



**Interfaith Health Care  
Association of Manitoba**

**Association confessionnelle  
de la santé du Manitoba**

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*The Interfaith Health Care Association of Manitoba (IHCAM) is a voluntary non-profit provincial association created in 1995 and comprised of health and social care organizations that are owned and operated by nine faith groups; Baptist, Catholic, Jewish, Lutheran, Mennonite, Pentecostal, Salvation Army, Seventh-Day Adventist and United. IHCAM advocates on behalf of its membership the value of faith-based health care and governance. IHCAM's thirty one (31) member organizations represent over 13% of Manitoba's health care budget employing over 10,000 staff and attracting over 2000 community volunteers*

## Presentation to the Bill 6 Legislative Committee

By: Julie Turenne Maynard, Board Chairman, Interfaith Health Care Association of Manitoba (IHCAM) - June 11, 2012

I am the Chair of the Interfaith Healthcare Association of Manitoba which is a voluntary provincial association of representatives of the Catholic, Baptist, Jewish, Lutheran, Mennonite, Pentecostal, Salvation Army, Seventh-day Adventist, and United Church faith groups that promote a Judeo-Christian approach to health care service based on fundamental and moral principles in the institutions we represent as well as in the community.

The residents and clients we stand for, and in whom they entrust their care, are the elderly, the weak and the sick. I believe everyone present here today can attest to how important it is for our patients and elderly parents to be able to live and be cared for in an environment that is respectful of their language, culture and faith.

## **SUMMARY – ISSUES OF CONCERN TO OUR MEMBERS**

- Bill 6 ignores and contravenes the basic principles that have been negotiated in long standing agreements with government and the Regional Health Authorities (RHAs).
- Bill 6 is tantamount to a breach of trust.
- Bill 6 is an affront to the legitimate and value laden role and significant contribution of the nine (9) faith-based groups that own and operate health and social service organizations in Manitoba.
- Bill 6 increases the ability of bureaucracies, the RHAs, to unilaterally impose their will on private corporations in matters fundamental to their autonomy;
- The ability of private corporations to carry out their distinctive missions and mandates, to innovate and experiment, to choose and retain their own leaders, to connect with particular communities of supporters, can all be crucial to their success in providing care that fits the needs and aspirations of clients, residents and patients and their families.

## **CONTRAVENES BASIC PRINCIPLES NEGOTIATED AND RECOGNIZED BY GOVERNMENT**

- The owners of our interfaith health and social care organizations have a long and distinctive history in Manitoba that pre-dates organized health and social care and the introduction of Medicare. Their contribution to health care in Manitoba can be traced back well over 100 years.
- Our faith groups were successful in building schools, orphanages, personal care homes, community based agencies, as well as establishing the first hospitals in Western Canada. All created for the purposes of serving the needs of the vulnerable, including women, children, and the socially and economically disadvantaged.
- In an effort to protect the rights of the Boards of faith-based health and service organizations to own and govern these institutions, the Government of Manitoba and members of IHCAM entered into a Memorandum of Understanding Respecting the Governance of Faith-Related Health Care Institutions (MOU) in 1994 which included an agreed upon definition of governance.
- In addition to the 1994 MOU, the faith-based Winnipeg hospitals and faith-based personal care homes in Manitoba negotiated Agreements on Faith-Related Issues

known as the Faith-Based Agreements (FBA) which recognized key fundamental principles including;

- 1) The right to own and manage assets of the health corporation;
  - 2) The right to determine the vision, mission, values and the culture of the health and social care organization;
  - 3) The right to reserve specific powers of each organization as provided for in the bylaws;
  - 4) The authority to appoint a Chief Executive Officer for the organization;
  - 5) The responsibility, control and accountability for human resources including the medical staff;
  - 6) The right to establish medical ethics for the organization;
  - 7) The right to appoint and remove any of the Board Directors of the corporation;
  - 8) The right to negotiate a financial plan with the RHAs to cover costs and the delivery of approved services.
- The Faith-Based Agreements were followed by the negotiation of the hospitals' Operating Agreements and the personal care homes' Service Purchase Agreements, both of which incorporated the principles contained in the FBA.
  - Recognizing the potential for intrusion into the internal governance and faith-based autonomy of its members, IHCAM was instrumental in lobbying government when the RHA directive authority amendments to the RHA Act were being introduced in 2001 to ensure that checks and balances and certain limitations were built into the legislation to protect faith-based health organizations.

## **A BREACH OF TRUST**

Bill 6 clearly contravenes the basic principles of the Faith-Based Agreement and subsequent Operating and Service Purchase Agreements in the following manner:

- The bureaucratic supervision of employment contracts is an unprecedented intrusion into the internal management of private health care corporations;

- The direction-making power of RHAs will extend to “the process” for hiring CEOs and senior officers, a new and profound interference with the autonomy of boards of private organizations;
- The RHAs are effectively authorized to engage in budget line item supervision – i.e. micromanagement of what senior officials are paid;
- The RHAs will be able to impose their will concerning compensation by a new mechanism contained in Bill 6 – one of issuing “policies” (subject to Ministerial approval), reviewing contracts and approving or disapproving them;
  - This new mechanism for bureaucratic control is not subject to any of the constraints that apply when RHAs make policy by the direction mechanism as contained in s. 29 of the RHA Act (which were sought by IHCAM as noted above) – such as: the duty to consult the health corporation, accommodate its concerns, and try to first resolve problems by consultation; to provide reasons, and refrain from breaching negotiated agreements with faith-based institutions that safeguard their autonomy;
- The ability to issue directions on hiring processes opens the door for RHAs to intrude, without limitation, on matters such as selection criteria;
- The levers of directing hiring processes and approving or disapproving levels of compensation can be used in practice to pressure corporations or their leaders into bending to the government will in other respects;
- The RHAs, in crafting and interpreting guidelines on compensation, may not appreciate, or be sympathetic to, the distinctive conditions in the private sector, such as:
  - the CEO of a faith-based organization may have to have qualifications that go far beyond what is expected of an RHA executive (e.g., theological as well as managerial training);
  - the CEO may be required to respond skillfully, and invest a great expenditure of time and energy, to stakeholders such as the general membership of a close-knit faith community, and its lay and religious leaders; and,
  - may not have the same job security or mobility within Manitoba as someone in the secular, governmental sector;
- Bill 6 would potentially prevent a health corporation from using either government grants or its own source funds to hire or retain leaders who are essential to accomplishing both its secular and faith-based mission;

- The current service purchase agreements with PCHs provide that "the PCH Health Corporation retains the sole right to appoint, evaluate and terminate its ED/CEO and all staff..."
- The practical effect of RHA compensation policies and practices is contrary to the Faith-Based Agreement, to interfere with the ability of faith-based organizations to hire and retain leaders they need to effectively carry out both their secular and faith mission, or dampen the ability of such leaders to forthrightly advocate for their communities.
- Bill 6's interference in the hiring processes and levels of compensation may in practice have the effect of seriously impairing the ability of faith-based organizations to fulfill the assurance in the Faith-Based Agreement that the parties agreed. For example:
  - (a) the Health Corporation shall have the right to:
    - (i) continue to respond to the spiritual and religious needs of its residents;
    - (ii) ensure that its staff provide care and services in a manner which is consistent with the fundamental religious principles of the religious or faith to which the Health Corporation adheres.
- Bill 6 would potentially prevent a private organization from using savings achieved by efficiency and innovation in its operations – or from operating an ancillary service - and using them for a variety of other purposes that the organization considers appropriate.

These other purposes could include:

- providing additional services for patients/residents;
- returning the money to the faith community to be used for purposes such as assisting the needy or leadership training;
- using the money for capital projects.
- The current PCH Service Purchase Agreement recognizes the needs for "incentives for efficient management" and assures organizations that they may unconditionally retain "the greater of 50% of its operational surplus....and 2% of its global budget";

## **BILL 6 IS AN AFFRONT TO FAITH-BASED ORGANIZATIONS**

- Existing negotiated agreements (Faith-Based, Operating and Service Purchase) already contain provisions for dealing with the hiring of Chief Executive Officers and other staff as well as the use of surplus funds.
- The intrusive measures contained in Bill 6 are a major affront to the significant contribution made by religious orders and other faith communities in the areas of volunteerism, “sweat equity”, the significant investment of money, charitable endeavors, and serving people on the margins of society.
- Will restrictions on the use of “profits” be imposed on For Profit organizations? Why would government treat for-profits with so much more respect than the non-profits?
- There are compelling reasons why the principles enunciated in the Faith-Based, Operating and Service Purchase agreements are in place and must be preserved and not summarily expunged by the enactment of Bill 6. Why are these principles important?:
  - These principles recognize the many distinctive strengths that private corporations and their leaders may have over government bureaucracies in understanding their supporters and their patients/residents, and in finding distinctive and innovative ways to serve them;
  - A broader accountability mandate on the part of Owners, governing boards and their executive leaders towards the communities served, peers, the RHAs and the faith communities;
  - Boards and their executive leaders must be able to influence an organizational culture ensuring that it is caring and compassionate while focusing on the delivery of health services that best meet the needs of the people of the community it serves. Bill 6 will significantly impair their ability to advocate effectively, particularly if RHAs are given unfettered powers to determine hiring practices, employment terms and conditions, etc.
  - The principles contained in agreements recognize the importance of being reflective of, and responsive to, local culture and unique population needs - creating a “mosaic” rather than a “melting pot” of approaches to care;
  - These principles recognize the ability to create partnerships across political lines and between diverse community organizations;

- The ability to provide objective oversight while remaining close enough to be patient centered;
- An ability to draw upon diverse resources to address unforeseen needs and unique needs;
- The ability to engage distinct cultural and faith communities in order to call forth healthcare vocations and inspire a communal commitment to caring for those in need.

## **CONCLUSION**

The members of the Interfaith Health Care Association of Manitoba ask that government acknowledge the long history of service our members have provided to Manitobans and respect the carefully wrought agreements such as the Service Purchase Agreements for PCHs, Operating Agreements for hospitals, and the Faith-Based Agreement that recognize and protect essential aspects of the rights of private organizations to control their own property, to govern themselves, to select and compensate their leaders, and to carry out their unique missions.

We ask in the strongest possible terms that the intrusive aspects of Bill 6 not proceed and the provisions relating to private health corporations be removed. Their withdrawal, we stress, would not in any way preclude the government from proceeding with those aspects of Bill 6 that involve the organization and accountability of RHA's rather than private organizations.

Julie Turenne Maynard

Board Chair, Interfaith Health Care Association of Manitoba

June 11, 2012

## **INTERFAITH HEALTH CARE ASSOCIATION OF MANITOBA MEMBERS**

### **Baptist**

- Meadowood Manor

### **Catholic**

- Actionmarguerite (St. Boniface)
- Actionmarguerite (St. Vital)
- Centre de santé Saint-Boniface
- Centre Youville Centre
- Dr. Gendreau P.C.H.
- Holy Family Home
- Misericordia Health Centre
- St. Amant Inc.
- St. Boniface General Hospital
- St. Joseph's Residence Inc.
- St. Paul's Home, Dauphin
- Ste Rose General Hospital
- Sara Riel Inc.
- Villa Youville Inc.
- Winnipegosis & District Health Centre

### **Jewish**

- The Sharon Home

### **Lutheran**

- Luther Home

### **Mennonite**

- Bethania Mennonite P.C.H.
- Concordia General Hospital
- Donwood Manor P.C.H.
- Eden Health Care Services
- Salem Home Inc.
- Tabor Home

## **Pentecostal**

- Calvary Place

## **Salvation Army**

- Dinsdale P.C.H.
- Golden West Centennial Lodge

## **Seventh-day Adventist**

- Park Manor P.C.H.
- West Park Manor P.C.H.

## **United**

- Fred Douglas Society
- Prairie View Lodge