

A decorative graphic on the left side of the slide consisting of several overlapping rounded shapes in red, yellow, and blue. The shapes are arranged in a cluster, with some having diagonal cutouts.

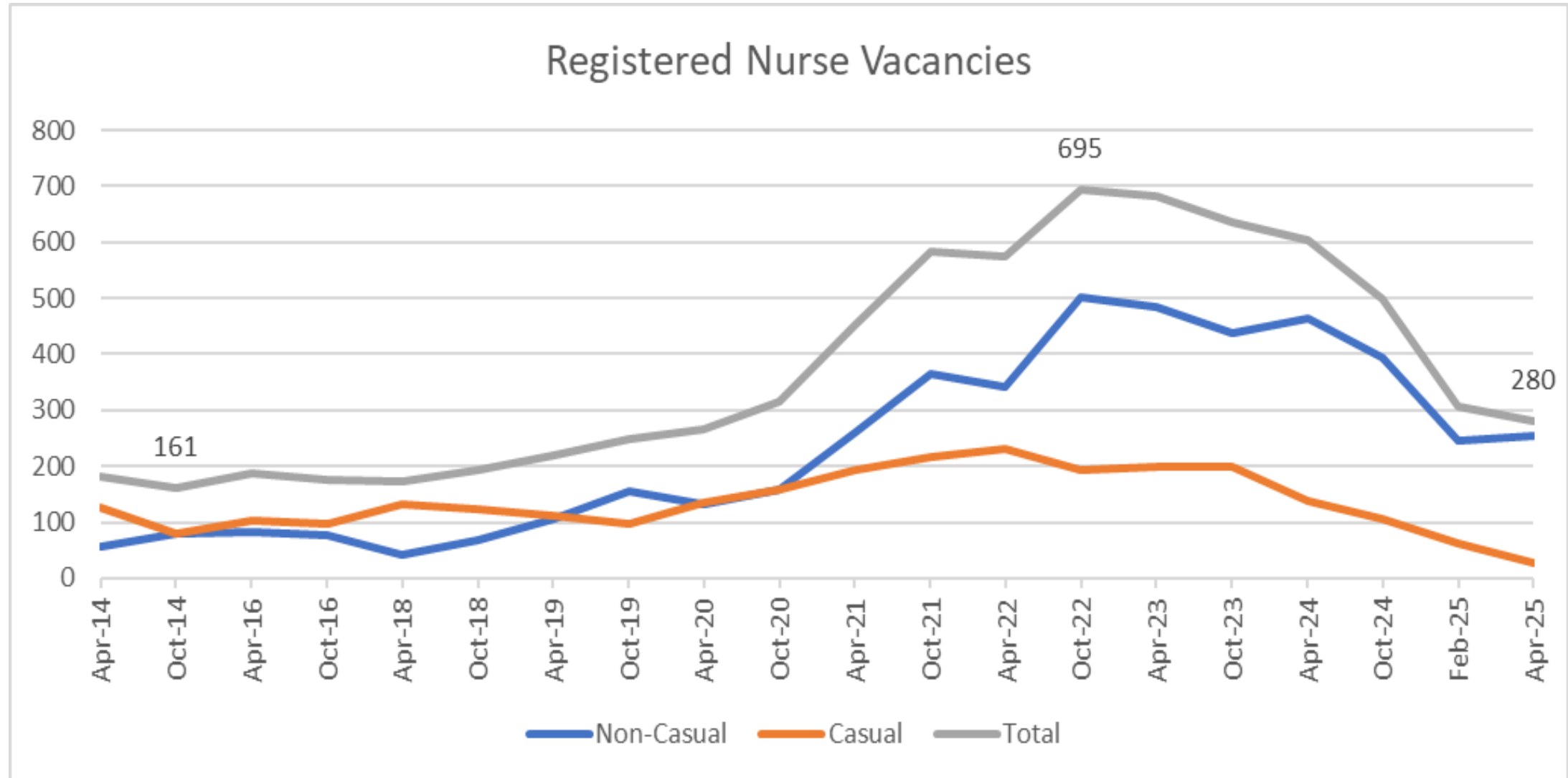
NL Health Services

Public Accounts Committee – OAG Report

Tabled Documents

August 12, 2025

Registered Nurse Vacancies



Agency Nurses Monthly Expenses



Monthly Agency Expenses: April 2024 - May 2025

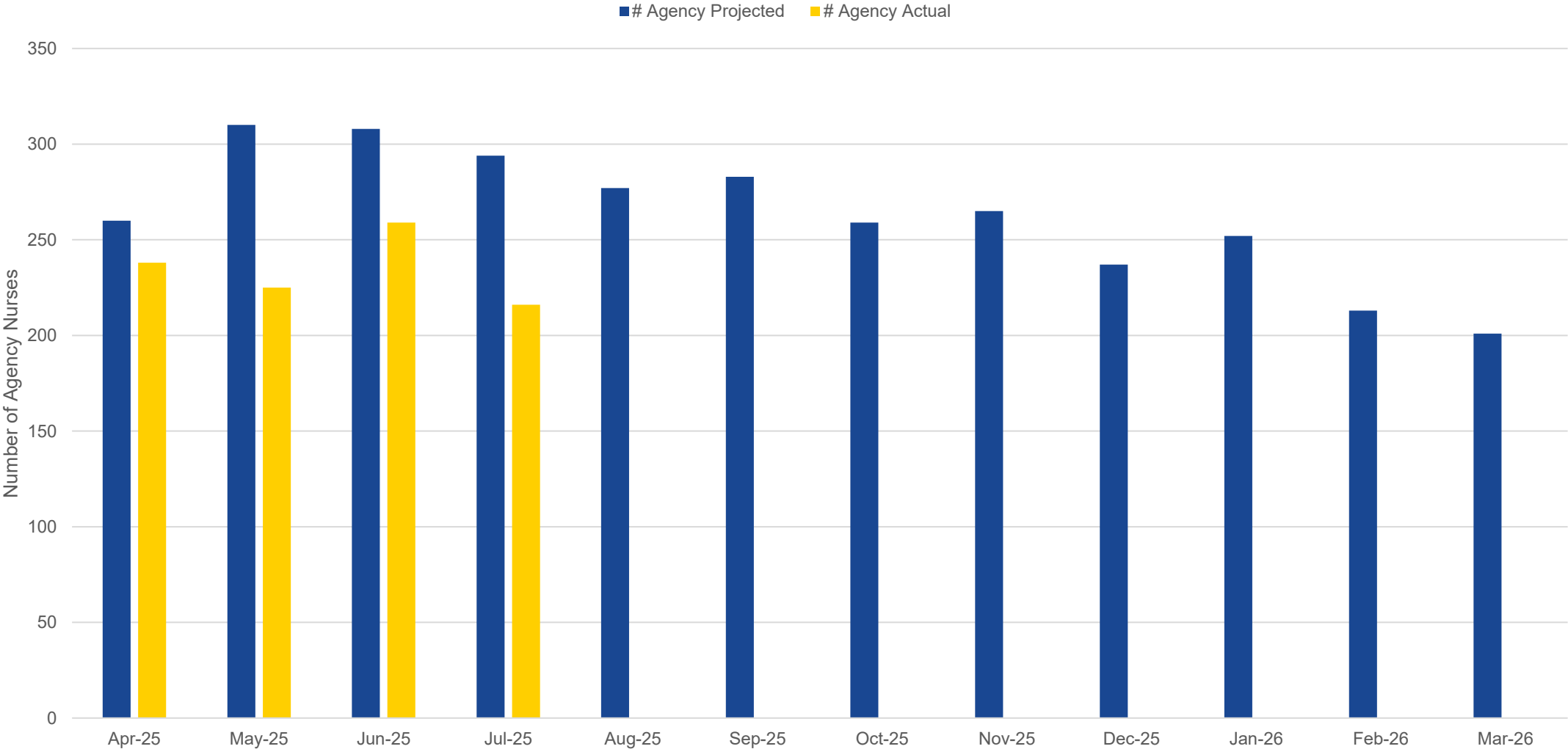


*Monthly amounts April 25 and May 25 are preliminary until the financial period has been closed for Quarter 1 of fiscal 2025-26 and are subject to change.

NLHS Overall Agency Projections and Actual



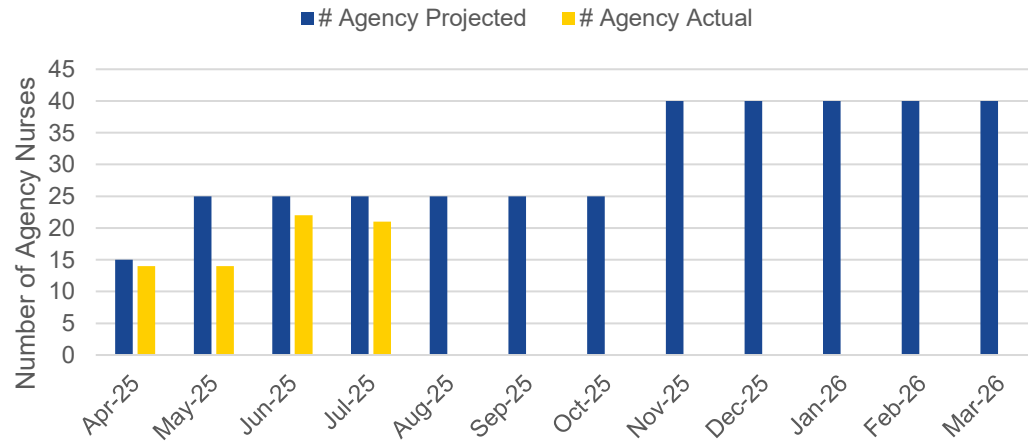
NLHS Projections and Actual Number of Agency Nurses for 2025-2026 Fiscal Year



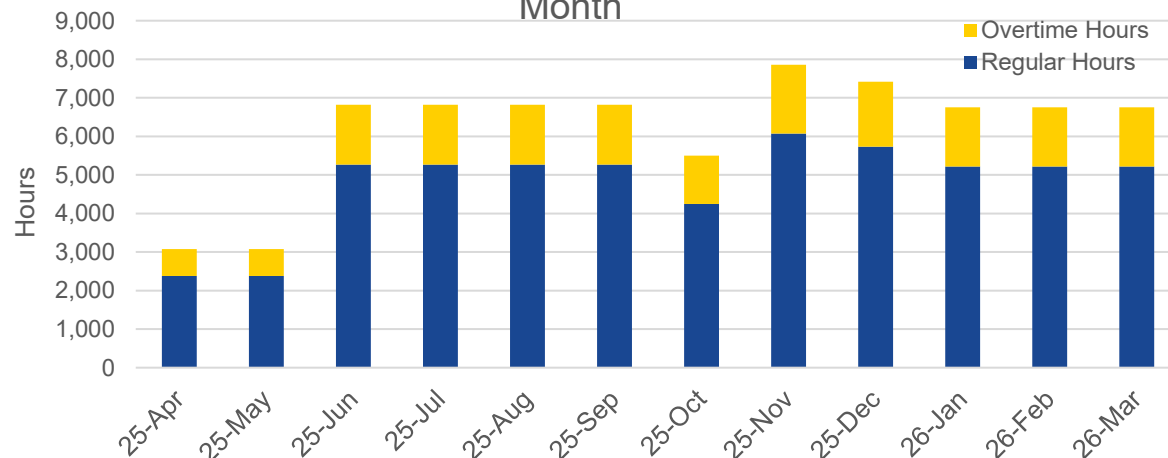
Eastern Urban Zone: Agency Projections and Operational Impact



Eastern Urban Zone Projections and Actual
Number of Agency Nurses for 2025-2026 Fiscal
Year



Eastern Urban Zone 2025-26 Projected Agency Resource
Nursing Estimates for Regular and Overtime Hours by
Month



Operational Impact of Removing Agency Nurses

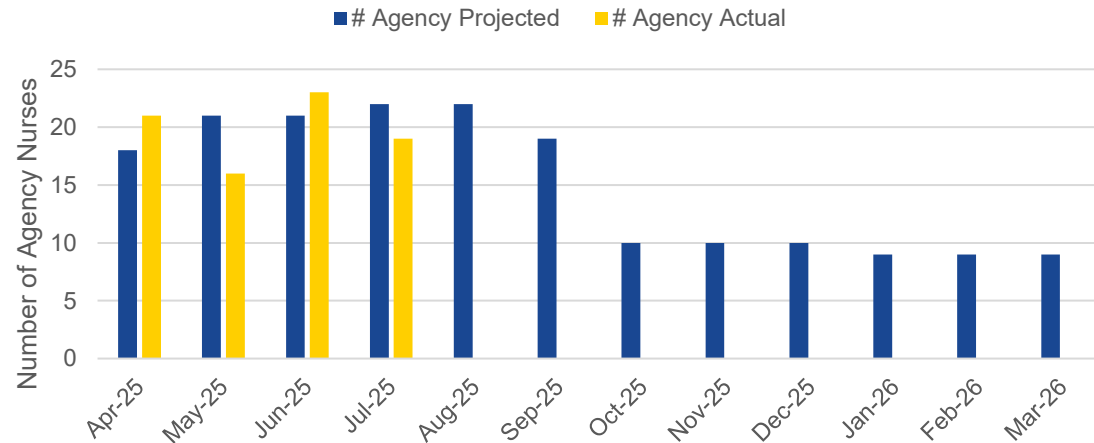
HSC Main OR	<ul style="list-style-type: none"> • Surgery cancellations
HSC 4B Medicine	<ul style="list-style-type: none"> • Closure of four unfunded beds
HSC Cardiovascular OR	<ul style="list-style-type: none"> • Surgery cancellations
SCMH 4 West	<ul style="list-style-type: none"> • Funded bed closures on unit
Mental Health & Addictions	<ul style="list-style-type: none"> • Closure of four beds • Increased mandating of staff • Limited summer/annual leave

No New Expanded Capacity Initiatives

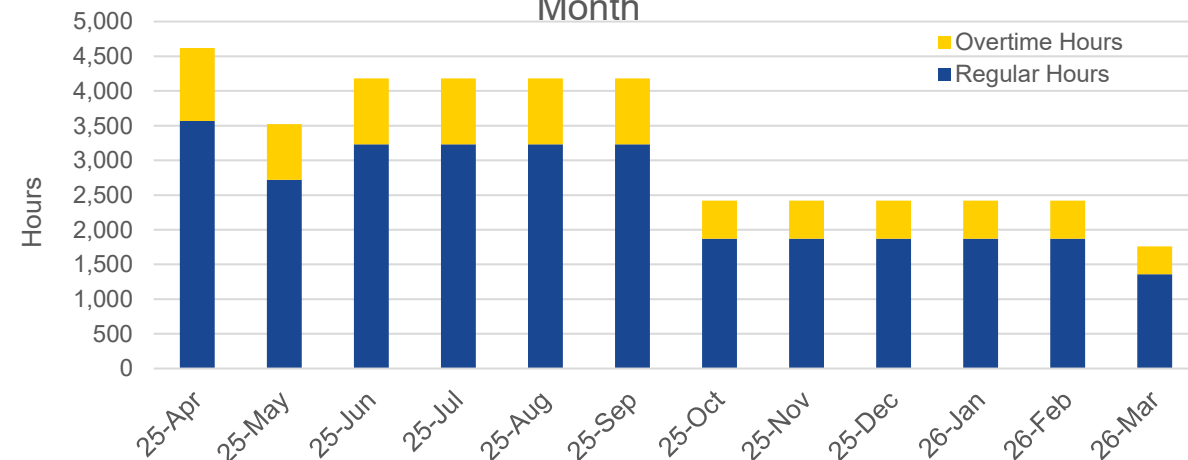
Eastern Rural Zone: Agency Projections and Operational Impact



Eastern Rural Zone Projections and Actual Number of Agency Nurses for 2025-2026 Fiscal Year



Eastern Rural Zone 2025-26 Projected Agency Resource Nursing Estimates for Regular and Overtime Hours by Month



Operational Impact of Removing Agency Nurses

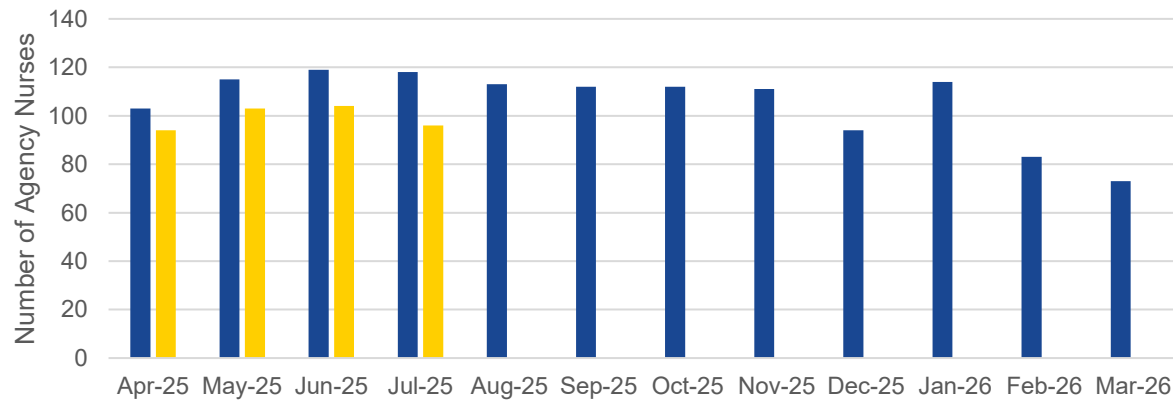
Urgent Care (Whitbourne)	<ul style="list-style-type: none"> No in-person provider (NP)
Private J.S. Memorial Pavillion (Carbonear)	<ul style="list-style-type: none"> No coverage for resident care (NP)
Primary Health Care Clinic (USMHC)	<ul style="list-style-type: none"> No PHC clinic (NP)
Orthopedic Support, Medicine Inpatients (CGH)	<ul style="list-style-type: none"> No support for orthopedic, inpatient, and internal medicine service (NP)
Medicine Unit (Bonavista)	<ul style="list-style-type: none"> Limited continuity of Emergency and Medicine unit services (NP)
Dialysis (Bonavista)	<ul style="list-style-type: none"> Diversion of Dialysis service
Obstetrics (Burin)	<ul style="list-style-type: none"> Diversion of Obstetrics service
Long Term Care (LTC) (St. Lawrence, Grand Bank, Bonavista)	<ul style="list-style-type: none"> LTC bed closures
Emergency (Burin, Clarenville, Bell Island)	<ul style="list-style-type: none"> ED diversion and limited Urgent Care access
ICU (Burin and Clarenville)	<ul style="list-style-type: none"> Diversion of ICU services

Central Zone: Agency Projections and Operational Impact (1/2)

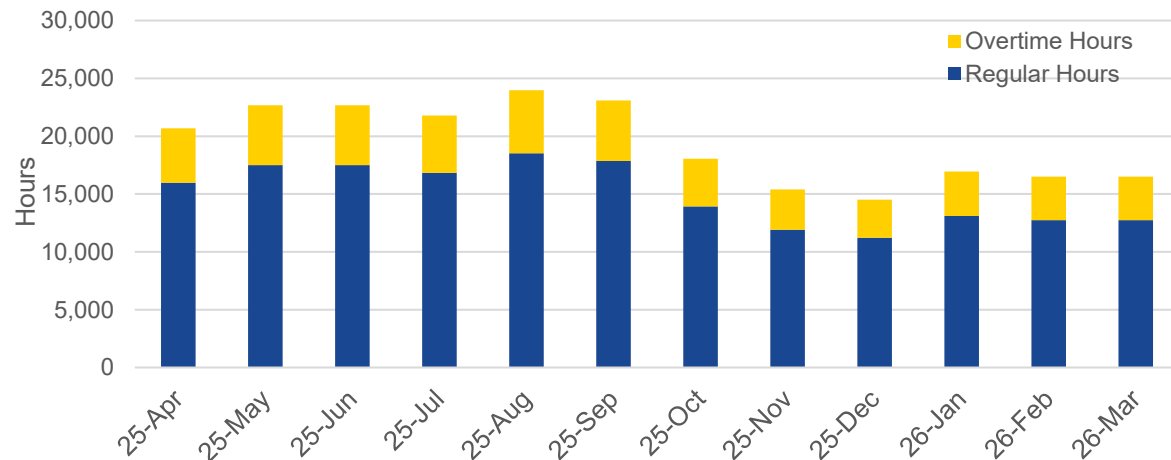


Central Zone Projections and Actual Number of Agency Nurses for 2025-2026 Fiscal Year

■ # Agency Projected ■ # Agency Actual



Central Zone 2025-26 Projected Agency Resource Nursing Estimates for Regular and Overtime Hours by Month



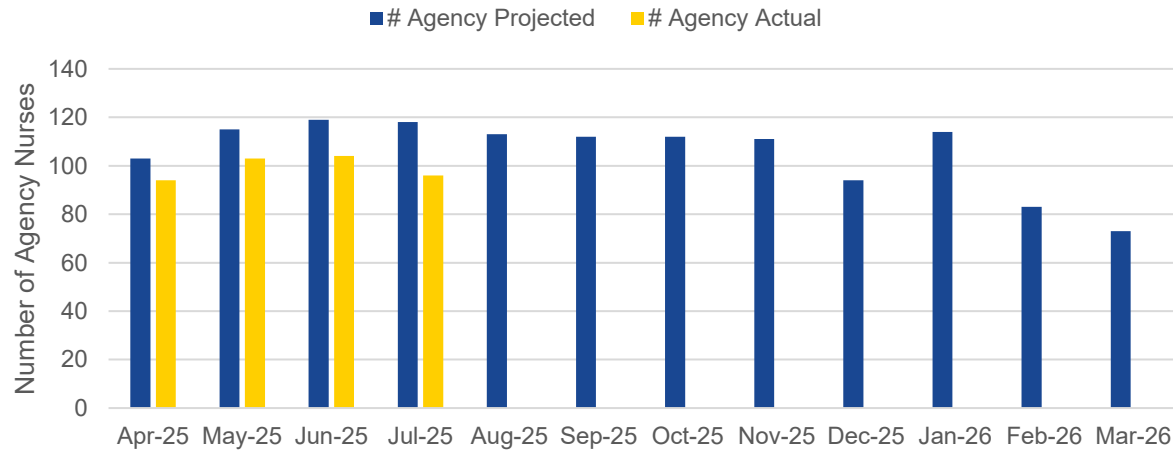
Operational Impact of Removing Agency Nurses

General Surgery (JPMRHC and CNRHC)	<ul style="list-style-type: none"> Closure of five beds in each facility
Orthopedics (JPMRHC)	<ul style="list-style-type: none"> Surgical capacity decrease by 25% and increased waitlists
Perioperative (JPMRHC)	<ul style="list-style-type: none"> Limited on-call coverage and reduction in OR throughput
Emergency (JPMRHC and CNRHC)	<ul style="list-style-type: none"> Potential ED closure and offload delay
ICU (JPMRHC and CNRHC)	<ul style="list-style-type: none"> Decreased patient flow in ICU/Periop JPMRHC & CNRHC: No summer leave coverage
Dialysis (JPMRHC)	<ul style="list-style-type: none"> Decreased volume of patients treated per day
Medicine (JPMRHC and CNRHC)	<ul style="list-style-type: none"> ~50% of beds closed in each facility
OB/GYN & Pediatrics (JPMRHC and CNRHC)	<ul style="list-style-type: none"> JPMRHC: Potential unit closure/diversion – unsafe care CNRHC: Service disruption or diversion
Mental Health & Addictions(CNRHC)	<ul style="list-style-type: none"> No summer leave for staff

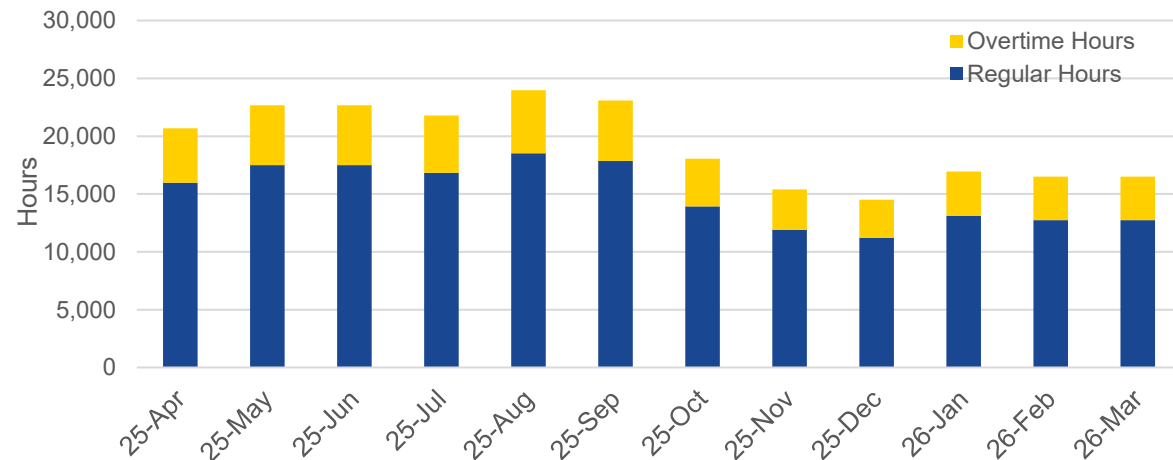
Central Zone: Agency Projections and Operational Impact (2/2)



Central Zone Projections and Actual Number of Agency Nurses for 2025-2026 Fiscal Year



Central Zone 2025-26 Projected Agency Resource Nursing Estimates for Regular and Overtime Hours by Month



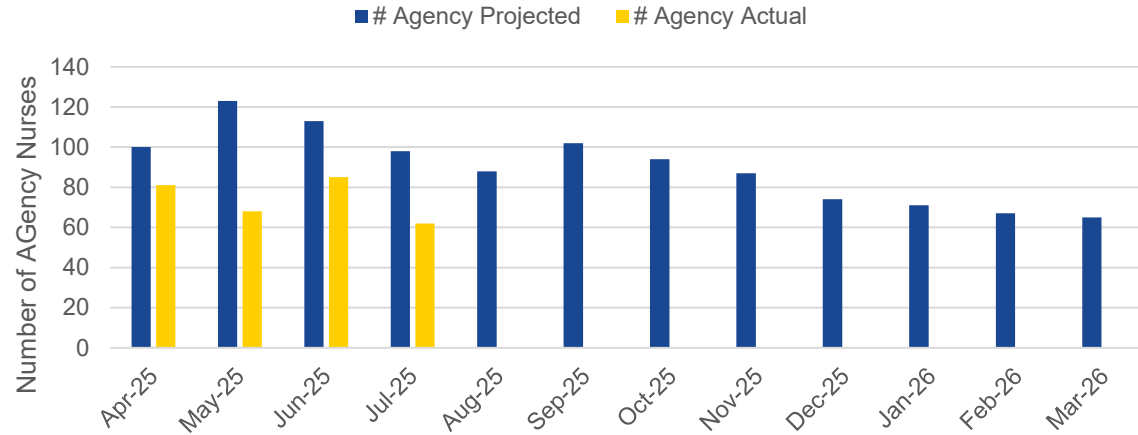
Operational Impact of Removing Agency Nurses

Baie Verte (BVPHC)	<ul style="list-style-type: none"> ED closure Inpatient diversion
New-Wes-Valley (DYKJKHC)	<ul style="list-style-type: none"> ED closure Acute Care services compromised Limited summer relief
Buchans (AMG)	<ul style="list-style-type: none"> ED closure Transfer of LTC residents
Harbour Breton (CPHC)	<ul style="list-style-type: none"> ED closure Acute Care and LTC bed closure
Green Bay Health (GBHC)	<ul style="list-style-type: none"> ED closure Acute care bed closure
Botwood (DHTHC)	<ul style="list-style-type: none"> ED closure Potential closure of LTC/Protective Care
Lewisporte (LHC)	<ul style="list-style-type: none"> ED closure
Twillingate (NDBMHC)	<ul style="list-style-type: none"> ED closure Acute Care bed closure
LTC Beds (Gander, GFW, communities)	<ul style="list-style-type: none"> LTC bed closures and no “reopening” of 19 beds in Gander

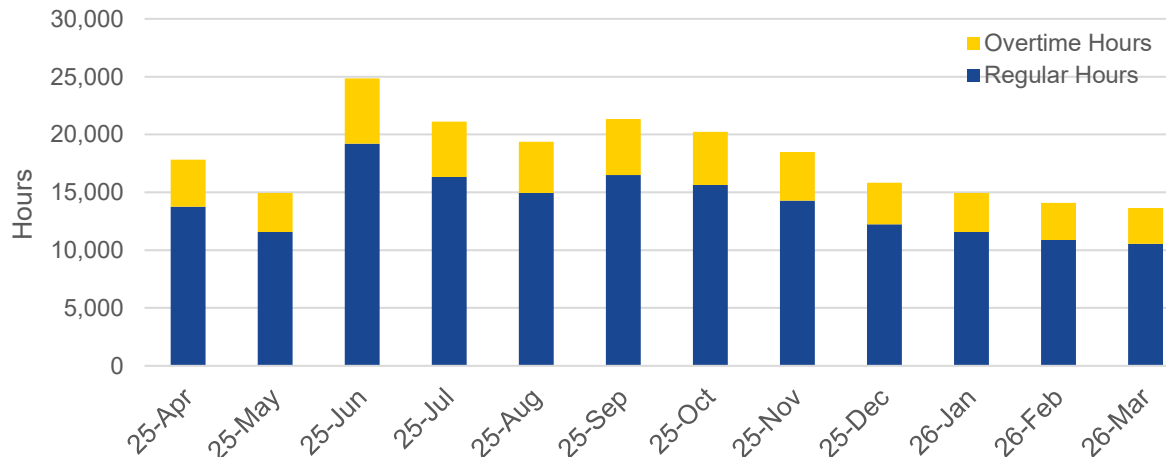
Western Zone: Agency Projections and Operational Impact



Western Zone Projections and Actual Number of Agency Nurses for 2025-2026 Fiscal Year



Western Zone 2025-26 Projected Agency Resource Nursing Estimates for Regular and Overtime Hours by Month



Operational Impact of Removing Agency Nurses

Critical Care (WMRH and STRH)

- Closure of Cat A Emergency/Critical Care and Diversion of Service

Medicine/Surgery (WMRH and STRH)

- Increase in mandating staff
- Increased patients/nursing resource
- Limited staff to support inpatient/periop/surgical care
- Diversion of inpatients to other sites

Long Term Care (LTC)

- Potential bed closure
- No "new" 45 beds opening to support transitional care
- Increase in mandating staff

Rural Sites

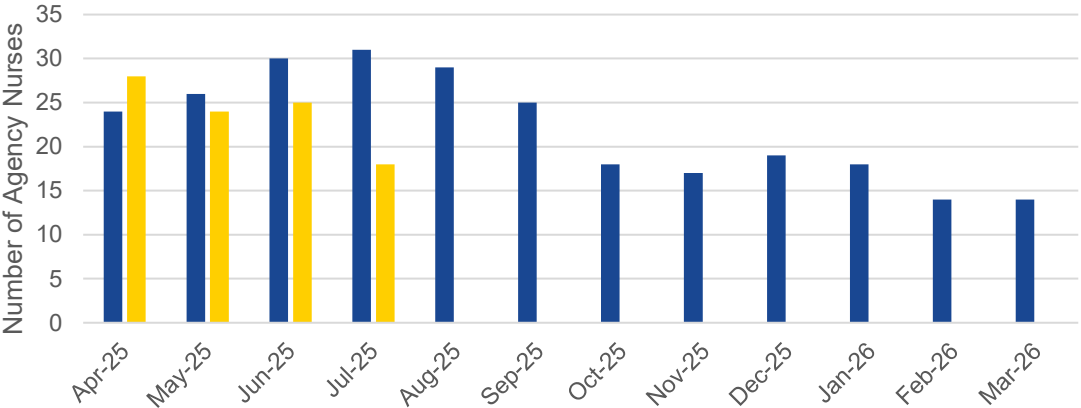
- ED closures
- Stop LTC admissions
- Impact on critical transfer nursing resources
- Increase in mandating staff

Labrador Grenfell Zone: Agency Projections and Operational Impact

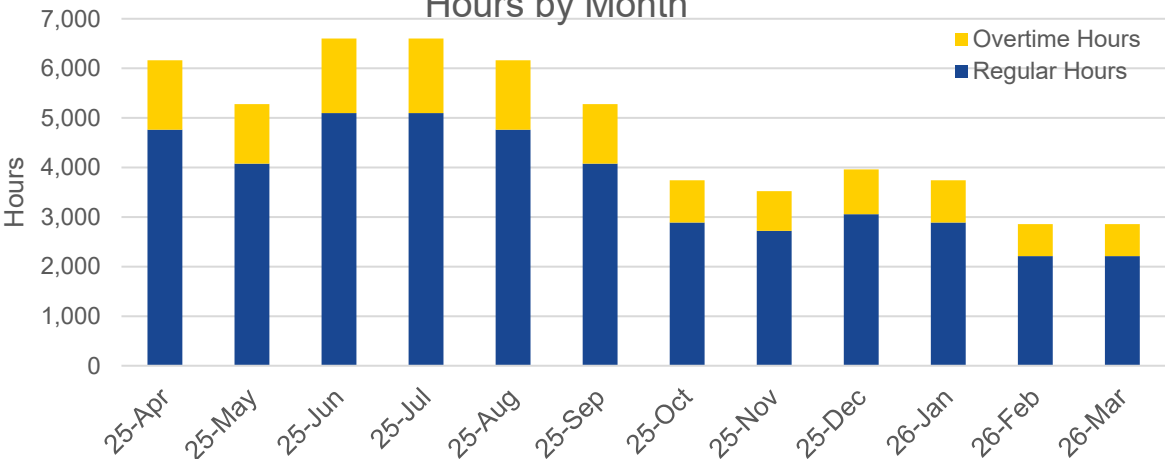


Labrador Grenfell Zone Projections and Actual
Number of Agency Nurses for 2025-2026 Fiscal Year

■ # Agency Projected ■ # Agency Actual



Labrador-Grenfell Zone 2025-26 Projected Agency
Resource Nursing Estimates for Regular and Overtime
Hours by Month



Operational Impact of Removing Agency Nurses

Labrador Health Centre

- Bed closures
- LTC admissions stopped
- Transfer of residents provincially
- Reduced respite/palliative care
- Closure of Mental Health Unit

Charles Curtis Memorial Hospital

- Diversion of Obstetrics
- No Ortho blitz
- ICU closure

Labrador West Health Centre

- Diversion of Obstetrics

Assessment of OAG “Rental Premium”



Rental Accommodations: Comparison of OAG Price Analysis and Price Analysis Based on Real Market Prices

	OAG Report			Average RFSQ(Open Call) - Secured Rates				
	OAG Report Monthly	CHMC Monthly Price	OAG Premium	One Bedroom	Two Bedroom	Three Bedroom	All Accommodations	Change in Average Price Resulting from RFSQ
St. John's average	\$1,833	\$1,133	62%	\$1,618	\$2,237	\$2,867	\$1,815	-1%
Grand-Falls Windsor Average	\$1,890	\$802	136%	\$1,551	\$2,131	\$2,676	\$2,205	17%
Gander Average	\$2,040	\$948	115%	\$1,675	\$2,003	\$2,972	\$2,254	11%
Corner Brook Average	\$2,188	\$880	149%	\$1,800	\$2,585	\$2,858	\$2,297	5%

Advice from the Conflict Of Interest Committee



Government of Newfoundland and Labrador
Public Service Commission
Conflict of Interest Advisory Committee

Public Service Excellence through Merit, Fairness & Respect

COI-2024-36

April 1, 2025

Dr. Patrick Parfrey
Chief Executive Officer
NL Health Services
70 O'Leary Avenue
St. John's, NL A1B 2C7

Dear Dr. Parfrey:

This is in response to the November 25, 2024 request emailed to me as Chair of the Conflict of Interest Advisory Committee (the Committee), seeking advice regarding the awarding of future leases to employees of Newfoundland and Labrador Health Services (NLHS). The employees in question are public office holders (POH) within the meaning of the **Conflict of Interest Act, 1995** (the Act) and are subject to the provisions contained in the Act.

In the spring of 2024, the Registered Nurses' Union wrote Minister Osborne alleging that NLHS managers may be engaging in unethical practices by purchasing and renting homes to internationally educated nurses and private agencies for their own personal benefit.

The Committee will focus its attention on the current framework that NLHS utilizes in the selection of employees for procurement and the requirements of the Public Procurement Act (PPA).

As a public body, NLHS is subject to the PPA. One of the principles of the PPA when procuring a service, rental, or commodity is best value which includes the best balance of cost, quality, performance, and support as achieved through a transparent, efficient and competitive processes using clear and fair evaluation and selection criteria. In this case, it has been confirmed by the PPA and NLHS that leased residential housing for NLHS has been subject to a process, namely an open call to prequalify suppliers (Request for Supplier Qualifications [RFSQ]), in accordance with the PPA and regulations. The last RFSQ was published on January 7-16.

As presented, a number of NLHS employees had responded to the RFSQ and were awarded one year lease agreements that expire at different intervals in accordance with the Residential Tendencies Act. Current employees who are party to one year leases have obtained them through the RFSQ process.

Your request was considered by members of the Committee and advise that in accordance with Section 16 (1) of the Act, you, as Chief Executive Officer, shall determine whether a real or potential conflict exists. To assist you in this regard, the Committee offers the following general advice on the six scenarios that are listed in your request.

The Committee believes, that notwithstanding the transparent mechanism that is used under PPA regulations, the issue of NLHS's own employees receiving a contract has given rise to an apprehension of bias by the public. In essence, believing that employees of NLHS who are selected using the PPA framework received this benefit because they have insider information that is not readily available to the public thus eroding public trust in government employees and confidence in the selection process. This is in spite of the fact that employees who applied to be on the supplier list were subject to a conflict of interest clause within the RFSQ.


Regarding this issue of apprehension of bias, the Committee noted that while the Act provides limited guidance relating to actual and potential conflicts of interest, it clearly does not extend to apparent (or perceived) conflicts of interest. This is in contrast to other jurisdictions that have broader conflict of interest legislation or policies that include apparent conflict in addition to actual and potential conflicts. The **Conflict of Interest Act** of Newfoundland and Labrador is silent on the issue of perceived conflicts generally. The Committee is also mindful of the provision in the Act (Section 8) Government contracts which does not bar a POH from acquiring a benefit through a public tender.

Recommendations:

- It would be prudent in the selection process to select prequalified employees of NLHS as a last resort bearing in mind best value and urgent need. This would serve to mitigate the apprehension of bias issue.
- Employees applying to be on the supplier list should be reminded, prior to applying, of restrictions placed on them under Sections 3 of the Act – Statutory duty in making a decision; Section 4 – Influence; Section 5 – Insider information; and Section 8 – Government contracts. Procurement staff and support services – Housing and Leasing Divisions should also be aware of those restrictions.

The Committee recommends, in order to ensure clarity, the above noted recommendations should be conveyed to the applicant(s) and staff in writing. I trust you find this satisfactory. If you require any further assistance, please feel free to contact me at 709-729-2650.

Sincerely,


GEORGE JOYCE

Chair
Conflict of Interest Advisory Committee

