

Executive Compensation at CHEO

August 2018

Executive contracts overview

Contracts or employment letters are in place for the Chief Executive Officer (CEO), and the Vice-Presidents of: Acute Care and Chief Nursing Executive (CNE); Child Development and Community Services; Corporate Services and Chief Financial Officer (CFO); People, Strategy and Performance; and, Provincial Programs and Chief Information Officer (CIO).

Salary

The CEO's salary is set by the Board. CHEO trustees have been careful to set a compensation rate that is competitive within the mid-range of the hospital sector, taking into account the scope and complexities of the position. CHEO spends more on clinical care and is very careful to ensure spending on administrative overhead is less than that of other local hospitals.

In determining salaries for members of the Senior Executive Team, CHEO takes into consideration the market rates and salaries of comparable executives at other local hospitals and balances this with both the need to attract and retain highly-qualified individuals and the need to be fiscally responsible and maximize investment in patient care.

Executive salaries have been reduced or frozen since 2010 and will continue to be frozen for 2018-19.

Salaries for Senior Executive Team:

- Darlene Arseneau, Vice President, Corporate Services and CFO: \$200,000
- Anne Huot, Vice President, Child Development and Community Services: \$190,000
- Ann Lynch, Vice President, Patient Care and CNE: \$185,00
- Bruce Squires, Vice President, People, Strategy and Performance: \$194,000
- Mari Teitelbaum, Vice President, Provincial Programs and CIO: \$185,000

As Chief of Staff, Dr. Lindy Samson's salary is \$262,000 annually. She also receives additional remuneration, not paid by the hospital, for clinical and teaching roles she performs.

Benefits

With the exception of the Chief of Staff, members of the executive team are entitled to a short-term and long-term disability plan, dental plan, life insurance and extended health care. Premiums are paid 100% by the employer, as is the case for all non-unionized employees.

As part of their insured benefits, they have access to a \$2,500 health spending account, subject to rules enacted by the Canada Revenue Agency.

All are entitled to five or six weeks of vacation, based on service and experience.

Members of the executive team are entitled to the following work-related supports:

- Participation at relevant provincial, national or North American conferences as approved by the President;
- Reimbursement of reasonable expenses for business travel and conferences as approved by the President and in compliance with the business travel policy posted in the “Reports” section of the CHEO web site;
- Computer and telecommunications equipment and accessories that remain hospital property;
- Membership in the Canadian College of Health Service Executives and one other professional association where relevant;
- Discretionary fund of up to \$2,500 (\$5,000 for the CEO) for reimbursement of work- related expenses (professional development and educational) in accordance with the Ontario Government guidelines.

Performance

The performance reviews for the CEO and the Chief of Staff are conducted by the Board of Trustees. Performance reviews for other members of the executive team are conducted by the CEO, and reviewed by the Board Chair.

Members of the senior executive team are eligible to receive annual variable pay of up to

6% of their annual compensation. Eligibility for performance pay is derived as a combination of corporate achievement of the Key Performance Indicator Targets as established in the hospital Quality Improvement Plan for the particular fiscal year (50%) and individual performance against individual objectives (50%) as established jointly between the Executive and the CEO, or between the CEO and the Board. This direct link between variable compensation and the Quality Improvement Plan ensure the hospital's compliance to the Excellent Care for All Act (ECFAA).

