

**Memo****Date:**  
October 20, 2023

---

**To:** CEOs/Executive Leads of Health Service Providers

**From:** Susan deRyk, Chief Regional Officer, Central and West, Ontario Health  
Anna Greenberg, Chief Regional Officer, Toronto and East, Ontario Health  
Brian Kytlor, Chief Regional Officer, North East and North West, Ontario Health  
Vicky Simanovski, Vice President, Sector Support, Performance and Accountability, Ontario Health

**Re:** Approach to 2023/24 and 2024/25 Service Accountability Agreements (SAAs)

---

**Background**

As the health sector has changed significantly over the past decade, there is a need to continue to modernize the SAAs to better drive provincial priorities and enable system transformation. During the planning cycle for the 2022/23 SAAs, in collaboration with its partners, Ontario Health (OH) created a road map that highlighted how OH and Health Service Providers (HSPs) would move toward an agreement that is re-aligned to be responsive to the maturation of today's health system strategies. Since then, key changes were introduced in the 2023/24 SAAs to refresh specific obligations and importantly, support system goals including those around access and flow, recovery and stabilization, and equity. These changes (see '*Memo to the Field #2: Service Accountability Agreement (SAA) Changes for 2023/24' dated December 2022 for details*) also enable OH and HSPs to continue down the path toward SAA transformation in the coming years.

**Approach to the 2024/25 SAAs and Beyond**

Over the past several months OH has sought feedback from partners, including the SAA Advisory Committee, to develop a strategy to transform the 2024/25 SAAs and future agreements. The SAA Advisory Committee was established to provide advice on these short and long-term plans for the SAAs and includes participation from association staff representing HSPs, OH and the Ministry of Health (MOH). Through this and broader consultation, an approach for the 2024/25 fiscal year has been determined. The approach intends to ensure stability from an accountability perspective over the next fiscal year, while building the runway to ensure that the SAA achieves its goal of being an effective bi-directional accountability tool between OH and HSPs to drive performance and system improvement.

**For Providers that have signed a 2023/24 SAA**

The majority of HSPs have signed a 2023/24 Agreement. For these providers, an extension of the 2023/24 SAA will be issued through to the end of the 2024/25 fiscal year. This is applicable to Hospital Service Accountability Agreements (HSAAs), Multi-Sector Service Accountability Agreements (MSAAs) and Long-Term Care Home Service Accountability Agreements (LSAAs). Providers will not be asked to submit a Hospital/Community/Long-Term Care Home Accountability Planning Submission (HAPS/CAPS/LAPS) in order

to generate the 2024/25 extension. The purpose of the extension is to acknowledge the need for system stability, while continuing to work towards meaningful changes. To execute this step, your OH region will connect with you via email to provide an extension of the 2023/24 Agreement. As per usual processes, if there are material updates or financial and/or operational risks, please contact your OH regions for discussion and to update SAA documentation as appropriate.

#### For Providers with an Extension to the 2022/23 SAA

To best support the system over the 2023/24 year, OH issued extensions of the SAA, at the request of some providers. OH continues to be supportive of the need for extensions given financial circumstances and as such, where requested, these extensions are in place through to the end of March 31, 2024.

The 2023/24 SAAs introduced important changes to indicators and local obligations aimed at achieving our system goals such as ensuring an equitable health system and improving access and flow. Our goal is to ensure all providers are aligned with the indicators and obligations articulated within the 2023/24 SAAs while also continuing to provide stability from a financial perspective. As such, for providers with extensions in place, OH will work with providers to sign-off on the 2023/24 Agreement template by March 31, 2024. To support this, OH will work with these providers to update the HAPS/CAPS as appropriate, by November 30, 2023. For HSAAAs, a new Balanced Budget Waiver will be issued as needed, without the requirement for a Performance Improvement Plan (PIP) at this time. Following this step, an extension of the 2023/24 Agreement will be issued for the 2024/25 fiscal year. A 2024/25 HAPS/CAPS/LAPS will not be requested. For providers with extensions, your OH regional team will connect with you through email to discuss these steps.

#### **Rationale for Approach and The Road Forward**

The plan described above ensures that as we move forward, we are focused on the same priorities as articulated through the 2023/24 SAAs. OH, will also continue to work with providers as needed, to understand their financial positions, support them in meeting their performance requirements, and make improvements related to performance expectations.

Further, we remain strongly committed to transforming SAAs and associated processes; however, we acknowledge that transforming the SAAs requires meaningful engagement. Through this extension period, OH will work closely with partners, including the SAA Advisory Committee and broader HSP consultations, to seek feedback on the work to advance the 2025/26 SAA and successor agreements and ensure alignment with MOH, OH and HSP priorities. HSPs that participated in design sessions during last year's planning process encouraged a similar process for this SAA planning cycle and as such HSP engagement in design sessions will be part of this year's plan. Preparations for these activities will start this fall, maintaining momentum from the advances made in the last year. As OH and HSPs move into Q4, further information will be shared regarding SAA plans for 2025/26.

In the meantime, if you have any questions or would like copies of previous memos resent, please reach out to your Ontario Health, Vice President, Performance, Accountability and Funding Allocation.