

## **CONSOLIDATION OF CATHOLIC HEALTH CARE IN ALBERTA<sup>1</sup>** *(Compassionate Care led by Catholic Values)*

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### **Goals of the Session**

1. Review creation and structure of Covenant Health

- Overview of Catholic health care in Alberta
- Drivers of change
- Goals of consolidation
- Overview of Covenant Health
- Implications for our canonical structure

2. Review the transition process

- Our approach
- Transition issues, challenges, successes
- Achievements to date

3. Moving forward

### **A) Perspective on Catholic Health Care**

- Largest provider of health care in the world
  - Catholic works vs. works of Catholics
- Present in 45 countries world wide
- Over 100 provider organizations in Canada
- Range of services
  - Quaternary and tertiary care
  - Secondary care
  - Community care
  - Continuing care
  - Assisted living

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<sup>1</sup> This was a powerpoint presentation.

## B) Catholic Health Care in Alberta

### Our Roots

- First facility, founded in 1863 by the Sisters of Charity (Grey Nuns) of Montreal

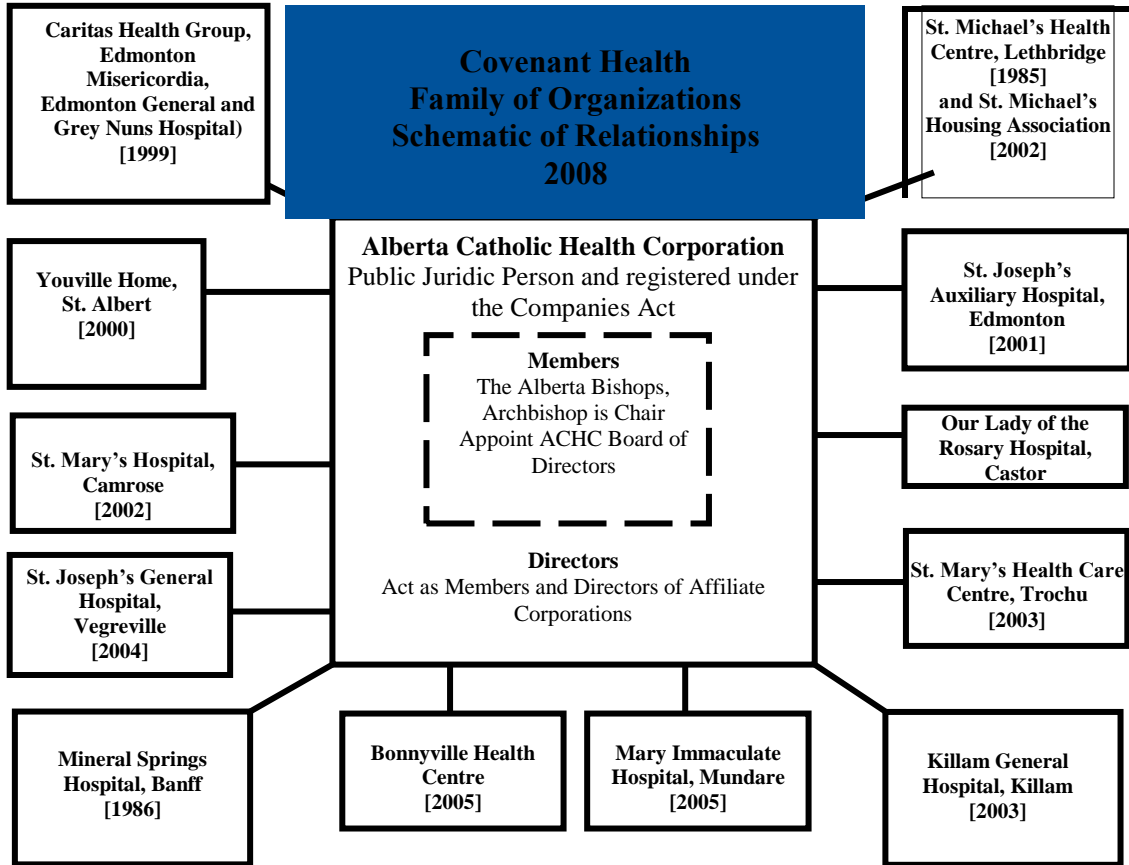
## C) Catholic Hospitals in Alberta

- At one time there were over 50 Catholic facilities in Alberta
- Loss of organizations through late 60's, early 70's
- Response to invitation
- Serve those in need
- Suffer hardship
- Partnership with the community
- Trust in Providence
- Risk taking
- Regionalization began in 1993 – denominational organizations continued as separate corporate entities within regional system
- Agreements established
  - Minister's Agreement (aka Master Agreement)
  - Cooperation Agreement
  - Service Agreements
- Connection to the Church was clear – through the Sisters
- By 2008, there were 13 Catholic health organizations in Alberta that were under the *sponsorship* of the Alberta Catholic Health Corporation (ACHC)
- Operating 16 sites in 6 health regions
- Offering a range of services in both urban and rural settings
- *Sponsorship*
  - Relatively new term in Catholic health care – describes the formal link of a Catholic work to the Church

- One helpful definition:

*"Sponsorship of a health care ministry is a formal relationship, guaranteed by civil and canon law, between an authorized Catholic organization and a legally formed hospital, clinic, nursing home, entered into for the sake of sustaining and promoting the church's healing ministry to people in need, especially the poor."*

- In the above definition, *authorized* means approved by a diocesan Bishop, or an office of the Holy See
- In our structure, the ACHC is an authorized *public juridic person* created by the Archbishop of Edmonton



## **D) Powers and Duties (Articles of Association)**

### *Members*

- Develop, approve, amend mission and value statements
- Amend Memorandum and Articles
- Approve fundamental change in nature of operation
- Amend or terminate equity agreements
- Approve general bylaws
- Appoint and remove Directors
- Appoint and remove Chair
- Lease, sell, encumber assets outside the normal course of operations
- Approve sell of any major asset or borrowing of money (preset limits)
- Create corporate bodies and approve bylaws of such bodies
- Merge, dissolve, or alter the Company
- Appoint the auditor
- Anything to insure operation within:
  - Medical Moral Code / Ethics Guide
  - Mission and values
  - Canon Law of the Catholic Church

### *Directors*

- Subject to the Members powers, full control of the Company, absolute and final authority – fiscal, quality of care and medical staff matters
- Appoint Officers, except Chair
- Appoint CEO, subject to written approval by the Members
- Appoint agents, committees, etc ...
- Carry out the Mission
- Comply with any Acts
- Other standard provisions

## E) The Alberta Catholic Health Care



### *Communities:*

- Bonnyville
- Edmonton
- Vegreville
- Camrose
- Trochu
- Lethbridge
- St. Albert
- Mundare
- Killam
- Castor
- Banff

## **F) Drivers of Change**

- "Pulls"
  - Better live mission, achieve vision and strategic directions
  - Provide proactive role in the system
  - Better address unmet needs
  - Provide coordinated / united presence
  - Influence the system / provide leadership
  - Better stewardship
  
- "Pushes"
  - Struggles to maintain quality & financial viability
  - Relationship with Regional Health Authorities
  - Erosion of Catholic mission in some facilities and communities
  - Recruitment and retention of required management and clinical expertise
  - Formation of the Provincial Health Authority

## **G) Goals for Consolidation**

### *Consolidation Process*

- Year-long consultation and review led by the Alberta Catholic Health Corporation (ACHC)
- Consensus to move towards a single operating entity
- Task team of Board Chairs of the 12 individual corporate entities developed a recommendation to the Bishops of Alberta (Members)
- Covenant Health established August 7, 2008
- Transition to consolidated organization October 7, 2008
  - One Governance board for all 13 Corporations
  - Local Boards transitioned to Community Boards
  - Consolidated management structure

## **H) New Structure**

- The Catholic Health of Alberta (formerly the Alberta Catholic Health Corporation)
  - Continues to be the PJP – hold operating entity accountable
  - Is a shell entity (no staff)
  - Bishops continue to be the Members
  - Receive admin support from Covenant Health

- Covenant Health:
  - Has a single governance and management structure – continue local community Boards / Foundations
  - Operates 16 sites in the province

## **I) Goals of Consolidation**

### **1. Revitalize the mission, pursue a renewed vision for Catholic health care**

- Renew and continue the Sisters legacy of responding to unmet needs
- Expand our influence and be of greater service in communities throughout the province

### **2. Leverage the strength of our 16 sites**

- Leverage the expertise and knowledge from all sites
- Enhance stewardship and accountability
  - To the Church
  - To the Funder
- Facilitates effective Governance and management

### **3. Simplify and streamline relationships**

- Provides opportunity to be legitimate "Go to Provider" for Alberta Health Services
- Greater voice to shape and positively influence the health care system
- Single point of accountability for quality and health service delivery

## **J) Overview of Covenant Health**

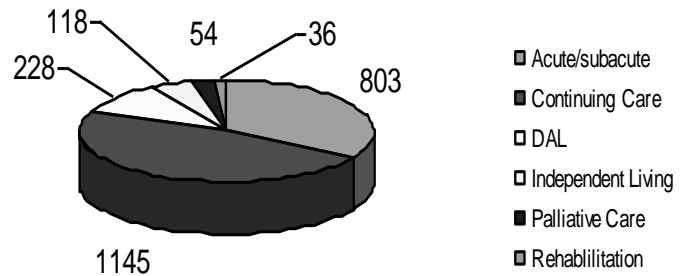
Covenant Health  
Compassionate care led by Catholic values

*Healing the Body, Enriching the Mind,  
Nurturing the Soul*

Total=2384

### K) The Numbers

\$614 million budget (2008-09)  
2,384 beds  
8,854 staff  
2,658 volunteers  
937 medical staff



### L) Governing Board

- Currently 10 Directors
  - Broad representation
  - Recruitment based on defined set of skills required for effective governance
- Have full governance authority for all 16 sites
- Community Boards are a significant part of the governance process
  - viewed as ‘committees’ of the Board
  - subsidiarity and important element

Covenant Health will positively influence the health of Albertans and be of greater service to those in need by working together with compassion, quality and innovation.

### M) Our Mission

We are called to continue the healing ministry of Jesus by serving with compassion, upholding the sacredness of life in all stages, and caring for the whole person—body, mind and soul.

As a Catholic organization, we are committed to serving people of all faiths, cultures and circumstances, according to our values:

*Compassion*  
*Respect*  
*Collaboration*  
*Social Justice*  
*Integrity*  
*Stewardship*

## **N) The Transition Process**

### *Our Approach*

- Building consensus
- Engagement of key stakeholders
  - Boards, leadership teams, bishops
- Several summits to clarify the impetus for change and create the vision for the future
- Engagement driven by principles and objectives facilitated with discussion documents and options analysis
- Acted quickly once consensus was achieved to maintain momentum
- Planning for the transition
- Project Management Approach
  - Dedicated project team
  - Comprehensive work plan
- Engagement of key stakeholders
  - Board, Community Boards, Transition Management Team, working groups
- Extensive communication
  - Newsletters, memos, face-to-face, video-conferencing
- Launching the Organization
- Communications strategy for transition to consolidated organization October 7, 2008
- Communications strategy for launch of name, visual identity, and mission, vision, and values
  - Visual identity materials
  - Unfolding the name, mission, vision, and values
  - Mission integration toolkit
- Moved quickly to develop post-transition work plan
- Missioning Ceremony February 9, 2009

### ***Keys to Success***

- Leveraged the impetus for change
  - Overcoming the obstacles while maximizing the strengths
- Strong Vision for the future
- Catholic Mission and values embedded and reflected in transition
- Transparent and inclusive transition process
- Support of the Archbishop/Bishops

### ***Challenges During Transition***

- Ensuring meaningful engagement while maintaining and encouraging momentum
- Overcoming resistance to change – status quo was not an option
- Fostering recognition of our unique contribution within a provincial system and overcoming duress
- Facilitating structural change while maintaining stability to allow us to move forward quickly
- Lack of role clarity between the Members, Directors and Community Boards
  - Resulted in the development of Members and Directors Accountability document
- Uncertainty related to provincial environment
  - Role and relationship within the new provincial system - Service Agreement
  - AHS structure still a work in progress
  - Lack of clear provincial direction
  - Financial challenges

### **O) Achievements to Date**

- New Vision for Catholic Health Care in Alberta
- Established a clear direction for Covenant Health

- Strong endorsement of the "Strategic Contribution" of Catholic Health Care from community leaders and decision makers
- Simplified governance & management structure that is being leveraged to increase accountability to the Church and AHS
- Positive response from AHS – Cooperation an Service Agreement
- Created infrastructure to support growth and service expansion in Catholic facilities – (250 new beds in construction progress)
- Quick wins on many operational issues
  - Mission, Financial, Human resources, Quality - Expanding best practice

#### **P) Lessons for Leaders**

- Healthcare today is characterized by concerns:
  - Access
  - Quality
  - Safety
  - Financial viability & sustainability
  - Public expectations & political environment
  - Technology – Drugs \$, Equipment \$, Ethical Considerations ....
- Massive and Complex Change
  - "Bigger is better???"

*"We believe the new consolidated organization will be well positioned to strengthen and revitalize a 145-year legacy of Catholic health providers meeting the needs of Albertans with compassion, resourcefulness and dedication."* Alberta Catholic Bishops Statement, August 7, 2008

Mr Michael Shea, CMA

