

**EMERGENCY MEDICAL SERVICES AUTHORITY – A Public Trust
Board of Trustees Special Meeting**

Wednesday, April 24, 2013 - Noon

Financial, Investment, Nomination and Personnel Committee, via video conference
EMSA

1111 Classen Drive, Oklahoma city
1417 N. Lansing Ave., Tulsa, OK

Minutes:

NOTICE AND AGENDA for the Special Meeting of the Financial Investment, Nomination and Personnel Committee of the Board of Trustees of the Emergency Medical Services Authority, a Public Trust, was posted April 22, 2013 in the offices of the City Clerk of Oklahoma City at 8:02 am, and with the City Clerk of the City of Tulsa on April 22, 2013 at 8:06 am, more than 48 hours prior to the time set for the meeting.

A quorum was present, and the meeting was called to order at 12:01 pm, by Mr. Joe Hodges

TRUSTEES PRESENT

Mr. Joe Hodges
Dr. Charles Foulks
Mr. Phil Lakin
Mr. Mark Joslin
Mr. Larry Stevens
Dr. Jeff Goodloe

OTHERS PRESENT

Steve Williamson, EMSA
Kent Torrence, EMSA
Angie Lehman, EMSA
Ann Laur, EMSA
Frank Gresh, EMSA
Tracy Johnson, EMSA
John Peterson, Paramedics Plus
Lara O'Leary, Paramedics Plus

TRUSTEES ABSENT

None

AGENDA

1. Prioritize the following items for discussion and recommendations:

- State Audit Recommendation #10, Strengthen Trustee Attendance Policy
- State Audit Recommendation #14, Adopt a policy for formal evaluation of the CEO
- State Audit Recommendation #15, Perform Self-assessments
- MRO Item 7B, Formal Incentive Plan for employees to encourage superior results

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- Job Description for the COO position

Mr. Joe Hodges called the meeting to order at 12:06.

Mr. Hodges suggested the Board prioritize the five items listed in Item 1. The board agreed.

Strengthen Trustee Attendance Policy

Mr. Williamson was asked to address the specifics of the Trustee Attendance Policy.

Mr. Williamson noted that the Board has various options to consider regarding board attendance, from enforcing its current attendance policy to strengthening the policy by amending the Trust and providing more detail in the Bylaws. Additionally, although trustee appointments fall outside EMSA's control, the Board may want to consider suitable trustee candidates with backgrounds and experience that would benefit EMSA, and possibly discuss the candidates with appointing authorities. Regardless of the options that best suit the Board's needs, Mr. Williamson feels The subject of attendance should be addressed in order to ensure and encourage engaged membership.

Dr. Foulks asked Mr. Williamson if the current attendance policy is enforced, would it satisfy what the state auditor's office felt was a flaw in the strength of the policy, or if he feels something else needs to be added.

Mr. Williamson feels some of the issues that led to the attendance issue have been fixed. For example, new trustees are now informed of the time commitment required to be on the board. Also, Mr. Williamson feels there was a lack of understanding by the state auditor regarding the excused absences. Almost all of the absences in the past were excused, according to the Bylaws, but due to lack of documentation explaining the reasons for the absences, that fact wasn't understood.

Ann Laur, Assistant Secretary to the Board, explained that all absences are now documented in the Board meeting minutes as excused or unexcused.

Mr. Williamson asked Ms. Laur to begin keeping the email notifications from the trustees giving notice of upcoming absences and the reasons for them.

Mr. Lakin suggested a one page document be developed which outlines attendance requirements listed in the Bylaws. The document would be given to new trustees at their orientation, and should be given to all trustees on an annual basis as a reminder of what is expected of them. The trustees could sign and return it each year to indicate they had reviewed the requirements.

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Ms. Laur confirmed she will check the date annual conflict of interest forms are sent to the board and will include the board attendance document at the same time.

After a short discussion, it was decided Ms. Laur will prepare the document and submit it for the committee's review before the next committee meeting in order that it may be presented at the next Board of Trustee's meeting.

Adopt a policy for formal evaluation of the CEO

Mr. Williamson recommends amending the employee evaluation policy to address the evaluation of the CEO. The policy should consider evaluation methodology, objectives, and which trustees should participate in the review. For the most recent CEO evaluation, an evaluation tool used by Mr. Jim Couch, City Manager of Oklahoma City was borrowed and re-worked to fit the EMSA CEO position. The evaluation form was filled out and discussed by the board last spring, but the Board decided to hold the the actual review and discussion with Mr. Williamson until after the state audit report was received.

Mr. Hodges asked Mr. Williamson when he had received his last formal evaluation. Mr. Williamson replied it had been twelve years ago.

Mr. Hodges stated he believes the first step should be to get some expectations and key metrics as to how to evaluate the CEO. It is helpful for people to know what they will be evaluated on before being evaluated.

Mr. Hodges believes it is helpful to schedule the CEO's evaluation a couple of months after the end of the fiscal year, as it gives the evaluators time gather data and metrics before sitting down with the CEO for the evaluation.

He also believes it is helpful for the CEO to do a self-evaluation. It improves dialog between those evaluating the CEO and the CEO, himself. In addition, it exposes any gaps between perception and reality, that is, to see if there are gaps between the perception of the trustees and the perception of the CEO.

Mr. Hodges also suggested the board set goals for the CEO in order to establish what it is EMSA should accomplish each year. The Board could then periodically get together during the year to discuss progress being made on the goals.

Dr. Goodloe feels the CEO evaluation tool Mr. Williamson mentioned is a reasonably productive one. However, he believes that due to the change in make-up of the board, the most recent evaluation conducted using that tool should be discarded.

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Mr. Hodges suggested the tool be sent to the committee members for their review. The determination can then be made at the next committee meeting as to whether it will meet the needs of the Board. Ms. Laur agreed to send the CEO evaluation tool to the committee.

Dr. Foulks believes more than one tool should be looked at, and volunteered to send some URL links of other CEO evaluation tools.

Mr. Lakin noted a website (BoardSource) which he had been able to find a Board self-assessment tool on, and stated there is an assessment tool for CEO's, as well.

The surveys through BoardSource are confidential, and the Committee discussed the pros and cons of confidential evaluations vs open ones. Mr. Hodges has found that people sometimes use the cover of confidentiality to further a political agenda. He feels, as a board, the trustees should be able to get together to do an evaluation and discuss issues at hand. Evaluations should be based on goals, with personal likes and dislikes set aside.

Mr. Lakin can see benefits to both confidential and open evaluations. He believes some people do not give their frank opinions, as they are trying to be respectful and diplomatic. The element of confidentiality can allow people to express how they feel without possible repercussions from their candor.

Discussion ensued, and it was decided Dr. Foulks and Mr. Lakin would provide to Ms. Laur the websites containing various assessment tools, and she will forward to the committee members along with the current evaluation tool. The committee will then have some time to review the various tools before the next committee meeting in May.

Perform Self-assessments

Mr. Williamson stated that Board self-assessments are considered valuable by multiple sources. Board performance evaluations offer members the opportunity to reflect on their individual responsibilities, increase team work and set an example for the staff. He recommends the Board annually assess their performance using a survey, interviews or other means the Board deems appropriate.

Mr. Lakin has researched Board self-assessments, as mentioned previously. The BoardSource website presents a set of questions that help the Board hone in on strengths and weaknesses. All results for assessments on this particular website are answered through an internet survey, with the results going to a facilitator of the Board's choice, who in turn, distributes the information to other board members.

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Formal Incentive Plan for employees to encourage superior results

Mr. Williamson told the Committee that there is not a formal incentive plan for employees in order to encourage superior results. He recommends EMSA consider the development of an employee incentive plan that provides additional pay for superior results when it comes to all aspects of EMSA's operations that touch patient accounts. A plan might be individual or group based and should be presented to the EMSA Board for their input. Safeguards should be established to prevent employees from being overzealous or acting with impropriety. He feels it appropriate employees be able to make more money from achieving superior results in the billing and collections process, and that such a process could affect employee retention and encourage advancement of EMSA's best employees.

Mr. Williamson asked Angie Lehman, EMSA's VP of Financial Services, to speak with the committee.

Ms. Lehman explained that in the Oklahoma City and Tulsa offices, two different staffs handle two very different tasks. Tulsa's task is to get the bill out the door and Oklahoma City's task is to get the money in once the bill is out the door. Ms. Lehman feels it important to measure who is doing what if compensation based on performance is being considered.

Mr. Hodges asked Ms. Lehman if she feels an incentive compensation plan for her employees is something that should be done. Ms. Lehman answered that personally, she did not. Mr. Williamson also feels it can be problematic in this environment.

Mr. Hodges stated it is also his opinion that in the healthcare world, incentive plans for employees can be very problematic. Billing in healthcare is a very sensitive subject. If there are overly aggressive collections or collectors, it can have a significant and negative impact on the organization. He has significant concerns based on his experience within a large healthcare organization.

Dr. Goodloe understands the complexity and issues with EMSA's organization, but feels it is unfortunate if employees cannot be rewarded for superior work.

Mr. Hodges brought up the possibility of rewarding people as a team for meeting goals set within their department.

Ms. Lehman stated problems could result in the department in a situation where one person doesn't perform, yet receives the same compensation as the other people in the department who are performing.

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Mr. Hodges feels there is a solution for that scenario – the employees who are performing should talk with their supervisor so the employee can be helped to either improve their performance or leave the department.

Mr. Stevens, Dr. Goodloe and Mr. Williamson all agreed peer pressure can be a strong motivator.

Dr. Foulks asked the purpose of the incentive. He feels the committee could spend a tremendous amount of time looking at incentive programs, but unless there is a specific objective to be accomplished, time spent would be a waste. Incentive systems can be terribly destructive if they are not developed carefully.

Mr. Hodges suggested Mr. Williamson and his staff look at this issue, and if they find an incentive plan isn't beneficial, they can explain their decision to the committee. On the other hand, if they find it would be beneficial, then the staff can give the committee an idea of what the plan would look like, with clear goals and objectives.

The committee would then take the staff's decision and input to the Board to get their input, as well, as this was a topic the MRO encouraged EMSA to put in place.

Mr. Stevens understanding is that the Board's involvement in an incentive plan is strictly to make a decision in terms of whether there will be some type of incentive program or not. Mr. Hodges concurred.

Mr. Lakin asked the question that if to the extent the Board is going to set goals and objectives for the CEO to be used to evaluate his performance and affect his salary level, and the same goals and objectives roll down to the staff level, why wouldn't the employees be evaluated based upon the same set of goals and objectives?

Mr. Hodges and Mr. Stevens agreed that overall goals should cascade down to employees.

Mr. Williamson and his staff will report back to the committee with their decision regarding the implementation of an employee incentive plan.

Job Description for the COO Position

Mr. Williamson explained the MRO (Management Review Office from the City of Tulsa) report included a recommendation that EMSA that EMSA consider establishing a Chief Operations Officer position, reporting to the CEO, to monitor, manage, coordinate, and lead the daily operations of the EMSA system.

Mr. Williamson stated that the need for this position needs to be discussed by the Committee. He feels a succession plan probably needs to be discussed before the decision is made as to whether or not to hire a COO.

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Mr. Hodges asked Mr. Williamson to prepare an organizational chart, including names, so the committee will know how the flow of the business now works. He feels the Board needs to know who would be leading EMSA, should an emergency arise and render Mr. Williamson unable to serve as EMSA's CEO. Mr. Williamson agreed to prepare a leadership organization chart for the committee.

He also stated that he had received a draft of a job description from the City of Tulsa for the proposed COO position. He feels the job description brings up points which open up the more important subject of succession.

Mr. Hodges stated that the need for the COO position should be evaluated, as EMSA would not want to pay for the expense of hiring for that position if it isn't necessary. Mr. Williamson and Mr. Stevens agreed.

Mr. Lakin stated it is important to have a succession plan – to know the available options, should something happen to Mr. Williamson. The most important issue for him as part of the governing body of EMSA is knowing someone is ready and waiting to take on the leadership role, should circumstances make it necessary.

The committee decided to begin with the leadership organizational chart, which Mr. Williamson will send to them, and continue discussion at the next committee meeting.

Mr. Lakin stated that this issue is a high priority for him, and he would like to have some harder material to look at to better understand the issues the committee may have with this issue.

2. Adjourn

The Special Meeting was adjourned at 1:01 pm.