



NORTHUMBERLAND HILLS HOSPITAL

inspiring strength, dignity and compassion

NEWS RELEASE – FOR IMMEDIATE RELEASE

“Shared Challenge, Shared Solution” – NHH launches a collaborative balanced budget strategy for 2009/2010

NORTHUMBERLAND COUNTY, Friday, December 12, 2008 – A series of CEO-led staff forums wrapped up at NHH earlier today, focused on the budget challenges facing NHH and the need to continue to work together to find solutions.

Considerable savings have been realized by staff and management in fiscal year 2008/2009, reducing an operating deficit budgeted at \$1.5 million to \$800,000 without impact to patient services. Despite these efforts, the projected operating deficit for NHH in fiscal year 2009/2010 is estimated at \$2.0 million (or 3.6% of the total budget).

In April, NHH signed a Hospital Service Accountability Agreement (HSAA) with the Central East Local Health Integration Network (CELHIN). The CELHIN is one of 14 networks that have been established by the Government of Ontario as community-based organizations to plan, co-ordinate, integrate and fund health care services at the local level, including hospitals. While the HSAA acknowledged the broader systemic problems impacting NHH, such as costs associated with a shortage of physicians and Alternative Level of Care (ALC) patients, it committed NHH to work together with the CELHIN to develop a plan for balancing its budget. Furthermore, the HSAA does not release NHH from any amount of operating deficit that may be incurred.

The message to staff this week from President and CEO Robert Biron: “Additional savings, either through more operational efficiencies or other creative solutions must be found if we are going to meet the hospital’s financial obligations. We simply cannot spend beyond our means today if we wish to remain a strong hospital in the future.”

To that end, Biron outlined for staff a multi-stream budget strategy anchored to the hospital’s strong culture of collaboration and teamwork. The strategy has been labeled as *“Shared Challenge, Shared Solution”* in order to emphasize the need for everyone to participate and contribute in addressing the problem.

The first phase of the budget strategy focuses on initiatives that must be completed internally by the hospital team. Biron emphasized: “It is imperative that the Hospital exhaust all opportunities for efficiencies before contemplating changes in services. Even

though NHH is already an efficient hospital compared to its peers, we must do better. While staying true to our high quality of patient care, we must be even more aggressive in reducing waste, more progressive in keeping pace with best practices and more innovative in finding local solutions. Working with the CELHIN and other health service providers, regional integration opportunities will continue to be explored.”

In the event that the first phase of the budget strategy fails to achieve the complete savings target of \$2 million, then the second phase of the strategy will be launched. This phase would include a community engagement process to explore options related to service changes. Sid Trevail, NHH Board Chair, notes: “The goal here is to do everything in our power to avoid impacting access to patient services and our workforce. While these are difficult times and require difficult choices, the best outcome can be achieved by having a proactive, inclusive dialogue with our community.”

For more information, please contact Jennifer Gillard at 905-377-7757 or jgillard@nhh.ca.

About Northumberland Hills Hospital – The Northumberland Hills Hospital (NHH) is located approximately 100 kilometres east of Toronto. The 137-bed acute care hospital delivers a broad range of services, including emergency and intensive care, medical/surgical care, complex/long-term care, rehabilitation, palliative care and obstetrical care. A variety of ambulatory care clinics are also offered at NHH. In addition to these, NHH also sponsors a Community Mental Health Centre and an Assertive Community Treatment Team. The hospital serves the catchment area of west Northumberland County. A mixed urban and rural population of approximately 60,000 residents, west Northumberland comprises the Town of Cobourg, the Municipality of Port Hope and the townships of Hamilton, Cramahe and Alnwick/Haldimand. NHH employs close to 600 people and relies on the additional support provided by physicians and volunteers. NHH is an active member of the Central East LHIN. For more information, please visit www.nhh.ca.

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