



PLEASE NOTE

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For more information concerning the history of this Act, please see the [*Table of Public Acts*](#).

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CHAPTER C-13.1

COMMUNITY HOSPITAL AUTHORITIES ACT

1. In this Act

Definitions

- (a) “administrator” means person who is, under section 23, appointed as, or deemed to be, an administrator of a community hospital authority; administrator
- (b) “approved business plan” means the annual business plan of a community hospital authority that has been approved by the Minister under section 27; approved business plan
- (c) “approved health service” means a health service that is set out in the approved business plan of a community hospital authority; approved health service
- (d) “board” means the board of a community hospital authority; board
- (e) “business plan” means the annual business plan of a community hospital authority that is required to be prepared and submitted for approval under section 27; business plan
- (f) “community hospital” means a hospital of the province listed in Schedule A of this Act that is designated as a community hospital under subsection 7(1); community hospital
- (g) “community hospital authority” means an authority named in Schedule B of this Act that is established as a community hospital authority under subsection 9(1); community hospital authority
- (h) “community hospital region” means an area of the province established by the regulations as a community hospital region; community hospital region
- (i) “Department” means the Department of Health; Department
- (j) “health services” means health services as defined under the *Health Services Act* R.S.P.E.I 1988, Cap. H-1.3; health services
- (k) “Minister” means the Minister of Health. 2005,c.28,s.1. Minister

ADMINISTRATION

2. (1) The Minister is responsible for the administration of this Act.

Administration of Act

(2) The Minister may designate one or more persons to act on the Minister’s behalf. 2005,c.28,s.2.

Designation by Minister

- Delegation by Minister **3.** The Minister may delegate, in writing, any authority, power, duty or function conferred or imposed on the Minister under this Act to a community hospital authority. 2005,c.28,s.3.
- Minister may establish parameters and give directions **4.** The Minister may establish parameters and give directions to a community hospital authority in relation to the planning, organization, management and delivery of health services by the community hospital authority. 2005,c.28,s.4.
- Minister may establish performance targets **5.** The Minister may establish performance targets for a community hospital authority with respect to
 (a) its development as an organization;
 (b) its financial management;
 (c) ensuring access to the approved health services provided by the community hospital authority;
 (d) achieving satisfactory patient outcomes;
 (e) the level of patient satisfaction with the approved health services provided by the community hospital authority; and
 (f) any other matter prescribed by the regulations. 2005,c.28,s.5.
- Agreements by Minister **6.** The Minister may enter into, and amend, agreements for the purposes of this Act with
 (a) the government of Canada or of another province, territory or jurisdiction;
 (b) a department, agency or body under the jurisdiction of the government of Canada or of another province, territory or jurisdiction;
 (c) a community hospital authority;
 (d) a municipality; or
 (e) any other person or group of persons. 2005,c.28,s.6.

COMMUNITY HOSPITAL AUTHORITIES

- Community hospitals - designation **7.** (1) The hospitals of the province listed in Schedule A of this Act are designated as community hospitals for the purposes of this Act.
- Schedule A - Changes (2) The Lieutenant Governor in Council may, by order, amend Schedule A of this Act
 (a) to add or delete a community hospital; or
 (b) to change the name of a community hospital. 2005,c.28,s.7.
- Community hospital regions **8.** The Lieutenant Governor in Council may make regulations respecting the establishment of areas of the province as community hospital regions, including regulations that
 (a) establish or change the name of a community hospital region; or
 (b) establish or vary the boundaries of a community hospital region. 2005,c.28,s.8.

- 9.** (1) The authorities named in Schedule B of this Act are established as community hospital authorities for the purposes of this Act. Community hospital authorities
- (2) The Lieutenant Governor in Council may, by order, amend Schedule B Schedule B - Changes
- (a) to add a community hospital authority;
- (b) to change the name of a community hospital authority; or
- (c) to remove a community hospital authority.
- (3) An order made under subsection (2) that removes a community hospital authority from Schedule B is deemed Dissolution
- (a) to dissolve the community hospital authority; and
- (b) to transfer the assets and liabilities of the community hospital authorities to the Government, which is further deemed to assume them. 2005,c.28,s.9.
- 10.** Every order made under sections 7 and 9 and subsection 13(2) shall be published in the Gazette. 2005,c.28,s.10. Publication
- 11.** A community hospital authority is a body corporate and has the same general powers as conferred on a company under the *Companies Act* R.S.P.E.I. 1988, Cap. C-14, except where such powers are inconsistent with this Act or the regulations. 2005,c.28,s.11. Powers
- 12.** A community hospital authority may enter into, and amend, an agreement for the purposes of this Act and the regulations with Agreements by community hospital authority
- (a) the provincial government or an agency or body under the jurisdiction of the government;
- (b) the government of Canada or of another province, territory or jurisdiction;
- (c) a department, agency or body under the jurisdiction of the government of Canada or of another province, territory or jurisdiction;
- (d) another community hospital authority;
- (e) a municipality; or
- (f) any other person or group of persons. 2005,c.28,s.12.
- 13.** (1) A community hospital authority shall be accountable to the Minister and Responsibilities
- (a) is responsible, on behalf of the Government, for the operation and management of the community hospital identified in Schedule C of this Act;
- (b) shall provide for the delivery of and administer approved health services in the community hospital for which it is responsible, as required by this Act and the regulations;
- (c) shall ensure that the approved health services provided by the community hospital for which it is responsible comply with the

relevant standards for the provision of health services that are established or adopted by or under the *Hospitals Act* R.S.P.E.I. 1988, Cap. H-10 or its regulations; and
 (d) shall operate and manage the community hospital for which it is responsible in accordance with
 (i) this Act and the regulations, and
 (ii) the *Hospitals Act* and the regulations made thereunder.

Schedule C -
Changes

(2) The Lieutenant Governor in Council may, by order, amend Schedule C to
 (a) reassign responsibility for a community hospital; or
 (b) reflect an amendment made to Schedule A or B under section 7 or 9. 2005,c.28,s.13.

Community health
service needs

14. A community hospital authority shall,
 (a) before preparing a business plan for a fiscal year, determine
 (i) the health service needs, during that year, of the residents of the community hospital region in which the community hospital, for which the authority is responsible, is located, and
 (ii) the priorities of such health service needs; and
 (b) during a fiscal year, allocate resources to approved health services in accordance with its approved business plan for that year. 2005,c.28,s.14.

Provision of health
services

15. (1) A community hospital authority shall not, without the prior written permission of the Minister, provide any health service other than an approved health service.

Idem

(2) A community hospital authority shall ensure that approved health services are delivered
 (a) through
 (i) its administrator,
 (ii) the employees and staff of the Department working at the community hospital for which the community hospital authority is responsible, or
 (iii) agreements with the Government or other persons; and
 (b) within the parameters established and the directions and guidelines issued by the Minister. 2005,c.28,s.15.

Annual meeting

16. (1) Commencing in the year 2006, a community hospital authority shall hold an annual meeting open to the public, at the time and place fixed by the regulations, and shall present information about the operation of the community hospital authority and its provision of health services at the meeting.

Minister attends
annual general
meeting

(2) The Minister or the Minister's representative shall attend the annual general meeting. 2005,c.28,s.16.

BOARDS

- 17.** (1) The business and affairs of a community hospital authority shall be controlled and managed by a board consisting of
- (a) seven members elected in accordance with the regulations;
 - (b) the administrator of the community hospital authority; and
 - (c) the medical practitioner who is the chief of the medical staff of the community hospital for which the authority is responsible.
- (2) The board shall elect a chairperson, vice-chairperson and secretary-treasurer from among its members.
- (3) Subject to subsection (4), the term of office of a member of the board is three years.
- (4) The terms of office of the first elected members of a board shall be such that
- (a) two members shall hold office for a term of three years;
 - (b) two members shall hold office for a term of two years; and
 - (c) the remaining members shall hold office for a term of one year.
- (5) A majority of the members of the board constitutes a quorum of the board.
- (6) Where a vacancy occurs on the board, the Minister may, after consultation with the remaining members of the board, appoint a person to fill the vacancy for the balance of the term of the member replaced.
- (7) A community hospital authority shall, during a fiscal year, pay the members of its board such remuneration and expenses as is authorized under its approved business plan for that year.
- (8) The administrator and the chief of the medical staff may not vote on matters before the Board. 2005,c.28,s.17.
- 18.** (1) Elections for the members of boards shall be held in accordance with the regulations.
- (2) A candidate for election as a member of a board of a community hospital authority shall meet the eligibility requirements established by the regulations.
- (3) A person is eligible to vote at an election of a member of a board of a community hospital authority if, on the date of the election, the person
- (a) is a Canadian citizen and eighteen years of age or more; and
 - (b) has been ordinarily resident for at least six months in the community hospital region in which the community hospital operated by the community hospital authority is located. 2005,c.28,s.18.

First members of boards	19. (1) Notwithstanding anything to the contrary in section 17 and 18, the Minister shall appoint such persons as the Minister considers appropriate as the first members of the boards of the community hospital authorities.
Term of office	(2) The members of a board appointed under subsection (1) hold office until their successors are elected. 2005,c.28,s.19.
Suspension	20. (1) Where the Minister is satisfied that a community hospital authority has <ul style="list-style-type: none"> (a) failed, on one or more occasions, to comply with a duty set out in section 13; or (b) failed, during a fiscal year, to comply with its approved business plan for that fiscal year, the Minister may, by order, <ul style="list-style-type: none"> (c) suspend all or some of the powers of the board of the community hospital authority; or (d) direct the community hospital authority to cease providing one or more approved health services, for such period as the Minister may set out in the order.
Administration of affairs pursuant to the regulations	(2) Where an order made under subsection (1) suspends all of the powers of a board of a community hospital authority or directs the community hospital authority to cease providing all of its approved health services, the Minister shall appoint a trustee for the community hospital authority who shall during the term of the order, manage the affairs of the community hospital authority in accordance with the regulations.
Directions	(3) Notwithstanding subsection 17(1), where the Minister is of the opinion that a board of a community hospital authority has failed or is failing to ensure compliance with the current approved business plan of the community hospital authority, the Minister may give directions in respect of the matter, and the directions of the Minister shall be deemed to be the directions of the board.
Administrator to comply	(4) Where the Minister makes an order under subsection (1) or gives a direction under subsection (3), the administrator of the community hospital authority shall ensure that the order or direction of the Minister is carried out. 2005,c.28,s.20.
Bylaws and policies	21. (1) A board shall make bylaws and policies not inconsistent with this Act regarding its internal organization and proceedings and for the general conduct and management of the affairs of the community hospital authority.

(2) The bylaws made by a board, and all amendments to them, shall be submitted to the Minister for approval in accordance with the procedures established by the Minister. Approval

(3) A bylaw of a board has no force and effect until approved by the Minister. *Idem*

(4) A board shall ensure that its bylaws are available for inspection by members of the public during normal office hours. 2005,c.28,s.21. Inspection

22. (1) A member of a board shall not vote on or speak to a matter before the board if Conflict of interest

- (a) the member has an interest in the matter, distinct from an interest arising from his or her functions as a member;
- (b) the member has a direct or indirect pecuniary interest in the matter;
- (c) a parent, spouse, brother, sister or child of the member has an interest in the matter; or
- (d) the member is an officer, employee or agent of a corporation or an unincorporated association, or other association of persons that has an interest in the matter.

(2) Where a member is in conflict, the member shall disclose to the board the nature and extent of the interest either in writing or by requesting to have it entered in the minutes of the meeting of the board. Disclosure

- (3) A member shall disclose a conflict of interest *Idem*
- (a) at the meeting where the matter giving rise to the conflict of interest is considered; or
 - (b) if the member is not in a conflict of interest at the time described in clause (a), at the first meeting that is held after the conflict arises.

(4) The meetings of a board shall be open to the public, for a portion of each meeting, unless the board determines that an open meeting could result in the release of Public meetings

- (a) information that might impair the ability of the community hospital authority to carry out its responsibilities; or
- (b) information relating to the personal interests of any person. 2005,c.28,s.22.

ADMINISTRATORS

23. (1) The Minister, after consultation with and input from the board of a community hospital authority, shall appoint an administrator for each community hospital authority who shall be responsible for the direct management and superintendence of the community hospital authority in Administrators

accordance with this Act, the regulations and the bylaws and policies of the board.

Civil Service Act
application

(2) The *Civil Service Act* applies in respect of the appointment of an administrator and applies to the administrator after his or her appointment.

Transitional

(3) The person who immediately before the date this subsection comes into force is responsible for the day-to-day management and operation of a hospital that is designated as a community hospital under this Act is deemed to be the initial administrator of the community hospital authority that is responsible for that hospital under this Act until his or her successor is appointed. 2005,c.28,s.23.

Employee

24. (1) The administrator of a community hospital authority shall be an employee of the community hospital authority.

Remuneration

(2) The administrator of a community hospital authority shall be paid out of the funds of the community hospital authority such remuneration as the Treasury Board may determine on the recommendation of the Public Service Commission. 2005,c.28,s.24.

STAFF

Contract

25. (1) A community hospital authority shall contract with the Government for

- (a) the provision of all of the staff of the community hospital for which it is responsible; and
- (b) the staffing and classification services of the Public Service Commission established pursuant to the *Civil Service Act*.

Employees of the
Department

(2) For greater certainty, the staff provided by the Government for a community hospital pursuant to a contract referred to in subsection (1) shall be employees of the Department and shall continue to be employees of the Department when acting as the staff of a community hospital.

Transitional

(3) The Government shall provide staff for a community hospital on the commencement of this Act without a contract referred to in subsection (1) until such a contract can be entered into with the community hospital authority responsible for the community hospital. 2005,c.28,s.25.

REPORTS, BUSINESS PLANS AND FINANCIAL MATTERS

Reports and
information

26. A community hospital authority shall provide to the Minister, within the time specified by the Minister,

- (a) any reports or returns; or

(b) any financial information or any other information, including personnel information concerning the administrator, that is requested by the Minister from time to time. 2005,c.28,s.26.

27. (1) A community hospital authority shall annually, within the time and in the form specified by the Minister, prepare and submit to the Minister, for the approval of the Minister, a business plan for the next following fiscal year of the community hospital authority that

Business plans

- (a) states the objectives and priorities of the community hospital authority for the provision of health services from the community hospital for which it is responsible;
- (b) states the proposed health services to be delivered and administered by the community hospital authority to meet the needs for health services from the community hospital for which it is responsible;
- (c) states the methods by which it will measure its performance in the delivery and administration of the proposed health services;
- (d) states how human and material resources, including financial resources, will be allocated to meet the objectives and priorities of the community hospital authority;
- (e) states how the authority proposes to eliminate or reduce a deficit, if it has one; and
- (f) includes any other matter or information the Minister may require.

(2) The Minister shall establish rules or procedures for the processing and approval of business plans submitted in accordance with subsection (1).

Rules or procedures

(3) After reviewing a business plan, the Minister shall approve it or refer it back to the community hospital authority for amendment, with any direction that the Minister considers appropriate.

Decision

(4) A community hospital authority may submit to the Minister, for the approval of the Minister, any revisions or amendments to an approved business plan proposed by the community hospital authority from time to time and subsections (2) and (3) apply to any proposed revisions or amendments submitted under this subsection. 2005,c.28,s.27.

Amendments

28. (1) When preparing a business plan, or proposed revisions or amendments to an approved business plan, a community hospital authority shall consult with the residents of the community hospital region in which the community hospital for which it is responsible is located for the purposes of

Consultation by community hospital authority

- (a) identifying the health services needs of the residents;
- (b) determining the priorities for the delivery by the community hospital of health services in the community hospital region; and

(c) determining whether the health services needs of the residents of the region are being met by the community hospital.

Idem

(2) When preparing a proposed business plan, a community hospital authority may consult with such other community hospital authorities, persons or government departments and agencies, as the community hospital authority considers appropriate. 2005,c.28,s.28.

Funding for
community hospital
authority

29. The Minister may provide funding to a community hospital authority for the purposes of this Act out of money appropriated by the Legislature for those purposes. 2005,c.28,s.29.

Minister may
withhold payments

30. The Minister may withhold funding payments or any part of a payment to a community hospital authority until it complies with this Act and the regulations under this Act, or its approved business plan, as the case may be. 2005,c.28,s.30.

Fiscal year

31. The fiscal year of a community hospital authority begins on the first day in April in one year and ends on the thirty-first day of March in the next year. 2005,c.28,s.31.

Borrowing

32. (1) Subject to subsection (2), a community hospital authority may not borrow money for any purpose.

Idem

(2) A community hospital authority may, with the prior approval of the Lieutenant Governor in Council, borrow money for the purposes of the community hospital authority. 2005,c.28,s.32.

Deficit

33. A community hospital authority shall not accumulate a deficit, unless first authorized to do so by the Lieutenant Governor in Council. 2005,c.28,s.33.

Capital assets and
equipment

34. (1) A community hospital authority may acquire or dispose of capital assets or equipment in accordance with an approved business plan.

Limit on capital
expenditures

(2) A community hospital authority shall not acquire a capital asset or undertake any capital project that is not set out in an approved business plan, unless first authorized to do so by the Minister.

Proceeds

(3) Where assets are sold by a community hospital authority, the community hospital authority shall use the proceeds of the sale in accordance with an approved business plan. 2005,c.28,s.34.

GENERAL

Liability

35. The Minister, the members of the board of a community hospital authority, the administrator or the medical chief of staff of a community hospital authority, the employees of the Department and any person acting on their instructions or under the authority of this Act, the

regulations or bylaws and policies, are not personally liable for any loss or damage suffered by any person by reason of any act done or not done by any of them in good faith in the exercise or purported exercise of their functions. 2005,c.28,s.35.

36. No person shall disclose information relating to the health services provided to, or the medical condition of, an individual, without the consent of the individual, except

Confidentiality of information

- (a) for the purposes of the administration and enforcement of this Act and the regulations;
- (b) as authorized by the regulations; or
- (c) as otherwise required by law. 2005,c.28,s.36.

37. A person who delivers health services through an agreement with a community hospital authority shall ensure that the services are delivered in accordance with the provincial standards established by the Minister and for those services. 2005,c.28,s.37.

Compliance with provincial standards

38. Every person who contravenes a provision of this Act or the regulations made under this Act is guilty of an offence and on summary conviction is liable to a fine of not more than \$500. 2005,c.28,s.38.

Offences and penalties

39. The Lieutenant Governor in Council may make regulations

Regulations

- (a) respecting performance targets of a community hospital authority;
 - (b) respecting the powers of a community hospital authority;
 - (c) respecting the delivery and administration of approved health services;
 - (d) respecting the operation and management of a community hospital;
 - (e) respecting annual meetings of a community hospital authority;
 - (f) respecting the board of a community hospital authority, including membership, eligibility for membership and the election of members of a community hospital authority board;
 - (g) respecting the appointment and powers and duties of a trustee, and the management of a community hospital authority by a trustee;
 - (h) respecting the appointment and powers and duties of an administrator, and the management of a community hospital authority by an administrator;
 - (i) respecting funding or other payments to a community hospital authority;
 - (j) respecting the disclosure of information relating to health services provided under this Act;
 - (k) respecting the business plan of a community hospital authority;
- and

(1) respecting any other matter that the Lieutenant Governor in Council considers necessary for carrying out the purposes and provisions of this Act. 2005,c.28,s.39.

Initial business plans and budgets

40. (1) The Minister shall establish the initial business plan and budget for each community hospital authority.

Deeming initial plans and services to be approved

(2) The initial business plan established by the Minister under subsection (1) for a community hospital authority is deemed to be the initial approved business plan of the community hospital authority, and the health services to be provided under the business plan are deemed to be the approved health services that the community hospital authority is responsible for providing and authorized to provide until the plan expires.

Expiry of initial business plan

(3) A business plan established by the Minister under subsection (1) for a community hospital authority expires on the Minister's approval of the first business plan of the first elected members of the Board of the community hospital authority.

Repeal

(4) Not proclaimed. 2005,c.28,s.40

SCHEDULE A
Community Hospitals

1. Western Hospital
2. Community Hospital
3. Stewart Memorial Hospital
4. Souris Hospital
5. King's County Memorial Hospital

SCHEDULE B
Community Hospital Authorities

1. Alberton Community Hospital Authority
2. O'Leary Community Hospital Authority
3. Tyne Valley Community Hospital Authority
4. Souris Community Hospital Authority
5. Montague Community Hospital Authority

SCHEDULE C
Responsibility for Community Hospitals

1. Alberton Community Hospital Authority is responsible for the Western Hospital.
2. O'Leary Community Hospital Authority is responsible for the Community Hospital.
3. Tyne Valley Community Hospital Authority is responsible for the Stewart Memorial Hospital.
4. Souris Community Hospital Authority is responsible for the Souris Hospital.
5. Montague Community Hospital Authority is responsible for the Kings's County Memorial Hospital.