



An Affiliated Teaching Site of McMaster University School of Medicine



Revised Hospital Improvement Plan
Presentation to the Waterloo Wellington
Local Health Integration Network
November 26, 2009
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Presentation Outline

Role of CMH

Current Situation & Next Year's
Budget Challenge

The Approach to the Challenge

Improvement Themes

R-HIP Key Initiatives

Staff Changes

Next Steps

Role of CMH

- Important role in acute care services for large community (140,000 +)
- Need to maintain acute care services – emergency care, ICU, surgical, medical, obstetrics, paediatric, mental health, diagnostics, etc.
- Strengthen partnerships with other providers to ensure access for Cambridge and area residents
- Need to be positioned to develop broader acute care role within region & WWLHIN

Current Situation

- **Need to balance our budget**

- We've come a long way! Expected \$5.6M deficit for 09/10 reduced to \$2.5M because of our implementation of already approved initiatives.
- Address 2010/11 challenge (see next slide)

- **Reduce our debt**

- \$8M line of credit needs to be reduced! Separate operating and capital.
- \$3M of this debt is capital equipment: use capital lease, loans
- Reduce line of credit to \$4M operating line (as per external review)

- **Invest in our future**

- Need a \$2M to \$3M annual surplus to invest in new equipment and services on an ongoing basis in future years

Next Year's Budget Challenge

- **2010/11 Assumptions:**
 - 4.5% overall cost inflation (collective agreements, drugs, med/surg, medical fees): \$4.5 M
 - 0% global funding increase
- **To balance the budget in 2010/11:**
 - Opening deficit approximately \$2.5M
 - New operating cost pressures: \$4.5M
 - Restructuring and capital costs: \$2.5M to \$3.5M
 - Need for capital \$1M to \$2M
 - Must find approximately \$11M

Key Principles Guiding our Approach to the Challenge

- Transparency
- Engagement
- Multiple data sources – historical information, benchmarking
- Some mini-reviews of departments
- Inquiry and examination

Our Approach to the Challenge

- Significant engagement of our leaders
 - Build awareness of Hospital Improvement Plan
 - Regular communication, information on our intranet, departmental presentations
- Consultations with staff, physicians
 - Multiple open sessions for staff
 - “Post it” note session in cafeteria to generate ideas (200+ ideas)
 - Discussions at physician group meetings

Our Approach (cont'd)

- Departmental Review
 - Cost centre by cost centre survey – historical performance, benchmarking, LEAN performance suggestions, staff ideas
 - Review Panel presentation – deep, respectful inquiry
- Full Day Session
 - Cross section of leaders, MD input – identify initiatives and develop performance improvement plan (R-HIP)
- Consultations with Medical Advisory Committee and Board
- Further consultations with staff planned
- Approval by Board

Improvement Themes

- Create leaner management structure
- Maximize acute care services, address alternate level of care (ALC) issue
- Address small unit inefficiencies
- Maximize the scope of practice – right health professional for the right patient
- Create partnerships for service provision
- Spread performance improvement culture
- Continue work on sick, overtime costs, supply costs
- Additional revenue opportunities

R-HIP Components

- Three components to the R-HIP
 - Initiatives approved by WWLHIN in June 2009
 - New initiatives identified in fall 2009
 - Initiatives submitted in June 2009 – required further analysis

#1 – Initiatives Already Approved

- Total \$ savings - \$4.0 M
- Have implemented most of these changes
- Minimal impact or changes to direct care areas
- Initiatives include:
 - Reductions in management, supervisory positions
 - Increased revenue
 - Improved supply management
 - Changes in Health Information Management as a result of new technology – electronic health record, regional dictation system

#2 - New initiatives identified in Fall 2009

- Total \$ savings – \$1.9M
- Extensive staff consultation in September and October
- 200+ cost savings ideas
- Initiatives include:
 - Improvements to attendance management – new system and reductions to sick time
 - Improved contract supply savings
 - Increased revenue associated with new ultrasound machine
 - Improved efficiencies by consolidating paediatrics and nursery

3 – Initiatives reevaluated and resubmitted

- Total \$ savings – \$5.0M
- Initiatives submitted in June – required further analysis and evaluation
- Initiatives include:
 - Clinical program changes that maintain the acute care capacity of CMH
 - Clinical program changes consistent with the directions and goals of WWLHIN
 - Clinical program changes that enable partnerships with community provider

Clinical Changes

- Six key initiatives
 - Consolidation of oncology/palliative beds
 - Create short stay surgical beds
 - Close 32 Complex Continuing Care (CCC) beds
 - Divest ambulatory clinics to community provider
 - Consolidate paediatrics and nursery
 - Changes to RN-RPN ratios

Consolidation of oncology/palliative beds

- Strong program of hospital – will continue to be provided
- New program will be mixed model of acute and post-acute care beds
- Strong physician endorsement of new model
- No changes to outpatient oncology program

Create short stay surgical beds

- Change 10 surgical beds to “short stay” allowing beds to be closed on weekends
- Change OR schedules to do more complex surgeries at start of week
- No reduction to number of surgeries done by hospital

Close 32 Complex Continuing Care (CCC) beds

- LHIN mandate to reduce ALC patient in hospital
- Currently have 50+ ALC patients
- Improved use of programs such as WWCCAC Home First will support patients to return to home and consider placement options
- Still exploring options for temporary nursing home on 5th floor at CMH

Divest ambulatory clinics to community provider

- Ambulatory care should be provided outside the hospital wherever possible
- CMH has proposed an integration agreement with Cambridge Centre for Wellness
- Hand clinic, ambulatory rehabilitation and cardiac rehabilitation program will be provided by community provider
- Service will continue to be available to Cambridge residents

Consolidate Paediatrics and Nursery

- Programs are both small and create inefficiencies when occupancy is low
- Staffing efficiencies created in a consolidated model
- Staff engaged in looking at models and options for consolidation
- No reduction in service

Changes to RN-RPN ratios

- Hospital has used RPN in many areas
- Program by program review undertaken to look at ratios
- Opportunities exist to increase the number of RPNs in some program
- Specific changes to Medicine, Surgery, Obstetrics, Same Day Surgery and Emergency

Staffing Changes

- Net reduction of approximately 85 FTEs (Full Time Equivalents)
- Strong HR strategy to reduce impact to staff including using vacancies for reassignment and deployment, options within the collective agreements
- Currently have approximately 20 vacant nursing positions

Next Steps

- Continue strong and open communication with staff and community
- Continue to work with union leadership concerning staffing changes
- Using a strong project management approach to implementing changes
- Changes will be lead by senior management committee and reported to the Board monthly

Town Halls – All invited!

- Holding 4 town hall sessions tomorrow to facilitate discussion with community
 - Cambridge Hotel & Conference Centre
 - 10:00 am, noon, 4:30 pm, 6:30 pm
 - Norfolk Room, Main Level
- R-HIP and presentation posted to www.cmh.org

Key Messages

- Strong plan that protects and enhances acute care services for community
- No reduction to acute care capacity for organization
- Program reductions at CMH offset by additional community programs
- Positions hospital well to be in a balanced position by March 31, 2011

What our staff are saying

- Staff recognize that this is a difficult time but acknowledge the need for change
 - *Thank you again for the very informative information you presented to us. I have been an employee at CMH for 29 years and this is the first time in awhile that I feel that we are moving forward in the right direction. I am very proud to work here and know that there are others that are just as pleased.*

Email from frontline staff member

What our staff are saying

“I appreciate the fact that you are willing to hear from the frontline staff. Thank you for your time and the work you are doing here to aid our hospital.”

Registered Nurse

“Brilliant idea to ask for help from the troops!”

Lab Assistant

“I like the transparency and the staff information sessions are a welcomed change.”

Staff Forum attendee feedback

Building a Healthier Community