



**Central East**  
LOCAL HEALTH INTEGRATION NETWORK

# ***Review and Recommendations of HAPS & H-SAA***

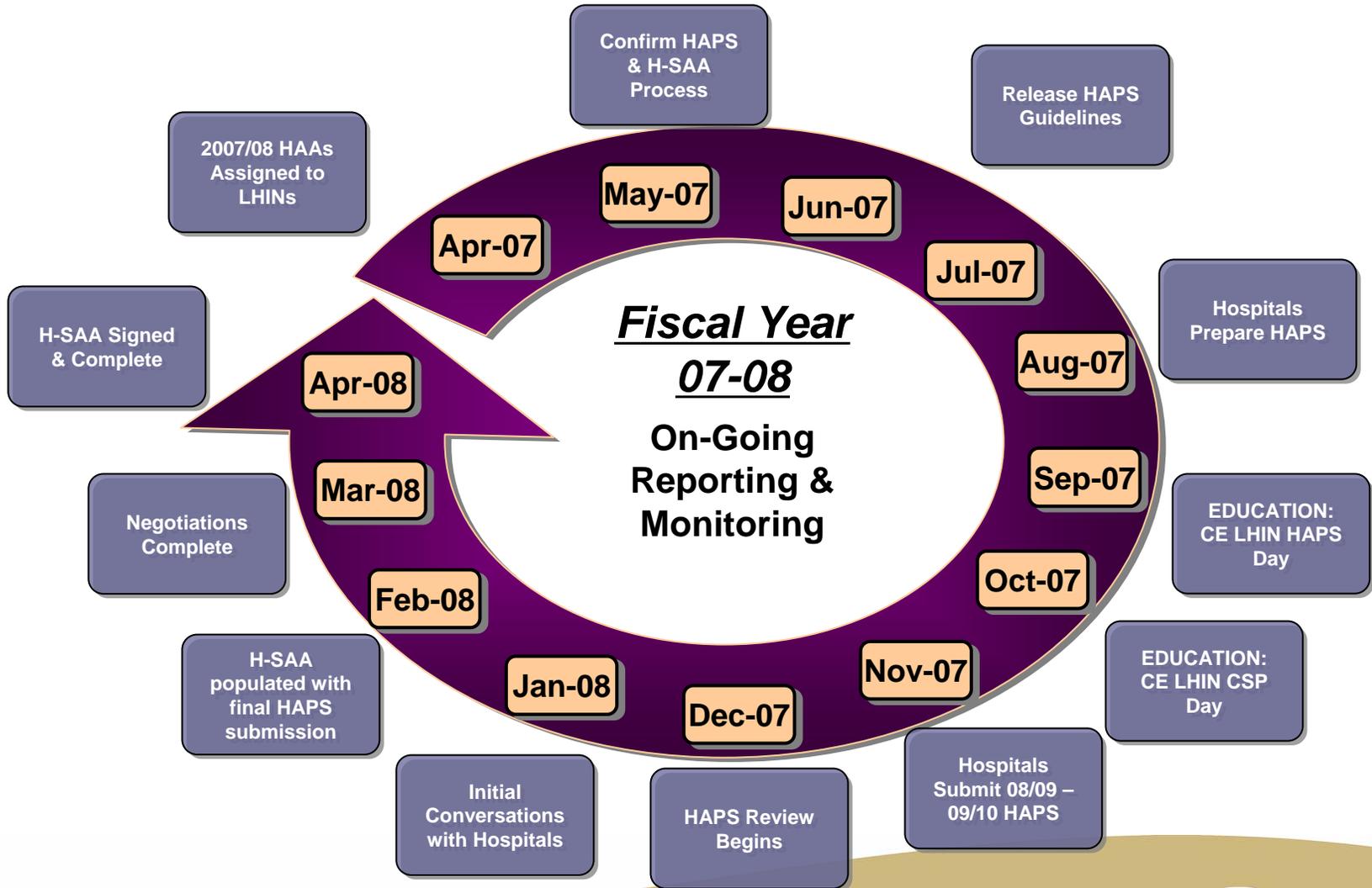
**Board of Directors Meeting  
March 28, 2008**

*Engaged Communities.  
Healthy Communities.*

# Overview

- Provide a high-level overview of the CE LHIN's approach to the HAPS and H-SAA process
- CE LHIN and hospital's roles and responsibilities
- Summary to date
- Amendments to Agreements
- Current status of each hospital (as of March 27<sup>th</sup>)
- Recommendations

# 2008/2010 Hospital Planning and Accountability Cycle



# Background Information

- Every year each hospital in the LHIN must submit a HAPS (Hospital Annual Planning Submission).
- This is a plan that outlines the hospital's strategy for the upcoming year. This plan includes a written narrative, balance sheets and performance and financial targets.
- The goal for each hospital each year is to have a **balanced budget**.
- The hospital electronically submits their HAPS each fall. After a review from the LHIN and discussions with the hospital about their pressures, the HAPS is refreshed January 31<sup>st</sup>.

# Balanced Budget

- The CE LHIN has deemed a hospital balanced if:
  - Projected deficit is between 0% to 1% of operating expenses and a plan to balance has been submitted to the LHIN's satisfaction
  - Projected deficit is in one of the two years but not both
  - If there is a CE LHIN or Provincial initiative underway or planned in FY 2008-09 to address the pressure identified by the hospital, then our confidence it may be resolved and eliminate the pressure is increased (e.g., non-emergent transfers, ALC, ED, etc)
  - ADM has indicated to LHIN Board Chairs they have ability to accept as "balanced" a submission with a deficit up to 1.5% of their total revenue, provided the hospital has good working capital position

# Background Information

- Once the HAPS is received, the Hospitals and the CE LHIN must enter an agreement.
- The H-SAA (Hospital Service Accountability Agreement) is created for 2 fiscal years, with a refresh after the first year.
- A completed agreement is necessary between the CE LHIN CEO and Board as well as the hospital's CEO and Board for March 31<sup>st</sup>, 2008 to continue to fund each hospital on April 1<sup>st</sup>, 2008.

# H-SAA Background

- Purpose:
  - To support the collaborative relationship between the LHIN and the Hospital, to further health systems integration at the local level.
  - To set out the mutual understandings between the LHIN and the Hospital of their respective performance obligations in the period from April 1, 2008 to March 31, 2010.
- Goal:
  - The CE LHIN seeks to enter into a Hospital Service Accountability Agreement (“H-SAA”) with each of the 10 hospitals.
  - The agreement reflects Hospital and the CE LHIN common interest in supporting

*“a health care system that keeps people healthy, gets them good care when they are sick and will be there for our children and grandchildren.”*

# CE LHIN's Roles & Responsibilities

- Provides system planning and integration direction outlined in the Integrated Health Service Plan (IHSP)
- Negotiates an H-SAA with each hospital
- Provides funding in accordance with the terms of the *Local Health System Integration Act, 2006 (LHSIA)* and the MOHLTC-LHIN Accountability Agreement
- Monitors hospital performance against set targets

# Hospital's Responsibilities

- Negotiate an H-SAA with the LHIN
- Deliver accessible, appropriate services funded pursuant to the terms of a service accountability agreement that:
  - Maximizes service levels and outcomes aligned with the MOHLTC-LHIN Accountability Agreement and the LHIN IHSP
  - Meets planned and agreed upon performance targets, including achieving a balanced budget

# H-SAA Contents

- **Primary Agreement**
- **Schedule A-** Planning and Funding Timetable
- **Schedule B-** Performance Obligations
  - **CE LHIN Changes to all Hospitals**
  - 2.5 (i) Deficit Accountability
  - 2.7 HSMR
  - 2.8 ALC Monitoring Indicator
  - 9.0 Hospital Specific Performance Obligations
- **Schedule C-** Multi-Year Funding Allocations and Planning Target
- **Schedule D-** Global Volumes and Performance Indicators
- **Schedule E-** Critical Care Funding
- **Schedule F-** Post Construction Operating Plan Funding and Volume (PCOP)
- **Schedule G-** Protected Services
- **Schedule H-** Wait Time Services

# Summary to Date:

- **Jun '07:** Release HAPS guidelines to Hospitals
- **Oct 17:** HAPS Day: short & long-term pressures & possible solutions
- **Nov 9:** Clinical Services Plan process to review service delivery considerations/options LHIN wide
- **Nov 30:** 8 of 9 HAPS submitted (PRHC extension)
- **Dec 10:** H-SAA “template” approval (Accountability Agreement)
- **Dec to Jan:** Review of submissions, negotiation Strategy finalized
- **Jan '08:** Hospital's Negotiations commenced based on Nov 30<sup>th</sup> HAPS.
- **Jan 31:** Refresh and final HAPS submitted

# Summary to Date:

- **Jan-Feb:** CE LHIN staff to reviewed HAPS and populate H-SAA
- **Feb 22:** Board reviewed H-SAA, approved distribution
- **Feb 25:** Distributed H-SAA to Hospitals
- **Mar 1:** Letters were sent to all Board Chairs re: H-SAA
- **Feb 25-March 14:** CE LHIN continued discussions with hospitals to discuss the signing of H-SAAs.
- **Mar 14:** (in camera) Board Approval of 2008-10 H-SAA, direction for those that might not sign.
- **Mar 15-27:** Continued discussions with each hospital and revised schedules to ensure each hospital was in a signing position.

# H-SAA Completion to Date

- Schedules C, D, E, F, G, H are partially complete.
- Still waiting for correct information from the MOHLTC.
- Each hospital accepts that the current data provided by the CE LHIN is conditional to amendment, once finalized.

# **Amendment to Schedules**

**(as of March 28<sup>th</sup> 2008)**

# Whitby Mental Health Centre

- *Schedule B, Section 9*
- **9.1 Labour Harmonization**
  - Both parties agree that the balanced budget position is dependant upon receipt of additional funding from the Ministry of Health and Long-Term Care related to the impact of labour harmonization resulting from the recent divestment of Whitby Mental Health.

# Haliburton Highlands Health Services

- Schedule B, Section 9

## 9.1 Operating Pressures:

- Consistent with Sections 1.2 and 1.3, and recognizing the interdependence of the parties to facilitate the achievement of this Agreement, the parties agree to resolve pressures and cover deficits relating to the following:

- **ALC (Alternate Level of Care):** Work with the LHIN and the ALC task force to reduce ALC pressures.
- **Non-Urgent Transportation:** Work with the LHIN to reduce non-urgent transportation pressures.
- **Laboratory & Pharmacy:** Work with the LHIN to reduce the pressures of Lab and pharmacy costs.

# Campbellford Memorial Hospital

- Schedule B, Section 9
- **9.1 Operating Pressures:**
  - Consistent with Sections 1.2 and 1.3, and recognizing the interdependence of the parties to facilitate the achievement of this Agreement, the parties agree to resolve pressures and cover deficits relating to the following:
    - **ALC (Alternate Level of Care):** Work with the LHIN and the ALC task force to reduce ALC pressures.
    - **Non-Urgent Transportation:** Work with the LHIN to reduce non-urgent transportation pressures.
    - **Laboratory & Pharmacy:** Work with the LHIN to reduce the pressures of Lab and pharmacy costs.

# The Scarborough Hospital

- Schedule B, Section 9
  - 9.1 LHIN and Hospitals can add additional specific performance obligations mutually agreed upon in this schedule.
  - 9.2 For 2008/09 the LHIN expects the hospital to maintain services at the 2007/08 levels and to consult the LHIN prior to the implementation of any changes to these service.
    - For 2008/09 the Hospital has planned for a balanced budget.
    - For 2009/10 the Hospital has planned for a balanced budget.
    - However, should conditions change, the Hospital agrees that it will provide a revised plan for a balanced budget for 2009/10 no later than September 30, 2008. The plan can include a discussion on service volumes and organizational changes.
- \* The Hospital and the LHIN will conduct a refresh, including indicators and schedules by January 31, 2009.

# Lakeridge Health Corporation

- **Schedule B, Section 9**
- 9.1 **PCOP (Post Construction Operating Plan):** Subject to section 5 in this agreement, an amendment will be made under section 15.3 of the Agreement to include these targets in Schedule F and any additional conditions not otherwise set out in Schedule B. This funding is an additional in-year allocation contemplated by section 5.3 of the Agreement.
- 9.2 **Protected Services:** An amendment will be made under section 15.3 of the Agreement to include these targets in Schedule G and any additional conditions not otherwise set out in Schedule B. This funding is an additional in-year allocation contemplated by section 5.3 of the Agreement.

# Lakeridge Health Corporation

- **Schedule B, Section 9**

**9.3 TP5 and other capital funding:** Work with the LHIN to develop capital funding and related long-term debt strategies.

**9.4 Operating Pressures**

- Consistent with Sections 1.2 and 1.3, and recognizing the interdependence of the parties to facilitate the achievement of this Agreement, the parties agree to resolve pressures and cover deficits relating to the following:
- Whitby Site Fire: Work with the LHIN and the task force to resolve pressures related to the Whitby Site fire.
- Mental Health Plan: Work with the LHIN to resolve pressures relating to the Mental Health Plan for Addictions and Mental Health services.

# Peterborough Regional Health Centre

- **Schedule B, Section 9**

## **9.1 PCOP (Post Construction Operating Plan):**

- Subject to section 5 in this agreement, an amendment will be made under section 15.3 of the Agreement to include these targets in Schedule F and any additional conditions not otherwise set out in Schedule B. This funding is an additional in-year allocation contemplated by section 5.3 of the Agreement. Both parties agree that the balanced budget position is dependant upon receipt of adequate funding from the Ministry of Health and Long-term care related to PCOP.

## **9.2 Transitional Funding**

- Both parties agree that the balanced budget position is dependant upon receipt of adequate funding from the Ministry of Health and Long-term care related to the impact of transitional costs resulting from the 2008 move to the new hospital building.

\*The hospital and the LHIN will conduct a refresh, including indicators and scheduled by January 31, 2009.

# Ross Memorial Hospital

## Schedule B, Section 9

### 9.1 PCOP (POST CONSTRUCTION OPERATING PLAN)

- Subject to section 5 in this agreement, an amendment will be made under section 15.3 of the Agreement to include these targets in Schedule F and any additional conditions not otherwise set out in Schedule B. This funding is an additional in-year allocation contemplated by section 5.3 of the Agreement. Both parties agree that the balanced budget position is dependant upon receipt of additional funding from the Ministry of Health and Long-Term care related to PCOP.
- The parties mutually agree that the outpatient volume in excess of PCOP funded volumes should reasonably be converted to equivalent inpatient volumes using a mutually acceptable conversion ratio, and that any resulting inpatient volumes above base levels be funded at the appropriate inpatient funding rate for PCOP purposes. It is recognized however, that the MOHLTC presently control PCOP funding allocations and as such, the CE LHIN cannot assure receipt of the needed PCOP funding. The CE LHIN agrees however to actively support and advocate with the hospital to obtain this funding.

# Ross Memorial Hospital

## Schedule B, Section 9

### 9.1 PCOP (POST CONSTRUCTION OPERATING PLAN)

- The CE LHIN agrees to attempt to secure from MOHLTC the Hospital's remaining \$3,657,006 in PCOP funding.
- The parties acknowledge that PCOP clawbacks will not be implemented without the support and endorsement of the LHIN. The parties agree that any PCOP clawback related to 2008-09 or any prior year would result in the Hospital not achieving the current ratio performance indicators outlined in Schedule D. The CE LHIN agree that it will not support any PCOP funding clawback related to 2008-09 volumes or any prior year volumes.

# Ross Memorial Hospital

## Schedule B, Section 9

### 9.2 Operating Pressures:

- Consistent with Sections 1.2 and 1.3, and recognizing the interdependence of the parties to facilitate the achievement of this Agreement, the parties agree to:
- **ALC (Alternate Level of Care):** Work with the LHIN and the ALC task force to reduce ALC pressures.
- **Non-Urgent Transportation:** Work with the LHIN to reduce non-urgent transportation pressures.
- **Wait-Time Funding:** The LHIN agrees to advocate on behalf of the hospital for sufficient wait-time funding to maintain 2007-08 wait-time volumes.

# Private Hospital Agreement- Background

- The Ministry-LHIN SAA Steering Committee has drafted the Private Hospital SAA (PH-SAA) to mirror the public hospital H-SAA where appropriate.
- This will be the first accountability agreement for private hospitals.

# Private Hospital Agreement- Components

- Primary Agreement
- Schedule A – Hospital Planning Cycle
- Schedule B - Performance Obligations & Reporting Schedule
- Schedule C – Multi-Year Funding Allocations and Planning Targets
- Schedule D - Global Funding Volumes and Performance Indicators

# Bellwood Health Services

## Schedule B, Section 5

- 5.1 For 2008/09 the LHIN expects the hospital to consult with the LHIN prior to the implementation of any material changes to the hospital's services. For 2008/09 the Hospital has planned for a balanced budget. For 2009/10 the Hospital has planned for a balanced budget. However, should conditions change, the Hospital agrees that it will provide a revised plan for a balanced budget for 2009/10 no later than September 30, 2008. The plan can include a discussion on service volumes and organizational changes.**

**The Hospital and the LHIN will conduct a refresh, including indicators and schedules by January 31, 2009.**

- 5.2 This agreement and schedules apply only to the Bellwood Hospital, a division of Bellwood Health Services, which delivers the funded services. Compliance with reporting requirements for E-Health Standards, MIS/WERS, and CIHI apply only to the funded Hospital Services. Non-funded services delivered through other divisions of Bellwood Health Services Inc. are not subject to this agreement.**

# Northumberland Hills Hospital

- **Schedule B, Section 9**

- **9.1 Operating Pressures:**

- Consistent with Sections 1.2 and 1.3, and recognizing the interdependence of the parties to facilitate the achievement of this Agreement, the parties agree to resolve pressures and cover deficits relating to the following:
  - **ALC (Alternate Level of Care):** Work with the LHIN and the ALC task force to reduce ALC pressures.
  - **Non-Urgent Transportation:** Work with the LHIN to reduce non-urgent transportation pressures.
  - **Physician costs:** Work with the LHIN to reduce the pressures of physician stipends and special guarantee expenses.

# Rouge Valley Health System

- **Schedule B, Section 9**

## **9.1 Regional Paediatric Program**

- Consistent with Sections 1.2 and 1.3, and recognizing the interdependence of the parties to facilitate the achievement of this agreement, the parties agree to continue working closely to resolve pressures relating to the Regional Paediatric program.

## **9.2 Peer Review Recommendations**

- The hospital will work on the utilization management improvements and will work closely with the LHIN on implementation plans to resolve operational pressures.

# Proposed Consolidation of MHA In-Patient Services

## Current

- RVAP
  - 16 Adult Inpatient Beds
  - 4 Psychiatric Intensive Care Unit
  - Crisis Services 12 hrs/weekday & 8 hrs/weekend
- RVC
  - 40 Adult Inpatient Beds
  - 6 Children Adolescent Beds
  - Crisis Services: 16 hrs/weekday & 8 hrs/weekend
- TOTAL INPATIENT BEDS: 66

## Proposed

- RVAP
  - Crisis Services: 16 hrs, 7 days per week
  - 2 observation beds in the ED
  - Enhanced Outpatient Services
- RVC
  - Crisis Services: 16 hrs, 7 days per week
  - 2 observation beds in the ED
  - 5 bed Psychiatric Intensive Care Unit
  - 40 Adult Inpatient beds
  - NEW 15 Medical/Psychiatry Units
- TOTAL INPATIENT BEDS: 60

# Benefits and Challenges

## Benefits

- Increase crisis availability
- New Medical/Psychiatry unit
- Increased availability of outpatient services
- Quality and Safety Improvements
- Consolidation of skilled staff to provide integrated care
- Financial Savings
- Operational Efficiencies

## Challenges

- Commuting for families of inpatients from Ajax/Pickering
- Potential loss of skilled inpatient mental health staff
- Transfers of patients between sites
- Demand for overnight observation in the ED

# Proposed Direction to RVHS

## Recommendation

- Approve the RVHS HSAA
- Prior to the implementation of the planned consolidation of MHA services, direct RVHS to work with the LHIN in conducting a 30 day consultation period with community stakeholders
- Purpose of the consultation is to inform stakeholders, improve the plan where possible, examine and mitigate potential challenges.
- Continue to evaluate the need for inpatient MHA services through the CE LHIN Clinical Services Plan

# Current Status

Hospital	Status-March 28-8am
WMHC	Received signed H-SAA
HHS	Received signed H-SAA
CMH	Received signed H-SAA
LHC	Received signed H-SAA
TSH	Received signed H-SAA
PRHC	Received signed H-SAA
RVHS	Not yet received H-SAA.
NHH	Not yet received H-SAA. Letters sent to CEO-March 26 <sup>th</sup> and 27 <sup>th</sup> .
RMH	Received signed H-SAA
Bellwood	Received signed H-SAA

# Recommendations

<b>Hospital</b>	<b>Staff Recommendation</b>
<b>WMHC</b>	<b>Motion to sign balanced H-SAA</b>
<b>HHS</b>	<b>Motion to sign balanced H-SAA</b>
<b>CMH</b>	<b>Motion to sign balanced H-SAA</b>
<b>LHC</b>	<b>Motion to sign balanced H-SAA.</b>
<b>TSH</b>	<b>Motion to sign balanced H-SAA</b>
<b>PRHC</b>	<b>Motion to sign balanced H-SAA</b>
<b>RVHS</b>	<b>Motion to sign balanced H-SAA. CE LHIN to provide letter instructing further community consultations on Mental Health and deficit elimination plan.</b>
<b>NHH</b>	<b>Motion to extend current agreement for 30 days to complete negotiations</b>
<b>RMH</b>	<b>Motion to sign balanced H-SAA</b>
<b>Bellwood</b>	<b>Motion to sign balanced PH-SAA</b>