

EXHIBIT III-A
VIRGINIA HOSPITAL AND HEALTHCARE ASSOCIATION
PROPOSED CEO SUCCESSION PLAN
November 2008

- I. Board and CEO Agree on a Retirement Date.
- II. Board Appoints a Succession Committee (SC), which is often the Executive Committee.
- III. Succession Committee Identifies a Facilitator to Assist in the Development and Implementation of the Succession Plan.
- IV. Succession Committee Coordinates a Board Planning Session.
 - A. Board Contemplates a Five to Ten Year Vision with General Strategies.
 1. Develop Current and Future Major Functions and Objectives of VHHA and through discussions with:
 - Executive Committee and Key Board Members
 - VHHA President and Senior Vice Presidents
 - Other Association CEOs
 - Some Major Hospital CEOs Not on the VHHA Board
 2. Identify the Strengths and Weaknesses of the VHHA Organization.
 3. Determine other State Hospital Association Strengths to incorporate into VHHA.
 4. Identify what the American Hospital Association (AHA) would like to see develop in VHHA.
 - B. Seek Current VHHA CEO Input Regarding his Long-Term Strategic Perspective.
 - C. Discuss New CEO Recruitment Options.
 1. Internal candidate, but not predetermined; intent is to also recruit outside.
 2. Develop general Course of Action to recruit outside.

- D. Decide whether or not the New CEO should overlap the Term of the existing CEO.

V. Succession Committee Selects a Search Consultant.

- A. SC and Consultant Modify CEO Job Description as appropriate based upon New Strategic Vision and CEO Updated Duties and Responsibilities.
- B. SC Modifies or Confirms the Organizational Structures, based upon the Strategic Vision.
- C. SC and Consultant Establish Search Criteria.
 - 1. How Much Emphasis should be placed upon the Following Background and Experiences?
 - Hospital CEO or COO
 - Association Executive
 - Corporate Business Experience or Thinking
 - 'For Profit' or 'Not for Profit' Organization
 - Political Sensitivity Training/Experience
 - Advocacy/Lobbyist Experience or Exposure
 - 2. Professional and Personal Skills.
 - 3. Experience Requirements.
 - 4. Other Criteria.
- D. Outline Compensation Criteria to include Base Salary, Performance Incentives, Deferred Compensation and Benefits.
- E. Develop a Search Process Scheduled Time Table.
- F. Review and Confirm all of the Above Criteria with VHHA Board.

VI. Search Process Begins.

- A. Obtain Potential Candidates from within VHHA and throughout the Country.
- B. Narrow Candidates to 'X'.
- C. Interview 'Y' Candidates.

VII. SC Makes Selection in Rank Order and Recommends to the Board.