

UPDATE

February 2004

Toward Principles For Sharing Responsibility In Canada's Health Care System

How can institutions best govern and manage themselves and be accountable when they share responsibility for results with other parties? Accountability and governance in shared responsibility arrangements are strategic issues for CCAF and its members.

They are strategic issues for the Canadian Healthcare Association (CHA) and its members too. Over the summer, CCAF worked with CHA to identify some draft principles that help address these issues in the specific context of Canada's health care system.

The Boards of CCAF and CHA now wish to use the draft principles to broaden and deepen the discussion by engaging other system stakeholders. A shared priority of both organizations is to explore how, and how well, these draft principles might provide health care managers, trustees, providers and funders with a framework for working better together as stewards of the Canadian health system.

Context: More and more, governments and public sector institutions find they have to, or want to, work in and through arrangements that share responsibilities and risks. They may need or want to, for example: address issues that have roots or branches in other jurisdictions; extend their reach or impact; bring to bear specialized capacity or expertise, or simply be seen as cooperative. There is a price to pay for realizing these benefits. Part of the price is that shared responsibilities complicate governance, management and accountability.

CCAF's Interest: CCAF members are increasingly concerned about the way governments and other bodies share responsibilities. In response to this concern, CCAF's research plan identifies shared governance,

Extract from CCAF's Research Plan - *Shared Governance-Responsibility Arrangements*

Today, increasingly diverse interest groups operate with growing sophistication as they make their appeals for action. Public policy issues have become more complex in terms of cross-jurisdictional and cross-institutional impacts. The organization and operations of public sector organizations have themselves become more complicated as the responsibility for service delivery is shared across departments and levels of government and with external partners. These factors combine to place greater importance — and challenge — on the ability to govern public enterprise, to communicate an understanding of the rationale for and impact of government decisions, and to permit a reasonable judgment of performance.

The broad research aim would be to examine these issues from different perspectives with the objective of developing frameworks, tools and strategies that would assist governments and their partners in clarifying, establishing, managing and satisfying shared governance, performance management and accountability arrangements.

Consultations identified three different forms of shared governance-responsibility arrangements:

- sectoral (between different levels of government)
- horizontal (involving multiple departments)
- public-private partnerships.

management and accountability issues as one of three priority areas. [See Box, *Extract from CCAF's Research Plan.*]

CCAF was urged to explore these issues in a specific sectoral context – health care. This advice reflected the importance Canadians, and CCAF's stakeholders, attach to health care. It also built on CCAF's tradition of past work and achievements in the health sector.

CHA's Interest. CHA is the federation of provincial and territorial hospital and health organizations across Canada. Its mission is to improve the delivery of health services in Canada through policy development, advocacy and leadership. [See Box: *Canadian Healthcare Association (CHA)*]

For some time, the Board of Directors of the Canadian Healthcare Association has been considering a range of issues bearing on the relationship between governments and healthcare facilities and agencies. In early 2003, they concluded that lack of agreement about basic principles regarding the governance of the health system bedeviled many of the issues related to roles, relationships and accountabilities. They tasked a Health System Effectiveness Working Group to begin to address the systemic difficulties caused or exacerbated by this lack of agreement.

Peter Valentine - CCAF's Chairperson and Senior Advisor to the President and CEO of the Calgary Health Region – was approached by Mike Higgins, CEO of the Provincial Health Authorities of Alberta (PHAA) and a co-chair of the Working Group about the Working Group's task. Thinking that the

interests of CHA and CCAF might converge in this area, they put the two organizations in touch with one another.

FRAMING THE DISCUSSION.

Staff from CHA and CCAF met in early summer of 2003. After exploring the mission, interests, requirements and capacity of the other organization, CCAF and CHA agreed to pool resources to draw up a first approximation of a set of principles based on CCAF's past governance and accountability research and generally accepted custom. It

was also agreed that these principles would be presented to CHA's Board and CEO Forum for discussion and comment.

By June, a discussion paper and workbook had been prepared. As well as suggested principles, the workbook provided background material on the utility of principles as a guide to action and on the process of building acceptance

for them together with an agenda for discussion and comment. CCAF Research Associates Michael Weir and Libby MacRae attended a joint meeting of CHA's Board and CEO Forum. They worked with Mike Higgins and CHA Chair Lorraine Grant to present and facilitate a half day discussion of the workbook.

Participants confirmed the integrity of the suggested set of principles. None of the principles were flagged as inappropriate or redundant and no significant gaps were identified. As might be expected, many improvements in expression and emphasis were suggested (and accepted). It was also emphasized that this suggested set, and the

CANADIAN HEALTHCARE ASSOCIATION (CHA)

Through its members, CHA represents a broad continuum of care, including acute care, home and community care, long term care, public health, mental health, palliative care, addiction services, children, youth and family services, housing services, and professional and licensing bodies. These services are provided through regional health authorities, hospitals and other facilities and agencies that serve all Canadians and are governed by trustees who act in the public interest.

CHA provides leadership through distance learning programs, conferences and publishing services. CHA and its members are committed to realizing the vision of a publicly funded health system that provides access to a broad range of comparable health services across Canada.

discussion process itself, was a preliminary exercise only. The results could be characterized as a basis for discussion.

Before attempting to take up these principles more broadly, it was agreed that it would be important to:

- obtain and reflect the perspective of other participants and stakeholders in the health care system;
- appreciate how they might apply, in practice, at different levels in the system, in different jurisdictions, and at different degrees of realization;
- better understand the tensions between individual principles and how these are resolved in practice.

It would also be important to recognize explicitly that these principles are suggested for the governance, management and accountability of the health care system within the context of the criteria (or principles) established by the Canada Health Act. As such, they should provide a context and support for more detailed guidance, regulations and rules of professional conduct, not an alternative.

These suggested principles are simply a starting point for engaging health system stakeholders in an important discussion about the kind of governance, management and accountability Canadians should reasonably expect in their health care system. As additional input is gathered, and the scope and

Toward Principles for Health Care Governance, Management and Accountability - A Basis for Discussion

A. Overall Principles for Governance, Management and Accountability

A1. STRATEGIC PLANNING

Ensure the relevance of policies and services to the needs of Canadians and the appropriateness of methods and approaches for delivering programs and services.

A2. ALIGNMENT OF CAPACITY

Ensure appropriate capacity – in terms of leadership and resources—to implement policy and manage the affairs of the system and its elements.

A3. RISK

A3. Understand the risks associated with the type, level and quality of the services provided (or withheld) and provide appropriate means to manage these risks.

A 4. EXPLAINING CHOICES

Communicate to Canadians what is to be accomplished, what has been accomplished, what choices have been made and why, and how they relate to public needs and expectations.

A5. DUE CARE AND CONTROL, ETHICS

Ensure that services, and the overall system, are managed with an appropriate degree of care and control and within an appropriate framework of ethics and values.

B. Principles for Sharing Responsibility in the System

B1. ADMISSION AND MAINTENANCE OF PARTNERS

Set appropriate conditions governing rights and responsibilities to provide or deliver care, products and services in the health system. Establish appropriate and clear criteria for treating providers appropriately, reflecting differences in their key characteristics.

B2. GOVERNANCE AND MANAGEMENT RESPONSIBILITIES

Clearly establish responsibility for setting up and maintaining appropriate governance and management systems and practices.

B3. GOVERNING BODY APPOINTMENT OR ELECTION

Establish and maintain appropriate processes for the appointment or election of effective governing bodies for partners in the health system.

B4. GIVING DIRECTION

Establish clear conditions under which one partner may give direction to another, and provide adequate mechanisms for doing so.

B5. APPROVAL OF PLANS AND BUDGETS

Establish clear approval procedures for plans and budgets that appropriately respect the legitimate interests of all parties

B6. COMMUNICATION AND INFORMATION

Provide health-system partners with information that is relevant and appropriate to their interests and sufficient to their needs.

B7 FORMAL REPORTING:

Be clear about the reporting requirements of health-system partners and their governing bodies and the principles and standards their reports/information should meet.

B8. VALIDATION & AUDIT:

Provide for appropriate validation of reported information, reflecting the scope and nature of responsibilities assumed and reporting required.

thrust of the suggested principles is confirmed or modified, it will no doubt be appropriate and necessary to expand the treatment of the principles to address both practical considerations and illustrations:

□ **Practical considerations**

What do leaders need to consider in putting this principle into practice, in different situations and at different levels of intensity? What are the enablers and the barriers? What strategies allow leaders to take advantage of enablers and get over or around the barriers? What are the key mileposts of progress?

□ **Illustrations**

Are there practical applications that one can use as benchmarks, models? What does success look like at different points in the health system and at different degrees of realization?

Next Steps – Invitation to comment

As noted above, the Boards of both organizations see these suggested principles as both a demonstration of the value of partnering and as a starting point, from which to enjoin a broader, national, discussion. With its direction and support, CCAF's Secretariat will explore opportunities to use the results of the work to date — as applicable, to broaden and deepen the

research that has been done and the partnership(s) that have been developed. As we do so, we would welcome the input and advice of CCAF members and stakeholders (especially those who are employed or who volunteer in the health care field.)

We would particularly welcome advice and views in respect of the questions set out below. To facilitate input, we have established a special section of our website <http://www.ccaf-fcvi.com/html/health/english/index.html>. This location provides access to relevant publications and the discussion paper, links to related sites, and an input section to facilitate your responses to the questions below. [*See text box, Invitation to Comment*]

For further information, contact Michael Weir (CCAF) at 613 241 6713 ext.31 mweir@ccaf-fcvi.com, [CCAF members who are also members of the Provincial/Territorial hospital and health organizations itself may prefer to provide input to their health associations, directly, or through Kathie Paddock (CHA) at 613-241-8005 ext. 234 e-mail kpaddock@cha.ca.]

Invitation to Comment

CCAF and CHA welcome your comments on any aspect of this Update. We would particularly welcome counsel or advice dealing with the following questions.

How and where might an agreed set of principles help make health care better, faster, cheaper or more accountable?

- In the governance or management of an individual health care facility?
- In the coordination of effort between and among individual health care facilities?
- In managing relationships between and among different stakeholders?

Which of these principles matters most to you, and why?

- How does the application of (or failure to apply) this principle affect your ability to deliver quality care?
- Are there any principles that don't make sense?
- Are there any that should be added?

What would it mean to fully realize these principles in the delivery of health care?

- How much movement would you see as necessary before important principles would be fully realized?
- What would be the benefit of fuller realization?
- To what extent is there tension between and among these principles, and how are they resolved in practice?
- What stands in the way of more effective realization of the principles – and whose support would be important to overcoming or circumventing obstacles?
- How might you (or your group) contribute to fuller realization of these principles? What would it take to get started?

What steps should be taken to build on the work that has been done so far?

- Which communities should be engaged?
- Is there a particular order in which to engage them?