Kaweah Delta Health Care District
Board of Directors Meeting

***Health** is our Passion. **Excellence** is our Focus. **Compassion** is our Promise.*

Kaweah Health
MORE THAN MEDICINE. LIFE.

DATE POSTED: August 3, 2026

NOTICE

Date: Wednesday, August 12, 2026
Location: Support Services Building – GME W. Classroom
Address: 520 W. Mineral King Ave., Visalia, California

Please join my meeting from your computer, tablet or smartphone.
https://meet.goto.com/KelsieD/kaweahdeltahealthcaredistrictboardofdirectorsmeeti
You can also dial in using your phone.
Access Code: 460-561-181
United States: +1 (646) 749-3122

SCHEDULE:

- **10:30 AM** – Open Session (Information Systems Committee)
- **11:45 AM –** Closed Session

AMERICANS WITH DISABILITIES ACT (ADA) NOTICE:
In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Clerk at (559) 624-2330. Notification at least 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to the meeting.

POSTING NOTICE:
All Kaweah Delta Health Care District regular Board and committee meeting notices and agendas are posted at least **72 hours** prior to the meeting (and **24 hours** prior to special meetings) in the Kaweah Health Medical Center, Mineral King Wing, near the Mineral King entrance, in accordance with Government Code §54954.2(a)(1).

PUBLIC RECORDS:
Disclosable public records related to this agenda are available for public inspection at:
Kaweah Health Medical Center – Acequia Wing, Executive Offices (1st Floor)
400 West Mineral King Avenue, Visalia, CA 93291

You may also request records by contacting the Board Clerk at (559) 624-2330 or **kedavis@kaweahhealth.org**, or by visiting the District's website at **www.kaweahhealth.org**.

KAWEAH DELTA HEALTH CARE DISTRICT
David Francis, Secretary/Treasurer

Prepared by:

Kelsie K. Davis
Board Clerk / Executive Assistant to the CEO

DISTRIBUTION:
Governing Board, Legal Counsel, Executive Team, Chief of Staff, **www.kaweahhealth.org**

Kaweah Delta Health Care District
Board of Directors Meeting

***Health** is our Passion. **Excellence** is our Focus. **Compassion** is our Promise.*

Kaweah Health
MORE THAN MEDICINE. LIFE.

This agenda is posted in compliance with the Ralph M. Brown Act, including amendments enacted under Senate Bill 707.

KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS COMMITTEE MEETING

Support Services Building – GME West Classroom
520 W. Mineral King Ave, Visalia, CA

Wednesday August 12, 2026 Information Systems Committee

Please join my meeting from your computer, tablet or smartphone.
https://meet.goto.com/KelsieD/kaweahdeltahealthcaredistrictboardofdirectorsmeeti
You can also dial in using your phone.
Access Code: 460-561-181
United States: +1 (646) 749-3122

OPEN SESSION – 10:30 AM

1. **CALL TO ORDER**
2. **PUBLIC COMMENT ON OPEN SESSION ITEMS ONLY –** Members of the public may comment on agenda items before action is taken and after it is discussed by the Board. Each speaker will be allowed five minutes. Members of the public wishing to address the Board concerning items not on the agenda and within the jurisdiction of the Board are requested to identify themselves at this time.

3. **MINUTES** – Review of minutes

4. **ANNUAL BOARD COMMITTEE EVALUATION** - An annual board committee evaluation

   David Francis, Board President

5. **INORMATION SYSTEMS SERVICES COMMITTEE CHARTER REVIEW –** A review of the ISC charter

   Luke Schneider, Vice President of Digital & Information Systems

6. **ARTIFICIAL INTELLIGENCE –** An overview of Artificial Intelligence

   Luke Schneider, Vice President of Digital & Information Systems

7. **FY27 ISS CAPITAL BUDGET** – A overview of the Information Systems Services capital budget for FY-27

Luke Schneider, Vice President of Digital & Information Systems

8. **APPROVAL OF THE CLOSED INFORMATION SYSTEMS COMMITTTEE AGENDA:**
CLOSED AGENDA – GME West Classroom – immediately following the 10:30am meeting.
- **Closed Minutes** – Review of minutes

ADJOURN – David Francis, Board President

CLOSED SESSION – 11:45 AM

---

1. **CALL TO ORDER**

2. **CLOSED MINUTES** – Review of minutes

ADJOURN – David Francis, Board President

ADA Notice
In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Clerk at (559) 624-2330 at least 48 hours prior to the meeting.

Agenda Posting and Public Records
Agendas are posted at least 72 hours in advance of regular meetings. Disclosable public records may be obtained by contacting the Board Clerk at 400 W. Mineral King Avenue, Visalia, CA, or by email at kedavis@kaweahhealth.org, or on the District website.

MINUTES

Kaweah Delta Health Care District
Board of Directors Committee
Meeting Minutes

***Health** is our Passion. **Excellence** is our Focus. **Compassion** is our Promise.*

Information Systems Committee – OPEN MEETING
Tuesday April 14, 2026
Kaweah Health Medical Center – GME West Classroom

Present: Directors: Dave Francis (Chair) & Jonna Schengel; Doug Leeper, Chief Information & Cybersecurity Officer; Ben Cripps, Chief Compliance & Risk Management Officer; Leah Daugherty, RN, Director of ISS Clinical Informatics; Luke Schneider, Director of ISS Application Services; Scott Furrer, Director of Cybersecurity and ISS Technical Services; Belen Contreras, Recording

Called to order at 11:01AM

Public Participation- None.

APPROVAL OF AGENDA- Approval of the ISC Agenda.

DISCUSS ARTIFICIAL INTELLIGENCE & THE RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE POLICY – Doug Leeper presented an overview of artificial intelligence and the Responsible Use of Artificial Intelligence Policy. Following review and discussion, the committee agreed to advance the policy to the full Board for approval (copy attached to the original of these minutes and considered a part thereof).

APPROVAL OF THE CLOSED INFORMATION SYSTEMS COMMITTTEE AGENDA – The GME West Classroom – immediately following the 11:01 PM open meeting.

Adjourned at 11:56AM

Reviewed April 15, 2026 by Dave Francis.

ANNUAL BOARD COMMITTEE EVALUATION

Annual Board Committee Evaluation

Evaluations due to the Board Governance Committee by the end of November

Committee Information
Committee Name: Information Systems Committee (ISC)
Year of Evaluation: 2026
Committee Chair: David Francis, Board President
Executive Assistant: Belen Contreras
Date Completed: August 12, 2026

1. Charter Alignment
Rating: ☐ Highly Effective ☐ Effective ☐ Needs Improvement ☐ Ineffective

Comments:
Are any charter responsibilities unclear, outdated, or missing?

2. Meeting Effectiveness

Rating: ☐ Highly Effective ☐ Effective ☐ Needs Improvement ☐ Ineffective
Meetings were well-organized and productive: ☐ Yes ☐ No
Agendas focused on governance (not only reporting): ☐ Yes ☐ No
Materials were provided in advance and were useful: ☐ Yes ☐ No
Meeting frequency was appropriate: ☐ Yes ☐ No

Comments:

3. Oversight and Decision-Making
Rating: ☐ Highly Effective ☐ Effective ☐ Needs Improvement ☐ Ineffective

Comments:

4. Strategic Value
Rating: ☐ Highly Effective ☐ Effective ☐ Needs Improvement ☐ Ineffective

Comments:

5. Membership and Participation
Rating: ☐ Highly Effective ☐ Effective ☐ Needs Improvement ☐ Ineffective

Comments / Suggested Changes:

6. Communication and Reporting
Rating: ☐ Highly Effective ☐ Effective ☐ Needs Improvement ☐ Ineffective

Comments:

7. Committee Work Plan Alignment
Did the committee operate in alignment with its annual work plan? ☐ Yes ☐ No ☐ Partially

Comments:

8. Overall Effectiveness
Overall Rating: ☐ Highly Effective ☐ Effective ☐ Needs Improvement ☐ Ineffective

Summary of Committee Performance This Year:

9. Key Improvements for Next Year

1. _____
2. _____
3. _____
4. _____

5. _____

10. Charter Review

Does the committee recommend changes to its charter? ☐ Yes ☐ No
If yes, please describe:

11. Additional Comments

INORMATION SYSTEMS SERVICES COMMITTEE CHARTER REVIEW

Kaweah Delta Health Care District

INFORMATION SYSTEMS COMMITTEE CHARTER

MISSION AND PURPOSE:

The Information Systems Steering Committee (ISC) provides oversight of the Information Systems Strategic Plan, the annual allocation of capital funding and ensures alignment with the Kaweah Health Strategic Plan. ISS monitors initiatives such as strategic and project activities to ensure progress and fulfillment of the stated goals.

SPECIFIC RESPONSIBILTIES:

1. Review and recommend annual capital funding for Information Systems Services.
2. Provide direction and approval of the Information Systems Strategic Plan, focusing on Strategic planning, project prioritization, resource allocation and the evaluation of emerging technologies.
3. At the discretion of ISC, engage external sources to evaluate the performance, efficiency, and effectiveness of Information Systems Services resources within Kaweah Health.
4. Provide oversight of enterprise technology initiative to attain organizational objectives.
5. Governance of Artificial Intelligence solutions, including pilot programs, automation technologies, and AI-enabled clinical and operational tools to ensure alignment with organizational goals, regulatory requirements, and ethical standards.
6. Monitor Artificial intelligence governance activities, including risk assessments, data privacy, transparency, and responsible use of AI technologies.
7. Review feedback from staff and physicians regarding Information Systems Services and recommend areas for improvement.
8. Oversight and review of Cybersecurity.

MEETING FREQUENCY: As needed.

ARTIFICIAL INTELLIGENCE

INFORMATION SYSTEMS SERVICES BOARD COMMITTEE

August 12, 2026

INFORMATION SYSTEMS SERVICES OVERSIGHT SUBCOMMITTEE

Artificial Intelligence: A Board Briefing

WHY THIS BRIEFING

Building the Foundation for AI Oversight

- This subcommittee will increasingly be asked to oversee AI initiatives, vendor proposals, and policy decisions.
- This session builds the core understanding of what AI is, how it works, and where it can go wrong, so those decisions can be made with confidence.
- **Goal is not to make anyone an AI expert. Goal is sharp, informed questions.**

What We Will Cover

1. History of AI: How We Got Here
2. Why the 2020s Took Off
3. How Models Are Trained, and Why Hallucinations Happen
4. What's Been Done to Improve It
5. AI in Healthcare
6. AI Governance at Kaweah Health

SECTION 1

History of AI: How We Got Here

Three eras: Rules, Learning, and Scale.

Kaweah Health
MORE THAN MEDICINE. LIFE.

HISTORY — ERA 1

The Old AI: Rule-Based Systems (1950s–1980s)

- Programmed with explicit instructions: “if X happens, do Y.”
- Worked well for narrow, predictable tasks.
- Broke down the moment a situation fell outside the programmed rules.
- **Analogy: a recipe book. Follows steps exactly, cannot improvise.**

HISTORY — ERA 2

The Shift to Learning (1990s–2000s)

- Machine learning emerges: instead of programming rules, systems learn patterns from examples.
- Example: instead of coding rules to detect spam email, show the system thousands of spam and non-spam examples. It learns the pattern itself.
- **This is the conceptual turning point: from instruction-following to pattern-learning.**

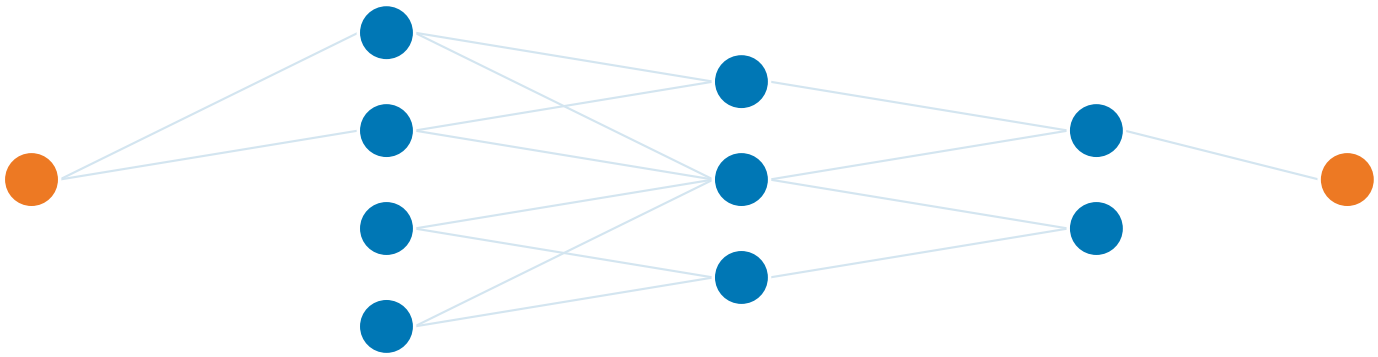
HISTORY — ERA 3

Deep Learning Breakthrough (2012)

- Neural networks, loosely inspired by the brain's structure, become practical.
- A neural network is layers of simple decision points ("neurons") stacked together. Each layer looks for slightly more complex patterns than the last.
- Two enablers made this practical: massive datasets, and GPU computing power (originally built for video games, repurposed for AI math).
- A 2012 image recognition milestone proved the approach worked at scale.

HISTORY — VISUAL

What a Neural Network Actually Is



Input (a photo) | Hidden layer (edges) | Hidden layer (shapes) | Hidden layer (features) | Output (“cat”)

No one programs “this is an eye.” The network learns to organize itself into layers of increasingly complex pattern recognition after seeing millions of labeled examples.

HISTORY — RECAP

AI Didn’t Suddenly Appear

- Decades of groundwork met a moment when data and compute finally caught up.
- Everything the board hears about as “new AI” in 2023–2026 is the product of a 70-year arc, not an overnight invention.
- **This reframing matters for governance: AI is a maturing technology curve, not a passing fad.**

HISTORY — TIMELINE

Three Eras of AI

RULES

1950s–1980s

Hardcoded if/then logic

LEARNING

1990s–2000s

Patterns learned from examples

SCALE

2012–present

Neural networks + big data + GPUs

SECTION 2

Why the 2020s Took Off

Three ingredients converged at once.

Kaweah Health
MORE THAN MEDICINE. LIFE.

WHY NOW

Three Ingredients Converged

Massive Data

The internet became a training resource: text, images, code.

Massive Compute

Cloud computing made huge processing power rentable, not just ownable.

New Architecture

“Transformers” (2017) let models weigh context efficiently across long passages.

EXPLAINING IT SIMPLY

One Analogy for the Whole Concept

Before: A Game of Telephone

Each word passes its meaning to the next. By the end, early details are garbled or lost.

After: Everyone Talks at Once

Every word connects directly to every other word. Nothing gets lost, no matter the distance.

WHY NOW

The Public Inflection Point

- ChatGPT’s launch in November 2022 is the moment the public noticed.
- **Not the invention moment. The visibility moment.**

Massive Data + **Massive Compute** + **New Architecture** = **Modern AI (2022+)**

WHY NOW — ANALOGY

The Electricity Analogy

- Electrical theory existed in the 1800s. Electricity did not become a ubiquitous utility until infrastructure (power plants, the grid) caught up decades later.
- **AI followed the same pattern: the theory existed, the infrastructure (data and compute) caught up in the 2020s.**

SECTION 3

How Models Are Trained, and Why Hallucinations Happen

The most important technical concept in this briefing.

Kaweah Health
MORE THAN MEDICINE. LIFE.

TRAINING — THE DATA

What Data Trains These Models

- Massive text and image collections: books, websites, licensed datasets, code repositories.
- **The model does not “know” facts the way a database does.**
- It learns statistical relationships: which words and ideas typically follow other words and ideas.

TRAINING — THE PROCESS

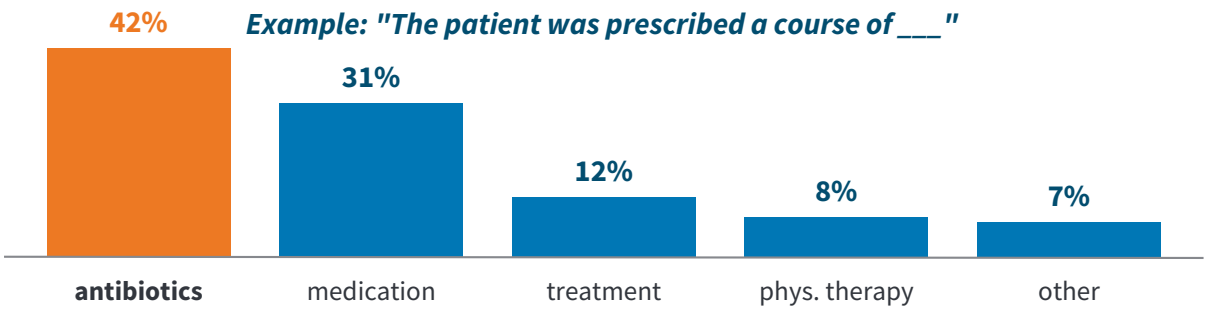
The Training Process, Simplified

- Core task: predict the next word in a sentence, billions of times, across enormous datasets.
- Each wrong prediction adjusts the model slightly. Repeat billions of times, and the model becomes very good at producing coherent, plausible language.
- **Key point: it is optimizing for plausibility and coherence, not verified truth.**

TRAINING — THE MECHANISM

The Math Behind the Model

- Words become numbers: vectors that capture meaning and context.
- At each step, the model scores every possible next word as a probability.
- **There is no mathematical "I don't know" — it always outputs whatever scores highest.**



TRAINING — THE FAILURE MODE

Why Hallucinations Happen

- Hallucination: the model generates confident, fluent, but factually wrong content.
- Analogy: a brilliant, widely read colleague asked a question outside their expertise won't say "I don't know." They'll construct a confident, plausible-sounding answer using patterns from what they do know.
- **The model has no built-in mechanism to verify facts unless specifically connected to a verified source.**

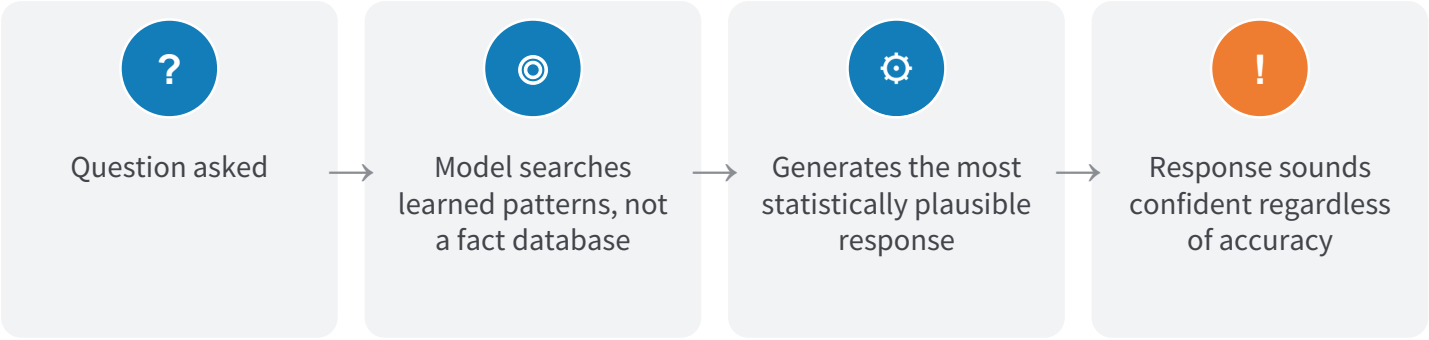
TRAINING — HEALTHCARE STAKES

Why This Matters in Healthcare

- **Confident tone does not equal accuracy.**
- A hallucinated answer in a low-stakes context (a chatbot getting a movie fact wrong) is a nuisance.
- A hallucinated answer in a clinical documentation or decision support context carries real patient safety risk.

TRAINING — RECAP

How a Hallucination Happens



SECTION 4

What's Been Done to Improve It

Real progress. Not infallible.

Kaweah Health
MORE THAN MEDICINE. LIFE.

IMPROVEMENTS

Human Feedback Training (RLHF)

- Reinforcement Learning from Human Feedback: humans rate model responses as good or bad.
- The model is further trained to favor the rated-good behavior.
- **Analogy: a new employee getting corrected by a supervisor repeatedly until their judgment improves.**

IMPROVEMENTS

Grounding in Real Data (Retrieval)

- Models can be connected to verified, current data sources (internal documents, medical databases, search) instead of relying purely on memorized patterns.
- **This meaningfully reduces hallucination risk when implemented correctly, but does not eliminate it.**

IMPROVEMENTS

Safety Testing and Guardrails

- Red teaming: deliberately trying to break the model to find weaknesses before release.
- Refusal training: models trained to decline unsafe or harmful requests.
- **Net message: real progress has been made. Reliability is meaningfully better than 2022. It is not, and will not be, infallible.**

SECTION 5

AI in Healthcare

Where it shows up, and where it lives at Kaweah Health.

Kaweah Health
MORE THAN MEDICINE. LIFE.

HEALTHCARE — INDUSTRY CONTEXT

Where AI Shows Up in Healthcare

- Clinical documentation and ambient scribing.
- Imaging analysis and diagnostic support.
- Operational efficiency: scheduling, coding, prior authorization, reporting.

HEALTHCARE — KAWEAH HEALTH

Kaweah Health's Current AI Footprint

- **Ambient listening:** AI-assisted clinical documentation, reducing manual charting burden during patient encounters.
- **Cloud enterprise initiative:** Infrastructure modernization enabling AI-capable, scalable systems.
- **Report development:** AI-assisted analytics and reporting, improving speed and depth of operational and clinical insight generation.

SECTION 6

AI Governance at Kaweah Health

Two committees, one connected system.

Kaweah Health
MORE THAN MEDICINE. LIFE.

GOVERNANCE

Why Governance Structure Matters

- As AI initiatives grow, informal oversight is not sufficient.
- **Kaweah Health has established two committees plus a dedicated operational role to manage this responsibly.**

GOVERNANCE

Two Committees, One System

AI Strategy Committee (AISC)

Charter in draft - first meeting late Aug. 2026

Sets direction: identifies opportunities, prioritizes them, owns the roadmap, vendor contracts, and capital investment decisions.

AI Governance Committee (AIGC)

Charter ratified - active now

Ensures safety: reviews every solution against Policy AP185, approves or denies deployment, monitors performance and incidents after launch.

Simple framing: AISC decides what AI we pursue and why. AIGC decides whether it's safe, and keeps watching after it's live.

GOVERNANCE — WORKFLOW

How Work Flows Between the Two Committees

	Identify	Prioritize	Refer	Review	Deploy	Monitor	Adapt
AISC	Identify problems	Prioritize vs. roadmap	Refer to Governance				Adapts roadmap
AIGC			Opens review	Evaluates vs AP185	Confirms training done	Audits & risk findings	Reports back to AISC

GOVERNANCE

The Connector: Director of Innovation and Delivery

- Leads AI vendor evaluation and initial risk/compliance screening before anything reaches AIGC.
- Prepares documentation and tracks approved, pending, and declined initiatives for AIGC.
- Manages AI pilot rollouts and adoption tracking, including dashboard reporting on usage.
- Maintains the organization's working inventory of AI tools in use or under evaluation.
- **Reports to the VP of Digital and Information Systems. Escalates governance, compliance, or clinical safety questions rather than deciding unilaterally.**

GOVERNANCE

Why This Structure Matters for This Subcommittee

- This subcommittee oversees Information Systems Services, which sits at the center of this structure: co-chairing AIGC, co-chairing AISC, and housing the Director of Innovation and Delivery role.
- **Practical implication: AI initiatives brought to this subcommittee should already reflect this review path.**
- If something has not gone through Strategy prioritization and Governance approval, that's worth asking about directly.

CLOSING — WORKFORCE TRAINING

Organization-Wide AI Training

- All Kaweah Health employees will complete a training course on the Responsible Use of Artificial Intelligence.
- **Rollout: By December 2026.**
- **Recurrence: annual, required going forward.**
- Grounded in Policy AP185 and enforced by the AI Governance Committee's go-live training requirement.

Separator Page

FY27 ISS CAPITAL BUDGET

Capital Budget FY27 Overview

CAPITAL BUDGET

FY27 Overview by Department

Clinical Engineering	$2,681,637
ISS Technical Services	$4,542,255
ISS Application Services	$3,687,061
Total Requested	**$10,910,953**

CAPITAL BUDGET

How Requests Were Prioritized

Required

$6,023,735

Clinical Engineering
$2,183,923

ISS Technical
$3,435,244

ISS Applications
$404,568

Recommended

$2,007,585

Clinical Engineering
$497,714

ISS Technical
$350,000

ISS Applications
$1,159,871

Optional

$2,879,633

Not funded this fiscal year.

CAPITAL BUDGET

What Was Approved

$7,252,291

approved of the $10,910,953 requested

- Every Required item was fully funded, no exceptions.
- A targeted set of Recommended items was also approved based on strategic value.
- No Optional items were funded this fiscal year.

CAPITAL BUDGET

Approved: Clinical Engineering ($2,183,923)

- Replace 188 beds
- Replace 34 stretchers

CAPITAL BUDGET

Approved: ISS Technical Services ($3,785,244)

- Network Equipment Replacement
- Wireless Network Replacement
- Fiber Channel Replacement
- Enterprise Storage Expansion
- Radiologist Workstations
- Workstations-on-Wheels
- Distributed Antenna System for Cellular Coverage, Downtown

CAPITAL BUDGET

Approved: ISS Applications, Part 1 ($1,283,124 total)

- Facilities & Clinical Engineering Work Order System Replacement
- EKG Monitoring for Cardiac Rehab Upgrade
- EKG Replacement
- Legacy EKG Data Archive
- Trauma Registry Upgrade
- SDOH Interface, AB 3161 Compliance

CAPITAL BUDGET

Approved: ISS Applications, Part 2

- ERP Archiving
- Endoscopy System Upgrade
- Pharmacy Labeling System Upgrade
- Retail Pharmacy System & Hardware Refresh
- Population Health Registries Initiative
- Home Health and Hospice EMR
- Lab Outreach Client Connectivity