



March 31, 2011

Dr. Bob Severs
Chief of Staff

Re: ECFAA Legislation and Pay For Performance Requirements

Dear Bob,

As you are aware, the introduction of the Excellent Care For All Act (ECFAA) requires that a percentage of salary for executives be linked to performance targets outlined in the Quality Improvement Plan.

Where existing pay ranges are in place for our executives we have linked 5% percent of pay to further movement within the pay range subject to meeting performance targets. As you know, the stipend for the Chief of Staff in the amount of \$117,000 is not attached to a pay range. In order to meet the pay for performance obligations outlined in the ECFAA for 2011/12 your annual stipend will be adjusted to \$111,150 and a total of \$5,850 (5%) is identified as pay for performance compensation that is re-earnable subject to meeting performance targets. This adjustment is effective April 1, 2011.

The performance targets linked to performance pay are outlined in Part C of the QIP document attached to this letter. The Board Officers have approved this document and will use this information as part of the annual performance review process.

Bob, you have been a great support to our physicians senior team and me personally since taking on the role of Chief of Staff and I want to thank you for continued dedication to the role through these challenging times.

Sincerely,

Maureen Solecki
President & CEO