

**RE: BOARD OF COMMISSIONERS MEETING
SPECIAL BOARD WORKSHOP/BALANCED SCORECARD METRICS & MANAGEMENT INCENTIVE PLAN
DATE: JULY 26, 2018 TIME: 12:30 P.M.**

MEETING CALLED TO ORDER: 2:38 p.m.

MEETING ADJOURNED: 3:20 p.m.

PRESENT: Chairman Klein/Chair, Commissioner Ure/Vice Chair, Commissioner Wellins/Member, Commissioner Gregoire/ Member, Commissioner Berry/Secretary/Treasurer

PUBLIC COMMENTS: None

TOPIC OF DISCUSSION: Potential Metrics to be used in a Balanced Scorecard for Management Incentive Compensation Plan

Mr. Santorio brought the Board Members attention to an illustration on the third page of the Special Workshop book titled, Balanced Scorecard–Organization Dashboard. This chart illustrates a conglomeration of all the most important (KPI’s) Key Performance Indicators of where the system is currently at and in the form of a report card. Some of these measures have been in place for over ten years, however new indicators have also been implemented. Percentages were collected from publicly available information used in several healthcare systems across the country.

Mr. Santorio listed the five indicators the Management Team feel are key:

1. Operational efficiency (net gain/loss from operation)
2. Quality and patient safety (hospital acquired conditions, value based purchasing and H-caps)
3. People (productivity and voluntary turnover)
4. Compliance (monthly compliance and ethics reports and annual management certification)
5. Patient flow (in the first year will report percentage completion of the plan related to the Tele-tracking implementation. In the second year the metric would be replaced with standard patient flow pillars, such as bed turnover time and decision to admit).

Mr. Santorio suggested the Board review the proposed scorecard carefully and then decide what modifications they want the team to make.

Decision #1: PILLARS - i.e. Board may agree with the proposed pillars, but want compliance replaced with a management at risk piece.

Decision #2: PERCENTAGES – i.e. Board may agree operational efficiency is important, but not at 30% and want it reduced to 20%.

Decision #3: TARGETS – i.e. Board may want to develop targets, such as H-caps within quality and patient safety. Mr. Santorio recommends the targets begin at the threshold, which is the lowest number expected to be hit, followed by creating a stretch goal.

Commissioner Berry recommended a tax rate reduction be added under the operational efficiency measure. He also suggested adding ultimate goal as a target, in addition to expanding compliance,

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as he believes 10% is not enough. He also suggested the voluntary turnover be replaced for all turnover, as turnover in general is expensive and he would like it to be tracked.

Commissioner Berry liked the format and layout and was pleased to see that the facilities were listed individually. He suggested the team have the CEO, CFO and COO of the facilities attend a Board meeting in the future to defend their performance on the individual items.

NEXT REGULAR BOARD MEETING: The next regularly scheduled Board of Commissioners' meeting will be held on July 26, 2018 at 3:00 p.m. in Broward Health Corporate Office, Spectrum Site, 1700 NW 49 Street, Suite 150, Fort Lauderdale, Florida.

MEETING ADJOURNMENT: Meeting was adjourned at 3:20 p.m.

MOTION: Commissioner Wellins motioned to adjourn, seconded by Commissioner Berry. **Motion carried unanimously.**

AUTHENTICATION OF MINUTES: Patricia Alfaro, Special Assistant to the Board of Commissioners.

*Audiotape available upon request.

Respectfully submitted,

Commissioner Ray T. Berry
Secretary / Treasurer