



Cornwall Community Hospital
Hôpital communautaire de Cornwall

Cornwall Community Hospital

Executive Compensation Framework

September 2017

Amended: January 2018

Considering: O.Reg.304/16, "Executive Compensation Framework", as amended by O.Reg. 187/17 under Broader Public Sector Executive Compensation Act, 2014,c. 13, Sched. 1

Table of Contents

Context.....	1
A. Compensation Philosophy	2
B. Designated Executive Positions	3
C. Salary and Performance Related Pay Caps	4
1. Comparator Selection	4
2. Comparative Analysis Details.....	8
3. Structure	10
D. Salary and Performance-Related Pay Envelope.....	11
E. Other Elements of Compensation.....	14

Ce document est disponible en français sous le titre « Cadre de rémunération des cadres supérieurs ».

Context

Cornwall Community Hospital is an acute care hospital and community addiction and mental health facility serving a catchment area of 100,000 people in Eastern Ontario. The hospital serves the City of Cornwall, the Mohawk Community of Akwesasne and small rural communities within the Counties of Stormont, Dundas and Glengarry. As a designated facility under the *French Language Services Act*, Cornwall Hospital provides services to its patients in both official languages (English/French). Patients are served by over 1,100 employees, 180 medical staff and 260 volunteers all focused on the Hospital's Vision of *Exceptional Care. Always.*

Cornwall Community Hospital was incorporated in 2004 with the amalgamation of the Cornwall General Hospital and the acute care services of the Hotel Dieu Hospital, both with over 100 years of health care service. With the completion of a major redevelopment project in 2014, the Hospital consolidated all inpatient services on one site.

With an operating budget of over \$120 million, Cornwall Community Hospital is the largest full service hospital in the Champlain Local Health Integration Network (LHIN) outside the City of Ottawa. Hospital services include: Inpatient Critical Care, Obstetrics, Pediatrics, Medicine, Rehabilitation, Mental Health and Surgery (orthopedics, urology, ophthalmology, gynecological, dental and general surgery) as well as Emergency Services (58,000 annual visits), Diagnostic Imaging, including CT Scanning and Magnetic Resonance. We also work with our regional partners to ensure local access to services including chemotherapy and dialysis.

Cornwall Community Hospital is also a key partner in the delivery of community services across the region. The Addiction and Mental Health services have recently integrated following the construction of a new facility. These services include: Addiction Services, Adult Mental Health Services, Assertive Community Treatment Team, Child and Youth Mental Health, Community Withdrawal Management, Geriatric Mental Health, and Mental Health Crisis. Cornwall Community Hospital is a provincially appointed Lead Agency for Children's Mental Health Services.

The Hospital provides the leadership and facilitation of the Stormont, Glengarry, Cornwall and Akwesasne Health Link.

Beyond the provision of a full range of health care services, Cornwall Community Hospital is the largest employer within the catchment area and is a significant contributor to the economic stability of the region.

A. Compensation Philosophy

A compensation philosophy is a set of guiding principles that drive compensation decision making in an organization.

The following outlines Cornwall Community Hospital's compensation philosophy including details on how the executive compensation program supports the Hospital's strategic objectives and what the program, including its approach to performance-related pay is designed to reward:

<i>1. Information on Cornwall Community Hospital's compensation philosophy</i>	<p>Cornwall Community Hospital is committed to providing a fair and competitive compensation program that will attract, retain and reward high-performing employees at all levels. The Hospital provides a total compensation package tied to the attainment of organizational goals and priorities.</p> <p>Primary principles that guide the Cornwall Community Hospital's compensation program include:</p> <ul style="list-style-type: none">– Fairness and Consistency of Application– External Competitiveness– Reward for Performance– Contribution– Accountability to Stakeholders– Open Communication and Representative Consultation.
<i>2. How the executive compensation program supports the hospital's strategic objectives.</i>	<p>The Cornwall Community Hospital Mission Statement: "Our health care team collaborates to provide exceptional patient care" is the foundation of the compensation program at the hospital. The program is intended to motivate all staff and executives to strive towards the four (4) hospital strategic directions, namely:</p> <ul style="list-style-type: none">– Partnering for Patient Safety and Quality– Our Team Our Strength– Operational Excellence Through Innovation– Patient Inspired Care
<i>3. What the compensation program, including its approach to performance-related pay, is designed to reward.</i>	<p>Cornwall Community Hospital's executive compensation program is designed to reward:</p> <ul style="list-style-type: none">✓ Strong employee performance – measured by the attainment of performance goals and organizational priorities including:<ul style="list-style-type: none">– Annual Quality Improvement Plan (QIP) indicators– Annual targets aimed at moving the organization towards the Strategic Priorities (above) defined by the Board of Directors. <p>The program is also designed to ensure internal equity (through evaluation) and improve external competitiveness by consistently benchmarking against peer group Ontario hospitals.</p>

The executive compensation plan is compliant with the spirit and intent of the *Broader Public Sector Executive Compensation Act* and the *Excellent Care for All Act*. The selected indicators in the plan are consistent with Ministry of Health and Long-Term Care directions as well as the Champlain LHIN and Cornwall Community Hospital strategic directions and priorities.

B. Designated Executive Positions

The following designated executive positions and classes are included in Cornwall Community Hospital's Executive Compensation Program:

1. President and Chief Executive Officer
2. Chief of Staff
3. Executive Grade A
 - a. Vice-President, Patient Services and Chief Nursing Officer
 - b. Chief Financial Officer/ Chief Information Officer
4. Executive Grade B
 - a. Senior Director, Critical Care and Perioperative Services
 - b. Vice-President, Community Programs
 - c. Vice-President, Support Services

Executive Grade A positions have overall accountability for clinical, financial, information technology, quality and risk across the entire hospital. These positions report directly to the President and Chief Executive Officer and provide broad direction and guidance to all activities in accordance with policies, strategic directions and goals established by the Chief Executive Officer and Board of Directors. These executives are also accountable for budgets, operating plans, regulatory affairs within their own portfolio. Either of these executives may be operationally responsible for the organization in the absence of the President and Chief Executive Officer.

Executive Grade B positions are accountable for budgets, operating plans, regulatory affairs within their portfolio. They report directly to the President and Chief Executive Officer and are members of the Senior Administration Team.

C. Salary and Performance Related Pay Caps

1. Comparator Selection

In an effort to determine executive compensation levels, the competitive markets in which Cornwall Community Hospital operates and competes for talent have been identified. Organizations have been selected as a comparator where they are similar with respect to at least three (3) of the following criteria:

- a) The scope of responsibility of the executives
 - i. Job matching – similar accountabilities and competencies
- b) The type of operation the organization engages in
 - i. All comparators are Ontario hospitals
 - ii. Effort was also made to identify Ontario hospitals that, like Cornwall Community Hospital, have significant community programs within their scope of responsibility
- c) The industry within which the organization competes for executives
 - i. All comparators are Ontario hospitals
- d) The size of the organization
 - i. Hospitals were deemed similar based on the following criteria:
 - Total operating budget – \$50M-\$150M
(Cornwall Community Hospital's operating budget is \$120 million)
 - Number of staff (FTE) – 500-1500
(Cornwall Community Hospital's FTE is 748)
 - Number of inpatient beds – 100-250
(Cornwall Community Hospital's inpatient beds is 140)
 - Volume of Emergency Department visits – 25,000-80,000
(Cornwall Community Hospital's annual Emergency Department visits is 58,000)
- e) The location of the organization
 - i. Consideration was given to competition within the same job market; that is, we considered location and proximity. Cornwall Hospital does compete with larger Ottawa facilities for talent. The proximity to Ottawa makes it feasible for people to commute daily. Cornwall Hospital has two current examples of competition for executives within Ottawa. A number of our Cornwall Community Hospital physicians and middle managers have been recruited from Ottawa.
 - ii. The majority of hospitals chosen as comparators are located in smaller/similar sized urban centres.

As the tables below depict, at least three (3) criteria (above) were met for any chosen comparator and, in the vast majority of cases, four or more of the criteria are met.

The numbers of comparators vary across the positions and grades depending on Cornwall Community Hospital's ability to confirm a strong comparator and while there is no perfect

match for each comparator, there was an attempt to ensure that smaller and larger organizations were represented.

Matching was challenging for Executive Grade B, as strong like positions comparators were difficult to confirm. The spread in size of organizations was greater for this class, for example, in some cases much smaller organizations were used to compare positions where in other cases (within the same Grade) larger organizations were used. For example Cornwall Community Hospital's Senior Director of Critical Care and Perioperative Services was compared to a position in a larger organization with only one area of responsibility.

Summary of Comparator Matches									
				4. Size of the Organization (2/4 Required)					
Comparator Name	1. Scope of Responsibilities of the Positions or Class of Positions Matched	2. Type of Operations your Organization Engages in	3. Industry Type	Total Operating Budget (\$)	FTE Staff	No. of Inpatient Beds (at 100% occupancy)	Volume of ED Visits	5. Geographic Location (1 hr commute)	No. of Criteria Met out of 5 (3 Req'd)
Executive Position: Chief Executive Officer				Match Range \$50MM- \$150MM	Match Range 500 - 1500	Match Range 100 - 250	Match Range 25K - 80K		
St. Thomas-Elgin General Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Orillia Soldiers' Memorial Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Timmins and District General Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Lindsay Ross Memorial Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Huron Perth Health Alliance (Stratford)	✓	✓	✓	✓	✓	✓	✓	✗	4
Sault Area Hospital	✓	✓ ☒	✓	✗	✓	✓	✓	✗	4
Chatham Kent Health Alliance	✓	✓ ☒	✓	✓	✓	✓	✓	✗	4
Pembroke Regional General Hospital	✓	✓ ☒	✓	✓	✓	✓	✓	✗	4
St. Joseph's Care Group Thunder Bay	✓	✓ ☒	✓	✓	✓	✗	✗	✗	4
Cambridge Memorial Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Children's Hospital of Eastern Ontario	✓	✓	✓	✗	✓	✓	✓	✓	5
Elisabeth Bruyere Hospital	✓	✓	✓	✓	✓	✗	✗	✓	5
Additional Comments:									
✓ ☒ Represents an institution with Community Programs									

Summary of Comparator Matches									
				4. Size of the Organization (2/4 Required)					
Comparator Name	1. Scope of Responsibilities of the Positions or Class of Positions Matched	2. Type of Operations your Organization Engages in	3. Industry Type	Total Operating Budget (\$)	FTE Staff	No. of Inpatient Beds (at 100% occupancy)	Volume of ED Visits	5. Geographic Location (1 hr commute)	No. of Criteria Met out of 5 (3 Req'd)
Executive Position: Chief of Staff				Match Range \$50MM- \$150MM	Match Range 500 - 1500	Match Range 100 - 250	Match Range 25K - 80K		
Cambridge Memorial Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Chatham Kent Health Alliance	✓	✓ ☒	✓	✓	✓	✓	✓	✗	4
Orillia Soldiers' Memorial Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Brant Community Healthcare	✓	✓	✓	✗	✓	✗	✓	✗	4
St. Thomas-Elgin General Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Lindsay Ross Memorial Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Pembroke Regional General Hospital	✓	✓ ☒	✓	✓	✓	✓	✓	✗	4
Guelph General Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Elisabeth Bruyere Hospital	✓	✓	✓	✓	✓	✗	✗	✓	5
Additional Comments:									
✓ ☒ Represents an institution with Community Programs									

Summary of Comparator Matches									
				4. Size of the Organization (2/4 Required)					
Comparator Name	1. Scope of Responsibilities of the Positions or Class of Positions Matched	2. Type of Operations your Organization Engages in	3. Industry Type	Total Operating Budget (\$)	FTE Staff	No. of Inpatient Beds (at 100% occupancy)	Volume of ED Visits	5. Geographic Location (1 hr commute)	No. of Criteria Met out of 5 (3 Req'd)
Executive Position: Grade A				Match Range \$50MM- \$150MM	Match Range 500 - 1500	Match Range 100 - 250	Match Range 25K - 80K		
St. Thomas-Elgin General Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Queensway Carleton Hospital	✓	✓	✓	✗	✓	✗	✓	✓	5
Chatham Kent Health Alliance	✓	✓ ☒	✓	✓	✓	✓	✓	✗	4
Huron Perth Health Alliance (Stratford)	✓	✓	✓	✓	✓	✓	✓	✗	4
Orillia Soldiers' Memorial Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Pembroke Regional General Hospital	✓	✓ ☒	✓	✓	✓	✓	✓	✗	4
Lindsay Ross Memorial Hospital	✓	✓	✓	✓	✓	✓	✓	✗	4
Bluewater Health General Hospital	✓	✓	✓	✗	✓	✗	✓	✗	4
Burlington Joseph Brant Memorial Hospital	✓	✓	✓	✗	✓	✓	✓	✗	4
Children's Hospital of Eastern Ontario	✓	✓	✓	✗	✓	✓	✓	✓	5
Montfort Hospital	✓	✓	✓	✗	✓	✗	✓	✓	5
Elisabeth Bruyere Hospital	✓	✓	✓	✓	✓	✗	✗	✓	5
Additional Comments:									
✓ ☒ Represents an institution with Community Programs									

Summary of Comparator Matches									
				4. Size of the Organization (2/4 Required)					
Comparator Name	1. Scope of Responsibilities of the Positions or Class of Positions Matched	2. Type of Operations your Organization Engages in	3. Industry Type	Total Operating Budget (\$)	FTE Staff	No. of Inpatient Beds (at 100% occupancy)	Volume of ED Visits	5. Geographic Location (1 hr commute)	No. of Criteria Met out of 5 (3 Req'd)
Executive Position: Grade B				Match Range \$50MM- \$150MM	Match Range 500 - 1500	Match Range 100 - 250	Match Range 25K - 80K		
Hawkesbury and District General Hospital	✓	✓	✓	✓	×	×	×	✓	4
Carleton Place & District Memorial Hospital / Almonte General Hospital	✓	✓	✓	×	×	×	×	✓	4
Renfrew Victoria Hospital	✓	✓	✓	×	×	×	×	×	3
Brockville General Hospital	✓	✓ ☒	✓	✓	✓	×	✓	✓	5
Lakeridge Health	✓	✓ ☒	✓	×	×	×	×	×	3
Perth Smith Falls Hospital	✓	✓	✓	✓	×	×	×	✓	4
Burlington Joseph Brant Memorial Hospital	✓	✓	✓	×	✓	✓	✓	×	4
Weeneebayko Area Health Authority	✓	✓	✓	✓	×	×	×	×	3
Markham Stouffville General Hospital	✓	✓ ☒	✓	×	✓	×	×	×	3
Pembroke Regional General Hospital	✓	✓ ☒	✓	✓	✓	✓	✓	×	4
Lindsay Ross Memorial Hospital	✓	✓	✓	✓	✓	✓	✓	×	4
Elisabeth Bruyere Hospital	✓	✓	✓	✓	✓	×	✓	✓	5
St. Joseph's Care Group, Thunder Bay	✓	✓ ☒	✓	✓	✓	×	✓	×	4
Montfort Hospital	✓	✓	✓	×	✓	×	✓	✓	5
North Bay Regional Health Centre	✓	✓ ☒	✓	×	×	×	✓	×	3
Additional Comments:									
✓ ☒ Represents an institution with Community Programs									

2. Comparative Analysis Details

Information on the percentile used to benchmark the salary and performance-related pay cap for each designated position or class of positions:

The salary and performance related pay cap selected by Cornwall Community Hospital is 50%. This cap was selected primarily because the executive compensation rates at the hospital have fallen behind market and in some cases become non-competitive; the current CEO salary is \$20,000 less than the lowest salary in the comparator group. Some executive positions in much smaller hospitals within the region have superior compensation packages. Comparator review demonstrates that some of Cornwall Community Hospital's executive positions are remunerated well below any identified comparator. As a result, Cornwall Community Hospital has lost talent to competitors within the region and is at risk of serious recruitment difficulties as we anticipate several retirements at the leadership level within the next 3 years.

A review of Cornwall Community Hospital's compensation history provides insight into how its executive compensation rates have fallen behind market. In particular:

- In 2005, just after the consolidation of our two acute care hospitals in Cornwall (Hotel Dieu and Cornwall General) Cornwall Community Hospital Board of Directors approved a compensation strategy for all non-union employees, including executives. The goal of this strategy was to ensure and maintain both internal equity and external competitiveness. Internal equity was achieved through the introduction of job grades and a job evaluation process (comparable to the process used for pay equity job evaluation).
- In an effort to maintain external competitiveness, the Ontario Hospital Association sponsored surveys were used as the principal reference documents. The Board approved compensation practice is to compare to the “mean” and to apply a one-year lag to the marketplace wages. Comparators were deemed to be peer group, community hospitals of similar size and budget.
- During the two years preceding the *Public Sector Compensation Restraint to Protect Public Services Act*, Cornwall Community Hospital was challenged with operating budget pressures and made decisions at that time to minimize /limit wage adjustments for non-union positions, including executives. At the time, the Board and administration was aware that this was contrary to the compensation strategy previously adopted; however, given Cornwall Community Hospital's need to control discretionary expenditures, the decision was made. (Cornwall Community Hospital has maintained a balanced budget since that time.) The intent at the time was to introduce this as a temporary measure that would be monitored and amended in the future to avoid an impact on fairness and Cornwall Community Hospital's competitive position.
- With the introduction of the *Public Sector Compensation Restraint to Protect Public Services Act*, the executive increases at Cornwall Community Hospital that had been limited for two years prior were now frozen.

The Cornwall Community Hospital non-competitive executive compensation rates resulted in loss of talent and expertise. This became very evident in a survey report completed in February 2011 by the Hay Group. This survey compared the compensation paid to Chief Executive Officers of 11 similar hospitals to Cornwall Community Hospital. The results demonstrated that Cornwall Community Hospital had fallen well below the mean, median or 25th percentile and was in fact the lowest paid in the peer group. The analysis conducted in support of this compensation framework confirms that this situation has deteriorated further. For some positions, the compensation paid at much smaller hospitals exceeds the current compensation at Cornwall Community Hospital.

Information on methodology used to determine salary and performance-related pay:

Cornwall Community Hospital is committed to providing a fair and competitive compensation program that will attract, retain and reward high-performing employees at all levels. The compensation program is tied to the attainment of organizational goals and priorities.

Specifically, compensation at Cornwall Community Hospital is determined through the following process:

- A salary range for a position is determined through an extensive benchmarking and comparator analysis. Comparators used are positions with similar accountabilities and competencies within comparable sized Ontario hospitals. Comparators may also include hospitals within the local job market.
- The salary range (grid) will have a minimum and maximum amount, with a range of steps in between.
- An individual's position on the grid will be dependent on their experience in the role. Entry level executives will begin at the minimum and will be considered for progression on the grid annually. Eligibility for progression is tied directly to performance, i.e. Achieving previously articulated goals.
- Performance-related pay is 2% of the executive salary and is determined by an analysis of the achievement of previously identified performance targets as articulated in the Annual Quality Improvement Plan (QIP), as required under the *Excellent Care for all Act* (e.g. 2017/18 indicators readmission rates, patient experience).

3. Structure

The salary and performance-related pay cap for each designated executive position/class of position is as follows:

Executive Position or Class of Positions	Salary and Performance-related Pay Cap (\$)
President and Chief Executive Officer	300,800
Chief of Staff (0.4 FTE)	300,000
Executive Grade A	185,000
Executive Grade B	150,000

Information on salary ranges and performance pay structure for each position/class of position is as follows:

Executive Position or Class of Positions	Salary Range Minimum (\$)	Salary Range Maximum (\$)	Maximum Annual Performance-related Pay (% of salary)	Salary and Performance-related Pay Cap (\$)
President and Chief Executive Officer	274,400	294,900	2.0	300,800
Chief of Staff (0.4 FTE)	244,125	294,125	2.0	300,000
Executive Grade A	171,800	181,400	2.0	185,000
Executive Grade B	130,000	147,000	2.0	150,000

D. Salary and Performance-Related Pay Envelope

Sum of Salary and Performance-related Pay for the Most Recently Completed Pay Year (\$)	Maximum Rate of Increase to Envelope (%)
\$1,296,580	5.0

Cornwall Community Hospital is proposing a “maximum rate of increase to the salary and performance-related pay envelope equivalent to 5%. In determining this maximum rate the following factors were considered.

- 1. The financial priorities and the compensation priorities of the Government of Ontario, as indicated in the Speech from the Throne, the Budget, the Economic Outlook and Fiscal Review, and the public documents of the Crown in right of Ontario, the Cabinet, the Treasury Board and the Management Board of Cabinet.*
- 2. Recent executive compensation trends in the part of the Canadian public sector and broader public sector that is in the industry within which the employer competes for executives.*
- 3. A comparison between the percentage of the designated employer’s operating budget that is used for executive salary and performance-related pay and the percentages of the operating budgets of the designated employer’s comparator organizations under section 3 that are used for executive salary and performance related pay.*

4. *The effect on attracting talent to the designated employer's executive positions, and retaining talent in the designated executive positions, of the difference between the salary and performance-related pay range for those positions and the salary and performance-related pay ranges for the employees or office holders who directly report to the holders of those positions.*
5. *Any significant expansion in the operations of the designated employer that is not the result of a significant organizational restructuring.*

Further detail on each of these considerations is provided below:

<p>1. <i>The financial priorities and the compensation priorities of the Government of Ontario, as indicated in the Speech from the Throne, the Budget, the Economic Outlook and Fiscal Review, and the public documents of the Crown in right of Ontario, the Cabinet, the Treasury Board and the Management Board of Cabinet.</i></p>	<p>When Finance Minister Charles Sousa delivered the latest budget on April 27, 2017, the public heard of Ontario's newly balanced budget, achieved by taking "a principled and thoughtful approach," and by making "strategic investments." The public also heard of Ontario's plans to invest heavily in health care, with the Minister declaring, "We will invest in those things that set us apart. [...] We will make further investments in our health care system."</p> <p>Ontario's willingness to invest in health care is admirable. Cornwall Community Hospital is committed to working with the provincial government to transform and enhance our health care system. Cornwall Community Hospital shares the government's view that, to build a sustainable health care system for the long-term, strong leadership and innovation are essential. To that end, Cornwall Community Hospital proposes that supporting competitive executive compensation packages for hospitals should be a priority.</p> <p>Investing in competitive executive compensation packages for hospitals is a highly strategic means of investing in health care. We want to transform and enhance our systems, and we want to excel as an industry leader and innovator. To succeed, we require the support and guidance of a strong executive team comprised of highly skilled, experienced, and knowledgeable individuals who share our commitment to quality health care. We can only attract such high calibre individuals if we are in a financial position to offer them competitive executive compensation packages. Moreover, we need to offer financial incentives and rewards for our executives to do their best work.</p> <p>Cornwall Community Hospital is committed to working with the provincial government to transform and enhance our health care system. We are determined to enhance the quality of the care we provide for patients, and we are resolved to make our organization work as efficiently as possible. We are keen to lead and innovate. However, we cannot achieve these goals without a group of talented individuals at the helm. Ultimately, we believe that supporting our efforts to recruit a talented executive team amounts to a strategic investment for Ontario; and would best position our</p>
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	hospital to work together with the province towards achieving our shared goals in health care.
2. <i>Recent executive compensation trends in the part of the Canadian public sector and broader public sector that is in the industry within which the employer competes for executives.</i>	A review of compensation trends in Ontario hospitals reveals that the current compensation packages for Cornwall Community Hospital's comparators, in many cases, greatly exceed those paid to certain of the current Cornwall Community Hospital's executives (ex. the Cornwall Community Hospital Chief Executive Officer). In the absence of significant and timely 'catch up' to a rate which approaches the proposed salary/performance pay caps proposed for the Cornwall Community Hospital executives, it can be anticipated that Cornwall Community Hospital recruitment and retention will prove difficult. In the face of a number of anticipated Cornwall Community Hospital executive retirements in the coming years (including that of the Chief Executive Officer), this is a serious concern that, without timely correction, stands to significantly interfere with the Cornwall Community Hospital's ability to best achieve its health care goals.
3. <i>A comparison between the percentage of the designated employer's operating budget that is used for executive salary and performance-related pay and the percentages of the operating budgets of the designated employer's comparator organizations under section 3 that are used for executive salary and performance related pay.</i>	Cornwall Community Hospital's spend on executive compensation represents 1.07% of the total operating budget, this compares to 1.34% for other Ontario hospitals (where we were able to get that information). This information was difficult to access. From those responding to our request for information we can confirm that Cornwall Community Hospital is within and below the average percentage. We also reviewed (from the Ministry of Health and Long-Term Care's Healthcare Indicator Tool [HIT]) the percent of total administration expense to total expense (as a proxy) and Cornwall Community Hospital's ratio (8.7%) is below the provincial rate (all hospitals) of 10%.
4. <i>The effect on attracting talent to the designated employer's executive positions, and retaining talent in the designated executive positions, of the difference between the salary and performance-related pay range for those positions and the salary and performance-related pay ranges for the employees or office holders who directly report to the holders of those positions.</i>	The average non-compounded percent wage increase for our hospital unions over the last 7 year freeze period has been 12.6% versus the Cornwall Community Hospital proposed envelope increase of 5%. Non-union Managers/Directors have received cost of living wage adjustments and grid increases over the last 7 years equivalent to approximately 22%; this has resulted in wage compression with Executives.

5. <i>Any significant expansion in the operations of the designated employer that is not the result of a significant organizational restructuring.</i>	Cornwall Community Hospital has continued to expand its responsibilities for the provision of health care to the region since the hospital mergers in 2004. Since the salary freeze was introduced 7+ years ago, Cornwall Community Hospital's operating budget (and corresponding complexity of operations) has increased by 11%. This includes a major capital redevelopment project ((\$120M) to consolidate hospital services on one site, voluntary integration with a community provider of addiction services and the leadership of a local Health Links.
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E. Other Elements of Compensation

Cornwall Community Hospital does not provide any other element of compensation to designated executives that are not generally provided, in the same manner and relative amount, to non-executive managers.

Framework Requirement (Paragraph 2 (3))	Cornwall Community Hospital Compliance
i. Payments of other benefits provided in lieu of perquisites	No payments are provided in lieu of perquisites
ii. Signing bonuses	Cornwall Community Hospital does not provide signing bonuses
iii. Retention bonuses	Cornwall Community Hospital does not provide retention bonuses
iv. Cash housing allowances	Cornwall Community Hospital does not provide cash housing allowances
v. Insured benefits that are not generally provided to non-executive managers	Confirmed – insured benefits are consistent with non-executive benefits
vi. Termination payments, including payments in lieu of notice of termination, and severance payments that in total equal more than 24 times the average monthly salary of the designated executive	Cornwall Community Hospital does not provide for severance in lieu of notice of termination in excess of 24 times the average monthly salary
vii. Termination or severance payments that are payable in the event of termination for cause.	Cornwall Community Hospital does not provide payments for termination/severance in the event of termination for cause.
viii. Paid administrative leave, unless provided to the head of a college or university or another designated executive who is part of or will return to the faculty at a college or university	Cornwall Community Hospital does not provide paid administrative leave, or payments in lieu of administrative leave
ix. Paid administrative leave that accrues at a rate in excess of 10.4 paid weeks per year.	
x. Payments in lieu of administrative leave.	

