 <p><b>POLICY</b></p> <p>WRH Universal (WRU)</p>	<b>Document Title: Human Resources</b>		<b>Policy Number:</b>
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	<b>Author:</b> Melissa Simas, HR Manager	<b>Authorized By:</b> Sharon Morris, Director Human Resources & Labour Relations	<b>Effective Date:03/24/2011</b> <b>Next Review Date: 03/01/2017</b> <b>Revision/Creation Date: 03/31/2016</b>

## **NON-UNION PERFORMANCE BASED COMPENSATION POLICY**

### **Policy:**

**Bill 46** – *Excellent Care for All Act* (ECFAA) was passed on June 3, 2010 in Ontario and contains a number of provisions, one of which is a performance based compensation plan for executives. This document intends to provide a plan to meet the requirements for performance related pay not only to those covered by Bill 46 but also other non-union staff.

The Act seeks to tie a portion of executive compensation (a bonus) to the quality of care delivered within the Hospital as measure by the targets in the Quality Improvement Plan (QIP). In the case of Windsor Regional Hospital (WRH) where the existing compensation plan does not provide for a bonus based on performance, the compensation plan is to be modified to ensure that a portion of the existing compensation is contingent upon the achievement of the Quality Improvement targets.

The Act does not specify what portion of executives’ salaries must be tied to quality targets, nor does it impose any ceiling on executive compensation. The focus is on accountability rather than any specific change to the overall level of compensation.

The Board of Directors of Windsor Regional Hospital supports that ALL non-union staff should be subject to this policy based upon the ECFAA.

### **Scope**

This Plan applies to all those covered under Bill 46 and other non-union staff and thus includes:


- The **CEO** and anyone who holds an equivalent position, regardless of title,
- **Members of senior management** who report directly to the CEO or equivalent,
- The **Chief of Staff**;
- **Members of the Medical Advisory Committee that receive stipends directly related to their appointment on the MAC; and**
- **All other non-union staff**

Therefore it does not apply to:

- Employees covered by the terms of a collective agreement (“unionized staff”); and
- Consultants or others that may be providing senior management services that are not employees or deemed employees.

### **Definitions:**

ECFAA defines “compensation” as any form of payment, benefits, and perquisites paid or provided, including discretionary payments. There is no plan at present to prescribe the amount of compensation that must be at risk.

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**WHAT IS THE QUALITY IMPROVEMENT PLAN (QIP)?**

Health care organizations are to develop an Annual Quality Improvement Plan for the next fiscal year and make that plan available to the public. In developing the Annual Quality Improvement Plan, regard is to be paid to:

- Results of Annual Patient and Caregiver Satisfaction and Employee and Service Provider Satisfaction Surveys,
  - Data relating to patient relations processes,
- In the case of a public hospital, its aggregate critical incident data compiled based on disclosures of critical incidents pursuant to regulations under the **Public Hospitals Act** and information concerning indicators of quality of health care provided by the hospital disclosed pursuant to Regulations under the **Public Hospitals Act**,
- Additional factors as may be provided for by regulation.

The Annual Quality Improvement Plan is to contain annual performance improvement targets and a justification for those targets and information concerning the manner and the extent to which executive compensation is linked to achievement of those targets.

The LHIN *may* request a draft of the Annual Quality Improvement Plan before it is made available to the public. Every health care organization shall provide a copy of its annual quality improvement plan to the Ontario Health Quality Council in a format established by the Council to allow for province-wide comparisons.

On an annual basis the Board of Directors, through the recommendation of the CEO, will set not only the targets to be met but the amount of “bonus” that is eligible to be earned.

In order for the bonus to be treated a pensionable earnings, the bonus plan will be registered with the Healthcare of Ontario Pension Plan (HOOPP).

**THE PLAN**

For the 2016 calendar year all non-union staff can earn up to an additional two (2%) percent on their annual salary wage grid placement as of December 31, 2016. The only exception to this is for the President and CEO, Chief Nursing Executive and Chief of Staff who can earn up to an additional 5% on their annual salary wage grid placement as of December 31<sup>st</sup>, 2016 as a result of their ultimate accountability for the QIP and the fact they received a 5% reduction in their annualized base earnings in 2011.

The Performance Based bonus is calculated using twelve performance indicators and actual results for the time period between January 1<sup>st</sup>, 2016 to December 31<sup>st</sup>, 2016. On the basis of performance during that time period, a % of available incentive will be calculated. The table below shows the QIP Metric Indicator, performance target, and performance weightings.



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**2015 Non Union Performance Based Compensation Jan 1, 2015- Dec 31, 2015**

Measure/Indicator	CAMPUS	Target for 2015	Performance Accomplished Jan 1, 2015 to Dec 31, 2015	Reporting Period	Performance Weighting %	% of Available Incentive			
						Excellent (At or Above Target)	Achieving (At or Near Target)	Approaching (Target Within Range)	Below Target
						100%	66%	33%	0%
Hospital Total Margin: Surplus (deficit) after net building amortization	Corporate	2%	-3.55%	Jan 2015 - Nov 2015	10.00%	Surplus after net building amortization >= 2% total revenue	Hospital margin > 0% however there is a deficit after net building amortization	Hospital margin = 0%	Negative hospital margin (margin less than 0%)
HSMR	Met	95	93	Jan 2015 - Oct 2015	5.00%	Less than or equal to 95	Between 96 to 98	Between 99 to 100	Greater than or equal to 100
HSMR	Ouellette	95	110	Jan 2015 - Oct 2015	5.00%	Less than or equal to 95	Between 96 to 98	Between 99 to 100	Greater than or equal to 100
90th percentile Emergency Department Length of Stay for admitted patients	Met	20.9 hours	26.7	Jan 2015 - Dec 2015	5.00%	Less than or equal to 20.9 hours	Between 21 to 23.6 hours	Between 23.7 to 27 hours	Greater than or equal to 27.1 hours
90th percentile Emergency Department Length of Stay for admitted patients	Ouellette	20.9 hours	30.08	Jan 2015 - Dec 2015	5.00%	Less than or equal to 20.9 hours	Between 21 to 23.6 hours	Between 23.7 to 27 hours	Greater than or equal to 27.1 hours
NRC Picker: "Overall, how would you rate the care and services you received at the hospital?"	Met	96.4% (Inpatient)	94.2%	Jan 2015 - Sep 2015	3.75%	Greater than or equal to 96.4% (Inpatient)	Between 96.3% to 87% (Inpatient)	Between 86.9% to 78% (Inpatient)	Less than or equal to 77.9% (Inpatient)
NRC Picker: "Overall, how would you rate the care and services you received at the hospital?"	Met	91.8% (ED)	82.1%	Jan 2015 - Sep 2015	3.75%	Greater than or equal to 91.8% (ED)	Between 91.7% to 83% (ED)	Between 82.9% to 75% (ED)	Less than or equal to 74.9% (ED)
NRC Picker: "Overall, how would you rate the care and services you received at the hospital?"	Ouellette	96.4% (Inpatient)	90.5%	Jan 2015 - Sep 2015	3.75%	Greater than or equal to 96.4% (Inpatient)	Between 96.3% to 87% (Inpatient)	Between 86.9% to 78% (Inpatient)	Less than or equal to 77.9% (Inpatient)
NRC Picker: "Overall, how would you rate the care and services you received at the hospital?"	Ouellette	91.8% (ED)	79.8%	Jan 2015 - Sep 2015	3.75%	Greater than or equal to 91.8% (ED)	Between 91.7% to 83% (ED)	Between 82.9% to 75% (ED)	Less than or equal to 74.9% (ED)
NRC Picker: Emotional Support. "How well WRH addresses anxieties/fears and confidence/trust in service providers and ease of finding someone to talk to .	Met	80% (Inpatient)	72.7%	Jan 2015 - Sep 2015	3.75%	Greater than or equal to 80% (Inpatient)	Between 79.9% to 72% (Inpatient)	Between 71.9% to 65% (Inpatient)	Less than or equal to 64.9% (Inpatient)
NRC Picker: Emotional Support. "How well WRH addresses anxieties/fears and confidence/trust in service providers and ease of finding someone to talk to .	Met	70.0% (ED)	58.5%	Jan 2015 - Sep 2015	3.75%	Greater than or equal to 70% (ED)	Between 69.9% to 63% (ED)	Between 62.9% to 57% (ED)	Less than or equal to 56.9% (ED)



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NRC Picker: Emotional Support. "How well WRH addresses anxieties/fears and confidence/trust in service providers and ease of finding someone to talk to ."	Ouellette	80% (Inpatient)	67.5%	Jan 2015 - Sep 2015	3.75%	Greater than or equal to 80% (Inpatient)	Between 79.9% to 72% (In patient)	Between 71.9% to 65% (Inpatient)	Less than or equal to 64.9% (Inpatient)
NRC Picker: Emotional Support. "How well WRH addresses anxieties/fears and confidence/trust in service providers and ease of finding someone to talk to ."	Ouellette	70.0% (ED)	60.3%	Jan 2015 - Sep 2015	3.75%	Greater than or equal to 70% (ED)	Between 69.9% to 63% (ED)	Between 62.9% to 57% (ED)	Less than or equal to 56.9% (ED)
CDI rate per 1,000 patient days	Met	0.25/1000pt days	0.40	Jan 2015 - Dec 2015	5.00%	Less than or equal to 0.25 per 1000 patient days	Between 0.26 to 0.39 per 1000 patient days	Between 0.40 to .60 per 1000 patient days	Greater than or equal to .61 per 1000 patient days
CDI rate per 1,000 patient days	Ouellette	0.25/1000pt days	0.28	Jan 2015 - Dec 2015	5.00%	Less than or equal to 0.25 per 1000 patient days	Between 0.26 to 0.39 per 1000 patient days	Between 0.40 to .60 per 1000 patient days	Greater than or equal to .61 per 1000 patient days
Hand Hygiene compliance (overall - based on all 4 moments of hand hygiene)	Met	> or = to 97%	97.4%	Jan 2015 - Dec 2015	5.00%	Greater than or equal to 97%	Between 96% to 92%	Between 91% to 87%	Less than 87%
Hand Hygiene compliance (overall - based on all 4 moments of hand hygiene)	Ouellette	> or = to 95%	94.0%	Jan 2015 - Dec 2015	5.00%	Greater than or equal to 95%	Between 94% to 90%	Between 89% to 85%	Less than 85%
Hospital Acquired Infections (HAI)	Met	0.88/1000 patient	3.84	Jan 2015 - Dec 2015	5.00%	Less than or equal to 0.88 per 1000 patient days	Between 0.89 to 0.97 per 1000 patient days	Between 0.98 to 1.07 per 1000 patient days	Greater than or equal to 1.08 per 1000 patient days
Hospital Acquired Infections (HAI)	Ouellette	2.61/1000 patient days	5.17	Jan 2015 - Dec 2015	5.00%	Less than or equal to 2.61 per 1000 patient days	Between 2.62 to 2.70 per 1000 patient days	Between 2.71 to 2.79 per 1000 patient days	Greater than or equal to 2.80 per 1000 patient days
Patient Falls with Injury	Met	0.07/1000 pt days	0.03	Jan 2015 - Nov 2015	5.00%	Less than or equal to 0.07 per 1000 patient days	Between 0.08 to 0.11 per 1000 patient days	Between 0.12 to 0.17 per 1000 patient days	Greater than or equal to .18 per 1000 patient days
Patient Falls with Injury	Ouellette	0.12/1000 pt days	0.06	Jan 2015 - Nov 2015	5.00%	Less than or equal to 0.12 per 1000 patient days	Between 0.13 to 0.18 per 1000 patient days	Between 0.19 to 0.27 per 1000 patient days	Greater than or equal to 0.28 per 1000 patient days

**TOTAL for 21 indicators (Met and Ouellette)**

- 4 indicators at 100% at 5.0% weighting = 20.0%
- 2 indicators at 66% at 5.0% weighting = 6.6%
- 3 indicators at 66% at 3.75% weighting = 7.43%
- 2 indicators at 33% at 5.0% weighting = 3.3%
- 5 indicators at 33% at 3.75% weighting = 6.19%
- 1 indicator at 0% at 10% weighting = 0%
- 4 indicators at 0% at 5% weighting = 0%

Approved by:

Gina Bulcke, Director \_\_\_\_\_


Mark Fathers, VP, CFO \_\_\_\_\_

David Musyj, President & CEO \_\_\_\_\_

Robert Renaud, Board Chair \_\_\_\_\_

**GRAND Total for 2015 = 43.52%**

- \* 2014 was 48.41 % of Bonus Payable
- \* 2013 was 63.27 % of Bonus Payable
- \* 2012 was 72.82 % of Bonus Payable

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## **OTHER ISSUES**

Other issues to be addressed and obligations are:

1. If eligible staff is hired after January 1<sup>st</sup>, 2016, their compensation offer shall refer to this plan in addition to other compensation elements. In the case of a mid-year hire, the performance based plan will be pro-rated based on the number of days of service worked as a percent of total days in that fiscal year. Payment shall be subject to conditions set forth below.
2. If the eligible staff member voluntarily terminates employment prior to December 31<sup>st</sup>, 2016, they shall forfeit the payment of any earned but unpaid performance based pay. If the eligible employee voluntarily terminates employment or service after December 31<sup>st</sup>, 2016, they shall be eligible for any earned but unpaid performance based pay.
3. If the eligible staff member is terminated, salary continuance or termination pay will only be calculated on annual base compensation on time worked and shall not include any performance based pay component.
4. The performance based pay will be considered pensionable earnings in the year in which it is earned and the employer will file this plan with HOOPP and ensure eligibility. All other applicable deductions (income tax, Canada Pension Plan and Employment Insurance) will be made in accordance with applicable legislation.
5. The payment (automatic deposit) of the performance based plan to the eligible staff member will be made no more than 90 days after the calendar year ended on which the performance targets are measured against.
6. All applicable employer and staff member related costs and taxes associated with the performance based pay will be applicable to this agreement.
7. The payment of the bonus in any year does not impact the salary grid placement of the staff member in any way. Any movement on the salary grid for a staff member will be made on the basis of individual performance evaluation results and will not take into consideration the payments made pursuant to this policy.
8. This bonus plan will comply with all applicable Ontario Acts and regulations.

## **References:**

Include any reference materials that were used to create and support your policy (recommended minimum of 3 resources for clinical policies)

- List pertinent, supportive, and current references for the content included in the P&P.
- The references should be in APA format. (Example: D'Arcy Y. (2004). Using thoracic epidural catheters for pain management. *Nursing*. 34(9),18.)
- Include any pertinent regulatory agencies or laws in this section.



2016 Non Union Performance Based Compensation Jan 1, 2016 - Dec 31, 2016									
Quality Dimension	Measure/Indicator	2016 Target	Actual Performance Jan 1, 2016 to Dec 31, 2016	Reporting Period	Performance Weighting %	% of Available Incentive			
						Excellent (At or Above Target)	Achieving (At or Near Target)	Approaching (Target Within Range)	Below Target
						100%	66%	33%	0%
Effectiveness	HSMR	96	WRM	Jan 2016 - Dec 2016	10.0%	Less than or equal to 96	Greater than 96 and less than or equal to 115.2	Greater than 115.2 and less than or equal to 134.4	Greater than 134.4
			WRO						
			WRH						
Timely	90th Percentile Emergency Department Length of Stay For Admitted Patients (Hours)	20.9	WRM	Jan 2016 - Dec 2016	10.0%	Less than or equal to 20.9	Greater than 20.9 and less than or equal to 25.08	Greater than 25.08 and less than or equal to 29.26	Greater than 29.26
			WRO						
			WRH						
Safety	Overall Hand Hygiene Compliance (Based on all 4 Moments of Hand Hygiene)	95.0%	WRM	Jan 2016 - Dec 2016	10.0%	Greater than or equal to 95	Greater than or equal to 76 and less than 95	Greater than or equal to 57 and less than 76	Less than 57
			WRO						
			WRH						
Safety	Hospital Acquired Infections (HAI) Rate per 1,000 Patient Days	3.82	WRM	Jan 2016 - Dec 2016	10.0%	Less than or equal to 3.82	Greater than 3.82 and less than or equal to 4.584	Greater than 4.584 and less than or equal to 5.348	Greater than 5.348
			WRO						
			WRH						
Safety	Patient Falls with Injury Rate per 1,000 Patient Days	0.05	WRM	Jan 2016 - Dec 2016	10.0%	Less than or equal to 0.05	Greater than 0.05 and less than or equal to 0.06	Greater than 0.06 and less than or equal to 0.07	Greater than 0.07
			WRO						
			WRH						
Efficient	Alternate Level of Care (ALC) Rate Acute Care	12.70%	WRM	Jan 2016 - Dec 2016	10.0%	Less than or equal to 12.7	Greater than 12.7 and less than or equal to 15.24	Greater than 15.24 and less than or equal to 17.78	Greater than 17.78
			WRO						
			WRH						
Effectiveness	Risk-Adjusted 30-Day All-Cause Readmission Rate for Patients with COPD (QBP Cohort)	21.24%	WRM	Jan 2016 - Dec 2016	10.0%	Less than or equal to 21.24	Greater than 21.24 and less than or equal to 25.488	Greater than 25.488 and less than or equal to 29.736	Greater than 29.736
			WRO						
			WRH						
Effectiveness	Risk-Adjusted 30-Day All-Cause Readmission Rate for Patients with CHF (QBP Cohort)	21.81%	WRM	Jan 2016 - Dec 2016	10.0%	Less than or equal to 21.81	Greater than 21.81 and less than or equal to 26.172	Greater than 26.172 and less than or equal to 30.534	Greater than 30.534
			WRO						
			WRH						
Effectiveness	Risk-Adjusted 30-Day All-Cause Readmission Rate for Patients with Stroke (QBP Cohort)	8.76%	WRM	Jan 2016 - Dec 2016	10.0%	Less than or equal to 8.76	Greater than 8.76 and less than or equal to 10.512	Greater than 10.512 and less than or equal to 12.264	Greater than 12.264
			WRO						
			WRH						
Safety	Use of Surgical Safety Checklist	100%	WRM	Jan 2016 - Dec 2016	10.0%	Greater than or equal to 100	Greater than or equal to 80 and less than 100	Greater than or equal to 60 and less than 80	Less than 60
			WRO						
			WRH						

Total for 10 indicators (Met & Ouellette Campuses Combined)

- \_\_ indicators at \_\_% of available incentive, with \_\_% weighting = \_\_%
- \_\_ indicators at \_\_% of available incentive, with \_\_% weighting = \_\_%
- \_\_ indicators at \_\_% of available incentive, with \_\_% weighting = \_\_%
- \_\_ indicators at \_\_% of available incentive, with \_\_% weighting = \_\_%
- \_\_ indicators at \_\_% of available incentive, with \_\_% weighting = \_\_%
- \_\_ indicators at \_\_% of available incentive, with \_\_% weighting = \_\_%

**Grand Total for 2016 = \_\_%**

- \* 2015 was 43.52% of Bonus Payable
- \* 2014 was 48.41 % of Bonus Payable
- \* 2013 was 63.27 % of Bonus Payable
- \* 2012 was 72.82 % of Bonus Payable

Approved by:

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