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Wednesday 21 October 2009

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Mercredi 21 octobre 2009

Standing Committee on Public Accounts

Special Report,
Auditor General

Comité permanent des comptes publics

Rapport spécial
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Chair: Norman W. Sterling
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

COMITÉ PERMANENT DES COMPTES PUBLICS

Wednesday 21 October 2009

Mercredi 21 octobre 2009

The committee met at 0933 in committee room 1.

COMMITTEE BUSINESS

The Chair (Mr. Norman W. Sterling): I call the meeting to order.

Having received some motions or indication of motions from Ms. Gélinas of the New Democratic Party, I asked the clerk to have the meeting open this morning and have Hansard here as well. I believe there may also be some questions of the auditor with regard to the report, which might be better if put on public record so that people can read the answers to those specific questions as well. Then we would go into the closed session after that, in dealing with any further questions that we have on the report. Since we've already been briefed on the report, I suspect that the closed session would be relatively short. Then we're going to return at 12:30 for the open session, when we will have Mr. Sapsford, who has indicated he will give opening remarks for 15 minutes, and Ms. Burak will be giving opening remarks for five minutes. That's the plan for today.

First of all, I'll ask Ms. Gélinas: Do you want to put forward your motions?

M^me^ France Gélinas: Yes, please. I think the first one should be more of a formality than anything else, because I actually asked the same question to the Premier yesterday and he already answered it. But I'll put it on record, and it goes as such:

I move that the Standing Committee on Public Accounts immediately request that the Auditor General conduct spot audits on the use of consultants by the Ministry of Health and Long-Term Care, the 14 LHINs, and Ontario's hospitals.

Do I get to speak to it?

The Chair (Mr. Norman W. Sterling): Yes, go ahead.

M^me^ France Gélinas: Okay. I'm certainly open to having an all-party committee to further define exactly what we want, but basically what the motion talks to is that the use of consultants within the Ministry of Health has shaken public confidence in our health system. By giving the auditor the direction to conduct public spot audits at the Ministry of Health, at the LHINs and at the hospitals, it would be an opportunity for us to bring forward data to help people regain confidence in our health care system and, more specifically, in the Ministry of Health.

As I said, I asked this question of Premier McGuinty yesterday and he already agreed to it.

Mr. Norman W. Sterling: Perhaps before we get into a debate on the motion: Would I ask the Auditor General to comment on this practice and what kind of resources would be necessary in order to do it and whether he does this kind of thing on a normal basis?

Mr. David Zimmer: Mr. Chair, I just wanted to ask a question. I have what I think is a friendly amendment to your motion which, in my view and in the view of the members of this side of the committee, enhances the intent of the motion. When can I bring that amendment? And I do have a question to the auditor, just before I bring the amendment, which I think is going in the same direction you are, Chair, so I'll take my lead from you.

The Chair (Mr. Norman W. Sterling): Perhaps you could circulate the amendment, if you have a copy of it. Have you given a copy to the clerk?

Mr. David Zimmer: No, I haven't.

The Chair (Mr. Norman W. Sterling): Do you have it written?

0940

Mr. David Zimmer: Yes. It's just a phrase. I can read it into the record.

The Chair (Mr. Norman W. Sterling): Sure. Why don't you go ahead.

Mr. David Zimmer: All right. I move that the Standing Committee on Public Accounts immediately request that the Auditor General—here's the amendment now—at his discretion, conduct spot audits, and the rest continues. So the only amendment is "at his discretion."

I propose that amendment because as I understand it—I think this was your question to the Auditor General, Mr. Chair—the Auditor General already has the authority to conduct these types of spot audits, as contemplated in the motion. Number two, I think adding that phrase, "at his discretion," both clarifies and makes very clear the intent of the motion, that is, that he, at his discretion, can go in and spot audit at these various places. It's also a confirmation of that discretion.

I'm mindful of France's comment that it's more of a formality because the Premier in fact answered a question yesterday in question period that moves in the same direction as her amendment. So that's the intent and reasoning behind the proposed amendment.

The Chair (Mr. Norman W. Sterling): I will go to the Auditor General, then I'll go back to France and see if she has some comments on the amendment.

Mr. Jim McCarter: I guess the only comment I would make is that, as you know, under section 17 of our act, if the committee, the Premier or a minister of the House requests work, we do it. It's called a special audit. Typically, we would table the results of that work in the Legislature immediately on completion, as opposed to our normal practice under the Auditor General Act, which says that you basically amalgamate all your audits and report them once a year in the annual report. I would regard this as being along the lines of requesting a special report from my office with respect to the use of consultants at the ministry, the LHINs and again, across the 154 hospitals in Ontario, which could be a fair bit of work. That would be my interpretation of it.

If the committee was to pass a motion, as has been our practice, we would give it precedence in the office, even if it meant postponing other work that we had in place. We would regard this as a fairly high-priority request. I'm assuming that if the committee was to pass such a motion, the intent of the motion—there would be some urgency with respect to getting this work done.

The Chair (Mr. Norman W. Sterling): Okay. Were there any questions with regards to the Auditor General and his explanation? Ms. Sandals?

Mrs. Liz Sandals: Are you saying that—okay, let me put the concern up front. What Mr. Zimmer is trying to get at to some degree with his amendment is that we don't want it to be inferred that you should stop your work on your annual report, which is close to due, in order to do these spot audits. What we were trying to get at is that you have some discretion, including over the timing, so that you can complete your annual report and then—

Mr. Jim McCarter: Perhaps I can clarify that. Section 17 basically says that I can do work requested by the Premier, by a minister or the committee as long as I feel it doesn't take precedence over my regular work. I would not put this ahead of wrapping up our annual report, which I plan to table in early December. That would take precedence over this. However, we are starting up another 13, 14 or 15 value-for-money audits; we're just kind of starting them up right now. I would probably have a look at those and I would make sure that I can fit this work in, and if I had to reschedule some other things around or possibly even postpone one of those audits for a year, I would. That would be my interpretation—

Mrs. Liz Sandals: That's what we're trying to get at.

The Chair (Mr. Norman W. Sterling): Yes, Mr. Zimmer.

Mr. David Zimmer: Just to clarify, is it your view, Mr. Auditor General, that now, you do have the authority at your discretion to do a spot audit in ministry X on issue Y if you felt that was something you wanted to do?

Mr. Jim McCarter: Yes, I basically have the authority to do this type of work at any ministry at any time as I so choose, but I would interpret a formal motion by the Standing Committee on Public Accounts as being something that the committee would like the office to give special consideration to doing. That would be my interpretation.

Mr. David Zimmer: But the choice of doing—I mean, as I understand the motion from France, the intent of the motion is to restate your authority for the Auditor General to go in at your discretion and audit ministry X on issue Y.

Mr. Jim McCarter: That's right. The committee is basically saying, "Auditor, at the end of the day, we know that if the committee gives you a motion, you will take that motion very seriously." I would regard the phrase "at his discretion" as being that "If you feel, in your opinion, that there's something so important that it should take precedence over the motion, that's your call, Auditor." So that's why I'm saying with respect to the annual report, I would not, quite frankly—in the next week or so, when we're scrambling to get the annual report done, I would, to be blunt, be spending no time on this motion. But a couple of weeks from now, when we get the annual report wrapped up and make the translation cut-off date—I'd probably have people looking at this, but we would basically be looking to see how we could conduct this work fairly quickly, how many hospitals we feel we would have to cover, and we would have to make a judgment call on the scope of that work, when we are going to do the work. But we would basically do that work—we'd start it up pretty quickly.

Mr. David Zimmer: And this is my last question. Do you feel that the amendment, "at his discretion," clarifies your authority and role?

Mr. Jim McCarter: I actually feel that a motion by the committee, a request by a minister or a request by the Premier would always be at my discretion as to whether it was inappropriately superseding my other work under the act right now.

The Chair (Mr. Norman W. Sterling): But not the Chair. The Chair would be different.

Mr. Jim McCarter: The Chair? Are we on Hansard?

Laughter.

The Chair (Mr. Norman W. Sterling): Mr. Arnott.

Mr. Ted Arnott: Just a very simple, straightforward question. I assume I know what a spot audit is, but is it defined in generally acceptable accounting principles or is it defined in law? What exactly are we talking about here?

Mr. Jim McCarter: I would have to say it's not a generally accepted auditing term, but I would say it would be as the layman would define it. Basically a spot audit I would define as, "Pick a sample of consulting contracts and report back to us on how you think they're being handled at the ministry, at the LHINs and at a cross-section of hospitals across Ontario." That would be my interpretation.

Mr. Ted Arnott: And I would presume that you would get easy access to the Ministry of Health. They'd let you in and out quickly.

Mr. Jim McCarter: I don't think—

Mr. David Zimmer: Sorry, I didn't hear that.

Mr. Ted Arnott: It would presume that you would have easy access to the Ministry of Health, your staff, and you'd be in and out quickly.

Mr. Jim McCarter: And the hospitals as well. I think if it was a motion by the committee and if I was getting pushback from the hospitals and I wasn't able to resolve it quickly, I would immediately report back to the committee with my concern.

The Chair (Mr. Norman W. Sterling): Ms. Gélinas?

M^me^ France Gélinas: Just so that I fully understand, if we agree to the amendment to the motion, would we still get the special audit, as in we'll still get the report as soon as you're done? It's not going to be rolled up and have to wait until Christmas next year?

Mr. Jim McCarter: Yes.

M^me^ France Gélinas: Thank you.

The Chair (Mr. Norman W. Sterling): So, as I'm understanding your responses, Mr. Auditor, the amendment to the motion doesn't really change your reaction compared to if the motion was left as it was originally?

Mr. Jim McCarter: No, I'm certainly not concerned by having "at his discretion" specifically in the motion, but having said that, it doesn't affect my interpretation significantly.

The Chair (Mr. Norman W. Sterling): Okay. Enough discussion. We'll first vote on Mr. Zimmer's amendment to the motion.

All those in favour? Nobody being against, carried.

The second is, shall Ms. Gélinas' motion, as amended, carry? Carried.

Now, while we have Hansard still here—

Interjection.

0950

The Chair (Mr. Norman W. Sterling): I'm sorry. You have a second motion?

M^me^ France Gélinas: I do. Shall I read it—

The Chair (Mr. Norman W. Sterling): Please proceed, yes.

M^me^ France Gélinas: Thank you. I move that the Standing Committee on Public Accounts immediately request that the Auditor General examine compensation for senior executives in the health sector, and specifically whether it is appropriate for senior government officials to be compensated by transfer payment agencies and whether this practice poses a conflict of interest.

Here again, I'm certainly willing to work with all parties to further define the work that we want the auditors to do, but, at the core, what this motion is asking is—we now know that senior ministry executives are being paid by hospitals; by a transfer payment agency of the ministry. So this is to look at how often this practice is used, as well as whether any of those people have run into a conflict of interest when they're paid by the hospital that they are there to govern.

The Chair (Mr. Norman W. Sterling): Okay. Perhaps I would again ask the Auditor General to make an initial response and then we'll have a debate on the motion.

Mr. Jim McCarter: Just by way of background, actually, in 2005 we did report in our annual report concern with respect to secondments from outside entities working at ministries and being paid through those outside organizations. We did report that we saw about 200 of those instances. We did report that about two thirds of those did relate to the Ministry of Health and Long-Term Care and that a significant portion of those were secondments from hospitals. We had expressed our concerns about this in the past.

In 2007, we did a follow-up. As you know, two years after we do an audit, we follow up all of our recommendations. We had a recommendation in that area, and the ministry indicated that they were developing a policy to address the use of secondments of this nature. However, at that time, we found that there had been no significant change, at least at the Ministry of Health.

That's just by way of background, that we are familiar with this issue. We had expressed concerns in the past, and basically, if the motion was passed, we would go back and we would probably do a specific piece of work on this issue across all the ministries. I expect this would be a somewhat smaller piece of work than the first motion, given that we've got 156 hospitals in the first motion. So we're familiar with the issue.

M^me^ France Gélinas: Just a technical question: Given that it has been studied in 2007 and it has been followed up in 2005 to 2007, does it stop there? If the ministry said they were developing a policy, will this committee ever see that policy? Where does it go from there?

Mr. Jim McCarter: Basically, once we do a follow-up, sometimes the committee will select it for hearings. They will select one of our follow-up sections, and in that case the minister will be brought back before the committee and, typically, there will be a discussion on the follow-up actions that were taken.

If the committee does not select that section for a hearing, generally, until we go back in and audit the program again, basically we wouldn't—I'll be blunt—do any work in the area until the next time we went back and audited the program again. That would typically be between five and seven years. So this would be something that it could be a year or two before we get into it again.

We weren't auditing that specific area; we were looking at the whole area of the use of what we call "temporary help" across the government. It was temporary help through short-term contracts. Was temporary help being used cost-effectively? So it was a government-wide audit on temporary help: How was it acquired? Was it being tendered? Was it being acquired cost-effectively? It was that type of an audit, and one of the things that we noted in the audit was the use of these temporary secondments. It probably wasn't the major concern that we raised in the temporary help audit, but we felt it was significant enough to report to the Legislature.

M^me^ France Gélinas: Thank you.

The Chair (Mr. Norman W. Sterling): Mr. Arnott?

Mr. Ted Arnott: The conclusion of the motion asks the Auditor General to comment on whether this practice

poses a conflict of interest. I would just ask you, Mr. McCarter, within your purview as Auditor General, is that an appropriate thing for you to be doing? Is it something that you normally do?

Mr. David Zimmer: Sorry, Ted, I can't hear you.

Mr. Ted Arnott: I'm asking whether it is within the purview of the Auditor General to comment on conflict of interest matters, including the statement in the motion.

Mr. Jim McCarter: My sense would be that we'd probably pay a bit more attention to that issue, given that it was in the motion. If we think something is a potential conflict of interest, we do comment on it.

An example in the eHealth report that we're going to be discussing is that one of the acting vice-presidents who was appointed by the CEO at that time was the managing partner of a consulting firm, so we expressed a concern that there could be the perception of a conflict of interest in that you had a vice-president of a crown corporation, who was basically giving work out to a number of consulting firms, being the managing partner of a consulting firm. We said this would be an example of somewhere we think there could be the perception of a conflict of interest, and you've got to be careful when you're doing things like this. I don't know if that's a relevant way of answering your question.

Mr. Ted Arnott: Yes, I appreciate that. Thank you.

The Chair (Mr. Norman W. Sterling): Could I just ask for clarification, Auditor General? What would the expectation of the committee be if this motion was passed, in terms of a report by you?

Mr. Jim McCarter: Even though the prior motion didn't talk about the reporting—sometimes the motion will actually talk about how it should be reported—my interpretation would be that I report back to the committee, but probably what I'd do is write a letter to the Chair saying while I'll be reporting back to the committee, I would like to table it in the Legislature currently. That would generally be how the practices worked in the past, that we would report to the committee.

In the case of the eHealth request, the minister requested that we table it on completion. Even though the minister requested it, basically the arrangement that I have with the minister meant that as soon as it was completed, I would be tabling it in the House. That would be my interpretation of it: that I would report back to the committee, but I would also be tabling it in the House on completion, as opposed to waiting for my annual report.

The Chair (Mr. Norman W. Sterling): Is that the intent of the mover of the motion?

M^me^ France Gélinas: Oh, absolutely that the auditor reports back to the House as soon as his work is completed. We really saw this piece of work as being a small piece of work. I think so, anyway.

The Chair (Mr. Norman W. Sterling): Ms. Sandals?

Mrs. Liz Sandals: First of all, I think part of it is the disclosure piece: Do people really know what's going on? I think there has already been a commitment that that part will be taken care of. If I could just quote the Premier in response to Ms. Horwath from yesterday's Hansard:

"That's why we have undertaken—I believe my honourable colleague knows this—to ensure that if you look up the salary of a senior bureaucrat working inside the Ministry of Health, that will be reflected under the Ministry of Health column and not buried away in some other hospital. Like my colleague, I disagree with that practice and that's why we're going to change it." It has already been announced that the disclosure piece has changed.

My particular concern with the motion, as I read it, is that it requests that "the Auditor General examine compensation for senior executives in the health sector." Then it goes on to talk about the secondment from transfer payment agencies. When I look at that first clause, that's a very large project, or at least it seems to be a piece of policy work, and I don't believe that that is within the mandate of the Auditor General to do that first piece of the work, which is to reflect on the policy of how senior executives in the health sector—which is quite broad, because we're now talking about hospitals and CCACs and LHINs and you can go on down the list—"to examine compensation for senior executives in the health sector."

1000

Quite frankly, I'm not sure exactly what the Auditor General is supposed to do with that, because it's not his job to create policy and make policy recommendations. It is to look at the implementation of existing policy.

This motion is too scattergun at the beginning. I can't support the motion because I think the disclosure piece has already been changed, and this broad thing at the beginning I don't read as being within the mandate of the Auditor General anyway.

You mentioned, Auditor, that you had done some previous work in this area specific to health, that there had been a response in the follow-up, that the Ministry of Health said it was going to do some policy work in the area, but that never really seemed to get follow-up.

I would have no problem with the committee asking the Chair to do a follow-up letter. I think it's within our mandate as a committee to say to the Ministry of Health, "You told us two years ago that there would be follow-up work done. Let's see the follow-up work that you told us two years ago was going to be done." That would get us directly at what the Ministry of Health is doing about this issue, in a way that doesn't sort of drag in other pieces of work and which would just be a follow-along to the previous work.

I hadn't realized you'd done that, but now that you've drawn that to our attention, that would seem to be a way to get at the issue directly without dragging in all sorts of other strands and creating more work for the auditor, when we just created more work for the auditor.

The Chair (Mr. Norman W. Sterling): Was the thrust of your motion to examine the quantum of the compensation, or justify the quantum? Or was it to examine the forms of compensation that people were receiving?

M^me^ France Gélinas: When I first opened up, I said I'm quite willing to use all three parties to further refine, and I'm still open to this.

From the comments that the auditor made, he understood it the way I intended it to mean. Liz, if you are worried that this makes it too broad, I am quite willing to refocus it to the way that the auditor has understood it and intends to do the work, which is basically to focus on how compensation is paid, as in, is this secondment something that we see a lot of, and are there other forms of creativity for paying executives that we should know about, with the view of protecting the public purse?

I'm really grateful that things will be clarified now, in that the sunshine list will be under the Ministry of Health, or the ministry where it belongs. I think this is a step in the right direction.

But what we're asking the auditor to do is basically the way he understood it when he made his first remarks.

The Chair (Mr. Norman W. Sterling): Can I make a suggestion? I think that, first of all, the Auditor General has some difficulty with one part of the motion. Maybe it would be prudent for you to consider withdrawing the motion and bringing it back next week, after you have worked out the various details of it. So perhaps you'd respond.

M^me^ France Gélinas: Sure.

Mr. Jim McCarter: My understanding is, the intent of the motion is to find out how many and to what extent senior executives at the Ministry of Health and its crown agencies are being compensated and paid by transfer payment agencies, probably hospitals.

To examine senior executives in the health sector, that would include hospitals, so you'd be looking to see whether senior executives in hospitals are being compensated by transfer payment agencies, which is hospitals. So you may want to change the wording a bit, if that's the case.

M^me^ France Gélinas: The thrust of what I'm trying to do is exactly what you said. Even if we looked at the LHINs, how many of the LHINs' senior executives are actually on the payrolls of hospitals or other big agencies—universities or whatever else? How common is this practice? That's the thrust of it.

If examining compensation makes it worrisome for my colleagues, I'm certainly willing to refocus it. Because at the end of the day, I wouldn't be surprised if there were senior hospital executives on the payroll of a different hospital.

The Chair (Mr. Norman W. Sterling): Okay. If you would like to withdraw the motion and present it again, we need unanimous consent from the committee for you to do that. Is that your—

M^me^ France Gélinas: Or if people are willing to—how about if I just say "that the Auditor General examine"? I don't know what word would make you feel more comfortable, Liz. Basically all I want to do is see how many are compensated by transfer payment agencies within the executive of the Ministry of Health, and is ABC, the agencies, boards and commissions—

Mrs. Liz Sandals: I would just say I would prefer the route that the Chair has suggested of withdrawing the motion. Certainly we would agree to that. Then maybe we can work over the week to see if we can get something—

M^me^ France Gélinas: Better wording?

Mrs. Liz Sandals: —to get at the issue that doesn't drag in things that I don't think you intend, which right now it does.

The Chair (Mr. Norman W. Sterling): I think we have a practical problem too.

Mrs. Liz Sandals: Yes, we're running out of time.

The Chair (Mr. Norman W. Sterling): We're at 10 after 10, and there are some questions of the Auditor General and we still have a briefing, supposedly, to take place.

M^me^ France Gélinas: I guess I need unanimous consent.

The Chair (Mr. Norman W. Sterling): Okay. Do we have unanimous consent to allow—

Interjection: Agreed.

M^me^ France Gélinas: Thank you.

The Chair (Mr. Norman W. Sterling): Thank you. Okay, now—

Mrs. Maria Van Bommel: Mr. Chair, just one question of the auditor: France is asking about transfer payments and transfer agencies and that sort of thing, but I know that in some situations, especially in hospital situations where you have small hospitals, the CEO is actually getting a salary from both hospitals because he is CEO for both hospitals, and it is legitimate. It isn't a case where they're trying to hide it or get him out from under the sunshine list.

Is there a way, when we pursue this, that we make sure that we don't identify the legitimate types of situations and group them in with others where there is some attempt to make a change or to hide something?

M^me^ France Gélinas: I want him to identify the legitimate ones, because the idea of this is to regain confidence, and if they're doing it for good reasons, everybody should know. It's just transparency. It's just to make people realize that it's not because people are bad that they're doing those things; it's because they want to make the system work.

Mrs. Maria Van Bommel: Thank you. That's good.

The Chair (Mr. Norman W. Sterling): Okay. Now, I'm asking, while we have Hansard here, are there questions of the Attorney General that people would like on record? Mr. Arnott?

Mr. Ted Arnott: Auditor General.

The Chair (Mr. Norman W. Sterling): Auditor General. What did I call you?

Mr. Ted Arnott: Attorney General.

Mr. Jim McCarter: What does he get paid?

Mr. Ted Arnott: Norm was the AG.

The Chair (Mr. Norman W. Sterling): I was the AG, yes. I'll not talk about the compensation levels of the AG, or the Auditor General either. Go ahead.

Mr. Ted Arnott: No, I'm sorry. I just wanted to correct the Chair.

The Chair (Mr. Norman W. Sterling): Are there any questions of the Auditor General with regard to the report that you want on Hansard?

Mrs. Christine Elliott: We may have some questions following the briefing, but not at this point.

The Chair (Mr. Norman W. Sterling): Okay. We're going to go in camera at this point in time.

The committee continued in closed session from 1007 to 1204.

SPECIAL REPORT, AUDITOR GENERAL

The Chair (Mr. Norman W. Sterling): We've only got about 20 minutes left before we start our hearings, so we're going to go with—as we are. Now, you had some questions?

Mr. Ted Arnott: We do, and we would appreciate the opportunity to raise a couple of issues.

In the interests of time, because our time is limited, we're going to ask about page 11 of your report, Mr. McCarter. In it—

Mr. Jim McCarter: Could you speak up a little bit, Mr. Arnott?

Mr. Ted Arnott: In it, you talk about "Procurement at eHealth Ontario." It says here: "In addition, we were aware of the allegations that 'party politics' may have entered into the awarding of contracts and that those awarding the contracts may have obtained a personal benefit from the firms getting the work—but we saw no evidence of this during our work."

I'm just trying to understand this statement that you made in the report, relative to the mandate that you have, and how you drew that conclusion and on what basis you drew it.

Mr. Jim McCarter: Essentially, when our staff was going out and doing the work, we indicated to them that, you know, "Here are some things we want you to keep an eye out for." And we did say to them, "There have been allegations of sole-sourcing, favouritism, contract extensions and party politics. Always be aware, if you think there might be situations where somebody's getting a benefit." So we basically say to them, "These are the things that we want you to keep an eye out for." If there are any names of individuals that we want them to keep an eye out for, or any firms that we're aware of, we say to our staff, "When you're going through the files, keep a sharp eye out for this, because we want to know if you see anything."

Essentially, we go through dozens and dozens of basically files and contracts and say to the staff, "Keep an eye out. If you think you see anything like this, even if you suspect there might be something, we want you to bring it forward to Paul Amodeo or myself." We know we're going to get the question. The reason—you might ask, "Why would you put this in your report?" We know we're going to get the question, "Well, you know, Auditor, did you come across anything like this?" So essentially, we told our staff, basically, "Keep your eyes open, and if you see anything of this nature that maybe doesn't pass the smell test"—and we saw lots with respect to favouritism, sole-sourcing and contract extensions, but we didn't see anything which would indicate to us that there was any party politics.

Having said that, we didn't conduct a specific investigation with respect to this. All we're really doing is trying to say to the Legislature, "We kept our eyes open for this but nothing came to our attention."

Mr. Ted Arnott: How would you instruct your staff to look for examples of political favouritism? What would they be looking for, exactly?

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Mr. Jim McCarter: What they would be looking for is often in the files—you wouldn't see that sort of thing, say, in an official contract, but typically in the files there are often handwritten notes; there are often memos. It could be a typewritten memo and we see notations written in; often we have copies of e-mails. So that's the sort of thing that we would say to our staff, "When you're flipping through the file, don't just look at the contract. If there are any e-mails, notations, keep your eyes open for this sort of thing when you're flipping through the file." That's basically the direction that we would give them.

Mrs. Christine Elliott: Just one further question: Did you investigate any party ties or any political affiliations at all in the course of the work that you were doing? Is that something that you looked at?

Mr. Jim McCarter: An example would be, if we were aware of a name, such as there's a chap by the name of Ronson, I think we might have said to our staff, "If you see this name"—and there were a couple of names we were aware of—we would say, "highlight that for us. We'd like to see it." But we didn't do any specific work where, let's say, in the case of—I'll give you an example: A couple of years ago we did some work on some immigration grants. Again, it was the same sort of thing; we really kept our eyes open in that particular audit for instances where it would come across our staff's attention, but we didn't do specific work to investigate specifically, "Were there political ties?" What we did do was basically say to our staff, "We're aware there have been allegations of this. Keep your eyes open." I wouldn't want to say that our work would have been comprehensive enough to allow someone to conclude that on all of these contracts, without a doubt, we're concluding that there definitely weren't political ties. All we're saying is, we kept our eyes open; we didn't see any evidence of it. Is that—

Mrs. Christine Elliott: Yes. Just a final comment: When you say you kept your eyes open, would it be fair to say that wasn't a formal part of your audit, then? The scope of your audit—you weren't aiming at looking at that? Is that fair to say? You were looking at something else.

Mr. Jim McCarter: The best way I could put it would be that it wasn't the primary focus of our audit, but we were aware of it. The best way I can describe it is just as I said: We say to our staff, "Keep your eyes open

for this sort of stuff." But it wasn't the primary focus of our audit. As I indicated, actually, the whole area of procurement—it was a focus of our audit, but probably a bigger focus of our audit was: We spent $1 billion; what did we get for $1 billion?

The Chair (Mr. Norman W. Sterling): How many names would you have been looking for? You named Ronson. Were there another five or another three?

Mr. Jim McCarter: I'd have to go back and look, but two or three. But these would only be ones that we didn't—we didn't do any research into who could be politically tied, just the ones that we were aware of. We just said to our staff, "keep your eyes open for it." It was more just, "keep your eyes open for it," as opposed to being a specific, direct focus of our audit.

Mrs. Liz Sandals: Just following along on that, you did make a finding that—I'm not looking at a particular page, but my recollection is specifically with eHealth that you did make a finding that there was evidence of cronyism, that people's past ties obviously influenced some of the contracts, although not party politics. I'm wondering what the direction there was. Was it, again, "There have been these allegations; keep an eye out for it."?

Mr. Jim McCarter: I think the word we used was we felt there was "favouritism" in the sense that it looked like firms or individuals had the inside track. That would be based on, certainly, what the staff saw in the file, why someone was getting the contract and, sometimes, the fact that there was nothing in the file, really nothing at all—no tender, nothing in the file, no justification; it was essentially, in some cases, the CEO just making a decision, "I want this particular person" or "I want this particular firm," with very little documentation.

Again, as auditors, after talking to the CEO, after talking to a number of people, after talking to the people in the procurement department, after talking to the lawyers, we have to come up with an assessment on and make a judgemental call on a particular contract, and there were some cases that we felt there was clear favouritism. People had the inside track on getting work.

Mrs. Liz Sandals: But again, that might not have been a formal part of your scope, but it was a finding that you made because you told your people, "Watch out for this," and they watched out and they found out and it was a finding.

Mr. Jim McCarter: Yes, we told our people to watch out for sole-sourcing. We wanted to get a feel for not only whether something was sole-sourced, but also, you can get a situation where something is put out on vendor of record or a tender, and at first appearance or first blush, it might appear that it's a competitive process, but when you actually look deeper into it, it's clear, if I could put it this way, that the fix was in and it didn't meet the intent of the competitive purchasing policy. So we would also say to our people, "Keep your eyes open. Don't be snowed just because it looks like it might be a competitive process. Get down into the details and let us know what you think." A lot of these are judgmental issues, and they would bring it forward to Paul or some of the big ones or to myself, and we would basically make that call.

Mrs. Liz Sandals: So in that case, "Keep your eyes wide open" clearly led to a finding.

Mr. Jim McCarter: Oh, absolutely. That's basically what auditors do: We keep our eyes open. But again, because some of our staff are more junior, we have to give them a bit more direction: "Keep your eyes open. This is specifically what we're looking for." Those would all be examples of things that we said to them: "Keep your eyes open when you're doing the work."

The Chair (Mr. Norman W. Sterling): Christine?

Mrs. Christine Elliott: With respect to your comment that the fix was in on some of these contracts, and specifically referring to the Anzen contract, I believe it was, where there were two bids for one contract submitted on the same day, were you able to come to any conclusions with respect to that? What were your findings as far as that was concerned?

Mr. Jim McCarter: Our sense was that in the example that you mentioned and some of the other ones, it was primarily because the person who awarded the work knew these individuals, whether they knew them as acquaintances or—in some cases, they knew them because they had worked with them in the past, and they felt, "This is who I want to do the work." In our opinion that's favouritism, to do that and award the work without allowing other people a fair opportunity to get the work. That's a fairly harsh term for us to use, but we felt it was favouritism.

Mrs. Liz Sandals: One of the things that you talked about when you had your media conference, Auditor, and that seems to have sort of gotten lost in the translation in a lot of the press I've seen recently, is this whole notion around whether a billion dollars was wasted. That's sort of the headline that came out of what you said. It wasn't what I heard you say at the press conference, that a whole billion dollars was wasted. Could you more accurately describe what your finding is around—

Mr. Jim McCarter: Yes. I think what I said is that in our opinion we didn't get full value for money for the billion dollars. I have seen that headline as well: "Auditor Says a Billion Dollars was Wasted." That would be going too far. We basically felt that there is some value that's going to be realized from some of that money, certainly on the infrastructure side, and also, while there are some delays and some issues with the applications being developed, some of that money is going to turn out to benefit the taxpayers.

What we said is that we spent a billion dollars and we don't think we got a billion dollars' worth of value.

Mrs. Liz Sandals: Thank you.

The Chair (Mr. Norman W. Sterling): Mr. Arnott?

Mr. Ted Arnott: In terms of a previous answer to a question, you indicated that you had asked your staff to look for a certain number of names when they were looking for political party connections and so forth.

Would you be able to give us the list of names that you gave to your staff—

Mr. Jim McCarter: Do you know what? I'd certainly have to go back and kind of look at the work papers to see what we had in there. But the only one that comes to mind is, I think there was a chap named Ronson where we might have said, "Keep your eyes open for that." There might have been another one or two, but I'd have to go back and look at the work papers.

Mr. Ted Arnott: If there are others, we would appreciate seeing those names. Thank you.

The Chair (Mr. Norman W. Sterling): France is next.

M^me^ France Gélinas: Jim, in the press conference you said—and you refer to it—that the procurement rules—I've forgotten how you call this—were good, they were solid, but they were not followed and there was no oversight. Do you remember saying that?

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Mr. Jim McCarter: Yes, something close to that.

M^me^ France Gélinas: Something along those lines. If the procurement methodology was good, do you still feel that it needs to be changed, or it's the attitude of the people regarding those rules that needs to be changed, or whatever else? I don't want to put words in your mouth or anything.

Mr. Jim McCarter: I think what I tried to say is that the rules that were in place were certainly reasonable. Generally, you should not be sole-sourcing, but it doesn't mean that there can't be exceptions in an urgent situation, and the criteria for sole-sourcing were laid out very clearly in the rules. The rules that came over to eHealth Ontario were very similar to what was in place at Smart Systems and at the ministry. Quite frankly, our sense was that the rules were generally adequate, that if they would have been followed and the intent of the rules followed, there would have been a number of things that we saw that wouldn't have happened.

Since then, the government has further tightened up the rules. I suspect the motive behind that is, "Even the rules as they were written allowed too much judgment. So we're going to take away a lot of that judgment and basically make it black and white what you can and what you can't do."

But I think it was important for us to say that, overall, we felt there was a reasonably good set of rules in place. The major problem wasn't that the rules were deficient or lacking. The major problem from our perspective was that all too often the intent of the rules wasn't being followed and there needed to be better oversight.

M^me^ France Gélinas: If the system had worked, would the oversight have picked up the fact that some people were not following the spirit of those rules?

Mr. Jim McCarter: Normally the oversight would have picked up a lot of it. I'd have to say, in the case where you have a chief executive officer who's making those sorts of decisions in the case of eHealth Ontario, it's probably more difficult in that case to pick it up because some of your normal checks and balances would not be in place because the CEO could basically make the decision, "I don't want this going through the normal procurement channels. I don't want the legal staff to look at this. I'm basically making the decision as the CEO." The CEO indicated to the board, "We're following the procedures that were put in place by the Smart Systems for Health Agency," but what was really happening was that there were exceptions under those procedures where something was deemed urgent, and our sense was that the former CEO felt that her marching orders were, "Get the job done. If you need to get good people in, get them in quickly and sole-source it," that that was justified. We felt that, in most of the cases, it didn't meet the intent of the procurement rules.

M^me^ France Gélinas: So the new, tighter procurement rules that have been brought forward would not have helped because it was still at the level of the CEO that—

Mr. Jim McCarter: It might have helped. It would have made it more difficult because the new rules don't give you some of what I call these outs, where, if you meet these types of situations and you can justify that it's urgent, you can sole-source or make that decision. The new rules, I gather, take that latitude totally away and say, "Thou shalt not." So then it's a more difficult decision for a CEO to say, "I'm going to do that because the rules are very black and white."

We've done a fair bit of work in this area. We did quite a bit of work at Ontario Hydro. I'd probably say that they had the Cadillac of rules. They had really strong rules, but we found the same situation: They weren't always following the rules. The rules at Ontario Hydro did allow, in certain situations, that if you have a transformer that goes out, you maybe don't have time to tender it out to three different parties. You've got to do something quickly, but it lays it out very clearly that you have to have these criteria in place if you're going to justify sole-sourcing and you'd better document it extremely clearly and outline the business rationale and get it approved before you go ahead.

The Chair (Mr. Norman W. Sterling): Ms. Elliott.

Mrs. Christine Elliott: In the interests of time, I'll just ask a double-barrelled question. One is that you had commented that it was difficult sometimes to tell whether there was value for the work done by some of the consultants. So my question is, is it possible that in some of the situations there was no work done for the money that was paid, and can you comment on the amount of work that was actually done overall and comment on the value that was actually received by taxpayers?

Mr. Jim McCarter: Theoretically, it's possible that not a lot of work was done by consultants who were billing, but my sense is that most of the money was spent actually operating the network. About $800 million was spent by Smart Systems for Health, and probably around $100 million to $150 million was spent on the applications.

If I was going to look at where we had bigger value-for-money issues, it was probably on the fact that we were spending $800 million getting the network up and

running. The network is hosting applications. I think I saw a comment in the media saying that there's no utilization. We never said that there's no utilization of the network; it's low utilization.

If I know where you're heading, your bottom-line question is, "Auditor, can you quantify how much of the $1 billion we didn't get value for money for?" As I responded to Ms. Sandals' question, I think we definitely got value for money for some of the $1 billion, certainly in the hundreds of millions, but I'd also say that it could be in the hundreds of millions, especially on the infrastructure side, where I'm not sure we did get value for money.

The Chair (Mr. Norman W. Sterling): Thank you very much, Auditor.

I'll now ask Mr. Sapsford to come forward. I believe you're in the back. Ms. Burak, you can come forward as well.

I understand from the clerk that the deputy minister has about 15 minutes of remarks and that Ms. Burak has about five minutes. Mr. Devitt, who is the interim chair of eHealth, is also sitting as a potential witness for the committee. I don't believe Mr. Devitt will be making a statement, but he will be there to answer questions.

Mr. Sapsford, nice to see you again.

Mr. Ron Sapsford: Thank you, Mr. Chair. It's always a pleasure to come to public accounts. I'd like to express my thanks to the Standing Committee on Public Accounts for this opportunity to address the Auditor General's special report on Ontario's Electronic Health Records Initiative.

The ministry welcomes the recommendations of the Auditor General on how to further improve the implementation of the electronic health record in the province. Each of the recommendations in the report has already been addressed and is well on the way to being implemented in full. I will comment on the portions dealing with the Ministry of Health and Long-Term Care, and my colleagues will comment on the issues relating to Smart Systems for Health and eHealth Ontario.

The report starts in 2002 and ends with the recent issues at eHealth Ontario. This retrospective lens has identified problems, but it also recognizes that there is now a credible plan in place, that there are multi-year funds allocated and that the consolidation of eHealth activities in the eHealth Ontario agency is the best approach for implementation. I'm confident that we are now on a direct path to ensuring that the government's investments will provide an electronic health record for everyone in the province.

The development and implementation of an electronic health record is a monumental undertaking, and it is essential that it continue. It is not only indispensable to the future of our health care system in this province but critical for improvements in the quality of care for patients. Notwithstanding the problems that the report has identified, I hope that the committee will recognize the value of the eHealth agenda and that it continue to move forward.

I want to start with the concerns raised by the auditor on the delay of the audit. The Office of the Auditor General and the Ministry of Health and Long Term Care enjoy a very strong and positive working relationship. Audits routinely involve a discussion around the scope of the inquiry, the areas to be examined, and the audit tests and evaluation measures to be used. This is usually accomplished without issue.

In the case of this audit, there was a difference in perspectives regarding the appropriate scope of the audit and the evaluation measures. The auditor wanted to focus on the electronic health record alone, while the ministry thought that a broader scope of the eHealth program was more appropriate. During this time the ministry was complying with requests for information as well as making staff available for interviews. However, the basic issue was not resolved until the auditor phoned me to explain the perceived lack of access, and the problem was immediately resolved. The auditor and I have subsequently discussed this issue and have agreed that this type of issue or problem in the future needs to be flagged to the auditor and the deputy minister earlier in the process to avoid unnecessary delays.

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The second issue raised was procurement, and there are two areas that I will comment on. One is the use of consultants, and the second is procurement management.

Many of the constituent parts of the electronic health record were started in different program areas of the ministry, with the idea that the software would be developed under ministry leadership and then transferred to Smart Systems for Health for operation. Each project was self-contained. Given that the ministry did not have the specialized technical skills required, and the fact that these were viewed to be time-limited projects, most were staffed with consultants. However, it became clear that this was unsustainable in the long term. Separating the development of the system from the operation of the system was unworkable. A strategic plan was developed which included the notions of one record for one patient, multi-year funding and integrated management. Consultations were held with the health care field and stakeholders in 2007, and the plan was accepted by the government in 2008.

The auditor's report notes a large increase in consultant use in 2008-09, and the main reason for the reported increase was that a number of consultants working in other ministry program areas were consolidated into this one program area. A second reason for the increase in 2008-09 was the ministry's decision to focus on the beginning development of the diabetes registry and the drug information system, which were both critical elements of the overall strategic plan. These initiatives were undertaken even before the new agency was established, due to their critical importance in the overall implementation of EHR. In hindsight, it would have been better to start with an integrated agency, but that is not the position in which the ministry found itself. Since then, eHealth Ontario has developed and is implementing

a plan to hire full-time staff and reduce the reliance on consultants. I know my colleagues will comment specifically on that.

I acknowledge that sound controllership and accountability are critical to proper financial management and expenditure control. Some mistakes were made in the management of procurement on these projects, but those errors have since been addressed. In July 2009 the government issued a new procurement directive, and in September 2009 it also issued a new travel and expense directive.

In my concluding comments, I want to deal with two other questions raised in the report: Why has this taken so long, and what value has been produced for the expenditures made?

Why so much time? As part of the first ministers' agreement in 2000, ministers identified the need for a health information and communications technology infrastructure to serve as the platform to support a broad range of health care transformations. Subsequently, the government of Canada created Canada Health Infoway in 2000 as an independent, not-for-profit organization mandated to accelerate the development and adoption of electronic health records across Canada. The provinces are required to apply for funding to Infoway based on specific components in Infoway's framework, known as the electronic health record solution blueprint, which was first published in 2003.

Ontario, like other jurisdictions, was waiting for this framework to develop its eHealth plans. Ontario submitted plans on a project-by-project basis, as I've described, and began implementing a number of the projects.

A secure network is also crucial, and so, in 2002, the ministry received approval for the Smart Systems for Health Agency to build a secure IT infrastructure or network while the ministry was to develop the programs or software that was to run on that network.

One of the criticisms about Ontario's progress is that it is near the back of the pack among other provinces, but I would argue that in many ways Ontario's challenge is greater. This is a large and populous province, with 150 hospitals, 14 CCACs, 36 public health units, over 3,000 pharmacies, 26,000 physicians and surgeons, and over 600 long-term-care homes and so forth. All of these providers, to a degree, have existing information systems. The challenge is to link them all together, extract from them the relevant patient information that they have, create new systems for information that they don't have, and provide it in a meaningful and coherent way to clinicians and patients.

This can't be done everywhere all at once. That's why the government changed its initial strategy to start with diabetes management. With a more limited population, combined with less requirement for clinical information, it would be more practical to test the concepts and provide more immediate results to justify continued investment in the future. The next phase would be to expand the system to other populations and clinical uses. EHealth Ontario published its implementation plan for 2009-12 on March 19, 2009, based on the government's approved eHealth strategy.

I want to give you a quick overview of the elements that are in place already to demonstrate how the significant investment, in my view, has produced some results. We do have a network that is Internet-ready. There is a functioning integrated public health information system to track infectious disease outbreaks, and it will soon be upgraded to include immunization records and vaccine management. This new system is called Panorama and is well on the way to being completed.

Government investments have provided technology upgrades to 3,300 physicians for electronic medical records in their offices. There are plans and funding in place for an additional 5,700 physicians over the next three years.

In 2006, the ministry merged the various telemedicine projects in the province into the Ontario Telemedicine Network. It is now one of the largest networks of telemedicine sites in the world and has made Ontario a leader in the field of telemedicine across the country. This too is part of the electronic health agenda.

The Ontario Laboratory Information System is an integrated and interactive information system that electronically connects communities, hospitals and public health laboratories, and stores laboratory data in a common repository. The diagnostic imaging and picture archiving system provides a repository for digital images produced by hospitals, and as of today, all Ontario hospitals have gone filmless and have the capability to digitally store, use and share diagnostic information.

Finally, diabetes: The work commenced in the ministry through consulting agreements has now been finished at eHealth Ontario and plans are in place to release a request for proposals to develop and implement the new diabetes registry.

The above are just a few examples of the many eHealth initiatives currently operating in Ontario. Progress has been made and will continue and, in fact, from my point of view, must continue.

EHealth will bring about the shift from paper-based record-keeping to fast, efficient and secure electronic sharing among authorized health providers while safeguarding the individual's privacy.

As I said at the outset, the development and implementation of an electronic health record has been a large and complex undertaking. It has taken significant amounts of time and resources to get us where we are today, but it is essential that we continue to work forward in order to bring about the improvements in quality of patient care and to secure the future of our health care system.

Thank you again for this opportunity, and at the appropriate time I'd be happy to respond to questions.

The Chair (Mr. Norman W. Sterling): Thank you very much, Mr. Sapsford.

I might invite anyone to remove their suit jackets. It's quite warm in here today. It wasn't our purpose to put the witnesses through undue hardship, so I invite you to take off your jackets if you would like.

I will now call on Ms. Rita Burak, the interim chair of the board of directors of eHealth Ontario. Ms. Burak?

Ms. Rita Burak: Thank you, Mr. Sterling and members of the committee, for the invitation to appear before you today to discuss the Auditor General's report and answer your questions.

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I want to say at the outset that the board of directors and the new management team at the agency fully embrace the Auditor General's report and are in full agreement with the recommendations contained in the report.

As the auditor's report indicates on page 14, since June 2009 we had already begun to address some of the procurement and accountability issues raised in the report. I would now like to summarize the actions we have taken to ensure that the problems identified in the report have been addressed and share our progress in implementing the Auditor General's recommendations.

With regard to recommendation 1, we now have a completed business plan framework which integrates the various initiatives underway at eHealth Ontario in support of the strategy's three clinical priorities and underlying foundational activities. It recalibrates deliverables in order to ensure that progress can be tracked and reported so as to assist the agency in being accountable for the delivery of results and tangible outcomes. It identifies and eliminates areas of duplication within the organization so that resources are focused on delivering the strategy, maximizing the value achieved for the resources—both human and financial—that have been invested in the organization, and it establishes benchmarks against which the board of directors may monitor progress. As indicated in our initial response to the recommendation, with this foundation we will now commence a process to develop a strategic plan that goes beyond 2012, in conjunction with the Ministry of Health and Long-Term Care and in consultation with stakeholders.

The second recommendation in the report deals with governance processes. In response to this recommendation, I can report that at the September meeting, our board approved a balanced scorecard for the agency. The scorecard provides project management and financial and performance indicators on each of the agency's initiatives, enabling the board to effectively monitor performance and ensure that initiatives are delivered on time and on budget. We have also approved a risk-management policy and process to ensure that the board and management are aware of risks to the achievement of goals and take mitigating actions to lessen or remove those risks.

In response to recommendation 3, and building on the business plan, we have already begun to rebalance the workforce at eHealth Ontario. When the ministry's eHealth program branch was transferred to us in April of this year, there were about 600 employees and 385 consultants. By September 30 of this year, the number was reduced to 286 consultants. In the next two months, the agency will make a further reduction to 234 consultants, all of whom will have competed for work. By the end of the fiscal year, that number will be 160. This is an overall reduction of 225 consultants or 58%.

Given the systems development activities of our organization, some degree of variable workforce will continue to be needed. A 15% to 20% range of variable workforce is more appropriate for an organization of our size and complexity. I would also draw the committee's attention to our initial response to this recommendation, whereby we describe the strengthened policy and procedures adopted to better manage consultants.

Finally, to recommendation 4: The very serious issue of untendered consulting contracts at eHealth Ontario has, unfortunately, taken focus away from the important issues of patient care and progress toward an electronic health record. It has also undermined the public's confidence in eHealth Ontario. For this, I believe the people of the province are owed an apology.

I want to assure the committee that the board of directors and management of the agency have taken steps to ensure that the practices the Auditor General observed will not recur at eHealth Ontario.

In addition to a strengthened procurement policy, we have also put in place an improved delegation of authority policy. We have enhanced the controllership and organizational structure of the procurement function and strengthened the finance division's scrutiny of all payments. We will be vigilant in implementing this enhanced procurement framework. We have every confidence that, when the Auditor General conducts a follow-up audit, he will be able to report major improvements to this committee.

In closing, I want to thank the board of directors and all of the very hard-working staff at eHealth Ontario who have embraced the changes I've described and who come to work every day wanting to make a contribution toward patient care and progress on an electronic health record.

Thank you.

The Chair (Mr. Norman W. Sterling): Thank you, Ms. Burak.

We'll now be going to questions by the various caucuses. The normal practice of the committee, for those who are not familiar with our procedure, is to allow each party approximately 20 minutes of questioning, and then I will go to another political party to have their questions. We try to keep it as even as possible. If a party uses only 15 minutes, then they might get 25 on the next turn round. First off, I recognize the official opposition. Ms. Elliott.

Mrs. Christine Elliott: Thank you very much, Mr. Sapsford and Ms. Burak, for your presentations this afternoon. I do have a few questions, perhaps starting with Mr. Sapsford.

Is it correct that you were appointed as deputy minister in 2005?

Mr. Ron Sapsford: Yes, that's correct.

Mrs. Christine Elliott: And who do you report to, the minister or the Secretary of Cabinet, or both, in your official capacity?

Mr. Ron Sapsford: To both. I would suggest that part of my role is to serve the needs of the minister in completing her duties as a minister of the crown, but for internal organizational purposes, employment issues related to the Ministry of Health itself as an employer or as the OPS, to the Secretary of Cabinet.

Mrs. Christine Elliott: And with which—

Mr. David Zimmer: Mr. Chair, for some reason, it's very hard to hear. Can people speak into their microphones?

M^me^ France Gélinas: And the TV is on as well. I can hear music.

Mr. David Zimmer: My colleagues can't hear either, neither the questions nor the answers.

Mrs. Christine Elliott: I'll speak up, then.

With which Ministers of Health have you worked, Mr. Sapsford?

Mr. Ron Sapsford: Three ministers: Minister Smitherman, Minister Caplan and now Minister Matthews.

Mrs. Christine Elliott: Starting with Minister Smitherman—I believe he was probably the first minister you worked with—how often would you meet with him during the course of a normal month?

Mr. Ron Sapsford: It would depend on the agenda, of course, or what was happening, but at least weekly, sometimes daily. It would vary depending on the issues in front of us.

Mrs. Christine Elliott: Did that vary with Minister Caplan, or was it more or less the same?

Mr. Ron Sapsford: More or less the same.

Mrs. Christine Elliott: And in between meetings, did you also have telephone conversation, e-mails, other means of communication?

Mr. Ron Sapsford: Not generally, no.

Mrs. Christine Elliott: So most of your business was conducted in actual one-on-one meetings?

Mr. Ron Sapsford: Yes.

Mrs. Christine Elliott: In the work that you did, did you get direction from Minister Smitherman? What was the nature of your relationship when you were discussing issues?

Mr. Ron Sapsford: On any issue?

Mrs. Christine Elliott: Yes.

Mr. Ron Sapsford: Generally, discussion with ministers, in my experience—and I'll generalize, if you will—is related to the agenda of the government: the policy; legislative or financial implications of that agenda; briefing on issues of implementation, so as the ministry is moving forward to implement new programs or new initiatives, reporting back on either progress or problems in implementation. But the focus of the discussion is on the government's stated agenda and the policy frameworks and/or legislation required to support that.

Mrs. Christine Elliott: With respect to Minister Caplan, was there any difference in terms of the nature of the relationship? To what extent did he direct you as compared to Minister Smitherman?

Mr. Ron Sapsford: On most things, I would say a similar relationship. They're very different people with very different personalities, and sometimes the kinds of issues that would concern one person aren't of the same concern to another. Sometimes there are slightly different priorities, where a particular minister may want to focus their attention on different parts of an agenda—those sorts of differences. I couldn't categorize them for you.

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Mrs. Christine Elliott: I guess with respect to Minister Matthews it's probably too soon to tell, but I don't know if you want to make any comment with respect to direction or any style or changes in meeting schedules whatsoever with—

Mr. Ron Sapsford: No. Well, it's quite intense at the moment, of course. With a new minister, there's always that beginning sharing of information and making sure the minister has a broad set of information across the health files.

Mrs. Christine Elliott: And other than your contacts with the ministers, how often would you—or would you—meet with the minister's chief of staff?

Mr. Ron Sapsford: The minister's chief of staff? Frequently. The relationship between my office and the minister's office is quite a close working relationship. It must be. The amount of information that has to be communicated back and forth from the public service to the minister's office on a whole variety of issues is quite extensive, so there's a fairly close working relationship between the ministry and the minister's office.

Mrs. Christine Elliott: Could you comment on how frequently? Several times a day? Several times a week?

Mr. Ron Sapsford: Yes.

Mrs. Christine Elliott: Several times a day?

Mr. Ron Sapsford: Yes.

Mrs. Christine Elliott: Who actually held that position as the minister's chief of staff from when you were appointed in 2005 up until the present? Did you interact with several different people?

Mr. Ron Sapsford: Yes, several. And please don't ask me to list them all.

Mrs. Christine Elliott: Could you provide us with the list?

Mr. Ron Sapsford: Absolutely, yes.

Mrs. Christine Elliott: All right.

Also, who was the director at the ministry's eHealth program from March 2005 up until the present? Would you have that information?

Mr. Ron Sapsford: I can't be precise on the dates. The way eHealth was organized in the ministry changed a couple of times over that period of time. As I think I said in my introductory comments, many of the projects were operated in program areas. There was a small overall office that dealt with the development of the eHealth strategy, and that was a small group called eHealth. Then, I think in 2007, we consolidated the operation of individual projects together and created a larger program called eHealth. At that time, there was a change in the management of that program.

Mrs. Christine Elliott: And how often would you meet either with that individual or with that group to understand what was happening?

Mr. Ron Sapsford: My routine was that with senior management we would generally set up monthly meetings to review different files, but more frequently at the discretion of individual assistant deputy ministers. Again, it would depend on current issues.

Mrs. Christine Elliott: I'm just changing the focus slightly here with respect to some contract practices. Did the increase in the number of contracted consultants at the ministry since your tenure in 2005 concern you? Were you on top of it in terms of asking questions and wondering what was going on?

Mr. Ron Sapsford: When I came to the position, trying to establish where we were with respect to electronic health records implementation was a difficult assessment to make. As I said in my opening remarks, the broad strategy came as a national strategy. In 2003, there was the first definition of, what's the full extent of an electronic health record for the country? As I've said, the federal government financing was aligned to support that.

The basic approach had been to begin building components of the electronic health record, and Canada Health Infoway apportioned their money that way: so much for lab systems, so much for diagnostic imaging, and then money apportioned. So the ministry's response to that framework was to put forward proposals for those very specific software development projects.

The Smart Systems for Health Agency had been created, I think, in 2002. Their mandate was to develop the secure network that would be the carrier, if you will, of these systems into the future. So by 2005 and into 2006 it was clear, certainly to me and the ministry, that the network was out ahead, and the ability to develop the software to implement different programs was lagging behind.

There was also the broader question that kept coming up from Smart Systems. I think in 2006 we did an operational review partly as a result of some internal operating issues that the ministry felt needed to be examined, but also the broader question of what was the role and the function of the agency. Was it appropriate under the circumstances? In that review in 2006, one of the conclusions was that this separation between development and operation needed to be addressed, that to look at Smart Systems as bearing the full responsibility for not advancing electronic health records was an unfair assessment and that for the ministry, because it still had the responsibility for clinical application development, this was not the most effective way to move forward.

From that particular point, the ministry then developed the strategic plan, as it were. It took time to do that because there were many questions that needed to be addressed in order to secure the approval of the government for long-term investment. I would have to say this gets, in the long term, to the billions of dollars. It's a hugely expensive undertaking, so the due diligence that was required in order to secure the kind of commitment that was necessary to sustain the implementation took some time.

In 2008, the government approved the plan, and part of that approval was to consolidate the software development with the operation. For a variety of reasons, it was seen as best to create eHealth Ontario, which was simply taking Smart Systems and expanding its mandate and role.

I'm sorry for my long answer.

The issue of consultants was that part of that plan, because we knew we couldn't sustain the implementation on the strength of consultants, was to transfer the responsibility for software development to the new agency. As part of that transfer, the new agency then would stabilize the workforce. Ms. Burak has started to talk about that reduction to create a more stable operating environment for the long-term implementation.

That is basically the facts of it. We were focused on project by project. There was a belief that the expertise required to develop these complicated software projects required consultants. The auditor takes issue with the extent of that, and I think he raises some fair points about that. But the longer-range view of how it was to be implemented, I would argue, was contemplated as we moved along. We're now in a place where that transition has occurred.

Mrs. Christine Elliott: When was the strategic plan finalized?

Mr. Ron Sapsford: It was approved in, I believe, May 2008. Then eHealth Ontario developed a more detailed implementation plan with some benchmarks and time frames, and that was published in March 2009.

Mrs. Christine Elliott: Then as part of this transition, as you were discussing, how involved was the Premier's office or the Premier himself in that?

Mr. Ron Sapsford: In the transition?

Mrs. Christine Elliott: Yes. Did he participate in that at all?

Mr. Ron Sapsford: I would have to say, to my knowledge, not at all. The transition, in our view, was establishing the structure and then focusing on how we go through the mechanics of transferring the budget and the consulting staff. At the beginning, eHealth Ontario was focused on taking the government's overall strategy and then turning that into a work plan that would extend from 2009-2012. Those were the initial parts of the work.

Mrs. Christine Elliott: Getting back to the consultants issue, did you receive any kinds of reports on any regular basis with respect to how many consultants were being contracted and what the costs of them were? Were there any warning signs that became apparent to you—the status of the use of the consultants, generally?

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Mr. Ron Sapsford: Well, not on a regular basis, as you're suggesting. I was certainly aware we were using consultants for these projects; that wasn't an issue. Some of the issues that the auditor has raised in terms of the management of it—no, I wasn't aware of some of that, certainly. Some of it I learned in the auditor's report. I

don't routinely get that kind of detailed operational briefing.

Mrs. Christine Elliott: So would it be fair to say, on that basis then, that wouldn't have been something that—if you weren't necessarily aware of it, you wouldn't have discussed it with anyone, with any of the ministers that you worked with, either Minister Smitherman or Minister Caplan?

Mr. Ron Sapsford: No. I want to make clear the point: The issue of contracting and consultants and so forth was really not a topic of discussion between any minister and me. The role of the public service is to implement, and who receives contracts and what they are would not come up in discussion between me and any previous ministry, save and except where the rules require, by virtue of the size of a contract, that we would have to proceed for treasury board approvals. In those cases, the minister would have to be aware to go through that more formal process of review and approval by the government, and that clearly would be part of a discussion where required.

Mrs. Christine Elliott: Did anyone in your department ever raise any issues with you regarding the use and cost of consultants, either the ADM or the director of the eHealth agency? Did any of those people ever say to you, "Gee, we're worried about how much money we're spending on consultants here"?

Mr. Ron Sapsford: Not in specific terms, but as I've already said to you, there was a general awareness that we could not sustain this approach to the business in the long term. For me, the challenge was how to arrange the work in a more effective way that would not depend on consulting services. That's why I've said that the position the ministry took to the government was to change the way it was organized, to make the multi-year commitment, to implement the plan on a longer-range view, and with the approval of government, we then made the moves in fact to do that.

Mrs. Christine Elliott: Moving then to the untendered contract issues, when did you discover that some of the contracts in the Ministry of Health, eHealth and other agencies that report through the ministry were not tendered?

Mr. Ron Sapsford: If I can parse my answer a little bit, the untendered contracts with respect to eHealth I have to say I learned about in the press. So the details of that and those practices came as a result of that.

Inside the ministry, you have to remember going back in time that sole-source contracts were permitted and the ministry worked within the rules and guidelines to secure single-source contracts. The auditor, in his report, took issue with some of the judgment that was applied as to that judgment for sole-source versus VOR tender that was used, but in each case where there was a sole-source, the ministry documented its reasons for it, according to the guidelines.

The use of consultants according to vendor-of-record is a different approach where there were prior approvals and you'd be working with a more limited sample of consultants to do specific pieces of work, but I wouldn't refer to those as untendered. They were part of the vendor-of-record process that was used in many of the comments that the auditor made. Again, he made comment about how we use the rules and I think he raised some fair comments about a practice that probably shouldn't have gone on. But I would urge you to distinguish clearly between how you refer to untendered contracts with respect to eHealth Ontario and the results there versus the ministry's actions with respect to contracting. They are in my mind substantially different issues and don't need to be viewed in that light.

Mrs. Christine Elliott: Were there any specific guidelines, then, that were used within the ministry normally to deal with sole-sourced contracts that were considered perfectly legitimate?

Mr. Ron Sapsford: Yes.

Mrs. Christine Elliott: Have they been made available, to your knowledge, to anyone in—

Mr. Ron Sapsford: Yes. In fact, they're Ontario government corporate rules around procurement practice.

Again, I'll remind you that in July the rules were changed for consulting services, so sole-sourced procurement of consulting services is no longer allowed. We're now moving to open tendering. There has been a substantial change in the past year, so the rules that we were using prior to that are what the auditor has been commenting on, but those rules have now been substantially changed.

Mrs. Christine Elliott: But as far as you knew—

The Chair (Mr. Norman W. Sterling): This is your last question, then we're going on.

Mrs. Christine Elliott: Okay. But as far you knew, any of the sole-sourced contract rules that were being used were being followed, generally speaking, in the letter and spirit of—

Mr. Ron Sapsford: Yes.

Mrs. Christine Elliott: You had no indication otherwise until you heard about it in the press; is that correct? And wouldn't that have been in the spring of this year? Can you give us a time?

Mr. Ron Sapsford: I want to be clear with you: What I heard in the press was about eHealth Ontario, the external agent. The internal practices of the ministry to my knowledge at that point—we were following the procurement rules, which permitted sole-sourced contracting. In the guidelines associated with those, there's a requirement for documentation.

But in any event, it requires a judgment in applying the rules to the circumstance that you're facing. To some extent, this is what the auditor has criticized vis-à-vis the Ministry of Health and Long-Term Care—the judgment applied to that decision to sole-source, a reasonable decision under the circumstances. I think he has made his views clear on that.

The Chair (Mr. Norman W. Sterling): Thank you. Ms. Gélinas?

M^me^ France Gélinas: I would like to start with a few questions for Ms. Burak. I was happy to read—well, you

presented verbally today—that you've gone through the 385 consultant contracts which, as of September 30, are now at 286. They will be further reduced to 234, and then this overall reduction of 225 consultants—that's 58%—and then you looked at how many you would need and expect you need to be between the 15% and 20% range for the variable workforce.

When the auditor presented his report, he made it clear that for hundreds of millions of dollars of consultant contracts, we did not get value for money. I'm happy to see that you have gone through all of those contracts and are able to report to us today. Did you go through them with the view of trying to get any of our money back?

Ms. Rita Burak: Let me say that when I was appointed, which was June 18, 2009, the consulting contracts that the auditor referred to had obviously been entered into a number of months previously. By the time I arrived in mid-June, the initial interim CEO was Mr. Sapsford, and he had already begun the process of cancelling some of these consulting contracts. When I arrived, we then carried on the process of looking in detail at the procurement history and are satisfied that a lot of the issues that we identified were covered in the auditor's report.

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You asked about getting money back. You may be referring to the auditor's report in relation to—the auditor makes a specific comment with regard to one untendered contract entered into by the former CEO in the hiring of an executive recruitment firm. I can tell you that while the value of the contract was approximately $1 million, the firm was not paid the full amount. We are in discussions with the firm to assure ourselves that the work that was conducted was actually completed.

M^me^ France Gélinas: All right. You mentioned that you will need between 15% and 20% of your workforce to be a variable workforce. I understand that those will be mainly consultants who will fill up this variable workforce. The auditor has shown that some of the consultants were paid $300 an hour to edit voicemail greetings, write thank-you letters, do internal memos, Internet pages and seasonal party communications. How much do you pay people who do this kind of work now, and are they consultants?

Ms. Rita Burak: I can assure you that those kinds of activities are no longer paid for or handled by external consulting services. All of those practices ceased in June 2009.

I wonder if I could ask our interim CEO to perhaps give you a bit more detail on the process that we went through to tighten up the rules around consultants.

M^me^ France Gélinas: Sure.

Mr. Robert Devitt: A couple of points: We've not only ramped down the number of fee-for-service consultants, but those engagements are now being competitively procured. We've also ensured that in every single agreement we enter into there are clear, measurable scopes of work so we can always measure, going forward, the value of what we're getting for the taxpayers' investment. So we've not only changed the process of competitiveness but we've added a new degree of rigour to measuring performance.

In terms of the question about using consultants to record voice messages and other communications, I can tell you since I've been at eHealth, since the beginning of August, I've actually done two recorded voice communications to all staff. I got a couple of speaking points and we just did it ourselves. That is the approach, going forward. We won't be using consultants for those sorts of communications.

M^me^ France Gélinas: Thank you.

Mr. Sapsford, you were the interim CEO for a little while. Have you done any work at all to try to get some of our money back? The same question as I asked before: hundreds of millions of dollars of waste, according to the auditor's report, and lots of it on consultants and contracts. Did you make any effort to try to get some of our money back?

Mr. Ron Sapsford: A couple of points: By and large, work was done. And while I won't comment on whether we got full value for money in every single case, money was done, so when you—

M^me^ France Gélinas: Money was done?

Mr. Ron Sapsford: Sorry, work was done. So the characterization of a billion dollars of waste—

M^me^ France Gélinas: I said hundreds of millions.

Mr. Ron Sapsford: Hundreds of millions, sorry—is difficult for me to evaluate because in the case of Smart Systems for Health, the network, we do have a network.

In the case of consulting contracts, whether they were tendered or not tendered, by and large the work that was commissioned was done and was finished. So I need to be very careful that you understand that it wasn't simply paying people to do nothing—

M^me^ France Gélinas: No, but we were paying $300 an hour to have somebody edit voicemail, thank-you letters and internal memos—the auditor says so—and I'm asking you, when you came in, did you go through each and every one of those contracts so we don't continue to pay people who do secretarial work $300 an hour?

Mr. Ron Sapsford: No, and by the time I got there, those people were not there. Had they been there, they would have left shortly.

Specifically on that point, I did not make an effort on that particular case to recover funds. There was a review done. My colleagues will talk about contracts on the network where they've made efforts to reduce the costs that they're currently paying, and any consulting that was not necessary when I got there, those contracts were in fact terminated.

M^me^ France Gélinas: When you were there, you yourself had gone through the contracts and terminated some of them on the basis of not value for money?

Mr. Ron Sapsford: Personally, no, but yes, staff did go through that process.

M^me^ France Gélinas: At this point, we figure that this review has been done and the contracts that are there now will give us value for money?

Ms. Rita Burak: I'll start by saying, absolutely, because we have strengthened the procurement rules; we have strengthened the way in which consultants are paid, and we now have a better planning process to have a rational approach to when you should use consulting services. I believe that at eHealth Ontario we are very confident of that.

Mr. Robert Devitt: I'd echo that. I can say that our process now for deciding when we procure something externally through a consultant is very rigorous, and clearly it has to be something that the agency on its own can't manage. But I can also say that on the procurements we have done in the last few months, we're getting better pricing as well. For those technical services, we're actually seeing the benefit of the competitive process.

The final thing I should speak to is, Mr. Sapsford mentioned the network. I think we heard earlier Auditor McCarter talk about the order-of-magnitude numbers of the cost of the network versus the cost of development, and I think the network, over a decade, totalled in the area of $600 million or $700 million. There's an annual spend to maintaining that network. It's like building the infrastructure for a suburb—

M^me^ France Gélinas: No, I understand all of this.

Mr. Robert Devitt: But what I want you to understand, in terms of your question about procurement, is that staff at eHealth have now gone back to the people who have long-term agreements to maintain that network and we've started renegotiating them and have already driven down the costs.

M^me^ France Gélinas: Back to you, Mr. Sapsford: When you were the deputy minister in 2005, while this was going on, did you not know that eHealth was hiring consultants, paying them $300 an hour and getting very little value for money?

Mr. Ron Sapsford: No.

M^me^ France Gélinas: You didn't. With what we know now, do you figure you should have known?

Mr. Ron Sapsford: I will tell you that when the new agency was created, and because I was certainly aware that procurement of consulting services would be part of the mandate, I on more than one occasion sat with the chair of the board and the CEO and underlined the importance of procurement practice. There was a signed MOU, memorandum of understanding, with the outlined rules. There were two key policies that were of concern for me for the new agency. One was procurement and the other was conflict of interest, and that was raised on two occasions, to my memory, where we talked about the importance of applying those parts of the memorandum of understanding, and that the agency operated within the rules. I received assurances from the agency that that in fact was the case, that they understood the rules. It was part of the MOU and their practice would be conducted in that way. That's the extent of it. I underlined the importance of it, certainly, and received assurances from the agency that they understood it and were applying it.

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M^me^ France Gélinas: My understanding is that you had a process, you had an MOU, you went through the rules on procurement, you went through the rules on conflict of interest, and yet we get the result from the Auditor General that it all went wrong. They did not follow the rules for procurement, and they did not care about conflict of interest, although from your end you had put in a structure that was supposed to do this. What can we learn from this? What went wrong?

Mr. Ron Sapsford: There's not a single answer to that. From my perspective, the creation of the agency and a governance structure is quite a common mechanism to accomplish specific business goals outside of the crown directly.

I think that by establishing a board of people who understand the role of governance, who develop the policies that provide the appropriate business controls—and that would apply to the management as well—these can be extremely successful and effective ways. I guess in all cases one can write rules; it's people who apply them. The notions of having appropriate assessment of risk and making sure that checks and balances are in place—I think the chair outlined some of the things that the board has done as a result of these issues—these are the kinds of tools and techniques. With respect to the ministry, reporting becomes one of the issues, financial and operational, and those mechanisms are being put in place. There is a requirement for quarterly reporting. The Ministry of Health has to report back to Treasury Board on a regular basis about both the financial position of eHealth Ontario as well as progress towards the goals that had been established in the plan. Having those kinds of regular reporting and ongoing communication between the ministry and the agency itself I think are important points.

Mr. Devitt and I have undertaken to have regular meetings. I know the minister, at points, will meet with the chair as well on these very points.

M^me^ France Gélinas: But wasn't that there all along? The auditor says that they were supposed to report on financial statements; they could only find two in a year's time. They were supposed to have quarterly reports; they couldn't find any of those. Weren't those reports supposed to go to the ministry as well so that you keep an eye on those agencies?

Mr. Ron Sapsford: Yes. First of all, that's with respect to Smart Systems for Health. These were reports from the previous agency. They were, in fact, submitted. The problem we had, and the auditor makes note of this, is that when the auditor asked for those reports, the ministry couldn't find them. We've subsequently found the majority of them, and they're certainly available to the auditor. That was more with respect to the ministry. I think, as I said earlier, we had gone through some changes in the program inside the ministry, and when the auditor requested them, they simply couldn't be found. As I've said, we've tracked them down and have found those quarterly reports.

M^me^ France Gélinas: So you're saying that the oversight mechanisms that were there—you had a board of directors; the ministry had an MOU; you had meetings

with the chair of the board and the CEO and explained to them the procurement policy, the conflict-of-interest policy; the board was put in place with the appropriate knowledge and skills to direct the CEO and set governance; the CEO was in place. All of the oversights were there. They should have all worked, but we had people who didn't want them to work? I was asking Ron.

Mr. Ron Sapsford: Yes, all of the things you've said were in place. The answer to the question, "Why didn't it work?" has to do with individuals and individual judgement. As to how one speaks to that, I don't have an answer for that. I'm not sure if my colleagues can add to that, but from my point of view, all of the rules were fully understood and all the structures were in place.

Ms. Rita Burak: If I may add to what my colleague has said, the question that you pose is a very important one and one that has been posed about agencies over the years.

With regard to the eHealth Ontario board, I think the very objective analysis and comments that the auditor makes in his report, most particularly on page 38, are a very good reflection of the start-up nature of the agency and the culture. The board, over the last number of months, has taken steps to ensure that it has the information that it needs to hold management accountable. I've mentioned some of them in my remarks. I'll give you another example. Especially in light of the difficulty that the agency had with untendered contracts, we're now requiring the CEO to provide written assurance at every board meeting that tendering procedures and the procurement of consultants—certifying they were attained according to the stricter policy that we now have in place. So while it was unfortunate that these things occurred in the past, I do feel very confident that the mechanisms we've put in place will ensure that this won't happen again.

Mr. Robert Devitt: I'd just add to Ms. Burak's comments a couple of other key oversight tools that we've now put in place: Not only does the CEO sign that declaration every month, but so as to ensure that one person can't manage out of policy on their own, that same signed attestment gets signed by the chief financial officer, the head of procurement, the head of human resources. So there is a series of signatures on it to make sure that one person can't manage or over-interpret a policy.

Two other things we've developed in the last couple of months that will further strengthen oversight: One is we are now preparing, over and above that monthly signed declaration, a quarterly statistical report of all procurements, how they were procured, whether it's RFP, RFQ etc., the dollar value and, through time, looking at what each company is getting in terms of a spend so we can make sure to ask questions about whether one company is getting more than another and is that appropriate or not, or are they just more competitive.

The final thing we've done is we've implemented a whistle-blower policy, so if staff elsewhere in the organization are aware of policy violations, they have a way to confidentially immediately notify the chair of the finance and audit committee and bring it to the board's attention then and there.

The Chair (Mr. Norman W. Sterling): Thank you very much. Before I go to Mr. Zimmer next, Deputy, there was an indication of when this strategy was first struck, the eHealth strategy, in the auditor's report on page 9. He said it was only in March 2009; I think your testimony said August 2008. Could you just write the committee after you've checked your facts about whatever the discrepancy might be there?

Mr. Ron Sapsford: Yes. It's a case of using the same words for perhaps two different things. When I talked about the government's approval of the strategy in May 2008, I'm referring to the internal work that the ministry did to go to the government and say, "Here's the overall approach to the implementation of electronic health records, here are the financial resources required and here are the aspects of the implementation," which then talked about a single agency. That's what was approved in May 2008. That led to the creation of the agency, which then produced what the auditor refers to as the March 2009 strategic plan that was issued by eHealth Ontario.

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The Chair (Mr. Norman W. Sterling): Thank you for the clarification. Mr. Zimmer.

Mr. David Zimmer: I just have three short questions. It's been a fairly technical discussion thus far, but here's what I hear from ordinary constituents in Willowdale and throughout the province as they struggle to understand this. They often ask me this question. They would have been following this eHealth issue, and they always make the point: We have the most sophisticated banking arrangements in the world, in terms of deposits and managing all of your financial affairs, and we do that all with computers and online. Ditto for the use of credit cards. You can do your income tax returns federally and do the most sophisticated return, and all the security provisions are in there, and it all works. You can travel on airlines; you can shop on eBay. So the electronic online record-keeping system and so on has been mastered.

On this electronic health thing, why have we not been able to achieve the same progress on this eHealth business? And just in layman's terms, an answer so the folks out there can understand.

Mr. Ron Sapsford: If I take the analogy of the banking system—and I know Rob Devitt can add to this—while you can go onto your bank system on the Internet to pick a bank and do your banking, you can't go onto a single site and, if you've got six accounts in different banks, look at one picture for all of that information. You have to go to six different banks, six different places.

If you use that analogy and you view hospitals as one bank, doctors as another, pharmacies as another and public health as another, the magnitude of the problem we're facing is, how do you integrate the information from all of those different providers and integrate it so that providers and patients can see all of their information from any source in one place?

I would argue that it's a technically more difficult problem, and as I've already said, we've got 22,000 physicians, 3,000 pharmacies and 150 hospitals. If you look at the hospitals alone, they have their own internal information systems for the care and treatment of patients in their hospital, but there are probably 20 different systems, none of which can communicate one with the other. So part of this implementation is about developing the software so that individual information systems in different locations can share and communicate. That's partly by developing standards so that we're all talking the same language; it's partly about developing the connections between these different providers of care; and lastly and most importantly, I'd say, about making sure that we have a system that correctly identifies all of the patients and all of the providers, ensuring that the privacy and security access for people's health information is protected from abuse.

Those are some of the reasons. The bank analogy is good; I'm not sure how many billions of dollars the banks have spent to get us to where we are. But I would argue it's still short of where we're trying to go to provide electronic health information.

Mr. David Zimmer: My second question, just following on that point, is on developing the strategy, if you will. The Smart Systems for Health Agency was set up in 2002, but it appears that we only got an eHealth strategy in 2009, so that's seven years. What took seven years? Why did it take seven years to develop a strategy, let alone the implementation of the strategy?

Mr. Ron Sapsford: The clarity around the national goal—so what I've just said, one record for each patient with full integration to assemble information—was frankly really only identified in 2003 by Canada Health Infoway. Because the federal government was making investments and because the way that money was allocated was based on that strategy, the idea that we could have a fully articulated strategy in 2002 was just not possible. I think what the auditor has helped to do is to go back through that history and describe what happened, but hindsight is perfect. Back in 2002, I would argue that not sufficient information was known to be able to articulate what that vision and strategy were.

As information became available, we gained a clearer understanding that the goal was one record, one patient, and that there were significant gaps in our ability to provide that information. I'll use one example: diagnostic imaging. To have the ability for a physician sitting in his or her office with the patient and pull the information about a CAT scan that was done in a hospital in the next town and to bring that information in meant that we had to build a diagnostic information system to do that. That didn't exist in 2002 or 2003, but it exists now. That's a significant component of the vision that will allow, ultimately, that information. So it was built in this piece and then that piece.

The overarching strategy in order to get to that vision of the future, from my perspective, required a multi-year plan, multi-year funding and an implementation agency with a clear mandate, in fact, to get there. So between 2004-05 and May 2008, when the government finally approved that, was the period of time it took to understand what the goal was—to go out to the health system and ask, "Is this the goal? How do you want to do it? What are the issues we have to take into account?"—to come back to the government, design it, get it approved and funded. That's what's taken the time.

Mr. David Zimmer: That brings me to my last question, a sort of full circle on this. The eHealth strategy set up a couple of months ago that came out has got some very ambitious targets. Given what we know thus far from past experience, are those targets realistic? Are they in jeopardy? Are we ultimately going to get there?

Ms. Rita Burak: Perhaps I can begin and then ask our interim CEO to provide further detail. There is no question that, based on what I have seen since I've been interim chair, the turnover that the auditor spoke about in his report and the technical and managerial capacity issues that we have in the agency will mean a recalibration of some of the projects. We're focused right now on ensuring that we have realistic objectives and that we have the right mix of staff to ensure that we get there in a realistic time frame. We are monitoring each component in far greater detail than perhaps had been the case in the past.

I would ask Rob to talk about some of the internal processes we've gone through to get that calibration right.

Mr. Robert Devitt: A couple of thoughts: Clearly the issues over the last number of months have had an impact, although surprisingly I've been pleasantly impressed with how the staff have continued to come to work, hunker down and make progress. I would say, though, that we have over the last number of weeks lost some ground on the schedule because we've made the decision, I think quite appropriately, to reprocure contracts—if that means keeping a desk empty until the procurement is right, we've done that—rather than trying to keep to schedule and then cut a corner on procurement.
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The degree to which projects are on or off track, would vary on the project. We're doing remarkably well on diabetes. In fact, just today we've announced the shortlisted set of companies that are going to do the response to the RFP on that, through Infrastructure Ontario, and that is the timeline I was told the day I stepped in the door. So we've been able to hold up on a number of them.

We now need—now that we have the business plan done—to go back and critically look at the timelines of each project and come up with the most realistic estimate that is aggressive enough that we don't waste money through time but not so aggressive that we cut corners and end up with other issues back in a forum such as this. I think we'll have those all recalibrated by the time we bring the annual business plan forward to Management Board later this fall.

The Chair (Mr. Norman W. Sterling): Ms. Sandals and then Mr. Ramsay.

Mrs. Liz Sandals: And we'll have another round, so we'll sort it out.

The Chair (Mr. Norman W. Sterling): Yes.

Mrs. Liz Sandals: I'd like to go back to the whole issue around accountability and oversight, because certainly in the work that the auditor did, he talked about some disconnects in terms of with the old SSHA and the ministry; there was a disconnect in terms of policy work and accountability because some of the work was here and some of the work was there. One of the strengths of eHealth is, hopefully, to bring that all together so that you don't have two departments or agencies driving in two different directions.

You've talked about how you've worked on improving that accountability oversight piece within eHealth and the eHealth board. I'm wondering about the other couple of pieces of it, though. How do we get the reporting from the agency back to the ministry and then, as necessary, on to Management Board? How does that piece work? Because we want to make sure that in solving one disconnect between SSHA and the ministry, we don't set up another disconnect between eHealth and the ministry, and that oversight route. So how are you managing that oversight route?

Mr. Ron Sapsford: Part of it is routine reporting on a quarterly basis for in-year. The agency also has to table its annual business plan with the ministry. We include that business plan—in other words, what's going to happen this year, how much is it going to cost, what are the outcomes that are expected—that forms part of the ministry's reporting to Treasury Board in the creation of our annual budget.

I think the other major part is within the MOU. Where projects of the agency exceed a certain level, there's an automatic review triggered on the technical aspects of the project through the Ministry of Government Services, and there's a gating review process on the technology part of it. Again, over a certain amount, that goes back through Treasury Board. There is both routine reporting—annual reporting—and special reporting where certain flags are triggered, and it's usually related to a dollar amount where that subsequent review has to go on. Those are some of the mechanisms that are in place.

Mrs. Liz Sandals: In terms of the actual product outcomes, if I can put them that way, I think, Ms. Burak, I heard you talking about variance reports and a lot of information going back to the board. If something is off target or the project goals aren't necessarily being met, to what degree does this information then come back to the ministry so it isn't just strictly a dollar amount? I don't want to downplay the dollar amounts, because the financial oversight is important, but the deliverable oversight is also important. Are we sure that the deliverable information is now going to get back?

Ms. Rita Burak: Yes, absolutely. The deputy referred to the requirements in the memorandum of understanding between the agency and the ministry, and I would say that it is very fulsome. We at the board have a projects committee that focuses especially, in a detailed way, on the status of projects and we would certainly not wait. For example, if a problem were encountered or a new piece of information came forward that a project might be going off the rails or be in some difficulty, we wouldn't wait for a formal report to have to be sent to the ministry. Rob would get on the phone to contacts in the ministry and immediately bring them up to speed on some challenges.

Rob, you've probably already done that.

Mr. Robert Devitt: We've already done that, but I guess the other piece I'd add is that Ms. Burak, in her remarks, talked about the board having developed what we call a balanced scorecard, and that is one page, at a glance, that shows where each initiative is in terms of budget, project deliverable. We've also identified a measure of what I'd call user value, because it's one thing to deliver a product and say it can be turned on, but if no one's using it, it's not a terribly useful product. So we've laid that out in a standard format linked right back to the March 2009 strategy—it's in fact colour-coded the exact same way—and the board will now be getting it quarterly. That will, in turn, be sent to the ministry, a sort of green, yellow or red light kind of report on every single initiative across that mix of measures of progress on timelines, progress on outcome and progress on financials.

Mrs. Liz Sandals: The other potential disconnect that occurs to me is because, in reading the auditor's report, he talks occasionally about sort of a policy development disconnect.

Mr. Sapsford, you mentioned the business of diagnostic imaging in hospitals, and I must say that I see the benefit of that. The hospital in Mr. Arnott's community does the diagnostic imaging. It comes electronically to the hospital in my community, and the radiologist at my hospital does the reading for both hospitals. So I do see real, on-the-ground benefit. But there's also the issue of: That's hospitals; what about all the diagnostic imaging that's done in labs?

How would you, over time, say, "Okay, whose responsibility is it to look at that and say, 'Okay, but what about the other X-rays that are being done in private labs?'" How do we connect them in? Whose job is that now?"

Mr. Ron Sapsford: For that specific example, that's part of the consideration for the overall strategy, because private radiology clinics do X-rays, and that's patient information.

There's an added issue, though, with private clinics and imaging, and that is, you need to have digital X-ray equipment in order to have digital images. That's an additional consideration. Not all private clinics have that kind of equipment. So at this moment, on the imaging piece at least, the work has been confined to hospitals.

Mrs. Liz Sandals: But what I'm actually asking isn't, what's the solution? I'm asking, who's got responsibility for thinking about that solution over time? I understand that it might not be a solution that we have next month—

Mr. Ron Sapsford: Fair enough, yes.

Mrs. Liz Sandals: —but if you look at the accountability on this over time, is that an accountability issue

that has been addressed in connecting the agency to the ministry?

Mr. Ron Sapsford: That kind of policy consideration, in my view, still lives with the Ministry of Health and Long-Term Care. That's about the size and the shape of it—which components will be part of it.

Clearly, the agency would have strong input into that in terms of their views and opinions, and that policy perspective would also have to be done in consulting with the health system, in terms of how relevant is it, how big of an issue is it and how big a hole is it in our system. But those sorts of broad policy options are in the hands of the Ministry of Health and Long-Term Care.

Mrs. Liz Sandals: So everybody knows what they're supposed to be doing now?

Mr. Ron Sapsford: Yes.

Mrs. Liz Sandals: Okay. My colleague has some questions.

The Chair (Mr. Norman W. Sterling): In that there's only one minute left, I'll give him an extra minute the next time around.

Mr. David Ramsay: Sure.

The Chair (Mr. Norman W. Sterling): Ms. Elliott.

Mrs. Christine Elliott: I'd like to continue with some questions of Mr. Sapsford, if I might, please. Turning now to the hiring of Dr. Alan Hudson, I'd like to start with, first of all, when did you first meet him?

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Mr. Ron Sapsford: The late 1990s, I'll say. I've known Dr. Hudson for a long time.

Mrs. Christine Elliott: So you knew him before you started as deputy minister, then.

Mr. Ron Sapsford: Absolutely, yes.

Mrs. Christine Elliott: All right. He was at that time, I believe, when you started working, leading the wait times strategy. Is that correct?

Mr. Ron Sapsford: That's correct.

Mrs. Christine Elliott: Who did he report to in that capacity with respect to his progress on that strategy?

Mr. Ron Sapsford: Directly to an associate deputy minister or part of the health results team, which is a group that was charged with the development and implementation of the wait times strategy.

Mrs. Christine Elliott: Did they, in turn, report to you on a regular basis with respect to that?

Mr. Ron Sapsford: Yes.

Mrs. Christine Elliott: Did you have any meetings with Dr. Hudson separately in his capacity with respect to wait times?

Mr. Ron Sapsford: Absolutely, yes.

Mrs. Christine Elliott: Were they formalized meetings, or how often would you have them?

Mr. Ron Sapsford: Less frequently. His major report was in a different part of the ministry, and they worked as a team jointly on it, so perhaps every several months I might meet with Dr. Hudson.

Mrs. Christine Elliott: When did you become aware that the Premier had asked Dr. Hudson to become the chair of eHealth Ontario?

Mr. Ron Sapsford: Somewhere around September 2008. Somewhere in late September, maybe.

Mrs. Christine Elliott: How did you become aware of that? Were you involved in any meetings where his name was discussed?

Mr. Ron Sapsford: No.

Mrs. Christine Elliott: How did you—

Mr. Ron Sapsford: I'm not sure how I know. I know it was somewhere around that period.

Mrs. Christine Elliott: But it was just an announcement was made and you received an announcement? Is that—

Mr. Ron Sapsford: Oh no.

Mrs. Christine Elliott: How did you become—

Mr. Ron Sapsford: No. The decision about creating the agency had been made, and so the next set of questions would be, who will be the board of the agency? Because it was created as an extension of Smart Systems, appointments to that board were by order in council. Those decisions would have been the prerogative of the government to make, so I normally wouldn't be involved directly in order-in-council appointments to a board such as this. So my awareness of Dr. Hudson's appointment would have come at some point, but certainly not from the perspective of the discussion of who shall be members of the board.

Mrs. Christine Elliott: Did you ever receive any communications from anyone or hear from anyone about the choice of Dr. Hudson as chair of the eHealth board? Did you ever hear from anyone that it was not a good idea?

Mr. Ron Sapsford: I'm sorry? Did I hear from anyone—

Mrs. Christine Elliott: Did you receive any communication suggesting that this was not a good decision?

Mr. Ron Sapsford: No.

Mrs. Christine Elliott: As Alan Hudson got involved as the chair of the eHealth board, how often would you be communicating with him in that capacity?

Mr. Ron Sapsford: At the beginning, after the board was appointed, as I said, I think we agreed to set up monthly meetings in the early stages, so from I would say November, we set up a series of meetings on a monthly basis; that would have been the chair and the CEO.

Mrs. Christine Elliott: Who did Alan Hudson report to formally? Was it to you?

Mr. Ron Sapsford: No. I think the formality of the legislation, the MOU, is the chair reports to the minister.

Mrs. Christine Elliott: Do you know the nature of the communications between the chair and the minister? Were you ever involved in any of those communications?

Mr. Ron Sapsford: No; formal meetings, no. I was aware from time to time that the agency did meet with the minister, yes.

Mrs. Christine Elliott: But you were never involved in those conversations.

Mr. Ron Sapsford: No.

Mrs. Christine Elliott: And with respect to Ms. Kramer. When did you first meet Sarah Kramer?

Mr. Ron Sapsford: Probably between 2000 and 2005, somewhere in there. I knew Ms. Kramer before I came to the ministry.

Mrs. Christine Elliott: Again, as with Alan Hudson, did you ever receive any communication warning you that Ms. Kramer shouldn't be hired as CEO of eHealth?

Mr. Ron Sapsford: Warning me?

Mrs. Christine Elliott: Yes, or advising you—warning or advising.

Mr. Ron Sapsford: Could you please restate? Did I receive—

Mrs. Christine Elliott: Did you ever receive any communication—

Mr. Ron Sapsford: From?

Mrs. Christine Elliott: —from anyone respecting the appointment of Ms. Kramer as CEO?

Mr. Ron Sapsford: No.

Mrs. Christine Elliott: Do you know who selected Ms. Kramer as CEO of eHealth?

Mr. Ron Sapsford: I was informed—in September, I believe—that the decision had been made that Ms. Kramer would be the CEO. As to how that came about or how it transpired, I wasn't involved in that discussion.

Mrs. Christine Elliott: How often did you communicate with Ms. Kramer as CEO?

Mr. Ron Sapsford: After her appointment, in the monthly meetings I've already referred to, and occasionally on the telephone. Those would be the primary exposures, mostly on a monthly basis.

Mrs. Christine Elliott: And did she have any formal reporting to you?

Mr. Ron Sapsford: No.

Mrs. Christine Elliott: A different subject matter now: How many value-for-money audits by the Auditor General have been conducted at the ministry since you became deputy minister?

Mr. Ron Sapsford: I don't know—

The Chair (Mr. Norman W. Sterling): We do not accept as an answer "too many."

Laughter.

Mrs. Christine Elliott: Not enough?

Mr. Ron Sapsford: I view every audit that's done a value-for-money audit; how they're described is perhaps a question for the auditor. But I think it's fair to say that since I arrived, the notion of value-for-money audits has risen to the top in terms of the relative priority of the auditor.

In the ministry, probably a couple, but the auditor has taken much more interest outside the ministry. So there was one done of medication management in long-term-care facilities and one on surgical suite utilization in hospitals. There was one on diagnostic imaging and the use of CT scanning and so forth.

I would suggest that the trend in the audit work where much of the value-for-money auditing has been done has not been exclusively in the ministry but in the broader health care delivery system.

Mrs. Christine Elliott: What about Ministry of Finance audits? How many would have been done since you became deputy minister?

Mr. Ron Sapsford: Audits of the Ministry of Finance?

Mrs. Christine Elliott: Internally done by the ministry.

Mr. Ron Sapsford: We have an active internal audit program. There is an annual plan that's tabled with the management committee of the ministry. It details what areas of the ministry to look at, what functions and so forth. We have full-time staff who are doing that work.

Mrs. Christine Elliott: That would be the Ministry of Health's internal audit?

Mr. Ron Sapsford: Yes.

Mrs. Christine Elliott: What about the Ministry of Finance coming in to do audits?

Mr. Ron Sapsford: I don't know. I'm aware of one or two, off the top of my head; I can certainly find that information and table it with the clerk.

Mrs. Christine Elliott: If you could, that would be great. Thank you.

Mr. Ron Sapsford: Certainly.

Mrs. Christine Elliott: Just getting back to the Auditor General's audits, when he notifies you that he would like to come in and perform an audit, what do you normally do in response to that, internally—

Mr. Ron Sapsford: Internally?

Mrs. Christine Elliott: —to prepare space and so on?

Mr. Ron Sapsford: Usually I'm notified when the auditor's office has decided which ones. It's sometimes difficult at the beginning to know the extent of the audit, and that's usually, as I said earlier, when the audit team will come and meet with the various program areas of the ministry. It's usually quite a routine process. As I said, we talk about audit scope, measurables, which areas of inquiry, because that makes a difference in terms of what files, what information ministry staff have to start assembling to provide to the audit team. Space is not usually an issue. In this case, I think the team was larger than anyone had anticipated and space was a factor in the place where this particular program area was. But in my view, that was resolved relatively quickly.

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Mrs. Christine Elliott: In your department, when you received the notice that the Auditor General wanted to come in, was there a specific person in your office responsible for liaising with the Auditor General's office?

Mr. Ron Sapsford: Not for the conduct of the audit. Generally the auditor's team deals directly with the part of the ministry that is going to be involved in the audit. We don't control the management of the audit teams from the deputy's office; they work directly with the program teams. That's been the experience.

Mrs. Christine Elliott: I understand that in the course of this particular audit, there were some concerns about access and so on. Before you had the meeting with the Auditor General, were you aware of any problems with arranging the audit?

Mr. Ron Sapsford: Certainly I was aware of the difference of view in the scope of the audit. I think I've referred several times to the national agenda about electronic health records and the scope of what we would define as electronic health information. So some of the things that fall onto that agenda that weren't part of the audit are things like the telemedicine system and the wait times information system. So First Ministers agreed, I think in 2003 or 2004—after that, I'm sorry; maybe 2005—and allocated an additional $400 million for the development of wait times information. That was some of the differences of view: How broadly would the auditor look at it in terms of evaluating progress on electronic health records. I knew that discussion was taking place. I kind of agreed: We should have a broader look, not a narrow look, if we're measuring progress—

Mr. David Ramsay: That's not your prerogative.

Mr. Ron Sapsford: As I said, the scope of the audit is often a beginning. Usually, it doesn't mount to this kind of problem.

Mrs. Christine Elliott: Were you getting progress reports? Was anybody advising you, formally or informally, about how things were going?

Mr. Ron Sapsford: Occasionally the question would come up, but I wasn't informed that the process had stopped. In fact, what I'm informed is that information was—the auditor will confirm this, but my impression of the whole situation is that nothing was happening, that in fact the audit team was getting access to information and was doing a certain amount of work, but the final, where they have to come in and actually do the detailed work, was the part. It wasn't that from September to whenever it was—February—nothing was going on. If that's the impression you have, I think you need to understand that the audit team was working. They were interviewing; they were finding information. This wasn't a shutout, as it were. They didn't get final access, I agree, and I agree with the auditor's view that access should have come much earlier in the process.

Mrs. Christine Elliott: You indicated earlier that the issues concerning the scope of the audit were resolved fairly early on. Do you have any idea as to when that seems to have been resolved?

Mr. Ron Sapsford: No. From my point of view, the scope question was never resolved.

Mrs. Christine Elliott: So in the conversation you had with the Auditor General, did he express some concerns about anything in particular, other than the fact that they weren't getting access? Did he seem to think there were any other issues on the table?

Mr. Ron Sapsford: He's here looking at me, so—no, our teams, basically, are arguing about scope, and the ministry is saying access was an issue; he said, "I've got to get on with the audit, and we need to get in." I basically said, "Okay. I agree. Let's get in."

Mrs. Christine Elliott: I guess what I'm—

The Vice-Chair (Mr. Ted Arnott): Excuse me, Ms. Elliott, would the auditor like to add to that?

Mr. Jim McCarter: It's primarily getting physical access; we find it much more efficient when we actually can locate our staff there; we go down the hall and talk to people and can get records. We were getting some documentation from the ministry, but primarily it enhances our efficiency significantly just to get our staff behind the four walls. It was an issue of physical access basically that I went and I talked to Mr. Sapsford about. As I indicated in the report, once I talked to the deputy, I think we were in in a couple of days.

Mrs. Christine Elliott: Can you name any particular people who were involved in arranging the access? We've heard a few names: Mr. Tessier, Mr. McKinley and Mr. Ferenc. Were they involved in this primarily, or were there any other people who were involved in this, and have they ever given you any explanation as to why there were concerns or issues about access?

Mr. Ron Sapsford: Two of the three people you're referring to are not with the ministry. John McKinley is the assistant deputy minister who inherited this particular program area in November 2008. So he was new to it.

I believe the other two you refer to were the program people who would have been at the front end of the argument, as I understand it.

Mrs. Christine Elliott: Are you aware of any ministry documents from the eHealth program? I think earlier you referred to some records that couldn't be found but were subsequently located. Could you just elaborate on that a bit, please?

Mr. Ron Sapsford: The auditor makes reference in his report specifically to the quarterly or monthly reports from Smart Systems for Health. They are monthly reports, financial and other performance information, that the auditor asked for but the ministry couldn't locate. That was the nature of the documents that couldn't be found.

Subsequently, we have found the majority of them, and as I said, they are available. But that's the only documentation issue I'm aware of.

Mrs. Christine Elliott: Do you know what happened to them?

Mr. Ron Sapsford: Yes. Before we created and consolidated the eHealth program area, which is the group that the auditor dealt with, the reporting relationship of Smart Systems was to another division of the ministry, so some of the documents that the auditor was asking the eHealth group for they couldn't locate because they didn't have them. Eventually they were tracked back to the other division and they were located. So it was simply a change in organization: Who has the records, who can locate them? It was that kind of a problem.

Mrs. Christine Elliott: Just moving to another issue, again with respect to some contracts, on page 40 of the Auditor General's report it's noted that "a single ministry manager chose which vendors to invite and made the sole decision on whom to hire for more than 30% of the contracts sampled." Are you able to tell us who that person was?

Mr. Ron Sapsford: Sorry, the page again?

Mrs. Christine Elliott: Page 40, the bottom of the page.

Mr. Ron Sapsford: I'd have to check the exact name. It reads as though it was probably the director in that area of the ministry. You're looking at the bottom of page 40?

Mrs. Christine Elliott: Yes. Would you be able to get that information for us?

Mr. Ron Sapsford: Yes, certainly.

The Vice-Chair (Mr. Ted Arnott): Again, would the auditor care to speak to this point?

Mr. Jim McCarter: I prefer not to identify the individual's name, but it was a mid-level manager position.

The Vice-Chair (Mr. Ted Arnott): Thank you, Ms. Elliott. That concludes the time for your caucus. I'll now turn to the New Democrats, Ms. Gélinas.

M^me^ France Gélinas: I wanted to talk a little bit to Mr. Sapsford about the transition to eHealth and when the board was put into place and the CEO was chosen. I read the papers; I assume you did the same—as to who knew Mrs. Kramer and how the selection of the CEO was done and your recollection as to how the CEO was selected to lead eHealth.

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Mr. Ron Sapsford: I read the auditor's report on that very subject and I really have no reason to believe that isn't an accurate reflection of it. I didn't participate in a specific discussion around that.

M^me^ France Gélinas: Did you ever give a personal opinion as to whether Mrs. Kramer should get the job of CEO or not?

Mr. Ron Sapsford: Advice I would give the government about individuals, in my view, falls within my confidentiality bounds, but advice about the process of appointment certainly would have been part of my consideration. So less about the individual and more about the process.

M^me^ France Gélinas: I haven't been around that long. I don't know what "falls within my confidentiality bounds" means.

Mr. Ron Sapsford: You're asking me to talk about what I may or may not have said, if I said anything, about a specific individual in advising the government, and that, to me, is a question of human resources and I wouldn't normally talk about that in a public forum.

M^me^ France Gélinas: Okay. So you are not at liberty to share with us whether you talked to either Ministers Smitherman or Caplan or cabinet or anybody else. Whether you approved of hiring Ms. Kramer or not is not something that you can share with us?

Mr. Ron Sapsford: Yes.

M^me^ France Gélinas: Okay. You talk in your report about some of the improvements that have been made at eHealth but on page 6 you say—I'm looking at the speaking notes you've just given us today—"Some mistakes were made in the management of procurements on these two projects." I would like to hear, in your own words, the mistakes that you know have happened in the management of procurement on those two projects.

Mr. Ron Sapsford: I think some of the observations that the auditor put in his report. There was the perception that consultants were approving the work of other consultants. In terms of the evaluation or the definition of projects, he made comment about creating projects that would live with inside rules as opposed to taking a more broad base and going to public tender on certain aspects of it. I think, in reflection, there are some legitimate points there.

I hasten to add, however, that at no time was a contract let without review and approval by ministry staff. So this wasn't contracts being let on the strength of a consultant's decision. Oftentimes where a consultant had been involved they were defining work or making recommendations to ministry staff about prospective work. So the management of that process is what I'm referring to, and in many cases that could have been managed better.

Apart from changing procurement rules, the ministry all through this time was in the process of consolidating the management of procurement into a single branch in the ministry. As I mentioned before, projects were managed all over the ministry and hence procurement decisions were quite diffuse across programs of the ministry. In late 2007, we constructed a specialized branch called fiscal management that is now responsible for the central management of procurement to ensure that procurement rules and processes in fact are put in place. So those procurement decisions, which existed in a wide fashion, are now being consolidated. Those are some of the changes that we've made to give a better management oversight of procurement.

M^me^ France Gélinas: My question was, I wanted you to tell me what some of the mistakes were that were made in management and procurement, and you open up by saying that there's a perception that the consultants were hiring consultants. Is this because you don't believe that it actually happened, that it's just a perception that the Auditor General had, or—

Mr. Ron Sapsford: No, not at all. There's a perception that consultants hire consultants. I agree with what the auditor said in his description of where things could have improved. I don't take issue with the auditor's report at all. The notion that consultants were hiring consultants is what I was commenting on. At no time did that happen. Ministry staff reviewed and approved all contracts. So the areas for improvement were in the management of the procurement process—the definition of what a project is, the decision whether to work with the vendor of record or go to public requests for proposals—I think those are some of the criticisms that the auditor made, and I would agree that we could have done that better.

M^me^ France Gélinas: Because the auditor does say that consultants were hiring consultants to do part of the work.

Mr. Ron Sapsford: In the process, yes, it's true. They reviewed proposals and gave recommendations. Agreed. That should not have happened. However—

M^me^ France Gélinas: You're trying to make a difference here that escapes me completely. What's the

difference between what you're saying and what he's saying?

Mr. Ron Sapsford: I agree with what he said, but I'm adding to that. Based on that, it was then reviewed and approved by ministry staff, so the actual execution of it was in fact done by ministry staff. So the notion that consultants were independently making these decisions and executing contracts is what I'm trying to clarify with you.

M^me^ France Gélinas: So when you say that the contract was executed by the ministry, that would be people who worked for you. People who worked for the Ministry of Health would actually execute those contracts that had been recommended and reviewed by consultants for other consultants.

Mr. Ron Sapsford: Yes.

M^me^ France Gélinas: And nobody clued in that what they were doing was wrong?

Mr. Ron Sapsford: That's a good question. It happened, so the answer has to be no. People felt that they were working to an agenda, a time frame. They were trying to work within the vendor-of-record rules. In many cases, the technical complexity of what these projects are, what the next phase of work is, would require the input of consultants to actually define them. So at one stage, a group is working on it; the consultant defines the next piece of work. We used a separate consultant who was perhaps the project lead to review that work, so you end up in a situation where one consultant is reviewing another consultant's proposal for the next piece of work. That's what the auditor has criticized. Yes, that's not the best way to go about it. The more appropriate way is to have a formal review committee, a cross-section of ministry staff and, if necessary, the input of consultants to review the proposals and approve them and move them forward.

The process that was used is where I felt the auditor's criticism was quite valid.

M^me^ France Gélinas: How much of this would the minister have known?

Mr. Ron Sapsford: None.

M^me^ France Gélinas: So it stays among your employees?

Mr. Ron Sapsford: Yes.

M^me^ France Gélinas: None of this?

Mr. Ron Sapsford: None.

M^me^ France Gélinas: So we agree that what the auditor has shown, that consultants were hiring consultants, was wrong, but the actual giving of the contracts was done by people at the ministry who never clued in that what had just happened and what they were about to agree to put money into was wrong?

Mr. Ron Sapsford: The auditor never said that consultants hired consultants. He criticized the process that was used to define and contract the work. In the definition of, "What is the piece of work to be done?", consultants were involved. As I've tried to indicate, some of that work is technical, and consultants were used to define it. Then different consultants were used to review proposals, and he criticized that process—that they should not have participated in that. That's what I'm agreeing with.

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M^me^ France Gélinas: I have this little note here—because I'm not always the most experienced MPP—that says that when I asked you about you giving advice on whether Sarah Kramer should be hired or not, you said it has to do with human resources and you couldn't answer this. I have this advice here that, "Advice to cabinet is not necessarily the same thing as advice to a minister and that he could be at liberty to give us that information," so I'm asking you, Chair, if you could rule on that.

The Vice-Chair (Mr. Ted Arnott): Ms. Gélinas, would you repeat that once more?

M^me^ France Gélinas: Sure. I want to know if Mr. Sapsford gave advice to either the minister or to people within cabinet as to whether Sarah Kramer should be hired as the CEO of eHealth.

The Vice-Chair (Mr. Ted Arnott): I don't think that's within my purview as Acting Chair to rule on. I can't rule on the appropriateness of that.

M^me^ France Gélinas: Okay. You're off the hook. How much longer do I have?

The Vice-Chair (Mr. Ted Arnott): You have another three minutes for this round.

M^me^ France Gélinas: I missed some of the talk about how eHealth has produced results. But not so long ago I was one of the ones trying to use an electronic health record, and God knows, it was tough. So when I see things like—let me find it; I'm looking through your speech—when you say that Panorama is well on its way to being completed with the health units. When we talk about Ontario O-lists being there, at the end of the day, a physician right now who sends a requisition to the health units for one of the lab tests they do still cannot get the results electronically. We get this little fax that comes in. If you have an electronic health record, you get this fax, you scan it in, you try to fit it into your electronic health record and it still doesn't work. So, I kind of take exception to having all these rosy things here. We have: "Ontario Laboratories Information System is an integrated and interactive information system that electronically connects communities, hospitals and public health laboratories" etc., when in real life it doesn't work.

Mr. Ron Sapsford: That's not there. What I'm trying to indicate to you—and a large part of the substance of the audit is questions about value for money—is that there have been investments in all areas of this electronic agenda. And yes, it's true: They're not up and running, fully functional and fully interactive, yet. But in the case of the comments the auditor made about the lab system, for instance, I think in his report he referred to 139 defects in that program, and today the number of defects in that particular piece is down to 12, and about seven of them are inconsequential.

This is a process of implementation over a period of time, starting from nothing, to having the facility to developing the interactive. For the lab piece, over 50% of

lab information is now being sent into it. It's mostly from the private lab system and several of the large hospitals. The plan for implementation over the next couple of years is to gradually expand that to 100% of information.

There's also the important thing to remember: The doctors sitting in the office can't access that information if they don't have an information system themselves. So even though the lab component may be up and functional and ready to use, it doesn't necessarily mean it will get full use until we've put the pipes into physicians and they've got their own information systems. I'm trying to indicate that we're on the way; the components are being built, but you're right—

M^me^ France Gélinas: They still don't work.

Mr. Ron Sapsford: Well, you can choose to look at it that way, but if you look at in the longer term and the plan that's put in place now, the first priority is for diabetes patients who require and who can benefit hugely from this kind of information system in terms of their ongoing management. Unfortunately, it has to be done in a phased and planned implementation; it can't be everywhere all at once. So I urge you: You will continue to hear, "We don't have it here, we don't have it here and we don't have it here," but as time goes on and these components come into place, more and more people will be served by it.

The Vice-Chair (Mr. Ted Arnott): Ms. Gélinas, I have to apologize to you. You still have another four minutes. I was mistaken earlier when I said you had only three.

M^me^ France Gélinas: Well, there we go.

I want to talk about where we're at with the electronic health record. In the House, almost every day the Minister of Health says, "But four million people already have an electronic health record." I want people to realize that even if your physician in his or her office has an electronic health record, he or she is not able to talk with anybody but themselves. We're not able to talk to health units, and the health units certainly are not able to talk back to us. We're not able to talk to most of the hospitals that you refer your patients to, and God knows that the hospital is not able to talk to you. I don't want to be pessimistic, and I don't want to just cast a bad light. I agree, pieces have been put into place, but to have statements like this in the House day after day, they kind of shed the wrong light as to—for those four million people, don't lead them to believe that they get their lab report, their X-ray report and their MRI, and it comes into the desktop of their physicians.

Maybe you can answer this: Do those four million people who deal with physicians that have a desktop get their MRI, their health unit health report, their discharge from hospital—and all of those pieces of information you need to run a primary care office—into their desktop?

Mr. Ron Sapsford: No. There may be examples where trials are in place, but in a comprehensive way, no. If the question is, could a specialist or an emergency physician access images from another hospital, the answer is yes, they could. Again, it depends on the site you're talking about and which pieces are in place and which aren't. So the notion that everybody has equal access to it is unfortunately not the case.

I think the other important thing to consider is that when physicians talk about their electronic record, they're talking about the system that they use in their own office. So oftentimes, when somebody says, "Well, I have an electronic medical record," it's true, they do for their own purposes. But this notion of an electronic health information record is that broader concept of being able to extract different pieces of information from different providers and consolidate it. That's the piece that we're trying to put into place.

M^me^ France Gélinas: In my first 20 minutes of questioning, I questioned a lot about the contract with the consultants, and certainly—

The Chair (Mr. Norman W. Sterling): This will be your last question, okay—right now.

M^me^ France Gélinas: I'll make it a good one.

The new CEO of eHealth certainly assured us that they are going through each and every one of the consultant contracts to see if we really need them in trying to meet a target. Is the same being done at the ministry level to decrease the ministry's reliance on consultant contracts?

Mr. Ron Sapsford: All of the consultants that the audit report refers to are gone.

M^me^ France Gélinas: At the Ministry of Health, they're all gone?

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Mr. Ron Sapsford: We don't have any. I won't say we don't have any consultants, but certainly not on this file, because, as was part of the plan when the agency came into existence, we planned to transfer and that's what happened. So the reductions in numbers are as my colleagues have said, but the ministry doesn't have any.

M^me^ France Gélinas: But in other branches of the ministry, did it have an over-spilling effect such that you're looking at consultants elsewhere?

Mr. Ron Sapsford: No. I think that the question about improvements in management in some of our recent exchange—where we do use consultants elsewhere, it's much more manageable because it's either a defined project or one or two consultants working on a specific piece of information. So the procurement issues that we found in this particular case don't exist elsewhere.

M^me^ France Gélinas: Thank you.

The Chair (Mr. Norman W. Sterling): Mr. Ramsay.

Mr. David Ramsay: Deputy, I'm having difficulty understanding this difference that the ministry had with the auditor in regards to the scope of the audit. It's good that the auditor's here, because—and if I'm wrong, Auditor, please correct me; we want to get to the bottom of this. My understanding is that, as a servant of the Ontario Legislature, the auditor is independent and has the power, the authority and the duty to examine, as he sees fit, any aspect of government operations.

It would seem to me, as you say here, that it's routine and normal practice that the audit team, once those

decisions are made, would sit down with the civil servants directly involved to basically, as a courtesy, first announce to them what the audit is going to be; to have that discussion about what the scope is of that; what materials might be required; as the auditor says, what space might be required; and also to discuss what audit tests might be employed. But again, that's all, to me, the prerogative of the auditor to decide that.

So I don't quite understand why somebody in the ministry said, "Well, we don't agree with the scope of your inquiry here. We think it should be different."

Mr. Jim McCarter: Do you want me to—

Mr. David Ramsay: Yes, please.

Mr. Jim McCarter: If I can make it clear, as an officer of the Legislature, I can audit what I want, when I want and how I want. I have that authority. But having said that, often when we go into a ministry, we'll say, "Here's the area we want to audit," and often we'll say, "Here's the criteria that we're going to use to evaluate your operation." We give them a chance to say, "Well, okay, Auditor, we agree with 10 of the 12 criteria, but on eHealth, one of your criteria says that we should be able to develop an electronic health record in a year. We're not sure that's a fair criteria. Let's discuss it." And we would discuss it. Sometimes I would say, "You know what? You've made a good point," and I would change it. But there have been other times when we've just agreed to disagree. I think of the Alcohol and Gaming Commission. We actually put it right in the scope of the audit report saying that we never did agree. But at the end of the day, I called the shots and we did what we wanted to do.

Does that help to clarify?

Mr. David Ramsay: Sure. So—

Mr. Ron Sapsford: And I don't question that.

Mr. David Ramsay: Yes. So who makes those decisions and how high up does that discussion go?

Mr. Ron Sapsford: Well, as I've tried to explain, normally it wouldn't rise above the level of the program people who are being audited, because as the auditor has said, they'd have that kind of discussion, and where there's disagreement, that would take place and the audit would proceed. Quite honestly, this was no different until it did get raised, and after a protracted period of time.

I think it's fair, though, to consider that it isn't all a one-way street, particularly when the auditor's office is going into value-for-money kinds of evaluations, which are not simple and straightforward. Value-for-money audits, in my opinion, are not just about checking boxes and procedure; this is about bringing judgment to questions.

So as the program being audited, the ministry being audited in complicated areas, sometimes involving public policy or previous decisions of governments as part of the rationale for why you're in a particular position—I think it's a fair discussion to have with the auditor that they understand the perspectives of a ministry in agreeing or creating the scope.

I go back to the one we did on radiation protection in hospitals a couple of years ago. Going in and doing those sorts of audits in a clinical area, I would argue, has to be done with a certain amount of understanding of the subject matter to be reviewed. So this isn't about having a fight with the auditor or questioning the jurisdiction or the ability, but to make sure that when the value-for-money audit is done, we get the best results out of it in terms of the advice the auditor can bring to bear, that we get a full evaluation of it.

This ministry respects the work of the auditor's office. We use the work of the auditor's office, as critical as sometimes it might be, to make improvements in the way we operate either a specific program or the Ministry of Health in general.

So my view is that the work of the Auditor General's office is extremely important, and the ministry has an equal interest in making sure that the work the auditor does in fact yields results that we all find helpful.

Mr. David Ramsay: But is it appropriate for the people at the program level, who are directly involved in the day-to-day execution of that program that is to be examined, to put up that kind of roadblock, to say, "We kind of disagree with the process or scope of your verification"?

Mr. Ron Sapsford: It's a fair question, and I think within limits, yes, that is appropriate, because these would be the people who understand the area of the audit.

Now, to the point of "You can't come in the door," no, I don't agree with that. The auditor and I have had subsequent discussions—we haven't finished that discussion. But where we get those kinds of arguments, I think it's fair, it needs to be flagged and resolved in a more expeditious manner than in this particular case. So I would agree: Reasonable discussion, reasonable opportunity to influence scope or measures, but the decision, as the auditor says, is finally his.

Mrs. Carol Mitchell: My question is for you, Mr. Sapsford. There is a perception certainly out in the communities that the $1-billion investment has not been a good value for the good people of Ontario. You've talked about the complexities in Ontario, you've talked about how it's an integrated system and what is coming forward and how you're moving the system into a whole system. We understand how important eHealth is, especially in administering health care into the future. But what did that significant investment achieve specifically? The question was put to the auditor as well, to quantify it. That wasn't within his scope, but I would ask that question of you.

Mr. Ron Sapsford: We have a secure network that is being used today. My colleagues can talk about how it is being used. I think one of the criticisms of the audit report is that it's not being fully used and we've expended funds and it's underused. We're certainly not getting full value, but it does and would have cost money to build a network and that, to me, is valuable.

One example: Telemedicine Network Ontario operates on Smart Systems. That's an extremely important program where over 50,000 visits, if you will, are made by people living in northern and remote Ontario, getting

actual clinical care, where we're actually bringing the care to where people are as opposed to moving people. There are some good articles on Telemedicine Ontario and the success we've had. So that would be a second area.

I think the public health information system, which is up and running and fully functioning, is another example; the drug profile viewer, where now all Ontario drug benefit information on seniors in the province is available to physicians in every emergency department in the province. So for people coming in over the age of 65, physicians have immediate access to their full prescribing history. That's another important advantage in safety, as well as improving patient care, and that's part of this program as well.

I talked about diagnostic imaging. Hospitals now can share diagnostic images. That's not only important for patient care, but it's also an important cost control, because the notion now of having to repeat scans—I go from point A to point B. Dr. B says, "I don't have this scan. I'll do it again." The cost associated with duplicate testing is also a significant benefit, and that runs on the network.

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Investments in physicians: The number of physicians in this province who don't have electronic systems in their own offices is a major issue in terms of developing this. So the investments that the government has made to upgrade electronic systems in physicians' offices is another point of value that's been purchased with this investment.

Then there is the live information; I talked about that extensively.

Panorama, which I think is important, is the extension to the public health system, so records of immunization, disease surveillance—we're approaching H1N1 flu again—and having the systems in place so that we can better get early warning and identification.

Management of vaccines in the province is another one, and that one's moving forward.

Finally is drug prescribing. One of the most important pieces of this whole implementation is electronic prescribing of drugs, where the physician can enter the prescription in his office and it appears in the pharmacy so that paper is eliminated.

Integrated records: Work is not as far advanced on that one, but the money that has been invested in that work will yield results.

From my point of view, there are a number of important components that are working on the network itself. They're important investments that will yield future benefit; I'm quite confident of that. So my concern overall is not the value-for-money question, but the notion that all of this money has been totally wasted. I think that's what you're referring to in your question. I think it's important for all of us to recognize that isn't the situation, and the notion that $1 billion has been wasted is simply not accurate, in my view.

Mrs. Carol Mitchell: Thank you very much.

The Chair (Mr. Norman W. Sterling): Mrs. Van Bommel?

Mrs. Maria Van Bommel: On page 33 of the auditor's report, he talks about the Child Health Network, the work that's already been done there and how that has developed. I'm just wondering why we haven't been able to incorporate the Child Health Network into the eHealth record system. What are we doing? How much have we invested so far in that whole records system? How are we going to incorporate that, if we are at all?

Mr. Ron Sapsford: Right. I'll table with the clerk what the investment is. I'm not aware of the total amounts.

The Child Health Network has done a fair amount of work in integrating hospital records for pediatric units. They've also made some extensive connections with physician offices. But the way that system is built is limited in terms of its overall technological capability to expand to the whole province, to be able to handle digital records, to be able to handle drug information and to be able to handle all lab information in the way I've described.

It does give a base. I think it's fair—perhaps Mr. Devitt can comment on it. We're looking at the potential to use that as the base, and then build on it. Whether it can be the electronic health record: As it stands, the answer is probably no, because it has some gaps in the functions it has to perform in order to achieve the "one record, one patient" goal that I've talked about. So to simply say, "Take this one and expand it to the province" is not possible, it's not technically feasible and it wouldn't satisfy the needs of clinicians or patients simply to adopt it. But it could form the basis of how we build out that system in the future.

Mrs. Maria Van Bommel: So do we have to redo all of that work again, then?

Mr. Ron Sapsford: No, it could be that you just integrate what is there with this broader system as opposed to starting over. One of the things we have to avoid is the notion that we're going to build a whole new system up from scratch and throw away everybody's existing systems. What we're trying to do here is to build a system that takes out of a hospital record or a doctor's office or a pharmacy the pertinent information for this patient and pulls it all together. The electronic child record is one component of it; it provides a certain amount of information, but it doesn't have all the information. What role it can play in the overall piece is what we're still trying to evaluate and come to some conclusion on.

Mr. Robert Devitt: I think Mr. Sapsford has summarized the situation with eCHN well. It is a useful part and a key partner.

What we're really doing in eHealth to build an EHR is we're making a quilt. The challenge is stitching all these parts together. This is not like software at your home computer where you come home with a DVD, install it and you have access to all of your X-rays over the fullness of your life, all of your lab tests, drug profile etc. It's much more complex that that, obviously.

The challenge is, rather than trying to start afresh and build from the ground up, to take systems that are already in place and stitch them together so that that information can be accessed. ECHN has served us very well. I can say this as a hospital CEO—we have a very active pediatric program—but it doesn't have the robust nature to deal with the complex nature of an EHR that spreads across the whole health care system.

Mrs. Maria Van Bommel: I'm not quite following here. Are we going to have to re-do all of this work, then?

Mr. Robert Devitt: It will be used as part of an eHealth record that really is the amalgamation of all these pieces: eCHN, what we're doing with diagnostic imaging, the Ontario lab information system and the system we have for drugs. It's not about re-doing; it's about building linkages so the systems all connect together.

Mrs. Maria Van Bommel: So we won't lose the investment we've made in the work that's already been done?

Mr. Robert Devitt: No.

Mrs. Maria Van Bommel: Thank you.

The Chair (Mr. Norman W. Sterling): Any further questions? Ms. Sandals.

Mrs. Liz Sandals: This is following along in a similar vein, and perhaps the eHealth people can answer it because it's a technical question, I think. People see or hear about the auditor's report and the fact that Ontario is behind, and they say "Well, if other provinces have got more, why don't we just get off the shelf what other provinces did?" Why not? Is there a good answer to that? I'd like to know it.

Mr. Robert Devitt: I guess maybe I can start, and maybe Mr. Sapsford can chime in. Depending on how you measure progress, we may compare well, we may compare not so well. If I actually use our systems in pharmacy, right now through the Ontario drug benefit plan, on any given day our pharmacists do more drug interaction studies on that system than are done across the rest of the entire nation in that same time period. On that avenue, I would argue we're further ahead. In fact, right now 25% of our population has their drug information on that system. I think when we put ourselves down as to where we stand, it all depends on what aspect we're measuring.

Ontario is a lot more complex than other provinces. To put that into context—I don't mean to pick on any province—if we use Prince Edward Island as an example, that's a population smaller than the catchment area of Toronto East General Hospital, so it's probably a little easier to develop a system for that defined population than for the breadth of Ontario and the scale of Ontario with the complexity we have.

Again, it's not just about plugging in and playing software. Diagnostic imaging is probably the best example of this. We have, just this summer in Ontario, achieved digital imaging capability in every hospital. If I bring that to an analogy at home, we've now got digital cameras in all our hospitals or at least processors that will take a film and digitize it. You can't set up an EHR in this province until you've got digital capability. It's not just taking the digital picture; it's being able to send that somewhere so that someone at another site can then access it and read the same image. That's a level of complexity with 155 hospitals, 26,000 physicians—a scale that no other province has.

I guess the final thing I'd say is, as someone who's been active in the Ontario system for a number of years, we've started at a different place. I think Newfoundland years ago standardized hospital information systems to one product. Now, again, Newfoundland maybe has 600,000 people. It's a lot smaller. We didn't start there in Ontario, so we have a diverse range of systems that don't talk because there are different vendors. The complexity and scale here, I think, in Ontario, is a key variable that no other province comes close to.

Ron, I don't know if you have anything else to add.

Mr. Ron Sapsford: No, I think not. I think the complexity issue is self-evident. We do watch closely, though, what other provinces do. It's sometimes beneficial to benefit from other's mistakes, and in fact, frankly, Ontario has taken advantage of that in some cases. Some of the wait-list information systems we simply took from British Columbia's system and expanded it for Ontario. So we're looking for those opportunities.

I think another change with this new agency that is being contemplated is the way we procure. Rather than procuring the service to build a system, it's changed so that we're procuring the product that works and we're not paying until we have the product that works. I think that's an important change in how we're going about the implementation and putting the challenge of building a product that actually works on to the consortium or the private sector that will be involved in this. These two things—oh, and part of that requirement, of course, is that they do have working software, which, in many cases, they will pull off the shelf and adapt for use in Ontario.

This isn't all about building it from scratch. This is about looking at what others have done, other software or hardware innovations that we can take advantage of as we move forward and, using the procurement process that's been developed at eHealth Ontario, I think we have a much better opportunity to do that.

Mrs. Liz Sandals: So the answer is, if there's something usable, we use it?

Mr. Ron Sapsford: Yes.

Mrs. Liz Sandals: That's good to know because that's not the presumption—

The Chair (Mr. Norman W. Sterling): We only have a few minutes left. Can you just indicate what time frame we need to finish our inquiry? Do we need more time with these witnesses?

Mrs. Christine Elliott: Yes, we would like to have more time, Chair.

The Chair (Mr. Norman W. Sterling): Ms. Gélinas?

M^{me} France Gélinas: Yes, please. I cannot stay right now, though, but I would like more time.

The Chair (Mr. Norman W. Sterling): Okay. We'd better have a subcommittee meeting, then, and determine when we're going to be calling the witnesses back and what other further witnesses. So I'll meet with the subcommittee as soon as possible. We'll find a convenient time.

Thank you very much for your testimony today.

The committee adjourned at 1449.

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