



TAHOE FOREST HOSPITAL DISTRICT

2022-11-08 Board Executive Compensation Committee Meeting

Tuesday, November 8, 2022 at 3:00 p.m.

Pursuant to Assembly Bill 361, the Board Executive Compensation Committee for November 15, 2022 will be conducted telephonically through Zoom.

Please be advised that pursuant to legislation and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Eskridge Conference Room will not be open for the meeting.

Committee Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

If you would like to speak on an agenda item, you can access the meeting remotely: Please use this web link: <https://tfhd.zoom.us/j/81972611641>

If you prefer to use your phone, you may call in using the numbers: (346) 248 7799 or (301) 715 8592, Meeting ID: 819 7261 1641



Meeting Book - 2022-11-08 Board Executive Compensation Committee Meeting

Board Executive Compensation Committee

AGENDA

2022-11-08 Board Executive Compensation Committee_FINAL
Agenda.pdf 3

ITEMS 1 - 4: See Agenda

5. APPROVAL OF MINUTES

2022-06-14 Board Executive Compensation Committee_DRAFT
Minutes.pdf 5

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. FY22 CEO Incentive Compensation Results 2022_10
FINAL.pdf 7

ITEMS 7 - 9: See Agenda



BOARD EXECUTIVE COMPENSATION COMMITTEE AGENDA

Tuesday, November 8, 2022 at 3:00 p.m.

Pursuant to Assembly Bill 361, the Board Executive Compensation Committee for November 8, 2022 will be conducted telephonically through Zoom. Please be advised that pursuant to legislation and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Eskridge Conference Room will not be open for the meeting. Committee Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

If you would like to speak on an agenda item, you can access the meeting remotely:

Please use this web link: <https://tfhd.zoom.us/j/81972611641>

Or join by phone:

If you prefer to use your phone, you may call in using the numbers: (346) 248 7799 or (301) 715 8592, Meeting ID: 819 7261 1641

Public comment will also be accepted by email to mrochefort@tfhd.com. Please list the item number you wish to comment on and submit your written comments 24 hours prior to the start of the meeting.

Oral public comments will be subject to the three minute time limitation (approximately 350 words). Written comments will be distributed to the board prior to the meeting but not read at the meeting.

1. CALL TO ORDER

2. ROLL CALL

Mary Brown, Chair; Robert Barnett, Board Member

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

4. INPUT – AUDIENCE

This is an opportunity for members of the public to address the Committee on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Committee cannot take action on any item not on the agenda. The Committee may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

5. APPROVAL OF MINUTES OF: 06/14/2022..... ATTACHMENT

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. Fiscal Year 2022 President & CEO Incentive Compensation ATTACHMENT

Executive Compensation Committee will review the metrics achieved for fiscal year 2022 President & CEO Incentive Compensation.

7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

8. NEXT MEETING DATE

Executive Compensation Committee will discuss its next meeting date.

9. ADJOURN

*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions. Equal Opportunity Employer. The telephonic meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations for the disabled are needed or a reasonable modification of the teleconference procedures are necessary (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.

BOARD EXECUTIVE COMPENSATION COMMITTEE **DRAFT MINUTES**

Tuesday, June 14, 2022 at 9:00 a.m.

Pursuant to Assembly Bill 361, the Board Executive Compensation Committee for June 14, 2022 will be conducted telephonically through Zoom. Please be advised that pursuant to legislation and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Eskridge Conference Room will not be open for the meeting. Committee Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

1. CALL TO ORDER

Meeting was called to order at 9:00 a.m.

2. ROLL CALL

Board: Mary Brown, Chair; Robert Barnett, Board Member

Staff in attendance: Harry Weis, Preside & Chief Executive Office; Crystal Betts, Chief Financial Officer; Louis Ward, Chief Operating Officer; Alex MacLennan, Chief Human Resources Officer; Martina Rochefort, Clerk of the Board

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

No changes were made to the agenda.

4. INPUT – AUDIENCE

No public comment was received.

5. APPROVAL OF MINUTES OF: 12/07/2021

Director Barnett moved to approve the Board Executive Compensation Committee minutes of December 7, 2021, seconded by Director Brown.

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. Policy Review

Executive Compensation Committee reviewed and discussed the following board policy:

6.1.1. Chief Executive Officer Performance Evaluation, ABD-01

Executive Compensation Committee reviewed the changes to the policy and did not have any additional edits.

6.1.2. President & Chief Executive Officer Compensation, ABD-02

Executive Compensation Committee reviewed the changes to the policy.

Director Brown recommended striking the dollar amount associated with the life insurance benefit. It is the only item that is quantified.

6.2. President & Chief Executive Officer Job Description

Executive Compensation Committee reviewed the President & Chief Executive Officer's job description.

The committee did not have any additional edits.

6.3. Guiding Principles

Harry Weis, President & Chief Executive Officer, reviewed guiding principles for the fiscal year 2023 CEO Incentive Compensation. Discussion was held.

6.4. Fiscal Year 2023 President & CEO Incentive Compensation Criteria

Executive Compensation Committee discussed development of metrics for the fiscal year 2023 CEO Incentive Compensation.

The proposed Finance metric to meet or exceed a budgeted net income of \$22,370,548 (as approved by the Board) makes up 53% of the total incentive compensation. Discussion was held.

The proposed Service metric to meet or exceed an average 94.2 Press Ganey Patient Satisfaction score, makes up 12% of the total incentive compensation. Oncology scores will be added. The committee agreed 94.2 was a good increase considering the current state of frustrated patients.

The proposed Quality metric makes up 12% of total incentive compensation. The following quality metric was proposed for FY23: Meet or exceed 98.20% roll-up of the following quality measurements: SEP-1 (Early Management Bundle, Severe Sepsis/Septic Shock), EDTC ALL (Emergency Department Transfer Communication ALL), PC-01 (Early Elective Delivery), CLASS I SSI (Class I Surgical Site Infection Rate), Class I SSI for Joint Replacement (Class 1 Surgical Site Infection Rate for Total Knee and Hip Replacement), Medicare Readmission Rate (Inpatient Readmission) and C. DIFF. (Rate of Hospital Onset C. Diff.). All are components of the Hospital Compare score.

The proposed Growth metric (makes up 10% of total incentive compensation) is to meet or exceed annual actual physician office visits total as of June 30, 2022 for all owned or managed physicians. The office visit total includes Physician Assistant, Nurse Practitioner visits and telemedicine visits.

The proposed People metric (makes up 13% of total incentive compensation) meet or exceed the 90th percentile in the engagement category from the employee Press Ganey engagement survey.

Executive Compensation Committee recommended the metrics move forward to the full board for action. Director Brown recommended removing Guiding Principles.

7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

The policies and job description will be added to the Board's Consent Calendar for approval and the Incentive Compensation Criteria will be an action item.

8. NEXT MEETING DATE

Executive Compensation Committee will meet in the fall.

9. ADJOURN

Meeting adjourned at 10:21 a.m.

FY2022 President & CEO Incentive Compensation Results

Finance – 53%

Meet or exceed budgeted net income* of \$18,022,454 as approved by the Board for FY22.

**Refer to “Excess Revenue(Expense)” line in the budget.*

***The Board has the discretion to pay out Service, Quality, Growth, and People incentives even if this finance goal is not fully met.*

- **Exceeded budget. Audit presentation to take place on October 27th.**

Service – 12%

Meet or exceed an average 93.76 Press Ganey Patient Satisfaction score.

- **94.42 average as of June 30, 2022**

| PATIENT SATISFACTION | | | | | | |
|-----------------------------|---------------------------|---------------|--------------|--------------|--------------|--------------------------|
| MEASURE: | Baseline Fiscal Year 2016 | Sept. 30 2021 | Dec. 31 2021 | Mar. 31 2022 | June 30 2022 | Fiscal Year 2022 Average |
| Inpatient | 92.85 | 93.70 | 93.90 | 93.10 | 93.10 | 93.45 |
| Outpatient | 93.60 | 93.60 | 94.30 | 93.80 | 93.90 | 93.90 |
| Ambulatory | 95.50 | 97.20 | 99.10 | 98.40 | 98.80 | 98.38 |
| TFH ER | 92.90 | 92.70 | 93.94 | 90.90 | 94.30 | 92.96 |
| IVCH ER | 96.93 | 94.80 | 95.03 | 95.30 | 96.20 | 95.33 |
| MSC | 90.75 | 92.30 | 91.90 | 92.90 | 92.80 | 92.48 |
| TOTAL Average | 93.76 | 94.05 | 94.70 | 94.07 | 94.85 | 94.42 |

Quality – 12%

Meet or exceed 97.20% roll-up of the following quality measurements: SEP-1 (Early Management Bundle, Severe Sepsis/Septic Shock), EDTC ALL (Emergency Department Transfer Communication ALL), PC-01 (Early Elective Delivery), CLASS I SSI (Class I Surgical Site Infection Rate), Class I SSI for Joint Replacement (Class 1 Surgical Site Infection Rate for Total Knee and Hip Replacement), Medicare Readmission Rate (Inpatient Readmission) and C. DIFF. (Rate of Hospital Onset C. Diff.).

- **98.70% roll-up of quality metrics**

Growth – 10%

Exceed annual actual physician office visits total as of June 30, 2021, by 5,000 for all owned or managed physicians. (Goal is 117,171 visits)

- **116,795 as of June 30, 2022 against goal of 117,171.**

People – 13%

Exceed an average score of 3.59 on questions 14, 30, 32-34 & 64 from the Physician Press Ganey engagement survey.

- **3.55 average score.**

| Question | FY19 Score | Question | FY22 Score |
|---|-------------------|---|-------------------|
| 14. I am satisfied with my job security. | 3.79 | 13. I am satisfied with my job security. | 3.80 |
| 30. Hospital administration communicates important information effectively. | 3.48 | 28. Hospital administration communicates important information effectively. | 3.69 |
| 32. I can easily communicate any ideas and/or concerns I may have to hospital administration. | 3.56 | 30. I can easily communicate any ideas and/or concerns I may have to hospital administration. | 3.50 |
| 33. Hospital administration is responsive to feedback from physicians. | 3.36 | 31. Hospital administration is responsive to feedback from physicians. | 3.26 |
| 34. I have confidence in hospital administration's leadership. | 3.50 | 32. I have confidence in hospital administration's leadership. | 3.38 |
| 64. All employees have an equal opportunity for promotion regardless of their background. | 3.87 | 62. All physicians have an equal opportunity for career advancement regardless of their background. | 3.67 |
| FY19 Average | 3.59 | FY22 Average | 3.55 |