

Central East **LHIN**  
**RLISS** du Centre-Est

# 2008-13 Hospital Service Accountability Amending Agreement (H-SAA) Update

Central East Local Health Integration Network (Central East LHIN)  
Board of Directors Meeting  
July 25, 2012

## Summary of June 2012 Board Approvals

At the June 2012 Board Meeting:

- The Board approved the 2008-13 H-SAAs for all hospitals, excluding Northumberland Hills Hospital (NHH) and Bellwood Health Services (BHS), for the period of April 1, 2012 to March 31, 2013.
- The Board authorized the Chair and Chief Executive Officer (CEO) to execute a 30 day extension to the NHH H-SAA and further to execute the 2008-13 H-SAA upon receipt of a Hospital Annual Planning Submission (HAPS), which confirms a balanced operating position for fiscal year 2012/13.
- The Board authorized the Chair and the CEO to execute a signed 30 day extension of the 2008-13 Private Hospital Service Accountability Agreement (PH-SAA) for BHS.

## Bellwood Health Services (BHS) Update

- For the 2012-13 fiscal year, the Ministry of Health and Long-Term Care (MOHLTC) changed the measurement unit of the inpatient mental health volume from *inpatient days* to *weighted patient days*, which accounts for the acuity of the patient.
- BHS required additional time to determine how the new indicator is calculated and implications on meeting the new target.
- The Central East LHIN worked through this process with BHS and arrived at a target of 4370 Inpatient Mental Health weighted patient days. This is equivalent to the previously negotiated target of 3800 Mental Health inpatient days.
- The MOHLTC has finalized the 2008-13 PH-SAA Amending Agreement template.
- BHS has signed and returned the 2008-13 PH-SAA Amending Agreement.

## Motion to Approve 2008-13 PH-SAA Template

Be it resolved that the Central East Local Health Integration Network (Central East LHIN) Board of Directors approve the proposed template for the 2008-13 Private Hospital Service Accountability (PH-SAA) Amending Agreement covering the period from April 1, 2012 to March 31, 2013 as provided to the Board.

## Motion to Approve 2008-13 PH-SAA Agreement

The existing Private Hospital Service Accountability Extension Agreement will expire on July 31, 2012 and Bellwood Health Services (BHS) requires a signed 2008-13 Private Hospital Service Accountability Amending Agreement (PH-SAA) to continue receiving funding effective April 1, 2012 through March 31, 2013;

Be it resolved that the Central East LHIN Board of Directors authorizes the Chair and CEO to execute the signed 2008-13 PH-SAA Amending Agreement with BHS.\*

\*BHS has submitted to Central East LHIN a Private Hospital Annual Planning Submission (P-HAPS), which confirms a balanced operating position for fiscal 2012/13. Further, Bellwood has signed the 2008-2013 Private Hospital Service Accountability (H-SAA) Amending Agreement and returned it to the Central East LHIN.

## Northumberland Hills Hospital (NHH) Update

- November 2011: Central East LHIN Management met with NHH to discuss the 2012-13 H-SAA. NHH confirmed a 2012-13 balanced operating plan without significant reduction in services.
- May 2012: The MOHLTC provided details of the Health System Funding Reform (HSFR), and impact on hospitals.
- June 2012: NHH sought confirmation of funding from Central East LHIN for the following special initiatives:
  - Regional Specialized Geriatric Service (RSGS): \$ 324,000 – applies to M-SAA
  - Enhanced Therapies Funding: \$337,100 – approved
  - Hospital Elder Life Program: \$150,000 – not approved
- June 27, 2012:
  - The Central East LHIN Board approved a one-month extension and passed a motion to delegate authority to the CEO and Board Chair to execute the 2008-13 H-SAA Amending Agreement.

## NHH Update...continued

- June 28, 2012: NHH indicated to the Central East LHIN that two additional pressures would lead to a negative impact on NHH operating budget for 2012-13:
  - Most Responsible Physician (MRP) care for inpatients.
  - Accounting error resulting from amortization of equipment.
- Management met with the hospital on Thursday July 19<sup>th</sup> to discuss these issues and mitigation strategies to get them to a balanced position.

## Status of 2008-13 H-SAA with NHH

- Management will make a recommendation to the Board on one of the following options:
  - Utilize the delegation of authority to execute a 2008-13 H-SAA
  - Extend the current extension agreement for one further month
    - Performance obligations will be retroactive to April 1<sup>st</sup>, 2012
  - Requirement for further extension will trigger escalation by the LHIN