

Provide the information required for each section. Refer to the [Broader Public Sector Executive Compensation Guide](#) for additional instructions and assistance with completing this form.

<b>A. Compensation Philosophy</b>	Provide information on the designated employer's compensation philosophy including details on how the executive compensation program supports the employer's strategic objectives and what the program, including its approach to performance-related pay, is designed to reward.
<b>B. Designated Executive Positions</b>	List all designated executives at the designated employer. If applicable, indicate the class or category of each designated executive position as it relates to the salary and performance-related pay structure in the executive compensation program.
<b>C. Salary and Performance-related Pay Caps</b>	
Comparator Selection	Provide information on the comparators used to benchmark salary and performance-related pay at the designated employer for each designated executive position or class of positions. Provide a rationale for the chosen comparators.
Comparative Analysis Details	Provide information on the percentile used to benchmark the salary and performance-related pay cap for each designated executive position or class of positions. Additional information on the methodology used to determine salary and performance-related pay can provide useful context.
Structure	Provide information on the salary and performance-related pay cap for each designated executive position or class of positions. Additional information on the salary ranges and performance-related pay structure can provide useful context.
<b>D. Salary and Performance-related Pay Envelope</b>	Provide the sum of salary and performance-related pay paid to designated executives for the most recently completed pay year. In addition, provide the maximum rate of increase to the salary and performance-related pay envelope. Additional information on why changes are necessary and how they were determined can provide useful context.
<b>E. Other Elements of Compensation</b>	<p>Provide information on any proposed compensation elements, other than salary and performance-related pay, that would be provided to designated executive positions or classes of positions but that are not generally provided in the same manner and relative amount to non-executive managers.</p> <p>Include rationale outlining the critical business reasons that justify the provision of each proposed element of compensation.</p>
<b>F. Supplemental Information</b>	Provide any additional information required to support or explain the information included in the executive compensation program.

Provide the contact information of the person completing this program.

**Contact Information**

Organization (Full Name)

Middlesex Hospital Alliance (Strathroy Middlesex General Hospital & Four Counties Health Services)

**Completed By**

Last Name

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First Name

Neil

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Job Title

Chair of the Board of Directors

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## A. Compensation Philosophy

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Provide information on the designated employer's compensation philosophy including details on how the executive compensation program supports the employer's strategic objectives and what the program, including its approach to performance-related pay, is designed to reward.

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### Our Compensation Philosophy

Middlesex Hospital Alliance is committed to providing a fair and competitive executive staff compensation program that will attract, retain and reward senior leaders.

Therefore, the Executive Compensation Program is designed to recognize and reward by:

- Offering comprehensive compensation including salary, pension, benefits, vacation and special leaves;
- Reinforcing a results-oriented culture that recognizes both the accomplishment of pre-established performance goals and the means by which an individual accomplishes results;
- Establishing consistency in the design of compensation programs, while recognizing the need to reflect local and provincial markets;
- Administering compensation programs in a manner that is consistent, fair, equitable and free of discrimination;
- Supporting succession plans through talent management and career development;
- Ensuring the Hospitals are aligned with comparator organizations;
- Supporting the Hospitals' desired relative position locally, provincially and nationally;
- Preserving as much flexibility as possible as an employer to be able to adapt to circumstances, seize opportunities and attract talented professionals.

## B. Designated Executive Positions

List all designated executives at the designated employer. If applicable, indicate the class or category of each designated executive position as it relates to the salary and performance-related pay structure in the executive compensation program.

Full Job Title	Class of Position
E.g. Chief Operating Officer	E.g. VP-1
President and CEO	CEO
Chief of Staff	COS
VP Finance and CFO	VP
VP Clinical Services and CNO	VP
VP Strategic Partnerships	

## C. Salary and Performance-related Pay – Comparator Selection

Provide information on the comparators used to benchmark salary and performance-related pay at the designated employer for each designated executive position or class of positions. Provide a rationale for the chosen comparators.

### Comparators 1

Remove (-)

Executive Positions or Classes of Positions Benchmarked

President and CEO; Chief of Staff, VP Finance &CFO; VP Clinical Services and CNO, VP Strategic Partnerships

### Canadian Public Sector or Broader Public Sector Comparators

Organizations (e.g. Organization 1, Organization 2, Organization 3, etc.)

Collingwood General and Marine Hospital; Headwaters Health Care Centre; Leamington District Memorial Hospital; Lennox and Addington County General Hospital; Muskoka Algonquin Healthcare; Norfolk General Hospital; Northumberland Hills Hospital; Perth and Smiths Falls District Hospital; Renfrew Victoria Hospital; Ross Memorial Hospital; St. Thomas Elgin General Hospital; West Parry Sound Health Centre

Each of the comparable organizations are hospitals that have similar executive roles, separate or combined, and are generally similar with respect to essential competencies (knowledge, skills, and abilities), relative complexity and the level of accountability associated with the position.

Positions or Classes of Positions (e.g. Chief Financial Executives)

President and CEO; Chief of Staff, VP Finance &CFO; VP Clinical Services and CNO, VP Strategic Partnerships

Rationale for Selected Comparators

Hospitals similar in comparable size (community) & geographic location, headcount, number of beds, similar services, scope of role, multiple sites

The designated employer received approval from the President of the Treasury Board to use private sector and/or international comparators for these executive positions or classes of positions.

Add Position or Class of Positions Benchmarked (+)

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## C. Salary and Performance-related Pay – Comparative Analysis Details

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Provide information on the percentile used to benchmark the salary and performance-related pay cap for each designated executive position or class of positions. Additional information on the methodology used to determine salary and performance-related pay can provide useful context.

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Middlesex Hospital Alliance (MHA) selected the 50th percentile (median) of the total compensation target rates for relevant comparator hospitals organizations where there was a similar job match.

The selection criteria of comparable organizations were based on the following:

- **Scope of responsibilities of the organizations executives**

Each of the comparable organizations are hospitals that have similar executive roles, separate or combined, and are generally similar with respect to essential competencies (knowledge, skills and abilities) relative complexity and the level of accountability associated with this position.

  - Each comparator has a role of President & CEO comparable to MHA (although MHA is unique in that the CEO provides service to another legal entity hospital corporation)
  - Each has the equivalent of Vice Presidents of Finance, Clinical Services and Strategic Partnerships.
- **Type of operations the organization engages in**

All comparable organizations are recognized hospitals or healthcare facilities.
- **Industries within which the organization competes for executives**

All comparator organizations are located in Ontario and these comparators are part of the industries within which MHA competes for designated executives.
- **Size of the organization**

Almost all of the comparator organizations are similarly sized and recognized in the healthcare industry.
- **Location of the organization**

All comparator organizations are Canadian hospitals or healthcare facilities. Additionally, other multiple site facilities have been included.
- **Performance-Related Pay**

With regard to performance related pay, the MHA has not formally adopted such an approach in our compensation philosophy. Having stated that the organization, in accordance with the Excellent Care for all Act, does hold back a percentage of base pay from designated executives at the commencement of every fiscal year. Upon successful completion of the Quality Improvement Plan goals, MHA's Board of Directors considers the payout of the funds held back either in part or in total. (<http://www.mhalliance.on.ca/about-mha/accountability/performance-based-compensation-and-executive-contracts/>)

### C. Salary and Performance-related Pay Structure

Provide information on the salary and performance-related pay cap for each designated executive position or class of positions. Additional information on salary ranges and performance-related pay structure can provide useful context.

Executive Position or Class of Positions	Salary Range Minimum (\$)	Job Rate (\$)	Salary Range Maximum (\$)	Target Annual Performance-related pay (% of Salary)	Maximum Annual Performance-related Pay (% of Salary)	Salary and Performance-related Pay Cap (\$)
E.g. President	E.g. 200,000	E.g. 220,000	E.g. 240,000	E.g. 7.5	E.g. 10	E.g. 264,000
CEO	\$181,012		\$181,012		0%	\$244,184
COS	\$253,333 (0.375 FTE = \$95,000)		\$253,333 (0.375 FTE = \$95,000)		0%	\$300,000 (0.375FTE = \$112,500)
CFO	\$137,151		\$137,151		0%	\$143,637
VP, Strategic Partnerships	\$119,966		\$127,164		0%	\$124,620
CNO	\$124,620		\$130,000		0%	\$154,555

## D. Salary and Performance-related Pay Envelope

Provide the sum of salary and performance-related pay paid to designated executives for the most recently completed pay year. In addition, provide the maximum rate of increase to the salary and performance-related pay envelope. Additional information on why changes are necessary and how they were determined can provide useful context.

<b>Sum of Salary and Performance-related Pay for the Most Recently Completed Pay Year (\$)</b>	<b>Maximum Rate of Increase to Envelope (%)</b>
\$665,184	5.0

Rationale for the Proposed Maximum Rate of Increase:

Middlesex Hospital Alliance has chosen a 5% maximum rate of increase for a variety of reasons including the following:

Our framework is compliant with all elements of the Regulation and ensures no executive will receive salary and performance-related pay in excess of the 50th percentile of appropriate benchmark comparable positions; consistent with the Ontario Government's financial and compensation priorities

1. The financial priorities of the Ontario Government have been considered when reviewing the public sector settlement trend over the last five years. Additionally, the unionized and non-unionized management increases within the health care sector have also been taken under advisement when establishing the maximum rate of increase. No designated executive will receive an increase less than what has been determined as the appropriate settlement trend.
2. Middlesex Hospital Alliance's current executive compensation plan has remained static since April 2009 with the exception of a 3% 'pay-at-risk' carve out pulled from base salary in April 2011, to comply with the Excellent Care for All Act. The impact of a static executive compensation structure has resulted in increased salary compression with direct reports, and has, in part, contributed to difficulties retaining qualified executives to lead the organization.
3. Attracting and retaining talent at the executive level is often challenging. MHA has experienced significant turnover of the designated executive class in recent years. In the last 5 years there has been 100% turnover within the designated executive class. It is imperative for MHA to provide competitive wages to attract top talent within the health sector, but also ensure internal equity to retain current experienced executives. Among certain classes of executives, wage compression is becoming increasingly evident and it has been exacerbated by the internal compensation equity concerns among the executive class. Ensuring MHA is compensating at a competitive salary is important to ensure stable leadership for the future.
4. Although there has been no significant expansion in operations that would constitute an organizational restructuring the advent of a salary freeze among the class of designated executives, portfolios of some executives have expanded in some cases, and additional responsibilities related to capital redevelopment have resulted in an expansion of roles and responsibilities for the designated executives of MHA.

MHA's Board of Directors will, on an annual basis, determine the progression of individual Executives compensation from their current salary, towards the proposed 'Salary Range Maximum' for their respective roles. As MHA's compensation philosophy does not include performance-related pay, any changes in Executive Compensation would be made based on the guiding principals setout in Section A – Compensation Philosophy.

## E. Other Elements of Compensation

Provide information on any compensation elements, other than salary and performance-related pay, that would be provided to designated executive positions or classes of positions but that are not generally provided in the same manner and relative amount to non-executive managers.

Include rationale outlining the critical business reasons that justify the provision of each element of compensation.

### Element 1

[Remove \(-\)](#)

Element of Compensation

(include if any)

Positions or Classes of Positions

Rationale

[Add Other Compensation Elements \(+\)](#)

## F. Supplementary Information

Provide any additional information required to support or explain the information included in the executive compensation program.

File Name		Size (MB)	Delete
			<input type="checkbox"/>
	Total Size	0	
	Number of Attachments	0	

Add File

Delete File

Delete All

Save Form

Print Form

Clear Form