



September 9, 2005

628471

Ms. Lynda Cranston
President and Chief Executive Officer
Provincial Health Services Authority
700 – 1380 Burrard St
Vancouver BC V6Z 2H3

Dear Ms. Cranston:

Attached for your reference is a copy of the 2005/06 – 2007/08 Performance Agreement, signed by Honourable George Abbott, Minister of Health and Dr. Penny Ballem, Deputy Minister, Ministry of Health.

Sincerely,

A handwritten signature in cursive script that reads "Effie Henry".

Effie Henry
Executive Director
Health Authority Branch

Attachment

PERFORMANCE AGREEMENT 2005/06 — 2007/08

PREAMBLE

This Agreement is the most recent version of the Agreements that are developed through a process with the health authorities and the Ministry of Health Services (the Ministry) in an ongoing effort to improve the operations and outcomes of the health services provided in the province. It will be adapted each year to reflect the evolving relationship between the organizations and the progressive policy priorities of government. The Agreement is intended to be a statement of intent on the part of the Ministry and the health authorities.

A. PURPOSE OF PERFORMANCE AGREEMENT

The purpose of this Agreement is to set out our mutual understanding of the respective obligations and expectations of the parties and to define the performance deliverables for which the health authority will be held accountable. The system objectives stated in the Agreement reflect the government's directions for change as expressed in the 2005/06 – 2007/08 Service Plan (service plan) of the Ministry, and the performance measures reflect both the changes and the ongoing service requirements. It is the principal document for delineating accountabilities of the parties. This Agreement and annual reports based on the health authority's performance under this Agreement shall be public documents.

B. ROLES AND RESPONSIBILITIES

The goals of the Ministry encompass high quality patient-centred care, improved health and wellness for British Columbians, and a sustainable, affordable public health system. To achieve these goals, the Ministry's primary stewardship functions in the health care system are to set direction; develop legislation, policy and standards; allocate funding; monitor the health care system; and, act to improve performance when necessary. As one of the key service partners of the Ministry, the Provincial Health Services Authority (PHSA) is responsible for the management and delivery of provincially delivered services, and supporting the provincial implementation of strategies and projects that span the health services delivery system in British Columbia. (See Appendix 1 for Mandate, Role and Accountability).

C. MINISTRY OF HEALTH SERVICES AND HEALTH AUTHORITY RECIPROCAL RESPONSIBILITIES

1. The Ministry of Health Services will:

- a) Exercise its stewardship functions to support the health authority in attainment of the system objectives set out in Section D of this Agreement.
- b) Include the health authority in the development of the Ministry's Service Plan.
- c) Provide direction and policy clarification where needed respecting the relative roles and responsibilities of the Ministry and the health authorities, including the PHSA.
- d) Provide, in a timely manner, data needed by the health authority for planning and management of programs and services.
- e) Consult with Leadership Council to review and prioritize projects listed in Section E of this Agreement.

PERFORMANCE AGREEMENT

between

THE MINISTRY OF HEALTH SERVICES

and

THE PROVINCIAL HEALTH SERVICES AUTHORITY

APRIL 1, 2005 TO MARCH 31, 2006



**BRITISH
COLUMBIA**

DATED: APRIL 20, 2005

- g) Continue to provide comprehensive, accurate, and timely reporting (financial, statistical, program-related, and person-based), as required by the Ministry. This includes reporting on physician remuneration using the Health Authority Physician Remuneration System and reporting on capital assets according to Ministry requirements.
- h) Operate according to the requirements of legislation, policy and standards, subject to amendments made from time to time by the Government of British Columbia.
- i) Adhere to the Agreements signed by the Ministry with agencies (e.g., British Columbia Medical Association) that have a relationship with the health authority. This includes ensuring that any contracts, salary and sessional arrangements with physicians are consistent with the Provincial Service Agreement, the Provincial Salary Agreement, and the Provincial Sessional Agreement, as negotiated between the Ministry and the British Columbia Medical Association.
- j) Consult with other health authorities and the Ministry prior to taking actions that will have an impact on these parties.

D. HEALTH SYSTEM OBJECTIVES

The Ministry's high-level objectives for services provided by the health authorities are set out below. These objectives are taken from the Ministry's Service Plan. The Ministry expects that services will be managed within the spirit of continuous quality improvement. This Agreement and its successors should be understood in the context of this core directional document for the health system in the province.

1. Individuals are supported in their efforts to stay healthy and make healthy lifestyle choices.
2. Protection of the public from preventable disease, illness and injury.
3. Timely access to appropriate health services by the appropriate provider in the appropriate setting.
4. Patient-centred care tailored to meet the specific health needs of patients and patient sub-populations.
5. Improved integration of health care providers, processes and systems to allow patients to move seamlessly through the system.
6. Effective vision, leadership, direction, and support for the health system.
7. Strategic investments in information management and technology to improve patient care and system integration.
8. Optimum human resource development to ensure there are enough, and the right mix of, health professionals.
9. Sound business practices to manage within the available budget while meeting the priority needs of the population.

- f) Provide, in writing, to the health authority, the amount and details of preliminary operating and capital funding allocated for the 2005/06 fiscal year, along with an estimate of future funding levels for the 2006/07 and 2007/08 fiscal years, within two weeks of the budget being tabled in the legislature.

If Supplementary Estimates are required for the 2005/06 Ministry's budget, the Ministry will provide, in writing, to the health authority, the revised operating and capital funding allocation for the 2005/06 fiscal year, and the estimated future funding levels for the 2006/07 and 2007/08 fiscal years, within two weeks of Supplementary Estimates.

- g) Provide to the health authority, within one month from receipt, an assessment of the health authority's Health Service Redesign Plan, including identification of any additional actions required of the health authority. The Ministry will formally consult with the health authority concerning the impact of these required actions and determine a mutually appropriate course of action as necessary.
- h) Provide, at least three times each year to the health authority, reports containing data used by the Ministry to monitor the health authority's performance and analysis of such data, which may include commentary and an action plan, if necessary. The Ministry will specify reporting requirements and provide baseline measures, long-term targets and benchmarks for each required performance measure, where available.

2. The Health Authority will:

- a) Develop and deliver to the Ministry within six weeks of receiving *Instruction Package: Health Authority Health Service Redesign Plans, 2005/06 – 2007/08*, a health service redesign plan for 2005/06 – 2007/08 that:
- (1) is consistent with existing health care policy and standards.
 - (2) ensures that the financial results (including specified denominational affiliates) for each of the years 2005/06—2007/08 will be balanced.
- b) Develop and deliver to the Ministry by September 30, 2005, a Capital Asset Management Plan in accordance with Ministry direction. The Capital Asset Management Plan will be consistent with the health authority's Health Service Redesign Plan, and encompass planning for facilities, equipment and information management/information technology.
- c) Upon receipt of notification of the 2005/06 funding allocation for life support services, inform the regional health authorities within three weeks regarding the number of procedures and associated funding allocation for those procedures that are planned and performed by the regional health authorities.
- d) Provide services that meet the priority health needs of the population served within its available budget.
- e) Manage and deliver programs and services for the fiscal year ending March 31, 2006, such that the financial results (including specified denominational affiliates) are equivalent to or better than those projected in the 2005/06 Health Service Redesign Plan.
- f) Undertake action to achieve the System Objectives (Section D), as reflected in the Priority System Improvement Projects (Section E and Schedule A), and by the indicators and targets identified in the Performance Measurement Framework (Section F).

G. INCENTIVES

The satisfactory performance by the health authority, under this Agreement, will lead to public recognition and reporting of their success. During 2005/06 the health authorities and the Ministry will collaborate on developing a proposal to bring forward to government for consideration by December 31, 2005.

H. ISSUES RESOLUTION

The Ministry and health authority agree to adopt a collaborative approach to settling differences and concerns that arise during the life of this Agreement with emphasis placed on the use of an issues resolution strategy that may include:

- Change in timelines;
- Enhanced monitoring;
- Joint discussions and problem-solving;
- Altered expectations if supported by evidence.

I. CONSEQUENCES

When it is evident the health authority's performance is at risk of falling below the negotiated targets, the Ministry will work with the health authority to address areas of concern. Persistent and substantial failure to achieve targets may result in more formal action being taken as deemed appropriate by the Minister to the Board Chair following formal written notice of the issue or concern being forwarded to the health authority.

J. SPECIAL CONDITIONS/AMENDMENTS

Through a collaborative process with the health authority, this Agreement may be re-negotiated to the mutual satisfaction of both parties, if in the opinion of either party, any one of the following events occurs:

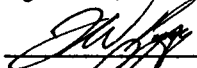
- There is a material change in health care policy;
- There is a material change in the Provincial fiscal framework; or
- Any other material factor occurs which, in the opinion of the parties, necessitates a change in the expectations or the expected achievements (e.g., natural disasters, epidemic, and/or a catastrophic event).

This Agreement can be amended by agreement between the parties. Either party may initiate such a review.

K. TERMS OF THE AGREEMENT

This Agreement covers the current and two succeeding years. Deliverables in previous Agreements that have not been achieved remain in force unless changed or cancelled in writing.

Agreed to, on behalf of the Provincial Health Services Authority, by:



Chair of the Board




Chief Executive Officer

Agreed to, on behalf of the Ministry of Health Services, by:



Minister of Health Services



Deputy Minister

Dated: Sept 8, _____, 2005

E. PRIORITY SYSTEM IMPROVEMENT PROJECTS

The Projects listed below articulate the priority areas for action to move towards the systems objectives of the health system (as stated in Section D). Health authority performance related to each will be monitored and measured within the context of the specific Project's plan and timeframe. Projects proposed for inclusion will be discussed annually with the Leadership Council and agreement reached prior to inclusion on the list. Additions may be made during the course of the fiscal year.

Each project will have a project charter. The development of each project charter will proceed through a consultative process with health authorities and will include an impact review and a prioritization determination in light of operating, capital, and human resources.

Where a particular project may not involve all health authorities, it may be inserted in this section of the Performance Agreement(s) for the particular authority(s). The Projects for 2005/06 include:

- Provincial Emergency Services Project;
- Provincial Surgical Services Project;
- Riverview Replacement Project.

Deliverables for these projects in 2005/06 and 2006/07 are attached as Schedule A.

F. PERFORMANCE MEASUREMENT FRAMEWORK

Note: This Framework includes all relevant measures in the Ministry service plan.

		Health System Performance Dimensions						
		Accessibility	Acceptability	Effectiveness	Safety	Work life/ Human Resources	Appropriateness	Finance Efficiency Affordability
Categories of Functions (Spectrum of HA Activities)	Organizational Performance					8.1		
	Population Health & Wellness			2.1	1.1			
	Acute Care	3.3 3.6 4.2 5.1			1.1	1.1	3.2 4.1	1.1 3.6
	Home & Community Care							
	Mental Health and Addictions	3.4 3.5						3.5
	Cross Program Areas: • Palliative Care • Primary Health Care • Chronic Disease Management	3.2 4.2					4.2	

**SCHEDULE B
 PERFORMANCE MEASURES**

The Health Authority is held accountable for meeting the targets for the performance measures identified below.

Objective 1: Individuals are supported in their efforts to stay healthy and make healthy lifestyle choices

1.1 Measure [All sites where patients are served]	Long-term Target	2005/06 Target	2006/07 Target	2007/08 Target
Influenza immunization rates for health care workers	60%	Increase toward long-term target	Increase toward long-term target	Increase toward long-term target

Objective 2: Protection of the public from preventable disease, illness and injury

2.1 Measure [BC Cancer Agency]	Long-term Target	2005/06 Target	2006/07 Target	2007/08 Target
Rate of women aged 50 – 74 years participating in screening mammography	70% (international)	Increase by 2 percentage points over previous year with an increase by at least 3 percentage points within the Northern Health Authority region	Increase by 2 percentage points over previous year with an increase by at least 3 percentage points within the Northern Health Authority region	Increase by 2 percentage points over previous year with an increase by at least 3 percentage points within the Northern Health Authority region

Objective 3: Timely access to appropriate health services by the appropriate provider in the appropriate setting

3.1 Measure [BC Transplant Society]	Benchmark	2005/06 Target	2006/07 Target	2007/08 Target
Number of people on the donor registry	NA	530,000	560,000	590,000

3.2 Measure [BC Women's Hospital]	Benchmark	2005/06 Target	2006/07 Target	2007/08 Target
Wait times from time of referral to completion of medical genetic testing (excluding prenatal)	maximum 4 months	6 months	4 months	3 months

3.3 Measure [Cardiac services]	Benchmark	2005/06 Target	2006/07 Target	2007/08 Target
Median time on the wait list for open heart surgery (emergency surgeries excluded)	90 days	90 days	85 days	80 days

SCHEDULE A

PRIORITY SYSTEM IMPROVEMENT PROJECTS

1. Provincial Emergency Services Project

THE PRODUCTS DURING 2005/06 WILL BE:

- Development of the 2005/06 Provincial Emergency Services Project Charter by April 15, 2005 and completion of deliverables according to the time frames identified in the project charter.
- Support for the implementation of regional health authority emergency services action plans emanating from the Emergency Department Outflow Study to ensure best practices and efficiencies are demonstrated.
- Support for the regional health authority implementation of best practices through the use of high-volume/high risk clinical protocols, pathways and policies.
- Support for the implementation of regional health authority rural emergency department improvement initiatives.

THE PRODUCTS DURING 2006/07 AND 2007/08 WILL BE: *To be determined.*

2. Provincial Surgical Services Project

THE PRODUCTS DURING 2005/06 WILL BE:

- Development of a Provincial Surgical Services Project Charter by April 15, 2005 and completion of deliverables according to the time frames identified in the project charter.
- Support for the implementation of regional health authority surgical services action plans to ensure best practices and efficiencies are demonstrated.
- Support for regional health authority implementation of clinical assessment tools for specified surgical specialties.
- Completion of the provincial surgical patient registry software implementation.

THE PRODUCTS DURING 2006/07 AND 2007/08 WILL BE: *To be determined.*

3. Riverview Replacement Project

- The products for 2005/06 and 2006/07 will be confirmed by June 30, 2005.

APPENDIX I

PHSA - Mandate, Role and Accountability

MANDATE

The Provincial Health Services Authority (PHSA) is one of six health authorities in British Columbia. The PHSA mandate is to support effective and high-quality delivery of selected province-wide health care programs and services, either through directly providing them, or through supporting proactively the regional health authorities in their delivery of the services.

The PHSA fulfils this mandate in a number of ways, including:

1. Assuming responsibility for the governance, management, and funding of selected agencies and organizations providing province-wide health care services.
2. Assuming responsibility, in a change management role, in collaboration with the Ministry of Health Services (the Ministry), for the development/enhancement of selected provincial programs and ensuring that the changes required to achieve improved outcomes are effectively planned, implemented, monitored and evaluated.

In certain instances (to effect required changes) the PHSA assumes responsibility on behalf of the Ministry for allocating funds for these programs for as long as province-wide system changes are being introduced.

In conjunction with the Ministry, PHSA takes on longer term monitoring and evaluation of these services to ensure their continuous improvement.

3. Assuming responsibility for the coordination of a specific service if it is determined the service warrants a provincially coordinated approach to service delivery. This could include the administration of a number of smaller service contracts previously administered within the Ministry, where there is a clear provincial mandate and focus.
4. At the request of the Ministry, and in consultation with the regional health authorities, taking on additional roles related to province-wide, inter-provincial and/or international programs/initiatives.

KEY RESPONSIBILITIES

1. Corporate Governance and Management

The PHSA is responsible for governing, managing, and funding selected health care agencies, societies and programs that provide province-wide services, and for ensuring the academic roles of these agencies are being properly addressed. In conjunction with its role in governing these organizations, the PHSA will also take a leadership role in planning and delivering specialized province-wide services in cancer control and treatment, renal services, children's health, women's health, mental health, and disease prevention and control.

3.4 Measure [Forensic Psychiatric Services]	Required Target	2005/06 Target	2006/07 Target	2007/08 Target
Average number of days from time of referral for inmates requiring psychiatric hospitalisation to date of admission to Forensic Psychiatric Hospital	14 days (required timeframe re: committal order)	12 days	12 days	12 days

3.5 Measure [Forensic Psychiatric Services]	Provincial target	2005/06 Target	2006/07 Target	2007/08 Target
Percentage of pre-sentence assessment reports prepared by Forensic Psychiatric Clinics completed within the required time frames	In custody: 4 weeks Community: 6 weeks (Note: time frame and % to be done as determined by agreement between the Ministries of Solicitor General, Attorney General, and Health Services)	75% of all referrals completed within required time frame	75% of all referrals completed within required time frame	75% of all referrals completed within required time frame

3.6 Measure [BC Children's Hospital]	Long-term Target	2005/06 Target	2006/07 Target	2007/08 Target
Proportion of patients admitted from Children's Hospital emergency department to an inpatient bed within 4 hours of the decision to admit	80% admitted within 4 hours	Increase toward long-term target	TBD	TBD

Objective 4: Patient-centered care tailored to meet the specific health needs of patients and patient sub-populations

4.1 Measure [BC Children's Hospital]	Benchmark	2005/06 Target	2006/07 Target	2007/08 Target
Percent of children treated off-site (includes all disciplines that can provide services away from Children's Hospital, e.g., cardiology, psychiatry, etc.)	N/A	3%	4%	5%

4.2 Measure [BC Provincial Renal Agency]	Benchmark	2005/06 Target	2006/07 Target	2007/08 Target
Number of patients participating in independent haemodialysis	NA	123	183	243

Objective 8: Optimum human resource development to ensure there are enough, and the right mix of, health professionals

8.1 Measure	Long-Term Target	2005/06 Target	2006/07 Target	2007/08 Target
Sick leave as a proportion of productive hours	10% reduction by December 2008 (from 2004 baseline)	Decrease toward long-term target	Decrease toward long-term target	Decrease toward long-term target

Longer-term Involvement in Program Leadership

In limited instances, it may be deemed appropriate by government to have specific services coordinated for a longer term on a province-wide basis, if it is determined the service:

- Warrants a coordinated, integrated network of support services and facilities.
- Has, or requires, a provincial vision, plan, standards, and/or benchmarks.
- Requires focused attention to resource development, because of existing limited skill sets or the need to develop capacity.

The regional health authorities will be expected to consult with the PHSA on any proposed changes in programs and services the regional authorities deliver, if such changes may have an impact on a program or project that is being provided/coordinated by PHSA. No change in these services is to be undertaken until the regional authority has reviewed the potential impact with the PHSA and there is concurrence to proceed.

5. Emerging Technologies and Practices

There is considerable work being done currently on the assessment of new and emerging technologies at both the national and provincial levels. The PHSA is mandated to support the review of current and emerging health service issues and technologies, in collaboration with the Ministry. As this assessment role continues to develop it is anticipated that the PHSA will work closely with the Ministry in identifying emerging technologies and determining the future direction (including funding) of the selected emerging health services and technologies. The Ministry and the PHSA will work together to clearly identify their respective roles with respect to these functions.

As part of this assessment process consideration will be given to the appropriate scope of the proposed programs to be offered, the resultant service expectations and the likely impact in each health authority. PHSA and the Ministry will determine whether services are to be provided directly by the PHSA or by other health authorities, and the extent to which the PHSA may be expected to provide ongoing monitoring of these selected emerging provincial programs.

6. Other Duties

There are a number of other provincially focused activities the Ministry may request the PHSA to undertake on their behalf. This may include assuming a leadership role related to province-wide, inter-provincial and/or international health care issues, medical and/or other health system education, and research planning processes and initiatives.

The constituent agencies of the PHSA are:

- BC Cancer Agency (BCCA)
- BC Centre for Disease Control (BCCDC)
- BC Drug and Poison Information Centre
- BC Mental Health Society (Riverview Hospital)
- Forensic Psychiatric Services
- BC Provincial Renal Agency
- BC Transplant Society
- BC Children's Hospital and Sunny Hill Health Centre
- BC Women's Hospital and Health Centre (including BC Reproductive Care Program and Perinatal Database, and Tertiary Perinatal Services)

2. Coordinating the Development of Specified Province-wide Programs and Services

In addition to its governance and management role for defined province-wide services, the Ministry mandates the PHSA to provide a leadership role, in support of the Ministry, in developing the most effective service delivery practices for specific programs and services. In this capacity, the PHSA will assume a leadership role in planning and coordinating changes required in these programs to have them more effectively delivered throughout the province and, in conjunction with the Ministry, will monitor and evaluate the change processes over time to ensure their continuous improvement.

Selected programs may be funded by PHSA, on behalf of the Ministry, in a permanent or temporary arrangement. Direct or contractual funding by PHSA permits targeted funding, tracking of expenditures, and utilization review that facilitates reallocation or other forms of reconciliation.

A consultative process will be undertaken each year that will include the Ministry, the PHSA, and the regional health authorities. This process will focus on the identification of high priority programs and issues that need to be considered on a provincial basis over the next three years, and determination of the goals and expectations for those programs and issues. The Ministry will use this consultation process to formulate and determine the provincial priorities for the PHSA for the upcoming year(s), which will then be incorporated into the next Ministry service plan, and the Performance Agreements of the PHSA and the regional health authorities.

3. Criteria for Program Planning Leadership by PHSA

In determining in which of the province-wide programs and services the PHSA will serve in a "change management" role, the following will be considered:

- There is a need for significant changes to the existing patterns or quality of delivery of a service, and these changes can best be introduced with a full scope of provincial coordination and leadership.
- There is a need for integration of all provincial components of a service to ensure that patients in all areas of the province are effectively and efficiently served.
- There is an emerging technology or pattern of practice that needs to be carefully evaluated, cost analyzed and planned for deployment before being introduced on a province-wide basis.

In applying these criteria it is recognized that, in the longer term, as many services as feasible and appropriate should be provided and funded through the regional health authorities.

4.