

May 27, 2020

Ms. Barb Collins
President and Chief Executive Officer
Humber River Regional Hospital
1235 Wilson Avenue
Toronto, ON M3M 0B2

Email: bcollins@hrh.ca

DELIVERED ELECTRONICALLY

Dear Ms. Collins:

**Re: LHSIA s. 20 Notice and Extension of Service Accountability Agreement(s)
("Extending Letter")**

The *Local Health System Integration Act, 2006* requires the Toronto Central Local Health Integration Network (the "LHIN") to notify a health service provider when the LHIN proposes to enter into, or amend, a service accountability agreement with that health service provider.

In this COVID-19 outbreak, the LHIN hereby gives notice and advises Humber River Regional Hospital (the "HSP") of the LHIN's proposal to amend each and every service accountability agreement (as described in the *Local Health System Integration Act, 2006*) currently in effect between the LHIN and your HSP (each a "SAA").

Subject to the HSP's acceptance of this Extending Letter, each SAA will be amended with effect on June 30, 2020. All other terms and conditions of the SAA remain in full force and effect.

The terms and conditions in the SAA are amended as follows:

- 1) **Term** – With respect to a SAA that is a hospital service accountability agreement only, in section 2.2, "June 30, 2020" is deleted and replaced by "March 31, 2021".
- 2) **Schedules** – The Schedules in effect on June 29, 2020 shall remain in effect until March 31, 2021, or until such other time as may be agreed to by Parties.

Unless otherwise defined in this letter, all capitalized terms used in this letter have the meanings set out in the SAA.

AGREED TO AND ACCEPTED BY

HUMBER RIVER REGIONAL HOSPITAL

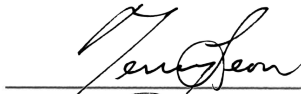
By:



Barb Collins
President and Chief Executive Officer
I have authority to bind the HSP

Date: June 11, 2020
mm/dd/yyyy

And By:



Terry Leon
Board Chair
I have authority to bind the HSP

Date: June 12, 2020
mm/dd/yyyy

TORONTO CENTRAL LOCAL HEALTH
INTEGRATION NETWORK
(the “LHIN”)

and

HUMBER RIVER REGIONAL
(the “Hospital”)

Hospital Service Accountability Agreement for
March 31, 2020 – June 30, 2020

TABLE OF CONTENTS

ARTICLE 1. DEFINITIONS AND INTERPRETATION	3
ARTICLE 2. APPLICATION AND TERM OF AGREEMENT	9
ARTICLE 3. OBLIGATIONS OF THE PARTIES.....	9
ARTICLE 4. FUNDING	11
ARTICLE 5. REPAYMENT AND RECOVERY OF FUNDING	13
ARTICLE 6. HOSPITAL SERVICES.....	15
ARTICLE 7. PLANNING AND INTEGRATION	16
ARTICLE 8. REPORTING	18
ARTICLE 9. PERFORMANCE MANAGEMENT, IMPROVEMENT AND REMEDATION.....	21
ARTICLE 10. REPRESENTATIONS, WARRANTIES AND COVENANTS.....	23
ARTICLE 11. ISSUE RESOLUTION.....	24
ARTICLE 12. INSURANCE AND INDEMNITY	25
ARTICLE 13. REMEDIES FOR NON-COMPLIANCE.....	27
ARTICLE 14. NOTICE	28
ARTICLE 15. ACKNOWLEDGEMENT OF FUNDER SUPPORT	29
ARTICLE 16. ADDITIONAL PROVISIONS.....	29

SCHEDULES

Schedule A:	Funding Allocation
Schedule B:	Reporting Requirement
Schedule C:	Indicators and Volumes
Schedule C.1:	Performance Indicators
Schedule C.2:	Service Volumes
Schedule C.3:	Funder Indicators and Volumes
Schedule C.4:	PCOP Targeted Funding & Volumes

BACKGROUND

This service accountability agreement is entered into pursuant to the *Local Health System Integration Act, 2006*, with the expectation that it will be transferred by means of a transfer order issued by the Minister of Health under the *Connecting Care Act, 2019* (the "CCA"), from the LHIN as funder to Ontario Health, which is a Crown agency which, pursuant to the CCA, has the power to provide funding to health service providers and integrated care delivery systems in respect of health services.

The Hospital and the Funder are committed to working together, and with others, to achieve evolving provincial priorities including building a connected and sustainable health care system centred around the needs of patients, their families and their caregivers.

In this context, the Hospital and the Funder agree that the Funder will provide funding to the Hospital on the terms and conditions set out in this Agreement to enable the provision of services to the health system by the Hospital.

In consideration of their respective agreements set out below, the Funder and the Hospital covenant and agree as follows:

Article 1. DEFINITIONS AND INTERPRETATION

- 1.1 **Definitions.** The following definitions are applicable to terms used in this Agreement:

Accountability Agreement means the accountability agreement, as that term is defined in the Enabling Legislation, in place between the Funder and the Ministry during a Funding Year;

Agreement means this agreement and includes the Schedules, as amended from time to time;

Annual Balanced Operating Budget means that in each Funding Year of the term of this Agreement, the total expenses of the Hospital are less than or equal to the total revenue, from all sources, of the Hospital when using the consolidated corporate income statements (all fund types and sector codes). Total Hospital revenues exclude interdepartmental recoveries and facility-related deferred revenues, while total Hospital expenses exclude interdepartmental expenses, facility-related amortization expenses and facility-related interest on long-term liabilities;

Applicable Law means all federal, provincial or municipal laws, regulations, common law, any orders, rules, or by-laws that are applicable to the parties, the

Hospital Services, this Agreement and the parties' obligations under this Agreement during the term of this Agreement;

Applicable Policy means any rules, policies, directives, or standards of practice issued or adopted by the Ministry or other ministries or agencies of the Province of Ontario that are applicable to the Hospital, the Hospital Services, this Agreement and the parties' obligations under this Agreement during the term of this Agreement and that are available to the Hospital on a website of a ministry or agency of the Province of Ontario or that the Hospital has received from the Funder, the Ministry, an agency of the Province or otherwise. (For certainty, Applicable Policy does not include any rules, policies, directives, or standards of practice issued or adopted unilaterally by one or more local health integration networks.);

Board means board of directors;

CCA means the *Connecting Care Act, 2019*, and the regulations under it, as it and they may be amended from time to time;

CEO means chief executive officer;

Chair means the chair of the Board;

Confidential Information means information disclosed or made available by one party to the other that is marked or otherwise identified as confidential by the disclosing party at the time of disclosure and all other information that would be understood by the parties, exercising reasonable judgment, to be confidential. Confidential Information does not include information that: (i) is or becomes available in the public domain through no act of the receiving party; (ii) is received by the receiving party from another person who has no obligation of confidence to the disclosing party; or (iii) was developed independently by the receiving party without any reliance on the disclosing party's Confidential Information;

Days means calendar days;

Digital Health means the coordinated use of digital technologies to electronically integrate points of care and transform the way care is delivered, in order to improve the quality, access, productivity and sustainability of the healthcare system;

Effective Date with respect to this Agreement except for the Schedules means March 31, 2020, and with respect to the Schedules means April 1, 2020;

Enabling Legislation before the date a Transfer Order takes effect means LHSIA, and after the date a Transfer Order takes effect means the CCA;

Explanatory Indicator means a measure of the Hospital's performance for which no Performance Target is set. Technical specifications of specific Explanatory Indicators can be found in the HSAA Indicator Technical Specifications;

Factors Beyond the Hospital's Control include occurrences that are, in whole or in part, caused by persons or entities or events beyond the Hospital's control. Examples may include, but are not limited to, the following:

- (a) significant costs associated with complying with new or amended Government of Ontario technical standards or guidelines, Applicable Law or Applicable Policy;
- (b) the availability of health care in the community (long-term care, home care, and primary care);
- (c) the availability of health human resources;
- (d) arbitration decisions that affect Hospital employee compensation packages, including wage, benefit and pension compensation, which exceed reasonable Hospital planned compensation settlement increases and in certain cases non-monetary arbitration awards that significantly impact upon Hospital operational flexibility; and
- (e) catastrophic events, such as natural disasters and infectious disease outbreaks;

FIPPA means the *Freedom of Information and Protection of Privacy Act*, Ontario and the regulations made under it, as it and they may be amended from time to time;

Funder before the date a Transfer Order takes effect means the LHIN, and after the date a Transfer Order takes effect means Ontario Health;

Funding Year means, in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31, and in the case of Funding Years subsequent to the first Funding Year, the period of 12 consecutive months beginning on April 1 following the end of the previous Funding Year and ending on the following March 31;

Funding means the funding provided by the Funder to the Hospital in each Funding Year under this Agreement;

GAAP means generally accepted accounting principles;

Health System Funding Reform has the meaning ascribed to it in the Accountability Agreement, and is a funding strategy that features quality-based funding to facilitate fiscal sustainability through high quality, evidence-based and patient-centred care;

Hospital's Personnel and Volunteers means the directors, officers, employees, agents, volunteers and other representatives of the Hospital. In addition to the foregoing, Hospital's Personnel and Volunteers include the contractors and subcontractors and their respective shareholders, directors, officers, employees, agents, volunteers or other representatives;

Hospital Services means the clinical services provided by the Hospital and the operational activities that support those clinical services, that are funded in whole or in part by the Funder, and includes the type, volume, frequency and availability of Hospital Services;

HSAA Indicator Technical Specifications means the document entitled "HSAA Indicator Technical Specifications" as it may be amended or replaced from time to time;

Indemnified Parties means the Funder and its officers, employees, directors, independent contractors, subcontractors, agents, successors and assigns and Her Majesty the Queen in right of Ontario and Her Ministers, appointees and employees, independent contractors, subcontractors, agents and assigns. Indemnified Parties also includes any person participating in a Review conducted under this Agreement, by or on behalf of the Funder;

Improvement Plan means a plan that the Hospital may be required to develop under Article 9 of this Agreement;

Interest Income means interest earned on Funding that has been provided subject to recovery;

LHSIA means the *Local Health System Integration Act, 2006* and the regulations made under it, as it and they may be amended from time to time;

Mandate Letter has the meaning ascribed to it in the Memorandum of Understanding and means a letter from the Ministry to the Funder establishing priorities in accordance with the Premier of Ontario's mandate letter to the Ministry.

Memorandum of Understanding means the memorandum of understanding between the Funder and the Ministry in effect from time to time in accordance with the Management Board of Cabinet "Agencies and Appointments Directive".

Minister means such minister of the Crown as may be designated as the responsible minister in relation to this Agreement or in relation to any subject matter under this Agreement, as the case may be, in accordance with the *Executive Council Act*, as amended;

Ministry means, as the context requires, the Minister or the Ministry of Health and Long-Term Care or such other ministry as may be designated in accordance with Applicable Law as the ministry responsible in relation to the relevant matter or the Minister of that ministry, as the context requires;

Notice means any notice or other communication required to be provided pursuant to this Agreement or the Enabling Legislation;

Ontario Health means the corporation without share capital under the name Ontario Health as continued under the CCA;

Performance Corridor means the acceptable range of results around a Performance Target;

Performance Factor means any matter that could or will significantly affect a party's ability to fulfill its obligations under this Agreement;

Performance Indicator means a measure of Hospital performance for which a Performance Target is set;

Performance Standard means the acceptable range of performance for a Performance Indicator or Service Volume that results when a Performance Corridor is applied to a Performance Target (as described in the Schedules and the HSAA Indicator Technical Specifications);

Performance Target means the planned level of performance expected of the Hospital in respect of Performance Indicators or Service Volumes;

person or entity includes any individual and any corporation, partnership, firm, joint venture or other single or collective form of organization under which business may be conducted;

Planning Submission means the Hospital Board-approved planning document submitted by the Hospital to the Funder. The form, content and scheduling of the Planning Submission will be identified by the Funder;

Post-Construction Operating Plan (PCOP) Funding and PCOP Funding means any annualized operating funding provided under this Agreement, whether by a funding letter or other amendment, to support service expansions and other costs occurring in conjunction with completion of an approved capital project, as may be set out in **Schedule A** and further detailed in **Schedule C.4**;

Program Parameter means, in respect of a program, any one or more of the provincial standards (such as operational, financial or service standards and policies, operating manuals and program eligibility), directives, guidelines and expectations and requirements for that program that are established or required by the Ministry; and that the Hospital has been made aware of or ought reasonably to have been aware of; and that are available to the Hospital on a website of a ministry or agency of the Province of Ontario or that the Hospital

has received from the Funder, the Ministry, an agency of the Province or otherwise;

Reports means the reports described in **Schedule B** as well as any other reports or information required to be provided under the Enabling Legislation or this Agreement;

Review means a financial or operational audit, investigation, inspection or other form of review requested or required by the Funder under the terms of the Enabling Legislation or this Agreement, but does not include the annual audit of the Hospital's financial statements;

Schedule means any one of, and "**Schedules**" mean any two or more, as the context requires, of the Schedules appended to this Agreement, including the following:

Schedule A:	Funding Allocation
Schedule B:	Reporting Requirements
Schedule C:	Indicators and Volumes
Schedule C.1:	Performance Indicators
Schedule C.2:	Service Volumes
Schedule C.3:	Funder Indicators and Volumes
Schedule C.4:	PCOP Targeted Funding & Volumes

Service Volume means a measure of Hospital Services for which a Performance Target has been set.

Transfer Order means a transfer order issued pursuant to subsection 40(1) of the CCA transferring this Agreement from the LHIN to Ontario Health;

2008-18 H-SAA means the Hospital Service Accountability Agreement for 2008-10 as amended and extended to March 31, 2018.

- 1.2 **Interpretation.** Words in the singular include the plural and vice-versa. Words in one gender include all genders. The words "including" and "includes" are not intended to be limiting and mean "including without limitation" or "includes without limitation", as the case may. The headings do not form part of this Agreement. They are for convenience of reference only and do not affect the interpretation of this Agreement. Terms used in the Schedules have the meanings set out in this Agreement unless separately and specifically defined in a Schedule in which case the definition in the Schedule governs for the purposes of that Schedule.
- 1.3 **HSAA Indicator Technical Specification.** This Agreement will be interpreted with reference to the HSAA Indicator Technical Specifications.

- 1.4 **Denominational Hospitals.** For the purpose of interpreting this Agreement, nothing in this Agreement is intended to, and this Agreement will not be interpreted to, unjustifiably, as determined under section 1 of the *Canadian Charter of Rights and Freedoms*, require a Hospital with a denominational mission to provide a service or to perform a service in a manner that is contrary to the denominational mission of the Hospital.

Article 2. APPLICATION AND TERM OF AGREEMENT

- 2.1 **A Service Accountability Agreement.** This Agreement is a service accountability agreement for the purposes of the Enabling Legislation.
- 2.2 **Term.** The term of this Agreement will commence on the Effective Date and will expire on June 30, 2020, unless extended pursuant to its terms.

Article 3. OBLIGATIONS OF THE PARTIES

- 3.1 **The Funder.** The Funder will fulfill its obligations under this Agreement in accordance with the terms of this Agreement, Applicable Law and Applicable Policy.
- 3.2 **The Hospital.**
- 3.2.1 The Hospital will provide the Hospital Services and otherwise fulfill its obligations under this Agreement in accordance with the terms of this Agreement, Applicable Law, Applicable Policy and Program Parameters. Without limiting the foregoing, the Hospital acknowledges:
- (a) that all Funding will be provided in accordance with the requirements of the Enabling Legislation, including the terms and conditions of the Accountability Agreement;
 - (b) that it is prohibited from using Funding for compensation increases prohibited by Applicable Law;
 - (c) its obligation to follow the Broader Public Sector Procurement Directive issued by the Management Board of Cabinet as the same may be replaced or amended from time to time; and
 - (d) its obligation to post a copy of this Agreement in a conspicuous public place at its sites of operations to which this Agreement applies, and on its public website if the Hospital operates a public website.
- 3.2.2 When providing the Hospital Services, the Hospital will meet all of the Performance Standards and other terms and conditions applicable to the Hospital Services that have been mutually agreed to by the parties.

- 3.2.3 The Funder will receive a Mandate Letter from the Ministry annually. Each Mandate Letter articulates areas of focus for the Funder, and the Ministry's expectation that the Funder and the health service providers it funds will collaborate to advance these areas of focus. To assist the Hospital in its collaborative efforts with the Funder, the Funder will share each relevant Mandate Letter with the Hospital.
- 3.3 **Subcontracting for the Provision of Hospital Services.**
- 3.3.1 Subject to the provisions of the Enabling Legislation, the Hospital may subcontract the provision of some or all of the Hospital Services. For the purposes of this Agreement, actions taken or not taken by the subcontractor and Hospital Services provided by the subcontractor will be deemed actions taken or not taken by the Hospital and Hospital Services provided by the Hospital.
- 3.3.2 The terms of any subcontract entered into by the Hospital will:
- (a) enable the Hospital to meet its obligations under this Agreement; and
 - (b) not limit or restrict the ability of the Funder to conduct any audit or Review of the Hospital necessary to enable the Funder to confirm that the Hospital has complied with the terms of this Agreement.
- 3.4 **Conflict of Interest.** The Hospital has adopted (or will adopt, within 60 Days of the Effective Date) and will maintain, in writing, for the term of this Agreement, a conflict of interest policy that includes requirements for disclosure and effective management of perceived, actual and potential conflict of interest and a code of conduct, for directors, officers, employees, professional staff members and volunteers. The Hospital will provide the Funder with a copy of its conflict of interest policy upon request at any time and from time to time.
- 3.5 **French Language Services.** The Hospital shall comply with the requirements and obligations set out in the "Guide to Requirements and Obligations Relating to French Language Health Services". This obligation does not limit or otherwise prevent the Funder and the Hospital from negotiating specific local obligations relating to French language services, that do not conflict with the guide.
- 3.6 **Designated Psychiatric Facilities.** If the Hospital is designated as a psychiatric facility under the *Mental Health Act*, it will provide the essential mental health services in accordance with the specific designation for each designated site of the Hospital, and discuss any material changes to the service delivery models or service levels with the Ministry.
- 3.7 **Digital Health.** The Hospital shall make best efforts to:
- (a) assist the Funder to prepare its Funder Digital Health plan that aligns with provincial Digital Health priorities;

- (b) assist the Funder to implement the Funder Digital Health plan and include, in its annual Planning Submission, its plans for achieving the agreed upon Digital Health initiatives;
- (c) track the Hospital's Digital Health performance against the Funder Digital Health plan; and
- (d) comply with any clinical, technical, and information management standards, including those related to data, architecture, technology, privacy and security, set for the Hospital by the Ministry within the timeframes set by the Ministry.

Despite Article 9 of this Agreement, to the extent that the Hospital is unable to comply, or anticipates it will be unable to comply with the foregoing without adversely impacting its ability to perform its other obligations under this Agreement, the Hospital, in consultation with the Funder, may refer the matter to the Ministry for resolution.

Article 4. FUNDING

4.1 Annual Funding. Subject to the terms of this Agreement, the Funder:

- 4.1.1 will provide the Funding identified in **Schedule A** to the Hospital for the purpose of providing or ensuring the provision of the Hospital Services; and
- 4.1.2 will deposit the Funding in equal installments, twice monthly, over the term of this Agreement, into an account designated by the Hospital provided that the account resides at a Canadian financial institution and is in the name of the Hospital.

4.2 Funding Limited. The Funder is not responsible for any commitment or expenditure by the Hospital in excess of the Funding that the Hospital makes in order to meet its commitments under this Agreement, nor does this Agreement commit the Funder to provide additional funds during or beyond the term of this Agreement.

4.3 Limitation on Payment of Funding. Despite section 4.1, the Funder will not provide any Funding to the Hospital in respect of a Funding Year until the agreement for that Funding Year has been duly signed on behalf of the Hospital, whether by amendment to this Agreement or otherwise. Despite the foregoing, if:

- 4.3.1 the Hospital is unable to obtain necessary approval of its Board prior to the beginning of a Funding Year; and
- 4.3.2 the Hospital notifies the Funder:
 - (a) that it requires this Agreement to be extended to enable the Hospital to obtain the necessary approval of its Board; and,
 - (b) of the date by which the Hospital Board's approval will be obtained,

then, with the written approval of the Funder, this Agreement and Funding for the then-current Funding Year will continue into the following Funding Year for a period of time specified by the Funder.

4.4 Rebates, Credits, Refunds and Interest Income. The Hospital will incorporate all rebates, credits, refunds and Interest Income that it receives from the use of the Funding into its budget, in accordance with GAAP. The Hospital will use reasonable estimates of anticipated rebates, credits and refunds in its budgeting process. The Hospital will use any rebates, credits, refunds and Interest Income that it receives from the use of the Funding to provide Hospital Services unless otherwise agreed to by the Funder.

4.5 Conditions on Funding.

4.5.1 The Hospital will:

- (a) use the Funding only for the purpose of providing the Hospital Services in accordance with the terms of this Agreement and any amendments to this Agreement, whether by funding letter or otherwise;
- (b) not use in-year Funding for major building renovations or construction, or for direct expenses relating to research projects; and,
- (c) plan for and maintain an Annual Balanced Operating Budget.

A. Facilitating an Annual Balanced Operating Budget.

The parties will work together to identify budgetary flexibility and manage in-year risks and pressures to facilitate the achievement of an Annual Balanced Operating Budget for the Hospital.

B. Waiver. Upon written request of the Hospital, the Funder may, in its discretion, waive the obligation to achieve an Annual Balanced Operating Budget on such terms and conditions as the Funder may deem appropriate. Where such a waiver is granted, it and the conditions attached to it will form part of this Agreement.

4.5.2 All Funding is subject to all Applicable Law and Applicable Policy, including Health System Funding Reform, as it may evolve or be replaced over the term of this Agreement.

4.6 PCOP. The Hospital acknowledges and agrees that, despite any other provision of this Agreement, unless expressly agreed otherwise in writing, all PCOP Funding is subject to all of the terms and conditions of the funding letter or letters pursuant to which it was initially provided and all of the terms and conditions of this Agreement. For certainty, those funding letters are attached as **Schedule C.4.**

4.7 Estimated Funding Allocations.

- 4.7.1 The Hospital's receipt of any "Estimated Funding Allocation" in **Schedule A** is subject to section 4.8 below and subsequent written confirmation from the Funder.
- 4.7.2 In the event the Funding confirmed by the Funder is less than the Estimated Funding Allocation, the Funder will have no obligation to adjust any related performance requirements unless and until the Hospital demonstrates to the Funder's satisfaction that the Hospital is unable to achieve the expected performance requirements with the confirmed Funding. In such circumstances the gap between the Estimated Funding and the confirmed Funding will be deemed to be material.
- 4.7.3 In the event of a material gap in Funding, the Funder and the Hospital will adjust the related performance requirements.
- 4.8 **Appropriation.** Funding under this Agreement is conditional upon an appropriation of moneys by the Legislature of Ontario to the Ministry and funding of the Funder by the Ministry pursuant to the Enabling Legislation. If the Funder does not receive its anticipated funding, the Funder will not be obligated to make the payments required by this Agreement.
- 4.9 **Funding Increases.** Before the Funder can make an allocation of additional funds to the Hospital, the parties will: (1) agree on the amount of the increase; (2) agree on any terms and conditions that will apply to the increase; and (3) execute an amendment to this Agreement that reflects the agreement reached.

Article 5. REPAYMENT AND RECOVERY OF FUNDING

- 5.1 **Funding Recovery.** Recovery of Funding may occur for the following reasons:
 - 5.1.1 the Funder makes an overpayment to the Hospital that results in the Hospital receiving more Funding than specified in this Agreement and any funding letters;
 - 5.1.2 a financial reduction under section 13.1 is assessed;
 - 5.1.3 as a result of a system planning process under section 7.2.6;
 - 5.1.4 as a result of an integration decision made under the Enabling Legislation by the Funder; or
 - 5.1.5 to temporarily reallocate Funding to cover incremental costs of another provider where the Hospital has reduced Hospital Services outside of the applicable Performance Corridor without agreement of the Funder and the services are provided by another provider; and
 - 5.1.6 with respect only to Funding that has been provided expressly subject to recovery,
 - (a) contractual conditions for recovery of such Funding are met; and

- (b) if in the Hospital's reasonable opinion or in the Funder's reasonable opinion after consulting with the Hospital, the Hospital will not be able to use the Funding in accordance with the terms and conditions on which it was provided.

5.2 Process for Recovery of Funding Generally.

- 5.2.1 Generally, if the Funder, acting reasonably, determines that a recovery of Funding under section 5.1 is appropriate, then the Funder will give 30 Days' Notice to the Hospital.
- 5.2.2 The Notice will describe:
 - (a) the amount of the proposed recovery;
 - (b) the term of the recovery, if not permanent;
 - (c) the proposed timing of the recovery;
 - (d) the reasons for the recovery; and
 - (e) the amendments, if any, that the Funder proposes be made to the Hospital's obligations under this Agreement.
- 5.2.3 Where a Hospital disputes any matter set out in the Notice, the parties will discuss the circumstances that resulted in the Notice and the Hospital may make representations to the Funder about the matters set out in the Notice within 14 Days of receiving the Notice.
- 5.2.4 The Funder will consider the representations made by the Hospital and will advise the Hospital of its decision. Funding recoveries, if any, will occur in accordance with the timing set out in the Funder's decision. No recovery of Funding will be implemented earlier than 30 Days after the delivery of the Notice.
- 5.3 **Process for Recovery of Funding as a Result of System Planning or Integration.** If Hospital Services are reduced as a result of a system planning process under section 7.2.6 or an integration decision made under the Enabling Legislation, the Funder may recover Funding as agreed in the process in section 7.2.6 or as set out in the decision, and the process set out in section 5.2 will apply.
- 5.4 **Full Consideration.** In making a determination under section 5.2, the Funder will act reasonably and will consider the impact, if any, that a recovery of Funding will have on the Hospital's ability to meet its obligations under this Agreement.
- 5.5 **Consideration of Weighted Cases.** Where a settlement and recovery is primarily based on volumes of cases performed by the Hospital, the Funder may consider the Hospital's actual total weighted cases.

- 5.6 Hospital's Retention of Operating Surplus.** In accordance with the Ministry's 1982 (revised 1999) Business Oriented New Development Policy (BOND), the Hospital will retain any net income or operating surplus of income over expenses earned in a Funding Year, subject to any in-year or year-end adjustments to Funding in accordance with Article 5. Any net income or operating surplus retained by the Hospital under the BOND policy must be used in accordance with the BOND policy. If using operating surplus to start or expand the provision of clinical services, the Hospital will comply with section 7.2.1.
- 5.7 Funder Discretion Regarding Case Load Volumes.** The Funder may consider, where appropriate, accepting case load volumes that are less than a Service Volume or Performance Standard, and the Funder may decide not to settle and recover from the Hospital if such variations in volumes are: (1) only a small percentage of volumes; or (2) due to a fluctuation in demand for the services.
- 5.8 Settlement and Recovery of Funding for Prior Years.**
- 5.8.1** The Hospital acknowledges that settlement and recovery of Funding can occur up to seven years after the provision of Funding.
- 5.8.2** The Hospital agrees that if the parties are directed in writing to do so by the Ministry, the Funder will settle and recover funding provided by the Ministry to the Hospital prior to the transition of the funding for the services or program to the Funder, provided that such settlement and recovery occurs within seven years of the provision of the funding by the Ministry. All such settlements and recoveries will be subject to the terms applicable to the original provision of funding.
- 5.9 Debt Due.**
- 5.9.1** If the Funder requires the re-payment by the Hospital of any Funding in accordance with this Agreement, the amount required will be deemed to be a debt owing to the Crown by the Hospital. The Funder may adjust future Funding instalments to recover the amounts owed or may, at its discretion, direct the Hospital to pay the amount owing to the Crown. The Hospital will comply with any such direction.
- 5.9.2** All amounts owing to the Crown will be paid by cheque payable to the "Ontario Minister of Finance" and mailed to the Funder at the address provided in section 14.1.
- 5.9.3** The Funder may charge the Hospital interest on any amount owing by the Hospital at the then current interest rate charged by the Province of Ontario on accounts receivable.

Article 6. HOSPITAL SERVICES

- 6.1 Hospital Services.** The Hospital will:

- 6.1.1 achieve the Performance Standards described in the Schedules and the HSAA Indicator Technical Specifications;
- 6.1.2 not reduce, stop, start, expand, cease to provide or transfer the provision of Hospital Services to another hospital or to another site of the Hospital if such action would result in the Hospital being unable to achieve the Performance Standards described in the Schedules and the HSAA Indicator Technical Specifications; and
- 6.1.3 not restrict or refuse the provision of Hospital Services that are funded by the Funder to an individual, directly or indirectly, based on the geographic area in which the person resides in Ontario, and will establish a policy prohibiting any health care professional providing services at the Hospital, including physicians, from doing the same.

Article 7. PLANNING AND INTEGRATION

7.1 Planning for Future Years.

- 7.1.1 **Multi-Year Planning.** The Planning Submission will be submitted to the Funder at the time and in the format required by the Funder and may require the Hospital to incorporate:

- (a) prudent multi-year financial forecasts;
- (b) plans for the achievement of Performance Targets; and
- (c) realistic risk management strategies in respect of (a) and (b).

The Hospital's Planning Submission will be aligned with the LHIN's current integrated health service plan, as defined in LHSIA, if applicable, and will reflect the Funder's priorities and initiatives. If the Funder has provided multi-year planning targets for the Hospital, the Planning Submissions will reflect the planning targets.

- 7.1.2 **Multi-Year Planning Targets.** *Schedule A* may reflect an allocation for the first Funding Year of this Agreement as well as planning targets for up to two additional years, consistent with the term of this Agreement. In such an event:

- (a) the Hospital acknowledges that if it is provided with planning targets, these targets are:
 - A. targets only;
 - B. provided solely for the purposes of planning;
 - C. subject to confirmation; and
 - D. may be changed at the discretion of the Funder in consultation with the Hospital. The Hospital will proactively manage the risks associated with multi-year planning and the potential changes to the planning targets; and
- (b) the Funder agrees that it will communicate any material changes to the planning targets as soon as reasonably possible.

7.2 System Planning.

“Pre-proposal” means a notice from the Hospital to the Funder that informs the Funder of a potential integration for the health system in sufficient detail to enable the Funder to assess how the integration would impact the Hospital Services, Funding and the health system, including access to, and quality and cost of, services.

The parties acknowledge that sections 8.7, and 8.8 may apply to a confidential pre-proposal.

- 7.2.1 **General.** As required by the Enabling Legislation, the parties will separately and in conjunction with each other identify opportunities to integrate the services of the local health system to provide appropriate, co-ordinated, effective and efficient services. The Hospital acknowledges the importance of advance notice for system planning purposes. If the Hospital is planning to significantly reduce, stop, start, expand or cease to provide clinical services and operational activities that support those clinical services or to transfer any such services to another site of the Hospital, anywhere, and such action does not result in the Hospital being unable to achieve the Performance Standards described in the Schedules and the HSAA Indicator Technical Specification, then the Hospital will inform the Funder of such change with a view to providing the Funder with time to mitigate adverse impacts.
- 7.2.2 **Pre-proposal.** The Hospital may inform the Funder, by means of a pre-proposal, of integration opportunities in the health system. The Hospital will inform the Funder by means of a pre-proposal if the Hospital is considering an integration of its services with those of another person or entity.
- 7.2.3 **Further Consideration of Pre-proposal.** Following the Funder’s review and evaluation of the pre-proposal and subject to section 7.2.5, the Funder may invite the Hospital to submit a detailed proposal and business case for further analysis. The Funder will provide the Hospital with guidelines for the development of a detailed proposal and business case.
- 7.2.4 **Funder Evaluation of the Pre-proposal not Consent.** A pre-proposal will not constitute a notice of an integration under the Enabling Legislation. The Funder’s assent to develop the concept outlined in a pre-proposal does not: (a) constitute the Funder’s approval to proceed with an integration; (b) presume the Funder or the Minister will not issue a decision ordering the Hospital not to proceed with the integration under the Enabling Legislation; or (c) preclude the Funder from exercising its powers under the Enabling Legislation.
- 7.2.5 **Act Prevails.** Nothing in this section prevents the Hospital from providing the Funder or the Minister, as applicable, with notice of integration at any time in accordance with the Enabling Legislation.
- 7.2.6 **Process for System Planning.** If:

- (a) the Hospital has identified an opportunity to integrate its Hospital Services with that of one or more other health service providers, or integrated care delivery systems ("Other Providers");
- (b) the Other Providers have agreed to the proposed integration with the Hospital;
- (c) the Hospital and the Other Providers have agreed on the amount of funds needed to be transferred from the Hospital to one or more of the Other Providers to effect the integration as planned between them and the Hospital has notified the Funder of this amount;
- (d) the Hospital has complied with its obligations under the Enabling Legislation, the integration proceeds or will proceed as planned in accordance with the Enabling Legislation;
- (e) then the Funder may recover from the Hospital, Funding specified in **Schedule A** and agreed by the Hospital as needed to facilitate the integration.

7.3 Reviews and Approvals.

- 7.3.1 **Timely Response.** Subject to section 7.3.2, and except as expressly provided by the terms of this Agreement, the Funder will respond to Hospital submissions requiring a response from the Funder in a timely manner and in any event, within any time period set out in **Schedule B**. If the Funder has not responded to the Hospital within the time period set out in **Schedule B**, following consultation with the Hospital, the Funder will provide the Hospital with written Notice of the reasons for the delay and a new expected date of response. If a delayed response from the Funder could reasonably be expected to have a prejudicial effect on the Hospital, the Hospital may refer the matter for issue resolution under Article 11.
- 7.3.2 **Exceptions.** Section 7.3.1 does not apply to: (i) any notice provided to the Funder or Minister under the Enabling Legislation, which will be subject to the timelines of the Enabling Legislation; and (ii) any report required to be submitted to the Ministry by the Funder for which the Ministry response is required before the Funder can respond.

Article 8. REPORTING

- 8.1 **Generally.** The Funder's ability to enable the health system to provide appropriate, co-ordinated, effective and efficient services, as contemplated by the Enabling Legislation, is dependent on the timely collection and analysis of accurate information.

- 8.2 General Reporting Obligations.** The Hospital will provide to the Funder, or to such other person or entity as the parties may reasonably agree, in the form and within the time specified by the Funder, the Reports, other than personal health information as defined in the Enabling Legislation, that the Funder requires for the purposes of exercising its powers and duties under this Agreement, the Enabling Legislation or for the purposes that are prescribed under any Applicable Law. For certainty, nothing in this section 8.2 or in this Agreement restricts or otherwise limits the Funder's right to access or to require access to personal health information as defined in the Enabling Legislation, in accordance with Applicable Law.
- 8.3 Certain Specific Reporting Obligations.** Without limiting the foregoing, the Hospital will fulfill the specific reporting requirements set out in **Schedule B**. The Hospital will ensure that all Reports are in a form satisfactory to the Funder, are complete, accurate and signed on behalf of the Hospital by an authorized signing officer, and are provided to the Funder in a timely manner.
- 8.4 Additional Reporting Obligations.**
- 8.4.1 French Language Services.** If the Hospital is required to provide services to the public in French under the provisions of the *French Language Services Act*, the Hospital will submit a French language services report to the Funder annually. If the Hospital is not required to provide services to the public in French under the provisions of the *French Language Service Act*, the Hospital will provide a report to the Funder annually that outlines how the Hospital addresses the needs of its Francophone community.
- 8.4.2 Community Engagement and Integration.** The Hospital will report annually on its community engagement and integration activities and at such other times as the Funder may request from time to time, using any templates provided by the Funder.
- 8.4.3 Reporting to Certain Third Parties.** The Hospital will submit all such data and information to the Ministry, Canadian Institute for Health Information or to any other third party, as may be required by any health data reporting requirements or standards communicated by the Ministry to the Hospital. To the extent that the Hospital is unable to comply with the foregoing without adversely impacting its ability to perform its other obligations under this Agreement, the Hospital may notify the Funder and the parties will escalate the matter to their respective CEOs and Board Chairs, if so requested by either party.
- 8.5 System Impacts.** Throughout the term of this Agreement, the Hospital will promptly inform the Funder of any matter that the Hospital becomes aware of that materially impacts or is likely to materially impact the health system, or could otherwise be reasonably expected to concern the Funder.
- 8.6 Hospital Board Reports.**

- 8.6.1 **Hospital Board to be Informed.** Periodically throughout the Funding Year and at least quarterly, the Hospital's Board will receive from the Hospital's Board committees, CEO and other appropriate officers, such reports as are necessary to keep the Board, as the governing body of the Hospital, appropriately informed of the performance by the Hospital of its obligations under this Agreement, including the degree to which the Hospital has met, and will continue throughout the Funding Year to meet, its Performance Targets and its obligation to plan for and achieve an Annual Balanced Operating Budget.
- 8.6.2 **Hospital Board to Report to Funder.** The Hospital will provide to the Funder, annually, and quarterly upon request of the Funder, a declaration of the Hospital's Board, signed by the Chair, declaring that the Board has received the reports referred to in this Section.
- 8.7 **Confidential Information.** The receiving party will treat Confidential Information of the disclosing party as confidential and will not disclose Confidential Information except:
- 8.7.1 with the prior consent of the disclosing party; or
- 8.7.2 as required by law or by a court or other lawful authority, including the Enabling Legislation and FIPPA.
- 8.8 **Required Disclosure.** If the receiving party is required, by law or by a court or by other lawful authority, to disclose Confidential Information of the disclosing party, the receiving party will: promptly notify the disclosing party before making any such disclosure, if such notice is not prohibited by law, the court or other lawful authority; cooperate with the disclosing party on the proposed form and nature of the disclosure; and, ensure that any disclosure is made in accordance with the requirements of Applicable Law and within the parameters of the specific requirements of the court or other lawful authority.
- 8.9 **Document Retention and Record Maintenance.** The Hospital will:
- 8.9.1 retain all records (as that term is defined in FIPPA) related to the Hospital's performance of its obligations under this Agreement for seven years after this Agreement ceases to be in effect, whether due to expiry or otherwise. The Hospital's obligations under this section will survive if this Agreement ceases to be in effect, whether due to expiry or otherwise;
- 8.9.2 keep all financial records, invoices and other financially-related documents relating to the Funding or otherwise to the Hospital Services in a manner consistent with international financial reporting standards as advised by the Hospital's auditor; and
- 8.9.3 keep all non-financial documents and records relating to the Funding or otherwise to the Hospital Services in a manner consistent with all Applicable Law.

- 8.10 **Final Reports.** If this Agreement ceases to be in effect, whether due to expiry or otherwise, the Hospital will provide to the Funder all such reports as the Funder may reasonably request relating to, or as a result of, this Agreement ceasing to be in effect.

Article 9. PERFORMANCE MANAGEMENT, IMPROVEMENT AND REMEDIATION

- 9.1 **General Approach.** The parties will strive to achieve on-going performance improvement. They will follow a proactive, collaborative and responsive approach to performance management and improvement. Either party may request a meeting at any time. The parties will use their best efforts to meet as soon as possible following a request.
- 9.2 **Notice of a Performance Factor.** Each party will notify the other party, as soon as reasonably possible, of any Performance Factor. The Notice will:
- 9.2.1 describe the Performance Factor and its actual or anticipated impact;
 - 9.2.2 include a description of any action the party is undertaking, or plans to undertake, to remedy or mitigate the Performance Factor;
 - 9.2.3 indicate whether the party is requesting a meeting to discuss the Performance Factor; and
 - 9.2.4 address any other issue or matter the party wishes to raise with the other party, including whether the Performance Factor may be a Factor Beyond the Hospital's Control.
- 9.2.5 The recipient party will acknowledge in writing receipt of the Notice within seven Days of the date on which the Notice was received ("Date of the Notice").
- 9.3 **Performance Meetings.** Where a meeting has been requested under section 9.2.3, the parties will meet to discuss the Performance Factor within 14 Days of the Date of the Notice. The Funder can require a meeting to discuss the Hospital's performance of its obligations under this Agreement, including a result for a Performance Indicator or a Service Volume that falls outside the applicable Performance Standard.
- 9.4 **Performance Meeting Purpose.** During a performance meeting, the parties will:
- 9.4.1 discuss the causes of the Performance Factor;
 - 9.4.2 discuss the impact of the Performance Factor on the local health system and the risk resulting from non-performance; and
 - 9.4.3 determine the steps to be taken to remedy or mitigate the impact of the Performance Factor (the "Performance Improvement Process").
- 9.5 **Performance Improvement Process.**

9.5.1 The purpose of the Performance Improvement Process is to remedy or mitigate the impact of a Performance Factor. The Performance Improvement Process may include:

- (a) a requirement that the Hospital develop an Improvement Plan; or
- (b) an amendment of the Hospital's obligations as mutually agreed by the parties.

9.5.2 Any Performance Improvement Process begun under a prior agreement will continue under this Agreement. Any performance improvement required by a Funder under a prior agreement will be deemed to be a requirement of this Agreement until fulfilled.

9.6 **Factors Beyond the Hospital's Control.** If the Funder, acting reasonably, determines that the Performance Factor is, in whole or in part, a Factor Beyond the Hospital's Control:

- 9.6.1 the Funder will collaborate with the Hospital to develop and implement a mutually agreed upon joint response plan which may include an amendment of the Hospital's obligations under this Agreement;
- 9.6.2 the Funder will not require the Hospital to prepare an Improvement Plan; and
- 9.6.3 the failure to meet an obligation under this Agreement will not be considered a breach of this Agreement to the extent that failure is caused by a Factor Beyond the Hospital's Control.

9.7 **Hospital Improvement Plan.**

9.7.1 **Development of an Improvement Plan.** If, as part of a Performance Improvement Process, the Funder requires the Hospital to develop an Improvement Plan, the process for the development and management of the Improvement Plan is as follows:

- (a) The Hospital will submit the Improvement Plan to the Funder within 30 Days of receiving the Funder's request. In the Improvement Plan, the Hospital will identify remedial actions and milestones for monitoring performance improvement and the date by which the Hospital expects to meet its obligations.
- (b) Within 15 business Days of its receipt of the Improvement Plan, the Funder will advise the Hospital which, if any, remedial actions the Hospital should implement immediately. If the Funder is unable to approve the Improvement Plan as presented by the Hospital, subsequent approvals will be provided as the Improvement Plan is revised to the satisfaction of the Funder.
- (c) The Hospital will implement all aspects of the Improvement Plan for which it has received written approval from the Funder, upon receipt of such approval.

- (d) The Hospital will report quarterly on progress under the Improvement Plan, unless the Funder advises the Hospital to report on a more frequent basis. If Hospital performance under the Improvement Plan does not improve by the timelines in the Improvement Plan, the Funder may agree to revisions to the Improvement Plan.

The Funder may require, and the Hospital will permit and assist the Funder in conducting, a Review of the Hospital to assist the Funder in its consideration and approval of the Improvement Plan. The Hospital will pay the costs of this Review.

- 9.7.2 **Peer/Funder Review of Improvement Plan.** If Hospital performance under the Improvement Plan does not improve in accordance with the Improvement Plan, or if the Hospital is unable to develop an Improvement Plan satisfactory to the Funder, the Funder may appoint an independent team to assist the Hospital to develop an Improvement Plan or revise an existing Improvement Plan. The independent team will include a representative from another hospital selected with input from the Ontario Hospital Association. The independent team will work closely with the representatives from the Hospital and the Funder. The Hospital will submit a new Improvement Plan or revisions to an existing Improvement Plan within 60 Days of the appointment of the independent team or within such other time as may be agreed to by the parties.

Article 10. REPRESENTATIONS, WARRANTIES AND COVENANTS

- 10.1 **General.** The Hospital represents, warrants and covenants that:

- 10.1.1 it is, and will continue for the term of this Agreement to be, a validly existing legal entity with full power to fulfill its obligations under this Agreement;
- 10.1.2 subject to Applicable Law, it has made reasonable efforts to ensure that the Hospital Services are and will continue to be provided by persons with the experience, expertise, professional qualifications, licensing and skills necessary to complete their respective tasks;
- 10.1.3 it holds all permits, licences, consents, intellectual property rights and authorities necessary to perform its obligations under this Agreement;
- 10.1.4 all information (including information relating to any eligibility requirements for Funding) that the Hospital provided to the Funder in support of its request for Funding was true and complete at the time the Hospital provided it, and will, subject to the provision of Notice otherwise, continue to be materially true and complete for the term of this Agreement; and
- 10.1.5 it does and will continue to operate for the term of this Agreement, in compliance with Applicable Law and Applicable Policy.

- 10.2 **Execution of Agreement.** The Hospital represents and warrants that:

- 10.2.1 it has the full power and authority to enter into this Agreement; and

10.2.2 it has taken all necessary actions to authorize the execution of this Agreement.

10.3 **Governance.** The Hospital represents, warrants and covenants that it will follow good governance practices comparable to those set out in the Ontario Hospital Association's Governance Centre of Excellence's "Guide to Good Governance" as it may be amended; will undertake an accreditation process which will include a review of its governance practices; and will promptly remedy any deficiencies that are identified during that accreditation process.

10.4 **Supporting Documentation.** The Hospital acknowledges that the Funder may, pursuant to the Enabling Legislation, require proof of the matters referred to in this Article 10.

Article 11. ISSUE RESOLUTION

11.1 **Principles to be Applied.** The parties acknowledge that it is desirable to use reasonable efforts to resolve issues and disputes in a collaborative manner. This includes avoiding disputes by clearly articulating expectations, establishing clear lines of communication, and respecting each party's interests.

11.2 **Informal Resolution.** The parties acknowledge that it is desirable to use reasonable efforts to resolve all issues and disputes through informal discussion and resolution. To facilitate and encourage this informal resolution process, the parties may jointly develop a written issues statement. Such an issues statement may:

11.2.1 describe the facts and events leading to the issue or dispute;

11.2.2 consider:

- (a) the severity of the issue or dispute, including risk, likelihood of harm, likelihood of the situation worsening with time, scope and magnitude of the impact, likely impact with and without prompt action taken;
- (b) whether the issue or dispute is isolated or part of a pattern;
- (c) the likelihood of the issue or dispute recurring and if recurring, the length of time between occurrences;
- (d) whether or not the issue or dispute is long-standing; and
- (e) whether previous mitigation strategies have been ignored; and

11.2.3 list potential options for its resolution, which may include:

- (a) performance management, in accordance with sections 9.4 through 9.7;
- (b) a Review of the Hospital or a facilitated resolution, which may involve the assistance of external supports, such as peers, coaches, mentors and facilitators ("Facilitation").

- 11.3 **Escalation.** If the issue or dispute cannot be resolved at the level at which it first arose, either party may refer it to the senior staff member of the Funder who is responsible for this Agreement and to their counterpart in the senior management of the Hospital. If the dispute cannot be resolved at this level of senior management, either party may refer it to its respective CEO. The CEOs may meet within 14 Days of this referral and attempt to resolve the issue or dispute. If the issue or dispute remains unresolved 30 Days after the first meeting of the CEOs, then either party may refer it to their respective Board Chairs (or Board member designate) who may attempt to resolve the issue or dispute.
- 11.4 **Reviews and Facilitations.** The Hospital will cooperate in every Review and Facilitation. The Hospital acknowledges that for the purposes of any Review, the Funder may exercise its powers under the Enabling Legislation.
- 11.5 **Funder Resolution.** Nothing in this Agreement prevents the Funder from exercising any statutory or other legal right or power, or from pursuing the appointment of a supervisor of the Hospital with the Ministry, at any time.

Article 12. INSURANCE AND INDEMNITY

- 12.1 **Limitation of Liability.** The Indemnified Parties will not be liable to the Hospital or any of the Hospital's Personnel and Volunteers for costs, losses, claims, liabilities and damages howsoever caused arising out of or in any way related to the Hospital Services or otherwise in connection with this Agreement, unless caused by the negligence or wilful misconduct of the Indemnified Parties.
- 12.2 **Same.** For greater certainty and without limiting section 12.1, the Funder is not liable for how the Hospital and the Hospital's Personnel and Volunteers carry out the Hospital Services and is therefore not responsible to the Hospital for such Hospital Services; moreover the Funder is not contracting with, or employing, any of the Hospital's Personnel and Volunteers to carry out the terms of this Agreement. As such, the Funder is not liable for contracting with, employing or terminating a contract or the employment of, any of the Hospital's Personnel and Volunteers required to carry out this Agreement, nor for the withholding, collection or payment of any taxes, premiums, contributions or any other remittances due to government for the Hospital's Personnel and Volunteers required by the Hospital to perform its obligations under this Agreement.
- 12.3 **Indemnification.** The Hospital will indemnify and hold harmless the Indemnified Parties from and against any and all costs, expenses, losses, liabilities, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings (collectively "Claims") by whomever made, sustained, brought or prosecuted (including for third party bodily injury (including death), personal injury and property damage) in any way based upon, occasioned by or attributable to anything done or omitted to be done by the Hospital or the Hospital's Personnel and Volunteers in the course of performance of the Hospital's obligations under, or otherwise in connection with, this Agreement, unless caused by the negligence or wilful misconduct of an Indemnified Party.

12.4 Insurance.

12.4.1 **Required Insurance.** The Hospital will put into effect and maintain, for the term of this Agreement, at its own expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person in the business of the Hospital would maintain including the following.

(a) **Commercial General Liability Insurance.** Commercial general liability insurance, for third-party bodily injury, personal injury and property damage to an inclusive limit of not less than five million dollars per occurrence and not less than two million dollars for products and completed operations in the aggregate. The policy will include the following clauses:

- A. The Indemnified Parties as additional insureds;
- B. Contractual Liability;
- C. Cross Liability;
- D. Products and Completed Operations Liability;
- E. Employers Liability and Voluntary Compensation unless the Hospital can provide proof of *Workplace Safety and Insurance Act, 1997* ("WSIA") coverage as described in section 12.4.2(b);
- F. Non-Owned automobile coverage with blanket contractual and physical damage coverage for hired automobiles, except that such coverage may nevertheless exclude liability assumed by any person insured by the policy voluntarily under any contract or agreement other than directors, officers, employees and volunteers of the Hospital pertaining only to the liability arising out of the use or operation of their automobiles while on the business of the Hospital; and
- G. A thirty-day written notice of cancellation, termination or material change.

(b) **All-Risk Property Insurance.** All-risk property insurance on property of every description providing coverage to a limit of not less than the full replacement cost, including earthquake and flood. Such insurance will be written to include replacement cost value. All reasonable deductibles and/or self-insured retentions are the responsibility of the Hospital.

(c) **Boiler and Machinery Insurance.** Boiler and machinery insurance (including pressure objects, machinery objects and service supply objects) on a comprehensive basis. Such insurance will be written to include repair and replacement value. All reasonable deductibles and/or self-insured retentions are the responsibility of the Hospital.

- (d) **Professional Liability Insurance.** Professional liability insurance to an inclusive limit of not less than five million dollars per occurrence for each claim of negligence resulting in bodily injury, death or property damage, arising directly or indirectly from the professional services rendered by the Hospital, its officers, agents or employees.
- (e) **Directors and Officers Liability Insurance.** Directors and officers liability insurance to an inclusive limit of not less than two million dollars per claim, with an annual aggregate of not less than four million dollars, responding to claims of wrongful acts of the Hospital's directors, officers and board committee members and of the Hospital's volunteer association and auxiliary in the discharge of their duties on behalf of the Hospital or the volunteer association or auxiliary, as applicable.

12.4.2 **Proof of Insurance.** As requested by the Funder from time to time, the Hospital will provide the Funder with proof of the insurance required by this Agreement in the form of any one or more of:

- (a) a valid certificate of insurance that references this Agreement and confirms the required coverage;
- (b) a valid WSIA Clearance Certificate or a letter of good standing, as applicable, unless the Hospital has in effect Employers Liability and Voluntary Compensation as described above; and
- (c) copy of each insurance policy.

12.4.3 **Subcontractors.** The Hospital will ensure that each of its subcontractors obtains all the necessary and appropriate insurance that a prudent person in the business of the subcontractor would maintain.

Article 13. REMEDIES FOR NON-COMPLIANCE

13.1 **Planning Cycle.** The success of the planning cycle depends on the timely performance of each party. To ensure delays do not have a material adverse effect on Hospital Services or Funder operations, the following provisions apply:

13.1.1 If the Funder fails to meet an obligation or due date in **Schedule B**, the Funder may do one or all of the following:

- (a) adjust funding for the Funding Year to offset a material adverse effect on Hospital Services resulting from the delay; and/or
- (b) work with the Hospital in developing a plan to offset any material adverse effect on Hospital Services resulting from the delay, including providing Funder approvals for any necessary changes in Hospital Services.

13.1.2 At the discretion of the Funder, the Hospital may be subject to a financial reduction if the Hospital's:

- (a) Planning Submission is received by the Funder after the due date in **Schedule B** without prior Funder approval of such delay;

- (b) Planning Submission is incomplete;
- (c) quarterly performance reports are not provided when due; or
- (d) financial and/or clinical data requirements are late, incomplete or inaccurate.

If assessed, the financial reduction will be as follows:

- A. if received within seven Days after the due date, incomplete or inaccurate, the financial penalty will be the greater of: (i) a reduction of 0.03% of the Hospital's total Funding; or (ii) \$2,000; and
- B. for every full or partial week of non-compliance thereafter, the rate will be one half of the initial financial reduction.

Article 14. NOTICE

14.1 Notice. A Notice will be in writing; delivered personally, by pre-paid courier, by any form of mail where evidence of receipt is provided by the post office, or by facsimile with confirmation of receipt, or by email where no delivery failure notification has been received. For certainty, delivery failure notification includes an automated 'out of office' notification. A Notice will be addressed to the other party as provided below or as either party will later designate to the other in writing:

To the Funder:

Toronto Central Local Health
Integration Network
250 Dundas Street West, Suite 305
Toronto ON M5T 2Z5
Attn: Chief Executive Officer

Fax: 416-921-0117

Email: torontocentral@tc.lhins.on.ca

To the Hospital:

Humber River Regional
1235 Wilson Avenue
Toronto ON M3M 0B2
Attn: President and Chief Executive Officer

Fax: 416-248-7652

Email: bcollins@hrh.ca

14.2 Notices Effective From. A Notice will be deemed to have been duly given one business day after delivery if the Notice is delivered personally, by pre-paid courier or by mail. A Notice that is delivered by facsimile with confirmation of receipt or by email where no delivery failure notification has been received will be deemed to have been duly given one business day after the facsimile or email was sent.

Article 15. ACKNOWLEDGEMENT OF FUNDER SUPPORT

15.1 Publication. For the purposes of this Article 15, the term "*Publication*" means: an annual report; a strategic plan; a material publication on a consultation about a possible integration; a material publication on community engagement; and, a material report to the community that the Hospital develops and makes available to the public in electronic or hard copy.

15.1.1 Acknowledgment of Funding Support.

(a) The following statement will be included on the Hospital's website, on all Publications and, upon request of the Funder, on any other publication of the Hospital relating to a Hospital initiative:

"The [Insert name of Hospital] receives funding from [Insert name of Funder]. The opinions expressed in this publication do not necessarily represent the views of [Insert name of Funder]."

(b) Upon request of the Funder, the Hospital will include a statement in a form acceptable to the Funder, acknowledging the support of the Province.

15.2 Insignia and Logo. Neither party may use any insignia or logo of the other party without the prior written permission of the other party. For the Hospital, this includes the insignia and logo of Her Majesty the Queen in right of Ontario.

Article 16. ADDITIONAL PROVISIONS

16.1 Interpretation. In the event of a conflict or inconsistency in any provision of this Agreement, the main body of this Agreement will prevail over the Schedules.

16.2 Amendment of Agreement. This Agreement may only be amended by a written agreement duly executed by the parties.

16.3 Invalidity or Unenforceability of Any Provision. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement and any invalid or unenforceable provision will be deemed to be severed.

16.4 No Assignment. The Hospital will not assign this Agreement or the Funding in whole or in part, directly or indirectly, without the prior written consent of the Funder. The Funder may assign this Agreement or any of its rights and obligations under this Agreement to any one or more agencies or ministries of Her Majesty the Queen in right of Ontario and as otherwise directed by the Ministry.

- 16.5 **Funder is an Agent of the Crown.** The parties acknowledge that the Funder is an agent of the Crown and may only act as an agent of the Crown in accordance with the provisions of the Enabling Legislation. Notwithstanding anything else in this Agreement, any express or implied reference to the Funder providing an indemnity or any other form of indebtedness or contingent liability that would directly or indirectly increase the indebtedness or contingent liabilities of the Funder or Ontario, whether at the time of execution of this Agreement or at any time during the term of this Agreement, will be void and of no legal effect.
- 16.6 **Parties Independent.** The parties are and will at all times remain independent of each other and are not and will not represent themselves to be the agent, joint venturer, partner or employee of the other. No representations will be made or acts taken by either party which could establish or imply any apparent relationship of agency, joint venture, partnership or employment and neither party will be bound in any manner whatsoever by any agreements, warranties or representations made by the other party to any other person or entity, nor with respect to any other action of the other party.
- 16.7 **Survival.** The provisions in Articles 1 (Definitions and Interpretation) and 5 (Repayment and Recovery of Funding), sections 8.7 (Confidential Information), 8.8 (Required Disclosure), 8.9 (Document Retention and Record Maintenance), 8.10 (Final Reports), and Articles 12 (Insurance and Indemnity), 14 (Notices) and 16 (Additional Provisions) will continue in full force and effect for a period of seven years from the date this Agreement ceases to be in effect, whether due to expiry or otherwise.
- 16.8 **Waiver.** A party may only rely on a waiver of the party's failure to comply with any term of this Agreement if the other party has provided a written and signed Notice of waiver. Any waiver must refer to a specific failure to comply and will not have the effect of waiving any subsequent failures to comply.
- 16.9 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.
- 16.10 **Further Assurances.** The parties agree to do or cause to be done all acts or things necessary to implement and carry into effect this Agreement to its full extent.
- 16.11 **Governing Law.** This Agreement and the rights, obligations and relations of the parties hereto will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any litigation or arbitration arising in connection with this Agreement will be conducted in Ontario unless the parties agree in writing otherwise.

Hospital Service Accountability Agreement for March 31, 2020-June 30, 2020

16.12 **Entire Agreement.** This Agreement forms the entire Agreement between the parties and supersedes all prior oral or written representations and agreements, except that where the Funder has provided Funding to the Hospital pursuant to an amendment to the 2008-18 H-SAA or to this Agreement, whether by funding letter or otherwise, and an amount of Funding for the same purpose is set out in **Schedule A**, that Funding is subject to all of the terms and conditions on which funding for that purpose was initially provided, unless those terms and conditions have been superseded by any terms or conditions of this Agreement or by the HSAA Indicator Technical Specifications, or unless they conflict with Applicable Law or Applicable Policy.


-SIGNATURE PAGE FOLLOWS -

Hospital Service Accountability Agreement for March 31, 2020-June 30, 2020

IN WITNESS WHEREOF the parties have executed this Agreement made effective as of March 31st, 2020.

HUMBER RIVER REGIONAL


By:


Terry Leon
Board Chair

2020-03-12
Date

I sign as a representative of the Hospital, not in my personal capacity, and I represent that I have authority to bind the Hospital.

And By:


Barb Collins
President and Chief Executive Officer

2020-03-11
Date

I sign as a representative of the Hospital, not in my personal capacity, and I represent that I have authority to bind the Hospital.

TORONTO CENTRAL LOCAL HEALTH INTEGRATION NETWORK

By:

Raj Krishnapillai
Vice President, Finance, IT and
Chief Financial Officer
Ontario Health (Toronto)

Date

And By:

Tess Romain
Transitional Regional Lead (Toronto,
and Interim Chief Executive Officer for
Toronto Central LHIN) Ontario Health

Date

Hospital Service Accountability Agreements

Facility #: 941

Hospital Name: Humber River Hospital

Hospital Legal Name: Humber River Hospital

2020-2021 Schedule A Funding Allocation

2020-2021	
[1] Estimated Funding Allocation	
[2] Base	
\$130,379,141	
\$90,636,236	
\$41,281,677	
\$149,688,100	
\$1,023,762	[2] Incremental/One-Time
\$528,100	\$291,420
\$0	\$0
\$413,537,016	\$4,222,000
	\$4,513,420

Section 1: FUNDING SUMMARY

LHIN FUNDING

LHIN Global Allocation (Includes Sec. 3)
 Health System Funding Reform: HBAM Funding
 Health System Funding Reform: QBP Funding (Sec. 2)
 Post Construction Operating Plan (PCOP)
 Wait Time Strategy Services ("WTS") (Sec. 3)
 Provincial Program Services ("PPS") (Sec. 4)
 Other Non-HSFR Funding (Sec. 5)

Sub-Total LHIN Funding

Hospital Service Accountability Agreements

Facility #: 941
 Hospital Name: Humber River Hospital
 Hospital Legal Name: Humber River Hospital

2020-2021 Schedule A Funding Allocation

		2020-2021	
		[1] Estimated Funding Allocation	
Section 2: HSFR - Quality-Based Procedures		Volume	[4] Allocation
Acute Inpatient Stroke Hemorrhage		34	\$754,494
Acute Inpatient Stroke Ischemic or Unspecified		279	\$4,744,395
Acute Inpatient Stroke Transient Ischemic Attack (TIA)		42	\$160,398
Acute Inpatient Primary Unilateral Hip Replacement		288	\$2,632,032
Acute Inpatient Primary Unilateral Knee Replacement		671	\$5,519,646
Acute Inpatient Primary Bilateral Joint Replacement (Hip/Knee)		12	\$170,139
Acute Inpatient Hip Fracture		345	\$6,235,530
Knee Arthroscopy		924	\$1,653,773
Acute Inpatient Congestive Heart Failure		602	\$5,364,422
Acute Inpatient Chronic Obstructive Pulmonary Disease		449	\$5,557,273
Acute Inpatient Pneumonia		382	\$3,399,418
Acute Inpatient Non-Cardiac Vascular Aortic Aneurysm excluding Advanced Pathway		19	\$399,532
Acute Inpatient Non-Cardiac Vascular Lower Extremity Occlusive Disease		52	\$726,440
Acute Inpatient Tonsillectomy		426	\$557,634
Non-Emergent Spine (Non-Instrumented - Inpatient Surgery)		35	\$129,990
Non-Emergent Spine (Instrumented - Inpatient Surgery)		3	\$25,680
Shoulder (Arthroplasties)		32	\$248,064
Shoulder (Reverse Arthroplasties)		4	\$39,752
Shoulder (Repairs)		356	\$1,005,700
Shoulder (Other)		32	\$66,720
Non-Cancer Hysterectomy (Open abdominal)		151	\$739,447
Non-Cancer Hysterectomy (Laparoscopic (via incision))		75	\$367,275
Non-Cancer Hysterectomy (Laparoscopically assisted vaginal)		114	\$558,258
Non-Cancer Hysterectomy (Vaginal)		43	\$210,571
Non-Cancer Hysterectomy (Outpatient)		3	\$15,093
Sub-Total Quality Based Procedure Funding		5,373	\$41,281,677

Hospital Service Accountability Agreements

Facility #: 941
 Hospital Name: Humber River Hospital
 Hospital Legal Name: Humber River Hospital

2020-2021 Schedule A Funding Allocation

2020-2021	
[1] Estimated Funding Allocation	
Section 3: Wait Time Strategy Services ("WTS")	[2] Incremental Base [2] One-Time
General Surgery	\$0 \$0
Pediatric Surgery	\$0 \$0
Hip & Knee Replacement - Revisions	\$193,512 \$0
Magnetic Resonance Imaging (MRI)	\$741,000 \$134,420
Ontario Breast Screening Magnetic Resonance Imaging (OBSP MRI)	\$0 \$0
Computed Tomography (CT)	\$89,250 \$157,000
Sub-Total Wait Time Strategy Services Funding	\$1,023,762 \$291,420
Section 4: Provincial Priority Program Services ("PPS")	[2] Base [2] Incremental/One-Time
Cardiac Surgery	\$0 \$0
Other Cardiac Services	\$366,800 \$0
Organ Transplantation	\$0 \$0
Neurosciences	\$0 \$0
Bariatric Services	\$161,300 \$0
Regional Trauma	\$0 \$0
Sub-Total Provincial Priority Program Services Funding	\$528,100 \$0
Section 5: Other Non-HSFR	[2] Base [2] Incremental/One-Time
ED P4R	\$0 \$3,085,300
Surge / Felix Bed	\$0 \$1,030,000
Critical Care Nurse	\$0 \$106,700
Sub-Total Other Non-HSFR Funding	\$0 \$4,222,000
[1] Estimated funding allocations.	
[2] Funding allocations are subject to change year over year.	
[4] All QBP Funding is fully recoverable in accordance with Section 5.6 of the H-SAA. QBP Funding is not base funding for the purposes of the BOND policy.	

Hospital Service Accountability Agreements

Facility #: 941

Hospital Name: Humber River Hospital

Hospital Legal Name: Humber River Hospital

2020-2021 Schedule B: Reporting Requirements

1. MIS Trial Balance

Q2 – April 01 to September 30	31 October 2019
Q3 – October 01 to December 31	31 January 2020
Q4 – January 01 to March 31	31 May 2020

2. Hospital Quarterly SRI Reports and Supplemental Reporting as Necessary

Q2 – April 01 to September 30	07 November 2019
Q3 – October 01 to December 31	07 February 2020
Q4 – January 01 to March 31	7 June 2020
Year End	30 June 2020

3. Audited Financial Statements

Fiscal Year	30 June 2020
-------------	--------------

4. French Language Services Report

Fiscal Year	30 April 2020
-------------	---------------

Hospital Service Accountability Agreements

Facility #:	941
Hospital Name:	Humber River Hospital
Hospital Legal Name:	Humber River Hospital
Site Name:	TOTAL ENTITY

2020-2021 Schedule C1 Performance Indicators

Part I - PATIENT EXPERIENCE: Access, Effective, Safe, Person-Centered

*Performance Indicators	Measurement Unit	Performance Target	Performance Standard
		2020-2021	2020-2021
90th Percentile Emergency Department (ED) length of stay for Non-Admitted High Acuity (CTAS I-III) Patients	Hours	8.0	<= 8.8
90th Percentile Emergency Department (ED) length of stay for Non-Admitted Low Acuity (CTAS IV-V) Patients	Hours	4.0	<= 4.4
Percent of Priority 2, 3 and 4 Cases Completed within Access Targets for Hip Replacements	Percent	90.0%	>= 90%
Percent of Priority 2, 3 and 4 Cases Completed within Access Targets for Knee Replacements	Percent	90.0%	>= 90%
Percent of Priority 2, 3 and 4 Cases Completed within Access Targets for MRI	Percent	87%	>=87%
Percent of Priority 2, 3 and 4 Cases Completed within Access Targets for CT Scans	Percent	90%	>=90%
Readmissions to Own Facility within 30 days for selected HBAM Inpatient Grouper (HIG) Conditions	Percent	13.32%	<= 14.66%
Rate of Hospital Acquired Clostridium Difficile Infections	Rate	0.00	<=0.368

Explanatory Indicators	Measurement Unit
90th Percentile Time to Disposition Decision (Admitted Patients)	Hours
Percent of Stroke/TIA Patients Admitted to a Stroke Unit During Their Inpatient Stay	Percent
Hospital Standardized Mortality Ratio (HSMR)	Ratio
Rate of Ventilator-Associated Pneumonia	Rate
Central Line Infection Rate	Rate
Rate of Hospital Acquired Methicillin Resistant Staphylococcus Aureus Bacteremia	Rate
Percent of Priority 2, 3, and 4 cases completed within Access targets for Cardiac By-Pass Surgery	Percentage
Percent of Priority 2, 3, and 4 cases completed within Access targets for Cancer Surgery	Percentage
Percent of Priority 2, 3 and 4 Cases Completed within Access Targets for Cataract Surgery	Percentage

Hospital Service Accountability Agreements

Facility #:	941
Hospital Name:	Humber River Hospital
Hospital Legal Name:	Humber River Hospital
Site Name:	TOTAL ENTITY

2020-2021 Schedule C1 Performance Indicators

Part II - ORGANIZATION HEALTH - EFFICIENCY, APPROPRIATELY RESOURCED, EMPLOYEE EXPERIENCE, GOVERNANCE

*Performance Indicators

	Measurement Unit	Performance Target 2020-2021	Performance Standard 2020-2021
Current Ratio (Consolidated - All Sector Codes and fund types)	Ratio	0.80	0.80 - 2.00
Total Margin (Consolidated - All Sector Codes and fund types)	Percentage	0.00%	0.00% - 2.00%

Explanatory Indicators

	Measurement Unit
Total Margin (Hospital Sector Only)	Percentage
Adjusted Working Funds/ Total Revenue %	Percentage

Part III - SYSTEM PERSPECTIVE: Integration, Community Engagement, eHealth

*Performance Indicators

	Measurement Unit	Performance Target 2020-2021	Performance Standard 2020-2021
Alternate Level of Care (ALC) Rate <i>(Corporate rate includes all sites - Wilson, RCC Finch and RCC Church)</i>	Percentage	12.70%	<= 13.97%

Explanatory Indicators

	Measurement Unit
Percentage of Acute Alternate Level of Care (ALC) Days (Closed Cases)	Percentage
Repeat Unscheduled Emergency Visits Within 30 Days For Mental Health Conditions	Percentage
Repeat Unscheduled Emergency Visits Within 30 Days For Substance Abuse Conditions	Percentage

Part IV - LHIN Specific Indicators and Performance targets: See Schedule C3

Targets for future years of the Agreement will be set during the Annual Refresh process.
 *Refer to 2019-2020 H-SAA Indicator Technical Specification for further details.

Hospital Service Accountability Agreements

Facility #:	941
Hospital Name:	Humber River Hospital
Hospital Legal Name:	Humber River Hospital

2020-2021 Schedule C2 Service Volumes

		Measurement Unit	Performance Target 2020-2021	Performance Standard 2020-2021
Clinical Activity and Patient Services				
Ambulatory Care	Visits		307,491	>= 282,892 and <= 332,090
Day Surgery	Weighted Cases		6,867	>= 6,317 and <= 7,416
Emergency Department	Weighted Cases		6,718	>= 6,181 and <= 7,256
Inpatient Mental Health	Patient Days		21,313	>= 20,034 and <= 22,592
Inpatient Rehabilitation	Weighted Cases		216	>= 184 and <= 248
Total Inpatient Acute	Weighted Cases		44,085	>= 42,762 and <= 45,408

Schedule C3 LHIN Local Indicators and Obligations 2020-2021

Coordinated Community and Primary Care Close to Home

Participate in all aspects of the Health Links initiative, including identification of patients, coordinated care planning, participation in care planning activities with health system partners, information transfers, and electronic reporting and report generation.

Measure: Demonstrated compliance with above

Completion Date: Q4

Excellence in Specialized Care & Continuous Improvement

Participate in the planning and implementation of regional palliative care quality improvement initiatives:

- Active participation in a range of palliative care initiatives such as, but not limited to, hospice redesign, and PCU analysis.

Measure: Demonstrated compliance with above

Completion Date: Q4

All serious incidents must be reported, as per Toronto Central LHIN protocol.

Measure: Demonstrated compliance with above

Completion Date: Q1-4

All Health Service Providers will:

- 1) Review and maintain Emergency Management and Business Continuity Plans to include processes for providing greater health system situational awareness, impact to operations and clear requests for assistance through official channels by June 2019
- 2) Complete a Hazard Identification and Risk Assessment (HIRA) Summary Report and proposed plan to mitigate risk and impacts to operations and confirmation of Emergency/Continuity of Operations Plan (with clarification of how to communicate and/or request assistance externally to health system partners)

Measure: Report and plan submitted

Completion Date: Q4

Population Health & Equity

Continue to actively support Toronto Central LHIN Health Equity initiatives through supporting approaches to service planning and delivery that: identify health inequities, actively seek new opportunities to address health inequities, and reduce existing health inequities.

Schedule C3- LHIN Local Indicators and Obligations 2020-2021

Collect demographic/equity data and report on the two LHIN specific indicators, as outlined in the Hospital Equity Data Collection Technical Specifications:

- 1) Hospital Equity Data Collection Participation Rate,
- 2) Missing Equity Data Rates for the eight questions.

The expectation is that this data is also used for hospital program planning, linked to clinical outcomes and is made available for clinical application by health care professionals.

Submit demographic/equity data to *Institute for Clinical Evaluative Sciences (ICES)* to link equity data and health outcomes with the aim to link data to other administrative databases.

Measure: Reports submitted to LHIN and ICES

Completion Date: Q2

Apply the Health Equity Impact Assessment (HEIA) tool and its supplement(s) in program and service planning

Measure: Demonstrated compliance with above

Completion Date: Q4

Participation in appropriate TC LHIN Indigenous and Francophone Cultural Competency Initiatives.

Measure: Demonstrated compliance with above

Completion Date: Q4

As part of the Indigenous Health strategy HSPs are expected to:

- Identify the Indigenous population as a priority in strategic / program plans,
- Ensure all health care spaces are welcoming, accessible and inclusive of Indigenous people.

Measure: Demonstrated compliance with above

Participate in French Language Service (FLS) planning:

- Identified HSPs are required to complete and submit their Readiness Assessment survey as well as their Plan towards Designation
- All funded HSPs are required to report their French Language Health Services activities into the Provincial Reporting Tool (Ozi)

Measure: Demonstrated compliance with above as seen through registration rosters, submitted plans, and reporting

Completion Date: Q4

Schedule C3- LHIN Local Indicators and Obligations

2020-2021

Integrated Health Care

Participate in TC LHIN integration opportunities such as, but not limited to: local collaborative, local advisory tables, neighbourhood care teams, service/program integrations, integrated community care, completion of the Integration Opportunity Screening Tool, etc.

Measure: Completion of survey and screening tool that will be distributed

Completion Date: Q4

Adopt Digital Health and Information Management initiatives that encompass both provincial and local level priorities as identified by TC LHIN. This specifically includes, where applicable:

- Contribution of priority clinical data types to ConnectingOntario in adherence to the specified requirements as defined within participatory and other applicable program agreements

Measure: Confirmation from delivery partner as completed

Completion Date: Q4

- Successful implementation of the ConnectingOntario viewer according to the implementation schedule agreed to among eHealth Ontario, Toronto Central LHIN, and the delivery agent.

Measure: Confirmation from delivery partner as completed

Completion Date: Q4

- Implementation of Hospital Report Manager (HRM), and eNotification by the end fiscal. If unable to meet obligation, the HSP must notify Toronto Central LHIN in writing and provide a mitigation plan that confirms implementation within an agreed upon time.

Measure: Confirmation from delivery partner as completed

Completion Date: Q4

- Data contribution to the Integrated Decision Support tool (IDS) in adherence to the specified requirements as defined within participatory and other applicable program agreements.

Measure: Report provided by data asset owner.

Completion Date: Q4

- Implementation of the electronic Coordinated Care Plan (eCCP) by the end fiscal, according to the implementation schedule agreed to between Toronto Central LHIN and participants. If unable to meet obligation, the HSP must notify Toronto Central LHIN in writing and provide a mitigation plan that confirms implementation within an agreed upon time.

Measure: Confirmation from delivery partner as completed

Completion Date: Q4

- If planning to undertake an upgrade or migration (or other form of change, including purchase a new system) to an existing Health Information System (HIS) system, the HSP must notify Toronto Central LHIN prior to engaging in planning to ensure broader alignment with Ministry and/or Regional directives.

Measure: To be reported on by Hospital

Completion Date: Q4

Schedule C3- LHIN Local Indicators and Obligations

2020-2021

- Transition all referrals submitted to Toronto Central LHIN, including hospital outpatient clinics, to the Resource Matching and Referral (RM&R) system.

Measure: Transition to electronic referrals complete, no longer received by fax.

Completion Date: Q3

Hospitals Designated Psychiatric Facilities under the Mental Health Act: The Hospitals shall provide all Hospital Services that are essential mental health services in accordance with the specific designation for the Hospital and shall only make any material changes to the delivery models or service levels for the those essential mental health services in consultation with, and the approval of the MOHLTC

Central LHIN | RLISS du Centre

11 Allstate Parkway, Suite 500
 Markham, ON L3R 9T8
 Tel: 905-948-1872
 Toll Free: 1-866-392-5446
 Fax: 905-948-8011
www.centralhln.on.ca

11 Allstate Parkway, bureau 500
 Markham, ON L3R 9T8
 Téléphone: 905 948 1872
 Sans frais: 1 866 392 5446
 Télécopieur: 905 948 8011
www.centralhln.on.ca

May 21, 2019

Ms. Barb Collins
 President and CEO
 Humber River Hospital
 1235 Wilson Avenue
 Toronto ON M3M 0B2

Dear Ms. Collins:

Re: 2019-20 Post-Construction Operating Plan Funding

Central Local Health Integration Network (the "LHIN") is pleased to advise you that Humber River Hospital (the "HSP") has been approved to receive \$19,906,800 in base funding for the fiscal year 2019-20. This funding will support ministry approved service expansions and other costs incurred related to the completion of capital projects. Further information related to funding and targets are found in Schedule A. This funding is subject to the ministry receiving the necessary appropriation from the Ontario Legislature.

Please note that this information is under embargo and should not be discussed with any party other than the LHIN, the hospital and ministry until further notice.

The HSP is required to maintain financial records for this allocation. Unspent funds, and funds not used for the intended and approved purposes, are subject to recovery in accordance with the ministry's year-end reconciliation policy.

In accordance with the *Local Health System Integration Act, 2006* the LHIN hereby gives notice that, subject to the HSP's agreement, it proposes to amend the Hospital Service Accountability Agreement between the HSP and the LHIN (the "H-SAA") to reflect the additional funding and conditions with effect as of the date of this letter. To the extent that there are any conflicts between what is in the H-SAA, and what has been amended to the H-SAA by this letter, the terms of this letter will govern with respect to the funding. All other terms and conditions in the H-SAA will remain the same.

Please indicate the HSP's acceptance of the proposed funding, the conditions on which it is provided, and the HSP's agreement to the amendment of the H-SAA by signing below and returning one copy of this letter to the LHIN's attention: Alethia Henderson at Alethia.Henderson@lhins.on.ca. Funding will be flowed upon receipt of the sign-back.

Should you have any questions regarding the information provided in this letter, Sue Turcotte, Director, Performance, Contracts and Allocations, at 905-948-1872 ext. 7941 or via email to Sue.Turcotte@lhins.on.ca.

Sincerely,



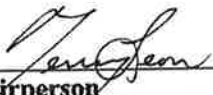
Karin Dschankilic CPA, CA
Vice President, Performance, Corporate Services and CFO
Central Local Health Integration Network

c: Mr. Peter Wegener, VP of Finance, CFO & CPO, Humber River Hospital

Re: 2019-20 Post-Construction Operating Plan Funding

AGREED TO AND ACCEPTED BY: Humber River Hospital

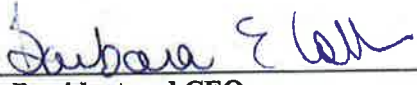
By:



Chairperson
I have authority to bind the HSP

May 31, 2019
Date

And By:



President and CEO
I have authority to bind the HSP

2019-05-30
Date

Schedule A

Organization: Humber River Hospital

Program: Post Construction Operating Plan (PCOP)

Funding Allocation:

2019-20 PCOP: Restructuring (New Hospital) Project

Service	Unit of Funding	Funding Rate	Additional Volume	Base Funding
Emergency Room HBAM Modelled Services (ER)	Ontario Modified ER WC	\$4,784.92	709.79	\$3,396,300
AC Ambulatory Care Clinics - Medical	Visit	\$129.63	2,670	\$346,000
AC Ambulatory Care Clinics - Paediatric	Visit	\$55.13	682	\$37,600
Ambulatory Care - Day/Night Care - Medical	Visit	\$138.46	262	\$36,300
Ambulatory Care - Day/Night Care - out of scope Endoscopy	Cases	\$493.66	272	\$134,500
Equipment Amortization				\$2,882,500
Grand Total				\$6,833,200

2019-20 PCOP Funding Award – Reactivation Care Centre - Church

Service	Unit of Funding	Funding Rate	Additional Volume	Base Funding	Application of Prior Year Start-up/ Trailing to Services
Acute Inpatient HBAM Modelled Services (AIP)	HIG WC	\$4,610.93	755.25	\$2,810,600	\$671,800
Facility Costs				\$6,994,300	
Equipment Amortization				\$462,000	
Start-up Costs					(\$671,800)
Total				\$10,266,900	

2019-20 PCOP Funding Award – Reactivation Care Centre - Church

Service	Unit of Funding	Funding Rate	Additional Volume	Base Funding
Overhead Costs				\$2,806,700
Total				\$2,806,700

General

The ministry is in the process of harmonizing current PCOP policies with those used by Health System Funding Reform in connection with the Health Based Allocation Model (HBAM). Your Hospital's current PCOP funding award reflects the application of key HBAM principles related to expected cost and unit measurement for modelled services. For all service volumes not modelled under HBAM, funding awards remain based on current PCOP policies.

- The volumes reflected in the above table are based on those submitted by the hospital in their funding request for the period covering April 1, 2019 to March 31, 2020.
- Start-up/Transition/Trailing costs represent(s) base funding. In the year received these funding amounts are to be used for their stated purpose and then applied towards PCOP-eligible clinical services in the years following their receipt.
- Transition/trailing funding has been provided based on the eligible costs budgeted by the hospital & approved by the Ministry. The ministry may request a reconciliation of the transition/trailing funding provided. During this reconciliation, the hospital will be requested to provide substantive evidence (e.g. invoices, payments, etc.) of actual transition costs incurred. If the costs incurred are deemed ineligible, the Ministry will recover the funds.
- Equipment amortization is based on the cost of new equipment as estimated in a hospital's Final Estimate of Cost (FEC). Where actual new equipment costs are less than estimated, any surplus amortization amounts may be recovered or allocated towards PCOP eligible clinical services on a prospective basis.
- Facility cost funding relates to costs associated with Housekeeping, Plant Operations, Plant Maintenance, Plant Administration and Plant Security.

Settlement and Recovery

As PCOP funding is conditional upon achievement of eligible volumes, health service providers will be responsible for demonstrating that volumes funded in 2019-20 are achieved. The ministry will contact health service providers in consultation with the Local Health Integration Network (LHIN) following the flow of PCOP funding to outline the process for confirming that the service results agreed to as a condition for receipt of funding are being achieved.

The ministry will perform an annual reconciliation following the submission of this confirmation. Where incorporated into the HBAM model, PCOP funding for modelled service volumes are subject to distribution based on the HBAM model determination of a hospital's relative share of funding for the hospital sector.

If the requirements in respect of the PCOP funding are not met, the hospital acknowledges that any funds identified as recoverable will be set up as a payable by the hospital back to the ministry in accordance with generally accepted accounting principles.

Conditions on the funding are as follows:

The additional annualized operating funds are to support expansions in the services indicated in the tables above that occurred in conjunction with the completion of the capital projects. The funding for 2019-20 is based on ministry review of expected services increases and/or facility and other costs expressed in your hospital's Post Construction Operating Plan. Additional terms and conditions are as follows:

- Funding can be used only for programs/volumes identified;
- Volumes for which the funding was provided must be achieved by the Hospital upon the completion of newly constructed net physical space, related infrastructure and the opening of beds (where applicable);

- Funding cannot be used to deal with existing hospital pressures that are occurring prior to completion of the construction project;
- Funding is only for volumes achieved post construction;
- All volumes are in excess of the previously funded volumes and it should be noted that volumes funded through any other provincial program (e.g. Quality Based Procedures, wait-time strategy, provincial programs, Cancer Care Ontario) must be achieved before expanded volumes can be applied to PCOP; and
- Sign-backs are required; no conditional sign-backs will be considered.