University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
March 19, 2018

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Monday, March 19, 2018
8:00 a.m.

CALL TO ORDER

The University Medical Center Governing Board Human Resources and Executive Compensation Committee met at the time and location listed above. The meeting was called to order at the hour of 8:03 a.m. by Chair Jeff Ellis and the following members were present, which constituted a quorum of the members thereof:

Committee Members:

Present:
Jeff Ellis, Chair
Laura Lopez-Hobbs

Absent:
Renee Franklin

Also Present:
Barbara Fraser, Ex-officio member

Others Present:
Mason VanHouweling, Chief Executive Officer
Tony Marinello, Chief Operating Officer
John Espinoza, Chief Human Resources Officer
John Onyema, Medical Director, Ambulatory Services
Doug Spring, Director, Human Resource Operations
Brenna Leising, Assistant Director, Human Resource Operations
Aaron Stagg, Organizational Development and EAP Manager
James Conway, Assistant General Counsel
Terra Lovelin, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Chair Jeff Ellis asked if there were any persons present in the audience wishing to be heard on any item on this agenda.

None present.

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Human Resources and Executive Compensation meeting on October 17, 2017. *(For possible action)*

FINAL ACTION: Member Lopez-Hobbs stated she was not on the committee in October and did not feel like she could approve the minutes. The October 17th minutes will be on the May 21st agenda for approval.

ITEM NO. 3 Approval of minutes of the regular meeting of the UMC Governing Board Human Resources and Executive Compensation meeting on January 8, 2018. *(For possible action)*

FINAL ACTION: A motion was made by Member Lopez-Hobbs that the minutes be approved as recommended. Motion carried by unanimous vote.

ITEM NO. 4 Approval of Agenda *(For possible action)*

FINAL ACTION: A motion was made by Member Lopez-Hobbs that the agenda be approved as recommended. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 6 was heard first to allow time for Mr. VanHouweling to arrive.

ITEM NO. 6 Recommend approval to the Governing Board an update to the UMC Primary and Urgent Care Physician and Non-Physician Provider Compensation and Benefits Plan; and direct staff accordingly. *(For possible action)*

DOCUMENT SUBMITTED:
- Primary and Urgent Care Physician and Non-Physician Provider Compensation and Benefits Plan

DISCUSSION: The panel size has been adjusted after the last discussion. The biggest change is with the HCAHPS section (Customer service) and that was raised up to a 35% weighted average. The Quality Metrics section went to 15% and can be changed quarter over quarter based on Dr. Onyema's decision for the team and also based on the season. Citizenship is 10% of the compensation, which includes such things as participation and willingness to switch clinics, etc.

Member Lopez-Hobbs asked what panel size meant and Dr. Onyema replied that panel size is the population of patients assigned to a physician over a period of time.

With regards to the citizenship requirement, Dr. Onyema will be the guardian of this requirement so physicians are held accountable and attendance is confirmed.

Chair Ellis would like to know how physicians did with the bonuses at the end of the first year. Mr. Marinello replied he would be able to show a report in February of 2019.

FINAL ACTION: Member Lopez-Hobbs made a motion to move this plan forward for approval by the Governing Board. Motion carried by unanimous vote.

ITEM NO. 5 Receive an update on CEO goals for 2018; and direct staff accordingly. *(For possible action)*

DOCUMENT SUBMITTED:
- None submitted

DISCUSSION: Mr. VanHouweling presented an overview of his current goals and a status update on each of them.

1. Conduct a baseline employee engagement survey and develop action plans related to employee feedback that improves results relating to UMC's mission and vision.

Mr. VanHouweling explained that we are in the process of utilizing Press Ganey who also does our HCAHPS surveys, to come up with an employee survey. We conduct employee surveys every two years and the last one was done in 2016.

Member Lopez stated that ensuring employee confidentiality is vital.

It was also stated that we are continuing to let the employees know they are involved by various activities, such as the employee picnic, chili cook-off, rounding with snacks, etc.

2. Ensure 2018 performance objectives are cascaded to all leadership levels in the organization for measurable performance assessment.

This was completed in the first quarter of 2018.

3. Implement an employee performance evaluation system, aligned to fiscal year, for review by September 2018.

The management team is now aligned with the CEO's goals and the review dates are being aligned as well. Staff is focusing on the four pillars of UMC and the Union is supportive of the concept of moving to a single review date. The challenge is automating the payroll calculation in the County's ERP system in

SAP.

4. Establish a succession development process that incorporates business needs, leadership competencies and individual development plans.

Ms. Leising will present a plan today regarding succession development and the team expects it to be fully implemented by the end of the year.

Member Lopez-Hobbs asked if staff has developed a way to find successors for various C Suite positions.

Mr. VanHouweling replied that they have discussed ways to fill various positions and its part of the succession development process that is being presented today.

Chair Ellis asked if the committee could receive a report from Mr. VanHouweling summarizing what the other committees reported, on where he is at currently with regards to his goals.

Mr. VanHouweling replied that he could provide a summary at the next HR meeting on May 21.

FINAL ACTION: Mr. VanHouweling to provide a summary of all committee reports regarding his six month progress report on goal achievement.

ITEM NO. 7 **Receive an update on the progress of the development of a UMC Succession Development Program; and direct staff accordingly. *(For possible action)***

DOCUMENTS SUBMITTED:
- Program Workflow Overview

DISCUSSION: Brenna Leising, Assistant Director of Human Resources provided an overview on the new succession development program.

This program focuses on management level positions and higher (Cost Center Managers, Assistant Directors, Directors, etc.) The Director would select a high potential employee and then that employee would identify their goals and together they would plan out what he/she needs to do to enter into a management positon.

On the employee development side, an employee would be paired up with a mentor to help guide them into the roles and responsibilities in order to be qualified for a higher position. A GAP analysis would also be done to determine what goals that the employee would need to achieve to be placed into a Manger/Director position.

HR's goal is to have 1/3 of all promotional opportunities be internal only, currently we run 25% for internal promotions. A training-underfill option is also available and allows an employee to compete for the job while obtaining the experience they need to fully qualify for the position. They will promote this underfill option to leadership and encourage Managers and Directors to utilize this to help fill positions internally.

Aaron Stagg mentioned that they are working on job shadow programs where employees can shadow others in the departments they are interested in. Employees can also help work on projects within a certain department that they are interested in to get a better idea of what experience is needed.

Member Lopez-Hobbs asked what would happen if an employee who is in the program is just not management material.

Mr. Stagg replied that there is an application process so an employee who applies has to meet certain qualifications in order to be accepted into the program. Not everyone will be accepted into the program so this eliminates wasting staff time for those who are just not able to meet the criteria for an upper level position. Staff wants to make sure that employees coming into this program understand that they will have to meet certain goals to be able to move up.

Member Lopez-Hobbs wanted to know that Mr. VanHouweling has a plan to replace C Suite individuals when they leave.

Mr. VanHouweling commented that there is a plan and can discuss with her further at a later time if she wishes.

Chair Ellis commented that this plan needs to go a level further down to encompass those who are really the force behind the hospitals daily functions.

Ms. Leising added that they are looking at all the job descriptions and ensuring that employees who want to move up the ladder can do so reasonably, according to requirements listed. The opportunities must be made available to those who wish to be long term employees at the hospital.

<u>FINAL ACTION</u>: None taken

ITEM NO. 8 Identify emerging issues to be addressed by staff or by the Human Resources and Executive Compensation Committee at future meetings; and direct staff accordingly. ***(For possible action)***

John Espinoza announced he will be retiring on June 1, 2018. There were 52 applicants for the Chief HR position with six individuals being interviewed. The top two or three applicants will be brought in for high level interviews with multiple stakeholders. These stakeholders will include C Suite employees, Union representatives and UMC Board members, among others.

Doug Spring will be retiring May 18, 2018.

Member Lopez-Hobbs asked for the following two items:

1. A presentation on the Board certification process with an item on the agenda that the committee can approve and then send for approval to the board if they wish to move forward with it.

2. A list from John before he retires on what the HR committee still needs to do or things that the committee may want to embark on.

Mr. VanHouweling said he will ask Amy from the Nevada Hospital Association to come to UMC to present a short presentation on the requirements of the Board certification program.

COMMENTS BY THE GENERAL PUBLIC:

At this time, Chair Ellis asked if there were any persons present in the audience wishing to be heard on any items not listed on the posted agenda.

SPEAKER(S): None

There being no further business to come before the Committee at this time, at the hour of 9:06 a.m. Chairman Ellis adjourned the meeting.

Approved: May 21, 2018
Minutes Prepared by: Terra Lovelin