



TAHOE FOREST HOSPITAL DISTRICT

2023-04-13 Board Executive Compensation Committee Meeting

Thursday, April 13, 2023 at 10:00 a.m.

Tahoe Forest Hospital - Eskridge Conference Room

10121 Pine Avenue, Truckee, CA 96161



Meeting Book - 2023-04-13 Board Executive Compensation Committee Meeting

Board Executive Compensation Committee

AGENDA

2023-04-13 Board Executive Compensation Committee_FINAL
Agenda.pdf 3

ITEMS 1 - 4: See Agenda

5. APPROVAL OF MINUTES

2022-11-08 Board Executive Compensation Committee_DRAFT
Minutes.pdf 4

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. Guiding Principles.pdf 6

6.2. President & CEO Incentive Compensation Criteria Process
No related materials.

6.3. Proposed Fiscal Year 2024 President & CEO Incentive
Compensation Criteria
No related materials.

ITEMS 7 - 9: See Agenda



BOARD EXECUTIVE COMPENSATION COMMITTEE AGENDA

Thursday, April 13, 2023 at 10:00 a.m.

Tahoe Forest Hospital – Eskridge Conference Room
10121 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER

2. ROLL CALL

Mary Brown, Chair; Alyce Wong, 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: 11/08/2022..... ATTACHMENT

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. Guiding Principles ATTACHMENT

Executive Compensation Committee will discuss guiding principles for the President and CEO Incentive Compensation.

6.2. President & CEO Incentive Compensation Criteria Process

Executive Compensation Committee will discuss the process of developing metrics for the President and CEO Incentive Compensation Criteria.

6.3. Proposed Fiscal Year 2024 President & CEO Incentive Compensation Criteria

Executive Compensation Committee will discuss proposed metrics for the fiscal year 2024 President and 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 Clerk of the Board at 582-3481 at least 24 hours in advance of the meeting.

BOARD EXECUTIVE COMPENSATION COMMITTEE **DRAFT MINUTES**

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.

1. CALL TO ORDER

Meeting was called to order at 3:00 p.m.

2. ROLL CALL

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

Staff in attendance: Harry Weis, President and Chief Executive 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: 06/14/2022

Director Barnett moved approval of the Board Executive Compensation Committee minutes of June 14, 2022, seconded by Director Brown.

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. Fiscal Year 2022 President & CEO Incentive Compensation

Executive Compensation Committee reviewed the President & CEO Incentive Compensation criteria for fiscal year 2022.

The Finance goal was set to exceed budgeted net income. The audit presented by Moss Adams at the October board meeting showed budgeted net income had been exceeded.

The Service goal was to meet or exceed an average 93.76 Press Ganey Patient Satisfaction score. The average as of June 30, 2022 was 94.42 so the target was exceeded.

The Quality goal was to 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.). As of June 30, 2022, the score for the quality rollup was 98.70%.

Executive Compensation Committee discussed the Growth goal of exceeding annual actual physician office visits total as of June 30, 2021 by 5,000 visits which equaled 117,171 visits. Director Brown felt the growth criteria should be considered met as the visits were only off by 376 which equals .4%. Director Barnett agreed.

Executive Compensation Committee discussed the People goal. Alex MacLennan, Chief Human Resources Officer, did clarify the fiscal year 2020 Press Ganey Engagement Survey did not include Advanced Practice Providers (APPs) but the fiscal year 2022 survey did. The average score for the FY22 survey with APPs removed would have been 3.678. Director Barnett would like the scores to reflect an “apples to apples” comparison and use the physician only scores.

The Executive Compensation Committee determined all criteria were met or exceeded and will recommend a full payout of incentive compensation to the Board of Directors.

7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

Director Brown reminded the committee that they should review the President and CEO’s annual compensation increase prior to the full board.

8. NEXT MEETING DATE

No meeting date was discussed at this time.

9. ADJOURN

Meeting adjourned at 4:11 p.m.

Guiding Principles

Some guiding principles which are foundational for incentive performance scoring – without these guiding principles goal setting can be demoralizing for the team to which it applies:

1. That we look at our performance and life as a glass more than half full.
2. That each of these goals are not pass/fail, meaning all or nothing.
3. Stretch goals are only ok if it's not pass/fail and if the board is viewing performance as being a glass more than half full and also reflecting on the rest of the hospital industry performance.
4. That the board has great discretion on each incentive item.
5. That these goals really touch about 80 managers, directors and AC members.
6. That there should be great joy here that we are out performing more than 11 multi-billion dollar large hospital systems in the US who are losing massive amounts of money.