



NEWS RELEASE – FOR IMMEDIATE RELEASE

NHH Board finalizes 2010/11 budget and service plans – Decisions reflect community input to focus resources on acute care services

NORTHUMBERLAND COUNTY, Thursday, March 4, 2010– At a special meeting last night, the NHH Board of Directors deliberated and finalized its 2010/11 budget and service plan. The plan ensures that the Board meets its financial obligations to balance its budget and repay debt, while maintaining quality and safe patient care for acute care services. The purpose of this release is to summarize the Board's decision and the consultative process that preceded it.

Financial Highlights

By the end of this fiscal year on March 31, NHH will have run three consecutive years of operating deficits in order to maintain the current level and scope of services. In doing so, NHH has accumulated a significant debt load which, if left unaddressed, compromises the long-term viability of the organization.

Significant operating efficiencies have been implemented in the last year, without impact to patient services or quality of care. Most recently, these have included supply chain initiatives, improvements to drug inventory management and food services.

Unfortunately, all of these efficiencies, and those announced prior, are not enough to address the deficit and the status quo is not an option. Operating costs continue to rise, the demand for services continues to grow and revenues are not keeping pace with inflation.

Earlier today, NHH provided notice of the budget decisions to staff and the three unions affected by this announcement—the Ontario Nurses Association (ONA), the Canadian Union of Public Employees (CUPE) and the Ontario Public Service Employees Union (OPSEU).

Stakeholder and Public Input

During the past year, before plans were developed or decisions made, the Hospital Board took the time to complete extensive consultation with its internal stakeholders and with its community to develop and assess options relating to changes in patient services. Initiated in August of last year, the goal of these consultations was two-fold: transparency around the challenges facing the Hospital, and inclusive input from the

stakeholders involved before decisions were made by the Board. Input from all stakeholders—community, physicians, staff, volunteers, Hospital Foundation, management, other HSPs and the LHIN—was sought. For details on the engagement process and related materials, please refer to the *Shared Challenge, Shared Solution* section of the Hospital website at www.nhh.ca.

In making the announcement to staff, President and CEO Robert Biron put to rest the rumours that have circulated in recent weeks, and thanked staff for their patience as the Board and management team completed their due diligence.

“Open and frank discussions about the realities we face have not been easy, particularly on our staff,” Biron acknowledged. “This, we have learned, is the cost of transparency. But it was the right thing to do. For our community, it has resulted in awareness of the challenges their hospital faces and, for the Board, a better understanding of the expectations and values of the community we serve. There have been many discussions around our options. We are confident that we have struck the right balance between returning the Hospital to a stable financial position, while maintaining the community’s expectations of the health care services it wants to receive from its hospital.”

Comprehensive Alternative Level of Care Strategy

One of the key components of this budget is a commitment by NHH and the Central East Local Health Integration Network (CE LHIN) to address the growing number of Alternative Level of Care (ALC) patients. ALC patients are those individuals that have completed their acute care treatment, but remain in hospital waiting for placement in community-based services.

Through CE LHIN initiatives aimed at supporting seniors in healthy environments and reducing emergency department wait times, the hospital and the CE LHIN are implementing strategies to reduce the number of ALC patients at NHH. These strategies include:

- New community-based bed capacity for interim Long-Term Care beds and Restorative Care beds in order to alleviate the pressure on hospital resources;
- Geriatric assessment and treatment in the community; and,
- Home First and senior friendly care initiatives through the Central East CCAC and other local community support service providers.

In addition, NHH will be implementing the following ALC strategies in the coming year:

- Wrap-Around Initiative through new funding from the Central East LHIN. This strategy focuses on supporting patients in their discharge to home;
- Hospital Elder Life Program (H.E.L.P.) an innovative model of care that assists in maintaining the mental and physical function of older adults who are at high risk of decline during hospital stays; and
- Opening 8 new Restorative Care beds focused on returning individuals to their highest level of independence in the community.

Service Changes

Taking into consideration stakeholder and public input, and focusing on the Hospital's acute care services, the service changes included in this 2010/2011 budget are set out below. Key to these changes are the ALC strategies noted above of the CE LHIN and new community-based bed capacity.

- Closure of (11) Interim-Long-Term Care and (7) Complex Continuing Care beds
- Closure of (16) Alternative-Level-of-Care beds

In addition, the following service closures will be implemented:

- Closure of Diabetes Complication Prevention Strategy Clinic (Diabetes Clinic)
- Closure of Outpatient Rehabilitation Program

Working closely with the Ministry of Health and Long-Term Care and the Central East LHIN, NHH will be implementing the above noted service changes in a manner that will ensure a smooth transition for our patients and our community.

As an additional efficiency, this budget also includes plans to integrate the Monday to Friday, 1:00 PM to 6:00 PM Fast Track service into the main operation of the NHH Emergency Department. This is the current practice during the off-hours of that service. The timing of this change will be announced in the near future.

Said John Hudson, Board Chair: "These were difficult choices. We are extremely grateful for the input provided to our Board in the last year. Physicians, Citizens' Advisory Panel members, staff, volunteers and the NHH Foundation all stepped forward to contribute to this process. The participation we have seen is, without a doubt, an affirmation of the incredible support this Hospital enjoys from its community. It made us work that much harder to find a workable solution that will return financial stability to Northumberland Hills Hospital while maintaining our Hospital's focus on acute care services."

"Ontario hospitals are required to balance their budgets. Running the Hospital further into debt and risking the long-term sustainability of the organization was not an option," Hudson added. "Had the Board chosen last night to avoid the tough decisions, the experience of surrounding communities tells us that the financial challenges would have quickly multiplied. Eventually, the province would have assigned someone from outside our community to make those tough decisions on our behalf. While these decisions are extremely difficult—for the Board, management, and obviously the patients and staff affected—they reflect the strong local consensus that our facility must focus on acute care services."

Next Steps

The wind-down of patient care services is confirmed at present for only one of the areas identified above: Diabetes Clinic. Funded directly from the Ministry of Health, NHH will work with the Ministry and family physicians in the community between now and April 30 to alert the Program's patients to the change, and ensure a smooth transition to alternative services available to them in west Northumberland.

The next step for the Board is to secure Central East LHIN Board approval for the changes proposed. The next meeting of the CE LHIN Board is set for March 16, and the Hospital is expecting a timely response to the service and budget plans set out above.

Changes and timelines for all other patient services named will be shared as details become available. Those with questions or concerns are encouraged to contact Jennifer Gillard, at the number below.

Subject to CE LHIN approval, the final impact of the changes on staff at NHH will not be known for several months. In cooperation with the union partners named above, NHH will work through redeployment processes, including offers of early retirement and other initiatives, to minimize the number of individuals who leave the Hospital involuntarily.

For further information from Northumberland Hills Hospital, please contact Jennifer Gillard at 905-377-7757 or jgillard@nhh.ca. For further information from the Central East LHIN (www.centraleastlhin.on.ca), please contact Katie Cronin-Wood, 1-866-804-5446, ext. 218 or Katie.croninwood@lhins.on.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.