



Board of Directors In Camera Special Meeting Agenda

Date: Thursday, September 11, 2025
 Time: 14:00 - 15:00
 Location: Boardroom

Agenda Item	Attachment
1. Call to Order (F. Wetering)	
1.1 Confirmation of Quorum	
1.2 Adoption of the agenda	P. 1-2
1.3 Declaration of Conflict of Interest	
2. Matters for Discussion/Decision	
<p>2.1 Performance and Efficiency Process Balance Plan (R. Alldred-Hughes) That the Board of Directors of Hôpital Glengarry Memorial Hospital (HGMH):</p> <ol style="list-style-type: none"> Acknowledges the requirement of the Ministry of Health (MOH) and Ontario Health (OH) for hospitals in a deficit position to submit a Planning and Performance / Hospital Sector Stabilization Plan (HSSP) sample outlining a path to balance. Authorizes management to submit the required sample plan to MOH and OH by September 12, 2025, together with an appended letter clarifying the position of the Board of Directors. Notes that HGMH has successfully operated in a balanced position for the past two fiscal years. The projected deficit for 2025/26, estimated at approximately \$527K, arises solely from inflationary and non-discretionary cost pressures that exceed the base funding increase, not from discretionary spending or new program initiatives. Clarifies that the submission is provided solely to comply with MOH/OH requirements as a sample planning document. It is iterative, non-final, and non-binding, and does not constitute approval by the Board for any service changes or reductions. States explicitly that the Board does not support or endorse high-risk service reductions, such as closure of the Regional Rehabilitation Program, as these would compromise patient care, regional access, and the hospital's core mission. Recognizes that the submission has been prepared on an accelerated timeline and without the full benefit of consultation with staff, physicians, patients, families, and the community, and therefore does not reflect the level of engagement normally required for substantive service planning. Reaffirms the Board's fiduciary duty to act in the best interests of patients and the community. Any future decision on substantive service changes will require explicit Board approval, full stakeholder consultation, and adherence to collective agreement and labour relations processes. Directs management to continue advocating for fair and appropriate funding, including, base funding adjustments, one-time working capital relief, to ensure financial stability without compromising access to care. 	P. 3-10
4. Adjournment (Dr. S. Robertson)	
5. Date of Next Meeting: September 25th, 2025, 5:00pm	

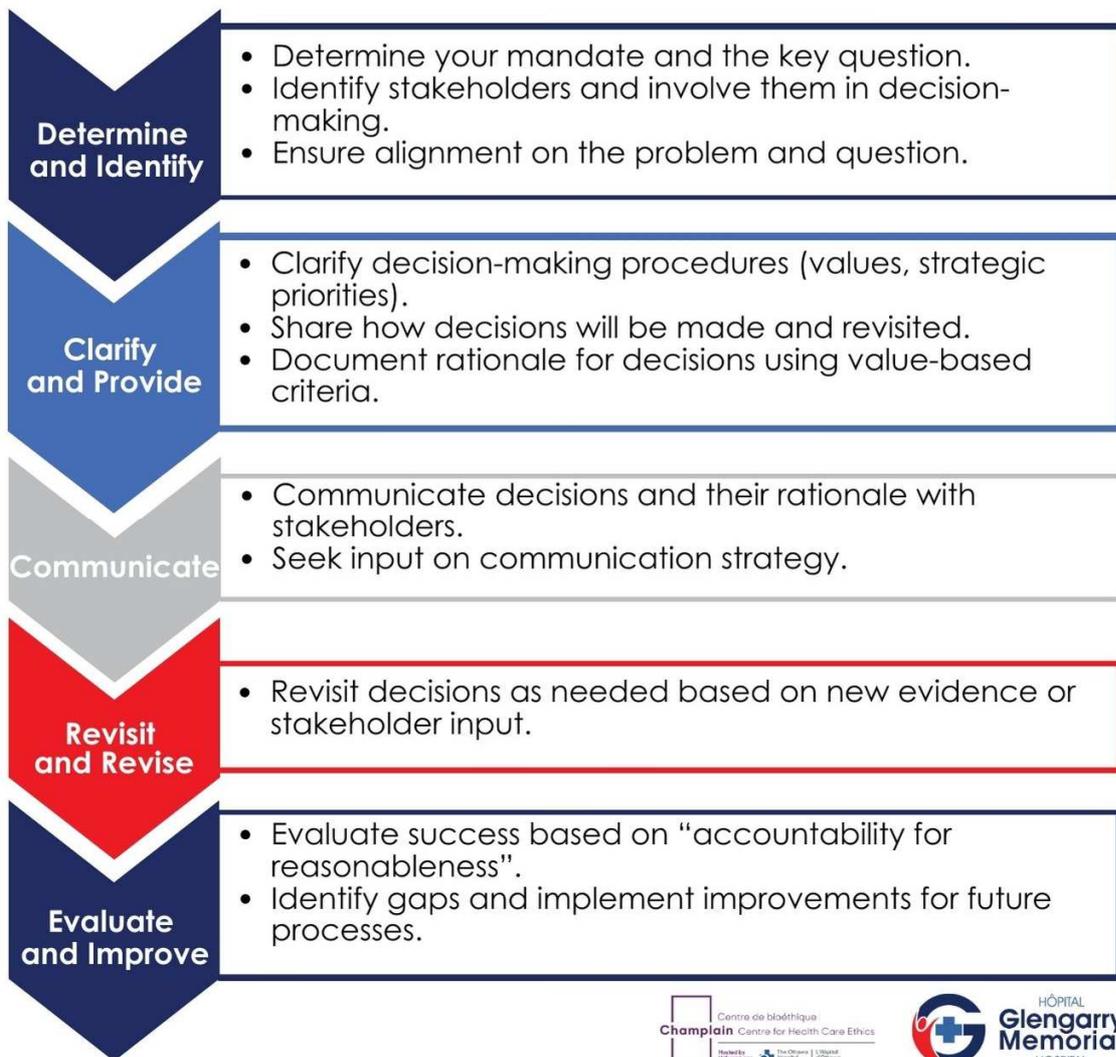


Accountability for Reasonableness (A4R) Ethical Decision Making Framework Steps

Values that Optimize Fairness in the Process of Decision-Making



A4R Action Steps



DECISION SUPPORT DOCUMENT FOR

- Board of Directors
 Board Committee –
 Senior Leadership Team
 Other (please specify):

Date Prepared: August 20th, 2025 Meeting Date Prepared for: September 10th, 2025 – Finance
September 11th, 2025 - Board
 Subject: Ministry of Health & Ontario Health Performance and Efficiency Balance Plan
 Prepared by: Robert Alldred-Hughes, President & CEO

- DECISION SOUGHT*
 FOR DISCUSSION/INPUT
 FOR INFORMATION ONLY

PURPOSE

The purpose of this briefing note is to provide the Board of Directors with an overview of the Ministry of Health (MOH) and Ontario Health (OH)'s *Planning and Performance* process, which requires hospitals in a deficit position to submit multi-year planning scenarios to demonstrate a path to balance. This note outlines the requirements, HGMH's current financial situation, the draft submission under consideration, and the explicit position of the Board with respect to proposed service reductions.

RECOMMENDATION / MOTION

- A. In materials shared with hospitals on July 11, 2025, Ontario Health ("OH") and the Ministry of Health ("MOH") introduced a new Hospital Sector Planning and Performance Process ("HSSP") which outlines a process for submissions from Ontario public hospitals to assist MOH and OH with its planning for the hospital sector, including a requirement to submit "Board-approved balance plans to be iterated over time", or balanced budget confirmations, on or before September 12, 2025, using sector-wide, standardized planning parameters.
- B. OH and MOH have acknowledged that HSSP submissions are required on an accelerated timeline and, given the express iterative nature of this process, are to be provided at this time without:
 - a) comprehensive legal analysis of consequences and costs or mitigation strategies to inform the HSSP submissions, and/or
 - b) stakeholder consultation including, without limitation, community consultation and potential consultations required by labour relations legislation and collective agreements, and for certainty, MOH and OH have expressly requested that the hospital sector not involve stakeholders in this process at this time, recognizing this step is both legally necessary and desirable in informing future Board decisions, if any.
- C. The Ontario Hospital Association, on behalf of the Ontario hospital sector, has sought clarification of what level of involvement hospital Boards of Directors ought to have in HSSP submissions processes at this time, and has communicated those clarifications to the Ontario hospital sector, which are reflective in the approach taken to these resolutions.
- D. Hospital management has prepared the attached Multi-Year Balance Plan submission on a preliminary and draft basis (the "Sample HSSP Submission") using the guidance and template provided by MOH/OH to date, based on the best information available to the hospital at this time, and subject to the limitations noted in the recitals above and the following additional qualifications and limitations:

That the Board of Directors of Hôpital Glengarry Memorial Hospital (HGMH):

1. Acknowledges the requirement of the Ministry of Health (MOH) and Ontario Health (OH) for hospitals in a deficit position to submit a Planning and Performance / Hospital Sector Stabilization Plan (HSSP) sample outlining a path to balance.
2. Authorizes management to submit the required sample plan to MOH and OH by September 12, 2025, together with an appended letter clarifying the position of the Board of Directors.
3. Notes that HGMH has successfully operated in a balanced position for the past two fiscal years. The projected deficit for 2025/26, estimated at approximately \$527K, arises solely from inflationary and non-discretionary cost pressures that exceed the base funding increase, not from discretionary spending or new program initiatives.
4. Clarifies that the submission is provided solely to comply with MOH/OH requirements as a sample planning document. It is iterative, non-final, and non-binding, and does not constitute approval by the Board for any service changes or reductions.
5. States explicitly that the Board does not support or endorse high-risk service reductions, such as closure of the Regional Rehabilitation Program, as these would compromise patient care, regional access, and the hospital's core mission.
6. Recognizes that the submission has been prepared on an accelerated timeline and without the full benefit of consultation with staff, physicians, patients, families, and the community, and therefore does not reflect the level of engagement normally required for substantive service planning.
7. Reaffirms the Board's fiduciary duty to act in the best interests of patients and the community. Any future decision on substantive service changes will require explicit Board approval, full stakeholder consultation, and adherence to collective agreement and labour relations processes.
8. Directs management to continue advocating for fair and appropriate funding, including, base funding adjustments, one-time working capital relief, to ensure financial stability without compromising access to care.

IMPLICATIONS TO OTHER STANDING COMMITTEES

Are there any material or significant implications for other Standing Committees? No Yes, please specify:

- Quality Committee of the Board

SITUATION & BACKGROUND

A brief description of the background to the issue.

Financial Context

- **Balanced Performance to Date:** HGMH successfully operated in a balanced position for the past two fiscal years following the 2023/24 base funding adjustment.
- **Current-Year Challenge:** In 2025/26, despite receiving a 3% base funding increase (rather than the anticipated 4%), HGMH is facing an operational shortfall of approximately \$527,000.
- **Cause of the Gap:** This imbalance is not the result of overspending or new initiatives. It is driven entirely by inflationary and non-discretionary cost increases — including collective agreement wage and benefit adjustments, IT contracts, utilities, food, drug inflation, and medical equipment maintenance.
- **Board Position:** The hospital's historically balanced performance demonstrates strong fiscal stewardship; however, the scale of unavoidable cost pressures in 2025/26 now exceeds the resources provided through base funding.
- As part of the Hospital Sector Stabilization Plan (HSSP), hospitals projecting deficits are required to provide three-year planning samples to illustrate a pathway to balance.

- These submissions are not final plans but rather samples to support dialogue with MOH, OH, and regional partners. The government has clarified that Boards are expected to be “aware and engaged,” but not to approve cuts for implementation at this stage.
- Hospitals are facing significant structural deficits caused by inflationary pressures, collective agreement wage increases, rising utility and supply costs, and capacity pressures. HGMH projects shortfalls of \$527K in 2025/26, \$860K in 2026/27, and \$1.7M in 2027/28, with a cumulative deficit of over \$3.1M by 2028.
- Even with aggressive measures, HGMH does not have sufficient non-core programs to consolidate or reduce without directly impacting core services.

OPTIONS CONSIDERED & ANALYSIS

Outline alternatives that were contemplated in coming to a recommendation. If no viable alternatives exist, include that information as well.

The MOH/OH framework requires identification of both low-risk administrative/efficiency measures and high-risk program/service reductions.

Low-Risk Measures (Operational/Administrative Efficiencies):

Augmenting inpatient nursing schedules	(\$75K)
Not replacing a full-time Nurse Scheduler	(\$100K) implemented last year 24-25
Not replacing Food Services & Environmental Services Manager (aligned to another portfolio)	(\$30K)
Increasing cafeteria food prices (10% revenue increase)	\$6K
Increasing public parking fees by \$1	\$20K
Decreasing food costs through menu realignment	(\$27K)
Reduction of 1.0 FTE Environmental Services Aide	(\$70K)
Sub total savings low-risk measures	\$(328 K)

High-Risk Measures (Clinical Service Reductions):

Closing the Regional Inpatient Rehabilitation Program and associated 15 rehabilitation beds	(\$ 951K) for 26-27 partial year savings <i>and</i> (\$1.966M) for 27-28) full year savings
Sub total saving High-Risk Measures	\$ 1.966M

- Total savings if both low risk and high risk are implemented is suggested to be: \$2.3M

Analysis:

- Low-risk measures are modest in scope and could generate incremental savings/revenue without compromising patient care.
- For clarity, the hospital is implementing the low risk measures in 2025/2026, and the \$527K deficit is after the implementation of these adjustments.
- High-risk measures would have profound impacts on patient access, regional capacity, and staff stability, directly contradicting the hospital’s mission and Board’s fiduciary duty to act in the best interests of the corporation and community.

IMPACT ANALYSIS/RISK ASSESSMENT/DECISION CRITERIA

Outline both the positive and negative consequences of the recommendations in terms of financial, mission, quality, risk and other.

- **Financial:** While high-risk options present significant theoretical savings, their removal would destabilize care in the region and shift pressures to neighboring hospitals without additional resources.
- **Clinical/Patient Impact:** Rehabilitation and Endoscopy are essential regional services with no viable local alternatives. Eliminating these services would increase patient wait times, displace vulnerable patients, and reduce local access.
- **Labour Relations:** Closure of programs would trigger significant union obligations, including layoff notices, redeployment processes, and potential grievances under collective agreements.
- **Governance/Legal:** The Board’s fiduciary responsibility requires ensuring patient care and community needs remain central to decision-making. Submitting a sample plan does not constitute approval of service cuts.
- **Sector/Regional Risk:** Rationalization through regional tables may create conflict among hospitals, as multiple organizations face deficits and limited options for efficiencies

CONSULTED WITH:

Indicate those bodies and individuals who have been consulted with in the development of this decision support document

- HGMH Senior Leadership Team
- Ontario Health
- Champlain Alliance of Small Hospitals

IMPLEMENTATION & COMMUNICATION PLAN

Consider how the recommendation will be rolled-out and communicated to all key stakeholders.

Submission: Management will prepare the required planning templates for submission to MOH/OH by September 12, 2025, outlining both low-risk and high-risk measures, as directed.

Board Positioning: An appended Board letter will accompany the submission, explicitly stating that:

- *The Board does not support high-risk service reductions at this time.*
- *The proposed high-risk scenarios are included only to comply with the MOH/OH request for planning samples.*
- *The Board believes such cuts are not in the best interests of patients, families, or the community.*
- **Ongoing Engagement:** Management will report regularly to the Board on provincial discussions, regional working groups, and any potential evolution of the process.
- **Stakeholder Communication:** Should MOH/OH signal further consideration of high-risk measures, the Board will initiate stakeholder engagement, including physicians, staff, patients/families, and community leaders, before any decision is made.

SUPPORTING DOCUMENTS/ATTACHMENTS

List any supporting documents or attachments

- Draft Board of Directors Letter to Ontario Health and Ministry of Health

September 12, 2025

Mr. Scott Ovenden
Chief Regional Officer, East Region
Ontario Health

Re: Submission of HGMH Planning and Performance Multi-Year Balance Document

Dear Mr. Ovenden,

On behalf of the Board of Directors of Hôpital Glengarry Memorial Hospital (HGMH), we are writing regarding the required submission of a Planning and Performance sample plan under the Hospital Sector Stabilization Plan (HSSP).

As governors of a small, rural, and fully French Language Services Act-designated hospital, we are deeply committed to the people of North Glengarry, Stormont, Dundas, Prescott-Russell, and the Mohawk Nation of Akwesasne. Each year, our hospital provides emergency, inpatient medicine, rehabilitation, endoscopy, and a range of outpatient services to over 41,000 residents. Our patients are among the most vulnerable in the province: seniors living alone in rural communities, low income, francophone families for whom HGMH is their primary access to care in French, and Indigenous community members.

We are submitting the required planning sample to Ontario Health as directed. However, we must be clear that the Board does not endorse the high-risk scenario included within the sample. This scenario of closing fifteen Regional Inpatient Rehabilitation beds would not only diminish access but would also create regional capacity challenges, leaving patients without timely or equitable care. Rehabilitation is not a peripheral offering at HGMH; they are core services for our community and region. Their removal would represent a profound degradation of care for the populations we serve.

HGMH has demonstrated responsible stewardship. Our hospital has operated in a balanced position for two consecutive fiscal years. The deficit projected in 2025/26, estimated at \$527,000, is not the result of overspending or new programs. It is the result of inflationary and non-discretionary costs: wages, benefits, utilities, IT, food, drugs, and equipment maintenance. These costs have risen faster than the government's 3% funding allocation. No amount of efficiency finding at a hospital of our size and scope can overcome these structural cost pressures without removing services our community relies on.

As governors, we take our fiduciary responsibility seriously. We are prepared to support management in submitting the sample plan to fulfill the Ministry's request. But we also believe it is our duty to be clear: the HGMH Board of Directors does not agree that service reductions of this nature are in the best interests of our patients or our community. We strongly caution against an approach that risks destabilizing care for rural, francophone, and Indigenous populations who already face barriers in accessing health care.

While this high-risk option may appear to generate theoretical savings, in practice their removal would significantly destabilize care across our region. Such actions would shift patient demand and service pressures onto neighboring hospitals, without any corresponding increase in resources or capacity. This would ultimately compromise access, continuity, and quality of care for the populations we collectively serve.

We will continue to work with Ontario Health and the Ministry of Health in good faith to identify sustainable solutions. We also reiterate our request for one-time working capital relief and base funding that matches the reality of providing care at our rural hospital. These measures are essential to maintain stability while ensuring our hospital continues to deliver the level of care that our population both needs and deserves.

For your information, I have attached Appendix A, which re-states the motion passed by the HGMH Board of Directors on September 11, 2025.

Thank you for your continued leadership and partnership during this challenging period. We trust that Ontario Health will take seriously the unique context of HGMH and the voices of our Board as representatives of the communities we serve.

Sincerely,

Stuart Robertson
Chair, Board of Directors
Hôpital Glengarry Memorial Hospital

On behalf of the Board of Directors

Cc.

Robert Alldred-Hughes, President & CEO

Appendix A

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DRAFT

