HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

PUBLIC ACCOUNTS

Wednesday, June 8, 2016

LEGISLATIVE CHAMBER

Office of the Auditor General
June 2016 Report

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Public Accounts Committee

Mr. Allan MacMaster, Chairman
Mr. Iain Rankin, Vice-Chairman
Mr. Chuck Porter
Ms. Suzanne Lohnes-Croft
Mr. Brendan Maguire
Mr. Joachim Stroink
Mr. Tim Houston
Hon. David Wilson
Ms. Lenore Zann

[Mr. Keith Irving replaced Mr. Iain Rankin]

In Attendance:

Ms. Kim Langille
Legislative Committee Clerk

Mr. Gordon Hebb
Chief Legislative Counsel

Ms. Nicole Arsenault
Assistant Clerk, Office of the Speaker

WITNESSES

Office of the Auditor General

Mr. Michael Pickup, Auditor General
Ms. Evangeline Colman-Sadd, Assistant Auditor General

House of Assembly
Nova Scotia

HALIFAX, WEDNESDAY, JUNE 8, 2016

STANDING COMMITTEE ON PUBLIC ACCOUNTS

10:00 A.M.

CHAIRMAN
Mr. Allan MacMaster

VICE-CHAIRMAN
Mr. Iain Rankin

MR. CHAIRMAN: Order, good morning. I call this meeting of our Public Accounts Committee meeting to order. Today we have with us the Auditor General to discuss the June 2016 Report of the Auditor General. There are three chapters in the report. We will begin with introductions, starting with Mr. Maguire.

[The committee members and witnesses introduced themselves.]

MR. CHAIRMAN: Mr. Pickup, please proceed with some opening comments.

MR. MICHAEL PICKUP: Thank you for the opportunity today to talk about our Spring Report which includes three audits. We just briefed the Public Accounts Committee in a one-hour session so our opening comments will be fairly short.

One of our audit reports in this report relates to the Health Authority and the Department of Health and Wellness management of its 41 hospitals and health care centres from an efficiency and effectiveness lens.

We also looked at the identification and management of health and safety risks in homes for special care. There are 10,000 Nova Scotians in homes for special care with the two departments spending, on an annual basis, approximately $774 million to provide these homes. These are some of the most vulnerable Nova Scotians.

Finally, the last audit we looked at was species at risk, and the management, conservation, and recovery of species at risk by the Department of Natural Resources. There are approximately 60 species at risk. This is everything from wood turtles and snapping turtles to the Canadian lynx to the Atlantic whitefish. Our ecosystem depends on a diversity of species, which impacts our economy, tourism, industry, et cetera. Within these three audits we made 16 recommendations and we'll now be happy to take questions from members on the three audits.

MR. CHAIRMAN: Thank you, Mr. Pickup. We will start with Mr. Houston for 20 minutes.

MR. TIM HOUSTON: The report says that the health services planning is something that has been started and stopped a number of times over the past 20 years. Has it ever been completed - the whole review of what services should be delivered where - or has it just been started and stopped in an incomplete fashion?

MR. PICKUP: In this audit we wouldn't have anything to report in terms of a complete plan having been put in place, therefore, the need for a plan to look at usage, location and operation of hospitals and centres across the province.

MR. HOUSTON: When staff said over the last 20 years this has been started a bunch of times, nobody produced something to you and said, and here's what they said back in 1998 or anything, you just didn't see anything like that?

MR. PICKUP: There may have been various aspects of planning done, we didn't do a specific audit of hospital planning, but certainly no plan at a comprehensive point that would consider, for example, the 41 hospitals and centres across the province.

MR. HOUSTON: Okay. So there's a plan underway now, the department has indicated. Did they give any indication to your staff as to when that would be completed, when the plan for what services should be delivered and should be delivered where, and stuff?

MR. PICKUP: We made a recommendation that they should develop a plan and the response to that is on Page 33 of the report, which indicates that of course they agree with the report and that this engagement with Nova Scotians is going to take a variety of forms, and that they need to engage stakeholders and develop systems and services of quality, sustainable, patient-centred care. But within that there is no date on when this will be based.

MR. HOUSTON: No date, okay, and it wasn't a recommendation of yours as to when that should be completed by?

MR. PICKUP: We didn't put an end date on it because, really, that would presume that we are running the health care system.

MR. HOUSTON: And they didn't offer an end date.

MR. PICKUP: In the response there is no end date.

MR. HOUSTON: That's fine on that, okay. But I do take from your report that it's important that planning be done where services should be delivered, and they should be communicated to Nova Scotians. We do know that just in April there was an announcement about the VG.

Now I recognize that that April 2016 announcement would fall out of your audit period, but I am curious as to your thoughts on just kind of whether the substance of that announcement might have met your recommendation because the government, as part of that announcement, announced that some services at the VG would start to move to other health care facilities and it specifically mentioned the Dartmouth General as being a place that services could be moved to, and the only price tag referred to in that announcement at that time was the fifth floor expansion at Dartmouth General. At the same time I was interested in that because this report indicates that the Dartmouth General had a leaky roof which damaged newly renovated space on the floor below it.

So we have the government saying we're going to move some services to this facility, we have the Auditor General saying there are infrastructure problems at that facility, and I'm just wondering if you had any thoughts on whether the Dartmouth General would be ready to take on the added pressure of some of these services from the VG.

MR. PICKUP: Firstly, the recommendation we made was to have a detailed plan in place and share that with Nova Scotians. The Department of Health and Wellness in their response have indicated that planning will be continued to be shared and they list a variety of ways they are going to share this. Details, for example, of what will have to be done at any of the locations were not part of this audit, this was really at that initial stage of identifying that something had to be done. Of course the announcement on April 21st came subsequent to the audit period as well.

MR. HOUSTON: I guess I'm just interested in the part where we have to communicate openly and fairly with Nova Scotians, and to make a statement like some of these things are going to happen and then we see in the Auditor General's Report that it kind of seems to be at odds with that, it just causes me a bit of concern, because you call very specifically for clear and timely information about the new VG project.

So in that sense, and knowing what we just found out about the Dartmouth General from your report here, were you able to find anything during the course of your audit that would have showed any concrete planning, costing, timelines about what might happen to some of the services at the VG, or was there nothing in the audit period that suggested anyone was looking at costing out how some of these things were going to happen and whether or not some of the things that they are saying could happen, could actually happen - did you see anything in your audit that said people are actually digging into this?

MR. PICKUP: The audit definitely did not look at the feasibility of a plan or how comprehensive a plan was, how well that was prepared. This really was about the identification of the need to deal with the facility. Some of those additional questions you are asking, I think are good questions that could be posed to departmental and Health Authority officials in the meantime before we actually follow up on the recommendations in two years.

MR. HOUSTON: I guess it just struck me, as communicating with Nova Scotians is important, but communicating prematurely with really no substance below what you are communicating is probably not going to meet the recommendation that you have made. I do want to continue to explore that a little bit. You looked at some of the congestion in emergency rooms, and identified some causes for that congestion, and one of those causes was that people cannot get to a doctor. They turn up at the emergency room if they are not able to schedule an appointment with the family doctor, or whatever the case may be, and we do know that there are many Nova Scotians who are looking for a doctor, who are in need of a family doctor, who are without a family doctor at the moment.

We have had a lot of talk right in this very House here about some of the campaign promises that were dangled in front of people; they promised that everyone would have a doctor. There is a comment in the report here that a doctor for every Nova Scotian may not be feasible. I did want to explore that a little bit because it continues the same theme of making premature announcements that are impossible to substantiate. I did want to ask you specifically about the finding in your report at Paragraph 2.20 where it says it may not be feasible for every Nova Scotian to have a doctor. Can you maybe elaborate on what might be behind that statement?

MR. PICKUP: Sure, that may reflect the reality that all Nova Scotians may not have a doctor and then alternative solutions need to be found, like the Collaborative Emergency Centres, for example, where there may be a variety of people housed in a location. This audit was not about the details of physician planning, in terms of how well that is being done; that would be a separate audit, if you will. This was the context of when we visited 19 hospitals across the province and we talked to people about why emergency rooms are crowded or why people have to wait long. Some of the responses we have received on these visits were things like people saying they do not have a doctor, or they do not want to wait for an appointment with their doctor, or people are looking at emergency rooms as an outpatient service. These were really about some explanations that were provided as to why this issue.

So, our recommendation is really the Health Authority and the department need to uncover these underlying issues and then determine how to deal with these underlying issues.

MR. HOUSTON: In the course of the audit, when these discussions are coming up with staff about people turning up because they do not have a doctor, did any staff provide or offer or volunteer any analysis of what the cost to the overall system might be because of the shortage of doctors? I guess that would not really have been in the scope here.

MR. PICKUP: No, we weren't looking at a quantification. What we were looking at is, is there an understanding and acceptance that there are underlying issues that are causing the wait times in emergency rooms and the overcrowding? There is an acknowledgement through the audit that, yes, there is an understanding that there are some issues and now comes the critical part of addressing the recommendation and dealing with these underlying issues so as to fix what may be a symptom of other problems - i.e., the wait times in the emergency rooms and the crowding.

MR. HOUSTON: Okay, thank you, and I think it presents a frightening picture for Nova Scotians where we say the existing model is not sustainable but it is not feasible to have a doctor. It is going to take some real intelligence to figure this out I guess.

Another aspect of the emergency room overcrowding was that there are patients in hospital beds that are waiting for alternative care, and that is something I hear about a lot. Did you have anything in your audit that suggested across the province, or at least in the 19 hospitals you looked at, as to how many people are in beds who are waiting for an alternative level of care?

MR. PICKUP: Firstly, recognizing that when we visited the 19 hospitals - which is 19 out of 41 facilities under the Health Authority's control - this was explained as one of the reasons. We didn't attempt to quantify the cost of that or all of the numbers. We do acknowledge or recognize in the report that it's fairly accepted that a day in the hospital may be $1,300, and a day in a long-term care facility is probably $250.

But these organizations are also looking for other options, right? It's not necessarily just long-term care. It may be community care, or it may be home care as well. We did note an example where one of the hospitals had a project underway to try and keep people in their home and have them move from their home to long-term care when it was necessary without that stop in the hospital for a long period of time that may not have been necessary.

MR. HOUSTON: But you didn't know how many people were in the hospital who were waiting for alternative care and what the average length of stay was? Those weren't statistics that would have been picked up as part of this audit?

MR. PICKUP: No. The department may have that information - and probably does - so you may want to pose that question to them. What we were trying to do is present a

broader sense of some of the issues and get acknowledgement that there are issues which may be impacting emergency rooms, like the lack of a bed due to things like people waiting for a long-term care facility.

MR. HOUSTON: In terms of mental health, you recommend that the government work with partners to provide mental health care and adult protection. Can you just explain a little bit about what's behind that recommendation?

MR. PICKUP: Sure. The recommendation indicated that for patients who may require mental health care services, who go to emergency rooms, for example, it may be that they need to be treated in the emergency room, or it may be that they require a different level of care - something that is not happening in the emergency room that may be more appropriate for them.

Emergency rooms obviously can be fairly hectic - lots of machines, lots of noise, lots of emergencies happening. That may not be the best environment for somebody with issues of a mental health nature. What we were indicating is that there's acknowledgement that that needs to be examined not only from an efficiency perspective but also the best level of care for those patients.

MR. HOUSTON: Shortly after that was discussed as part of this audit, up to March 31st, within a couple of months, in August, the department closed the mental health short-stay unit at the Aberdeen Hospital in Pictou County, which to me seems exactly the opposite of what your recommendation was saying they should be doing. The emergency room is not the appropriate place for people in these crises. Then we have the department responding to you, saying "yes, we're looking at working with other partners and other things," and they turn around and close the short-stay unit.

It just seems so at odds for me. It's like they're placating or whatever, but they're playing along with you and then turn around and as soon as you leave the room they do something different. I don't know if you can speak to that at all.

MR. PICKUP: I think how I would comment on that is that this wasn't an audit focused solely on the effectiveness of the delivery of mental health care services to Nova Scotians, but we would acknowledge that this is a significant area.

We have decided that we will do a stand-alone audit of the effectiveness of mental health care services to patients across Nova Scotia, including children. The Health Authority will be included in that audit, as will the IWK and the Department of Health and Wellness. That will give us a chance to have a more in-depth look at issues surrounding how effectively mental health services are being delivered to Nova Scotians.

MR. HOUSTON: I think that's a worthwhile thing, because again, the audit period was up to March 31st, right around that time the budget would have been tabled. So we had the department saying they're going to look at ways for working with partners, and right

around that time the budget's coming down and there are cuts to the eating disorder program, there are cuts to the Schizophrenia Society, and stuff. So I think it's a good area to follow up on for sure because definitely to me that's the right hand saying something and the left hand doing something completely different - and all to the detriment of Nova Scotians. So that's a good area to look at and I appreciate you doing that.

How are we for time, Mr. Chairman?

MR. CHAIRMAN: You have until 10:24 a.m.

MR. HOUSTON: I think with a couple of minutes left, I would start with the homes for special care. I do want to explore the finding that there are no signed service provider agreements, which is pretty frightening to me. It is something that I had been looking at as well. Maybe you could explain what a signed service provider agreement might look like, if one existed.

MR. PICKUP: Some examples of what might be a signed service agreement would include: what do you expect for level of service, for quality of service, so really outlining the expectations that you, who are paying the bill on behalf of these vulnerable Nova Scotians, expect, so that you can hold the parties providing the service to account. At the end of the day Community Services, for example, in 2015-16 will spend $253 million on homes for special care. Not to have signed service agreements to hold these parties accountable for what they deliver, I think, is a deficiency that needs to be addressed and, therefore, the recommendation.

MR. HOUSTON: I think that actually those signed agreements would protect the service providers as well because I do know that I have a lot of people approach me who have a loved one in a home for special care and maybe got just a notice that we're discharging your loved one tomorrow because there's no contract that says they have to give any time, there's no signed agreements there.

Then when you dig into it, you find out that maybe the home was saying to the department, we're having trouble caring for this person and, not hearing back from the department because, again, there are no timelines and the department - just out of sight, out of mind, and then ultimately it gets to a boiling point where the home says this person is out. It is creating a lot of stress and crises on families. I'm sure those are the types of things that should be in an agreement as to when the termination of care is and some of these clauses around that. Is that kind of what you had in mind?

MR. PICKUP: I think what would be important is: from a risk perspective, that both parties agree what should be covered off within a service agreement and I think it would probably be hard for Nova Scotians to understand how you spend $253 million without having signed service agreements; you are the one cutting the cheques, you are the one looking after these 2,300 people, that you are getting what you are paying for, essentially - to keep it simple.

MR. HOUSTON: I'm holding up a pencil right now, and I'm sure the province wouldn't buy 2,000 pencils without putting it for tender and signing a contract on it. Yet we have, as you say, all these people in care with nothing written down, it's highly insulting.

In terms of - I guess maybe I'm . . .

MR. CHAIRMAN: Yes, your time has almost expired, Mr. Houston, so we'll move to Mr. Wilson.

HON. DAVID WILSON: Thank you for being here today. I want to pick up from where my colleague started off, I think it was Chapter 2. There's clear indication that a plan is needed.

I think you somewhat answered the question, but in your opinion what kind of timeline - I know you said you didn't give a timeline, but is there an expectation if you're doing an audit like this, and you said a plan is needed, what an appropriate amount of time would be to come up with a plan to address some of the needs, especially in health care. Could you indicate, do you have a timeline in mind on how long it should take to come up with a plan to address some of the issues you have identified in your audit?

MR. PICKUP: Firstly, I would indicate that we follow up, generally, recommendations in two years. Generally we say after two years a recommendation should be addressed. In this case I think really it's up to legislators, including the Public Accounts Committee, to hold the Health Authority and the department accountable to this, to say, on behalf of the Nova Scotians we represent, we would expect - we know the Auditor General won't be back for two years - we would expect a plan to be developed whether you feel it's in a year. Everybody acknowledges this is 40 per cent of the provincial budget, or a little bit more.

This has to be one of the most key recommendations and key priorities to act upon. So while we're not going to be back for two years, I would suggest that this plan should be in place well before the two years and would encourage the Public Accounts Committee to bring in officials from the department and the Health Authority, get a deadline and talk to them about what you think a reasonable timeline is and to put this in place.

MR. DAVID WILSON: It's interesting that we didn't need your audit to agree and the current government didn't need your audit to agree that a plan was needed. From day one, when the current government took over, the thrust of their commitment was to change how health care is delivered. Here we are, almost three years into their mandate, and they have been talking about a plan for that whole time. It has been frustrating to try to get some of the information from the government. I hope that they don't take, from the audit that was just done, that they have another two years to come up with a plan. I think that's too long. I think Nova Scotians expect better from the government.

It's interesting, some of the indications and examples that you use on how we need to do things differently in health care, interestingly enough were implemented pretty quickly. Collaborative Emergency Centres: a plan was put in place within a year and a half or two years of the former government and I believe there were eight Collaborative Emergency Centres open. Within a four-year period a plan was provided, implementation of a change on how to improve health care in Nova Scotia.

It's interesting that you spent some time reviewing that, indicating that was a positive thing. Home First program, another program that was implemented by the previous government. The current government changed the name, it was Home Again but I guess they needed a name change to put their brand on it. It's interesting to see that we're almost three years into their mandate and I don't see any examples of how things are being done differently in health care to improve services for Nova Scotians or access to services.

You indicated you visited 19 hospitals out of 41. During those visits did you witness or did you see repairs that needed to be done, and in an urgent fashion, in those 19 hospitals?

MR. PICKUP: During our visits to 19 hospitals, which I would point out were nine of the regional hospitals and then nine community-based supporting the regional hospitals, as well as the QEII, we provided examples in the report. Not to suggest it is a complete list, it is some of the examples that were shared with us. Not to suggest the priority of these items, what we're trying to do is point out to Nova Scotians, through this report and to committees like yours, some of the examples that were given to us. In some cases it may be sprinkler systems, in other cases elevators or bricks falling off a building. Again, that was not meant to be a complete and exhaustive list, or not to suggest that those were the priorities to be addressed, because those are decisions for people running the organizations.

MR. DAVID WILSON: So I mean really the question is - and I think the answer is yes - there's a need. I think in your chart on Page 35 you show that there's a need for hospital infrastructure spending. It's interesting, over the last three years you indicated about $114 million is needed in urgent infrastructure funding. Last year funding available was about $29 million.

The government underspent hospital infrastructure by $26.8 million last year alone. How can you justify underspending that amount of money in an area that your office has indicated needs $114 million in urgent infrastructure funding? In your mind is there any justification on underspending that budget line item, year after year as we have seen over the last three years?

MR. PICKUP: So, I think what is critical is that there are these identified infrastructure needs, but more importantly, I think, in collaboration with that there needs to be a look at the inventory of hospitals for development of a plan for the location, use, and operation. So, we give an example in here where there are four hospitals for example, in Cape Breton, where three of them are located within a 30-minute drive of the regional

hospital. Some of those hospitals have significant infrastructure needs - one as high as $13 million in the last report.

What we are indicating is look at your inventory of 41 facilities and figure out what you actually need, where, what you need to do with that, and what people can expect, engage people in that discussion and share with them before the historical way of simply trying to address all of the infrastructure needs that may exist when that may not fit into your overall plan of what you are going to do with these facilities. So the plan, it seems to me, needs to come first and needs to be quick, and then everything else after that should fall out of an overall comprehensive plan as to what you want where, and how you are going to use it.

MR. DAVID WILSON: I would agree. I would agree with you, but would you not think three years, almost three years would be adequate? I mean we look at some $70 million, $73.4 million in the last three years underspent in hospital infrastructure. Would you not think after the first year that that work would have been identified by the government in need of hopefully putting an urgency on it to come up with that plan?

That is the frustration I think staff, and patients often, have because of the conditions of their hospital. So would you not think three years is adequate time to come forward with a plan, or are we expecting maybe another two years before a plan would come in place? I mean, I would think that first year of underspending of hospital budget you would have started looking at your inventory and you say, okay, let us prioritize this, let us spend the money that we are promising Nova Scotians that we were going to spend in a fiscal year - would you not think three years is enough time to come up with that plan?

MR. PICKUP: So we picked this audit to do, you know, a year ago based on our risk assessment and our thought process of what is important to Nova Scotians, and it was clear to us that there was a lot of discussion about infrastructure needs at various hospitals from one end of the province to the other. So, when we got into it and started doing this audit work we came to the point that this is not simply about spending money to fix all of your inventory and look after everything - it is really about a more comprehensive plan to say, okay, let us get this done.

So all I can really speak to is to say one year ago we thought this was important enough to do an audit on. This was a big audit we did; we visited 19 hospitals. We are pretty clear what we think is needed, including the discussion and engagement with Nova Scotians, and so the recommendations are as they are.

MR. DAVID WILSON: I understand, you know, Paragraph 2.32 on Page 35, the proximity of facilities. I understand that, but some of the examples you use were in regional hospitals which, by no means do I think the government will ever look at saying we cannot do repairs on that hospital because we might close that down the road. I do not foresee the current government, or any future government closing a regional hospital.

So you used an example of South Shore Regional Hospital, the Dartmouth General Hospital electrical system, and one here that I did not hear about. We hear much about the VG and the Centennial Building and the leaks, but when a leaky roof at Dartmouth General that caused an issue on a renovated floor below, would you not think that those examples are ones that should have seen an investment, where we should see an underspent in a line item in the budget, or really is the bottom line of getting back to balance and having a balanced budget - to me, I see that as a priority for the government, not the examples that you use for infrastructure deficiency. Would you not think that those examples alone warrant that investment? You don't really need a plan to say you're committed to the Dartmouth General or the South Shore Regional - right?

MR. PICKUP: It may be - and that could be a good discussion with the department and with the Health Authority - it may be that that could be part of a comprehensive plan. Let's face it, what we're saying is that plan needs to be done now. It hasn't been done. It's needed. The observation is there; the recommendation is agreed to as well. If you take, for example, the VG site, we were doing this audit, and up to a period of time before that announcement was made, we were pretty clear in the report - to your point - that we understand through these 19 visits that the condition of these facilities is causing challenges for the staff who work in the facilities. They're working in challenging conditions. If you're dealing with Legionella and you're dealing with leaks, that's a tough environment to work in. On that one, for example, we were fairly clear.

MR. DAVID WILSON: I don't want to get on this too long, but the Dartmouth General leak, there was a lot of media attention around the Centennial building - I don't recall that situation. Could you give us some information on what kind of damage was done to renovated space at the Dartmouth General? I don't recall the government putting out a press release or doing any media on damage at the Dartmouth General because of a roof leak. That's new to me. I would think it warrants some kind of response from the government. Could you provide us with a little bit of information, since we didn't get anything from the government?

MR. PICKUP: I don't have more detail than what we've reported in here. What we were really trying to do is not get into an analysis of why these things happened and whether they are being done quickly enough. It was more an example list. Perhaps asking the department or the Health Authority for more information would be a better route.

MR. DAVID WILSON: Will do. I foresee a news release maybe in my future on that one.

I want to talk a little bit about something that has been an issue for a number of years and that has driven a lot of attention and work done within the Department of Health and Wellness, I know it from when I was there, that's the overcrowding in the ERs. There are many reasons and many things that contribute to overcrowding in the ER. It can be from H1N1 or high flu season or difficult flu season where you see an influx of people in the ERs. You mentioned here that many people are waiting for alternative care. Did they

give you an indication of what was needed and the definition of alternative care? Do you have any kind of breakdown? Is it home care? Is it long-term care placement? Or did they just say a high number of patients who are housed within the hospital or ER setting are waiting for alternative care? Could you maybe give us a little bit more detail on if they indicated exactly what that alternative care is and what was needed to move them from the ER into that alternative care setting?

MR. PICKUP: We were trying to present here broad issues or broad areas that may be contributing, with the idea being that the department and the Health Authority should drill down into these issues and get to the underlying issues. We didn't attempt to quantify in great detail the numbers around this. Organizations were telling us, when we visited the 19 hospitals, that people waiting to go to a long-term care facility, for example, could be delaying somebody in emergency, who may need to be admitted, but there may not be a bed because of that.

MR. DAVID WILSON: There are many factors that contribute to that. Could we say that the fact that the current government's decision to put a moratorium, for example, on construction of new long-term care beds would be a factor in that? Was it brought up during your visit or during your audit that the number of beds available in the province is not going up because of the decision of the current government?

MR. PICKUP: We didn't do an audit of the long-term care planning on number of beds or look at that. Really, we just presented that as one of the issues that was told to us, without getting into a separate audit of the long-term care facilities.

MR. DAVID WILSON: It would be interesting, I would assume that will play a role. I know often when we question a government on it, they are quick to turn to that the number of people on the waiting list has been reduced, pretty much because they changed the criteria, not because there are more beds available.

I know it's not your place to indicate exactly what contributes to or what leads to the overcrowding in the ERs; I'm just wondering if that was something that was mentioned by staff.

One of the things that bothers me over the last number of months, especially over the last year, is when we question the government, specifically the minister, on issues in health, the minister seems to often defer his responsibility or the government's responsibility to the Nova Scotia Health Authority. We have a new, mega health board in the province that oversees health delivery now. What kind of relationship and what kind of responsibility lies within the minister and the government when it comes to - especially the audits and the deficiencies we see?

I look at the recommendations and all the responses I see - I believe, I haven't gone through every single one of them - have come from the Department of Health and Wellness. Did the Nova Scotia Health Authority respond to any of these recommendations or was it

solely the Department of Health and Wellness that responded to the audits and the recommendations you made through the three audits that I see, well the two that deal with Health?

MR. PICKUP: If we look at the hospital system capacity audit, for example, on Recommendation 2.1 on Page 33, the department responded and the Health Authority responded as well. If we look at Recommendation 2.2 on Page 37, both the department and the Health Authority responded as well, similarly on Recommendation 2.3. So generally on this audit the Health Authority would have responded to everything.

MR. DAVID WILSON: But looking through it, the Department of Health and Wellness responded on everything. It wasn't solely the Nova Scotia Health Authority, if I look through it quickly.

MR. PICKUP: Both responded to each of the recommendations because the recommendations were really written to both.

MR. DAVID WILSON: Ultimately what I read from that would be that the department does ultimately have the responsibility to ensure that any deficiencies found within delivering the services is their responsibility. You can't say it's solely the Nova Scotia Health Authority. Am I wrong in thinking that ultimately the responsibility for services in health and deficiencies lies not solely with the Department of Health and Wellness but they are the ones that should ultimately be accountable and responsible, as elected officials, as the ministers, as the government as a whole? Am I reading that? Am I understanding that that really should be how responsibility falls within audits and deficiencies that are found through those audits?

MR. PICKUP: How I see the responsibility here is on this audit, for example, the audit entity would have been the Health Authority. The Health Authority is governed by the CEO and executive team and a board of directors that play a role and the Department of Health and Wellness would have been the other audit entity as part of this. They are headed by the deputy minister and then ultimately the minister.

The minister would ultimately be responsible for all of it. I mean the Health Authority . . .

MR. CHAIRMAN: Order. I do apologize for interrupting. Time has expired, we'll move to the Liberal caucus and Mr. Irving.

MR. KEITH IRVING: Thank you, Mr. Chairman, and thank you Mr. Pickup for your report this morning. Obviously we've had only a couple of hours to skim this as others were speaking. I want to begin by asking why you've chosen in this report to limit the number of recommendations. We've got a much smaller number of recommendations in this report. I'll be focusing my questions on Chapter 2, which has just four

recommendations. Could you explain to me why you chose not to go into more detail with the recommendations?

MR. PICKUP: Sure. If you look, for example, at Recommendation 2.1, that recommendation really is about developing a plan and in that plan discussing locations and what services would be expected. That could have easily been three recommendations: communicate with Nova Scotians, develop a plan that addresses locations, and develop a plan that addresses hospitals. So rather than call something three recommendations, that really is one recommendation; so we focus it in on one recommendation. Similarly, for example with the mental health patients and the adult protection clients, we made that one recommendation rather than something that says deal with crowding or deal with emergency-room waiting for these ones, deal with this issue, deal with this issue. So, it is bringing it up a level and grouping it in.

MR. IRVING: Okay. I have a question on that, but I will move on just with respect to time. Your report here, particularly in Chapter 2, is really painting a narrative with respect to the need to plan within our health care system. Did you find that the department had a very good understanding of that need with respect to how health care is changing and the need for a comprehensive plan?

MR. PICKUP: I think what really sticks with me on this audit is that both the department and the Health Authority fully acknowledge what we are saying here and fully accept the need to deal with these issues. So in clearing the audit and going through the level of detail that is in here, obviously they are running the health care system; they know how the health care system works, and we were the auditors. So, that is what is important to me is that we able to demonstrate to them through our audit that we understood what the issues are, we were able to conclude against audit criteria and make recommendations that they wholeheartedly accept and think are relevant.

MR. IRVING: Yes, so it is fair to say - I mean you are obviously not experts in health care and health care management systems, et cetera, so a lot of your recommendations have really come out of the department's recognition of major shifts needed in health care and a much more clear and efficient rationalization of our infrastructure - is that a fair comment?

MR. PICKUP: When we do an audit and we have audit questions and audit objectives, we do that in a number of ways, including interviewing staff which would have been a big part of this audit. So in visiting 19 hospitals, and I was out in emergency rooms on some of them as well, and talking with people and looking at reports, then we would have pulled this together. You know, it was not the findings I would say - I will not speak for the department or for the Health Authority, but I think the findings that we had it would be fair to say they were well understood and known within both the department and the Health Authority.

MR. IRVING: The all-encompassing statement with respect to - quoting from your report - "Historical ways of providing health care to Nova Scotians are not sustainable." That conclusion has been made by you with respect to financial analysis or has been made in conjunction with, I guess, the understanding of the department of the reality of Nova Scotians, 41 per cent of their budget going to health care - where did that statement come from?

MR. PICKUP: So, that would be the overall conclusion of the report based on things like, for example, looking at the results of patient flow through the hospital and some of the inefficiency and ineffectiveness around patient flow; for example, looking at the infrastructure needs across the system of the Health Authority's 41 hospitals and saying the way of doing things in the past with these 41 hospitals likely needs to be looked at and a plan needs to be developed to say, okay, that is the way we did things before, but what locations do we need now, what are we going to offer in those locations, and how do we communicate that and engage Nova Scotians in that process?

So, that is how we got to the not sustainable; it is by sort of subcomponents of the audit and answering the audit objectives around each of those key areas that we looked at.

MR. IRVING: The report talks a lot about the aging infrastructure. Do you have any comments on how long we have been underfunding infrastructure in this province, clearly, to get to a point in which there are urgent needs identified to the tune of $129 million? That didn't just happen overnight. Can you comment on how bad we've been as a province, in terms of maintaining our infrastructure?

MR. PICKUP: We didn't attempt to do an historical summary, year-by-year differences between what might have been planned expenditures and what were actual expenditures. We didn't attempt to do that. We indicated what the Health Authority and the department indicate now as the needs and differences. Again, I would go back to a point we make in the audit that all of these facilities need to be looked at and a plan developed to say, what do you want where? What state do you want that to be in? Then make some of those decisions related to such a plan.

MR. IRVING: Thank you. That brings me to my next point, or point that I'd like clarified. In this report, the glaring chart of $129 million of needs, that is underfunded by $85 million, your real point here is not about that number. Your real point here is with respect to the need for a plan. Do you want to expand whether I'm on the right track there?

MR. PICKUP: Sure. Just a couple of things. I want to clarify that various infrastructure needs have been presented in the report, based on visits to locations. It's not meant to be a complete list. It's not meant to prioritize the list, either, but it is meant to point out that while, for example, some of these hospitals with infrastructure needs are well known, some of these facilities are located very close to each other.

If we give the example that we have here in Cape Breton, where we have three hospitals located within 30 minutes of the regional hospital, some of these hospitals have identified great infrastructure needs. The New Waterford hospital identified up to $13 million in infrastructure needs.

What we said is, you have all of these identified infrastructure needs; take a second, take a look, and say, okay, before spending all of this money, what do you want to have where? What do you need to deliver health care? Which facilities do you need, how are you going to operate them, and what level of service are they going to give? Then do the repairs and maintenance and the work necessary to keep those facilities as you plan on using them. That is a long answer to your question, but that is really the heart of the point. It's two-fold.

MR. IRVING: I agree with you 100 per cent there. I'm an architect, I know that hospitals are the most complex buildings to plan, in terms of understanding the systems and how patients flow, et cetera. If we are reinventing the system, I would suggest - and I think you are in agreement here - that a very well-thought-out plan is needed before one runs out and invests in these pieces of infrastructure that we may in a few months decide are really not going to fit into a new, modern system. I think we are all in agreement there.

MR. PICKUP: I think it would be a shame for Nova Scotians if money was spent, for example, on infrastructure before a plan was put in place, and then a plan indicated that based on the planning, we don't need this facility, or this facility is going to serve this purpose and not this purpose, and then everybody is left shaking their head, and we come along and we do an audit to say, why did you spend that money doing this, only to turn around and do this and this and this, right?

Obviously, we're the auditors - I'm not saying, with the example in Cape Breton, what should or shouldn't happen to those four facilities. But I am saying that should be part of a plan. The plan should indicate what you're going to do with all of these facilities.

We also give the example of the South Shore and Fishermen's Memorial Hospital that need to be considered, in terms of what services should be delivered there.

MR. IRVING: Not wanting to try and reach too far here, but based on that, the underfunding of a health care infrastructure budget may actually be a sign of stepping back and beginning to do some planning before going forward with various projects.

MR. PICKUP: I would suggest that a plan would incorporate what facilities you want to have, but it is likely, without prejudging any plan, that you're probably going to keep the regional hospitals, as one of the members pointed out. If you have, for example, the Cape Breton Regional Hospital with bricks falling off, it's likely that hospital is going to be in your plan. I think it's a good question for Nova Scotians to ask, why is that infrastructure money not spent to keep the bricks from falling off the Cape Breton hospital?

I don't want to suggest that you wouldn't spend a dollar in maintenance or repairs because you're waiting on the plan.

MR. IRVING: Understood. Fair enough. I'm just wondering if you would care to comment on the April 21st plan with respect to the announcement dealing with the VG. My interpretation of that announcement was that it was very much on a conceptual level of us saying we can now share with Nova Scotians that a complete rebuild at $1.3 billion or whatever is not the route that we're going. That, in my estimation, was an announcement that we've made a shift; here's the new idea out there. I think it was very premature to be trying to identify a budget to that plan at that point. Would you concur, as an auditor, that the amount of information there was not at a point in which budgets should be set to be adhered to, because the needs were not really fully identified - is that a fair statement?

MR. PICKUP: There are two points I would make on that. One is we did not look at any of the detail, so the presumption in your question, that information was not available, I would not have any information on that. We did not attempt to gather any information supporting details of what was or wasn't available around the VG site. We heard about it when it came out in the media, first day.

So it was definitely not part of the audit. I would continue to emphasize, though, that a detailed plan with all the specifics needs to be done. Yes, there's a balance between doing that prudently following financial management practices, picking up on some of the things that came out of the *Bluenose II* audit, for example, in terms of when you announce the budget and doing this type of thing. So yes, recognizing that there is a balance there, but certainly what has been given to date, as the department itself acknowledges in our recommendation, wouldn't be sufficient to give Nova Scotians what they want and what they need in terms of the information coming. So a long answer to your question, but there are the two facets to it.

MR. IRVING: I think in summary, you and the department are in agreement that a plan is urgently needed, and it needs to be communicated to Nova Scotians.

MR. PICKUP: Absolutely.

MR. IRVING: Thank you. I'll turn it over to one of my colleagues.

MR. CHAIRMAN: Mr. Maguire, you have until 11:04 a.m.

MR. BRENDAN MAGUIRE: You said you visited 19 hospitals and ERs. What was your assessment of those hospitals and ERs? Are they overwhelmed? Is every ER, every hospital, seeing hundreds of clients every day?

MR. PICKUP: The purpose of the visit to the 19 hospitals was that a lot of this audit included interviewing staff and reviewing reports at various locations. We did not try to give sub-audit opinions on each of the facilities and say here are the ones that are working

well and here are the ones that aren't working well in terms of detail, or providing a complete and exhaustive list of things that need to be done, or challenges. But I would say that these 19 visits - which is a tremendous amount in terms of audit sample, audit coverage - supported comments and conclusions, for example, related to emergency rooms, related to challenges that staff find themselves working with.

Those things are acknowledged in the report. Those 19 visits really did allow us and assist us in reaching the conclusions that we did without providing sort of sub-conclusions if you will. The 19 hospitals we visited are indicated in the report in terms of breadth of coverage across the province.

MR. MAGUIRE: I'm probably going to ask a question that's not going to be politically popular, and I'll see how you answer it. The health care system in the last four years has been based on bricks and mortar and hospitals. Today you have been talking around the amount of infrastructure we have in this province. I am just going to ask you flat out, do you think that we have too many hospitals and ERs, not enough, or just the right amount?

MR. PICKUP: My answer to that would be fairly simple. The people who are running these systems, the Health Authority and the department, need to figure out what exactly they need and how those needs are going to meet the needs of Nova Scotians for health care, and then put a plan in place. We give examples of proximity of locations for example. We give examples on infrastructure needs. Those are examples that are all known by the Health Authority and the department. That is to help share with Nova Scotians some of the issues and challenges facing the Health Authority and the department to figure out, okay, what services do we provide in hospitals? It may have been one way 40 years ago or 30 years ago, but going forward, what will hospitals provide both from an efficiency perspective and an effectiveness perspective? There may be things happening in hospitals that don't need to happen in hospitals but that really is up to the experts who are running these two organizations to figure out what they need, how they are going to implement it, and then communicate and share that with all Nova Scotians.

MR. MAGUIRE: To follow up, your job is to look at how taxpayer dollars are being spent and if they are being spent wisely. The way we have been doing things in the last 40 years, the last 50 years, the last 60 years, is that a smart way to continue to spend money into the future? Is it smart to continue to build buildings that may - by using that money on new buildings - may take away from services that could be provided in other methods and other directions, it takes away from doctors? I mean, your job is to look at the money. Is it money well spent?

MR. PICKUP: I would point out that our job is to look at more than the money. Health care delivery is more than how you are spending the money, it is, are you delivering the services most effectively? For example, for patients needing mental health services, is the emergency room the best place for them or should there be alternatives available? We have been clear, if you look at the overall conclusion, that the department and the Health

Authority must deliver health care more efficiently and more effectively as well. The way things have been working are not the most efficient and effective ways to deliver health care. We have not been ambiguous in our overall conclusion, but it is more than just dollars. It is about the type of care you deliver, where you deliver it, and how efficiently you deliver it as well.

MR. MAGUIRE: I think all Parties recognize that there are issues that go back a long way. If we are going to move forward and change the way for the better that we deliver a health care system, we have to do it all as one voice instead of nine separate voices.

MR. CHAIRMAN: Thank you, Mr. Maguire, and time has just about expired. We will move back to Mr. Houston for 14 minutes.

MR. HOUSTON: Thank you, Mr. Chairman. In terms of the capital spending and the urgent needs versus the budget that was there, could you see any pattern as to which projects got funded at which facilities? Was there any kind of pattern where the infrastructure upgrades were being made as opposed as to where they weren't being made?

MR. PICKUP: We didn't delve into a history of this classification of infrastructure needs have been done, these ones have been put on hold, either geographically or by nature of expenditure. It really was what was shared with us by the department, in terms of the urgent infrastructure requirements.

MR. HOUSTON: Okay, but would it be your belief that that kind of analysis would be being done? Who was deciding which projects to do and which not to do?

MR. PICKUP: I would suggest, when you have the opportunity, that question gets posed to the Health Authority and the department as to how they decide what gets spent where.

MR. HOUSTON: Okay, so I guess the obvious question is, is it part of a plan to close certain facilities that are maybe not getting the capital projects that they are putting on their own urgent list and that are remaining on an urgent list? You are saying you didn't have that type of information as part of your audit here.

MR. PICKUP: No, and all the more important, I guess, for that overall plan that we recommend.

MR. HOUSTON: We keep going back to this plan. It would seem remarkable to me it takes the Auditor General to go to senior staff in the Department of Health and Wellness and say you need to have a plan. Is that really what is happening? There is no plan and it takes the Auditor General to tell them that if you are going to manage this business you should plan for it?

MR. PICKUP: The recommendation we have indicates in the responses that work has been started and they're looking at best practices and standards of service delivery and engagement with Nova Scotians will take a variety of forms. I think that to date there's not some comprehensive plan to say okay, if you take Cape Breton for example, or the South Shore for example, here is what is going to be provided in each location; here's what people can likely expect in terms of service availability; here's what needs to happen in a hospital; here's what's not going to happen in a hospital, therefore here are the facilities.

This is why we also stress the importance of communication and engagement with Nova Scotians so that there's not uncertainty or concern or a lot of stress around okay, what's going to happen, when and how?

MR. HOUSTON: You mentioned at least once, a number of facilities within a 30-minute radius of each other. Is there any magic to 30 minutes? Is that some significant number in health care delivery, or is it just as a reference?

MR. PICKUP: The 30 minutes was a reference. The standard of care - Ms. Colman-Sadd can correct me here if I'm wrong - the standard of care for emergency rooms, for example, is that 95 per cent of Nova Scotians will have access to an emergency room within one hour. We use 30 minutes as an example.

MR. HOUSTON: So that's the existing policies and procedures stated goal, I guess, that everyone should have access to emergency care within one hour.

MR. PICKUP: Ninety-five per cent of Nova Scotians will have access to emergency care within an hour.

MR. HOUSTON: Can you tell us anything about - like mental health, the department is going to do a plan, what services are provided where? The departments are going to do a plan. It does seem like these are things that should have been ongoing and had plans in various stages. Is there anything you can tell us? I know you didn't stipulate a timeline as to when these plans should be available and when things should be communicated with Nova Scotians but I think you said earlier that, although you didn't ask or didn't stipulate, the departments didn't offer, like we intend to have a plan ready by such and such?

MR. PICKUP: In fairness to both the department and the Health Authority, it's not that they weren't aware of any of these issues or that they had issues with providing effective service - right? If you look at the Nova Scotia Health Authority response to that recommendation, they agree with it. They indicate that a number of initiatives are underway to try to bring appropriate care at the appropriate time by the appropriate provider. They acknowledge they need to build on these efforts and then they're going to work with their partners to do more, to improve access to various housing, for example.

They acknowledge and the department acknowledges as well that they are going to make recommendations to the Deputy Minister of Health and Wellness and the Deputy Minister of Community Services regarding a collaborative, complex needs case management protocol. It's not like we're telling them things that they aren't already aware of. What we're trying to do is draw attention to it, make the recommendation so that we can follow it up and so that Nova Scotians know where this stands, and that it is not there yet but it needs to get there.

I'd also point out that we are going to do an audit of the mental health services' effectiveness for reporting in Spring 2017.

MR. HOUSTON: Would it be fair to say, though, if you had some comfort that these plans were well in hand and then almost complete, you wouldn't be making a recommendation that they develop a plan - am I reading that wrong?

MR. PICKUP: Are you talking in relation to mental health?

MR. HOUSTON: I'm actually talking pretty much about everything this government does, but for today we'll talk about mental health, sure. Then we'll go through the VG and we can go through them all. But as a general observation, I'm just wondering, is it the case that if you felt comfortable that there were these plans being worked on, that were close to be finalized, you would still make the recommendation that they develop a plan?

MR. PICKUP: We would then talk more about where the plan stood. I think if you look at our overall conclusion, definitely things need to happen to deliver health care more efficiently and effectively - we were not satisfied that the bar has been met yet, so therefore, the recommendation to really indicate which services will be delivered in what locations. That's when you start to drill down as to what's in a plan. Then the department and the Health Authority acknowledge and agree with the recommendations and indicate what they're going to do.

We're not arguing with these two entities over what is or isn't done. They accept what we've said has to happen, and now it's really about how quickly that's going to happen and how successfully that is going to roll out.

MR. HOUSTON: Are we kind of at the stage of their planning for the planning? Do you have any sense of, are there dedicated people in any of these areas who are saying, well, we have 10 staff working on developing a plan, or we have five staff, or this is what we are doing? Or are they still planning for the planning? I'm just really trying to get my head around where this is all at.

MR. PICKUP: The two responses to that recommendation on Page 33 give you a little bit of an indication of that. My suggestion would be, rather than me trying to sort of speak for the department and the Health Authority, to invite them in and then have them

talk to the details of where they are with this, and probably more importantly, ask them for timelines as to when this is going to get done and how it is going to roll out.

MR. HOUSTON: Just in terms of process, the Auditor General says you should really have a plan for this - be it mental health or the VG or something - and then the department says, sure, we're going to develop a plan for this. What's the back and forth? Do you have an opportunity to say, can you put a bit more meat on those bones as to how you're going to or when you're going to, or is it just that when they say, okay, we're going to plan, if that's kind of - they write a couple of paragraphs on a piece of paper and that's kind of that. Are you satisfied with their response that they're going to do a plan?

MR. PICKUP: We never attempt to give an advance sort of blessing or ruling, if you will, to say, if you do this, that will certainly meet the recommendation. That is very difficult to do at this stage. Really it's about details, delivery, and rollout.

They know well and acknowledge well that this is probably one of the key priorities they are facing. I certainly believe and hope that it's more than the Auditor General coming back in two years to follow up on something that gives the push to get things done - that it's really driven by the health care.

MR. HOUSTON: I guess in the perfect world, would you have more scope to kind of - say they're going to do a plan, that you would actually get to say how are you going to do that, and then have a look at the plan and then sign off that it's a good plan?

I think Nova Scotians would be served well for that. Obviously we can see that, over 20 years, planning has started and stopped and failed and gotten us to where we are today. I'm sure we're at a serious risk of history repeating here, with a government that has shown that at the highest levels of Cabinet they don't really know how to plan and they are probably pushing that down.

Is it good enough for you, in terms of you saying, develop a plan and they say sure, we'll develop a plan? Or do you wish you had more scope to kind of dig in, to make sure a good plan comes?

MR. PICKUP: We have whatever scope we want. The danger to give sort of an advance ruling, if you will, on the response would be what if, as we go forward, that response needs to be tweaked, needs to be changed?

What I would hope would happen is the role of the Auditor General is to bring attention to these matters, to come to committees like the Public Accounts Committee that can hold government accountable. Really what I would love to see is this committee bring these two entities in and say let's talk about where you are with a plan, let's talk about who is doing what, when are you going to have it, and what it is going to involve. This report is a tool for that step to happen and for the committee to engage these two entities, for example, in a good discussion around this rather than me trying to sort of speak to planning

and the risks and the nature of what will have that - I mean it's better that you have the people responsible here to talk about that.

MR. HOUSTON: In terms of the infrastructure spending, did you see any evidence in the course of your audit where there has been any process started to have an inventory of services at the various hospitals? Did you see any work papers or anyone saying this is what we do here and this is what we do here, and then look at maybe where the overlap is within that 30-minute window you were referring to? Is that the type of analysis you were seeing being done by staff?

MR. CHAIRMAN: Ms. Colman-Sadd.

MS. EVANGELINE COLMAN-SADD: We didn't look at the details of health services planning that is ongoing because it is ongoing and not completed at this stage, so that wasn't something that we would have gotten into.

MR. HOUSTON: Okay, so you would consider that just part of the plan that they are going to do going forward, because I'm just wondering if that was looked at in the context of capital spending but you are saying no, it wasn't - it wasn't within your scope, I guess.

MS. COLMAN-SADD: No.

MR. HOUSTON: Okay.

MR. CHAIRMAN: Thank you, Mr. Houston. We'll move to Mr. Wilson.

MR. DAVID WILSON: Thank you, Mr. Chairman. I know through questioning that you mentioned on a number of occasions that you can't answer some questions because they are more appropriate for the department or the people responsible, I think, is what you said, to answer that, and I appreciate that.

One of the frustrating things for myself and for our caucus over the last year or so has been even when we have those people responsible in front of us, we don't get the answer. Normally the person in front of us is the Minister of Health and Wellness, during Question Period, during Budget Estimates. As we sit here today I'm still waiting for a response from the minister, for example, on simple questions that I asked during the Budget Estimates, and the minister said he would get back to me and we're well over a month since then, if not longer.

I think we're in a time now that Nova Scotians need to understand that the health care decisions that affect them have really been handed to a bureaucracy that is not accountable to them. They make key decisions, I think, and they're being made by people who are not elected, who aren't held accountable, and that concerns me - and I know it concerns a number of Nova Scotians. Do you have a response to that?

Obviously the minister has avoided answering direct questions, simple questions at times - is there any way for an Opposition Party, for example, as an MLA, to try to emphasize to the government that ultimately the minister and the Premier and the Cabinet and the governing Party is responsible for these services? Is that an observation that I'm on the wrong track, or are you able to comment on that, the responsibility side of things should lie really with the minister and with the Premier and with the Cabinet and with the current government? Am I off base by saying that now many of these decisions are being made by an unaccountable body, like the Health Authority that we have now in Nova Scotia?

MR. PICKUP: Both of these organizations are ultimately accountable to the Minister of Health and Wellness. So while the Health Authority has a CEO and executive and they have a board of directors, the Department of Health and Wellness has a deputy minister. The Minister of Health and Wellness ultimately answers to all of it, so the Minister of Health and Wellness would be accountable to the Legislature, to Nova Scotians, and part of the accountability process is the role of the Auditor General to come in, and we've been fairly clear here that the Health Authority and the department need to do better, they need to deliver health care more efficiently and more effectively. They accept that, so I think that's part of the accountability.

Now that's only step one. What really needs to happen now is these recommendations need to get implemented. So while we're happy that the recommendations have been agreed to, the conclusions have been agreed to, now it's time to get the job done.

MR. DAVID WILSON: So with the recommendations, what kind of balance is there between what you heard from staff, for example? I know in Paragraph 2.16 you indicated that those working in health care may do so in a difficult environment which may create challenges to providing high-quality patient care. Where is the balance between knowing that there is urgent need and the requirement of a plan for the government to address those?

There has to be at some point issues that you found in your report that need to be addressed immediately. I know the emphasis is on a plan and we've got to do things differently, I understand that, but a lot of the things that you recognize, that I mentioned before, are challenges and deficiencies at regional hospitals, for example, which there's no foreseeable change, or closing those hospitals down. So where is that balance on those urgent infrastructure needs and the need for a plan?

MR. PICKUP: If you look at the concrete example we gave of the VG, where staff were at work under very challenging circumstances, leading through this audit, this audit would have been nearly complete before that response or plan from the government on the solution for the VG came out in April. So we were pretty clear that something had to happen to fix these problems at the VG, as one example.

I think bringing the department and the Health Authority here and asking them to say, okay, what can you do while you are waiting for a plan, on emergency rooms, for example, how do you deal with the crowding and wait times in emergency rooms, recognizing that you are always going to have a certain level of emergency rooms, whatever the number is, how do you figure out where the crowding is, where the wait times are and how do you deal with that? So whether that's people who shouldn't be in an emergency room and should have more appropriate care somewhere else, or various other reasons, a lot of that could probably be worked on while you are waiting and to put that other plan in place on location and usage and operation of facilities.

MR. DAVID WILSON: So the talk about needing a plan, and we heard in April the government announced somewhat of a plan to address the Centennial Building. I would think that you wouldn't say that you are going to fix something without looking at what the potential costs are. I remember my time in the Department of Health and Wellness when we committed, as a government, to tearing down the Centennial Building and moving forward. There were costs, estimated costs of a replacement, which were pushing $1 billion at the time, I believe, maybe a high of $800 million - would you not think that there are costs that were looked at with the plan that was released?

I know it was either during your audit or just after your audit, I know the government hasn't allocated significant funds in this year's budget for that plan, but would you not think that they should have looked at costs when they released the plan in April about the replacement of the Centennial Building?

MR. PICKUP: Two things on that: I won't comment on what may or may not exist in relation to the solution or plan around that, because I haven't seen it and haven't asked for it because it really wasn't part of this audit.

Secondly, I hope that the government learns from past audits and recommendations we've made in past audits. If we look back to January 2015, when we reported on the *Bluenose II* and how when that budgeted number was given there wasn't a lot of support around that number, and it was probably unlikely that that was ever going to be achieved. I think it's a balance, but I certainly wouldn't comment on what may or may not exist.

MR. DAVID WILSON: I think it was on Page 30 where you mentioned that the Health Authority and the Department of Health and Wellness need to ensure that complete and clear communication occurs with stakeholders, including the public, to the need to understand how and why changes will be implemented and what services will be available. We've seen on a number of significant issues and potential changes in the past - I'll give an example of Seniors' Pharmacare, they didn't get an A for communicating the changes that were going to happen with the changes with Seniors' Pharmacare. We've seen that when more information was provided, the government made a change, which I applaud. I'm glad they stopped moving forward on that.

How can the government improve on that communication? Are there any recommendations, or are there any examples that you provided to the government, saying you need to do a better job of communicating to Nova Scotians especially around the health care transformation or changes that we'll see into the future that they want to implement?

MR. PICKUP: It's very important for me as the Auditor General to want to make a recommendation that included Recommendation 2.1 on Page 33. It's very important after following engagement and consultation to tell Nova Scotians what they should expect from their health care system. This would include what services to expect in hospitals, where those hospitals may be located, and what they may be used for. The department and the Health Authority acknowledge themselves what that engagement of communities and stakeholders should look like. This was critical to us to build into the recommendation so that all Nova Scotians have the opportunity to be a part of a solution and know what they can expect.

MR. DAVID WILSON: Chapter 1, Homes for Special Care, indicates the number of investigators or compliance officers. I believe, in the Department of Health and Wellness, there are nine investigation and compliance officers responsible for 136 homes for special care that have a capacity for almost 8,000 residents. In Community Services, there are eight licensing officers responsible for inspecting 332 homes for special care with a capacity of about 2,200 residents. Your findings of deficiencies in the audit - would you attribute that potentially to the sheer number of facilities that these nine and eight officers have to inspect? To me, that seems like a lot. I don't believe it would happen in one day, so even if you broke down 332 homes by eight, it would take you some time to get through all of them. Do you think that may have contributed to some of the deficiencies you see in the inspections and the reporting, the number of homes that these inspectors are overseeing?

MR. PICKUP: Two points on that: we do not make comment on the number of inspectors. But to go to what the audit findings are - at Community Services, for example, they have 332 homes they are responsible for. If you look at the findings related to how these inspections are working, at Community Services it's pretty good results in terms of the audit. They're completing the number, they're timely, and they have the guidance. If you look at Health and Wellness, who have 136 homes, the findings in the audit are not around the number of inspections carried out, because they carried out the required number of inspections. It's about not having the information systems available to do reporting and to be more efficient. The underlying problems here related to these audit results we certainly don't attribute to the number of inspectors, nor do the entities in their response or or meetings indicate that it had to do with the number of people they have.

MR. DAVID WILSON: So, I would assume you did speak with some inspectors.

MR. PICKUP: Oh, yes, this audit would have involved dealing with inspectors and I, myself, went out on a couple of inspections.

MR. DAVID WILSON: Would these inspectors have been caught up in the amalgamation or centralization of all the inspectors over to Environment? I know Public Health inspectors have all moved into one area. Do you know if these inspectors in Health are in that big group of inspectors that they amalgamated I believe a year ago or so?

MR. PICKUP: I am not sure if they have been amalgamated over. We were really focused on what they were doing. Nobody brought that up in a response, but if you wanted to confirm with them.

MR. CHAIRMAN: Thank you, Mr. Wilson. We will move back to the Liberal caucus and Ms. Lohnes-Croft.

MS. SUZANNE LOHNES-CROFT: Thank you. I have waited for this report. As you may know, my own mother has been in a long-term care facility for four years this month so I take very seriously what goes on in long-term care facilities. It is very important to me personally but also many of my constituents. We have a demographic in my constituency of an aging population so care facilities and home care are very significant.

I was really pleased to hear about how the Department of Health and Wellness does complete all its required inspections. Very impressed that you, yourself, Mr. Pickup, have gone on some of these inspections. It gives you a greater insight of what is actually going on. Did you find any evidence of any inspections not being performed well? You said there is a reporting issue with the system, but any performance issues?

MR. PICKUP: I will give you some examples, keeping in mind that the overall conclusion was they do need to do a better job in terms of the consistency of these inspections and they do need guidance. As part of our sampling we would have looked at - out of a sample of 30 - 127 deficiency reports. So, what in a facility might be deficient? Twenty-three of those 127 deficiencies still existed five to nine months later. So, that was not a positive finding. Three of those were health and safety requirements, including proper medicine storage, and they were not following up until the next monitoring, many months later. Another example was the facility that did not test their emergency plan as well. Keeping in mind this was an audit of the identification and management of health and safety risks that the Department of Health and Wellness has a number of things to improve, to do a better job on this.

MS. LOHNES-CROFT: Were there any indications that any residents suffered harm or injury as a result of faulty inspection?

MR. PICKUP: When we do these audits and you are looking for control points, you are looking at things that should exist. You do them not because something happened because they did not exist; it is about what could happen as a result of a deficiency. If you have a deficiency like somebody has not tested their emergency plan, well, heaven forbid, you may not be able to show that something happened - but what if something did happen?

Something bad happened and all of a sudden the lesson learned was we did not test the emergency plan.

We do these audits to point things out so that we are not after the fact and that you are trying to get control points in place. Same thing with proper medicine storage, right, with that as an example. I cannot point to A, B, and C happened as a result, thankfully, but you point these out as key control points that the department themselves realize need to exist. When there are deficiencies and things are not happening, you have the exposure to something occurring. It is sort of like if you go to the bank and why it might have locks and guards. It is not because somebody stole all the money; it is because you have those controls so somebody doesn't steal the money.

MS. LOHNES-CROFT: In your audit, Recommendation 1.3 is that service providers establish clear performance expectations and reporting requirements. Did you find though within your inspections that there were some facilities that were doing well with that? I would think that some boards would have that expectation that there are requirements that their staff have good documentation and reporting.

MR. PICKUP: We didn't look at the relationship between a facility's board, for example, and management within a facility, some of which these facilities obviously are private sector facilities. What we really looked at was the department's stewardship and the department's ability to overall evaluate how these service providers are doing by having expectations set forth in service agreements that should be in place.

MS. LOHNES-CROFT: I just find that the facility where my mother is, I get regular reports and annual meetings, plus if there's any incident or should my mother fall or anything, I'm called immediately and there's always follow-up. I just thought there is, in some facilities anyway, good reporting that is going on.

Also, my mother had to be in a locked unit so I didn't have the choice of where she went. There are only certain facilities that provide that, and I understand that. But your report identifies that there are some new programs that are very successful in finding new ways of caring for Nova Scotians, so I'd like to hear about those. They may not fit people like my mother but they would fit other people - can you give examples of some of the new programs out there?

MR. PICKUP: Sure. One example that I witnessed personally when I was out at a visit, with Ms. Colman-Sadd, at one of the nursing homes is that the physicians and the team were coming to the nursing home and on this day they just happened to be there on the day we were there and they were meeting as a team within the facility. They were meeting with people in the facility and they were seeing patients who they needed to see in there. The idea was that this would reduce some of the disruption for the residents, so rather than them leaving to go to an emergency or go to appointments, the care providers were coming as a team and were meeting as a team within that facility.

MS. LOHNES-CROFT: Thank you. I'll pass on to my colleague, Mr. Stroink.

MR. CHAIRMAN: Mr. Stroink.

MR. JOACHIM STROINK: How much time do I have left?

MR. CHAIRMAN: You have until 11:45 a.m.

MR. STROINK: Okay, great. I'm just going to ask one more question on health care and then I'll definitely move on to another important topic.

You say that hospital-based care is not sustainable and that the services should be moved to community-based settings. You are not the first person to say that, Dr. John Ross and others have been saying this recently in the paper and stuff. Do you feel that health care in Nova Scotia is already moving in that direction?

MR. PICKUP: The overall conclusion, I think, we have to stick to what the overall conclusion is, that we don't feel things are currently being efficiently and effectively managed as they could be and, therefore, the need to get down and look.

Now we do acknowledge that there are some things that are working well, like we give an example of a hospital trying to keep people in their homes and not in the hospital awaiting a long-term care facility.

MR. STROINK: We've sort of already started that path. I mean there's lots more work to be done on that for sure, but I think we're headed in the right direction. Thank you very much for that comment.

I guess what I do want to touch base on, since I have a few minutes left and it hasn't been touched on, is the species at risk. I think you mentioned, or I'll ask you, you said in another area, but you said that this has never really been looked at before by the Auditor General - is that correct?

MR. PICKUP: I believe that is correct.

MR. STROINK: So looking at that and I think this has been an ongoing problem for many, many years, I think all Parties had their fingers in this issue at some point along the way and then have not looked at it or taken it seriously - is that a fair assessment to say?

MR. PICKUP: I would stick to the conclusion made in the report, that there are 60 species at risk and this needs to be a greater priority for the government.

MR. STROINK: I guess that's where I'm happy to see that the Department of Natural Resources has committed to October 31, 2016, to put the five recommendations into a plan. Is that correct?

MR. PICKUP: Keeping in mind that yes, I like that they put a date in there of October, 2016 but it is not that everything is going to be completed. It is that they have identified there may be plans in place, things may be set up. Some of these things are going to take longer than that but, certainly, I would give the department a thumbs up, if you will, on trying to put a tangible date around when they want to do something.

MR. STROINK: I guess that is where they are starting to ramp it up, and I am happy to see that. Looking at some of the issues of the species that are at risk, recovery plans for five of the threatened or endangered species are late by six months to seven years so, I am going back to that indicates that this has been an ongoing issue for many, many, many years and I think that is a fair assessment to say.

MR. PICKUP: I think if something is seven years late that means you know four years ago it was three years late.

MR. STROINK: Yes - fair point. The other thing that I wanted to touch on with my limited time here: looking back in 2013, an increase of 19 species was added to the list of provincial species at risk. Why was there such a jump at that time of 19 species? I mean, is it human interaction within our protected areas? Is it global warming? What are some reasons for that because that is a big jump?

MR. PICKUP: We haven't gone into the detail of why they were added in 2013. Perhaps if you have a chance, you can ask the department because we did not look at why those were added.

MR. STROINK: Okay, fair enough, and I notice that you have also mentioned the invasive species that have direct impact onto these species. Was there a more in-depth look into that from your department as to how the government is trying to deal with those, especially the green crab?

MR. PICKUP: No.

MR. STROINK: Okay. One of the topics that we have heard a lot about in the past was the tri-coloured bat, and I see that that is on an endangered species list. Did you look at or have you had an opportunity to see specifically what kind of a plan they are doing for that species at risk?

MR. CHAIRMAN: Ms. Colman-Sadd.

MS. COLMAN-SADD: We would have looked at recovery management plans for certain of the species. Off the top of my head, I could not tell you which species they were,

and we would have been looking to see that there was a recovery team; that the recovery team developed a plan; and that the department either assessed that plan, decided to make some changes, or decided certain areas weren't appropriate. We would not have the expertise to look at the plan and say that is an appropriate plan or not. We would be looking at the processes that they had to develop the plan.

MR. STROINK: Thank you, one thing that I need some clarification on is that endangered species fall under provincial but they also fall under federal jurisdiction. That is a fair assessment to say. Of this report, was there any looking at the federal responsibility within the species at risk for Nova Scotia?

MS. COLMAN-SADD: Some of the species are listed federally, some are only listed provincially, some are listed both. In some of the plans that we looked at there is work going on with the feds in instances where it is joined and the Nova Scotia Endangered Species Act does provide for that. To the extent of what we would have done - because obviously we do not have any jurisdiction to look at what the federal government is doing - we would have looked for those plans where species were listed jointly and there was a joint plan, then we would have looked at that plan. In some instances that would have meant slightly different criteria or things involved in the plan, because the federal legislation might be different. Provincial legislation allows for that so that would have been okay.

MR. STROINK: Okay. Great. How much time?

MR. CHAIRMAN: Just another 20 seconds remaining.

MR. STROINK: This is a very large topic for discussion I think and a very important one. I do thank you for taking the time to look at endangered species as sometimes they are forgotten. I do greatly appreciate the work that you have done on this area.

MR. CHAIRMAN: Thank you, Mr. Stroink. The time for questioning has expired. Mr. Pickup, I would like to offer you an opportunity to provide some closing comments.

MR. PICKUP: I want to thank members today for their interest in these three critical areas impacting Nova Scotians. I want to thank Ms. Colman-Sadd for leading the performance audit practice and leading the teams that did these three audits. I want to thank people who are back in the office who are busy working on other audits but may have this on their screen, watching the Public Accounts Committee work as well.

They take these audits very seriously as you can tell. The passion which our auditors have, as they visited these 19 hospitals, for example, is tremendous. They do this work mainly because they care. They have a lot of options to go a lot of other places, but they continue to pursue this work and to make recommendations to improve things for Nova Scotians.

We do this work, and we give this report to you as a tool to hold the government accountable. Whether it's the delivery of health care, which impacts every Nova Scotian within the province, or whether it is health and safety risks for the 10,000 Nova Scotians who are in these homes for special care. They're very much relying on the work that we do and then the work that you do to hold the government accountable and make the recommendations get implemented. If we're talking things like deficiencies and seeing that the government acts upon these things, it is just so important.

When I got out and visited homes for special care on the Community Services side and on the long-term care facilities side, when you're there with people who live there day-to-day, you see first-hand how much they're counting on a Public Service and a government that is working well and delivering efficient and effective care because that is their home. That's where they wake up, and that is where they go to sleep, so it's very, very important.

I was glad to get some questions on species at risk as well because these are critical to our way of life. Whether it's the economy, whether it's our ecosystem, or whether it's tourism, once these things are gone, if they're not conserved and managed properly, it will be too late. In my work in getting ready on the species at risk, one of the things that I learned is gone from Nova Scotia is the woodland caribou, for example, which is on the quarter. We no longer have the woodland caribou in Nova Scotia. While it exists in other provinces, it is extirpated within Nova Scotia.

Species at risk is as important to us as any of these topics are. While it might not necessarily get the same level of attention as hospitals do, part of the reason why we picked this is because it is so inter-related to our economy, to our way of life, and what we expect. We don't want to wake up some day and ask, why are all of these things, like the turtles, no longer here? This is a chance now for government to take these recommendations and do something about it.

It's a long conclusion to a three-hour meeting, with a two-hour public session. I want to thank you and wish you all a great summer, and see you in September.

MR. CHAIRMAN: Thank you, Mr. Pickup and Ms. Colman-Sadd as well. Please pass our thanks along to those working in your office who have contributed to this report. It's very important, and we thank you for all of your work.

We do have some committee business. We have correspondence. I'm going to go through them one by one.

We have correspondence from school boards, including Strait Regional School Board, Halifax Regional School Board, and Chignecto-Central Regional School Board. Those were all in response to questions we had asked during a May 11th meeting. We also had correspondence from the Department of Education and Early Childhood Development related to that meeting. Are there any questions related to that correspondence?

Seeing none, we'll move to correspondence we had from a Ms. Pickings. This was something that was discussed by our subcommittee. This letter was directed to the Office of the Ombudsman. It was copied to our committee. The decision of the subcommittee was that we would acknowledge that the letter had been received, that we were copied on it. There was no further action taken than that. However, we do want to get the opinion of the full committee - are members satisfied with the approach that we've taken there?

I'm seeing agreement. Okay, our clerk will take note of that.

We have an opportunity for training with the CCAF. I believe everyone has been provided with a copy of the training modules they offer. I'm going to raise this as we will need to come to a decision regarding this if we wish to have the training.

You have been provided with the information, and we do need to make the decision. I'm not asking that we make that decision today, but is there anybody who wishes to comment on the correspondence we received from CCAF?

Hearing no comments, I would continue to encourage people, if you see something here that you feel will benefit the committee, to raise it by email to our clerk. We will have the opportunity to schedule something likely in the early Fall, that is probably the best time, perhaps before the House begins to sit.

I encourage people to perhaps look at it now and to get their thoughts going now, so we can start to prepare to ask them to come to visit, if we so choose. So that's something we will revisit.

Our next meeting will be September 14th. We have not scheduled a witness yet, but we do have witnesses approved from the subcommittee and from the full committee here, so we will be aiming to meet again on September 14th.

Is there any further business to come before the committee?

Hearing none, this meeting is adjourned. Thank you.

[The committee adjourned at 11:52 a.m.]