

Accountability Agreement *Update*

Almonte General Hospital: An HAA First!

Negotiations between hospitals and the ministry are producing results. The success begins with Almonte General Hospital (AGH), which recently became the first hospital in the province to sign its 2007/08 accountability agreement.

This represents the second “provincial first” for the hospital this year. In the summer, AGH received the highest rating among 93 hospitals for the responsiveness of its acute care services in the *Hospital Report Card 2006: Acute Care*. The report also gave the hospital high ratings on nine financial indicators that measure financial viability, liquidity, efficiency and the use of human resources.

“I’m very proud of these back-to-back achievements,” says AGH Executive Director Ray Timmons. “They confirm the emphasis we place on quality of care and on delivering excellent and timely services to our community in a cost-efficient way.”

Timmons says that the hospital has always followed a multi-year budgeting approach, so the transition to the HAPS was not a difficult one. “Accountability is already part of our corporate culture, as is seeking operational efficiencies,” noted Timmons.

“I would like to congratulate the hospital trustees, executives and staff of Almonte General Hospital on this provincial first,” said Assistant Deputy Minister Mary Kardos Burton. “I know that with board meetings resuming in January, other hospitals will soon be in a similar position. We are making good progress this year, and I think that it demonstrates a strong commitment from the sector in moving the accountability agenda forward.”

In Brief

Almonte General Hospital is the first hospital to sign its 07/08 agreement.

67 Ontario hospitals – close to half – are ready to take their agreements to their board.

Changes to p-fees transfer responsibility for payment to OHIP.

Halfway Mark in Sight

Ministry negotiating teams are reporting that the tally of hospitals in a position to sign their 2007/08 HAAs has increased again - from 37 to 67.

With 67 out of 152 hospitals ready to sign their agreements, the halfway mark is in sight. The ministry’s goal is to have negotiations completed by mid-January, and all agreements signed by the end of January 2007 in preparation for the April 2007 assignment of the HAAs to the LHINs.

Public Reporting

As part of the ministry's commitment to transparency in process, status reports on the signing of HAAs and the status of negotiations are being posted on the ministry's public website.

For more information, see the ministry's Hospital Planning and Accountability section.
www.health.gov.on.ca/english/providers/project/hosp_plan/hosp_plan_mn.html

Amendment to the 2006/07 HAA Reflects Change to P-Fees

In 2004, as part of the overall settlement with Ontario physicians, the ministry and the Ontario Medical Association negotiated transferring the responsibility of paying physicians for inpatient diagnostic professional services (also known as "p-fees") from hospitals to the ministry.

The ministry, in conjunction with the Diagnostic Service Committee, has implemented a new billing protocol for this purpose, and has recently confirmed that the transfer of responsibility can proceed.

Hospitals can expect to receive notification from Mary Kardos Burton, ADM, detailing the particulars for each hospital.

The notification will detail the following:

- The ministry's acceptance of the amount the hospital estimated was paid to physicians regarding DI P-fees.
- An amendment to Schedule C of the 2006/07 HAA authorizing the recovery of funds from the hospital for this purpose.
- Advice regarding the adjustment to annualize the recovery in 2007/08.

- Notice that the ministry will continue its review and reconciliation process through 2007/08, and may make a further adjustment based on this review.

- The 2007/08 adjustment would be to ensure the correct recovery was made. The ministry will not attempt to recover funds due to increased need (an increase in patients requiring DI) or health human resource issues (an increase in physicians able to bill OHIP for these p-fees).

- Hospitals that reported paying less than \$10,000 annually for these services will have no recovery taken this year. The ministry will use the review process in 2007/08 to reconfirm hospital billings and make a final decision regarding a recovery.

Ministry negotiation teams are ready to discuss any issues relating to this change in scheduled meetings with hospitals. The ministry encourages hospitals to approve the amendment at their January board meeting.

Ask the Ministry

Question: I keep hearing about a new funding formula that the ministry is developing. When will it be ready?

Answer: The ministry is developing a new health-based allocation methodology to allocate funding to the LHINs. The next step will be to obtain approvals for the approach and consultations will follow. Funding agreed to in the 2007/08 HAA will not be affected. The implementation strategy for this new methodology is currently in development.

Key Links and Resources

- Hospital Report Card 2006: Acute Care
www.hospitalreport.ca
- Ministry of Health and Long-Term Care's Hospital Planning and Accountability website
www.health.gov.on.ca/english/providers/project/hosp_plan/hosp_plan_mn.html
- JPPC website, Accountability Section
www.jppc.org/ha

Tell Us What You Think

Let us know whether you are finding this newsletter helpful, or write to us with your suggestions or questions at pneves@jppc.org.

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Accountability Agreement Update is published by the Joint Policy and Planning Committee (JPPC), in collaboration with the Ministry of Health and Long-Term Care and the Ontario Hospital Association (OHA). It is intended to keep senior executives in Ontario hospitals informed of new developments related to the province's ongoing negotiations with hospitals towards achieving balanced budgets and the signing of accountability agreements.



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