

BOARD MANUAL

SUBJECT: CMH Executive Compensation Policy	NO.: 2-B-20
SECTION: Oversight of Management and Professional Staff	
APPROVED BY: Board of Directors	DATE: December 3, 2025

Policy

The Board is responsible for the development, implementation, oversight and management of the Executive Compensation Program that meets legislative requirements (Broader Public Sector Accountability Act, 2010, Excellent Care for All Act, 2010, Broader Public Sector Executive Compensation Act, 2014) and best practices in the health care industry.

For the purposes of this policy, the term "Executive" refers to the President and CEO (CEO), Chief of Staff (COS) and the Vice Presidents.

The Executive Compensation Program is a structured framework that defines how Cambridge Memorial Hospital (CMH) rewards and incentivizes the Executive and is based on the scope of responsibilities of the Executive and the performance of the Executive in achieving predetermined goals and objectives. The Program's primary goal is to attract, retain and motivate high-performing executives and aligning their interests and actions with CMH's strategic objectives.

The Executive Compensation Program is made available to the public upon written request.

Executives have performance related pay (at-risk compensation) directly linked to the annual Quality Improvement Plan (QIP) and other key performance indicators for the organization.

The Executive Committee of the Board is responsible annually for evaluating the performance of the CEO and COS and making recommendations to the Board on their at-risk compensation. Mid-year and year-end evaluation are conducted. The compensation related to performance is determined through the assignment of goals and objectives and the achievement of those goals and objectives.

The CEO is responsible for annually evaluating the performance of the Vice Presidents and deciding on their at-risk compensation. The compensation related to Vice President performance is determined through the assignment of goals and objectives and the achievement of those goals and objectives.

DEVELOPED: April 29, 2015		
REVISED/REVIEWED:		
April 25, 2018	May 26, 2021	Click or tap to enter a date.
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