



Ontario Health Coalition BACKGROUND

January 2006

Local Health Integration Networks (LHINs)

A Command-and-Control Structure

In the fall of 2004, the provincial government announced the creation of local health authorities, to be called LHINs. They created 14 huge geographic areas, each containing at least one high volume hospital.

The legislation for the LHINs is scheduled to be passed in the spring of 2006. It centralizes - rather than regionalizes - control over the health system. The new powers given to the Minister of Health and Cabinet include:

- power to order non-profits closed or amalgamated
- power to enforce orders with court orders
- power to order wholesale contracting out of non-clinical (undefined) services
- power to override existing legislation regarding process and property for health providers
- increased power to run the health system according to the Minister's strategic plan
- power to decide the level of democratic protections in the LHINs by regulation rather than by legislation

The Minister shall issue a strategic plan for the health system. The LHINs will be provided with funding from the Ministry at the Minister's discretion. They will be bound by Accountability Agreement to allocate that funding and find "integration opportunities" following the direction of the Minister's strategic plan. In turn, in their regions, the LHINs will come to Service Accountability Agreements with the health providers covered in the legislation. These Service Accountability Agreements will be required to comply with the direction of the strategic plan set out by the Minister. They will be backed by court order.

The LHINs will do the following in line with the Minister's Strategic Plan for the health system:

- plan and allocate funding
- set Service Accountability Agreements for local providers
- find opportunities to move or merge services from provider to provider
- find "efficiencies", order contracting out of services and staff
- order transfers of property between providers

The legislation overrides current provisions for democracy and community control over health provider organizations. The legislation mandates the LHINs to seek opportunities to transfer or merge services, to coordinate interactions and create partnerships (between non-profits or for-profits or third parties).

Will we get a say?

There is no public consultation process regarding the policy decision to restructure the health system using the LHINs. LHINs' Boards of Directors will be appointed by the government, not elected by communities. They are entirely accountable to the government as they owe their positions and their remuneration to the government. There is no public consultation process regarding the Minister's strategic plan. There are few protections in the legislation re. public notice of meetings, public access to meetings, public notification of closures or movement of services, nor public rights to appeal.

Who's Covered and Who's Not?

The legislation covers hospitals, certain psychiatric facilities, long term care facilities (public, non & for-profit), homecare, community mental health and addiction agencies, community health service providers, community health centres and others by regulation. It does not include family doctors, chiropractors, dentists, optometrists, independent health facilities, labs, public health and certain corporations of health professionals. If the purpose of the legislation is to create an integrated health system, it is impossible to see how this could be done without the inclusion of the major providers of primary health care and the majority of private for-profit providers in the system.

Privatization Threat

The legislation creates a very real threat of further for-profit privatization as follows:

- cabinet is expressly given new powers to order wholesale privatization of non-clinical services.
- the Minister is given the power to order non-profit services to be closed down but he is not given the power to do the same to the for-profits.
- there is no protection against OHIP services being cut. In fact, LHINs may insulate the Minister from the political consequences of such cuts.
- there is no protection against a corporate for-profit bias on LHINs boards or among key LHINs personnel (as has already happened).
- the current Ministry strategy of spreading competitive bidding through key acute care services in hospitals will create new opportunities for for-profit corporations to bid on services.

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