

October 25, 2017

STATEMENT BY HSA BOARD CHAIRMAN

The Board of the Health Services Authority reaffirms our commitment to ensuring the sustainability of a high quality, financially sustainable, and patient-focused public healthcare system for the people of the Cayman Islands.

As part of our commitment to full transparency and accountability, the Board wishes to provide a full reporting of our stewardship to the public, and also openly address certain issues which have recently surfaced in the public domain.

ACHIEVEMENTS

Since taking on the role of Chairman of the Health Services Authority, the Board has maintained a consistent focus on key areas of the Authority including:

1. the delivery of high quality patient care, and creating a patient-focused environment, including customer service
2. improving access to care and the timeliness of care
3. improving customer service
4. financial accountability and sustainability
5. employee recruitment and retention

This is reflected in a range of initiatives taken over the past two years since the appointment of the existing Board, which has resulted in significant improvements at the HSA including:

1. International accreditation of the Pathology Lab, and implementation of a formal programme towards full accreditation of the Hospital by Joint Commission International to independently assess and report on clinical quality and patient outcomes according to international standards and best practices.
2. Implementation of new patient-focused initiatives, including the formation of a Patient Advisory Committee, comprising patient and family members that create a partnership between the Health Services Authority, patients, and families to provide guidance on how

to improve the patient and family experience as part of our commitment to a high quality, patient-focused healthcare system.

3. Increased cash reserves from \$3.8m in June 2016 to \$26m at the end of August 2017.
4. Achieved 90-day (98 days) cash reserve as mandated in the H.S.A Law, for the first time since the inception of the Authority.
5. Improved collections by 55% or \$34m for the 12-month period ended August 31, 2017. (In the 12-month period ended August 31, 2016, the Authority realized net collections of \$61m compared to \$95m for the 12-month period ending August 31, 2017.)
6. Bad debt provisions have been reduced by 52% from \$15.5m at the end of August 2016 to \$7.4m at the end of August 2017.
7. Improvements to patient experience through online patient appointments and patient portal, allowing patients electronic access to their medical records.
8. Strengthening public health surveillance through expansion of clinical diagnostic capabilities for testing of viral diseases that may pose a threat to public health, such as Dengue, Zika and Chikungunya.
9. Removal of the Cayman Islands from the CDC advisory list of countries with Zika.
10. Installation of new emergency backup generators that can now power 100% of the Hospital operations – previously only 30% was on backup power.
11. Increased voluntary Blood Donor pool by 50% by adding over 500 new donors.

STRATEGIC DIRECTION

Notwithstanding these successes, the Board has established a strategic framework to guide the future success of the organization in keeping with its obligations as prescribed in Section 8 (2) of the Public Authorities Law, which specifies that the Board shall be responsible for the governance of the Public Authority, including the general administration and oversight of its affairs and business.

The Board's strategic framework is focused on seven key areas:

1. Financial sustainability, including a clean audit opinion by 2018.
2. Improvement in the patient experience across the continuum of care.
3. Facility upgrade and expansion to meet the existing needs and projected growth of services and population.
4. Implementation of technology and systems to meet new environmental standards.

5. Introduction and expansion of clinical services and improvements in the patient experience to retain our position as the premier provider of healthcare services in the Cayman Islands.
6. Recruitment, development, motivation, and retention of productive and engaged employees to meet current and future organizational needs.
7. Strengthening primary healthcare services by enhancing health promotion and disease prevention activities.

FINANCIAL MANAGEMENT

The Board is cognizant of recent public comments and media articles which have presented a negative picture of the Authority without due recognition to its many accomplishments and the history of the organization.

It was only a few years ago in 2005 and 2006 that there were almost daily newspaper headlines and media reports about the untenable state of affairs of the H.S.A., which had caused a loss of public trust and confidence in the hospital; low staff morale, exodus of employees, and lack of stable leadership was the unfortunate norm.

A sampling of the headlines and editorials at the time read:

- **HSA finances in a 'terrible mess'**
- **Hospital staff in crisis**
- **H.S.A. in disarray**

To further illustrate the magnitude of the problems at the time, consider the sobering comments made in a report of the Auditor General before our taking office: "**Had this been a business, we would have filed for bankruptcy long ago.**"

I've raised all these matters not to point fingers or cast blame at anyone, but to set in context where the H.S.A. was a few short years ago and to make some comparison to where we are today.

ORGANIZATIONAL LEADERSHIP AND MANAGEMENT

The Board recognizes recent statements in the public domain could create public anxieties, distrust and questions about the competence and qualifications of the senior leadership team at the Health Services Authority.

Before addressing the specific issues which are currently in the public domain, it is important to put in context the leadership challenges faced by the H.S.A. over the years.

Prior to the appointment of the current senior leadership team of the HSA, there was a revolving door within the management team at the organization with as many as six CEOs in six years, and an equal turnover in Chief Financial Officers, HR Directors and Medical Directors.

It is the dedication and leadership of the existing management team, the oversight and accountability and strategic leadership by the Board which has reversed the dire opinion of the Auditor General only a few years ago: "**Had this been a business, we would have filed for**

bankruptcy long ago" to the current state where the H.S.A.'s financial position has been vastly improved; there is leadership stability, improvements in employee morale, and increased patient confidence.

The Board is confident that the actions and strategic direction established will lead to a clean audit opinion in 2018 and the long-term sustainability of the H.S.A.

As the matter of the qualifications of certain members of the leadership team was the subject of extensive discussion by the Public Accounts Committee, which has created public skepticism about the training and experience of the CFO and CEO, it is necessary for the Board to address this issue.

The previous Board of the HSA took a deliberate strategy to restore a Caymanian leadership team at the H.S.A., which this Board views as commendable and is fully committed to carrying forward and restate our full confidence and support of the CFO and CEO in carrying out their respective responsibilities.

The current CEO took on the role in 2009 after a period of significant turmoil within the HSA. During her tenure, there has been a welcomed rebirth and fundamental transformation in the trust, confidence and working relationship between the Board and the executive leadership of the H.S.A., as well as with our business partners and the public. Her tenure has marked the most stable period for the Authority at any time since its inception in 2002.

Ms. Yearwood has been instrumental in guiding the H.S.A. during some of the most dynamically changing and challenging times, and has shown a remarkable ability to provide steady leadership in meeting the many challenges and opportunities which we have dealt with during her tenure.

The CEO has the full support of the Board of Directors and has shown competence and excellence in all areas of her responsibilities. Her dedication and leadership is exemplary and she should be commended for spearheading the entire team at the HSA in the turnaround of the organization with the full support of the Board.

Ms. Yearwood's appointment was part of a deliberate strategy of succession planning adopted by the previous Board to succeed an expatriate who occupied the post of CEO, which we fully endorse to have Caymanians take on leadership roles within the H.S.A. Ms. Yearwood served in numerous roles in the organization and pursued post-graduate studies leading to a Masters in Healthcare Administration in preparation for her current role.

The Board feels strongly that such a strategy to develop young Caymanians to positions of executive leadership should be encouraged across all entities in the Cayman Islands and applauded and supported by our electors, including the members of the Public Accounts Committee.

The Chief Financial Officer was first employed by the HSA in a temporary capacity as Finance Officer, and in subsequent years when the vacancy for Chief Financial Officer arose, she was hired after an exhaustive recruitment process, including credential review and evaluation and a formal interview process which included a panel of internal and external personnel with knowledge of finance and the requirements for the job.

Contrary to statements made in the public domain, the Chief Financial Officer possesses the requisite skills, qualifications and experience for the position including certification by the Association of Chartered Certified Accountants (ACCA), the global body for professional accountants, and is also a Certified Chartered Accountant.

Her extensive experience in a range of diverse industries provided her the breadth of skills and knowledge, and experience to benefit the H.S.A., reflected in the fact that the Auditor General has been able to highlight the positive impact of her work on the organization's financial reports since her tenure. This is significant from the years when the Audit reports reflected unflattering comments about the finances of the HSA.

DEVELOPMENT OF YOUNG CAYMANIANS

The Board is committed to the development of young Caymanians to enter the healthcare workforce.

As part of our deliberate plan to grow the next generation of healthcare professionals, the HSA welcomed 32 student interns from July 1 to August 31, 2017 for a work-study programme that prepares Caymanian students for future careers in healthcare. The annual Summer Internship Programme allows high school students interested in a healthcare career, and college students already pursuing studies in a healthcare discipline, to work in the hospital environment in both clinical and non-clinical areas. It helps to showcase the variety of career options available within the field to the students.

In addition to learning practical skills and discovering the diverse career options within the healthcare industry, the students are also learning about professionalism from their supervisors, and skills to help them make the most of future opportunities.

The Summer Internship Programme creates a pipeline of future healthcare professionals for the HSA and reflects our commitment to growing the next generation of healthcare professionals in the Cayman Islands.

In addition to the Summer Internship Programme, the Authority maintains an active recruitment outreach programme aimed specifically at increasing the number of Caymanians within the organization. These include:

- a. Designating certain categories of positions for Caymanians only.
- b. Outreach to Caymanians pursuing studies to encourage their interest in the healthcare field.
- c. Participation in the Chamber of Commerce Career Fairs.
- d. Direct outreach to Schools for Career Education.
- e. Our Summer Internship Programme.
- f. Limiting contracts of overseas recruits to no more than two years in the first instance.

PERSONNEL APPOINTMENTS

The Board wishes to clarify recent statements regarding personnel appointments within the HSA, and the clear delineation of responsibilities between the Board and the executive leadership as outlined in the Public Authority's Law, with regards to personnel appointments and the day-to-day operational running of the organization.

Section 31. 2 (c) of the Public Authorities Law delegates responsibility for the day to day management of the public authority, including the hiring, management and dismissal of staff, and other personnel management functions, to the Chief Executive Officer.

The Board has full confidence in the management of the Authority to exercise all personnel decision.

HIRING AND PROMOTION OF CAYMANIANS

The Board is committed to the recruitment and promotion of Caymanians within the service, including at the senior leadership level.

The Board is also pleased that for the first time since the inception of the HSA the senior leadership now comprise 99% Caymanians or persons with Caymanian status, and more than 57% of our staff are now Caymanians; the highest number in the history of the organization.

LOOKING TO THE FUTURE

Despite the issues which have been raised in the public domain, the Board remains focused on its strategic goals and have established critical priorities for the 2018 financial year, aligned with our strategic plan, and look forward to providing the public with a detailed report at the end of 2018 of our achievements.

IMPROVED FINANCIAL MANAGEMENT & PERFORMANCE

- **Clean audit opinion** through strengthening of financial controls, implementation of a robust compliance programme, and further enhancements to existing payment policies.
- **Reduction in Uncollectable Debt** through contractual arrangements with reputable external agencies to enhance our debt collection programme to reduce outstanding debts.
- **Improve payment mechanisms** through strengthening our internal controls and payment policies to increase payments of co-pays, deductibles and uninsured payments at the time of service in collaboration with relevant government agencies, including the Needs Assessment Unit and the Health Insurance Commission.
- **Increased operational efficiencies** through strategic initiatives to reduce operational expenditure by:
 - Implementation of an energy management programme for phased replacement of all lighting fixtures to new and more energy efficient LED fixtures.

- Commissioning an engineering study to determine optimal HVAC system for the hospital to increase technological improvements, reduce utility costs, system reliability and sustainability, and environmentally friendly best practices.
- Implement a staff development plan to determine appropriate staffing levels for all areas of the hospital operations to reduce high levels of overtime expenditure.
- Review of all areas of the hospital operations to determine opportunities for partnerships with the private sector to achieve greater efficiencies and cost reduction.
- Introduction of an employee wellness program to improve employee health and wellness and incentivize employees to pursue healthy activities whilst reducing staff healthcare costs.
- Introduction of an employee health clinic.

DELIVERING HIGH QUALITY PATIENT CARE & ENHANCED PATIENT EXPERIENCE

- **International Accreditation:** Pursuit of Joint Commission International accreditation to measure and certify the HSA's clinical quality against international standards and implement robust external oversight of key clinical quality goals and performance.
- **Improved Patient Engagement:** Implementation of a Patient & Family Advisory Committee with representation from a broad cross-section of the community to provide advice, feedback and external review of patient processes to continuously enhance the patient experience at all HSA facilities.
- **Enhancing the patient experience:** Recruitment of additional Patient Experience staff to proactively address patient concerns, provide support to patients and families with navigating the hospital system, coordinate appointments, and serve as patient advocates.
- **Improvements to Accident & Emergency:** Addition of two clinical consult rooms to increase patient throughput to the emergency room and reduce waiting times.
- **Expansion of Clinical Services:** Addition and expansion of clinical services to meet the growing healthcare needs of the community, including addition of a dedicated Cardiology Department.
- **Increase patient access:** Expansion of clinical services including extended operating hours for acute care clinic, expansion of pediatric and women's health services through creation of a dedicated Women & Child Health Center. Providing more convenience to patients via online appointment bookings.
 - Review of statistics for the Acute Care Clinic (ACC) pilot project for the month of August 2017 shows that 1,402 walk-in patients were seen at the GT-GP Clinic; **this represents a 5% increase when compared with June 2017, and a 20% increase when compared with August 2016.**

- As anticipated, this initiative is reducing the waiting time for patients without an appointment. The average waiting time at the ACC from registration until seen by the physician is **15 minutes less** than July 2017 (1.23 hours). The current waiting time continues to be significantly less than the previously reported waiting time of 2.5 - 3 hours for “walk-in” patients to be seen at the HSA.
- **Increase public engagement, information and education:** Undertake a series of quarterly community town hall meetings to improve interaction with the community, information sharing and education. These efforts will be further enhanced through increased media, communications and marketing initiatives.

IMPROVING POPULATION HEALTH OUTCOMES

- **CayHealth Programme:** Expansion of the CayHealth Programme to include civil servants and other targeted population groups as a critical strategy to improve population health outcomes, and reduce the levels of chronic non-communicable diseases.
 - A review of clinical data shows that the CayHealth Programme is achieving its original goals:

	Sep 2010	Aug 2017
Diabetics with Hb A1C <7% (i.e. controlled)	50%	56%
Hypertensive patients with their last BP <140/90 (i.e. controlled)	67%	72%
Hypertensive patients with BP >180/110	11%	7%

- **Strengthening the Cancer Registry:** Update legislation to strengthen the cancer registry and voluntary registration of cancer patients to improve data collection, guide policy development, determine clinical services, treatment and interventions, and improve health outcomes.
 - The Registry has increased its pool of voluntary enrollees of cancer survivors by a monthly average of 50 percent since the start of 2017, moving the Registry one step closer in its efforts to better understanding cancer and developing strategies to mitigate its risks in the Cayman Islands. This increase in registration has given the Registry an excellent start to the year with 340 people currently registered.

FUTURE PLANNING

Development of a 20-year Master Facility & Service Development Plan to meet the growing population and healthcare needs of the Cayman Islands community for the next two decades.

1. Part one will focus on updating the 2012 Master Plan for the Cayman Islands Hospital.
2. Part two will determine the facilities and service needs for the District Health Centres over the next 20 years.
3. Part three will determine the size and scope of future facilities and services for Faith Hospital in Cayman Brac.

IMPROVED DATA CAPTURE AND REPORTING

Implementation and enhancement of health information data systems to ensure accurate and adequate capture of health data to better inform health policy development and implementation, trend population health statistics and reporting, and quantitatively measure health outcomes against international benchmarks and World Health Organization's health development goals and measurements.

INVESTING IN FUTURE HEALTHCARE LEADERS

Expansion of training and development opportunities for young Caymanians to pursue careers in health through increasing available spots in the Student Summer Internship Programme, collaboration with stakeholders on scholarship opportunities for advanced specialist training, increasing available opportunities for physician internship and training, as well as enhancing our capabilities as a teaching institution for students in the nursing programme at the University College of the Cayman Islands and clinicians at the University of the West Indies.

EXPANDING CARE IN THE SISTER ISLANDS

- Construction of a new purpose-built Emergency Room at Faith Hospital to provide more functional space and appropriate setting for emergency care
- Improved parking for staff and patients
- Building of new storage facility to provide proper storage of medical supplies and goods
- Increased staff for Little Cayman Clinic to enhance 24-hour coverage and service

INCREASE PUBLIC AWARENESS

- Develop and implement a Marketing Plan for the HSA.
- Identify and collaborate with key strategic partners necessary to support relationship building and communications to continuously enhance the public image and perception of the H.S.A, build market-share, and increase stakeholder engagement.

Jonathan Tibbetts
Chairman
Health Services Authority Board