



REPORT

To: Peace River Regional Hospital District Board

Report Number: FN-RHD-015

From: Teri Vetter, Chief Financial Officer

Date: November 18, 2021

Subject: Regional Hospital District(s) MOU with Northern Health Authority Renewal

RECOMMENDATION: [Corporate Weighted]

That the Peace River Regional Hospital District (PRRHD) Board approve the renewal of the Memorandum of Understanding (MOU) between Northern Health and the six member Regional Hospital Districts, which sets out the responsibilities of the Regional Hospital Districts and Northern Health for the development and approval of funding for capital projects, including equipment and clinical information technology, effective October 18, 2021 for a two year term; further that the Chair be authorized to sign the agreement on behalf of the PRRHD Board.

BACKGROUND/RATIONALE:

The MOU was last renewed for a two-year term in October 2019. The attached 2021 MOU is a renewal of the existing MOU, with no proposed amendments to the agreement. The current MOU expires in October, 2021. The amendments since the MOU's inception in 2003 have been very minor and include the following:

- In July of 2005, Appendix 1 and Appendix 2 were added to the MOU, which developed specific policies regarding Project Implementation and Accountability and Disposal of Capital Assets and Disposition of Proceeds, respectively.
- In November of 2006 minor wording changes as seen in the attached 2006 MOU. Additionally, Northern Health made changes and broke out Appendix 2 into discrete sections on Disposal of Health Authority Assets, Transferring Assets within the RHD Boundaries, Transferring Assets Outside RHD Boundaries and Changes to Functions as requested by the PRRHD.
- In 2009, minor wording changes were made again for clarification. New sections under Intent were added which include 9, a) and b) of 12, 13 and 14. Additionally, changes in wording were made to Appendix 1.
- In 2011, again further minor wording changes were made.
- In 2019, "Subject to Ministry of Health review and approval" was added to 10 under Intent and under Completion of Appendix 1.

The MOU defines that Northern Health is responsible for all health care services within the Northern BC region comprising of Northwest, Northeast, and Northern Interior Health Service delivery areas. It also defines that the Regional Health Districts (RHDs) are responsible, on a voluntary basis, for providing funding based on a cost-shared formula to Northern Health for capital (typically 40%). The MOU provides the framework for communications and interaction between Northern Health and their member RHDs and have become the standard for Health Authorities across the Province to strive to achieve.

On June 10, 2021, the Regional Hospital Board passed the following resolution:

MOVED, SECONDED and CARRIED

“That whereas, in 1999, when the Province took over funding of Metro Vancouver Hospitals on the premise that these large hospitals serve the entire province, and Metro Vancouver was required to fund Translink as a regional service instead of hospitals;

And whereas 2020 UBCM resolutions regarding a Provincial Transit Recovery Strategy and a Provincial Rebuilding Strategy for BC’s Transit and Transportation Sector were endorsed at the 2020 UBCM Convention;

And whereas, the response to the Peace River Regional Hospital District from the Honourable Rob Fleming, Minister of Transportation and Infrastructure (MOTI) advising of provincial funding commitments to Translink was unsatisfactory;

Now therefore be it resolved that the Regional Hospital District Board defer consideration of the renewal of the Memorandum of Understanding (MOU) between Northern Health and the Peace River Regional Hospital District (and others), which sets out the responsibilities of the Regional Hospital District and those of Northern Health, for the development and approval of funding for capital projects, until after the 2021 UBCM Convention where Translink and BC Transit funding shortfalls due to COVID may be discussed, and after concrete plans to satisfy the directives regarding BC Transit and Translink, given in the mandate letter to the Minister of Environment and Climate Change Strategy, including a directive to work with MoTI to integrate Translink and BC Transit have been made public, and the impact that any proposed integration may have on funding, to further inform potential future enquiries by the Regional Hospital District regarding inequity in funding of hospital districts within and outside the Metro Vancouver Area and to inform a decision on entering the MOU.

The PRRHD Board discussed the resolution during Business Arising from the Minutes at its November 4, 2021 meeting. Elected officials that participated in the 2021 UBCM Convention advised that there was no discussion of Translink and BC Transit funding shortfalls due to COVID at the convention.

Other than the [response from the Ministry of Transportation and Infrastructure](#) received by the Board on April 29, 2021, staff are unaware of any concrete plans having been made public by the Ministry of Environment and Climate Change Strategy or the Ministry of Transportation and Infrastructure, to integrate Translink and BC Transit. The PRRHD Board may sign the MOU with Northern Health, absent the requested information, and the potential impacts that integration of the two entities (Translink and BC Transit) may have on the inequity in funding of hospital districts within and outside the Metro Vancouver Area, as while those plans may affect the PRRHD Board’s willingness to fund capital projects, the MOU does not commit the PRRHD to funding 40% or any other percentage, of hospital capital project expenditures. It is unknown when or if any such concrete plans will be made public, or what the PRRHD Board would expect to see, and be willing to accept, as “concrete plans to integrate Translink and BC Transit” to satisfy the condition placed on the deferral of the consideration of the MOU by the PRRHD Board on June 10, 2021.

In the preamble context statement of the agreement, it is clearly stated:

“RHDs are responsible, **on a voluntary basis**, for providing funding based on a cost shared formula to NH for capital, including equipment and clinical information technology projects, within their respective service areas”.... (emphasis added by staff for the purpose of this report).

The MOU sets out how the information between Northern Health and the Hospital District will be shared and presented to the Board. While the MOU is a joint document signed by all Hospital Districts that are located in the Northern Health Region, Section 11 b) clearly states that “Each RHD maintains the flexibility to negotiate independently with NH without prejudice and precedence for issues relating to the capital plan within the RHD boundary”. This section reinforces the voluntary nature of funding contributions from the RHD to Northern Health.

ALTERNATIVE OPTIONS:

1. That the Peace River Regional Hospital District Board provide further direction.

STRATEGIC PLAN RELEVANCE:

- Partnerships
- Collaboration with Local and First Nations governments

FINANCIAL CONSIDERATION(S):

The MOU has no impact on the 2021 Annual RHD budget that was approved on March 25, 2021.

COMMUNICATIONS CONSIDERATION(S):

If approved, Northern Health will be advised that the Peace River Regional Hospital District will enter into the MOU as presented.

OTHER CONSIDERATION(S):

None at this time.

Attachments:

1. Memorandum of Understanding, Northern Health & Regional Hospital Districts (October 2021)
2. MOU amendments gathered and presented Nov. 2006
3. MOU with changes Oct. 2009
4. MOU with changes Oct. 2011
5. MOU with changes Oct. 2019