



Qs & As

New MOHLTC/LHIN Joint Review Framework for Early Capital Planning Stages

What is the new Joint Review Framework for Early Capital Planning Stages?

The Joint Review Framework is a new submission and review framework for the early capital planning stages. The new Framework was endorsed by Ministry Management Committee and LHIN CEOs in December 2009. The Framework separates existing requirements of the Pre-Capital, Stage 1 Proposal and Stage 2 Functional Program submissions into two parts: Part A (Program and Service elements) and Part B (Physical and Cost elements). It requires LHINs to play a critical role in advising on, and endorsing, the Program and Service elements of all capital projects. It gives LHINs greater involvement in the capital planning process and places greater importance on local health system needs and integration as a driver of health capital projects. The framework recognizes that LHINs play a critical role in the early planning stages in determining if capital initiatives are consistent with priorities for the local health system.

When does the Joint Review Framework go into effect?

The Joint Review Framework is in effect across Ontario as of November 2010.

Why is there a new process?

The new process was developed to fulfill the requirements of the Ministry/LHIN Accountability Agreement (MLAA – now called the Ministry/LHIN Performance Agreement) of 2007. The goal of the new process is to ensure that local health system need is the primary driver for capital initiatives.

What is the MLAA?

Further to the Local Health System Integration Act (LHSIA), 2006, an accountability agreement was negotiated between the MOHLTC and LHINs. The first Ministry-LHIN Accountability Agreement (MLAA) was negotiated in 2007 and lays out the obligations and responsibilities of both the ministry and the LHIN for the three-year period of 2007-2010. Schedule 5 of the MLAA addresses the relationship between the LHINs and the ministry with respect to capital planning and includes the following provisions:



- “The ministry will consider the recommendations of the LHIN about the capital needs of the local health care system.”
- “The LHIN will make recommendations to the MOHLTC about the capital needs of the local health care system.”
- “Both parties will work together to enable the LHIN to provide advice about the consistency of a health service provider’s Capital Initiative with local health system needs during Capital Initiative review and approval processes, including Pre-Proposal (now Pre-Capital), Business Case (now Proposal) or Functional Program stages.”

What is the MLPA?

A new accountability/performance agreement between the ministry and the LHINs is being finalized, it is anticipated that the new “Ministry-LHIN Performance Agreement (MLPA)” will come into effect in 2010. The MLPA is the upcoming ministry/LHIN Performance Agreement that will set out the roles and responsibilities of the ministry and LHINs for future years.

What is the LHSIA?

In March 2006, the government of Ontario passed historic health care legislation that changed the way the health care system is managed. The Local Health System Integration Act, 2006 created 14 Local Health Integration Networks (LHINs) to achieve an integrated health system and enable local communities to make decisions about their local health systems.

What is the MOHLTC/LHIN Capital Working Group?

The Capital Working Group was created in 2007 in response to the MLAA. The MOHLTC/LHIN Capital Working Group was established to develop the processes, protocols and tools required to fulfill the requirements of the MLAA. The Joint Review Framework is the result of their work, in consultation with stakeholders.

The group is comprised of 12 members. They are:

LHINs

- Michael Barrett (Co-Chair) – South West
- Deborah Hammons – Central East
- Pat Stoddart – Central West
- Bill Campbell – Mississauga Halton



- Victoria van Hemert - Central
- Cheryl Faber - North Simcoe Muskoka
- Kyle Johansen - South East

Ministry

- Meryl Hodnett (Co-Chair) - Health Capital Investment Branch
- David Clarke - Health Capital Investment Branch
- Elaine Bishop - Health Capital Investment Branch
- Linda D. Hunter - Health Capital Investment Branch
- Lorne Langdon - LHIN Liaison Branch

Does the new Framework Replace the Capital Planning Manual?

No. The underlying capital planning process has not changed, but the early planning stages have been adapted to ensure for LHIN advice. The MOHLTC Capital Planning Manual (1996) continues to define the processes, policies and procedures for capital projects along with various guidelines and checklists and capital planning bulletins that have been developed over time.

Who does the new Framework apply to?

The framework applies to all health service providers eligible under the Ministry of Health and Long-Term Care's health capital program including:

- Public hospitals (including own funds projects as per legislation);
- Community Health Centres;
- Community-Based Mental Health Programs;
- Community-Based Substance Abuse (Addiction) Programs, and;
- Long-term Care Supportive Housing Providers (typically supporting programs for the frail elderly, acquired brain injury, physically disabled and HIV/AIDS).

Note: The Long-Term Care Home Renewal Strategy is undertaken through a Call for Applications which involves LHIN review and recommendations regarding applications.

What parts of capital planning does the framework apply to?

The Framework applies to the early planning stages: Pre-Capital, Stage I Proposal and Stage II Functional Program submissions of the capital planning process.



Is there a different process for Own Funds projects?

No. The new Framework applies to Own Funds capital projects.

Is there a different process for small capital projects?

Not in Pre-Capital. All components of a full Stage 1 Proposal and Stage 2 Functional Program submission may not be required for hospital small projects or community agency projects (e.g., no master plan is required for a leasehold improvement). The HSP should confirm the requirements of each submission for its small project proposal with the ministry prior to initiating planning. A small project is defined as valued at less than \$10 million.

What happens to projects already in progress/submitted under old system?

Although the new Joint Review Framework is just now being formally launched, the ministry and the LHIN have been requiring joint review during the early capital planning stages for a few years. Arrangements for projects already in process under the old system will be made on a case-by-case basis during the transition phase. HSPs should consult with their ministry and LHIN lead consultant for more information.

Will the new framework make the capital planning process longer?

No. After the Pre-Capital submission, the framework is designed to allow for concurrent review of submission components by LHINs and the ministry.

What is the Pre-Capital Submission Form?

The Pre-Capital Submission Form (PCSF) contains the requirements for the Pre-Capital submission and is used for all Pre-Capital submissions.

Where can I get the Pre-Capital Submission Form?

It can be found in the MOHLTC-LHIN Joint Review Framework for Early Capital Planning Stages Toolkit and also online at your LHIN. It can also be requested from the ministry or from your local LHIN.



Do I still submit the Capital Project Request Form?

No. The Pre-Capital Submission Form replaces the Capital Project Request Form.

What are Part A and Part B?

A key feature of the Joint Review Framework is the separation of existing submissions into two parts (Part A and Part B) in Pre-Capital, Stage I Proposal and Stage II Functional Program.

In Pre-Capital:

Part A is comprised of the program and service elements of the Pre-Capital Submission Form.

Part B is comprised of the physical and cost elements of the Pre-Capital Submission Form.

In Stage 1 Proposal:

Executive Summary (submitted to both LHIN and ministry)

Part A (Program and Service elements) of the Stage 1 Proposal submission includes:

- Service Delivery Model Report
 - master program
 - preliminary operating cost estimate
 - service delivery options analysis
 - human resources plan

Part B (Physical and Cost elements) includes:

- Service Support Infrastructure Report/Master Plan
- business case/options analysis
- facility development plan

In Stage 2 Functional Program:

Part A of Stage 2 Functional Program is comprised of program and service elements and includes the program parameter report (if required) and two of the Functional Program components: Summary and Program.

Part B addresses physical and cost elements and includes the remaining component of the Functional Program: design and spatial requirements. It also includes the phasing plan, project budget, project schedule, block diagrams and local share plan.

For details regarding each component and the review process please see the MOHLTC-LHIN Joint Review Framework for Early Capital Planning Toolkit.



What role do provincial agencies such as Cancer Care Ontario and the Ontario Renal Network play in this new Framework?

The provincial agencies such as Cancer Care Ontario, Ontario Renal Network, etc. will work directly with the LHINs in providing advice and reaching agreement on programs and services under their mandate.

What role does the ministry play in the review of Part A, the program and service elements?

The ministry conducts a concurrent review of Part A of the Stage 1 Proposal and Stage 2 Functional Program from a provincial perspective and provides comments to the LHIN with respect to overall system capacity, future system need and provincial programs such as cardiac care.

Can submissions go directly to the ministry?

No. Health service providers must submit all new capital project submissions to their local LHIN. See the Pre-Capital Submission Form and the flow chart in *Process Guide* for process map.

Would the ministry recommend approval of a proposal if the LHIN recommendation is not supportive of the initiative?

No. Under the new framework, LHIN advice and endorsement is a crucial part of the early capital planning process.

Does the Joint Review Framework apply to Stages 3 and 4?

No. The existing capital planning process continues to apply to stages beyond Stage 2. If there is a material program or service change later in the capital planning process, the ministry will ensure the LHIN is consulted.

Where can I get more information about the Framework?

You may obtain more information about the Framework from MOHLTC-LHIN Joint Review Framework for Early Capital Planning Stages Toolkit which includes a Process Guide, Guidelines and Checklists and a LHIN Review Guide. A News Bulletin, Backgrounder and Qs and As can also be found at LHIN websites.



Who should questions about the new framework be directed to?

Your local LHIN staff can answer questions, provide information and guidance on the new framework. You can also find information at each of the LHIN websites.

Will the LHIN work with the HSP as they transition to the new Framework?

Yes. Ongoing efforts will be made by LHINs to inform, educate and provide support to Health Service Providers as they transition to the new framework.