7
LOCAL HEALTH INTEGRATION NETWORKS SERVICE ACCOUNTABILITY AGREEMENT FOR SENIORS COMMUNITY PROGRAMS/LONG TERM CARE

The Health and Emergency Medical Services Committee recommends the adoption of the recommendations contained in the following report dated April 7, 2009, from the Commissioner of Community and Health Services.

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize the Regional Chair, or designate, to settle the terms of the Service Accountability Agreement through discussions with the Central Local Health Integration Network.

2. The Commissioner of Community and Health Services or designate be authorized to execute the necessary agreements on behalf of the Region with Central Local Health Integration Network subject to review by Legal Services.

2. PURPOSE

This report provides an overview of the funding arrangement and concerns with the Service Accountability Agreement (the Agreement) that the Region is required to enter into with the Central Local Health Integration Network (Central LHIN) for funding for long term care Seniors Community Programs. A similar form of agreement will ultimately be required for long term care programs. This report also requests that Council authorize its Chair, or designate, to settle the terms of the Agreement through discussions with the Central LHIN and authorize staff to execute the Agreement on the terms that may be settled by the Chair, or designate.

3. BACKGROUND

The *Local Health System Integration Act* confers powers to plan, coordinate and fund certain health services upon the Local Health Integration Networks

In accordance with the *Local Health System Integration Act* (the Act), the powers to plan, coordinate, and fund health services is conferred upon fourteen Local Health Integration Networks (LHINs). As a result, funding for entities such as hospitals, long-term care homes, community health centres, mental health and addiction services and community support services that was previously provided by the Ministry of Health and Long-Term Care (MOHLTC) is now provided by the LHINs. The Act also mandates that the LHINs enter into a Service Accountability Agreement with health service providers that receive funding.

The Region is required to enter into a two-year funding agreement with the Central LHIN for Seniors Community Programs (2009) and Long-Term Care (2010)

The Region is required to enter into the Agreement with the Central LHIN for the period of April 1, 2009 to March 31, 2011 which enables the Region to receive funding for its long-term care Seniors Community Programs. The Agreement is standardized provincially and all service providers are required to sign it in order to receive funding for a two-year period. The Central LHIN has allocated $5,021,700 in funding for the Region's Adult Day Programs and Respite Care for 2009.

The Agreement has been reviewed by Legal Services and the Housing and Long-Term Care Branch but has not yet been executed. The LHIN provided confirmation that funding from the LHIN to the Region for Seniors Community Programs will not be interrupted for April 2009 in the event that the Region has not executed the Agreement by April 1, 2009. There are no assurances by the LHIN, however, that funding will continue after April 30, 2009, in the event that the Region has not executed the Agreement by that date.

Additionally, by April 2010, the Region will also be required to enter into a Service Accountability Agreement with the Central LHIN for long-term care funding. This will involve our two long-term care facilities – Newmarket Health Centre and Maple Health Centre with some $11.3 million at risk.

4. ANALYSIS AND OPTIONS

The Agreement is a standardized template that is required to be signed by more than 600 diverse service providers funded by the LHINs. The Agreement confers considerable control and unilateral decision-making upon the LHINs. A review of the agreement by Legal Services and Housing and Long-Term Care staff identifies the following main concerns:

- The LHIN Agreement fails to take into account municipal governance, structure and by laws. For example, the LHIN requires that a more stringent procurement policy be implemented by the Region concerning its procurement of services relating to the Seniors Community Programs for long-term care than is set out in the Region's Purchasing By-law. The Agreement also requires the Region to seek consent of the LHIN to subcontract services that are the subject of the Agreement.

- The LHIN has a broad discretion to terminate the Agreement before the expiration of its term. The LHIN, for example, may terminate the Agreement for any reason upon giving sixty days notice to the Region. The LHIN may also terminate the Agreement immediately for a breach of a material provision by the Region. In this instance, there is no process or mechanism in place to review the LHIN's decision to terminate. In the event that the Region wishes to terminate the Agreement, it must give six months notice to the LHIN and provide a transition plan which must be acceptable to the LHIN, demonstrating how the transition of the clients to a new service provider would be effected within the six month period.

- The LHIN can impose additional obligations upon the Region with respect to the provision of services but does not guarantee that additional funding will be provided in the event of this occurring.

- The timelines set out in the Agreement for the Region to make required submissions and to provide required documentation, in certain circumstances, are extremely difficult to meet, particularly given the complex structures of municipal governments.

Staff have expressed these concerns regarding the content of the Agreement to staff of the Central LHIN. Discussions with other regional municipalities indicate that they also have concerns with the content of the Agreement.

By law, the Central LHIN can direct the Region to enter into the Agreement

In accordance with the *Commitment to the Future of Medicare Act, 2004,* if the Region fails to enter into an agreement within 90 days of notification by the LHIN, the Central LHIN may direct the Region to enter into an agreement on such terms as the Central LHIN determines. The Region is legally bound to comply with this obligation.

5. FINANCIAL IMPLICATIONS

Funding of $5,021,700 for the Region's Seniors Community Programs is at risk in the event that a resolution cannot be found in this matter. Additionally, the Region's long term care funding of $11,293,500 annually will be subject to similar risk, beginning in 2010, if changes are not made before those agreements are brought forward.

6. LOCAL MUNICIPAL IMPACT

The Region's Seniors Community Programs such as Adult Day Programs and Alternative Community Living are necessary services to provide to York Region residents which enable the residents to meet their health care needs.

7. CONCLUSION

It is recommended that Council authorize the Regional Chair, or designate, to settle the terms of the Agreement through discussions with the Central LHIN. It is important that the Central LHIN dialogue with the Region regarding the content of the Agreement so that the Region's concerns can be addressed in a manner that would ensure York Region residents' health care needs will continue to be met in an effective manner.

For more information on this report, please contact Sylvia Patterson, General Manager of Housing and Long Term Care at Ext. 2091.

The Senior Management Group has reviewed this report.