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HEALTH - PLANNING FOR HEALTH RENEWAL - FOLLOW-UP

BACKGROUND

8.1 The Department of Health's mission is "to promote, maintain and improve the health status of Nova Scotians at a cost that is sustainable for Nova Scotia." To meet this mission, the Department had a budget of \$1.1 billion for 1996-97 net current account expenditures which is 35.7% of the total net current account expenditures (excluding net debt servicing charges) for the Province of Nova Scotia.

8.2 The 1996-97 Estimates for the Department of Health describe the responsibilities of the Department as follows:

"The Department is responsible for the provision of hospital, medical, community based health and drug dependency programs to the residents of Nova Scotia. The major programs are: maintenance of a modern system of hospitals and hospital standards; administration of the medical insurance system; provision of community based health programs through regional health units; provision of treatment services in the area of drug dependency; provision of operating and capital funds to hospitals and other health care institutions; and, ensuring that facilities for the training of doctors, nurses and other health care workers are available."

8.3 In August 1996, the Department of Health reorganized to more closely integrate planning and operations. The Department now has five divisions - Strategic Planning and Policy Development, Administrative Services, Operations and Regional Support, Emergency Health Services, and Insured Programs Management and Clinical Rationalization.

8.4 In 1995 we conducted an audit to review selected planning initiatives within the Department of Health and examined the Department's progress in addressing the recommendations of certain major reports prepared over the past few years. This year, we reviewed the status of the planning initiatives examined last year and major initiatives undertaken during 1996-97. We also reviewed the Department's interim financial results for the 1996-97 fiscal year.

8.5 This audit was performed under Section 8(c) of the Auditor General Act which gives the Auditor General the mandate to ascertain whether funds have been expended with due regard for economy and efficiency. Health care is the biggest single expenditure of the Province and health care renewal is intended to lead to improvements in provision of health care services while increasing the economy and efficiency of health expenditures. Appropriate planning is a key component of proper management of change such as health care renewal.

RESULTS IN BRIEF

8.6 The following are the principal observations resulting from our audit.

- The Department of Health has made significant progress on several major initiatives related to planning for health renewal during 1996-97. These include development of an accountability framework to define the relationship between the Regional Health Boards, Community Health Boards, the Department and others; establishment

of a devolution team for Drug Dependency and Public Health; development of 18-month operational plans for the health system in the Province; an ongoing initiative to develop standards for services which RHBs must provide; formation of 18 Community Health Boards and tools designed to assist Community Health Boards in their work; and designation of all but four hospitals to RHBs.

- There are still a number of issues regarding roles and responsibilities of the Department of Health, Regional Health Boards and Community Health Boards which must be clarified. For example,
 - *Funding of Regional Health Boards* - The Department has established a Regional Funding Working Group with representation from Regional Health Boards and non-designated hospitals which will examine options for future funding.
 - *Regional Health Boards' role in reallocation of services* - For the 1997-98 fiscal year, funding will be non-portable, that is, the RHBs will not have the authority to move the funds from one program to another. Starting with the 1998-99 fiscal year, the Regional Health Boards will have the authority to reallocate funding. It should be noted that the RHBs must still meet the standards for health services established by the Department.
 - *The role of Community Health Boards in selecting RHB members* - The Department intends to evaluate this as part of the 18-month operational plan.
- The Provincial Advisory Council and the Provincial Leadership Committee have been formed to serve as a policy development and issues forum for the renewed health system through joint management by the Department, the Regional Health Boards and the non-designated hospitals.
- Early in fiscal 1996-97, the Department prepared a new strategic directions document from its previous draft strategic plan. The strategic directions document was used to guide the Department during the transition period while the Department focussed on moving forward with the health renewal agenda. Detailed operational plans for the next 18 months were developed and the Department is committed to a planning cycle which includes strategic, business and operational planning. The Department hopes to have a strategic plan for the Department in place by June 1997. We believe that it is critical for the strategic planning initiative to proceed as planned. The Department also intends to produce a strategic plan for the renewed health system at a later date.
- We reported in 1995 that there is a need to publicly report on the progress of health renewal on a timely basis. Although there have been some communication initiatives in the last year including public and stakeholder consultations in various areas, we believe that there is need for more comprehensive communication. Given that a number of changes have been made to the plans outlined in *From Blueprint to Building* and the renovation schedule outlined in the document has not been completely achieved (e.g., the Emergency Health Services Act has not been proclaimed), a comprehensive report on *From Blueprint to Building* including the status to date and the plans for future implementation should be issued.
- At the time of our audit, the Department was forecasting a \$68.1 million (5.9%) net over expenditure of its approved budget for the 1996-97 fiscal year. In August 1996, the Minister announced that an additional \$64.1 million would be allocated to the

Department thus reducing the anticipated over expenditure to \$4 million (less than 1%). To date, an Order in Council approving this additional appropriation has not been issued. The Department plans to seek an OIC in the spring of 1997.

AUDIT SCOPE

8.7 The objectives of this assignment were to:

- determine the status of the planning initiatives of the Department including strategic planning; program evaluation/outcome measurement; and the establishment of an accountability framework for the Regional Health Boards;
- determine the progress made in implementing key aspects of health renewal including formation of community health boards, and takeover of hospitals and other services by Regional Health Boards; and
- review the latest projections for the Department's actual financial performance in comparison to the budget for the 1996-97 fiscal year.

8.8 The following general criteria were used in our review.

- The Department should have appropriate strategic, operational and capital plans.
- There should be an accountability framework which clearly defines the roles and responsibilities of the various players in the renewed health care system.
- Performance of major programs should be measured and reported on a regular basis.
- Implementation of key aspects of health renewal should proceed according to established plans.
- Reports on the progress of health renewal should be issued on a regular basis to the House of Assembly, and other stakeholders.
- The Department should have a realistic financial plan which is linked to the Province's expenditure control plan and the Department of Health's strategic and operational plans for health renewal.

PRINCIPAL FINDINGS

Key Initiatives undertaken during 1996-97

8.9 The Department of Health has made significant progress on several major initiatives related to planning for health renewal during 1996-97. These initiatives are described in the following paragraphs.

8.10 *Accountability framework* - In last year's Report, we indicated that the Department recognized the need to develop an accountability framework for RHBs. The Department has developed a document entitled *Accountability in Nova Scotia's Health System* which was well received by the members of the Regional Health Boards when it was discussed at the December 1996 Partners in Health Conference. This document outlines the key elements of the accountability process, including the setting of expectations, reporting and evaluation, and how these will be

achieved in the relationship between the Department of Health, the Regional Health Boards and the non-designated facilities. As well, the document describes the accountability relationship between the RHBs and the Community Health Boards.

8.11 The Regional Health Boards Act outlines the duties that RHBs shall perform, where authorized by Regulations. Some of these duties are to develop regional health-service plans, develop regional health human-resources plans, fund regional health programs and participate in the development of a provincial health plan. The accountability document discusses these requirements in more detail and includes the requirement to submit plans to the Department for review and endorsement. However, we noted that Regulations under the RHB Act passed during the year include only very generic accountability provisions:

- “11 (1) *The Board shall submit to the Minister such reports as the Minister may from time to time require.*
- 11 (2) *Without limiting the generality of the foregoing, the Board shall provide the Minister with an annual report containing such information as the Minister requires.”*

8.12 We believe that it would be preferable to have the accountability framework included in the Regulations to provide assurance that the important requirements included therein will continue to be met. The requirement for the submission of audited financial statements to the Minister should be specifically stated in Regulations or legislation.

8.13 The accountability framework requires RHBs to submit a Health Services Business Plan to the Department which includes information on health services and programs, human resources, and business. To assist Regional Health Boards in the development of Business Plans, the Department has provided the Regional Health Boards with a draft business plan template document. Business plans are scheduled to be received from the Regional Health Boards in early March 1997 and will be reviewed by senior management of the Department of Health.

8.14 *Accountability in Nova Scotia's Health System* is a major step forward in planning for health renewal. However, there are still a number of issues regarding roles and responsibilities of the Department of Health, Regional Health Boards and Community Health Boards which must be clarified. For example,

- *Funding of Regional Health Boards* - The Department has established a Regional Funding Working Group with representation from Regional Health Boards and non-designated hospitals which will examine options for future funding.
- *Regional Health Boards' role in reallocation of services* - For the 1997-98 fiscal year, funding will be non-portable, that is, the RHBs will not have the authority to move the funds from one program to another. Starting with the 1998-99 fiscal year, the Regional Health Boards will have the authority to reallocate funding. It should be noted that the RHBs must still meet the standards for health services established by the Department.
- *The role of Community Health Boards in selecting RHB members* - The Department intends to evaluate this as part of the 18-month operational plan.

8.15 The Department has established joint management and policy forums for the reformed health system. A Provincial Advisory Council was established in 1996 to develop and maintain a common mission and overall plan for the renewed health system through a forum for Province-wide planning, consultation and policy development. This Advisory Council is comprised of the Minister of Health

(Chair), the Deputy Minister and the Chief Executive Officers and Chairs of the Regional Health Boards (RHBs) and non-designated hospitals. As well, a Provincial Leadership Committee comprised of the Deputy Minister (Chair) and the Chief Executive Officers is responsible to develop coordinated service plans and policies on a Province-wide basis including business planning, clinical resource management, program planning, administration, procurement, information technology and human resource planning.

8.16 Reporting to the Provincial Leadership Committee, eight task-oriented working groups and sub-committees will examine underlying issues in more detail and provide recommendations to the Provincial Leadership Committee. These working groups are: Performance Indicators, Clinical Resource Management, Information Technology, Human Resource Planning, Labour Relations, Regional Funding, Provincial Purchasing and Management Support, and Mental Health.

8.17 *Standards for services provided by RHBs* - The Department is developing a Health Standards Manual to articulate the standards for services which the RHBs must provide. These standards should help to reassure the public that certain services will be available in each Health region. Currently this manual relates to services for Drug Dependency and Public Health. Mental Health is being dealt with separately. As well, the development of standards for Acute Care is now underway. For Drug Dependency and Public Health, the manual identifies the core services (e.g., Drug Dependency - Health Promotion), the focus population, the outcome (e.g., programs contribute to reduced incidence and prevalence of harm arising from alcohol/other drug/gambling use and abuse), the target, the accessibility, staff and measurement approaches.

8.18 This draft manual has been presented to the RHBs for discussion and comment. It is anticipated that the standards for Drug Dependency and Public Health will be agreed to by April 1997. While there is still much to do before the manual is complete, the manual represents an important first step in communicating the standards of service to be provided by the Regional Health Boards.

8.19 *Community Health Boards* - Health renewal includes the formation of Community Health Boards. The role of the Boards is clearly specified in the Accountability Framework with one major exception. The *Blueprint Report* recommended that one of the responsibilities of the Community Health Boards would be to appoint 2/3 of the members of the Regional Health Boards. However the *Accountability in Nova Scotia's Health System* document did not note this as a responsibility of Community Health Boards. The decision as to whether this will be a responsibility of the Community Health Boards has been placed on hold and will be evaluated according to the 18-month operational plan. In the meantime, interim RHBs have been established through appointment by the Minister.

8.20 As of February 1997, 18 Community Health Boards had been established by the Regional Health Boards. Interested people were solicited through a variety of mechanisms and applications were evaluated by a Community Steering Committee using predefined selection criteria. A number of materials have been developed by the Department to assist Community Health Boards in their new role. These materials provide information on relevant areas such as how boards make decisions, developing teams, consensus, how to develop a primary health care plan, sources of information, research strategies, and data analysis supports. As well, information about the various programs offered by Health, the *1995 Health Survey Highlights*, and a resource guide entitled *Getting Started, A Resource for Community Health Planning* were included with the materials.

8.21 The Department has indicated the next step in the process will be to conduct an evaluation of the functioning of the Community Health Boards. The development of Regulations for Community Health Boards has been placed on hold until this evaluation process has occurred. The Department expects to prepare a formal report on the evaluation.

8.22 *Designation of hospitals and devolution of services to Regional Health Boards* - As of January 1, 1997, all hospitals with the exception of four merged sites or tertiary facilities - Nova Scotia Hospital, QE II Health Sciences Complex, the Cape Breton Healthcare Complex and the Izaak Walton Killam-Grace Health Centre for Children, Women and Families - had been designated to the Regional Health Boards. In all cases, Regulations including the basic accountability provisions noted in paragraph 8.11 above were in place prior to designation.

8.23 On April 1, 1997, responsibility for Drug Dependency and Public Health will be devolved to the Regional Health Boards. Other programs will be devolved according to the Department's operational plan. For the first year of operation, it is anticipated that few changes will be made to the devolved programs and the budgets assigned to those services will be non-portable at this time. Starting with the 1998-99 fiscal year, the RHBs will have the authority to reallocate funding.

8.24 *Quality, Collaboration, Integration, and Support: A Health Research Strategy* - In April 1996, the Task Force issued a report containing 20 recommendations on health research in Nova Scotia. A draft response to this report has been prepared by Department staff but to date it has not been finalized by senior management. The report recommended the establishment of a Nova Scotia Health Research Foundation however the identification of the source and amount of funding for the Foundation is a major stumbling block to the acceptance of the report.

8.25 *Health Survey* - In 1996-97, the Department released *1995 The Nova Scotia Health Survey* which presents information on 3,227 adults from across the Province. This survey was designed as a 10-year follow-up to the 1986 Nova Scotia Heart Health Survey and was expanded to combine information on risk factors for heart disease with other important measures of health such as symptoms of depression, screening practices, and care giving activities. This information can be used by communities, organizations, and governments to develop policies and plan programs to improve the health of Nova Scotians.

8.26 *Other initiatives* - The Department has also made progress on other initiatives including the implementation of Emergency Health Services, tobacco control implementation, Home Care Nova Scotia (see Chapter 7) and the establishment of a devolution team for Drug Dependency and Public Health.

Follow-up on Planning Initiatives included in 1995 Audit

8.27 *Strategic plan* - In our 1995 Annual Report, it was noted that the Department of Health had developed a draft strategic plan which was targeted for finalization in March 1996. This draft plan included the overall purpose and direction for the Department but did not include specific objectives and actions required to achieve the strategic goals.

8.28 Early in fiscal 1996-97, the Department prepared a new strategic directions document from its previous draft strategic plan. The strategic directions document was used to plan and guide the Department during the transition period while the Department focussed on moving forward with the health renewal agenda.

8.29 The Department established an operational plan which identified a number of strategic areas or priorities including regionalisation, home care development and communications. Detailed operational plans for these priorities over the next 18 months were developed which include time frames for completion of the tasks outlined in the plans.

8.30 Our discussions with staff at the Department indicate that it is committed to a planning cycle which includes strategic, business and operational planning. A proposal will be submitted to senior

management in the near future which will outline how the strategic planning process will work. A Steering Committee chaired by the Deputy Minister will be established to oversee the work of the strategic planning team. All areas of the draft strategic directions document will be reviewed. The Department hopes to have a departmental strategic plan in place by June 1997. The Department, in conjunction with the Provincial Advisory Committee, also intends to produce a strategic plan for the renewed health system at a later date.

8.31 *Management information systems* - Last year, we reported that the Department had drafted a memorandum to the Priorities and Planning Committee recommending a Province-wide health information systems strategy. Approval was received to proceed with a Call for Proposals, however due to severe financial challenges, the decision was made not to embark on a public-private partnership as planned.

8.32 The Department has prepared a proposal for funding of seven major projects relating to management information systems under the Canada/Nova Scotia Cooperation Agreement on Economic Diversification. This Agreement was designed to expand and diversify the economic base of Nova Scotia. The projects submitted by Health focus on updating old hardware and software to current specifications which would enable the Department to proceed with the development of a Health Intranet - linking health-related entities electronically.

8.33 In addition, the Department has initiated the development of an integrated Management Information System (central health information database) which will provide statistical information and other data to RHBs and other health entities for sound decision making.

8.34 *Program evaluation/outcome measurement* - Indicators included in *Government By Design* are very broad and are directed towards achieving a healthier Nova Scotia. Indicators for the 1997-98 *Government By Design* document are currently under review as the Department would like to include additional broad-based indicators of the health of Nova Scotians.

8.35 Senior management and branch directors receive quarterly and annual indicator reports. These reports include comparisons from year to year and between regions. The Department has established targets for some of the indicators, but not all. While we recognize the difficulty in developing meaningful targets, we urge the Department to develop targets for all indicators. Targets enable senior management to monitor the performance of the Department and take action on problem areas.

8.36 The Department is working on new indicators which provide more comprehensive information than the indicators currently in use. Many of the new indicators will not be available until new information systems are developed.

Monitoring and Reporting the Progress of Health Care Renewal

8.37 In our 1995 Annual Report, we noted there was a need to publicly report on the progress of health care renewal on a timely basis. As well, the Department informed us that it had planned to launch a major communication initiative in the spring of 1996 which would provide the public with a progress report on health care renewal, the rationale for actions taken and assurance of continued quality health care. In September 1996, a direct mail pamphlet was delivered to all homes in Nova Scotia which provided a basic overview of some of the changes in the health care system. We are concerned that this pamphlet does not provide the necessary level of detail concerning the progress of health renewal.

8.38 We recognize the nature of communicating with the public on the “health agenda” is that multiple audiences have very different and specific needs, both in terms of the type of information they seek and the forum in which the information is communicated so as to be meaningful. Meeting the expectations of all in terms of adequate communication is extremely difficult. The Department issues press releases and conducts information seminars at public forums such as the Seniors’ Expo which we feel are important to provide information to the public. As well, several presentations on health renewal were made at the December 1996 Partners in Health conference, a speaking tour of 19 hospitals was conducted in the spring of 1996, and numerous public consultations were held during the development of key policies for Home Care Nova Scotia, Long Term Care Advisory Committee and Community Health Boards. However, these communication vehicles provide only fragmented information on health renewal to certain target groups and do not provide a complete picture of the direction and status of health renewal for the general public.

8.39 As noted in our 1995 Report, the communication of future plans to key stakeholders including consumers and employees of the health care system is critical to the success of health care renewal. Such communication is also necessary to achieve appropriate accountability.

8.40 The Department continues to work toward meeting the objectives of *Nova Scotia’s Blueprint for Health System Reform*. As noted in our 1995 Report, the *Blueprint* was accepted by the Department as the framework for health care renewal. *From Blueprint to Building* was issued in April 1995 as a response to the *Blueprint* and it noted that future highlights would be issued to keep the public informed of changes. To date, there has not been a comprehensive update on the status of the implementation plans noted in *From Blueprint to Building*. Management has indicated that progress is monitored by the Department on a monthly basis.

8.41 Given that a number of changes have been made to the plans outlined in *From Blueprint to Building* and the renovation schedule outlined in the document has not been completely achieved (e.g. the Emergency Health Services Act has not been proclaimed), a comprehensive report on *From Blueprint to Building* including the status to date and the plans for future implementation should be issued.

Review of 1996-97 Financial Performance

8.42 The Department required additional appropriations of \$79 million for the 1995-96 fiscal year. In June 1996, the Department of Health (with the support of the Priorities and Planning Secretariat and the Department of Finance) initiated a study to determine the reasons for the over expenditure. The study was undertaken by staff of the Department of Finance’s Internal Audit Division under direction from a Steering Committee comprised of Deputy Ministers. This was followed by a Department reorganization in August 1996.

8.43 At the time of our audit, the Department was forecasting a \$68.1 million (5.9%) net over expenditure of its approved budget for the 1996-97 fiscal year. We noted the following categories contributed \$67.7 million (99.4%) to this shortfall:

- Insured Program Management by \$22.4 million (Payments to Physicians \$15.8 million, Pharmacare \$3.9 million, Other \$2.7 million);
- Home Care by \$8.9 million;
- Hospital Insurance by \$45.5 million (Expenditures \$20.6 million over, Out of Province Recoveries \$20.6 million under budget, Other Recoveries \$4.3 million under budget); and
- Capital Construction was under the budgeted amount by \$9.1 million.

8.44 In August 1996, the Minister announced that an additional \$64.1 million would be allocated to the Department thus reducing the anticipated over expenditure to \$4 million. To date, an Order in Council approving this additional appropriation has not been issued. The Department plans to seek an OIC in the spring of 1997.

8.45 We are concerned that the budgeting process did not yield a budget that could be reasonably achieved. For example, officials from the Department did not have input into the budget for the Out of Province Recoveries which will be short by \$20.6 million. In addition, our audit of Home Care Nova Scotia (see Chapter 7) indicated an approved budget of \$49 million but that Home Care Nova Scotia viewed its budget to be \$60 million even though the additional funding was not announced until the fall of 1996.

8.46 Department officials also commented that service levels for physicians have not increased dramatically over the years, but that the government's expenditure plan placed a cap on physician payments of \$246 million which could not reasonably be met without significant changes to the unit value or physician payment schemes. The most recent agreement with the Medical Society of Nova Scotia (March 1995 - 1997) indicates that any shortfall will be recovered through changes to the unit value during the 1997-98 fiscal year unless the parties agree to another solution. The unit value, which is the basis for fee-for-service payments for physicians, was last adjusted on April 1, 1995. The Department recently issued a discussion paper *Good Medicine: Securing Doctors' Services for Nova Scotians* which outlines alternate methods of payment for physician services.

8.47 During our interviews, it was noted that significant funds (\$29 million) have been spent under the Compensation Assistance Program/Labour Adjustment Strategy. This program was designed to provide assistance with the additional expenditures to be incurred as a result of hospital closures and other layoffs. Early retirement incentives were part of this program and related payments were made to the Nova Scotia Association of Hospital Organizations (NSAHO) pension plan. The Department is now considering a partnership with the Department of Finance to have an actuarial study conducted to determine if the amount paid to the pension plan in relation to this program was appropriate.

8.48 The Department is continuing to review its financial position and make adjustments to ensure fiscal targets are met. The Department has informed us that finance is the first item on the weekly Senior Management Committee agenda. As well, Health has conducted meetings with the Department of Finance to ensure mutual understanding of Health's financial position and budget for the 1997-98 fiscal year and strategies for managing the target approved by government.

Status of Major Reports

8.49 *Report of the Pharmacare Working Group* - As of February 1996, the Department had addressed all accepted recommendations except for 10 which were to be completed by January 1997. As of February 1997, the Department had completed one and six more were in various stages of completion. Many of these six recommendations are the subject of ongoing discussions and definite completion dates could not be determined. One other recommendation was contingent on successful negotiation with generic drug manufacturers which did not materialize. The remaining two recommendations are under consideration and the Department has not determined if these will be implemented.

8.50 *Report on Emergency Health Services* - As of February 1996, there were a number of recommendations of the report which had not been implemented. Many recommendations were dependent on the proclamation of Bill 96 - Emergency Health Services Act. To date, Bill 96 has not been proclaimed and Department officials have informed us the Bill has undergone major revisions

to address deficiencies in the area of accountability. The revised Act has been submitted to the Minister for review but at this point in time it is unknown when the revised Bill will be taken to the House of Assembly.

8.51 Our discussions with Department officials indicate the Emergency Health Services Division has continued to work towards the goals of the Report. The Department has worked with the various entities involved in Emergency Health to formulate solutions to the problems facing this area. While this consultative approach has worked to date, staff acknowledge the Act is necessary to provide authority to implement solutions that may not be agreeable to all. In some cases, the Act is necessary before some recommendations can be implemented. Many of these recommendations refer to the creation of an independent Emergency Health Services Agency, the bylaws of the Agency, the staffing and Advisory Board. Without an Act establishing the Agency, several of these recommendations will remain outstanding.

8.52 *January 1994 Joint Management Audit of the Departments of Health and Community Services* - Last year, we reported that the Department had implemented all but 16 of the accepted recommendations related to the Department of Health. As of February 1997, the Department had begun to address 10 of the remaining recommendations. Another five are scheduled for completion the first half of fiscal 1997-98 and the last recommendation will be implemented in the 1998-99 year. The explanations provided by the Department relating to the six recommendations not yet implemented were reasonable.

CONCLUDING REMARKS

8.53 The Department of Health has made significant progress during the last year in addressing some of the key elements of health renewal such as definition of an accountability framework for the major players in the renewed health system. Progress continues in addressing the recommendations of key reports prepared for the Department in the past. Another key initiative has been the formation of the Provincial Advisory Council and the Provincial Leadership Committee which will serve as a policy development and issues forum for the renewed health system through joint management by the Department, the Regional Health Boards and the non-designated hospitals.

8.54 We believe that there should be a well defined strategic plan which outlines the direction of the Department in achieving health renewal. Without such direction, it is possible that renewal initiatives will be fragmented, and not as well integrated as they should be. We acknowledge the existence of 18-month operational plans and planning initiatives in the past such as the *Blueprint Report* and *From Blueprint to Building*, and joint planning with the Regional Health Boards and non-designated hospitals through the Provincial Advisory Council and Provincial Leadership Committee. However, there are certain sections of the *Blueprint* which have not yet been implemented and it is unclear as to whether they will be addressed. A strategic plan would help to ensure that all stakeholders have a common understanding of the future direction of the Department. We are cognizant of the urgent time frames and tasks necessary for health renewal. However, given the significant dollars under the control of the Department, it is critical that the strategic planning initiative (both for the Department and for the renewed system) proceed as planned by the Department.

8.55 Communications play an important role in the health renewal process. A formal, comprehensive update on the status of the recommendations outlined in *From Blueprint to Building* is necessary to provide interested parties with appropriate information on health renewal and to provide the appropriate accountability to the public on the rationale for decisions made and changes to the recommended plan of action.