

# MEMORANDUM OF UNDERSTANDING

**THIS UNDERSTANDING** made as of the 21<sup>st</sup> day of November, 2023.

**BETWEEN:**

**INTERIOR HEALTH**

(hereinafter called "IH")

**OF THE FIRST PART**

**AND:**

**CARIBOO-CHILCOTIN REGIONAL HOSPITAL DISTRICT  
THOMPSON REGIONAL HOSPITAL DISTRICT  
NORTH OKANAGAN COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT  
CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT  
OKANAGAN SIMILKAMEEN REGIONAL HOSPITAL DISTRICT  
WEST KOOTENAY BOUNDARY REGIONAL HOSPITAL DISTRICT  
KOOTENAY EAST REGIONAL HOSPITAL DISTRICT**

(hereinafter called "RHDs")

**OF THE SECOND PART**

**WHEREAS:**

- A. IH is responsible for all health care services within the interior region of British Columbia comprising of Thompson Cariboo Shuswap, Okanagan, Kootenay Boundary and East Kootenay Health Service Delivery Areas, and is responsible for the development of an annual capital plan outlining IH's capital investment needs.
- B. The RHDs may, as per the *Hospital District Act*, provide to IH "aid for the establishment, acquisition, reconstruction, enlargement, operation and maintenance of hospitals and hospital facilities;" and to determine the proportion of funding they wish to allocate to the capital projects identified in the annual capital plan.

**Principles for collaboration:**

- a. All communications between IH and the RHDs will respect the roles of the two organizations as described in the preamble.
- b. Both parties seek a collaborative relationship, based on transparency and trust

- c. All in-camera discussions will be kept strictly confidential to ensure the free flow of information about approved and un-approved projects
- d. Both parties will seek to respect all legal obligations and approval timelines for their respective organizations and for Ministry submissions
- e. The parties will annually enter into discussions to discern emerging, historical and/or critical issues identified by the RHD. Every six months, a report will be provided to the RHD capturing the status of all funded initiatives not completed.
- f. RHD Board Chairs will have opportunity to meet with IH's Board Chair and Chief Executive Officer at the annual Board Chair/IH Joint meeting to discuss the Capital Plan and related issues.

**Intent:**

The parties will collaborate and share information on the funded and proposed capital projects, including clinical and nonclinical equipment, renovations and healthcare building expansions and digital health projects.

Upon receiving its capital funding envelope from the province, IH will present proposals to all RHDs within the region to seek feedback and identify funding requirements prior to being presented to the IH Board for approval.

**Medium and Long Term Capital Plans:**

- g. By November 1<sup>st</sup> of each year, IH will provide a 5 year capital plan to the RHDs consisting of an annual plan, 2-3 year plan and 4-5 year forecast. IH will also provide a 5-20 year listing of potential future priority investment projects. The plan will be refreshed on an annual basis and presented in-camera to individual RHDs in the fall for information and discussion. The 5 year capital plan is subject to approval and funding.
- h. Projects in planning require funding ahead of business plan submission to the Ministry. These projects will be raised as early as possible with RHDs in the context of medium and long-term capital planning and will be included in the relevant annual capital request.
- i. Planning funding requests for major projects over \$5 million will be included in the annual capital plan and will be accompanied by a project brief, which will include a needs assessment, project description including scope, location, preliminary cost estimate and description of impacts should the project not proceed.
- j. An IH formal funding request for major projects will include the same project brief document as above and will also include the following information:
  - i. Detailed Project Scope
  - ii. Conceptual and schematic estimates

- iii. Project delivery time schedule
- iv. Strategic importance
- v. Cost estimate
- vi. Recommend reporting schedule to the RHD (if outside of this MOU).
- vii. Other information as applicable to the project
- k. Major Projects follow a specific application process with Government. Depending on timing of approval, these may come to RHDs out of cycle.
- l. Major Projects status will be reported semi-annually or more frequently at the request of the RHDs.

**Annual capital budget process:**

- m. Capital equipment projects over \$100,000 will be prioritized on an IH-wide basis and presented to the RHDs for feedback and to identify requirements prior to being presented to the IH Board for approval.
- n. Equipment, capital improvement projects and digital health will be included in the IH funding request letters sent to the RHDs after IH Board approval in December of each year.
- o. When a capital project is an IH-wide investment (e.g., digital health) the funding request to the RHDs will be pro-rated based on population.
- p. On approval and completion of the annual capital plan, IH will provide the proposed high level budget allocation to the RHDs through formal letter correspondence with the following level of detail:
  - i. Capital < \$100K – global allocation by RHD
  - ii. Capital > \$100K – allocation by capital grouping (equipment, capital improvement projects, digital health)
- q. IH will submit a summary of projects and/or equipment costing under \$100,000 to the RHDs for their review, annually. IH will submit a summary of the project and/or equipment costing over \$100,000 to the RHDs for reimbursement.
- r. IH will seek to minimise out of cycle requests to the RHD and where opportunities and urgency exists, IH will bring the opportunities for discussion as early as possible after they arise.
- s. Subject to Ministry of Health review and approval, media releases announcing capital expenditures for which RHD funding is supplied will be jointly produced and released by IH and the RHD. Media events, such as

project approval, sod turning and facility openings, shall ensure recognition and include participation of funding partners.

- t. IH commits to meet with the RHDs on a regular basis to discuss specific capital projects, planning, funding and operational issues as the need arises. Historical RHD meeting schedules will continue unless otherwise requested by the RHD.
- u. Each RHD maintains the flexibility to negotiate and advocate independently with IH without prejudice and precedence for issues relating to the capital plan within the RHD boundary.

**Other:**

This Memorandum of Understanding (MOU) will remain in place until such times as it is terminated or replaced with a new or amended MOU. It will be reviewed every two years by IH and RHDs to ensure the process is accountable and effective.

Any party can terminate its participation by giving 90 days' notice in writing to all parties of its intent to do so. Upon notice of termination, IH will submit a status report of all initiatives which are funded by the RHD but not completed.

Authorized Representatives:

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Susan Brown, President & CEO  
INTERIOR HEALTH

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Sylvia Weir, CFO & VP Corporate Services  
INTERIOR HEALTH

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Al Richmond, Chair  
CARIBOO-CHILCOTIN REGIONAL HOSPITAL DISTRICT

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Mike O'Reilly, Chair  
THOMPSON REGIONAL HOSPITAL DISTRICT

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Kevin Acton, Chair  
NORTH OKANAGAN COLUMBIA SHUSWAP REGIONAL HOSPITAL DISTRICT

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Loyal Wooldridge, Chair  
CENTRAL OKANAGAN REGIONAL HOSPITAL DISTRICT

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Martin Johansen, Chair  
OKANAGAN SIMILKAMEEN REGIONAL HOSPITAL DISTRICT

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Frank Marino, Chair  
WEST KOOTENAY BOUNDARY REGIONAL HOSPITAL DISTRICT

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David Wilks, Chair  
KOOTENAY EAST REGIONAL HOSPITAL DISTRICT