



ANNUAL AND SPECIAL MEETING OF THE MEMBERS

Building a Sustainable Future

Thursday, June 17, 2010 Best Western Inn, 930 Burnham Street, Cobourg 6:00 PM - credentialing 7:00 PM - meeting begins

NHH IS A HIGH PERFORMING HOSPITAL AND WE CARE ABOUT ITS FUTURE. WE WANT YOU TO KNOW THE FACTS.

A message from John Hudson, Chair of the Board of Directors

Reflecting on recent events relating to our Hospital's operating and service plans, and the Last week, CAS finally accepted the Hospital Board's third offer for a meeting to hear their (CAS) which has challenged the Board's decisions, it is time to stand back and take stock. NHH, its Board and CEO. I say it is time not only to stand back, but to stand up.

formation of a special-interest group referred to as the Citizens for Alternative Solutions "alternative solutions." They used the opportunity to spread inaccurate information about

CAS POSITION	REALITY
The CEO controls the Board; the Board is a "rubber stamp"; the Board has failed to complete its due diligence on the budget and service plans.	The NHH Board includes 12 volunteer community members that have spent a significant amount of time and energy over the past 18 months – including extensive public consultations – while considering scenarios and options to balance the budget and ensure the long-term viability of our Hospital. Combined, the members of the NHH Board have almost 50 years of governance experience at your Hospital Board table. All members of our Board care deeply about our Hospital and community – this is more than enough motivation to ensure thoroughness in our work. The behaviour of a very small number of self-appointed and not fully informed members of CAS seek to question the integrity of experienced, well qualified Board member volunteers from our community, our CEO and our Hospital. It's time for the nonsense to stop.
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There was insufficient public consultation by the NHH Board in developing their plans and decisions.	NHH enjoys a very strong relationship with its community. Respecting this, the Board took the necessary time over the past year to complete extensive internal and public consultations.
	They included an innovative first for Ontario hospitals – a civic lottery that selected a 25-member Citizens Advisory Panel. In the words of the Health Minister, Deb Matthews, "I think this is a very innovative approach that [NHH] took the citizens advisory panel was something that I think other hospitals may wish to explore."
	The NHH Board has been proactive in alerting the community to the challenges at hand and seeking input before decisions were made. We have made difficult choices with that input, and we have been forthright in sharing these decisions.
NHH Board did not consider additional savings in administrative and management costs.	The NHH Board exhaustively reviewed all opportunities for cost savings. In fact, budgets over the past 18 months have included reductions in management personnel and all facets of Hospital operations. But we were not prepared to jeopardize quality patient care.
	As such, the budgets also included new investments in management and administrative positions to ensure that the Hospital has the in-house expertise to drive further cost savings and to maintain and enhance quality and patient safety.
	NHH has demonstrated that it is one of the leanest hospitals in the province when it comes to management costs. Central East LHIN Chair Foster Loucks confirmed this in an interview with CHEX TV on March 17, 2010 when he said: "That hospital [NHH] is probably the leanest in the whole province when it comes to administration."
	The CAS proposal is irresponsible and would cut management so deep that it would compromise patient care and safety. NHH will not compromise on its mission to provide exceptional, safe patient care.

The CAS specifically stated that they agree with the following from the NHH Board's operating and service plan:

- · a balanced budget;
- long-term care and Alternative Level Care beds operated by other providers in the community; and
- diabetes education being delivered in the community.

In addition, the following ideas for "alternative solutions" were presented, which are already part of the Hospital's new Strategic Plan:

- a commitment to ongoing community engagement;
- development of new revenue sources;
- · an on-going commitment to operating as efficiently as possible, including an investment in the implementation of quality improvement methods; and
- investigation of additional regional shared services with other hospitals.

Our Board stands behind the sound management in place at NHH today. We commend President and CEO Robert Biron and the entire Hospital team for the creative and diligent work that has gone into finding a workable solution to our Hospital's challenges.

HERE ARE THE FACTS:

- The NHH plan is approved and supported by the Central East LHIN. We are accountable to the LHIN to meet our legal obligations to balance our budget.
- Our plan ensures the long-term viability of our core acute care services.
- Patient quality and safety have not and will not be compromised. This was confirmed by our outstanding 2010 Accreditation report.
- NHH has a new Strategic Plan that will guide our continued success in the future. With your continued support NHH will remain a high performing Hospital serving our patients and community.