



The MetroHealth System

Board of Trustees

Friday, June 21, 2024

1:30pm - 3:00pm

Virtual Only via Zoom

Human Resources & Compensation Committee

Regular Meeting

The MetroHealth System Board of Trustees

HUMAN RESOURCES & COMPENSATION COMMITTEE

DATE: Friday, June 21, 2024
TIME: 1:30pm – 3:00pm
PLACE: Zoom
<https://us02web.zoom.us/j/84696771215>

AGENDA

- I. Approval of Minutes**
Approval of Committee Meeting Minutes from March 27, 2024
- II. Information Items – D. Watson, D. Southerington**
 - A. HR/People Division Performance Dashboard with Key Performance Measures
 - i. Recruitment/Vacancy Levels
 - ii. Retention/Turnover
 - iii. Diversity Hires
 - B. People First Culture Strategy
 - C. Next People Division Engagement Survey
- III. Executive Session**

The MetroHealth System Board of Trustees

HUMAN RESOURCES & COMPENSATION COMMITTEE MEETING

Date: Wednesday, March 27, 2024

Time: 2:00-3:30 pm

Zoom: <https://us02web.zoom.us/j/84696771215>

Committee Members: Inajo Davis Chappell, John Corlett, John Moss

Other Trustees: Maureen Dee, Vanessa Whiting

Staff: Airica Steed, Ed.D. , Christine Alexander, M.D., Kelly Andolek, John Chae, M.D., Nabil Chehade, M.D., Corey Clay, Joseph Frolik, Joseph Golob, M.D., Derrick Hollings, Olusegun Ishmael, M.D., Laura McBride, Tamiyka Rose, Patty Seneff, Deborah Southerington, Dalph Watson

Guests: Arlene Anderson, Carole Becerra, Jasmine Boutros, Tess Alanna Boutros, Suzanne Aral-Boutros, Brett Buchanan, Veronica Despoth, Sal DiFonzo, Jerod Holloway

Meeting Minutes

Mr. Corlett called the meeting to order at 2:03 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 November 13, 2023, Compensation Committee meeting was unanimously approved as submitted.

II. Information Items

A. Board Executive Compensation Policy Amendments and PBVC Plan

Mr. Corlett opened the meeting with the discussion of two proposed policies that formalize certain aspects of the PBVC program: new language for the Board's policy on Executive Compensation and a System-level Plan policy.

Mr. Corlett introduced Dalph Watson, Chief People Officer, to discuss the documents, the proposed changes, and clarifications.

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Ms. Watson began by discussing Executive Compensation Policy BOT-06, initially drafted in 2023. In partnership with the legal team and the System's compensation consultant Gallagher the proposed changes include:

- Updating the committee's name to the Human Resources & Compensation Committee
- Ensuring that verbiage around the Performance Based Variable Compensation (PBVC) program is included.

Ms. Watson introduced Sal DiFonzo, a Gallagher compensation partner and Laura McBride to provide policy insights.

Mr. DiFonzo offered the following feedback:

- The proposed policy terms align with suggested changes in the PBVC document.
- The Board's Policy specifies achievement levels: threshold (50%), target (100%), and maximum (150%). This adheres to best practices.

Mr. DiFonzo also explained that rounding decisions depend on organizational preference. In his experience, most clients require achievement at the actual specified level before considering the target metric achieved. Ms. McBride clarified the relationship between the Board policy and the PBVC plan document. The Board Policy is owned by the Board and seeks to define the terms of the PBVC program that are subject to Board control, including PBVC awards to the CEO. The Plan Document is CEO-owned; it outlines how the CEO administers PBVC for eligible employees reporting directly to the CEO.

Ms. Watson stated that after a review with Gallagher, Gallagher also recommended enhancements to how Executives are defined in the Board's Executive Compensation Policy.

The suggested update to the endnote will read, "Executives are defined as VP and above, for purposes of in-depth market data and comparisons for Board of Trustees review, Executives are defined as SVP and above."

Mr. DiFonzo recommended that the PBVC Plan document be annually dated and effective for each plan year. Additionally, any changes would require Board approval.

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The Committee discussed removal of the proposed rounding language, found in proposed section 5.3.3.3 of the Board's Executive Compensation Policy. Based on the feedback provided by Gallagher, the Committee agreed that the language should be removed so that rounding is not used in measuring achievements.

Ms. Chappell also asked that language be added to the beginning of the PBVC Plan document to further reaffirm that the PBVC Plan document does not apply to the President and CEO.

Mr. Corlett asked for a motion to approve the proposed Amendments to the Executive Compensation Policy BOT-06 and Ratification of PBVC Plan, with the removal of the rounding language and addition to the footnote definition of Executive in Policy BOT-6 and, for the System PBVC Plan, adding additional language to clarify the inapplicability of the Plan to the CEO. Ms. Whiting made a motion to approve. Ms. Chappell seconded the motion. The resolution passed with all members present voting in favor of the resolution, as amended during the meeting.

B. Proposed PBVC Trigger for 2024

Mr. Corlett introduced Derrick Hollings, Chief Financial Officer, to discuss the System's proposed financial trigger for the Performance-Based Variable Compensation Program for 2024.

Mr. Hollings reviewed the PBVC trigger for last year, which was set at maximum annual debt service for our bonds. He confirmed that the proposal is to maintain that trigger for 2024 – which would be an EBIDA of \$65.8 million. The Committee noted the option of changing the trigger in the future but agreed that maintenance of the financial trigger for 2024 was appropriate.

Mr. Corlett asked if there were any questions. Hearing none, Mr. Corlett asked for a motion to recommend the Approval of the Financial Trigger for PBVC for 2024. Ms. Chappell motioned to approve. Mr. Moss seconded the motion. The resolution passed with all members present voting in favor of the resolution.

Mr. Corlett asked for a motion to move to executive session to discuss hospital trade secrets as defined in ORC 1333.61 and to discuss the compensation of public employees. Ms. Chappell motioned to move into executive session for the reasons stated by Mr. Corlett. Ms. Moss seconded the motion. The motion was passed with all members present voting in favor of moving into executive session.

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Upon unanimous roll call vote, the Committee went into Executive Session to discuss such matters at 2:36 pm.

Following Executive Session, the meeting reconvened in open session at approximately 3:43 p.m.

III. Recommendation/Resolution Approvals

A. Resolution for Approval of PBVC Achievements for 2023

Mr. Corlett stated that, given the conversation in Executive Session, he would ask counsel for a brief synopsis of the proposed recommendation regarding approval of PBVC achievements for 2023. Ms. McBride explained that based on the information presented in executive session, including management's proposal and Internal Audit's review, the System has proposed their overall achievement against the goals for 2023 to be at a performance level of 121% of target. Mr. Corlett asked for a motion to recommend the Approval of PBVC Achievements for 2023 at 121% of target. The motion was made by Ms. Chappell and seconded by Ms. Dee. The resolution passed with all members present voting in favor of the resolution.

B. Resolution for Approval of PBVC Award to the CEO for 2023

Mr. Corlett stated based on that approval, the Committee is now presented with a recommendation for an award of PBVC to the CEO. Ms. McBride explained that the award of PBVC to the CEO is set forth in the terms of her written employment agreement and the recently recommended approval of PBVC achievements at 121% of target. Using the target award of 35% of base salary and achievements at 121% of target, the calculation of the award of PBVC to the CEO amounts to \$381,156.78. Mr. Corlett asked if there were any questions. Hearing none, Mr. Corlett asked for a motion to recommend the approval of an award of PBVC to the CEO for 2023 in the amount of \$381,156.78. Ms. Chapell motioned to approve. Mr. Moss seconded the motion. The resolution passed with all members present voting in favor of the resolution.

There being no further business to bring before the Committee, the meeting was adjourned at approximately 3:45 p.m.

THE METROHEALTH SYSTEM

John Corlett, Chairperson



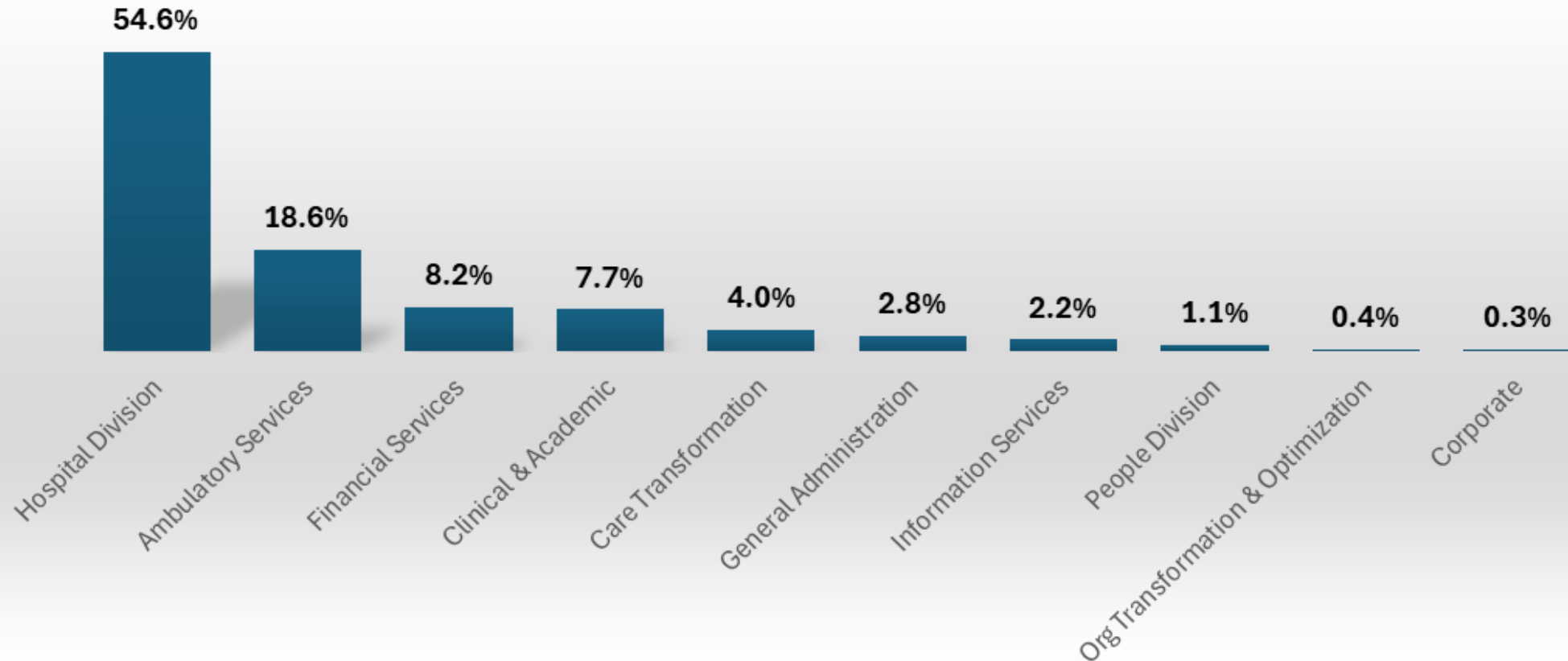
MetroHealth

Human Resources & Compensation Committee Meeting

Dalph Watson, JD
EVP, Chief People and Administrative Officer
June 21, 2024

People Division Dashboard - Key Performance Measures

Employee % by Segment (through May 2024)



Total Employee Count (YTD-May 2024): 8,894

- Non-Bargaining Workforce: 75%
- Bargaining Workforce: 25%
- Providers: 18%

2023 YTD Comparison: 8,436

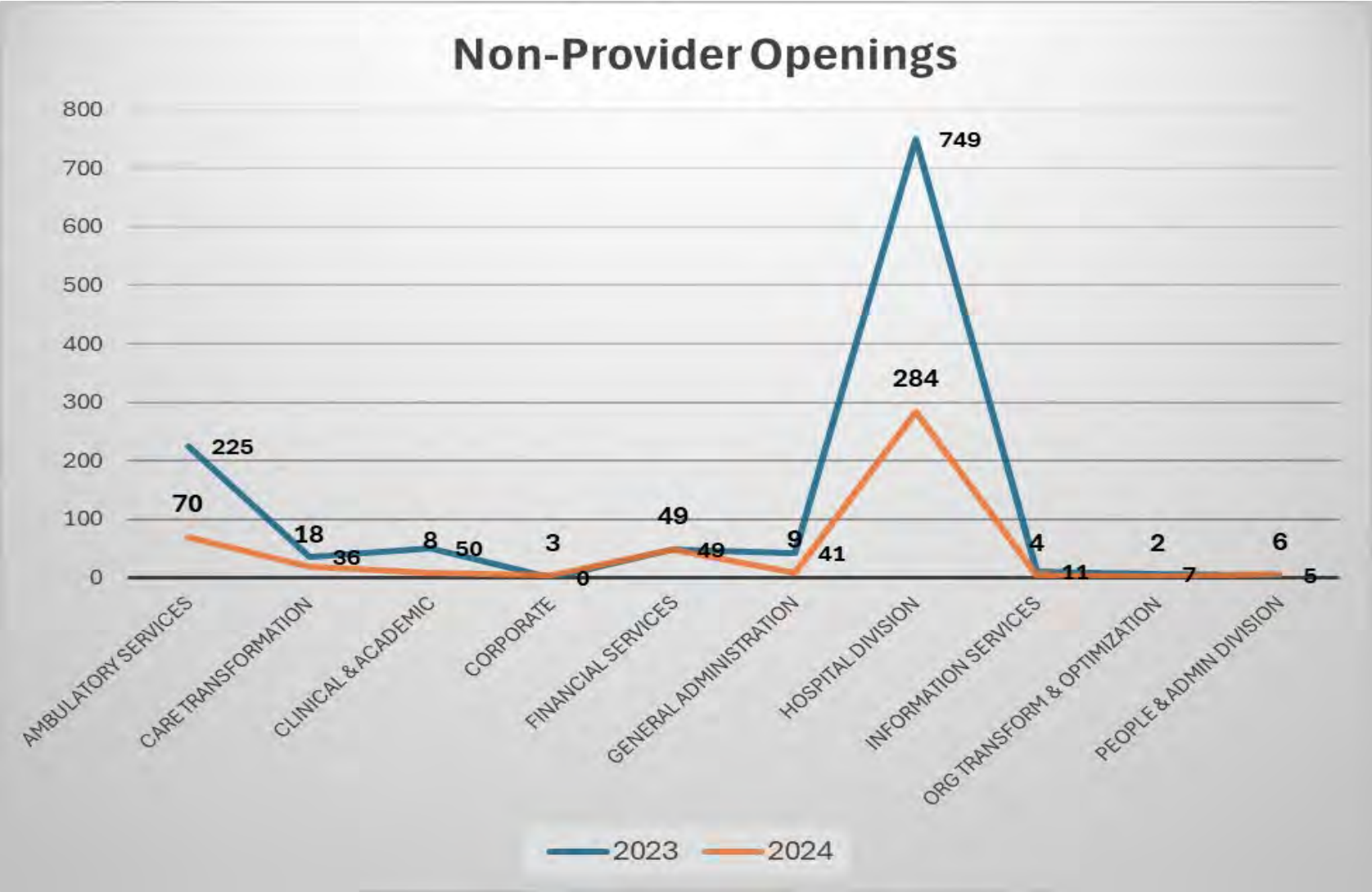
- Non-Bargaining Workforce: 74%
- Bargaining Workforce: 26%
- Providers: 18%

Non-Provider Vacancy Rate by Segment (YTD-May 2024)

Segment Name	2023	2024
Corporate	2.6%	6.5%
Information Services	10.3%	2.9%
General Administration	12.8%	5.7%
People Division	14.4%	10.4%
Financial Services	14.4%	7.9%
Care Transformation Division	22.8%	9.5%
Ambulatory Services Division	24.9%	8.7%
Org Transform & Optimization	29.2%	16.6%
Hospital Division	30.0%	11.7%
Grand Total	26.0%	10.2%

*Excludes Clinical & Academic Segment vacancy rate

Non-Provider Openings (YTD-May 2024)



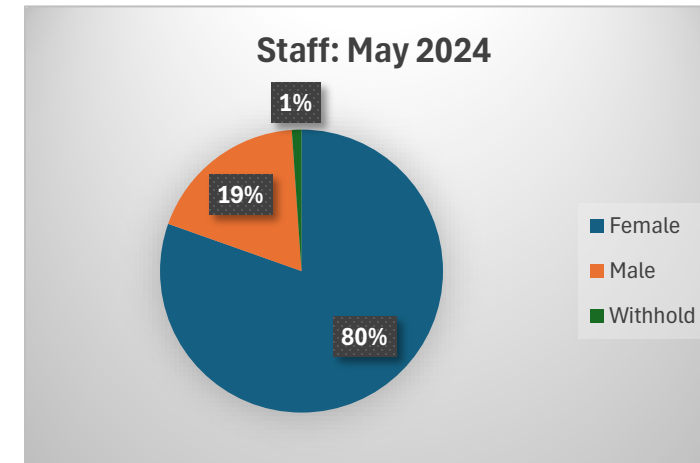
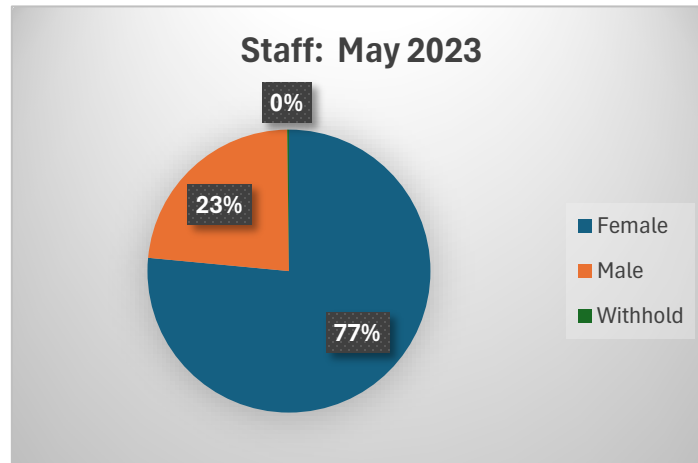
5/2023 Openings: 1,173

5/2024 Openings: 454

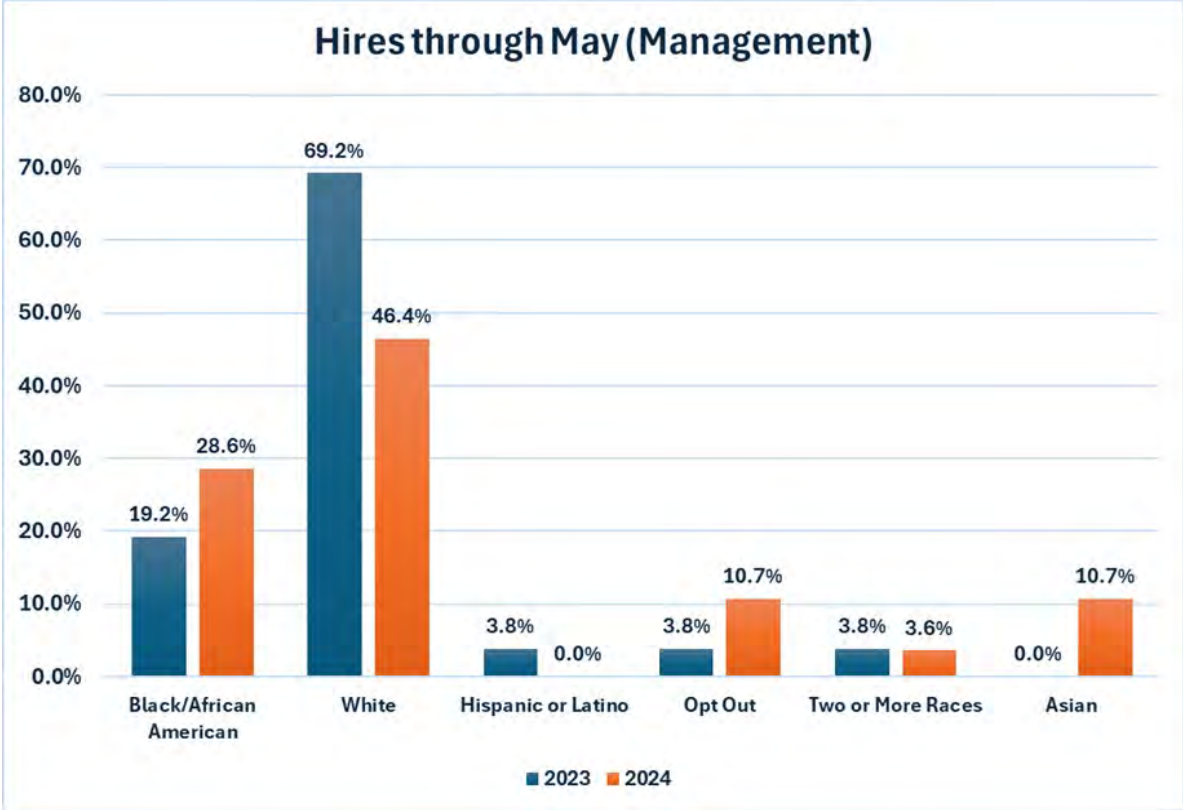
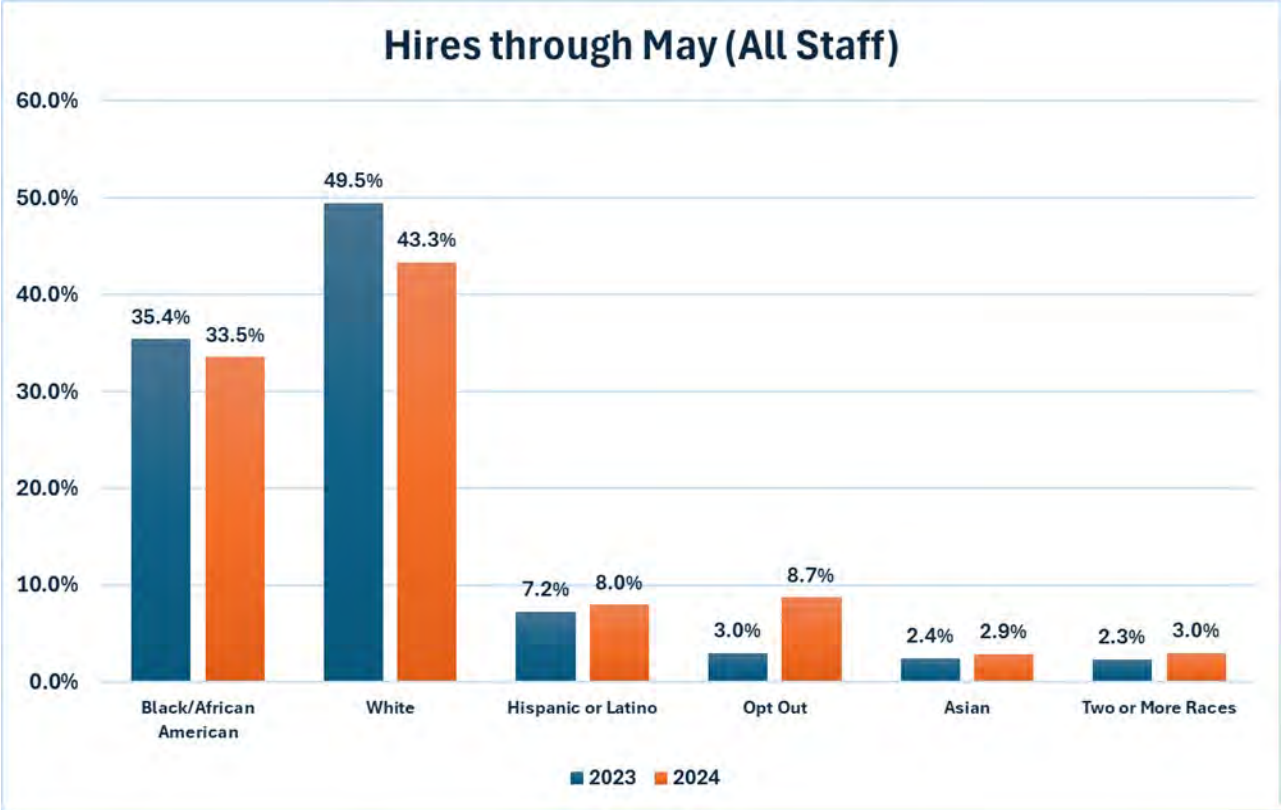
Reduction in openings due to:

- Requisition clean-up efforts (Review of need, 1:1 req to open position)
- Enhanced recruitment strategies and processes
- Implementation of enhanced position control process
- Aligning requisition approval with ensuring productivity standards are met

Diversity Hiring Metrics (YTD-May 2023 and 2024 Comparison)



Diversity Hiring Metrics (YTD-May 2023 and 2024 Comparison)



Recruitment

Hiring Metrics

Hires YTD-May 2023

Total Offers: 1,626

Total Offers Accepted: 1,398

Total Hires: 873

Hires YTD-May 2024

Total Offers: 1,441

Total Offers Accepted: 1,145

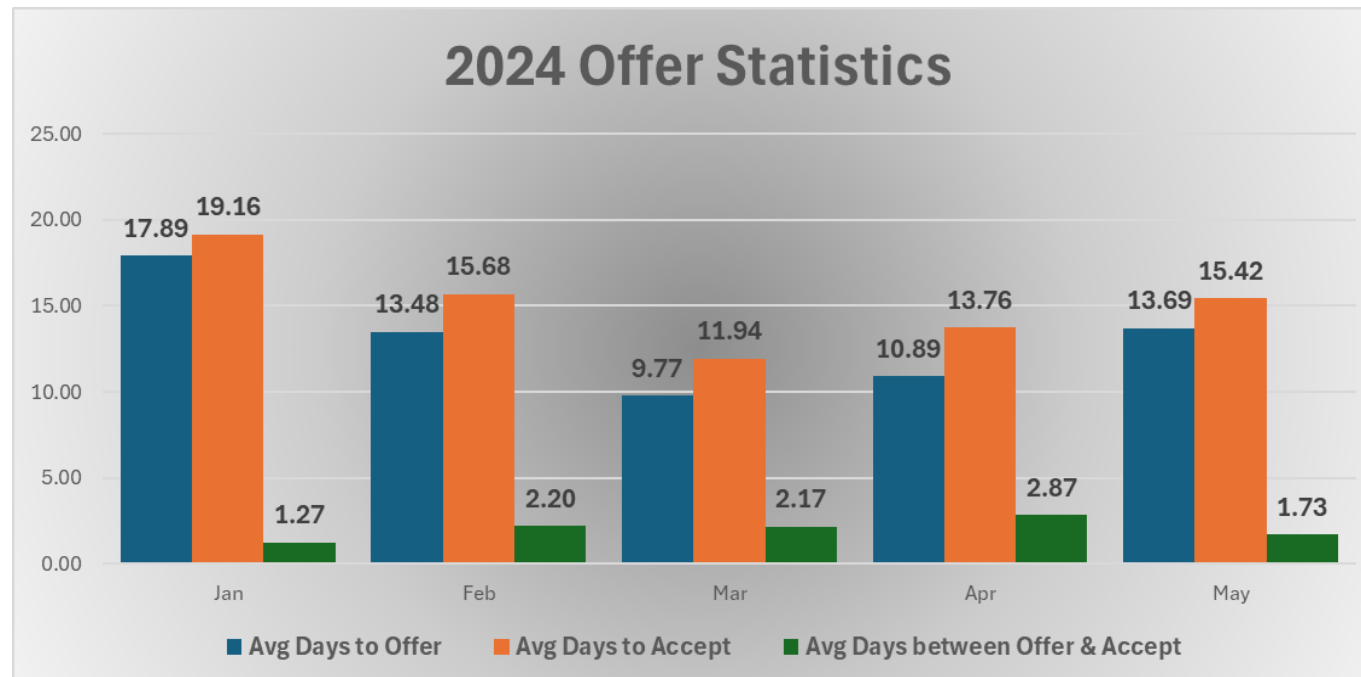
Total Hires: 665

Note: *Total Offers and Total Offers Accepted numbers include external and internal candidates while Total Hires reflects external candidates only.*

Non-Provider Offers Accepted by Month



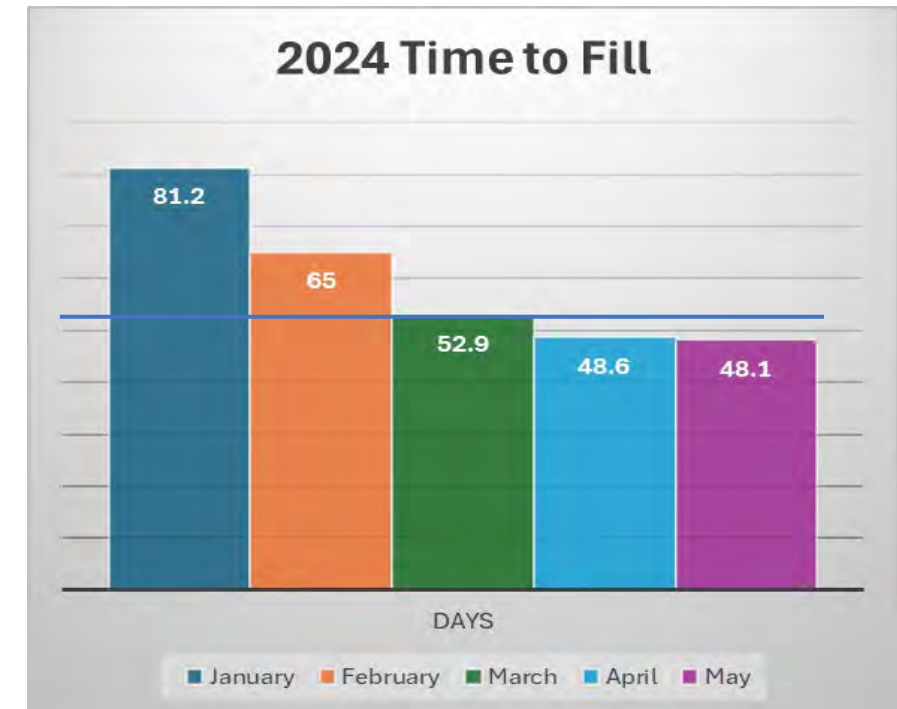
Non-Provider Recruitment Metrics



Time to Offer from YTD–May 2024: 13.15 Days

Time to Accept from YTD–May 2024: 15.19 Days

Time Between Offer and Accept YTD–May 2024: 2.05 Days



Time to Fill from Feb-May 2024: 43 Days*

*Impact on Time to Fill due to requisition process updated Feb 2024 (1:1 opening per requisition).

Healthcare Industry Average: 49 Days

Recruitment Areas of Opportunity

People Division Leaders identified the following 9 departments with high vacancy rates, heavy utilization of temp staffing, and/or high turnover:

1. Med/Surg Nursing (RN, LPN and PCNA)
2. Emergency Nursing
3. Radiology (X-Ray Tech, MRI Tech and CT Tech)
4. Correctional Medicine (RN, LPN, Medic and MTA)
5. Behavioral Health (RN and PCNA)
6. Public Safety (Certified Patrol Officer)
7. Respiratory Therapy
8. Dining Services
9. Environmental Services

Strategies were developed for each area to address the shortage of candidates in the labor market, reduce turnover, and decrease usage of temp staffing.

Targeted Recruitment Efforts

Environmental Services

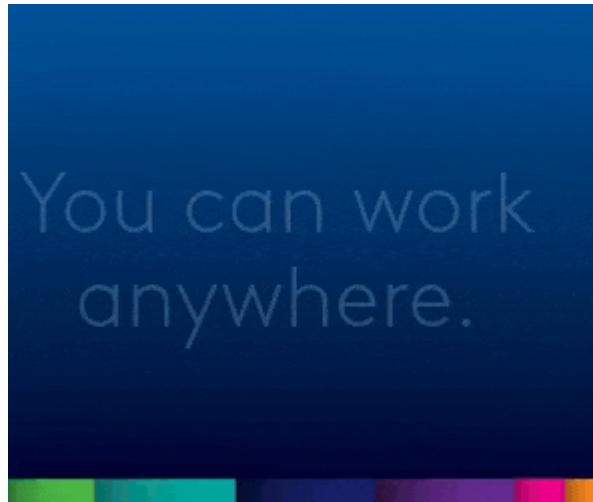
- Participated in CMSD “Super Day” to interview students entering workforce.
- Attending multiple hiring events within community/Ohio Means Jobs.
- Promote career opportunities with Cleveland Food Bank Resource Area.
- Business cards to recognize excellent customer service outside MetroHealth.

Correctional Medicine

- 3-month web retargeting campaign through National Commission on Correctional Health Care (ends mid-June)
 - 64K+ views to date
 - 14K+ people reached
 - 195 clicks to learn more
- Updated job postings
- Indeed Sponsored Jobs

Respiratory Therapy

- Recommend sponsoring Respiratory Therapy student (Year 2).
- Coordinating school visits with RT leadership through YE 2024.
- Recruitment marketing campaign (see video).



ale opportunities

Targeted Recruitment Efforts

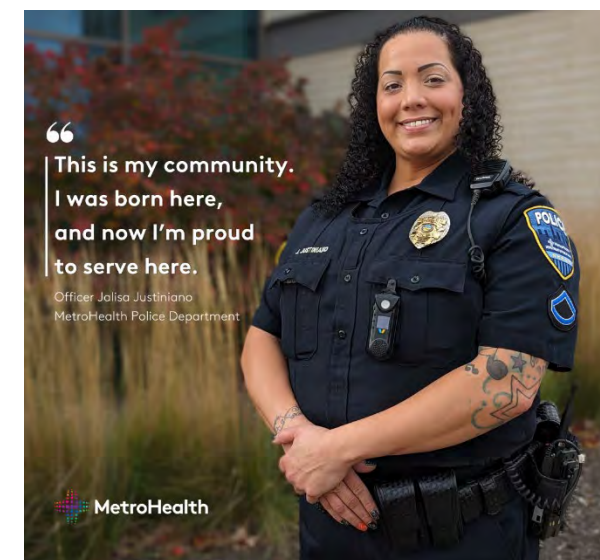
Radiology

- Hosted two Open Houses
- Implemented Radiology Scholarship (Year 2)
- Postcard mailing to ARRT list
- Ohio Society of Radiologic Technologists Conference
- Updated job postings
- Increased Tech wages and sign on bonus
- Launched social media marketing campaign (see video).



Public Safety

- Significant success with visiting Patrol Academies.
- Developing strong pipeline of applicants upon graduation.



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System Turnover Metrics

Year to Date System Turnover

Jan-May 2023

6.39%

Aggregated Group Turnover



Jan-May 2024

6.56%

Aggregated Group Turnover



As reported through exit interviews, the top 3 drivers of turnover in 2024 are:

- Scheduling
- Training/Development
- Manager

Retention

Retention Strategy

Key Units with High Turnover:

1. CHE Behavioral Health IP
2. Radiology Services
3. Respiratory Therapy
4. Emergency Services
5. Public Safety
6. Correctional Medicine
7. Med Surg/Nursing (3 East, 3 West BMT, 4 East, 5 East, 6 East, 6 West-A, 8 East, 9 East, 9 West, CH Inpatient, Parma Inpatient, Nursing – OBC)
8. Food Services
9. Environmental Services
10. Consumer Facing Operations



Caregiver Retention Strategy Meetings:

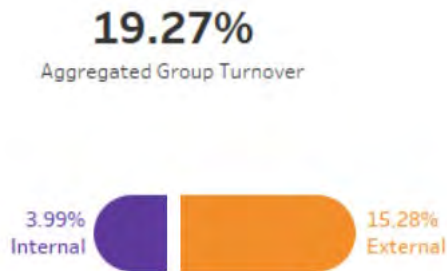
- Monthly Meetings (kick off 1/11/2024)
- Stoplight Scorecard Report Outs
- Inclusion of Turnover Metrics
- Appreciation Strategies

Environmental Services Year to Date Turnover Comparison

Jan-May 2023

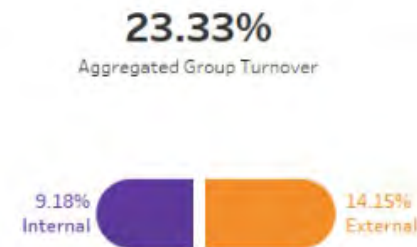


Jan-May 2024



Med Surg RN Year to Date Turnover Comparison

Jan-May 2023



Jan-May 2024



Successes Result of:

- Change in leadership on units
- Increased recruitment efforts to alleviate staffing challenges

Retention Success Story: Emergency Department

Background:

- In early 2024, listening sessions were held with ED leaders and front-line staff to identify priority opportunities for improving retention in the department. The below themes were identified:
 - Security Concerns
 - Staffing Constraints (quality of candidates, challenges to fill vacant shifts with overtime)
 - Lack of Trust
 - Facility Concerns
 - New Hire Experience
 - Low Staff Appreciation
- Additionally, the ED has experienced a high volume of new hires, resulting in higher demand/increased workload for preceptors.

Focus:

- Well-Defined Roles, Expectations, and Appropriate Workload
- Communication and Transparency
- Positive Team Culture and Collaborative Decision Making

Retention Success Story: Emergency Department

Tactics:

- Staffing Constraints:
 - Strengthened communication between hiring managers and talent acquisition to foster better understanding of ideal candidate profile.
 - Improving candidate slates shorten time to fill for vacant positions.
- New Hire Experience:
 - Stay Interviews conducted 2x/year with each employee
 - New hire / leader touchpoints (45 day with ANM, 90 day with Director, 120 day with NM)
 - ED Leadership meets with onboarding employees on their ED Orientation Day. Reinforce behaviors, welcome them, and give them an opportunity to know who we are and how to contact us if needed.
 - Utilizing satellite EDs for onboarding during first few weeks of employment
 - Survey being developed to measure orientation perceptions and evaluate preceptor quality/effectiveness to remove those not suited and add new ones where appropriate.

A decorative graphic in the top right corner consisting of numerous circles of varying sizes and colors, including shades of orange, red, pink, purple, blue, teal, and green, arranged in a scattered pattern.

2024 Employee Engagement Survey

Annual Employee Engagement Survey

2024 Survey Timeline:

- July: Mid-Year Pulse Survey launch
- August – September:
 - Leadership buy-in
 - Create participation plans
 - Communication launch
- October: Survey launch with regular reminders, promotions, and response rate reports
- December: Survey results presented to Dr. Steed and Executive Leaders
- Q1 2025: Department Leaders develop Action Plans based on 2024 Survey data.
 - *In 2024, 63% of leaders completed Action Plans based on 2023 Survey Data.*

2024 System Participation Goal

Maintain the strong participation achieved in 2023 with a slight increase



Questions?