



NOTICE OF MINISTER'S ORDER

Proposed Under

Subsection 28(1) of the *Local Health System Integration Act, 2006*, S.O. 2006, c.4 (the “Act”)

Directing the Integration of:

THE SCARBOROUGH HOSPITAL (“TSH”)

and

ROUGE VALLEY HEALTH SYSTEM (“RVHS”)

with an ancillary asset transfer to and with the consent of:

LAKERIDGE HEALTH (“LH”)

**each of which is a corporation without share capital under the *Ontario Corporations Act*
and the operator of a hospital within the meaning of the *Public Hospitals Act***

WHEREAS:

1. In April 2015, the Minister of Health and Long-Term Care (the “Minister”) established the Scarborough/West Durham Panel (the “Panel”) to build on the *Patients First: Action Plan for Health Care* and community consultation conducted as part of TSH and RVHS’s *Leading for Patients* initiative;
2. On November 2, 2015, the Panel submitted its final report and recommendations to the Minister on ways to integrate hospital services and reconfigure TSH, RVHS and LH (the “Hospitals”) to better meet the needs of residents in the Scarborough and West Durham communities;
3. On April 28, 2016, the Minister announced his support of the Panel recommendations related to hospital governance, service delivery and planning, and Cabinet appointed a Special Advisor to facilitate the integration of the Hospitals in accordance with the endorsed recommendations;
4. On May 13, 2016, the Minister wrote to the Board chair of each of the Hospitals to indicate his support of the Birchmount and General sites of TSH and the Centenary site of RVHS being

operated by a single hospital corporation, and the Ajax Pickering campus of RVHS being operated by LH, and to invite the Hospitals to initiate a voluntary integration under section 27 of the Act;

5. On July 25, 2016, in response to the Minister's letter, the Hospitals submitted integration proposals to the Central East Local Health Integration Network (CE LHIN). On September 28, 2016, the CE LHIN Board passed a motion to not stop the proposed integration under section 27 of the Act;
6. The Boards of each of TSH, RVHS and LH held meetings on October 6, 2016 to consider resolutions in respect of the proposed integration, with the following outcomes:
 - (a) the Board of TSH voted in favour of a special resolution approving the amalgamation of TSH with RVHS;
 - (b) the Board of RVHS voted in favour of special resolutions approving the amalgamation of RVHS with TSH, and approving the transfer by RVHS of certain assets and liabilities related to its Ajax Pickering campus to LH; and
 - (c) the Board of LH voted in favour of resolutions approving the asset transfer from RVHS to LH and supporting changes to its governance framework;
7. On October 12, 2016, the CE LHIN board of directors advised the Minister that, in the board's opinion, the amalgamation of TSH and RVHS and related asset transfer by RVHS to LH are in the best interests of the communities of Scarborough and Durham Region, and encouraged the Minister to move forward to ensure that the integration occurs in a timely manner; and
8. Having regard to the Panel recommendations, the Hospitals' integration proposals, the outcome of the Board meetings, and the advice provided to the Minister by the CE LHIN, the Minister considers it to be in the public interest to make this order to create an integrated hospital system in Scarborough for the purpose of improving patient access to high quality hospital services in both Scarborough and West Durham.

NOW THEREFORE, TAKE NOTICE THAT the Minister intends, not earlier than thirty (30) days following the date of service of this Notice, to issue an order under subsection 28(1) of the Act to direct as follows:

- A. TSH and RVHS shall amalgamate under the *Corporations Act* (Ontario) to form an amalgamated corporation which will provide public hospital services in Scarborough (the "Amalgamated Corporation"). In furtherance of the creation of the Amalgamated Corporation to deliver an integrated hospital system in Scarborough, RVHS will enter into an integration agreement with LH under which RVHS will transfer to LH, and LH will acquire from RVHS, all agreed-upon assets, liabilities, employees, professional staff, and undertakings of RVHS related exclusively to the services, programs and operations delivered by RVHS at its Ajax and Pickering campus.
- B. The Amalgamated Corporation and LH shall each ensure that their governance frameworks are appropriately amended to reflect the integration.

- C. TSH, RVHS, the Amalgamated Corporation and LH shall develop and implement human resources adjustment plans in respect of the integration.
- D. TSH, RVHS, the Amalgamated Corporation and LH shall comply with the foregoing directions as soon as possible following the date of the Final Order, but no later than December 1, 2016.

TAKE FURTHER NOTICE THAT copies of this Notice of Minister’s Order will be posted on the Ministry of Health and Long-Term Care website. Any person may make written submissions to the Minister about the proposed order no later than **5:00 pm on November 14, 2016** (the “Submission Deadline”) at the following address:

**Ministry of Health and Long-Term Care
1075 Bay Street, Suite # 1001
Toronto ON M5S 2B1**

or by email at:

communityfeedback@ontario.ca

Pursuant to subsection 26(3) of the Act, the Minister will consider any written submissions made before the Submission Deadline before issuing a Final Order. The Final Order may differ from the proposed order set out in this Notice.

DATED at Toronto this 14th day of October 2016.

Dr. Eric Hoskins
Minister of Health and Long-Term Care