

February 21, 2007

MEMORANDUM TO: Public and Private Hospitals
Long-Term Care Homes
Community Health Centres
Mental Health and Addictions Agencies
Community Support Service Agencies
Community Care Access Centres

FROM: Ron Sapsford
Deputy Minister
Ministry of Health and Long-Term Care

RE: Assignment of Service Agreements to LHINs

April 1, 2007, marks a significant milestone in the transformation of Ontario's health system. On this date, the 14 local health integration networks (LHINs) are expected to take on the role of planning, funding and integrating health services in their local area for the following health service providers:

- Public and Private Hospitals
- Long-Term Care Homes
- Community Health Centres
- Mental Health and Addictions
- Community Support Service Agencies.

As April 1 approaches, it is important for a smooth transition to keep health service providers and other health care stakeholders informed of what is happening, what relationships change and how those changes will affect your organizations. The Ministry and LHINs have been working hard to prepare for the transition and to implement the new *Local Health System Integration Act, 2006* (LHSIA). This memo is to inform you about one of those key implementation activities: the assigning of existing transfer payment/service agreements between the Ministry and health service providers to the LHINs. By assigning these agreements under section 19(3) of the LHSIA, the Ministry will be transferring its responsibilities under those agreements to the LHINs.

The LHINs and provider organizations will continue to operate under these assigned agreements until the LHINs negotiate new service accountability agreements with health service providers. The Ministry has developed a draft regulation that would phase in the requirement for LHINs to negotiate service accountability agreements with health service

providers in each sector over a three year period. This draft regulation was posted in *The Ontario Gazette* on February 10th for 60 days of public consultation. Visit the Ministry's website www.health.gov.on.ca for further information on this regulation.

Most of the programs and services covered by service agreements will be assigned to the LHINs; however, some provincially oriented or claims-based programs will remain with the Ministry.

To help you understand whether the programs and services you deliver will be transferred to LHINs on April 1, I have attached a list highlighting areas of LHIN responsibility and Ministry responsibility.

Further details regarding the transfer of your programs and services to LHINs through the assignment of agreements will be sent to each of you shortly. In these individual notices you will receive additional information about the process and timing of the transfer of your service agreements to the LHINs.

On a more general note, the Ministry has re-launched the LHIN Bulletin. The purpose of the Bulletin is to keep our stakeholders in the health care community informed of developments in the Ministry's transition. The bulletin, published at least every two weeks, will be posted on the Ministry's public website at: http://www.health.gov.on.ca/transformation/lhin/lhin_mn.html.

Please send an e-mail to transforminghealth@moh.gov.on.ca with any questions you may have.

“original signed by”

Ron Sapsford

cc: Dan Carbin, Senior Policy Advisor, Minister's Office
Tracey Mill, Director, LHIN Project Team
Carrie Hayward, Director, LHIN Liaison Branch
LHIN CEOs

Attachment: Programs and Services

Acute Sector

Programs and services delivered and managed by public hospitals will be assigned to the **LHINs** through the assignment of the Hospital Accountability Agreement. The exceptions are cancer programs currently funded and managed by Cancer Care Ontario and the Paediatric Oncology Group of Ontario.

Long-Term Care

Long-Term Care Homes will be assigned to the **LHINs** through the assignment of the following service agreements (with exceptions noted):

- Long-Term Care Service Agreement, Convalescent Care Beds Program Amending Agreement and Short Stay Beds Notification Letter (except for any provisions required to support Ministry compliance functions, which will remain with the Ministry)
- Development Agreement (only selected provisions related to the Service Agreement and funding will be assigned to LHINs)
- Beds in Abeyance Documentation

The **Ministry** will continue to process payments and determine policy for:

- High Intensity Needs Fund and Lab Costs
- Municipal Tax Allowance
- Pay Equity Program
- High Wage Transition Fund
- Structural Compliance Program
- Occupancy Based Funding
- Rate Reduction Program (application process will continue to be administered by the homes)
- Exceptional Circumstance Funding

Community Health Sector

Programs and services delivered or managed by Community Health Centres (CHC) will be assigned to the **LHINs**. The exceptions are Midwifery and Chronic Disease Programs which will continue to be funded and managed by the **Ministry**. In addition, the Ministry will provide overall direction on the current CHC expansion plan.

Mental Health and Addictions

Community mental health and addictions services delivered or managed by community mental health and addictions agencies will be assigned to the **LHINs** through the existing service agreements or the Hospital Accountability Agreement as applicable. The exceptions are:

- Supportive Housing (dedicated portfolio and rent supplements),
- Inter-ministerial Provincial Advisory Committee (IMPAC),
- Homes for Special Care Program,
- programs and services that are currently managed provincially, which will continue to be funded and managed by the **Ministry**.

Community Care Access Centres (CCACs) and Community Support Services

The responsibility for Community Care Access Centres will be assigned to the **LHINs**. Programs and services delivered or managed by community support service agencies will also be assigned to the LHINs. The exceptions are the following which will continue to be funded and managed by the Ministry:

- ABI – Individualized Funding
- Homemaking and Nursing Services under the *Homemaking and Nursing Services Act*
- Elderly Persons Centres
- Direct Funding-Self Managed Attendant Services
- Palliative Education
- Personal Support Worker Training