



Preserving

Believing

Support

Campbellford Memorial Hospital 2009-2010

Learning

Delivering



Where we were

- After 4 months of operations (July 2008) the deficit was \$327,000
- On track for a \$980,000 deficit for the year

Cost Cutting/Revenue Expansion Measures Implemented Fall of 2008

Revenue Expansion

- Charges to third parties 50,000
- Increase in bone density days 12,000

Cost Cutting Measures

- Lab review, implementation of recommendations 41,000
- Consultants and subcontractors utilized less 24,500
- Equipment maintenance contract 27,000
- Wages and benefits 90,000
 - Scheduler position eliminated
 - Dietician shared with the FHT
 - Chemotherapy program discontinued
 - Pharmacist shared with the FHT

All of the above are for six months

Where we ended up March 31, 2009

	\$
Revenues	16,268,000
Expenses	16,799,000
Net	-531,000

Before BSE and other votes



Pressures

- Single Use Items
- Patient Transfer
- Community Lab
- C-DIFF

Single Use Items

The use of single use items have been on the rise with the focus on Patient Safety. The increase in the single use items has added to our deficit by approximately \$35,000.

The majority of the move to single use items has been completed. Therefore, the expense will have stabilized in the next fiscal year to the level of 08/09.

Patient Transfer

Patient Transfer costs attribute to our deficit by \$475,000 per year. These costs are a combination of salaries, transportation costs and charges from other facilities to perform procedures which we cannot.

The installation of the CT Scan is scheduled to begin operations in February of 2010 so this pressure will continue for the next fiscal year.

Community Lab Services

There is no community lab service in our area.

Consequently, we perform outpatient lab services through our in-house lab.

One of our largest expenses is referred out lab services. These expenses account for \$212,000 of our laboratory budget. **88% of referred out labs are outpatient for a cost of \$186,500 in direct expenses.**

C-Diff

The precautions and procedures put in place to prevent the spread of C-Diff had and will continue to have a cost implication. The cost is approximately \$82,000.

The effort has succeeded as we have had zero C-Diff rates since June 2008.

The same expense is expected in the coming year.



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Where are we going?

Enhancing

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March 31, 2010 Projection

	\$
Revenues	16,570,000
Expenses	16,860,000
Net	-290,000

Assumptions

- Unionized staff 3% (per negotiated contract)
- Management 0% (not sustainable)
- All other staff 2%
- Global base funding increase of 1.5%
- All of the current cost cutting measures remain in place for an annual savings of \$489,000 (\$244,500 in 08/09 for six months)



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What is next!

Patient Transport

- Possible opportunities to reduce patient transport by greater use of OTN and developing new relationships with consultant physicians
- Total potential cost savings total \$85,000



Partnership with our Doctors

- CMH has worked with medical staff to achieve savings of \$80,000 in stipends and other remuneration

Employee Benefits Premiums

- A reduction to our employee benefit premiums based upon our experience rating will result in an annual savings of approximately \$45,000
- The new premiums come into effect August 1 realizing a savings of \$30,000 for the 09/10 year



Community lab

- Working with our Family Health Team to reduce the number of out-patient referrals has seen a drop of 20%. This would translate to a savings of \$35,000 if the trend continues

Attendance Support Program

- A revised employee absenteeism program has been implemented April 1, 2009
- Avoidable absences have been targeted for a 20% decrease – savings of approximately \$35,000

Summary

Initiative	Savings \$
Patient Transport	85,000
Doctors	80,000
Employee Benefits	30,000
Community Lab	35,000
Attendance Support	35,000
TOTAL	265,000

Staffing FTE's

Area	FTE	%
Administration	10	8%
Patient Care	86	68%
Support Services	29	24%
Total	125	100%

Budget Dollars by Area

Area	2008/2009 (unaudited)	%	2009/2010	%
Administration	1,906,461	14.3%	1,782,448	13.4%
Patient Care	9,060,163	68.0%	9,057,482	68.4%
Support Services	2,354,195	17.7%	2,414,179	18.2%
Total	13,320,819	100%	13,254,109	100%

These numbers are net of any patient revenues or recoveries

Expenditures by Expense Category

Expense	2008/2009 (unaudited)	%	2009/2010	%
MOS Wages	1,906,461	12.4%	1,782,448	11.7%
UPP Wages	9,060,163	58.8%	9,102,482	59.7%
Medical Remuneration	593,985	3.9%	521,700	3.4%
Supplies	1,496,869	9.7%	1,494,153	9.8%
Sundry	873,051	5.7%	872,794	5.7%
Building & Equipment	938,923	6.0%	933,065	6.1%
Contracted Out	535,715	3.5%	548,800	3.6%
Total	15,405,167	100%	15,255,442	100%