Final Report

Supervisor

Stevenson Memorial Hospital

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Introduction

Stevenson Memorial Hospital (SMH) is a small, 38-bed hospital situated in the town of New Tecumseth. The town has a current population of 43,450 as of the 2021 census data representing 28.3% growth from the 2016 census, putting New Tecumseth in the top ten highest growth municipalities in Canada. The population of New Tecumseth is expected to reach 81,000 by 2051.

New Tecumseth and the surrounding communities need and deserve access to high quality, sustainable health care services and SMH must play a key role as the local community hospital. Without exception, the SMH team and community members remain committed to seeing SMH thrive into the future.

This document represents the final report and conclusion of Supervision at Stevenson Memorial Hospital.

The final report builds on the previously published SMH Supervisor Interim Report which summarizes the history leading to this Supervisor appointment, the approach to the assessment, early observations and the creation of a path forward. The link to the Interim Report is available for reference.

The final report has been structured to address two key objectives:

- Progress on the Path Forwards: Providing a detailed update on ongoing progress in key areas such as Leadership, Governance, Access & Quality, Redevelopment, Financial Sustainability and Regional Approaches to Care.

- Sustaining the Path Forwards: Identifying key factors for the ongoing success of SMH including supporting best practices in governance, strong regional partnerships and optimizing SMH redevelopment.

Progress on the Path Forwards

There has been substantial progress with opportunities identified in the interim report since publication, as outlined below:

1. Leadership and Governance

With the support of an executive recruitment firm, SMH has successfully recruited nine board members to serve on a newly reconstituted Board of Directors. Best practices in board member nominations were followed including a public call for interested candidates, outlining the desired governance-related skills and advertising in multiple media channels. A Nominating Committee was formed with several community leaders and experienced hospital governors to advise the Supervisor during the candidate profile review. Candidates were initially screened and underwent a comprehensive interview as part of the selection process.

The resulting nine board members represent a diverse array of skills and lived experiences in both public and private sectors, including strong connections to the communities served by SMH. The inaugural Board Chair is a former hospital Board Member and Board Chair of a regional partner hospital and will serve only for the first term as Chair (one to two years) as a transition period until an elected Board Chair can be identified.

Initial onboarding for the incoming Board included a comprehensive two-day educational session attended by 100% of board members, 100% of the SMH Executive Leadership Team along with CEO / board members from partner regional hospitals. The two-day format was designed in partnership with the Health Sector Governance & Oversight Executive Lead with the following topics:

- Overview of the health sector
- Overview of SMH services and structure
- Introduction to governance
- Interactive case studies

Guest speakers included SMH Staff, Ontario Health Leadership, a legal expert in Ontario hospital governance and a former hospital CEO and Supervisor.

A formal evaluation of the educational session was conducted at the conclusion of the session. An 'Excellent' rating was achieved from 100% of respondents when asked about the clarity, relevance and delivery of the content. The materials and approach have been shared with the Health Sector Governance & Oversight Executive Lead for use by other interested hospitals.

In addition to the onboarding of the SMH Board of Directors, recruitment of the entire Executive Leadership Team has been completed. A new Vice President and Chief Nursing Executive and a Vice President and Chief Financial Officer have joined SMH, serving with the President & CEO and the Chief of Staff to form the Executive Leadership Team. A structured transition from the interim to permanent roles has been considered in each circumstance.

This is a notable achievement as it signals a level of leadership stability that has not existed at SMH for several years. The new SMH Vice Presidents come to SMH as highly skilled individuals within their respective areas, with strong, pre-existing working relationships with partner regional hospitals. With

the support of the incoming Board of Directors, the Executive Leadership Team is well-positioned to focus on the future strategy, operations, and aspirations of SMH.

2. Building Operational Capacity

Ongoing efforts in building operational capacity are outlined below:

2.1 Focus on People Strategies

As referenced in the interim report, the rebuilding of the internal Human Resources team continues to support the people strategies of SMH. For example, the introduction of hospital job fairs and a structured clinical extern program has effectively eliminated the use of agency nursing to manage staffing. This represents further improvements from the previously reported success in reducing agency costs and has reduced the vacancy rate.

The Quality Team was also re-established internally, moving away from an outsourced service. Key leadership roles in quality and risk management have been filled to support a variety of quality improvement initiatives ranging from renewed incident reporting systems as well as supporting quality improvement initiatives.

With the stability of the leadership and management team, more attention has been given to resetting the culture of the organization. This has been accomplished by the Leadership Team through re-establishing staff engagement processes like the Fiscal Advisory Committee, which will resume in the upcoming months and leveraging events like redevelopment milestones to build staff morale.

Anecdotally, as Supervisor I had the opportunity to attend a staff appreciation event in June 2026 along with the Executive Leadership Team. I witnessed renewed energy in the SMH team including staff, professional staff and volunteers. The sense of stability in leadership and clarity of purpose across the organization was palpable.

2.2 Supporting Quality Care

The redirecting of obstetrical activities was identified as the largest quality risk facing SMH at the time of the interim report, noting challenges with the recruitment and retention of Anaesthesia. While exploration of alternative payment models remains underway, an interim strategy was identified.

Using a modified approach to physician payment based on the existing Alternative Payment model existing in Northern Ontario, a hospital-funded payment model was created in parallel. The temporary funding model was established while a permanent option is under investigation.

The early results of this approach are profound. The number of days in which obstetrical activity has been redirected in Q1 (April to June 2026) is 13 compared to 25 at the same time last year. This represents a 48% reduction in obstetrical redirect days this fiscal year to date. The number of redirect days for Q2 is projected to demonstrate further reductions. The impact is a corresponding increase in total obstetrical volumes performed at SMH. SMH had 126 births in Q1 2026-27 compared to 86 in the same quarter last year, an increase in obstetrical volumes of

48%. This represents the single largest turnaround in access to care of patients for both Obstetrical and Surgical Care.

It is recommended that an Anaesthesia payment model be implemented to support sustainable access to care. The implementation of a new remuneration model must be negotiated with the Ontario Medical Association (OMA) as the exclusive representative of physicians, per the 2012 OMA Representation Rights and Joint Negotiations and Dispute Resolution Agreement.

Quality of care improvement strategies have been implemented in other core services within the organization. Emergency Department Wait Times were improved with the recent implementation of a Rapid Assessment Zone (RAZ) for low-acuity patients. The initial results demonstrated an improvement in physician initial assessment. Ongoing improvement cycles are underway in the Emergency Department to further enhance the patient experience in the short term. These improvement efforts will also inform the flow and design in the new Emergency Department currently under construction as growth in volumes is anticipated.

2.3 Ongoing Infrastructure Renewal

Since the publication of the interim report, the following major milestones have been achieved with the SMH redevelopment project:

- The contract for the construction was awarded to Pomerleau Construction on January 30, 2026
- The official launch of the redevelopment project was held involving Premier Doug Ford and Deputy Premier and Minister of Health Sylvia Jones on March 12, 2026
- Construction is well underway with the installation of multiple cranes, completion of the helipad and setting the foundation.

In a relatively short period of time, significant progress has been made on this major capital infrastructure project, and it remains on track for completion in late 2028. This visible progress is repeatedly identified by the SMH Team, patients and community members as a source of optimism and hope.

2.4 Rebuilding Community Confidence

In addition to the highly visible progress in construction, there are additional efforts currently underway to re-engage the SMH community in a more positive and constructive way. This is being led by the President & CEO, who has initiated several early opportunities for engagement, by holding a community BBQ to share updates on the hospital and virtually through participation in a local podcast. These are only a few examples of outreach to various community groups and partners already underway with more planned in the future.

Measures of success for community engagement are often realized in parallel with the success of the SMH Foundation. The SMH Foundation held their gala event on June 19, 2026 and were able to achieve their fundraising and attendance goals, which demonstrates a solid indicator of community support.

The utilization of SMH services as provider of choice for the New Tecumseth region is currently being monitored closely as a measure of community confidence. It is difficult to assess the impact of some of the recent improvements in the Emergency Department as time is required to shift utilization patterns. However, the early experience of evaluating new models of delivering care using continuous quality improvement methodologies is well received. There are also promising signs in other areas like Obstetrics where increases in volumes have been recognized in recent months, reflecting more care being delivered closer to home compared to the same time last year.

2.5 Supporting Financial Sustainability

Working closely with the staff at the Ministry of Health, SMH was able to end the year with a small surplus in the 2025-26 fiscal year. At this time, SMH is projecting a small deficit going into the 2026-27 fiscal year, however, several savings strategies have been identified already through multiple benchmarking exercises.

It is recommended that the Board and Leadership Team continue providing strong financial stewardship and oversight.

3. Regional Approach to Accessing Care

As the only small hospital located in Ontario Health – Central Region, patients presenting to SMH will continue to require access to tertiary level services at larger acute care facilities. It is recognized that clear care pathways for patient transfer and seamless transfer of patient health information are essential for success.

Since the publication of the interim report, the concept of a Central North Network (CNN) has been socialized within SMH, between partner hospitals, Ontario Health and the Ministry of Health. The concept includes a sub-regional network within a larger system or network of hospitals that has clear pathways for accessing different levels of care by patient population. The sub-regional network includes the following hospitals:

- Collingwood General and Marine Hospital
- Georgian Bay General Hospital
- Muskoka Algonquin Healthcare
- Orillia Soldiers' Memorial Hospital
- Royal Victoria Regional Health Centre
- Stevenson Memorial Hospital
- Waypoint Centre for Mental Health Care

Based on pre-existing relationships between partner hospitals, principles were agreed upon such that all patients presenting within Simcoe and Muskoka for acute care services would have equitable access to high-quality care. All hospitals would provide the maximum level of service within their capability and if required, transfers would happen predictably and seamlessly. Pathways would be developed by patient population in areas like Obstetrics, Critical Care and Inpatient Mental Health, in alignment with existing Ontario Health structures. Continuous evaluation would occur to ensure access is maintained and hospitals are not disadvantaged by shifts in patient flow.

The overall feedback on the model from partners has been very positive. In some cases, informal networks have essentially embraced these principles and have already implemented pathways across organizations. The goal should be to spread and scale these practices across more hospitals and patient populations in a more reliable fashion.

In parallel to the work at SMH, Ontario Health Central Region has identified regional access to care as a priority project for the Regional Working Group. The focus of this work is Obstetrics, which will help inform the ongoing development of the sub-regional network concept.

Although initial momentum on regional access to care is promising, there are continued reports and anecdotes of the difficulties of transferring patients. More specifically, physicians at SMH are still confronted with unclear transfer protocols, particularly after hours, leading to delays to access more advanced interventions for deteriorating patients. It is recognized that system changes require time, however, unnecessary delays in accessing more advanced care are unacceptable and must remain a priority well beyond the mandate of the Supervisor. The alignment of this work with efforts underway at Ontario Health is essential to ensure adequate follow-through.

An important enabler to the seamless flow of patients is the seamless transfer of their electronic health information. Currently the organizations that would make up a network are supported by three different Health Information Systems (HIS) instances for the acute care hospitals and a fourth instance for the Mental Health Specialty Hospital. Discussions are currently underway to align acute care hospitals onto a single instance supported by the Local Delivery Group (LDG) for the region. Successful migration to a single health record should be the ultimate goal, enabling seamless patient transfers throughout the network.

It is recommended that ongoing development of sub-regional networks of services, with clear, reliable pathways and an integrated patient record system, remains a high priority for the region.

Sustaining the Path Forwards

Looking ahead as SMH transitions from Supervision to an established Board and Executive Leadership Team, there are ongoing opportunities to support future success. There are several key success factors and strategies listed below that will help guide future work beyond Supervision.

Establishing Governance Best Practices

The SMH Board has a unique opportunity to set the tone and culture, based on governance best practices. Specific strategies and processes are planned for the upcoming year to that end.

As referenced in the interim report, the SMH Corporate Bylaws, Board and Committee Terms of Reference and Workplans have been reviewed and updated based on established best practices and peer review. The Professional Staff Bylaws are also undergoing review to align with the prototype developed by the Ontario Hospital Association and the Ontario Medical Association. The Executive Leadership Team has started generating the appropriate Board materials on a regular meeting cadence since Spring 2026 for the Supervisor and will now do so for the Board.

SMH will adopt a "Committee of the Whole" approach to managing the Governance, Quality & Safety and Finance & Audit Committees for the first year. All nine board members will participate on the Committee of the Whole and they will meet on alternating months in-between board meetings. The intent of this approach is to accelerate learning for all board members and in the process, identify potential Chairs of each committee going into the second year of this newly formed board.

As referenced, the incoming Board Chair is a former Hospital Board Chair in the region who will serve on the board for one to two years to coach and mentor the Board as a whole and will immediately begin considerations for succession planning of future Board Officers.

Additional comprehensive education is being planned for the board beyond the initial two-day session. The training will be aligned with key decision points of the board to support timely and relevant content. For example, a more detailed hospital funding program will be developed when the budget cycle is initiated.

Several of the early deliverables of the board are as follows:

- The board will need to initiate and complete the recruitment of the final board members to achieve a total complement of 12 board members. Several strong candidates have been identified already and will need to proceed through the Nominations Process.
- The board will need to identify Board Officers and Committee Chairs for the upcoming year.
- Together with the Leadership Team, the board will need to refresh the strategic plan. Significant changes have been made in the past two years, and a new direction needs to be set for the SMH Team, including metrics for oversight in the form of a Balanced Scorecard.

Sub-regional Network Coordination

In partnership with Ontario Health and the Regional Partners, a functioning network will need to be in place to ensure the ongoing equitable access to care for all citizens of Simcoe County. There are multiple levels of engagement necessary to achieve this goal.

- Regional Coordination through Ontario Health Central Region will be essential to incentivize partnerships and formalize relationships. This should be done by regular oversight, performance monitoring and corrective measures where required at a system level. Aligning incentives and consequences with ongoing network participation will be necessary to avoid any regression back into a more siloed mentality.

- All partner hospitals will need to be active participants to ensure success supporting patient transfers and digital transformation. Although necessary for the success of SMH, establishing these care pathways must be seen as a shared priority by all hospitals, at all levels of the organization. More specifically, at a governance level, boards must acknowledge their fiduciary responsibility for the system as well as their own corporation. Leaders at all hospitals must accept accountability for their role in supporting the network. Additional opportunities for shared learning within and between hospital sites would support the ongoing development of sub-regional networks of service.

- The mindset of a network of hospitals must permeate down to the individual provider. As patient transfers are ultimately based on a one-to-one dialogue between most responsible providers, everyone must understand their role in supporting a high functioning system. This will require the investment of time and structures to enable these system-based practices at the provider level.

The development and implementation of sub-regional networks of service with SMH included, will position Central to be Ontario leaders in health system integration by championing this collaborative work.

Optimizing Hospital Redevelopment

The redevelopment of SMH serves as an excellent renewal opportunity, scheduled to open in late 2028. The new construction will provide new opportunities for programming growth and partnerships, leveraging the addition of new state-of-the-art facilities within the region.

It is essential that the project management discipline is maintained, particularly with the significant recent turnover in leadership. Transition planning for the new space will need to begin soon and must be given priority for the sustained success of SMH.

Looking beyond 2028, the newly constructed SMH hospital will have a unique opportunity for clinical service planning post-construction. Strategic, data-informed planning will be essential to continue to meet the evolving needs of the community as well as serve as an asset amongst regional hospitals. Clinical services planning should be done collaboratively with partner hospitals to build on the strengths of SMH and optimize access to care across the geography.

Summary

Through a coordinated, collaborative effort between the SMH Team including staff, professional staff, volunteers and most recently the SMH Board of Directors, SMH has made significant progress in rebuilding leadership capacity and addressing quality of care opportunities. With the continued support of the community towards redevelopment efforts, there is reason for optimism.

With that said, there is much more to be done to ensure SMH reaches its full potential as a high-performing community hospital. Rigor and discipline are required to maintain current momentum, complete what was started and avoid regression on the gains made.

The following recommendations are carried forward as work initiated and not yet completed.

1. **It is recommended that an Anaesthesia payment model be implemented to support sustainable access to care. The implementation of a new remuneration model must be negotiated with the OMA as the exclusive representative of physicians, per the 2012 OMA Representation Rights and Joint Negotiations and Dispute Resolution Agreement.**
2. **It is recommended that the Board and Leadership Team continue providing strong financial stewardship.**
3. **It is recommended that ongoing development of sub-regional networks of service, with clear, reliable pathways and an integrated patient record system, remain a high priority for the region.**

Looking beyond Supervision, ongoing work is required for ongoing governance renewal and regional coordination to ensure improved access to care is realized and sustained. This will be a collective effort across all hospitals in Central Region, supported by enabling policy and coordination.

Acknowledgements

It has been an honour and a privilege to work alongside the SMH team and community, emerging from a difficult period of time with a renewed sense of purpose and direction.

I would like to thank the staff at the Ministry of Health and Ontario Health for their ongoing support throughout the entirety of this appointment. Their responsiveness to questions and guidance in process have been invaluable.

I would like to acknowledge the Board and Leadership at both Orillia Soldiers' Memorial Hospital and Mackenzie Health. Their recognition of the importance of system leadership and their willingness to be active partners in this process is much appreciated.

There are many partners who have offered wisdom and advice along the way, including but not limited to partner hospitals and agencies within the region and outside the province, advisors, elected officials and Community partners. It is a great source of encouragement to see such a wide array of partners offer their insights for the support of SMH.

There are a number of individuals that have supported SMH in an interim capacity during the period of Supervision. Their willingness to jump in, support system transformation and most importantly, create the conditions of success for incoming leadership has made a profound impact on the ongoing success of SMH.

I would like to make special acknowledgement of the SMH Team. The commitment of the SMH staff, professional staff and volunteers never waivered, despite a prolonged period of uncertainty under supervision. The sense of community amongst SMH team members and the residents of the New Tecumseth area was a powerful contributor to the successes achieved. I would encourage the SMH Team to carry this momentum with a strong sense of purpose and discipline. I believe deeply the best is yet to come.