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New salary structure established for AHS senior leadership

CALGARY — Alberta Health Services (AHS) today announced a new salary structure for its streamlined senior leadership team. The compensation is based on the median of the public sector market and confirms the elimination of variable, incentive-based compensation.

The review of senior executive compensation was requested by the Minister of Health and follows the revision of the senior management structure at AHS, which saw the number of vice presidents reduced from 80 to nine, plus two senior medical director leaders at the VP level. The purpose of the review was to ensure compensation paid to senior management is fair, transparent and comparable to the amounts paid in the public health care sector in other provinces.

A job evaluation process now underway will result in about 15 fewer senior leadership jobs. No layoffs will occur as a result of this process. The new salary structure will affect about 80 senior leaders.

“The new salary structure for senior leaders is fiscally responsible and, at the same time, competitive enough to allow AHS to attract and retain leaders capable of delivering high-quality health care for Albertans,” says Dr. John Cowell, Official Administrator for AHS.

“We have outstanding senior leaders at AHS whose vision and guidance have helped their teams improve the health system. I want to ensure all of our senior leaders are fairly compensated for their talent, knowledge and contributions.”

Under the new compensation model, the number of salary levels will be reduced from six to four (See Backgrounder.)

Jobs will be allocated to the appropriate salary level following an evaluation based on factors such as the size, scope, and impact of the role. Senior leaders will then be placed at the appropriate location within that salary level based on factors such as performance, qualifications and experience.

The new salary structure was established following a market assessment of comparable public sector health organizations across Canada.

Alberta has the lowest health care administration costs as a percentage of total expenses in Canada, at 3.3 per cent, according to the Canadian Institute for Health Information.

Alberta Health Services is the provincial health authority responsible for planning and delivering health supports and services for more than four million adults and children living in Alberta. Its mission is to provide a patient-focused, quality health system that is accessible and sustainable for all Albertans.

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