



**Minutes of the Open Session of the  
Executive Compensation Committee  
of the El Camino Hospital Board of Directors  
Thursday, May 27, 2021**

Pursuant to State of California Executive Order N-29-20 dated March 18, 2020, El Camino Health did not provide a physical location for this meeting. Instead, the public was invited to join the open session meeting via teleconference.

**Members Present**  
Teri Eyre\*\*  
Bob Miller, Chair\*\*  
George Ting, MD\*\*

**Members Absent**  
Julie Kliger, Vice-Chair\*\*  
Jaison Layney\*\*  
\*\*via teleconference


Agenda Item	Comments/Discussion	Approvals/ Action
1. <b>CALL TO ORDER/ ROLL CALL</b>	The open session meeting of the Executive Compensation Committee of El Camino Hospital (the " <u>Committee</u> ") was called to order at <b>4:03</b> pm by Chair Bob Miller. A verbal roll call was taken. All Committee members were present and participated via teleconference and videoconference pursuant to Santa Clara County's shelter in place order; Julie Kliger, Vice-Chair, and Jaison Layney were absent.  A quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020, and N-29-20 dated March 18, 2020.	
2. <b>POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Chair Miller asked the Committee members for declarations of conflict of interest with any agenda items, and none were noted.	
3. <b>PUBLIC COMMUNICATION</b>	None. Community member Patrick expressed concerns about the content in closed session.	
4. <b>CONSENT CALENDAR</b>	Chair Miller asked if a member of the Committee or the public wished to remove an item from the consent calendar; none were removed.  <b>Motion:</b> To approve the consent calendar: Minutes of the Open Session of the Executive Compensation Committee Meeting (3/4/2021); and for information: Progress Against FY21 Committee Goals.  <b>Movant:</b> Ting <b>Second:</b> Eyre <b>Ayes:</b> Eyre, Miller, Ting <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> Kliger, Layney <b>Recused:</b> None	<i>Consent calendar approved</i>
5. <b>REPORT ON BOARD ACTIONS</b>	Chair Miller asked the Committee for feedback and/or questions on the Report on the Board Actions, as further detailed in the packet.  Dr. Ting updated the Committee on the Hospital Board elections, ECHMN, and Strategic Plan metrics.	
6. <b>COMMITTEE PLANNING</b>	Chair Miller reviewed the proposed FY22 Committee Goals and Dates, noted a conflict with the March and September dates, and requested rescheduling to accommodate. He further discussed Mercer's recommendation to combine the committee goals and pacing plan into one document.  <b>Motion:</b> To approve the proposed FY22 Committee Goals, Dates, and appointment of AdHoc Search Committee noting changes to two	<i>FY22 Committee Goals, Dates, and Appointment of Ad Hoc Search Committee with two date changes were approved.</i>

	<p>meeting dates. Jayson Layney and Teri Eyre were appointed to the search committee.</p> <p><b>Movant:</b> Ting  <b>Second:</b> Eyre  <b>Ayes:</b> Eyre, Miller, Ting  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Kliger, Layney  <b>Recused:</b> None</p>	
<p><b>7. PROPOSED FY22 EXECUTIVE PERFORMANCE INCENTIVE PLAN ORGANIZATIONAL GOALS</b></p>	<p>Dan Woods, CEO, presented the Executive Performance Incentive Plan Organizational Goals and clarified goal alignment within three categories: Quality &amp; Safety, Service, and Finance. Mr. Woods continued the discussion by highlighting the objectives and outcomes of these categories as further defined below:</p> <ol style="list-style-type: none"> <li>1. Quality &amp; Safety           <ul style="list-style-type: none"> <li>– SSEs (Serious Safety Event) rate</li> <li>– Readmission Index</li> <li>– HEDIS Score</li> </ul> </li> <li>2. Service           <ul style="list-style-type: none"> <li>– LTR (Likelihood to Recommend) for Inpatient and ECHMN</li> </ul> </li> <li>3. Finance           <ul style="list-style-type: none"> <li>– Operating EBITDA Margin- sustainability strength and vitality</li> </ul> </li> </ol> <p>Mr. Woods concluded that the Quality Committee has reviewed the Service and Quality &amp; Safety goals and supports approval of metrics. In addition, the Finance Committee has had a preview of the FY22 Financials and will be reviewing the financial threshold and goal at the May 24, 2021, Finance Committee meeting.</p> <p><b>Motion:</b> to make a recommendation to the Board to approve Proposed FY 22 Executive Performance Incentive Plan Organizational Goals</p> <p><b>Movant:</b> Ting  <b>Second:</b> Eyre  <b>Ayes:</b> Eyre, Miller, Ting  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Kliger, Layney  <b>Recused:</b> None</p>	<p><i>To recommend Board approve the Proposed FY 22 Executive Performance Incentive Plan Organizational Goals approved</i></p>
<p><b>8. ADJOURN TO CLOSED SESSION</b></p>	<p><b>Motion:</b> To adjourn to closed session at 4:23 pm.</p> <p><b>Movant:</b> Ting  <b>Second:</b> Eyre  <b>Ayes:</b> Eyre, Miller, Ting  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Kliger, Layney  <b>Recused:</b> None</p>	<p><i>Adjourned to closed session at 4:23 pm</i></p>

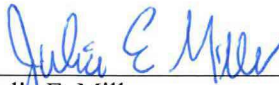
<p><b>9. AGENDA ITEM 16: RECONVENE OPEN SESSION/ REPORT OUT</b></p>	<p>The open session was reconvened at <b>6:05</b> pm.                  Agenda items 9-15 were addressed in the closed session.                  During the closed session, the Committee approved the Closed Session minutes of the 3/27/2020 ECC Meeting, Proposed FY22 Individual Executive Performance Incentive Plan Goals, and the to recommend that the Board approve changes to the CEO's Employment Agreement, by unanimous vote of all members present (Eyre, Miller, Ting).</p>	
<p><b>10. AGENDA ITEM 17: EXECUTIVE BENEFITS PLAN POLICY</b></p>	<p><b>Motion:</b> To make recommendations to the Board to approve changes to the Executive Benefits Plan design  <b>Movant:</b> Eyre  <b>Second:</b> Ting  <b>Ayes:</b> Eyre, Miller, Ting  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Kliger, Layney  <b>Recused:</b> None</p>	<p><i>Recommend Board approve changes to the Executive Benefits Plan design approved</i></p>
<p><b>11. AGENDA ITEM 18: EXECUTIVE PERFORMANCE INCENTIVE PLAN POLICY</b></p>	<p><b>Motion:</b> To make recommendations to the Board to approve changes to the Executive Performance Incentive Plan design.  <b>Movant:</b> Ting  <b>Second:</b> Eyre  <b>Ayes:</b> Eyre, Miller, Ting  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Kliger, Layney  <b>Recused:</b> None</p>	<p><i>Recommend to Board to approve changes to the Executive Performance Incentive Plan approved</i></p>
<p><b>12. AGENDA ITEM 19: COMMITTEE CHARTER</b></p>	<p><b>Motion:</b> To recommend revising the ECC Charter to the Governance Committee to eliminate the requirement of a separate approval of the letter of rebuttable presumption for Board approval.  <b>Movant:</b> Eyre  <b>Second:</b> Ting  <b>Ayes:</b> Eyre, Miller, Ting  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Kliger, Layney  <b>Recused:</b> None</p>	<p><i>Recommendation for Charter revision approved</i></p>
<p><b>13. AGENDA ITEM 20: EFFECTIVENESS OF EXECUTIVE COMPENSATION CONSULTANT</b></p>	<p>The Committee reviewed the effectiveness of the currently engaged Executive Compensation Consultant. The Committee's consensus was that the materials presented by Mercer are well reasoned and bring forward a meaningful process.</p>	
<p><b>14. AGENDA ITEM 21: CLOSING COMMENTS</b></p>	<p>There were no additional comments from the Committee.</p>	
<p><b>15. AGENDA ITEM 22: ADJOURNMENT</b></p>	<p><b>Motion:</b> To adjourn at <b>6:23</b> pm.  <b>Movant:</b> Ting  <b>Second:</b> Eyre  <b>Ayes:</b> Eyre, Miller, Ting  <b>Noes:</b> None  <b>Abstentions:</b> None</p>	<p><i>Meeting adjourned at 6:23 pm</i></p>

	<b>Absent:</b> Kliger, Layney <b>Recused:</b> None	
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**Attest as to the approval of the foregoing minutes by the Executive Compensation Committee and the Board of Directors of El Camino Hospital.**

DocuSigned by:  
  
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Bob Miller  
Chair, Executive Compensation Committee

  
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Julia E. Miller  
Secretary, ECH Board of Directors

Prepared by: Stephanie Iljin, Supervisor of Executive Administration