



2021-11-15 Board Executive Compensation Committee Meeting

Monday, November 15, 2021 at 2:30 p.m.

Pursuant to Assembly Bill 361, the Board Executive Compensation Committee for November 15, 2021 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/84215424879>

If you prefer to use your phone, you may call in using the numbers: (346) 248 7799 or (301) 715 8592, Meeting ID: 842 1542 4879



Meeting Book - 2021-11-15 Board Executive Compensation Committee Meeting

AGENDA

2021-11-15 Board Executive Compensation Committee_FINAL
Agenda.pdf 3

ITEMS 1 - 4: See Agenda

5. APPROVAL OF MINUTES

2021-06-23 Board Executive Compensation Committee_DRAFT
Minutes.pdf 5

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. President & CEO Annual Compensation Increase
No related materials.

6.2. FY21 President & CEO Incentive Compensation Results.pdf 7

ITEMS 7 - 9: See Agenda



BOARD EXECUTIVE COMPENSATION COMMITTEE AGENDA

Monday, November 15, 2021 at 2:30 p.m.

Pursuant to Assembly Bill 361, the Board Executive Compensation Committee for November 15, 2021 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/84215424879>

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: 842 1542 4879

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; Dale Chamblin, 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: 06/23/2021..... ATTACHMENT

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. President & CEO Annual Compensation Increase

Executive Compensation Committee will receive a report from FutureSense on the President & CEO's annual compensation increase.

6.2. Fiscal Year 2021 President & CEO Incentive Compensation ATTACHMENT

Executive Compensation Committee will review the metrics achieved for fiscal year 2021 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**

Wednesday, June 23, 2021 at 3:00 p.m.

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the Board Executive Compensation Committee meeting for June 23, 2021 will be conducted telephonically through Zoom. Please be advised that pursuant to the Executive Order, 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. Board 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 3:00 p.m.

2. ROLL CALL

Board: Mary Brown, Chair; Art King, Board Member

Staff in attendance: Harry Weis, President & Chief Executive Officer; Judy Newland, Chief Operating Officer; Crystal Betts, Chief Financial 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: 01/26/2021

Director King moved to approved the Board Executive Compensation Committee Minutes of January 26, 2021 as presented, seconded by Director Brown.

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. President & Chief Executive Officer Job Description

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

Director King moved to recommend the President & Chief Executive Officer Job Description for full board approval, seconded by Director Brown.

6.2. Fiscal Year 2022 President & CEO Incentive Compensation Criteria

Executive Compensation Committee discussed development of metrics for the fiscal year 2022 CEO Incentive Compensation.

Finance

Committee inquired about asterisk regarding financial payout. Committee discussed finance metric

against the management incentive program and gainsharing. The budget that will be presented to the board tomorrow has net income of \$18,000,000. Committee discussed weight of finance metric at 60%.

Service

President & CEO shared current experiences with unhappy patients. It will be a tough environment to drive up patient satisfaction scores. The proposed metric is higher than the baseline score for gainsharing. Committee discussed rolling the patient satisfaction metric back to 93.76 and would like to relook at raising the score next year. President & CEO is good with moving forward with the increased goal of 93.84. Committee felt it would send a better message to staff to leave it at 93.76.

Quality

Judy Newland, COO, shared the methodology for development of the quality criteria. The flu vaccine measurement was removed and is no longer being tracked by CMS. Joint and knee complications and readmissions are areas that need improvement and have been added to the metric.

Growth

President & CEO explained the clinic visit volume is a health indicator. Committee would like to have a better sense of the actual numbers of office visits from previous years. The budget shows a projection for 2021 that was calculated back in March.

People

COO and Alex MacLennan, CHRO, shared methodology used for people metric. COO and CHRO did not want to continue with same questions and focused on lowest scoring questions. Discussion was held. Committee agreed to remove "meet" from criteria.

Committee discussed adjusting percentages for each category.

Director King moved to recommend the Fiscal Year 2022 Incentive Compensation Criteria as amended to the full board, seconded by Director Brown.

7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

No discussion was held.

8. NEXT MEETING DATE

No discussion was held.

9. ADJOURN

Meeting adjourned at 4:42 p.m.

FY2021 President & CEO Incentive Compensation Results

Finance – 60%

Meet or exceed budgeted net income* as approved by the Board for FY21.

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

**Financial metric must be achieved for payout.

- *Achieved per Moss Adams presentation on November 15, 2021.*

Tahoe Forest Hospital District

CEO Incentive Compensation Metric - Finance - 60%

Meet or exceed budgeted net income as approved by the Board for FY2021

Consolidated Health System Audited Net Income FY2021	\$	27,541,897.00	
Less: Audited Net Income TFHS Foundation		(731,194.00)	
Less: Audited Net Income IVCH Foundation		(858,771.00)	
Plus: Audited Net Loss Tahoe Institute for Rural Health Research		328,910.00	
Less: Rounding Adjustment		(611.00)	
Tahoe Forest Hospital District Audited Net Income	\$	26,280,231.00	
Plus: COVID-19 Provider Relief Funds		3,567,509.00	
Plus: Accrued Employee Gain Share Bonus		6,563,527.00	
Plus: Accrued Management Incentive Compensation Bonus		1,909,835.00	
Tahoe Forest Hospital District Adjusted Audited Net Income FY2021	\$	38,321,102.00	
Tahoe Forest Hospital District Budgeted Net Income FY2021	\$	12,768,167.00	
Amount of Adjusted Audited Net Income in excess of Budgeted Net Income	\$	25,552,935.00	200.13%

Service – 10%

Meet or exceed 93.76 Patient Satisfaction score as highlighted in gain sharing program.

- *Final FY2021 Patient Satisfaction score was 94.45.*

PATIENT SATISFACTION						
MEASURE:	Baseline Fiscal Year 2016	Sept. 30 2020	Dec. 31 2020	Mar. 31 2021	June 30 2021	Fiscal Year 2021 Average
Inpatient	92.85	92.60	91.90	93.70	92.10	92.58
Outpatient	93.60	93.30	93.80	93.80	94.50	93.85
Ambulatory	95.50	98.60	98.20	97.20	98.10	98.03
TFH ER	92.90	91.60	93.50	93.70	94.60	93.35
IVCH ER	96.93	94.10	96.70	97.20	96.40	96.10
MSC	90.75	93.10	93.00	93.00	92.10	92.80
TOTAL Average	93.76	93.88	94.52	94.77	94.63	94.45


BASELINE COMPARED TO 2021

Quality – 10%

Meet or exceed 96.25% rollup of the following quality measurements: SEP-1 (Early Management Bundle, Severe Sepsis/Septic Shock), EDTC ALL (Emergency Department Transfer Communication ALL), IMM-2 (Influenza Vaccination), PC-01 (Early Elective Delivery), CLASS I SSI (Class I Surgical Site Infection Rate), and C. DIFF. (Rate of Hospital Onset C. Diff.).

Measure:	Goal	FY 2021 Q1	FY 2021 Q2	FY 2021 Q3	FY 2021 Q4	FY 2021
Meet or exceed 96.25% rollup of the following quality measurements: SEP-1 (Early Management Bundle, Severe Sepsis/Septic Shock), EDTC ALL (Emergency Department Transfer Communication ALL), IMM-2 (Influenza Vaccination), PC-01 (Early Elective Delivery), CLASS I SSI (Class I Surgical Site Infection Rate), and C. DIFF. (Rate of Hospital Onset C. Diff.).	Meet or exceed 96.25%	99.68%	98.86%	99.36%	99.66%	99.39%

Growth – 10%

Exceed annual actual physician office visits total as of June 30, 2020 by 3,000 for all owned or managed physicians.

- **Office Visit total as of June, 30, 2021: 112,171 (goal: 87,182)**

Specialty	Provider	Fiscal Year	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FYTD thru June	Yr over Yr % change
GRAND TOTAL ALL MD / APP VISITS		FY 20	7,439	7,382	7,351	7,984	6,807	6,838	7,666	6,881	6,926	4,128	6,332	8,448	84,182	
		FY 21	9,501	8,663	8,950	9,327	8,219	9,125	8,847	9,043	11,018	9,980	9,219	10,279	112,171	33.2%

People – 10%

Meet or exceed 4.26 or 80th percentile in Engagement category on FY21 Employee Engagement Survey.

- **FY21 Employee Engagement was 4.43.**

Employee Engagement Results Overview

Engagement

Employees' emotional attachment and commitment to organization



	2021	2018
Natl HC	91 st	87 th