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LHIN Legislation Needs Less Politics, More Systems Thinking

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Having read several days of hearings of the Legislative Committee reviewing the LHIN Legislation, and having spoken with a few other policy wonk/nerds who also read the same transcripts, I must say, my nerdy friends and I found that these hearings profoundly disappointing.

Given that my own roots in the health system came from my involvement as the Senior Policy Advisor and Chief-of-Staff to a Minister of Health, you would think I ought to be more of a realist about politicians and the political process.

I had hoped that our politicians would grasp that "system design" is not about politics. It's about designing the healthcare delivery system to work. That's the "science of systems".

A system is a set of interrelated component parts and processes that are intentionally designed to produce an outcome. The wisdom from organizational scientists is: every system is perfectly designed to produce the outcomes that it produces. While our healthcare delivery system will succeed -- or fail -- based on how it is designed, you would never know that by reading the transcripts of these hearings on the LHIN Legislation.

The members of the Legislative Committee are not focused on "system design issues". They are not focused how to design the outcomes required by patients and taxpayers. Unfortunately, they are mostly focused on political advantage and blame. Meanwhile, the presenters at these hearings have simply ignored the elephant in the room: that the legislation providing for local empowerment/devolution was never implemented. But nobody wants to explain why!

The "system design" that the committee is reviewing, the "Local Health Integration Networks", located in fourteen regions, with Governance Boards of 9 members, and a staff at each of about 25-35 people, have a mandate to do the following:

- Engage all of the partners in the LHIN to produce an annual Integrated Health Services Plan (IHSP);
- Hold all HSPs "accountable" for achieving the results promised in their Accountability Agreements as a continuous quality improvement process; and,
- Under the devolved authority provided by the legislation, LHINs were supposed to allocate resources across their delivery system to achieve the goals of the IHSP developed by the Health Service Provider partners. However, this provision was never implemented, so the "LHIN system" does not work.
Remember the definition: a "system" is a series of interrelated components and processes that are designed together to create an intentional outcome. In this case, the LHIN system was designed to empower local communities to transform themselves to meet the emerging needs of the population they serve. They have the plan (their IHSP), and through their LHIN, they were supposed to have the authority to allocate the money to implement their plan.

While we still insist on calling these crown agencies "LHINs", the fact is that they were left as incomplete. They are not really "devolved local authorities". Therefore, they are not really "LHINs" at all! There is no "LHIN system". It was designed, but never built.

Is a car still a car if it does not have an engine? Or, is it simply the "body of a car", or the "illusion" of a car? Similarly is a LHIN really a LHIN, if it does not have the authority to allocate resources?

None of the three political parties -- and none of the hearings transcripts -- were focused on the most important issue: Why was the LHIN design never implemented? Instead, the NDP and the PCs have apparently joined an alliance with the Liberals to support the MOHLTC's self-interested opposition to devolution. Why? Why are all three political parties opposed to local empowerment? Why are they each in favor of centralized control?

If there is to be fewer resources available to healthcare services over the next several years, it will be the faceless bureaucrats at Queen's Park who decides what gets funded, and what gets less funding. Are any of our political parties in favor of "local empowerment"? Surely our politicians would be in favor of "local empowerment" because "all politics are local"… but maybe not. Maybe each political party actually wants to keep the government -- and the MOHLTC -- in the game of being what George Bush called "the deciderer".

But we already know that the MOHLTC as "the deciderer" is not a good design. Done that, been there. That's why the DHCs and LHINs were created -- as a countervailing force against centralized decision-making. The DHCs and LHINs are like "the eyes and ears of the Minister".

That's also why MOHLTC set out to destroy the DHCs, and that's why they have told Queen's Park that LHINs can't be trusted with all the power and authority that was set out in the original legislation. Of course the moment our new government is elected and faced with deciding on the expected health spending cutbacks at the local level, our politicians will -- at that moment -- discover that it would be much better if people blamed the LHINs for these tough decisions, than our provincial politicians.

The Opposition Parties will claim (as usual) that the provincial government is "hiding behind the LHINs", rather than supporting local empowerment. But since devolution actually never took place, Queen's Park has been able to flourish -- growing from five ADMs before we had LHINs, to 13 ADMs, two Associate Deputies and a Deputy Minister today.

There isn't any data that would indicate any improvements in our healthcare delivery system flowing from all this top-heavy centralized bureaucratic growth over the period where, officially, the system was to be devolved, and Queen's Park was to shrink.
To be fair, most people would acknowledge that within the ranks of the senior Health Ministry executives are a few knowledgeable, compassionate dedicated and effective senior public servants. I don't think people feel this is some sort of "evil empire", I think people simply feel that local communities are best positioned to lead their own transformation -- as it was set out in the legislation back in 2005.

So how come our public servants have had such difficulty over the past eight years implementing the "Made-In-Ontario Devolved Model". Shouldn't the Committee learn about that?

The fact is, if our government implemented "devolution", as set out in the legislation, it would result in a 50% to 80% decrease in the size of the MOHLTC, and a 15%-20% increase in the size of the fourteen LHINs. Who wants to support this plan? The answer: no politicians and no public servants -- but lots of people in the delivery system want "local empowerment".

People tell stories about former Health Minister George Smitherman asking on a weekly basis: "When are we going to downsize at Queen's Park...when are we going to devolve authority?" However, the Premier's key healthcare advisor, Dr. Alan Hudson did not much like the LHINs. And the new ADM that they recruited who was responsible for their development, threatened to cut their numbers in half -- from 14 to 7 LHINs. So much of the life of our LHINs has been spent being threatened.

It was very sad watching most LHINs crumble under such threats. After 8 years and three generations of CEOs and Board Chairs, the LHINs have managed to survive. Just as in any complex adaptive human system, when you are in a threatening insecure environment, people tend to become very guarded -- with all kinds of self-protective behaviors.

Once again, "fearful" environments, always produce dysfunctional behavior.

I'm not saying there was more dysfunctional behaviors in the LHINs, than among any of the other health system players, but let's remember that the MOHLTC and the LHINs are both "crown agencies". They are supposed to be on the same side -- working for one master: the government. The public interest. Hello?

While the LHIN-brand has taken a terrible beating -- some of which was well deserved -- we nevertheless have a number of examples of health system innovation among LHIN Boards and staff. But these were newly-formed and quite fragile organizational entities that everyone loved to hate. So when innovation does happen, it is mostly ignored.

The problem was that the McGuinty Government became scandal-plagued by their inner-circle of interconnected friends. Their public defense was that our Health Service Providers ran very poor procurement processes that lacked rigorous bureaucratic controls. "We don't have an inner-circle problem. We have a procurement process problem", said the government.

This fear-based environment at Queen's Park was also hyper-ventilated by the public servants who were determined to avoid being blamed themselves. As a result of all these scandals, there are now lots of good paying jobs in the ever-expanding procurement bureaucracy that has mushroomed over the past five years.
To ensure they could never be blamed, Queen's Park also developed "worst-practice" Accountability Agreements with each of the LHINs. In these Performance Agreements -- imposed by the Ministry -- the LHINs are being "held accountable" for outcomes/results over which they have absolutely no control.

For LHINs that are confident, they have simply "signed-off" on their Performance Agreements, and set out to "manage" the Ministry -- an activity that can require shifting resources intended for local planning processes, to the more complex task of "managing Queen's Park". But it is necessary to "feed the beast" to keep them happy, and keep the LHIN safe.

Then of course is the big motivational issue of: who does Queen's Park like best? The CCACs? The hospitals? The doctors? The LHINs? These are important contests, aren't they?

Yes they are. Many thousands of hours of senior executive time is invested in government/LHIN/association politics. Some CEOs invest up to twenty-five to thirty percent of their time in "spin-doctoring" up -- which often robs the organization of their Chief Executive's attention.

In LHINs that are more fearful of Queen's Park, than committed to their community's IHSP, the dynamics of "blame avoidance" tend to be at play. LHINs that feel threatened by their Performance Agreements are most likely to extend the practice, and hold their HSPs accountable for outcomes over which they also no no control.

The Legislative Review Committee still has some hearings left. I hope they would invest some time uncovering why the government never implemented their own legislation after the former Minister, George Smitherman, and the three key ADMs who designed the "LHIN system", left the Ministry.

When LHINs were first established, the concern was: will LHINs become an "unnecessary layer of bureaucracy"? But after spending hundreds of millions setting up fourteen LHINs, the current government clearly changed their minds based on the input of their civil servants. Shouldn't that be what this so-called "review" should be about?

Here are a few questions that I suggest the Legislative Review Committee ask:

- Why did the MOHLTC not devolve authority to the LHINs -- as outlined in the Legislation?

- Did the MOHLTC create written explanations over the past several years for why they have not devolved authority year-over-year, for eight years?

- Inside experts peg the downsizing of the MOHLTC at between 50% and 80% -- if the legislation's planned devolution actually took place. There would also be some growth in the LHINs. What was the MOHLTC's estimate of what devolution would produce -- in terms of job loss at Queen's Park, and some job gains and skills upgrading at the LHINs?
• After Minister **Smitherman** and the ADMs who shaped the LHIN legislation had left MOHLTC, the bureaucracy would have produced written briefings for the next two Ministers with their best advice on the issue of "devolving authority/spending power" to the LHINs. What reasons were given in these briefings for ignoring the legislation passed by our Legislature into law?

• When the LHIN legislation passed, MOHLTC had 5 Assistant Deputy Ministers. After introducing the devolved model, the MOHLTC had grown 13 ADMs, 2 Associate Deputy Ministers and a Deputy Minister. Should the Legislative Committee attempt to discover how the "devolved model" approved by the Legislature produced such growth at the MOHLTC?

• While the NDP and the Tories have made it clear that they would get rid of the existing LHINs, where would these parties stand if local communities had actually been empowered -- through their LHIN -- to decide on the allocation of resources among the HSPs in their community? Do they want to get rid of what they believe has become an "unnecessary layer of bureaucracy" at the local level, or do they want to down-size Queen's Park -- and enable the LHINs to actually function as they were originally designed?

• If our emerging economic realities require our healthcare system to do more, better for less; then the question becomes: who is best positioned to decide on the allocation of healthcare resources locally, the MOHLTC in each of their fragmented Ministry silos; or, in a strengthened, better resourced, re-vitalized, re-skilled and community-led LHIN -- with an expanded staff to support the devolved role and function?

• Maybe that should be the *Election Healthcare Issue* for the three political parties: if you are elected, who will redesign our local healthcare systems -- Queen's Park, or local communities?

• How will they fund the expansion of community support services? By shifting resources in the delivery system; by increasing taxes, or, as some interest groups suggest: by "means-tested private pay/co-payments/user fees?"

• When the LHINs were first set up, the Opposition Parties and the health critics said they feared the LHINs would become fourteen "mini-MOHLTCs". Studies were generated by Queen's Park to argue that everything needed to be the same, not different. "Consistency" was the buzz-word du jour. Today, the LHINs that have evolved are the product of the political and bureaucratic pressures to which they have been subjected over the past eight years. After being blasted in this political furnace, and ignoring the original design of the "LHIN system". The results are not pretty. Indeed, while there are some innovative and creative LHINs, many are not. Many are the product of fear and anxiety.

• If the **Legislative Review Committee** shifts its focus to "system design", they should seek to discover why the LHINs are not the authority for all primary care. You can't be
calling for integrated care, and also be the root cause of a fragmented system. The Committee should also seek to discover why LHINs don't have a major mandate on population health initiatives and working with effective health equity planning tools.

- Since the behavior of politicians in the legislature -- and in the media -- set a major part of the "tone" in our healthcare system, the Committee ought to ask people if they think the behavior of Queen's Park politicians has been helpful, or harmful to the system's development.

- The Committee should also seek to discover who -- if anybody -- is planning the new "transformed healthcare system". Where is the shift from acute care to community care is being planned? Is it rhetoric, or does someone -- anyone -- have an actual plan for transforming the system? Does anybody think government ought to have a plan, or should we bring in another Don Drummond and ignore their "wise persons' report"?

- If Legislative Committee needs to be sensitive to the fact that nobody wants to just come out and speak the "whole truth" publically, the LHIN Boards need to be able to "speak truth to power" in their regular meetings with the Minister. The LHIN CEOs each work for their Boards. This is how the system works in practice.

If you would like to let your views on LHINs and Health Links be counted, participate in our (click here:) Anonymous Health Leaders' Survey.

SEND THIS BLOG TO COLLEAGUES YOU THINK NEED TO DISCOVER WHY WE NEED DEVOLUTION FOR LHINS.