

HSAA AMENDING AGREEMENT

THIS AMENDING AGREEMENT (this “Agreement”) is made as of the 31st day of March, 2020.

B E T W E E N:

SOUTH WEST LOCAL HEALTH INTEGRATION NETWORK (the “LHIN”)

AND

SOUTH HURON HOSPITAL ASSOCIATION (the “Hospital”)

WHEREAS the LHIN and the Hospital (together the “Parties”) entered into a hospital service accountability agreement that took effect April 1, 2018 (the “HSAA”);

AND WHEREAS the Parties wish to amend the HSAA in the manner set out in this Agreement;

NOW THEREFORE in consideration of mutual promises and agreements contained in this Agreement and other good and valuable consideration, the Parties agree as follows:

1.0 Definitions. Except as otherwise defined in this Agreement, all terms shall have the meaning ascribed to them in the HSAA. References in this Agreement to the HSAA mean the HSAA as amended.

2.0 Amendments.

2.1 Agreed Amendments. The HSAA is amended as follows.

- a) All references to “LHIN” are deleted and replaced with “Funder”, with the exception of the defined term “LHIN” as a party to the agreement, and section 7.1.1 “will be aligned with the LHIN’s current integrated health service plan” which remain unamended.
- b) The first four paragraphs of the part of the HSAA entitled “Background” are deleted and replaced with the following.

g) In section 1.1, the definition of “Applicable Policy” is amended by deleting “Local Health Integration Network” and replacing it with “local health integration networks”.

h) In section 1.1, the definition of “Digital Health” is deleted and replaced with:

“**Digital Health** means the coordinated use of digital technologies to electronically integrate points of care and transform the way care is delivered, in order to improve the quality, access, productivity and sustainability of the healthcare system;”.

i) In section 1.1, the definition of “Digital Health Board (DBH)” is deleted.

j) In section 1.1, the definition of “Indemnified Parties” is amended by deleting “her Majesty the Queen in Right of Ontario and her Ministers,” and replacing it with “Her Majesty the Queen in right of Ontario and Her Ministers,”.

k) The following definitions are added to section 1.1:

“**CCA** means the *Connecting Care Act, 2019*, and the regulations under it, as it and they may be amended from time to time;”

Article 1. “**Enabling Legislation** before the date a Transfer Order takes effect means LHSIA, and after the date a Transfer Order takes effect means the CCA;”

“**Funder** before the date a Transfer Order takes effect means the LHIN, and after the date a Transfer Order takes effect means Ontario Health;”

“**Minister** means such minister of the Crown as may be designated as the responsible minister in relation to this Agreement or in relation to any subject matter under this Agreement, as the case may be, in accordance with the *Executive Council Act*, as amended;”

“**Ontario Health** means the corporation without share capital under the name Ontario Health as continued under the CCA;”

Article 2. “**Transfer Order** means a transfer order issued pursuant to subsection 40(1) of the CCA transferring this

- x) In section 7.2.4(b), “or the Minister” is added before the words “will not issue”.
- y) In section 7.2.5, “or the Minister, as applicable” is added before the words “with notice of integration”.
- z) Section 7.2.6 is deleted.
- aa) In section 7.2.7(a) (now section 7.2.6(a)), “, or integrated care delivery systems (“Other Providers”)” is added after “health service providers”.
- bb) In section 7.2.7 (b) and (c) (now section 7.2.6(b) and (c)) “health service provider or providers, as the case may be, has or” is deleted and replaced with “Other Providers”.
- cc) In section 7.2.7(c) (now section 7.2.6(c)) “other health service providers” is deleted and replaced with “of the Other Providers”.
- dd) In section 7.3.2, “or Minister” is added before the word “under”.
- ee) In section 8.1, “its local” is deleted and replaced with “the”.
- ff) Section 8.9 is deleted.
- gg) In section 11.3, “his or her” is deleted and replaced with “their”.
- hh) In section 11.4, “sections 21 and 22 of” is deleted.
- ii) In section 15.1.1(a), “Local Health Integration Network” is deleted twice.
- jj) In section 16.4, “of the Local Health Integration Networks or to the MOHLTC” is deleted and replaced with “agencies or ministries of Her Majesty the Queen in right of Ontario and as otherwise directed by the Ministry.”
- kk) In section 16.7, “8.9 (LHIN Public Meetings),” is deleted.
- ll) In section 16.7, “8.10” is deleted and replaced with “8.9” and “8.11” is deleted and replaced with “8.10”.
- mm) The titles LHIN “Chair” and LHIN “CEO” are removed on the signature page.

2.2 Term. This Agreement and the HSAA will expire on June 30, 2020.

IN WITNESS WHEREOF the Parties have executed this Agreement on the dates set out below.

SOUTH WEST LOCAL HEALTH INTEGRATION NETWORK

By:

Elliot Fung, Date
Executive Lead

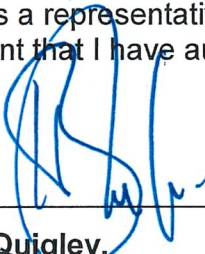
And by:

Bruce Lauckner, Date
Chief Executive Officer

SOUTH HURON HOSPITAL ASSOCIATION

By: _____
 Date
Aileen Knip,
Chair

I sign as a representative of the Hospital, not in my personal capacity, and I represent that I have authority to bind the Hospital.

And by: _____
 Date
Bruce Quigley,
President and Chief Executive Officer

I sign as a representative of the Hospital, not in my personal capacity, and I represent that I have authority to bind the Hospital.

APPENDIX 1

Attached to and forming part of the Amending Agreement between
the LHIN and the Hospital effective as of March 31, 2020.

SOUTH WEST
LOCAL HEALTH INTEGRATION NETWORK
(the “LHIN”)

and

SOUTH HURON HOSPITAL ASSOCIATION
(the “Hospital”)

Hospital Service Accountability Agreement for 2018 - 20

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Hospital Services, this Agreement and the parties' obligations under this Agreement during the term of this Agreement;

Applicable Policy means any rules, policies, directives, or standards of practice issued or adopted by the Ministry or other ministries or agencies of the Province of Ontario that are applicable to the Hospital, the Hospital Services, this Agreement and the parties' obligations under this Agreement during the term of this Agreement and that are available to the Hospital on a website of a ministry or agency of the Province of Ontario or that the Hospital has received from the Funder, the Ministry, an agency of the Province or otherwise. (For certainty, Applicable Policy does not include any rules, policies, directives, or standards of practice issued or adopted unilaterally by one or more local health integration networks.);

Board means board of directors;

CCA means the *Connecting Care Act, 2019*, and the regulations under it, as it and they may be amended from time to time;

CEO means chief executive officer;

Chair means the chair of the Board;

Confidential Information means information disclosed or made available by one party to the other that is marked or otherwise identified as confidential by the disclosing party at the time of disclosure and all other information that would be understood by the parties, exercising reasonable judgment, to be confidential. Confidential Information does not include information that: (i) is or becomes available in the public domain through no act of the receiving party; (ii) is received by the receiving party from another person who has no obligation of confidence to the disclosing party; or (iii) was developed independently by the receiving party without any reliance on the disclosing party's Confidential Information;

Days means calendar days;

Digital Health means the coordinated use of digital technologies to electronically integrate points of care and transform the way care is delivered, in order to improve the quality, access, productivity and sustainability of the healthcare system;

Effective Date means April 1, 2018;

Enabling Legislation before the date a Transfer Order takes effect means LHSIA, and after the date a Transfer Order takes effect means the CCA;

Hospital's Personnel and Volunteers means the directors, officers, employees, agents, volunteers and other representatives of the Hospital. In addition to the foregoing, Hospital's Personnel and Volunteers include the contractors and subcontractors and their respective shareholders, directors, officers, employees, agents, volunteers or other representatives;

Hospital Services means the clinical services provided by the Hospital and the operational activities that support those clinical services, that are funded in whole or in part by the Funder, and includes the type, volume, frequency and availability of Hospital Services;

HSAA Indicator Technical Specifications means the document entitled "HSAA Indicator Technical Specifications" as it may be amended or replaced from time to time;

Indemnified Parties means the Funder and its officers, employees, directors, independent contractors, subcontractors, agents, successors and assigns and Her Majesty the Queen in right of Ontario and Her Ministers, appointees and employees, independent contractors, subcontractors, agents and assigns. Indemnified Parties also includes any person participating in a Review conducted under this Agreement, by or on behalf of the Funder;

Improvement Plan means a plan that the Hospital may be required to develop under Article 9 of this Agreement;

Interest Income means interest earned on Funding that has been provided subject to recovery;

LHSIA means the *Local Health System Integration Act, 2006* and the regulations made under it, as it and they may be amended from time to time;

Mandate Letter has the meaning ascribed to it in the Memorandum of Understanding and means a letter from the Ministry to the Funder establishing priorities in accordance with the Premier of Ontario's mandate letter to the Ministry.

Memorandum of Understanding means the memorandum of understanding between the Funder and the Ministry in effect from time to time in accordance with the Management Board of Cabinet "Agencies and Appointments Directive".

Minister means such minister of the Crown as may be designated as the responsible minister in relation to this Agreement or in relation to any subject matter under this Agreement, as the case may be, in accordance with the *Executive Council Act*, as amended;

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has received from the Funder, the Ministry, an agency of the Province or otherwise;

Reports means the reports described in **Schedule B** as well as any other reports or information required to be provided under the Enabling Legislation or this Agreement;

Review means a financial or operational audit, investigation, inspection or other form of review requested or required by the Funder under the terms of the Enabling Legislation or this Agreement, but does not include the annual audit of the Hospital's financial statements;

Schedule means any one of, and "**Schedules**" mean any two or more, as the context requires, of the Schedules appended to this Agreement, including the following:

Schedule A:	Funding Allocation
Schedule B:	Reporting Requirements
Schedule C:	Indicators and Volumes
Schedule C.1:	Performance Indicators
Schedule C.2:	Service Volumes
Schedule C.3:	Funder Indicators and Volumes
Schedule C.4:	PCOP Targeted Funding & Volumes

Service Volume means a measure of Hospital Services for which a Performance Target has been set.

Transfer Order means a transfer order issued pursuant to subsection 40(1) of the CCA transferring this Agreement from the LHIN to Ontario Health;

2008-18 H-SAA means the Hospital Service Accountability Agreement for 2008-10 as amended and extended to March 31, 2018.

- 1.2 **Interpretation.** Words in the singular include the plural and vice-versa. Words in one gender include all genders. The words "including" and "includes" are not intended to be limiting and mean "including without limitation" or "includes without limitation", as the case may. The headings do not form part of this Agreement. They are for convenience of reference only and do not affect the interpretation of this Agreement. Terms used in the Schedules have the meanings set out in this Agreement unless separately and specifically defined in a Schedule in which case the definition in the Schedule governs for the purposes of that Schedule.
- 1.3 **HSAA Indicator Technical Specification.** This Agreement will be interpreted with reference to the HSAA Indicator Technical Specifications.

- 3.2.3 The Funder will receive a Mandate Letter from the Ministry annually. Each Mandate Letter articulates areas of focus for the Funder, and the Ministry's expectation that the Funder and the health service providers it funds will collaborate to advance these areas of focus. To assist the Hospital in its collaborative efforts with the Funder, the Funder will share each relevant Mandate Letter with the Hospital.
- 3.3 **Subcontracting for the Provision of Hospital Services.**
- 3.3.1 Subject to the provisions of the Enabling Legislation, the Hospital may subcontract the provision of some or all of the Hospital Services. For the purposes of this Agreement, actions taken or not taken by the subcontractor and Hospital Services provided by the subcontractor will be deemed actions taken or not taken by the Hospital and Hospital Services provided by the Hospital.
- 3.3.2 The terms of any subcontract entered into by the Hospital will:
- (a) enable the Hospital to meet its obligations under this Agreement; and
 - (b) not limit or restrict the ability of the Funder to conduct any audit or Review of the Hospital necessary to enable the Funder to confirm that the Hospital has complied with the terms of this Agreement.
- 3.4 **Conflict of Interest.** The Hospital has adopted (or will adopt, within 60 Days of the Effective Date) and will maintain, in writing, for the term of this Agreement, a conflict of interest policy that includes requirements for disclosure and effective management of perceived, actual and potential conflict of interest and a code of conduct, for directors, officers, employees, professional staff members and volunteers. The Hospital will provide the Funder with a copy of its conflict of interest policy upon request at any time and from time to time.
- 3.5 **French Language Services.** The Hospital shall comply with the requirements and obligations set out in the "Guide to Requirements and Obligations Relating to French Language Health Services". This obligation does not limit or otherwise prevent the Funder and the Hospital from negotiating specific local obligations relating to French language services, that do not conflict with the guide.
- 3.6 **Designated Psychiatric Facilities.** If the Hospital is designated as a psychiatric facility under the *Mental Health Act*, it will provide the essential mental health services in accordance with the specific designation for each designated site of the Hospital, and discuss any material changes to the service delivery models or service levels with the Ministry.
- 3.7 **Digital Health.** The Hospital shall make best efforts to:
- (a) assist the Funder to prepare its Funder Digital Health plan that aligns with provincial Digital Health priorities;

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then, with the written approval of the Funder, this Agreement and Funding for the then-current Funding Year will continue into the following Funding Year for a period of time specified by the Funder.

4.4 Rebates, Credits, Refunds and Interest Income. The Hospital will incorporate all rebates, credits, refunds and Interest Income that it receives from the use of the Funding into its budget, in accordance with GAAP. The Hospital will use reasonable estimates of anticipated rebates, credits and refunds in its budgeting process. The Hospital will use any rebates, credits, refunds and Interest Income that it receives from the use of the Funding to provide Hospital Services unless otherwise agreed to by the Funder.

4.5 Conditions on Funding.

4.5.1 The Hospital will:

(a) use the Funding only for the purpose of providing the Hospital Services in accordance with the terms of this Agreement and any amendments to this Agreement, whether by funding letter or otherwise;

(b) not use in-year Funding for major building renovations or construction, or for direct expenses relating to research projects; and,

(c) plan for and maintain an Annual Balanced Operating Budget.

A. Facilitating an Annual Balanced Operating Budget.

The parties will work together to identify budgetary flexibility and manage in-year risks and pressures to facilitate the achievement of an Annual Balanced Operating Budget for the Hospital.

B. Waiver. Upon written request of the Hospital, the Funder may, in its discretion, waive the obligation to achieve an Annual Balanced Operating Budget on such terms and conditions as the Funder may deem appropriate. Where such a waiver is granted, it and the conditions attached to it will form part of this Agreement.

4.5.2 All Funding is subject to all Applicable Law and Applicable Policy, including Health System Funding Reform, as it may evolve or be replaced over the term of this Agreement.

4.6 PCOP. The Hospital acknowledges and agrees that, despite any other provision of this Agreement, unless expressly agreed otherwise in writing, all PCOP Funding is subject to all of the terms and conditions of the funding letter or letters pursuant to which it was initially provided and all of the terms and conditions of this Agreement. For certainty, those funding letters are attached as **Schedule C.4**.

4.7 Estimated Funding Allocations.

- (b) if in the Hospital's reasonable opinion or in the Funder's reasonable opinion after consulting with the Hospital, the Hospital will not be able to use the Funding in accordance with the terms and conditions on which it was provided.

5.2 Process for Recovery of Funding Generally.

- 5.2.1 Generally, if the Funder, acting reasonably, determines that a recovery of Funding under section 5.1 is appropriate, then the Funder will give 30 Days' Notice to the Hospital.
 - 5.2.2 The Notice will describe:
 - (a) the amount of the proposed recovery;
 - (b) the term of the recovery, if not permanent;
 - (c) the proposed timing of the recovery;
 - (d) the reasons for the recovery; and
 - (e) the amendments, if any, that the Funder proposes be made to the Hospital's obligations under this Agreement.
 - 5.2.3 Where a Hospital disputes any matter set out in the Notice, the parties will discuss the circumstances that resulted in the Notice and the Hospital may make representations to the Funder about the matters set out in the Notice within 14 Days of receiving the Notice.
 - 5.2.4 The Funder will consider the representations made by the Hospital and will advise the Hospital of its decision. Funding recoveries, if any, will occur in accordance with the timing set out in the Funder's decision. No recovery of Funding will be implemented earlier than 30 Days after the delivery of the Notice.
- ## 5.3 Process for Recovery of Funding as a Result of System Planning or Integration.
- If Hospital Services are reduced as a result of a system planning process under section 7.2.6 or an integration decision made under the Enabling Legislation, the Funder may recover Funding as agreed in the process in section 7.2.6 or as set out in the decision, and the process set out in section 5.2 will apply.
- 5.4 **Full Consideration.** In making a determination under section 5.2, the Funder will act reasonably and will consider the impact, if any, that a recovery of Funding will have on the Hospital's ability to meet its obligations under this Agreement.
 - 5.5 **Consideration of Weighted Cases.** Where a settlement and recovery is primarily based on volumes of cases performed by the Hospital, the Funder may consider the Hospital's actual total weighted cases.

- 6.1.1 achieve the Performance Standards described in the Schedules and the HSAA Indicator Technical Specifications;
- 6.1.2 not reduce, stop, start, expand, cease to provide or transfer the provision of Hospital Services to another hospital or to another site of the Hospital if such action would result in the Hospital being unable to achieve the Performance Standards described in the Schedules and the HSAA Indicator Technical Specifications; and
- 6.1.3 not restrict or refuse the provision of Hospital Services that are funded by the Funder to an individual, directly or indirectly, based on the geographic area in which the person resides in Ontario, and will establish a policy prohibiting any health care professional providing services at the Hospital, including physicians, from doing the same.

Article 7. PLANNING AND INTEGRATION

7.1 Planning for Future Years.

- 7.1.1 **Multi-Year Planning.** The Planning Submission will be submitted to the Funder at the time and in the format required by the Funder and may require the Hospital to incorporate:
 - (a) prudent multi-year financial forecasts;
 - (b) plans for the achievement of Performance Targets; and
 - (c) realistic risk management strategies in respect of (a) and (b).

The Hospital's Planning Submission will be aligned with the LHIN's current integrated health service plan, as defined in LHSIA, if applicable, and will reflect the Funder's priorities and initiatives. If the Funder has provided multi-year planning targets for the Hospital, the Planning Submissions will reflect the planning targets.

- 7.1.2 **Multi-Year Planning Targets.** *Schedule A* may reflect an allocation for the first Funding Year of this Agreement as well as planning targets for up to two additional years, consistent with the term of this Agreement. In such an event:
 - (a) the Hospital acknowledges that if it is provided with planning targets, these targets are:
 - A. targets only;
 - B. provided solely for the purposes of planning;
 - C. subject to confirmation; and
 - D. may be changed at the discretion of the Funder in consultation with the Hospital. The Hospital will proactively manage the risks associated with multi-year planning and the potential changes to the planning targets; and
 - (b) the Funder agrees that it will communicate any material changes to the planning targets as soon as reasonably possible.

- (a) the Hospital has identified an opportunity to integrate its Hospital Services with that of one or more other health service providers, or integrated care delivery systems (“Other Providers”);
- (b) the Other Providers have agreed to the proposed integration with the Hospital;
- (c) the Hospital and the Other Providers have agreed on the amount of funds needed to be transferred from the Hospital to one or more of the Other Providers to effect the integration as planned between them and the Hospital has notified the Funder of this amount;
- (d) the Hospital has complied with its obligations under the Enabling Legislation, the integration proceeds or will proceed as planned in accordance with the Enabling Legislation;
- (e) then the Funder may recover from the Hospital, Funding specified in **Schedule A** and agreed by the Hospital as needed to facilitate the integration.

7.3 Reviews and Approvals.

- 7.3.1 **Timely Response.** Subject to section 7.3.2, and except as expressly provided by the terms of this Agreement, the Funder will respond to Hospital submissions requiring a response from the Funder in a timely manner and in any event, within any time period set out in **Schedule B**. If the Funder has not responded to the Hospital within the time period set out in **Schedule B**, following consultation with the Hospital, the Funder will provide the Hospital with written Notice of the reasons for the delay and a new expected date of response. If a delayed response from the Funder could reasonably be expected to have a prejudicial effect on the Hospital, the Hospital may refer the matter for issue resolution under Article 11.
- 7.3.2 **Exceptions.** Section 7.3.1 does not apply to: (i) any notice provided to the Funder or Minister under the Enabling Legislation, which will be subject to the timelines of the Enabling Legislation; and (ii) any report required to be submitted to the Ministry by the Funder for which the Ministry response is required before the Funder can respond.

Article 8. REPORTING

- 8.1 **Generally.** The Funder’s ability to enable the health system to provide appropriate, co-ordinated, effective and efficient services, as contemplated by the Enabling Legislation, is dependent on the timely collection and analysis of accurate information.

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- 8.6.1 **Hospital Board to be Informed.** Periodically throughout the Funding Year and at least quarterly, the Hospital's Board will receive from the Hospital's Board committees, CEO and other appropriate officers, such reports as are necessary to keep the Board, as the governing body of the Hospital, appropriately informed of the performance by the Hospital of its obligations under this Agreement, including the degree to which the Hospital has met, and will continue throughout the Funding Year to meet, its Performance Targets and its obligation to plan for and achieve an Annual Balanced Operating Budget.
- 8.6.2 **Hospital Board to Report to Funder.** The Hospital will provide to the Funder, annually, and quarterly upon request of the Funder, a declaration of the Hospital's Board, signed by the Chair, declaring that the Board has received the reports referred to in this Section.
- 8.7 **Confidential Information.** The receiving party will treat Confidential Information of the disclosing party as confidential and will not disclose Confidential Information except:
- 8.7.1 with the prior consent of the disclosing party; or
- 8.7.2 as required by law or by a court or other lawful authority, including the Enabling Legislation and FIPPA.
- 8.8 **Required Disclosure.** If the receiving party is required, by law or by a court or by other lawful authority, to disclose Confidential Information of the disclosing party, the receiving party will: promptly notify the disclosing party before making any such disclosure, if such notice is not prohibited by law, the court or other lawful authority; cooperate with the disclosing party on the proposed form and nature of the disclosure; and, ensure that any disclosure is made in accordance with the requirements of Applicable Law and within the parameters of the specific requirements of the court or other lawful authority.
- 8.9 **Document Retention and Record Maintenance.** The Hospital will:
- 8.9.1 retain all records (as that term is defined in FIPPA) related to the Hospital's performance of its obligations under this Agreement for seven years after this Agreement ceases to be in effect, whether due to expiry or otherwise. The Hospital's obligations under this section will survive if this Agreement ceases to be in effect, whether due to expiry or otherwise;
- 8.9.2 keep all financial records, invoices and other financially-related documents relating to the Funding or otherwise to the Hospital Services in a manner consistent with international financial reporting standards as advised by the Hospital's auditor; and
- 8.9.3 keep all non-financial documents and records relating to the Funding or otherwise to the Hospital Services in a manner consistent with all Applicable Law.

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9.5.1 The purpose of the Performance Improvement Process is to remedy or mitigate the impact of a Performance Factor. The Performance Improvement Process may include:

- (a) a requirement that the Hospital develop an Improvement Plan; or
- (b) an amendment of the Hospital's obligations as mutually agreed by the parties.

9.5.2 Any Performance Improvement Process begun under a prior agreement will continue under this Agreement. Any performance improvement required by a Funder under a prior agreement will be deemed to be a requirement of this Agreement until fulfilled.

9.6 **Factors Beyond the Hospital's Control.** If the Funder, acting reasonably, determines that the Performance Factor is, in whole or in part, a Factor Beyond the Hospital's Control:

- 9.6.1 the Funder will collaborate with the Hospital to develop and implement a mutually agreed upon joint response plan which may include an amendment of the Hospital's obligations under this Agreement;
- 9.6.2 the Funder will not require the Hospital to prepare an Improvement Plan; and
- 9.6.3 the failure to meet an obligation under this Agreement will not be considered a breach of this Agreement to the extent that failure is caused by a Factor Beyond the Hospital's Control.

9.7 **Hospital Improvement Plan.**

9.7.1 **Development of an Improvement Plan.** If, as part of a Performance Improvement Process, the Funder requires the Hospital to develop an Improvement Plan, the process for the development and management of the Improvement Plan is as follows:

- (a) The Hospital will submit the Improvement Plan to the Funder within 30 Days of receiving the Funder's request. In the Improvement Plan, the Hospital will identify remedial actions and milestones for monitoring performance improvement and the date by which the Hospital expects to meet its obligations.
- (b) Within 15 business Days of its receipt of the Improvement Plan, the Funder will advise the Hospital which, if any, remedial actions the Hospital should implement immediately. If the Funder is unable to approve the Improvement Plan as presented by the Hospital, subsequent approvals will be provided as the Improvement Plan is revised to the satisfaction of the Funder.
- (c) The Hospital will implement all aspects of the Improvement Plan for which it has received written approval from the Funder, upon receipt of such approval.

10.2.2 it has taken all necessary actions to authorize the execution of this Agreement.

10.3 **Governance.** The Hospital represents, warrants and covenants that it will follow good governance practices comparable to those set out in the Ontario Hospital Association's Governance Centre of Excellence's "Guide to Good Governance" as it may be amended; will undertake an accreditation process which will include a review of its governance practices; and will promptly remedy any deficiencies that are identified during that accreditation process.

10.4 **Supporting Documentation.** The Hospital acknowledges that the Funder may, pursuant to the Enabling Legislation, require proof of the matters referred to in this Article 10.

Article 11. ISSUE RESOLUTION

11.1 **Principles to be Applied.** The parties acknowledge that it is desirable to use reasonable efforts to resolve issues and disputes in a collaborative manner. This includes avoiding disputes by clearly articulating expectations, establishing clear lines of communication, and respecting each party's interests.

11.2 **Informal Resolution.** The parties acknowledge that it is desirable to use reasonable efforts to resolve all issues and disputes through informal discussion and resolution. To facilitate and encourage this informal resolution process, the parties may jointly develop a written issues statement. Such an issues statement may:

11.2.1 describe the facts and events leading to the issue or dispute;

11.2.2 consider:

- (a) the severity of the issue or dispute, including risk, likelihood of harm, likelihood of the situation worsening with time, scope and magnitude of the impact, likely impact with and without prompt action taken;
- (b) whether the issue or dispute is isolated or part of a pattern;
- (c) the likelihood of the issue or dispute recurring and if recurring, the length of time between occurrences;
- (d) whether or not the issue or dispute is long-standing; and
- (e) whether previous mitigation strategies have been ignored; and

11.2.3 list potential options for its resolution, which may include:

- (a) performance management, in accordance with sections 9.4 through 9.7;
- (b) a Review of the Hospital or a facilitated resolution, which may involve the assistance of external supports, such as peers, coaches, mentors and facilitators ("Facilitation").

12.4 Insurance.

12.4.1 Required Insurance. The Hospital will put into effect and maintain, for the term of this Agreement, at its own expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person in the business of the Hospital would maintain including the following.

(a) Commercial General Liability Insurance. Commercial general liability insurance, for third-party bodily injury, personal injury and property damage to an inclusive limit of not less than five million dollars per occurrence and not less than two million dollars for products and completed operations in the aggregate. The policy will include the following clauses:

- A. The Indemnified Parties as additional insureds;
- B. Contractual Liability;
- C. Cross Liability;
- D. Products and Completed Operations Liability;
- E. Employers Liability and Voluntary Compensation unless the Hospital can provide proof of *Workplace Safety and Insurance Act, 1997* ("WSIA") coverage as described in section 12.4.2(b);
- F. Non-Owned automobile coverage with blanket contractual and physical damage coverage for hired automobiles, except that such coverage may nevertheless exclude liability assumed by any person insured by the policy voluntarily under any contract or agreement other than directors, officers, employees and volunteers of the Hospital pertaining only to the liability arising out of the use or operation of their automobiles while on the business of the Hospital; and
- G. A thirty-day written notice of cancellation, termination or material change.

(b) All-Risk Property Insurance. All-risk property insurance on property of every description providing coverage to a limit of not less than the full replacement cost, including earthquake and flood. Such insurance will be written to include replacement cost value. All reasonable deductibles and/or self-insured retentions are the responsibility of the Hospital.

(c) Boiler and Machinery Insurance. Boiler and machinery insurance (including pressure objects, machinery objects and service supply objects) on a comprehensive basis. Such insurance will be written to include repair and replacement value. All reasonable deductibles and/or self-insured retentions are the responsibility of the Hospital.

- (b) Planning Submission is incomplete;
- (c) quarterly performance reports are not provided when due; or
- (d) financial and/or clinical data requirements are late, incomplete or inaccurate.

If assessed, the financial reduction will be as follows:

- A. if received within seven Days after the due date, incomplete or inaccurate, the financial penalty will be the greater of: (i) a reduction of 0.03% of the Hospital's total Funding; or (ii) \$2,000; and
- B. for every full or partial week of non-compliance thereafter, the rate will be one half of the initial financial reduction.

Article 14. NOTICE

14.1 **Notice.** A Notice will be in writing; delivered personally, by pre-paid courier, by any form of mail where evidence of receipt is provided by the post office, or by facsimile with confirmation of receipt, or by email where no delivery failure notification has been received. For certainty, delivery failure notification includes an automated 'out of office' notification. A Notice will be addressed to the other party as provided below or as either party will later designate to the other in writing:

To the Funder:

South West Local Health Integration Network
356 Oxford Street West
London, ON, N6H 1T3
Attention: Bruce Lauckner
Transitional Lead, Western Ontario
Email: Bruce.Lauckner@lhins.on.ca

To the Hospital:

South Huron Hospital Association
24 Huron Street West
Exeter, ON, N0M 1S2
Attention: Bruce Quigley
Chief Executive Officer
Email: bruce.quigley@amgh.ca

14.2 **Notices Effective From.** A Notice will be deemed to have been duly given one business day after delivery if the Notice is delivered personally, by pre-paid courier or by mail. A Notice that is delivered by facsimile with confirmation of receipt or by email where no delivery failure notification has been received will be deemed to have been duly given one business day after the facsimile or email was sent.

Article 15. ACKNOWLEDGEMENT OF FUNDER SUPPORT

15.1 **Publication.** For the purposes of this Article 15, the term "*Publication*" means: an annual report; a strategic plan; a material publication on a consultation about a possible integration; a material publication on community engagement; and, a material report to the community that the Hospital develops and makes available to the public in electronic or hard copy.

- 16.6 **Parties Independent.** The parties are and will at all times remain independent of each other and are not and will not represent themselves to be the agent, joint venturer, partner or employee of the other. No representations will be made or acts taken by either party which could establish or imply any apparent relationship of agency, joint venture, partnership or employment and neither party will be bound in any manner whatsoever by any agreements, warranties or representations made by the other party to any other person or entity, nor with respect to any other action of the other party.
- 16.7 **Survival.** The provisions in Articles 1 (Definitions and Interpretation) and 5 (Repayment and Recovery of Funding), sections 8.7 (Confidential Information), 8.8 (Required Disclosure), 8.9 (Document Retention and Record Maintenance), 8.10 (Final Reports), and Articles 12 (Insurance and Indemnity), 14 (Notices) and 16 (Additional Provisions) will continue in full force and effect for a period of seven years from the date this Agreement ceases to be in effect, whether due to expiry or otherwise.
- 16.8 **Waiver.** A party may only rely on a waiver of the party's failure to comply with any term of this Agreement if the other party has provided a written and signed Notice of waiver. Any waiver must refer to a specific failure to comply and will not have the effect of waiving any subsequent failures to comply.
- 16.9 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.
- 16.10 **Further Assurances.** The parties agree to do or cause to be done all acts or things necessary to implement and carry into effect this Agreement to its full extent.
- 16.11 **Governing Law.** This Agreement and the rights, obligations and relations of the parties hereto will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any litigation or arbitration arising in connection with this Agreement will be conducted in Ontario unless the parties agree in writing otherwise.
- 16.12 **Entire Agreement.** This Agreement forms the entire Agreement between the parties and supersedes all prior oral or written representations and agreements, except that where the Funder has provided Funding to the Hospital pursuant to an amendment to the 2008-18 H-SAA or to this Agreement, whether by funding letter or otherwise, and an amount of Funding for the same purpose is set out in **Schedule A**, that Funding is subject to all of the terms and conditions on which funding for that purpose was initially provided, unless those terms and conditions have been superseded by any terms or conditions of this Agreement or by the HSAA Indicator Technical Specifications, or unless they conflict with Applicable Law or Applicable Policy.

Hospital Service Accountability Agreement for 2018-20

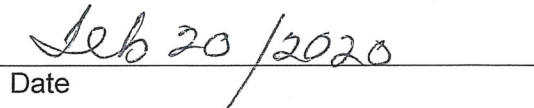
IN WITNESS WHEREOF the parties have executed this Agreement made effective as of 1st day of April 2018

SOUTH HURON HOSPITAL ASSOCIATION

By:



Aileen Knip
Chair




Date

I sign as a representative of the Hospital, not in my personal capacity, and I represent that I have authority to bind the Hospital.

And By:



Bruce Quigley
CEO



Date

I sign as a representative of the Hospital, not in my personal capacity, and I represent that I have authority to bind the Hospital.

SOUTHWEST LOCAL HEALTH INTEGRATION NETWORK

By:

Bruce Lauckner
Chief Executive Officer

Date

And By:

Elliot Fung
Executive Lead

Date