rather than manage daily operations.

Vice Chair Clotter-Woods shared that several conference sessions affirmed practices already in place at Valleywise Health, including Governing Council member site visits that provide firsthand insight into operations and the communities served. She expressed appreciation to Governing Council and leadership for supporting her attendance and stated that the experience reinforced the importance of staying informed, understanding risks and opportunities, and maintaining a strong connection to the community.

Chair Arbuckle noted that Valleywise Health's governance structure differed from many FQHCs and expressed appreciation for the strong support provided by staff and leadership, which enabled the Governing Council to focus on governance responsibilities.

He reiterated that many of the conference topics reinforced practices already in place at Valleywise Health while also highlighting emerging healthcare trends, including nutrition and other Social Determinants of Health (SDOH). Chair Arbuckle emphasized the importance of clear governance roles, advocacy, and understanding the story behind financial data rather than focusing solely on numbers. He added that the conference provided valuable learning opportunities and resources that could help enhance Governing Council oversight, reporting, and decision-making.

7. Report on the Federally Qualified Health Centers Learning Engagement Program

Mr. Tormala said that the learning engagement program provided valuable insight into FQHC operations and helped bring context to the performance data regularly presented to the Governing Council. He noted that meeting staff, touring the facility, and engaging in informal discussions offered a deeper understanding of the clinic's environment and patient population.

He highlighted discussions on SDOH and emphasized the connection between community health and economic stability, noting that successful outcomes often require collaboration between healthcare providers and community support programs. Mr. Tormala stated that each FQHC served a unique community with distinct cultural and economic needs. He expressed strong support for Governing Council members to participating in the program to gain a broader perspective on the services provided throughout the Valleywise Health system.

Mr. Pettigrew reported that the learning engagement program left a very positive impression and provided valuable insight into the operations of Valleywise Community Health Center - North Phoenix. He praised the facility's accessibility, design, and welcoming environment, noting that its standardized layout promotes consistency, efficiency, and the sharing of best practices across clinics.

He emphasized that the clinic's success was driven by its staff, describing a culture of teamwork, inclusiveness, and patient-centered care. Mr. Pettigrew observed strong employee engagement throughout the facility and noted that all staff members, regardless of department, appeared committed to providing seamless patient experiences.

**Valleywise Community Health Centers Governing Council
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General Session, Presentation, Discussion and Action, cont.:

7. Report on the Federally Qualified Health Centers Learning Engagement Program, cont.

Mr. Pettigrew highlighted the clinic's one-stop shop approach, which seeks to address as many patients' needs as possible during a single visit, and commended the Family Resource Center's (FRC) extensive outreach efforts, educational programming, and partnerships that support community needs.

8. Federally Qualified Health Centers' Chief Executive Officer's Report, Including Ambulatory Operational Dashboards

Dr. Barker noted that the next learning engagement visit was scheduled for September 25, 2026, at Valleywise Community Health Center - McDowell. She encouraged the Governing Council members who were interested in attending to contact her.

She reported that the average appointment fill rate increased by one percentage point to 96.4%, surpassing the benchmark of 93 percent. She noted that new patient priority appointment wait times increased to 17 days from a benchmark of less than 14 days and stated that she would review the data to determine whether the increase was caused by factors such as staffing shortages or employee leave. She added that the no-show rate remained consistent at 17.3%, while new patient non-priority appointment wait times were 28 days.

Dr. Barker explained that a new Press Ganey reporting cycle had begun and the score reflected only July 2026 data. The current score was 77.8%, missing the 78% benchmark, but she anticipated improvement as additional data became available throughout the year.

She stated that quality metrics remained stable. She also reported that financial metrics for July were performing as expected and remained in line with the budget.

Dr. Barker provided a summary of the most recent Board meeting. She noted that many of the topics discussed, including compliance planning, quality initiatives, and operational updates had already been presented to the Governing Council or would be presented at upcoming meetings. She reported that the Board also received a presentation regarding the organization's relationship with the Creighton Alliance. She said that if the Governing Council was interested the Creighton Alliance representatives could provide a presentation at a future Governing Council meeting.

9. Valleywise Health's President and Chief Executive Officer's Report

Dr. White highlighted that Valleywise Comprehensive Health Center - Peoria had been named a finalist for the WESTMARC Best of the West Award in the Quality of Life Enhancement category, with results expected to be announced in October.

He announced that the organization had received HRSA's Community Health Quality Recognition Award for Health Information Technology based on its 2026 Uniform Data System reporting (UDS), recognizing excellence in using technology to enhance quality, care coordination, and patient-centered care.

Several leaders were recognized for their professional accomplishments, including Mr. Paul Dereadt, Vice President of Supply Chain Operations, who was named one of the nation's chief supply officers to know by Becker's Healthcare; Mr. Steve Purves, was recognized as one of the healthcare CEOs to know in 2026; and Ms. Ijana Harris, Executive Vice President & Chief Legal Officer, who was named one of Arizona's 100 Most Influential Women by Arizona Business Magazine.

Dr. White reported that Ms. Gina Amoroso, Peer Support Specialist; Ms. Stacey Richerbach, Manager of the Burn Program; and Mr. Sel Nutor, Chair of the Valleywise Health Foundation Board of Directors, had been nominated for Phoenix Business Journal's Healthcare Heroes Awards. He noted that the award recipients were expected to be announced in the coming months.

**Valleywise Community Health Centers Governing Council
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General Session, Presentation, Discussion and Action, cont.:

9. Valleywise Health's President and Chief Executive Officer's Report, cont.

Dr. White highlighted strong employee engagement results within the FQHCs and acknowledged staff efforts in supporting the organization's mission amid anticipated healthcare policy changes. He recognized staff for their extensive community outreach and media engagement during the summer, particularly in addressing heat-related health concerns throughout Arizona.

He expressed his appreciation to the Governing Council members for their continued service, guidance, and commitment to supporting the FQHCs and Valleywise Health's mission.

10. Governing Council Member Closing Comments/Announcements

Chair Arbuckle reported meeting with Mr. Whitney and Ms. Lisa Hartsock, Valleywise Health Foundation (VHF) CEO, to discuss increasing the Governing Council's involvement with the VHF. The discussion included volunteer opportunities, fundraising events, and ways to enhance collaboration and engagement while maintaining voluntary participation in VHF activities.

He shared that Mr. Whitney had agreed to provide regular updates on Proposition 409 projects.

Adjourn

MOTION: Mr. Pettigrew moved to adjourn the September 2, 2026, Valleywise Community Health Centers Governing Council Meeting. Mr. Tormala seconded.

VOTE: 11 Ayes: Chair Arbuckle, Vice Chair Clotter-Woods, Ms. Blake, Ms. Cota, Mr. Hooper, Mr. Ishimwe, Ms. Mancinas, Ms. Muñoz, Mr. Pettigrew, Ms. Sullivan, Mr. Tormala
0 Nays
1 Absent: Mr. Otu
Motion passed.

Meeting adjourned at 7:20 p.m.



Denise Tapia
Deputy Clerk of the Board