

Hospital Service Accountability Agreement Update

Introduction

This is the eighth communiqué regarding the discussions of the H-SAA Steering Committee on the development of the Hospital Service Accountability Agreement (H-SAA) for 2010-2012.

Major Changes to the 2010/11 HAPS and H-SAA Processes are Imminent:

At the request of the H-SAA Steering Committee, Ken Deane, Assistant Deputy Minister, Health System Accountability and Performance was invited to the September 30th meeting to discuss and resolve the need for changes to the 2010-2011 HAPS and H-SAA Process.

Ken outlined in clear terms the facts facing the Ministry of Health and Long-Term Care (MOHLTC), LHINs and all health care providers. Ontario's serious economic problems are having a significant impact on government revenues. Given the fiscal environment, the government is not yet able to provide hospitals and LHINs with financial planning information for 2010/11 and 2011/12, and it is not yet known when this information will be available. He also emphasized that in spite of all these challenges, all hospitals have a fiduciary responsibility to maintain a balanced budget and that LHINs are also required to do so through their legislation.

An open and practical discussion then took place regarding changes that could be made to the HAPS and H-SAA processes in order to adapt to this unprecedented and unpredictable environment. The following direction was established as a result of this discussion:

1. The HAPS process and H-SAA will likely change from a two year to a one year term covering 2010/11;
2. An extension of the existing H-SAA between LHINs and hospitals is very likely for this one year period;
3. Working closely with the MOHLTC, the Steering Committee will examine and address the performance management issues related to extending the existing H-SAA for 2010/11 with the intent of minimizing the administrative burden on LHINs and hospitals;
4. Work to re-establish a two year HAPS process and H-SAA for 2011/12 and beyond will still continue.

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Based on these adjustments, it was also determined that hospitals will not submit a completed HAPS to their LHIN by November 30th, 2009.

Hospitals and LHINs are encouraged to continue to work closely together in planning for 2010/11. There is an opportunity for hospitals and LHINs to collaborate in creative strategies to respond to this new environment. Additional information and more detailed guidance will be provided to LHINs and hospitals in the near future regarding next steps.

In the interim, the Steering Committee underscores the importance of hospitals continuing to work to make their operations even more efficient and implement changes that achieve operating savings but do not negatively affect patient services. It goes without saying that this environment of uncertainty underscores the obligation of all hospitals to make responsible financial and operating decisions in an effort to achieve and maintain a balanced budget while focusing on quality and access.

The H-SAA Steering Committee is committed to finalizing its approach on the HAPS and H-SAA processes for 2010/2011 at the earliest opportunity and to communicating details to all LHINs and hospitals as soon as possible.

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