

**BRIEFING NOTE**  
**Toronto Central Local Health Integration Network**  
**Board of Directors Meeting**  
**May 26, 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 REQUIRE
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>PRESENTATION</b>					
4:05	20	5*	Toronto Indigenous Health Strategy 5.1 Briefing Note 5.2 Presentation 5.3 Indigenous Health Strategy	Susan Fitzpatrick/Tess Romain	✓
<b>BUSINESS ARISING</b>					
4:25	20	6*	Integrating the Patient Experience into our Work 6.1 Community Engagement 6.1.1 Briefing Note 6.1.2 Community Engagement Approach 6.2 Complaints, Compliments or Concerns Policy and Process 6.2.1 Briefing Note 6.2.2 Overview	Susan Fitzpatrick/Tess Romain	✓

			6.2.3 Policy 6.3 Citizen's Panel 6.3.1 Briefing Note 6.3.2 Citizen's Panel Update			
4:45	30	7*	Third Party Integration Review Recommendations 7.1 Response to Recommendations 7.2 2015/16 Annual Report on Integrations	Susan Fitzpatrick/Bill Manson	✓	
<b>NEW BUSINESS</b>						
5:15	5	8*	TC LHIN Draft Annual Report – 2015/16 8.1 Briefing Note 8.2 Draft Annual Report – 2015/16	Susan Fitzpatrick	✓	
<b>REGULAR BUSINESS</b>						
5:20	2	9*	Approval of April 27, 2016 Minutes	Angela Ferrante	✓	
<b>CONSENT AGENDA</b> (Any Board member may request that any item be removed from this consent agenda and moved to the regular agenda)						
5:22	5	10*	For Information: 10.1 CEO Year-end Report – 2015/16 10.2 Performance Framework 10.2.1 Briefing Note 10.2.2 Indicator Development Plan 10.3 TC LHIN Communications and Stakeholder Engagement Plan – 2016/17	Susan Fitzpatrick		
<b>REPORTS</b>						
5:27	15	11*	Finance and Audit Committee Report 11.1 Approval Audited Financial Statements – March 31, 2016 Briefing Note 11.1.1 Audited Financial Statements Report 11.1.2 Financial Statement Notes 11.2 Appointment of Auditors 11.3 Q4 Reports 11.3.1 Q4 MLAA Scorecard Briefing Note 11.3.2 MLAA Report 11.3.3 Q4 Contracts Listing and Procurement Updates Briefing Note 11.3.3.1 Contracts Listing 11.3.3.2 Procurement Report 11.3.4 Q4 Discretionary Funding Briefing Note 11.3.4.1 Discretionary Funding Report 11.4 2015/16 Year-end Compliance Report 11.5 Risk Reporting Process	John Fraser	✓ ✓	
<b>CLOSED SESSION</b>						
<b>NEXT BOARD MEETING</b>						
6:58	1	18	Next Board Meeting:	Angela Ferrante	✓	

**ADJOURNMENT**

**Agenda Item 4 – Declaration of Conflict(s)**

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 – Toronto Indigenous Health Strategy**

**TOPIC: Toronto Indigenous Health Strategy (TIHS)**

**PURPOSE OF THIS AGENDA ITEM:**

The Toronto Indigenous Health Advisory Circle (TIHAC) is presenting the first Toronto Indigenous Health Strategy to the TC LHIN Board of Directors.

Receipt of the Toronto Indigenous Health Strategy (THIS) as presented by the TIHAC, and approval to request that management develop an action plan in response to recommendations.

**BACKGROUND:**

Toronto's first Indigenous Health Strategy- *A Reclamation of Well Being: Visioning a Thriving and Healthy Urban Indigenous Community (2016-2021)* has recently been completed by the Toronto Indigenous Health Advisory Circle (TIHAC).

The Toronto Central Local Health Integration Network (LHIN), Toronto Public Health and Anishnawbe Health Toronto collaborated to create the Toronto Indigenous Health Advisory Circle (TIHAC).

The role of the TIHAC is to:

1. Provide oversight, guidance and advice to the TC LHIN and TPH in the identification, planning, implementation, funding, research and evaluation of culturally based, culturally secure health programs and services for the diverse Indigenous community in Toronto.
2. To influence public policy that impacts Indigenous health outcomes.

The Toronto Aboriginal Health Advisory Circle includes members from the urban Indigenous community, each bringing a diverse set of skills and community expertise to the role. Membership includes representation from a balance of youth, elder, men, women and 2 spirited – all offering their individual experiences working in Indigenous communities. The circle is also inclusive of the broad diversity of the Indigenous community from across the province.

As a circle of dedicated community leaders, TIHAC provides recommendations to the Toronto Central

LHIN (TC LHIN) and Toronto Public Health (TPH) on improving health outcomes for Indigenous people in Toronto. In addition, TIHAC provides broader policy and advocacy direction on improving the social determinants of Indigenous health.

Following the completion of a number of key documents, which included a Terms of Reference, Ethical Code and Vision Wheel, work began on developing a Toronto Indigenous Health Strategy (TIHS) in October of 2015.

In this first Indigenous Health Strategy for Toronto, TIHAC recommends a number of strategic activities that will impact what and how health programs and services are provided in addition to addressing health influencers such as the education, housing, food and justice systems.

#### **NEXT STEPS:**

The Toronto Indigenous Health Strategy (TIHS) is being presented to the TC LHIN Board of Directors and Toronto Public Health's Board of Health (June 2016). Each organization (TC LHIN and TPH) will then review the recommendations and develop an action plan towards achieving the objectives outlined in the TIHS.

#### **MOTION:**

That the TC LHIN Board of Directors receive the Toronto Indigenous Health Strategy (THIS) as presented by the TIHAC, and request that management develop an action plan in response to recommendations.

### **Agenda Item 6 – Integrating the Patient Experience into our Work**

#### **TOPIC: Toronto Central LHIN Community Engagement**

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

To provide the Board of Directors with an overview of the TC LHIN's approach to community engagement in the context of strategic plan implementation and LHIN sub-regional planning. Our approach is grounded in our desire to involve a broad range of stakeholders as active partners in the design, delivery and evaluation of health care services.

#### **BACKGROUND:**

Effective and inclusive community engagement is integral to the successful implementation of the Toronto Central LHIN Strategic Plan. As we move toward planning in smaller geographic regions, the need to understand and respond to local factors and perspectives becomes increasingly important. This will require a focused, yet flexible approach to engaging with our community of residents, service providers and system level partners.

## **TORONTO CENTRAL LHIN COMMUNITY ENGAGEMENT APPROACH**

The accompanying slide deck entitled “TC LHIN Community Engagement Approach” outlines our multi-pronged strategy for reaching out to relevant groups to ensure that they remain informed and involved in health care related developments, processes and decisions. The overarching goal of our engagement strategy is to ensure that all Toronto Central LHIN strategies and initiatives are grounded in, and guided by what matters most to the individuals, families and communities we serve. This requires an in-depth understanding of gaps and opportunities for improvement from the perspective of both residents and those who work to provide health care services.

Our engagement approach incorporates the recently revised Pan-LHIN Community Engagement Guidelines tailored for our population, and is based on the two public engagement frameworks outlined in the Pan-LHIN Guidelines: 1) The International Association of Public Participation (IAP2); and 2) Government of Ontario’s Public Engagement Framework.

Our approach has five main elements: 1) Broad Dissemination of Information; 2) Local Geographic Level Engagement; 3) Population-based Targeted Community Engagement; 4) Citizens’ Panel and Citizen Advisors Program, and 5) Knowledge Exchange and Capacity Building. These components are not mutually exclusive, but rather overlap, complement and support each other. Our engagement activities range from simply keeping our stakeholders informed about system level developments to collaborating with a group of citizens to co-design a new and innovative initiative.

A stronger component of the TC LHIN Community Engagement approach is evaluation in order to assess whether engagements are effective in identifying areas of concern for planning and priority setting purposes. This was highlighted as an opportunity for improvement in the 2015 Auditor General Report on LHINs. Although evaluation is a component of any current TC LHIN engagements, the LHIN is participating in a McMaster University Public and Patient Engagement Evaluation Tool (PPEET) study to inform the development of a standardized framework for evaluating engagement which can be adopted across the broader health system.

### **NEXT STEPS:**

- The TC LHIN will continue to use this Community Engagement approach as we move forward in 2016/17.
- Our TC LHIN Community Engagement Toolkit will be updated to reflect this approach and shared with our Health Service Providers, partners, and public through the TC LHIN Website.
- The results of the PPEET evaluation study will be incorporated into the TC LHIN Community Engagement approach.

### **TOPIC: Toronto Central (TC) LHIN Patient Complaints Process**

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

To provide information to the TC LHIN Board of Directors on the LHIN’s complaints, compliments and concerns process, and provide an update on

opportunities to improve the process in order to inform systemic improvements.

## **BACKGROUND:**

One of the core values that guides the TC LHIN's work is listening to feedback from Torontonians in order to inform opportunities for ongoing systemic improvement. One mechanism for this the LHIN's patient complaints process, which provides people with a means of registering a health care complaint or concern, and feedback on what is working well related to the care they receive.

The process ensures follow-up and helps to identify potential systemic issues. A review process is in place to record and ensure that reported complaints are addressed. Currently, all reported complaints are:

- received with courtesy and recorded accurately,
- acted upon promptly and fairly, and
- confidential and protected.

## **APPLICABLE LEGISLATIVE REQUIREMENTS:**

The Ontario Government's *Excellent Care for All Act, 2010* (ECFAA) is a piece of legislation that anchors the Excellent Care for All Strategy. The principles of ECFAA strengthen the health care system's organizational focus and accountability for delivering high quality patient care. Related to patient complaints processes, ECFAA states that:

- *"Every health care organization shall have a patient relations process and shall make information about that process available to the public,"* and
- *"The health care organization shall ensure that the patient relations process reflects the content of its patient declaration of values."*

The topic of patient complaints is also covered in the *Local Health System Integration Act, 2006* (LHSIA), the law governing LHINs. Specifically, in section 5(d) of LHSIA, it requires LHINs *"to ensure that there are appropriate processes within the local health system to respond to concerns that people raise about the services they receive."*

Other applicable legislation is the *Personal Health Information Protection Act (PHIPA)*, which sets out rules for the collection, use and disclosure of personal health information.

TC LHIN regularly collects information during the complaints process; however, it does not typically collect personal health information. In the event that personal health information is collected, under *PHIPA*, it may only be disclosed or shared with a third party if the individual consents or if *PHIPA* specifically permits the disclosure without consent.

## **UPDATED POLICY AND PROCEDURE:**

- Following an in-depth review of current practices, legislative requirements, selected LHIN policies, and leading practices, the TC LHIN has developed an updated policy.
- The attached TC LHIN Policy and Procedure provides a comprehensive overview of the processes and procedures for the LHIN to effectively receive, track, investigate and respond to

patient complaints, compliments and inquiries.

- As well, the attached presentation to the Board of Directors provides an overview of the key themes and statistics related to patient complaints and requests for information received over the past year.

### **Motion**

**The TC LHIN Board of Directors approve the LHIN's Complaints, Compliments or Concerns Policy**

## **TOPIC: Toronto Central LHIN Citizen's Panel Update**

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

To provide the Board of Directors with an update on the TC LHIN Citizen's Panel.

### **BACKGROUND:**

The TC LHIN established a Citizen's Panel in March 2016 to engage residents, residents, patients, families and caregivers and inform the planning of health service delivery through community engagement

This new Citizens' Panel builds on the model of a co-design partnership in which those who use or experience the system can take an active role in its design.

In creating this Panel, the advice and input from experts in this field were sought including Patients Canada, Health Quality Ontario, the Change Foundation, and other leaders in patient and community engagement.

The role of the panel is to provide advice and recommendations related to the successful implementation of the Strategic Plan 2015-2018; serve as a forum to engage and design local health care with residents; and define opportunities to improve integration and seamless transitions across the health system.

The Panel held their first meeting on April 12, 2016 in which they reviewed their role and provided input into how this group could best provide input and advice to the TC LHIN.

### **NEXT STEPS:**

- The Citizen's Panel will next meet on May 25, 2016 in a facilitated session to identify their interests and priorities, and inform a work plan for the coming year.

## Agenda Item 7 – Third Party Integration Review Recommendations

### Topic: Toronto Central LHIN Response to the Third Party Integration Review Report

#### PURPOSES OF THIS AGENDA ITEM:

To provide a response to the report from the third party review of integrations in Toronto Central LHIN.

#### BACKGROUND:

On April 27, 2016, the third party review of integrations “*Advancing the Integration Conversation*” was presented to Toronto Central LHIN. The third party review was recommended to the Toronto Central LHIN Board of Directors in the February 2015 annual report on Voluntary Integrations. The 2015 annual report suggested that while integrations in Toronto Central LHIN have generally been successful, there is opportunity to sustain and improve upon past successes, as well as opportunity to explore facilitated integrations to proactively drive the implementation of the Toronto Central LHIN Strategic Plan.

The *objectives* of the Third Party Integration Review were to three main areas:

- 1. How does Toronto Central LHIN sustain success in voluntary integrations?** *Review the current Community and Hospital Voluntary Integration Pathways with the aim to merge the two, identify improvements in those pathways, and provide recommendations on how individual integration results can be tied to Toronto Central LHIN system outcomes.*
- 2. How does Toronto Central LHIN successfully lead facilitated integrations?** *Review the current practices from all other LHINs on facilitated integrations, and develop a pathway for a Toronto Central LHIN Facilitated Integration Pathway.*
- 3. Where should Toronto Central LHIN look to lead facilitated integrations?** *Conduct an environmental scan of all Toronto Central LHIN funded programs and services, and make recommendations on how and where facilitated or LHIN-Led integrations may have the greatest system impact to further the Toronto Central LHIN strategic priorities.*

#### DISCUSSION:

The third party review presents a comprehensive and thoughtful analysis of the current thinking, practice and research in integrations. This briefing note contains the Toronto Central LHIN assessment of the review recommendations with respect to the three fundamental questions above. This briefing note also contains preliminary thoughts on potential courses of actions to implement the recommendations. A fulsome work plan will be completed by September 2016. The Toronto Central LHIN staff assessment of the third party review recommendations is as follows.

- 1. How does Toronto Central LHIN sustain success in voluntary integrations?**

The third party review report provides valuable information and insights on how success in integrations can be sustained and enhanced. Central to successful integrations in Toronto Central LHIN is the recommendation to change the conversation about integrations by creating a culture of integration and change.

Recommendations 1, 6, and 7 most closely apply to the question of “How does Toronto Central LHIN sustain success in voluntary integrations?”

*Recommendation 1 - Create a shared understanding across the Toronto Central LHIN that integration means a spectrum of activities – not only organizational mergers – to create desired change, including partnerships, collaborations, transfers and consolidations of programs, services, and back office administrative functions within and across sectors.*

Fundamental to creating a culture of integration and change is accepting integration as a spectrum of activity which includes formal partnerships, collaborations, back office arrangements, service transfers, and mergers. By acknowledging this spectrum, we expand the opportunities to improve the way services are organized to better meet patient and client needs.

The review report also provides helpful recommendations on how to build on the past success of integrations. Toronto Central LHIN has generated a substantial amount of resource material from previous integration activity. That material should be more easily available to anyone considering integration activity.

*Recommendation 6 - The Toronto Central LHIN should create and maintain an integration knowledge centre to share the successes and challenges of integration and to support those exploring, assessing, planning and implementing integrations in Toronto Central LHIN.*

The review also provides additional resources to assist organizations with integrations. Several tools are provided: Strategic Options Assessment, High-Potential Partner Identification, Due Diligence to Assess Feasibility, and Integration Implementation Considerations. Also contained is an overall Toronto Central LHIN Integration Pathway.

*Recommendation 7: The Toronto Central LHIN should widely launch the Integration Toolkit to enable Health Service Providers to explore, assess and plan for Voluntary Integrations.*

### TC LHIN Assessment

Integration is a tool to achieve a desired outcome. From a Toronto Central LHIN perspective, the desired outcome we all strive to achieve is the improvement and enhancement of patient and client services and experiences. Integrations are, and can continue to be, an effective tool to achieve this outcome.

The third party review is completely aligned with this principle. Implementing recommendation 1, “creating a shared understanding that integration means a spectrum of activity” is the single most important activity Toronto Central LHIN must act upon.

Preliminary thoughts on implementing recommendations 1, 6 and 7 include:

- A Toronto Central LHIN communication plan will be prepared. The plan will include the distribution of the review report and tools, a communique clearly indicating LHIN acceptance of the recommendations, along with a commitment to create and share a Toronto Central LHIN work plan on the implementation of the recommendations.
- Going forward, system planning engagements with health service providers will be cross sector, include the patient and client voice, and will include a discussion on the integration spectrum and

opportunities.

- TC LHIN Board-to-Board sessions will include a discussion on the strategic advantages of integrations.
- TC LHIN will establish an Integration Knowledge Centre. Preliminary thoughts include better use of the Toronto Central LHIN website. The centre will include copies of all business cases, progress reports, tool kits and reference documents. A mechanism to receive feedback from health service providers and the public to improve the content of the knowledge centre will be developed. Consideration will also be given to leveraging the shared services infrastructure in place at Reconnect Mental Health Services to assist health service providers to access project management consultant and due diligence expertise when perusing integrations.
- The additional tools provided in the third party review will also be available in the knowledge centre.

## **2. How does Toronto Central LHIN successfully lead facilitated integrations?**

The third party review report suggests that the chances for successful integration of services are best when the integration activity is voluntary. While voluntary integrations are preferred, the report states that Toronto Central LHIN has a definite role in encouraging and directing health service providers to consider and pursue integration opportunities. The goal in all successful integration activity is the improvement of patient and client service outcomes and experiences.

The third party review report recommends approaches where Toronto Central LHIN can successfully direct health service providers to pursue integration opportunities by leveraging current planning activities, specifically, sub-LHIN planning and the Patients First initiative. The feedback from the Patients First consultation clearly points to the need for a new model of integrated community care. The sub LHIN tables suggested in the review report presents the framework to bring together health service providers, patients and clients to voluntarily pursue integration opportunities around patient and client needs.

The sub LHIN tables should be cross sector, and focused on integrating home and community care, community mental health and addiction services, and primary care around patients and clients. With visible Toronto Central LHIN support and direction; plus unwavering attention focused on improving patient and client services, experiences and outcomes, there is the promise that existing services can be better integrated leading to a “*system that provides connected care in the community, through a model that includes and flexes between primary care, home care, community supports and community mental health.*” (*Advancing the Integration Conversation, page 13*).

Recommendations 2 and 3 most closely apply to the question “How does Toronto Central LHIN successfully lead facilitated integrations?”

***Recommendation 2:** The Toronto Central LHIN should establish Sub-LHIN Region Integration Tables tasked with system planning, and identifying, prioritizing, and coordinating integrations that will create better client/patient outcomes and experiences, especially in community mental health and addictions, home and community care, and primary care services and programs, consistent with existing Service Accountability Agreements, the Toronto Central LHIN’s agreement with the Ministry of Health and Long-term Care, and the Toronto Central LHIN’s Strategic Plan priorities.*

The sub LHIN tables are also an ideal platform for the ongoing consideration and exploration of integration opportunities. The sub LHIN table would identify, prioritize and coordinate integration activity locally. This will be done with the understanding that many services are provided City-wide or beyond. Patient and clients travel across sub-LHIN and LHIN boundaries, and many services like-wise are provided across sub-LHIN and LHIN boundaries.

Integration activity would not be limited by boundaries as long as the sub-LHIN planning tables stay focused on making a measurable positive difference to patients and clients. The review report does not recommend new performance indicators to measure the impact on patients and clients, but rather the continued use of existing indicators in the health service provider accountability agreements, Ministry / LHIN agreement, and the Strategic Plan.

***Recommendation 3:** The Toronto Central LHIN should drive system change by identifying, encouraging, and if needed, facilitating and supporting integrations that will have a measureable positive impact on the health of the population in Toronto Central LHIN and beyond, consistent with existing Service Accountability Agreements, the Toronto Central LHIN's agreement with the Ministry of Health and Long-term Care, and the Toronto Central LHIN's Strategic Plan priorities*

### TC LHIN Assessment

The review report provides valuable feedback to Toronto Central LHIN on how we can be successful in achieving our Strategic Plan goal. That feedback is simple and clear. To improve our Strategic Plan's chances for success, Toronto Central LHIN must:

- a) **Engage the health care system across sectors.** System planning cannot be successful if carried out on a sector-specific basis.
- b) **Own the feedback from patients and clients.** We heard from the Patient First consultation that we must connect primary care to home care, to community support services, to community mental health services around the client and patient. We need to ensure that client and patient information is available to providers no matter where they enter the health care system. We need to remove differences in standards of care delivery that act as barriers to services. Consideration should also be given to establishing a most responsible person / entity to aid patients and clients in navigating the health care system.
- c) **Clearly state the expected results for patients and clients within defined timelines.** Integration is a tool that creates opportunity to deliver care and services in new ways. Whether integration is pursued collectively through the sub LHIN tables, or independently between pairs of providers, targets for improved services to patients and clients must be set and attained within a defined period of time. We need to measure performance against indicators. Many of the indicators are currently in place in accountability agreements and the Strategic Plan.

Preliminary thoughts on implementing recommendations 2 and 3 include:

- The current sub-LHIN planning activity and the recommendation of sub-LHIN integration tables from the third party review report can be melded together. The tables will be cross sector, and focused on integrating home and community care, community mental health and addiction services, and primary care around patients and clients.
- On an ongoing basis, the sub-LHIN tables will routinely identify opportunities to better integrate services for the purpose of achieving better patient and client outcomes.
- A collaboration agreement will be established among all health service providers and the Toronto Central LHIN at the sub-LHIN tables. There will be a clear delineation of roles between Toronto Central LHIN, and the health services providers. The Toronto Central LHIN role is to clearly state the "What", in other words, the objectives, outcomes, and expected timelines when patients and clients will see a measurable improvement in their care. The "How", or the methodology to achieve the outcomes, will be the responsibility of the health service providers at those tables.

- The work of the sub LHIN tables will be facilitated through support provided by Toronto Central LHIN
- Participation by patients and clients and potentially other stakeholders such as the City of Toronto and the United Way will be considered to ensure comprehensive and broad consideration and exploration of integration opportunities.
- An Integration Advisory Team consisting of members from the Integration Review Steering committee may need to be established to assist Toronto Central LHIN. The Team will “champion” the benefits of the third party review report recommendations at the sub LHIN tables and at cross sector table engagements. This team will help transition the recommendations into practice.

### **3. Where should Toronto Central LHIN look to lead facilitated integrations?**

The third party review states that voluntary integrations have the best promise for successful outcomes. Toronto Central LHIN should continue to encourage and direct health service providers to pursue integrations. Toronto Central LHIN will develop a greater presence on integrations among stakeholders by promoting a culture of integrations in the broader health care system. Establishing this presence is critical, and must be targeted at the operational and strategic level among health service providers with clear and undeniable objectives.

The third party review suggests that there are steps Toronto Central LHIN can take to lead health service providers to act on voluntary integration. Very detailed guidelines for the Toronto Central LHIN role in integrations was provided. However, where there is a clear need to improve patient and client services, and voluntary integration momentum is not sufficient, LHINs have the discretion to transfer funding to achieve the desired client and patient outcomes.

Operationally, Toronto Central LHIN has a responsibility to respond when services to patients and clients are ineffective. An obvious indication of service effectiveness is represented in the health service providers’ ability to meet performance targets. Where there is repeated, prevalent and serious inability of health service providers to meet performance expectations, Toronto Central LHIN is required to act. LHIN action will include facilitating implementation of any of the options in the full spectrum of integration activity.

Recommendations 4 and 5 most closely apply to the question “Where should Toronto Central LHIN look to lead facilitated integrations?”

*Recommendation 4: To build the viability and effectiveness of health service providers, the Toronto Central LHIN should actively work with those HSPs which are struggling to meet performance targets to identify and act upon strategic options that may include a range of integration solutions.*

Strategically, Toronto Central LHIN should engage health service providers at a governance level to promote integration activity among governance leadership of health service providers. At a governance level, integration activity can be seen as a tool for an organization to chart its own future path without the need to wait for additional resources from funders.

*Recommendation 5: The Toronto Central LHIN should facilitate inter-HSP conversations at the HSP governance level about the benefits and realities of integration to create Toronto Central LHIN-wide momentum for Voluntary Integration strategies.*

#### TC LHIN Assessment

The third party review serves as a reminder to Toronto Central LHIN and health service providers’ responsibility in the health care system. Under the Local Health System Integration Act, 2006 (LHSIA), LHINs

and health service providers have a responsibility and obligation to seek out integration opportunities.

While the report recommends that voluntary integrations have a higher probability of success compared to facilitated, the LHIN does have a responsibility to act when voluntary integration do not progress where needed. The report, rightly so, points to the LHIN obligation to react to performance issues, and suggests that the spectrum of integration options is an appropriate response.

The third party review also suggests a proactive response to integrations, specifically, facilitating governance level discussion as an appropriate and necessary role for the LHIN.

Preliminary thoughts on implementing recommendations 4 and 5 include:

- Toronto Central LHIN currently manages an escalation, and year-end funding pressures process on health service provider performance; and a management scorecard on Ministry-LHIN Accountability Agreement performance. These processes capture issues where, individually or collectively, health service providers have difficulty meeting performance expectations. The integration spectrum will be introduced as an option when managing issues identified through any of these processes.

### Summary of Preliminary Thoughts for a Work Plan:

<b>How does Toronto Central LHIN sustain success in voluntary integrations?</b>	<b>How does Toronto Central LHIN successfully lead facilitated integrations?</b>	<b>Where should Toronto Central LHIN look to lead facilitated integrations?</b>
<p>A Toronto Central LHIN communication plan will be prepared that includes the distribution of the review report and tools.</p> <p>Going forward, system planning engagements with health service providers will include a discussion on the integration spectrum and opportunities.</p> <p>TC LHIN Board-to-Board sessions will include a discussion on the strategic advantages of integrations.</p> <p>TC LHIN will establish an Integration Knowledge Centre on the website, to include:</p> <ul style="list-style-type: none"> <li>• Copies of all business cases, progress reports,</li> <li>• Tool kits and reference documents,</li> </ul>	<p>The sub-LHIN integration tables recommended in the third party review report will be melded together with the current planning of TC LHIN Sub Region Collaborative.</p> <p>The TC LHIN Sub Region Collaborative is a platform to also routinely identify opportunities to better integrate services.</p> <p>Support for facilitated discussions on integration at the LHIN sub regions will be provided.</p> <p>Participation in the facilitated discussions on integration by patients, clients and other stakeholders such as the City of Toronto and the United Way will be considered.</p> <p>An Integration Advisory Team consisting of members</p>	<p>The integration spectrum will be introduced as an option when managing the escalation of health service provider issues identified through:</p> <ul style="list-style-type: none"> <li>• Service Accountability Agreement performance,</li> <li>• Ministry / LHIN Accountability Agreement performance, and</li> <li>• Year-end pressures.</li> </ul>

<p>and</p> <ul style="list-style-type: none"> <li>• A mechanism to receive feedback from health service providers and the public to improve the content of the knowledge centre.</li> </ul>	<p>of members from the Integration Review Steering committee will be established to “champion” the benefits of the third party review report recommendations.</p>		
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**Where to Next:**

This third party review of integrations is the first of its kind in Toronto Central LHIN, and will serve as a foundational document. The report provides valuable recommendations for Toronto Central LHIN to responsibly use integrations as a tool to help achieve the Strategic Plan objectives.

Toronto Central LHIN accepts the report, and commits to prepare a fulsome work plan with courses of action to implement the recommendations. The work plan will be completed by September 2016, and will be implemented over the next 36 months.

By virtue of this being foundational document, Toronto Central LHIN is committed to assess the impact of the implementation of the recommendations on the Strategic Plan, on services to patients and clients, as well as on the viability of the broader health care system. Therefore, Toronto Central LHIN recommends that the next third party review of integrations will be completed by September 2019.

This will be the next comprehensive third party review of integrations in Toronto Central LHIN. In the meantime, Toronto Central LHIN will continue to prepare and present an annual status report on the progress of individual voluntary integrations occurring in each fiscal year.

**MOTION:**

That the Board of Directors hereby:

- Accepts the assessment of the third party review report on integrations;
- Directs staff to prepare a fulsome work plan by September 2016 with courses of action to implement the recommendations, and
- Directs staff to present an evaluation of the implementation of the work plan in September 2019.

See end of document for 2015/16 Annual Report on Integrations.

**Agenda Item 8 – TC LHIN Draft Annual Report**

**TOPIC: Final Annual Report 2015/16**

**PURPOSE OF THIS AGENDA ITEM**

Approval of the 2015/16 TC LHIN Annual Report.

**BACKGROUND:**

Each LHIN is required to submit its Annual Report to the Ministry of Health and Long-Term Care (MOHLTC) at the end of June as outlined in the Ministry-LHIN Performance Agreement (MLPA). Each LHIN’s Annual Report is developed using a Ministry template.

It is a public document and the primary audience is Members of Provincial Parliament (MPPs). The Ministry determines the timing for the report to be tabled in the Legislature and then released publicly.

While the LHINs await direction from the Ministry, LHINs are welcome to share their annual updates through other means than an annual report. In early June, TC LHIN will be releasing a second issue of its newsletter, *TC-LINK: Connecting You With Local Health Matters*.

**MOTION:**

That the Board of Directors hereby approves the TC LHIN’s 2015/16 Annual Report for submission to the Ministry of Health and Long-Term Care.

**Agenda Item 9 – Approval of Minutes – February 24, 2016**

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

**Agenda Item 10 – Consent Agenda**

CEO Report will be available at the meeting.

**TOPIC: Strategic Plan Performance Framework: Indicator Development Plan**

**PURPOSE OF THIS AGENDA ITEM:**

Present an update and high level project plan on the implementation of the TC LHIN Strategic Plan Performance Framework.

**BACKGROUND:**

The Toronto Central LHIN (TC LHIN) Strategic Plan Performance Framework was developed with consultation

by KPMG and presented to and approved by the TC LHIN Board in March 2016. The framework is inclusive of 18 Ministry-LHIN Accountability Agreement (MLAA) indicators and 22 other proposed measures which the TC LHIN is not currently reporting against. This second group of measures require support from both internal and external partners to select and refine the most appropriate indicators for measurement. TCLHIN has developed and initiated an indicator development plan to guide this work, and the overall development of the Strategic Plan Performance Report.

Over the course of FY16/17, TC LHIN will be engaging in the following phases of work:

Q1 – Phase1: Indicator Refinement

- Technical specifications completed
- Initiation of data collection projects required for select indicators

Q2 – Phase 2: Baseline Data Collection

- Draft of Performance Report completed, including baseline data

Q3, Q4 – Phase 3: Performance Report Development

- Root-case analyses of data
- Sub-LHIN analyses
- Publication of Performance Report

**PROJECT PLAN UPDATE:**

Internal consultations, and engagements with Toronto Public Health and Health Quality Ontario have been initiated. To date, 9 of 22 indicators which require development have been defined and are ready for baseline data collection.

**NEXT STEPS:**

A follow-up meeting with Health Quality Ontario has been scheduled for June 1, 2016, and ongoing internal consultations will be implemented to complete indicator refinement and baseline data collection in Q2. Additionally, a plan for reviewing and defining Operational Indicators from the related Performance Dashboard will be initiated in Q2, alongside the Strategic Plan Performance Report development process.

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

**PURPOSE OF THIS AGENDA ITEM**

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.

At the February 24, 2016 Board meeting, the Board was provided with an update on the consultation process related to the Patient's First Discussion Paper as well as information related to the LHINs citizen and patient engagement through the newly formed Citizen's Panel.

The Toronto Central LHIN Strategic Plan is aligned with the government's direction and priorities and recognizes the joint accountability of the Ministry and LHIN's to serve the public interest and effectively oversee the use of public funds.

To support the LHIN work going forward, a new communications and stakeholder relations plan for 2016/17 is being provided to the Board for review.

**Motion**

None.

**Agenda Item 11 – Finance and Audit Committee Report**

**TOPIC: Toronto Central LHIN's Draft Audited Financial Statements 2015-16**

**PURPOSE OF THIS AGENDA ITEM**

Board of Directors approval of the 2015/16 draft audited financial statements.

**BACKGROUND:**

On February 10, 2016, our auditors, Deloitte presented their year-end audit plan to the Finance and Audit Committee and they carried out the audit on site in the week starting April 25, 2016.

Deloitte presented its audit results report and the combined audited financial statements together with their findings for fiscal 2015/16 to the Finance and Audit Committee on May 18, 2016.

The Board of Directors is required to approve the Toronto Central LHIN's (TC LHIN) combined audited financial statements.

**DISCUSSION:**

**TC LHIN**

**Summary of Auditor's Report**

While management of TC LHIN is responsible for the preparation and fair presentation of financial statements in accordance to Canadian public sector accounting standards (PSAS), our auditors will express an opinion of the fair presentation of the financial statements in all material respects, the financial position, results of operations and cash flows in accordance with Canadian PSAS.

The conclusion of the auditor's report is, Deloitte will issue a clean report on the combined financial statements for the year ended March 31, 2016.

Major contents of the report are:

1. Under *significant audit and fraud risks*, revenue recognition and management override were identified and the results concluded that internal controls were designed and implemented appropriately and there were no material misstatements;
2. Under *business insights*, Deloitte examined accounting and internal controls and no significant deficiencies were identified;
3. Under *uncorrected misstatements and uncorrected disclosure misstatements*, there were no misstatements to correct;
4. Under *significant accounting practices, judgments and estimates*, all selected accounting practices and policies are acceptable under PSAS and the accounting estimates are free of possible management bias and of material misstatement.

### **Major Highlights of TC LHIN's Draft Audited Financial Statements**

Appendix 3 of Attachment A is TC LHIN's draft audited financial statements and includes TC LHIN and its two divisions with a surplus of \$1,900 in the operations which is repayable to the Ministry of Health.

On a combined financial position, there are sufficient funds to cover the operations for the next quarter.

### **HSPs' Operations Transfer Payments**

A total of \$4.8B was received from the Ministry of Health and Long-Term Care and flowed to HSPs in 2015-16 with a balanced position, representing 0.8% increase over last year (2014-15: \$4.7B).

### **TC LHIN Operations**

At the end of the financial year, the TC LHIN reported a surplus of \$1,900 (2015: \$2,807) from its operation budget of \$5,535,121 while all the Ministry initiatives balanced their funding and expenditures at the end of the year.

On the expense side, lower than planned salaries and benefits expenses (due primarily to timing of filling vacancies) were offset by higher than planned consulting services and document translation costs.

### **Major Highlights of LSSO's and LHINC's Financial Statements**

LSSO completed the fiscal year 2015-16 in a balanced position from the operation expenses of \$5,657,942 (2015: \$5,823,826).

LHINC also completed the year 2015-16 with a balanced position. The total expenses were \$1,524,614 (2015:\$1,518,229).

The audit fees for the year for TC LHIN is \$15,900, LSSO \$6,200, LHINC \$5,100 and review of internal controls at Financial Management Branch (FMB) of Ministry of Health is \$15,800 totalling \$43,000. The review at FMB is done on behalf of the fourteen LHINs and the funding comes from LSSO budget.

The LSSO/LHINC Audit Subcommittee held their meeting on May 18, 2016 to receive the presentation and report on the LSSO and LHINC financial statements. The Audit Subcommittee passed a motion to recommend that the Finance and Audit Committee recommend the approval of the statements.

The Finance and Audit Committee is recommending that the Board of Directors approve the audited financial statements for the year ending March 31, 2016.

**MOTION:**

That the Board of Directors hereby approve the Toronto Central LHINs 2015/16 audited financial statements.

**TOPIC:** Appointment of Auditors for the fiscal year ending March 31, 2017

**PURPOSE OF THIS AGENDA ITEM**

Approval of the appointment of Deloitte Inc. to conduct the audit for the fiscal year ending March 31, 2017.

**BACKGROUND:**

In May 2015, the Board had signed a three year contract extension to March 31, 2018 with Deloitte LLP. The fiscal year ended March 31, 2016 is the first year.

**DISCUSSION:**

Each year, the Finance and Audit Committee is required to pass a motion to make their recommendation to the Board to appoint the auditor for the following year.

The Finance and Audit Committee passed the motion on May 18, 2016 and recommend that the TC LHIN Board approve the appointment of Deloitte LLP for the provision of audit services for the next fiscal year ending March 31, 2017.

**MOTION**

That the TC LHIN Board of Directors hereby approves the appointment of Deloitte LLP for the fiscal year ending March 31, 2017.

**TOPIC:** TC LHIN MLAA Indicator Report, April 2016 (Data reporting period: FY 2015/16 Q1 –FY 2015/16

### Q3)

#### PURPOSE OF THIS AGENDA ITEM:

Present TC LHIN performance on key health system performance indicators to the TC LHIN Finance and Audit Committee.

#### 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. 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, supplementary indicators have been included on the Performance Dashboard. The aim is to provide additional data that will contextualize the pre-existing indicators provided by the Ministry, within the TC LHIN environment. Supplementary indicators have been selected through consultation with external stakeholders, including providers as well as inter-LHIN tables.

#### PERFORMANCE HIGHLIGHTS:

Total Indicators	Met Target		Within 10% of Target	
	Last Reported	Current	Last Reported	Current
14	1	2	3	3

An integrated approach to manage current performance gaps in line with the new indicators/targets has been developed. 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. Highlights of recent activity can be found below:

#### Personal Support and Nursing Services

- TC LHIN has developed a Transition and Flow Strategy whereby low needs and moderate needs clients are transitioning to CSS providers and CCAC is focusing on complex needs clients.
- TC LHIN has engaged TC CCAC to further understand the reasons for the drop in performance for Q2 FY 15/16 (Personal Support Services). This plan will include looking at client availability and understanding the magnitude of the impact that has on overall performance. TC CCAC will provide TC LHIN with performance data based on the patient availability date (PAD) in order to take into consideration patients who prefer to delay their first visit.
- Funding has been provided in 2014-15 and 2015-16 to increase access to nursing services within five days. Base funding was provided to TC CCAC in 2015-16 in the amount of \$459,800 to increase their nursing services maximum.

## Hip and Knee Replacements

- TC LHIN is aiming to drive further improvements with wait time standardization, maximizing central intake and capacity planning. There is variation across hospitals in priority assignment which impacts the % of cases being completed within access target. This quarter there is a LHIN initiative to review wait time data quality and identify the source of local variation and any opportunities to achieve standardization. This will better inform LHIN level performance strategies.
- TC LHIN funded 78 Incremental Hip Quality Based Procedures (QBPs) across all providers in FY15/16.
- TC LHIN has engaged in discussions with the TC LHIN Orthopaedics Planning Committee to identify:
  - The appropriate explanatory indicator(s); and
  - An appropriate program to drive quality improvements that impact this service and the MLAA indicator

## ALC Days and ALC Rate

- As part of the TC LHIN's Transition and Flow strategy, TC LHIN collaborated with TC CCAC, and six hospitals with the highest ALC days and rates to develop and implement an ALC Avoidance Framework, which has been included as an HSAA obligation in FY 2016/17.

## Readmissions for HIG Conditions

- TC LHIN is in the process of reviewing the data to identify the root causes (e.g. Length of Stay for Index and readmit cases, proportion of direct admits vs admits through the ED, 7 day readmission rates). Analysis on readmissions in TC LHIN identified congestive heart failure (CHF), chronic obstructive pulmonary disease (COPD), and pneumonia as areas of focus.
- TC LHIN will aim to expand the UHN model of care for CHF and better care coordination for COPD.
- While the overall aim is to monitor both the hospital-specific and system level performance and experiences, the Clinical Utilization Clinical Effectiveness (CECU) committee will focus on determining a strategy for selected HIG conditions that presents a system level opportunity to reduce readmission rates in the TC LHIN. TC LHIN is deploying a survey to identify existing initiatives (in TCLHIN or other jurisdictions) that are ready and appropriate to spread across the TC LHIN system.
- Readmissions to own hospital is included as a performance indicator in the HSAA for FY 16/17 which would enable hospitals to better track performance and monitor improvements.

## LHIN INFLUENCE ON INDICATOR MODIFICATION

The TC LHIN is actively working with the Ministry to address indicators which have been identified problematic:

- **Personal Support and Nursing Wait Times**  
The OACCAC has sent both the Delivery and Implementation Branch, and Health System Accountability and Performance Division of MOHLTC, to consider changing the definition of the five-day wait time measure to account for patient availability and choice by replacing the initial authorization date with a patient availability date (PAD).
- **Repeat ED Admissions for Mental Health and Addictions Conditions**  
Last fiscal, the LHIN completed a root-cause analyses of all 14 MLAA indicators and identified Mental Health and Substance Abuse ED readmission as indicators which were significantly impacted by varying degree of patient/client factors. An in-depth analysis of these indicators was subsequently completed in March 2016, where it was confirmed that TC LHIN residents (and Unknown LHIN residents) are most likely to have repeat visits for both Mental Health and Substance Abuse problems, indicating that TC LHIN may have more complex patients than other LHINs. The report recommended further exploration of risk adjustment focusing on comorbidities and concurrent disorders, age group, and identify other factors that can accurately be used for risk adjustment. As part of this ongoing

investigation, TC LHIN participates on the MHA Acute Care Alliance Committee which has identified significant issues with these two indicators and are in the process of reviewing and advising on improvements going forward.

**TOPIC:** Contracts Listing Q4 2015-16

**PURPOSE OF THIS AGENDA ITEM**

To provide the Board of Directors with the listing of contracts created between April 2015 and March 2016.

**Contract Listing**

Quarterly, the Finance and Audit Committee receives an update on TC LHIN contracts. The full contract listing for the procurements done in fiscal year 2015-16 is provided to the Board.

To the best of their knowledge, management is not aware of any legal litigation actions. Proper insurance coverage are in place.

**Procurement updates**

Employee Group Benefits

As reported at the meeting in February, this procurement was in progress. The LHIN CEOs agreed to discontinue this procurement and the incumbent provider's contract (Desjardins) was extended to March 31, 2017.

CCAC Lease

To follow on the Q3 note on CCAC lease, TC LHIN has recommended the CCAC's business case for approval from the Ministry and is now awaiting for the final decision.

**MOTION**

None

**TOPIC:** Q4 2015-16 Discretionary Funding Allocation

**PURPOSE OF THIS AGENDA ITEM**

To report the discretionary funding allocation for the 4<sup>TH</sup> Quarter of 2015-16 to the Board of Directors

**BACKGROUND**

In February 2016, the Board approved the 2016-17 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

In the fourth quarter, TC LHIN allocated \$5.9M. Total funds allocated to HSPs this fiscal year is \$23.2M. Funding by strategic priority is shown below.

### Funding Sources

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

Q4 2015-16 Summary Allocation Funding by funding source				
	Urgent priorities funds	Community Investments	Surplus Re-allocation	Total
	\$M	\$M	\$M	\$M
<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>	1.2	0.0	2.7	3.9
<i>4th QTR Payment Allocation</i>	1.5	2.5	1.9	5.9
<b>Total Funds allocated</b>	9.1	7.0	7.1	23.2

**Motion:**

**No motion**

**TOPIC:** Toronto Central LHIN's Annual Compliance Report

**PURPOSE OF THIS AGENDA ITEM**

To inform the Board of Directors on the year-end operational and compliance of Toronto Central LHIN

**BACKGROUND:**

The Toronto Central Local Health Integration Network (TC LHIN) compliance requirements are numerous including the Ministry of Health, internally developed policies and from a broader perspective, the healthcare industry.

Table I below lists a breakdown of compliance sources together with the form of requirement.

Table 1

<b>Originating source</b>	<b>Form of requirement</b>
Ministry of Health & Long-Term Care (MOHLTC) Federal Government	Regulations & Legislation Statutes
MOHLTC, Treasury Board/Management Board of Cabinet and Ministry of Finance	Directives, MOU, Performance Agreements
Hospitals, Healthcare Business Partners, Vendors, or other stakeholders	Contracts & Agreements, Outsourcing
Toronto Central LHIN	Internal policies, procedures, processes, internal controls & internal audit
Healthcare industry	Good business practices. conduct and standards

TC LHIN addresses compliance by assessing the risks and its impact and mitigation based on its framework. The framework supports the Board of Directors in their responsibility for oversight of TC LHIN's compliance requirements.

As compliance is a form of risk management, TC LHIN has identified the main risks which are:

- strategic and business risks addressed by TC LHIN's risk management policy
- organizational financial risks which deals with approval of budget, monitoring and reporting
- operational and compliance risks assessed with the development of a framework which includes risk assessment and risk register

- Hazard risks which include health and safety assessment in office setting and adequate insurance coverage

**STATUS OF COMPLIANCE**

As compliance is an ongoing process, TC LHIN has identified the areas where it has complied or not the applicable directives as summarized below:

<b>Memorandum of Understanding</b>	<b>Complied or not</b>	<b>Status</b>
<u><b>MOU</b></u> <ul style="list-style-type: none"> <li>• Roles &amp; Responsibilities outlined for TC LHIN and LSSO in relation to administrative policies and procedures, guidelines &amp; directives</li> </ul>	x	Note 1

<b>Regulations and legislation (applicable to TC LHIN)</b>	<b>Complied or not</b>	<b>Status</b>
<u><b>Labour &amp; Employment Legislation (Human Resources)</b></u>		
• Employment Standards Act	√	
• Occupational Health and Safety Act (revision- Bill 168)	√	
• Workplace Safety & Insurance Act	√	
• Ontario Human Rights Code	√	
• <i>Labour Relations Act</i> , Pension Benefits Act, 1990, Pay equity Act	√	
• TC LHIN staff orientation booklet, ethics including conflict of interest, code of business conduct	√	
<u><b>Privacy &amp; Information</b></u>		
• Freedom of Information & Protection Privacy Act (FIPPA)	√	
<u><b>Level of Accountability</b></u>		
• Broader Public Sector Accountability Act, 2010 (BPSAA)	√	
<u><b>Local Health System Integration Act (LHSIA)</b></u>	x	Note 1
<u><b>Other Applicable Legislation- Major ones</b></u>		
• Accountability, Cash management and internal controls	√	
• Procurement Directive	x	Note 1
• Financial Administration Act (FAA)	x	Note 1 and 2
• Public Sector Disclosure Act, 1996	√	
• Excise Tax Act for provisions for HST	√	
• Payroll deduction-Income Tax Act	√	

• Business Corporations Act	√	
• Transfer Payment Accountability Directive	√	
• Travel, Meal and Hospitality Expenses Directive	√	
<b><u>Archives and Recordkeeping Act, 2006</u></b>		
• Records retention and disposal plan	√	
• Records management	√	
<b>Directives, policies and procedures</b>	<b>Complied or not</b>	<b>Status</b>
<b><u>Ministry of Health</u></b>		
• Annual Business Plan	√	
• Quarterly reports	√	
• Results based planning	√	
• Service Accountability Agreement (SAA) negotiation and refresh	√	
• Risk report	√	
• Annual reconciliation APTS and MLPA	√	
• Ministry LHIN Accountability Agreement (MLAA)	√	
<b><u>Mandatory Policies and Procedures</u></b>		
TC LHIN Policies and Procedures which are based on Ministry Directives and best practices of internal controls. Major ones are:		
• Procurement– applies to all goods and services, including consulting services	√	
• Delegation of Authority	√	
• Travel and expense	√	
• Transfer Payments directive	√	
• Transfer payments funds flowing in 40 days	√	
• Obligations Payments in 90 days to vendors	√	
• Financial internal controls including segregation of duties, conflict of interest	√	
• Fraud and irregularities	√	
<b><u>Contracts &amp; Administration</u></b>		
Key elements of contract management described in Procurement Directive above		
• Contract management	√	
• Procurement completion & file management & retention	√	
• Procurement documentation must be complete	√	
<b><u>Information Technology Standards &amp; Security</u></b>		
• TC LHIN IT Policies and procedures which are based on the Government of Ontario Information & Technology Standards ( <b>GO-ITS</b> )	√	

<ul style="list-style-type: none"> <li>Disaster recovery plan for all LHINs</li> </ul>	√	
<ul style="list-style-type: none"> <li>General computer controls and applications, specific controls, integrity of information</li> </ul>	√	
<p><b><u>Directors &amp; Officers (code of business conduct, standard of care)</u></b></p> <ul style="list-style-type: none"> <li>Indemnification Directive (Ministry of Finance)</li> </ul>	√	

LEGEND for status	
	Complied with <b>applicable sections</b> for TC LHIN during the year and ongoing compliance
	Partial compliance
	No compliance

**Note 1**

Partial compliance on these regulations and legislation relate to prior years. An insurance contract is in breach of certain provisions of the *Local Health System Integration Act, 2006* (“LHSIA”), procurement directive and the *Financial Administration Act* (the “FAA”) related to contingent liability.

The Ministry had been made aware and all LHINs are disclosing it in their quarterly reporting.

**Note 2**

This relates to a non-compliance of the new lease extension signed in September 2015 with the Treasury Board and FAA. In addition, there is expectation that upon expiry, the renewal would be done after Infrastructure Ontario, Treasury Board and FAA approvals and would be sought at that time, in year 2020.

**CONCLUSION:**

TC LHIN is monitoring the framework on an ongoing basis and reporting annually to the Board through the Finance and Audit Committee. The CEO and Senior Directors complete their Declaration of Compliance on a quarterly basis.

All the above partial compliance to directives relates to the insurance contract and lease contract that are disclosed in the CEO Compliance report.

**MOTION**

No motion required

**TOPIC:** Risk Reporting Process to the Toronto Central LHIN’s Finance & Audit Committee

## PURPOSE OF THIS AGENDA ITEM

Approval of a revised process Risk Reporting.

### BACKGROUND:

Currently there are two risk reports that are provided to the Finance and Audit Committee:

#### 1. The Ministry of Health and Long-Term Care (MOHLTC) Quarterly Risk Summary:

- LHINs provide a report to the Ministry that outlines the top/significant risks that affect the following areas which are then distributed to the various branches of the Ministry:
  - Risks to Key Government Priorities
  - Risks to Key Local Priorities
  - Health service provider and health system significant risks and issues
- This is one of a series of quarterly reports that the TC LHIN submits to the LHIN Liaison Branch of the MOHLTC at Q1, Q2 & Q3
- The risk to obligations identified in the Ministry-LHIN Performance Agreement (MLAA) previously reported on the Ministry Quarterly report are now reported in the LHIN Stocktake report.

#### 2. The Agency Risk Report (ARR)

- Broadly speaking, the ARR risks are related to LHIN operations and can be divided into 3 categories:
  - **Mandate** - Risks that pose a threat to a LHIN's ability to set and execute its overall strategy; risk of not meeting performance expectations or commitments.
  - **Financial** – Risks related to the LHINs inability to manage its financial resources cost-effectively.
  - **Reputational** – Risk of negative publicity as a result of not meeting commitments; risk of failure to meet expectations of the public, Government or other stakeholders (i.e., employees, providers, patients/clients, media) in an effective, efficient and economical manner.
- The Agencies and Appointment Directive (ADD) requires that all crown agencies develop and submit enterprise risk assessments to their respective ministries.
- The LHIN Board Chair or CEO is required to sign the final document
- There is a more thorough report due in Q2 & Q4 and only high-level risks are reported in Q1 & Q3.

### DISCUSSION:

In recent discussions, it was noted that the risk items overlapped and it was challenging to understand which risks needed to be in which report. The MOHLTC Quarterly Risk Summary has functionally become a “heads up” report to the MOHLTC with regard to emerging issues and risks. Its scope focuses mainly on the system and does not account for agency risk, and is only submitted 3 times a year.

The Agency Risk Report contains information that is more closely tied to the accountabilities of the Board of Directors and has a more comprehensive assessment of risks facing the mandate, finances and reputation of the TC LHIN and the larger health care system.

Streamlining the risk reporting will enable the F&A committee to focus on a single report that effectively captures the relevant risks for governors. This will create an effective and efficient mechanism to report

relevant risks to the Board of Directors via the Finance and Audit Committee and will also eliminate redundancy.

The Finance and Audit Committee discussed the risk reporting process and agreed that the Committee and the Board will receive a full risk report that includes all identified risks and management will in turn report the risks appropriately either through the MOHLTC risk report or the Agency risk report. Management will provide the Finance and Audit Committee with a briefing note that will identify key risks that need to be discussed.

**MOTION:**

That the Board of Directors hereby accepts the proposal to receive one risk report that includes all identified risks and authorizes management to submit the risk reports to the Ministry of Health appropriately either through the MOHLTC risk report submission or the Agency risk report submission.

**Appendix A: Details of Agency Risk Report**

**The TC LHIN Agency Risk Report:**

Broadly speaking for the ARR, risks can be divided into 3 broad categories:

1. **Mandate** - Risks that pose a threat to a LHIN's ability to set and execute its overall strategy. Risk of not meeting performance expectations or commitments.
2. **Financial** – Risks related to the LHINs inability to manage its financial resources cost-effectively
3. **Reputational**- Risk of negative publicity as a result of not meeting commitments. Risk of failure to meet expectations of the public, Government or other stakeholders (i.e., employees, providers, patients/clients, media) in an effective, efficient and economical manner.

**Details:**

- **Strategic/Policy/Performance** - Risks that pose a threat to a LHIN's ability to set and execute its overall strategy. Risk of not meeting performance expectations or commitments
- **Political Commitment/Stakeholder and Public Perception** - not meeting publicly announced commitments made to meet/further the LHIN's priorities or mandate commitments. The risk of failure to meet expectations of the public, the governments, health service providers and/or other stakeholders in an effective, efficient and economical manner.
- **Governance/Accountability/Organizational** - Inadequate definitions of roles and responsibilities.
- **Legal and Regulatory Compliance** - not complying with applicable laws and regulations. The risk of being unable to meet the terms of the Ministry/LHIN Accountability Agreement or other contractual obligations.
- **Controllershship/Accounting** - poor oversight over the accounting and reporting functions of the organization
- **Service/Operational** - services will not get completed or delivered to quality standards or in a timely

manner as expected.

- **Workforce** - related to skill shortage; specialized skills not available, or the agency is unable to attract or retain staff with specialized skills.
- **Information & Information Technology** - risk that information produced or used is incomplete, out-of-date, inaccurate, irrelevant or inadequately protected from inappropriate disclosure. Risk that information or other technology (e.g., architecture, hardware, and software) does not support business requirements, and/or does not support the availability, access, integrity, relevance and security of data and the system.
- **Other** - risk that does not fit in any of the above categories: E.g. corporate social responsibility concerns, organizational Assets (facilities and equipment, personal safety, physical security. Issues relating to third parties that are involved with the agency such as service or goods providers.

#### **Agenda Item 14 – Next Board Meeting**

The next Board Meeting will take place on Wednesday, September 28, 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.