

Accountability Agreement Update

Local Negotiations Coming to a Close – Hospital Sector Executives Enlisted For Next Stage

In a January 31st message to the hospital sector, former Assistant Deputy Minister (ADM) of Acute Services, Mary Kardos Burton, marked the upcoming close of local negotiations for the 2007/08 Hospital Accountability Agreements (HAAs).

In her message, she recognized this year's progress and the contribution of hospitals in advancing Ontario's accountability agenda. She also took stock of collective accomplishments since 2003 when the Ministry, in partnership with the OHA and JPPC, launched the process to develop multi-year funding and an accountability framework.

"The sector certainly has a lot to be proud of," said ADM John McKinley, who has now assumed responsibility for the Ministry's Acute Services Division.

McKinley indicated that, in terms of next steps, the Ministry stands firm in its commitment to conclude all negotiations in time for the anticipated assignment of HAAs to LHINs in April.

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In Brief

Local negotiations with hospitals are mostly completed; sector executives have been brought on board to assist.

The Ministry has developed a draft regulation for public consultation related to phasing in the negotiation of service accountability agreements between LHINs and health service providers.

Hospitals should continue to work with Regional Offices until advised of a change in reporting relationships.

"...we have come very far – and in very little time – laying a strong foundation for health system accountability in Ontario. (...) Together, we have contributed to creating an environment where performance encompasses strong fiscal management, operational efficiencies and a continued commitment to delivering high quality patient care."

Former ADM, Acute Services, Mary Kardos Burton

“To that end, we’ve enlisted executives from the sector to assist us in completing negotiations,” McKinley said. “Kevin Empey, Executive Vice President, University Health Network, and Wolf Klassen, Vice President, Program Support, Toronto East General Hospital, will be working with us, on a go forward basis, towards achieving signed agreements with all hospitals.”

McKinley added that Kevin Empey and Wolf Klassen will be coming on board the week of February 19th.

Draft Regulation Sets Out Timetable for Negotiations with Health Providers

The Ministry has developed a draft regulation for public consultation, which would see the negotiation of service accountability agreements between LHINs and health service providers being phased in by sector over a three-year period.

Legal Context

According to Section 20 of the Local Health System Integration Act, 2006, a health service provider that receives funding from a LHIN is required to enter into a service accountability agreement with the LHIN.

According to the Commitment to the Future of Medicare Act, 2004, LHINs are required to give notice to a health service provider to negotiate a service accountability agreement and to have an agreement negotiated within 90 days of notification.

The proposed regulation would exempt LHINs from the requirement to give notice and negotiate an agreement within 90 days for the following service providers: Community Health Centres; Community Mental Health and Addiction Services; Community Service Agencies; Community Care Access Centres (CCACs); and Long-Term Care Homes. These service providers would be exempt until March 31, 2009, except for CCACs, which would be exempt until March 31, 2010.

The regulation was published in *The Ontario Gazette* on February 10th for a 60-day public consultation period.

Implications for Public Hospitals

According to the proposed timetable in the draft regulation, LHINs would begin to negotiate agreements for 2008/09 with the hospital sector in fiscal year 2007/08 to ensure accountability agreements are in place with all hospitals.

Other sectors would follow suit, with negotiations beginning in fiscal year 2008/09. In the interim, they would continue to operate under their existing agreements.

This phased approach is designed to support the development of new accountability relationships with LHINs across all sectors. It also recognizes the hospital sector’s well-established negotiation process and the detailed agreements that are already in place.

Hospitals have an opportunity to submit written comments on the draft regulation on or before April 10, 2007.

A backgrounder summarizing the proposed regulation is available in the “Communications – Legislative Issues and Analysis” section of the Ontario Hospital Association (OHA) website.

Ask the Ministry

Q. With the upcoming transition to LHINs, should hospitals still contact their Regional Offices?

A. As noted in a recent *LHIN Bulletin*, health service providers, including hospitals, should continue to work with Regional Offices until the Ministry advises them of a change in reporting relationships.

Key Links and Resources

- Ministry of Health and Long-Term Care's Hospital Planning and Accountability website
http://www.health.gov.on.ca/english/providers/project/hosp_plan/hosp_plan_mn.html

- Joint Policy and Planning Committee website - Accountability Section
<http://www.jppc.org/ha>

New

- Notice of Proposed Regulation - Accountability Regulation Under the *Local Health System Integration Act, 2006*
http://www.health.gov.on.ca/transformation/lhin/lhin_accoutab.html

- Ontario Hospital Association (OHA) *Executive Report*, Volume 19: Issue 7
http://www.oha.com/client/oha/oha_lp4w_lnd_webstation.nsf/page/Executive+Report

- *Proposed Accountability Regulation to the Local Health System Integration Act, 2006* OHA Backgrounder
http://www.oha.com/client/oha/oha_lp4w_lnd_webstation.nsf/page/Legislative+Issues+Analysis

Accountability Agreement Update

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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We welcome your feedback. Let us know whether you are finding this newsletter helpful, or write to us with your suggestions or questions to:

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