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# Local Health Integration Networks: Building a True System

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## **Bulletin No. 30 – March 20, 2007**

### **Expectations and Opportunity – Health Care Providers in the LHIN Era**

On April 1<sup>st</sup>, 2007, Local Health Integration Networks assume their full responsibilities for funding, planning and integrating health care services at the local level. On that day LHINs will truly be taking a bold step forward into a new era for health care in Ontario, and the province's health care providers will be taking that bold step with them.

The LHIN initiative can only be understood in the context of broader health care transformation in Ontario, and that transformation – while enormous and complex – is in aid of a very simple goal: The creation of a true health care system.

It has long been understood that Ontario's health care system is fragmented and silo-based. Health care providers do great work, but all too often that work is done in isolation, with none of the benefits to patients that come from integration in an overall system. It is an unsustainable way to go about the business of delivering health care and is ultimately detrimental to the quality of care enjoyed by patients. As of April 1<sup>st</sup>, that will begin to change. LHINs will be the catalysts, and in many ways providers will be the agents of that change.

### **Roles and responsibilities**

The transformation brought about by LHINs is best described as evolutionary, not revolutionary. For health service providers, the world on April 2<sup>nd</sup> will be much as it was March 31<sup>st</sup>. It will, however, be a world that is beginning to change, and providers will want to prepare for a previously unseen emphasis on accountability, a

focus on integration, and new approaches to everything from funding to health system planning.

There are five main areas where these changes will be felt. It is in these areas that providers are going to have to align their own internal structures and priorities with those of other providers within the LHIN, in order to meet the integration and service requirements determined by the LHIN. Those five areas are:

### ***Accountability***

Accountability is the watchword of the health care system being created in Ontario, as it is in many other areas. People have the right to expect accountability from their governments, and patients have the right to expect that their health service providers will be accountable for the quality of the services they provide. To that end, part of the LHINs' mandate will be to negotiate accountability agreements with health care providers. This has never been done before in Ontario.

The first set of agreements to be negotiated is with the province's hospitals. The ministry has undertaken these negotiations in collaboration with the LHINs, as the agreements are intended to be in place by April 1<sup>st</sup>. Going forward, LHINs will be responsible for negotiating Hospital Accountability Agreements (HAAs), as well as agreements with other service providers.

The schedule for negotiating these 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.

These agreements will clearly establish service standards and targets that providers are expected to meet, and will also include protocols for monitoring and reporting as well as possible strategic interventions by LHINs if and when improvements are deemed necessary. The new reality for providers is that they will be operating in a world where the expectations they have to meet are very clear, but they will receive much less direct input from the ministry in how to go about meeting those expectations.

After April 1<sup>st</sup>, service providers will:

- *Be responsible for meeting service quality and outcomes specified in their accountability agreements with LHINs*
- *Be accountable to LHINs for their use of public funds, and*
- *Have their governance structures accountable to LHINs.*

### ***Integration and service coordination***

Integration is at the core of the LHIN mandate. LHINs were created to work within local systems that are composed of multiple interdependent organizations, each with its own motivators and objectives, and each with its own structure and processes. They are devising integration strategies that are tailored to local needs and circumstances. To that end, they have been working and will continue to work with local providers to adapt and customize health services to address local needs and priorities.

Going forward, providers will need to work closely with LHINs and with each other to create a system where patients experience health care services almost seamlessly, with the impact of boundaries between organizations almost negligible. This applies within individual LHINs, and across LHIN boundaries as well. The needs of patients must be absolutely paramount.

After April 1<sup>st</sup>, service providers will:

- *Be responsible for aligning their service planning within the overall LHIN framework*
- *Implement the directions for integration laid out in accountability agreements with LHINs*
- *Demonstrate continuous improvement in service integration and coordination, and*
- *Take part in agreements and initiatives designed to further provincial objectives in areas such as access, quality, safety, and efficiency.*

### ***Funding and allocation***

Probably the most obvious change brought about by LHINs is in the way money will flow through the health care system. LHINs are responsible for assessing needs and priorities at the local level and determining service configuration based on those needs and priorities. They will allocate and provide funds to providers accordingly. Nearly two-thirds of the provincial health care budget – approximately \$20 billion – will come under control of the LHINs.

LHINs will also monitor fiscal performance as well as the contribution made by providers to ensure integration and system sustainability, to ensure that all agreed-upon standards are met.

After April 1<sup>st</sup>, service providers will:

- *Submit business and service plans as required by their accountability agreements, and*
- *Be responsible to LHINs for delivering programs and services on budget.*

### ***Local health system planning***

LHINs sprang from an understanding that health care priorities are best determined at the local level, by people familiar with the specific needs of their communities. LHINs are also required by legislation to develop and release Integrated Health Service Plans (IHSPs), the first of which were completed in the Fall of 2006, that reflect the needs and priorities of communities, are consistent with broad ministry goals, and optimize the use of current resources.

The development of IHSPs would not be possible without extensive input from providers, and the execution of those plans would be unthinkable without their full participation.

After April 1<sup>st</sup>, service providers will:

- *Participate fully in LHIN planning exercises*
- *Align their strategic plans with those of their LHINs, and*
- *Provide the input and information necessary for the development of LHIN plans.*

### ***Local community engagement***

In late 2004, LHINs began the process of engaging and consulting their communities about local health care concerns. It is a process that has continued to this day, and if LHINs are to be successful in determining local needs and priorities, it is a process that will never end. Local health service providers have two obvious roles to play in these consultations – they are in a real sense members of the community being consulted, and they have a clear interest in hearing the views of other community members.

After April 1<sup>st</sup>, service providers will:

- *Be expected to play a role in informing the community and general public about opportunities for involvement in LHIN initiatives*
- *Participate fully in LHIN community engagement activities, and*
- *Be responsible for any issues or concerns relevant to their organization that come up in the course of consultations.*

### **More questions?**

Many health care providers in Ontario may feel that the ground is shifting too rapidly beneath their feet. With April 1<sup>st</sup> 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](mailto:transforminghealth@moh.gov.on.ca). They will be answered directly in as timely a manner as possible.

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

This update is produced by the LHIN Coordination Project.

For more information call INFOline at 1-888-779-7767 8:30 a.m. to 5:00 p.m. Monday to Friday or email [transforminghealth@moh.gov.on.ca](mailto:transforminghealth@moh.gov.on.ca)