Local Health Integration Networks: Building a True System

Bulletin No. 28 – March 5, 2007

Countdown to April 1st

Spring in Ontario is within sight. So too is the day when the province's health care system takes one of its biggest steps to date in transforming itself into the kind of system Ontarians need – one that improves their health by providing better access to services, by integrating and coordinating those services, and by managing health care in a more effective, efficient and sustainable way.

Minister of Health and Long-Term Care George Smitherman first announced his government's intention to create 14 Local Health Integration Networks in September 2004. The first LHIN Board members were appointed in June 2005. On April 1st, 2007, LHINs will assume their full responsibilities after more than two and a half years of consulting, planning and preparation. It is a day that will mark the beginning of a new era for health care in Ontario.

Going forward, many of the most important decisions in health care will be taken at the local level, by people who live and work in the communities that will be affected by those decisions. Health care in Ontario is now a $35.4 billion operation – an enormous undertaking that no longer lends itself to micromanagement from head office. The creation of LHINs is an acknowledgement that the province's health care environment had simply become too big and complicated, was not responsive enough to local needs and concerns, and was increasingly difficult for ordinary citizens to navigate.

As of April 1st, LHINs will take on full responsibility for planning, funding and integrating health services in their local areas. This will leave the Ministry of Health and Long-Term Care free to rise to a more strategic level, focusing on the stewardship of the health system, making management of the local health system the responsibility of the 14 LHINs. The ministry will provide the provincial framework, strategies and priorities, as well as setting the standards, targets and measures for Ontario's health care system. This will ensure that all Ontarians have access to a consistent set of health care services when they need them, regardless of which LHIN they reside in.

Governance and Accountability

The *Local Health System Integration Act, 2006* was passed into law in March 2006. It sets out the role of LHINs, identifying their powers and obligations.

LHINs are each governed by nine-member Boards of directors. They also have a Chief Executive Officer who reports to the Board. Board meetings are open to the public, except for those rare cases where the privacy demands of legal or human resources discussions make that impossible.

To support cost effectiveness, efficiency and consistency, the LHINs have established a common service group, the LHIN Shared Services Organization (LSSO), which coordinates shared functions such as human resources, audit and legal counsel.

The relationship between the Ministry of Health and Long-Term Care and LHINs is governed by a Memorandum of Understanding as well as an accountability agreement between the ministry and each LHIN, as directed by the *Local Health System Integration Act, 2006.*

The LHINs are also required by legislation to develop and release Integrated Health Service Plans, the first of which were completed in the Fall of 2006. These plans, which set out a vision, priorities and strategic directions for each local health system, can be accessed at www.lhins.on.ca. They were developed after an unprecedented community engagement process, during which LHINs reached out to more than 40,000 people to hear their views and concerns.

LHIN responsibilities

LHINs will not directly provide health services, but will have funding authority for more than 2,000 health service providers across Ontario. They will also be the main point of contact when these organizations have questions, concerns, or other requirements they would once have taken directly to the Ministry of Health and Long-Term Care.

LHINs will be responsible for the following service providers:

- Public and Private hospitals
- Long-Term Care Homes
- Community Health Centres
- Community Care Access Centres
- Mental Health and Addiction Agencies, and
- Community Support Service Agencies.

LHINs will also work with the following service providers, but the government will retain responsibility for:

- Individual practitioners
- Family Health Teams
- Ambulance services
- Laboratories
- Provincial drug programs
- Provincial programs
- Independent Health Facilities, and
- Public Health.

As part of their mandate, LHINs are also assuming responsibility for the service agreements that exist between these providers and the government to address annual funding decisions, service expectations and other commitments. When the agreements that are currently in place expire, it will be the LHINs that work with the providers to renew them. The LHINs are working closely with the ministry to develop the 2007/08 Hospital Accountability Agreements and the LHINs will take lead responsibility for these negotiations next year. The schedule for negotiating provider service agreements is as follows:

- Public and Private Hospitals – 2007/08
- Community Health Centres – 2008/09
- Long-Term Care Homes – 2008/09
- Mental Health and Addiction Agencies – 2008/09
- Community Support Service Agencies – 2008/09
- Community Care Access Centres – 2009/10.

With respect to payments to individual health service organizations, the ministry has established a new Financial Management Branch (FMB) to support the LHINs' fulfillment of their funding and allocation mandate. The LHIN will instruct the ministry to make or adjust payments to each provider throughout the fiscal [illegible] conduct annual reconciliations of funding to provide and produce financial reports.

In addition to supporting the LHINs, FMB will also absorb responsibility for handling a number of the claims-based initiatives that were formerly handled by the ministry's Regional Offices.

Initiatives Already Underway

Critical Care Strategy

In May 2006, each LHIN appointed a Critical Care Leader to support critical care service delivery planning/coordination. These leaders are responsible for leading critical care planning, rehearsal and event management across LHINs, as well as supporting critical care performance measurement and improvement across LHINs.

To April 1st and beyond

Many health care providers in Ontario may feel that the ground is shifting too rapidly beneath their feet. With April 1st rapidly approaching, many still have questions and concerns about the coming transformation. The Ministry of Health and Long-Term Care will continue to try to address these questions and concerns in this LHIN Bulletin, which will continue through the transition period. In addition, providers and members of the public are welcome to submit questions about LHINs and the ongoing health care transformation in email form to transforminghealth@moh.gov.on.ca. They will be answered directly in as timely a manner as possible.

The ministry also recognizes that in the period following April 1st, LHINs will be facing a considerable number of new challenges as they begin fulfilling their critically important mandates. In order to support them, the ministry is creating the LHIN Liaison Branch. Under Director Carrie Hayward, this Branch will be responsible for the LHIN/ministry accountability agreements, providing assistance to the LHINs and supporting the LHINs and the ministry to fulfill their commitments.

The first of several managerial appointments to the LHIN Liaison Branch was announced in late February. Kathryn McCulloch, who served as Manager with of the LHIN Project Team and was instrumental in the development of the policy framework for the LHIN initiative, will assume her new position as Manager, Local Health Integration Network (LHIN) Liaison, effective March 5, 2007.

Please regularly check the ministry's website at http://www.health.gov.on.ca/transformation/lhin/lhin_mn.html for the latest news on the ministry's transformation.