Users' Guide to the *Health Authorities Act*

Department of Health
Revised June 2002

Users' Guide to the *Health Authorities Act*

This guide examines the *Health Authorities Act*, and sets about to explain it in layman's terms.

To promote clarity, a simple two-column format is used to display the full text of the Act in the left hand column and the section-by-section explanation on the right.

To help readers locate specific sections of the Act, a *Table of Contents* and *Alphabetical Index* are included.

Regulations made pursuant to the *Health Authorities Act* are included in the Appendices for easy reference. Additional regulations are being developed and will be added to the guide, as they are approved.

Note: Explanations in the User's Guide to the Health Authorities Act are provided for information purposes only and are not intended to be used as legal interpretations.

Table of Contents

Topic **Page**

Name of the Act 1

Definitions 1

Supervision and Management of the Act 3

District Health Authorities 3
- Health Districts 3
- Authority 4
- Corporate Powers 5
- Boards of Directors 5
- Term of Office 7
- Remuneration 8
- Quorum 8
- Board Vacancy 8
- Public Forums 8
- Objects of DHA 8
- DHA Responsibilities 9
- Reporting 10
- Corporate By-laws 11
- Medical Staff By-laws 13
- Advisory Committees 15
- Exclusion of Liability 15
- Fiscal Year 15
- Dealing with Property 15
- Transactions 16
- Spending on Capital 17
- Deficits 17
- Retained Surplus 18
- Borrowing 19
- Auditor 19
- Ministerial Audits 21
- Audit Committee 21

Community Health Boards 22
- Continuation 22
- New CHBs 22
- Number of CHB Members 23
- Eligibility 23
- Term of Office 23
- Boundaries 24
- Selection of Chairperson 24
- CHB Restrictions 24

Community Health Boards...*continued* **Page**

Reimbursement for Expenses 25
CHB Responsibilities 25
Advisory Committees 26
Administrative Support 26
Exclusion of Liability 26
Nominations for DHAs 26

Community Health Plans 28

Health-Services Business Plans 29

Minister's Duties and Powers 32
Delegation of Powers 34
Official Administrator 35
Binding Directions 36

Provincial Health Care Centres 37
Board Members 37
Joint Health Services Business Plan 38
Parts of the Act Not Applicable to PHCCs, NS Hospital, and IWK Grace 39

Transitional Provisions 39
Foundations 50
Number of CHB Members 51

General 51
Regulations That May Be Made By The Cabinet 52
Repealing of Acts and Other 55

Appendices
Appendix 1 - 60
Regulations Respecting District Health Authorities made by the Governor in Council pursuant to Section 84 of Chapter 6 of the Acts of 2000, the *Health Authorities Act*

Appendix 2 - 63
Ministerial Regulations Pursuant to Clause 84(2)(D) of the *Health Authorities Act*

Alphabetical Index 66

Health Authorities Act	Explanation
Be it enacted by the Governor and Assembly as follows: 1 This Act may be cited as the *Health Authorities Act.*	**NAME OF THE ACT** **This Act is called the** *Health Authorities Act*.
2 In this Act, (a) "board of directors" means the board of directors of a district health authority; (b) "Capital District Health Authority" means the district health authority for the Capital Health District; (c) "Capital Health District" means the health district referred to in subsection 4(2); (d) "community" means the area for which a community health board has been established or continued pursuant to this Act; (e) "community health board" means a community health board established or continued pursuant to this Act; (f) "community health plan" means a plan for community-based health services and the improvement of the health of the community that is to be considered by a district health authority in the development of health-services business plans; (g) "community-based health services" means health-care services that can be provided to people in their communities and includes health	**DEFINITIONS** **Capital Health District is the same geographic area the Central RHB was responsible for.** **This definition must be read together with subsection 2(g), the definition of community-based health services.** **The word** *considered* **means that DHAs are not legally bound to accept and implement all aspects of each community health plan, however, DHAs must explain to the DOH the failure to accept CHB recommendations; See subsection 56(4)** **The definitions of community health plans and community-based health services link to Section 56.**

Health Authorities Act	Explanation
education, health promotion, disease prevention, mental-health services, emergency health services, addiction services, public-health services, home care, long-term care, rehabilitation services, palliative-care services and treatment for illness and injury in relation to primary care;	
(h) strict health authority" means a district health authority established for a health district by the regulations and includes the Nova Scotia Hospital and a provincial health-care centre except where provided otherwise in this Act;	**Provisions of the Act apply to the DHAs, the NS Hospital, and the Provincial Health Care Centres (IWK-Grace and QEII), unless otherwise specified.In other words, the NS Hospital and PHCCs are generally DHAs for the purpose of the Act. The health authority is the corporate entity responsible for the district.**
(i) "foundation" means a foundation established by any enactment, trust or agreement with respect to a hospital;	
(j) "health district" means a health district established pursuant to this Act;	**By regulation of Governor in Council; see Section 4(1).**
(k) "health services" include services provided through hospitals and other health-care institutions, public-health services, addiction services, emergency health services, mental health services, home-care services, long-term care and such other health services as the Minister may from time to time prescribe;	
(l) "hospital" means a hospital as defined in the Hospitals Act;	
(m) "IWK-Grace" means the Izaak Walton Killam-Grace Health Centre for Children, Women and Families;	**Provincial Health Care Centres are the IWK-Grace and QE II by virtue of Section 65.**

Health Authorities Act	Explanation
(n) minister" means the Minister of Health; (o) "provincial health-care centre" means a hospital referred to in Section 65; (p) "Queen Elizabeth II" means the Queen Elizabeth II Health Sciences Centre; (q) "regional health board" means a regional health board established pursuant to the *Regional Health Boards Act* that is repealed by this Act; (r) "voting member" means a member of a board of directors appointed pursuant to clause 11(a).	**Minister can appoint ex-officio members under clause 11 (b) and this can accommodate CEOs and people such as the Dean of Medicine on the Board of QEII.**
	SUPERVISION AND MANAGEMENT OF THE ACT
3 The Minister is responsible for the general supervision and management of this Act.	**The Minister is responsible for supervising and managing this Act.**
	DISTRICT HEALTH AUTHORITIES
4 **(1)** The Governor in Council may, by the regulations, designate one or more areas of the Province as a health district under the name determined by the Governor in Council in those regulations. **(2)** One health district, to be called the Capital Health District, shall include the locations of the Nova Scotia Hospital, the IWK-Grace and the Queen Elizabeth II.	**<u>Health Districts</u>** **The number and name of the health districts are outlined in the regulations.** *(See Appendix 1, Sections 3 and 4). Note: Section 4 deals with the geographic boundaries and Section 6 with the authorities as corporate entities.* **The geographic area encompassed by the Capital Health District includes the sites of the Nova Scotia Hospital, IWK Grace, and QEII. Those organizations are distinct corporations and not, by the Act, made parts of the Capital District Health Authority.**

Health Authorities Act	Explanation
5 **(1)** The Governor in Council may, by the regulations, alter the boundaries of a health district. **(2)** The Governor in Council may, by the regulations, annex the whole or any part of a health district to another health district.	**District boundaries can be altered and parts of one district can be assigned to another through regulations. This power could apply to Capital Health District but given 4(2), capital district must always encompass Dartmouth and Halifax.**
6 **(1)** The Governor in Council may, by the regulations, establish a district health authority to govern and manage the delivery of those health services in a health district for which it has been made responsible pursuant to this Act. **(2)** Each district health authority is a body corporate under the name determined by the Governor in Council in the regulations. **(3)** The district health authority for the Capital Health District shall be called the Capital District Health Authority.	**<u>Authority</u>** **DHAs will be established by regulations. This provides the power to establish corporate authorities to be responsible for the geographic districts established under Section 4.** **Each DHA will govern and manage the delivery of those health services for which it is responsible.** **Each DHA is a corporation meaning they have all the usual powers of a corporation including contracting with each other, except as limited by the Act.** **Cabinet will determine the name of each DHA.** **The Capital District Health Authority has already been named.**
7 The Governor in Council may divide, amalgamate with another district health authority or reconstitute a district health authority established pursuant to this Act in accordance with the regulations.	**DHAs can be altered and parts of one DHA can be assigned to another.**
8 A district health authority has the capacity and, subject to this Act, the rights, powers and privileges of a natural person.	**<u>Corporate Powers</u>** **DHAs, by this section, have full power to contract, buy and sell, etc., subject to limitations imposed by the Act. Because a DHA has these powers by this section and**

Health Authorities Act	Explanation
	6(2), each DHA has the power to contract with the DOH, other DHAs, PHCCs, or other organizations for shared services arrangements (eg. for service delivery), without an express authorization in the legislation for these types of contracts.
9 **(1)** A district health authority is not an agent of Her Majesty in right of the Province.	**DHAs are not crown corporations.**
(2) A person employed or engaged by a district health authority is not an officer, servant or agent of Her Majesty in right of the Province.	**DHA employees are not part of the Nova Scotia Civil Service or otherwise considered to be employees of the Government or agents.**
(3) Nothing in subsection (2) affects the application of the *Public Service Superannuation Act* to any person.	**This clause is meant to preserve the rights of those RHB employees who are Public Health and Drug Dependency employees and in the Public Service Superannuation Plan.**
	<u>Boards of Directors</u>
10 **(1)** The administration, management, general direction and control of the affairs of a district health authority are vested in a board of directors for that authority appointed by the Minister.	**The DHA board of directors is responsible for the administration, management, general direction, and control of the DHA.**
(2) The persons who from time to time are appointed to the board of directors of a district health authority are the members of the corporation.	**Persons on the DHA boards of directors are the members of the corporation.**
11 A board of directors consists of	
(a) the number of voting members specified in the regulations respecting the district health authority,	**The number of DHA members is specified in the regulations.** *See Appendix 1, Section 5.*
(i) one third of whom shall be appointed by the Minister, and	**The Minister will appoint 1/3 of the DHA members from among the candidates that apply through the government's public**

Health Authorities Act	Explanation
(ii) two thirds of whom shall be appointed by the Minister from among persons nominated by community health boards pursuant to Section 52; and	**appointment process. The Minister will appoint 2/3 of DHA members from among the persons nominated by the CHBs in a district.**
(b) such number of non-voting members as the Minister may appoint.	**The Minister may appoint any number of non-voting or ex-officio members. This ability is important to accommodate people such as Dean of Medicine on board of the QEII.**
12 The chair of a board of directors shall be appointed by the Minister from among the voting members of the board.	**The Minister will appoint a DHA member to be Chairperson. The Chair can come from the 1/3 membership appointed by the Minister from among the candidates that apply through the government's public appointment process or from among the 2/3 membership appointed from among the persons nominated by the CHBs in a district.**
13 (1) No person is qualified to be nominated or to serve as a member of a board of directors who is a member of (a) the House of Commons or the Senate of Canada; (b) the House of Assembly; (c) a council of a regional municipality, an incorporated town or a municipality of a county or district; or (d) a school board.	**The following persons cannot serve on a DHA board:** **‣ Member of Parliament (MP)** **‣ Senator** **‣ MLA** **‣ Municipal Councillor** **‣ School Board Member**
(2) Subject to subsection (3), no more than three of the maximum permitted number of voting members of a board of directors may be individuals who hold office	**If a DHA has 12 members or less, it can have no more than 3 of the following persons on its board:** **‣ employees or office holders at any hospital or service operated by the**

Health Authorities Act	Explanation
or employment in the service of the district health authority or any hospital or service operated by the authority, or who have privileges at any hospital in the health district.	**DHA** ▸ **physicians with privileges at any hospital in the district** **This clause was based on the sense that although employees and physicians together should not be more than 1/4 of the total, they should have the opportunity of being at least 1/4.**
(3) Where the regulations respecting a district health authority provide for more than twelve voting members on a board of directors, the Minister may provide in the regulations made by the Minister that more than three of the voting members may be individuals who hold office or employment in the service of the authority or any hospital or service operated by the authority, or who have privileges at any hospital in the health district.	**If a DHA has more than 12 members** *(Capital District has 15, as indicated in the regulations developed subsequent to the Act)*, **the Minister can specify in the regulations if more than 3 of those persons specified in 13(2) can serve on the board. Such a regulation will maintain the ratio of employees and physicians on the board, as described in the previous paragraph.**
	Term of Office
14 (1) The members of a board of directors hold office for the term provided by the regulations respecting the district health authority or, where the regulations do not specify the term, for the term provided in their appointments.	**The regulations developed subsequent to the** *Act* **specify that except for the term of office for the first DHA boards, all other terms of office for DHA members will be for 3 years, except for the first boards, whose terms will vary in length from 1 to 3 years, to ensure that only a portion of the DHA members complete their terms each year. The intent of this regulation is to provide for continuity in board membership (***See Appendix 1, Section 6)*.
(2) Notwithstanding subsection (1), members of the board of directors hold office until such time as their successors are appointed, even if such appointment does not occur until after their specified term of office has expired.	**If a DHA member's term of office expires, the member can continue to hold office until a successor is appointed.**
(3) The Minister may, where the Minister considers there is cause or	**The Minister can remove or suspend a member if there is cause or incapacity. The member can then be replaced, re-**

Health Authorities Act	Explanation
incapacity, remove or suspend any member of a board of directors and may re-appoint, reinstate or replace that member, whether the member's term has expired or not.	**appointed, or reinstated. In this circumstance, the Minister does not have to wait until the expiry of the member's term to replace them.**
15 (1) Subject to subsection (2), members of a board of directors shall not receive any honoraria or other remuneration for their activities as members. **(2)** Subject to the regulations and to any more restrictive policy adopted by a board of directors, the members of the board may be reimbursed by the district health authority for the reasonable expenses necessarily incurred by them in the performance of their duties.	**Remuneration** **DHA members do not receive any honoraria or remuneration for serving on the board.** **A DHA may reimburse board members for reasonable expenses incurred in the performance of their duties. This is further defined in the regulations. See Appendix 1, Section 7.**
16 A majority of the voting members appointed to a board of directors is a quorum of the board.	**Quorum** **A quorum is more than 1/2 of the board members.**
17 A vacancy in the membership of a board of directors does not impair the ability of the remaining members to act.	**Board Vacancy** **The board can act even if there is a vacancy on the board.**
18 A board of directors shall conduct at least two public forums in the health district in each year for the purpose of providing information on the operations and activities of the district health authority and seeking input from the public.	**Public Forums** **A DHA board will hold at least 2 public forums in the district each year to provide information on the operations and activities of the DHA and to seek information from the public.**
	Objects of DHA

Health Authorities Act	Explanation
19 The objects of a district health authority are (a) to govern, plan, manage, monitor, evaluate and deliver health services in a health district in accordance with this Act and any other enactment in order to (i) maintain the most beneficial allocation of health-care resources, (ii) avoid duplication of health services, and (iii) meet the needs of the health district, having regard to policies, directives and standards established pursuant to this Act; and (b) to endeavour to maintain and improve the health of the residents of the health district.	**See opposite text for precise wording on the objects of the DHA.**
	DHA Responsibilities
20 A district health authority shall (a) determine priorities in the provision of health services in the health district and allocate resources accordingly; (b) implement the health-services business plan for the health district approved pursuant to Section 59; (c) recommend to the Minister which health services should be available in all health districts; (d) identify to the Minister those organizations or persons that should be responsible for the delivery of	**See opposite text for precise wording on the responsibilities of a DHA.** **Recommend to the Minister the health services that should be provided in every health district.** **DHAs will identify for the Minister the persons that should be responsible for delivering those health services that**

Health Authorities Act	Explanation
the health services referred to in clause (c); (e) participate in the development of and implementation of Provincial health policies and standards, Provincial health-information systems, Provincial human resource plans for the health system and other Provincial health-care system initiatives; (f) provide information to the public about health care and the health-care system and the operations and activities of the authority; and (g) carry out other such responsibilities as the Minister may assign or as are prescribed by regulations.	**should be available in every health district.**
21 (1) A district health authority shall, in the form and with the content required by the Minister, provide to the Minister (a) monthly and quarterly financial statements; (b) audited year-end financial statements and any management letters issued by auditors; (c) such information as is required by the Minister for the purpose of the	**<u>Reporting</u>** **This section sets out the DHA reporting obligations. It is a key section in making the accountability of the DHAs to the Minister of Health tangible and immediate. The Minister can specify the form and content of the information that must be submitted by DHAs.** **Budgetary information must be tracked month to month if problems are to be identified quickly and addressed while they are still manageable. Any concerns about the frequency of this obligation can be addressed by defining the content so as to not make the obligation too onerous.** *See opposite column for other reporting requirements*

Health Authorities Act	Explanation
monitoring and evaluation of the quality, accessibility and comprehensiveness of health services; and (d) such other reports as are required by the Minister.	
(2) A district health authority shall prepare, in relation to each fiscal year, an annual report that includes (a) the audited financial statement of the authority for that fiscal year; and (b) a report on the results achieved by the authority with respect to any performance objectives established for the authority, including those established in an approved health-services business plan for that fiscal year.	**Each DHA will prepare an annual report that includes an audited financial statement and a summary of the DHAs performance, particularly related to the objectives previously specified in its health services business plan. This requirement is a critical component of making the business planning process credible, serious, and effective.**
(3) A district health authority shall submit the annual report referred to in subsection (2) to the Minister no later than September 1st following the end of the fiscal year to which it relates.	**DHA annual reports are due on September 1 following the fiscal year end to which they relate, subject to Subsection (5), which states that the Minister can change the stated deadlines for DHA reports, as necessary.**
(4) The Minister shall table the annual report in the House of Assembly within fifteen days after receiving it or, if the Assembly is not then sitting, within fifteen days after the Assembly next sits.	**The Minister will table a DHA's annual report in the Legislature within 15 days of receiving it, if the Legislature is sitting. If it is not sitting, within 15 days after it next sits. This requirement manifests the Minister's accountability to the public for the performance of the health system.**
(5) The Minister may, from time to time, establish different deadlines for the provision of the reports, statements, letters and other information required pursuant to subsections (1) to (3) and may extend any of the deadlines.	

Health Authorities Act	Explanation
	Corporate By-laws
22 (1) The Minister shall make by-laws with respect to the conduct and management of the affairs of a district health authority including, without limiting the generality of the foregoing, by-laws	**The DHA's corporate by-laws, outlining the DHA's conduct and management, are made by the Minister.** *Note: There are two reasons for the Minister to have by-law power: [1] to ensure DHAs have functioning by-laws on the day they are first established, and [2] to ensure a level of organizational consistency across the system. Where local variation makes sense, Subsection (2) accommodates this by allowing for DHA amendments with Ministerial approval.*
	The following are among the corporate by-laws to be specified by the Minister:
(a) respecting the appointment, removal, functions and duties of officers, agents and servants of the authority;	▸ **functions and duties of the DHA board of directors and officers, as well as DHA management and employees;**
(b) establishing standing and special committees of the board of directors;	▸ **standing and special committees of the board of directors;**
(c) respecting the delegation of powers and duties to officers and committees;	▸ **powers and duties delegated to the officers of the board of directors and its committees;**
(d) designating banking authorities and signing officers;	▸ **banking authorities and signing officers;**
(e) respecting the conflict of interest of members;	▸ **conflict of interest guidelines for board members;**
(f) governing the calling of meetings of the board and the rules of procedure at such meetings; and	▸ **calling of board meetings and meeting procedures;**
(g) respecting the management and administration of the board and associated institutions.	▸ **management and administration of the board of directors and its associated institutions;**
(2) Subject to the approval of the Minister, the board of directors for a district health authority may amend by-laws made respecting that	**The by-laws made by the Minister and listed in this section of the Act (ie. corporate by-laws) can be amended by the board of directors, subject to the**

Health Authorities Act	Explanation
authority pursuant to subsection (1)	**approval of the Minister.**
23 The Minister shall make by-laws (a) respecting the granting, variation, suspension and revocation of medical staff privileges; and (b) establishing a Provincial Appeal Board that shall make final decisions respecting the granting of credentials, privileges and membership in the medical staff of the board generally, including, without limiting the generality of the foregoing, the granting, variation, suspension of such privileges or membership, and the discipline of members of the medical staff.	**Medical Staff By-laws** **This section relates to physician discipline matters, while section 24 relates to management of the medical staff. The Medical Society of Nova Scotia is comfortable with these provisions in the *Act* and is currently reviewing the actual by-laws.** **The Minister will specify the following aspects of the medical staff by-laws:** ‣ **the granting, variation, suspension and revocation of medical staff privileges; and** ‣ **establishing a Provincial Appeal Board that will make final decisions about the granting of credentials, privileges, and membership in the medical staff of the board generally, including, the granting, variation, suspension of such privileges or membership, and the discipline of members of the medical staff.** **The by-laws specified in 23 (a) and (b) cannot be amended by anyone other than the Minister and any subsequent by-laws, such as those outlined in Section 24, should not conflict with them.**
24 (1) Subject to the approval of the Minister, a district health authority may make by-laws respecting medical staff including, without limiting the generality of the foregoing, by-laws respecting (a) the membership of a medical advisory committee;	**The following aspects of the Medical Staff By-laws can be made by a DHA, subject to the approval of the Minister. By-laws under this heading relate primarily to management of medical staff, including establishing categories of privileges.** ‣ **the membership of a medical advisory committee;**

Health Authorities Act	Explanation
(b) categories of physician privileges; (c) the duties and functions of senior medical officers appointed by the authority; and (d) the rules and regulations governing medical staff.	▸ **categories of physician privileges;** ▸ **the duties and functions of senior medical officers appointed by the authority; and** ▸ **the rules and regulations governing medical staff.**
(2) Where there is a conflict between by-laws made pursuant to Section 23 and by-laws made pursuant to subsection (1), those made pursuant to Section 23 prevail.	**Where there is a conflict between the by-laws specified here (medical staff by-laws) and those listed in Section 23 (by-laws on discipline), the latter will prevail.**
(3) Where the district health authority has not made by-laws pursuant to subsection (1), the Minister may, if the Minister considers it advisable, make the by-laws referred to in that subsection.	**If a DHA does not make medical staff by-laws (the experience of RHBs), the Minister can intervene and make them for the DHA.**
(4) Where the Minister makes by-laws pursuant to subsection (3), the district health authority may amend those by-laws subject to the approval of the Minister.	
(5) Where, on the coming into force of this Act, by-laws respecting the matters referred to in Section 23 and subsection (1) have been made by (a) the Nova Scotia Hospital; (b) the Queen Elizabeth II; (c) the IWK-Grace; (d) the Cape Breton Regional Hospital; (e) the Glace Bay Healthcare System Corporation; (f) the New Waterford Consolidated Hospital Commission; or (g) the Northside Harbor View	**To allow time for the following entities to discuss their options with the DHAs, their medical staff by-laws will remain in effect until such time as they are replaced with the ones made by the Minister/DHA: the Nova Scotia Hospital, the Queen Elizabeth II; the IWK-Grace,and the hospitals that make up the Cape Breton Health Care Complex, ie. the Cape Breton Regional Hospital, the Glace Bay Healthcare System Corporation, the New Waterford Consolidated Hospital Commission, and the Northside Harbor View Hospital.**

Health Authorities Act	Explanation
Hospital, those by-laws remain in effect until such time as they are replaced with other by-laws by regulations made pursuant to clause 84(1)(j). **(6)** Notwithstanding subsection (2) and subsection (1), the Minister may revoke and replace any of the by-laws made pursuant to Sections 22 and 23 and subsection (1), either in whole or in part. **(7)** For greater certainty, by-laws made pursuant to subsection 24(2) and subsection (1) have no effect until approved by the Minister.	**The Minister can revoke any or all of the medical staff by-laws and replace them either in whole or in part.** **By-laws made by DHAs take effect on approval of the Minister. This is in keeping with the current Hospital Act provision.**
25 **(1)** A board of directors may establish advisory and other committees to assist the board in carrying out its responsibilities including any committees it considers necessary to ensure adequate opportunity for consultation and participation by the public with respect to health services provided by the district health authority. **(2)** Committee members need not be members of the board of directors.	**Advisory Committees** **A DHA board can establish advisory and other committees to assist the board in carrying out its responsibilities.** **Committee members need not be members of the board of directors.**
26 No member of a board of directors is personally liable for anything done or omitted to be done or for any neglect or default in the *bona fide* exercise or purported exercise in good faith of a power conferred upon the member by this Act.	**Exclusion of Liability** **DHA members are not personally liable for anything done or omitted by them in carrying out their duties provided it is not outside the confines of the Act.**
27 The fiscal year of a district health authority begins on April 1st and ends on	**Fiscal Year** **Fiscal year for DHAs is April 1 - March 31st.**

Health Authorities Act	Explanation
March 31st in the following year.	
	Dealing With Property
28 **(1)** A district health authority may, for the purpose of providing health services in the health district, (a) acquire, hold, operate and maintain real and personal property; and (b) subject to this Act, lease, sell or convey any real or personal property.	**DHAs can acquire, operate, and maintain property. They can also lease or sell the property. These powers to deal with property supplement the general corporate and natural persons powers conferred by Sections 6 and 8.**
(3) Where a district health authority determines that real property formerly owned by a hospital is no longer useful for the purpose of the authority, the authority shall convey the real property, subject to any lien, mortgage or other charge to which it was subject when acquired by the authority pursuant to this Act, to any municipalities, foundations, trustees or other group or person to whom the property would have been transferred upon the dissolution of the hospital but for this Act.	**If a DHA decides that property formerly owned by a hospital is no longer useful, it can convey the property to any municipalities, foundations, trustees or other group or person to whom the property would have been transferred, according to the hospital's previous legislation, if the hospital had been dissolved.**
(4) The property of a district health authority is exempt from taxation pursuant to any Act of the Legislature.	**DHA property is exempt from taxation.**
	Transactions
29 A district health authority may (a) execute and carry out any trusts respecting real or personal property that is donated, devised, bequeathed, granted, conveyed or given to the authority;	**The specific powers to execute and carry out trusts are included within the general grant of corporate powers in Sections 6 and 8. They are enumerated here for greater clarity and because provisions such as this are found in other legislation, such as in the QE II Act.** **Gifts and bequests will normally be to the appropriate foundations. The Minister will expect each DHA to direct all gifts and bequests to the appropriate**

Health Authorities Act	Explanation
	foundation and to only use these powers in the rare circumstance where a donor insists on making a gift directly to a DHA.
(b) make, accept, draw, execute, issue and endorse bills of exchange, cheques, promissory notes, hypothecations or other instruments necessary or convenient in the conduct of the business of the authority;	**DHAs may:** ▸ **issue cheques and use other financial instruments to carry out the DHA business;**
(c) subject to this Act and to the *Trustee Act*, invest money received by it;	▸ **invest money it receives;**
(d) subject to this Act, erect, maintain, improve, repair or alter buildings for its purpose;	▸ **erect or alter buildings for DHA use**
(e) retain any investment, bequest, devise or gift in the form in which it comes into its hands for as long as it considers proper and may invest the proceeds;	▸ **manage investments, bequests, or gifts for as long as it considers proper and invest the proceeds. Regarding the reference to bequests, devises, or gifts, see the note pertaining to Section 29 (a).**
(f) subject to this Act, hold any real or personal property subject to and upon any trusts, terms or conditions imposed in the acquisition of it.	▸ **hold property.**
30 A district health authority shall not make any expenditure for the acquisition of capital items unless the acquisition is provided for in a capital plan in a health-services business plan approved pursuant to Section 59 or has the prior written approval of the Minister.	<u>**Spending on Capital**</u> **Capital spending must be consistent with approved capital plan contained in the health services business plan— See Sections 33 and 56(3)(e). Any other capital expenditures would require the written approval of the Minister.** *Note: The language in Section 30 and in 56(3)(e) allows for the approval of categories of capital purchases. It is not expected that each capital item would be listed and separately approved. Also, 'capital' would not include operating supplies (ie. working capital); see subsection 33(2). As PHCCs are defined to be DHAs, this also applies to PHCCs.*

Health Authorities Act	Explanation
31 (1) A district health authority shall not plan for, or, in any fiscal year, incur or make expenditures that will result in the total of operating expenditures and capital expenditures from revenue exceeding the total of its revenues from all sources in that fiscal year.	**Deficits** **There is no deficit planning for DHAs.** *Note: This prohibition against deficits must be seen in the context of the whole of the Act. That context includes the joint commitment of government and each DHA to a plan developed at the beginning of each fiscal year and followed by monthly and quarterly reporting throughout the year so that problems can be identified and, where possible, addressed before they result in a deficit. Strategies to address financial deviations from the plan include reallocating resources from other parts of the health system.*
(2) Notwithstanding subsection (1), an amount in excess of revenue may be expended in a fiscal year for operating expenditures and capital expenditures if the district health authority has entered into an agreement with the Minister providing that the amount will be replaced during the following fiscal year.	**A deficit may be incurred by a DHA for operating and capital expenditures from revenue if the Minister approves it. Any deficits of this nature must be recovered in one year by a reduction in expenditures, an increase in revenue, or a combination of reduced expenditures and increased revenue. This provision binds the Minister as much as it does the DHA.**
(3) Where operating expenditures, including capital expenditures, from revenue for a fiscal year exceed total revenue from all sources for that year, the resulting deficit as shown on the annual financial statements of the district health authority for that fiscal year shall be recovered, no later than the end of the fiscal year following the fiscal year in which the deficit occurred, by a reduction in expenditures or an increase in revenue, or both.	**See Section 31(1)**
32 Where a district health authority realizes a budget surplus at the end of a fiscal year, the Minister may authorize the authority	**Retained Surplus** **DHAs can retain an end of year surplus if authorized by the Minister. As PHCCs are defined to be DHAs, this section also**

Health Authorities Act	Explanation
to retain all or a part of the surplus on such terms and conditions as the Minister considers appropriate.	**applies to PHCCs.** *Note: The reason surplus retention is discretionary is that the Minister may decide not to authorize a surplus if the means by which it was obtained is inconsistent with the approved health services business plan or provincial health services plans. The surplus may also be the result of inaccurate forecasting.*
33 (1) A district health authority may not borrow except in accordance with subsection (2) or the provisions of a health-services business plan approved pursuant to Section 59 or with the prior written approval of the Minister. **(2)** A district health authority may borrow to cover the working capital requirements of the annual current expenditure of the authority included in the budget contained in the health-services business plan for the year, approved pursuant to Section 59, or with the prior written approval of the Minister. **(3)** Any borrowing carried out by a district health authority is on the account of the Province except for borrowing for working capital, which is the responsibility of the authority.	**<u>Borrowing</u>** **DHAs may not borrow except to cover the annual working capital requirements of the DHA included in the budget and approved in the health-services business plan or with the prior written approval of the Minister.** **This limitation on the corporate powers of DHAs is a requirement of consolidated public sector accounting, which means that DHA borrowing is on the account of the Province.** **As PHCCs are defined to be DHAs, this section also applies to PHCCs.**
34 (1) A board of directors shall appoint a person or firm licensed as a public accountant pursuant to the *Public Accountants Act* to be the auditor of the district health authority.	**<u>Auditor</u>** **DHAs are required to appoint a public accountant to be the auditor of the district health authority.**

Health Authorities Act	Explanation
(2) A board of directors may, with the consent of the Auditor General, appoint the Auditor General to be the auditor of the district health authority on such terms as to compensation as the board and the Auditor General may agree.	**DHAs may, appoint the Auditor General to be the auditor of the district health authority, providing the Auditor General agrees.**
(3) The auditor shall report to the board of directors on all accounts and funds administered by the board and all accounts and funds where the control is apparent or implied in the board.	**The auditor will report to the DHA board on all the accounts and funds administered by the board, even those where the control is implied.**
(4) The audited statements of the district health authority shall contain the information and be in the form required by the Minister.	**The Minister will specify the information and format of the information that must be contained in the audited financial statements of the DHA.**
(5) The audited statements and the auditor's report shall be filed with the board of directors and the Minister on or before July 1st in each year or such other date as the Minister may approve.	**The audited statements and the auditor's report must be filed with the DHA board and the Minister on or before July 1st in each year or on another date approved by the Minister.**
(6) The auditor shall report any management letter and any communication detailing weaknesses in internal control, deficiencies in management information systems or other areas requiring attention for improvement, including all audit reports and the auditor's observations and recommendations to management relating to the audit activity, to the board of directors and to the Minister.	*See opposite* **for other information the Auditor must submit to the DHA board and to the Minister.**
35 (1) The auditor shall have access at all times to the books, accounts and records of the district health authority and is entitled to require from the employees of the authority such information and explanations	**DHAs must give the auditor access to all accounts and records.**

Health Authorities Act	Explanation
as may be necessary for the performance of the auditor's duties.	
(2) The employees of a district health authority shall promptly provide access, information and explanations to the auditor when requested.	**Employees of the DHA must promptly provide the Auditor with the information and explanations necessary for the auditor to carry out her duties.**
	Ministerial Audits
36 (1) The Minister may at any time direct an audit or review of a district health authority or any program, facility or service of an authority by a person appointed by the Minister.	**The Minister can request an audit of a DHA or any program of the DHA. The Minister can appoint the person to conduct the audit and that person shall have free access to all DHA records.**
(2) The person appointed by the Minister to make an audit or review shall, for that purpose, have free access to all health records, books of account, securities, cash, documents, bank accounts, vouchers, correspondence and records of every description of the district health authority.	
	Audit Committee
37 (1) A board of directors shall annually appoint an audit committee.	**DHA boards must annually appoint an audit committee.**
(2) The responsibilities of an audit committee include	*See opposite for responsibilities of audit committee.*
(a) detailed review of the financial statements of the district health authority with the auditor;	
(c) evaluation of internal control systems and any management letter with the auditor;	
(d) review of the conduct and adequacy of the audit;	
(e) such other matters as may be	

Health Authorities Act	Explanation
prescribed by the board of directors; (f) such matters arising out of the audit as may appear to the committee to require investigation; and (g) such additional matters as may be prescribed as duties of an audit committee.	
COMMUNITY HEALTH BOARDS	**COMMUNITY HEALTH BOARDS**
	Continuation
38 (1) The community health boards established pursuant to the *Regional Health Boards Act* are continued and shall serve as community health boards pursuant to this Act.	**The existing CHBs will be continued.**
(2) The Minister shall, after consulting community health boards, determine which of the continued community health boards mentioned in subsection (1) shall operate under each district health authority.	**The Minister, after consulting with the CHBs, will determine under which DHA a CHB will operate.**
(3) For the purpose of subsection (2), the Minister may determine that a continued community health board operates under more than one district health authority.	**The Minister may determine that a CHB should operate under more than one DHA.**
	New CHBs
39 (1) A district health authority may establish community health boards in addition to those continued pursuant to Section 38.	**A DHA may establish new CHBs in addition to the already existing ones.** *Note: This section only applies to additional CHBs that may be established by DHAs.*
(2) The district health authority shall, subject to any guidelines and criteria established by the Minister in the regulations, appoint the initial members of a community health board established pursuant to	**The DHA, subject to any guidelines and criteria established by the Minister in regulations, may appoint the initial members of a new CHB, after consultation with the residents of the community.**

Health Authorities Act	Explanation
subsection (1) after such consultation with the residents of the community as the authority considers appropriate. **(3)** One third of the initial membership shall be appointed for a term of two years, one third shall be appointed for a term of three years, and the remaining one third shall be appointed for a term of four years.	**In regards to new CHBs, 1/3 of the initial membership will be appointed for two years, 1/3 will be appointed for three years, and 1/3 for four years.**
40 There shall be a minimum of nine and a maximum of fifteen members of a community health board unless otherwise prescribed in the by-laws for the district health authority.	**Number of Members** **CHBs must have 9 to 15 members unless otherwise prescribed in the DHA by-laws.** **Already established CHBs that have less than the minimum (9) or more than the maximum number of CHB members (15), can continue to operate with that number until the DHA adjusts the number of members, as appropriate. (See Section 78)**
41 Each member of a community health board shall be ordinarily resident within the boundaries of the community.	**Eligibility** **CHB members must live within the boundaries of the community.** **There is no restriction on the minimum age for CHB representatives in keeping with recommendations made at the Law Amendments Committee of the Legislature.**
42 (1) Subsequent members of a community health board, whether continued pursuant to Section 38 or established pursuant to Section 39, shall serve a term of three years and shall be selected under an open and transparent selection process determined by the community health board in accordance with guidelines and criteria established by the Minister in the regulations.	**Term of Office** **Note: This section applies to subsequent appointments to both continued CHBs and additional CHBs.** **CHB members, other than those first appointed to new CHBs, will serve a term of of 3 years.** **CHB members will be selected under an open and transparent process determined by the CHB in accordance**

Health Authorities Act	Explanation
	with guidelines and criteria established by the Minister in the regulations *(See Appendix 2)*.
(2) No community health board member who has served two consecutive terms of three years or more may be re-elected, re-appointed or selected again until at least two years after the expiry of the second term.	**CHB members who have served two consecutive terms of three years or more cannot serve again until at least two years after the expiry of the second term.**
(3) Terms are deemed to be consecutive if less than one year elapses between the expiry of the first term and the commencement of the next term.	**Terms are consecutive if less than one year elapses between the expiry of the first term and the beginning of the second term.**
43 A district health authority may, subject to the Minister's approval, determine or alter the boundaries of the community for which a community health board is responsible.	**Boundaries** **A DHA, with the Minister's approval, can determine or alter a CHB's boundary.**
44 A community health board shall select its chair from among its members.	**Selection of Chairperson** **A CHB will select its chair from among its members.**
45 A community health board shall not govern or manage the delivery of health services.	**CHB Restrictions** **CHBs will not govern or manage the delivery of health services. Therefore:** ▸ **All Financial accountability for the CHB is under the direct authority of the DHA** ▸ **DHA must be the employer of any support staff for a CHB**

Health Authorities Act	Explanation
46 A community health board is not a body corporate.	**CHBs are not a body corporate** **Therefore:** ▸ **Not a legal entity** ▸ **Cannot hire staff** ▸ **Cannot hold funds in their own right** ▸ **Cannot enter into a contract**
47 Subject to the regulations and to any more restrictive policy adopted by the district health authority, the members of a community health board may be reimbursed by the authority for the reasonable expenses necessarily incurred by them in the performance of their duties.	**Reimbursement for Expenses** **CHB members may be reimbursed by the DHA for reasonable expenses incurred in the performance of their duties, subject to the regulations and any more restrictive policy adopted by the DHA.** *See Appendix 1, Section 7.*
48 A community health board shall (a) foster community development that encourages the public to actively participate in health planning and service delivery; (b) construct a community profile that identifies the deficiencies and strengths of the community with respect to factors that affect health, including income and social status, social support networks, education, employment, physical environments, inherited factors, personal health practices and coping skills, child development and health services in the community; (c) prepare and maintain an inventory of community-based health services delivered in the community; (d) assess community health needs and community-based health services in relation to those needs; (e) subject to the approval of the district health authority, make by-laws;	**CHB Responsibilities** *See opposite* *Note: These responsibilities are broader than responsibilities in respect of community health plans under Section 54. They represent the ongoing background work that will be reflected in community health plans and they will also serve as the platform for CHB cooperation with other sectors, such as Economic Development Agencies or school boards.*

Health Authorities Act	Explanation
(f) provide such other advice and assistance that the district health authority requests; (g) manage, or assist in the management of, community development grants on behalf of the Minister or the district health authority, or with the approval of the Minister or the district health authority; and (h) perform such other functions as the Minister may authorize in the regulations.	**CHBs are advisory boards.** **This clause allows CHBs to be involved in the management of pilot projects or other types of community projects.**
49 A community health board may establish advisory committees.	**Advisory Committees** **CHBs can establish advisory committees pursuant to By-laws.**
50 **(1)** The district health authority shall provide a community health board with administrative support services and technical health-planning support services. **(2)** The district health authority may enter into contracts with any person for the purpose of subsection (1).	**Administrative Supports** **DHAs will provide CHBs with administrative support services and technical health-planning support services.** **The adequacy of the support is regulated by the requirement in Section 56(3) for a CHB support component in a DHA business plan.** **DHAs can enter into contracts with individuals for the purpose of providing the services described above.** **CHBs may not enter into contracts.**
51 No member of a community health board is personally liable for anything done or omitted to be done or for any neglect or default in the *bona fide* exercise or purported exercise in good faith of a power conferred upon that member of the	**Exclusion of Liability** **CHB members are not personally liable for anything they have done or omitted in carrying out their duties provided it is not outside the confines of the Act.** *Note: The word "personally" has been added to make the provision the same as*

Health Authorities Act	Explanation
community health board by this Act.	*the equivalent provision [Section 26] for DHAs.*
	Nominations for DHAs
52 (1) Whenever requested to do so by the Minister, the community health boards in a health district shall strike a nomination committee including the chair or designate of each community health board for the purpose of preparing a list of nominees for appointment to the board of directors of the district health authority pursuant to subclause 11(a)(ii), and shall submit the list of nominees to the Minister by the date requested.	**CHBs in a health district will strike a nomination committee including the CHB chair or designate of each CHB, to prepare a list of nominees for appointment to the DHA board and will submit the list of nominees to the Minister by the date requested.** **See Section 11(a) (ii)for details on the DHA board.**
(2) In selecting nominees, the nomination committee shall use an open and transparent process in accordance with guidelines and criteria established by the Minister in the regulations and shall have regard to the need for broad representation of communities in preparing the list of nominees.	**The nomination committee will use an open and transparent process in accordance with the guidelines and criteria established by the Minister in the regulations** *(See Appendix 2)*. **The nomination committee will have regard for the broad representation of communities in preparing the list of nominees.**
(3) The Minister may request the nominating committee struck pursuant to subsection (1) to prepare and submit lists of additional nominees where the Minister considers it necessary to have a larger group of nominees to consider.	**The Minister can ask the nominating committee to prepare a list of additional nominees if the Minister considers it necessary to have more nominees to consider. However, the Minister must appoint two-thirds of the members from people nominated by CHBs. Also, given the Act allows the Minister to prescribe criteria and guidelines for the nomination process, the Minister who asks for more names will reasonably be asked to explain why.**
(4) This Section does not affect the Minister's power to appoint the full membership of a board of directors on an interim basis pursuant to subsection 63(4).	**This does not affect the Minister's power to appoint the full membership of the DHA on an interim basis, if the Minister has had to dismiss the previous DHA members, as outlined in Section 63.**

Health Authorities Act	Explanation
53 Subject to the approval of the Minister, a board of directors may dissolve a community health board in the health district if the board of directors considers it appropriate and two thirds of those voting members who are present and voting at a special meeting held for the purpose of dissolving the community health board vote in favour of the dissolution.	**The DHA may dissolve a CHB, with the approval of the Minister, if the board considers it appropriate and 2/3 of the voting members present vote in favour of it.**
COMMUNITY HEALTH PLANS	**Community Health Plans**
54 (1) A community health board shall develop a community health plan for each fiscal year of the district health authority, provide it to the district health authority of the health district and support the implementation at the community level of those components of the community health plan that are incorporated into the health-services business plan approved pursuant to Section 59.	**CHBs will develop an annual community health plan for each fiscal year of the DHA. The plan will be submitted to the DHA.** *Note: The Act does not require the development of a completely new plan for each year. CHBs can submit updates or amendments to a plan from earlier years to satisfy this obligation. Additionally, CHBs in a district could submit plans together; and if there are aspects of CHB work that does not fit in the community health plan, the Act does not prevent CHBs from taking those aspects to the DHA or to other agencies, for example, the rural municipality.* **CHBs will support the implementation of those parts of the community health plan that are included in the DHA's approved health services business plan. Those details will be defined by DHAs and CHBs.**
(2) The community health plan shall include (a) recommended priorities for the delivery of community-based health services; (b) demonstration that the recommended priorities have been established through community consultation;	**Contents of the community health plan.** *See opposite*

Health Authorities Act	Explanation
(c) provisions identifying and making recommendations for the elimination of any unnecessary duplication of health services between district health authorities; and (d) a list of the initiatives recommended by the community health board for the improvement of the health of the community. **(3)** For the purpose of assisting the community health board to make recommendations pursuant to clause (2)(a), the district health authority shall make available to the community such information that will assist the community health board in assessing the financial feasibility of implementing the recommendations.	**DHAs will make information available to the CHBs to assist them in completing their community health plans and assessing the financial feasibility of implementing the recommendations. The failure of RHBs to do this was noted by the 1999 Report of the Auditor General.**
55 A district health authority shall ensure that community health plans are developed by community health boards and considered in the preparation of the health-services business plan.	**DHAs will ensure the CHB's community health plans are considered when preparing the district's health-services business plan. DHAs must operate within available resources so a higher statutory duty would not be appropriate. Even so, Section 56(4) requires a DHA to explain to the Department of Health why it has not incorporated CHB input.**
HEALTH-SERVICES BUSINESS PLANS	**HEALTH SERVICES BUSINESS PLANS**
56 (1) Each district health authority shall prepare a health-services business plan for each fiscal year.	**DHAs must prepare an annual health-services business plan covering the fiscal year. This is a minimum requirement and the Act does not preclude requirement for submission of multi-year plans.**
(2) The health-services business plan prepared by each district health authority is subject to the approval of the Governor in Council and shall not be implemented until the Governor in Council has approved it.	**Cabinet must approve a DHA's health-services business plan before it can be implemented. The reason for cabinet approval is that DHA business plans, collectively, will be an important part of the provincial budgetary process.**

Health Authorities Act	Explanation
(3) A health-services business plan shall include	**Components of a health service business plan:**
(a) a district health services component covering the level and mix of health services needed in the health district and how and where health services are to be provided in the district;	▸ **Health Services Component** ▸ **Human Resources Component** ▸ **Financial Component** ▸ **Community Health Board support and development component** ▸ **Capital Plan (includes capital financed by foundations).**
(b) a district human resources component for district health services to ensure the availability of a proper mix of human resources to support health services;	
(c) a district financial component to ensure the application of available financial resources to achieve district objectives and deliver health services;	
(d) a community health board support and development component outlining the district health authority's plan to support the activities of the community health boards; and	**This clause provides additional reassurance to CHBs that they will be provided with meaningful resources to do their jobs; see Subsection 50(1).**
(e) a capital plan that shall include (i) a facilities management plan, (ii) an explanation of the manner in which the capital that is proposed to be acquired relates to the delivery of health services, and (iii) a description of capital items that the district authority intends to acquire or otherwise deal with, whether under the authority's budget or through donations given or purchases made by foundations.	
(4) A health-services business plan shall	**Health-services business plans must**

Health Authorities Act	Explanation
demonstrate that the district health authority has considered the community health plans provided to it and, where the health-services business plan does not provide for implementation of elements of a community health plan, shall set out the reasons for those elements not being recommended for implementation.	**provide for implementation of community health plans. Where elements of a community health plan are not included in the health-services business plan, the reasons why must be provided.** **Latitude must be given to DHAs because they are required to operate within the resources allocated to them by the government and therefore, they cannot be bound in law to accept all CHB recommendations. The obligation to give an explanation will, however, prevent them from simply ignoring CHB recommendations.**
(5) In considering whether to recommend approval of a proposed health-services business plan, the Minister shall have regard to the matters set out pursuant to subsections (3) and (4).	**The Minister is required to consider the extent to which a health service business plan contains the required elements and the extent to which it incorporates community health plans or adequacy of reasons for not incorporating elements of community plans in deciding to recommend approval or rejection of the plan.**
57 (1) A proposed health-services business plan shall be submitted to the Minister for comment as required by the Minister.	**DHAs will submit their proposed health-services business plans to the Minister for comment.**
(2) Comments from the Minister on the proposed health-services business plan shall be forwarded to the district health authority within thirty days after the date it is received by the Minister.	**The Minister's comments will be forwarded to the DHA within 30 days of the date it is received.**
58 Each district health authority shall submit a final health-services business plan to the Minister for approval within thirty days after the date it receives comments from the Minister pursuant to subsection 57(2).	**Each DHA will submit a final health-services business plan to the Minister for approval within 30 days after the date it receives comments from the Minister on its draft health-services business plan.**
59 (1) The Minister may recommend that the Governor in Council approve the health-services business plan, or approve the plan with such amendments and conditions as the	**Cabinet can approve a DHA health-service business plan as is, approve the plan with changes recommended by the Minister, or refuse to approve the plan until such time as recommended**

Health Authorities Act	Explanation
Minister recommends, or may refuse to recommend the plan for approval.	**changes are made.**
(2) Where the Minister refuses to recommend a health-services business plan, the Minister shall provide reasons and the district health authority shall submit for approval a plan that addresses the problems identified by the Minister.	**If a health-services business plan is not approved, the Minister will provide the DHA with the reasons.**
(3) The Governor in Council may approve a health-services business plan recommended by the Minister for approval or for approval with amendments and conditions.	
(4) The Minister shall inform each district health authority if the health-services business plan has been approved, approved with amendments or not approved, as the case may be, and, where an authority is not so informed by March 31st immediately preceding the fiscal year for which the plan was prepared, the authority may expend funds not exceeding one half of the total operating expenditures provided in its plan for the previous fiscal year before the plan is approved by the Governor in Council.	**If a DHA is not notified of the approval status of its health-service business plan by March 31, the day before the start of the fiscal year to which the plan applies, the DHA can expend up to 1/2 of the total operating expenditures approved for the previous fiscal year, until such time as the health-services plan is approved by the Governor in Council.**
MINISTER'S DUTIES AND POWERS	**MINISTER'S DUTIES AND POWERS**
60 In addition to the other duties contained in this Act, the Minister shall	*See Opposite*
(a) be responsible for the strategic direction of the health-care system including the development, implementation and evaluation of Provincial health policy;	
(b) develop or ensure the development of standards for the delivery of health services;	**The words "or ensure the development of standards" reflect the reality that the expertise to develop standards must be heavily "borrowed" from the system.**

Health Authorities Act	Explanation
(c) monitor, measure and evaluate the quality, accessibility and comprehensiveness of health services; (d) conduct financial and human resource planning (e) administer the allocation of available resources for the provision of health services; and (f) establish requirements for information systems used in the health-care system;	
61 The Minister may (a) determine the health services to be provided by the district health authorities and the associated funding levels; (b) require the district health authorities to prepare, in addition to the health-services business plan, such plans, including human-resource plans, information management and information technology plans, as the Minister considers appropriate; (c) determine the organization and internal management of district health authorities and may determine (i) organizational structures and management responsibilities, (ii) appropriate levels of administrative services, (iii) the percentage of the total budget administered by district	**The Minister can determine the health services provided by DHAs and the associated funding levels.** **The Minister can ask the DHAs to produce the following plans, in addition to the health-services business plans:** ‣ **human-resource plans** ‣ **information management and information technology plans.** **The Minister can determine the organization of a DHA and its internal management including:** ‣ **its organizational structures and management responsibilities** ‣ **the appropriate levels of administrative services; there is always debate about what is or is not "administration", the issue is we need a common definition, as imperfect as it may be.** ‣ **the percentage of the total budget that can be spent on administrative expenses**

Health Authorities Act	Explanation
health authorities that can be spent on administrative expenses; (d) subject to any enactment or an accounting policy of the Province, specify any accounting practices and principles that must be followed by district health authorities in the administration of their finances.	*Note: Details pertaining to internal organization will be addressed to some extent in guidelines that will be provided to DHAs by the Department of Health.* ▸ **specify the DHA's accounting practices. This clause is to ensure the consistent keeping of accounts so expenditures can be tracked consistently across the system and from year to year. Under regionalization, the common GL (General Ledger) of accounts was allowed to lapse.**
62 The Minister may delegate to the Deputy Minister of Health or any employee of the Department of Health, the power or duty conferred or imposed on the Minister pursuant to subsection 21(1), Sections 30,31 and 33, subsection 34(4), Sections 36 and 60, clauses 61(b), (c) and (d) and Section 64.	**Delegation of Powers** **The Minister can delegate his powers to the Deputy Minister of Health or DOH employees in relation to specific parts of the Act including:** **21(1): financial reporting; content and frequency** **30: capital approvals** **31: deficit spending** **33: borrowing subsection** **34(4): content of audited financial statements** **36: request for audit** **60: the Minister's duties and powers such as** ▸ **strategic direction of the health system** ▸ **development of standards for health services** ▸ **monitoring, measuring, and evaluating health services** ▸ **financial and human resource planning** ▸ **allocation of resources** ▸ **requirements for health information systems**

Health Authorities Act	Explanation
	61(b): "other" DHA plans **61(c): organization of DHA and its internal management** **61(d): DHA accounting practices** **64: Binding directions to DHAs**
63 (1) The Minister may dismiss the members of a district health authority if the authority has requested the appointment of an official administrator to replace the authority or if the Minister considers that (a) the authority has contravened an agreement with the Minister; (b) the authority has ceased to function; (c) the authority has failed, or is about to fail, to pay any of its other debts or liabilities whatsoever when due; (d) the authority has failed to comply with any order of the Minister or the Minister's delegate; (e) the authority is not properly exercising its powers or carrying out its duties; or (f) it is in the public interest to dismiss the members of the authority. **(2)** Where the Minister dismisses the	<u>**Official Administrator**</u> **The Minister can dismiss DHA members if the board requests the appointment of an official administrator to replace it or if the Minister considers that:** ▸ **the DHA contravened an agreement with the Minister or order by the Minister** ▸ **the DHA has ceased to function** ▸ **the DHA has failed to pay its debts** ▸ **the DHA has failed to comply with an order of the Minister or Minister's delegate** ▸ **the DHA is not carrying out its duties** ▸ **it is in the public interest to dismiss the members**

Health Authorities Act	Explanation
members of a district health authority, the Minister shall appoint an official administrator to take the place of the board of directors.	
(3) An official administrator appointed under this Section (a) has all of the powers and authority of the district health authority; (b) shall perform all of the duties of the authority; and (c) shall be paid the salary and expenses as determined by the Minister at the cost of the authority.	**Powers of Official Administrator** *See Opposite*
(4) When the Minister considers that an official administrator is no longer required, the Minister shall provide for the appointment of new members to the district health authority.	**The Minister can appoint new DHA members when he determines an official administrator is no longer required.**
64 Notwithstanding the duties and powers provided to district health authorities pursuant to this Act, the Minister may give binding directions to a district health authority with respect to any matter the Minister considers relevant to the exercise of the Minister's powers or discharge of the Minister's duties under this Act, including directions for the purpose of (a) establishing priorities and guidelines for the authority to follow in the exercise of its powers; (b) co-ordinating the work of the district health authority with the objectives and strategic direction of the health-care system in the	**Binding Directions** **The purpose of this section is primarily to give the Minister clear authority to ensure consistency between DHA activity and the overall direction of the system. Protection for CHBs has also been added.** **The Minister can provide DHAs with binding directions on any matter the Minister considers relevant including;** ‣ **DHA priorities and guidelines** ‣ **coordinating the work of the DHA in regards to the overall objectives and strategic direction of the health-care system**

Health Authorities Act	Explanation
Province in order to achieve the best possible results and to avoid duplication of effort and expense; (c) ensuring the achievement of Provincial objectives and health services; and (d) ensuring the proper discharge by the authority of its duties and powers regarding the boundaries, composition, membership, formation and support of community health boards.	▸ **ensuring Provincial health objectives are achieved** ▸ **support of CHBs**
PROVINCIAL HEALTH-CARE CENTRES **65** The IWK-Grace and the Queen Elizabeth II are provincial health-care centres.	**PROVINCIAL HEALTH CARE CENTRES** **The two Provincial Health Care Centres (PHCCs) are the IWK-Grace and the Queen Elizabeth II.**
66 (1) A provincial health-care centre shall continue to plan, manage, monitor and evaluate the delivery of the specialized health services it is delivering at the time this Act comes into force and shall deliver such other specialized health services for which it is made responsible pursuant to this Act. **(2)** A provincial health-care centre shall deliver health services in the health district in which it is located and elsewhere in accordance with the health-services business plan referred to in Section 69.	**The PHCCs will continue to manage the specialized health services they were responsible for prior to this Act.** **They will also deliver the other specialized services they have been made responsible for in the Act.** **A PHCC will deliver health services in the health district in which it is located and elsewhere.** **In the Capital Health District, the DHA, Nova Scotia Hospital and the PHCCs will prepare and submit a joint health-services business plan.**
67 (1) Notwithstanding the *Nova Scotia Hospital Act* and the *Queen Elizabeth II Health Sciences Centre Act*, the Minister shall appoint the same persons to be the members of the board of directors of the Capital	**Board Members** **The board of the Capital District DHA, the QEII and the Nova Scotia Hospital will be comprised of the same individuals.**

Health Authorities Act	Explanation
District Health Authority, the members of the Board of Management of the Nova Scotia Hospital and the members of the Board of Directors for the Queen Elizabeth II and the chair of the board of directors of the Capital District Health Authority shall be the chair of the Board of Management of the Nova Scotia Hospital and the members of the Board of Directors for the Queen Elizabeth II.	
(2) Notwithstanding the *Izaak Walton Killam-Grace Health Centre Act*,the Minister may appoint the same persons who are appointed to be members of the board of directors for the Capital District Health Authority to be the members of the Board of Directors for the IWK-Grace and, in that case, the chair of the board of directors of the Capital District Health Authority shall be the chair of the Board of Directors for the IWK-Grace.	**The IWK Grace will retain its current board but that could change in the future to allow it to have the same board of directors as the Capital Health District DHA, the QEII, and the Nova Scotia Hospital.**
68 (1) The Minister shall, when making appointments pursuant to subclause 11(a) and Section 67 have regard to the Provincial scope and mandates of the Nova Scotia Hospital, the Queen Elizabeth II and the IWK-Grace.	**When making appointments to the board for the Capital District Health Authority, the QEII, NS Hospital and the IWK Grace (if applicable), the Minister is required to ensure adequate representation of the provincial mandates of these organizations. The vehicle for doing this is the one-third of the board membership selected by the Minister.**
69 (1) The Capital District Health Authority, the Nova Scotia Hospital and the provincial health-care centres shall prepare and submit a joint health-services business plan in accordance with	**<u>Joint Health Services Business Plan</u>** **In the Capital Health District, the DHA, Nova Scotia Hospital and the PHCCs will prepare and submit a joint health-services business plan. The plan will provide for the delivery of community-based health services and the specialized services offered by the PHCCs.**

Health Authorities Act	Explanation
Sections 56 to 59 that provides for the delivery of both community-based health services and specialized health services by the provincial health-care centres. **(2)** For greater certainty, the preparation of the joint health-services business plan referred to in subsection (1) fulfils the obligation of the Capital District Health Authority to prepare and submit a health-services business plan pursuant to Sections 56 to 59.	**This requirement includes the IWK Grace, whether or not it retains a separate board.** **The main objective of a common business plan is to ensure the PHCCs' plans for community health services in the Capital Health District match the plans of the DHA.**
70 (1) A provincial health-care centre and the Nova Scotia Hospital are not district health authorities for the purpose of Sections 4 to 10, 19,28, 38 to 51, 53 to 55 and 71 to 81. **(2)** Unless the Minister makes the appointments referred to in	**Parts of the Act Not Applicable to PHCCs and NS Hospital** **The parts of the Act that do not apply to the Provincial Health Care Centres and the Nova Scotia Hospital are listed below:** **Sections 4-10: establishment of health districts and DHAs;** **Section 19: objects of a DHA.** *(PHCCs and NS Hospital continue with the objects they already have);* **Section 28: holding property:** *(PHCCs and NS Hospital have this power under their own Acts);* **Sections 38-51: CHB provisions-** *(PHCCs and NS Hospital are not responsible for the establishment and operation of CHBs);* **Sections 53-55: dissolution of CHBs and preparation of CHB community health plans;** **Sections 71 to 81: transitional provisions, mostly related to transfer of employees from RHBs to DHAs;** **Parts of the Act Not Yet Applicable to IWK Grace**

Health Authorities Act	Explanation
subsection 67(2), the IWK-Grace is not a district health authority for the purpose of Sections 11 to 17 and Section 52.	**Sections 11-17 and 52, pertaining to CHB nomination of DHA board members, do not apply to the IWK Grace until such time as its board of directors is comprised of the same individuals that govern the DHA, QEII and Nova Scotia Hospital.**
TRANSITIONAL PROVISIONS	**Transitional Provisions**
71 Where the boundaries of a health district are the same as the boundaries of a health region established pursuant to the *Regional Health Boards Act* that is repealed by this Act,	**The following information applies to the Capital District Health Authority.**
(a) all assets and liabilities of the regional health board established for that health region, including all employee benefits and entitlements, become the assets and liabilities of the district health authority for the health district;	**Assets and liabilities of Central RHB are transferred to the Capital DHA.**
(b) all employees of the regional health board become employees of the district health authority;	**All RHB employees will become employees of the DHA.**
(c) the continuity of employment of the employees of the regional health board is not broken by the effect of clause (b);	**RHB employees will not experience any loss of continuity in employment due to being transferred to the DHA.**
(d) the district health authority is substituted for the regional health board with respect to any agreement to which the board was a party;	**Any agreements involving the RHB will be transferred to the DHA.**
(e) every employee of the district health authority who was an employee of a regional health board immediately before the coming into force of this Act is employed by the district health authority on the same terms and conditions as to salary and benefits as those under which the employee was an employee at the regional health board and until	

Health Authorities Act	Explanation
changed by collective agreement or contract of employment; (f) every employee of the district health authority who was an employee of a regional health board is deemed to have been employed by the district health authority for the same period of employment that the employee was credited with as an employee of the regional health board; (g) benefits accumulated by an employee at the regional health board while employed at the regional health board are vested in the employee and the employee is entitled to receive those benefits from the district health authority; (h) the district health authority is a transferee for the purpose of Section 31 of the *Trade Union Act* and, without limiting the generality of the foregoing, (i) the district health authority is bound by successor rights as determined pursuant to the *Trade Union Act*, and (ii) subject to the *Trade Union Act*, the district health authority and the employees of the district health authority, who are covered by collective agreements, are bound by the collective agreements as if the district health authority were a party to them; and (i) the district health authority is a successor employer for the purpose of the *Pension Benefits Act*.	
72 Where the boundaries of a health district	**The following information applies to all**

Health Authorities Act	Explanation
encompass a part of a health region established pursuant to the *Regional Health Boards Act* that is repealed by this Act,	**DHAs that encompass part of a former RHB. It applies to all RHBs except the Capital District Health Authority.** **RHB boundaries no longer apply.**
(a) all assets and liabilities of the regional health board established for that health region, including all employee benefits and entitlements, that relate to that part of the health region become the assets and liabilities of the district health authority for the health district, subject to the determination of the Minister of any question about what is an appropriate allocation of assets and liabilities among district health authorities for health districts replacing parts of the health region;	**The assets, liabilities, and all employee benefits and entitlements of the former RHB that relate to the part of the health region that now forms a health district will be transferred to the DHA. Any question about the appropriate allocation of assets and liabilities will be decided by the Minister.**
(b) all employees of the regional health board who are employed in that part of the health region become employees of the district health authority subject to the determination of which district health authority is the appropriate employer for the employees by	**All RHB employees will become employees of the DHA, once the DHA to which they will be assigned has been determined.**
(i) agreement between authorities and employees where the employees are not represented by unions,	**For RHB employees that are not part of a union, the process for determining which DHA an employee will be assigned to will be determined by an agreement between the DHA and the employee.**
(ii) agreement between authorities and unions, or (iii) an order of a court or other tribunal with jurisdiction to deal with the matter;	**For employees that are unionized, the process for determining which DHA an employee will be assigned to will be determined by an agreement between the DHA and the union or a court order or other tribunal with jurisdiction to deal with the matter.**
(c) the continuity of employment of the employees of the regional health board is not broken by the effect of clause (b);	**RHB employees will not experience any loss of continuity in employment due to being transferred to the DHA.**

Health Authorities Act	Explanation
(d) the district health authority for the health district is substituted for the regional health board with respect to any agreement to which the board was a party in relation to the part of the health region that the health district encompasses and, in the case of any agreement other than an employment or collective agreement, the Minister shall determine which authority is substituted for the board for each such agreement and may direct one of the authorities to carry out the agreement on behalf of the others according to terms determined by the Minister; (e) every employee of a district health authority determined pursuant to clause (b) who was an employee of a regional health board immediately before the coming into force of this Act is employed by that district health authority on the same terms and conditions as to salary and benefits as those under which the employee was an employee at the regional health board and until changed by collective agreement or contract of employment; (f) every employee of a district health authority determined pursuant to clause (b) who was an employee of a regional health board is deemed to have been employed by that district health authority for the same period of employment that the employee was credited with as an employee of the regional health board; (g) benefits accumulated by an employee at the regional health board while employed at the regional health board are vested in the employee and the employee is entitled to receive those benefits from the district health authority	**Any agreements involving the RHB will be transferred to a DHA. The Minister will determine which DHA the agreements will be transferred to for all matters except those involving unionized employees.**

Health Authorities Act	Explanation
determined pursuant to clause (b); (h) the district health authority determined pursuant to clause (b) is a transferee for the purpose of Section 31 of the *Trade Union Act* and, without limiting the generality of the foregoing, (i) the district health authority is bound by successor rights as determined pursuant to the *Trade Union Act*, and (ii) subject to the *Trade Union Act*, the district health authority and the employees of the district health authority, who are covered by collective agreements are bound by the collective agreements as if the district health authority were a party to them; and (i) the district health authority is a successor employer for the purpose of the *Pension Benefits Act*.	
73 The vesting of any asset of the regional health board in a district health authority pursuant to Section 71 or 72 does not void any policy of insurance with respect to the asset, including public liability policies, and the authority is deemed to be the insured party for the purpose of any such policy.	**Insurance policies held by RHBs are not affected by the transfer of assets and liabilities to the DHAs.**
74 **(1)** Where the Cape Breton Regional Hospital, the Glace Bay Healthcare System Corporation, the New Waterford Consolidated Hospital Commission and the Northside Harbor View Hospitals are designated by the regulations, notwithstanding the provisions of any special or general Act of the Legislature,	**Regulations will designate that the assets and liabilities including all employee benefits of the following hospitals that used to fall under the authority of the "Cape Breton Healthcare Complex", will be transferred to the DHA in the district in which the facilities are located: the Cape Breton Regional Hospital, the Glace Bay Healthcare System Corporation, the New Waterford Consolidated Hospital Commission and the Northside Harbor**

Health Authorities Act	Explanation
(a) those hospitals are dissolved and the assets and liabilities of those hospitals, including all employee benefits and entitlements and any assets and liabilities acquired by those hospitals collectively carrying on operations under the name "Cape Breton Healthcare Complex", become the assets and liabilities of the district health authority for the health district in which those hospitals are located;	**View Hospitals.** *Note: This is necessary because these hospitals were never part of the Eastern RHB.*
(b) all employees of those hospitals, including any persons employed by those hospitals collectively carrying on operations under the name "Cape Breton Healthcare Complex", become the employees of the district health authority referred to in clause (a);	**Employees of those organizations will become employees of the DHA.**
(c) the continuity of employment of the employees referred to in clause (b) is not broken by the designation of those hospitals;	**Employees will not experience any loss of continuity in employment due to being transferred to the DHA.**
(d) every employee of the district health authority who was an employee of a hospital designated by the regulations immediately before the coming into force of this Act is employed by the district health authority on the same terms and conditions as to salary and benefits as those under which the employee was an employee at the hospital and until changed by collective agreement or contract of employment;	
(e) every employee of the district health authority who was an employee of a hospital designated by the regulations is deemed to have been	

Health Authorities Act	Explanation
employed by that district health authority for the same period of employment that the employee was credited with as an employee of the hospital; (f) benefits accumulated by an employee of a hospital designated by the regulations while employed at the hospital are vested in the employee and the employee is entitled to receive those benefits from the district health authority; (g) the district health authority is a transferee for the purpose of Section 31 of the *Trade Union Act* and, without limiting the generality of the foregoing, (i) the district health authority is bound by successor rights as determined pursuant to the *Trade Union Act*, and (ii) subject to the *Trade Union Act*, the district health authority and the employees of the district health authority, who are covered by collective agreements, are bound by the collective agreements as if the district health authority were a party to them; and (h) the district health authority is a successor employer for the purpose of the *Pension Benefits Act*. **(2)** Where the hospitals referred to in subsection (1) are designated by the regulations, notwithstanding any special or general Act of the Legislature, the district health authority referred to in clause (1)(a) is substituted for those hospitals	**Any agreements involving the Cape Breton Health Care Complex will be transferred to the DHA. Specific need for this provision was the lack of a distinct corporate status for the Complex, but the practical reality that it was operating as**

Health Authorities Act	Explanation
with respect to any agreement to which those hospitals were parties, including any agreements entered into by those hospitals collectively carrying on operations and contracting under the name "Cape Breton Healthcare Complex".	**an organization.**
75 (1) In this Section, (a) "Board of the Nova Scotia Hospital" means the Board of Management of the Nova Scotia Hospital; (b) "employee at the predecessor Hospital" means a person employed at the Nova Scotia Hospital immediately before this Act comes into force and (i) appointed in accordance with the *Civil Service Act* as an officer or employee required by the Board of the Nova Scotia Hospital for the proper conduct, management and operation of the Hospital, (ii) employed by the Board of the Nova Scotia Hospital or by the Minister as provided for by the Governor in Council, or (i) otherwise employed by the Board of the Nova Scotia Hospital or the Minister; (c) "Hospital" means the Nova Scotia Hospital after the coming into force of this Act; (d) "predecessor Hospital" means the Nova Scotia Hospital before the coming into force of this Act.	*Note: The NSGEU asked that the NS Hospital and NS Hospital employees be moved from the civil service to the "Trade Union Act", like all other hospitals and hospital employees. The NS Hospital is the last hospital in the province staffed by government employees and the changes proposed by NSGEU would change that by making the hospital, like all other hospitals, an employer on its own under the "Trade Union Act"*. *Because the change would put the hospital and its employees in the same position as all other hospitals and hospital employees, government was able to agree to the proposed additional provisions. These provisions are consistent with those used to transfer the VG Hospital to the QEII. The provisions protect the civil service collective agreements as applicable to NS Hospital employees by making them collective agreements under the "Trade Union Act".* *The new provisions mean that NS Hospital employees will, like all other hospital employees, be protected under the successor rights provisions of the Trade Union Act, should there be any changes in future to the status of the Hospital as employer.*

Health Authorities Act	Explanation
(2) On the coming into force of this Act, (a) every employee at the predecessor Hospital ceases to be a person appointed in accordance with the *Civil Service Act* and becomes an employee of the Hospital; (b) the continuity of employment of the employees of the predecessor Hospital is not broken by the effect of clause (a); (c) the *Civil Service Act* and regulations made pursuant thereto and the *Civil Service Collective Bargaining Act* do not apply to employees of the Hospital; (d) every employee at the predecessor Hospital is employed by the Hospital on the same terms and conditions of employment as those under which the employee was employed by the predecessor Hospital until changed by collective agreement or contract of employment; (e) every employee at the predecessor Hospital is deemed to have been employed by the Hospital for the same period of employment that the employee was credited with as an employee at the predecessor Hospital; (f) benefits accumulated by an employee while employed at the predecessor Hospital are vested in the employee and the employee is entitled to receive those benefits from the Hospital; (g) the Hospital is bound by a collective	

Health Authorities Act	Explanation
agreement concluded pursuant to the *Civil Service Collective Bargaining Act* in relation to the employees at the predecessor Hospital as if it were a party to the collective agreement as the employer and as if the collective agreement were concluded pursuant to the *Trade Union Act* by a bargaining agent certified pursuant to that Act;	
(h) for greater certainty, the Hospital is a transferee for the purpose of Section 31 of the *Trade Union Act* and, without limiting the generality of the foregoing, the Hospital is bound by successor rights as determined pursuant to the *Trade Union Act;*	
(i) each employee of the Hospital who was an employee within the meaning of the *Public Service Superannuation Act* before this Act came into force and each employee at the predecessor Hospital in a bargaining unit whose collective agreement provided for participation in the Public Service Superannuation Plan before the coming into force of this Act is deemed to continue to be a person employed in the public service of the Province for all purposes of the *Public Service Superannuation Act* and service in the employment of the Hospital is deemed to be service in the public service of the Province;	
(j) subject to any applicable collective agreement or contract of employment, each employee at the predecessor Hospital who was covered by the Nova Scotia Public Service Long Term Disability Plan before this Act came into force or was included in a bargaining unit whose collective agreement	

Health Authorities Act	Explanation
provided for long term disability benefits under the Nova Scotia Public Service Long Term Disability Plan is deemed to continue to be a person to whom the Nova Scotia Public Service Long Term Disability Plan applies; and (k) the obligations and liabilities of the predecessor Hospital in respect of those employees are the obligations and liabilities of the Hospital, including all employee benefits and entitlements.	
76 **(1)** Subject to subsection (2), upon the establishment of a district health authority, all physicians, who at the time of the establishment of the authority held hospital privileges at a hospital in the health district, continue to hold the same hospital privileges for that hospital only until such time as the privileges would otherwise expire, subject to any limitations to which the hospital privileges were subject and subject to the right of the authority to vary, revoke or suspend hospital privileges in accordance with its by-laws. **(2)** Subsection (1) does not apply to privileges at the IWK-Grace, the Queen Elizabeth II or the Nova Scotia Hospital.	**Physicians who held privileges at a hospital within a district, prior to the establishment of a DHA, will continue to hold the same hospital privileges for that hospital until such time as the privileges would otherwise expire.** **This does not apply to hospital privileges at the IWK-Grace, the Queen Elizabeth II or the Nova Scotia Hospital because these corporations continue to exist and were not part of the RHB structure.**
77 Notwithstanding any enactment, trust or agreement by which a foundation is established with respect to a hospital, the foundation shall, as the foundation considers appropriate, (a) continue to use its funds to benefit	**Foundations** **This section ensures that the change from RHBs to DHAs is not interpreted to mean a change in the objects of a Foundation from a particular hospital to a DHA. Until changed by the Foundation, the objects of each Foundation continue to be in support of the hospital the Foundation was established to support.**

Health Authorities Act	Explanation
the hospital or for other charitable purpose for which the foundation is established; or (b) where the hospital is no longer operated as a hospital or no longer exists, use its funds to benefit the health services of the district health authority responsible for the area formerly served by the hospital subject to the terms of any trusts relating to the use of those funds.	**Only if a hospital for which a Foundation was established ceases to operate would the Act substitute support of the DHA for support of the hospital, but even then, not if the instrument establishing the Foundation precludes this substitution.** **This section guarantees the institutional independence of Foundations.** *Note: Foundations are required to give the DHA audited statements (Section 79). DHAs are required to include Foundation financed capital in capital plans (sub-section 56(3).*
78 Notwithstanding Section 40, where a community health board continued pursuant to Section 38 consists of a number of members that does not comply with the limits referred to in Section 40, the board may continue to operate with that number of members until the district health authority adjusts the number of members by appointing more members or fewer members to produce compliance with that Section.	**Number of CHB Members** **Already established CHBs that have less than the minimum (9) or more than the maximum number of CHB members (15), can continue to operate with that number until the DHA adjusts the number of members, as appropriate.**
GENERAL **79** A foundation that uses its funds to benefit a district health authority or a hospital located in the health district for which that authority is established shall annually provide that authority with copies of its audited year-end financial statements.	**GENERAL** **Foundations will provide DHAs with copies of their audited year-end financial statements.** *Note: Recommended in 1999 Report of the Auditor General.*
80 District health authorities are hospitals for purpose of Sections 60 and 61 of the *Evidence Act*.	**Sections 60 and 61 of the** *Evidence Act* **protect a witness in a legal proceeding from testifying about a peer-review process that occurs in a hospital. These sections attempt to ensure that peer-review processes remain confidential in a court proceeding.**
81 Notwithstanding Section 5 of the *Hospitals Act*, in the event of a conflict between this	**This section of the** *Health Authorities Act* **overrides Section 5 of the** *Hospitals*

Health Authorities Act	Explanation
Act or the regulations and any enactment respecting a hospital, this Act and the regulations prevail.	*Act* **as there are some provisions in this Act that we want to prevail over the** *Hospitals Act* **if there is a conflict (e.g. if there are provisions in both Acts that deal with financial matters).** *Note: Section 5 of the "Hospital Act" provides that if there is a conflict between the "Hospitals Act "and any other Act, the "Hospitals Act" prevails.*
82 District health authorities are hospitals for purpose of the *Health Act*, the *Revenue Act*, and for the application of the *Sales Tax Act*.	**The** *Health Act*, *Revenue Act* **and** *Sales Tax Act* **all refer to "hospitals" in certain provisions but the term is not defined. Section 82 ensures that DHAs are considered "hospitals" for the purposes of these Acts.**
83 Section 19 of the *Hospitals Act* does not apply to a district health authority.	**Section 19 limited the number of board appointments that could be made by Cabinet to 1 person.**
	Regulations That May Be Made by Cabinet
84 **(1)** The Governor in Council may make regulations	**Regulations that may be made by Cabinet include:**
(a) designating one or more areas of the Province as a health district and determining its name;	**Designating health districts.**
(b) determining or altering the boundaries of a health district;	**DHA boundaries.**
(c) establishing a district health authority and determining or changing its name;	**Establishing a DHA and naming it.**
(d) establishing additional district health authorities and determining their names;	**Establishing additional DHAs and naming them.**
(e) annexing the whole or any part of a health district to another health district;	**Annexing the whole or any part of a DHA and giving it to another DHA.**

Health Authorities Act	Explanation
(f) providing for the dissolution of a district health authority and all matters consequent to the dissolution;	**Dissolving a DHA.**
(g) providing for the dissolution, division, amalgamation or reconstitution of a district health authority for the purpose of Section 7 including regulations;	**Dissolving, dividing, amalgamating, or reconstituting a DHA.**
(i) prescribing its membership and the manner of appointment of members,	**DHA membership and appointment process.**
(ii) naming or renaming it,	**Naming or renaming a DHA.**
(iii) vesting in it such powers, rights, privileges, functions and duties as the Governor in Council considers advisable;	**DHA powers, rights, and duties that would be additional to those stated in the Act.**
(h) prescribing services to be made available to every resident of the Province;	**Health services available to every Nova Scotian.**
(i) prescribing the number of voting and non-voting members on the board of directors of each district health authority;	**Number of DHA voting and non-voting members.**
(j) revoking the corporate and medical staff by-laws made prior to the coming into force of this Act for the hospitals referred to in sub-section 24(5) and replacing them with by-laws made pursuant to Sections 22 to 24;	**Replacing medical staff by-laws for the QEII, IWK-Grace, NS Hospital and Cape Breton Health Care Complex with the DHA by-laws.**
(k) prescribing the terms of office of members of a district health authority;	**Term of Office for DHA members.**
(l) prescribing a procedure for removing a member of a district health authority;	**Removing a DHA member.**
	Reimbursement for expenses of DHA

Health Authorities Act	Explanation
(m) respecting the reimbursement for expenses of members of a district health authority or a community health board;	**members.**
(n) prescribing responsibilities of a district health authority;	**DHA responsibilities.**
(o) designating hospitals for the purpose of this Act;	**The four hospitals making up the Cape Breton Healthcare Complex are not currently part of the RHB structure and therefore need to be "designated" to become part of a DHA as they will not automatically "transfer" like other assets from an RHB to a DHA.**
(p) authorizing the duties and prescribing the functions of a district health authority;	**DHA duties and functions.**
(q) defining any word or expression used but not defined in this Act;	**Definition of terms.**
(r) further defining any word or expression used in this Act;	**Standard "Boiler plate" found in most Acts.**
(s) respecting any matter that the Governor in Council considers necessary or advisable to carry out effectively the intent and purpose of this Act.	**Other**
(2) The Minister may make regulations	**The Minister may make regulations for the following:**
(a) prescribing the reporting requirements for any borrowing of funds;	**Reporting requirements for the borrowing of funds.**
(b) establishing guidelines and criteria respecting the selection and appointment of members of a community health board;	**CHB selection and appointment.**
(c) respecting the number of voting members of a board of directors who hold office or employment in the service of the authority or any	**Number of voting members on a DHA board who hold office, are employed by a DHA or have medical privileges.**

Health Authorities Act	Explanation
hospital or service of the authority or who have privileges at any hospital in the health district for the purpose of subsection 13(3); (d) establishing guidelines and criteria respecting the selection of nominees for appointment to the boards of directors of district health authorities	**Guidelines and criteria for nomination of 2/3 of DHA members.** *(See regulations in Appendix 2)*
(3) A regulation of the Governor in Council or of the Minister may apply to all persons or to a class of persons to whom this Act applies and there may be different regulations for different classes of persons. **(4)** Regulations applicable to district health authorities apply to provincial health care centres in the same manner unless the application of the regulation to a provincial health care centre is specifically excluded in the regulation. **(5)** The exercise by the Governor in Council of the authority conferred by subsection (1) and the exercise by the Minister of the authority conferred by subsection (2) are regulations within the meaning of the *Regulations Act*.	**Regulations applicable to DHAs apply to Provincial Health Care Centres unless otherwise specified.**
85 Bayview Memorial Hospital Society, incorporated pursuant to the *Societies Act*, is dissolved. **86** The Strait-Richmond Area Hospital Society, incorporated pursuant to the *Societies Act*, is dissolved.	**Repealing of Acts and Other** *Note: Sections 86 - 126, for the most part, repeal Acts of incorporation of individual hospitals to avoid existence in law of competing corporate entities.*

Health Authorities Act	Explanation
87 Chapter 91 of the Acts of 1950, *The Aberdeen Hospital Act*, is repealed. **88** Chapter 196 of the Acts of 1893, *An Act to incorporate the All Saints Springhill Cottage Hospital Corporation of the Diocese of Nova Scotia*, is repealed. **89** Chapter 93 of the Acts of 1939, *An Act to Incorporate Annapolis General Hospital*, is repealed. **90** Chapter 6 of the Acts of 1988, the *Cape Breton Regional Hospital Act*, is repealed. **91** Chapter 2 of the Acts of 1978-79, the *Cobequid Multi-Service Centre Act*, is repealed. **92** Chapter 98 of the Acts of 1950, the *Colchester Hospital Commission Act*, is repealed.	
93 Chapter 120 of the Acts of 1975, the *Dartmouth Hospital Commission Act*, is repealed. **94** Chapter 137 of the Acts of 1925, *An Act to Incorporate the Digby General Hospital*, is repealed. **95** Chapter 97 of the Acts of 1947, *An Act to Incorporate the Eastern Memorial Hospital*, is repealed. **96** Chapter 98 of the Acts of 1974, the *Eastern Shore Memorial Hospital Commission Act*, is repealed. **97** Chapter 6 of the Acts of 1993, the *Glace Bay Healthcare System Act*, is repealed. **98** Chapter 81 of the Acts of 1946, *An Act to Incorporate "Guysborough Memorial Hospital"*, is repealed. **99** Chapter 64 of the Acts of 1992, the *Hants Community Hospital Act*, is repealed.	

Health Authorities Act	Explanation
100 Chapter 7 of the Acts of 1993, the *Health Services Association of the South Shore Act*, is repealed.	
101 Chapter 126 of the Acts of 1973, the *Highland View Regional Hospital Act*, is repealed.	
102 Clause 2(f) of Chapter 208 of the Revised Statutes, 1989, the *Hospitals Act*, is amended by adding ", or means, where the context requires, a body corporate established to operate a hospital, or a program approved by the Minister as a hospital pursuant to this Act or any other Act of the Legislature" immediately before the semicolon at the end of the clause.	
103 Chapter 106 of the Acts of 1974, *An Act to Incorporate Inverness Consolidated Memorial Hospital*, is repealed.	
104 Chapter 162 of the Acts of 1928, *An Act to Incorporate the Kentville Hospital Association*, is repealed.	
105 Chapter 94 of the Acts of 1951, *An Act to Incorporate the Lillian Fraser Memorial Hospital*, is repealed.	
106 Chapter 134 of the Acts of 1948, *An Act to Incorporate Musquodoboit Valley Memorial Hospital*, is repealed.	
107 Chapter 100 of the Acts of 1959, the *New Waterford Consolidated Hospital Act*, is repealed.	
108 Chapter 98 of the Acts of 1951, *An Act to Incorporate North-Cumberland Memorial Hospital*, is repealed.	
109 Chapter 66 of the Acts of 1943, *An Act to Incorporate the North Victoria Cottage Hospital*, is repealed.	
110 Chapter 311 of the Revised Statutes,	

Health Authorities Act	Explanation
1989, the *Northside Harbor View Hospital Act*, is repealed.	
111 Section 7 of Chapter 313 of the Revised Statutes, 1989, the *Nova Scotia Hospital Act*, is repealed and the following Section substituted: ▸ There shall be a Board of Management of the Hospital.	**This removes from the** *NS Hospital Act* **the appointment of a board with different members than the Board for the Capital Health District and the QEII.**
112 Sections 6 and 7 of Chapter 16 of the Acts of 1995-96, the *Queen Elizabeth II Health Sciences Centre Act*, are repealed and the following Section substituted: ▸ The Corporation shall be managed by a Board of Directors.	**This removes from the " QEII Act" the appointment of a board with different members than those provided for the QEII in this Act**.
113 Chapter 108 of the Acts of 1936, *An Act to Incorporate The Queens General Hospital Association*, is repealed.	
114 Chapter 12 of the Acts of 1994, the *Regional Health Boards Act*, is repealed.	
115 Chapter 104 of the Acts of 1977, the *Roseway Hospital Act*, is repealed.	
116 Chapter 105 of the Acts of 1962, *An Act to Incorporate Sacred Heart Hospital, and in the French Language Hôpital Du Sacre-Coeur*, is repealed.	
117 Chapter 144 of the Acts of 1975, the *South Cumberland Memorial Hospital Act*, is repealed.	
118 Chapter 117 of the Acts of 1972, *An Act to Incorporate St. Martha's Hospital*, is repealed.	
119 Chapter 84 of the Acts of 1946, *An Act to Incorporate St. Mary's Memorial Hospital*, is repealed.	
120 Chapter 107 of the Acts of 1921, *An Act Respecting "The Soldiers' Memorial Hospital,*	

Health Authorities Act	Explanation
Middleton", is repealed.	
121 Chapter 111 of the Acts of 1903, the *Sutherland-Harris Memorial Hospital Act*, is repealed.	
122 Chapter 93 of the Acts of 1945, *An Act to Incorporate Twin Oaks Memorial Hospital*, is repealed.	
123 Chapter 109 of the Acts of 1947, *An Act to Incorporate Victoria County Memorial Hospital*, is repealed.	
124 Chapter 227 of the Acts of 1920, the *Western Kings Memorial Hospital Act*, is repealed.	
125 Chapter 152 of the Acts of 1929, *An Act to Incorporate the Westwood General Hospital Association*, is repealed.	
126 Chapter 91 of the Acts of 1963, the *Yarmouth Regional Hospital Act*, is repealed.	
127 This Act comes into force on such day as the Governor in Council orders and declares by proclamation.	

Appendix 1

Regulations Respecting District Health Authorities made by the Governor in Council pursuant to Section 84 of Chapter 6 of the Acts of 2000, the *Health Authorities Act*

Citation

1 These regulations may be cited as the *District Health Authorities General Regulations*.

Definitions

2 In these regulations,

(a) "Act" means the *Health Authorities Act*;

(b) "Capital District Health Authority" means the district health authority established pursuant to subsection 6(3) of the Act.

Health districts

3 There shall be 9 health districts for the Province with boundaries as described in Section

Boundaries

4 The boundaries and names for the 9 health districts are as follows:

(a) **District Health Authority 1 -** that area described within the boundaries of Lunenburg and Queens Counties;

(b) **District Health Authority 2** - that area described within the boundaries of Shelburne, Yarmouth and Digby Counties;

(c) **District Health Authority 3 -** that area described within the boundaries of Annapolis and Kings Counties;

(d) **District Health Authority 4 -** that area described within the boundaries of Colchester County and the Municipality of East Hants except for that portion of the

Municipality described as follows:

beginning near Hillsvale, at the corner marking the most easterly point on the boundary between the Municipalities of East Hants and West Hants then southeasterly across the Municipa lity of East Hants to a corner point, near Lewis Mills, on the boundary between the County of Halifax and the Municipality of East Hants, then southwesterly and westerly along the boundary between the County of Halifax and the Municipality of East Hants, then northeasterly along the boundary between the Municipalities of East Hants and West Hants, to the point of

(e) **District Health Authority 5** - that area described within the boundary of Cumberland County;

(f) **District Health Authority 6** - that area described within the boundary of Pictou County;

(g) **District Health Authority 7** - that area described within the boundaries of Antigonish, Guysborough and Richmond Counties and the Port Hawkesbury and Inverness C Statistics Canada 1996 Census Subdivisions;

(h) **District Health Authority 8 -** that area described within the boundaries of Victoria County, the Cape Breton Regional Municipality and the Whycocomagh 2, Inverness A and Inverness B Statistics Canada 1996 Census Subdivisions;

(i) **Capital District Health Authority -** that area described within the boundaries of Halifax Regional Municipality and the Municipality of West Hants and the area within the boundaries of the Municipality of East Hants described as follows:

beginning near Hillsvale, at the corner marking the most easterly point on the boundary between the Municipalities of East Hants and West Hants, then southeasterly across the Municipality of East Hants to a corner point, near Lewis Mills, on the boundary between the County of Halifax and the Municipality of East Hants, then southwesterly and westerly along the boundary between the County of Halifax and the Municipality of East Hants, then northeasterly along the boundary between the Municipalities of East Hants and West Hants, to the point of beginning.

Membership

5 Pursuant to clause 11(a) of the Act, the board of directors for

(a) a district health authority other than the board of directors of the Capital District Health Authority shall be composed of 12 voting members consisting of

(i) 4 members appointed by the Minister, and

(ii) 8 members appointed by the Minister from among persons nominated by community health boards pursuant to Section 52 of the Act;

(b) the Capital District Health Authority shall be composed of 15 voting members consisting of

(i) 5 members appointed by the Minister, and

(ii) 10 members appointed by the Minister from among persons nominated by community health boards pursuant to Section 52 of the Act.

6 **(1)** A member of a board of directors shall be appointed to office for a term of 3 years.

(2) Despite subsection (1), upon the first appointment of a board of directors, the terms of office of its members shall be as follows:

(a) for a district health authority other than the Capital District Health Authority,

(i) of the 4 members appointed by the Minister pursuant to clause 5(a)

(A) 1 member shall be appointed for a term of 1 year,

(B) 1 member shall be appointed for a term of 2 years, and

(C) 2 members shall be appointed for a term of 3 years;

(ii) of the 8 members appointed by the Minister pursuant to clause 5(b)
(A) 2 members shall be appointed for a term of 1 year,
(B) 3 members shall be appointed for a term of 2 years, and
(C) 3 members shall be appointed for a term of 3 years;

(b) for the Capital District Health Authority,
(i) of the 5 members appointed by the Minister pursuant to clause 5(a)
(A) 1 member shall be appointed for a term of 1 year,
(B) 2 members shall be appointed for a term of 2 years, and
(C) 2 members shall be appointed for a term of 3 years,

(ii) of the 10 members appointed by the Minister from among persons nominated pursuant to clause 5(b)
(A) 3 members shall be appointed for a term of 1 year,
(B) 3 members shall be appointed for a term of 2 years, and
(C) 4 members shall be appointed for a term of 3 years.

Reimbursement of expenses

7 A member of a board of directors of a district health authority or a member of a community health board shall be entitled to reimbursement for reasonable expenses that the member incurs in carrying out duties as a board member, related to dependant care, travel, meals, accommodations, long distance telephone calls, faxes, and photocopies.

Appendix 2

Ministerial Regulations Pursuant to
Clause 84(2)(D) of the *Health Authorities Act*

1 In these regulations,
(a) "Act" means the *Health Authorities Act*;
(b) "CHB" means a community health board established or continued pursuant to the Act;
(c) "DHA" means a district health authority as defined in the Act;
(d) "health district" means a health district established pursuant to the Act;
(e) "board of directors" means the board of directors of a DHA.

2 **(1)** A nomination committee for each DHA shall be established to include the Chair or designate of each CHB in the health district, including the Chair or designate of each CHB that is partly included in the health district.

(2) The nomination committee can expand its membership as it sees fit, provided the membership of the committee continues to provide for equitable representation of each CHB in the health district.

3 The role of the nomination committee is to
(a) establish or approve a process that is open, public, and transparent and consistent with these regulations by which the number of nominees required by the Minister are selected by the CHBs of the health district;
(b) subject to the Act and these regulations and in particular, to the need for broad representation of communities within the health district on the board of directors, allocate to each CHB of the health district a share of the nominations to the board of directors to be made by the CHBs of the health district;
(c) where the number of nominees selected by the CHBs of the health district is less than the number required by the Minister, select the number of additional nominees required by the Minister;
(d) ensure that the nominations made under (a) and (c) are forwarded to the Minister for consideration within the time frame required by the Minister.

4 Where the nomination committee is required to select additional nominees pursuant to Section 3, the committee may make the required selections or adopt such process for further CHB or public input as the nomination committee sees fit, provided it satisfies the "open, public, and transparent process" requirement and these regulations.

5 The process used by a CHB or the nomination committee for a health district for selecting nominees for appointment to a board of directors shall be open, public, and transparent in all respects, including
(a) subject to restrictions on eligibility found in the Act, the opportunity to be considered for nomination must be open to all members of the public;

(b) the opportunity to apply for consideration or to put forward the names of others for consideration must be publicly advertised prior to the selection of nominees;

(c) the criteria for selecting nominees must be included in the advertisement;

(d) if the selection of nominees is to be made through a process that includes public input as to the relative suitability of various applicants for nomination, the process must be organized in such a way, including appropriate public advertisement, as to give members of the public an equal opportunity to decide whether or not to participate in the process;

(e) no person who is being considered for nomination to a board of directors, whether the person is a member of a CHB or of the general public, shall participate in the nomination process or selection of nominees;

(f) CHB members, by virtue of their membership on a CHB, must not be given any preference in the consideration of applicants for nomination;

(g) the CHB may conduct confidential interviews with applicants for nomination as part of its process and it may hold meetings with representatives of particular communities regarding the representation of those communities on the board of directors without inviting the general public to those meetings;

(h) the information about each applicant that serves as the basis on which nominees are selected will include the information submitted by or on behalf of the applicant, but the CHB may seek additional information about applicants as part of its process, provided that all information about an applicant that is relied on is available to the applicant on request;

(i) every applicant for nomination who is not selected will be provided, on their request, with an explanation of the process and the basis for the selection of the nominees; and

(j) the process to be used in selecting nominees must be established in writing prior to the commencement of the process and available on request to any member of the public, the DHA, the nomination committee or the Department of Health and any modifications to the process while in process should be of a minor nature only.

6 The nomination committee shall ensure that

(a) each CHB in the health district has the opportunity to nominate the minimum number of nominees that is the appropriate minimum number for the health district (which shall be at least one nominee) having regard to all relevant factors, including the number of nominees required, the number of CHBs in the health district and the distribution of population in the health district;

(b) the allocation of nomination opportunities between CHBs balances population distribution against other factors, including the need for broad representation of communities on the board of directors; and

(c) where the nomination committee is responsible for selecting nominations in addition to those selected by CHBs, that due regard is given by the nomination committee or the process put in place by the nomination committee to the need for broad representation of communities on the board of directors.

Criteria

7 The opportunity to apply for nomination shall be equally open to all residents of the health district, including CHB members, subject to the following exclusions pursuant to Section 13 of the Act: being a member of the House of Assembly, a Member of Parliament, a Senator, a municipal councillor or a school board member.

8 A member of the board of directors shall

(a) have demonstrated community leadership or leadership potential;

(b) have knowledge of health issues and/or a willingness to learn;

(c) understand and be willing to accept the responsibility and accountability of being a member of a board of directors;

(d) be willing and able to commit the time necessary for the work of the board of directors;

(e) have the ability to work effectively as a member of a team; and

(f) have the ability to bring a useful perspective to the deliberations and work of the board of directors.

9 Collectively, the members of a board of directors should possess a range of skills and attributes conducive to effectiveness in the conduct of business by the board of directors. and reflect the diverse makeup of a health district and therefore, the following are to be considered assets in the consideration of candidates for nomination:

(a) population characteristics such as age, gender, ethnicity, geography or membership in a disadvantaged group;

(b) prior experience on boards of governance; and/or

(c) expertise, skills, or experience in areas such as financial management, business, law, health care, health or other public policy, community development, education or communications.

Alphabetical Index

to the *Health Authorities Act*

Capital Health District, S. 4, 67, 68, 69, 71
- appointment of chair & board members, S. 67
- boundaries S. 71
- definition of S. 2(c)
- "Regional health board" definition, S. 2(q)
- hospital sites in, S. 4(2)
- joint business plan, S. 69
- provincial scope, S. 68

Community Health Boards, S. 38
- administrative support, S. 50
- altering boundaries, S. 43
- CHB member selection, S. 42
- continuation, S. 38
- definition of, S. 2(e)
- dissolution of, S.53
- exclusion of liability, S. 51
- new CHBs, S. 39
- nominations for DHAs, S. 52
- remuneration, S. 47
- responsibilities, S. 48
- Selection of Chairperson, S. 44
- health districts, S. 4
- ministerial audits, S. 36
- objects of, S. 19
- size of CHB, S. 40

Community Health Plans, S. 54
- components of, S. 54(2)
- submission to DHA, S. 54(1)
- definition of, S. 2(f)
- DHA obligation to consider, S. 55

Definitions, S. 2

District Health Authorities, S. 4
- advisory committees, S. 25
- audit committee, S. 37
- auditor, S. 34
- authority, S. 6
- board of directors, S. 10
- "board of directors" definition, S. 2(a)
- borrowing, S. 33
- by-laws, S. 22
- corporate powers, S. 8
- dealing with property, S. 28
- deficits, S. 31
- definition of, S. 2(h)
- exclusion of liability, S. 26
- health districts, S. 4
- ministerial audits, S. 36
- objects of, S. 19
- public forums, S. 18
- quorum, S. 16
- remuneration, S. 15
- reporting, S. 21

District Health Authorities *continued*
- responsibilities, S. 20
- retained surplus, S. 32
- spending on capital, S. 30
- term of office, S. 14
- transactions, S. 29

Foundations, S. 77
- definition of, S. 2(i)
- objects of, S. 77
- financial statements, S. 79

Health Services Business Plans, S. 56 -59
- components of, S. 56(3)
- joint business plan, S. 69
- Ministerial approval, S. 58

Hospitals
- legislation applicable to DHAs, S. 80 - 83
- definition of, S. 2(L)

Minister's Duties and Powers, S. 60 - 64
- binding directions, S. 64
- delegation of powers, S. 62
- official administrator, S. 63

Provincial Health-Care Centres, S. 65 - 70
- definition of, S. 2(o)
- joint appointments with Capital DHA, S.69

Transitional Provisions, S. 71 - 76
- employment status, S. 72, 74, 75
- physicians privileges, S. 76
- transfer of assets and liabilities, S. 72(a), 73

NOTES

NOTES