

Follow-Up on the 2023 Performance Audit:

Ministry of Health

Ontario Health

Hospitals in Northern Ontario: Delivery of Timely and Patient-Centred Care

// Overall Conclusion

48 Recommended Actions



Ontario Health and the Ministry of Health (Ministry), as of November 20, 2025, and November 28, 2025, respectively, have collectively fully implemented 20% of actions, were in the process of implementing 56% of actions, and have made little or no progress on 9% of actions we recommended in our 2023 audit, **Hospitals in Northern Ontario: Delivery of Timely and Patient-Centred Care**.

The Ministry has fully implemented recommendations such as establishing a schedule to periodically forecast the future supply and demand for physicians and nurses, and assessing the feasibility of creating a northern-specific program for nurses to help increase the supply of nurses in Northern Ontario. Ontario Health has fully implemented recommendations such as obtaining billing data to determine whether the payment structure of the Northern Specialist Locum Programs (program) remains appropriate, and monitoring that identified hospitals submit services plans to demonstrate their capacities and progress toward meeting requirements for designation under the *French Language Services Act*.

The Ministry was in the process of implementing recommendations such as working with relevant partners, including the Ministry of Colleges, Universities, Research Excellence and Security and the Northern Ontario School of Medicine University (NOSM U), to assess the feasibility of increasing the number of specialty programs offered at NOSM U. The Ministry was also in the process of establishing appropriate performance indicators for the Northern Health Travel Grant program, by collecting data to measure program performance and taking corrective actions to address any performance deficiencies. Ontario Health was in the process of supporting hospitals across Northern Ontario to adopt leading practices to improve transitions from one care setting to another, and developing a mechanism to monitor that all hospital staff have access to training to promote health equity and anti-racism.

The Ministry has made little or no progress on recommendations such as developing and implementing a process to forecast health-care staffing needs at a regional level on a regular basis. Ontario Health has made little or no progress reinstating performance targets for wait time indicators for diagnostic imaging and emergency department length of stay in the next iteration of the Hospital Service Accountability Agreement (HSAA).

The Ministry indicated that it will not be implementing our recommendation to work with Ontario Health, relevant ministries and stakeholder groups to develop and implement a dedicated health-care strategy for Northern Ontario. According to the Ministry, there are programs and initiatives under way that align with the goals and intentions of the recommendation. Ontario Health indicated that it will not be implementing our recommendation to develop a process to centrally compile data on all significant hospital service reductions, including reasons for the service reductions. Ontario Health continues to compile data on service reductions in emergency departments and obstetric services. It considers these areas to be priorities for provincial monitoring. The Office of the Auditor General of Ontario continues to support the implementation of these recommendations.

The status of actions taken on each of our recommendations is found in the **Appendix**.

// Status of Actions Taken on Recommendations

We conducted assurance work between April 2025 and August 2025. We obtained written representation from Ontario Health and the Ministry that, effective November 20, 2025, and November 28, 2025, respectively, they have provided us with a complete update of the status of the recommendations we made in the original audit two years ago.

1. Health-Care Strategy for Northern Ontario

In our original audit, we found that the Ministry did not have a dedicated health-care strategy for Northern Ontario that addressed the region's unique health-care needs, including challenges related to geography, the health-care workforce, Indigenous health and other health inequities.

Recommendation 1: Action Items 1, 2, 3, 4 and 5

To better meet the unique health-care needs of Northern Ontario residents, we recommend that the Ministry of Health:

- work with Ontario Health, relevant ministries and stakeholder groups to develop and implement a dedicated health-care strategy for Northern Ontario, considering similar strategies from other jurisdictions as well as factors that may influence the delivery of health care, such as child care and housing;
- review recommendations from the Rural and Northern Health Care Framework/Plan, Northern Ontario Health Equity Strategy, and applicable associations and organizations such as the Registered Nurses' Association of Ontario, Ontario Medical Association and Ornge, and consider them in the dedicated strategy where appropriate;
- develop and monitor performance indicators that measure the goals and outcomes of this dedicated strategy;
- publicly report on the status of implementation of this dedicated strategy annually to show if it is leading to improvements in the health outcomes of residents in the north;
- establish a schedule to regularly review and update this dedicated strategy.

Status:  Will not be implemented.

Details

The Ministry does not have a dedicated northern health-care strategy, as *Your Health: A Plan for Connected and Convenient Care* was developed to address inequities in health care and ensure all Ontarians can access the right care in the right place. The Ministry noted it has structured its programs and initiatives to align with this plan. These programs and initiatives involve collaboration with partners and stakeholders across municipalities, Indigenous communities and relevant ministries.

According to the Ministry, many programs, initiatives and investments are northern specific, such as:

- During the 2024/25 fiscal year, the Ministry allocated \$10 million to the Northern and Rural Health Human Resources Strategy.
- The Ministry has implemented several in-year funding strategies to support stability and access to services in northern hospitals.
- In October 2024, the Ministry established a new Primary Care Action Team with a mandate to connect every person in Ontario to primary health care by 2029. A central component of this work is team-based care, and work is ongoing to determine how to best integrate nursing stations, which are prevalent in Northern Ontario, as part of team-based care.
- The Ministry supported the Ontario Financing Authority's loan of up to \$40 million to 13 hospitals within the North East Hospital Network for the implementation of the Meditech Expanse Hospital Information System.
- The Ministry supports targeted programs and initiatives that focus on the differentiated health-care needs in Northern Ontario, such as the Emergency Department Peer-to-Peer Program, Northern Health Travel Grant, Northern and Rural Recruitment and Retention Initiative, Northern Ontario School of Medicine, Nursing Community Assessment Visit Program, provincial nursing stations, the Rural and Northern Physician Group Agreement, Ontario Psychiatric Outreach Program, First Nations Health Transformation, and Locum Programs.

The Ministry also noted that the North West and North East regional teams in Ontario Health keep the Ministry apprised of the unique needs and challenges of each jurisdiction, allowing the Ministry to design and implement programming accordingly. This relationship also allows the Ministry to consider similar needs in other remote areas.

The Office of the Auditor General continues to support the implementation of this recommendation. A dedicated health-care strategy that directs and focuses the Ministry's and other parties' efforts in addressing Northern Ontario's unique health-care needs remains critical to holding parties accountable in, and measuring progress toward, improving the health outcomes of residents in the region.

2. Physician and Nurse Shortages in Northern Ontario

In our original audit, we found that the Ministry had a health-care plan that covered health-care staffing, but the initiatives within the plan were for the entire province with limited focus on the north region. At one of the hospitals we visited, management told us that it had been seeking an income tax exemption from the Canada Revenue Agency for its Indigenous employees so it could better compete with other employers in the region.

We also found that Ontario Health did not centrally track significant hospital service reductions for hospitals in Northern Ontario, except for emergency departments and obstetric services. Tracking of service reductions and/or closures for other departments in hospitals in Northern Ontario was mostly done separately by regional teams within the agency.

We found that, although the Ministry and Ontario Health collected data on health-care staff shortages, the data was incomplete, and neither party centrally oversaw or fully reviewed the data. The Ministry had modelling tools to forecast supply and demand for physicians and nurses, but these tools were not useful on a regional basis and did not inform retention and recruitment programs for Northern Ontario.

We found that the Ministry had never evaluated its program established in 2006/07 to attract nurses to work in rural areas nor established performance goals for this program. Further, northern hospitals increased the number of hours worked by agency nurses, while paying them about three times the amount of full-time staff.

We found that the Ministry had not maintained reliable data for the two programs it operated to encourage physicians to work in Northern Ontario: the Northern and Rural Recruitment and Retention Initiative (NRRRI) and the Northern Physician Retention Initiative (NPRI). Nor had the Ministry regularly evaluated these programs for their effectiveness. The incentive amounts paid to physicians in Ontario were lower than other provinces. Further, we found that the NRRRI's payment schedule may deter physicians from staying the full work term. As well, incentives paid to physicians were based on an outdated index score and the Ministry placed no consideration on existing availability of physicians in the area.

We found that Ontario Health administered the Northern Specialist Locum Programs (program) to bring temporary specialists to hospitals in Northern Ontario, but could not determine when it last formally evaluated this program to identify areas requiring improvement. Although Ontario Health tracked data on travel and reimbursable expenses for this program, it did not have access to the Ministry's Ontario Health Insurance Plan (OHIP) billing data, and so could not track full information on the fees paid for the hours that locum physicians worked.

We found that the Ministry had not analyzed the cost of transporting patients within Northern Ontario, or from the region to other parts of the province, against the cost of enhancing local capacity to treat patients closer to home.

Finally, we found that NOSM U offered postgraduate programs in just over 30% of the 28 physician specialties defined by the Royal College of Physicians and Surgeons of Canada.

Recommendation 2: Action Item 1

To better address health-care staffing challenges in Northern Ontario hospitals, we recommend that the Ministry of Health:

- work with Ontario Health to further implement a health-care staffing strategy with specific actions to address the unique characteristics of health care in Northern Ontario;

Status:  **Fully implemented.**

Details

We found that in the 2024 Ontario Budget, the government committed to investing \$50 million over three years to enhance and stabilize health-care capacity within northern and rural communities. The Ministry has determined the annual funding it will provide toward the Northern and Rural Health Human Resources (HHR) Strategy between 2024/25 and 2026/27 to fulfill the commitment noted in the budget. To identify initiatives for funding in 2024/25, the Ministry partnered with Ontario Health, the North West Regional HHR Network, and the North East Regional HHR Planning Network. These initiatives include:

- the Northern Top-Up Grant and the Northern Relocation Grant through the Community Commitment Program for Nurses: launched in November 2024, these grants of up to \$20,000 serve to incentivize nurses to commit to working in a northern hospital or another specified health-care setting such as a long-term care home for two years;
- the Northern and Rural Practice Preparation Program: launched in April 2025, this education program includes an online, self-study component and an optional, in-person community visit to a rural or northern health-care setting to equip nurses and allied health providers to adapt to the unique challenges and opportunities of practising in northern, rural and remote locations; and
- a Concierge Support Program: to help facilitate and support health professionals and their families with their relocation to Northern Ontario.

In February 2025, the Ministry established a working group that meets biweekly to discuss hospital and physician issues in Northern Ontario and help identify sustainable, long-term solutions. This working group consists of members from multiple divisions in the Ministry and Ontario Health.

In addition, in April 2025, the Ministry introduced the Rural Emergency Medicine Coverage Investment Fund to standardize emergency department physicians' compensation so as to have reliable and appropriate physician staffing levels year-round, especially during weekends, holidays and peak seasons in rural and northern communities. The Fund also provided targeted funding for existing physician services agreements to improve patient access to physicians in Kenora and Sioux Lookout.

Recommendation 2: Action Item 2

- collaborate with the federal government to explore options to better address the particular staffing challenges of Northern Ontario hospitals—for example, by seeking an exemption on income tax applicable to hospitals' Indigenous employees.

Status:  **No longer applicable.**

Details

The Ministry noted that taxation rules for Indigenous employees in Ontario's health-care system are not set by the Province and are primarily governed by federal law, which provides tax exemptions for certain income and property connected to a reserve.

The Ministry further noted that the Canada Revenue Agency administers these rules and determines eligibility based on certain factors, such as whether the individual is registered under federal legislation, where the work is performed (on or off reserve), where the employer is located, and the connection of the income to a reserve.

As such, the Ministry will not be able to make amendments to policy or legislation in this area.

Recommendation 3: Action Item 1

To help hospitals provide more accessible care to patients in Northern Ontario, we recommend that Ontario Health develop a process to centrally compile data on significant hospital service reductions, including reasons for the service reductions; and support hospitals with mitigating any service reductions or their impact on patients.

Status:  **centrally compile data—will not be implemented;**
 **supporting hospitals—fully implemented.**

Details

Ontario Health continues to centrally track and report hospital service reductions on a provincial level in only two areas that it considers priorities for provincial monitoring: emergency departments and obstetric services. This information is shared with Ministry staff, as well as Ontario Health staff in provincial program teams and leadership in North East and North West regions. Ontario Health does not intend to centrally compile and track data on hospital service reductions resulting from physician and nurse shortages in other areas of hospital operations.

The Office of the Auditor General of Ontario continues to support the implementation of this recommendation for Ontario Health to centrally compile data on all significant hospital reductions. Doing so could help senior staff at the Ministry and Ontario Health be aware of all significant service reductions and improve the support provided to hospitals in assisting their patients.

In February 2025, Ontario Health North East and North West regions began maintaining a central log of physician-related shortages impacting northern hospital services to support hospitals and help mitigate any service reductions or their impact on patients. This log tracks operational issues at northern hospitals that are physician-related and can indicate potential service reductions and closures. Ontario Health stated that it updates this log as issues at hospitals are identified, and it is reviewed biweekly at a Ministry and Ontario Health table. The log captures physician-related hospital service reductions but does not capture impacts from nurse shortages. Ontario Health uses the log to determine its next steps to support hospitals in mitigating service reductions. Since our audit, the agency has been maintaining internal documentation that tracks its discussions with hospitals, and actions taken to support hospitals with operational risks, including health human resources shortages.

Recommendation 4: Action Item 1

To better plan for health-care staffing, we recommend that the Ministry of Health and Ontario Health:

- identify health-care staff shortage information being collected via different datasets and eliminate duplication, and work toward creating a single mandatory platform accessible to both organizations;

Status: **eliminate duplication—in the process of being implemented by December 2028;**

create single mandatory platform—little or no progress.

Details

The Ministry noted that it has been using data collected through the Ontario Physician Reporting Centre (OPRC) to support health workforce planning since the 1990s. The OPRC maintains information and compiles data reports on physicians and postgraduate medical trainees. It is a collaborative project supported by the Ministry, the College of Physicians and Surgeons of Ontario, the Council of Ontario Faculties of Medicine, and the Ontario Medical Association (OMA). Ontario Health noted that it also uses the OPRC as an information source for its larger planning work.

In our 2023 audit, we noted that three tools were used by the Ministry and Ontario Health to track staffing data in hospitals in Northern Ontario: the Ontario Health North Workforce Profile Tool, the Northern Ontario Physician Data Collection Tool, and the S9 Census. In March 2024, Ontario Health sunset the North Workforce Profile Tool to reduce duplicate reporting. It continues to use the S9 Census to collect data on vacancies and absenteeism reported by hospitals. Ontario Health indicated that it will continue to look for mechanisms to enhance and improve this data collection by December 2028. Ontario Health is also monitoring data on the use of agency staff through the Ontario Healthcare Financial and Statistical System and has developed reports and analytics to track this metric. At the time of our follow-up, Ontario Health still uses the Northern Ontario Physician Data Collection Tool to collect data on the number of physicians working and the number of physicians for which hospitals were recruiting.

Ontario Health informed us that it will work with the Ministry to consolidate health human resources databases where possible. Ontario Health continues to improve the accuracy of data collected, while supporting northern hospitals to reduce burden and streamlining wherever possible to reduce redundancy.

The Ministry considers the S9 Census the only centralized platform for hospital health human resources shortage data. Each year, the Ministry publishes clinical, financial and supplemental data-reporting requirements, including S9 Census data collection, for the hospital sector. It also sends communications outlining the S9 reporting requirements to hospitals on a monthly basis. However, not all northern hospitals reported into this platform at the time of our follow-up, similar to what we found in our original audit. The Ministry has made little progress in mandating hospitals to report health-care staff shortage data into one system. At the time of our follow-up, hospitals in Northern Ontario continued to report data into Ontario Health's Northern Ontario Physician Data Collection Tool and the Ministry's S9 Census.

Recommendation 4: Action Item 2

- update all modelling tools every two years, considering input from external stakeholders, such as the Ontario Medical Association, that may have other data elements not included in the Ministry's modelling tools;

Status:  **In the process of being implemented by December 2026.**

Details

We found that the Ministry updated its key workforce models in 2023; these include:

- the Assessing Doctor Inventories and Net-Flows Supply Model (previously updated in 2021);
- the Utilization Model (previously updated in 2021); and
- the Ontario Nursing Simulation Model (previously updated in 2017).

The Ministry noted that it has considered input from external stakeholders when updating the physician and nurse workforce models. Specifically, it participated in the Virtual Health Workforce Innovation Lab hosted by Health Workforce Canada to learn from other jurisdictions and explore opportunities to enhance its modelling approaches. The Ministry also shared its capacity plan projections with the OMA through the arbitration process in 2025.

The Ministry noted that it will continue to work with Ontario Health and other sector partners to determine other needed updates by December 2026.

Recommendation 4: Action Item 3

- develop and implement a process to forecast health-care staffing needs at a regional level for the six health regions on a regular basis;

Status:  **Little or no progress.**

Details

We found that the Ministry has done little to work with system partners including Ontario Health to improve workforce modelling tools and examine new methods to incorporate workforce data on a regional level.

Recommendation 4: Action Item 4

- establish a schedule to periodically forecast the future supply and demand for physicians and nurses, follow the schedule to create forecasts and share them with relevant Ministry and Ontario Health program areas, particularly those that administer health-care staff recruitment and retention initiatives.

Status:  Fully implemented.

Details

We found that the Ministry has determined that it would update the forecast models for physicians and nurses every two years, with its last update being in 2023. It shared forecast results with Ontario Health in March 2024 and November 2024, and with other Ministry program areas in March, May and November 2024. At the time of our follow-up, the Ministry noted that it was undertaking work to update the supply and demand models for physicians and nurses. Following its two-year update schedule, the Ministry expects to have completed this update by the end of the fiscal year 2025/26.

Recommendation 5: Action Item 1

To help increase the availability of nurses in hospitals in Northern Ontario, we recommend that the Ministry of Health:

- establish performance indicators and targets that measure the success of the Tuition Support Program for Nurses, and collect this data at least annually;

Status:  Little or no progress.

Details

We found that the Ministry has continued to collect program data but has done little since our original audit to establish performance indicators and targets to measure whether the Tuition Support Program for Nurses has been successful.

Recommendation 5: Action Item 2

- evaluate the Tuition Support Program for Nurses at least once every five years and update the program as needed;

Status:  Fully implemented.

Details

We found that since our original audit, a different Ministry branch has taken over the responsibility of overseeing the Tuition Support Program for Nurses. After the transfer, program staff evaluated the program, and in July and September 2024 provided briefings on the program to senior management. The briefings covered program trends, a comparison of the program with another retention program, and options to amend the program. According to program staff, program uptake has decreased since 2018/19. Based on their evaluation and through verbal discussion with senior management, it was determined that the program will continue to be offered and no updates are necessary, though this decision was not confirmed in writing. The Ministry noted that the program is part of a suite of programs that support health human resource recruitment for nurses; other programs include the Ontario Learn and Stay Grant, Bridging Education Grant in Nursing, and the Grow Your Own Nurse Practitioner Initiative, which are more recently introduced initiatives aimed to support the retention of nurses in Northern Ontario.

Recommendation 5: Action Item 3

- assess the feasibility of creating a northern-specific program for nurses to help increase the supply of nurses in Northern Ontario;

Status:  Fully implemented.

Details

We found that in 2024/25, the Ministry introduced two northern-specific programs for nurses to help increase their supply (see **Recommendation 2, Action Item 1**):

- the Northern Top-Up Grant and the Northern Relocation Grant: launched in November 2024, these grants of up to \$20,000 serve to incentivize nurses to commit to working in a northern hospital or another specified health-care setting, such as a long-term care home for two years; and
- the Northern and Rural Practice Preparation Program: launched in April 2025, this education program includes an online, self-study component and an optional, in-person community visit to a rural or northern health-care setting to equip nurses and allied health providers to adapt to the unique challenges and opportunities of practising in northern, rural and remote locations.

Recommendation 5: Action Item 4

- regularly collect hospital spending data on agency health-care staff by type of staff and share it with Ontario Health.

Status:  **In the process of being implemented by December 2027.**

Details

We found that on a quarterly basis, the Ministry shares Ontario Healthcare Financial and Statistical (OHFS) system data with Ontario Health. This data includes:

- financial data on agency staff by broad occupational groups consisting of management and operational support, nurse practitioners, and “unit producing personnel,” which includes registered nurses, registered practical nurses and personal support workers (PSWs); and
- statistical data, including the number of worked hours by agency staff that support care service delivery, by profession (for example, registered nurses, registered practical nurses and personal support workers).

Ontario Health noted that it has used the agency costing data to discuss the use of agency staff and its impact on hospital financial stability and also, to understand individual hospitals’ plans to reduce agency use dependency.

In June 2025, the Ministry began a process to modernize and improve financial data collection and reporting processes. Part of this process involves reviewing Ontario Healthcare Reporting Standards (OHRS), including hospital compensation spending data broken down by agency nursing and PSW staff. The Ministry intends to complete the review of these reporting standards in winter 2025/26 and implement any adjustments to data collection as a result of this review by December 2027.

Recommendation 6: Action Item 1

To help increase the availability of nurses in hospitals in Northern Ontario, we recommend that Ontario Health:

- regularly monitor data on the costs incurred by hospitals for the different types of agency health-care staff;

Status:  **In the process of being implemented by December 2027.**

Details

We found that in June 2025, the *Health Care Staffing Agency Reporting Act, 2025* received royal assent. At the time of our follow-up, the Act was yet to come into force on some future unspecified date. The Act, once in force, will require staffing agencies to submit reports to the Minister of Health containing aggregate administrative, billing or pay rate information for health-care workers assigned to hospitals and other specified health-care facilities. The Ministry expects to have this data by December 2027 and use this information to assess whether there are opportunities to leverage and align procurement of staffing agencies in the north.

Recommendation 6: Action Item 2

- explore the opportunity to leverage and align procurement of staffing agencies in the region, while ensuring that doing so does not add further risk to hospital service reductions and patient care in rural and remote hospitals;

Status:  Will not be implemented.

Details

The Ministry informed us that it has considered several possible options to address the issue of overreliance on staffing agency use. It ultimately opted to create greater levels of transparency within the system. The *Health Care Staffing Agency Reporting Act, 2025* (Act) was enacted but not yet in force when we completed our follow-up. The Act introduces new transparency and accountability requirements for staffing agencies that supply workers to hospitals, long-term care homes or any other prescribed facility or provider.

The Office of the Auditor General of Ontario continues to support the implementation of this recommendation.

Recommendation 6: Action Item 3

- assess the costs of agency nursing versus what may be required to stabilize and retain hospital-hired nursing staff, and share this analysis with the relevant stakeholders and decision-makers.

Status:  In the process of being implemented by December 2026.

Details

We found that Ontario Health had completed a review of hospital spending on agency nursing staff. It found that in the first half of 2024/25, northern hospitals had spent a total of about \$12 million on agency nurses, 80% of which was spent by hospitals in the North East region. The analysis also showed that northern hospitals reported a total of 362 vacancies for registered nurses and registered practical nurses. Similarly, about 60% of the vacancies were reported by hospitals in the North East region.

Hospitals report on the number of full-time-equivalent nursing staff in place quarterly and on vacancies upon Ontario Health's request. Ontario Health reviews nursing costs, calculates estimated agency nursing expenditures, and validates the estimates with the hospitals during discussions of financial, performance and accountability matters.

We found that Ontario Health compiled existing federal and provincial recruitment and retention initiatives to understand the opportunities it has to support hospitals with their specific health human resources shortages, and had shared this information with hospitals.

Ontario Health stated that it is looking to collect additional data and information to support our recommendation. Once the data is collected, the agency will analyze and compare the costs of agency nurses with the costs of non-agency nurses, and prepare a report for stakeholders by December 2026.

Recommendation 7: Action Items 1, 2, 3 and 4

To increase the availability of physicians in hospitals in Northern Ontario, we recommend that the Ministry of Health:

- establish performance indicators and related targets that measure the success of the Northern and Rural Recruitment and Retention Initiative (NRRRI) and the Northern Physician Retention Initiative (NPRI) and collect this data at least annually;
- re-evaluate the recommendations from its 2018 review of the NRRRI and implement the recommendations if still applicable;
- evaluate the NRRRI and NPRI initiatives at least once every five years;
- identify successful health-care staffing incentive programs from other jurisdictions, including their payment schedules, evaluate their feasibility for Ontario and update the NRRRI and NPRI accordingly;

Status:  **In the process of being implemented by March 2026.**

Details

We found that in April 2025, the Ontario government and the OMA received a mediated arbitration award that increased funding to expand access to physician services across the province, including expanded services in rural and Northern Ontario. The award included up to \$10 million of funding to support changes and improved funding to multiple Underserved Area Programs, including the NRRRI and NPRI.

As well, the Ministry and the OMA have been undertaking a program review of NRRRI and NPRI since July 2025 to determine whether changes are required to improve their effectiveness. The Ministry expects to make decisions on recommended program changes, including performance indicators and targets, by March 2026. Following the completion of that review, the Ministry will review results and determine when to complete an evaluation as part of an ongoing commitment to improve these programs.

Recommendation 7: Action Item 5

- work with the Ontario Medical Association to update the Rurality Index for Ontario scores while considering current market conditions and community demographics.

Status:  Little or no progress.

Details

The Rurality Index for Ontario (RIO) is an OMA-developed tool. The Ministry uses RIO scores to target funding to incentivize physicians in highly rural communities, which are prevalent in the north region. We found that the Ministry and the OMA did not review and update RIO scores as part of the 2024–28 Physician Services Agreement. The Ministry noted that any updates to the RIO tool will need to be agreed to by the OMA and the Ministry, and considered as part of future negotiations.

Recommendation 8: Action Item 1

To better inform decisions on program design for the Northern Specialist Locum Programs (program), we recommend that Ontario Health:

- obtain full billing data on locum physicians using the program from the Ministry of Health (Ministry) to determine whether the program payment structure remains appropriate;

Status:  Fully implemented.

Details

Ontario Health stated that it had worked with the Ministry to obtain and analyze the program's billing data for 2023/24, and assessed that the payment structure remained appropriate. In its review of the 2024/25 data, it noted that more than 70% of the program's days were for on-call coverage as opposed to scheduled days. As a result, the agency highlighted to the Ministry that, in hospitals located in remote Northern Ontario, there may not be sufficient volume of services to maintain a large enough group of specialist physicians for on-call remuneration.

We also found that the Ministry and the OMA negotiated on the physician services agreement and, in April 2025, announced a 12.75% increase for all locum programs for physicians who fill in temporarily for other physicians, including this program. The program rates are intended to be guaranteed income to locum physicians that would otherwise be under-supported by the fee-for-service billings on a given day. This updated payment structure helps to support patient access to specialist services by providing an income guarantee to locum physicians for specific days of coverage during the recruitment of permanent local physicians.

Recommendation 8: Action Item 2

- work with the Ministry to review the usage of the program to identify systemic issues in an effort to determine sustainable solutions to maintain patient access to specialist physicians in northern hospitals.

Status:  **In the process of being implemented by March 2027.**

Details

The program has two streams: respite (which provides temporary relief for physician shortage at a hospital) and the urgent stream. Both are offered to a designated northern area based on available specialist physicians, vacancies and active recruitment. Based on feedback it received from hospitals and locum physicians, Ontario Health concluded that the program's respite stream was not effective. This is because this program stream did not provide payment for travel time, which had increased significantly since the COVID-19 pandemic caused disruptions to air travel in Northern Ontario. In response to this feedback, in 2024, the agency worked with the Ministry and the OMA to implement travel time payments for the program's respite stream.

Hospitals and locum physicians also provided feedback that the administrative process for physicians to submit program claims is burdensome and time-consuming. As such, Ontario Health is working on building a new web-based portal for hospitals and locum physicians to request locum support and make claims online. Ontario Health expects this portal will be implemented by March 2027. Ontario Health expects the portal will improve its ability to analyze data on program usage to identify issues and support decision-making for the program.

Recommendation 9: Action Item 1

To better serve hospital users in Northern Ontario such that they can obtain more timely care closer to home, we recommend that the Ministry of Health conduct a cost/benefit analysis that considers the cost of transporting patients within Northern Ontario and from the region to other parts of the province and the cost of enhancing the local capacity to treat patients closer to home—for instance, by bringing visiting specialists to more rural hospitals in Northern Ontario.

Status:  **Fully implemented.**

Details

We found that the Ministry had engaged a research team based at the University of Toronto to conduct an economic evaluation to compare strategies for improving specialist physician care in Northern Ontario. The evaluation compared the costs of the Northern Health Travel Grant, which transports patients to specialists for care, and the Visiting Specialist Clinics (VSCs), which enhance the availability of specialists in Northern Ontario. The research team completed the evaluation and provided a final report to the Ministry in June 2025. The evaluation concluded that VSCs are “likely cost saving, particularly if long patient journeys can be avoided” and recommended that the Ministry explore opportunities to increase the number of VSCs.

Recommendation 10: Action Item 1

To enhance the availability of the physician workforce in Northern Ontario, we recommend that the Ministry of Health work with relevant partners, including the Ministry of Colleges and Universities (now the Ministry of Colleges, Universities, Research Excellence and Security) and the Northern Ontario School of Medicine University, to assess the feasibility of increasing the number of specialty programs offered at the university.

Status:  **In the process of being implemented by December 2028.**

Details

We found that, in 2022 and 2023, the Ministry announced the expansion of the total number of medical school seats across all medical schools in Ontario, which included postgraduate medical school seats allocated to NOSM U's specialty programs. The number of postgraduate specialty program seats allocated to NOSM U is to increase from 20 in 2022 to 45 by the end of 2028.

At the time of our follow-up, we found that NOSM U still offered nine specialty programs, identical to those offered at the time of the original audit. The Ministry noted that, over the remaining years of the medical school expansion, it will work with NOSM U to assess the feasibility of increasing the number of speciality programs. This assessment will consider the general need in Northern Ontario as well as the availability of faculty, preceptors (supervising physicians) and hospital-based training sites to support rotations and learning. The Ministry and NOSM U will determine if further specialties need to be added to bridge supply gaps, in which discipline and where they need to be added.

3. Barriers to Timely Patient Care in Northern Ontario

In our original audit, with respect to alternate-level-of-care (ALC) rates, we noted that patients in Northern Ontario hospitals were more likely to be waiting to be discharged to other more appropriate destinations, such as a long-term care homes or home care, compared to other regions in the province, leading to overcrowding in hospitals.

With respect to diagnostic imaging services, we noted that the Ministry funded the approved operating hours of MRI and CT machines but did not provide the capital funding for them. All hospitals were expected to purchase these using funds they raised themselves.

With respect to the Northern Health Travel Grant Program, the Ministry had not regularly evaluated the effectiveness of the program, used outdated rates to reimburse mileage expenses and did not cover meals, unlike some other jurisdictions.

With respect to nursing stations, the Ministry had not created any new stations since 1993 and had no plans to create new ones as of September 2023. They serve as primary health-care providers for geographically isolated communities.

Recommendation 11: Action Item 1

To better care for patients in Northern Ontario in settings that are most suitable to their needs, we recommend that Ontario Health:

- support hospitals across Northern Ontario to adopt leading practices to improve transitions from one care setting to another;

Status:  **In the process of being implemented by March 2026.**

Details

We found that since we completed the audit, Ontario Health has implemented or continued to implement a range of initiatives to adopt leading practices and improve a patient's transition from a hospital to another care setting, including:

- maturing regional "access and flow tables" to optimize the capacity of the local health system, and to improve timely access to services in various areas of the North East region and the North West region;
- adding a provision to HSAs on obligations for hospitals to participate in ALC leading practice implementation. This includes each hospital completing self-assessments to identify the current state, and planning and implementing ALC leading practices. It also includes each hospital reviewing ALC practices against provincial guidelines and contributing to regional plans to support hospital admission diversion, maximize capacity and support patient transition;
- providing hospitals with funding consisting of \$40 million in the North East region and \$18 million in the North West region in 2024/25 to support implementing ALC leading practices at hospitals; and
- establishing a hospital performance framework requiring performance improvement discussions and plans from hospitals that do not meet ALC performance indicators.

To onboard more hospitals to its Wait Time Information System (WTIS) and to improve reporting of ALC data, Ontario Health stated that it was working with a hospital in the North East region to onboard it to the WTIS for ALC data in 2025/26. Ontario Health also noted that it has dedicated resources to inform additional North East region hospitals about this opportunity and explore the feasibility of commencing onboarding projects with them by March 2026. All hospitals in the North West region were already reporting ALC data in WTIS at the time of our 2023 audit.

Ontario Health stated that its work on the implementation and refinement of ALC leading practices will be ongoing as this will require continuous quality improvement and monitoring to ensure sustained impact.

Recommendation 11: Action Item 2

- work with other health partners including the Ministry of Health, the Ministry of Long-Term Care, and Home and Community Care Support Services to identify and implement solutions to increase the availability of long-term care and home-care services in Northern Ontario.

Status:  **In the process of being implemented by July 2026.**

Details

We found that Ontario Health has collaborated with the Ministry of Long-Term Care (MLTC), and Home and Community Care Support Services (HCCSS), now Ontario Health atHome, to make progress implementing this recommended action.

For long-term care, Ontario Health informed us that it continues to work with MLTC to assess the costs and funding associated with operating long-term care homes in Northern Ontario, which is informed by Ontario Health's analysis of these costs and revenues. The assessment includes examining options to better support the long-term sustainability of these homes, such as new funding approaches. In addition, Ontario Health has:

- identified priority areas, such as Sioux Lookout, Thunder Bay and Kenora, in the North West region, for increasing existing long-term care bed capacity; and
- updated anticipated demand estimates for northern long-term care homes and is working to evaluate capacity needs to improve patient flow.

Ontario Health informed us that MLTC has approved planning grants for 96 new long-term care beds in Sioux Lookout and provided allocations of long-term care beds in Nipigon and Geraldton. Ontario Health further informed us that it continues to monitor and facilitate progress around potential long-term care development and redevelopment projects.

For home care, Ontario Health has:

- started discussions on a high-support seniors housing model and the use of a specialized geriatric rehabilitation program, and the Active at Home Program to identify opportunities to prevent hospitalization in the North West region; and

- initiated discussions on HCCSS programs to identify gaps in restorative and maintenance rehabilitation for frail populations to prevent hospitalization, long-term care use, and mortality in the North West region.

Ontario Health expects to complete these initiatives by July 2026, and noted that it will continue to monitor their impact on an ongoing basis.

Recommendation 12: Action Item 1

To improve access to diagnostic imaging services for patients in Northern Ontario, we recommend that Ontario Health, together with the Ministry of Health:

- assess the need for a dedicated funding model for diagnostic imaging equipment for hospitals in rural areas;

Status:  **In the process of being implemented by December 2027.**

Details

In August 2024, the Ministry and Ontario Health held a discussion about MRI access in Northern Ontario. That discussion covered where patients were accessing MRI in the north, MRI maintenance and service costs, and hospitals that did not have MRI machines at the time. Ontario Health and the Ministry also discussed opportunities to assist northern hospitals in raising the capital funding necessary to purchase MRI machines. Ontario Health subsequently worked with the Ministry and the Ministry of Northern Economic Development and Growth to identify parameters that could be used to determine if a hospital or community was potentially eligible for MRI capital funding, and to determine the number of hospitals in the north that would require MRI equipment and the related capital funding. This work did not result in any changes to MRI machine funding mechanisms due to broader planning concerns. The Ministry noted that, though it does not fund the purchase of MRI machines, it will continue to assess business cases for capital renovations and operating funding for MRI machines, as long as such requests continue to be submitted.

With respect to CT machines, Ontario Health stated that it was working on assessing the need for CT capacity, but it had not assessed the need for a dedicated funding model with the Ministry. It expects to continue assessing the need by December 2027.

Recommendation 12: Action Item 2

- review diagnostic imaging equipment proposals submitted by hospitals on a timely basis.

Status:  **In the process of being implemented by June 2026.**

Details

Ontario Health stated that its process for reviewing diagnostic imaging proposals from hospitals could take up to a month for replacement equipment and longer for new equipment. It noted that there can be delays due to gaps in the information received from the hospital, or the agency's own competing priorities and workload. Once Ontario Health completes its review, it then forwards its recommendation to the Ministry for final approval of these proposals. Ontario Health noted that funding may or may not be associated with an approval based on the Ministry's current funding methodologies.

At the time of our follow-up, Ontario Health had reviewed all business cases regarding MRI and CT services received as of May 6, 2025. Ontario Health took on average about two months to review each request before forwarding it to the Ministry.

The Ministry reaffirmed that it does not provide any operating or capital funding to hospitals for CT services; hospitals are responsible for these costs.

For MRI services, per Ministry policy, the Ministry does not fund the purchase of MRI machines but works with partners to assess funding opportunities for these machines. The Ministry can provide MRI operating costs and capital funding to assist in building MRI suites to house MRI machines. In November 2024 and January 2025, the Ministry announced funding to support two northern hospitals with operating costs and capital funding to assist in building MRI suites. At the time of our follow-up, the Ministry had been reviewing a business case since October 2024 on another hospital's operating funding request for an MRI machine. The Ministry noted that it considers business cases for MRI operating costs as part of the broader annual budget cycle. It may conduct such reviews as part of this annual process, and expects to complete its review of this business case by June 2026.

Recommendation 13: Action Item 1

To improve the effectiveness of the financial assistance for Northern Ontario residents who need to travel long distances to access specialist services or care from Ministry-funded health-care facilities, we recommend that the Ministry of Health:

- re-evaluate the Northern Health Travel Grant Program, considering current market rates for travel and lodging, as well as similar programs in other jurisdictions;

Status:  **Fully implemented.**

Details

We found that in December 2024, the Ministry updated the Northern Health Travel Grant Program to better align with the rates of programs in other jurisdictions. These updates included:

- increasing the accommodation allowance from \$100 to \$175 per night;
- increasing the total allowance for eight or more nights from \$550 to \$1,150;
- removing the 100-kilometre deductible and thereby reimbursing every kilometre travelled;
- reducing the travel distance requirement for overnight accommodation allowance from 200 kilometres to 100 kilometres; and
- expanding eligibility to include medical travel companions accompanying hospitalized patients.

The Ministry noted that these changes were made to better reflect people's needs and increased costs.

Recommendation 13: Action Item 2

- establish appropriate performance indicators for the program, collect data to measure program performance and take corrective actions to address any performance deficiencies.

Status:  **In the process of being implemented by April 2026.**

Details

We found that, at the time of our follow-up, the Ministry was in the process of reviewing the program's four existing performance indicators with a view to revising them to align with recent program updates. The existing performance indicators are:

- average cost per approved application or trip—to evaluate the financial impact of the program changes;
- number of applications processed per month—to evaluate whether processing efficiency has improved subsequent to program changes;
- percentage of applications returned per month—to evaluate whether the number of returned, incomplete applications has reduced given the introduction of mandatory field edit checks in the new online application form; and
- percentage of applications processed within 30 business days—to evaluate whether applicants experienced any changes in customer service.

The Ministry has also identified new potential performance indicators, pending further internal work during 2025/26, including introducing an online application form by December 2025 with digital receipt submission. These indicators include:

- percentage of applications submitted online versus via the existing manual process—to assess the uptake of the new online application form; and
- percentage of applications processed at the appeals committee—to compare pre- and post-modernization the number of applications that have been granted an exception approval at the appeals committee.

Recommendation 14: Action Items 1 and 2

To enhance access to primary health care for Northern Ontario residents and reduce potential hospital visits, we recommend that the Ministry of Health:

- develop and implement a plan to identify locations in Northern Ontario where nursing stations could alleviate pressure on hospital services;
- establish new or relocate existing nursing stations to the identified locations.

Status:  **In the process of being implemented by January 2029.**

Details

We found that in October 2024, the government announced the launching of a Primary Care Action Team (PCAT), with a mandate to connect every person in Ontario to primary health care by 2029. The Ministry noted that a cornerstone of PCAT's work is team-based primary care. These teams may be led by nurse practitioners or physicians, who are the main providers of primary care in Ontario.

In spring 2025, the Ministry invited selected Ontario Health Teams (OHTs) and Indigenous-led organizations to submit proposals to expand or establish interprofessional primary care teams. Based on its review of these proposals, it approved 17 proposals from applicants in the North East region and six proposals from applicants in the North West region; these proposals included physician-led teams and nurse practitioner-led clinics.

To further enhance access to primary care in Northern Ontario, in April 2025, the Ontario government and the OMA received a mediated arbitration award that increased funding to expand access to physician services across the province, including expanded services in rural and Northern Ontario. The award included investments in the Rural and Northern Physician Group Agreement to help people in underserved communities connect to a physician. It also included a new compensation model for physicians at one OHT in the Kenora area to help recruit and retain physicians and increased funding for an existing physician services agreement for the Sioux Lookout region that will increase physicians' compensation for travelling and working more days in the community. Further, the award provided for up to \$10 million of funding to support changes and improved funding to multiple Underserved Area Programs, including the NRRRI and NPRI.

4. Cultural and Linguistic Considerations at Northern Hospitals

In our original audit, with respect to Indigenous health services, we noted that hospitals did not consistently collect data on what proportion of their patients and staff were Indigenous. As well, not all hospitals in Northern Ontario provided an Indigenous healing space for patients, had traditional practice policies, had dedicated indoor smudging space, or allowed smudging in patient rooms. The Truth and Reconciliation Commission of Canada (Commission) recommended that health service agencies, such as hospitals, recognize the value of Indigenous healing practices.

With respect to French language services, we found that Northern Ontario hospitals that had been designated, partially designated, or identified to work toward being designated, under the *French Language Services Act* (Act) did not always submit the required reports or plans. In addition, Ontario Health did not monitor that designated hospitals completed the required evaluations to remain compliant with the Act.

Recommendation 15: Action Item 1

To help reduce health inequities and provide culturally appropriate services to meet the needs of Indigenous peoples in Northern Ontario, while recognizing the spirit of the calls for action from the Truth and Reconciliation Commission of Canada (Commission), we recommend that Ontario Health, in consultation with Indigenous communities, work with hospitals to:

- assess ways in which hospitals can more consistently collect data about the Indigenous patients they serve, as well as their Indigenous staff, in an appropriately sensitive manner;

Status:  **In the process of being implemented by March 2026.**

Details

We found that since our 2023 audit, Ontario Health had conducted an environmental scan of wise and best practices for the collection of Indigenous identity data. Through this scan, it noted that self-identification is a common and valuable practice in hospital settings and must be approached thoughtfully to avoid misreporting or under-reporting. Further, as a result of this scan, Ontario Health noted that hospitals should prioritize the co-development of culturally appropriate, distinctions-based categories with Indigenous partners, accompanied by trauma-informed training for staff to foster safe and respectful data-collection environments. It also found that collaboratively developed governance agreements and investments in capacity building are necessary to empower Indigenous communities to steward their health data in ways that align with their cultural values and priorities. Ontario Health aims to use the scan in its consultations with Indigenous groups.

For the collection of data on hospitals' Indigenous staff, for 2023/24, Ontario Health issued a survey to all health service providers to obtain a baseline understanding of the work being done by hospitals. For 2024/25, it refined and shortened the survey, due to feedback from health-service providers.

Ontario Health plans to engage with Indigenous groups in 2025/26 to amend its work in this area accordingly.

Recommendation 15: **Action Item 2**

- collect data from all hospitals on the type of Indigenous services provided on at least an annual basis;

Status:  **In the process of being implemented by March 2026.**

Details

In 2024, Ontario Health conducted a survey of all health service providers, including hospitals, on Indigenous health equity and Equity, Inclusion, Diversity and Anti-Racism (EIDA-R). To understand the types of Indigenous services provided, the survey included questions on areas such as dedicated healing spaces, access to Elders and traditional healers, access to Indigenous Navigators, and access to cultural ceremonies. After receiving feedback about the survey's length, Ontario Health reduced the number of questions in the 2024/25 survey. Ontario Health plans to conduct these surveys annually.

Ontario Health received survey responses from 25 of the 36 northern hospitals for the 2023/24 survey, and was encouraging all of them to provide survey results for 2024/25. At the time of our follow-up, Ontario Health was collecting and analyzing survey results. It plans to request the information from hospitals that had not submitted the information.

Ontario Health also plans to engage with Indigenous groups in 2025/26 to amend its work in this area accordingly.

Recommendation 15: Action Item 3

- monitor progress on the Commission's calls to increase the number of Indigenous professionals working in health care and to retain Indigenous health-care providers in Indigenous communities;

Status:  **In the process of being implemented by March 2026.**

Details

At the time of our original audit, not all hospitals had signed an HSAA with Ontario Health. Since our audit, all northern hospitals have signed HSAs and are therefore required to provide an Indigenous health equity report, informing Ontario Health on whether the hospital has an Indigenous recruitment and retention strategy.

At the time of our follow-up, some hospitals had not submitted an Indigenous health equity report. Ontario Health noted that it uses a tracker to monitor those that require follow-up. For those hospitals that had submitted a report, and noted that support was needed, Ontario Health had not yet co-ordinated the needed support due to staff vacancies.

Ontario Health also noted that its annual survey allows it to monitor hospitals' progress toward increasing the number of Indigenous professionals and retaining Indigenous health-care providers in Indigenous communities. Ontario Health stated that it is developing a process to follow up with hospitals on any issues identified.

Ontario Health plans to engage with Indigenous groups in 2025/26 to amend its work in this area accordingly.

Recommendation 15: Action Item 4

- develop a mechanism to monitor that all hospital staff have access to training to promote health equity and anti-racism, and measure participation rates.

Status:  **In the process of being implemented by March 2026.**

Details

In 2024, Ontario Health started conducting an annual survey to collect data from hospitals on whether EIDA-R training was provided to staff; the percentage and number of executive-level staff that had completed this training in the year; the percentage and number of staff that had completed this training in the year; and the percentage of executive-level staff that had completed Indigenous cultural safety training in the year.

For the 2023/24 survey, 25 of the 36 northern hospitals had completed the survey. Of these, 12 reported that all of the hospitals' executive leadership had completed the EIDA-R training, four reported some executive leadership had completed the training, and nine reported that none of the executive staff had completed this training. Hospitals' reasons for not having completed this training included:

- staff completed the training in previous years;
- the need to prioritize other deliverables;
- lack of resource materials; and
- turnover in executive staff.

To help with its analysis, Ontario Health reduced the number of relevant questions in the 2024/25 survey, focusing on the percentage of executive-level staff that had completed the EIDA-R training in the year; percentage of all staff that completed this training in the year; and why EIDA-R training had not been prioritized if all executive-level staff had not completed the training in the year. Ontario Health was analyzing 2024/25 survey data when we completed our follow-up.

Ontario Health plans to engage with Indigenous groups in 2025/26 to amend its work in this area accordingly.

Recommendation 16: Action Item 1

To reduce health inequities in Northern Ontario hospitals and better meet the linguistic needs of Francophone patients, we recommend that Ontario Health:

- monitor that designated hospitals complete their evaluation every three years to confirm they remain compliant with the *French Language Services Act* requirements;

Status:  **In the process of being implemented by December 2025.**

Details

We found that, in accordance with the Ministry's three-year evaluation schedule, Ontario Health has been evaluating whether designated hospitals are compliant with the 20 requirements under the *French Language Services Act*. At the time of our follow-up, Ontario Health was still reviewing the evaluations for three of the designated hospitals. Ontario Health expects to complete its review of the remaining evaluations by December 2025.

Ontario Health also noted that it was working on using the government's Transfer Payment Ontario (TPON) portal to track which health service providers are due for evaluations and notify them to submit their documentation, though TPON has not yet been fully launched for this purpose.

Recommendation 16: Action Item 2

- monitor that identified hospitals submit services plans to demonstrate their capacities and progress toward meeting designation requirements.

Status:  **Fully implemented.**

Details

At the time of our follow-up, 17 hospitals in Northern Ontario were identified to work toward designation under the *French Language Services Act*. Ontario Health confirmed that these hospitals had submitted services plans to demonstrate their capacities and progress toward meeting designation requirements. We reviewed evaluations for a sample of identified hospitals and found that Ontario Health had reviewed them.

Going forward, Ontario Health plans to review the French language services reports of identified hospitals every three years.

Recommendation 17: Action Item 1

To reduce health inequities in Northern Ontario hospitals and better meet the linguistic needs of Francophone patients, we recommend that the Ministry of Health collaborate with the Ministry of Francophone Affairs to assess the feasibility of mandating that hospitals in designated areas of Northern Ontario become designated under the *French Language Services Act*.

Status:  **Fully implemented.**

Details

We found that since our 2023 audit, the number of hospitals in Northern Ontario that were fully designated and partially designated remained the same. Meanwhile, the number of “identified” northern hospitals, in various stages of progress toward the designation process, had increased to 17 by the time of our follow-up. As well, as of February 2025, of the 36 hospitals in Northern Ontario, 26 were located in designated areas according to the *French Language Services Act* (Act). Thirteen of these hospitals were identified and in designated areas.

The Ministry noted that it collaborates with the Ministry of Francophone Affairs to oversee the voluntary process of hospitals being designated under the Act. It has assessed the feasibility of mandating that hospitals in designated areas become designated, and determined that neither itself nor the Ministry of Francophone Affairs will be pursuing mandatory designation of hospitals in Northern Ontario, as the legislative framework in Ontario does not support this. The Ministry noted that it supports hospitals and other health service providers seeking designation and continues to work with these identified hospitals to provide access to French language health services.

5. Hospital Performance Measurement and Reporting

In our original audit, hospitals in Northern Ontario did not submit a consistent set of performance information and Ontario Health had no defined timelines to rectify this. Ontario Health also eliminated the requirement for hospitals to achieve specific targets for wait time for diagnostic imaging and emergency room length of stay. Further, Ontario Health did not require over 40% of the hospitals in Northern Ontario to measure and report on health equity as per the accountability agreement between them.

As well, Ontario Health did not consistently require underperforming hospitals to submit hospital improvement plans and did not have documented justification for why all hospitals with poor financial performance did not develop and submit hospital improvement plans.

Recommendation 18: Action Item 1

To more effectively monitor the performance of hospitals, we recommend that Ontario Health:

- evaluate the benefits of onboarding all Northern Ontario hospitals that are not currently reporting all information on wait times for surgeries and diagnostic imaging, and alternate-level-of care rates through the Wait Time Information System, establish an implementation plan with timelines, and collaborate with the Ministry of Health and these hospitals to complete the onboarding;

Status:  **In the process of being implemented by March 2027.**

Details

We found that Ontario Health had made planning efforts in 2024/25 and advanced onboarding efforts in 2025/26 for northern hospitals.

Regarding reporting of wait times for surgeries, Ontario Health determined that it would be more viable to co-ordinate onboarding efforts with hospitals to the WTIS after the implementation of the Meditech Expanse Hospital Information System (HIS) upgrade across hospitals in the North East region. At the time of our follow-up, all except one hospital in the North East region, which does not offer acute-care services, had completed the HIS upgrade, and hospitals in the North West region plan to implement HIS within the next three years.

Regarding reporting of wait times for diagnostic imaging, at the time of our follow-up, Ontario Health was working with six northern hospitals for the submission of CT data, and expects them to be fully onboarded by spring 2027.

Regarding reporting of ALC rates, Ontario Health was working with a hospital in the North East region to onboard it to the WTIS to report ALC data in 2025/26. Ontario Health also indicated that it has dedicated resources to inform additional North East region hospitals about this opportunity and explore the feasibility of commencing onboarding projects with them by March 2026.

Ontario Health noted that there was a significant resource commitment required by hospitals for WTIS onboarding and that it will continue to work on the above efforts with northern hospitals throughout 2025/26 and in 2026/27.

Recommendation 18: Action Item 2

- reinstate performance targets for wait time indicators for diagnostic imaging and emergency department length of stay in the next iteration of the Hospital Service Accountability Agreement;

Status:  **Little or no progress.**

Details

Ontario Health stated that, because there has been financial and operational uncertainty in the hospital sector, there has not been an immediate focus on expanding the performance indicators. Ontario Health plans to establish an updated performance schedule by April 2026, which may include new performance targets.

Recommendation 18: Action Item 3

- require hospitals to measure and report indicators related to health equity.

Status:  **In the process of being implemented by April 2026.**

Details

Although Ontario Health has not changed its HSAA to require hospitals to measure and report on health equity indicators, it has developed a survey to monitor all hospitals' progress on advancing Indigenous health equity and EIDA-R in relation to the local obligations in their HSAA's. As discussed in **Recommendation 15**, the annual survey was initiated in 2024, and was conducted again in 2025. The agency stated that this survey will enable it to ensure consistency in equitable services provided across hospitals and measure progress on health equity. This annual survey includes questions on:

- the percentage of executive level staff and all staff that completed EIDA-R training in the year;

- the types of inequities (such as racism, discrimination and bias) that the hospital aimed to address within its programs and services; and
- a self-rating on progress since the last reporting period about advancing organizational EIDA-R deliverables.

Ontario Health stated that it has not yet implemented specific requirements in HSAs for hospitals to report back on indicators related to health equity. It plans to undertake this work in the next HSA refresh scheduled for April 2026.

Recommendation 19: Action Item 1

To recognize that hospital performance could be affected by outside factors beyond their control, but still drive improvements in other ways within a hospital's control, we recommend that Ontario Health identify and monitor alternative performance indicators if it concludes that a hospital is not meeting targets because of factors beyond their control.

Status:  **In the process of being implemented by December 2025.**

Details

In late 2024, Ontario Health had started to implement a province-wide, standardized performance monitoring and management process. This process is initially focused on surgery, emergency department, ALC and financial performance.

In May 2025, Ontario Health identified five northern hospitals as having worsening results on the number of patients that had been designated as ALC and were still waiting for two consecutive quarters to receive care elsewhere because of constrained long-term care home capacity. Ontario Health also identified other hospitals that had ALC patients due to long-term care home constraints based on its work on ALC leading practices self-assessments.

In 2025, the Ministry developed the Hospital Sector Stabilization Plan, which is a multi-year plan for achieving financial and operational stability for the hospital sector, to enable continued high-quality, connected and accessible care. It includes the development of hospital balance plans, which include proposed cost-saving initiatives to move toward a balanced financial position, and targeted supports based on hospital performance, organizational effectiveness and financial health indicators. Ontario Health indicated that all hospitals forecasting not to balance in 2025 are working with the agency and the Ministry through this process. As part of continued oversight of hospital performance, Ontario Health will continue to monitor overall hospital performance quarterly, and plans to conduct its next review by December 2025.

Recommendation 20: Action Item 1

To hold hospitals more accountable for delivering expected performance levels, we recommend that Ontario Health work with underperforming hospitals to develop and implement a mutually agreed upon action plan to rectify performance issues, and monitor their progress.

Status:  **In the process of being implemented by March 2027.**

Details

We found that Ontario Health had not yet requested improvement plans from hospitals that were identified as underperforming in our original audit. At the time of our follow-up, Ontario Health had sent letters to financially underperforming hospitals, informing them that it will be requiring them to provide a plan to return to a balanced position and have sufficient working capital to fund projected deficits. In July 2025, Ontario Health and the Ministry held a webinar for hospital executives and Board Chairs to go over its hospital sector planning and performance process. This included information on expectations and guidance on preparing a performance improvement plan, now called a plan to balance. Ontario Health stated that hospitals that were forecasting a deficit in 2025/26 based on their first-quarter forecasts would need to submit a plan to balance by September 2025.

As discussed in **Recommendation 19**, Ontario Health is using a province-wide, standardized escalation and benchmarking tool to assess hospitals' surgery, emergency department, ALC and financial performance.

Ontario Health plans to begin its review of the submitted performance improvement plans in fall 2025 and complete its review, especially of the high-risk ones, by 2026/27.

// Appendix

Recommendation Status Overview

	# of Action Items	Fully Implemented 	In the Process of Being Implemented 	Little or No Progress 	Will Not Be Implemented 	No Longer Applicable 
Recommendation 1	5				5	
Recommendation 2	2	1				1
Recommendation 3	1	0.5			0.5	
Recommendation 4	4	1	1.5	1.5		
Recommendation 5	4	2	1	1		
Recommendation 6	3		2		1	
Recommendation 7	5		4	1		
Recommendation 8	2	1	1			
Recommendation 9	1	1				
Recommendation 10	1		1			
Recommendation 11	2		2			
Recommendation 12	2		2			
Recommendation 13	2	1	1			
Recommendation 14	2		2			
Recommendation 15	4		4			
Recommendation 16	2	1	1			
Recommendation 17	1	1				
Recommendation 18	3		2	1		
Recommendation 19	1		1			
Recommendation 20	1		1			
Total	48	9.5	26.5	4.5	6.5	1
%	100	20	56	9	13	2