

**BRIEFING NOTE**  
**Toronto Central Local Health Integration Network**  
**Board of Directors Meeting**  
**February 24, 2016**

**Agenda Item 1 – Welcome & Call to Order**

The Toronto Central Local Health Integration Network (TC LHIN) welcomes the public to its open Board meeting. Please refer to A Guide to Open Meetings of the Toronto Central Local Health Integration Network (LHIN).

**Agenda Item 2 – Guide to Open Meetings of the Toronto Central Local Health Integration Network**

Link to guide:

<http://torontocentrallhin.on.ca/~media/sites/tc/New%20media%20folder/Board%20and%20Governance/Guide%20to%20Open%20Meetings.pdf>

**Agenda Item 3 – Approval of Agenda**

TIME	DUR (MIN)	ITEM	TOPIC	PRESENTER/DISCUSSANT	MOTION REQUIRED
4:00	2	1	Welcome and Call to Order	Angela Ferrante	
4:02	1	2*	Guide to Open Meetings of the Toronto Central Local Health Integration Network	Angela Ferrante	
4:03	1	3	Approval of Agenda	Angela Ferrante	✓
4:04	1	4	Declaration of Conflict(s)	ALL	
<b>PRESENTATIONS</b>					
4:05	30	5	Patient's First Discussion Paper - Report on Consultation Process - Report to Ministry on Responses	Susan Fitzpatrick	✓
<b>STRATEGIC PLAN 2015-2018</b>					
	30	6*	TC LHIN Strategic Plan Update A. Strategic Plan Refresh B. Performance Measures – TC LHIN Balanced Scorecard C. Operational Plan D. Draft Annual Business Plan E. Communications and Stakeholder Plan	Susan Fitzpatrick/Tess Romain	✓
<b>REGULAR BUSINESS</b>					
	2	7*	Approval of Minutes - November 25, 2015 - January 29, 2016	Angela Ferrante	✓



The Board member(s) shall at this time in the meeting declare any conflict(s) of interest in accordance with the LHIN Conflict of Interest Policy.

### **Agenda Item 5 – Patient’s First Discussion Paper**

No briefing note.  
Presentation will be given at the meeting.

### **Agenda Item 6 – TC LHIN Strategic Plan Update**

#### **TOPIC: STRATEGIC PLAN UPDATE 2016**

##### **PURPOSE OF THIS AGENDA ITEM:**

Approval: Updated Strategic Plan 2015-2018

#### **BACKGROUND:**

- In June 2015, the Board of Directors approved the Toronto Central (TC) LHIN Strategic Plan 2015 – 2018.
- Since this time, the government has released Patients First: A Proposal to Strengthen Patient-Centred Care in Ontario with recommendations that will enhance the mandate of LHINs.
- The TC LHIN has been engaging in consultations on the proposed Patients First discussion paper to inform the Ministry, and the TC LHIN on priorities and considerations to achieve the vision outlined by the government.
- As well, Susan Fitzpatrick has been meeting with Health Service Providers (HSPs) and partners across the TC LHIN to engage on our Strategic Plan, and identify opportunities for increased alignment and stronger partnerships to achieve our strategic goals.
- The Board recommended that the CEO to review and confirm the TC LHIN Strategic Plan 2015-2018 at the February 2016 Board of Directors meeting.

#### **DISCUSSION:**

##### **Innovation and System Sustainability**

Overall, the LHINs Strategic Plan 2015 – 2018 has been positively received by HSPs, partners and residents. The strategic goals and priorities resonate with both providers and patients, and the vision of a Healthier Toronto, Positive Patient Experience, and System Sustainability is the right focus for the TC LHIN.

An additional area of focus for consideration by the TC LHIN which has been identified through engagements with our partners, providers and system leaders is innovation. System innovation is

defined as a set of action that shift a system onto a more sustainable path<sup>1</sup>.

Although innovation is referenced in the description of System Sustainability in the Strategic Plan, there is an opportunity to showcase the organization's commitment to attract, implement and embrace innovation over the next three years. By amending our strategic goal to "Innovation and System Sustainability", the TC LHIN is demonstrating our commitment to innovation, and will ensure this is embedded across our strategic priorities.

### **Recognizing a Key Partner**

A key enabler to developing, and leveraging innovation across the TC LHIN is our partnership with Academic Health Science Centres and other key hospital leaders within our LHIN. The fact that the TC LHIN has the largest concentration of Academic Health Science Centres within our geography, is a unique and positive opportunity that should be recognized in our strategic plan.

Our academic hospital partners provide ongoing leadership in system transformation, research and innovation which is often utilized in LHIN planning and project design in order to develop innovative programming or solutions to common barriers.

Recognizing this important resource within the TC LHIN is critical to ensure that we continue to build on establish partnerships as a foundation to realize our goals of transformation within the primary and community care sector, taking a population health approach, and designing health care for the future.

In our strategic priority "Designing Health Care for the Future" it is recommended that we recognize the role that our Academic Health Science Centres and hospital leaders play in our ability to develop and provide access to evidence based, leading edge health care to our residents.

### **Impact of Growth in the Downtown Core**

The Toronto Central LHIN occupies a unique position within the infrastructure of the health care system in Ontario. While Toronto Central LHIN's physical boundaries encompass the smallest geographic footprint of the fourteen LHINs the impact of the highly concentrated number of Health Service Providers (HSP) contained therein resonates across the entirety of the province. Toronto Central LHIN receives roughly 40% of the overall financial transfer to the LHINs, mostly attributed to the fact that these providers serve as a regional and provincial resource. Nearly 60% of the care delivered in the LHIN is to residents from outside of the catchment area. As a result of this the LHIN recognizes the critical role that our Academic Health Science Centres play in ensuring ongoing excellence in highly specialized services to Ontario, while at the same time the system remains responsive to the needs of this rapidly growing community.

To provide context in referring to the growth in Toronto Centre it should be noted that Toronto completed almost 128,650 dwelling units in the past decade, averaging 12,865 units per year over the last ten years. Since 2006 the downtown core has grown by 18%, four times the rate of the remainder of the City, while the population south of Queen Street has doubled in recent years.

The impact of this population surge has been deeply felt by HSPs, to the point that hospitals now regularly operate in excess of 100% of their bedded capacity. By way of illustration St. Michael's

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<sup>1</sup> Draper, S. Creating the big shift: system innovation for sustainability. Retrieved from [http://www.forumforthefuture.org/sites/default/files/images/Forum/Documents/SI%20document%20v4.2%20web%20spreads\\_1.pdf](http://www.forumforthefuture.org/sites/default/files/images/Forum/Documents/SI%20document%20v4.2%20web%20spreads_1.pdf)

hospital reports a 60% increase in high acuity cases in recent years, with 8% of these being admitted, and the University Health Network indicates a 12% increase in admissions from the Emergency Department.

The consequences of this sharp increase are widespread, and include the fact that bed occupancy by these high acuity patients precludes the use of these resources by patients who have come from across Ontario for specialized treatment at academic hospitals. This threatens the ability of the hospitals to balance their responsibilities to the acute sector with their role in provincial clinical leadership.

Although our Strategic Plan 2015 – 2018 recognizes the impact of growth in the downtown core, there is an opportunity to highlight the specific challenge facing our academic hospitals.

Another unique characteristic of the TC LHIN that has resulted from the expansion in downtown Toronto has been the commensurate increase in property values. As a result, when Long Term Care facilities need to be replaced or expanded the provincial model for financing these important projects finds itself severely under resourced in the face of the cost of land within the LHIN. This poses a risk of having insufficient infrastructure to support this vital resource as the population continues to grow.

To help address these issues the Toronto Central LHIN is working closely with both the other four LHINs in the Greater Toronto Area, as well as directly with the City of Toronto. The LHIN has created a new relationship with the City's Lead Planner, in order to have health concerns included at the forefront of the architecture of future development in the region. Basing investments on data driven planning will acknowledge the unique challenges faced in delivering health care to the City's core, while retaining the ability to honouring the commitment to support specialized care to patients across the province.

It is recommended that on page 25, a section be added under *Provincial Consideration* titled "Downtown Growth Considerations" which references the challenges faced by many of our health service providers, and specifically our downtown hospitals.

#### **NEXT STEPS:**

- Amend our strategic goal to "Innovation and System Sustainability"
- In our strategic priority "Designing Health Care for the Future" it is recommended that we recognize the role of our Academic Health Science Centres and hospital leaders in system design and transformation.
- It is recommended that on page 25, a section be added under *Provincial Consideration* titled "Growth in the Downtown Core" which references the challenges faced by many of our health service providers, and specifically our downtown hospitals.
- Following the completion of the consultation period on the Patients First discussion paper, and any subsequent legislative or mandate change by the Ministry, the TC LHIN will review the Strategic Plan 2015 – 2018 and Integrated Health Service Plan 2016 – 2018 to ensure alignment with the government's vision.

#### **MOTION:**

The Board of Directors hereby approves the updated Strategic Plan (2015-2018).

**TOPIC: Annual Business Plan 2016/17**

**PURPOSE OF THIS AGENDA ITEM:**

To seek early feedback from the Board of Directors on the draft 2016/17 Annual Business Plan.

Approval to submit draft 2016/17 Annual Business Plan to the Ministry of Health and Long-Term Care for review and feedback.

**BACKGROUND:**

On an annual basis, each Local Health Integration Network (LHIN) develops an Annual Business Plan, which outlines plans for local implementation of health care strategies and objectives for the following year. The Annual Business Plan is a Ministry of Health and Long-Term Care (Ministry) template that LHINs are mandated to complete, and it is the LHIN's annual plan for implementation of its Integrated Health Service Plan (IHSP).

**TC LHIN STRATEGIC PLAN 2015-2018 AND IHSP-4:**

LHINs are mandated by the Ministry to develop and publicly release an IHSP every three years. In 2015, TC LHIN elected to develop a Strategic Plan in advance of the IHSP cycle in order to accelerate health system transformation initiatives, and to line up with the directions from the government's priorities as set out in *Patient's First: Action Plan for Health Care*, which was released in February 2015.

The TC LHIN Strategic Plan 2015-2018 and its fourth IHSP (IHSP-4) are similar documents with identical goals and strategic priorities. TC LHIN's fourth IHSP (IHSP-4) was publicly released on February 1, 2016.

**PROCESS AND TIMELINE FOR 2016/17 ANNUAL BUSINESS PLAN:**

We are currently undergoing the review process that includes collecting feedback on the draft Annual Business Plan. The Annual Business Plan will be submitted to the Ministry by March 31, 2016 for its review and feedback. The Ministry, TC LHIN Board and staff's feedback will be considered in the development of the final report to be submitted to the Board of Directors for final approval in June 2016.

The Annual Business Plan will subsequently be submitted to the Ministry by June 30, 2016, and then it will be made public after the Ministry has approved it, which usually takes about six months.

To that end, management is submitting the draft Annual Business Plan to the Board of Directors for feedback and approval to forward the draft to the Ministry of Health and Long-Term Care for their

review.

#### Motion

The Board of Directors hereby approves the draft 2016/17 Annual Business Plan to the Ministry of Health and Long-Term Care for review and feedback.

### **TOPIC: TC LHIN Communications and Stakeholder Relations Plan 2016/17**

#### **PURPOSE OF THIS AGENDA ITEM**

Update re TC LHIN 2016/17 Communications and Stakeholder Relations Plan

#### **BACKGROUND:**

As a framework for supporting the activities of the Toronto Central LHIN and the Strategic Plan, the Communications Plan is used to guide communication priorities, processes, and initiatives. The Communications Plan also showcases the TC LHIN's role in steering health system change for patients.

With a mission to transform the system to achieve better health outcomes for people now and in the future, the strategic communications plan is essential to advancing this mission and effectively engaging with diverse groups internal and external stakeholders.

The Board received a 2015/16 communications and stakeholder relations plan in June 2016 that included the details around the engagement and roll out of the strategic plan.

Goal 1 and 2 of Strategic Communications and Stakeholder Relations Plan outlined the work undertaken to develop the Strategic Plan 2015 – 2018. Goal 3 outlined a plan for community engagement and outreach in order to socialize the Strategic Plan with key audiences such as Health Service Providers, health professionals, residents and patients, City of Toronto, and other partners.

Since September 2015, CEO Susan Fitzpatrick with our LHIN team has engaged in an outreach tour with these key audiences to present the TC LHIN Strategic Plan 2015 – 2018 and identify opportunities for alignment through:

- Visits to HSPs
- MPP meetings
- Engagement with marginalized and vulnerable populations
- Sector table meetings
- Presentations at TC LHIN Committee (i.e. Clinical Effectiveness/Clinical Utilization Committee)
- Primary care physician engagement
- Meetings with key partners including the City of Toronto, and the United Way

The TC LHIN continues to engage providers, partners and residents on the Patient's First Discussion Paper to inform the proposed expansion of the LHINs mandate. The results of these consultations will be shared with the Board at the February 24, 2015 Board meetings.

As well, the TC LHIN has launched recruitment for a newly formed Citizen's Panel which will provide the LHIN with ongoing input and advice on implementation of the Strategic Plan 2015 – 2018. A more detailed update will be provided to the Board at the February 24, 2015 Board meeting.

To support the LHIN work going forward, an updated communications and stakeholder relations plan for 2016/17 will be tabled for the Board's approval in June 2016.

**Motion**

**None**

**Agenda Item 7 – Approval of Minutes**

To be posted to website once approval made by the Board.

**Agenda Item 8 – Primary Care – Draft Work Plan**

**TOPIC: Initial Work Plan for Primary Health Care Strategy**

**PURPOSE OF THIS AGENDA ITEM**

To provide the TC LHIN Board with a high level work plan for the Primary Health Care Strategy.

**Context:**

A high level work plan reflecting the initial planning/implementation phase has been prepared for the Primary Health Care Strategy. There are many activities currently underway, such as consultations on the Patients First discussion document and Patients/Health Service Providers/Physicians engagement sessions, the feedback from these will inform and assist in updating/fleshing out the ongoing work plan for the strategy.

There are many evolving phases to the Primary Health Care Strategy such as: engagement; planning, implementation, end state and continuous quality improvement.

**Primary Health Care Strategy Initial Work Plan Highlights:**

- Initial patient/health provider/physician engagements from February to March 2016 then

ongoing throughout all phases;

- Feedback from the Ministry of Health and Long-Term Care on Patients First discussion document and TC LHIN Primary Care Proposal;
- Development and submission to TCLHIN of annual Sub-LHIN Region Work Plans – the first plan expected for Q1 2016/17;

**Next Steps:**

Once initial consultations have been completed and feedback collated the work plan will be updated to reflect any additional TC LHIN approved activities required to plan and implement the strategy.

The Primary Health Care Strategy work plan will be updated continuously to reflect all of the evolving phases.

**MOTION:**

None

**Agenda Item 9 – Sub-LHIN Population Planning**

**TOPIC:** Establishing Administrative Capacity for the Sub-LHIN Regions

**PURPOSE OF THIS AGENDA ITEM**

To provide the TC LHIN Board of Directors with the status of work to-date to establish administrative capacity as a foundational element in moving our population-based primary health care strategy forward at the Sub-LHIN planning regions.

**Context:**

The Minister of Health and Long Term Care released the Patients First discussion paper on December 17, 2015 to obtain input on a proposal that would see considerable change to the role and responsibility of LHINs. The discussion paper outlines a process whereby the LHINs would identify smaller sub-regions to be the focal point of planning and service management and delivery. Within the sub-LHIN regions local clinician leaders will take responsibility for local planning and performance management. This is consistent with the TC LHIN Strategic plan priorities: designing health care for the future; taking a population health approach; transforming primary health and community care and achieving excellence in operations.

**Moving Forward:**

In the TC LHIN, Primary Health Care is planned to be aligned in 5 sub-LHIN geographic regions to ensure that residents and those that come into the LHIN have access to services and receive the quality care they need in a sustainable manner.

A key principal of the design is to work in partnership with local leaders to maximize the current resources, including infrastructure, capabilities and expertise that is unique to the TC LHIN. There are over 1900 primary care physicians within the TC LHIN boundary, as well as other health providers, to be engaged and involved in the activities of the primary health care strategy.

**Establishing Administrative Capacity:**

To support these activities, there will be one entity in each sub-LHIN region that has the existing resources, infrastructure and expertise to successfully support the planning engagement and implementation of the significant system change. The leveraging of existing administrative infrastructures and capabilities is critical for successful execution of the strategy, as is the need to effectively manage the scale of system change.

Accountability mechanisms will be required to help ensure delivery of desired results, and will include vehicles that have been effectively utilized by the LHIN to date (i.e. Letter of Cooperation, Memorandum of Understanding). The proposed elements of such agreements are outlined in Attachment A. More fulsome agreements will be constructed as roles and responsibilities are defined with the agencies, and will be reviewed annually to ensure alignment with the business needs identified through the primary care strategy locally and provincially.

**Next Steps:**

- Discussions to further define roles/responsibilities and inform refinements to accountability elements will continue in fiscal 2015/16 with a goal to executing these agreements in 16/17.
- The next report will be tabled at the Board of Directors meeting on April 27, 2016.

**MOTION:**

None

**TOPIC: Sub-LHIN Region Reports and Planning Approach**

**PURPOSE OF THIS AGENDA ITEM:**

To provide the Board of Directors with an overview of the Sub-LHIN Region Overview and Profiles, and describe our approach to planning analysis at the Sub-LHIN population level.

## BACKGROUND

In 2015, Toronto Central LHIN launched its new Strategic Plan with a committed focus on achieving: **A Healthier Toronto, Positive Patient Experiences, and System Sustainability**. One of the key Strategic Priorities that underpins this is *Taking a Population Health Approach*, which will direct how we plan, prioritize, fund, and partner with other organizations to targets the needs of the population and the sub-populations within.

This begins with a strong understanding of what our current and future patients need and want in order to improve their health status and experience with health care. This information will help to identify neighbourhoods and population segments that may need targeted interventions to achieve the desired and equitable outcomes reflected in our goals.

A population based approach integrates the full spectrum of health care delivery – from preventing disease (e.g. health promotion) to treatment (e.g. tertiary care). Health is greatly influenced by the social determinants of health – including our environment, our social status, education, employment, gender and culture. The profiles illustrate the diversity of the population of the Toronto Central LHIN, and to form a basis of understanding of the variations in populations that can impact our health outcomes.

## APPROACH

The Sub-LHIN Region Overview and the accompanying Sub-LHIN Regional Profiles brings to life our sub-LHIN geographic population areas, and is are evolving planning documents intended to be used by TC LHIN planners, partners, and governors in order to guide our work. Specifically, the documents will provide its audience with information regarding the similarities and differences of the population segments within each of the regions, and highlight potential gaps in service and need based on characteristics of those lower levels of geography.

It is proposed that the development of this reports be advanced according to the following:

1. Initial Report and East Region Profile (February 2016)  
Population characteristics and health system utilization
2. 2nd Release and Mid-East / North Profiles (March 2016)  
Additional population and performance measures with a focus on priority data needs for program planning
3. 3rd Release and Mid-West / West Profiles (May 2016)  
Refining performance measures and identification of additional system pressures and gaps

In the short term, targeted use of this information includes: education for TC LHIN staff and governors to begin understanding our sub-LHIN geographies, preparation for provider engagement sessions and primary care implementation planning.

### MOTION:

None

## Agenda Item 10 – Citizen’s Panel/Patient Engagement

No briefing note.  
Presentation will be given at the meeting.

## Agenda Item 11 – Consent Agenda

### A. For Information

CEO Report – copies of the CEO Report will be available at the meeting.

### B. For Approval – Chair Attestation

**TOPIC: CONSENT AGENDA - Chair’s Attestation (Certificate of Compliance)**

### **PURPOSE OF THIS AGENDA ITEM**

The Board to authorize the Chair to sign and submit the Chair’s Attestation (Declaration of Compliance) for the period September 30, 2015 to December 31, 2015.

### **BACKGROUND:**

LHIN Board Chairs are required to provide a signed Declaration of Compliance, due each quarter on the following dates:

- January 31
- April 30
- July 31, and
- October 31

### **MOTION:**

**That the Toronto Central LHIN Board of Directors authorizes the Chair to execute and submit the Chair Attestation (Declaration of Compliance) to the Ministry for the 2015/16 third quarter.**

## Agenda Item 12 – Chair’s Report

The Chair will provide a verbal report at the meeting.

## Agenda Item 13 – Finance and Audit Committee Report

### TOPIC: TC LHIN’s Health Service Providers (HSPs) Operation Transfer Payment Funding

#### PURPOSE OF THIS AGENDA ITEM

To report to the Board of Directors the 3<sup>rd</sup> Quarter 2015-16 HSPs Operation Transfer Payment Funding.

#### BACKGROUND:

The HSPs Operation Transfer Payment Funding report summarizes the 3<sup>rd</sup> Quarter financial results for HSPs operation transfer payment funding. The HSPs operation transfer payments are funded by the Ministry of Health and Long-Term Care (Ministry) and more than 99% of the funding is non-discretionary. Less than 1% discretionary funding is comprised of urgent priority funds, community sector investment funding, and surplus reallocation. TC LHIN has limited or full discretion to allocate discretionary funds.

#### HSP OPERATION TRANSFER PAYMENT FUNDING RESULTS

The transfer payment to HSP operations for 2015-16 is expected to be \$4.7B, \$70M more than originally budgeted as a result of new Ministry initiatives announced since the beginning of the fiscal year. The year-to-date transfer payment as of 3<sup>rd</sup> Quarter (ended on December 31<sup>st</sup>, 2015) is \$3.54B.

Table A below summaries the new Ministry initiatives:

Ministry Funding Initiatives	Amount (\$000s)
Community Investment 15-16, and Personal Support Worker Wage Enhancement (PSW) Provincial Program	17,468
Critical Care Nurse Training Fund	29,911
Post Construction Operation Plan	1,108
Long-term care 2% of Resident Care Needs Increase with 2015-16 CMI	4,621
Healthlink	5,983
Enhanced Sessional Funding, and Access and Restore	2,375
Long-term care Raw Food and Other Accommodation per diem increase	2,699
Other Initiatives	1,560
Total	4,294
	70,019

TOPIC: Q3 2015-16 Discretionary Funding Allocation

### **PURPOSE OF THIS AGENDA ITEM**

To report to the Board of Directors on discretionary funding allocation for the 3<sup>rd</sup> Quarter of 2015-16

### **BACKGROUND**

In April 2015, the Board approved the 2015-16 investment plan approach for discretionary funding. In keeping with the LHINs reporting process, TC LHIN is reporting the allocations to the Finance and Audit Committee on a quarterly basis.

TC LHIN has three sources of discretionary funds:

1. Urgent priority funds (UPF);
2. Community investment funds and
3. Surplus reallocation funds from the community sector HSPs.

UPF and surplus reallocation funds are fully discretionary for TC LHIN to allocate and TC LHIN has limited discretion on community investment funds.

The UPF and surplus reallocation funds are allocated as one-time funding (funds used for only one fiscal year) for projects. This is in alignment with TC LHIN's strategic priorities.

Community funds are received and allocated as base funds (once allocated in a fiscal year, the same amount rolls over to the HSP perpetually) which aligns with Ministry conditions and TC LHIN strategic priorities.

### **Financial Highlights**

#### Allocations

The cumulative funds allocated to HSPs to date amount to \$18.3M. In the third quarter, TC LHIN allocated \$4.9M. A report on results by strategic priority and program for Q3 is given in Attachment A.

#### Funding Sources

A further summary of allocation by funding source and by quarter is as below:

**Q3 2015-16 Summary Allocation Funding by funding source**

	<b>Urgent priorities funds</b>	<b>Community Investments</b>	<b>Surplus Re-allocation</b>	<b>Total</b>
	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>
<i>1st QTR Payment Allocation</i>	3.9	0.9	2.4	7.2
<i>2nd QTR Payment Allocation</i>	2.5	3.6	0.1	6.2
<i>3rd QTR Payment Allocation</i>	1.5	0.4	3.0	4.9
<b>Total Funds allocated</b>	7.9	4.9	5.5	18.3

TC LHIN expects to allocate the balance of \$4.4M in Q4.

**Motion:**

**No motion**

**TOPIC: Toronto Central LHIN's Q3 Operations Financial Results Report (unaudited)**

**PURPOSE OF THIS AGENDA ITEM**

To provide the Board of Directors with the 2015-16 3<sup>rd</sup> Quarter Operations Financial Results Report for Toronto Central LHIN

**TC LHIN Operations Funds**

On the operations side, Toronto Central LHIN reported a positive year to date variance of \$8K for the quarter ended December 31, 2015. The positive variance is primarily due to the timing of expenditures against the planned budget for 2015-16. TC LHIN anticipates that the variance will be utilized in Q4 and is projecting a balanced budget at year-end March 31, 2016.

TC LHIN is able to meet its financial obligation for Q4.

**TOPIC: LHIN Collaborative and LHIN Shared Services Office Q3 Operations Financial Results Report (unaudited)**

**PURPOSE OF THIS AGENDA ITEM**

To provide the Board of Directors with the 2015-16 3<sup>rd</sup> Quarter Operations

Financial Results for LHIN Collaborative (LHINC) and LHIN Shared Services Office (LSSO).

**BACKGROUND:**

LHIN Shared Services consists of LHIN Shared Services Office (LSSO), Legal and LHIN Collaborative (LHINC).

The following are the highlights of the 3<sup>rd</sup> Quarter 2015-16 Financial Results report:

**LSSO and Legal Financial Results**

On the operations side, LSSO (LSSO and Legal combined) reported a year-to-date positive variance of \$207K due primarily to lower than budgeted IT projects and vacancies for the 3<sup>rd</sup> Quarter ended December 31, 2015. A balanced budget is anticipated for LSSO at year-end March 31, 2016.

LSSO is able to meet its financial obligation for the next quarter.

**LHINC Financial Results**

On the operations side, LHINC reported a year-to-date positive variance of \$75K as of the 3<sup>rd</sup> Quarter ended December 31, 2015 and it is expected to have a balanced budget at the year-end March 31, 2016.

LHINC is able to meet its financial obligation for the next quarter.

**TOPIC: Toronto Central LHIN's Q3 2015-16 Consolidated Financial Results Report (Unaudited)**

**PURPOSE OF THIS AGENDA ITEM**

Approval of the Q3 2015-16 Consolidated Financial Results Report for Toronto Central LHIN (unaudited).

**BACKGROUND**

Management reports to the Finance and Audit Committee each quarter on how it allocates funding for the operations of TC LHIN and LHIN Shared Services. Attachment A, outlines this results for the nine months ended December 31, 2015. It also includes a two line summary on HSPs' transfer payments operations.

**TC LHIN Consolidated Operations**

At the consolidated level, TC LHIN is reporting a positive variance of \$290K. The variance is primarily due to the timing of expenditures, receipt of funding and lower IT project costs. TC LHIN expects to have a balanced budget at year end March 31, 2016.

The consolidated cash balance of \$3.0M is sufficient to cover obligations for Q4.

The Finance and Audit Committee is recommending that the Board of Directors approve the consolidated financial results report for Q3.

### **MOTION**

That the Board of Directors hereby approves TC LHIN's Q3 2015-16 Consolidated Financial Results report (unaudited).

### **TOPIC: TC LHIN Q3 2015/16 MLAA Scorecard**

#### **PURPOSE OF THIS AGENDA ITEM**

Present TC LHIN performance on key health system performance indicators to the TC LHIN Board of Directors.

#### **BACKGROUND:**

As outlined in the Ministry-LHIN Accountability Agreement (MLAA), the Ministry of Health and Long Term Care (MOHLTC) requires LHINs to meet performance targets that are set for each fiscal year. The MLAA indicators consist of 14 key system indicators, where targets are set each year by the Ministry. Where previously these differed across LHINs, consistent targets are now applied across the province.

When determining the performance against targets, the following monitoring scheme is used:

- Green for those targets that are being met
- Yellow for those within 10% of the target
- Red for those targets not being met

#### **KEY CHANGES TO MLAA SCORECARD:**

In an effort to supply the most comprehensive data and information possible, a few minor adjustments have been made to the scorecard since the Q2 version:

- On the performance summary dashboard and subsequent indicator slides, the measure “(+/-)”, which indicated difference from target, has been updated to “Percentage from Target”. This change is consistent with the Ministry's Stocktake Performance Report, and will enable comparison of performance across all MLAA indicators against their targets
- Historical MLAA measures which the TC LHIN are no longer held accountable to have been removed from the dashboard
- A “Key Data Points” section and additional data elements on supporting graphs (e.g. volumes)

have been included to provide additional contextual information on the indicator, including “root cause analyses”, environmental factors, data anomalies etc.

**PERFORMANCE HIGHLIGHTS:**

- TC LHIN is meeting targets for 1 indicator out of 14 and within 10% of meeting targets for an additional 3 indicators

**Home and Community Care**

Personal Support and Nursing indicators are within 10% of target performance. 90th percentile wait times for CCAC in-home services at 27 days is better than the provincial average of 30 days, and is a slight improvement over last quarter’s performance at 28 days.

**System Integration and Access**

The indicator for ED LOS Minor/Uncomplicated patients (CTAS IV-V) has performed within 10-10.5% of its target for several quarters. However, the indicator for ED LOS Complex patients (CTAS I-III) has not met its target for a number of consecutive quarters.

MRI and CT performance indicators are not accurate due to missing volumes from Mount Sinai and UHN, which together represent more than 50% of the TC LHIN volumes. TC LHIN Knee Replacement indicator is within 10% of the target, and Hip Replacement performance is below target but at 78.61%, matches provincial performance at 78.84%.

TC LHIN Percentage ALC Days had a slight decrease in performance this quarter, but is the third lowest in the province after South West and Central West LHINs. TC LHIN continues to meet the ALC Rate performance target.

**Health and Wellness of Ontarians – Mental Health**

TC LHIN performance has declined for both indicators included under this category.

**Sustainability & Quality**

Although, TC LHIN is ranked last in the readmissions for select HIG conditions indicator, when compared to the best performing LHIN, the difference is just 3%.

Motion

None

**TOPIC: Proposed Supplementary MLAA Indicators**

**PURPOSE OF THIS AGENDA ITEM**

To propose the inclusion of supplementary indicators for a subset of MLAA indicators within the MLAA Scorecard.

## Background

A recent update to the Ministry of Health and Long-Term Care (the Ministry) LHIN performance framework and key measures has impacted the manner in which TC LHIN has historically monitored and reported performance to its Board and the broader public. Among the updates made, the most significant to the LHIN has been the shift from LHIN specific targets to provincial level targets for all performance indicators moving forward. Where TC LHIN has historically met approximately 47% of Ministry LHIN Performance Indicators (MLPA), the LHIN is now meeting just 7% of Ministry LHIN Accountability Agreement Indicators (1 of 14 MLAA Indicators).

The LHIN is addressing this significant change with an integrated approach to manage current performance gaps in line with the new indicators/targets. A cross-LHIN team has initiated “root cause analyses” and planning activities using a combination of in-depth data analyses and targeted outreach at key stakeholder tables such as the CE/CU Committee. A key deliverable of this work has been to identify supplementary indicators which support a more accurate depiction of performance within the TC LHIN by providing either contextual data or selecting a different data source, which through consultation with providers and inter-LHIN tables, has presented itself to more accurately represent the patient experience in the TC LHIN.

The table below summarizes our findings and proposed supplementary indicators (Appendix A).

**The Finance and Audit Committee accepted the proposed supplementary indicators listed in Appendix A be included in the MLAA Scorecard dashboard moving forward (as shown in Appendix B)**

## Appendix A

MLAA Indicator	Proposed Supplementary Indicator	Consult Process	Explanation
Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services	Percentage of home care clients with complex needs who received personal support services beyond 5 days because of client preference or because they were not available to receive care – measured by patient availability date (PAD).	<ul style="list-style-type: none"> <li>TC CCAC consult</li> <li>TC LHIN CSS Program Lead consult</li> </ul>	<p>Service Authorization dates are used by the CCAC to communicate when specific home care services and service levels are approved.</p> <p>The PAD is the date that is known to the CCAC that the client would be</p>

Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services	Percentage of home care clients who received personal support nursing services beyond 5 days because of client preference or because they were not available to receive care – measured by patient availability date (PAD).		available for service or when the client has expressed preference for services to start.
Percent of priority 2, 3 and 4 cases completed within access target for MRI scans	Percent of priority 2 & 3 cases completed within access target for MRI scans	<ul style="list-style-type: none"> <li>• CE/CU committee consult</li> <li>• TC LHIN performance management team consult</li> </ul>	Priority 2 & 3 cases require urgent care.
Percent of priority 2, 3 and 4 cases completed within access target for CT scans	Percent of priority 2 & 3 cases completed within access target for CT scans		High volumes for priority 4 cases that are elective/non-critical as a result of patient choice and/or TC LHIN specialty acute care facilities impact priority 4 wait times.
Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	Percent of priority 2 & 3 cases completed within access target for hip replacement		
Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	Percent of priority 2 & 3 cases completed within access target for knee replacement		
Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions, excluding same day transfers		<ul style="list-style-type: none"> <li>• TC LHIN CMHA Senior Planner consult</li> <li>• TC LHIN CMHA Program Lead consult</li> </ul>
Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions, excluding same day transfers		

			transfer all patients that require psychiatric care, as well as UHN which transfers between Toronto General and Toronto Western.
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**TOPIC:** Toronto Central LHIN's Current Risk Management Report

**PURPOSE OF THIS AGENDA ITEM**

To provide the Board of Directors with TC LHIN's current priority Risks Report.

**BACKGROUND:**

The attached document has been developed by Senior Management to identify potential risks and current strategic issues. Each risk and strategic issues has been rated based on its likelihood of occurring and impact on TC LHIN. The risks and strategic issues reported on the attached document reflect the highest ranked risks and strategic issues. As well, Senior Management's confidence in the mitigation plan for each risk and strategic issue is presented.

**DEFINITION:**

**Risk:** An uncertain event or condition that, if it occurs, has a negative effect on a TCLHIN's strategic objectives or operations.

**Strategic Issue:** A current condition that has the potential to impact on the success of a TC LHIN strategic direction or the achievement of the Ministry LHIN Performance Agreement (MLPA).

**CURRENT PRIORITY RISKS:**

1. Potential for ongoing negative HSMR outcomes for Toronto Central Community Care Access Centre.
2. LTCH bed shortage may negatively impact access to acute services and lead to a significant increase in ALC across the TC LHIN
3. Mental Health & Addictions Service Capacity in the TC LHIN
4. Sustainability of reporting mechanisms and the impact on performance management capabilities
5. Funding mechanisms are not sensitive enough to accommodate the rapid growth of the City of Toronto (especially downtown)
6. Shortage of Children and Youth Mental Health inpatient beds.
7. Potential for service changes related to shrinking revenue sources for HSPs including multiple

years without inflationary increases and the challenges of fundraising

**8. Quality Based Procedure Funding shortfall impacting Outpatient Total Joint Replacement Rehabilitation Capacity**

**MOTION:**

None

**TOPIC:** Toronto Central LHIN Year End Audit Plan 2015/16

**PURPOSE OF THIS AGENDA ITEM**

- Review the 2015/16 Toronto Central LHIN Year End Audit Plan.
- Approval of the 2015/16 Toronto Central LHIN Year End Audit Plan

**BACKGROUND:**

Deloitte presented its proposed Audit Plans for fiscal year 2015/16 to the Finance and Audit Committee at their meeting on February 10, 2016.

Deloitte presented two separate Audit Plans – 1) Toronto Central (TC) LHIN and 2) its divisions LHIN Shared Services Office (LSSO) and LHIN Collaborative (LHINC). As in past years, Deloitte will give an audit opinion on the consolidated financial statements of TC LHIN for 2015/16 which includes its two divisions, LSSO and LHINC. As a corporate entity, the TC LHIN's CEO, CFO, management, and the Board are responsible for the consolidated financial statements.

The LSSO/LHINC Audit Subcommittee is a PAN-LHIN Committee that exists to support the Finance and Audit Committee in fulfilling its oversight responsibilities related to LSSO and LHINC, by reviewing and recommending the terms of engagement of the annual audit plan, including the scope, fees and the appointment of the external auditor. The Audit Subcommittee met on February 10, 2016 and Deloitte presented the Audit Plan for LSSO and LHINC at the meeting. The Audit Sub-committee recommended that the Finance and Audit Committee recommend the annual audit plan for LSSO and LHINC.

The Audit Service Plan for the TC LHIN, includes:

- Audit objectives
- Significant risk areas
- Key aspects of service distinction
- Key team members
- The flow explaining the audit activities, including significant events, materiality, scope and terms of engagement and audit risks.

The estimated fees for 2016 audit are:

- TC LHIN \$15,560
- LSSO \$6,050
- LHINC \$5,000
- Transfer payment testing at Financial Management Branch (FMB) \$15,450 – (in LSSO Budget and cost shared by all 14 LHINS)

There is no increase in the fees as compared to the 2015 fee schedule, based on the contract in place.

The Finance and Audit Committee is recommending that the Board of Directors approve the audit plan for 2015/16.

**MOTION:**

That the Board of Directors hereby approve the 2015/16 Audit Plans for TC LHIN, LSSO, and LHINC.

**TOPIC: Progress Report on the Auditor General of Ontario’s Recommendations Related to the LHIN Review**

**PURPOSE:**

To update to the Toronto Central LHIN Board of Directors regarding the TC LHIN progress regarding the recommendations of the Auditor General of Ontario’s Report on LHINs.

**BACKGROUND**

On December 4, 2015, the Office of the Auditor General of Ontario (OAGO) released its 2015 Annual Report (The Report) including the LHIN value-for-money audit – Chapter 3, Section 3.08. In addition to a number of Ministry directed recommendations, the Report contained several LHIN specific recommendations.

**PAN-LHIN RESPONSE:**

LHINs developed a pan-LHIN response to the Provincial Auditor’s recommendations. The pan-LHIN responses to the LHIN-specific recommendations are included in the attached document.

Recommendations can be summarized in the following themes:

Achieving consistent, high-quality performance of the health system:

- Improving health system performance and addressing variability
- LHIN performance management practices
- Alignment of measures and indicators

LHIN practices and processes:

- Identifying and spreading leading practices
- Ensuring effective complaints management protocols

- Ensuring effective patient engagement and quality improvement practices
- Identifying and assessing back office integration

## **TC LHIN ACTION PLAN/UPDATE**

TC LHIN's progress toward implementing the recommendations of The Report are also included in the attached document. Although TC LHIN has a plan related to all of the Provincial Auditor's recommendations, some of the recommendations such as a Provincial Performance Management Framework and a consistent patients' complaints process, will be addressed provincially.

### **MOTION**

None

## **TOPIC: Toronto Central LHINs Proposed Investment Plan 2016-17**

### **PURPOSE OF THIS AGENDA ITEM**

Approval of Toronto Central LHINs investment plan and approach for 2016-17.

## **BACKGROUND**

The Strategic Plan has three overarching strategic goals with four strategic priorities or lines of operation that further describe how TC LHIN will achieve its goals. The three strategic goals are: 1) better health for everyone, 2) exemplary care and 3) system sustainability. In describing how TC LHIN will achieve its goals, four priorities have been set out below:

1. Designing healthcare for the future
2. Taking a population health approach
3. Transforming primary health and community care
4. Achieving excellence in operations

TC LHIN's 2016-17 investment plan is developed in a framework to achieve the goals and strategic plan priorities in areas of focus of service enhancement, infrastructure, and population planning and specialized initiatives. The TC LHIN also adheres to the PAN LHIN Decision Making Framework as part of the process.

Funds are also allocated to address pressures that support unforeseeable financial pressures experienced by community HSPs throughout the year.

The investments can be grouped into five areas of focus:

- *Service Funding* – maintain existing programs and utilizing a population health approach address gaps and disparities in existing direct care service levels, and improve service

delivery.

- *Infrastructure Funding* – support information technology, information sharing and technological advancement to build capacity and tools in support of direct patient care
- *Population Planning* – redesigning the system for cost effective care, integration where appropriate, and advancing primary care as well as home and community care, including coordination of services
- *Specialized Initiative Funding* – improving MLAA and strategic plan indicator performance
- *Pressure Funding* – support unforeseeable financial pressures experienced by community HSPs

## INVESTMENT PLAN

### Available Funding

TC LHIN estimates it will receive \$20M of funds from the following three sources:

- Urgent Priorities Funds (UPF), estimated at \$10M to start the fiscal year
- Surplus Reallocation funds, estimated at \$5.5M throughout the year based on recoveries from community HSPs
- Community Investment estimated to be approximately \$4.5M based on last year’s allocation

### Proposed Allocation

The TC LHIN is in the planning stages of shifting its funding methodology to Sub-LHIN geographies utilizing sub-LHIN population profiles as evidence to make informed investment decisions on how to allocate funds that will impact the health of the population in the sub-LHIN regions.

For 2016/17, the TC LHIN proposes to allocate a larger portion of its discretionary funds (50% of total estimated funds available) to services. TC LHIN has invested a larger portion of the funds to infrastructure, planning and pilot projects in prior years. The funding for services will be targeted to maintain existing services and target initiatives to reduce inequities within sub LHIN regions.

Investment decisions for the allocation of the \$10M for the services will be based on a population approach.

The table 1 below outlines how TC LHIN plans to allocate the funds for 2016-17:

Areas of Focus	Total (\$M)	Allocation Rationale
Services	10	50 % of Estimated total fund available for existing services and target initiatives to reduce inequities in health status of the population within Sub-LHIN regions.
Infrastructure, Population Planning, Specialized initiatives and Pressures	10	50% of estimated total fund available for Planning, specialized initiatives and Pressure.
<b>Total</b>	<b>20</b>	

Urgent Priorities Funds are available at the beginning of the year while community investment funds and surplus allocations are available from the second to fourth quarter of the fiscal year. In keeping

with a balanced approach, the investment plan allocation ensures sufficient funds are available throughout the year as well as reserving some contingency funds toward the end of the year.

Funding derived from the Discretionary funding will be reported to the Finance and Audit Committee on a quarterly basis against the investment plan and strategic plan priorities.

In the event that an investment is allocated to one single HSP that is above \$1M, it will be presented to the Board through Finance and Audit Committee for approval, which is in keeping with TC LHIN's delegation of authority policy.

The Finance and Audit Committee recommends that the Board approve the proposed investment plan and approach for 2016-17.

#### **MOTION**

The Board of Directors hereby approves the TC LHIN's investment plan and approach for 2016-17 for the allocation of discretionary funds.

#### **TOPIC: TC LHIN's 2016-17 Draft Budget**

#### **PURPOSE OF THIS AGENDA ITEM**

Approval of the Toronto Central LHIN's draft 2016-17 Budget

#### **BACKGROUND:**

The Toronto Central LHIN's 2016-17 budget includes both TC LHIN and its subdivision LSSO and LHINC. As of today, TC LHIN has not yet received funding information for 2016-17. As a result, the budget is prepared based on current funding information available and the assumption that base funding from the Ministry will remain unchanged from 2015-16.

**\*Note: In order to implement the Patient's First Action Plan, additional resources are required to support transition. The transition activity cannot be accomplished with the existing budget.**

#### **Highlights of the draft 2016-17 Budget:**

- TC LHIN's operations budget is prepared on a balanced budget basis as required by the Ministry LHIN Accountability Agreement
- Assume status quo operations

#### **Budget assumptions for Operations Budget – Total Funding and Expenses of \$8.6M**

Revenue assumptions:

- Base Revenue is same as last year

- Total revenue is decreased by \$343K due to end of one-time funding such as Emergency Planning for Pam Am Games Initiative
- One-time initiatives funding of \$288K including Resource Matching & Referral (RM&R) is anticipated

Salary assumptions:

- Average salaries will increase by 2.0%, based on merit. There is no step/cost of living increase
- Staff turnover reduction by \$369K due to savings from vacancy
- Benefits represent approximately 22% of salaries
- FTEs is reduced by 2, from 2015-16 budget's FTEs, mainly due to reduction in contract employees as the one-time Emergency Planning Initiative has come to an end

Other assumptions:

- Governance, Travel, Consulting fees, and Telecommunication expenses are the same as last year
- Translation and Design materials budget will be increased by 11K due to new Integrated Health Services Plan (IHSP) in 2016-17
- Supplies and Other expenses are reduced based on experience

**LHIN Shared Services Budget**

LSSO and LHINC make up the LHIN Shared Services budget and amount to \$5.3M and \$1.34M, respectively, and is subject to LHIN CEO approval. A balanced budget is presented for both divisions.

**Budget Monitoring**

TC LHIN monitors the operations budget monthly with actual numbers and manages expenses and cash on a quarterly basis.

All budgets are monitored monthly with quarterly reporting to the Finance and Audit Committee.

TC LHIN will submit a revised budget to the Finance and Audit Committee if the actual total new Ministry funding received represents more than 10% of the base funding.

**Motion**

**That the Board of Directors hereby approves TC LHINs budget for 2016/17 with the understanding that in order to implement the Patient's First Action Plan, additional resources will be required to support transition.**

TOPIC: Mid-year Health Service Provider (HSP) Financial Performance Report

**PURPOSE OF THIS AGENDA ITEM**

To report to the Board of Directors on HSP forecasted financial performance for 2015-16.

**BACKGROUND**

The HSP Financial Performance Report is presented twice per year. This HSP Financial Performance Report summarizes the year end forecasted financial results based on the 2<sup>nd</sup> quarter forecast.

TC LHIN HSPs is comprised of hospital, community (including mental health), CCAC and Long-Term Care sectors.

The following are highlights of the HSP Financial Performance Report:

**Financial Highlights - Hospitals**

Total margin (surplus/deficit) and current ratio are measured on a quarterly basis. All hospitals forecast a positive total margin for year end 2015-16 except for 4. Current ratio for all hospitals are within target (0.8-2.0) except for two.

**Financial Highlights – Community and CCAC**

The Toronto Central LHIN is working with 11 of its health service providers to balance their budgets. The third quarter reports indicate that most of these health service providers will be in a balanced position at year-end.

Further to the Q2 report to the Committee, the Toronto Central CCAC was forecasting a \$1M shortfall at year-end. This was based on their December financial report however, on February 10, 2016 the TC CCAC advised the TC LHIN that they expect to end the year with a balanced budget.

**Motion:**

**No motion**

**Agenda Item 14 – Next Board Meeting**

The next Board Meeting will take place on April 27, 2016, 4-7 pm.

**Agenda Item 14 – Closed Session**

The Toronto Central Local Health Integration Network Board of Directors meeting moves to a closed

session pursuant to s.9(5) of the *Local Health Systems Integration Act, 2006* to:  
- consider financial and other matters of personal or public interest and personnel matters

**Termination**

Board meeting to terminate upon completion of business.