



16th Legislative Assembly of the Northwest Territories

Standing Committee on Government Operations

Report on the Review of the
Report of the Auditor General on
Northwest Territories Health
Programs and Services – 2011,
Department of Health and
Social Services

Chair: Mr. Kevin Menicoche

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**STANDING COMMITTEE ON
GOVERNMENT OPERATIONS**

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REPORT OF THE AUDITOR GENERAL
ON NORTHWEST TERRITORIES HEALTH
PROGRAMS AND SERVICES – 2011,
DEPARTMENT OF HEALTH AND SOCIAL SERVICES**

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**STANDING COMMITTEE ON
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**REPORT ON THE REVIEW OF THE
REPORT OF THE AUDITOR GENERAL
ON NORTHWEST TERRITORIES
HEALTH PROGRAMS AND SERVICES – 2011,
DEPARTMENT OF HEALTH AND SOCIAL SERVICES**

The Standing Committee on Government Operations held its public review of the Report of the Auditor General on Northwest Territories Health Programs and Services – 2011, Department of Health and Social Services on April 19 and 20, 2011. The Committee thanks the Auditor General, Ms. Sheila Fraser, and her staff for their work in preparing the report and in assisting the Committee with its review. The Committee also thanks the Deputy Minister of Health and Social Services and her staff for their participation.

GENERAL COMMENTS

The Committee's mandate includes reviewing reports of the Auditor General of Canada, and making recommendations to the Government of the Northwest Territories. The Committee wants to ensure that the Government of the Northwest Territories demonstrates its accountability to the public.

The Auditor General's work for this report, *Northwest Territories Health Programs and Services – 2011*, was substantially completed by September 30, 2010. It was tabled on March 1, 2011, during the Fifth Session of the 16th Legislative Assembly.

The Committee is pleased to report that the Auditor General found that the Department of Health and Social Services (DHSS) is managing the health system adequately and setting clear direction for the future. However, new technology, rising costs, and national shortages of professional staff are driving systemic changes in the health system. The Auditor General found that the Department's ability to achieve its priorities is limited by the absence of system-wide performance indicators, the lack of performance agreements with health authorities, and the fact that there is no service agreement with the Department of Human Resources, which has a key role in recruiting health professionals. The lack of performance indicators and agreements also hampers reporting on the performance of the health system to both the public and the Legislative Assembly. This must change.

The Auditor General's review team focused on programs and services for diabetes, home care, long-term care, medical travel, and recruitment of professional staff. Social services were not reviewed. Authorities were not officially included, but three were visited and consulted in the context of the departmental review. Although the review did not and could not reasonably be expected to cover the entire health system, the Committee is satisfied that the review was very thorough, reliable, and fair. Despite the limitations noted above, the review sheds considerable light on the state of our health system, particularly the Department's ability to assess its effectiveness and plan accordingly.

The Auditor General made seven major recommendations to improve the administration and effectiveness of the NWT health system. All were accepted by the Department of Health and Social Services, and where relevant, by the Department of Human Resources as well. The Committee is pleased that the Departments intend to implement the prescribed changes. The Government should have a plan and timeline for doing so, and provide them to both Members of the Legislative Assembly and the public.

Recommendation 1

The Standing Committee on Government Operations recommends that the Government of the Northwest Territories develop a plan for implementing all the Auditor General's recommendations on health programs and services, and provide it to Members of the Legislative Assembly and the public.

The implementation plan should include a timeline and quarterly progress updates to the Standing Committee on Social Programs, beginning in June, 2011.

The Committee agrees with the Auditor General that the Department's capacity to achieve its priority of a sustainable, effective health system depends on its ability to monitor performance and health outcomes. As both are currently deficient, both must be improved. The Government must support the Department's efforts to do this, including appropriate funding through the annual budget process. It must be understood that data collection and performance monitoring are crucial to sound planning, determining spending priorities, and shaping a client-focused health system.

The Committee also recognizes that many factors affect the sustainability of the health system, some of which are beyond the Department's control. Demand for health services and the general health of the population are also influenced by education, the availability of employment, housing conditions, addictions, and poverty. The government's overall priorities and strategy must address these problems at the same time as DHSS modernizes the health system as outlined in "A Foundation for Change".

SETTING DIRECTION FOR THE HEALTH CARE SYSTEM AND FUNDING HEALTH AUTHORITIES

The Auditor General found that DHSS has set clear goals, priorities and actions to improve the health system, and set them out clearly in "A Foundation for Change". Strategic plans of three health authorities were reviewed and found consistent with DHSS' priorities.

However, there are no performance agreements with the authorities, and the model for funding them is being overhauled to better align resources with patient flow and program delivery. Essentially, this will result in realistic budgets for each authority, reflecting the work that is done and the resources allocated to it. DHSS stresses that "right-sizing" budgets is a prerequisite for performance agreements with the authorities.

This is critically important work, as it is the job of the authorities to actually deliver health care services and programs to the people of the Northwest Territories. Therefore, the Committee stresses that DHSS and the Government must make it a particular priority to implement the Auditor General's recommendation in paragraph 31 during the 2012-13 fiscal year, as promised in DHSS' response.

Recommendation 2

The Standing Committee on Government Operations recommends that the Department of Health and Social Services follow through on commitments made in its strategic plan and action plan to:

- revise the model to allocate funding to Health and Social Services authorities, and**
- develop performance agreements that include expected results for key programs and services, and corresponding reporting requirements.**

SUPPORTING HEALTH PROGRAMS AND MONITORING DELIVERY

In reviewing the diabetes, home care and long-term care, medical travel, and human resources recruitment programs, the Auditor General examined DHSS' support of program delivery and its monitoring of results.

A consistent theme emerged in the reviews of diabetes, home care and long-term care, and medical travel. In each, there is no mechanism for monitoring and evaluating the effectiveness and efficiency of the program. Insufficient data is collected to support evaluation of diabetes, home care and long-term care programs – a deficiency that must be corrected, as DHSS has pledged to do.

The Department will not have a territory-wide strategy to prevent or manage diabetes until the completion of the Chronic Disease Management Model, which is due in 2012. Meeting this deadline should be a special priority, given the prevalence of diabetes and the impact of chronic conditions on the people of the Northwest Territories, as well as their health system.

The Committee is especially concerned about the recruitment and retention of health care professionals, which is a joint responsibility of DHSS, the authorities, and the Department of Human Resources. The Auditor General found that DHSS has identified its human resource needs. However, vacancy rates are significant, and many experienced staff are expected to retire over the next ten years. The Auditor General noted that staff shortages represent a serious risk to ensuring consistent and equitable access to quality health services across the NWT.

This risk is compounded by the uncertain success of the current joint recruitment system. The Auditor General advised that the lack of a comprehensive human resource recruitment plan, and the lack of a service level agreement between Human Resources, DHSS, and the authorities must be addressed. The Committee strongly agrees. While the two departments agreed with the Auditor General's recommendations to remedy the situation, there must also be firm commitments with respect to timing.

Recommendation 3

The Standing Committee on Government Operations recommends that the Department of Health and Social Services, health authorities, and the Department of Human Resources develop a comprehensive, system-wide recruitment and retention plan for health professionals, for implementation in 2012-13, and monitor progress against the plan on an ongoing basis.

Recommendation 4

The Standing Committee on Government Operations recommends that the Department of Health and Social Services, health authorities, and the Department of Human Resources develop a service level agreement for recruitment and retention of health professionals that sets out roles, responsibilities, timelines, and services to be delivered. This agreement should be in place and functional by April 1, 2012.

DHSS has also identified growing demand for home and community care staff, as well as training gaps for home support workers and resident care aides. While training of NWT residents for jobs in health care was not part of the Auditor General's review, it is a key element in the stability and quality of a workforce that will of necessity include many southern hires. The Committee was pleased with the input received from DHSS on this topic.

Successful training of northern health workers requires solid collaboration between DHSS; the Department of Education, Culture and Employment (ECE); and Aurora College. Training and educational opportunities delivered by ECE and Aurora College must be flexible enough to meet the needs of the health system, and produce graduates who meet accepted standards. The Committee strongly supports the development of home-grown health care workers who have the added advantage of knowing local people, traditions and communities. In this area, DHSS, ECE and Aurora College should build a strong cooperative relationship that will advance the goals set out in "A Foundation for Change".

MEASURING AND REPORTING ON PERFORMANCE

Only limited information is reported to the Legislative Assembly and the public on the performance of the NWT health care system. The Auditor General found the lack of system-wide performance indicators at the root of this problem.

There is still no agreement between DHSS and health authorities on a set of performance indicators, yet these indicators are essential, along with a risk management framework, to system-wide evaluation.

DHSS has not published a territorial Health Status Report since 2005, although a new one is in the works. Overall, there is no clear picture of how the health system is performing. Measurement and reporting must be improved. Given

these facts, the Committee emphasizes that DHSS must remedy this by 2012-13, as agreed in paragraph 81 of the Auditor General's report.

Recommendation 5

The Standing Committee on Government Operations recommends that the Department of Health and Social Services and the health authorities:

- **develop a set of system-wide performance indicators and identify key data requirements;**
- **develop a program evaluation plan setting out areas it plans to evaluate; and**
- **regularly inform the Legislative Assembly and the public about the performance of the NWT health care system.**

CONCLUSION

The Committee recognizes that DHSS staff have faced tremendous challenges during the first years of the 16th Assembly. It is no small feat to overhaul the health system, incorporate new technology, and directly oversee three of the eight health authorities while supporting quality, day-to-day care under considerable fiscal pressure. Committee members heartily congratulate DHSS' and the authorities' staff for these achievements.

However, the Auditor General's review confirms there is still much work to be done. Committee members are confident that DHSS, the health authorities, and the Department of Human Resources are up to the task, and will diligently implement the Auditor General's recommendations. The Committee is also confident that the Standing Committee on Social Programs will assist in supporting that work.

Recommendation 6

In light of the time remaining to the 16th Legislative Assembly, the Standing Committee on Government Operations recommends that the Government of the Northwest Territories provide a comprehensive response to this report within 90 days.