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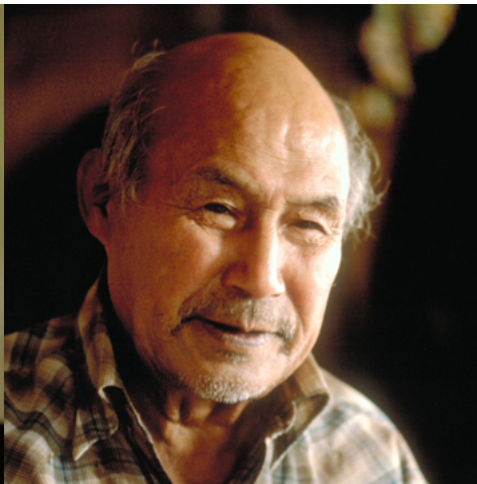
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First Nations Health Directors Association

Health Transfer and Tripartite Management Directorate

Sylvia Passmore / Lorne Markin

March 7, 2013



Canada 

Presentation Objectives:

- **Answer the question: What is Novation?**
- **Share steps and key dates for Agreement Novation**
- **Review the draft Novation Agreement**
- **Answer your questions**



What Is NOVATION?

Novation is:

- Moving or a shift of contribution agreement ownership/responsibility

Novation - When will this take effect?

- October 1, 2013

How do we achieve this?

- A separate, standalone Three Party NOVATION Agreement, between Health Canada, the First Nations Health Authority and the agreement recipients



Principles of Novation

Health Canada FNIHB and FNHA are committed to:

- A seamless transition process
- Honouring of the existing contribution agreements
- Ensuring no disruption to ongoing funding in community contribution agreements
- Make administrative improvements where practical through transition



BC Tripartite Framework Agreement on First Nations Health Governance

- Signed October 13, 2011, by Province of BC, Canada and First Nations Health Society (endorsed by First Nations Health Council)
- Framework Agreement references the Novation of the Contribution Agreements (schedule 5(7), page 57)



WHY Novation?

- In order to implement the Tripartite Framework Agreement
- This transfer enables the FNHA to design and deliver health programs that better meets the needs of First Nations communities in BC



Novation: How it Works

- Agreements expiring March 31, 2013 and 2014 receive extensions until March 31, 2015
- Recipients moving forward into new agreement types effective April 1, 2013 will have new agreements with standard durations
- April 2013 amendments/agreements to include normal adjustments and other program funding additions for 2013/14 and 2014/15



Novation: Next Steps

Novation Package:

Between March and May 2013 BC Region will send out the following to recipients:

1. An information letter from Health Canada and FNHA
2. The original Contribution Agreement and the Amendment for 2013/14 and 2014/15
3. Three Party Novation Agreement
4. Electronic Deposit Interface (EDI) form for the FNHA



Key Dates for Agreement Novation Process

- Regional Information Sessions during February and into early March 2013
- Novation and CA's mailed out between March and May 2013
- Documents signed by recipients and returned by June 1, 2013
- Novated CA's with FNHA take effect, October 1, 2013



What if Recipients Don't Sign the Three Party Novation Agreement?

Three Party Novation Agreement

- If not signed and returned, we will contact recipients to discuss

Termination Notice

- By June 15, 2013, if the Three Party Novation Agreement is still outstanding/not signed, Health Canada will issue a 90 day notice of termination (as per the Termination Clause within the CA terms and conditions)
- As part of this notice, FNIH will request a meeting with the recipient



What if Recipients Don't Sign the Three Party Novation Agreement?

- Termination notice takes effect September 30, 2013
- The FNHA will issue a replacement funding agreement
- The replacement FNHA agreements will have the same terms, conditions and funding of the existing Health Canada contribution agreements



Review of the Draft Three Party Novation Agreement

Refer to the draft Three Party Novation Agreement document



Questions put forward to date....

Funding

Q) How will First Nations Agreement holders receive funds?

Q) Is there assurance or guarantee that funding levels for all current programs will remain? Will there be an increase?

Q) If a community receives a recovery letter from the Government of Canada do we still need to repay? Will these funds go to the FNHA or Canada?



Questions put forward to date....

Staffing

Q) What happens to the current Health Canada staff that administer Contribution Agreements?

Q) Who will my primary contact be at the FNHA?
Health Canada has Program Coordinators, AANDC has FSO's.



Questions put forward to date....

Changes through transition

- Q) Will the reporting still continue in the same way as with Health Canada?
- Q) Our community is in health planning process at the moment, will that continue? How will we be affected?
- Q) What kind of transition will there be for information connected to our contribution agreements? Who holds the corporate history to address questions or concerns about past objectives?



Questions put forward to date....

Agreement Administration:

Terms and conditions of the current FNIHB agreements with the First Nations are guided by the following: How will these be implemented by the Three Party Novation Agreement?

- Guidelines on insurance coverage
- Administrative cost guidelines
- Ministerial audits on FN's
- Evaluation on health programs
- 2nd and 3rd level services policy
- Movable Assets policy
- Audit requirements
- Change request of clauses to the agreement
- Intervention policy
- Notice of Budget Adjustment (NOBA) process
- Recovery of funds process
- Withholding of funds process
- Disengagement policy
- CWIS increases handled
- MOU signed with the communities – transfer of Nursing and EHO services



Questions put forward to date....

The Novation Process

- Q) What happens to communities that do not sign Novation Agreements? Will they still receive the April funding?
- Q) Under the Framework Agreement, current Contribution Agreements may be cancelled within 60 or 90 days should a community not sign the Novation document; does this absolve Canada from its obligation to provide health services to First Nations?



Further Questions?

Sylvia Passmore (604) 666-7286

sylvia.passmore@hc-sc.gc.ca

Lorne Markin (604) 666-9110

lorne.markin@hc-sc.gc.ca

