

AGENDA
EXECUTIVE COMPENSATION COMMITTEE OF THE
EL CAMINO HOSPITAL BOARD OF DIRECTORS

Thursday, March 3, 2022 – 4:00 pm

El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040

PURSUANT TO STATE OF CALIFORNIA EXECUTIVE ORDER N-29-20 DATED MARCH 18, 2020, EI CAMINO HEALTH **WILL NOT BE PROVIDING A PHYSICAL LOCATION FOR THIS MEETING**. INSTEAD, THE PUBLIC IS INVITED TO JOIN THE OPEN SESSION MEETING VIA TELECONFERENCE AT:

1-669-900-9128, MEETING CODE: 968-2972-4340#. No participant code. Just press #.

PURPOSE: To assist the El Camino Hospital (ECH) Board of Directors (“Board”) in its responsibilities related to the Hospital’s executive compensation philosophy and policies. The Executive Compensation Committee shall advise the Board to meet all applicable legal and regulatory requirements as it relates to executive compensation.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER/ROLL CALL	Bob Miller, Chair		4:00 - 4:01pm
2. INTRODUCTION OF NEW COMMITTEE MEMBERS	Bob Miller, Chair		4:01 – 4:08
3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Bob Miller, Chair		4:08 – 4:09
4. PUBLIC COMMUNICATION a. Oral Comments <i>This opportunity is provided for persons in the audience to make a brief statement, not to exceed three (3) minutes on issues or concerns not covered by the agenda.</i> b. Written Correspondence	Bob Miller, Chair		information 4:09 – 4:12
5. CONSENT CALENDAR <i>Any Committee Member or member of the public may remove an item for discussion before a motion is made.</i> Approval a. Minutes of the Open Session of the ECC Meeting (11/4/2021)	Bob Miller, Chair	<i>public comment</i>	motion required 4:12 – 4:13
6. REPORT ON BOARD ACTIONS	Dan Woods, CEO		information 4:13 – 4:18
7. COMMITTEE PLANNING a. Proposed FY23 Committee Goals and Pacing Plan	Bob Miller, Chair	<i>public comment</i>	possible motion(s) 4:18 – 4:23
8. ADJOURN TO CLOSED SESSION	Bob Miller, Chair		motion required 4:23 – 4:24
9. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Bob Miller, Chair		information 4:24 – 4:25

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
<p>10. CONSENT CALENDAR <i>Any Committee Member or member of the public may remove an item for discussion before a motion is made.</i></p> <p>Approval <i>Gov't Code Section 54957.2:</i> a. Minutes of the Closed Session of the ECC Meeting (11/04/2021)</p>	Bob Miller, Chair		<p>motion required 4:25 – 4:26</p>
<p>11. Health and Safety Code Section 32106(b) for a report and discussion involving health care facility trade secrets: FY22 Q2 Strategic Metrics</p>	Dan Woods, CEO		<p>discussion 4:26 – 4:46</p>
<p>12. Gov't Code Section 54957 and 54957.6 for a report and discussion on personnel matters: Leadership Development and Succession Management Update</p>	Dan Woods, CEO and Tamara Stafford, Director, Talent Development/EWHS		<p>discussion 4:46 – 5:01</p>
<p>13. Gov't Code Section 54957 and 54957.6 for a report and discussion on personnel matters: Proposed FY22 Individuals Goals of Chief Quality Officer</p>	Dan Woods, CEO		<p>discussion 5:01 – 5:11</p>
<p>14. ADJOURN TO OPEN SESSION</p>	Bob Miller, Chair		<p>motion required 5:11 – 5:12</p>
<p>15. RECONVENE OPEN SESSION/ REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.</p>	Bob Miller, Chair		<p>information 5:12 – 5:13</p>
<p>16. PROGRESS AGAINST FY22 COMMITTEE GOALS AND PACING PLAN</p>	Bob Miller, Chair		<p>discussion 5:13 – 5:16</p>
<p>17. CLOSING COMMENTS</p>	Bob Miller, Chair		<p>discussion 5:16 – 5:19</p>
<p>18. ADJOURNMENT</p>	Bob Miller, Chair	<i>public comment</i>	<p>motion required 5:19 – 5:20pm</p>

Upcoming Meetings: Regular Meetings: May 18, 2022



**Minutes of the Open Session of the
Executive Compensation Committee
of the El Camino Hospital Board of Directors
Thursday, November 4, 2021**

Pursuant to Government code section 54953(e)(1), El Camino Health will not be providing a physical location to the public for this meeting. Instead, the public is invited to join the open session meeting via teleconference at:

Members Present

Teri Eyre**
Julie Kliger, Vice-Chair**
Jaison Layney**
Bob Miller, Chair**
George Ting, MD**

Members Absent

**via teleconference

Others Present

Dan Woods, CEO
Greg Souza, Interim CHRO
Julie Johnston, Director, Total Rewards
Shiraz Ali, Director, Office of the CEO
Nicole Hartley, Executive Assistant
Hope Walczak, Director, Total Rewards**
Heidi O'Brien, Mercer**
Rob Kirkpatrick, Mercer**

Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	<p>The open session meeting of the Executive Compensation Committee of El Camino Hospital (the "<u>Committee</u>") was called to order at 4:00 pm by Chair Bob Miller. A verbal roll call was taken. All Committee members that were present participated via teleconference and videoconference pursuant to Santa Clara County's shelter in place order.</p> <p>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.</p>	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Miller asked the Committee members for declarations of conflict of interest with any agenda items, and none were noted.	
3. PUBLIC COMMUNICATION	None.	
4. CONSENT CALENDAR	<p>Chair Miller asked if any member of the Committee or the public wished to remove an item from the consent calendar. None were removed.</p> <p>Mr. Layney clarified his original request to revise the 5/27 open session minutes to reflect that two committee members were absent on agenda items 17, 18, 19, and 22 and did not vote as indicated. Chair Miller asked the ECH staff to make the requested corrections.</p> <p>Chair Miller further requested that "review and approve the letter of reasonableness" be reflected as a closed consent calendar item on the committee goals and pacing plan.</p> <p>Motion: To approve the amended Minutes of the Open Session of the ECC Meeting (9/28/2021) and pacing plan.</p> <p>Movant: Layney Second: Kliger Ayes: Eyre, Kliger, Layney, Miller, and Ting Noes: None Abstentions: None</p>	

	<p>Absent: None Recused: None</p>	
<p>5. REPORT ON BOARD ACTIONS</p>	<p>Chair Miller reported that the Board reviewed and approved the recommended changes to the Executive Compensation Committee Charter, namely the revised process of the Letter of Rebuttable Presumption.</p>	
<p>6. EXECUTIVE COMPENSATION COMMITTEE CANDIDATE INTERVIEWS</p>	<p>Chair Miller and committee members interviewed the following two finalists for Executive Compensation Committee membership:</p> <ol style="list-style-type: none"> 1. Estrella Parker 2. Alessandra Yockelson 	
<p>7. RECOMMEND TO APPOINT EXECUTIVE COMPENSATION COMMITTEE MEMBERS</p>	<p>Chair Miller asked the Committee for their feedback on the two finalists, and a brief discussion ensued.</p> <p>Motion: To recommend that the Board increase the number of community members on the committee maximum from 4 to 5 and appoint both Estrella and Alessandra for those vacancies.</p> <p>Movant: Eyre Second: Ting Ayes: Eyre, Kliger, Layney, Miller, and Ting Noes: None Abstentions: None Absent: None Recused: None</p> <p>The Committee noted that if the Board approves the recommendation and both candidates do not accept, continued recruitment would not occur.</p>	
<p>8. EXECUTIVE RELOCATION PROGRAM</p>	<p>Chair Miller introduced Heidi O'Brien from Mercer and asked for further detail on the Executive Relocation Program. Ms. O'Brien reviewed the recommendations, and a discussion ensued.</p> <p>Ms. Eyre expressed concern regarding number 4 of the policy; use of an ECH-owned home. Chair Miller expressed the same concern, and Ms. Eyre advised that this item be removed.</p> <p>Mr. Souza requested that if number 4 of the policy is removed, we add a temporary housing allowance in place of number 4.</p> <p>Ms. Eyre advised removing the word "policy" from the recommendations.</p> <p>Chair Miller clarified that this is an informative discussion, and the Committee is here to provide support.</p> <p>Mr. Woods suggested that the word policy be replaced with "Guidelines."</p> <p>There was consensus from the committee members with the proposed revisions.</p>	
<p>9. FY21 CEO PERFORMANCE REVIEW PROCESS AND FY22 RECOMMENDATIONS</p>	<p>Chair Miller asked Heidi O'Brien from Mercer to present the FY21 CEO Performance Review Process and provide details to the committee members regarding the recommendation to ensure that the FY22 Review is aligned with the Board's pacing of CEO Score and Payout. A brief discussion ensued.</p>	

	<i>*Mr. Layney left the meeting at 5:48 pm.</i>	
10. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 5:49 pm.</p> <p>Movant: Ting Second: Kliger Ayes: Eyre, Kliger, Miller, Ting Noes: None Abstentions: None Absent: Layney Recused: None</p>	Adjourned to closed session at 5:49 pm
11. AGENDA ITEM 14: RECONVENE OPEN SESSION/ REPORT OUT	<p>The open session was reconvened at 6:26 pm.</p> <p>Agenda items 11-13 were addressed in the closed session.</p> <p>The Committee approved the Closed Session Minutes of the 9/28/2021 ECC Meeting and the Individual Executive Goals Update during the closed session.</p>	
12. AGENDA ITEM 15: FY21 PACING PLAN AND GOALS	<p>Chair Miller and the Committee addressed this during agenda item # 4 consent calendar.</p>	
13. AGENDA ITEM 16: SEMI-ANNUAL EXECUTIVE COMPENSATION CONSULTANT REVIEW	<p>Chair Miller opened the discussion for the Semi-Annual Executive Compensation Consultant Review.</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>	
14. AGENDA ITEM 17: CLOSING COMMENTS	None	
15. AGENDA ITEM 18: ADJOURNMENT	<p>Motion: To adjourn at 6:32 pm.</p> <p>Movant: Ting Second: Kliger Ayes: Eyre, Kliger, Miller, Ting Noes: None Abstentions: None Absent: Layney Recused: None</p>	Meeting adjourned at 6:32 pm

Attest as to the approval of the foregoing minutes by the Executive Compensation Committee and the Board of Directors of El Camino Hospital.

 Bob Miller
 Chair, Executive Compensation Committee

 Julia E. Miller
 Secretary, ECH Board of Directors

Prepared by: Stephanie Iljin, Manager of Administration



**EL CAMINO HOSPITAL BOARD OF DIRECTORS
COMMITTEE MEETING MEMO**

To: Executive Compensation Committee
From: Dan Woods, Chief Executive Officer
Date: March 3, 2022
Subject: Report on Board Actions

Purpose: To keep the Committee informed regarding actions taken by the El Camino Hospital and El Camino Healthcare District Boards.

Summary:

1. **Situation:** It is essential to keep the Committees informed about Board activity to provide context for Committee work. The list below is not meant to be exhaustive; still, it includes agenda items the Board voted on that are most likely to be of interest to or pertinent to the work of El Camino Hospital’s Board Advisory Committees.
2. **Authority:** This is being brought to the Committees at the request of the Board and the Committees.
3. **Background:** Since the last time we provided this report to the Executive Committee, both the Hospital and District Boards have met once, excluding the study session held with the Quality Committee. In addition, since the Board has delegated specific authority to the Executive Compensation Committee, the Compliance and Audit Committee, and the Finance Committee, those approvals are noted in this report.

Board/Committee	Meeting Date	Actions (Approvals unless otherwise noted)
ECH Board	December 8, 2021	<ul style="list-style-type: none"> - Continuation of Resolution 2021-10 of the Board of Directors Making Findings and Determinations Under AB 361 for Teleconference Meetings - Minutes of the Open Session of the Hospital Board Meeting (11/08/21) - Minutes of the Closed Session of the Hospital Board Meeting (11/08/21) - Policy Revisions - FY21 Period 4 Financials - Intent to Reimburse: Resolution - Mountain View OBGYN Call Panel Renewal (Physician Contract) - Executive Compensation Committee Community Member Composition & new Community Member Appointments - Medical Staff Report - Credentialing & Privileging Report - Board Effectiveness Report - Summary of Recommendations & Draft Action Plan - Chief Quality Officer Base Salary

Report on Board Actions
February 7, 2022

Board/Committee	Meeting Date	Actions (Approvals unless otherwise noted)
ECHD Board	January 25, 2022	<ul style="list-style-type: none"> - Continuation of Resolution 2021-10 of the Board of Directors Making Findings and Determinations Under AB 361 for Teleconference Meetings - Minutes of the Open Session of the District Board Meeting (12/01/21) - Minutes of the Closed Session of the District Board Meeting (12/01/21) - ECHD FY22 YTD Financials - El Camino Healthcare District Board Health and Safety Code - FY22 El Camino Hospital Board Member Election Ad Hoc Committee Recommendation - FY22 El Camino Healthcare District Policy Bylaw Review Ad Hoc Committee Recommendations
Executive Compensation Committee	- N/A	
Compliance and Audit Committee	January 27, 2022	<ul style="list-style-type: none"> - Minutes of the Open Session of the CAC Meeting (11/18/2021) - Minutes of the Closed Session of the CAC Meeting (11/18/2021) - KPI Scorecard and Trends - Activity Log November 2021 - Activity Log December 2021 - Internal Audit Work Plan - Internal Audit Follow Up Table - Committee Pacing Plan
Finance Committee	January 31, 2022	<ul style="list-style-type: none"> - Minutes of the Open Session of the Finance Committee (11/22/2021) - Minutes of the Closed Session of the Finance Committee (11/22/2021) - FY 22 Period 5 Financials - FY 2022 PERIOD 6 FINANCIALS - MV Hospitalist Services Renewal - MV Interventional Radiology Panel

List of Attachments: None.

Suggested Committee Discussion Questions: None.

FY23 COMMITTEE GOALS

Executive Compensation Committee

The purpose of the Executive Compensation Committee (the "Committee") is to assist the El Camino Hospital (ECH) Hospital Board of Directors ("Board") in its responsibilities related to the Hospital's executive compensation philosophy and policies. The Committee will advise the Board to meet all legal and regulatory requirements as it relates to executive compensation.

STAFF: **Greg Souza**, Interim Chief Human Resources Officer (Executive Sponsor)

The CHRO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration and for developing and disseminating in a timely manner management's recommendations to the Committee and appropriate supporting information to facilitate the Committee's deliberations and exercise of its responsibilities. The CEO, and other staff members as appropriate, may serve as a non-voting liaison to the Committee and may participate at the discretion of the Committee Chair. These individuals shall be recused when the Committee is reviewing their individual compensation.

GOALS	TIMELINE	METRICS
1. Provide oversight and approvals for compensation-related decisions, including performance incentive goal-setting and plan design	Q1	<ul style="list-style-type: none"> - Review competitive data, review and approve FY23 executive base salaries (not including the CEO) - Review and recommend FY22 Organizational Incentive Score - Approve FY22 individual executive payout amounts (pending Board approval of incentive score)
	Q2	<ul style="list-style-type: none"> - Receive letter of reasonableness - Discuss CEO performance evaluation process
	Q4	<ul style="list-style-type: none"> - Review and recommend proposed FY24 organizational incentive goals - Review and approve FY24 executive strategic pick incentive goals
2. Evaluate the effectiveness of the independent compensation consultant	Q2/Q4	<ul style="list-style-type: none"> - Conduct semi-annual evaluation of ECC consultant

SUBMITTED BY: Chair: Bob Miller | **Executive Sponsor:** Greg Souza

FY22 COMMITTEE GOALS AND PACING PLAN

Executive Compensation Committee

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GOALS	TIMELINE	METRICS/PACING PLAN
1. Provide oversight and approvals for compensation-related decisions, including performance incentive goal-setting and plan design	Q1 09/28/21	<ul style="list-style-type: none"> - Review and approve FY22 executive base salaries- COMPLETED - Review and recommend FY21 Organizational Incentive Score- COMPLETED - Review and approve FY21 individual incentive scores- COMPLETED - Review and approve FY21 executive payout amounts - COMPLETED
	Q2 11/04/21	<ul style="list-style-type: none"> - Review letter of reasonableness – COMPLETED
	Q3 03/03/22	<ul style="list-style-type: none"> - Recommend FY23 Committee goals - Receive update leadership development - Receive update on strategic plan - Review potential policy changes
	Q4 05/18/22	<ul style="list-style-type: none"> - Review and recommend proposed FY23 organizational incentive goals - Review and approve FY23 individual executive incentive goals
2. Evaluate the effectiveness of the independent compensation consultant	Q2 11/04/21 Q4 05/18/22	<ul style="list-style-type: none"> - Conduct semi-annual evaluation of ECC consultant

SUBMITTED BY: Chair: Bob Miller | **Executive Sponsor:** Greg Souza

Last revised: 2-2-22