Health and Health Care in Nova Scotia

A Report of the Metropolitan Halifax Chamber of Commerce
Health Care Task Force

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Introduction

Nothing is more important to a healthy economy than a healthy, well-motivated workforce. That is reason enough for the Metropolitan Halifax Chamber of Commerce to undertake a study of the health care system in Nova Scotia. When one also considers that the health care system takes more tax dollars than any other government program and that the dollars being spent continue to rise even during a period of government restraint, it became imperative that the Chamber study this issue and develop recommendations.

This work was carried out by volunteers. While the Chamber consulted widely with experts in the health care system, we are not experts. We brought to the task a strong and vested interest in the quality and cost of health care in the province. We also brought the knowledge of business-management, governance, and how to get the most out of scarce resources.

We came away with two main conclusions. First, while our health care system faces challenges, it is not a system in crisis. And we are very lucky to have some talented leaders, service-providers and managers of the system. Second, as a province we should set some objectives for our health. Let’s put the focus more on our health and less on the health care system. The Province needs to identify some health markers to reduce smoking, decrease obesity and improve the levels of physical fitness. In this area, the Chamber and its members can play a role to provide our employees with advice, incentives and services to improve our health and reduce our demands on the health care system.

The business community has experience with governance which we believe can be applied to the health care system. As a task force, we applied well-accepted principles of good governance to the health care system to come up with our recommendations. The Province needs to develop a vision for health care in Nova Scotia and then set some specific targets for improving the health of Nova Scotians. The governance of any system also requires talented and trained people with clearly understood roles and responsibilities. We should ensure that the hundreds of Nova Scotians participating in governance of our health care system are given training in governance and their responsibilities in the system. There must also be a stronger link between the people responsible for spending and the accountability for the dollars spent. In health care, this means that we should begin to measure the changes in health associated with health care in order to learn which procedures are useful, and which are a waste of human and financial resources. We are debating the wrong issues when the only information available are the number of hospital beds or the total dollars being spent. We need to know whether those dollars or beds are actually resulting in a better health outcome.

We have also examined some alternative delivery models which we believe could either improve health outcomes and/or reduce the costs of better health. We should look at new opportunities for regionalization of services to increase the expertise available to us, as well as to reduce costs. This can be done both inside the province and across the Maritimes. We believe that faster access to the system would be the result of programs such as nurse practitioners and the provision to the public system of additional diagnostic imaging clinics and medical labs through the private sector. A study of the hospital network could also improve treatment and reduce costs. Finally, outsourcing of non-medical activities in the hospital system should be utilized where it will save money and maintain or improve service levels.
Bill 34

The first step was to understand Bill 34: An Act to Provide for Community Health Boards and District Health Authorities and Respecting Provincial Health Care Centres (The Health Authorities Act) and how this relates to accepted models of effective governance. For the purposes of this report, “governance” means the processes and structures that (a) define the various levels of authority and accountability and (b) provide a framework for the direction and management of our health care system.

Government Involvement in Management

Under Bill 34, there is an immediate governance issue arising that blurs the lines of authority and accountability. Bill 34 provides that the administration, management, general direction and control of the affairs of a district health authority are vested in a board of directors, and that the District Health Authority (DHA) shall determine priorities in the provision of health services and allocate resources and implement an annual health-services business plan accordingly. On the other hand, the Bill also gives the Minister responsible overriding authority. The Minister is given authority to (among other things): provide the strategic direction of the health care system, planning for resources, establishing requirements for information systems, determining services to be provided by the DHAs, determining the organizational structures, management responsibilities and administrative service levels of the DHAs, appoint and dismiss the board members, and direct the DHA on any matter.

The powers given to the Minister under the Act clearly swamp those given to the DHAs. Some of the responsibilities are necessarily that of the Minister as they enable the government to set general health policy, and to that end, they are essential. Although not the intent of the law, several of the powers given to the Minister, in effect, negate the authority of the Boards thereby blurring the lines of responsibility and accountability. While a back-up mechanism is necessary in case a Board does not perform, as it is written the Bill does more to confuse where responsibility lies than to clarify the relationship between the Minister and the DHA. The single most important principle of effective governance, after the statement of the vision or purpose, is to have clear lines of authority, responsibility and accountability. If the managers and board members of a DHA believe that the departmental bureaucrats and/or politicians will continually usurp their roles, then effective governance will be impossible.

Recommendation: Limited Government Intervention in Management

The Minister of Health should not interfere with the management of District Health Authorities, Provincial Health Care Centres and Community Health Boards as long as they are properly carrying out their duties.

Community Health Boards

Community Health Boards are advisory bodies only. They are not corporate bodies with decision-making powers nor do they govern or manage the delivery of health services. Community Health Boards are intended to provide valuable input to health planning from the grassroots level, and to promote good health as well as good health care. They can perform a valuable function by reducing pressure on health care through the promotion of healthy life styles, and by collecting and documenting data, without which evidence-based health care would not be possible. However, Community Health Boards and their
board members need to understand that their role is purely advisory so as not to blur the lines of responsibility vis à vis the District Health Authorities. Responsibilities need to be clearly laid out. Good governance requires that the government be absolutely clear on the role of Community Health Board members.

**Recommendation: Community Health Boards to be Advisory Only**

The Minister of Health should clearly advise Community Health Boards of the purely advisory nature of their role in Nova Scotia’s health and health care system. The Community Health Board should be renamed to reflect their true role: Community Health Advisory Boards

**Principles of Governance and Application to Bill 34**

The Nova Scotia School Board Association has developed a master list of seven basic principles of effective governance. It is felt that these principles can be readily applied to the District Health Authorities. Several issues related to governance were identified within Bill 34. The following will apply the seven principles of effective governance to the Bill and recommend improvements. Also, where appropriate, management of health and health care issues will be included with specific examples.

**Principle 1: An effective governance body knows why it exists and what difference it aims to make in its community.**

In order to meet this objective, it is essential for the Province to develop a Vision and a Mission Statement. At their annual meeting held August 11, 2000, the Canadian Premiers stated their vision of health as follows:

> Canadians will have publicly funded health systems that provide quality health services and that promote the health and well-being of Canadians in a cost-effective and fair manner.

Premiers believe that the key goals of the health systems in Canada are to: preserve, protect and improve the health of Canadians; ensure that Canadians have reasonable access to an appropriate and effective range of health services anywhere in Canada based on their needs, not their ability to pay; and, ensure long-term sustainability so that health care services are available when needed by Canadians in future years.

**Recommendation: Vision and Mission Statements; Specific Health Goals**

The Province should develop a Vision and Mission Statement for health and health care in Nova Scotia. This would include the setting of specific health goals to be accomplished in a specified time period (i.e. five years). These statements should be circulated to all health and health care related organizations for comment and buy-in as soon as possible (preferably within six months). District Health Authorities and Community Health Boards should prepare their own Vision and Mission Statements, keying off the Provincial Statements. The Mission Statements should meet the test of the 4 M’s: Motivating, Memorable, Measurable and Manageable.
With vision, a focus on outcomes is necessary. Specific targets are essential in the attainment of vision. The preceding statements fit the requirement for a vision, however, our Province should go further, and set out a small number of specific targets for attainment. The Province needs to identify some health markers (possibly including obesity, smoking, fitness and cardiac care). Only with specific goals can those involved in the health and health care systems know whether they have accomplished their objectives.

There is a higher incidence of smoking amongst Nova Scotians than in any other province. There is a higher incidence of obesity amongst Nova Scotians than in any other province. Nova Scotians suffer a higher incidence of heart disease and certain forms of cancer than the citizens of any other province. Fully one third of young Nova Scotians are smokers, again a higher incidence rate than in their peer groups in any other province.

In order to control future health care costs, we must see an improvement in the health of Nova Scotians. Everyone must take ownership and action to care for their own health. To monitor our progress in this regard, we would encourage the Department of Health to establish a Nova Scotia Health Report Card. The Report Card must be updated quarterly and promoted in such a way as to create a sense of urgency and social responsibility in each of our citizens. We need to establish specific targets against definite timelines to ensure progress, a report card will be a mechanism by which to measure the progress.

**Recommendation: Establish a Report Card**

A Nova Scotia Health Report Card with specific goals against realistic timelines in critical categories that are strong indicators of the overall health of a population should be established and reported on regularly, to focus public attention on the topic of health and each individual’s responsibility in our own health. The Department of Health should develop a report card to measure and monitor health of Nova Scotians, such measures could include:

1) Life expectancy of Nova Scotians.
2) Incidence of smoking amongst Nova Scotians.
3) Incidence of obesity amongst Nova Scotians.
4) Cardiovascular fitness amongst Nova Scotians.
5) Percentage of workdays lost due to illness.

**Principle 2: An effective governance body has a clear understanding of its role in relation to other governing bodies and in relation to the role of senior management.**

There are four aspects of this principle. First, the boards of District Health Authorities and Community Health Boards must be effective. Second, the CEO of the District Health Authority must be highly qualified in the skills of management. Third, the relationship between the board and the CEO must be such as to foster an effective governance relationship between the two. Fourth, each element in the health care system must be accountable to the others for carrying out its responsibilities; this aspect is further discussed under Principle 7.

As for the first aspect, for boards to be effective it is essential to select the right people. Board members must be highly qualified having experience and/or the necessary skills,
to effectively carry out their duties. Even then, they should undergo an intensive program of training, both in the general principles of board governance and in the particulars of the governance requirements under Nova Scotia’s health care system.

**Recommendation: Quality People on DHA Boards**

(a) In setting the criteria for appointment to District Health Authority boards, the Minister should emphasize the need for experience.

(b) District Health Authorities and Community Health Boards should implement a program of training for board members, preferably involving outside consultants, along the lines set out in the report “Regionalization of Health Care Systems in Canada”, September, 1997, page 95. The program would cover governance matters generally, as well as issues specific to health care in Nova Scotia and in the District. It would also include refresher courses and appropriate feedback mechanisms.

As for the second aspect, the CEO of a DHA must be highly qualified, therefore, professional help should be sought in selecting the CEO to ensure a good fit.

**Recommendation: Use Professional Search Firms to Hire CEO’s**

The person or body responsible for appointing the CEO of a District Health Authority and a Provincial Health Care Centre should engage a recognized professional search firm to identify and recruit suitable candidates. Consideration should be given to doing the same for the selection of board members of these bodies.

As for the third aspect, it is noted that under Bill 34 it is the Minister, not the board, who has the authority to hire the CEO of a District Health Authority and a Provincial Health Care Centre. The Minister must ensure the relationship between the board and the CEO is such to foster effective governance. The board is central to the appointment and performance review of the CEO; unless the CEO feels he or she is answerable to the board, the board will in practice be advisory only, regardless of the letter of the law. Consequently, the board must have the authority and the responsibility to recommend the appointment and removal of the CEO, and conduct its own annual performance reviews of the CEO.

**Recommendation: Appointment of CEO**

Ensure that boards of District Health Authorities and Provincial Health Care Centres have a central role in the appointment, dismissal and performance review of their CEO.

**Principle 3: An effective governance body functions as a team.**

In Nova Scotia, there are a number of people involved in the health care system, too many for the purpose of effective decision-making. As a result, decision-making could become overly complex. We have 950,000 citizens whose health services will now be determined by nine District Health Authorities having 135 board members and 39 Community Health Boards having up to 500 members. Thus, over 600 people altogether are involved in management, not counting employees of the Department of Health. Collectively, this group is expected to define overall population health needs, determine priorities for the available funds, execute final decisions through operating or
business plans and save money while doing it. This structure should be streamlined wherever possible.

**Recommendation: Reduce the Number of Community Health Boards**
The Department of Health and the District Health Authorities should consider eliminating many of the Community Health Boards (something which is permitted by Bill 34), particularly in regions such as the Capital District Health Authority where there is a large number of them. The boundaries of the remaining Community Health Boards would be expanded to ensure full geographical coverage.

**Principle 4: An effective governance body fulfills an important role model function.**

In order to fulfill their obligations in this regard, boards must develop a set of values that govern how regional or community health districts will provide their services. In this way, health care governors become aware of the example that they are setting for both those who work in the system, and those who are served by it. They are then more likely to conduct themselves in the manner in which they expect of others in their systems.

**Recommendation: Value Statements**
District Health Authorities, Provincial Health Care Centres and Community Health Boards should develop, in conjunction with the Department of Health, statements of values that will govern their conduct, and include orientation in these values in the educational activities provided to new board members.

**Principle 5: An effective governance body makes informed decisions.**

The public at large, and health care boards need to have the necessary information available to make informed decisions. It is important to collect information as to whether patients have been treated and whether their conditions have improved. Currently such information is not reported or tracked. Without this information, we cannot know whether our health care system is working, and we certainly cannot know the appropriate allocation of health care funds. The measurements that are made are activity-based, and not outcomes-based; the system assumes, without evidence, that the activities carried out do in fact make things better. In other cases, lack of information is not because the system doesn’t have it, but because the information cannot be released.

Regardless of the case, there is a lack of factual information in the hands of the decision-makers who absolutely need it if they are to practice evidence-based decision-making, (a process that the government has given prominence to via participation in a report by the Provincial and Territorial Ministers of Health, “Final Report on Understanding Canada’s Health Care Costs”) and thus make meaningful contribution to proper governance of their health care organizations.

There must be a stronger link between the people responsible for spending in the health care system (Province) and accountability for the dollars spent. This principle must certainly be applied at the top but needs to work its way through the system. The old saying that “if it can’t be measured, it can’t be managed” is the beginning point for this. We need to systematically measure changes in health associated with health care in
order to learn which procedures are useful, and which are a waste of human and financial resources. To do this the system needs to set clear objectives, determine the measures to be used to indicate progress and meeting objectives, and publish the results.

**Recommendation: Information and Outcomes**
The Province should:
(a) Publicly commit to the principles of evidence-based decision-making in the delivery of health care in Nova Scotia. These principles would be stated to be binding on the government and on District Health Authorities, Provincial Health Care Centres and Community Health Boards.
(b) Publicly commit to making all health information publicly available (subject to privacy laws to protect individual patients) in a timely manner and in readily usable forms. The stated purposes would be to permit the public to make informed choices as health care consumers, and to arm health care governors with the information necessary to perform their public duties. Such information would disclose the true status of all aspects of health and health care, including but not limited to waiting times, group health status and clinical and surgical outcomes.
(c) Establish an agency of government independent of the Department of Health, charged with the responsibility of collecting and disseminating the information referred to in paragraph (b).
(d) Develop an incentive system to allow District Health Authorities and Provincial Health Care Centres to provide outcomes-based planning and reporting to government, as opposed to activity-based planning and reporting.
(e) Develop an incentive system to encourage CEO’s of District Health Authorities and Provincial Health Care Centres to effect savings in the delivery of health care services without compromising the quality of care, where “quality of care” is evidence-based (i.e. based on the measurement of outcomes).
(f) Refrain from providing more dollars to District Health Authorities and Provincial Health Care Centres than at present, except for inflation and population-related adjustments, until such time as the foregoing recommendations have been adopted and implemented.

The need for better information naturally leads to a discussion about information systems. Nova Scotia is far behind other jurisdictions in using electronic data collection and data transfer mechanisms. But this may be a blessing in disguise, as we now have the luxury of learning from others’ mistakes and the lower costs of late entry.

**Recommendation: Electronic Data Information Systems**
District Health Authorities and Provincial Health Care Centres should commit to the implementation of the most advanced electronic data information systems feasible, to be in use across the province within two years of passage of Bill 34.
Principle 6: An effective governance body strives to maintain excellent communications with its stakeholders.

By now it will be clear to the reader that communication is of utmost importance between each layer in our multi-layered health care system, and to the public. This results in the following recommendation:

**Recommendation: Communications Policy**
Each layer in the Nova Scotia health care system should develop a communications policy covering: who speaks for the layer; approval processes for press releases; frequency and distribution of newsletters; types of information available to the general public over its web sites; and other issues requiring discussion as part of a policy development process.

Principle 7: An effective governance body is accountable.

Accountability requires that each of the players in the health care system have a clear and specific understanding of their authority and responsibility. This means defining expectations, formulating job descriptions, committing to regular performance evaluations and developing a formal accountability system.

In 1997, the Department of Health put out a publication entitled “Accountability in Nova Scotia’s Health Care System”. This document sets out an accountability framework for the parties involved in regionalization. Since the health care sector is multi-layered, it follows that accountability in the health care sector means accountability to different audiences, for a variety of activities and outcomes, through many different means. This multi-dimensional nature is the principal complexity of accountability in the health sector.

Section 18 of the *Health Authorities Act* requires District Health Authorities to conduct at least two public forums in their health district each year, for the purpose of providing information to the public on their “operations and activities”, and receiving their input. Note that there is no reference to “outcomes”; this lessens the utility of the forums as one means of reinforcing accountability. The notion of “operations and activities” should be made to include outcomes.

Health structures have been in a state of constant change over the past decade. In the last ten years, we have had five Ministers of Health and eight Deputy Ministers. This situation has impeded the Department’s ability communicate a constant message on a clear policy that leads to transition to better practices. Perhaps more fundamental is the fact that true accountability is impossible in the face of constant change in the basic structures. There should be no systemic changes in the near term. If after some years the experience with Bill 34 has not worked, or it is felt its structure could be improved, the government might then want to consider a reorganization. During this evaluation period the government needs to keep in mind that at least two separate (and indeed contradictory) functions are now assigned to the Department of Health: health care delivery and health care policy. Experience will show that the health care system would operate more effectively if the people who carry out these two functions were to be made more independent of each other. Such a change would not fundamentally alter the structure of health care as set out in Bill 34, but would enhance efficiency and accountability.
**Recommendation: Accountability**

District Health Authorities and Provincial Health Care Centres should:

(a) Define what their Boards’ expectations are of themselves, their CEO’s and their individual Board members. This requires job descriptions for senior management, particularly the CEO, as well as for board members. The latter should focus on the approval of policy, approval of budgets, approval of major system initiatives and other “big picture” types of decisions. Annual board and management retreats should be assisted by outside consultants in governance and board management issues, to discuss strategic and operational issues.

(b) Use those expectations to form the basis of short-term and long-term governance objectives, against which the Board’s performance will be evaluated each year.

(c) Publish the results of the evaluation; a simplified balanced scorecard approach can be of assistance here.

(d) Recognize that in the development of an accountability system, the following elements are essential:
   1) Setting measurable system objectives, together with a well-defined anticipated rate of progress towards these objectives;
   2) Setting standards for the conduct of the board itself, and committing to a process of board evaluation;
   3) Setting expectations and standards for the performance of the CEO and conducting an annual evaluation of the CEO’s performance;
   4) Requiring that a performance evaluation process be put into place for all employees of the board.

**Recommendation: No More Major Changes**

The Department of Health should:

(a) Refrain from making any further changes in the governance structure of our health care system, until considerable experience has been gained with the new system under Bill 34.

(b) Set the right outcomes measures and consistently communicate them.

(c) Over the next three to five years, evaluate the effectiveness of the accountability mechanisms embodied in Bill 34, and consider whether accountability would be enhanced by establishing an independent agency whose mandate would be to deliver health care in Nova Scotia. In that event, the Department of Health would remain responsible for health care policy development and overall financial matters.

**Alternative Delivery**

In terms of the management of our current system, several issues have been identified concerning the effect of governance on management, and thus ultimately on service delivery. Examining some alternative delivery mechanisms may help to remedy such situations. Three areas alternative delivery should be examined include: regionalization, access to the system and outsourcing.
Discussion about informed decision-making, and evidence-based decision-making, lead into a discussion about service delivery options. If evidence-based decision-making is practiced and informed decisions are being made, it is quite conceivable that alternative delivery options should be considered. In discussions with industry officials, it was suggested that alternative delivery mechanisms may be effective options in some circumstances. Specific areas where this should be considered are with regards to efficiency and safety within the system, accessing the health care system and the outsourcing of non-medical operations.

Regionalization

The rationalization for provincial regionalization can be linked to that of reducing the number of DHAs, as it would increase the efficiency of the current system. We need to establish a critical mass to maximize efficiency. There is, however, a second argument: safety.

An example pertaining to efficiency is the ongoing operation of an eight-bed hospital in a rural community. Such a facility is likely offering little more than emergency or palliative care to the town residents. If this is the case, a hospital is not the best form of service delivery for the community. Alternatives should be analyzed to maximize efficiency and improve overall service delivery.

An example pertaining to safety is the surgeon in a mid-sized hospital who performs a particular procedure only once a month. A surgeon needs to perform a surgery weekly to maintain skills at a top level, if they are not, patients in the community would be better served traveling to a regional centre where the surgeon performs that procedure routinely and as a result may have a slightly higher success rate.

Lastly, this issue shows itself in our inability to build and maintain key areas of specialization. To be able to build highly specialized services, teams are required, yet often specialists are forced to practice on their own since the critical mass does not exist in a population base the size of Nova Scotia to justify employing several doctors in a particular area.

All these issues speak to the need for regionalization. Regionalization has been undertaken successfully in the establishment of the IWK Grace Hospital as a regional centre for the Maritimes or at the QEII Health Sciences Centre as a regional centre for certain organ transplants; however, further analysis is required.

There is also a need for greater cooperation amongst the four Atlantic Provinces. The four Health Ministers need to facilitate the creation of Atlantic Regional Centres of Excellence. In some measure this is already being done, but this model needs to be expanded and institutionalized. Just as importantly a review needs to be undertaken to ensure that funding requirements in the case of these centres are smoothly handled to appropriately compensate the Centre in recognition of the full breadth of the care given.

Recommendation: Regionalization

A review of the benefits of regionalization should be undertaken with the attention on creating sufficient critical mass for the delivery of appropriate services.
Accessing Health Care

Nova Scotians are experiencing difficulty in accessing the health care system. Satisfaction is high upon treatment, however there is an issue with the length of time it takes for a citizen to be admitted into the system. The Department of Health (DOH) needs to review, evaluate and commit to establishing alternative forms of health service delivery to improve access to a presently strained system.¹

Such alternatives could include (but of course would not be limited to):

1. Broader utilization of Nurse Practitioners as care providers. Nurse Practitioners may be utilized as a triage point in emergency rooms to speed up the process. Nurse practitioners could also be utilized much more effectively in rural general health care delivery, and in walk-in clinics. The medical community itself needs to embrace the concept of nurse practitioners much as the dental community has embraced the concept of dental hygienists or the legal profession the use of paralegals.

2. A detailed analysis of the existing hospital network needs to be undertaken to maximize the efficiency of the system. At present, too many examples exist of small hospitals being maintained in communities where alternative care is relatively close at hand. The preservation of the hospital all too often is for the wrong reasons. In many cases the hospital could be converted to a nursing home and/or a walk in clinic to service the bump, cut or sprain in community. An effective ambulance system would then be utilized for transportation of more serious cases to a regional hospital.

3. The DOH should review the opportunities for creating privately managed diagnostic imaging clinics and medical labs. The speed with which an ailment is diagnosed is critical in setting a patient on the road to recovery.

4. A review of the nursing home industry in Nova Scotia needs to be undertaken. The DOH’s experiment in Cape Breton with single entry access to the nursing homes and a universal classification system of needs is a step in the right direction. However reviews of the awarding of licenses for life and the cost plus funding mechanism is also required. Nursing homes must be reviewed regularly against established standards of care.

Recommendation: Alternative Delivery
The Provincial Department of Health should consider alternative delivery models for health care to improve access to the system.

Outsourcing

An examination of outsourcing constitutes more than an operational decision. It would be a decision by the government to focus on health. It would allow health care administrators to focus on health care, rather than making operational decisions. This is

¹ It should be noted that at no time during discussions was additional funding seen as a potential solution to the accessibility problem. The consensus was that the worst approach would be to throw more money at the problem and as a result reinforce current practices as acceptable. The second preference would be to maintain funding at current levels; however, the preferred solution would actually be to keep pressure on the system by continuing to cut back on funding.
more than an operational change it is a decision to align the philosophy of promoting health and providing health care, with the administration of such.

The health care industry should concentrate its resources and management talent against that which it does best. All non-medical areas of hospital operation should be reviewed for opportunities to outsource. Non-medical services such as the management of food services and janitorial staff should be outsourced to competent organizations in the private sector that could introduce specialized organizational techniques and economies of scale to reduce overall costs.

**Recommendation: Outsourcing**
Wherever possible the Department of Health and all hospitals should consider outsourcing for all non-medical activities.

**Business Involvement**

The business community has a role and responsibility to ensure the viability of the health care system in Nova Scotia. The overall objective of our health care system, the vision, should be health. Everyone realizes after the briefest reflection that our individual health, as opposed to health care, is something for which we as individuals are mainly responsible. Do we eat too much, and not enough of the right foods? Do we drink too much? Do we smoke? Do we get enough exercise? In the answers to these simple questions lies the key to better health for most of us. Yet Nova Scotians are among the worst offenders on these points. Improving the health status of our citizens would be the single most important thing our society could do to reduce pressure on our provincial health care system and keep its costs under control.

Nova Scotia businesses should be vitally interested in these issues. Nothing is more important to productivity than a healthy, well-motivated work force. Nothing inhibits the growth of our economy, and hence the opportunities for our businesses, than high taxes. So it is in the economic interest of our business community to take a personal interest in the health and well-being of our employees. We must be much more proactive than in past.

There is a lot more that our business community can do than just to be proactive with regards the health of its employees. Business people are uniquely qualified through their experience in managing people, budgets and enterprises to serve as volunteers on the boards of District Health Authorities, Provincial Health Care Centres and Community Health Boards. The Chamber is well-positioned to assist the Province’s health and health care enterprises reach their objectives through constant, high-level monitoring of their governance activities. Indeed it can be argued that business, and business people, have a positive duty to society to offer themselves in these ways. After all, few endeavours are more important for the long-term health of our society than these.

**Recommendation: Chamber to use its Resources to Help**
The Chamber should:
(a) Encourage its 2000 members to sponsor, if possible at their cost or on a cost-sharing basis, fitness plans and wellness clinics for their employees.
(b) Encourage its members to purchase Employee Assistance Plans for their employees.
(c) Encourage its members to volunteer for service on the boards of District Health Authorities (DHA’s), Provincial Health Care Centres (PHCC’s) and Community Health Boards (CHB’s).

(d) Set up a series of information sessions for its members with respect to items (a), (b) and (c) where they can meet fitness plan, wellness plan and employee assistance plan providers, as well as DHA, PHCC and CHB leaders and become knowledgeable about and involved in the health care system.

(e) Establish a committee of knowledgeable Chamber personnel to be available to continue this process, to advise the Department of Health, DHA’s, PHCC’s and CHB’s on governance issues and structures and to take an active role in the ongoing debate.

(f) Develop an annual “report card” procedure (modeled after the Province’s) for the provincial health and health care systems, similar to that now in place with respect to the Province’s finances.

Several opportunities for the private sector in outsourcing have been suggested. The key message to the private sector should be that they can have a very large impact on the status of the health care system by encouraging and assisting their employee groups in accessing health programs (e.g. regular flu shots, mammogram or PAP tests, blood pressure analysis, employers should offer to pay for smoker cessation programs, wellness programs, and in general advocate health education and safety in the work place and home amongst their employees groups). The Health Report Card that was discussed should be promoted amongst Chamber members to ensure that they work actively to reduce the future burden on our Health Care system.

**Recommendation: Chamber Establish a Committee**

The Metropolitan Halifax Chamber of Commerce should establish a committee to continue this process of review of the health care system and be prepared to take an active role in the ongoing debate.

**Conclusion**

From the most senior civil servants in the Department of Health to the doctors, nurses and personal care workers (PCW) on the front lines, the people who work in the Nova Scotia health and health care are extremely competent, dedicated and hard working. There is no ‘crisis’ in our health care system, at least none that better structures, practices and accountability can’t help fix. The analysis does not indicate a system in crisis. In fact there are many things about our system which are first class, not the least of which are the dedicated staff and medical practitioners in this province. Yet there is room for improvement. The preceding was intended to make a helpful, high-level, governance-structure oriented contribution to this vital area of public policy.

It is the Chamber’s belief that we need to move away from the reactive focus on health care in the province and move towards a more proactive focus on improving the health of Nova Scotians. This is a move that we can make as individuals, business and government. As individuals we can commit to taking responsibility for our own health and well-being. As business we can provide health incentives for our employees and commit to fostering a health oriented work place. As government we can get out of the operational business of managing facilities and determining success by counting beds or dollars spent on administration. We should instead focus on the provision of quality health care and improving the health of Nova Scotians, determining success by the
health of our citizens as measured by the attainment of specific health targets. We need to move away from the perception of health care as an economic entity – an industry that creates jobs, and towards a view of creating healthy citizens who are then better able to contribute to the economy. We need health, if we have “health-care” it is because we lack health. Any system, if it is to serve society, should be a “health” system.
Appendix A
Recommendations
Health Care Task Force Report

Recommendation: Limited Government Intervention in Management
The Minister of Health should not interfere with the management of District Health Authorities, Provincial Health Care Centres and Community Health Boards as long as they are properly carrying out their duties.

Recommendation: Community Health Boards to be Advisory Only
The Minister of Health should clearly advise Community Health Boards of the purely advisory nature of their role in Nova Scotia’s health and health care system. The Community Health Board should be renamed to reflect their true role: Community Health Advisory Boards.

Recommendation: Vision and Mission Statements; Specific Health Goals
The Province should develop a Vision and Mission Statement for health and health care in Nova Scotia. This would include the setting of specific health goals to be accomplished in a specified time period (i.e. five years). These statements should be circulated to all health and health care related organizations for comment and buy-in within six months of passage of the Health Services Act. District Health Authorities and Community Health Boards should prepare their own Vision and Mission Statements, keying off the Provincial Statements. The Mission Statements should meet the test of the 4 M’s: Motivating, Memorable, Measurable and Manageable.

Recommendation: Establish a Report Card
A Nova Scotia Health Report Card with specific goals against realistic timelines in critical categories that are strong indicators of the overall health of a population should be established and reported on regularly, to focus public attention on the topic of Health and each individual’s responsibility in the process. The Department of Health should develop a report card to measure and monitor health of Nova Scotians, such measures could include:

1) Life expectancy of Nova Scotians
2) Incidence of smoking amongst Nova Scotians.
3) Incidence of obesity amongst Nova Scotians.
4) Cardiovascular fitness amongst Nova Scotians.
5) Percentage of workdays lost due to illness.

Recommendation: Quality People on DHA Boards
(a) In setting the criteria for appointment to District Health Authority boards, the Minister should emphasize the need for experience.
(b) District Health Authorities and Community Health Boards should implement a program of training for board members, preferably involving outside consultants, along the lines set out in the report “Regionalization of Health Care Systems in Canada”, September, 1997, page 95. The program would cover governance matters generally, as well as issues specific to health care in Nova Scotia and in the District. It would also include refresher courses and appropriate feedback mechanisms.
Recommendation: Use Professional Search Firms to Hire CEO’s
The person or body responsible for appointing the CEO of a District Health Authority and a Provincial Health Care Centre should engage a recognized professional search firm to identify and recruit suitable candidates. Consideration should be given to doing the same for the selection of board members of these bodies.

Recommendation: Appointment of CEO
Ensure that boards of District Health Authorities and Provincial Health Care Centres have a central role in the appointment, dismissal and performance review of their CEO.

Recommendation: Reduce the Number of Community Health Boards
The Department of Health and the District Health Authorities should consider eliminating many of the Community Health Boards (something which is permitted by Bill 34), particularly in regions such as the Capital District Health Authority where there is a large number of them. The boundaries of the remaining Community Health Boards would be expanded to ensure full geographical coverage.

Recommendation: Value Statements
District Health Authorities, Provincial Health Care Centres and Community Health Boards should develop, in conjunction with the Department of Health, statements of values that will govern their conduct, and include orientation in these values in the educational activities provided to new board members.

Recommendation: Information and Outcomes
The Province should:
(a) Publicly commit to the principles of evidence-based decision-making in the delivery of health care in Nova Scotia, these principles would be stated to be binding on the government and on District Health Authorities, Provincial Health Care Centres and Community Health Boards.
(b) Publicly commit to making all health information publicly available (subject to privacy laws to protect individual patients) in a timely manner and in readily usable forms. The stated purposes would be to permit the public to make informed choices as health care consumers, and to arm health care governors with the information necessary to perform their public duties. Such information would disclose the true status of all aspects of health and health care, including but not limited to waiting times, group health status and clinical and surgical outcomes.
(c) Establish an agency of government independent of the Department of Health, charged with the responsibility of collecting and disseminating the information referred to in paragraph (b).
(d) Develop an incentive system to allow District Health Authorities and Provincial Health Care Centres to provide outcomes-based planning and reporting to government, as opposed to activity-based planning and reporting.
(e) Develop an incentive system to encourage CEO’s of District Health Authorities and Provincial Health Care Centres to effect savings in the delivery of health care services without compromising the quality of care, where “quality of care” is evidence-based (i.e. based on the measurement of outcomes).
(f) Refrain from providing more dollars to District Health Authorities and Provincial Health Care Centres than at present, except for inflation and
population-related adjustments, until such time as the foregoing recommendations have been adopted and implemented.

**Recommendation: Electronic Data Information Systems**
District Health Authorities and Provincial Health Care Centres should commit to the implementation of the most advanced electronic data information systems feasible, to be in use across the province within two years of passage of Bill 34.

**Recommendation: Communications Policy**
Each layer in the Nova Scotia health care system should develop a communications policy covering: who speaks for the layer; approval processes for press releases; frequency and distribution of newsletters; types of information available to the general public over its web sites; and other issues requiring discussion as part of a policy development process.

**Recommendation: Accountability**
District Health Authorities and Provincial Health Care Centres should:

(a) Define what their Boards’ expectations are of themselves, their CEO’s and their individual Board members. This requires job descriptions for senior management, particularly the CEO, as well as for board members. The latter should focus on the approval of policy, approval of budgets, approval of major system initiatives and other “big picture” types of decisions. Annual board and management retreats should be assisted by outside consultants in governance and board management issues, to discuss strategic and operational issues.

(b) Use those expectations to form the basis of short term and long term governance objectives, against which the Board’s performance will be evaluated each year.

(c) Publish the results of the evaluation; a simplified balanced score card approach can be of assistance here.

(d) Recognize that in the development of an accountability system, the following elements are essential:
   1) Setting measurable system objectives, together with a well-defined anticipated rate of progress towards these objectives;
   2) Setting standards for the conduct of the board itself, and committing to a process of board evaluation;
   3) Setting expectations and standards for the performance of the CEO and conducting an annual evaluation of the CEO’s performance;
   4) Requiring that a performance evaluation process be put into place for all employees of the board.

**Recommendation: No More Major Changes.**
The Department of Health should:

(a) Refrain from making any further changes in the structure of our health care system, until considerable experience has been gained with the new system under Bill 34.

(b) Set the right outcomes measures and consistently communicate them.

(c) Over the next three to five years, evaluate the effectiveness of the accountability mechanisms embodied in Bill 34, and consider whether accountability would be enhanced by establishing an independent agency whose mandate would be to deliver health care in Nova Scotia. In that
event, the Department of Health would remain responsible for health care policy development and overall financial matters.

**Recommendation: Regionalization**
A review of the benefits of regionalization should be undertaken with the attention on creating sufficient critical mass for the delivery of appropriate services.

**Recommendation: Alternative Delivery**
The Provincial Department of Health should consider alternative delivery models for health care to improve access to the system.

**Recommendation: Outsourcing**
Wherever possible the Department of Health and all hospitals should consider outsourcing for all non-medical activities.

**Recommendation: Chamber to use its Resources to Help**
The Chamber should:
(a) Encourage its 2000 members to sponsor, if possible at their cost or on a cost-sharing basis, fitness plans and wellness clinics for their employees.
(b) Encourage its members to purchase Employee Assistance Plans for their employees.
(c) Encourage its members to volunteer for service on the boards of District Health Authorities (DHA’s), Provincial Health Care Centres (PHCC’s) and Community Health Boards (CHB’s).
(d) Set up a series of information sessions for its members with respect to items (a), (b) and (c) where they can meet fitness plan, wellness plan and employee assistance plan providers, as well as DHA, PHCC and CHB leaders and become knowledgeable about and involved in the health care system.
(e) Establish a committee of knowledgeable Chamber personnel to be available to continue this process, to advise the Department of Health, DHA’s, PHCC’s and CHB’s on governance issues and structures and to take an active role in the ongoing debate.
(f) Develop an annual “report card” procedure for the provincial health and health care systems, similar to that now in place with respect to the Province’s finances.

**Recommendation: Chamber Establish a Committee**
The Metropolitan Halifax Chamber of Commerce should establish a committee to continue this process of review of the health care system and be prepared to take an active role in the ongoing debate.