
PERFORMANCE AGREEMENT

between

THE MINISTRY OF HEALTH SERVICES

and

THE VANCOUVER ISLAND HEALTH AUTHORITY

APRIL 1, 2002 TO MARCH 31, 2003



**BRITISH
COLUMBIA**

This is an agreement between the Vancouver Island Health Authority and the Ministry of Health Services, setting out our mutual understanding of the respective expectations and performance deliverables for the three fiscal years, 2002/03, 2003/04, and 2004/05. It will be updated and renewed annually for a new three-year period.

Given that:

- The government is committed to providing high quality patient-centred care, improved health and wellness for British Columbians and a sustainable, affordable public health system;
- The government is committed to substantial restructuring of the health care system, while maintaining the priority of patient needs;
- The government expects the health authority to continue to meet the requirements of the various legislation, regulation and policy, remaining in force at April 1, 2002, subject to amendments made from time to time by the Government of British Columbia;
- The government has established directions in *A New Era for British Columbia* and the Ministry of Health Services Service Plan;
- The government has provided guidance to the health authority through the letter of expectation to the Chair of the Board from the Minister of Health Services, dated December 12, 2001;
- The government will monitor programs, services, and performance indicators to ensure compliance with the above direction and guidance;
- The health authority will continue to provide a broad range of health care and health protection services such as those provided by its predecessor health authorities;
- The health authority will continue to provide comprehensive, accurate, and timely reporting (financial, statistical, program-related, and person-based), as required by the Ministries of Health.

The parties hereby specifically agree that:

The Ministry of Health Services, in conjunction with the Ministry of Health Planning, will:

1. Provide in writing, to the Vancouver Island Health Authority, details of operating and notional capital funding allocated for each fiscal year, no later than February 22, prior to the start of the fiscal year, and a three-year estimate of future funding levels.
2. Provide total Regional Health Sector funding for the 2002/03 fiscal year of \$974.09 million, by electronic transfer to the health authority, in 26 bi-weekly amounts, together with a notional allocation of \$20.68 million for Capital funding, as shown in the 2002/03 allocation to health authorities, enclosed with this agreement. Funding allocations from other sources within the Ministries of Health will be communicated separately.
3. Provide to the health authority, within one month from receipt, an assessment of the health service redesign plan and budget management plan as submitted by the health authority. This assessment may include additional requirements of the health authority and will constitute an addition to this agreement as Schedule B.

The Vancouver Island Health Authority will:

1. Develop and deliver to the Ministry of Health Services by March 22, 2002, a three-year health service redesign plan and a corresponding budget management plan. The health service redesign plan must conform to existing health care policy and standards. The budget management plan must be balanced over 2002/03 and 2003/04 in total, and balanced for 2004/05.

Manage and deliver programs and services for the fiscal year ended March 31, 2003, such that the operating results are equivalent to or better than those projected in the budget submission. Additionally, the unrestricted net assets (including internally restricted funds) at the end of fiscal 2004/05 must be equal to or better than the unrestricted net assets (including internally restricted funds) as at March 31, 2001.

2. Take action to achieve the objectives set out in the Priority System Performance Improvements shown in Schedule A, collaborating where appropriate with the Ministries of Health and other health authorities.
3. Agree to perform the additional actions outlined by the Ministries of Health in the response to the health authority's health service redesign plan and budget management plan shown in Schedule B.

The Board of the health authority will establish a performance based component of compensation for the Chief Executive Officer and may extend its provisions to other senior executives at its discretion.

In the event of government policy which materially compromises the ability of the health authority to achieve the targets set out in this agreement, the parties to this agreement agree to renegotiate its terms to their mutual satisfaction.

Agreed to, on behalf of the Vancouver Island Health Authority, by:

Original Signed by: Jac Kreut

Chair of the Board

Original Signed by: Rick Roger

Chief Executive Officer

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

Original Signed by: Honourable Colin Hansen

Minister of Health Services

Original Signed by: Penny Ballem

Deputy Minister

SCHEDULE A

PRIORITY SYSTEM PERFORMANCE IMPROVEMENTS

1. Emergency Health Services:

Expected Performance

Within the process directed and supported by the Provincial Health Services Authority, collaborate with the Ministries of Health and other health authorities in developing guidelines to better manage demands on the emergency health services in the acute hospital system.

The process will include a review of literature and research as well as practices and performance in other jurisdictions.

The product during:

- a) 2002/2003 will be a set of guidelines for best practices in the management of emergency health care, including reporting requirements, measures, and assessments of service coordination. These guidelines will be adopted by the health authorities.
- b) 2003/2004 will be implementation of the recommended practices, including recording, reporting, and measurements.
- c) 2004/2005 will be improvement of the performance of the emergency health services in the health authority, as measured by these indicators.

Measures may include an implemented flu season response plan, regular sample surveys of the movement of selected marker conditions through the emergency system, and a reduction in wait times and periods on diversion in the emergency departments. The work will include representation from the B.C. Ambulance Service.

2. Surgical and Procedural Services

Expected Performance

Within the process directed and supported by the Provincial Health Services Authority, collaborate with the Ministries of Health and other health authorities in developing measures of the performance of surgical and procedural services in the province's hospitals.

The process will include the establishment of measures of the performance of the system in response to emergency treatments and procedures and the development of principles for establishing priority for care for non-emergency conditions/cases.

The product during:

- a) 2002/2003 will be:
 - i. the development of measures of the response of the health care system to emergency surgical and procedural needs;
 - ii. agreement on the principles to be used by health authorities in classifying cases as emergent or urgent/elective;
 - iii. a plan to measure the appropriateness and outcomes of selected procedures (RESIO); and
 - iv. adoption by the health authority of these outputs/standards.
- b) 2003/2004 will be the introduction of these measures and standards.
- c) 2004/2005 will be demonstrated improvement of the performance of the surgical services.

3. Mental Health Services

Expected Performance

- a) Increased use of needs-based and evidence-based best practices to achieve:
 - i. Increase in early intervention capacity as evidenced by the decrease in average patient age at first contact with a physician or health service provider for serious mental illness;
 - ii. Decrease, by 4 percent over three years, in the alternate level of care days spent by mental health and alcohol and drug clients in hospitals once the primary need for inpatient care has completed, specifically:

Target 02/03	zero %
Target 03/04	2 %
Target 04/05	2 %

- iii. Improved continuity of care measured by the proportion of persons hospitalized for a mental health diagnosis who receive community or physician follow-up within 30 days of discharge.

Target 02/03	3 %
Target 03/04	3 %
Target 04/05	3 %

- b) Development of Riverview replacement units in selected locations – to be achieved over the 3 year period, specifically:

Target 02/03	33 units
Target 03/04	69 units
Target 04/05	48 units

4. Home and Community Care

Expected Performance

- a) Full implementation of the new assessment tool for home care (MDS-HC) over the next three years.
- b) Full implementation of the new assessment tool for residential care (MDS V2.0) over the next five years.
- c) Increase the proportion of home and community care clients with high care needs (requiring care at the IC2 level or higher) living in their own home, rather than in a facility.

This is indicated by the number of high care needs clients at home as a percentage of high care needs clients in total.

Target 02/03	2 % increase	(e.g. from 45% to 47%)
Target 03/04	5 % increase	(e.g. from 47% to 52%)
Target 04/05	5 % increase	(e.g. from 52% to 57%)

5. Public/Population Health

Expected Performance

- a) Collaborate with all other health authorities and the Ministries of Health in the development of core prevention and protection programs, and in the review of literature and research of best practices and performance in other jurisdictions. Participate in consultations which will begin in 2002/03 and will result in:
 - i. In 2002/03, the development of a list of prioritized core programs for protection and prevention;
 - ii. In 2003/04, the development of core program delivery expectations and performance measures; and
 - iii. In 2004/05, the incorporation of appropriate core programs into a new *Public Health Act*.
- b) Implement the recommended core programs, including recording, reporting, and measurements in 2004/05.
- c) In 2004/05 improve the performance of the core prevention and protection programs as measured by the indicators developed as above.

6. Support and Administrative Services

Expected Performance

- a) Reduce the annual expenditures for Support and Administrative Services (excluding Information Systems), by the 2004/05 fiscal year, by at least 7 percent of these expenditures incurred for the fiscal year 2001/02.

Note: Annual or multi-year targets for individual authorities, for each priority program area, will be determined in negotiation with the Performance Management and Improvement Division.

SCHEDULE B

OUTSTANDING ISSUES

The Ministry of Health Services has approved the Vancouver Island Health Authority's health services redesign and budget management plan with the understanding the following issues require ongoing discussion and subsequent action:

- Confirmation the proposed transition in acute services, in relation to other health sectors, will be implemented in a planned, integrated, and timely manner.
- Submission of a comprehensive transition plan, including the timetable and implementation strategies, for achieving the New Era commitments for home and community care.
- A clear articulation of the changes planned for mental health services, confirmation these changes complement the implementation of the British Columbia Mental Health Plan, and are integrated across the health sector.
- Confirmation that utilization management plans exist for the region which builds on the new Vancouver Island Health Authority Acute Care Utilization and Accountability Plan.
- Delineation of the steps to be taken to strengthen primary care services in the region.
- Confirmation that maternity care delivery is consistent with the British Columbia Reproductive Care Program *Report on the Findings of a Consensus Conference on Obstetrical Services in Rural or Remote Communities* (February 2000).
- Confirmation of progress in the implementation of the health authority's medical academic program.
- Ongoing assessment of service self-sufficiency and the impact of service realignment on other health authorities.
- Submission by the health authority of an aboriginal health plan by September 3, 2002, and linkage of this plan to other health services.
- Provision of a revised budget management plan, by June 30, 2002, which reflects unrestricted net assets (including internally restricted funds) at the end of fiscal 2004/05 that are equal to or better than unrestricted net assets (including internally restricted funds) as at March 31, 2001.
- Provision of a three year calendarized implementation schedule which links initiatives in the health service redesign plan to the revised budget management plan by June 30, 2002.
- Provision of a combined program and financial risk mitigation and contingency plan by June 30, 2002.
- Submission of any outstanding capital asset funding details, including:
 - the funding source for projects, which are proceeding (i.e. health authority restructure funding, CIP/equipment funding, health authority debt service/amortization). These projects are cited in Attachments D and E of the February 4, 2002, letter from the Ministry of Health Services.
 - project lists and individual project details as noted in Appendix 1 of the Health Service Redesign and Budget Management Plans instructions.