



Government of Bermuda
Ministry of Health and Seniors

Ministerial Statement

Senator Lynne A. Woolridge, J.P.
THE JUNIOR MINISTER OF HEALTH AND SENIORS,

ON:
The Dissolution of Healthcare Partners Limited

December 4th 2013

Good Morning **Madam President,**

Today I am providing a statement on the winding up of Healthcare Partners Ltd. (HPL).

The Senate will be aware that the Bermuda Hospitals Board has taken a decision to wind up Healthcare Partners Limited by the end of the current financial year.

Healthcare Partners Ltd. is a wholly owned subsidiary of the Bermuda Hospitals Board and was incorporated on September 24, 2008. BHB is the sole shareholder of HPL. The original purpose of HPL was to enable the Bermuda Hospitals Board to develop new services and opportunities for the generation of additional revenue through public private partnerships. HPL was also designed to provide the Bermuda Hospitals Board with the flexibility to provide enhanced medical services to the community.

Madam President,

The Bermuda Hospitals Board has concluded that the original purpose for which HPL was formed no longer exists and as such it should be dissolved as quickly as possible. The BHB's aspiration is that HPL should be wound up by the end of the current financial year and this was announced in July of this year.

A recent report by the Department of Internal Audit, a synopsis of which the Bermuda Hospitals Board published in the quarterly report on 31 October 2013, found serious concerns with regard to both the governance and the operations of HPL since its incorporation. The review found that, and I quote an extract: “as a result of an unclear operational purpose for Healthcare Partners Limited (HPL) the auditors were not able to determine how HPL fitted into BHB’s operational model and strategy. The auditors therefore could not determine the true organizational impact of HPL’s existence on BHB’s operations or whether HPL was achieving its intended purpose.”

Madam President,

The current Bermuda Hospitals Board recognized the issues and has taken positive steps to wind up the company and to the extent possible, recover the funds it had invested. The Board of the BHB fully accepts the findings of the Director of Internal Audit’s report.

Healthcare Partners Ltd. comprised three main business units, Physician Billing, Medical Concierge Service and Ultimate Imaging Ltd..

Arrangements are being made by the Bermuda Hospitals Board to transfer Physician Billing to the BHB Finance Directorate.

BHB recognizes that the Medical Concierge provides a valuable service to those patients and their families who have to travel overseas for medical attention. However the business has failed to live up to its financial expectations and BHB is reviewing the options as to whether this service should be retained in-house by BHB, if at all, and if so what the service should look like.

BHB has taken several important steps with regard to Ultimate Imaging Ltd. that will enable Healthcare Partners Ltd. to be dissolved. This work is ongoing.

In closing, **Madam President**, everyone will be aware that the financial position of the Bermuda Hospitals Board is challenging and that it has to make tough decisions. The Healthcare Partners Limited venture has failed to deliver the benefits that were expected of it and as such the Bermuda Hospitals Board has taken this decision to wind up the company.

Thank you, **Madam President**.