



# News Release

For Immediate Release

December 8, 2008

## HOSPITAL BOARDS BECOMING MORE EFFECTIVE: AUDITOR GENERAL

(TORONTO) “The boards of directors at Ontario hospitals have implemented a number of good governance practices,” Auditor General Jim McCarter says in his *2008 Annual Report*, released today. “But they themselves are asking for greater clarity about just what their role is in the health-care system. They also want to know how their hospital is doing compared to other hospitals in areas like patient care.”

Hospital boards play a critical role, the Report said, in providing the leadership needed to ensure that hospitals offer the best patient care possible while functioning efficiently, effectively, and economically.

The Auditor General reviewed board-governance practices and oversight processes at Ontario hospitals using a survey questionnaire prepared with the assistance of an independent survey firm. The survey was sent to all board members of 20 Ontario hospitals. The Report noted that, in the last five years, there has been an increased interest in ensuring that hospital boards are more aware of their oversight and accountability responsibilities.

Among other findings of the review:

- Ex-officio board members—those appointed by virtue of their position at the hospital or within, say, medical or community groups, hospital foundations, or municipalities—may represent specific interests that might sometimes be in conflict with the hospital’s best interests. This can especially be a problem if ex-officio members make up a large part of a board.
- More than half of the hospitals allow individuals to pay a small fee or meet other criteria to have the right to elect board members. The Report warned of the risk of the traditional oversight role of boards being taken over if too many members with a specific agenda are elected.

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