



TAHOE FOREST HOSPITAL DISTRICT

# 2018-10-29 Board Executive Compensation Committee Meeting

Monday, October 29, 2018 at 10:00 a.m.

Pine Street Cafe Conference Room - Tahoe Forest Hospital

10121 Pine Avenue, Truckee, CA 96161

# Meeting Book - 2018-10-29 Board Executive Compensation Committee Meeting

10/29/18 Board Executive Compensation Committee

## AGENDA

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Agenda.pdf Page 3

ITEMS 1 - 4: See Agenda

## 5. APPROVAL OF MINUTES

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## 6. ITEMS FOR COMMITTEE DISCUSSION AND/OR ACTION

6.1. 2018 CEO Performance Evaluation Template.pdf Page 6

6.2. FY18 CEO Incentive Compensation Criteria.pdf Page 11

ITEMS 7 - 10: See Agenda



# BOARD EXECUTIVE COMPENSATION COMMITTEE AGENDA

Monday, October 29, 2018 at 10:00 a.m.  
Pine Street Cafe Conference Room - Tahoe Forest Hospital  
10121 Pine Avenue, Truckee, CA 96161

1. **CALL TO ORDER**
2. **ROLL CALL**  
Alyce Wong, R.N., Chair; Randy Hill, 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: 04/23/2018..... ATTACHMENT**
6. **ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION**
  - 6.1. **Review CEO Evaluation Template ..... ATTACHMENT**  
Executive Compensation Committee will review the CEO performance evaluation and discuss.
  - 6.2. **Fiscal Year 2018 CEO Incentive Compensation ..... ATTACHMENT**  
Executive Compensation Committee will discuss metrics for FY18 CEO Incentive Compensation.
7. **CLOSED SESSION**
  - 7.1. **Conference with Labor Negotiator (Government Code § 54957.6)**  
*Name of District Negotiator(s) to Attend Closed Session: Alyce Wong*  
*Unrepresented Employee: Chief Executive Officer*
8. **REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS**
9. **NEXT MEETING DATE**  
Personnel Committee will discuss its next meeting date.
10. **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 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 (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

Monday, April 23, 2018 at 11:00 a.m.  
Pine Street Cafe Conference Room - Tahoe Forest Hospital  
10121 Pine Avenue, Truckee, CA 96161

### 1. CALL TO ORDER

Meeting was called to order at 11:00 a.m.

### 2. ROLL CALL

Board: Alyce Wong, R.N., Chair; Randy Hill, Board Member

Staff in attendance: Harry Weis, Chief Executive 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: 02/20/2018

Director Hill moved approval of the February 20, 2018 Executive Compensation Committee minutes, seconded by Director Wong.

### 6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

#### 6.1. Sample CEO Performance Evaluation Forms

Executive Compensation Committee reviewed sample CEO performance evaluation forms.

Committee did not like the format of the ABC template but felt the criteria was good.

Director Wong felt the evaluation should follow the job description.

Director Hill prefers sample CEO Assessment of Key Accountabilities on page 7 of the packet.

*Dee Dee Holmes, Benefits Coordinator, joined the meeting at 11:07 a.m.*

Committee discussed and felt the third evaluation option was cumbersome.

Committee would like to use the first evaluation presented. Under human resources – employee morale, the evaluation says “strive to maintain” and committee would like to change to “maintains.”

Committee discussed how a number of items are grouped together on the evaluation. If one item(s) in the group rank lower the comment section could be used to notate that.

Committee recommends first evaluation to the board with minimal change noted above.

## 6.2. CEO Job Description

Executive Compensation Committee reviewed the job description of the CEO.

Committee discussed whether the ability to stand and ability walk categories under physical demands are restricting. Staff was asked to follow up with counsel to ensure there is no violation of ADA requirements.

The following edits were proposed:

- Add “to achieve mission and vision of organization” to first sentence of summary.
- Under Education: capitalize “health” and change “filed” to “field”.
- Bachelor’s degree required and master’s preferred (MHA or MBA) or related field.

## 6.3. CEO Succession Plan Policy

Executive Compensation Committee reviewed the District’s CEO Succession Plan Policy.

Committee discussed whether the policy should belong to Human Resources or the Board of Directors. It was recommended that the CEO Succession Plan Policy become a board policy.

Committee would like to discuss CEO’s succession plan as part of the annual CEO performance evaluation.

Clerk of the Board will distribute a redline version to the Committee for review prior to submitting to the full board.

## 6.4. CEO Incentive Compensation

Executive Compensation Committee discussed creating metrics for FY19 CEO Incentive Compensation.

CEO suggested changing the finance metric to meet or exceed \$4,000,000 or budgeted net income, whichever is higher.

Board Quality Committee will be asked to develop a metric for the quality category.

The people metric will be updated to reflect employee engagement. Committee suggested improvement in the following Press Ganey survey questions:

- 62. I have confidence in senior management’s leadership. Require 3.45 score.
- 60. Senior management’s actions support this organization’s mission and values. Require 3.6 score.

The growth metric will be updated to exceed June 30, 2018 office visits by 3,000.

## 7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

- waiting on quality committee for metric
- job description to the board on consent

## 8. NEXT MEETING DATE

Executive Compensation Committee will meet quarterly or as needed.

## 9. ADJOURN

Meeting adjourned at 12:24 p.m.

## CEO Performance Evaluation

Please evaluate the CEO's performance for each *Key Accountability*. Use the "Comments" section to explain your answers (especially for those which you answered 'Fails to Meet Expectations', 'Meets Minimal Expectations', 'Exceeds Expectations' or 'Don't Know'.) Use space provided to explain evaluation or cite examples; attach additional pages if needed.

KEY ACCOUNTABILITIES AND PERFORMANCE FACTORS	EVALUATION/COMMENTS					
	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ Not Applicable</i>
<b>Financial Management</b>	1	2	3	4	5	N/A
<p><b>In rating the CEO's performance around <u>Financial Management</u> please consider the following:</b>            Achieves financial goals as set by the Board of Trustees. Promotes effective allocation and utilization of resources. Ensures that adequate financial controls are in place to protect the financial health of the organization. Enhances revenue and controls costs to foster achievement of planned operating and total margins.</p>	<p><b>Comments:</b></p>					
<b>Quality of Care and Service</b>	1	2	3	4	5	N/A
<p><b>In rating the CEO's performance around <u>Quality of Care and Service</u> please consider the following:</b>            Fosters a culture of quality and safety within the organization. Ensures overall hospital-wide quality and compliance programs are actively in place for all services. Gains commitment from entire clinical staff to support hospital's quality improvement initiatives. Maintains organizational focus on delivering customer service that meets the highest patient satisfaction and customer service standards. Ensures that the organization takes measures necessary to promote patient and employee safety.</p>	<p><b>Comments:</b></p>					
<b>Human Resource Management</b>	1	2	3	4	5	N/A
<p><b>In rating the CEO's performance around <u>Human Resource Management</u> please consider the following:</b>            Provides leadership that allows the organization to attract, retain, motivate and develop a highly qualified workforce. Manages a cohesive executive team to successfully implement organizational objectives. Maintains a good working environment and high employee morale.</p>	<p><b>Comments:</b></p>					

## CEO Performance Evaluation

KEY ACCOUNTABILITIES AND PERFORMANCE FACTORS	EVALUATION/COMMENTS					
<b>Leadership</b>	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ No Answer</i>
	1	2	3	4	5	N/A
<b>In rating the CEO's performance around <u>Leadership</u> please consider the following:</b> Displays strong leadership in effectively navigating complex challenges facing the organization. Fosters climate that promotes effective decision-making at all levels of the organization. Demonstrates the ability to bring people together and guide them towards a common goal. Promotes and prioritizes high ethical standards for the organization.	<b>Comments:</b>  					
<b>Operational and Performance Management</b>	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ No Answer</i>
	1	2	3	4	5	N/A
<b>In rating the CEO's performance around <u>Operational and Performance Management</u> please consider the following:</b> Exhibits understanding of key operating issues while maintaining primary focus on strategic leadership. Takes responsibility for achievement of established organizational goals. Establishes systems for monitoring performance and provides regular reports to the Board of Trustees. Oversees regulatory compliance with local, state and federal standards and takes corrective action when necessary.	<b>Comments:</b>  					
<b>Strategic Planning</b>	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ No Answer</i>
	1	2	3	4	5	N/A
<b>In rating the CEO's performance around <u>Strategic Planning</u> please consider the following:</b> Effectively translates the organization's vision and mission into realistic strategic goals and objectives. Develops, communicates and leads implementation of the organization's strategic plan. Ensures that the planning process is effective and that the organization's strategic direction is clear to all staff. Obtains and allocates resources consistent with strategic priorities.	<b>Comments:</b>  					

## CEO Performance Evaluation

KEY ACCOUNTABILITIES AND PERFORMANCE FACTORS	EVALUATION/COMMENTS					
<b>Board Relations and Communications</b>	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ No Answer</i>
<b>In rating the CEO's performance around <u>Board Relations and Communications</u> please consider the following:</b> Provides the Board of Trustees with clear and timely information it needs to monitor organizational performance and make good decisions. Builds and maintains effective working relationships with Board members. Keeps Board informed of important developments and issues. Provides the Board of Trustees with on-going educational opportunities.	1	2	3	4	5	N/A
	Comments:					
<b>Physician Relations</b>	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ No Answer</i>
<b>In rating the CEO's performance around <u>Physician Relations</u> please consider the following:</b> Develops and maintains positive and productive relationships with physicians associated with the organization. Encourages input from physicians; e.g., key operational issues and strategic plan. Develops and implements a Medical Staff development plan consistent with the organization's strategic plan and direction.	1	2	3	4	5	N/A
	Comments:					
<b>External Relations</b>	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ No Answer</i>
<b>In rating the CEO's performance around <u>External Relations</u> please consider the following:</b> Clearly communicates the vision and mission of the organization to the community and organizational stakeholders. Effectively represents the organization's position to local, state and federal law makers. Ensures the organization participates in the identification of community health needs. Implements programs to appropriately address identified community health needs.	1	2	3	4	5	N/A
	Comments:					



## CEO Performance Evaluation

KEY ACCOUNTABILITIES AND PERFORMANCE FACTORS	EVALUATION/COMMENTS					
<b>Professional Development</b>	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ No Answer</i>
<p><b>In rating the CEO's performance around <u>Professional Development</u> please consider the following:</b>  Remains current on healthcare industry changes and trends.  Engages in personal and professional development. Attends and serves professional and civic service organizations as an organizational representative. Encourages professional development of employees.</p>	1	2	3	4	5	N/A
	Comments:					
<b>Overall Performance Rating</b>						
Please provide your overall rating of the CEO's performance. Provide your comments in the space below.	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ No Answer</i>
	1	2	3	4	5	N/A
Comments:						
<b>CEO Succession Plan</b>						
Review CEO Succession Plan.	<i>Fails to Meet Expectations</i>	<i>Meets Minimal Expectations</i>	<i>Meets Some Expectations</i>	<i>Meets Expectations</i>	<i>Exceeds Expectations</i>	<i>Don't Know/ No Answer</i>
	1	2	3	4	5	N/A
Comments:						

## CEO Performance Evaluation

### **Examples**

Please identify any examples of performance that you believe are particularly noteworthy. Explain how the examples illustrate your evaluation above.

### **Achievements**

Please identify any achievements you believe should be recognized.

### **Improvements Needed**

Please note any areas in which the CEO's abilities or performance should be improved.

## FY18 CEO Incentive Compensation

### Finance 60%

-Meet or exceed budgeted net income of \$2,278,838.

### Service 10%

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

### Quality 10%

-Maintain or improve core measure in sepsis bundle

### Growth 10%

-Meet or exceed 59,226 annual physician office visits total for all owned or managed physicians

### People 10%

- Meet or exceed national average on physician engagement survey.