

AGENDA
EXECUTIVE COMPENSATION COMMITTEE MEETING
OF THE EL CAMINO HOSPITAL BOARD

Thursday, September 21, 2017 – 4:00 pm

El Camino Hospital | Conference Room A (ground floor)
2500 Grant Road, Mountain View, CA 94040

Julia Miller will be participating via teleconference from 1611 New Brunswick Ave Sunnyvale, CA 94087.

MISSION: 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 – 4:02pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Bob Miller, Chair		4:02 – 4:03
3. PUBLIC COMMUNICATION a. Oral Comments <i>This opportunity is provided for persons in the audience to make a brief statement, not to exceed 3 minutes on issues or concerns not covered by the agenda.</i> b. Written Correspondence	Bob Miller, Chair		information 4:03 – 4:06
4. 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 Executive Compensation Committee Meeting (May 23, 2017) b. FY18 Pacing Plan	Bob Miller, Chair	<i>public comment</i>	motion required 4:06 – 4:07
5. REPORT ON BOARD ACTIONS ATTACHMENT 5	Bob Miller, Chair		information 4:07 – 4:12
6. FY17 ORGANIZATIONAL SCORE ATTACHMENT 6	Mick Zdeblick, COO	<i>public comment</i>	motion required 4:12 – 4:22
7. ADJOURN TO CLOSED SESSION	Bob Miller, Chair		motion required 4:22 – 4:23
8. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Bob Miller, Chair		4:23 – 4:24
9. CONSENT CALENDAR <i>Any Committee Member may remove an item for discussion before a motion is made.</i> Approval <i>Gov’t Code Section 54957.2.</i> a. Minutes of the Closed Session of the Executive Compensation Committee Meeting (May 23, 2017)	Bob Miller, Chair		motion required 4:24 – 4:25

A copy of the agenda for the Regular Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting. In observance of the Americans with Disabilities Act, please notify us at (650) 988-7504 prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
10. <i>Health & Safety Code 32106(b)</i> for a report and discussion involving health care facility trade secrets: - Strategic Planning Update	Dan Woods, CEO; Michelle McGowen, Director, Strategic Planning		discussion 4:25 – 4:55
11. Report involving <i>Gov't Code Sections 54957</i> and <i>54957.6</i> for report and discussion on personnel matters: - Proposed FY17 Individual Executive Goals Scores	Dan Woods, CEO		motion required 4:55 – 5:10
12. Report involving <i>Gov't Code Sections 54957</i> and <i>54957.6</i> for report and discussion on personnel matters: - Proposed FY17 Individual Executive Performance Incentive Payouts	Dan Woods, CEO		motion required 5:10 – 5:15
13. Report involving <i>Gov't Code Sections 54957</i> and <i>54957.6</i> for report and discussion on personnel matters: - Proposed FY17 CHRO Goal Score and Performance Incentive Payout	Dan Woods, CEO		motion required 5:15 – 5:20
14. ADJOURN TO OPEN SESSION	Bob Miller, Chair		motion required 5:20 – 5:21
15. RECONVENE OPEN SESSION / REPORT OUT	Bob Miller, Chair		5:21 – 5:22
To report any required disclosures regarding permissible actions taken during Closed Session.			
16. CLOSING COMMENTS	Bob Miller, Chair		discussion 5:22 – 5:24
17. ADJOURNMENT	Bob Miller, Chair		motion required 5:24 – 5:25pm

Upcoming Meetings

- November 9, 2017
- March 22, 2018
- May 24, 2018

Board & Committee Educational Gatherings

- October 25, 2017
- April 25, 2018



**Minutes of the Open Session of the
Executive Compensation Committee
Tuesday, May 23, 2017**

**El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040
Medical Staff Conference Room (administration)**

Members Present
Lanhee Chen, Chair
Jaison Layney
Bob Miller, Vice Chair

Members Absent
Teri Eyre
Pat Wadors

Agenda Item	Comments/Discussion	Approvals/Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Executive Compensation Committee of El Camino Hospital (the "Committee") was called to order at 10:06am by Chair Chen. Ms. Eyre and Ms. Wadors were absent. All other Committee members were present.	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Chen asked if any Committee members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
3. PUBLIC COMMUNICATION	None.	
4. CONSENT CALENDAR	<p>Chair Chen asked if any member of the Committee or the public wished to remove an item from the consent calendar. No items were removed.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Executive Compensation Committee Meeting (March 23, 2017).</p> <p>Movant: Miller Second: Layney Ayes: Chen, Layney, Miller Noes: None Abstentions: None Absent: Eyre, Wadors Recused: None</p>	<i>Consent calendar approved</i>
5. REPORT ON BOARD ACTIONS	Chair Chen reported that the District Board made a decision to expand the Hospital Board to 10 members and make the CEO a non-voting ex-officio member and referred the Committee members to the packet for further details on the Boards' recent actions.	
6. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 10:12 am.</p> <p>Movant: Miller Second: Layney Ayes: Chen, Layney, Miller Noes: None Abstentions: None Absent: Eyre, Wadors Recused: None</p>	<i>Adjourned to closed session at 10: 12am.</i>
7. AGENDA ITEM 17: RECONVENE OPEN SESSION/ REPORT OUT	<p>Open session was reconvened at 11:55 am. Agenda items 7-16 were addressed in closed session.</p> <p>During the closed session, the Committee approved the Minutes of the Closed Session of the Executive Compensation Committee Meeting of March 23, 2017 and voted to recommend Board approval of the Proposed FY18 Executive Incentive Goals by a unanimous vote in favor of all</p>	

	members present (Chen, Layney, Miller). Ms. Eyre and Ms. Wadors were absent.	
8. AGENDA ITEM 18: PROPOSED FY18 ORGANIZATIONAL GOALS	<p>Motion: To recommend that the Board approve the Proposed FY18 Organizational Performance Incentive Plan Goals modified to reflect a straight line relationship with respect to the deltas between minimum and target and target and maximum.</p> <p>Movant: Miller Second: Layney Ayes: Chen, Layney, Miller Noes: None Abstentions: None Absent: Eyre, Wadors Recused: None</p>	<i>FY18 Organizational Goals recommended for approval</i>
9. AGENDA ITEM 19: FY18 CEO AND EXECUTIVE SALARY RANGES	<p>Motion: To recommend that the Board approve the proposed FY18 executive salary ranges subject to a 10% cap on CNO FY18 increase and no change to the CASO ranges for FY18.</p> <p>Movant: Miller Second: Chen Ayes: Chen, Layney, Miller Noes: None Abstentions: None Absent: Eyre, Wadors Recused: None</p>	<i>FY18 Executive Salary Ranges recommended for approval</i>
10. AGENDA ITEM 20: FY18 EXECUTIVE BASE SALARIES	<p>Motion: To recommend that the Board approve the proposed FY18 executive base salaries with the following modifications: No lump sum for CASO (\$296,140) or VP Payor Relations (\$266,530).</p> <p>Movant: Miller Second: Layney Ayes: Chen, Layney, Miller Noes: None Abstentions: None Absent: Eyre, Wadors Recused: None</p>	<i>FY18 Executive Base Salaries recommended for approval</i>
11. AGENDA ITEM 21: DRAFT REVISED EXECUTIVE BENEFIT POLICY	<p>Motion: To recommend that the Board approve the proposed Executive Benefit Plan Policy Revisions (Severance, SERP, and Long-Term Disability) effective January 1, 2018.</p> <p>Movant: Chen Second: Miller Ayes: Chen, Layney, Miller Noes: None Abstentions: None Absent: Eyre, Wadors Recused: None</p>	<i>Executive Benefit Plan policy revisions recommended for approval</i>
12. AGENDA ITEM 22: PROPOSED FY18 COMMITTEE PACING PLAN	<p>The Committee members requested that the topic of compensation policies be moved from November to September in the Proposed FY18 Committee Pacing Plan.</p> <p>Motion: To approve the FY18 Pacing Plan as modified.</p> <p>Movant: Chen Second: Miller Ayes: Chen, Layney, Miller</p>	<i>FY18 Pacing Plan approved</i>

	Noes: None Abstentions: None Absent: Eyre, Wadors Recused: None	
13. AGENDA ITEM 23: CLOSING COMMENTS	None.	
14. AGENDA ITEM 24: ADJOURNMENT	Motion: To adjourn at 12:10 pm Movant: Miller Second: Chen Ayes: Chen, Layney, Miller Noes: None Abstentions: None Absent: Eyre, Wadors Recused: None	<i>Meeting adjourned at 12:10 pm.</i>

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 Miller
Secretary, ECH Board of Directors

Prepared by: Cindy Murphy, Director of Governance Services

**EXECUTIVE COMPENSATION COMMITTEE
 PROPOSED FY18 PACING PLAN APPROVED 5-23-17
 REVISION 9-21-17**

FY2018 Q1		
JULY	AUGUST	SEPTEMBER 21, 2017
<p>No Board Meeting</p>		<p>Receive update on Strategic Plan Committee to take action on:</p> <ol style="list-style-type: none"> 1. FY 17 Organizational score 2. FY 17 individual scores exec team 3. FY 17 performance incentive payout amounts (execs) 4. Minutes from May 23, 2017 meeting
FY2018 Q2		
OCTOBER	NOVEMBER 9, 2017	DECEMBER
<p>Board to take action on the following items:</p> <ol style="list-style-type: none"> 1. Accept Moss Adam's financial audit 2. Approve FY 17 organizational score 3. Approve FY 17 executive individual scores 4. Approve FY 17 executive payout amounts (discuss in closed, vote in open) <p><u>Dan Woods to meet with Mercer about Exec Comp and Benefits, Long-Term Incentive Plan with Bob, Kathryn, Julie</u></p> <p>Mercer prepares letter of reasonableness</p> <p>October 25th – Joint Board and Committee Session</p>	<p>Committee to take action on:</p> <ol style="list-style-type: none"> 1. Letters of Rebuttable Presumption 2. Minutes from September 21, 2017 meeting 3. Assess Value of Long Term Incentive Plans <u>in Healthcare (educational session)</u> 4. Review Compensation Philosophy, Base Salary Administration, and Performance Incentive Plan Policy 	<p>No Board Meeting</p> <ul style="list-style-type: none"> • Mitch Olejko prepares cover letter for rebuttable presumption action

FY2018 Q3		
JANUARY	FEBRUARY	MARCH 22, 2018
<p>Board to take action on the following items:</p> <ol style="list-style-type: none"> 1. Accept Letter of Rebuttable Presumption <ul style="list-style-type: none"> • Beginning of benefit /executive benefit plan year 		<p>Committee to take action on:</p> <ol style="list-style-type: none"> 1. Proposed FY19 Committee Goals 2. Biennial Review of Committee Charter 3. FY 19 Meeting Dates 4. November 9, 2017 Minutes <p>Committee to review and discuss:</p> <ol style="list-style-type: none"> 1. Update on FY 18 Strategic Planning and progress against FY 18 performance incentive goals 2. Update on Executive Development Plan
FY2018 Q4		
APRIL	MAY 24, 2018	JUNE
<ul style="list-style-type: none"> • April 25th – Joint Board and Committee Session 	<p>Committee will take action on:</p> <ol style="list-style-type: none"> 1. Finalize Committee FY 19 Pacing Plan 2. Review & may approve salary ranges for FY19 3. Review and discuss CEO's recommendations on FY 19 base salaries. May determine recommendation. 4. Review and discuss CEO's recommendations on FY 19 organizational and executive individual performance incentive goals. Determine recommendation. 5. Discuss and may determine recommendation on CEO's FY 19 base salary 6. Discuss and determine recommendation on CEO's FY 19 individual goals 7. Review Committee Self-Assessment Results 8. Approval of March 22, 2018 Minutes 	<p>Board to take action on the following items:</p> <ol style="list-style-type: none"> 1. FY 18 organizational goals 2. FY 18 executive individual goals 3. FY 18 CEO individual goals 4. FY 18 executive base salaries 5. FY 18 CEO base salary 6. FY 18 Committee goals

ECH BOARD COMMITTEE MEETING AGENDA ITEM COVER SHEET

Item:	Report on ECH and ECHD Board Actions Executive Compensation Committee September 21, 2017
Responsible party:	Cindy Murphy, Director of Governance Services
Action requested:	For Information
Background:	In FY16, we added this item to each Board Committee agenda to keep Committee members informed about Board actions via a verbal report by the Committee Chair. This written report is intended to supplement the Chair's verbal report.
Other Board Advisory Committees that reviewed the issue and recommendation, if any:	None.
Summary and session objectives :	To inform the Committee about recent Board actions.
Suggested discussion questions:	None.
Proposed Committee motion, if any:	None. This is an informational item.
LIST OF ATTACHMENTS:	<ol style="list-style-type: none"> 1. Report on ECH and ECHD June, August and September 2017 Board Actions

June, August, and September 2017 ECH Board Actions*

1. June 14, 2017
 - a. Approved the FY17 Period 10 Financials
 - b. Approved the FY18 Operating and Capital Budget
 - c. Approved the FY18 Community Benefit Plan awarding approximately \$3.2 million in grants and sponsorships.
 - d. Approved the FY18 CEO and Executive Salary Ranges
 - e. Approved recommended revisions to the Executive Benefits Design Plan increasing Long-Term Disability Benefits
 - f. Approved Funding for the Xi Da Vinci Robot, 828 Winchester Tenant Improvements, Los Gatos MRI Replacement, and Initial Development Steps for Patient Family Residence
 - g. Approved FY18 Board Committee Appointments and Re-Appointments
 - h. Approved FY18 Advisory Committee Goals
 - i. Approved Recommended Revisions to the Physician Financial Arrangements Review and Approval Policy authorizing the CEO to execute certain agreements not to exceed \$1 million.
 - j. Approved the FY18 Organizational Goals
 - k. Approved the Management of Serious Events and Red Alert Patient Safety Policy
 - l. Approved employment of Dan Woods as El Camino Hospital's CEO.

2. June 28, 2017
 - a. Approved the El Camino Hospital Strategic Framework.
 - b. Adopted a Resolution acknowledging Neal Cohen's 5 years of service on the Hospital Board.

3. August 9, 2017
 - a. Appointed Ms. Ina Bauman as patient advocate member of the Quality, Patient Care and Patient Experience Committee
 - b. Approved the FY18 Board Education Plan, including attendance at the Estes Park Institute Conference in San Francisco October 29 – November 1, 2017. All Board and Committee members are invited and encouraged to attend.
 - c. Approved the proposed FY18 Competency Matrix for use in evaluating gaps on the ECH Board. The Competency Matrix will be referred to the District Board for consideration.
 - d. FY18 Executive Individual Incentive Goals approved.
 - e. FY18 Executive Base Salaries approved as revised.
 - f. Director Peter Fung, MD, was appointed to serve on the Silicon Valley Medical Development LLC Board of Managers.
 - g. Approved the FY17 Period 12 Financials

4. September 13, 2017
 - a. Approved a revision to the Investment Committee's Goals

*This list is not meant to be exhaustive, but 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.

- b. Approved additional funding over original approved budget for major construction projects at the Mountain View Campus: Behavioral Health Services Building (\$4.6 million) and Integrated Medical Office Building (\$27.1 Million).
- c. Appointed new Board Member Neysa Fligor to the Executive Compensation Committee and the Corporate Compliance/Privacy and Internal Audit Committee.

June and August 2017 ECHD Board Actions*

1. June 14, 2017
 - a. Approved the Selection of Dan Woods as El Camino Hospital's CEO.

2. June 20, 2017
 - a. Approved the FY18 El Camino Hospital Capital and Operating Budget
 - b. Approved the FY18 Community Benefit program awarding approximately \$7 million in grants and sponsorships
 - c. Elected Board Officers:
 - i. Chair – Peter C. Fung, MD
 - ii. Vice Chair – Julia Miller
 - iii. Secretary/Treasurer – John Zoglin
 - d. Voted to fill the vacancy on the ECHD Board created by Dennis Chiu's resignation by appointment at a meeting scheduled for August 16, 2017.
 - e. Elected John Zoglin and Dave Reeder to serve on an Ad Hoc Committee that will make recommendations to the District Board regarding selection of ECH Board Members. Christina Lai, a member of the Hospital's Governance Committee, will serve as Advisor to the Committee.

3. June 28, 2017
 - a. Approved the El Camino Hospital Strategic Framework.
 - b. Adopted a Resolution acknowledging Dennis Chiu's nearly 5 years of service on the District and Hospital Boards.
 - c. Approved a revision to the El Camino Hospital Bylaws expanding the Board to 10 seats, but removing the CEO as a voting member of the Board.

4. August 16, 2017
 - a. After Interviewing 11 Applicants - Appointed Neysa Fligor to the El Camino Healthcare District Board of Directors

5. August 23, 2017
 - a. Elected Neysa Fligor to the El Camino Hospital Board of Directors

*This list is not meant to be exhaustive, but 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.

ECH BOARD COMMITTEE MEETING AGENDA ITEM COVER SHEET

Item:	FY17 Organizational Goal Score Executive Compensation Committee September 21, 2017
Responsible party:	Mick Zdeblick, COO
Action requested:	Possible Motion
Background:	
<p>We are pleased to report the following achievements with respect to the Board approved FY17 Organizational Goals.</p> <ol style="list-style-type: none"> 1. Threshold Goal : 90% of Budgeted Operating Margin – Achieved (Budgeted = 6.1; Actual = 12.3) 2. Quality Goals: <ol style="list-style-type: none"> a. Pain Reassessment – Achieved Target (Target Goal = 80%; Actual = 89%) b. Pain Patient Satisfaction – Achieved Maximum (Maximum Goal = 76%; Actual = 76%) (a and b together = 34% of total weighting) c. Length of Stay/Readmissions – Achieved Maximum (Max Goal = 4.66/12.39; Actual = 4.57/11.02) – 33% of total weighting 3. Smart Growth Goal: Achieved Minimum (Minimum Goal = 95% of budgeted volume; Actual = 96.5% of budgeted volume) – 33% of total weighting 	
Board Advisory Committees that reviewed the issue and recommendation, if any:	
<p>The Quality Committee has reviewed the scores for the Quality Goals and the Board Approved the FY17 Organizational Score on September 13, 2017, pending Board approval of the Annual Financial Audit.</p>	
Summary and session objectives :	
<p>To obtain the Committee’s recommendation to apply the FY17 Organizational Goal Score of 80.7% to the Individual Executive Incentive Compensation Payments.</p>	
Suggested discussion questions: None.	
Proposed Committee motion, if any:	
<p>To recommend the Board apply the FY17 Organizational Goal Score of 80.7% to the Individual Executive Incentive Compensation Payments for FY17.</p>	
LIST OF ATTACHMENTS:	
<ol style="list-style-type: none"> 1. PowerPoint Presentation 2. FY17 Organizational Goal Calculations 	



El Camino Hospital
THE HOSPITAL OF SILICON VALLEY

FY17 Organizational Goals

Executive Compensation Committee

September 21, 2017

Mick Zdeblick, COO

FY 17 Organizational Goal Results - Final

Organizational Goals FY17									Results and Scoring		
Organizational Goals FY17	Benchmark	2016 ECH Baseline	Minimum	Target	Maximum	Weight	Performance Timeframe	Actual Year End	Performance Level Achieved	Weighted Score	
Threshold Goals											
Budgeted Operating Margin	90% threshold <i>[Recommended by Exec Comp Consultant (FY16)]</i>	105% of Budgeted		90% of Budgeted			Threshold	FY 17	Met	N/A	
Quality, Patient Safety & iCare											
Quality Pain Management	Pain Reassessment (% Pain Reassessment Documented within 60 min on RN Flowsheet)	Internal Improvement	56.3% Nov 2015 (post iCare go-live) to Apr 2016 (6 month measurement)	75%	80%	90%	34%	Q4 FY 2017	89%	96.7%	16.4%
	Pain Patient Satisfaction (CMS HCAPHS Pain Management % Scored Top Box)	Internal Improvement	72.9% FY 2016 Q1 - Q3 <i>[9-month measurement]</i>	73%	74%	76%			76%	100.0%	17.0%
LOS & Readmission	Achieve Medicare Length of Stay Reduction while Maintaining Current Readmission Rates for Same Population	Internal Improvement	FY16 Max Goal 4.86 LOS Readmission Target 12.39%	4.81 .05 Day Reduction from FY16 Max, Readmission at or below FY16 Target	4.76 .10 Day Reduction from FY16 Max, Readmission at or below FY16 Target	4.66 .20 Day Reduction from FY16 Max, Readmission at or below FY16 Target	33%	FY17	LOS: 4.57 Readmission: 11.02% (570/5173)	100.0%	33.0%
Smart Growth											
	Achieve budgeted inpatient growth (surgical and procedural cases plus Deliveries and NICU), and budgeted outpatient growth (surgical and procedural cases plus infusion).	Internal Documentation	94.26% of FY17 Budget	95% of Budgeted Volume	100% of budgeted Volume	110% of Budgeted Volume	33%	FY 17	96.5% of Budgeted Volume	43.3%	14.3%
						TOTAL:	100%	Proposed Score		80.7%	

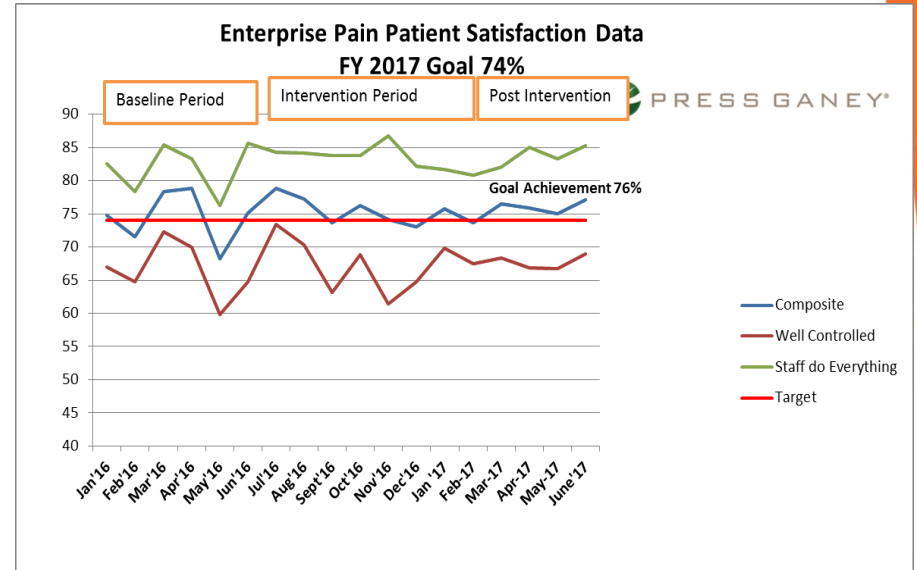
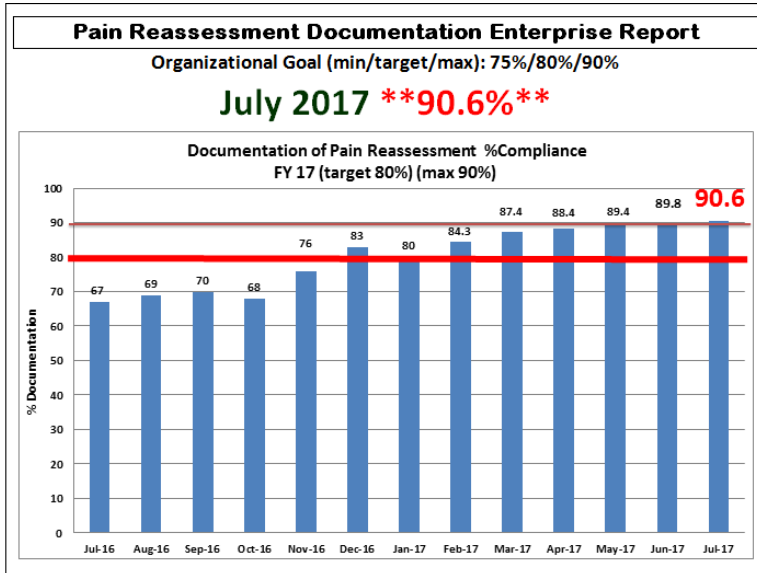
Operating Margin

	Annual			
	2015	2016	2017	2017 Bud/Target
Financial Perf.				
Net Patient Revenues	746,645	772,020	832,279	789,585
Total Operating Revenue	767,751	795,657	858,363	814,645
Operating Expenses	689,631	743,044	752,786	764,828
Operating Income \$	78,120	52,613	105,578	49,817
Operating Margin	10.2%	6.6%	12.3%	6.1%

- **Key Initiatives:**

- Operating margin was \$47 million ahead of target mainly driven by revenues.
 - \$19 million in unusual items
 - Revenue cycle improvements due to well implemented iCare
 - 3.5% volume growth
 - Well managed operations – expenses were only 1% over prior year

Pain Management Reassessment & Pt. Experience



• Key Initiatives:

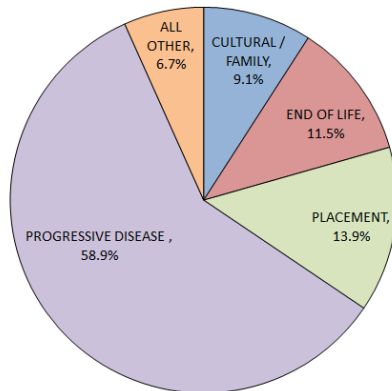
- Changed iCare to optimize reassessment documentation and iCare compliance reports created
- Individual RN Coaching completed for two consecutive months below target goal
- Pain Service Pharmacist hired
- Huddle Recognition every week for units at 90-100% reassessment compliance
- Pain Website under development
- Order sets under review
- Developing Patient Education for Constipation and Constipation order sets updated
- Visibility of pain reassessment compliance on all nursing unit vis boards

Length of Stay, Readmissions Goal Attainment

Length of Stay

MAJOR BARRIERS TO D/C REASONS BREAKDOWN

January 2017 to April 2017 Discharges
of High Length of Stay Patients
N = 209



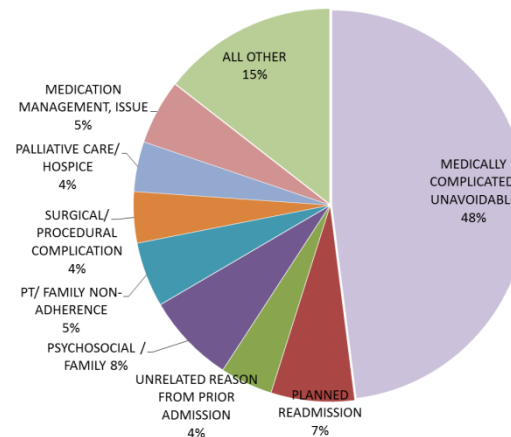
• Key Initiatives:

- Weekly LOS review and problem solving for all outlier Medicare pts
- Daily DC rounds on 2C, 3B, 3C, 4A, 4B, LG
- Growth of palliative care team, trigger tool—in process
- Pt-centered DC checklist and rounds
- Development of Post-Acute Narrow Network—in process

Readmissions

MAJOR REASONS FOR READMISSIONS

December 2015-June 2017 30-day Medicare
N = 975

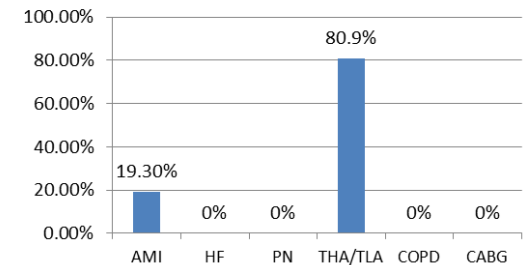


• Key Initiatives:

- Weekly readmissions review and problem solving for all Medicare < 30 days readmits
- Weekly meetings w HH agencies
- Rounds at SNFs
- TJR and AMI specific improvements
- Follow up appointment scheduling
- Pending labs at DC process improvement
- Telemedicine pilot

PENALTIES BY CONDITION

FFY2017 Program ACTUAL Performance
(Based on data from July 2012-June 2015; Source: CHA)



Smart Growth

Smart Growth Summary				
FY2017 P12 YTD				
	FY16 Actual YTD	FY17 Actual YTD	FY17 Budget YTD	FY17 Budget Var
Deliveries	4,710	4,646	4,817	(171)
NICU Level 2 & 3 Days	3,033	2,918	3,191	(273)
Inpatient Surgeries	4,508	4,524	4,655	(131)
Outpatient Surgeries	6,099	6,470	6,409	61
OP Cath Lab Cases	1,969	2,063	2,023	40
OP Endo Cases	2,375	2,268	2,655	(387)
OP Infusion Cases	3,723	3,962	4,081	(119)
OP Intvl Bronch Procedure	270	464	481	(17)
Smart Growth Total	26,687	27,315	28,312	

- Year to Year growth was positive
- Year to Year drop in NICU may be a longer term trend as clinical protocols are supporting healthier babies

**ECH FY17 Organizational Goals
Approved Score (2017.09.12)
Detailed Notes**

								Results and Scoring			
Organizational Goals FY17	Benchmark	2016 ECH Baseline	Minimum	Target	Maximum	Weight	Performance Timeframe	Actual Year End	Performance Level	Weighted Score	
Threshold Goals											
Budgeted Operating Margin	90% threshold <i>[Recommended by Exec Comp Consultant (FY16)]</i>	105% of Budgeted		90% of Budgeted		Threshold	FY 17		Met	N/A	
Quality, Patient Safety & iCare											
Quality Pain Management	Pain Reassessment (% Pain Reassessment Documented within 60 min on RN Flowsheet)	Internal Improvement	56.3% Nov 2015 (post iCare go-live) to Apr 2016 (6 month measurement)	75%	80%	90%	34%	Q4 FY 2017	89%	96.7%	16.4%
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LOS & Readmission	Achieve Medicare Length of Stay Reduction while Maintaining Current Readmission Rates for Same Population	Internal Improvement	FY16 Max Goal 4.86 LOS Readmission Target 12.39%	4.81 .05 Day Reduction from FY16 Max, Readmission at or below FY16 Target	4.76 .10 Day Reduction from FY16 Max, Readmission at or below FY16 Target	4.66 .20 Day Reduction from FY16 Max, Readmission at or below FY16 Target	33%	FY17	LOS: 4.57 Readmission: 11.02% (570/5173)	100.0%	33.0%
Smart Growth											
Achieve budgeted inpatient growth (surgical and procedural cases plus Deliveries and NICU), and budgeted outpatient growth (surgical and procedural cases plus infusion).	Internal Documentation	94.26% of FY17 Budget	95% of Budgeted Volume	100% of budgeted Volume	110% of Budgeted Volume	33%	FY 17	96.5% of Budgeted Volume	43.3%	14.3%	
						TOTAL:	100%	Proposed Score		80.7%	

Per the Executive Performance Incentive Plan policy, "whenever possible, each goal will have performance measures for threshold, target, and maximum levels and payouts will be on a continuum." The organizational goals for FY 2017 were established to be scored on a continuum.

Note: the purpose of scoring on a continuum is to incent and reward incremental improvements in results which align with a "pay for performance" philosophy and rewards continuous improvement. Variable compensation best practices suggest that continuum scoring is a more effective motivator to achieving higher levels of team and individual performance.

Calculation for Pain Assessment: Result of 89% is 9/10 of the distance between target (80%) and maximum (90%) measures. <table border="0"> <thead> <tr> <th></th> <th>Measure</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>At Minimum</td> <td>75</td> <td>33.33</td> </tr> <tr> <td>At Target</td> <td>80</td> <td>66.67</td> </tr> <tr> <td>At Maximum</td> <td>90</td> <td>100.00</td> </tr> </tbody> </table>		Measure	Score	At Minimum	75	33.33	At Target	80	66.67	At Maximum	90	100.00	Calculation for Smart Growth: Result of 96.5% is 30% of the distance between minimum (95.0%) and target (100%) measures. <table border="0"> <thead> <tr> <th></th> <th>Measure</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>At Minimum</td> <td>95</td> <td>33.33</td> </tr> <tr> <td>At Target</td> <td>100</td> <td>66.67</td> </tr> <tr> <td>At Maximum</td> <td>110</td> <td>100.00</td> </tr> </tbody> </table>		Measure	Score	At Minimum	95	33.33	At Target	100	66.67	At Maximum	110	100.00
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ACTUAL SCORE 89 96.7	ACTUAL SCORE 96.5 43.3																								
Calculation: $((\text{Actual}-\text{Target})/(\text{Max}-\text{Target}) \times 33.33\% \text{ (the Difference between Target and Maximum)}) + 66.67\% \text{ (target)}$ $((89-80)/(90-80) \times 33.33\%) + 66.67\% = 96.7\%$	Calculation: $((\text{Min}-\text{Actual})/(\text{Min}-\text{Target}) \times 33.33\% \text{ (the Difference between Target and Minimum)}) + 33.33\% \text{ (Minimum)}$ $((95-96.5)/(95-100)) \times 33.33\% + 33.33\% = 43.3\%$																								