

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

Friday, June 24, 2022 – 12:30 pm

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

PURSUANT TO GOVERNMENT CODE SECTION 54953(e)(1), EI 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:

1-669-900-9128, MEETING CODE: 976-2732-7355#. 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		12:30 – 12:31pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Bob Miller, Chair		information 12:31 – 12:32
3. 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 12:32– 12:36
4. <u>FY23 ORGANIZATIONAL PERFORMANCE INCENTIVE GOALS</u>	Dan Woods, CEO		information 12:36 – 12:51
5. ADJOURN TO CLOSED SESSION	Bob Miller, Chair		motion required 12:51– 12:52
6. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Bob Miller, Chair		information 12:52 – 12:53
7. Gov’t Code Section 54957 and 54957.6 for a report and discussion on personnel matters: Base Salary Approvals a. Proposed Salary Range Change and Base Salary Change for Chief Operating Officer b. Proposed Salary Range Change and Base Salary Change for Chief Growth Officer	Dan Woods, CEO		discussion 12:53 – 1:13
8. ADJOURN TO OPEN SESSION	Bob Miller, Chair		motion required 1:13 – 1:14
9. RECONVENE OPEN SESSION / REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.	Bob Miller, Chair		information 1:14 – 1:15
10. PROPOSED SALARY RANGE CHANGE AND BASE SALARY CHANGE FOR CHIEF OPERATING OFFICER	Bob Miller, Chair	<i>public comment</i>	possible motion 1:15 – 1:16

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
11. PROPOSED SALARY RANGE CHANGE AND BASE SALARY CHANGE FOR CHIEF GROWTH OFFICER	Bob Miller, Chair	<i>public comment</i>	possible motion 1:16 – 1:17
12. CLOSING COMMENTS	Bob Miller, Chair		discussion 1:17 – 1:19
13. ADJOURNMENT	Bob Miller, Chair	<i>public comment</i>	motion required 1:19 – 1:20pm

Upcoming Meetings: Regular Meetings: Sept 22, 2022, Nov 03, 2022, Mar 02, 2023, & May 04, 2023

**EL CAMINO HOSPITAL
COMMITTEE MEETING COVER MEMO**

To: Executive Compensation Committee
From: Dan Woods, CEO
Date: June 24, 2022
Subject: FY 2023 Organizational Goals

Purpose(s):

To inform the Executive Compensation Committee (ECC) that the Board of Directors approved the FY23 Performance Incentive Plan goals for the Executive Performance Incentive Plan.

Summary:

1. **Situation:** Each year the Committee along with the other Board Committees review leadership's proposed organizational goals. The Committee will review and recommend that the Board approve the organizational goals as part of the Executive Performance Incentive Plan.
2. **Authority:** The Committee will review and recommend that the Board approve the FY23 Performance Incentive Plan goals as part of the Executive Performance Incentive Plan.
3. **Background:** The leadership team has worked over the past few months to develop and recommend the FY23 Performance Incentive Plan goals. The goals were initially presented to ECC in May. The feedback provided by the committee was incorporated and is highlighted, in yellow, in the attached goals.
4. **Assessment:** N/A
5. **Other Reviews:** Both the Finance and Quality Committees reviewed the proposed goals.
6. **Outcomes:** The organizational goals approved by the Board of Directors will be used for the management performance incentive plan, employee engagement and recognition program, and executive performance incentive plan.

List of Attachments:

1. FY23 Performance Incentive Plan Goals

Suggested Committee Discussion Questions:

1. Does the Committee have any questions about the goals, benchmarks, or measurements?

Fiscal Year 2023 Organizational Performance Goals – (Approved by ECHB 06/08/2022)

(highlights indicate variance from ECC presentation)

True North Pillar	Weight	GOAL	OBJECTIVES/ OUTCOMES	Benchmark		Measurement Defined			Measurement Period
				Internal Benchmarks	External Benchmark	Minimum	Target	Stretch	
Threshold		Operating EBIDA Margin	Maintain positive EBIDA Margin	FY2020: 11.6%; FY2021: 15.8% FY2022 through March: 19.6% Budget FY2023: 16.7%	Moody's: Median for 'A1': 9.7% Median for 'Aa3': 8.9%	≥ 13.4% Operating EBIDA Margin (80% of budget)			FY2023
Quality and Safety	30%	Zero Preventable Harm	HAC Index	FY2022 composite score	Internal Calculation; limited external benchmarks	5% improvement from FY2022 baseline	7.5% improvement from FY2022 baseline	10% improvement from FY2022 baseline	FY2023
Service	15%	Exceptional Personalized Experience, Always	Likelihood to Recommend (LTR) – Inpatient	FY2021: 79.6 (80 th %ile) FY2022 through April: 81.1 (88 th % ile)	Press Ganey	Maintain FY2022 baseline	Top 50% of improvers	Top 30% of improvers	FY2023
	15%		LTR – EI Camino Health Medical Network	FY2021: 76.0 (26 st % ile)(NRC) FY2022 through April : 75.0 (21 st %ile)(NRC) FY2022 Jan – Apr (PG) 81.0 (20 th %ile)	Press Ganey	Maintain FY2022 baseline	Top 50% of improvers	Top 30% of improvers	FY2023
People	20% (Managers)	Teams Aligned & Empowered With Trust and Purpose	Culture of Safety	FY2018: 4.04 FY2021: 3.96	2021 Nat. Avg. - 4.01 Targets based on statistically significant improvement	3.99	4.02	4.04	FY2023
People	20% (Employees)			Participation in Culture of Safety Survey	Press Ganey average participation-75%	80%	85%	90%	FY2023
Finance	20%	Sustainable Strength and Vitality	Operating EBIDA Margin	Actual FY2020-22: 11.6%; 15.8%; 18.0% Actual FY2022 through April: 19.6% Budget FY2023: 16.6%	Moody's: Median for 'A1': 9.7% Median for 'Aa3': 8.9%	100% of budget (16.6%)	105% of budget (17.4%)	110% of budget (18.3%)	FY2023