



# The MetroHealth System

## Board of Trustees

Wednesday, October 11, 2023

4:00 - 6:00 pm

The MetroHealth System K-107 or via Zoom

## Compensation Committee

### Regular Meeting

# The MetroHealth System Board of Trustees

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## COMPENSATION COMMITTEE

**DATE:** October 11, 2023

**TIME:** 4:00 – 6:00 pm

**PLACE:** The MetroHealth Board Room K107 or via Zoom  
<https://us02web.zoom.us/j/89792446375>

### AGENDA

**I. Approval of Minutes**

Minutes of September 11, 2023, committee meeting

**II. Information Items**

A. Planning for 2024 System Goals – D. Watson

**III. Executive Session**

Return to Open Meeting

# The MetroHealth System Board of Trustees

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## COMPENSATION COMMITTEE MEETING

September 11, 2023

2:00 – 4:00 pm

The MetroHealth System Board Room K107 or via Zoom

### Meeting Minutes

**Committee Members:** Inajo Chappell-I, Harry Walker-I, John Corlett-I, John Moss-I

**Other Trustees:** Maureen Dee-I, Vanessa Whiting-I, John Hairston-I, Robert Hurwitz-R

**Staff:** Airica Steed-I, Joseph Frolik-I, Geoff Himes-I, Laura McBride-I, Alan Nevel-I, Deb Southerington-I, Dalph Watson-I

**Guests:** Michael King-R, Sabrina Roberts-R, Julie Washington-I, Craig Strom-I, Sal DiFonzo-R, Suzanne Aral-Boutros-I, Tess Boutros-I

Dr. Walker called the meeting to order at 2:00 pm, in accordance with Section 339.02(K) of the Ohio Revised Code.

(The minutes are written in a format conforming to the printed meeting agenda for the convenience of correlation, recognizing that some of the items were discussed out of sequence.)

#### I. **Approval of Minutes**

The minutes of the March 22, 2023, Compensation Committee meeting were unanimously approved as submitted.

#### II. **Information Items**

##### A. **Introduction of Dalph Watson, JD, EVP, Chief People Officer**

Dr. Walker and Dr. Steed introduced Ms. Watson to the Compensation Committee and provided a brief overview of her span of control and how her role as leader of the People Division will support MetroHealth's goals.

Ms. Watson went on to outline her career history and engagement with Gallagher as MHS executive compensation consultant. Ms. Watson indicated

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one of the primary objectives of the Gallagher partnership will be a focus on developing robust internal controls to ensure that the executive compensation function achieves and maintains compliance with relevant laws, regulations, and industry standards. She also noted that this partnership will allow MetroHealth to enhance its governance framework, ensuring that compensation decisions are consistent, justifiable, and well documented. Ms. Watson stressed the value of board oversight in this effort, and that she and Gallagher will keep the Board apprised of progress updates, including implementation of any recommended controls.

Ms. Chappell made a point to clarify that the Board does not presently have a Human Resources Committee, and thus personnel matters that require escalation to the Board will be brought forward and addressed within the Compensation Committee.

Dr. Walker then introduced Mr. Strom and Mr. DiFonzo from Gallagher.

### **B. Introduction of Gallagher – System Compensation Consultants**

Mr. Strom provided an overview of his compensation consulting background, which includes two decades of experience working with boards and in-house leadership, primarily in the healthcare sector. He then provided a brief explanation on the establishment of a governance framework.

Mr. DiFonzo was in virtual attendance and provided overview of his compensation consulting background as well as an overview of Gallagher's suite of services; namely, their standing as a leading provider in executive compensation services and that the practice conducts 400+ executive compensation studies each year. Mr. DiFonzo explained the compensation study process, which entails interviews with key executive and board stakeholders and an electronic survey. These efforts will define MetroHealth's executive compensation philosophy, develop a wholistic understanding of the total rewards comp structure, and obtain other pertinent data and insights as it relates to executive compensation. This information is then analyzed to determine whether MetroHealth's current compensation program adheres to its compensation philosophy, determine what, if anything, could be done to improve program adherence to the

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philosophy, and a presentation to the Board of study findings, conclusions, and recommendations.

The Committee also discussed the advantages and disadvantages of the Board hiring their own executive compensation resource to assist the Board in overseeing CEO compensation. Discussion was had on how Gallagher would envision working with that person.

Dr. Walker then asked for a motion to recess into executive session to discuss hospital trade secrets and the compensation of a public employee. The motion was made by Mr. Hairston and seconded by Ms. Chappell. The Committee held a roll call vote with all members voting to approve the motion to go into executive session for the purposes stated by Dr. Walker.

Members of the public were excused, and the Board went into executive session to discuss the identified matters at 2:23pm.

Following the executive session, the meeting reconvened in open session at approximately 4:24pm and the Board welcomed back the public via Zoom and those members of the public who were in-person.

Dr. Walker advised that there were no recommendations or resolutions to vote on.

There being no further business, the Committee adjourned the meeting at 4:24pm.

THE METROHEALTH SYSTEM

Dalph Watson  
EVP, Chief People Officer

Geoff Himes  
Interim Chief Financial Officer

**NEXT MEETING:**      **Wednesday, October 11, 2023**  
                                 **4:00 – 6:00 pm**  
                                 **The MetroHealth Board Room (K-107) or via Zoom**