

Investigation Report Stevenson Memorial Hospital (SMH)

**Submitted to:
The Honourable Sylvia Jones
Minister of Health**

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1. EXECUTIVE SUMMARY

Stevenson Memorial Hospital (SMH) has a long, proud history of providing care and enjoys strong community support. Located in Simcoe County's Town of New Tecumseth, specifically in Alliston, it serves a rapidly growing community with a flourishing automotive industry that attracts thousands of new residents each year. The current and future citizens of New Tecumseth and surrounding areas deserve reliable high-quality patient care from their local hospital.

However, as it approaches its 100th anniversary, SMH struggles to provide safe, accessible care while making the best use of limited taxpayer dollars.

Recently, the hospital has suffered a series of disruptive changes, a decline in organizational performance, a culture of mistrust and fear, revolving-door leadership, chaotic destabilization, and significant financial challenges. The Investigators observed a lack of transparency and strategic thinking at the senior leadership level. In the aftermath of the pandemic, integral and hard-to-recruit healthcare professionals were laid off and clinical closures were threatened.

The Board of Directors of SMH is an enthusiastic, well-meaning group of volunteers committed to its local hospital and community. However, in the opinion of the Investigation Team, the board demonstrates weak governance practices, has not been made aware of the hospital's true operational status, does not provide the monitoring and oversight necessary to provide quality care and financial stability, and has not demonstrated an ability to lead change.

The biggest worry, however, is safety and quality of care at the hospital, which does not have an embedded "culture of safety" for patients or its workforce. Quality is threatened by the lack of a structured quality framework, inadequate staffing, and urgent safety issues. The Investigation Team is so concerned about safety that it recommends immediate external reviews for two key areas of care – obstetrics (OBS) and diagnostic imaging (DI). Other clinical areas were also identified with serious risks. Alarm bells were rung so loudly about the quality of care at the hospital, that the Minister of Health (MOH), through an Order in Council, appointed an Investigator in February 2024.

The Investigator, along with four experts in their fields, conducted a deep dive into all aspects of SMH, including governance, leadership, quality of care, operations, and financial performance. At its conclusion, this investigation landed on similar recommendations that have been made three other times over the past 30 years. The best path toward sustainable, high-quality care is through integration with a larger hospital that can share its resources, expertise, and experience. SMH leadership and its governors, however, have resisted. Two of the proposed models had varying degrees of integration and both were rejected by the Board. The third model, based on management contracts with another hospital, was implemented but was ultimately discontinued.

Driven by the need to enhance and sustain quality clinical care at SMH, the Investigation Team's best advice is to pursue integration with a larger partner hospital. Recognizing that these decisions have broader implications, there are two other options for the Ontario government to consider:

- **Option #2:** A directed strategic partnership with strict timelines, metric deliverables within a quality framework and annual reviews. Neither party would have the ability to dissolve or alter the partnership without the expressed approval of Ontario Health (OH).
- **Option #3:** Status quo. The Investigation Team does not see this as a safe, viable option, or in the best interest of the community.

The overarching objective of this five-month investigation was to identify concerns and note strategies that would optimize the hospital's services and financial sustainability, ensuring safe, excellent care for the residents of New Tecumseth and surrounding communities.

The Investigation Team spent significant time listening and learning. To encourage frank feedback, the Investigator issued an anonymous employee and credentialed staff survey that yielded over 100 responses, significant for a hospital of this size. The community also has an invaluable perspective on its hospital and its services, so, in addition to a comprehensive

internal review, interviews were conducted with community leaders, local mayors, and provincial/federal politicians – current and past. More than 250 area residents also responded to a community survey. Additionally, the Chief Executive Officers (CEOs) of surrounding hospitals were interviewed to better understand their current relationship with SMH and to explore future opportunities.

While individual comments and perspectives varied throughout the robust stakeholder engagement process, two overarching themes emerged:

- 1. There is a strong desire for SMH to become a top-performing hospital providing safe, quality care.**
- 2. Stakeholders understand that decisive action is needed to ensure the hospital's sustained success.**

As with all small acute care hospitals, when the care needs exceed the resources or capabilities of the hospital, there must be clear, seamless pathways to safely and quickly move patients to the appropriate secondary/tertiary hospital. Those clear clinical transfer accountabilities are lacking at SMH and this has left clinicians in moral distress as they are unable to transfer higher-acuity patients with urgent health needs to appropriate sites for their care in a timely manner. This situation contributes to a deterioration in patients' health, disjointed clinical processes, clinician frustration, and a decline in volumes as patients proactively choose to go elsewhere for their care.

Leadership turnover in recent years has been staggering. Staff members remain remarkably dedicated to providing the best care possible, but the lack of consistent leadership, teamed with frequently working shifts under-staffed, has left them frustrated and exhausted. Despite the challenges, the Investigation Team met many employees and credentialed staff who were caring and skilled members of Team Stevenson. Many appreciated the opportunity to work and practice in a small hospital with a family feel. Unfortunately, due to the degree of unrest and uncertainty, their historical sense of optimism has waned.

To ensure safe, quality, accessible care, solid fiscal management, accountable leadership, and a positive work environment for employees and credentialed staff and volunteers, it is recommended that SMH be integrated with a larger hospital and that the integration take place under the leadership of a Supervisor appointed by the Lieutenant Governor in Council. A second option is a directed strategic partnership with strict timelines, metric deliverables within a quality framework and annual reviews under a Supervisor appointed by the Lieutenant Governor in Council.

There are many examples in Ontario of small hospitals successfully integrating with larger hospitals. The smaller site, such as SMH, becomes part of the larger hospital's "DNA" and all the support and expertise a large hospital has – clinical, quality, financial, and capital planning – all become available to the smaller site.

Seamless corridors of care open for the patient ensuring quicker access to specialized care while also easing the stress and burden on employees and the referring credentialed staff. Emergency care would be more streamlined. Services at the larger site, not currently available at SMH, would be extended to the Stevenson site.

SMH is outdated and overcrowded. The important capital redevelopment project has taken years to develop, in part, due to SMH's lack of planning expertise and governance oversight. Through integration, the project could advance more quickly. SMH would have access to the well-resourced and experienced planning department of the larger hospital, providing greater certainty of success of both, the construction and opening of the new facility which would be better equipped to provide services to the community.

Integration would provide many more opportunities for SMH and the patients it serves. With its dedicated, skilled, and optimistic employees and credentialed staff, the future of the SMH site is bright. With the ongoing support of its dynamic community and government at all levels, high-quality care would be available locally for generations to come.

The Investigator wishes to express her gratitude to the Ministry of Health (MOH) and Ontario Health (OH) for facilitating this work and supporting the Investigation Team with guidance and data.

It is important to note that the opinions expressed in the report are those of the Investigator and team and do not necessarily reflect the opinions of the ministry.

2. RECOMMENDATIONS

1	The Minister should recommend that the Lieutenant Governor in Council appoint a hospital supervisor for SMH (“Supervisor”) with the full powers of a supervisor under the <i>Public Hospitals Act</i> .
2	Based on the historical operations of SMH, including three previous reports recommending integration to varying degrees, the Supervisor should consider a mandate to integrate or direct a strategic partnership with a larger, more complex hospital to ensure a stable, long-term solution that meets the needs of the fast-growing community, ensuring alignment with the appropriate Ontario Health Team (OHT).
3	The Supervisor should immediately commence formal external reviews of obstetrical and diagnostic imaging services.
4	The Supervisor should consider the development of an integrated clinical services plan and a health human resources strategy that is equitable and inclusive.
5	Should the Supervisor determine an integration or directed strategic partner is the best strategy for the long-term sustainability of SMH, the Supervisor should develop criteria upon which to select the best-suited hospital and submit the criteria to the Ministry of Health and Ontario Health for consideration.
6	The Supervisor should work closely with a Community Advisory Committee to ensure a shared vision for the future.
7	The Ministry of Health should consider increasing the SMH base budget by \$1.5M and provide one-time funding of \$1.0M in fiscal year 2024-25.
8	The Supervisor should ensure that SMH’s redevelopment project continues to progress through the Ministry of Health capital planning steps with a strong capital planning committee and strengthened administrative oversight.
9	The SMH Foundation should consider inviting the integration or directed strategic partnership hospital President & CEO to become an ex-officio voting member of the SMH Foundation Board of Directors, as is common with many Ontario public hospitals.
10	The Supervisor should request postponement of the Accreditation Survey scheduled for November 2024.
11	The Supervisor should ensure the establishment of a comprehensive quality framework to monitor and ensure the highest level of patient safety.
12	The Supervisor should ensure the immediate review and recalibration of staffing on units, where staff qualifications and patient ratios align with accepted standards of practice for the acuity level of each unit.
13	The Supervisor should ensure the development of an organization-wide plan for improving the morale and culture with meaningful input from employees and credentialed staff.
14	The Supervisor should review the senior leadership team and organizational structure while providing leadership training opportunities for all administrative and clinical leaders.
15	The Supervisor should ensure that the hospital undertakes a comprehensive multi-year recovery plan and develops a financial strategy that is transparent and sustainable.
16	As part of an integration or directed strategic partnership, the Supervisor should develop early and genuine engagement of internal and external stakeholders, including Indigenous and Francophone populations, to ensure a shared vision of the hospital's future that reflects the community’s needs and concerns.

Note: A list of frequently used abbreviations is included in [Appendix A](#).

3. Introduction

Located in Simcoe County, Ontario, the Town of New Tecumseth and its surrounding communities enjoy a rich farming history, as well as a significant manufacturing base. The first Honda plant began automotive production in 1986 and, more recently, the federal/provincial governments jointly announced a \$15 billion program to enable Honda to build an electric vehicle plant in Alliston. It is projected there will be over 1,000 jobs added to the local economy from Honda alone, not to mention the many spin-off jobs. According to the Trillium Network, for every job on an automotive assembly line, seven to nine other jobs are added in the community! This boon will continue to fuel the urbanization and significant population growth of the region, particularly with a younger demographic. In fact, the municipality recently approved 6,500 new housing starts. This exciting growth and diversification will have a direct impact on the type and volume of clinical services required at SMH.

The first SMH opened in 1928 and moved to its current location on Fletcher Crescent in Alliston in 1964. Currently, SMH employs 400 people and credentials 147 professional staff including physicians, dentists and midwives. SMH has the benefit of 75 Auxiliary members and over 60 volunteers. In fiscal year 2023/24, SMH annual operating budget was approximately \$42 million. SMH employs approximately 20 leaders to manage the 32-bed hospital as well as 11 part time professional staff leaders.

Stevenson has been planning a capital expansion for many years. In November 2019, SMH received Stage 1 approval from the Ministry of Health (MOH) for its capital redevelopment project to expand on the current site. In September 2023, SMH submitted its application to the MOH Capital Branch for Stage 2.1 Block Schematics approval, which is currently under review. According to its website, SMH anticipates breaking ground on the redevelopment in 2025.

In the most significant public health crisis since the Spanish Flu more than a century ago, every hospital in Ontario responded to the ever-growing and rapidly changing COVID-19 pandemic. From March 2020 through to 2023, every member of SMH's healthcare team heroically stretched beyond their limits to respond to the needs of their community. The pandemic will be remembered as a time when healthcare workers pulled together like never before as high-functioning teams. But as the pandemic dragged on, healthcare workers were never more physically and mentally exhausted.

Government funding to support hospitals during the pandemic – critically and appropriately – flowed freely. Although it was made very clear to hospitals that this funding was one-time and not guaranteed into the future, SMH chose to use the additional one-time funding to create new, permanent staffing positions. SMH also introduced agency nursing for the first time in its history. Once the one-time pandemic funding ceased, SMH faced difficult financial decisions and responded by laying off staff in tough-to-recruit professions such as nursing, newly introduced respiratory therapy and security.

These staffing reductions added to the clinical quality, safety and security concerns at the hospital, as it recovered from the never-ending pressures of the pandemic. Many of the clinical staffing reductions were driven purely by finances and made without adequate consultation with key clinical groups. The staff reductions were widely covered in the media and public concern, combined with a lack of diplomacy toward government by SMH's Board Chair and Chief Executive Officer (CEO), raised concerns with Ontario Health (OH) and the MOH about clinical quality of care.

In fiscal year 2023/24, SMH's leadership requested additional financial relief representing 53% of its government funding for operating pressures. This amount far exceeded requests from peer hospitals and what was reasonable. Remediation efforts by OH were unsuccessful in engaging SMH leadership on a plan to address the organization's fiscal challenges. The hospital's deteriorating financial position led to tremendous uncertainty for staff and an inability for SMH to retain its workforce. SMH experienced remarkable turnover. Since the beginning of the 2021/22 fiscal year, 16 of 20 leaders have left the organization. Many inexperienced new leaders have been in their role for less than two years. Significant leadership turnover only added to the concerns about risks to patient care, particularly if more leaders resign.

It was these complex leadership challenges, along with governance, patient safety risks and an increasingly negative culture, that prompted the Ministry of Health to appoint an Investigator to conduct a comprehensive review of the ongoing concerns at SMH.

On February 7, 2024, the MOH informed the Board Chair and CEO of SMH that, through an Order-In-Council, the Minister appointed an Investigator to investigate and report on the governance, management, and quality of patient care of the hospital ([see Appendix B](#)).

Investigation Process

Phase I:

To establish a clear understanding of the governance and management of SMH, and more deeply appreciate why the investigation was required, in the first few weeks of the assignment the Investigator:

- Held meetings with the Board Chair, Vice Chair and CEO to review the Investigation Terms of Reference, outline the general process for the investigation, set expectations and answer questions
- Attended Board and Board Committee meetings and held individual interviews with every member of the Board including the Chief of Staff and the President of the Professional Staff
- Attended Administrative Management Committee (AMC) meetings (senior leadership)
- Met with the President & CEO, VP Corporate Services & Chief Financial & Information Officer (CFIO) and VP Clinical Services & Chief Nursing Executive (CNE) to gain a better understanding of the multiple proposals submitted to OH requesting additional funding
- Received an overview of the Capital Redevelopment Project and its status
- Established a confidential portal to consolidate all required historical documents including minutes, policies, proposals, and contracts, etc.

Phase II:

Once the Investigator had a clearer understanding of SMH's governance and leadership structures and processes, and better understood the approach for the multiple proposals submitted to OH, she recruited a team of experienced professionals to assist with the investigation ([see Appendix C](#)). By early-March, the following team members were introduced to SMH:

- Tab Carroll (Nursing Lead)
- Brian Edmonds (Finance Lead)
- Rachel Kean (Quality and Risk Lead)
- Dr. Tony Stone (Physician Lead)

The Investigation Team was on-site for tours and meetings but also met with SMH staff and professional staff virtually. To ensure everyone who works, practices or volunteers at SMH had an opportunity to share their perspective, an anonymous survey was issued, and 108 responses were received, significant for a hospital of this size. ([see Appendix D](#))

Additionally, to ensure community members had an opportunity to share their concerns and care experience, an anonymous survey was launched to which 261 responses were received. ([see Appendix E](#))

In addition to an internal engagement strategy, the Investigator also met with federal, provincial and municipal elected officials and community leaders. The team also interviewed OH and MOH from the Capital Branch and Ontario Health

Team Implementation and Supports Branch. Finally, the CEOs of the surrounding hospitals were interviewed to better understand their current relationship with SMH and to explore future opportunities.

The Investigation Team undertook a robust Stakeholder Engagement exercise, and collectively, met with more than 150 people during 82 interviews, in addition to two SMH Town Halls. [\(see Appendix F\)](#)

Finally, the team undertook an extensive document review reaching as far back as the Health Services Restructuring Commission (HSRC) 1996-2000, a variety of Ontario Hospital Association Small and Rural Hospital papers and other Investigator and Supervisor reports. [\(see Appendix G\)](#)

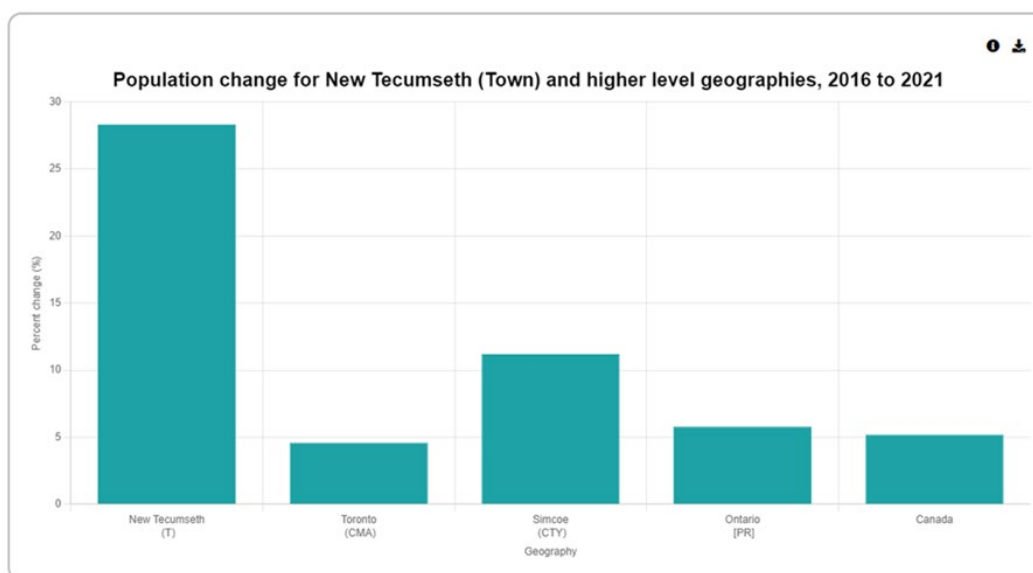
4. Background and Context

Background

SMH is a small community hospital with an emergency department (ED), an acute medical/surgical inpatient unit, a Level 1B obstetrical unit, day surgery, and an outpatient haemodialysis unit. It is also funded for four Level 2 (basic) ICU beds. The hospital has diagnostic imaging (including CT), pharmacy, lab, and rehab services as key supports and operates four Transitional Care Unit (TCU) beds at the Riverwood Retirement Home. It also has ambulatory clinics which support the community.

The hospital's primary geographic catchment area for SMH is approximately 82,000 residents living in New Tecumseth (Alliston, Beeton and Tottenham), Adjala-Tosorontio, Mulmur and Essa. Parts of Innisfil, Clearview, Mono, Shelbourne and Bradford West Gwillimbury add approximately 40,000 residents to the catchment area.

New Tecumseth is growing far faster than other towns in Ontario. Over the next 20 years, the population is estimated to increase substantially. The hospital must serve patients at both ends of the age spectrum. With 16% of this population currently over the age of 65 years, the hospital must support a broad range of chronic disease and geriatric needs. Meanwhile, many young families are moving to the area. Indeed, New Tecumseth recently approved 6,500 new housing starts, in response to the planned expansion of the local Honda manufacturing facility with 1,000 new jobs projected. With this growth, SMH anticipates significantly increased volumes in obstetrics, emergency and all major service categories. The much-needed redevelopment project has been in the works for many years, but the project is not anticipated to open for several more years.



Although, according to Stats Canada, SMH's primary catchment area reports zero people self-identifying as Indigenous, strong Indigenous communities do lie within the broader area that SMH serves: the Chippewas Tri-Council includes Beausoleil First Nation, Rama First Nation and Georgina Island First Nation. Also, members from Saugeen First Nation may

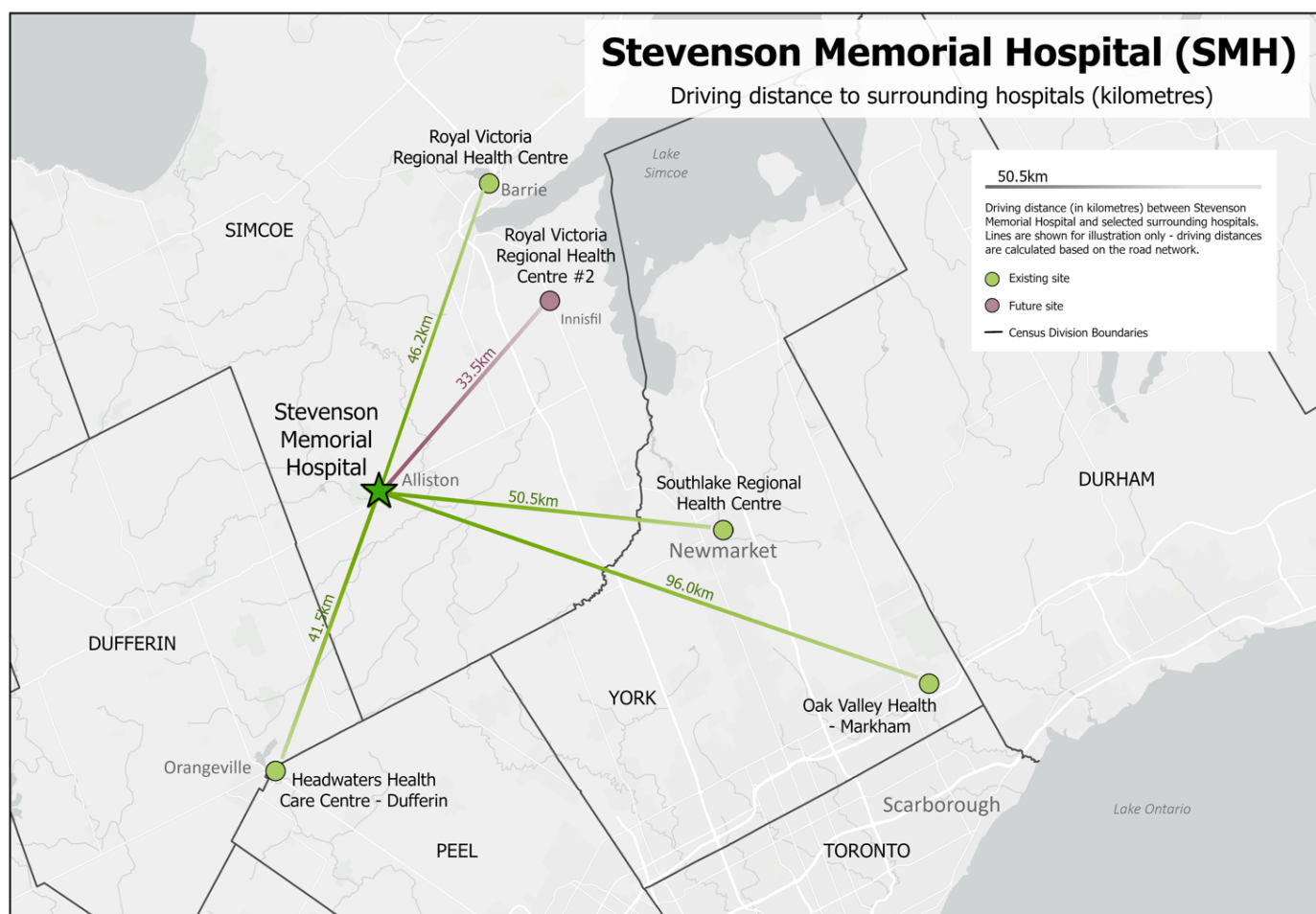
be served at SMH. The Métis councils that SMH supports are part of Region 7 with the closest council being the Barrie South Simcoe Council. Region 7 also includes the Georgian Bay Métis Council.

SMH is located in the Ontario Health Central region. While, geographically, it is almost in the centre of the region, with the relatively recent transition from the Local Health Integration Network (LHIN) model, combined with SMH's proximity to other hospitals and health services, the hospital has struggled to find its identity. The hospital was in the furthest northwest section of the old Central LHIN and bordered the North Simcoe Muskoka LHIN and the Central West LHIN. This presented significant challenges for patient discharges and care planning because healthcare services and community care varied across LHINs. The new Ontario Health Team (OHT) model is anticipated to integrate services and access for patients but is still in its early stages. For many years, SMH advocated strongly for the creation of its own OHT. Unsuccessful in that bid, it finally joined the established Northern York South Simcoe OHT in March 2024.

SMH is classified as a small hospital by the MOH and OH for funding purposes and therefore is not eligible to participate in Growth and Efficiency Model (GEM) or Quality-Based Procedure (QBP) funding. As a result, the hospital has received a base funding increase averaging 2% for the past several years. The organization is considered a medium-sized hospital for Pay for Performance (P4R) ED funding.

Proximity to Other Hospitals

SMH is located within 50 kilometers of Headwaters Health Care Centre (Orangeville), Royal Victoria Regional Health Centre (Barrie and its proposed future South Campus in Innisfil) and Southlake Regional Health Centre (Newmarket).



Stevenson Memorial delivers a lower-than-expected percentage of care to the communities it serves. Patients in SMH's catchment area are choosing to go to other hospitals for care. As a result, area hospitals in the immediate area, including Collingwood General and Marine Hospital (CGMH), Headwaters Health Care (HHCC), Royal Victoria Regional Health Centre (RVH) and Southlake Regional Health Centre (SRHC) have all seen an increase in emergency patient volumes beyond what

one would reasonably expect. Because this care by regional providers is not coordinated, it lacks the necessary processes to provide continuity of care for the patients of the communities served by SMH.

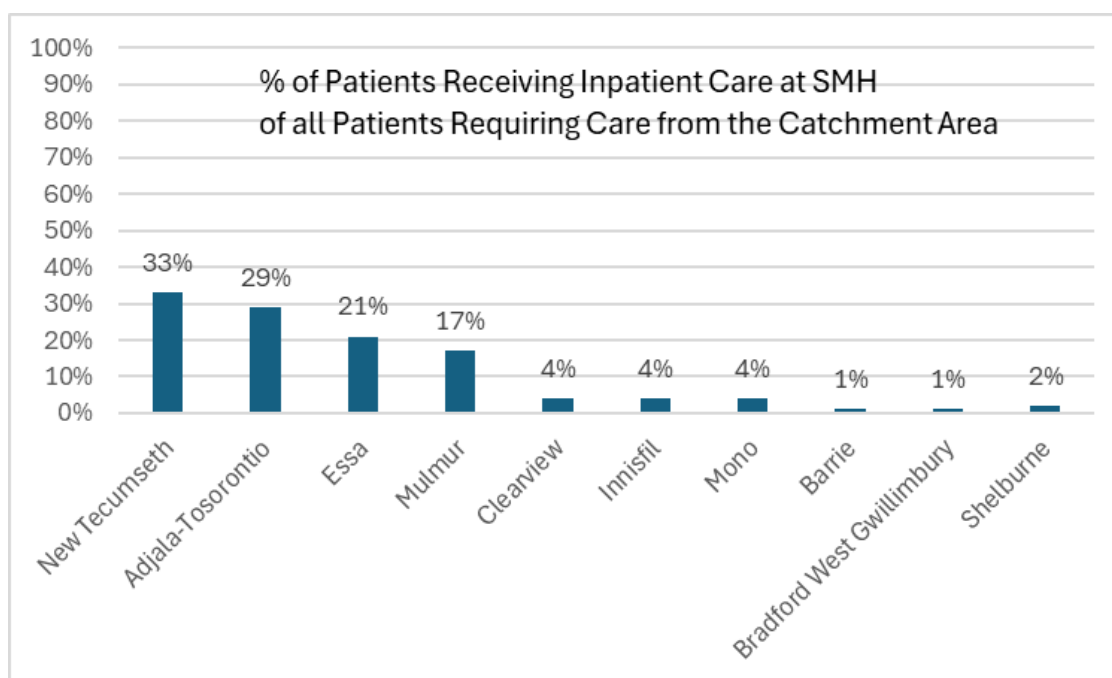
Community Comments about Travel for Care

An anonymous community survey supports the data that shows area residents are choosing to go to other nearby hospitals, travelling for care they could receive closer to home.

One respondent commented, “We have lived in this community all our lives, and this hospital is no longer meeting any of our needs especially when we’re in an emergency. To be honest I am afraid to go to this hospital now as the care is terrible.”

Another noted, “I think we are very fortunate to have a hospital in our own community, but it is so old and outdated with a lot of the equipment and the services of specialists that it is unable to provide all the care needed for the entire community.”

A similar comment was: “There are better hospitals in the area that can handle more complex needs so might as well go there instead of coming here only to be transferred to a different hospital for certain tests/ procedures.”



Lack Of Structured Relationships with Secondary and Tertiary Partners

SMH, like all small hospitals, depends on relationships with secondary/tertiary care partners to ensure high quality, safe patient care when specialist care and consultation is needed. In the absence of a formal structure, patient transfers are often dependent on the willingness of consultant physicians at larger hospitals to accept patients.

Unfortunately, SMH’s relationship with SRHC has not resulted in reliable patient consultation services or seamless pathways when care should be transferred to a secondary/tertiary centre. Not having those predictable pathways impacts patient flow (ED and inpatient) and creates unnecessary, often risky, delays in care.

On the other hand, SMH has built a strong formal relationship with the Regional Renal Program at RVH. This partnership provides consistent, reliable support for SMH dialysis patients. In addition, a new partnership has been forged between SMH’s ED physicians and the orthopedic team at Markham’s Oak Valley Health. While helpful, care paths and secondary/tertiary support should, ideally, be provided closer to home.

Context

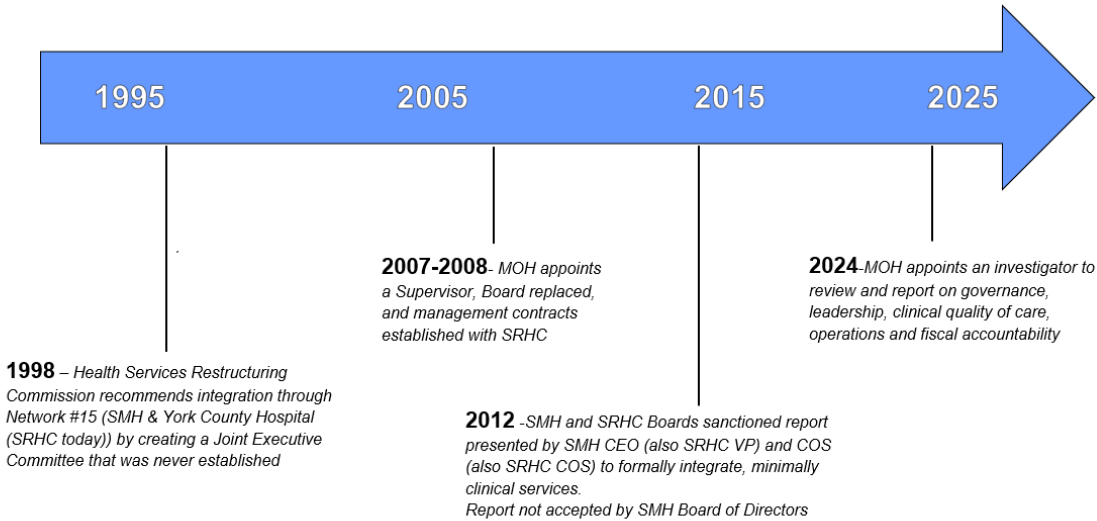
To gain a better grasp of the current state of unrest and uncertainty at SMH, and an understanding of the context and rationale for the recommendations, it is important to recognize the many significant, destabilizing changes that took place at SMH in less than 18 months:

- 2022/23** – The hospital reports its first significant deficit in five years driven, primarily, by the use of agency nursing and the decision to use one-time pandemic funding to hire permanent staff and introduce respiratory therapists to the clinical team.
- April 26, 2023** – Chief of Staff (COS) gives notice to resign 19 months into his three-year contract and steps down from the position July 31, 2023.
- July 1, 2023** – At the request of the Board Chair and CEO, the previous COS (Dec 2016-Dec 2021) is asked to return to the role of COS for a one-year term, and subsequently also resigned prematurely, stepping down from the position after 7 months on March 31, 2024.
- July 17, 2023** – The Board Chair informed the Investigator that the CEO submitted a formal letter of retirement to the Chair effective October 1, 2023, and weeks later rescinded the letter.
- February 7, 2024** – The Minister of Health, through an Order-In-Council, appoints an Investigator to report on the governance, management and quality of patient care at SMH.
- March 5, 2024** – The Board Chair informs the Investigator that the CEO has requested a path forward to leave SMH.
- April 1, 2024** – A new interim COS is appointed.
- April 2024** – The Board Chair announces the CEO’s retirement, effective May 30, 2024.
- April 2024** – The board forms a Search Committee for a permanent COS. (This process had not concluded at the time this report was written)
- May 2024** – The Board Chair announces an interim CEO, effective May 21, 2024, for the next six months with an option to extend.

Timeline of Previous SMH Reviews and Recommendations

As noted, since the late 1990s, in addition to this report, three other previous reviews recommended that SMH integrate to varying degrees, with a larger partner hospital as a way to improve access and quality of care.

History of Reviews



Analysis of Previous SMH Reviews and Recommendations

Recommendation #1 (1998)

In the late 1990s, Premier Mike Harris directed the creation of the Hospital Services Restructuring Commission (HSRC). The commission established “rural networks” which linked small hospitals with larger hospitals in a voluntary arrangement whereby the members of the “rural network” worked collaboratively to help all partners deliver better service to patients.

The HSRC recommended that York County Hospital, now Southlake Regional Health Centre (SRHC) and SMH form a “rural network” (Alliston/Newmarket Hospital Network #15). The primary goal of the HSRC rural network was to ensure patients would receive the best-coordinated care in a rural setting, bridge the gaps in service, share clinical expertise (i.e. medical backup for coverage, especially obstetrics), and create joint programs including ED, OBS, psychiatry, surgery, and specialty programs to optimize access, patient flow, and efficiency for patients in the SMH and SRHC catchment areas.

The HSRC directed the creation of an Executive Committee from both hospital boards (SMH & SRHC) and management to consider the recommendation to become more integrated, but the Executive Committee rejected the concept. HSRC requested a deeper review, but the recommendation was similarly rejected.

Recommendation #2 (2006)

In 2006, SMH was facing a community crisis when the SMH Board of Directors supported the former CEO’s recommendation to close the obstetrical program at SMH. The community responded very negatively, purchasing hundreds of memberships to attend the 2007 Annual Meeting of the SMH Corporation. Just days before the Annual Meeting, the entire Board of Directors resigned.

In June 2007, then Health Minister George Smitherman appointed Mark Rochon as the Supervisor of SMH and in December 2008, the new Health Minister, David Caplan, accepted Rochon’s Report of the Supervisor. During the period of supervision, Mr. Rochon established a new SMH Board of Directors. As well, several management contracts were established with SRHC, including clinical services and clinical support functions. One of the management contracts was the cross-appointment of two SRHC Vice-Presidents who consecutively took on the role of President and Chief Executive Officer of SMH until 2014. Following the two Vice Presidents returning to their roles at SRHC, director level leaders were invited to express interest in the role of SMH CEO. Through this internal process at SRHC, in 2014, the Director of Mental Health Services became SMH President and CEO and held this position for ten years. According to the SMH CEO, in 2017, SRHC cancelled all management contracts with SMH resulting in the SMH Board of Directors choosing to independently retain the current CEO and operating funds having to be redirected to hiring independent managers and directors in areas that were no longer covered through SRHC management contracts.

Recommendation #3 (2013)

With the hospital still struggling, in 2013 the SMH and SRHC Boards of Directors directed the SRHC-appointed CEO (SRHC VP) and SMH Chief of Staff (also SRHC COS) to assess SMH’s future. After extensive community and hospital stakeholder engagement, they developed a report that recommended the two hospitals integrate. The March 20, 2013, report submitted to the Board of Directors of SMH and SRHC was entitled, “Report on Clinical Services Integration”.

This recommendation was rejected by the SMH Board of Directors. Instead, the board recommended SRHC continue to provide management services under independent agreements.

Over the years, some of these contracts have been terminated while others have been watered down to the point that very few still exist in their original form. The existing contracts do not have clear accountabilities and key performance indicators (i.e. pharmacy), creating conflict between the sites. The lack of clear clinical transfer accountabilities in other contracts has left clinicians extremely frustrated with the inability to get higher level acuity patients with both mental health and medical needs to appropriate sites for their care. In their place, contracts have been developed with other hospitals, or SMH is now providing the service on its own. This situation has contributed to disjointed clinical processes, deterioration of care, and a decline in the volume of patients that one would expect from the hospital.

Integration comes in varying degrees and models, including strategic partnerships, joint ventures, and amalgamations. However, the Investigation Team, based on its significant, collective healthcare experience – coupled with its evidence-informed, five-month investigation – believes integration with a larger hospital is the best, safest path forward for SMH and the community it serves. The Investigation Team also recognizes that these decisions have broader implications and therefore offers two other options for government.

- **Option #2:** A directed strategic partnership with strict timelines, metric deliverables within a quality framework and annual reviews. Neither party would have the ability to dissolve or alter the partnership without the expressed approval of Ontario Health (OH).
- **Option #3:** Status quo. The Investigation Team does not see this as a safe, viable option, or in the best interest of the community.

Benefits of Integration

Integration between a smaller site(s) and a larger hospital ([see Appendix H](#)) has worked well and benefited patients in many communities, such as:

- Lakeridge Health/Port Perry
- Oak Valley/Uxbridge
- Quinte Health Care/North Hastings/Picton
- Halton Health/Georgetown
- Mount Sinai Health Systems/Bridgepoint Hospital
- UHN/Princess Margaret Cancer Centre/Toronto Rehab/Toronto Western/West Park Healthcare Centre

These hospitals all demonstrate evidence of delivering regional tertiary and secondary services, a positive culture, an effective quality framework, strong governance practices, financial stability, redevelopment expertise and a programmatic model that functions with management/physician dyads.

SMH patients regularly face delays in transfer for their acute care needs, during which time their health can deteriorate. An integrated relationship with a larger hospital would give professional staff at SMH more time to care for patients in their own community while allowing patients with more complex acute care needs timely transfer to higher acuity services. A strong example of this is the dialysis strategic partnership between SMH and RVH that supports the seamless flow of higher acuity patients without barriers or delays.

Integration or a directed strategic partnership would support the development of an integrated Clinical Services Plan and a Health Human Resources Plan. This would support the stabilization of medical models. Integration or a directed strategic partnership would also support services such as laboratory, pharmacy and diagnostic imaging. An effective integration or directed strategic partnership with a large hospital would allow for shared health human resources and other “back-office” services.

Integration or a directed strategic partnership with a larger hospital would also allow SMH access to more capital dollar opportunities for program sustainability, and advancement in information technology and artificial intelligence. This has, minimally, been attained through the Southlake/SMH Pharmacy memorandum of understanding (MOU) that has Southlake supporting the commissioning of Automated Dispensing Units. However, the MOU does not clearly define deliverables, accountabilities, or key performance metrics either party can rely on. In a directed strategic partnership, the accountabilities and deliverables for the back-office support would need to be much clearer and neither party could dissolve or alter the partnership without expressed permission from Ontario Health.

A more supportive infrastructure for a wide variety of hospital services, including redevelopment, quality, strategy, organizational development, change management, project management are all key elements that would be supported through integration or a directed strategic partnership which has been proven in examples such as RVH and Georgian Bay General Hospital (GBGH) Quality, Information Technology and Decision Support Services.

5. QUALITY, SAFETY AND RISK

Related Recommendations:

- **The Minister should recommend that the Lieutenant Governor in Council appoint a hospital supervisor for SMH (“Supervisor”) with the full powers of a supervisor under the *Public Hospitals Act*.**
- **Based on the historical operations of SMH, including three previous reports recommending integration to varying degrees, the Supervisor should consider a mandate to integrate or direct a strategic partnership with a larger, more complex hospital to ensure a stable, long-term solution that meets the needs of the fast-growing community, ensuring alignment with the appropriate Ontario Health Team (OHT).**
- **The Supervisor should immediately commence formal external reviews of obstetrical and diagnostic imaging services.**
- **The Supervisor should consider the development of an integrated clinical services plan and a health human resources strategy that is equitable and inclusive.**
- **The Supervisor should request postponement of the Accreditation Survey scheduled for November 2024.**
- **The Supervisor should ensure the establishment of a comprehensive quality framework to monitor and ensure the highest level of patient safety.**

Safe, quality care is the primary mission of every hospital. It is what each Ontario community expects and deserves. SMH is committed to serving its community and delivering high-quality care. However, there are limited skill sets within the organization to drive a comprehensive quality agenda effectively.

Leadership is inconsistent, policies and procedures are deficient, internal stakeholder engagement is not consistently followed-through and the use of data for quality assurance and quality improvement is lacking. A clear line of sight to overall quality is limited due to these deficiencies. At the same time, significant quality and safety risks were identified during the investigation and need to be addressed as soon as possible.

When asked “Who owns quality at SMH?,” most staff and professional staff referred to the Quality and Risk department. When the Interim Director, Quality, Risk and Patient Experience was asked the question, they referred to the board and “everybody.” It is evident to the Investigation Team that a shared ownership of quality is not embedded throughout the organization.

There was no evidence of a formal policy management structure, and it was noted that programs are responsible for their own policies. Many quality policies are missing or outdated, although work is underway to update many of their policies in anticipation of the Accreditation Canada survey scheduled for this year.

SMH leadership has identified that a quality framework is lacking and has recognized a need to improve awareness of quality, quality improvement, and requirements under *Public Hospital Act* and *Excellent Care for All Act*.

SMH does have a risk reporting system, but in interviews with the clinical chiefs, it was clear they did not feel they had the tools, training, or support to report a concern through this system and have it acted on.

Employees and physicians, who were interviewed or surveyed, have expressed concerns related to quality care and safety. They detail working short-staffed, without appropriate equipment, and in areas they are untrained for.

It is important to note that there have been several changes in leadership within the Quality and Risk Department over the last few years. When asked if a Quality and Safety Council was in place, typical at most hospitals, the interim director noted that SMH was too small, but did share materials related to a Hospital Quality Committee.

Community Perceptions of Quality

An anonymous survey ([see Appendix E](#)) was issued to the community through multiple social media channels and was promoted through the local news and radio websites. In total, over 250 surveys were collected and some patients who recently received services were contacted directly.

There were varying opinions of the hospital supporting the data that shows area residents are choosing to go to other nearby hospitals, travelling for care they could receive closer to home.

Just over half of the respondents reported preferring to use SMH for emergency care while others were willing to travel outside of the area for care. Alarming, only one-third of respondents said they would recommend SMH to their family or friends.

The respondents' comments also demonstrate very diverse opinions about SMH. While some respondents appreciated SMH's small hospital feel, many wanted access to a larger hospital with more specialized services and resources. An integrated model with a larger hospital would offer "the best of both worlds" to the community members.

One respondent wrote: "This hospital is a cornerstone of our small community and the surrounds. The current location meets the needs for the current population but with growth plan projections to double in size in 30 years we need to move this hospital to a location where it can grow but remain connected to our community."

Community Leader Interviews

If a community leader indicated they had received care at SMH, generally they were satisfied with the care. However, they consistently remarked that the clinical areas were dirty, and the building was old and cluttered further strengthening the consistent themes observed and highlighting a lack of priority of the overall patient experience. If the patient required more complex clinical issues, those interviewed noted SMH was unable to deliver on their expectations and they were grateful to have regional health centres such as RVH and SRHC in proximity to ensure continuity of care.

Patient Safety Incidents

In healthcare, an incident can be broadly described as an adverse or unfavorable event that harms, or has the potential to harm, a patient, care provider or others. Incidents are broadly categorized as: near miss (did not reach the patient but has the potential to cause harm); no harm (reaches the patient but did not cause harm); harm (reaches the patient and causes harm that requires additional monitoring or treatment); and critical (reaches the patient and causes severe disability, harm, or death).

According to the Canadian Institute for Health Information (CIHI) in 2022/23, 1 in 17 patient hospital stays in Canada involved at least one harmful event. A healthcare organization that does not have a high number of reported incidents is not necessarily a safer place to receive care. It is often more indicative that hospitals, such as SMH, are not encouraging incident reporting, and in fact, incidents are occurring without administration and others being aware.

"Just culture" can broadly be defined as a culture whereby everyone understands their responsibility as it relates to safety and is accountable to alert potential risks in an environment of openness and transparency, without fear of reprisal. Proper collection of incident data in healthcare organizations that have a just culture, can identify safety concerns, and reduce potential future harm by developing mitigation strategies. With proper data collection, trending can occur to highlight areas of concern. As well, recommendations and opportunities from reviewing reported incidents can be applied throughout the organization. In the opinion of the Investigation Team, SMH does not demonstrate a just culture.

SMH lacks a well-designed quality framework for evaluating potential critical incidents. This is particularly relevant given the *Public Hospital Act* requirements guiding critical incident reviews and reporting. The Investigation Team found many frontline staff had no idea how to even report a safety incident into the Incident Management System.

It is noteworthy that relevant clinical leaders are not brought together to review the facts of significant patient safety incidents, contrary to best practices and SMH internal policies. Criticality of incidents is, in fact, determined independently by the Quality and Risk department. SMH leadership claims the hospital has not experienced a critical incident in several years. At the same time, staff and professional staff have alluded to potential critical incidents having occurred.

The Investigative Team was unable to find evidence that any critical incidents, under the *Public Hospital Act* definition, have been reported to the Medical Advisory Committee (MAC), AMC, or the Board of Directors Quality Committee over the last several years. Furthermore, there is no evidence that any adverse events were designated as potentially critical, thereby triggering a critical incident review.

While summaries of quality care reviews from some patient safety incidents are brought to the AMC and the Board of Directors Quality Committee, a process of accountability and follow-up on outstanding recommendations and incidents is lacking.

It should be noted that quality of care reviews on other adverse events are being completed and are brought to AMC and the Board Quality Committee. However, a process of accountability to catalogue outstanding incidents and recommendations, and to ensure the recommendations have been reviewed and operationalized (where appropriate), does not appear to be in place. In addition, there is no evidence of shared learnings and Plan-Do-Study-Act exercises resulting from reviews.

Security

SMH leaders defer to their Electronic Medical Record (EMR) partnership with SRHC for information related to cyber security. Leaders interviewed did not indicate they have awareness of cyber security prevention or steps SMH can take to avoid a threat of cyber-attack.

During the pandemic, with the assistance of temporary COVID-19 OH funding, SMH was able to increase the number of security officers to two full-time FTEs. However, since the pandemic temporary funding ceased, SMH now operates with one FTE security officer. If a patient requires constant observation to keep themselves and the hospital staff safe, that becomes the security officer's primary responsibility. This leaves a gap if other patients require security support, or staff require security assistance. Leadership for this area has advocated for additional resources, highlighting the risk to patient and staff safety, however, their request has been declined due to budget pressures.

Mortality & Morbidity Rounds

Mortality and Morbidity (M&M) rounds play a crucial role in improving patient safety within hospitals. They allow the care team to review adverse events, complications and deaths. By analyzing these cases, clinicians can identify medical errors, system failures and areas for improvement. M&M rounds were introduced by the former COS (Dec 2021 – July 2023). These rounds are led by the Professional Staff Association but are not interdisciplinary. The Quality and Risk department is not involved in M&M rounds, however, the Interim Director states they have access to a shared folder to review material.

Data and Quality Improvement

The Quality and Risk Department is responsible for updating the performance scorecard which is shared with AMC and the Board of Directors Quality Committee. In review of the Clinical Program Council minutes, there was minimal identification of key performance indicators in the minutes. When questioned, there was a general lack of understanding of the use of data to improve decision-making. In discussions with many clinical team members there did not seem to be an understanding of key clinical metrics being tracked. Medical leaders expressed a strong desire to deliver high quality

care and felt that the quality of care being delivered at SMH is generally excellent. However, department chiefs noted that there were few clinical indicators being tracked for quality assurance.

Leveraging data for quality improvement appears to be lacking at SMH. At an AMC meeting attended by two members of the Investigation Team, the emergency team presented its data for Pay for Performance Results (P4R) and indicated that several of the data points were wrong and “must be a coding problem.” There does not seem to be a process improvement plan or a method for ensuring data collection and/or coding is reviewed for accuracy. While the P4R data has been provided to SMH for some time by the RVH-outsourced Decision Support team, the information does not appear to be routinely discussed or utilized.

During the investigation, mandatory publicly reported indicators on the SMH website had not been updated since 2018/19. When asked if this was an error, a senior leader responded that they likely had just not been updated. There was little to no evidence of training and broad awareness of Vanessa’s Law, Never Event Reporting, or National System for Incident Reporting (NSIR), all knowledge considered foundational for a quality-focused organization.

Accreditation

Related Recommendation:

- **The Supervisor should request postponement of the Accreditation Survey scheduled for November 2024.**

SMH received Exemplary Status during its last survey in 2021. The hospital’s next survey is scheduled for November 2024, and preparation is currently underway. When the Investigation Team asked whether a pause would be considered until a response to the investigation report becomes clear, allowing SMH to focus on its urgent quality and safety issues, the answer from an SMH leader was that a pause “would not be entertained.”

6. CLINICAL SERVICES

Related recommendations:

- **The Supervisor should immediately commence formal external reviews of obstetrical and diagnostic imaging services.**
- **The Supervisor should ensure the immediate review and recalibration of staffing on units, where staff qualifications and patient ratios align with accepted standards of practice for the acuity level of each unit.**

Obstetrics

According to the Provincial Council for Maternal and Child Health (PCMCH), SMH is a Level 1b perinatal and birthing service. By definition, Level 1b is defined as fetuses with a gestational age greater than 36 weeks, singleton, low risk pregnancies and where inductions and caesarian sections (c-sections) are permitted. Please see PCMCH chart below for the Level 1b criteria that must be met 24/7.

Gestational Age	Level 1b ¹⁷		
≥ 36 weeks and 0 days	Definition	<ul style="list-style-type: none"> • Singleton pregnancies. • Low risk pregnancies.¹⁸ • Hospital can provide caesarean section which would allow for a planned birth for a person who may be 1) requiring induction of labour and 2) at a higher risk for caesarean section. 	
	Criteria		Availability
	Labour analgesia (example: PCA narcotics or nitrous oxide)		24/7
	Electronic Fetal Monitoring		24/7
	Outlet vacuum assisted vaginal delivery		24/7
	Administration of blood products		24/7
	Augmentation and Induction of Labour		24/7
	Caesarean Section		24/7
	D&C		24/7
	Designated Level 1 for neonatal care		24/7
	Healthcare Providers	<ul style="list-style-type: none"> • Assessment and care by an anaesthesiologist or family physician (FP) anaesthetist for operative deliveries. 	

In the past at SMH, obstetrics was a stable service that was fully staffed by three FRCP (Fellowship of the Royal College of Physicians) obstetricians/gynecologists. However, after the departure of a former COS (Dec 2021 – July 2023), who was also an obstetrician, from August 2023 to April 2024 the obstetrics service had been on redirect 49 times. A third obstetrician/gynecologist is needed to stabilize this service. The obstetrical program does have a stable midwifery service. It should be noted that there are no family medicine physicians providing obstetrical services at SMH.

More OB™ was in place as a recognized and evidence-based safety and performance improvement program. However, due to budget pressures, this program was cut several years ago. In interviews with obstetrical staff, they indicated that skill drill training has not been maintained and that new hires were not properly trained to independently manage obstetrical emergencies, such as prolapsed cord, shoulder dystocia and other obstetrical emergencies reviewed in detail by the More OB™ program. Training records provided by the manager of obstetrics demonstrate that only one nurse is current in Fetal Health Surveillance (FHS) training. The lack of training, coupled with the fact that 11% of all shifts (one in 10 shifts) in 2023, had only one obstetrics trained nurse on the unit, posed a substantial quality and safety risk to mothers and babies.

During the 12 months from January to December 2023, 77 shifts had only one trained obstetrics nurse on the unit ([see Appendix I](#)). Of those 77 shifts, 62 percent had the manager as the backup nurse, and 38 percent had no second nurse backup plan at all. The manager did not have current Neonatal Resuscitation Program (NRP) and Fetal Heart Rate Monitoring (FHM) training. Of additional concern, in four of these 77 shifts, the manager was the only nurse on the unit ([see Appendix I](#)).

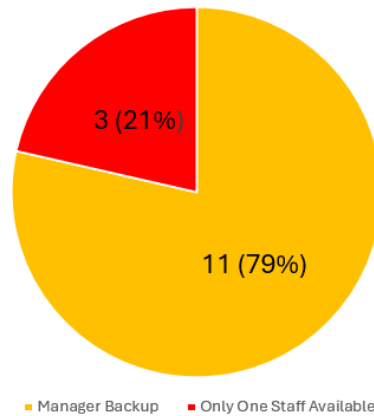
Alarmingly, one nurse stated, “Over the years, I would never go so far to say we were safe, but we were safer than we are now.” The obstetrical nurses interviewed indicate that nurses are leaving the SMH obstetrical program due to concerns about their professional license including:

- working independently on a unit without appropriate backup for obstetrical emergencies
- working with new staff members without sufficient training and experience
- being reassigned to other units during redirect in areas that they do not have sufficient training

The nursing team also expressed concern with medical response to calls for support from the obstetrical unit. They indicated that one of the two obstetricians often takes call from a distance that is significantly longer travel time and inconsistent with MAC and departmental policy.

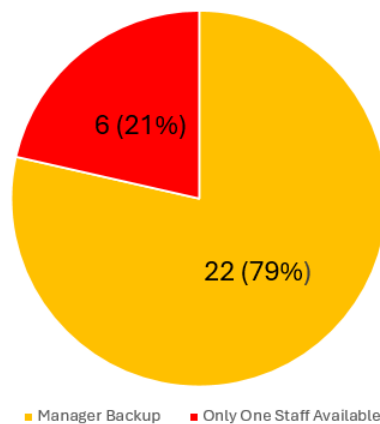
Availability of Obstetrical Staff for the Year Ended December 31, 2023

of Shifts with Induction Performed with Inadequately Trained Staff (14)



Availability of Obstetrical Staff for the Year Ended December 31, 2023

of Shifts with Births with Inadequately Trained Staff (28)

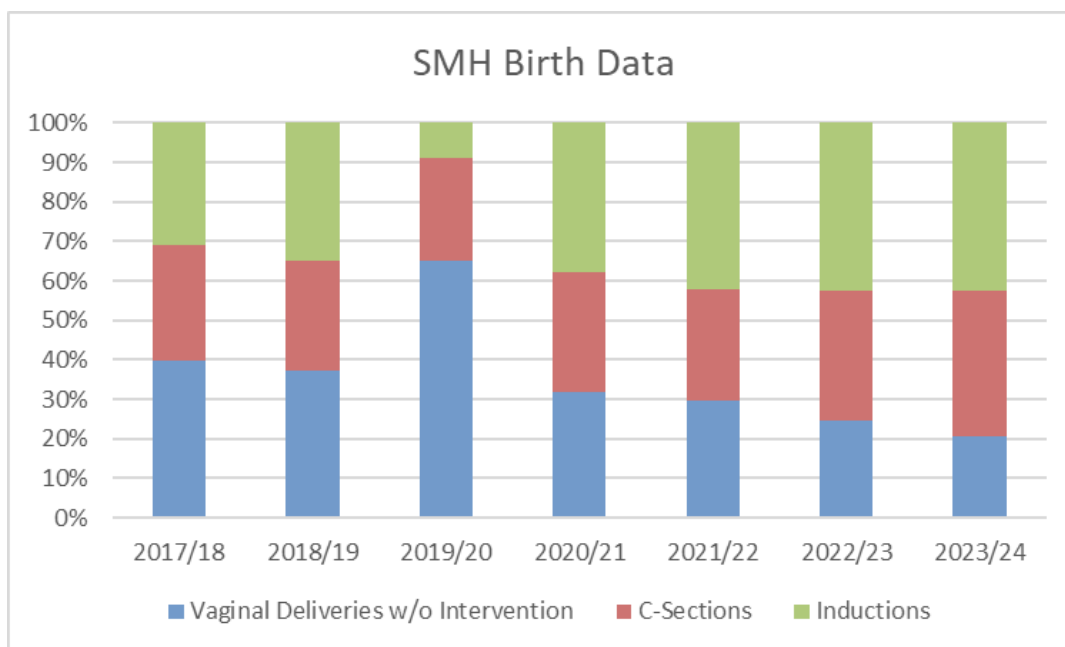


In interviews with obstetrics staff, it was indicated that the department does not go on bypass if there is only one obstetrics nurse working, even though the SMH Obstetrical Redirect and Closure checklist indicates insufficient nursing staffing as a reason for redirect. Nurses indicate they work with their cell phones in their pockets so they can call obstetricians for help if a labour emergency occurs that will not allow them to leave the room (i.e., prolapsed cord).

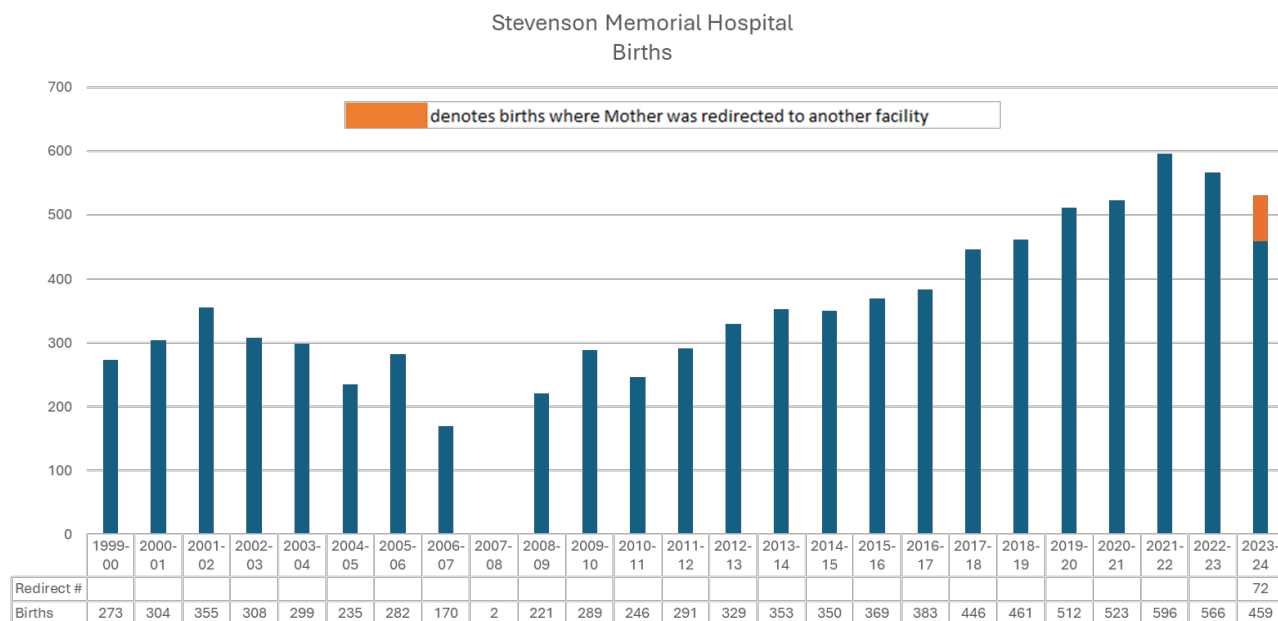
The obstetrics group surmised that the obstetrical service does not go on redirect when they don't have safe nursing ratios because they are already on redirect too often due to obstetrician and anaesthesia shortages. Data supplied by the obstetrics manager shows that in 2023, 28 deliveries took place with only one obstetrics nurse on duty or with inadequately trained nursing back-up (some of these deliveries were caesarian sections). In addition, 14 inductions took place with inappropriate nursing coverage (single nurse coverage or inadequately trained backup). These situations introduce significant risk to obstetrical patients due to a lack of appropriate staffing.

Many of the midwives and the nurses expressed concern about the redirect practices and conflicting directions they receive. In the focus group, they stated they have been told by senior leadership that they are not to assess a patient when they are on redirect. However, a former Chief of Staff (Dec 2021 - July 2023) advised they should *always* assess a patient prior to redirecting. The nurses indicated they have assessed patients and received “flack” from leadership. The SMH Obstetrical Redirect and Closure policy states “If a patient arrives and it is evident that it is not safe to transfer this patient, the patient will be under the care of the Emergency Room physician and cared for by the obstetrical nurses.” To determine this, some type of nursing assessment would be required and there does not seem to be support from leadership to conduct and document this assessment.

The Investigation Team noted a concerning increase in inductions and c-section rates, along with a corresponding decrease in vaginal births over the past few years (see SMH birth data below). As a Level 1b obstetrical service, SMH should be focused on full term, low risk pregnancies requiring fewer inductions and c-sections (major abdominal surgery), compared to Level 2 and 3 hospitals which care for higher risk pregnancies and have significantly more clinical support for moms and babies in the event of a negative outcome. The Investigation Team was told by the obstetrical focus group that inductions are being done to support the availability of the obstetricians allowing the delivery to take place at SMH and not necessarily due to patient readiness. The focus group indicated that midwives have had to support induction interventions for their patients so that they can participate in the delivery, acknowledging that a midwifery experience is to support a more natural intervention-reduced delivery. Furthermore, inductions of a delivery to support provider availability, rather than mom and baby need, can put the patient at higher risk for c-section versus a vaginal birth as is reflected in the change in the SMH birth data below.



Neighbouring hospitals that are the recipients of these redirected obstetrical patients have provided feedback that there is no formal notification process and notification may arrive as the weekend is commencing. This places a significant burden on other hospitals in the region. Seventy-two babies who were expected to be born at SMH have been born at other sites in the last year. See chart below for additional details.



Diagnostic Imaging (DI)

Related recommendations:

- **The Supervisor should immediately commence formal external reviews of obstetrical and diagnostic imaging services.**
- **The Supervisor should ensure the immediate review and recalibration of staffing on units, where staff qualifications and patient ratios align with accepted standards of practice for the acuity level of each unit.**

The Diagnostic Imaging (DI) Program at SMH is at risk. One radiologist does most of the coverage and two other temporary locum physicians provide regular support. Overnights and weekends are largely outsourced to Canadian Teleradiology Services, a virtual radiology service. While the radiology service has not had any gaps in professional staff coverage, this service is at risk if the full-time person becomes unavailable.

Multiple members of the DI team expressed safety concerns as a result of the inability to appropriately staff X-ray and CT services. This has been a significant source of frustration for the ED physicians and staff who were interviewed. It was indicated that there have been times when SMH has not had any staff for hours to manage their X-ray and CT modalities.

In data provided by the manager of DI, it was demonstrated that from January 20, 2024, to April 12, 2024, there were 77.5 hours that SMH had no staffing available for X-ray and CT services. On 16% of the days during this timeframe, there were gaps in the DI service due to an inability to schedule staff and routine downtime. One ED physician specifically noted a shift where he had worked for six hours without any X-ray and CT support. An ED nurse recalls one shift when a patient urgently needed a chest X-ray. The nurse reached out to the director on-call because there was no staff in DI. The director recommended that the ED physician should go on transport with the patient, leaving the hospital without appropriate physician support.

SMH does not have a CT/X-ray redirect policy. It has, however, developed a DI CT downtime process which describes the notification process to SRHC ([Appendix J](#)). Despite OH requesting downtime notification, there is not a policy in place to assist staff to better understand the proper reporting process, including notification to OH of the DI redirects. In an interview with two individuals from OH, it was confirmed that obstetrics redirects are reported regularly to them, but CT/X-ray redirect has only rarely been reported. SMH's DI staffing issues are continuing to grow, and management

indicates that the May and June 2024 schedules are at significant risk of being inconsistent and unstable due to sick leaves, accommodations and the lack of part-time staffing. This is a growing crisis for SMH.

In addition to the staffing issues, staff identified a distressing culture of bullying and harassment that they fear has become part of the fibre of the DI department. SMH has a Code of Conduct Policy but multiple DI staff members indicated it is not enforced. In interviews with the DI team, there were multiple references to alleged bullying and harassment across the entire team. Examples of the allegations include:

- negative communication, even when not at work;
- sharing employee performance within the department;
- yelling at technicians for not complying with requests; and
- raising voices and allegations of derogatory names being used

Staff indicated that management is aware of these issues and, as a result, a team lead role was created to reduce interaction with the person identified as the harasser. Staff members shared, they do not report the incidents to Human Resources for fear of being identified and bullying behaviours becoming more intense. The CEO acknowledged the concerns regarding inappropriate behaviour and shared that he has had many conversations with the individual. No documentation of these conversations were provided to the Investigator, which would be expected in a progressive discipline process.

Leadership has not been able to effectively address this issue, and senior leaders say it is due to a contract issue affecting recruitment to this department. There was also an opportunity to partner with SRHC's radiology department, but this did not materialize.

An interviewed DI team member feels that counseling will be required to heal this department and make it functional again. To support patient safety and team wellness, it is essential that a team of services wrap around the DI team to assist in moving from a "toxic culture" to a functioning department.

Level 2 ICU (HAU)

There are also significant concerns about the development of SMH's short-lived Level 2 ICU, internally called the High Acuity Unit (HAU). Approval for the HAU was given on May 21, 2019, and the initial location was to be the general medical/surgical ward until the new HAU space could be built. Some Year 1 operating funds were redirected toward minor renovations required by the LHIN.

The contract was awarded January 2020, for a separate HAU, with onsite construction starting March 9, 2020. The new space opened January 2021, and the HAU ran in the newly constructed space for only 27 months, until March 31, 2023. The ICU patient care function was then relocated back to the general medical/surgical ward effective April 1, 2023, but without the dedicated physician or staffing changes to operate a separate function.

Total Capital Cost including equipment for the HAU was \$1,737,584.

Numerous observations were made about a failure to engage relevant internal stakeholder groups about key factors, such as staffing, equipment, etc. The lack of formal policy and protocol processes at SMH were also a contributor to the organization's inability to develop a sustainable HAU. In discussions with multiple frontline nurses, from both the inpatient unit and the ED, there was a shared belief that the lack of policy related to the types of patients that could be admitted to the unit. That lack of clarity resulted in use of the HAU being at the discretion of the nurse on duty. This resulted in periods of low occupancy and lack of consistency in acuity of patients in the HAU. Emergency and inpatient team members believe there are sufficient cardiac, respiratory, diabetic and surgical patients to sustain the HAU beds, had utilization criteria been clear and appropriate.

In the development of the HAU there were significant challenges developing a most responsible physician model. There were discussions with ED, anaesthesia and hospitalist medicine, and there was also consideration given to a model supported by virtual intensivists. However, no clear model emerged. This led to the hospitalist team taking accountability for the patients in the HAU, but without any specialist support.

There were a number of key failings throughout the HAU project:

- Project management policy and experience was absent, as was stakeholder engagement and signoffs.
- MAC did not provide leadership and direction for the medical model for the HAU (including the potential for a virtual intensivist model), or what physician support and qualifications was required to care for patients in an HAU including ventilated patients. Southlake physicians were not credentialed to provide oversight for the HAU patients.
- Admission and discharge criteria that detail what types of patients should be high acuity patients were not developed.
- There was no qualified staffing coverage for breaks. This lack of protocols pitted nurses across all units against each other as they had to cover HAU patients, they did not feel trained to care for.

Other Identified Clinical Risks

There were many growing challenges throughout the hospital in recent years due to inadequate physician staffing in various programs, including:

Hospitalists

Hospitalists provide care to acute medical inpatients, and also provided care to patients in the Level 2 ICU (HAU) prior to its closure. Many hospitalists left SMH, stating they lacked appropriate specialist support at the hospital. The hospitalist service has only one active (lead) and one associate staff member, so is heavily reliant on temporary locums. That locum support has weakened this year. Some support is provided by emergency physicians who pick up uncovered shifts in the schedule. The hospitalist service is at high risk of staffing shortages and potential service impact. The lead hospitalist was providing coverage 2-in-4 weeks per month but has recently reduced to 1-in-4 weeks per month due to growing burnout. There is some support from the nurse practitioners who care for Alternate Level of Care patients.

There is a limited pool of hospitalists interested in Associate/Active staff privileges and, therefore, there is an excessive reliance on locum physicians to support clinical programs. These physicians often work at multiple hospitals and have little investment in ensuring the services at SMH remain intact. Few community-based primary care physicians participate in hospital-based work, and this is unlikely to change soon. The ongoing physician shortage in Ontario will pose additional challenges for recruitment. Recently, two specialists with family medicine experience, along with an ED physician, worked as hospitalists on the general medicine unit for a period of time to avoid service reductions. While their efforts are to be commended, eventually, the College of Physicians and Surgeons of Ontario (CPSO) advised the two specialists to withdraw, as it was out of their scope of practice. As of May 31st, there were still significant gaps in the 2024 summer schedule and service reductions remain a risk for SMH.

General Internal Medicine

The current COS (April 2024 to present) and lead hospitalist note that, to their knowledge, there has never been a functioning group of internists at SMH. As with general surgery, general internal medicine is a valuable medical consultation resource for patient care in small and medium-sized hospitals across Ontario. General internal medicine would be a valuable resource for a hospital like SMH, with a Level 2 ICU and over 30,000 emergency visits per year. This will enable specialty support and better, safer care closer to home. It will also enable local care of more complex patients, thereby reducing unnecessary transfers to other hospitals. An integrated or directed strategic partnership model will

greatly improve direct access to general internal medicine specialists practicing at the larger hospital and assist in building a general internal medicine service at SMH.

Anaesthesia

There have been some gaps in the call schedule since one member went on a six-month sabbatical, although it is expected to improve when they return in September. Their absence has contributed to obstetrical and elective surgical service reductions. There is some locum support, but the primary need is to shore-up the staffing model.

Paediatrics

The hospital has lost their three previous paediatricians, and therefore, there is currently no formal paediatric service. Neonatal resuscitation service is covered 24/7 by several ED physicians with additional training.

Surgical Assist

Surgeons have arranged their own assistants for elective surgery and general surgeons and obstetricians/gynecologists provide support to each other when they are on call. The on-call physician on one service assists the other service for after-hours call (most often required to support caesarean sections).

Emergency Department (ED)

The SMH ED provides an important service to the community. This busy department logs over 30,000 visits per year and in fact, 67% of New Tecumseth residents requiring emergency department care go to SMH. The clinical team works hard to provide care in a very small and dated space. The layout of the department does not allow for patient privacy and confidentiality.

The space is particularly challenging for patients with mental health conditions as they do not have direct access to washroom facilities and the rooms have not been constructed or equipped to support harm and risk reduction to mental health patients and the team that cares for them.

Due to the lack of a formal model encouraging physician and nurse leaders to work together, there are times when decisions are made in isolation of one another leading to operational and clinical challenges. For example, during several interviews with ED nurses, they expressed concern that the unilateral change to the First in, First out (FIFO) model of care had a negative impact on SMH's P4R performance and therefore the funding. The nurses are proud of their performance and believe the change was made from a provider-focused lens and not from a patient experience perspective.

A significant challenge facing the ED is the ability of physicians to safely transfer their patients to a hospital when specialized care beyond local resources is required. An integrated model will ensure smooth corridors of care for patients who require more specialized clinical care and will increase the community's confidence that it can seek initial care locally.

Clinical Planning

There does not seem to be a proactive plan and shared vision for what clinical services should be offered at SMH.

The surgical program provides a variety of services, including, general surgery, gynaecology, ophthalmology, orthopedics, and dentistry. The only surgical services that provide 24/7 call are general surgery and obstetrics/gynaecology. Operating room resources are not prioritized to the services that provide call and there are inequities in the distribution of resources available to the general surgeons. This creates an obvious risk for the retention of a resource which is critical to the acute needs of the community.

To sustain an acute ED and small/medium obstetrical program, there must be sufficient OR time allocated to support, both, a full roster of general and obstetrics/gynaecology surgeons, as well as a robust on-call schedule. SMH should evaluate the allotment of its surgical resources to support the recruitment of general surgeons and obstetrics/gynaecology specialists.

It is important to note that SMH does not qualify for Quality-Based Procedure (QBP) funding, so the financial opportunity of doing ophthalmology or orthopedics is lost without integration with a larger QBP organization. Through integration, alignment would be achieved in clinical program building, support for community needs, and volumes/financial incentives funding to ensure SMH improves on its financial performance.

Models of Care

Many physician leaders expressed concern about the lack of health human resources (particularly nursing, respiratory therapists, X-ray technicians). Some leaders said there has been an overreliance on agency nursing and they are concerned that this created some risk to patient care as agency nurses did not necessarily have the appropriate training for the service they were supporting.

SMH had no history of using agency nursing until the pandemic. As with many hospitals, and particularly small hospitals, during the pandemic there were significant health human resource issues. Since costs were covered by pandemic funding, SMH introduced agency nurses for the first time. To entice them to work in rural locations they were paid a significant premium – well above the historical premiums paid for agency nursing. While the use of agency nurses is fundamentally a quality of care issue, it is also a financial challenge. A deficit of approximately \$2.3 million was incurred – almost entirely from the unfunded use of agency staff –for the fiscal year ending March 31, 2023, when pandemic funding ceased. SMH had no exit strategy. The use of agency nurses continued into the fiscal year 2023/24, at a similar cost level. The organization is now heavily dependent on the use of agency nursing despite the lack of continuity of care, lack of knowledge of SMH clinical protocols, inherent culture issues and the cost.

In an effort to discontinue the use of agency nurses, and with the encouragement of the Ontario Health Central Region team, a float pool was introduced in late fiscal 2023/24. To date, there has been encouraging progress to attract staff through the float pool. However, a float pool is not an ideal clinical quality of care solution either, as staff are often junior and unfamiliar with protocols. Generally, staff want to be assigned permanently to a specific unit, so float pools are often feeder units for nurses to be trained and then transitioned into programs. With many organizations offering full-time positions in dedicated units, the continued staffing of a float pool may prove challenging.

It is important to note that the establishment of a float pool is a better solution than the continued reliance on agency nursing. Appropriately, Ontario Health (OH) encouraged the establishment of a float pool as a strategy to stabilize clinical services through recruitment, lessen the reliance on agency nursing and allow time, to rethink the balance of full time to part time team members. Currently, SMH does not have the infrastructure to support the nurses in the float pool. Typically, nurses in a float pool are novice and therefore would benefit from educators and policies and procedures to prevent these nurses from receiving assignments that they are not trained in – none of which is available at SMH. Even recruiting novice nurses at SMH is currently compromised because the hospital does not have access to the MOH Nurse Graduate Guarantee Program because they are currently in a layoff position, making the positions in surrounding hospitals far more attractive. Once again, size and scale matters in terms of sustainable solutions and the continuation of an effective float pool is no exception. SMH's float pool strategy will benefit significantly when the hospital is integrated with or in a directed strategic partnership where nurses can join float pools, be supported with continuing education and mentorship and have greater flexibility and choice in their area of practice.

Based on the multiple clinical services and risks observed, the Investigation Team does not believe that SMH on its own has the infrastructure, resources and competencies required to bring about the much-needed stabilization to ensure safe patient care, let alone manage the growing clinical expectations in the coming years.

7. Governance

Related Recommendations:

- The Minister should recommend that the Lieutenant Governor in Council appoint a hospital supervisor for SMH (“Supervisor”) with the full powers of a supervisor under the *Public Hospitals Act*.
- Based on the historical operations of SMH, including three previous reports recommending integration to varying degrees, the Supervisor should consider a mandate to integrate or direct a strategic partnership with a larger, more complex hospital to ensure a stable, long-term solution that meets the needs of the fast-growing community, ensuring alignment with the appropriate Ontario Health Team (OHT).
- Should the Supervisor determine an integration or directed strategic partner is the best strategy for the long-term sustainability of SMH, the Supervisor should develop criteria upon which to select the best-suited hospital and submit the criteria to the Ministry of Health and Ontario Health for consideration.
- The Supervisor should work closely with a Community Advisory Committee to ensure a shared vision for the future.
- The SMH Foundation should consider inviting the integration or directed strategic partnership hospital President & CEO to become an ex-officio voting member of the SMH Foundation Board of Directors, as is common with many Ontario public hospitals.
- As part of an integration plan, the Supervisor should develop early and genuine engagement of internal and external stakeholders, including Indigenous and Francophone populations, to ensure a shared vision of the hospital's future that reflects the community's needs and concerns.

Board Role

The effective operation of a Board of Directors is the result of an independent and informed team of governors enhancing the decision-making of the management team. The Board of Directors of a hospital has three roles:

1. **Insight:** In best practice organizations, time will be set aside for generative dialogue on a particular topic that advances the skills and awareness of key governance topics and provides board members with the opportunity to share their expertise and experiences with topics of a similar nature. The insight role would also include a process to assess its own performance through a combination of debriefing at each meeting, and a more formal annual review of the performance of the board as a whole and individual members, and specifically the officers of the corporation.
2. **Foresight:** This is usually described as strategic discussions. The Board of Directors will discuss matters that have long-term consequences for the functioning of the board and the corporation. In the healthcare sector generally, this role is poorly understood and is usually reduced to participation in the development of the Strategic Plan every three to five years. A lack of direct funding confirmation in the long term is often confused with an inability to plan effectively in the short term.
3. **Oversight:** This is usually described as the fiduciary element of the organization. In the experience of the team, many hospital boards in Ontario focus almost entirely on oversight to the detriment of their roles to provide insight and foresight.

The fiduciary role of Directors is to act in the best interests of the corporation. This requires the board to ensure the corporation it governs succeeds in serving its objects or purposes (i.e., fulfilling its mission), and sustains itself to continue serving those objects by maintaining its tangible and intangible assets and financial viability. OHA Guide to Good Governance, pg. 3

The fiduciary function should also include performance oversight for both the CEO and COS, and reporting to the board on the performance review of both the CEO and COS.

The board is responsible for establishing a framework for monitoring and assessing performance in areas of board responsibility, including:

- fulfillment of the strategic directions in a manner consistent with the mission, vision, and values
- oversight of management performance
- quality of programs and patient services
- financial conditions and risks
- stakeholder relations
- the board's own effectiveness

The Investigator and members of her team attended three board meetings and six board committee meetings (two Medical Advisory Committee, Quality Committee, Governance Committee, Capital Planning Committee and a Finance, Audit & Property Committee). In addition, the Investigator and her team had access to three years of board and board committee agendas and minutes.

While well-intended and very proud, the SMH Board of Directors' governance practices are both informal and deficient in several key areas. The team did not observe any time made available in the meetings for insight or foresight whatsoever, and the oversight role was poorly executed. The fiduciary duty of all directors is not clear, consistent or effectively performed. At times, it was challenging to observe the board acting in an oversight capacity and demonstrating an understanding of its role and responsibilities as evidenced by the board participation in meetings with OH to advocate for more funding.

While the board is responsible for its own functioning, it is dependent on management, and particularly the CEO, to perform some of the administrative functions. For example, the office of the CEO should provide support for effective board operations, clear reports on the status of clinical and financial operations, as well as education on the functioning of the hospital and how the primary funder operates. The board must demand these services from management if they are not being provided. The board must also assess the quality of services provided, the long-term financial condition of the organization and the risks associated with proposed decisions.

Board Knowledge and Practices

While the SMH Board of Directors is very proud of the "small family feel" of the hospital, the directors are not well-informed and rely too heavily on the senior team for information, not challenging these leaders in key areas such as quality and finance. In the opinion of the Investigation Team, the board did not have an adequate awareness of significant risks that are facing the organization, or how to support mitigation, such as:

- health human resources challenges and risks to clinical services
- clinical outcome data pertaining to patient care
- capital redevelopment barriers
- aging equipment

- OH/MOH funding models and effective advocacy methods

The board meets regularly and reviews materials but doesn't rely on data such as balanced scorecards with key performance indicators.

A critical example of this is the board's lack of knowledge regarding the risks to the obstetrical program. There is no evidence that the board has seen data on the number of obstetrical redirects, or the drop in obstetrical volumes in the last year. In addition, there is no evidence that the board has an awareness of data as it pertains to caesarean section rates and other relevant outcome data.

The financial challenges of the organization were consistently interpreted at the board level as the fault or product of injustice and inequity by OH Central Region. Instead of reviewing the performance data, ensuring management did what it could to continue to find efficiencies, and understanding the provincial context, the board blamed the government. The Board Chair and Vice-Chair proceeded to step into the role of management and participated in meetings with the executive of OH Central Region where they, reportedly, strongly advocated for incremental funding without the required diplomacy or knowledge of ministry processes. The Investigation Team reiterated that MOH/OH had requested the investigation as a signal of their unwavering support for SMH and had identified right away that there was no intent to close SMH.

The board and the Finance Audit and Property Committee became fixated on new funding as the sole approach to work toward a balanced budget. At the time of this report, the board had not requested from management an operating budget for the 2024/25 fiscal year. The committee meeting in February, where a budget presentation would have been expected, was cancelled. A subsequent meeting, at which the Investigator's team understood the budget would be presented, was also cancelled. The budget is intended to be presented on June 5 with the expectation of having a formal funding announcement at that time. However, management and the board acknowledge that it is unlikely that any funding announcement will be sufficient to cover the current projected deficit position.

When presented with a draft budget on March 27, 2024, management was not challenged to bring forward any ideas for efficiency or revenue generation. The draft budget presented to the board only included new expense items, despite some cost savings and efficiencies embedded in the plan.

The board and the Finance Audit and Property Committee did a poor job of monitoring the hospital's financial performance against the budget. Statements made by management that "births have increased exponentially" (when births are actually decreasing) were not challenged, and no data was requested or provided to validate the statement. Also, an inflated number of annual ED visits was frequently stated. The SMH Board of Directors got lulled into a blame game of financial difficulty and lost its healthy skepticism about the ability of the organization to function.

While there is some evidence that the CEO's performance was reviewed by the Executive Committee, there is no evidence that the former Chiefs of Staff, over a span of eight years, have documented annual performance reviews. Annual goal setting is not in place. During the spring of 2023, due to the reductions in respiratory therapists, friction developed between the CEO and COS. While the Board Chair met with the CEO and COS independently and was aware of friction in their working relationship, the Board Chair did not bring the CEO and COS together to attempt to resolve their differences. Shortly after the conflict arose, the COS resigned and ended his three-year contract 19 months into his mandate.

Though the Board Chair believed that it was an expectation of the role that the COS does clinical work at SMH, he stated that the board was unaware that the former COS (2016-2021 & 2023 –2024), in fact, did *not* do clinical work at SMH.

- The COS contract stipulates that Active Staff privileges are maintained.
- The Rules and Regulations need updating. They do not specify that one must provide clinical services to maintain active staff privileges.

When asked about how the board knows high quality care is being delivered by the professional staff, the Board Chair's understanding was that performance on the Quality Improvement Plan (QIP) was an indicator of medical quality.

Effective governance requires a differentiation from management. It is important to ensure that the role of the CEO and management, and the role of the board, are as clearly articulated as possible. While the board should rely on management assertions, the board should also use a healthy level of skepticism and request supporting information where it seems common sense does not prevail. This approach was not observed at any board or board committee meetings.

Board Processes

At SMH, there are different levels of board engagement depending on whether the participant is a voting or non-voting member. Meetings were called solely for the voting members of the SMH Board in contravention of the *Public Hospitals Act* (PHA) which created several ex-officio positions on hospital boards (President and CEO, Chief of Staff, Chief Nursing Executive and President of the Professional (medical) Staff) to ensure that there was appropriate independent, but informed, decision-making. The general rule is that ex-officio directors have the same obligations and are subject to the same duties as elected directors. On some occasions at SMH, only senior staff are invited to meetings and no other non-voting members are. With this differential meeting attendance, the voting members (currently 11) function differently from the non-voting members (7). Thus, at times there is a two-tiered system of directors which is in contravention of the PHA.

Generally, the meetings observed were very informal and basic discipline is missing from the board table:

- Despite an annual schedule of board committee meetings, on management's recommendation the Finance, Audit and Property (FAP) Committee was cancelled in February. An additional FAP meeting was set for early April and then cancelled again. There were also cancellations of Executive Committee meetings, cancellation and rebooking of Governance Committee meetings, and two examples of the cancellation and rebooking of the Capital Planning Committee. It is not clear if these last-minute changes affected attendance or quorum.
- The non-voting members of the Board of Directors include the Chief Financial and Information Officer (CFIO), a unique member inclusion.
- Senior staff and directors have voting rights on board committees (i.e. Capital Redevelopment Committee) and despite being a board subcommittee, two staff members moved and seconded motions.
- Evaluation of the board's effectiveness was limited to their voting members, and it appears was only done to meet the requirements of the upcoming Accreditation survey.
- Board committee chairs are required to present operational updates from the work of the committees, however, they appeared uninformed and couldn't effectively answer questions.
- Some materials are received in advance, but other materials are circulated on the day of the meeting. On occasion, only verbal updates are provided at the board meeting, some requiring a board decision. Directors are not given time to review and reflect to ensure they can carry out their responsibilities effectively.
- Materials are not in a standard format. Reports often did not have a clear purpose, were not based on the organization's overall strategy and were often very operational in nature.
- Despite new SMH by-laws, approved June 2023 and identifying the requirement for a Fiscal Advisory Committee (FAC), as reported by the CEO, the FAC had not met.
- At one board meeting, three key positions were absent: CEO, COS and President of the Professional Staff. The Chair called the meeting to order, did not acknowledge or explain the absences to the board, skipped over the reports from the CEO and COS and proceeded through the remainder of the agenda including reviewing and unanimously motioning a Credentialing Report from the MAC.

Board Culture

Board culture sets the tone at the top. The board culture at SMH is not inclusive or transparent and this culture cascades throughout the organization. For example, the Board Chair's communication with the organization regarding the CEO's retirement lacked transparency when he indicated that the board would "immediately" begin recruitment for a new CEO to take the organization through capital redevelopment. The Board Chair insisted on this language even though OH had asked the Board Chair not to recruit a permanent CEO until the Investigator's report was finalized and despite the Investigator suggesting the word "immediate" be removed. The next communication from the Board Chair to the organization introduced the interim CEO for a period of six months and this message conflicted with the last. People within the hospital and community questioned the mixed messaging and lack of transparency. At the time of the investigation, staff and physicians did not understand the challenges facing SMH. Even when given the opportunity to increase transparency with the organization in an all-staff/professional staff memo, the board elected not to do so. Transparency from the board is pivotal – honesty is the only policy. Transparency involves open processes and public disclosure which demonstrate real accountability.

As an example of the board's defensive posture, when a member of the Investigation Team delved into a matter during a board committee meeting, the Committee Chair quickly intervened and closed the discussion. The Investigation Team members in attendance found this behaviour to be defensive and not in keeping with a willingness to better understand their role.

Corporations that receive public funds or philanthropic dollars must strive to adhere to principles of transparency and accountability. Hospital boards can lose their line of sight to their accountabilities and responsibilities. When one considers the deficiencies in board performance as it pertains to knowledge, culture and processes, it is apparent that the SMH Board of Directors does not understand its governance role and responsibilities. It is, therefore, the opinion of the Investigation Team that the board of SMH needs to be replaced by a Supervisor to lead an integration or directed strategic partnership process with a strong hospital partner to ensure SMH's future success.

8. Leadership and Oversight

Related Recommendations:

- **Based on the historical operations of SMH, including three previous reports recommending integration to varying degrees, the Supervisor should consider a mandate to integrate or direct a strategic partnership with a larger, more complex hospital to ensure a stable, long-term solution that meets the needs of the fast-growing community, ensuring alignment with the appropriate Ontario Health Team (OHT).**
- **The Supervisor should ensure the development of an organization-wide plan for improving the morale and culture with meaningful input from employees and credentialed staff.**
- **The Supervisor should review the senior leadership team and organizational structure while providing leadership training opportunities for all administrative and clinical leaders.**

Patient Family Advisory Council

Having input from patients and families, and understanding their needs and concerns, is critically important if a hospital is to provide care that truly puts patients and families first. SMH's Patient and Family Advisory Council (PFAC) seems to be very engaged and committed to SMH's success. Observed discussions were robust. However, rather than a volunteer PFAC co-chair, it was noted that SMH's leadership chairs the council with a staff member co-chair. Most of the observed discussion was information sharing and, in some cases, the leaders present were unable to effectively answer PFAC's questions. SMH's PFAC is an approving body rather than an endorsing body, and it was noted that PFAC does approve

some policies. An opportunity is to strengthen the role of PFAC by offering them a PFAC-led initiative.

Government Relations

While SMH Vice Presidents have an amicable relationship with the Ontario Health Central Region, the relationship is transactional in nature. It was evident to the Investigation Team that SMH leadership does not understand the context of OH decision-making and the funding models that are available to them. Opportunities for new funding – and the retention of funding that had been provided – have been lost.

The former CEO had a very poor relationship with Ontario Health Central Region senior leadership, and as a result, had commenced direct discussions with the Ministry of Health, further undermining the relationship with OH. The interactions with the MOH also disintegrated as the CEO lacked the ability to tell the SMH story, and effectively and respectfully advocate for new funding and programs.

Despite repeatedly being informed by the Ministry of Health that based on data and evidence, the critical mass of services was too small, from 2019 to 2023, SMH continued to strongly advocate to the MOH to become its own OHT. Finally, in 2024, the SMH joined the Northern York South Simcoe OHT. This is another example of a deteriorating relationship with the Ministry of Health as, at times, it was reported that the CEO became overly assertive in his advocacy.

Operational Decision-Making

There has been a lack of understanding among physician leaders regarding operational decision-making even though the COS is a member of the AMC. While the COS job description includes financial accountability, there was little evidence that any of the former Chiefs of Staff were able to effectively engage the other physician leaders to deliver on this accountability. There is accountability to the board, but there is limited interaction with the board outside of privileging.

The hospital does not use a dyad structure for decision-making and the relationship to the nursing leadership is limited. Physicians do not interact regularly with administrative program directors in planning or oversight of the program. Physician leaders note that “operational decisions are made by others”. The chiefs would welcome an expanded role in contributing to operational planning and decision-making. Physician leaders provide a unique clinical skill set that can be leveraged to identify solutions. Some leaders have had to step in when cuts were made without consultation. As an example, the Chief of Surgery was made aware of the removal of ligatures from the surgical service *after* the decision was made. They had to step in and ensure that ligatures were restored for those patients where they are important for their care. This support from a physician leader could have been provided if there had been appropriate engagement/participation of the chief. They could have explored with the surgical team where savings could be realized by reduced use of the ligatures.

There is little effective mentorship, onboarding, and orientation for the chiefs. As an example, one of the new chiefs had to deal with a performance issue involving the College of Physicians and Surgeons of Ontario (CPSO). They independently reached out to their Quality & Risk team to find out if they could review patient charts re: quality of care. A physician leader providing mentorship would have assured the new chief that the chart review would be an important element of their new role. In addition to this, they independently came up with a risk mitigation plan for the department members.

One physician leader expressed disappointment that the former COS (2016-2021 & 2023-2024) could not deliver stronger effective connections with SRHC despite their affiliation with that hospital.

Leading Change

Healthcare is ever-changing and successful organizations embrace, adapt – and, in fact – try to stay ahead of the changing environment. The Investigation Team found little evidence that SMH leadership planned strategically or was interested in proactive change. There is no evidence that SMH’s leadership employs structured change management frameworks such as ADKAR®, Prosci® etc., when implementing change. This can result in lack of transparency, confusion and siloed thinking.

Members of the AMC are discouraged and tired and their downtrodden attitude is felt throughout the hospital. The board and AMC tend to blame others – especially their funders – for their current financial situation. Furthermore, based on a fear of higher turnover and additional professional staff unrest, the AMC is hesitant to make tough decisions or set expectations with respect to performance and code of conduct.

Despite aggressive advocacy for additional funding, the business cases that SMH submitted were very rudimentary, not comprehensive, and lacked a consistent professional template, strong evidence and realistic financial requests. Although available, the AMC made limited use of data and evidence to support its requests. The quality of data that is reported to the MOH is often poor as well, leading the MOH/OH to make decisions about the organization based on assumptions.

One-time funding provided to SMH has been treated as ongoing base funding, leading to decisions that have been extremely difficult for the organization to reverse. While the decisions made with the one-time funding have improved clinical quality of care (i.e. introduction of respiratory therapists, additional security officers), an exit strategy was not contemplated should the funding be discontinued – which it was.

The physicians that the Investigation Team interviewed generally expressed pride in their work and a level of satisfaction in their ability to practice in a small hospital with a sense of family. At the same time, the physicians interviewed also expressed frustration with how administrative decisions were made that had a direct impact on their ability to practice safely.

The most common example is the introduction, elimination, and partial re-introduction of respiratory therapists (RTs). The elimination of RTs and the subsequent reintroduction of RTs on a limited schedule was the moment that leaders “lost control of the ship”. RTs were positively seen by many clinicians at SMH as a quality of care “game changer”. The service contributed to safer labour and delivery practices, better management of respiratory patients requiring invasive and non-invasive ventilation, and airway support for the ED. Once RT services were reduced, the professional staff wrote a letter to the board expressing their concerns. Staff began calling in sick, redirects increased and the ability to deliver services became less predictable and less safe. This was also a factor in the former Chief of Staff’s (Dec 2021 – July 2023) resignation 17 months prior to the end of his contract.

Physicians also expressed frustration regarding the lack of consultation in the decision-making for the HAU; including equipment purchases and medical staffing model. The failure to design a sustainable MRP model for this unit contributed to its closing.

In contrast, the lack of a dyad framework allowed the physicians in the ED to make a unilateral decision to change practice to see patients on a “First In, First Out” (FIFO) basis with a significant impact on operational flow, and subsequently, on P4R performance.

These examples illustrate several deficiencies, including the lack of appropriate stakeholder engagement and poor financial planning. It also highlights a gap in leadership design. Many hospitals in Ontario have adopted an administrative/physician dyad operational leadership model to work together to make decisions in the best interest of the patient. In the absence of the dyads, well-intentioned physicians make decisions in isolation of administration, and vice versa, leading to poor decisions and increased risk. Furthermore, physician leaders, such as chiefs, have few role models or educational opportunities which only perpetuates the leadership gap.

Culture

Based on several interviews and the internal anonymous survey, the culture at SMH could be described as one of fear and mistrust. The impacts of this toxic culture led to high turnover in leadership positions, lack of open and transparent communication and a great deal of uncertainty about SMH’s future which creates intense insecurity and a sense of helplessness.

There has also been a lack of adherence by senior leaders to follow existing SMH policy and processes regarding investigating and managing alleged Code of Conduct violations. As previously mentioned, several diagnostic imaging staff

members voiced that there have been long-standing concerns and multiple reports to leaders regarding a team member's conduct. The process for investigating and managing this serious allegation was not followed and the issue has had a significant impact on team morale and function. (Note: At the time of this report, a third party had been retained to work with the DI team and an independent third party has been hired to investigate the allegations.)

During the investigation, there have been allegations that staff were being investigated by Human Resources (HR) for sharing concerns with the Investigation Team about a situation that they felt was a serious clinical incident. SMH leadership was asked to refrain from reprisal interventions for staff sharing their understanding of issues in the department. This reflects the lack of a "just culture" and psychological safety at SMH.

Considering the current situation, many staff and professional staff members shared that they believed the Investigation was necessary and look forward to change, however, they remain cautious as previous investigations yielded little change.

Employee/Professional Staff Survey Results

The SMH employees and professional staff received an anonymous survey and there were over 100 respondents. ([see Appendix D](#)) Team responses were themed by question. Team members felt that SMH's strength was their teamwork and sense of community. This statement was taken from the survey comments: "Staff are like family, working together to provide the best care with limited resources."

In discussing the challenges facing SMH, respondents identified that the areas of concern were the lack of effective leadership, staffing shortages and lack of funding. Statements in the survey included, "I feel we are currently struggling with lack of communication, lack of leadership and lack of resources." There was a mixture of sentiments about SMH's culture. Descriptive words ranged from "friendly and caring" to "stressful and toxic."

In identifying opportunities for SMH, the common themes were:

- change leadership
- redevelop the hospital
- increase staffing
- increase funding

Those themes are reflected in an employee comment stating, "Full restructuring of management to improve collaboration, restore trust and respect, and to ensure that the proper allocation of resources to support programs for patient care and staff." SMH team members feel that they are a hardworking team doing the best they can with the resources they have.

Indeed, the Investigation Team witnessed dedicated and skilled healthcare professionals who are committed to the patients they serve. Most were very welcoming and indicated they look forward to the recommended changes that will promote a positive workplace and enable them to deliver quality care at SMH.

Senior Leadership

Stevenson's senior team is lacking in executive experience. While the recently retired CEO was in his current position for ten years, he was recruited into the role by a former SRHC CEO from a director-level position at SRHC. The SMH President and CEO did not have senior leadership experience prior to being selected for this role, nor, despite several management contracts with SRHC, did he join the SRHC senior leadership team meetings. The CNE, who joined SMH two years ago, also did not have senior-level experience prior to joining SMH and they do not have a strong presence at the leadership table. The CFIO is not a chartered professional accountant and appears to be disengaged from discussions beyond finances.

Medical Leadership

There has been some instability in senior medical leadership at SMH over the past few years ([see Appendix K for Professional Staff Leadership](#) and [Appendix L for departmental membership](#)). In particular, there have been four Chiefs of

Staff in approximately a two-year period. The current interim COS has been in place since April 1, 2024, while the search for a permanent COS is completed. This COS has been easily accessible and forthcoming.

A former Chief of Staff filled in as interim COS from August 1, 2023, to March 31, 2024 (ending his 1-year contract 5 months early). This Chief of Staff previously served from December 2016 to December 2021. He did not have a clinical practice at SMH. This COS was able to significantly improve MAC processes and implemented regular departmental meetings. He also provided effective leadership during the COVID-19 pandemic.

He did note, there is very limited use of metrics/data to assess and drive medical quality at SMH. Without a clinical practice at SMH, he noted that he had a limited line of sight to clinical practice among the professional staff, or quality and utilization.

A new Chief of Staff was selected in December 2021 for a three-year term but resigned in July 2023, for a number of reasons. This Chief of Staff introduced interdepartmental rounds/Continued Medical Education (CME) credits, started tracking morbidity/mortality, strengthened the Professional Staff Association meeting structure and process, improved HOCC funding, increased a focus on physician wellness and strengthened regular departmental meetings and expectations for each department.

Key professional issues for this COS (Dec 2021 – July 2023) included:

- ongoing on-call requirements in obstetrics after the loss of an obstetrician
- loss of the 24/7 RT service and the risk to patient care this created. This COS had a major role in bringing in this 24/7 RT model of service to SMH
- the ongoing stress associated with the staffing of the hospitalist service
- challenges with the relationship with the CEO

In addition, it is important to note that this 32-bed facility has 8 Chiefs and 3 Leads and other than three of these professional staff leaders, most Chiefs are recent appointments. It is also important to note that these leadership roles are part time. Other than informal mentorship that each leader chooses to seek, the physician leaders have limited access to or requirement for leadership education and development.

Appendix L identifies the professional departments' credentialed physicians by category. It is important to note that approximately 50% of the credentialed physicians are locum tenens while approximately 25% are active members of the professional staff at SMH. This is an unusually large portion of locum tenens on hospital staff. While there are several reasons for this, the disproportionate reliance on locum tenens speaks to the challenges SMH has had recruiting permanent physicians. It's also important to state that, in particular, the hospitalist department is struggling with recruitment and retention of permanent staff. This has created a risk of service disruption for inpatient care.

Physician Performance Management

There have been some effective performance management and performance improvement strategies implemented for some physician performance issues when they have been identified. However, there appear to be some challenges in managing disruptive behaviour, and a progressive discipline policy is not visible for repeat issues. A "just culture" philosophy is not embedded.

There has been some reluctance at times to take clear action with some physicians due to concerns about physician shortages. This has had an impact on team morale.

Risk Management

SMH participates in the Health Insurance Reciprocal of Canada (HIROC)'s Risk Assessment Checklist (RAC) and Integrated Risk Management (IRM) programs. RACs are shared with the AMC and the board, however the level of engagement to complete them is not clear. Similarly, the IRMs are developed and shared with AMC. The board's Quality Chair, in turn, shares the IRMs with the board. However, it was observed that they responded "no" when asked if the document was HIROC's framework, indicating a lack of understanding. Discussion with the Senior Director of Corporate Infrastructure and Redevelopment indicated that his two largest risk concerns were related to the age of the generator and a possible local train derailment. There was no evidence of these risks being identified on the RAC or the IRM.

Interviews with staff and professional staff, as well as Team SMH survey results, demonstrated a general lack of awareness of the process to bring risks forward, how to report incidents in the SMH incident management system RL6, or how to otherwise identify risks in the spirit of a "just culture." While some comments suggested that risk issues are brought forward to the Quality and Risk function for attention, there was a general sense that concerns were not addressed. In discussions with some midwives, it was indicated that in October/November 2023, eight incidents were submitted by the midwives and no response was received from management. There is no evidence that Impact and Likelihood risk templates, Hazard ID and Risk Assessment templates or Threat Risk Analyses are utilized.

Information received from HIROC indicated a total of two active claims (both stemming from the Emergency Department) and two potential claims (one from obstetrics and one from medical/surgical). There does not appear to be proactive reporting of potential claims to HIROC. Two events came to the attention of the Investigation Team during the review that had the potential for litigation but were not reported to HIROC.

When the Interim Director, Quality, Risk and Patient Experience was asked about one of the allegations, they responded that the complaint was "vexatious". In another example, staff, when interviewed, expressed great concern that the equipment involved in the incidents had never been pulled and assessed, and the team members' technique was never observed to prevent a re-occurrence. HIROC encourages, and best practices would recommend, that potential cases should be reported to ensure appropriate processes are followed to minimize claims and learn from the experiences.

There is also an identified process on how SMH would receive a Statement of Claim and report an active or potential litigation (risk file) to HIROC. However, there is no evidence that active and potential risk and legal files are consistently reported to the AMC, MAC, as appropriate, or the Board of Directors.

Legal counsel is appropriately engaged when there are challenging medicolegal issues with professional staff and Canadian Medical Protective Association (CMPA) is involved.

Legislation

There does not appear to be an appropriate understanding of legislation by SMH leadership and Board of Directors. Although there is a board attestation document, it speaks mostly to financial compliance such as the *Income Tax Act*, the *Canada Pension Plan Act*, and as well Human Resources compliance such as *The Employment Standards Act* and *The Occupational Health and Safety Act*. The Board of Directors attestation document is missing key pieces of legislation such as *Public Hospital Act*, *Broader Public Sector Accountability Act*, *Connecting Care Act*, *Accessibility for Ontarians with Disabilities Act*, etc.

When asked specifically about reporting, the Investigation Team was told there hadn't been a breach in the past five years. However, correspondence from the Information and Privacy Commissioner indicates a breach as recent as September 2023, that resulted in an employee termination and reporting to the College of Nurses of Ontario. In addition, Privacy Impact Analyses are not routinely completed on new initiatives.

Change Management

There is no evidence that SMH's leadership employs structured change management frameworks such as ADKAR®, Prosci® etc., when implementing change. This can result in lack of transparency, confusion and siloed thinking. An

example is the implementation of a “First In, First Out” (FIFO) model in the ED. This was noted by several people as being developed without key members of the clinical team being engaged, without data, and without a Plan-Do-Study-Act model post-implementation.

A second example of the lack of a change management model can be observed in the procurement of ventilators for SMH for the High Acuity Unit (Level II ICU). The ventilators were purchased without input from anaesthesia or respiratory therapy. This resulted in the equipment arriving and the organization having to purchase additional equipment (air generators) because the purchased ventilators required air and SMH does not have piped-in air in the area where the ventilators were going to be used. In the governance organization chart for the project, there was a physician engagement working group, called the Clinical Function Group, that met six times over six months in 2019. There is no minuted discussion about the ventilators or other equipment. The chiefs of anaesthesia and of emergency were both listed as committee members but never attended. The only physician engagement seemed to be the former Chief of Staff (Dec 2016 – Dec 2021 & August 2023 – March 2024) who is a SRHC intensivist and one other physician. The discussions at the Clinical Function Group seemed to be solely focused on the Virtual Tele Critical Care model, which was not implemented, and admission criteria. The lack of broad physician stakeholder engagement also resulted in anaesthesia not knowing the equipment and opting out of supporting ventilator care in the HAU.

ED physicians supported the ventilator care for the patients. In an interview with an RT, it was stated that the ED physicians were not comfortable with writing ventilator orders, so an order set was created by the RT team to guide the ED physicians to the appropriate orders and allow RTs to adjust the ventilators for patients as they saw fit. This lack of change management made the safety of ventilation care reside on the skill set of the RT team with minimal anaesthesia or intensivist support. This lack of engagement of physicians resulted in a lack of confidence of physicians to admit to the HAU and further created barriers to the unit’s success.

Project Management

To support some of the required initiatives that SMH must undertake, particularly the upcoming capital redevelopment project, a formal project management framework is required. SMH’s leadership appears to be lacking an understanding of Project Management Institute (PMI) principles and methodologies, evidenced by a disjointed decision-making process, competing deadlines and lack of key player engagement. An example is the implementation of the HAU. There does not appear to have been a project charter, Gantt chart, communication plan and so forth. The HAU appears to have been opened and closed without any formal structure.

Another example is the need to call ad hoc meetings of the Capital Redevelopment Committee as rushed items suddenly require the Board Committee’s attention. For example, a recent canopy discussion gave little notice for an unscheduled committee meeting, even though the MOH’s concern about the canopy has been known for months.

Ethical Framework

SMH partners with Southlake’s ethicist, however, the Investigation Team could not find evidence of SMH using formal ethics frameworks for decision making.

Leadership Development

The clinical managers work very hard to keep programs operating; often working on the frontlines and taking extremely high volumes of on-call responsibility. The management team is in a “firefighting” mode and therefore minimal time is spent on planning.

There is an unusual understanding of roles and job descriptions for leaders at SMH. In multiple interviews, it was stated that managers were unit coordinators, and directors were managers. Titles were changed, without an increase in pay or adjustment of their job descriptions, so that the leaders would be perceived to be on a level playing field with other leaders

at the OH COVID19 regional meetings. Frontline leaders do not appear to have much autonomy in their roles. In the SMH clinical manager job description, a manager is expected to:

- manage professional practice standards in the department
- manage staffing and daily assignments
- ensure adherence to hospital policies and procedures and professional standards
- provide leadership within the clinical unit for quality and risk management activities

The manager has many accountabilities but does not have the authority to manage them. Hiring, discipline, and firing appear to be only “on recommendation” status. Even in the director job description, it is not clear if they have hiring and firing authority as it states, “the director will participate as required.” The responsibilities for hiring and firing appear to be in the realm of the HR Director and the VP/CNE. This leaves the manager only the opportunity to recommend, thus having no ability to manage the accountabilities laid out in the job description. This leadership model may be playing a large role in the high leadership turnover rate. In discussions with the Manager of Surgery and the Chief of Surgery, it was felt that surgical clinical planning was under the control of AMC.

Budgetary knowledge seemed to be non-existent across the chiefs, directors and managers, although budgetary accountability is referenced in the director’s job description. Typical manager and director roles do not exist at SMH. All clinical, budgetary and planning authority seem to sit at the AMC Level.

Another recently promoted manager reported they received no handover, no orientation and no educational opportunities as they embarked on her first leadership role. Not unexpectedly, they struggled with financial issues and reported having no responsibilities for the operating budget. Poor communication is a huge frustration for one manager who described “getting whiplash” from the changes in senior leader decision-making.

Managers and chiefs have been given the accountability to keep clinical programs going but they have not been given the autonomy, skill set, quality framework and support to develop a clinical plan. There is no formal leadership development plan for managers, directors and chiefs. Nor does there appear to be designated time for program planning to support an annual business plan. The SMH leadership team lacks structure, direction and the skill set to dig into significant challenges and establish a recovery plan. As previously referenced, there has been significant leadership turnover at SMH. One long-term employee indicated they have had close to 20 managers during their employment.

The AMC is functioning at a director level, managing program budgets and staffing issues when the AMC should be looking more strategically at the sustainability of the hospital and building relationships with peer hospitals, OH, Ministry and the OHT.

Health Human Resource (HHR) Planning [\(see Appendix M for SMH organizational chart\)](#)

Related Recommendation:

- **The Supervisor should consider the development of an integrated clinical services plan and a health human resources strategy that is equitable and inclusive.**

SMH is in a reactive Health Human Resource (HHR) planning cycle. There are shortages in staffing in all areas of the organization, including physicians, nursing and RTs. The layoff of critical care-trained nurses with the closure of the HAU has made SMH unable to utilize the Nursing Graduate Guarantee program (NGG) that supports new grads interning for a year and then going into a permanent position. This will limit the number of nursing new grads SMH will be able to recruit, as other organizations will already have courted them with the NGG. SMH also has a high reliance on casual staff in all areas. This makes it difficult to create stable master schedules, as they are dependent on staff availability. SMH would

benefit from the development of master schedules and hiring to fill the needs, as opposed to trying to build schedules matching people's availability.

With the HR focus on daily shortages, plans do not seem to be in place for predictable HHR issues. In an interview with a member of the dialysis program, it was identified that all current staff members in the dialysis unit are over the age of 60 and could retire at any moment. They raised concerns that there does not seem to be a succession plan. They indicated that during a vacation period in 2023, two nurses had to work two weeks straight to support sustained dialysis service over the holidays. This was a clear flag to leadership that additional dialysis staffing was required, but no additional postings were made.

Physician workforce stabilization is needed in multiple areas of the organization, including surgery, obstetrics, anaesthesia, hospitalist and internal medicine. In discussion with the chiefs, it is evident that physician recruitment is not structured and supported by clinical planning. Impact analyses by programs are not routinely used in considering the professional staff recruitment strategy. There is no evidence of a recruitment plan based on what sub-specialties the programs were looking for. One of the chiefs articulated that the organization needs to identify what its core business is and recruit accordingly. This will require better alignment with the programs.

Integration or directed strategic partnership with another hospital would support a more stable workforce. This is particularly true in disciplines where local volumes do not support creating a sustainable team.

Nephrology is the easiest example of an existing strong partnership. RVH's Regional Renal Program has privileges at SMH and supports the dialysis service. This is excellent for community members requiring dialysis as they can receive care locally, and when a higher level of care is required, there is care continuity at the regional hospital.

Other departments would also benefit from integration, particularly when recruitment and retention remain challenging. Success will require a strong commitment by SMH and the integration partner hospital beyond service agreements.

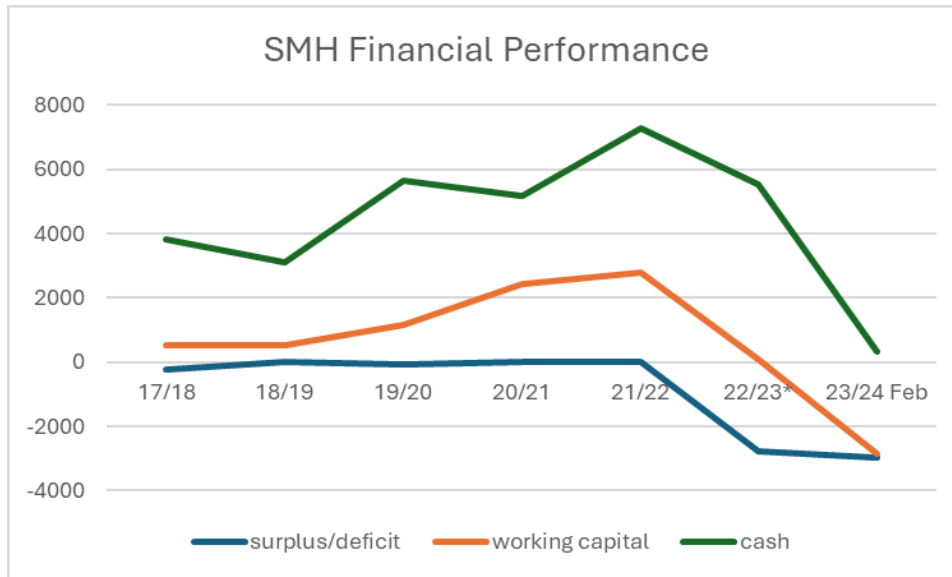
Effective recruitment and retention of key physician roles would also support the stabilization of other staffing issues in the organization. It will give staff confidence that they are well supported in delivering high-quality care by the appropriate professional staff.

9. Operational and Financial Performance & Capabilities

Related Recommendation:

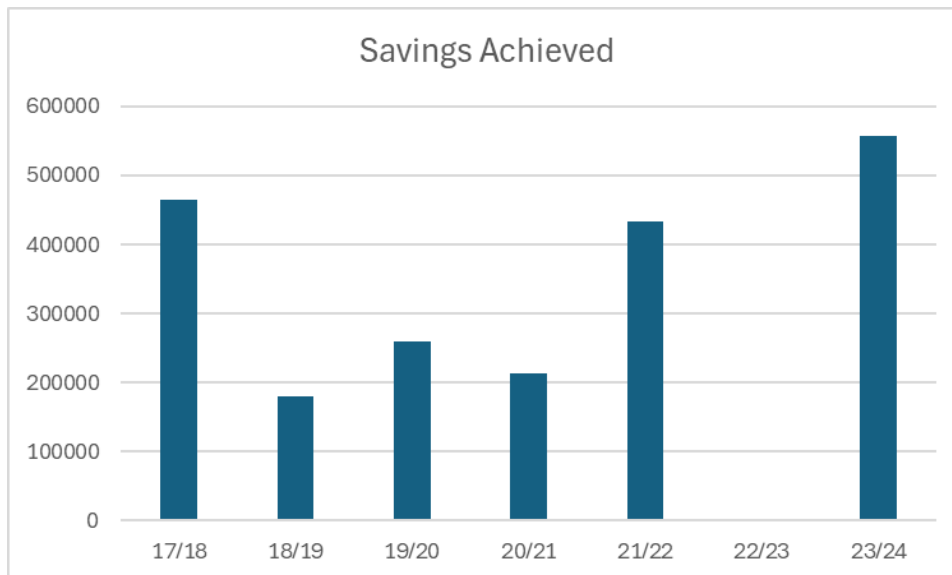
- **The Ministry of Health should increase the SMH base budget by \$1.5M and provide one-time funding of \$1.0M in fiscal year 2024-25.**
- **The Supervisor should ensure that the hospital undertakes a comprehensive multi-year recovery plan and develops a financial strategy that is transparent and sustainable.**

Recently, SMH's financial performance has declined significantly. The hospital had, essentially, balanced the books (as reported in their audited financial statements) for several years before the recent reporting of large deficits.



Note: February 24 YTD data has been shown since the MOH/OH provided “pressure funding” of \$3.5 million in March 2024 essentially balancing for the year. February YTD results also include \$2.3 million of funding for Bill 124 retraction expenses provided retroactively (but not accrued at SMH for 2022/23).

For 2017/18 through 2019/20, the organization balanced operations or reported very small deficits. Innovations and efficiency ideas were generated by the organization that allowed it to reduce costs and find incremental revenue ideas.



As with most hospitals, through the early years of the pandemic 2020/21 and 2021/22, SMH continued to balance operations, based on financial assistance for pandemic expenses provided by government and its investment in increased capacity. In fact, investments were made in SMH that had likely been necessary for many years to enhance the quality of care – enhancing security, enhancing housekeeping and introducing respiratory therapists with the use of one-time pandemic funding, but without the necessary exit strategy if the funding was discontinued – which was, in fact, what happened.

With the system-wide HHR shortages during the pandemic, SMH introduced agency staff for the first time. With the reduction of pandemic funding, a deficit of \$2.3 million was incurred in 2022/23, almost exclusively due to the use of agency staff. This issue continued through 2023/24 and continues into 2024/25, although an OH recommendation to create a float pool in 2023/24 has mitigated the impact somewhat. The deficit in 2023/24 is also partially created by a shortfall in Bill 124 funding of approximately \$.3 million, the reintroduction of some RT support of approximately \$.3 million and general inflationary pressures of approximately \$.2 million.

The prevailing perception at SMH is that its growing HHR challenges are primarily due to a lack of funding/support from MOH/OH. There were misperceptions about the pandemic funding, including a lack of understanding among most physician leaders and managers about what constituted one-time funding versus new base funding. Several physicians admitted that they had little understanding of the hospital's finances. They believed OH/MOH did not understand SMH and its needs in a growing community.

Given ongoing, increasing demands for healthcare and new technology, balancing hospital budgets is an ongoing, significant challenge. It is a marathon and not a series of 100-metre sprints. If you take the latter approach, which is largely the method utilized at SMH, it is exhausting. It is also not strategic. SMH's senior leadership team and its Board of Directors became short-sighted, reactive to immediate pressures that existed in the system and did not effectively plan.

Several other problems have contributed to the current financial situation at SMH.

- The management team wasn't telling its story, highlighting the very good work the hospital had been doing to work with stakeholders to balance the books, plus several other important investments SMH had made to build long-term capacity – such as joining SHINE, the joint electronic medical records partnership. When the situation became difficult, no one was aware of the hard work that had been done for years.
- The pandemic provided one-time funding that SMH used to invest in RTs, security, and several other assets that improved quality – with the assumption that the funding would continue. Other hospitals have also struggled with the transition post-pandemic, but in this instance, it was extremely difficult to backtrack on core activities and investments made when it was very clear that funding was one-time.
- The organization does not comprehensively use data to inform decision-making. Business cases are rudimentary, and there was no evidence of using benchmark data to compare the organization to others of a similar size. The organization did participate in regional groups and forums, and the VP Clinical/CNE had recently undertaken an effort to build a coalition of small hospitals that could share policies, procedures and operational solutions, however, there was a general lack of understanding of the financial comparisons to other organizations. SMH, therefore, was planning in a vacuum.
- Due to system-wide health human resource shortages, and like many in the province, SMH commenced using agency nursing for the first time in its history. Due to the demand, agency businesses were charging premium rates causing huge financial pressures for hospitals. The local OH leadership team has offered suggestions on how to reduce the impact of agency nursing, but otherwise, SMH fell victim to the situation and became paralyzed about how to resolve the situation. OH also indicated to SMH that agency costs were being considered for coverage through the provincial year-end pressures funding process.
- The organization received full funding to open eight transition beds. The funding rate was built on a teaching hospital cost structure, and therefore, should have been considered luxurious for a small hospital. This is where the organization really ran into trouble. The eight new beds allowed the hospital to close beds that from a quality perspective also likely presented some risk, but from an outside perspective looked like the hospital had only introduced three net new beds, versus the eight expected. Not knowing its own data, and not paying attention to what was submitted to the MOH/OH, SMH undermined its own position, showing an even lower occupancy

rate than what it was experiencing. They also incorrectly assumed, again, that the funding was ongoing, base funding. When the MOH reassessed and reassigned the funding to other hospitals experiencing higher occupancy who MOH believed required the funding more urgently, SMH became very frustrated.

- In its frustration, SMH communicated with its staff, professional staff and community that the government had removed funding and demanded that the government solve the financial situation. The hospital provided almost no communication about efforts it was making internally to find solutions. Furthermore, in its communication with OH, SMH leadership left OH with the impression that quality of care issues existed.

At the prompting of OH, a Four-Point Plan was created:

1. Funding support for an RN and RPN staffing pool (estimated cost of \$400k in each of 2023/24 and 2024/25) to support optimization of bed capacity throughout the hospital. While OH requested one-time and transitional costs for the recruitment and training of new staff in their estimate, the hospital included a base funding request. OH also questioned why the hospital had not proceeded to create its own float pool as a solution to agency nursing usage. The Investigator team generally agrees with this assessment, and as evidenced in the recommendations following, has suggested one-time funding to offset the impact of utilizing agency nursing while the float pool is being built.
2. Determine a funding path for some respiratory therapist (RT) services during peak times (days) in partnership with another Central hospital. OH noted that RTs had been included in the 2019 ICU funding request, and was, therefore, already funded. However, they were willing to consider one-time transitional funding while the ICU was reconfigured. SMH submitted a base funding request for 24/7/365 RT support. The Investigator team has recommended the re-introduction of 24/7/365 base funding support to improve clinical quality of care since the RTs support more than just the Intensive Care Unit (HAU), as they also provide support to the ED, Obstetrics unit, Gynaecology, and to support Anaesthesia.
3. Convene a separate meeting on the physical environment in the ED related to care for people who require isolation due to mental health conditions, to discuss capital and other improvements to support patient and team members' safety. OH supported \$84,000 of one-time equipment and renovation needs, but the hospital submitted \$738,000 of one-time costs and \$1.1 million of ongoing operating needs. The Investigator team also agrees with the OH assessment of this funding request since the ED at SMH is amongst the most stable function of the hospital, and Mental Health capacity should be built appropriately as part of the new Capital Redevelopment project.
4. Work with SMH to better understand why the standard \$1 million in funding to operate four Level 2 ICU (HAU) beds resulted in an, approximately, \$400,000 annual deficit and a plan to support ongoing operation of the beds which may support Item 2, above. The ICU beds were noted to have a 46% occupancy level due to physician coverage issues, and a cost per day of \$2,779 per day, compared to peer benchmarks of approximately \$1,000 per day. The Investigator team found that the cost for the ICU had reduced to approximately \$1,800 per day and requires further investigation. The high cost of the unit is primarily driven by very low occupancy, which in turn is a function of a lack of admission policies and a lack of appropriate physician and staff availability (both recommendations as noted previously in the report).

OH and SMH staff met regularly to develop a common understanding of the hospital's issues and to assist the hospital with the submission of business cases aligned with the Four-Point Plan. On September 15, 2023, the hospital submitted seven rudimentary business cases – of which four aligned to the agreed-upon plan and three were net new requests.

The new requests included:

- Obstetrical Registered Practical Nurse (RPN) line \$437,000 base funding was not supported due to duplication with the float pool request.
- Eight overflow/surge beds (\$4.0 million). These beds had previously been funded and then withdrawn from the hospital by the MOH due to low occupancy. OH encouraged the hospital to participate in the @Home™ program – which has reportedly had very good results by Q4 of 2023/24.
- Elimination of in-year deficit (\$3.1 million). This is redundant since resolution of the deficit would have occurred if the items above had been resolved. SMH also requested Replenishment of Working Capital (\$4.4 million). Similarly, this is redundant since resolution of the above items would have resolved the working capital position. Additionally, SMH requested two years of working capital deficits, when working capital support is a one-time activity.

The business cases requested a total of \$12.7 million in 2023/24, reducing to \$8.1 million in 2024/25, grossly overstating both the size of the issue and the sum of the business cases submitted in support. The requests represented a staggering 53% and 34% increase over the \$24 million OH funding. The size of the requests is unprecedented and far exceeds what would be required by a hospital to maintain operations.

Despite the hospital's tenuous financial situation, OH was most concerned about quality, safety, and risk, also identified in the communication from SMH leadership on the issues it was facing. Other factors, such as the high rate of obstetrical redirects, were also very concerning.

Financial Strategy

There is a worrisome lack of financial strategy at SMH. The organization is reactive to the issues it is facing and can best be described as “budget drives strategy”. In other words, SMH allowed the budget position of the organization to drive decision-making, rather than patient care considerations – the core mission of the hospital. For example, the decision to relocate the HAU to the general medical/surgical unit was purely financial and did not appropriately consider quality of care risks. In addition, various services at SMH are provided through other organizations. The transactional nature of these management contracts with multiple hospitals does not support quality patient care or effective patient flow.

Budgeting

The finance department at SMH described a budgeting approach that is largely built from the ground up.

- The current year's budget is provided to departments by the finance team.
- Changes are made to reflect current practices and inflationary pressures by the departments.
- Ideas for efficiency, innovation or revenue enhancements are encouraged.
- Reviews are performed by the CFIO and the respective department lead before the completion of the budget process.

However, many departments did not feel that they had ownership of their budgets, and significantly more work could be done to gain input from physicians into the budget process. The lack of a strategic overview leads this process to be largely transactional. Key clinical and administrative processes are not reviewed for opportunities. Benchmarking with comparator hospitals is not performed. Input to the process that might increase costs is often deferred with the hope that it will be resolved through government funding, or simply pass as a pressure.

In addition, appropriate education is not provided to the Board of Director's Finance, Audit and Property (FAP) Committee (and therefore, presumably, to the entire board) by the management team. This has led to a lack of understanding of

government processes, including opportunities to participate in any funding programs other than global funding, the timing of deliverables, and, generally, the expectations of the board. As a result, there have been scheduling irregularities and deliverable delays. FAP Committee meetings that were scheduled for budget deliberations were deferred in February, a status report was provided in March, an alternative meeting scheduled was cancelled in early April, and the entire budget discussion and approval has been deferred to June 2024.

While the government itself creates some of this confusion in its processes, the Hospital Services Accountability Agreement and Multi-sector Accountability Agreements were provided to the FAP as Information items, when they should have been approved by the Board.

Financial Reporting and Monitoring

The basic variance reporting process follows a similar pattern at SMH:

- Finance provides a report to departmental leads.
- A financial analyst meets with the department lead to discuss what is happening in the department.
- The CFIO meets with the directors of programs to understand the issues the department is facing.

However, department management did not feel ownership of the process, nor did they understand their current financial position. The process would be improved if physician insight was gathered, although it was reported that physicians were more engaged in variance reporting than in the actual budget development. It was also unclear how management solicits mitigation strategies and ideas for improvement. The Investigation Team was told observations were raised about clinical requirements, but they were denied due to budgetary constraints.

Finally, it was noted, that although the decision support team, a management contract through RVH, provides reports on volumes of services provided, as well as a variety of specialty reports on topics such as P4R results, there is little evidence that this valuable information is widely used to inform decision-making.

Contract Development

SMH does not seem to have team members with the skill set to effectively develop partnership contracts. In reviewing the pharmacy contract between SRHC and SMH, there are some significant issues for SMH. Most statements on the services that SRHC will supply include the word “may” in many of the areas. This does not hold SRHC legally accountable for performance. The contract is also absent of key performance indicators for both SRHC and SMH. This contract has been a source of contention between the hospitals because SMH does not feel it is getting the services it deserves, however, there is nothing in the contract that holds SRHC to any deliverables. SMH is looking to pull back some services from SRHC due to dissatisfaction with service. SMH has not conducted a thorough impact analysis on the return of these services to SMH. A more formal structure is required to strengthen the relationship between the two organizations.

In the development of the HAU there was a desire by SMH’s senior leaders to have a Virtual Telehealth Intensivist model, partnering with SRHC. The HAU was developed and opened without a signed MOU or contract with SRHC for intensivist services. The lack of intensivist coverage led to a lack of confidence in the care provided in the HAU and transfers continued out to other organizations. Without the MOU or contract in place, SRHC had no clear deliverables to SMH.

Sadly, despite the HAU being the most modern clinical space that would provide vital care to ill patients, it was closed and is currently being used for storage.

Financial Requirements

Related Recommendations:

- **The Ministry of Health should increase the SMH base budget by \$1.5M and provide one-time funding of \$1.0M in fiscal year 2024-25.**
- **Undertake a comprehensive multi-year recovery plan and develop a financial strategy that is transparent and sustainable.**

The Investigator, with the assistance of Ontario Health (OH) Central staff, developed a list of comparator hospitals in Ontario ([see Appendix N](#)). While there are no perfect comparators, the team found small hospitals (from the Growth and Efficiency Model data for 2022/23) that had +/- 25% of the inpatient weighted cases.

- SMH has larger than expected ED volumes for the comparator group of small hospitals reporting similar inpatient weighted cases (+/- 25% of the 2,526 inpatient weighted cases reported for SMH in 2022/23) with 33,071 emergency visits versus the average of the 'benchmark' group of 20,692.
- Similarly, SMH has larger than expected day surgery (DS) weighted cases for the same comparator group with 648 DS weighted cases in 2022/23 vs the average of the 'benchmark' group of 351.
- From the comparator data, SMH generally performs in the middle of the group, except for the ICU data where they present substantially higher costs than the comparator hospitals. The comparator data was from the fiscal year that ended March 2023, when the separate HAU was in operation. Due to the configuration of that unit (three beds isolated from other clinical resources), a cost of \$2,779 per patient day was reported compared to the benchmark group of \$1,016 per patient day. There may be some issues of matching costs with activity, and activity was low in the HAU when it was in operation. However, if the unit reopens, the organization should focus on reducing the cost of this unit to benchmark levels.

The 2023/24 deficit, before the application of the pressure funding, was forecast to be \$3.5 million. Pressure funding of \$3.5 million was provided to SMH in March 2024. The deficit was primarily due to:

- Agency nursing usage cost \$2,700,000. The organization had some early success with the creation of a float pool and has recently seen the monthly run rate for agency staff reduced. Based on the current run rate, the cost of agency staff will be reduced to approximately half this figure in 2024/25, and with increased activity on hiring for both full-time and float pool staff may be reduced further.
- A shortfall in the Bill 124 retraction of ~\$300,000. This is an MOH policy issue and therefore will remain in 24/25.
- Unfunded positions and miscellaneous pressures – RTs, security \$500,000. These positions were added for quality and risk purposes and were identified in the 2023/24 budget to be removed, but due to pressure from clinicians did not occur. It is recommended that a full review, including appropriate stakeholder engagement, be completed to determine the optimal investment required. The Investigator recommends this be maintained.
- While ideas for savings for 2023/24 were provided, it does not appear that these savings were achieved, or savings achieved offset other pressures not described to the Investigator team – or the board.
 - The closure of the HAU and transfer to the medicine/surgery unit should have resulted in some savings, not clearly identified.
 - Miscellaneous other ideas saved ~\$0.5 million.

The introduction of the float pool has reduced the cost of agency nursing to approximately \$100,000 per month and with continuing effort to recruit in general, but specifically to the float pool, it is anticipated that agency staffing can be eliminated within this fiscal year. In addition to the items noted above, opportunities do exist for SMH to improve its financial position. For instance:

- SMH could improve its P4R results. The organization has historically had Top Ten performance in most categories but has recently slipped. Getting back to historical performance levels could raise \$200,000 – and as much as \$500,000 – if the organization was able to get back to its previous peak performance level.
- The organization should also ensure that it is optimizing dialysis funding opportunities. One small example of capital funding for a patient chair in the dialysis program was missed in 2023/24.
- OH has provided the organization with a number of links and connections and the organization should ensure that it is optimizing all funding opportunities (ALC funding, OR reviews used to be provided through CCO, etc.)

Initiatives will take time, and the introduction of a Supervisor may delay implementation for an estimated six months. Key investments may be necessary, as well, to ensure ongoing quality of care and to stabilize the organization.

One-time funding recommendation \$1 million.

- A significant portion of the deficits incurred to date at SMH (approximately \$2.7 million) has been due to the relatively recent introduction of Agency nursing as many hospitals did during the pandemic. This is a significant quality of care issue, aligned with many of the other observations about quality of care in this report. With the prompting of OH Central, SMH has introduced a float pool, and reduced their agency usage to about \$100,000 per month, from the approximately \$225,000 per month run-rate that was in existence a little over a year ago. SMH is on-track to reduce their agency usage further, if they continue to build the float pool. There will be inevitable bumps in the road, but it seems reasonable to go from \$100,000 per month early in this fiscal year to approaching zero by the end of the year. It is recommended as one-time funding since SMH should be working towards a zero Agency use approach as part of their larger quality of care and human resources agenda, which will have the added benefit of an improved financial position.

Base funding recommendations of \$1.5 million

- Nursing investment of \$500,000 – in order to enhance clinical quality of care, the organization requires more Registered Nurse capacity in the Medical/Surgical unit as a sustainable element of the required HR strategy. The introduction of one RN, 7/24 will cost approximately \$500,000.
- Respiratory Therapist investment of \$500,000 - the organization appropriately introduced Respiratory Therapists during the pandemic to address long-standing quality of care issues utilizing one-time pandemic funding. When the pandemic funding ceased, and since budget drives strategy, the organization eliminated the RTs, but then had to reintroduce the role for quality of care reasons but causing financial pressure. One RT 7/24 is required to address the clinical quality of care opportunities.
- Investment in security of \$250,000 - similar to the introduction of RTs, the organization enhanced the security function during the pandemic utilizing one-time pandemic funding. The re-introduction of an additional 1 FTE 7/24 will enhance quality of care and enhance safety for both staff and patients.
- Investment in housekeeping of \$250,000 – the organization requires an investment of one additional housekeeper 7/24 to ensure that there is enhanced cleanliness improving the ability to deliver high quality of care.

Bill 124 funding - the current government policy is only for funding 85% of the non-nursing staff, leaving a pressure of approximately \$300,000 that the organization does not have the capacity to absorb. SMH has the opportunity to improve their ED performance and utilize the enhanced P4R funding to largely offset this pressure.

10. Capital Redevelopment

Related Recommendations:

- **The Supervisor should ensure that SMH's redevelopment project continues to progress through the Ministry of Health capital planning steps with a strong capital planning committee and strengthened administrative oversight.**

SMH's current facility is old, outdated and overcrowded. The redevelopment project must proceed as quickly as possible. The Functional Program for the new redevelopment has been approved, and the organization is proceeding to Stage 2.1 approval (Block Schematics and approval for Early Works). While the capital redevelopment project is out of scope for the Investigator, several potential issues were noted with the project that may need review in the future:

The project location is a concern:

- Redevelopment of a facility that is still in use is a very complex project with multiple tie-ins for building systems and corridors required could be disruptive to future patient care if not planned well.

The Functional Program provided to the MOH Capital Branch identifies 37 medical/surgical beds, five obstetrical labour, delivery, recovery and postpartum rooms (LDRP) and five Level 2 ICU beds.

- 37 medical/surgical (M/S) beds are based on 2016/17 data (forecasted based on population projections and other standards, to the facility's opening day). In addition, 37 is a very difficult number to work with from a staff scheduling – and therefore efficiency – perspective.
- Despite numerous references to the increasing need for at least two dedicated psychiatry beds, none are included in the bed request.
- The hospital currently runs six LDRP beds with occupancy of the 5th and 6th beds of 4% and 1% respectively. Five LDRP beds are included in the FP and are a more appropriate number given future population growth projections.
- Five Level 2 ICU beds is also an inefficient number for staff. This plan should likely have six beds given growth and efficiency requirements.
- Caution is required in the development of the Post Construction Operating Plan (PCOP). As happens with many hospitals, SMH has confused the Functional Program as a funding plan. The Functional Program is a space and clinical services plan. An entirely different approach is utilized to calculate PCOP funding, which references the space and clinical volumes in an MOH-approved Functional Program submission.

For many decades the Simcoe County municipal council has provided significant funding for capital redevelopment projects for all hospitals either located in Simcoe County or providing services to Simcoe County residents. Organized through the Simcoe County Hospital Alliance, the CEOs meet on a regular basis to review capital project priorities, funding opportunities and to make recommendations regarding the allocation of county funds on an annual basis. Each year the chair of the Alliance makes a presentation to the Council regarding the importance of the delivery of hospital services to their residents. In 2023, the County of Simcoe presented a \$1 million cheque as the first installment of a \$10 million commitment toward Stevenson Memorial Hospital's redevelopment project.

11. Conclusion

The communities served by Stevenson Memorial Hospital deserve a safe, high-functioning local hospital with reliable services delivering high-quality care that meets expected standards. The care should be no different than care received at any acute care hospital in Ontario. With the high growth expected from the Honda plant expansion and the expected additional spin-off job creation, it is even more important to have easily accessible excellent services as close to home as possible.

In February 2024, the Minister of Health appointed an Investigator to evaluate and make recommendations regarding the quality of care, performance and capabilities, financial position, governance and management of SMH.

The overarching objective of this investigation was to find ways to optimize the hospital's clinical care and financial sustainability to ensure excellent care is provided to the residents of New Tecumseth and surrounding communities. As with all small acute care hospitals, the expectation is that when patients need care greater than what the hospital can provide, there are clear, seamless paths to move them to the appropriate secondary/tertiary hospital without delay.

The current lack of clear clinical transfer accountabilities has left SMH clinicians in moral distress with the inability to get higher-level acuity patients, with both mental health and medical needs, to appropriate sites for their care in a timely manner. This situation has contributed to disjointed clinical processes and a deterioration of care. Clinicians are frustrated and an increasing number of ill and injured patients simply choose to receive their care at another hospital.

The Investigation Team observed numerous governance, leadership and operational issues and shortcomings that have evolved at SMH over several years. The planning, opening and closing of the HAU within 27 months demonstrates a concerning lack of governance oversight and leadership capability to undertake a project of this size. The Investigation Team does not have confidence that the current SMH board and its leadership team can execute a capital redevelopment with an estimated design and construction cost, per Infrastructure Ontario's December 2023 Market update, of approximately \$200 million. Quality of care, and particularly access to services, has suffered to the point where residents are choosing to go to other hospitals for their healthcare.

Governance issues are, most often, the root cause for hospitals placed under supervision by the Ontario Government and SMH is no exception. Strong, high-functioning boards want management to educate them on the provincial landscape and the dire situation the hospital is facing. They expect to be alerted to patient care risks. They demand creative solutions to quality challenges, staffing shortfalls and financial performance issues. They expect the best healthcare for their communities.

Despite the challenges, there is tremendous potential and hope at SMH. The recommendations in this report are made with a message of optimism and of an eye toward growth. They are designed to ensure that, through integration or a directed strategic partnership, the SMH site:

- improves quality so that community members are confident they can access safe care closer to home.
- becomes a magnet workplace for staff and physicians who, instead of travelling great distances to work in the GTA, will be proud to serve their local hospital – and they will want to stay at SMH long into the future.
- rebuilds a firm financial footing and long-term sustainability.
- builds an expanded hospital that offers high-quality, safe care the community can be proud of.

This community, employees and physicians at SMH should expect nothing less.

12. RECOMMENDATIONS

1	The Minister should recommend that the Lieutenant Governor in Council appoint a hospital supervisor for SMH ("Supervisor") with the full powers of a supervisor under the <i>Public Hospitals Act</i> (Ontario).
2	Based on the historical operations of SMH, including three previous reports recommending integration to varying degrees, the Supervisor should consider a mandate to integrate or direct a strategic partnership with a larger, more complex hospital to ensure a stable, long-term solution that meets the needs of the fast-growing community, ensuring alignment with the appropriate Ontario Health Team (OHT).
3	The Supervisor should immediately commence formal external reviews of obstetrical and diagnostic imaging services.
4	The Supervisor should consider the development of an integrated clinical services plan and a health human resources strategy that is equitable and inclusive.
5	Should the Supervisor determine an integration or directed strategic partner is the best strategy for the long-term sustainability of SMH, the Supervisor should develop criteria upon which to select the best-suited hospital and submit the criteria to the Ministry of Health and Ontario Health for consideration.
6	The Supervisor should work closely with a Community Advisory Committee to ensure a shared vision for the future.
7	The Ministry of Health should increase the SMH base budget by \$1.5M and provide one-time funding of \$1.0M in fiscal year 2024-25.
8	The Supervisor should ensure that SMH's redevelopment project continues to progress through the Ministry of Health capital planning steps with a strong capital planning committee and strengthened administrative oversight.
9	The SMH Foundation should consider inviting the integration or directed strategic partnership hospital President & CEO to become an ex-officio voting member of the SMH Foundation Board of Directors, as is common with many Ontario public hospitals.
10	The Supervisor should request postponement of the Accreditation Survey scheduled for November 2024.
11	The Supervisor should ensure the establishment of a comprehensive quality framework to monitor and ensure the highest level of patient safety.
12	The Supervisor should ensure the immediate review and recalibration of staffing on units, where staff qualifications and patient ratios align with accepted standards of practice for the acuity level of each unit.
13	The Supervisor should ensure the development of an organization-wide plan for improving the morale and culture with meaningful input from employees and credentialed staff.
14	The Supervisor should review the senior leadership team and organizational structure while providing leadership training opportunities for all administrative and clinical leaders.
15	The Supervisor should ensure that the hospital undertakes a comprehensive multi-year recovery plan and develops a financial strategy that is transparent and sustainable.
16	As part of an integration or directed strategic partnership, the Supervisor should develop early and genuine engagement of internal and external stakeholders, including Indigenous and Francophone populations, to ensure a shared vision of the hospital's future that reflects the community's needs and concerns.

13. NEXT STEPS

- Minister of Health receives the Investigator's Report no later than June 28, 2024
- In accordance with section 8 of *The Public Hospitals Act*:
 - The Minister of Health shares the report with SMH Board Chair.
 - The Minister of Health ensures the Investigator's Report is made public.

APPENDICES

Appendix A – List of Abbreviations

AMC: Administrative Management Committee (senior leadership team)

CEO: Chief Executive Officer

CFIO: Chief Financial & Information Officer

CME: Continued Medical Education

CMPA: Canadian Medical Practice Association

CNE: Chief Nursing Executive

COS: Chief of Staff

ED: Emergency Department

FHM: Fetal Heart Rate Monitoring

FHS: Fetal Health Surveillance

FRCP: Fellowship of the Royal College of Physicians

FTE: Full Time Equivalent

HAU: High Acuity Unit (Level 2 ICU)

HHR: Health Human Resources

LDRP: Labour, Delivery, Recovery, Post Partum

M&M Rounds: Mortality and Morbidity Rounds

MOH: Ministry of Health

NGG: Nurse Graduate Guarantee program

NRP: Neonatal Resuscitation Program

OH: Ontario Health

OBS: Obstetrics

P4R: Pay for Performance Results

QIP: Quality Improvement Plan

RPN: Registered Practical Nurse

RT: Respiratory Therapist

SMH: Stevenson Memorial Hospital

TCU: Transitional Care Unit

Note: Professional Staff/ Credentialed Staff includes physicians, dentists and midwives

Appendix B – Stevenson Memorial Investigator Terms of Reference

The terms of reference of the review are as defined below:

- 1.The Investigator will examine and report on issues related to the governance, management, operations, and patient care at SMH.
- 2.The Investigator will examine, evaluate, and make recommendations on the quality of care, performance and capabilities, financial position, and governance and management of SMH.
- 3.The Investigator will liaise with Ontario Health and other stakeholders as the Investigator deems appropriate.
- 4.The Investigator will not publicize or make any public statements regarding the work as Investigator unless they have received prior written authorization from the Ministry of Health (“Ministry”).
- 5.The Investigator may retain external resources as the Investigator deems appropriate.
- 6.The Investigator will report to the Minister of Health (the “Minister”) as required by the Minister.
- 7.The Ministry may, from time to time, ask the Investigator to provide updates on the progress of the investigation work. As appropriate, the Investigator will discuss issues related to the investigation with the Minister (or her delegates), Deputy Minister, Associate Deputy Minister (Clinical Care and Delivery), and Assistant Deputy Minister (Hospitals and Capital Division). The Investigator may also provide updates, as appropriate, to the President and CEO and Chief Regional Officer of Ontario Health.
- 8.The Investigator will provide the Minister a draft final report no later than May 15, 2024, and a final written report no later than June 28, 2024. The Minister shall cause a copy of the final report to be delivered to the Chair of the SMH Board and shall make the report public in accordance with section 8 of the *Public Hospitals Act*.

Appendix C – Investigation Team Biographies

Janice Margaret Skot –Lead Investigator

Janice Skot is the past President and CEO of Royal Victoria Regional Health Centre (RVH) in Barrie, Ontario. Under her visionary and progressive leadership RVH became a recognized Centre of excellence and innovation, providing specialized care closer to home with a strong culture of safety, transparency, accountability, and service excellence.

Throughout her career, Janice has held several senior positions including President and CEO Laurentian Hospital in Sudbury as well as the CEO of the Northeastern Ontario Regional Cancer Centre under the auspices of Cancer Care Ontario.

Janice is currently an independent board member of OCINet (formerly HDIRS). At a governance level, Janice has been very involved in the health care supply chain: first, as Chair of the COHPA Board and second, once amalgamated, as a member of the Plexxus Board. Past board positions have included an Order in Council appointment to the Board of Directors of Science North in Sudbury and the Board of Governors of Georgian College in Barrie.

Currently, Janice is a member of York University President's Strategic Advisory Committee seeking provincial approval for a medical school. Janice was recently appointed by the Minister of Defense as the Honorary Colonel of the Canadian Forces Health Services Training Centre at Base Borden, near Barrie.

Janice is a Certified Health Executive and holds her Master of Health Science, Health Administration from the University of Toronto, as well as a Bachelor of Science in Nursing from Queen's University. Her continuing education includes the Harvard School of Business Advanced Management Program and the Independent Corporate Directors Program, Rotman School of Business, University of Toronto.

Janice is passionate about measurable quality outcomes and the need to align an organization's culture to witness sustainable improvements. This journey begins with a dedicated skills-based Board of Directors. To this end, Janice has spoken nationally and internationally about how to define and drive culture to achieve strategic results.

Tabitha Carroll – Nursing Lead

Tabitha Carroll is a Health System Executive - Clinical at Lakeridge Health.

She grew up on a farm between Lindsay and Peterborough Ontario (Downeyville) and has worked at many of the local hospitals in leadership roles including Ross Memorial Hospital, Northumberland Hills Hospital, Peterborough Regional Hospital and Lakeridge Health (Port Perry, Bowmanville, Oshawa, Whitby, Ajax/Pickering, and Jerry Coughlan Health and Wellness Centre). In her various roles, Tabitha has supported teams in Emergency, Critical Care, Medicine, Surgery, Dialysis, Oncology, Ambulatory Care, Women and Children, Pharmacy, Lab, and Diagnostic Imaging.

Tabitha started as a Sir Sandford Fleming Nursing graduate in 1990. Her bedside experience was primarily in Critical Care and Emergency Nursing. Tabitha expanded her professional development by taking on Managerial roles in both the community and in smaller community hospitals. During this time, she pursued her degree in Business Administration at Trent University and her Master of Health Management at McMaster University.

The combination of Nursing and Business supported Tabitha's clinical and operational knowledge base as she entered the role of Director. Northumberland Hills Hospital was the organization that supported Tabitha in her first Director role. Northumberland Hills Hospital granted Tabitha the opportunity to lead in many areas where she had not developed clinical expertise.

This opportunity developed her skills in leadership and taught her how to identify the clinical diamonds in the organization that could teach her the clinical best practices and work with her to move the organization forward on a path to positive clinical outcomes and patient experience. These leadership learnings have supported Tabitha along her career path and continue to guide her today.

In the role of Health System Executive - Clinical at Lakeridge Health Tabitha states that is great to be at this stage of your career and still be learning. She looks forward to continued growth with this opportunity and hopes that her combined experience will bring value to the project.

Brian Edmonds, CPA, CA, MHSc –Financial Lead

Brian is a Chartered Professional Accountant/Chartered Accountant and holds a master's degree in health sciences administration from the University of Michigan. His executive interests include strategic planning, fiscal accountability, the development of new funding models for health care, change management, performance improvement, and corporate governance.

Brian is currently retired, but through his career provided interim executive leadership and strategic consulting advice to over 25 Ontario-based teaching and community, private and public health service providers as these organizations looked for performance improvement opportunities. Through these engagements, Brian worked extensively with the full Board and the Audit and Finance Committees of these organizations to develop appropriate governance processes and tools.

Engagements included:

- VP and Chief Financial Officer, Campbellford Memorial Hospital
- VP and Chief Financial Officer, Haliburton Highlands Health Services
- VP and Chief Financial Officer, Oak Valley Health
- VP of Informatics & Diagnostic Services & CFO of Quinte Health Care (twice)
- VP and Chief Financial Officer, Centre for Addiction and Mental Health (twice)
- Chief Operating Officer, Royal Victoria Regional Health Centre
- VP and Chief Financial Officer of North York General Hospital
- VP and Chief Financial Officer of William Osler Health System (under the Supervisor)
- VP and Chief Financial Officer of Rouge Valley Hospital
- VP Finance and CFO, Joseph Brant Hospital
- Advisor, Cambridge Memorial Hospital
- Advisor, Sioux Lookout Meno Ya Win Health Centre
- CEO, Central Ontario Healthcare Procurement Alliance
- Advisor to the Board, Waterloo Wellington Community Care Access Centre

Rachel Kean- MBA, MSCHQ, CHE –Vice President Quality and Risk Lead

Rachel Kean is currently the Vice President, Quality, Risk and Patient Experience at Royal Victoria Regional Health Centre where she has worked for 17 years, and through a shared regional Electronic Medical Record partnership, she is the Regional Chief Privacy Officer for Collingwood General and Marine Hospital, Georgian Bay General Hospital, Headwaters Health Care Centre, and Royal Victoria Regional Health Centre, the South Georgian Bay OHT, and 5 local hospices including Matthew's House in New Tecumseth.

Her diverse portfolio includes the following areas: Quality of Care; Risk Management (includes litigation, legislation, policy office, and Accreditation); Patient Experience and Patient Safety; Quality Improvement and Project Management Office (includes Change Management and Strategy), Security Services, Emergency Planning

and Switchboard; Patient Access, Health Records and Registration (includes a Regional Patient Portal reaching the 4 sites from the EMR partnership); Regional Privacy; Indigenous Patient Services; and Board Governance. Rachel also has experience providing leadership in Decision Support and Procurement as well as interim leadership of Laboratory, Cancer, and Mental Health and Addictions.

In addition to responsibilities at Royal Victoria Regional Health Centre, Rachel's team has experience providing various services to Collingwood General and Marine Hospital and Georgian Bay General Hospital, which has provided her exposure to small, medium, and large health care organizations.

Rachel recently completed a term as a Board Director at Hospice Simcoe where she chaired the Quality Committee, and she is a current faculty member at Georgian College in the Project Management postgraduate certificate program.

Her education includes a Master of Business Administration, a Master of Science in Health Quality, Certified Health Executive designation, Project Management Professional designation, Lean Black Belt designation, and Change Management Practitioner designation.

Dr. Tony Stone – Physician lead

Dr. Stone is a family physician who has delivered care to patients at Lakeridge Health since 1992. His community practice is in Bowmanville. He completed his undergraduate degree and post-graduate medical training the University of Toronto and received his certification from the College of Family Physicians of Canada in 1992. He has also completed the Advanced Health Leadership Program in 2016 at the Rotman School of Management. Along with continuing a comprehensive primary care practice, his past clinical practice has included emergency medicine, Hospitalist medicine, palliative care, obstetrics, and surgical assisting.

Dr. Stone has held several leadership positions, including Vice President of the Professional Staff Association, Lakeridge Health, Deputy Chief of Staff of Lakeridge Health Bowmanville and Chief of Staff of Lakeridge Health Corporation. He currently serves as Lead Physician for the Clarington FHO.

Dr. Stone is an Adjunct Assistant Professor with Queen's University Faculty of Medicine and a Lecturer with the University of Toronto Department of Family and Community Medicine. He regularly preceptor's residents for the ROMP program.

Appendix D – Employee/Professional Staff Survey Results

1. SMH Staff Survey: Volunteer Feedback (n=8)

Question	Top Theme(s)	Example Response(s)
What are SMH's strengths?	<ul style="list-style-type: none"> Quality care Sense of community Leadership 	Accreditation proven, excellence in patient safety and care. SMH is an incredible hospital, that needs additional funds to support the growth in the area.
What are the current challenges facing SMH?	<ul style="list-style-type: none"> MOH approval for redevelopment Insufficient funding Staffing shortages 	Health Care Human Resources - having enough staff to provide the services. Insufficient provincial funding to allow the hospital to hire the needed personnel. Aging infrastructure
How do you bring quality initiatives forward at SMH?	<ul style="list-style-type: none"> Conversations with leadership team/meetings 	Conversation and interaction with the leadership team has allowed me to understand what issues face the hospital. I have had opportunities to make comments and suggests how we can have a better hospital community
How do you measure quality at SMH?	<ul style="list-style-type: none"> Quality Improvement Plan Patient feedback Accreditation 	Safety and care of patients. Accreditation has measured this against standards and performance of other hospitals in the province
What three words best describe the culture at SMH?	<ul style="list-style-type: none"> Caring Service Quality 	
Has the culture changed since you have been at SMH, if so, how?	<ul style="list-style-type: none"> Changing population Pandemic Improved under current leadership Investigation damaging culture 	It has changed over the years - first the frustration with an old building - but created a culture of desperation to get redeveloped but keep things going - then the pandemic - well that was a mess everywhere and people had the usual range of responses as all around the province/county. They were exhausted and the culture had a strong alliance so they could all get out alive - then the culture became frustrated due to lack of funding and they were still accountable. Things were just getting better then someone told them they were messing up and the Quality of Care was not good. So they were deflated. I think they try to hold it together and they do many things to support each other and keep up morale - and they always will.
What opportunities do you see for improvement at SMH?	<ul style="list-style-type: none"> Strengthened infrastructure/redevelopment Increased staffing Increased funding 	Definitely the structure. We need more specialists (OB, Knockout docs). SMH promotes from within. and if the talent is not here, they go outside. Also the redevelopment will attract more physicians to the hospital.
If you could change one thing at SMH, what would it be?	<ul style="list-style-type: none"> Redeveloped hospital Funding 	Instead of wasting money on an investigator, I would put it toward redevelopment.

Question	Top Theme(s)	Example Response(s)
	<ul style="list-style-type: none"> Cease investigation 	
How do you bring risk concerns forward at SMH?	<ul style="list-style-type: none"> Senior team Other leaders 	Speak with senior leadership or a Board member, as many are also residents close by, however, my biggest concern is the length of time everyone has been working to promote and engage bureaucrats in moving the various Stages for approval forward.
Describe SMH's commitment to patient experience	<ul style="list-style-type: none"> Caring and professional staff Positive patient feedback 	They welcome patient feedback and testimonials regarding their experience.
Describe SMH's commitment to staff/physician experience	<ul style="list-style-type: none"> Safe environment Recognition Funding limitations 	Excellent. Good working conditions. People care. Financial restrictions and raises are not a SMH issue, but Ministry of Health needs to increase wages to keep up with cost of living.
Is there anything else you would like the Investigation Team to know?	<ul style="list-style-type: none"> Resistance to MOH Investigation Support for SMH leadership team 	<p>Why are you really here??? We are a great hospital. What are you trying to find. Have any crimes been committed?</p> <p>The Investigation process risks seriously damaging the hospital and in fact has already done so.</p>

2. SMH Employee Survey (n=82)

Question	Top Theme(s)	Example Response(s)
What are SMH's strengths?	<ul style="list-style-type: none"> Teamwork Sense of community Small hospital environment 	Staff are like family, working together to provide the best care with limited resources.
What are the current challenges facing SMH?	<ul style="list-style-type: none"> Lack of funding/resources Lack of leadership Staffing shortages 	I feel we are currently struggling with lack of communication, lack of leadership and lack of resources
How do you bring quality initiatives forward at SMH?	<ul style="list-style-type: none"> Conversations with leadership team/meetings <p>Note: Several comments that although brought to leaders, no action is taken</p>	You give your input on any ideas. Even if it goes nowhere
How do you measure quality at SMH?	<ul style="list-style-type: none"> Patient outcomes Patient feedback Metrics 	Patient safety is a key quality indicator in my opinion
What three words best describe the culture at SMH?	<ul style="list-style-type: none"> Caring Friendly Toxic Stressful 	
Has the culture changed since you have been at SMH, if so,	<ul style="list-style-type: none"> Changes Lower morale, trust 	Yes. When I started at SMH many years ago it was busy but the culture was positive and

Question	Top Theme(s)	Example Response(s)
how?	<ul style="list-style-type: none"> Leadership 	<p>patient focused. The collaboration between departments fostered a positive learning environment and both the patients and staff benefitted from this. Managers collaborated with staff to ensure proper functioning of the department and equipment. We have always had high workloads and have always in my time at SMH had to settle for less optimal working conditions as a result of the lack of funding for new equipment and infrastructure but this was tolerable given the culture and "everyone" shared the same goal for patient care and it forced us to come up with innovative ways to deal with any shortfalls. In the last 5-6 years (covid aside) there has been a large turn over in management with little support to staff in terms of increasing workloads, aging equipment and a lack of policies and direction with respect to the needs of our patients and changes in healthcare. There has been less collaboration between staff and cross departments, less direction to ensure safe and quality care, less discipline for poor work ethics and behaviour in fear of losing staff, less emphasis on proper training; as a result of staffing retention issues, less quality control over all and the environment has gone from patient centred and focus to one of throughput - demanding more from staff to the point of exhaustion. It has become a "survival of the fittest" environment where management is not to be trusted and discrimination and poor work ethics are ignored. We are in a sad state, however many of the long-standing employees (there are only a few of us left) have seen the positive in this community hospital and we have felt the gratitude of our patients and we stay because we are hopeful that under the right direction our community hospital can be restored to what it was.</p>
What opportunities do you see for improvement at SMH?	<ul style="list-style-type: none"> Change in leadership Increased funding/resources Increased staffing 	<p>Full restructuring of management to improve collaboration, restore trust and respect and to ensure that the proper allocation of resources to support programs for patient care and staff</p> <p>If we had more resources we could really be a great hospital for our patients and staff would be happier. We need more doctors and to bring back 24/7 RTs and the high acuity unit.</p>

Question	Top Theme(s)	Example Response(s)
If you could change one thing at SMH, what would it be?	<ul style="list-style-type: none"> • Change in leadership (particular mention of EVS leadership) • Increased staffing • Culture 	I would like to see follow through from start to finish to ensure projects reach completion. I find many management positions are responsible for too many departments and not enough time to do a good job in any one area. SMH needs to bring back staff morale.
How do you bring risk concerns forward at SMH?	<ul style="list-style-type: none"> • Leadership • Incident reporting 	Prior to our Director leaving, we would send an email to both our director and coordinator. Our coordinator would say she will discuss with the director and we never get any resolution. We constantly follow up and either no response or no resolution has been made. Now our director is gone its been radio silent.
Describe SMH's commitment to patient experience	<ul style="list-style-type: none"> • Do our best • Positive patient feedback 	Our commitment to patient experience is second to none. Despite all of our issues, our priority is to provide an excellent patient experience and positive patient outcomes, and we do our utmost best to achieve that.
Describe SMH's commitment to staff/physician experience	<ul style="list-style-type: none"> • Staff appreciation events • Opportunity for improvement 	<p>Every year SMH does an employee appreciation week filled with food and activities to appreciate staff. Wellness carts with goodies are also done at certain points of the year and a staff Christmas lunch is done at Christmas. My manager often brings in treats and does shout outs at huddles. Bigger successes are sent out in Feel Good Friday emails.</p> <p>Could be improved with more transparency and positive feedback</p>
Is there anything else you would like the Investigation Team to know?	<ul style="list-style-type: none"> • Sense of concern, fear • Hard-working staff, doing best with resources 	<p>There are a lot of fellow staff and coworkers who are in fear of losing their jobs with the ongoing investigations and we are not feeling the support from upper management during a time like this. The "little people" should have a voice and a lot of times know how things operate better than upper management but are never asked for any involvement in projects etc.</p> <p>I love this hospital. In spite of our issues, we have a lot of heart and we all do the best we can. This hospital is broken, but the staff is committed to carrying on and providing the very best care they possibly can, in spite of the</p>

Question	Top Theme(s)	Example Response(s)
		lack of staff and the lack of funding and we do it all in an antiquated building with old equipment. I know we're not the only hospital experiencing these problems. Healthcare is in crisis. And you won't be able to fix everything. But please know, your presence here gives me hope that there are better things to come.

3. Professional Staff Survey (n=18)

Question	Top Theme(s)	Example Response(s)
What are SMH's strengths?	<ul style="list-style-type: none"> Team Sense of community Small hospital environment 	Family mentality amongst staff, strong commitment to community and its care.
What are the current challenges facing SMH?	<ul style="list-style-type: none"> Safety Lack of leadership Staffing shortages 	<p>1) lack of accountability of managers and leaders.</p> <p>2) Significant Diagnostic imaging downtime in particular, plain radiography during night shifts which is not safe. Management is aware and no initiative has been taken to address it.</p> <p>3) Shortage of nursing.</p> <p>4) lack of proper contingency plan with DI downtime (ongoing), lack of RT , no Anaesthesia, no gynecologist, which is unsafe for patients</p> <p>5) we are being prohibited to discuss shortfalls and being told we cannot re-direct ambulance services when we have no DI or the most basic tool which is a portable chest x-ray to care for patients safely which puts patients and physicians and nursing staff at risk.</p> <p>6) Unsafe work environment (open ambulance entrance and accessibility of public to ER, lack of proper code silver and Code black. These Issues that have been brought to supervisors, ED leads, nursing managers for years and have never been addressed or taken seriously.</p> <p>7) Employers are not feeling comfortable and safe to speak up. We have lost so many good and professional staff and they have never been given a chance for exit interview to be able to address their concerns.</p> <p>8)Lack of RT services despite so many high acuity patients and increase number of geriatric patients and cancer patients that have moved to this area from GTA.</p> <p>9) significant lack of mental health services, no psychiatrist on call or available to consult.</p>

Question	Top Theme(s)	Example Response(s)
		<p>Formed patients end up staying in ER for day in the hallway which causes an unsafe environment for others and also impacts our flow.</p> <p>10) inconsistent hospitalist coverage, excessive reliance of ER staff to fill deficits in the hospital such as well baby, sick baby, anaesthesia coverage, hospitalist coverage which puts significant burden on staff and morals</p> <p>11) lack of transparent communication on hospital website with our significant shortage of services, which delays patient care.</p> <p>12) lack of funding</p> <p>13) lack of physical space</p>
How do you bring quality initiatives forward at SMH?	<ul style="list-style-type: none"> Conversations with leadership team/meetings <p>Note: Several comments that although brought to leaders, no action is taken</p>	<p>Currently, this is a process that is difficult as many concerns are not heard.</p> <p>Ex. for broken equipment or safety concerns we put in work orders, which are addressed slowly and often not addressed at all</p> <p>Our managers have so much on their plates as is that they are unable to follow up on every issue so it seems like a lost cause to report things</p>
How do you measure quality at SMH?	<ul style="list-style-type: none"> Patient outcomes Patient feedback Metrics 	<p>I measure quality based on patient satisfaction and outcomes. I think patient centered care is highly important and providing safe and effective care is most important.</p> <p>I feel as though some measure quality based on number of beds filled and least amount of money spent. This impedes the ability of staff to provide quality care</p>
What three words best describe the culture at SMH?	<ul style="list-style-type: none"> Caring Friendly Toxic 	
Has the culture changed since you have been at SMH, if so how?	<ul style="list-style-type: none"> Change for worse Culture Looking for change 	<p>When I started at SMH the community between the staff was amazing. There was always help available and it felt like teamwork within departments and between departments. Coming to work used to feel not like "work." I felt supported and encouraged to ask questions to learn and that made me feel eager and willing to help more staff when I became more senior. Now I feel overwhelmed by the inability to work as a team among staff. Sometimes it's</p>

Question	Top Theme(s)	Example Response(s)
		hard to find someone willing to help with any given task. There is so much attitude, toxicity and unprofessionalism in the hospital between departments, that did not exist when I started working here. There is barely any support available despite visually seeming like we're adding support staff (extra discharge planner, two clinical scholars).
What opportunities do you see for improvement at SMH?	<ul style="list-style-type: none"> • Redevelopment • RT program • Change in leadership 	New CEO, New board of directors that have expertise and care about future of this hospital, New CNO with fresh perspective
If you could change one thing at SMH, what would it be?	<ul style="list-style-type: none"> • Redeveloped hospital • RT program • Increased staffing 	Financial accountability. Full Time RT program MOUs with larger centers for transfers and support. For ex/ all paediatrics go to hospital x. All hip fractures go to hospital y.
How do you bring risk concerns forward at SMH?	<ul style="list-style-type: none"> • Leadership • Incident reporting 	Incident reporting system as well as emailing and communicating to managers/directors.
Describe SMH's commitment to patient experience	<ul style="list-style-type: none"> • Do our best • Positive patient feedback 	The hospital is trying its best in an old, outdated facility.
Describe SMH's commitment to staff/physician experience	<ul style="list-style-type: none"> • Low commitment • Try but not successful • Funding limitations 	<p>There is a lack of commitment to staff/physician experience. This has changed over the years. There has been a continual decline in upper management/leadership involvement and communication which in turn supports and builds our positive experience.</p> <p>They try but fall short. We're still feeling the effects of the layoff of 16 nurses resulting in us needing to rely on agency staff. There's been a commitment to hire more people and I believe they've been successful in filling vacancies but there's nothing to keep people here especially the physicians. Why would one risk their license or registration to work somewhere that isn't safe because there are no resources to be able to do a good job.</p>
Is there anything else you would like the Investigation Team to know?	<ul style="list-style-type: none"> • Grateful for opportunity to provide info • Caring team 	Staff care about the roles they play at SMH to the point where a lot have been here in excess of 30 or more years. Staff look after SMH, being careful about what is purchased as if it was their own money. Some items have to have the money spent on them though, cause you only get what you pay for; that whole quality thing that I touched on earlier.

Appendix E – Community Survey Responses Summary (n = 261)

Question	Responses/ Top Theme(s)	Example Response(s)
Have you or your family members used SMH services in the last 5 years?	Y = 256 N = 4 Blank = 1	N/A
If you or your family have used the services of SMH in the last few years, on a scale of 1 to 5, how would you rate your overall experience (quality of care, courtesy/professionalism, cleanliness)?	Extremely Satisfied - 50 Very Satisfied - 65 Satisfied - 62 Very Dissatisfied - 42 Extremely Dissatisfied – 37 Blank – 5 Summary: Extremely/Very Satisfied – 44% Satisfied – 24% Extremely/Very Dissatisfied – 30% Blank – 2%	
Do you have any additional comments related to Question 2 above?		Extremely/Very Satisfied: The doctors while busy provide excellent care Satisfied: Hospital was unable to help me and transferred me to another hospital. Extremely/Very Dissatisfied: This old hospital is held together by duct tape and asbestos caught in a time warp. Understaffed and poorly managed.
On a scale of 1 to 3, do you feel SMH is meeting your/your family's needs in terms of local service requirements?	Exceeding - 32 Meeting - 126 Not Meeting – 97 Blank - 6	
Do you have any additional comments related to Question 6 above?		Exceeding: I have regular CT scans at the hospital and have never had any issues getting appointments and I like that I can get my results on the Patient Connect Portal. Meeting: With the growth in this area expansion is needed. Not Meeting: We have lived in this community all our lives, and this hospital is no longer meeting any of our needs especially when we're in an emergency. To be honest I am afraid to go to this hospital now as the care is terrible.

Question	Responses/ Top Theme(s)	Example Response(s)
What is your preferred hospital when you are seeking emergency care?	SMH – 139 HHCC - 10 RVH - 36 SRHC - 55 Depends - 3 Others - 18	
If you have received hospital-based treatment (emergency, outpatient or inpatient) at another local hospital, please name the hospital.	No answers provided	
What are the reasons for your choice?		
How likely are you to recommend SMH to friends and family members?	Very likely – 94 Somewhat likely – 83 Not likely – 82 Blanks - 2	
Do you have any additional comments related to Question 11 above?		<p>Very likely: It depends on the situation. For an ER visit, yes. For OB/gyne, depends on the doctor and also they have lots of redirect happening for OB due to doctor shortage so you may not get to have your baby there as planned. Outpatient clinics, yes. Radiology, yes.</p> <p>Somewhat likely: Depends on the need. Service is good, but there is limited capacity for serious needs.</p> <p>Not likely: There are better hospitals in the area that can handle more complex needs so might as well go there instead of coming here only to be transferred to a different hospital for certain tests/ procedures.</p>
Based on your overall experience, what are two things done particularly well at SMH?	Triage Care and compassion of staff	<p>Care. Doctors and nurses do so much with no resources.</p> <p>Triage does very well, nurses are really nice</p>
Based on your overall experience, what are two things that could be improved at SMH?	Wait times Facility Staffing	<p>Waiting time at emergency, needs more beds as the area population growing fast</p> <p>Facility is old...we need a new hospital. Incentives to attract more young physicians to a</p>

Question	Responses/ Top Theme(s)	Example Response(s)
		<p>rural facility</p> <p>More staffing - one of my nurses was the only one in the maternity ward for a shift and she was visibly overwhelmed</p>
Is there anything else you would like to share with the Investigator?	Growth/expansion needed	<p>Based on the size of new Tecumseth we need our own hospital and it should meet standards of other healthcare facilities. When I'm at SMH I often wonder how the staff can get through the day based on the lack of resources and update equipment</p> <p>Build a better hospital not renovate an old decrepit hospital</p> <p>We need a new hospital in Alliston to accommodate the growth.</p> <p>I think we are very fortunate to have a hospital in our own community but it is so old and outdated with a lot of equipment and the services of specialists that it is unable to provide all the care needed for the entire community.</p>
Could you please share your age by selecting from the options below:	18-24 - 4 25-34 – 20 35-44 - 61 45-54 - 34 55-64 - 53 65-74 - 46 75+ - 40 Blanks - 3	
How many years have you lived in the area?	Less than 1 yr – 3 2-5 yrs – 32 6-10 yrs - 45 11-20 yrs – 45 More than 20 yrs – 133 Blank - 3	

Appendix F – Stakeholder Engagement

Type	Unique Participants	Note
SMH Board and Committee meetings	SMH board members	Boards of Directors Boards Quality Committee Board Governance Committee Finance, Audit and Property Committee Board Executive Committee Senior Leadership meetings (AMC) Medical Advisory Committee (MAC)
Interviews/ meetings	106	SMH Boards members (1:1) SMH Leadership (1:1) SMH Managers/Directors Physicians Professionals Staff (Former Chiefs of Staff, and the current Interim Chief of Staff Chiefs/Physician Leads President of the Professional Staff Association Former President of the Professional Staff Association Clinical Programs staff (DI Staff Members, Lab Staff Members, OBS Staff Members, RT Staff, Med/Surg Staff Members, Flow Nurse, Dialysis nurse, Ambulance overflow Nurses) Unions Representatives ONA Representative Pharmacy Ontario Health Leadership Agency Nurses PFAC Meetings Community Members
Meetings with local politicians	8	Mayors (6) MPP (1) MP (1)
Focus Group (to be removed)		
Townhalls	Open to SMH Staff	2 Town Hall conducted on-site (in-person/ virtually on April 17 th , 2024,
Online Survey – SMH Hospital Staff, Volunteers, Physicians	108 responses	Professional staff SMH Staff Volunteers (board members)
Community Survey	261 Responses	
Total Individuals Providing Feedback**	483	

Appendix G – Examples of documents reviewed

(THIS IS NOT AN EXHAUSTIVE LIST)

Accreditation Reports
Annual General Meeting Packages
Annual Reports
Audited Financial Statements
Board Meeting Packages
Board Orientation Package
Board Recruitment Documents
Board Skills Matrices
Board Sub-Committee Packages
By-laws as appropriate
Capital Planning
Emergency Department Data
Enterprise Risk Management Document
Hospital Budget Strategy
Hospital Improvement Plans
Hospital Policies (e.g., Code of Conduct)
Hospital Strategic Plans
HSAA and HAPS Submissions
HSFR Reports and Recommendations
Job Descriptions
Ontario Health Documents – Annual Business Plan
Ontario Health Performance Indicators
Medical Advisory Committee Minutes and Policies
Medical Staff Rules
Medication Incident Data
Organizational Charts
Patient and Family Advisory Committee Meetings and Materials
Physician Compensation/Contracts
Physician Letters
Physician Satisfaction Survey Results
Quality Improvement Plans
Quality Scorecards
Senior Leadership Team (AMC) Meeting Materials
Staff Satisfaction Survey Results
Stevenson Memorial Hospital external website
Westpark letter-invitation for an integration partner

Appendix H – Finance Lead Comments from Medium-Sized Integration Hospitals

The hospitals included.

- Quinte Healthcare which has the North Hastings and Picton sites
- Oak Valley Health which includes the Uxbridge site
- Halton Healthcare which includes the Georgetown site

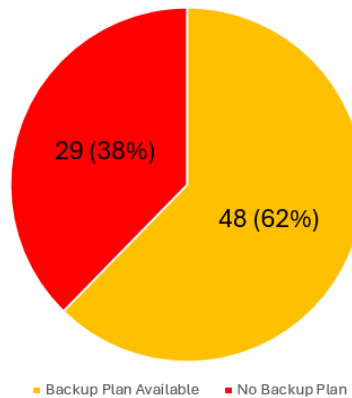
Themes from the interviews:

- Care closer to home is critically important to these small communities. Access to care is improved through design of care processes in Day Surgery, ED and Inpatient services, and innovative Ambulatory care clinics.
- The small hospital sites benefited from access to clinical and information technologies that would otherwise not be available to them, such as
 - Automated Dispensing Units
 - Rationalization of Diagnostic Imaging and remote reading of images
 - Health Information Systems
- Access to leading practices for clinical care such as
 - Pathology,
 - Laboratory,
 - Pharmacy
 - Food services
- most up-to-date standards for Infection Prevention and Control (IPAC), Quality and Risk
- Health Human Resource recruitment is improved and therefore challenges are not as acute as if an organization was standalone, but there are limitations as staff do not wish to be randomly assigned to multiple sites.
- Efficiencies have been validated through a case costing study. The reduction of overhead is only a portion of the efficiencies achieved with the examples above delivering further efficiencies.

Appendix I – Obstetrical Department Staffing for the Year Ended December 31, 2023

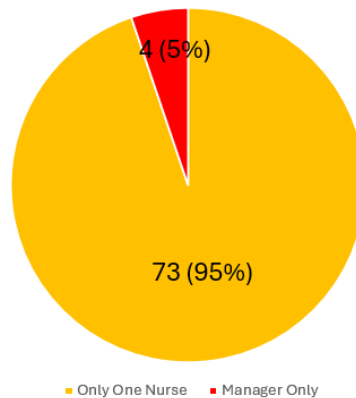
Availability of Obstetrical Staff for the Year Ended December 31, 2023

of Shifts with Inadequately Trained Staff (77)



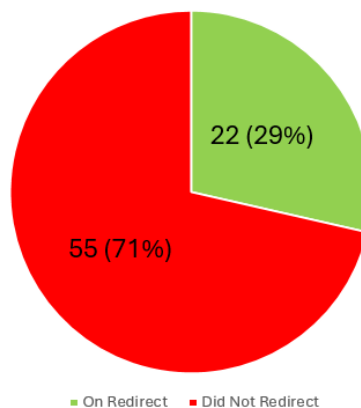
Availability of Obstetrical Staff for the Year Ended December 31, 2023

of Shifts with Inadequate # of Staff (77)



Availability of Obstetrical Staff for the Year Ended December 31, 2023

of Shifts with Inadequately Trained Staff (77)



Appendix J – Diagnostic Imaging Downtime Policy

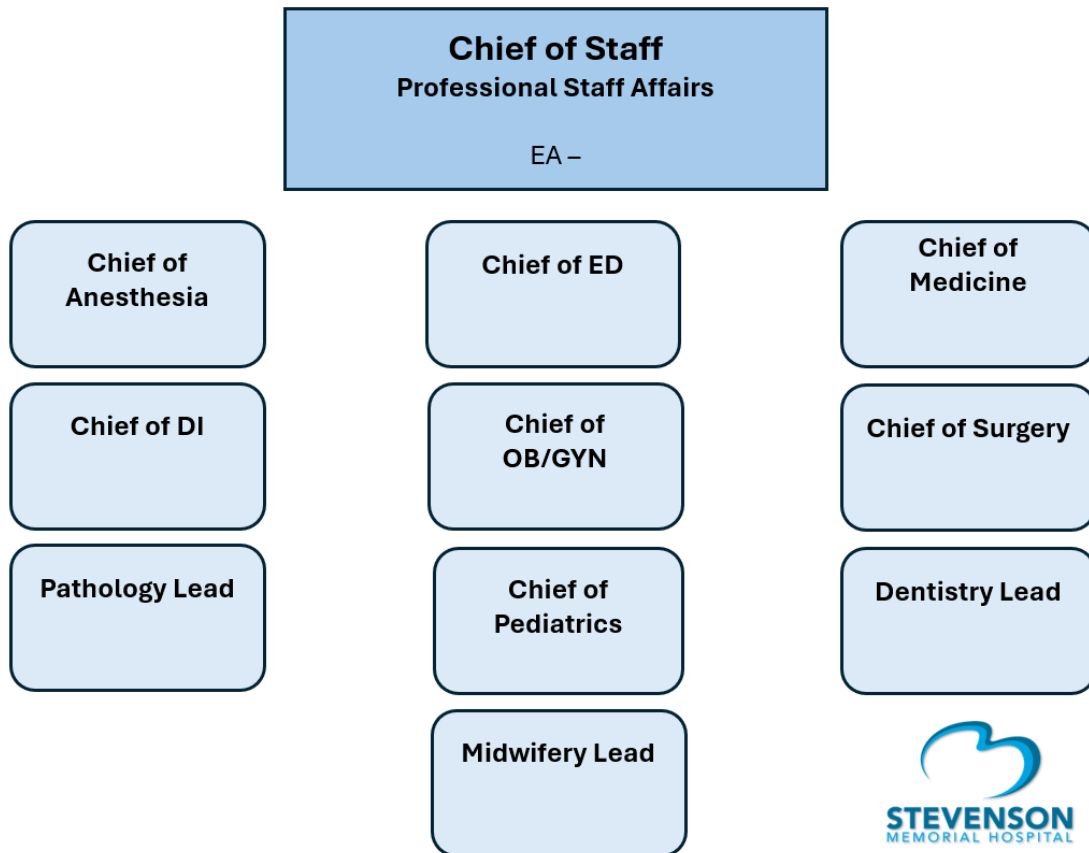


CT Downtime Process SMH

A. Process for SMH CT referrals during downtime hours 0800-1700 Monday to Friday

1. SMH will notify SRHC of CT referral by calling the SRHC CT department 905 895 4521 ext. 3608 to inform them of SMH CT.
2. SMH will fax (legible and complete) SRHC CT requisition to 905-952-3064. Complete the information on the SRHC *DI Contrast Screening, Orders & Administration Record* if the CT being ordered has the potential of requiring contrast (including most recent creatinine/eGFR) and fax it to # 905 952 3064 with the CT requisition.
2. Clearly flag the faxed SRHC CT requisition as 'SMH PATIENT' on the top of requisition as well as the *DI Contrast Screening, Orders & Administration Record*, if applicable.
3. The SMH CT referral will be protocolled & reported by a SRHC Radiologist.
4. The SMH patient is only having the CT performed at Southlake and will return to SMH for follow-up care. Patient is to be accompanied by appropriate SMH health care provider (HCP) at all times and all transportation arrangements are to be arranged by and paid for by SMH.
5. SRHC CT MRT will give an appointment date/time to SMH team, including expected delivery/arrival time of patient to SRHC-DI.
6. SMH staff will initiate patient preparation, if applicable, when indicated for certain CT exams
 - Examples include: start oral contrast, prep patient with appropriate IV, if applicable, etc.
 - SMH team will coordinate oral contrast, if required, with given appointment time, as indicated by SRHC MRT
7. Upon arrival at SRHC, the SMH patient will be registered (as a SRHC outpatient) at the East Welcome Centre; the SMH HCP should call EXT 3608 to notify SRHC CT MRT they have arrived
8. The SMH patient and HCP will then proceed to DI Reception, located on East Level 2, where they will be 'checked in' for the CT exam
9. The CT will be completed by SRHC CT MRT using SRHC CT protocols. The CT images and report will be accessible through Agfa PACS.

Stevenson Memorial Professional Staff Structure



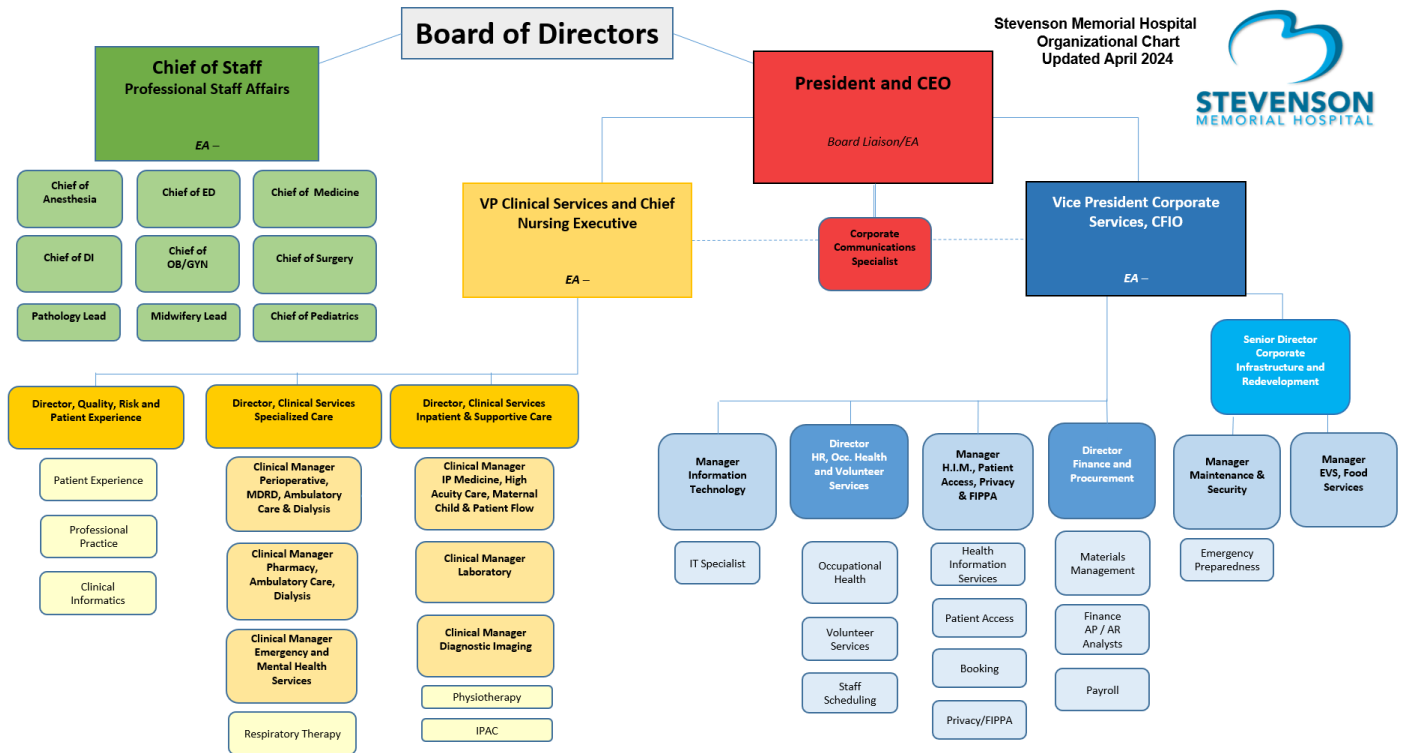
Appendix L – Department Professional Staff Membership

- Anaesthesia (2 Active, 1 Associate, 11 Locum Tenens)
 - The core group providing most of the coverage includes 2 active and 1 associate staff member.
 - 1 member of the core team is currently on sabbatical doing fellowship in pain January – September 2024. There have been some service reductions during the sabbatical.
 - 2 Locum Tenens provide regular support with on-call responsibilities.
 - 3 Locum Tenens cover surgical lists with no call responsibilities.
 - 5 other locums have not provided any service in the last 6 months.
 - All but 1 member are GP Anesthetists
- Dentistry (7 Active)
 - 1 list/week shared among 6 dentists.
 - Several cancellations in 2024 due to Anaesthesia shortages
- Diagnostic Imaging (2 Active, 1 Courtesy, 17 Locum Tenens)
 - 1 full time physician provides service during the day Monday-Friday, and covers call until approx. 10 pm on Tuesdays and Thursdays
 - 2 locum tenens provide regular daytime service 3 days/week (combined). No call, but they occasionally cover CTS gaps.
 - Canadian Teleradiology Services (CTS) covers some weekday evenings, all overnights, and weekends.
- Emergency Medicine (10 Active, 4 Associate, 3 Courtesy, 10 Locum Tenens)
 - This is the most robust department. It is well staffed and there have been no challenges with recruitment.
 - 14 physicians work regular shifts.
 - 5 locum tenens work 2-6 shifts/month.
 - 4 other physicians work occasionally.
- Family Medicine (2 Courtesy)
 - The Hospitalist service was previously within this department. A new Hospitalist department created March 2019.
 - Since then, this is not a functioning department at the hospital. The 2 courtesy members have privileges to allow them to order infusions.
- Hospitalist Medicine (1 Active, 2 Associate, 2 Courtesy, 20 Locum Tenens)
 - This is a fragile department with 1 core provider who recently reduced from 2 weeks to 1 week per month)
 - There is a heavy reliance on Locum Tenens, with additional back up support from some of the ER physicians.

- Last summer was particularly challenging in ensuring there was adequate coverage. Two surgeons were granted support to adjust their scope of practice to include Hospitalist medicine.
- Internal Medicine (1 Active, 1 Courtesy)
 - Part of the Department of Medicine
 - Active member has never practiced at SMH
 - Associate member does elective Geriatric consults
- Paediatrics
 - This is a neonatal service to support high risk newborns.
 - 6 ER docs with cross-appointed to Paediatrics (with 4 more pending MAC approval)
 - These physicians receive additional training in neonatal resuscitation and procedures.
 - Service is well supported by SickKids Neonatology
 - Midwives are now approved to support well neonates beyond their own patients.
 - Previously had 3 pediatricians. All have resigned and moved on.
- Laboratory Medicine (1 Courtesy, 1 Locum Tenens)
 - General pathology and lab medicine services
 - Both pathologists have their primary privileges at SRHC (1 is the current Southlake Director of Lab Medicine)
- Obstetrics and Gynaecology
 - OB/Gyne (3 Active, 1 Associate, 1 Courtesy, 3 Locum Tenens)
 - Lost an OB in 2021 (he was doing 1/3 of the call) due to professional issues.
 - A significant portion of the extra call was picked up by the COS, with help from others. COS resigned July 2023. Significant gaps in coverage since then.
 - Midwifery (7 Active, 1 Locum Tenens)
- Outpatient Services (1 Active, 8 Courtesy, 5 Locum Tenens)
 - Includes a strong nephrology service from RVH who support the SMH outpatient dialysis program)
- Surgery (8 Active, 8 Courtesy, 10 Locum Tenens)
 - The core team includes 3 General Surgeons providing a 24/7 service, a urologist providing partial on call, and an orthopedic surgeon.
 - 2 Itinerant surgeons (ophthalmologists) with regular surgical blocks without call responsibilities
 - 2 surgeons with outpatient clinics only (ENT clinic and fracture clinic)
 - 8 surgical assistants (elective cases, no on call responsibilities)
 - 8 members have provided no service in the last 6 months.

Appendix M – SMH Organizational Chart

Stevenson Memorial Hospital
Organizational Chart
Updated April 2024



Appendix N – Comparator Hospitals

	Inpatient Wtd Cases	Day Surgery Wtd Cases	ED Visits
596 Stevenson Memorial Hospital	2526	648	33071
592 Lennox and Addington (Napanee)	2449	595	26101
597 Almonte	1227	228	15468
599 Arnprior	1299	281	15559
624 Campbellford	2189	79	16206
647 Dryden	2171	207	13234
648 Haldimand	1408	160	19839
650 St. Joseph's Elliot Lake	3409	246	14000
656 Groves Memorial	2898	448	20543
687 Sensenbrenner (Kapuskasing)	2930	127	12387
704 Erie Shores	4634	858	28114
732 Kemptville	804	798	19591
788 Renfrew	2503	184	20223
800 Hawkesbury	2936	488	22833
824 Tillsonburg	2729	475	20087
826 Lake of the Woods Kenora	2151	365	16336
882 Winchester	2280	712	19268
900 Riverside	2604	320	21459
946 Grey Bruce	3122	215	39630
963 North Wellington	1459	197	22357
964 Sioux Lookout	3393	213	19446
982 Blanche River	3175	177	18380
average (excluding SMH)	2465.2381	351.095238	20050.5238

denotes a hospital +/- 25% of the size of Stevenson Memorial Hospital

denotes a hospital +/- 25% of the size of Stevenson Memorial Hospital