

Ministry of Health

Independent Health Facilities Act

(Independent Health Facilities Act (IHFA), R.S.O. 1990, c I.3)

This fact sheet provides basic information for health care providers and the public.

What the IHFA Does

- Provides a funding and licensing mechanism for specific community-based facilities
- Requires licensed facilities to participate in a quality assurance program to protect patient care
- Prohibits charging facility fees, as defined in the Act, to anyone other than the Minister of Health or a person designated in the regulations

What is an Independent Health Facility (IHF)?

An IHF is, subject to certain exemptions, a place in which one or more members of the public receive services for or in respect of which facility fees are charged or paid, or a health facility or class of health facilities designated by the Minister of Health. A facility fee is a charge or fee in payment for or in respect of,

- a) service or operating cost that supports, assists or is a necessary adjunct to an insured service, and is not part of the insured service;

or

- b) a service or class of services designated by the Minister.

IHF provide a wide range of insured services. Currently licensed facilities include:

- diagnostic imaging;
- nuclear medicine;
- pulmonary function studies;
- sleep studies;
- dialysis;
- abortion;
- ophthalmic, plastic and gynaecologic surgery;
- birth centres; and,
- MRI/CT and PET/CT scans.

Facilities may be established in a variety of settings, for example, completely free-standing, located on the site of an existing health facility (e.g. public hospital, community health centre or doctor's office), or located in a multi-office complex. Some facilities are operated on a mobile basis at specifically approved sites.

An IHF may be either for profit or not-for-profit.

The licensee of an IHF may be either an individual or a corporation but may not be a corporation that operates a public hospital. Corporations that operate public hospitals are exempt from the IHFA.

Licensees do not have to be a registered physician or technician; however, they will need to have qualified providers in good standing with their respective colleges or governing bodies. In addition, licensees are required to appoint a quality advisor as well as an advisory committee to advise the quality advisor.

Planning for Licencing and Funding of IHFs

New IHF Licenses:

There are three ways to obtain an IHF licence:

- As part of a call for applications process authorized by the Minister. A call for applications could be general or targeted to a specific service or region in the province;
- As a result of a ministerial designation or regulation change, a person who is operating a health facility would have one year to apply for a licence expansion or a new licence without a call for applications being issued ("grandparenting"); or
- Through the acquisition of an existing licence, which follows the Transfer of Licence process.

Licensing:

If successful in a call for applications or through an application following a grandparenting process, a new licence will be issued to the proposed licensee at the specified location, for the services specified in the Conditions and Limitations of Licence. The licence will be issued for a period of up to five years. Licences can be renewed, subject to the consent of the Director, and subject to compliance with any conditions or requirements. The Director may impose additional conditions and limitations on the licence at any time. Transferred licences are licensed for the remainder of the term of the original licence.

Licences may be transferred, or a licensed facility may move from one location to another with the prior written consent of the Director and in accordance with applicable policies.

A licence may be suspended, or revoked by the Director, based on considerations set out in the IHFA, such as failing to comply with the Act or regulations, operating in a manner that poses a risk of serious harm to a person's health and safety, contravening a condition or limitation of licence, dishonesty or discontinued operation. The Director also has the authority to remove services from a licence. A licence may be revoked, not renewed or services may be eliminated from a licence at the direction of the Minister, based on considerations such as cost or lack of continued need for the services.

A decision of the Director to suspend or revoke a licence is effective immediately upon being served notice unless a different date is set out in the decision.

Funding

Licensed facilities can be funded by the Ministry of Health for services provided to insured residents of Ontario. Most facilities are paid on a “fee-for-service” basis as set out in the Schedule of Facility Fees. The costs of providing licensed services in certain facilities are covered by funding agreements.

Quality Assessment and Inspection:

The Ministry utilizes a continuous quality improvement approach in the monitoring of services provided in IHFs. This includes working in a supportive or consultative manner with licensees to promote the achievement of optimal quality in the care provided and results achieved.

The IHFA requires every licensed facility to establish a method of monitoring the care and treatment it provides. To assist health care providers in their clinical decision-making, Clinical Practice Parameters and Facility Standards for each type of licensed IHF service have been developed and published by the College of Physicians and Surgeons of Ontario (CPSO) or the College of Midwives of Ontario (CMO). These documents are also designed to assist providers in developing their own quality management program by providing guidelines for assessing the quality of patient care provided in the facilities.

Licensees are required to participate in an assessment of their IHF at least once every 5 years. An assessment may be conducted more often based on the outcome of the previous assessment, change in ownership, addition of new services, or an external complaint. Each assessment is carried out at the request of the Director.

Currently, the CPSO acts as the principal assessor based on the types of services being provided in the majority of IHFs. There are currently two IHFs licensed to provide midwifery services which are assessed by the College of Midwives of

Ontario (CMO). The IHFA contains provisions for the appointment of inspectors and assessors.

Assessors are appointed by the CPSO/CMO or other appropriate regulatory body based on the types of services being provided within the IHF. The quality of the services being provided are assessed against established standards and advice regarding the quality of the services being provided is given to the Director of IHFs.

The Minister of Health or Director of IHFs can appoint an inspector(s) who may inspect an IHF to ensure that the IHF and Licensee are in compliance with all provisions of the Act and regulations and with the conditions and limitations of licence. The Registrar of the CPSO may also appoint inspectors where the Director is of the opinion that there is reasonable ground for belief that illegal facility fees are being charged.

OFFENCES:

The following are offences under the IHFA:

- Failure to comply with a Compliance Order issued by the Director
- Failure to comply with a request for information by the Director
- Operating an IHF without a licence
- Charging an insured person, a facility fee in relation to the provision of an insured service
- Obstructing or interfering with an inspector, including destroying records
- Transferring a licence without, prior written consent of the Director
- Failure of a corporate licensee to notify the Director of any change in the officers and directors of the corporation
- Acquiring/increasing an interest affecting control of a corporate licensee without complying with licence conditions
- Communicating confidential information contrary to the Act
- Using a licence as security
- Failure to comply with a production order
- Violating a regulation made under the Act

For more information

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- Access the ministry website at:
[Independent Health Facilities - Ministry Programs - Public Information - MOH \(gov.on.ca\)](https://www.ontario.ca/gov/independent-health-facilities-program)