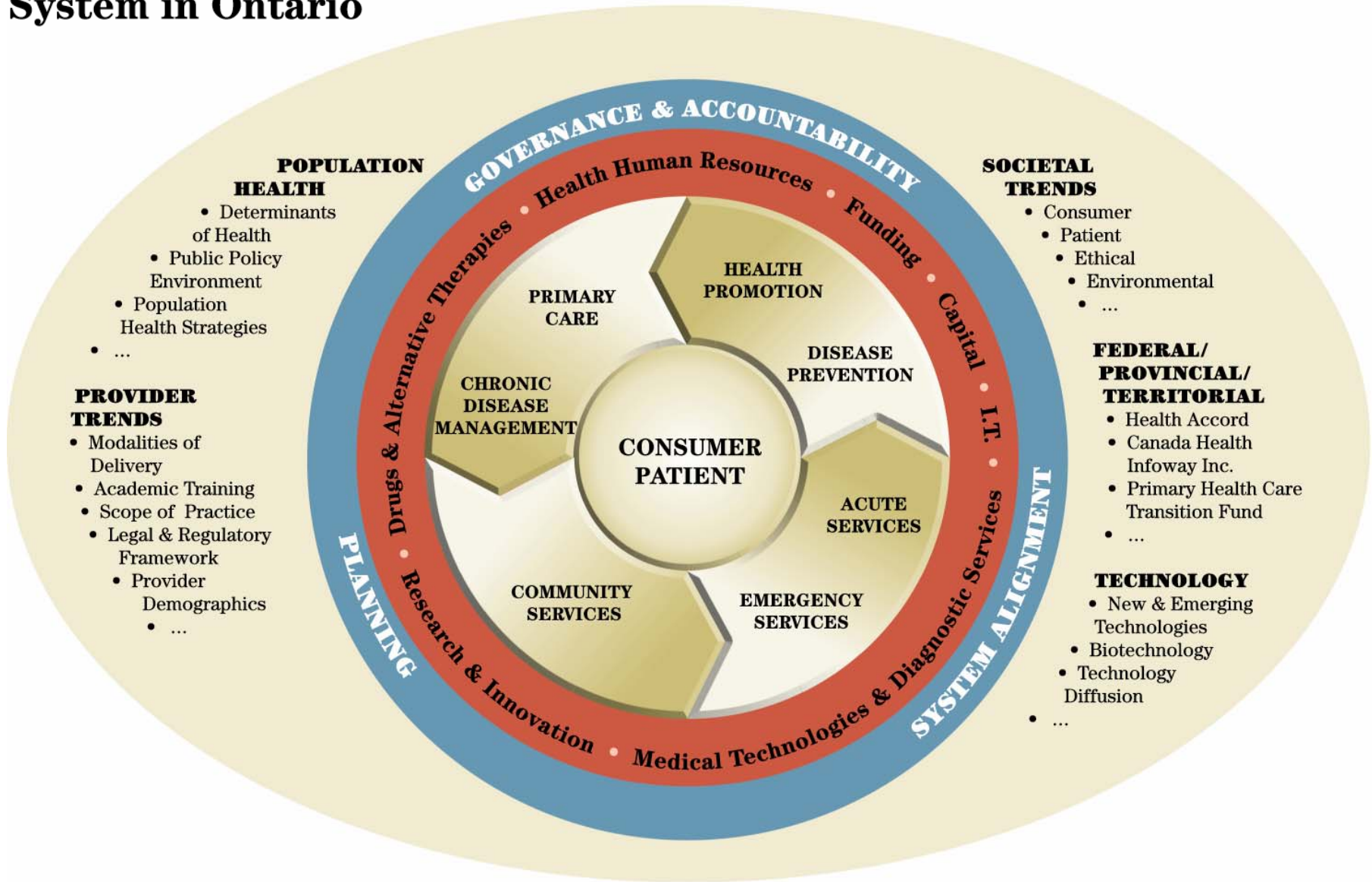


HOSPITAL
Strategic Directions

**Performance Measurement and Benchmark Symposium,
June 10 & 11**

**George Zegarac,
Assistant Deputy Minister, MOHLTC**

The Future Health System in Ontario



System Drivers
 Integrated Framework
 Enablers
 Continuum of Care

Key Health Outcomes for the Government

Better Student
Achievement

Better Workers for
Better Jobs in an
Innovative Economy

**Healthier
Ontarians in a
Healthier Ontario**

Safe and Vital Communities
that Offer Ontarians a Higher
Quality of Life

More Active Citizens
Contributing to a
Stronger Democracy

Reduced wait times
for key services

Decreased rates of
tobacco use,
especially in teens

More Ontarians with
access to primary
health care

Reduced
number/percentage of
low weight births

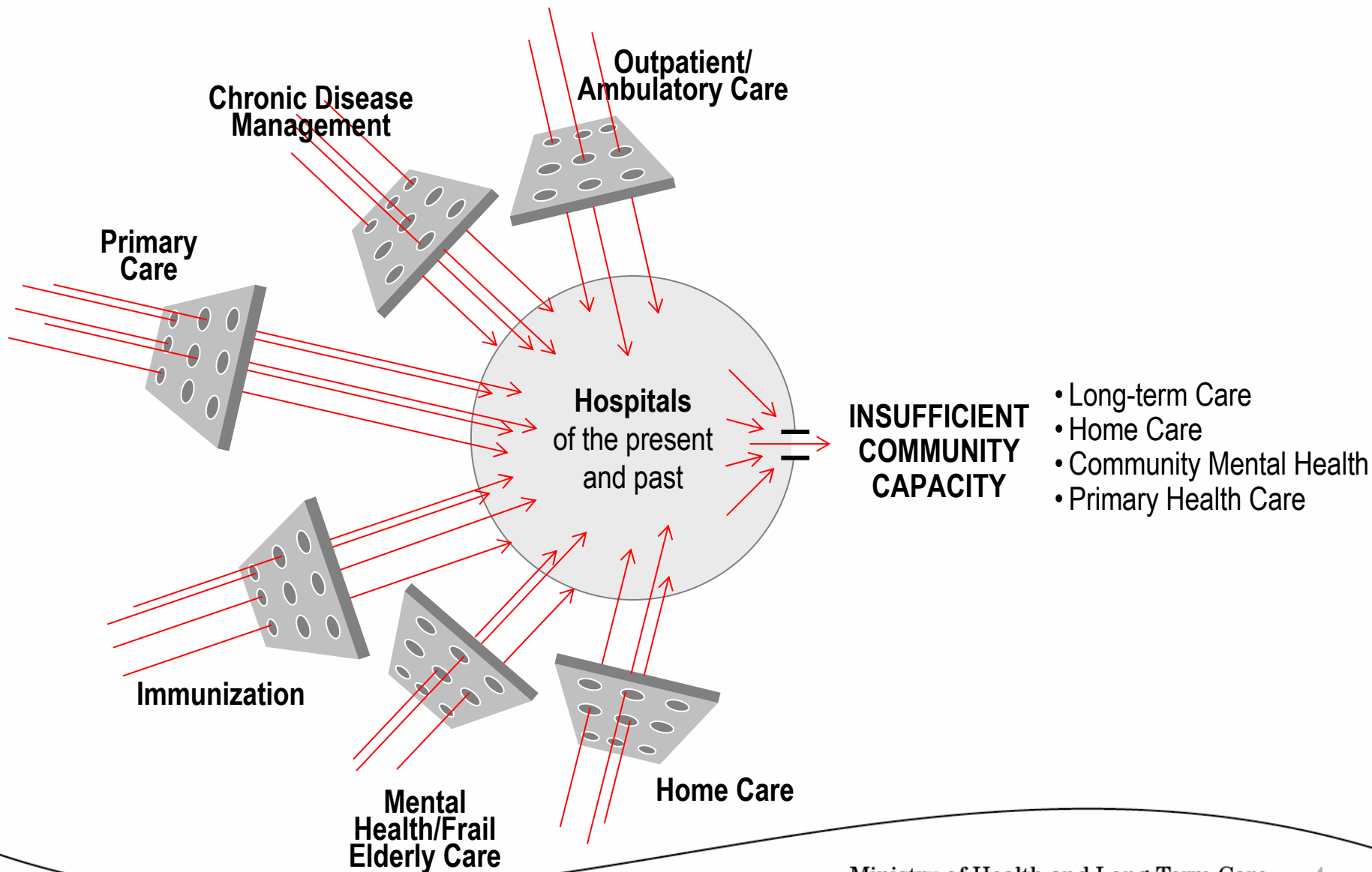
Decreased rate of
childhood obesity

Increased
immunization rates

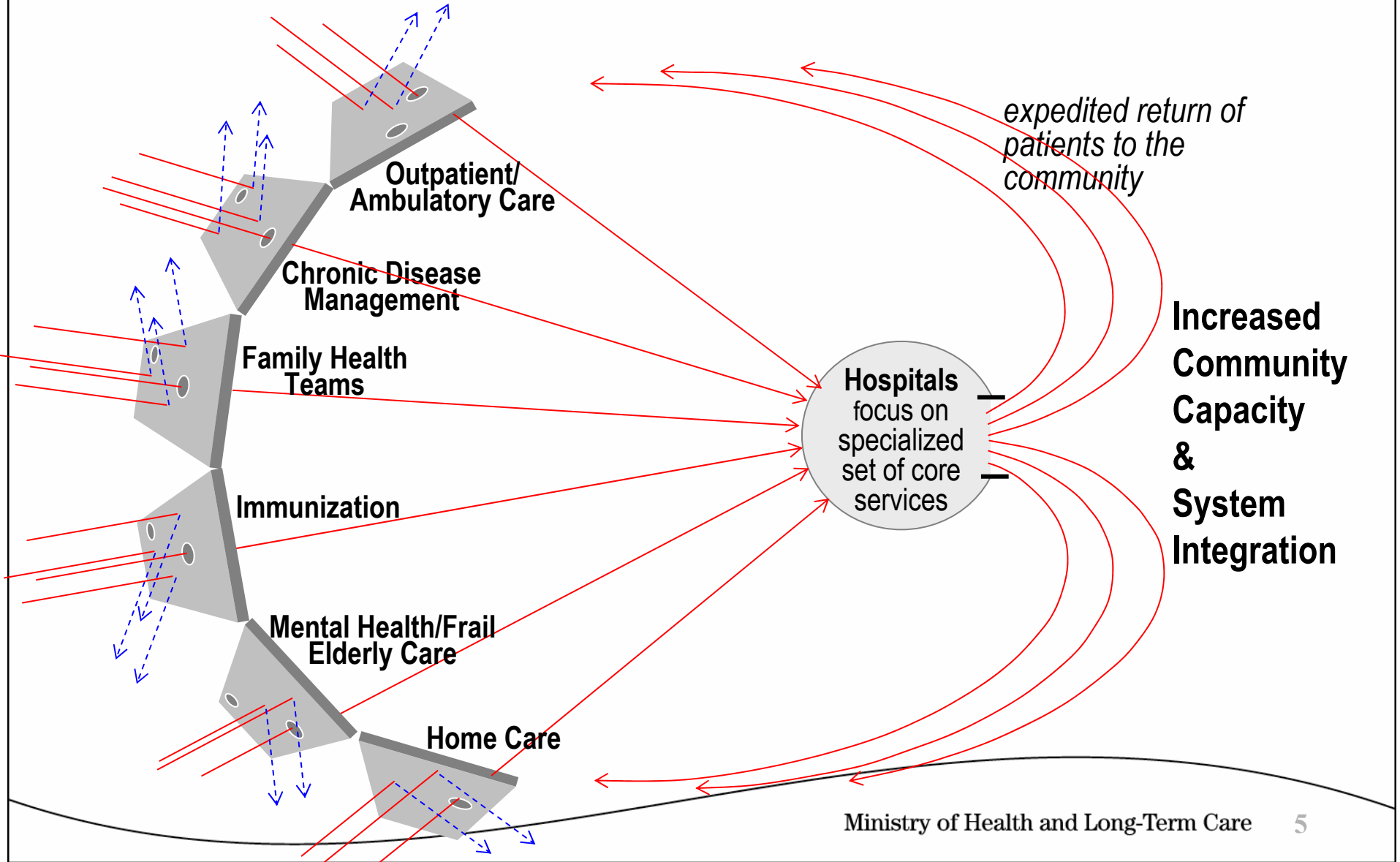
Increased rate of
physical activity

A health care system
that lives within its
means

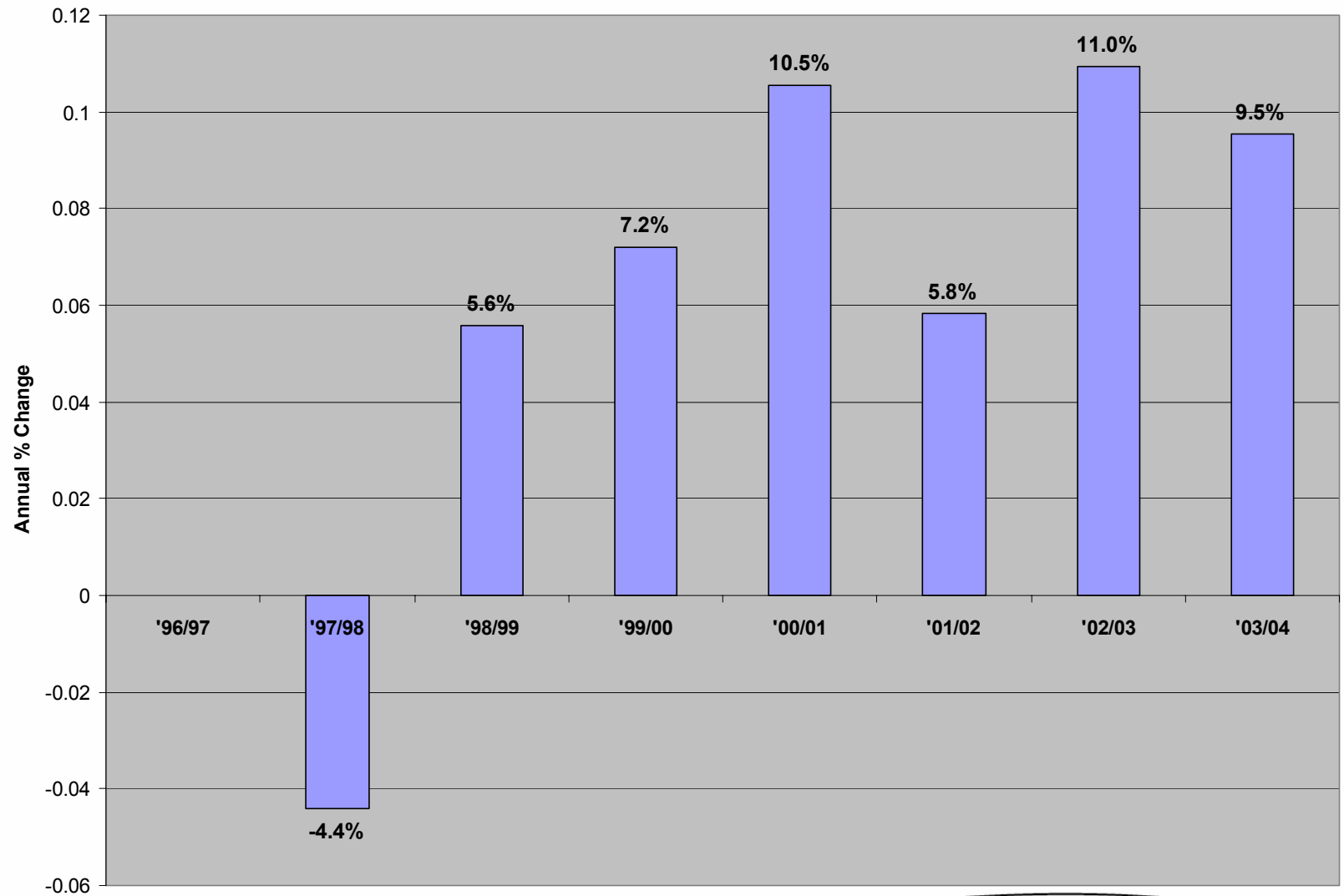
How the System is Currently Organized



How We Want it to be Organized



Total Hospital Funding % Annual Change



Current Situation

- Hospitals, for the most part, were in a balanced operating position at the end of the 2003/04 fiscal year.
- Hospitals have submitted their budget requests to the Ministry on May 10, 2004 and the Ministry is currently reviewing these.
- Hospitals, in many instances, have accumulated large working funds deficits which restrict the system's ability to accept and implement change.
- Hospitals have asked for strategic direction from the province and have endorsed the need for greater accountability through the multi-year funding initiative.
- Lack of alternative services and insufficient community service infrastructure in key areas of primary care and home care services have led to growth in hospital ambulatory activity, less than optimal hospital utilization and inappropriate admissions

Outcomes Of Enhanced Accountability

- **Leadership focused** on achieving MOHLTCs key priorities; e.g., reducing waiting times, better outcomes and healthier Ontarians and building opportunity to attract support and make the best use of human resources.
- **Shared Vision** by establishing and communicating across the system where we want to be and understanding the gap between that and where we are today.
- **Cost Control** and containment through greater fiscal responsibility
- **Understanding of the delivery gaps** and where we want to go.
- **Alignment** of efforts around strategic outcomes.
- **Quality Improvement** through performance measurement, monitoring, evaluation of progress and reporting results
- **Knowledge Transfer** by facilitating a learning environment, public reporting and evidenced based decision making.
- **Public Accountability** through reporting that demonstrates the system is being managed efficiently and effectively.
- **Multi-Year Funding** commitments with no more in-year adjustments to enhance predictability of revenues in hospitals and funding by government

Greater Sense of Partnership

To improve accountability we need:

- Better Planning
- Organizational Capacity Development
- Cultural change in both MOHLTC and Hospitals

MOHLTC and hospitals capacity to prepare, analyze and deliver on the requirements of the accountability agreements will be developmental through:

- better coordinated and timely strategic and policy direction;
- regular feedback on performance;
- central support to coordinate and manage issues at a province wide level;
- support in data collection and analysis of trends or emerging issues facing the system; and
- timely allocations and notices of funding

Accountability Agreements - A Key Transformation Strategy

The Hospital Performance Agreement will become the key accountability document between the MOHLTC and the Hospitals:

- Bringing clarity to a structure as complex as the Hospital system is a challenge
 - Accountability Agreements have the potential to become a critical factor in strengthening the management and accountability of the system
 - Currently, the MOHLTC and the Hospitals do not hold a common view of what needs to be achieved and how
-
- The Ministry is committed to develop a performance agreement and accountability framework that defines roles, responsibilities, expectations & performance measures; monitors progress; reports results; evaluates performance; incentives and consequences.

Hospital Accountability Agreement Framework

Process:

- established Performance Indicators Working Group (PIWG) - January/04
- PIWG established working groups for each of the 4 domains
- connection with Hospital Report (Balanced Scorecard) ensured through cross membership
- finalized initial indicators in four domains April/04
- indicators established at 3 levels - performance related, monitoring performance and developmental
 - performance indicators will be used to assess variance and potential breach of agreements leading to consequences
 - monitoring indicators relate to performance that requires monitoring but variances in performance will not lead to consequences - these indicators could graduate to performance indicators
 - developmental indicators relate to those areas where there is interest but the data or methodologies may require further work - these indicators may also graduate

Desired System Outcomes

- ***An increased focus on the consumer***
 - Consumer-oriented measures (e.g. waiting times, access, consumer satisfaction)
- ***Outcomes-oriented Focus***
 - Focus on results, not inputs and processes
 - Improved access to health services
 - Improved health outcomes for consumers
- ***Efficient and Effective System***
 - Cost-effective utilization of resources, both human and fiscal
 - Sustainable, more efficient and safer health system
 - Demonstrated value for money
- ***Aligned and integrated Planning***
 - Focussed set of objectives and directions
 - Align information systems and business processes to business directions
 - System-wide standardized reporting