

Among incentive goals for senior Banner Health executives, “the gap between financial and clinical quality is dramatically closing for us,” said system spokesman Bill Byron.

From: Bill Byron, senior director, public relations, Banner Health:

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Financial measures are and should be an important piece of how a leader or, in Banner’s case, how leaders are measured. But Banner does take a balanced approach based on strategies that reflect strong weighting of targets in non-financial areas.

To be clear, Peter’s performance metrics, although derived from a larger base, are the same as other selected leaders:

- Financial
- Clinical initiatives
- Service excellence
- Employee engagement

To give you an idea re: how these have moved:

- In 2003 as Banner was working hard to strengthen its viability, the margin % target was 70%. In 2012 that number is 43%. In 2013 (board has not yet approved), that number will likely be in the mid to high-30s%.
- In 2003, the clinical initiative target was 10%. In 2012 that number is 27% and will likely remain the same in 2013.
- Per Service Excellence target, in 2003 it was 10%, in 2012, 19%, and it may be a little higher in 2013.
- Per employee engagement target, in 2003 it was 10%, in 2012 it is 11% (it was 16% in 2010, so there is fluctuation), and it is likely to be mid-teens range for 2013.