

# Report of the University Hospital of the West Indies Institutional Review Committee



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**Institutional Review Committee Report on the University  
Hospital of the West Indies (UHWI)**

**Presented to  
Dr. the Hon. Christopher Tufton, CD, MP  
Minister of Health & Wellness**

**By**

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# Introduction and Overview

The Auditor General's (AG's) Report Ensuring Value for Money in Public Health Procurement - University Hospital of the West Indies (UHWI) published December 2025<sup>(1)</sup> identified significant weaknesses in the UHWI's governance and accountability framework, particularly in relation to compliance with the Government of Jamaica (GOJ)'s procurement rules and Public Bodies' governance framework. In response to this Report, on January 14, 2026, the Minister of Health and Wellness appointed a six-member Institutional Review Committee to, within a four-month time frame:

- Review and identify gaps and/or weaknesses in UHWI's Corporate Governance and Management structures, Financial, Public Procurement, Administrative, Management and Corporate Risk Management Systems;
- Make recommendations on possible changes that might be necessary to mitigate, manage or eliminate the risks associated with the findings of the AG's Report, and strengthen governance and accountability; and
- Make recommendations on the implementation of the AG's recommendations.

The Committee pursued its mandate through review of relevant documentation, weekly meetings and interviews with key stakeholders (See Appendix 1 for list of Interviewees).

The Committee determined that UHWI has been an important contributor to Jamaica's relatively well positioned health profile. It has done so through its participation in an internationally accepted practice whereby universities provide clinical medical training through their affiliation with hospitals that also provide care to the public. Yet the Committee is also of the view that UHWI could have played a more cost-effective role within Jamaica's health system had it not suffered from chronic and egregious governance and management failures.

The Committee has concluded that these failures are largely a result of UHWI operating as if it is an institutional orphan. It has resisted the governance framework emanating from its public sector lineage, while not absorbing governance practices from its university heritage. Its seeming orphan status has been facilitated by the actions and omissions of each of its parent entities, the GOJ and The University of the West Indies (the UWI),

These parent entities, having faithfully appointed Board representatives, have, thereafter, not engaged in active and robust oversight. Perhaps each parent has operated on the presumption that such oversight is the principal responsibility of the other parent. Indeed, this position is understandable given the complexity of the challenges falling within the direct responsibility of each parent. One might even conclude that UHWI has been a victim of its own success. Its health care and health education outcomes have been sufficiently satisfactory that its parents have not seen fit to allocate their scarce resources to its robust oversight.

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<sup>1</sup> <https://auditorgeneral.gov.jm/ensuring-value-for-money-in-public-health-procurement/>

The key theme that transcends the Committee's recommendations is that the GOJ and the UWI must now both contribute in human and financial resources to a process of active and effective oversight support to reorient UHWI's embedded culture of non-compliance and poor governance. This support, the Committee believes, is necessary to remedy the systemic and prolonged governance and management failures that have permeated the operations of this important national and regional institution. The GOJ also needs to enhance the support provided to public institutions such as the UHWI through its existing but inadequately resourced governance and compliance ecosystem.

The Report that follows details the Committee's deliberations, findings and five recommendations.

# The UHWI Governance Structure and UHWI's Impact on Jamaican Health

A starting point for the Committee's deliberations was an assessment of the fitness for purpose of the general governance architecture of the UHWI. UHWI, established by the University Hospital Act of 1948, is the first teaching hospital established in the West Indies, and the governance structure detailed at its establishment provided for shared governance responsibility between the GOJ and the UWI.

## The UHWI Governance Structure and International Precedent

This shared governance included appointments to the 18-person Board of Management of the UHWI by both governance partners, with the GOJ, through the Minister responsible for Health, appointing ten members, including two ex-officio members, and the UWI appointing eight members, including four ex officio members. Additionally, the Act stipulates that the Minister responsible for Health is to appoint the Chairman, and the UHWI would be responsible for periodically presenting its financial statements for approval of the Minister with responsibility for Health, and the UWI.

From inception, the shared governance of the UHWI has also been reflected in its dual mandate. It has responsibility to provide patient care, including the care typically associated with a public hospital, of the highest regional standards, (UHWI has long been one of only three Type A public hospitals in Jamaica), and also to provide training to students in medical fields at standards approved by the UWI and relevant accrediting authorities.

The funding of the UHWI has mirrored this dual role, with the majority, over 70%, provided by the GOJ, through its Health and Education Ministries, and the remaining minority of funding coming from Governments of Contributing Territories of the UWI (9%), with self-generated funds representing the balance.

The UHWI's general governance structure is not unusual for a teaching hospital. University medical programmes in developing countries generally rely for clinical training on teaching hospitals which are partnerships between the Universities and Ministries of Health. Even in well resourced, developed countries it is not unusual for private universities to collaborate with public hospitals in the provision of clinical medical training.

In 1996, for example, Boston University, a private university, merged its Boston University Medical Center Hospital, with the Boston Public Hospital. The Boston Public Hospital began operations in 1864 as the first municipal (public) hospital in the

United States. These two institutions merged to form the Boston Medical Center (BMC). The BMC operates the largest 24-hour level one trauma centre in New England and serves as the region's largest safety net hospital, while also serving as Boston University's clinical training centre.

This internationally recognised and practiced model of combining clinical university medical training with the provision of patient care to the public requires shared governance arrangements. These arrangements must be carefully managed to avoid the challenges often associated with these multi-mission focused institutions.

These institutions often struggle to balance the tripartite mission of research, teaching and patient care. High patient volumes and financial constraints often cause administrations to prioritise clinical service over educational needs. Because of the existence of parallel administrative structures there is at times a lack of shared goals and governance challenges that impede organisational effectiveness.

This is particularly problematic in developing countries where teaching hospitals suffer from shortages of hospital beds, diagnostic equipment and specialised staff. Some developing countries, for example, Indonesia, have begun formalising Academic Health Science Centres, to synchronise university and hospital activities more effectively.

UHWI too has experienced governance challenges over the years, which has prompted some observers to call for a change in the fundamental organisational structure of the UHWI.

In the appendix to a 2023 report on governance challenges at the UHWI prepared by Strategic Alignment Limited Consulting, for example, two such recommendations are listed. The Report noted that the UHWI 2009–2013 business plan was prepared by consultants at the request of the UWI, Mona Principal and the Dean of UWI, Mona's Faculty of Medical Sciences. These individuals wished to identify the elements necessary to implement a model of financial governance arrangements that will provide the required clinical support for the planned expansion of programmes and assure the UHWI's financial viability and sustain the Hospital as the premier medical training facility in the Caribbean.

The Business Plan recommended the following governance arrangements **“UHWI should no longer be a Jamaican public body constrained by public sector rules. UHWI Ltd. should be incorporated like the Tony Thwaites Wing as a not-for-profit limited liability corporation to be owned by The UWI and each of the Contributing Governments.”**

The aforesaid 2023 Strategic Alignment Limited Report further noted a similar recommendation which surfaced some fifteen years earlier **“A Committee appointed**

***by Minister Desmond Leaky in 1994 to review the governance of UHWI recommended that the UWI must be the governing authority for UHWI. The authority of the UWI over UHWI would be obtained by creating a company, University Hospital Company, owned by The UWI which would lease the assets of UHWI.”***

In this Committee’s deliberations, it was recognised that there may be a contemporary call for a fundamental altering of UHWI’s governance structure in the light of repeated governance challenges identified in several reports including the 2007 Report of the Office of Contractor General into the Procurement and Contract Award Practices at the University Hospital of the West Indies, Ministry of Health; the 2009 UHWI Business Plan Report, the 2023 Strategic Alignment Limited Report and the 2025 AG’s Report. But this Committee decided against proposing a fundamental reconfiguration of UHWI’s governance structure in the direction of eliminating shared governance between the GOJ and the UWI.

This Committee arrived at this position from two perspectives. The first is that while there have been significant governance challenges at the UHWI, it is also evident that university hospitals in other jurisdictions have been able to manage these shared governance arrangements effectively, They have done so in a manner that allows for there to be a continued symbiotic relationship between clinical university training and the provision of public health care.

## **UHWI’s Impact on Health in Jamaica**

The second is that, notwithstanding the governance and management challenges that clearly need to be addressed, UHWI, on balance, as a teaching hospital, has served Jamaica well during the seventy-eight years that it has functioned, with the shared governance arrangements that have defined its reality.

One manifestation of UHWI’s impact on health in Jamaica is captured in the emotional attachment that Jamaicans have to this Hospital that has served for decades as the hospital of choice for Jamaicans experiencing health challenges, particularly those of a more complicated nature. UHWI has long had the best collection of diagnostic and specialised medical equipment of any Jamaican hospital, public or private. For decades, it has been to Jamaica, as the Country’s largest safety net hospital, what Boston Medical Centre, and Boston Public Hospital previously, have been to the New England Region in the United States of America.

For older Jamaicans this attachment is captured in the Hospital being sometimes almost reverently referred to as “UC” in reference to its origins as the Teaching Hospital of the University College of the West Indies. This name continues at times to be used by older Jamaicans long after the Hospital’s name was changed to UHWI, in concert with the University College obtaining full university status in 1962.

Interestingly, an older Jamaican referring to “UC” would clearly be referring to the UHWI and not the UWI. The reason for this is that a far greater number of Jamaicans before 1962 would have interacted with the University College Hospital through its patient care services than would have interacted with the University College which began as an elite regional institution, access to which was restricted to a very small number of Jamaicans. The University College began, for example, with but 33 medical students.

Another manifestation of UHWI’s impact over decades on the entire Jamaican health ecosystem, and by extension the health of Jamaicans is captured in an article, **“International Competitiveness and Rare Tradeables: Assessing the Jamaican Health System”** published in 2002 in the Journal Social and Economic Studies (SES), vol. 51, no. 3. This article referenced the 2000 World Health Organisation (WHO) Report which focused on international comparisons of health system performance and the link between resources available to health systems and the performance of those health systems.

In establishing the importance of the link between health systems and performance the WHO report made the following observation, **“It is achievement relative to resources that is the critical measure of a health system’s performance. Thus, if Sweden enjoys better health than Uganda – life expectancy is almost twice as long – that is in large part because it spends exactly 35 times as much per capita on its health system. But Pakistan spends almost precisely the same amount per person as Uganda, out of an income per person that is close to Uganda’s, and yet it has a life expectancy almost 25 years higher. This is the crucial comparison: why are health outcomes in Pakistan so much better, for the same expenditure.”**

The 2000 WHO Report provided a framework that allowed for comparison among health systems in terms of performance. The most significant performance indicator used was the disability-adjusted-life-expectancy (DALE) of the country’s citizens. DALE adjusts traditional measures of life expectancy to capture the period of life spent in disability.

The SES article showed the position of several of the 191 countries ranked in the WHO report, including Jamaica. It showed that Japan had the highest DALE but was ranked 13 th in the World in health expenditure per capita. The United States, on the other hand, ranked highest in the World in health expenditure per capita, but ranked 24 th in the World in DALE. Jamaica ranked 89 th in the World in health expenditure per capita, but 36 th in the World in DALE. Indeed, Jamaica had the second highest positive ranking gap (53) between DALE and health expenditure per capita among WHO member countries.

The SES Study went on to engage in a structured analysis of factors responsible for DALE levels across countries that went beyond the relationship between health quality and health expenditure. In a regression analysis with the dependent variable

being DALE and the explanatory variables being physicians per 100,000 of population, total expenditure on health as a percentage of GDP and per capita income defined on a purchasing power parity basis, the independent explanatory variable that best explained the divergence in health quality among countries was the level of doctoral coverage.

The SES study noted the following: **“an area in which Jamaica is distinctive relative to countries at its income level is in the extent of doctoral coverage of the population. Jamaica’s relatively healthy level of doctoral coverage must be related to the fact that since 1948 the medical faculty of the University of the West Indies has been located in Jamaica...Many of the Jamaican students, and a significant proportion of non-Jamaican students, stay on in Jamaica to practise medicine. A significant majority of the practising physicians in the country are University of the West Indies graduates.”**

The 2000 WHO Report upon which the SES Study relied has not been followed up by another such report. The WHO has shifted to Healthy Life Expectancy (HALE) and to continuous tracking of the performance of countries on multiple dimensions, rather than general league table ranking. The last such assessment of national HALE levels, conducted by the WHO in 2021, showed Jamaica with a HALE of 61.7 years compared to its 2000 DALE level of 63.6 years. This decline is linked at least in part to the increasing incidence of non-communicable diseases (NCDs) in Jamaica.

But despite the high incidence of NCDs in Jamaica, and a lack of comparative data on overall system performance, elements within Jamaica’s Health System continue to perform well by regional standards. In relation to NCD prevention, for example, notwithstanding high levels of obesity and physical inactivity within the Country, in the 2025 WHO NCD Progress Monitor 2 , Jamaica ranked second in the Caribbean and fourteenth in the Americas in combating NCDs according to the WHO NCD Accountability Framework.

The GOJ has made efforts to improve access to health facilities, including those at UHWI, by physically expanding and refurbishing the Country’s ageing primary and secondary health infrastructure. Further, Jamaica’s ranking on the WHO NCD Progress monitor has been influenced by the efforts that have also been made to promote lifestyle changes within the population to stem the rising incidence of NCDs. The construction efforts have, however, faced governance challenges with respect to cost overruns and construction delays. Both construction and health promotion have faced procurement challenges.

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<sup>2</sup> <https://www.who.int/publications/i/item/9789240105775>

# The UHWI Governance and Management Challenges

The UHWI has been a critical player in Jamaica's relatively productive Health System combining effectively with Jamaica's extensive network of primary health clinics. Notwithstanding, the Institution has suffered from governance and management challenges which must be assumed to have reduced its overall effectiveness, and which need to be corrected.

These governance and management challenges have been identified in several reports spanning decades. The most recent such report is the 2025 AG's report on breaches at the UHWI of GOJ procurement policies, rules and regulations. There are also other evident, pervasive and egregious breaches of GOJ laws and policies, such as the breach of the Public Bodies and Management and Accountability Act (PBMA) which requires public bodies to submit annually their financial statements to account for the manner in which they have spent public resources.

The Committee's conclusion is that these breaches have as their foundation an overall culture of poor governance and oversight, relating to a non-compliant posture at UHWI that relates in part to its relationship with the UWI, unclear lines of governance and management demarcation at the UHWI, financial governance and financial challenges, and inadequate transmission of governance and management practice from the UWI to the UHWI. Additionally, there has been inadequate staffing for, and attention to, management, governance and oversight at multiple levels.

## **The Perceived Governance Ambiguity at the UHWI**

The governance and management challenges faced by the UHWI can be viewed, at least in part, as originating from the Hospital's special, shared governance status as the Teaching Hospital of the UWI. While this status provides significant benefits it has led decision makers to have uncertainty about how the Institution should be governed. This is in part because key staff members straddle both Institutions.

With respect to overall governance, for example, the UWI is a regional Institution originally established in 1948 by Royal Charter as a College of the University of London. In 1962 it became a University in its own right, but its governance status by Royal Charter continued. There is no Jamaican legislation that oversees the operation of the UWI. In contrast, the UHWI was established by a 1948 Statute, amended in 1962 to coincide with the UWI's transition from a college of the University of London to a University.

The UWI is governed, ultimately, by a regional council, on which sit government representatives of the Contributing Territories. This Council is chaired by the Chancellor of the UWI. The UHWI, on the other hand, is governed by a Board, the Chairman of which is appointed by the Minister in Jamaica with responsibility for Health.

The UHWI is clearly a public body as defined by the PBMA. Under the PBMA a public body is defined as a statutory body or authority or any government company. A statutory body or authority, as defined by the PBMAA, is a body corporate established by a specific Act of the Parliament, and is an entity over which the Government or Agency of the Government exercises direct control.

Despite the clarity, to a layman, of the law in relation to UHWI's status as a public body, UHWI's apparent ambivalence based upon its special status as the Teaching Hospital of the UWI seemingly led the institution, in 2021, to seek an opinion from a private law firm on its status as a Public Body. This request was based upon the fact that its staff includes individuals whose appointments are with the UWI, and that, like the UWI, it is regionally funded.

The legal advice received confirmed the layman's understanding that UHWI meets the public body criteria identified in the PBMA. It also pointed out that in 2006 UHWI treated itself as such by requesting that the Office of Contractor General, which had oversight only over Public Bodies, initiate an investigation into its procurement processes given new procurement regulations affecting Public Bodies introduced by the Parliament.

Based upon the PBMA, UHWI has numerous legally binding reporting and accountability obligations that differ from those of the UWI. For example, the PBMAA requires each Public Body to prepare financial statements in accordance with generally accepted accounting principles, to submit to its responsible Minister its financial report, including audited financial statements within four months of the end of the financial year, to adhere to the GOJ's procurement rules and guidelines made under any enactment, and to no later than three months before the end of the financial year deliver a draft corporate plan to its responsible Minister and to the Minister with responsibility for the Public Service.

Where a public body has four or more directors the PBMA requires that it establish an Audit Committee, which shall include at least three directors, the majority of whom should not be officers or employees of the Public Body. The PBMA establishes specific responsibilities for the Audit Committees of Public Bodies.

Public Bodies are also required by the PBMA, notwithstanding the provisions of any relevant enactment, to enter a performance contract with the Chief Executive Officer (CEO), or person performing like duties, by whatsoever title designated. They are to enter these performance contracts on terms approved by the responsible Minister and the Minister with responsibility for the Public Service. Public Bodies are also subject to the oversight of the AG.

UHWI has over many years been in regular breach of provisions of the PBMA. Internal audit reports into procurement at UHWI and the 2025 AG's Report indicate that UHWI has been significantly delinquent in following government procurement rules. While it has established an Audit Committee, this Committee has not, so it appears, provided the level of detailed oversight required by the PBMA, and UHWI does not appear to

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<sup>3</sup> <https://auditorgeneral.gov.jm/auditor-generals-department-augd-annual-report/>

have followed the CEO performance contract stipulations required by the PBMA. Additionally, UHWI has not, so it appears, employed a Corporate Secretary to assist in the management of its several compliance and reporting responsibilities. Further, and significantly, UHWI has been serially delinquent in the filing of financial statements. On March 26, 2015, the Minister of Health, Dr Fenton Ferguson tabled in Parliament eleven annual reports from the UHWI and noted as follows **“The Honourable House is being asked to note that this is the first time that the Hospital is tabling its annual reports”**. **The auditors qualified the annual reports stating that “The Auditors, KPMG, were unable to satisfactorily verify the completeness, existence and accuracy of income from patients based on required standards as at July 31, 1999.”** In 2017, Minister of Health, Dr Christopher Tufton tabled the 2011–2012 and 2013–2014 annual reports.

UHWI is not alone among public bodies in its failure to comply with the filing requirements of the PBMAA. The 2023 Annual Report of the AG<sup>(3)</sup> indicated that 391 entities, inclusive of 184 entities required to file Appropriation Accounts and 207 Public Bodies, had outstanding statements covering the periods 2009/2010 and 2022/2023. In relation to the most recent financial year, it reported, only 9 of 164 Public Bodies filed their financial statements in compliance with the PBMAA. Indeed, there is a Public Body that has filed no report in 54 years.

While there has been low compliance across the Public Sector, the UHWI’s delinquency has been egregious, and this delinquency has also had spill-over governance effects. In the absence of up-to-date annual reports, and because of significant financial debt to the Tax Administration of Jamaica (TAJ), UHWI, for many years, has been unable to qualify for a Tax Compliance Certificate (TCC) which is required for the clearing of goods imported into the Country.

In the context of a need to import critical supplies, UHWI used the TCC of the University Hospital of the West Indies Private Wing Company Ltd. (otherwise called the Tony Thwaites Wing) an entity in which it is one of several shareholders. This practice resulted in adverse findings in the 2025 AG’s Report and was discontinued in the aftermath of the publication of that Report. UHWI’s management has since negotiated for temporary tax compliance certification.

Yet the underlying financial governance and financial problems that led to the UHWI’s TCC challenge remain to be addressed and indeed, continue to be manifest in monthly deficits of up to J\$300 million.

The underlying deficient management culture, which has over many years led to probable events of defalcation and certain events of waste, has not been corrected. Had successive Boards availed themselves of the assistance available from Compliance Units within the Ministry of Finance and the Public Service and followed the requirements imposed by the Financial Audit and Administration Act, it is the view of this Committee that the performance of the UHWI would not have been as dismal. Increased scrutiny of the UHWI is now required to ensure greater levels of compliance with existing law and regulations.

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<sup>3</sup> <https://auditorgeneral.gov.jm/ensuring-value-for-money-in-public-health-procurement/>

## UHWI's Financial Governance and Financial Challenges

The lack of financial reporting by UHWI has shielded from public view, until recently, the critical financial challenges confronting the Institution. Given its role as a clinical teaching facility and as the Country's premier referral Hospital, UHWI has a relatively high operating cost structure. In 2009, when the GOJ adopted a no-user fee policy in the Country's Public Hospitals, the specialised nature of UHWI was recognised by its exemption from the no-user fee policy.

The challenge that the UHWI has faced, however, is that, like public hospitals in many parts of the world, it has, as a matter of government policy, a practice of providing emergency health care to those who so need, at the point of need. It then seeks to recover the subsidised cost of service, including through agreed upon payment plans. This confluence of circumstances, particularly in the context of the low-income levels and low levels of private insurance coverage of many Jamaicans seeking emergency health care, has led to high levels of patient fee receivables, which are difficult to recover, and consequent financial insufficiency which has not been adequately recognised by successive policy makers.

In the absence of sufficient funding from the GOJ to offset the costs of service, UHWI has used all cash resources available to the Institution to provide the required services and to pay staff. In the process it has incurred significant levels of debt to the GOJ, currently estimated at more than J\$40 billion, in the form of unpaid statutory tax deductions, inclusive of penalty and interest, but it has indicated that it has remained current with NIS and NHT payments.

The lack of funding has been exacerbated by poor financial governance in relation to inefficient procurement, poor inventory management and an insufficient focus on protecting revenue sources. The revenue collection challenges include but are not limited to sub-optimal management of patient fee payment processes and receivables. Even in cases where patients have demonstrated a willingness to pay, the collection culture for outstanding fees at UHWI has not been nearly as focused as is the case in the operations of private hospitals. There has also been inadequate and untimely collection of revenues from, and ineffective cost sharing activities with, operators who have sub-leases on its leased property.

In relation to payments from patients, even with respect to the minority of Jamaicans who have access to medical insurance, there have been challenges within the health system in ensuring that those with medical insurance present their insurance cards at the point of service delivery. In 2009, when the GOJ announced its no-user fee policy, the then Minister of Health, Rudyard Spencer made the following statement **"The Ministry of Health will be acquiring from companies information on workers who have health insurance which must be placed in database for the hospitals to access."**<sup>(4)</sup>

This practice was not implemented, and would, since the 2023 activation of the Data Protection Act, 2020 require strict adherence to the provisions of the Act as medical

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<sup>4</sup> <https://auditorgeneral.gov.jm/ensuring-value-for-money-in-public-health-procurement/>

information and insurance details are sensitive personal data. To access such data, the UHWI must have explicit informed and free consent, limit collection to what is necessary and provide clear Privacy Notices. The data must be kept secure, be accurate and be used only for stated medical billing purposes. This matter may be resolved with specific legislation mandating that such information acquisition is in the public interest. In the absence of such legislation, there is still the opportunity for national and institution-specific programmes of public education and moral suasion to improve the utilisation of medical insurance for service payment at hospitals which provide public patient care.

In addressing these financial concerns, the UHWI needs a fundamental revamping of its financial governance management arrangements, but the GOJ also needs to examine carefully the financial arrangements under which the UHWI operates to mitigate the risk that an environment conducive to financial and governance challenges continues to exist at the UHWI. The reality is that the significance of UHWI as the premier teaching Hospital in the Region requires a different policy approach as it relates to funding, beyond the ability of the Institution to charge patient fees. The budgetary allocation the UHWI receives should conform to the desired level of outcome expressed in GOJ policy.

## **The Lack of Transmission of Governance Practice**

Governance of the UHWI has not taken advantage of governance practices that have taken place at the UWI. Further, representatives of the UWI who serve on the UHWI Board have not, it appears, championed the transmission of these practices. The UWI has many governance challenges, but it has changed governance practices in several areas that could have been transmitted to UHWI.

For example, the Mona Campus has placed much effort in ensuring that all staff have contractual and appraisal processes that make clear the tenure of their positions and indicate, albeit incompletely at times, their level of performance in these positions. These processes appear not to have been carried over to governance at UHWI, where contractual relations between service providers and the Institution appear to be opaque and, at times, non-existent.

The Mona Campus has also placed much focus on regularising the operations of those entities which provide services on its Campus, and protecting the revenues received therefrom. There has also been much attention to managing student receivables, in the context of relative declines in government funding. A university has greater levers in that regard than a hospital which provides services to the public, but there are system-related lessons that transcend these types of institutions. To take another example, in 1996, the UWI embarked on a process of instituting term-limits for the key academic leadership positions of Head of Department and Dean of a Faculty, with both leadership positions limited to two consecutive terms: three years

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<sup>4</sup><https://jis.gov.jm/insured-patients-must-show-health-cards/>

for Heads of Departments and four years for Deans of Faculties. This was done to ensure Departments and Faculties would have regular leadership renewal, and that individuals would not become so entrenched in a leadership position that they would consider that position, and by association the academic unit, to be their property.

As this new policy was being debated some at the UWI worried that this term limit policy would eliminate the possibility of the continuing service of individuals who were deemed to be indispensable to the functioning of their academic units. The then Vice Chancellor responded with a quote widely regarded to have originated with French President Charles de Gaulle **“The cemeteries of the world are full of indispensable people.”**

This approach of establishing a term limit for the UHWI position that bears greatest resemblance to that of a Head of Department or Dean at the UWI, that is, the position of Chair of the Hospital Medical Committee, has not yet migrated from the UWI to the UHWI.

Universities are noted to emphasise consensual and democratic management styles and decision-making processes. This emphasis recognises the high skill level and unique capacities of staff members. Consensus driven decision-making processes do at times lead to longer decision-making time frames, but universities have found that these longer time frames are more than compensated for by more effective decision implementation, because staff members more readily own and execute upon decisions that emerge from participative decision-making processes.

This has quite possibly contributed to universities being institutions that have survived and thrived despite upheaval in the societies in which they are spawned. This management style is captured in the African proverb **“If you want to travel fast, go alone, but if you want to travel far, go together.”**

The UWI, in its management style, and decision-making processes, has tried to incorporate this approach to decision-making. Key university decisions and policies are discussed in broad-based academic meetings, such as Faculty Boards, Campus Boards and Regional Boards, on which there is broad representation, including from student groups. Heads of Departments and Faculty Deans are counselled to adopt consultative management styles, and their appointments are typically made after consultation with their Departments or Faculties by those University leaders with Appointment Authority.

Yet, at the UHWI, where senior UWI academics with highly specialised expertise provide critical services in medical education and patient care, there are accusations of dictatorial managerial leadership styles and unilateral decision-making processes.

While the UWI emphasises consensus in decision making, its structure provides no ambiguity in relationship to lines of authority. Every staff member on a Campus report directly or indirectly to the Campus Principal and Campus Principals report directly to the Vice Chancellor.

The University Centre incorporates those individuals who provide services to the University but are not aligned, in their current assignments, to a Campus. All such individuals report directly or indirectly to the Vice Chancellor. Since Campus Principals report directly to the Vice Chancellor, all staff members of the UWI report either directly or indirectly to the Vice Chancellor.

In contrast to the clear lines of reporting relationship that exist at the UWI, there is evidence of a lack of clarity with respect to the reporting relationship between the individual at the UHWI who occupies the Board position as Chairman of the Hospital Medical Committee and the CEO. Since the CEO does not serve on the Board, but, by statute, the Chairman of the Hospital Medical Committee does, a reporting relationship from the person occupying a Board position to the CEO creates obvious potential for conflict. It is a highly unusual organisational scenario for an upward management reporting relationship to exist between a non-Board member and a Board member.

Yet, the PBMA, in requiring that all public bodies have CEOs, demands clarity in the relationships within Public Bodies. The legislation mandates that the Board is required to have a performance contract with the CEO. Such a contract only seems appropriate in a context in which all staff members report directly or indirectly to the CEO, who will be assessed based upon the performance of the entire Organisation.

This anomaly must be eliminated and the scope of responsibility for both positions needs to be clearly articulated. Both the GOJ and the UWI must increase the collaboration that is contemplated by UHWI's parent legislation and ensure compliance by the UHWI. The lack of clarity in these reporting relations has facilitated "mission creep," in which the Chairman of the Hospital Medical Committee assumed responsibilities that typically would be the purview of the CEO, such as driving the institution's strategic vision and hiring staff.

## **UHWI's Strategic Planning Challenge**

One of the areas in which there has been a particularly slow process of practice transmission from the UWI to the UHWI is in internally driven strategic planning. The 2025 AG's Report pointed to the fact that the UHWI had not complied with the requirements of the PBMA to produce a strategic plan, despite spending significant sums to contract external service providers to assist in strategic planning. In one case, funds were extended to external consultants with results unavailable for over a year. In another, a strategic plan was developed by external consultants, paid for and presented to the Board in 2023, but then rejected by the Board, with UHWI staff members citing, among other defects, a lack of appropriate consultation in the Plan's development.

The absence of continuous strategic and operational planning activity has deleterious consequences for all aspects of governance. Among other challenges,

in the context of procurement, it creates a vacuum in which a disproportionate number of procurement requests become urgent, leading to an environment in which standard, value for money, procurement processes are bypassed.

While the UWI does not engage in the annual corporate planning that is mandated in the PBMA there is considerable experience that is available within the UWI in the area of strategic planning that should, one would assume, have been capable of being transmitted to the UHWI to assist in the development of an internal strategic planning capacity.

Internally driven strategic planning, while requiring an investment in planning resources, mitigates the dissonance between strategic planning and strategic execution that too often exists within organisations when strategic and business planning processes are outsourced. To take an example of this dissonance, the Business Plan prepared by consultants in 2009 and referred to earlier in this Report, had as its principal recommendation that the fundamental UHWI governance structure be changed through parliamentary action. This recommendation was obviously not capable of being implemented by the decision makers that commissioned the Plan.

The UWI, in contrast, has long recognised the need for internal planning. Internal planning capacity dates back to at least 1972 when a Pro Vice Chancellor was appointed at the UWI to head the Development and Planning Unit. This Unit became crucial to the planning of the University's activities, determining among other things the allocation of resources, the annual admissions to the University and the calculation of economic costs, while also generating of documents supporting the triennial estimates and development plans.

In 1992, this planning activity migrated to the development of quinquennial University strategic plans, which incorporated inputs from all campuses. In the early 2000s, UWI, Mona, perceiving that it faced peculiar strategic challenges, particularly related to financing, sought external strategic planning assistance. This process was challenged because of dissonance resulting from a lack of consultation with UWI, Mona staff, and different world views between these staff members and the external consultants. This process did, however, catalyse a renewed process of internally driven strategic planning at the Mona Campus.

Successive boards of the UHWI have been far too slow in taking advantage of this experience in internally driven strategic planning that resides at the UWI. The UHWI is also an organisational outlier within the Public Sector, since Public Sector Bodies with a significantly lower resource base than the UHWI have developed an internal strategic planning capability.

Fortunately, the situation is propitious for the development of a "fit for purpose" internal strategic planning capacity at UHWI. The current Chairman of the UHWI Board has experience spanning decades in leading strategic planning processes in complex public and private organisations.

Further, the Vice Chancellor's nominee on the UHWI Board serves as Principal of UWI, Mona. Prior to his appointment as Principal he led the UWI, Mona Task Force that developed UWI, Mona's input into the 2012-2017 Strategic Plan of the UWI. In 2016, he was appointed Pro Vice Chancellor for planning for the UWI, and he continued serving in that capacity until he was appointed Principal of UWI, Mona in 2023.

UHWI must take advantage of this confluence of opportunities for enhancing its internal strategic and operational planning capacity.

## **The Challenge of Anachronistic Legislation**

Jamaica has a problem with the regular updating of legislation. The country has resource constraints in legislative drafting, and a significant, and increasing, number of legislators have another full-time job, as they work for the Executive branch of Government. Parliament meets less frequently than is the case in some of Jamaica's peer countries. A consequence of this inter-related set of conditions is that many laws need revision. There are circumstances where legislative productivity is apparent. In the period of national crisis surrounding the implementation of an agreement with the International Monetary Fund in 2012 to 2015, for example, there was a dramatic increase in legislation passed in Parliament. But this took a herculean effort, particularly from the Minister of Justice in his capacity as Chair of the Legislative Committee of Cabinet and was linked to the nature of the crisis and the need to meet IMF legislative targets. This exceptional period of legislative productivity, however, did not change Jamaica's underlying challenge of legislative obsolescence.

The challenges at UHWI can, in part, be linked to the anachronistic nature of its parent legislation. This anachronism is reflected in several areas including a tax-exempt status clause that does not synchronise with The Customs Act 2020, relationships between senior staff members, and the overall agility and manageability of the Board.

One of the breaches identified by the 2025 AG's Report was that UHWI used its tax-exempt status to import goods for four private companies. As it turns out, based upon UHWI's parent legislation, there is a lack of congruence between that law and umbrella customs legislation with respect to the issue of customs duty exemption. Section 14 of the University Hospital Act states that: **"Notwithstanding anything to the contrary no customs duty or tax under the General Consumption Tax Act shall be payable upon any article imported into Jamaica or taken out of bond in Jamaica by the Board."** While a reasonable assumption could be made that the intent of the Act was to allow tax exemptions only for articles to be used by the UHWI, the use of the articles is not the focus of the aforesaid section 14 of the Act. Instead, the section emphasises the Entity, that is, the Board, which should approve the use of UHWI's tax exempt status.

UHWI has not used this section of its parent legislation as a defence against the AG's determination of a breach. Nor could it have since there is no indication that

there was Board approval of the use of its tax-exempt status to import goods for any other entities. Further, even had there been such approval, such a defence would not stand scrutiny given that the general position of the Customs Act 2020 Legislation as captured in section 5 of the Customs Act, is that organisations with tax exempt status only benefit from duty exemptions with respect to goods they import for their own use.

The contrasting legislative positions are made clear when the language of UHWI's parent legislation is compared with the language used in the Customs Act for tax exemption status of two related organisations: the UWI and the Council for Legal Education, which latter organisation was established by CARCOM Treaty in 1970 to operate the CARICOM regional law schools. Unlike the UHWI, these two Institutions, because of their regional origins, have no parent legislation passed by Parliament.

Unlike the UHWI Act, which has benefited from only one amendment in 1962, the Customs Act, which predated the UHWI Act since it was first passed in 1941, has been updated regularly, with the most recent significant amendments taking place in 2015.

Section 5(2) of the Customs Act states, based upon a 2013 amendment, ***“Notwithstanding anything to the contrary, no import duty shall be payable on any article imported into Jamaica or taken out of bond in Jamaica by: (b) the University of the West Indies or the Council of Legal Education and shown to the satisfaction of the Commissioner to be required for the use of the University or the Council.”***

Not only does the tax exemption provision found in the updated Customs Act make it clear that imported items have to be for the use of the entities in question, this updated legislation also provides much greater clarity, as is expected in contemporary management, on the importance of distinguishing between the operational role of an entity and the oversight role of its Board.

While the 1948 UHWI legislation assigns the responsibility for importation to the Board, which in modern management is expected to play an oversight and not an operational role, the Customs legislation gives the authority for importation to the organisation, the UWI or the Council on Legal Education, allowing for the separation of operational and oversight roles.

The anachronistic nature of the 1948 UHWI Act with respect to the conflating of management and operational roles is also reflected in statutory provisions with respect to Board appointments. As stated earlier, the Act specifies that the Chair of the Hospital Medical Committee should serve as an ex-officio member of the Board of the UHWI. The contemporary challenge with this provision is that, as outlined earlier in this Report, the PBMA requires that public bodies have a CEO to whom all staff of the organisation report directly or indirectly.

There is no provision in the 1948 UHWI Act for the CEO to be a Board member. The consequence of this anachronism, as pointed out earlier, is that while the Chair of the Hospital Medical Committee is expected to report to the CEO of the UHWI by the PBMA, the 1948 UHWI Act requires the CEO to report to the Chair of the Hospital

Medical Committee as part of the CEO's general reporting requirement to the Board.

An example of this conflation of roles is reflected in the response of UHWI to the AG's Report. The Board delegated investigation into the procurement breaches identified by the AG to a Board Sub-Committee. One of the members of this Sub-Committee, investigating breaches by the management of the Hospital, was the Chair of the Hospital Medical Committee, who is classified by the UHWI as a member of the senior management team.

The 1948 Act further constrains the operations of the Board and the governance agility of its key stakeholders by overly specifying the nature of Board appointments. Firstly, an 18-person Board is so large that it creates governance challenges; secondly, the highly specific nature of Board appointments constrains the GOJ and the UWI in their ability to appoint members who conform to governance needs of particular eras in the life of the Hospital, or to respond to changes in organisational structure.

With respect to the latter, the 1948 Act specified ex-officio Board membership for the Dean of Medicine at UWI. In 1948, the University College had one faculty of Medicine with one Dean, located at Mona. Currently, Mona, St. Augustine and Cave Hill all have medical faculties, with their associated Deans.

Further, the division of Board appointments between the GOJ and the UWI is significantly misaligned relative to the current ratio of financial contributions between the GOJ and the Governments of other Contributing Countries.

## **The Challenge of Ineffective Oversight at the UHWI**

The governance and management challenges at UHWI also relate to problems with the effectiveness of the oversight of the Institution. Successive Boards of Management of the UHWI have not dealt decisively with the challenges enumerated in earlier Sections of this Report. This in a context where the UHWI Board is clearly an operational oversight Board and not an Advisory Board.

Section 5(1) of the University Hospital Act outlines the duties of the Board and empowers the Board inter alia **(a) "to construct, equip, furnish, maintain, manage, control and operate the University Hospital,..."** and **(b) "to make all such appointments as may be necessary to enable the duties imposed by paragraph (a) to be fully and effectively performed."**

While successive UHWI Boards have been deficient in their oversight role, it is also true that as in the case of other Public Bodies, these Boards have been expected to provide effective oversight without an appropriate calibration of the scope of responsibilities of Board Members. These Board Members operate on a part-time basis and receive levels of remuneration that do not nearly compensate them for their critical oversight activity. The responsibilities of Board Chairmen are particularly

onerous, including, on occasion, time-consuming responsibilities of an executive nature.

Were it not for the commitment Public Sector Board Members in Jamaica make to their assignments, including the many such Members who serve without compensation in Jamaica's educational sector, one might expect to hear some of them echoing a derivative of the Soviet era worker plaintive cry "**You pretend to pay us to govern and we pretend to govern.**"

The resource challenge extends to other levels of oversight activity that have been less than effective. The MOHW has not demonstrated effective oversight in the context of the on-going challenges faced by the UHWI. The financial reporting, procurement and managerial challenges have continued for too long a period for there not to have been a recognition that they approached a level of Institutional crisis, with appropriate interventions. There was considerable prior warning of the likelihood of a scathing assessment of the UHWI at any point that its operations were independently reviewed.

But many of Jamaica's Ministries are confronted daily with challenges that fully occupy the attention of all members of staff. There is a narrative that the Jamaican Public Sector is generously staffed by comparative measures. It is not. Jamaica's Public Sector wage bill is high relative to its level of GDP, but this is because Jamaica's Public Sector workers, even before the recent increases in compensation, are remunerated at higher levels than public sector workers in countries with similar levels of per capita income.

In relation to public sector size, in 2021, countries within the 38-member Organisation for Economic Cooperation and Development (OECD) had an average ratio of public sectoremployees to total labour force of 18.6%. The comparable ratio in Jamaica in that year was 10%.

# The Role of the Public Sector Compliance Ecosystem

Jamaica's independent reviewer of Public Sector operations, the AG's Department, also faces resource constraints that impede its ability to engage in a level of follow-up oversight of its audit activities that would create a greater probability of institutional compliance with the findings of its audits.

The Committee recognises, however, that the AG's Department is neither intended nor staffed to perform management consulting and remedial functions.

At the same time, the primary work of the AG's Department is increasing exponentially. It has produced noteworthy results. Yet it is clearly facing challenges providing audit services to an ever-expanding audit universe, without a commensurate increase in its audit capacity. The GOJ should consider committing additional resources to allow it to extend its reach to facilitate the conducting, for example, of follow up audits, which is a regular part of the operation of internal audit structures internationally.

Similarly, the compliance operations within the Ministry of Finance and the Public Service which have been established to drive the cultural governance transformation required by the PBMA appear to be in urgent need of additional resources. Had these compliance operations been able effectively to extend their reach and management to the UHWI many of the discrepancies identified in the AG's Report may not have taken place.

One might conclude that the Permanent Secretary in each Ministry should be the vigilant watchdog over the activities of each of the Public Bodies that fall under the ambit of the Ministry. But given the large number of such Bodies, it is not reasonable to expect such oversight in the context of the existing control and monitoring structure within ministries. This is not to suggest that greater oversight has not been necessary and sadly lacking in the particular instance of the UHWI, but it is to recognise that more robust oversight mechanisms are necessary, not just for the MOHW, but across the public sector.

Indeed, the Committee is of the view that the challenges at UHWI are likely emblematic of governance challenges elsewhere within the public sector. One approach to remedying these challenges is for compliance officers to be designated in Ministries whose responsibility would be to review the obligations of each Public Body operating within the Ministry, determine the level of compliance with these obligations, and report breaches to the Permanent Secretary for remediation.

Also, as a part of public sector body ecosystem adjustments, the 2021 Public Bodies Management and Accountability (Nomination, Selection and Appointment to Boards) Regulations could be amended to indicate that a process of formal evaluation is required in relation to the position of Chair of a Public Body. Were such an evaluation process to be implemented in the context of a reappointment,

it is likely that Board Chairs would be more focused on advancing the missions of the Boards they chair and ensuring that compliance breaches are avoided.

These regulations could be amended to ensure that Chairs of Public Bodies seeking to be reappointed would only be so reappointed subject to a satisfactory evaluation of performance by the Appointing Authority, which in the case of most Public Bodies is the Minister with Portfolio Responsibility. This evaluation would include an assessment of the Organisation's compliance with relevant laws and regulations, as assessed by the Ministry of Finance and the Public Service, on the basis that Public Bodies must demonstrate compliance or explain why compliance has not been possible.

The second component of the evaluation, to be conducted by the Appointing Authority, would be the extent to which the Public Body, under the tenure of the Chair, has advanced the mission of the Organisation and executed on its strategic plan during the tenure of the Board Chair.

# The 2025 AG's Audit into the Operations of the UHWI

It is against the backdrop of the on-going governance and management challenges of the UHWI that had been evident for many years that in 2025, based on whistle-blowing complaints, the AG's Department conducted an audit ***"Ensuring Value for Money in Public Health Procurement"*** at UHWI. The audit findings are adumbrated below:

- The absence of key strategic documents creating major procurement management gaps
- Slow adoption and inconsistent use of the GOJ procurement activity publishing portal
- The absence of procurement documentation for 51 contracts amounting to \$521m
- Misuse of UHWI tax exempt status to import goods worth 22.7m for private companies
- Initiation of the procurement process after goods had been received or work completed
- Division of contracts into smaller segments to circumvent procurement thresholds
- Engaging the services of a consultancy firm in relation to the hospital modernisation programme without engaging in required procurement procedures.

Responses to the AG's Report have come from the Management and Board of the UHWI, the Minister of Health and Wellness, and the Parliament.

## **Responses from the UHWI**

The Management of the UHWI responded to the AG's Department by letter from the CEO dated October 22, 2025 accepting the findings of the Audit Report and indicating the corrective measures that would be instituted to avoid a repeat of the procurement breaches identified. In addition to identifying specific responses to the breaches identified, the CEO committed to the establishment of a Procurement Oversight Committee reporting directly to the executive management, implementation of targeted training programmes for procurement and project management personnel, and to a comprehensive review of internal procurement policies to align with GOJ procurement laws and regulations and international best practice. The Board of Management, in direct response to the AG's Report, engaged in three discrete actions.

The Board immediately reported to the Jamaica Customs Agency, the Jamaica Constabulary Force and the Integrity Commission of Jamaica breaches identified in the Report. In this process, it requested that investigations be conducted to determine whether illegal or unethical actions had taken place by staff members within the Institution.

The Board has further recruited and tasked an independent committee, The Investigative and Accountability Committee, to investigate the actions of staff members based upon the findings in the Report, and to determine what actions are warranted.

Additionally, the Board of Management designated that a Board Sub-Committee, Human Resources and Information Technology, conduct an investigative report into the AG's Report. This Sub-Committee reported to the Board on November 12, 2025. The Sub-Committee in its Report identified systemic weaknesses across Procurement, Finance, Internal Audit, Risk Management and overall governance oversight.

The Report concluded as follows:

***“The investigation revealed serious operational, procedural and governance deficiencies contributing to the issues found in the Auditor General’s Report. While individual staff members expressed commitment to their roles, the overarching failure was systemic characterised by weak controls, insufficient oversight, lack of training, inadequate digitisation and non-action on internal audit findings. Considering the Auditor General’s findings and the HR Sub-Committee’s investigative report, it is recommended that the UHWI Board of Management take decisive and immediate actions to restore accountability, integrity and compliance within the institution. These actions should include:***

- ***Initiating accountability proceedings against individuals identified as negligent or non-compliant in strict compliance with the Staff orders for the Public Service (2004), Public Service Regulations, the Public Procurement Act, and principles of natural justice.***
- ***Strengthening oversight mechanisms across Procurement, Finance, and senior management functions to ensure adherence to statutory and internal procedures.***
- ***Implementing mandatory training, clear delegation of authority, and performance monitoring for all staff involved in procurement and financial management.***
- ***Establishing a culture of accountability, transparency and compliance, supported by regular reporting to the Board and enhanced internal audit follow up.”***

This Committee is of the view that these responses from the Management and the Board are generally appropriate and comprehensive. The responses from Management, while clearly accepting the AG's findings, did seem in their details to be somewhat pro forma and similar in vein to Management responses to previous reports, which largely went unimplemented. The new element, so it appears, is the strength of new Board resolve, reflected in the comprehensive nature of the Board's response to the AG's Report.

On the basis of the overall tenor of the Board's response, and the track record of the Board Chairman and other key members of the Board in their prior governance roles, this Committee has confidence that the current UHWI Board will seek to ensure that the management and governance problems at the UHWI are effectively addressed, particularly if the recommendations on governance and management made by this Committee are also adopted by the UHWI, the GOJ and the UWI.

At the same time, the Committee recognises that, institutionally and historically, the Board of the UHWI has not demonstrated the ability to deal effectively with long standing governance challenges. It is in this context that the Committee is of the view that additional structural interventions are required, as detailed further in this Report.

## **Response of the Minister of Health and Wellness**

The Minister of Health and Wellness, in his response to the AG's Report, established this Institutional Review Committee to provide a fresh set of eyes to examine the broad and systemic challenges that have confronted the operations of the UHWI.

In so doing, the Minister of Health and Wellness consulted with the Principal of UWI, Mona on the decision to appoint this Committee and on the selection of its members.

We believe that this response was appropriate and it is on that basis, and on our recognition of the importance to Jamaica and the region of effective management of the UHWI, that each member of this Committee accepted this public service assignment.

## **Response of the Parliament via the Public Accounts Committee (PAC)**

During March and April 2026, the Parliament, through the PAC met to consider the 2025 AG's Report on the UHWI. It is this Committee's view that these PAC meetings demonstrated effective parliamentary oversight. There was participation from the UHWI, the PAC, the MOHW, the Ministry of Finance and the Public Service, Jamaica Customs Agency and the AG's Department in the deliberations of the PAC.

The Chair's management of the meetings allowed for full committee participation in an in-depth examination of the issues, and incisive interrogation of the teams from the UHWI, the MOHW, the Ministry of Finance and the Public Service and the Jamaica Customs Agency.

The Committee is of the view that Jamaica's approach to Parliamentary oversight of Audits from the AG's Department is appropriate in its current structure. As with the PBMAA legislation that requires a majority of Audit Committee members to be independent, Jamaica has sought to simulate independence in its principal National Audit Committee by having opposition members, who are independent of the Executive, chair the Audit Committee, the PAC.

This process must be carefully managed to ensure that while there is a deterrence effect on public sector employees in relation to future compliance breaches, the operations of the Committee do not create an environment that is so hostile .

that competent prospective public sector employees opt not to engage in service.

The AG's Department provided useful inputs to the meetings of the PAC. Yet, the meeting on March 31 demonstrated, in the context of a request made to the AG for follow-up activity, that the AG's Department is experiencing challenges coping with a rapidly expanding audit universe, without a commensurate increase in staff resources

## **Remedying Oversight Challenges in Jamaica and at the UHWI**

While the Committee is of the view that the responses to the Report from the UHWI, the MOHW and the Parliament have been reasonable, it also believes that other structural interventions are necessary given the severity of the oversight challenge facing the UHWI.

Despite the comprehensive responses from the UHWI to the AG's Report, for example, there continues to be a reasonable basis for concern about implementation given the poor implementation track record of governance improvements at the UHWI.

One option that this Committee has considered is the establishment of a separate oversight structure to assess and report to the public on the extent to which the UHWI is successfully implementing the recommendations from the AG's Report.

This is an approach that has been taken in response to national crises in Jamaica over the last fourteen years. Oversight committees have been established in relation to Jamaica's debt crisis (Economic Programme Oversight Committee (EPOC)); crime and violence crisis (Crime Monitoring and Oversight Committee (CMOC); Covid-19 Pandemic Health Crisis (Covid-19 Economic Recovery Task Force); educational crisis (Education Transformation Oversight Committee (ETOC); and, climate change crisis, as reflected in the establishment of the Jamaica Recovery and Resilience Oversight Committee (JAMRROC).

We have decided against such a recommendation on the basis that we consider that the challenge of governance and oversight at UHWI is a national problem, but not a national crisis.

We consider a national crisis to be a situation of intense danger, difficulty or instability requiring urgent action to prevent a national collapse. We consider a national problem to be a national situation that presents difficulty, uncertainty or challenge that requires a solution.

In the case of Jamaica's debt and crime and violence crises, Jamaica, in 2013, ranked among the worst three countries in the World with respect to its ratio of debt to GDP and its rate of murder. In the case of Jamaica's crisis of inadequate education and training, while its ranking on educational scores is more internationally middling, it faces a disproportionate need to improve radically educational and training levels

given its status as a small, developing country with no significant natural resource advantage.

Jamaica's disproportionate risk resulting from its lack of natural resource advantages and scale was also evident as the Country sought to respond to the Covid-19 pandemic. Its heavy reliance on tourism required concerted national effort, anchored in the multi-sector Covid-19 Economic Recovery Task Force. This Task Force coordinated oversight and implementation activities as it sought to ensure that

Jamaica's response to the pandemic was fit for purpose, including agitating for the Country's borders to be reopened quickly and safely, as Jamaica sought to balance lives and livelihoods. Trinidad and Tobago, which is not nearly as tourism dependent as Jamaica because it has a natural resource advantage, did not face a similar urgency to reopen borders. Jamaica's borders were reopened in three months, while Trinidad and Tobago maintained rigid border protection for over one year.

Jamaica, as a small tropical island, also has a disproportionate, and indeed, existential risk associated with the global climate crisis. The reality of increasingly severe weather systems, driven by global warming, and global nonchalance with respect to environmental protection, places a particular premium on resilience planning, and implementation. These are the mandates of the proposed National Reconstruction and Resilience Authority (NaRRA) over which JAMRROC will have oversight.

We are of the view that it is neither feasible nor sustainable for Jamaica to offer as a solution to every national problem, oversight activities from volunteer stakeholders, while the Country expends significant resources on remunerated Oversight Bodies. These Bodies must be made to function effectively, and where National policy or laws need to be changed, or Institutions granted additional resources, this should be the preferred response to dealing with national problems.

In organisations with significant experience in internal audit processes, if an organisational unit receives an adverse internal audit report, the response is not to set up an alternative structure to monitor the implementation of corrective measures. Rather, the typical response is to more adequately resource the internal audit department to allow it to conduct follow up reports to measure compliance, and to have those with operational responsibility for the audit breaches give direct account of their resolution efforts to the Board through its Audit Committee.

But while this Committee does not consider UHWI's governance problem to represent a national crisis, it is of the view that the degree and longevity of these governance challenges constitute a major national problem, particularly in the context of the unique status of UHWI within Jamaica's health system.

It is against this background that this Committee is of the view that relying exclusively on the normal Board monitoring of implementation progress that would be

appropriate for most national problems, is unwise given the level of culture change required within the UHWI, and the fact that the Board Members required to monitor implementation do so on a non-executive basis.

The Committee therefore proposes that UHWI's parent entities should dedicate resources to create full-time support for the Board of UHWI, by drawing on third party expertise, in ensuring implementation of the changes recommended to improve compliance culture, governance and management within the Institution.

# Recommendations

This Committee endorses the actions and recommendations of the Management, the Board and the Board Sub-Committee, as outlined earlier, in relation to the AG's Report. The Board action proposed recognises the responsibilities of an operational oversight Board whose relevant statute gives it full responsibility for operational effectiveness.

Against the background of the Committee's deliberations and findings, the following five recommendations aim to mitigate the risk of continuing governance and management challenges at the UHWI. These recommendations may appear resource intensive in the short-term, but improved governance and oversight at the UHWI is likely to lead to improved efficiency that ultimately saves national resources.

## 1. "Fit for Current Purpose" Legislation Amendments

The UHWI Act has served the Hospital and Jamaica reasonably well, but it needs to be revised, based on consultation between the MOHW and the UWI.

In relation to Board membership, the Board is too large, and its composition is not well aligned to the Institution's financing reality. These issues should be addressed in the revised legislation. While this Committee proposes that the UHWI and the MOHW should agree on the total Board membership and the number of ex-officio positions that need to be retained, it also recommends that, given the link between the UHWI and medical practice in Jamaica, the existing principle of Board representation from a Medical Association is reasonable and should be retained. It is important, in this respect for there to be full adherence to the principle of representation, manifest by the relevant Association having full control of the nomination process.

Further, this Committee is of the view that the Dean of the Faculty of Medical Sciences (FMS) at UWI, Mona should continue to serve as an ex-officio Board member, but as Dean of FMS, Mona, which is not how the position is currently worded in the Act.

On the other hand, given the conflating of the roles of management and oversight identified earlier in this Report, this Committee recommends that the Chairman of the Medical Committee should not hold a seat on the Board, aligning that position's status vis-à-vis the Board with that of the position of CEO.

Further, Section 14 of the UHWI Act needs to be modified to comply with the language of the Customs Act 5 (2) (b), in which tax exemptions are legislated for the UWI and the Council on Legal Education.

## **2. Improved Strategic Management, Medical Education and Human Resource Practices**

UHWI should adopt appropriate management practices including the urgent development of an internal strategic planning capability, limits for the term of the Chair of the Hospital Medical Committee which should mirror the two term limit that is applicable to Heads of Departments and Deans at the UWI, and an emphasis on consultative decision making processes, but with clear lines of reporting authority. The UHWI should follow the regular practice of corporate and public bodies in employing a Corporate Secretary to assist in the management of the reporting and information management activities of the Institution.

The procedures for appointing the Chair of the Hospital Medical Committee should also align with UWI practice. The Chair should be appointed using the standard UWI Human Resource consultative process for the appointment of Academic Leaders with the final appointment decision residing with the Campus Appointments Committee. This process aligns with the role's primary function of managing the teaching, learning and research environment.

The UHWI and the UWI should ensure that proper contractual arrangements are in place for all staff. Further, the CEO and the UHWI management team should have clear administrative authority over the performance and productivity of all medical personnel that provide services at the Hospital.

## **3. Improved Financial Governance and Financial Resources**

UHWI needs to improve significantly its financial governance arrangements. It needs to adopt a business model that maximises all relevant revenue possibilities. Processes of patient fee receivable management and other forms of revenue generation must be rigorously implemented, while inventory management and property management need to be urgently addressed with a goal to improve dramatically the financial circumstances of the Hospital.

The GOJ also needs to carefully consider the resource requirement needs of this unique institution within the Jamaican health system to ensure that it has a reasonable opportunity to meet its national mandate. An unpaid tax obligation of at least J\$40 billion, inclusive of penalties and fees, owing to TAJ by a Public Entity which is financed primarily by the GOJ is a clearly untenable situation. This circumstance needs to be rectified with urgency through inter-ministry negotiations, UHWI commitments and GOJ funding commitments. At a minimum, consideration should be given to the waiving of interest and penalties on the outstanding tax obligations.

Immediate attention should be given to finding a solution to the issue of the sharing by insurance companies of health coverage data.

## **4. Improved UWI and GOJ Oversight**

The UHWI is too important an institution to the UWI and the GOJ for it to suffer from deficiencies in strategic oversight and monitoring. Resources are challenged for both the UWI and the MOHW, but both should make an effort to put in place structures and systems that monitor the pace of implementation of the measures proposed to improve governance and management.

A service level agreement between the MOHW and UHWI, in a manner similar to those that exist between the MOHW and the Regional Health Authorities, is in the process of being developed. It should be implemented with urgency.

## **5. Enhanced Board Oversight Support**

Within ninety days of the delivery of this Report, the MOHW, along with UWI, should make specific arrangements, for a period of at least one year, with an independent third party provider of international reputation, for full time Board oversight support. This support must assist the Board with the development of a critical path plan, with milestones and timelines, for the monitoring of the implementation of the recommendations arising from the AG's Report, and those of this Committee, and the reporting on a monthly basis to the MOHW and the UWI, and on a quarterly basis to the PAC.

The third-party provider should have expertise in culture and governance change in hospitals of the structural complexity of the UHWI.

The terms of reference of the assignment should include delivery of proposals on staffing arrangements that create the best possibility of ensuring that UHWI maintains its integrity as a Teaching Hospital, while providing appropriate levels of public clinical service.

# Conclusion

In conclusion, this Committee is of the view that the remedies identified in this Report will only be effectively and permanently implemented if a deliberate cultural change is effected within the UHWI. The mind-set of both the Board and Staff will have to be receptive to the recommended changes, leading to the Institution and staff members internalising the efficacy of good governance and accountability.

The Committee is also of the view that this cultural mind-set shift can be accelerated with appropriate levels of support from the GOJ's governance and accountability ecosystem applicable to the operations of Public Bodies.

## Committee Membership

The members of the UHWI Institutional Review Committee who have participated in the public service engagement reported upon in this document are:

Mr. Howard Mitchell, Past President, PSOJ (Chairman)

Ms. Kadian Birch, Chief Programme Officer, MOHW

Professor Marvin Reid, Office of Deputy Principal, UWI, Mona

Ms. Angela Robertson, Attorney at Law

Mr. Joseph Taffe, Retired Chief Audit Executive, Grace Kennedy Group.

Professor Alvin Wint, Emeritus Professor, International Business, UWI

Ms. Melissa Rhule of the MOHW provided secretarial and administrative assistance. The Committee Members hereby express their gratitude to Ms. Rhule and the MOHW for the provision of efficient secretarial and administrative support.

# Appendix 1

## List of Interviewees

Dr. the Hon. Christopher Tufton, Minister of Health and Wellness

Dr. Alfred Dawes, Shadow Minister, Health and Wellness

Professor Densil Williams, Pro Vice Chancellor & Principal, UWI, Mona.

Mr. Errol Greene, Permanent Secretary, Ministry of Health and Wellness

Hon. Patrick Hylton, Chairman of the Board of Directors, UHWI

Mr. Eric Hosein, Acting CEO, UHWI

Dr. Carl Bruce, Chair Hospital Medical Committee, UHWI

Mr. Ainsworth Buckeridge, Senior Director, Public Procurement, UHWI

Mr. Dwight Mcleish, Chief Audit Executive, UHWI

Mr. Wideanelage Gihan de Mel, Senior Director, Finance & General Accounting, UHWI

Mr. Duane Nelson, Senior Director, Human Resource Management and Development, UHWI

Clinical Medical Heads and Consultants, UHWI

Senior Nurses, UHWI

Retired Senior Consultants of the UHWI

