

Peterborough Regional Health Centre

Presentation to CE LHIN Board of Directors

December 15, 2009

Meeting Objectives

- Provide an overview of PRHC
- Present quality and cost performance benchmarking
- Review our financial situation
- Outline efficiency plan moving forward

About PRHC



- PRHC is a regional centre and serves more than 300,000 people across four counties.
- Our hospital is the region's largest employer with 2,200 staff, approximately 350 physicians with privileges, and 600 volunteers.
- The hospital offers specialized services including cancer care, dialysis, cath lab, and interventional radiology – as part of one of the province's most technologically advanced Diagnostic Imaging departments.
- The Dembroski Emergency Department is among the busier in the province with approx. 73,000 visits last year
- Business plan for the new hospital approved by MOHLTC includes generating savings to repay long-term debt.

Recent Successes

PRHC opened a state-of-the-art, 715,000 sq ft hospital on June 8, 2008.

Recipient of 8 Architectural design awards

Construction on time and on budget (70/30 funding)

Opened and relocated 250 patients from two former sites without incident

Achieved \$4.5 million in savings in transition to the new hospital as part of the business plan. This has been validated by Deloitte auditors hired by CE LHIN.



- **Growth**

- Inpatient bed capacity of 494 – up from 373 at the old sites. This year, we brought 25 of those beds into service, for a total of 398.
- more CT scans and MRIs were performed
- In Cancer Care, the number of treatments doubled to almost 12,000 visits.
- five hundred more vascular, gynecology and dental surgeries were performed reducing wait times

- **CE LHIN clinical services plan**

- sites PCI and Vascular surgery at PRHC
- Identifies lead role for Maternal Child services and Mental Health for the NE cluster of our LHIN
- Partner with Lakeridge and CCO for Thoracic services

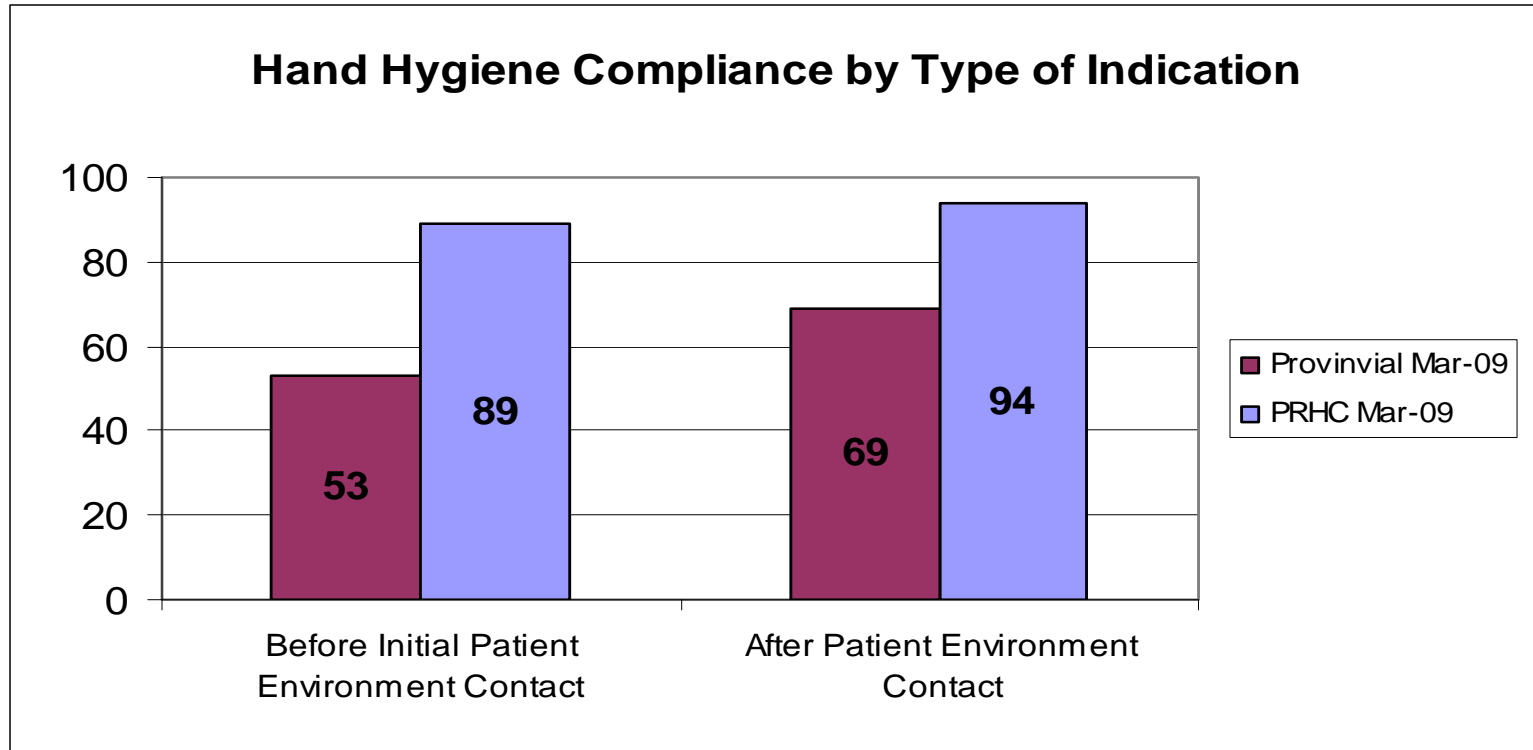
- **“A Great Place to Work”**

- recruitment of 21 specialists and 167 nurses – more than ever before.
- 0 nursing vacancies
- below average turnover rate – six per cent.
- 600 PRHC volunteers provided over 61,000 hours of service

- **More Successes**

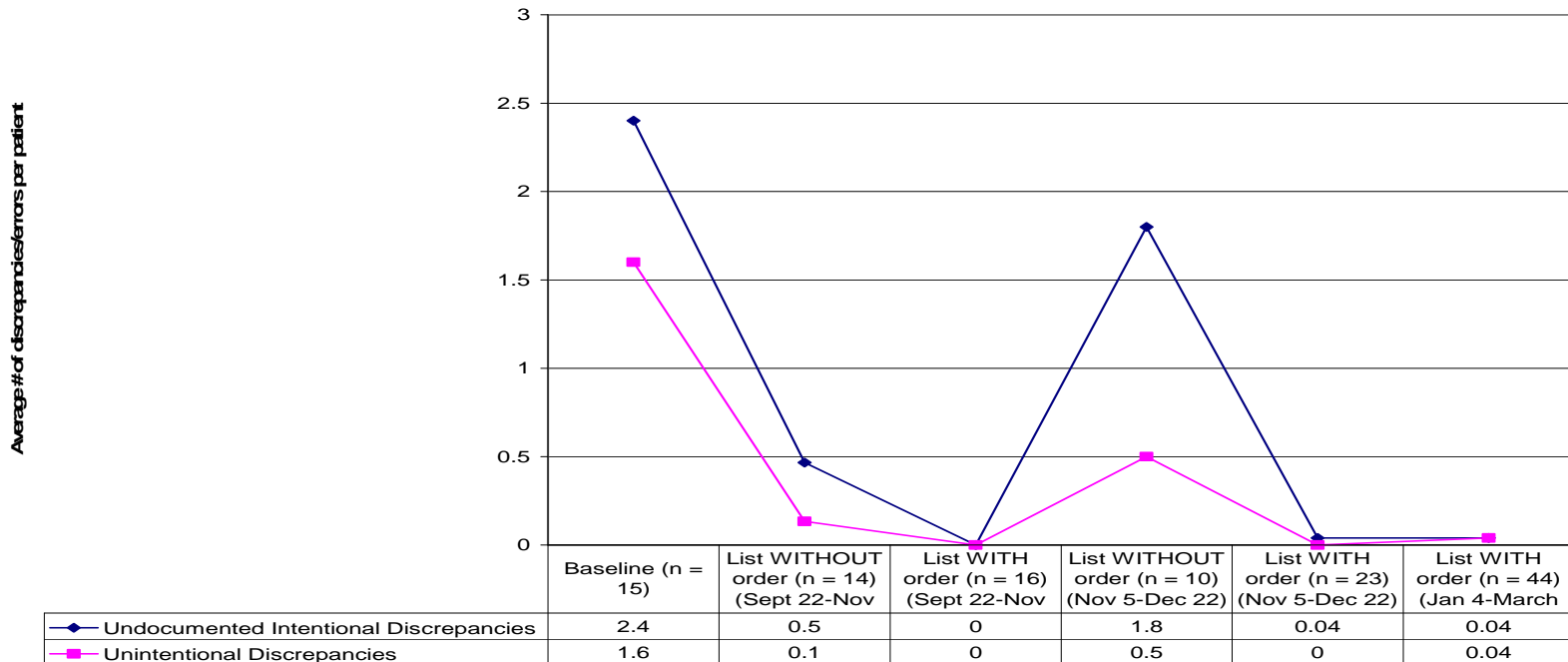
- One of the best hand hygiene results in the province
- Implemented more comprehensive surgical safety checklist than the Province before it was mandated
- Medication reconciliation pilot reduced errors by 75%
- Reduction in hospital acquired pressure ulcers by 50% in the last 3 years
- Pandemic plan including community partners
- Wait time results
- ER offload results – 60% faster than the province and 80% faster than the average in the LHIN
- Reduced lost time injuries – currently at 2.08 vs. a rating of 4 two years ago

Hand Hygiene Results



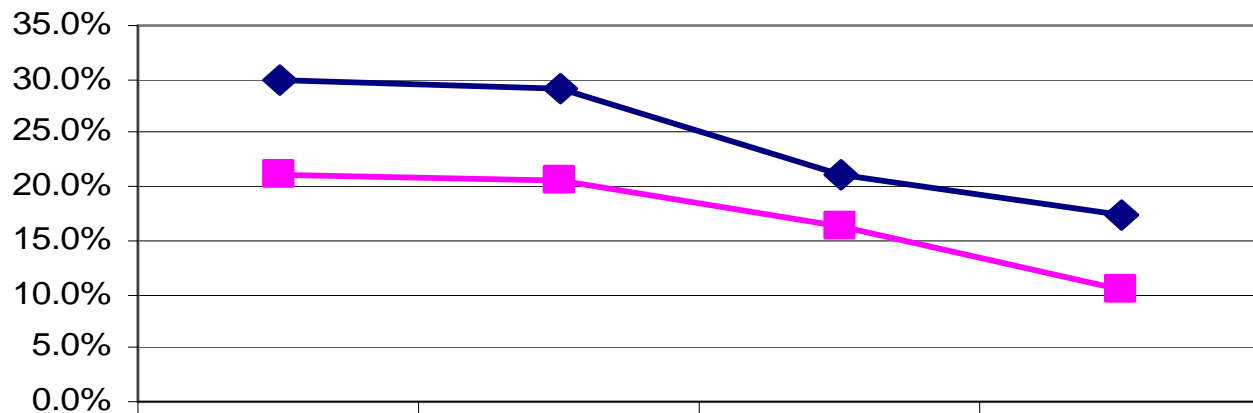
Medication Reconciliation Results

Medication Discrepancies Through Pilot Implementation



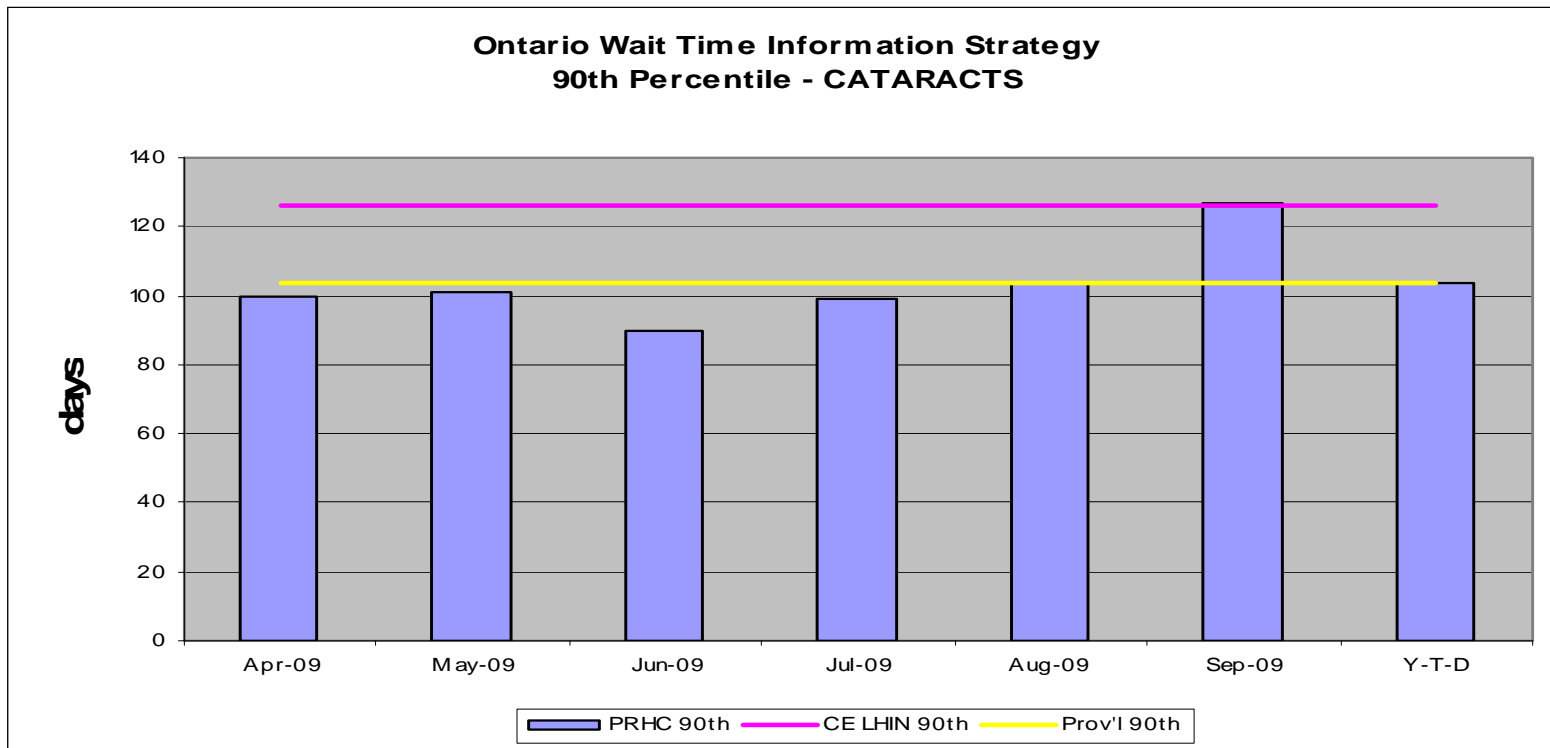
Pressure Ulcer Results

Pressure Ulcer Prevalence and Facility Aquisition

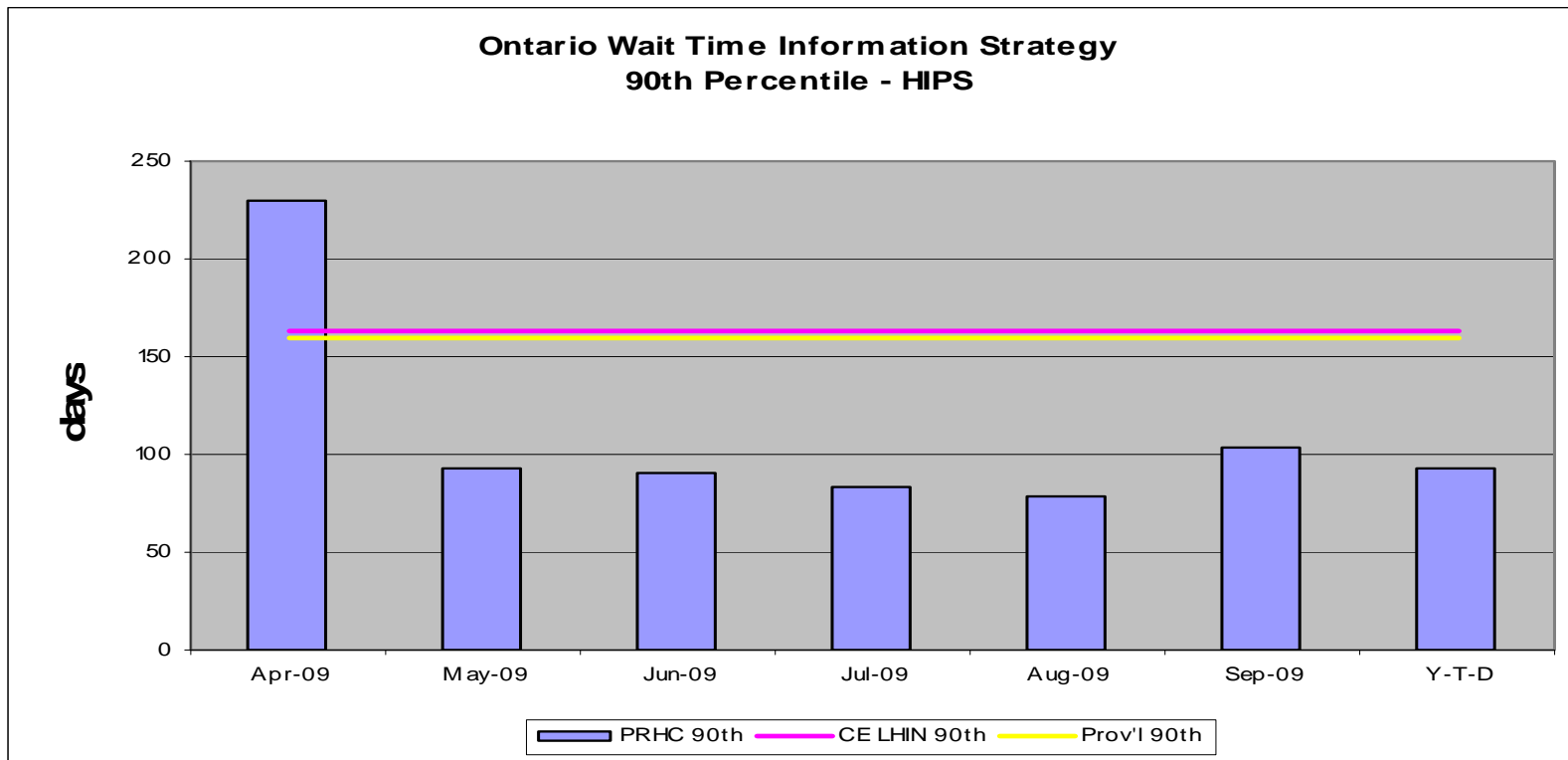


◆ PU Prevalence	29.8%	29.0%	21.1%	17.5%
■ Facility Aquired PU	21.1%	20.6%	16.4%	10.5%

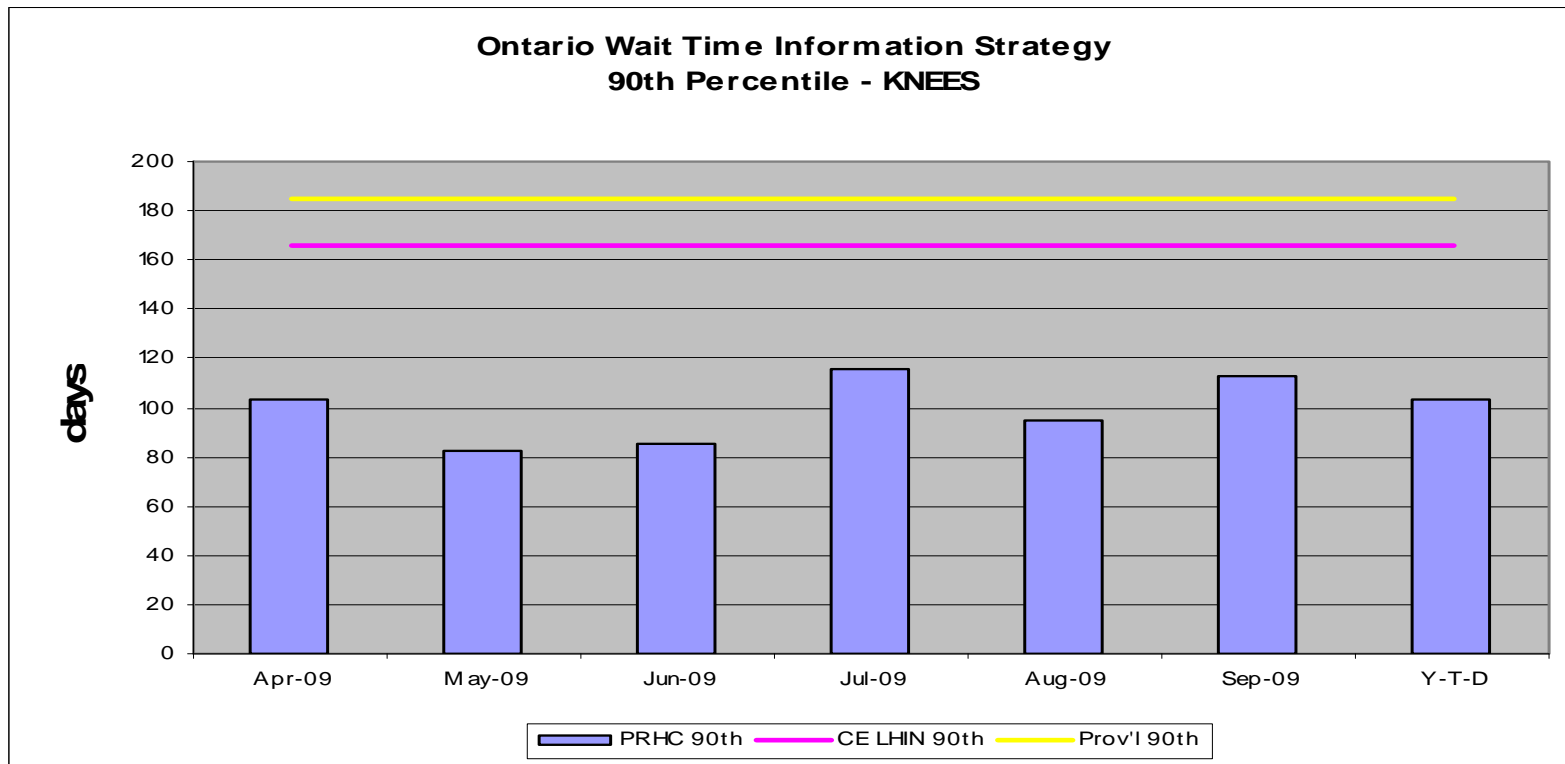
Wait Time Results



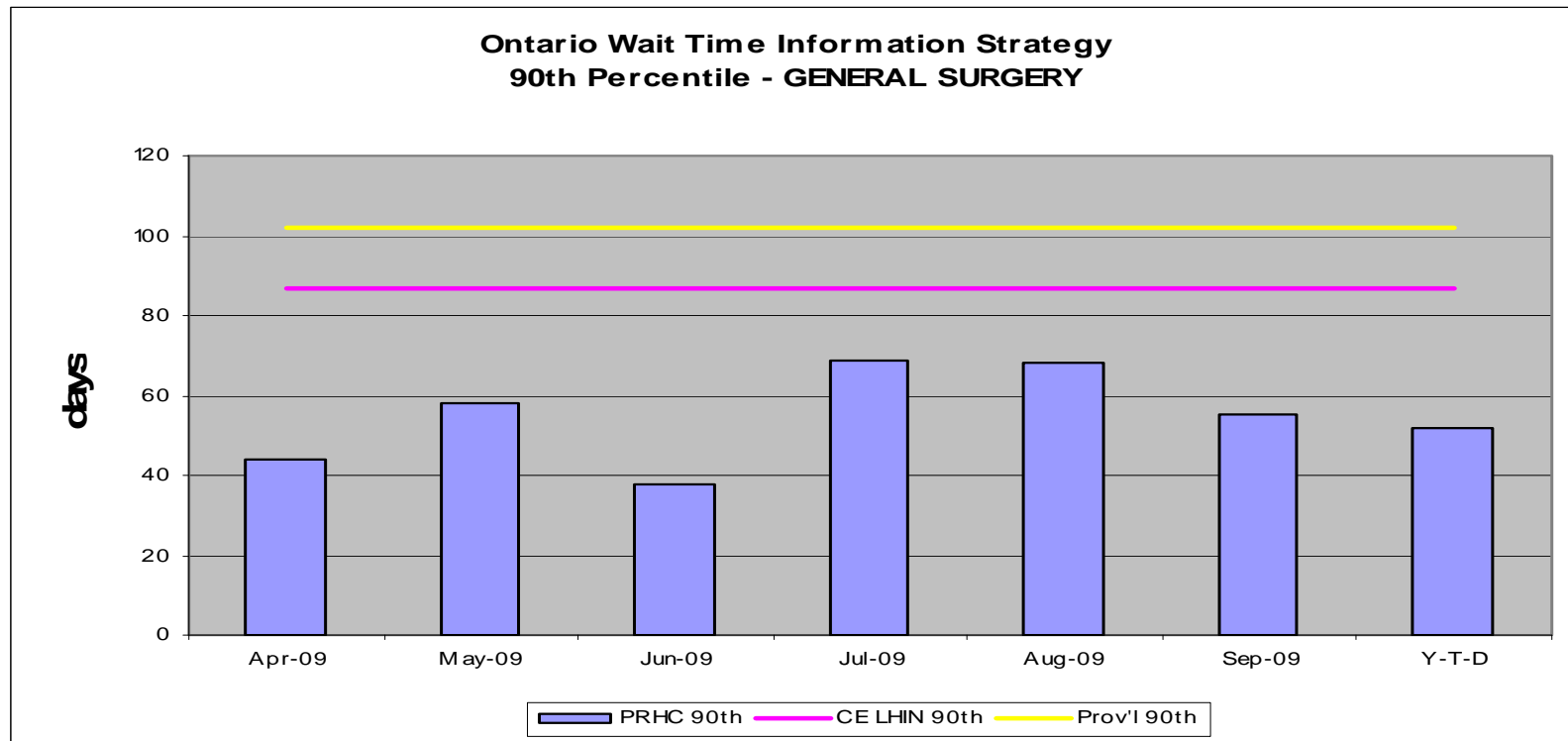
Wait Time Results



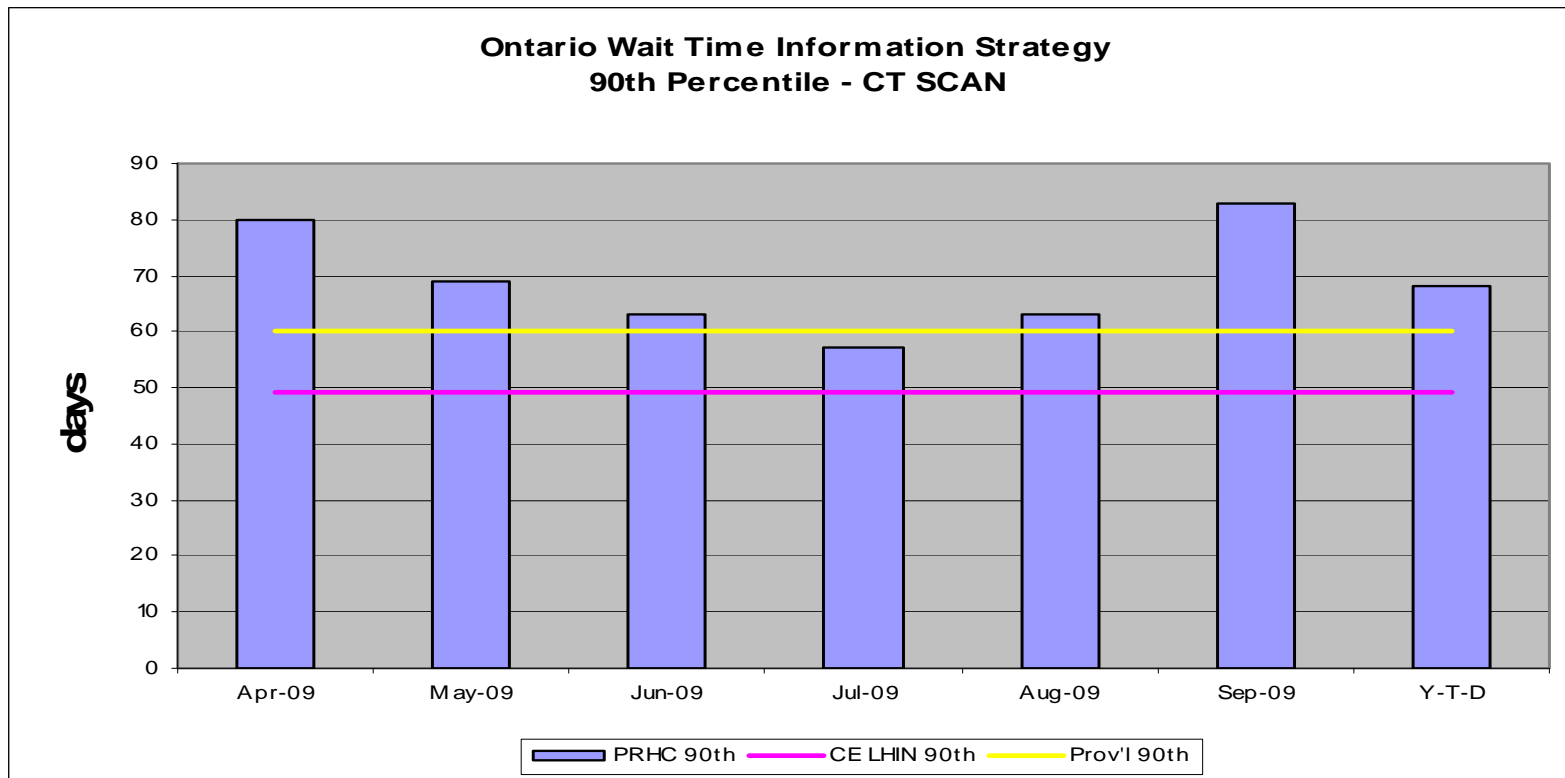
Wait Time Results



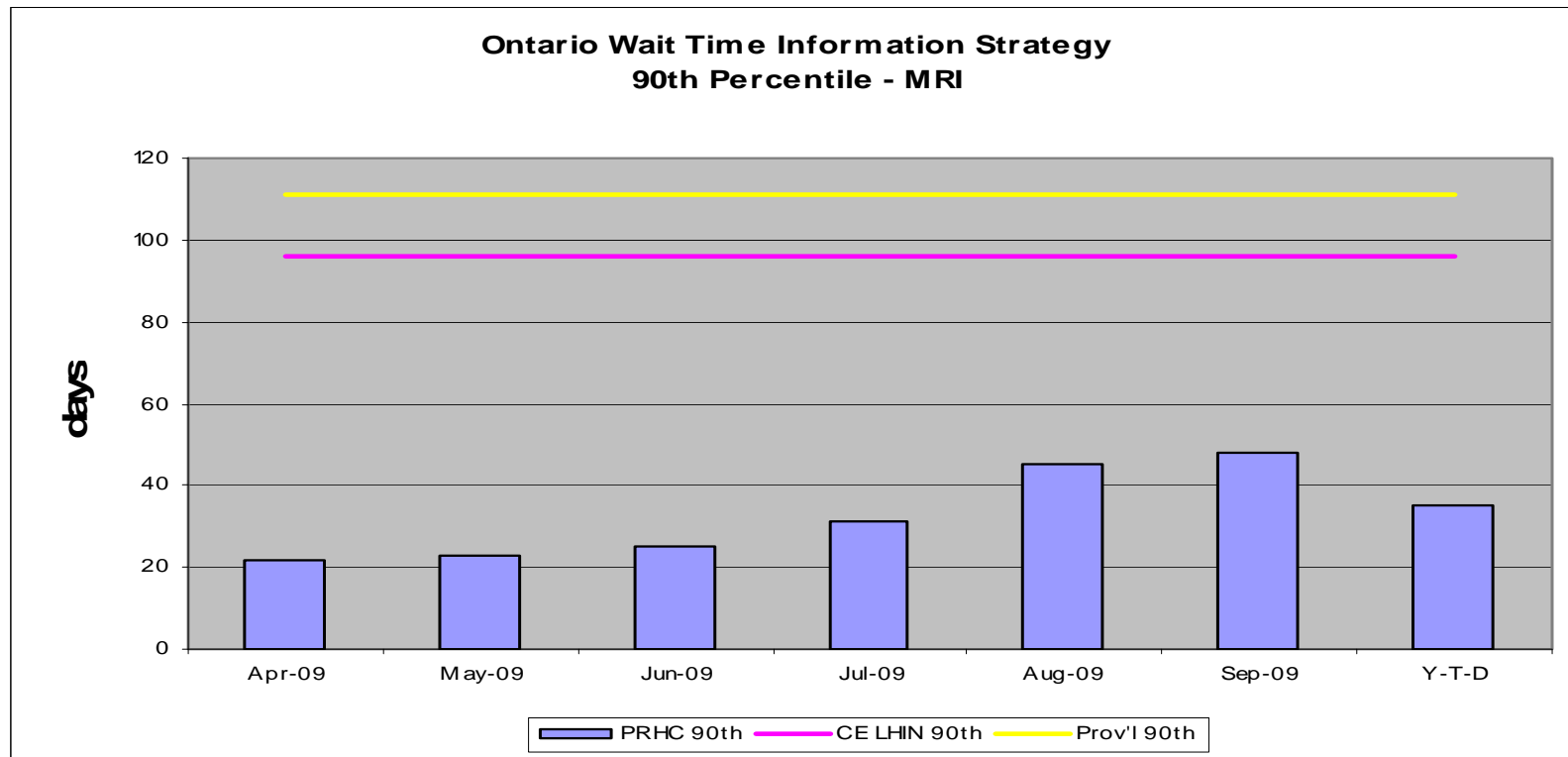
Wait Time Results



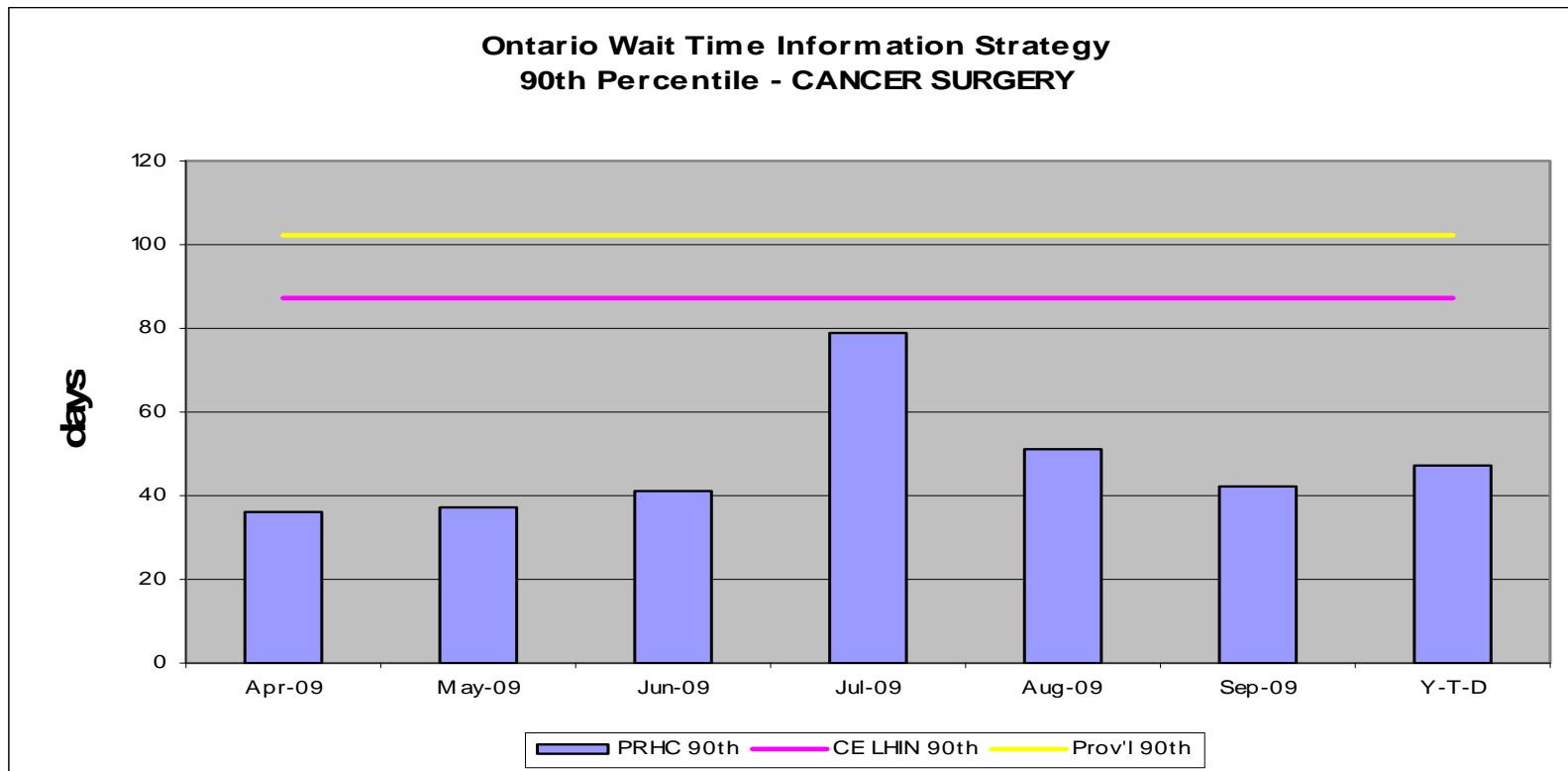
Wait Time Results



Wait Time Results

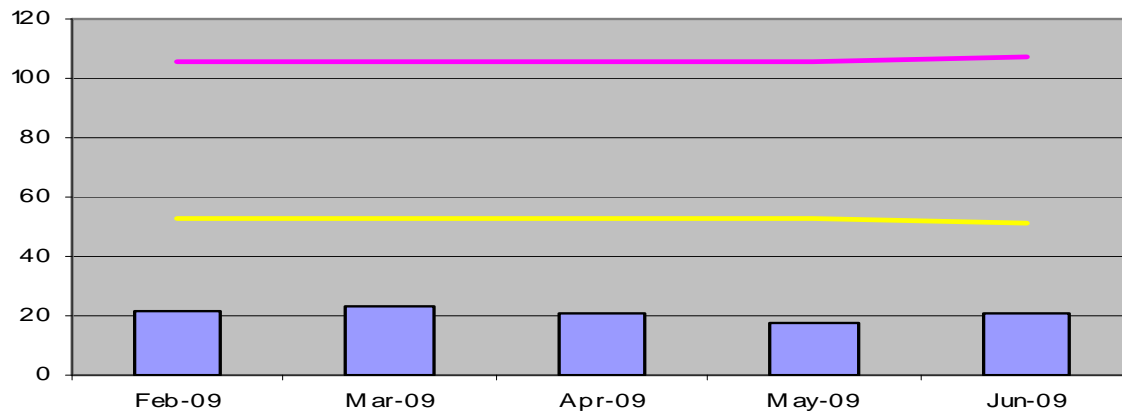


Wait Time Results



Ambulance Offload Results

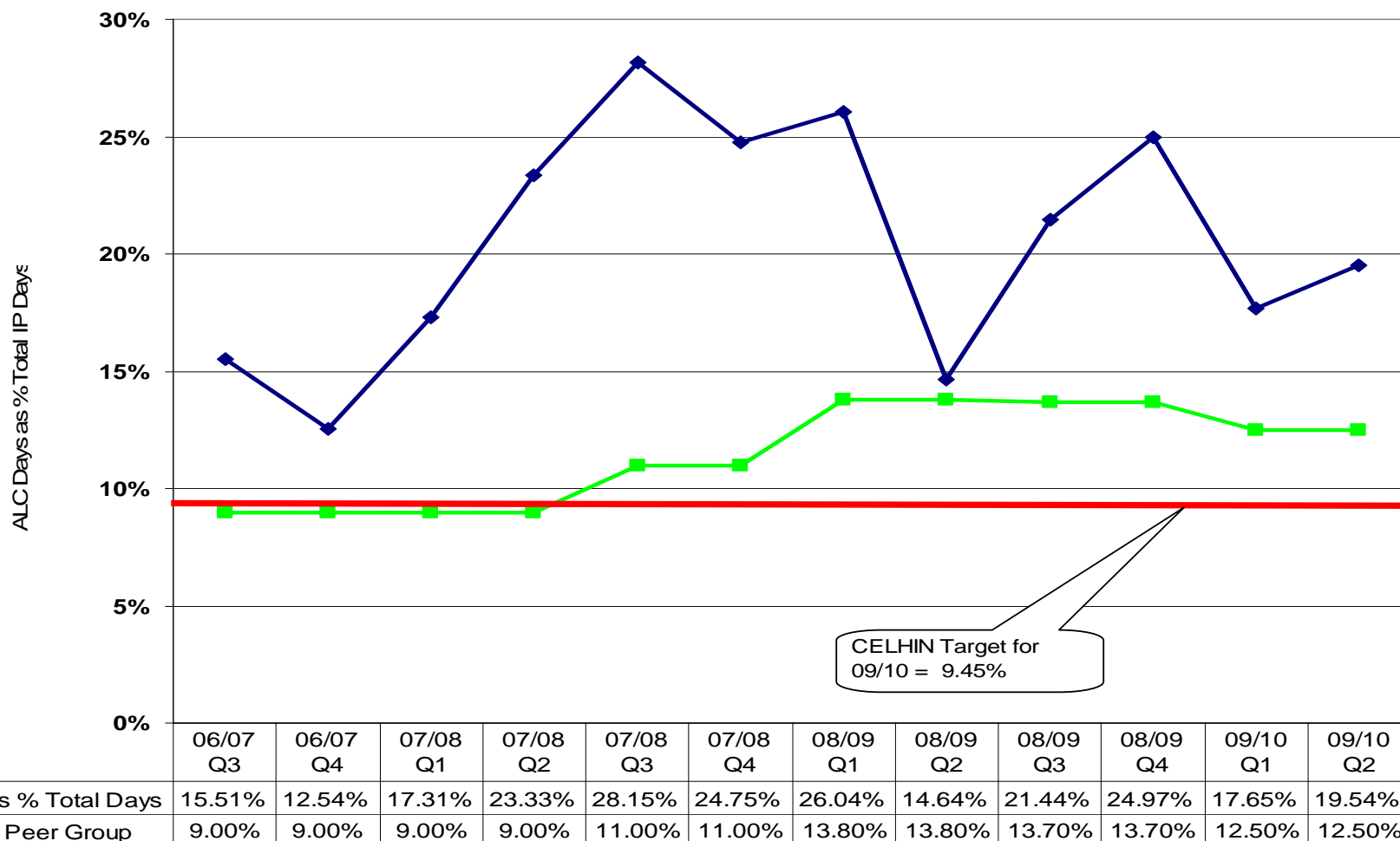
Ambulance Offload Time (mins)



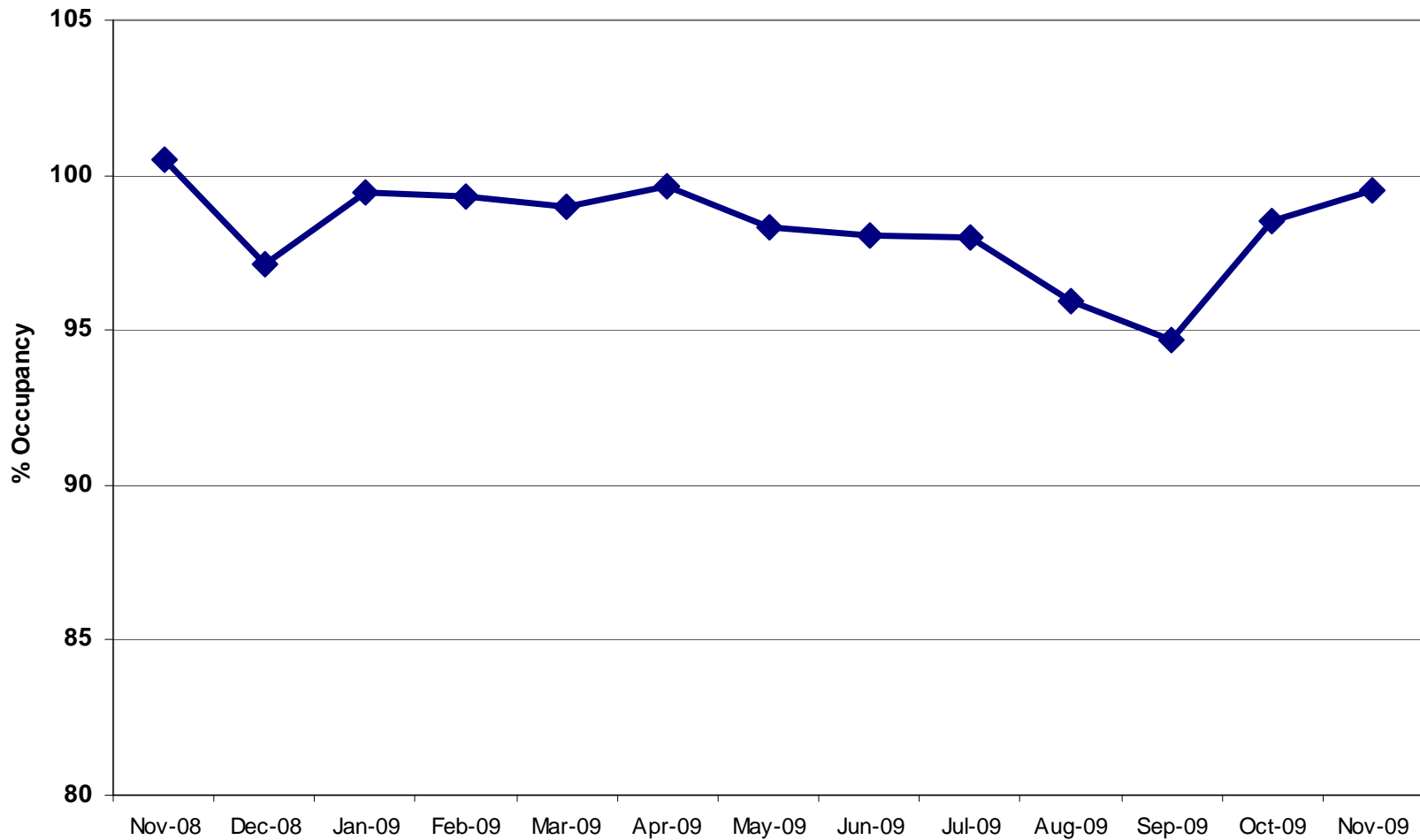
	Feb-09	Mar-09	Apr-09	May-09	Jun-09
AOT 90th (mins)	22	23	21	18	21
CELHIN 90th (mins)	106	106	106	106	107
Prov'l 90th (mins)	53	53	53	53	51

■ AOT 90th (mins)
 — CELHIN 90th (mins)
 — Prov'l 90th (mins)

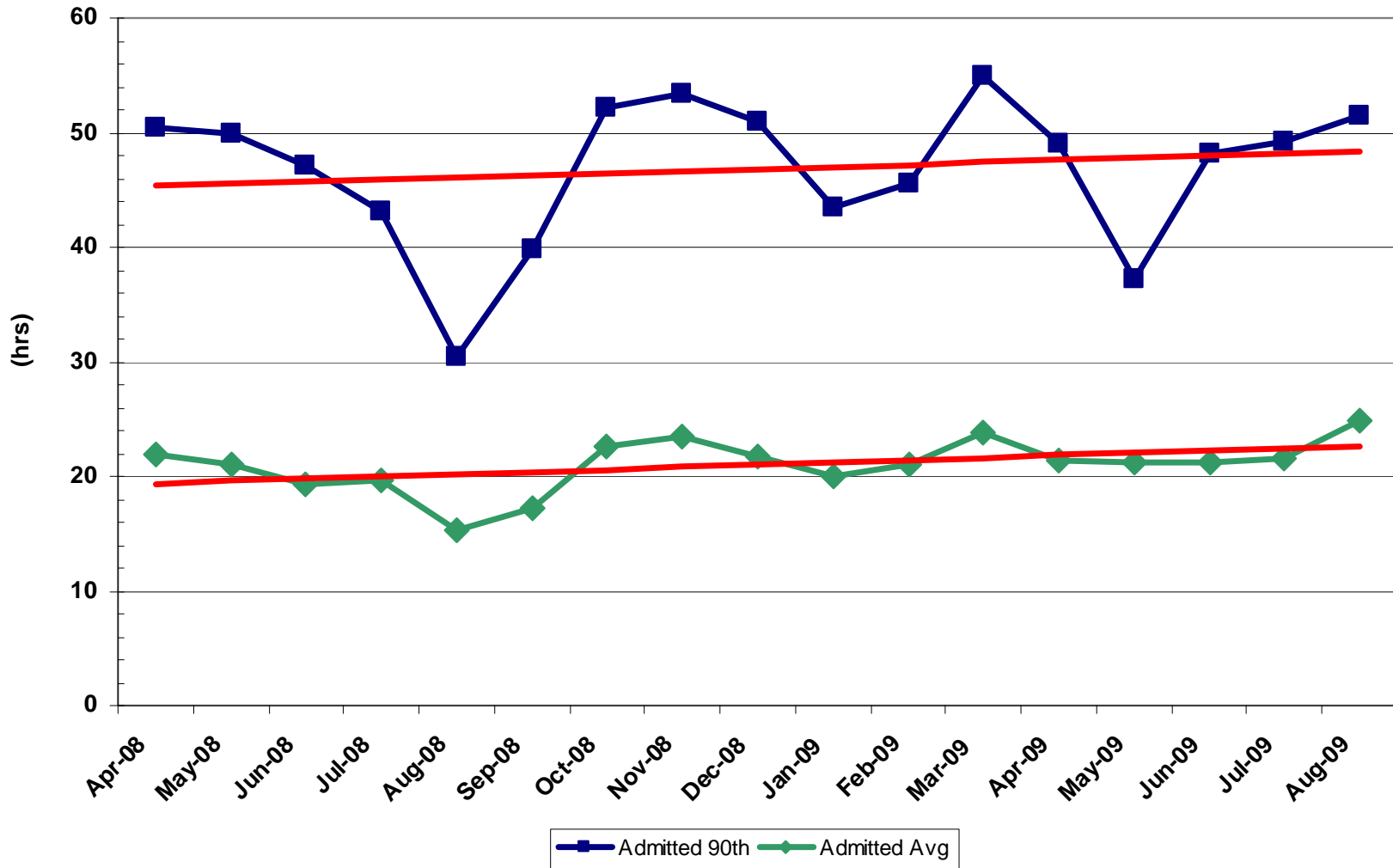
ALC as % Total IP Days



Med/Surg Occupancy Rates

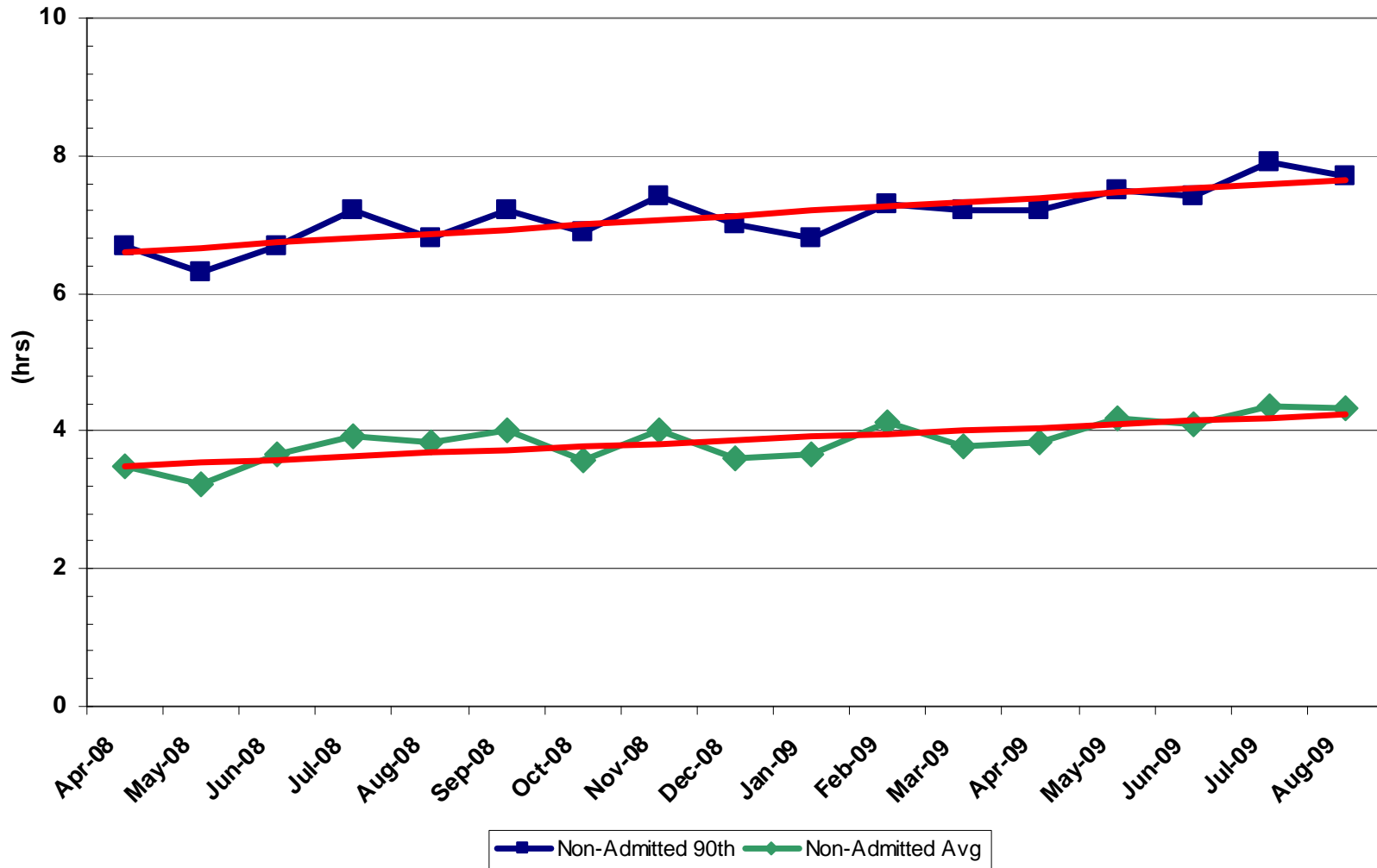


ER Wait Time Admitted Patients



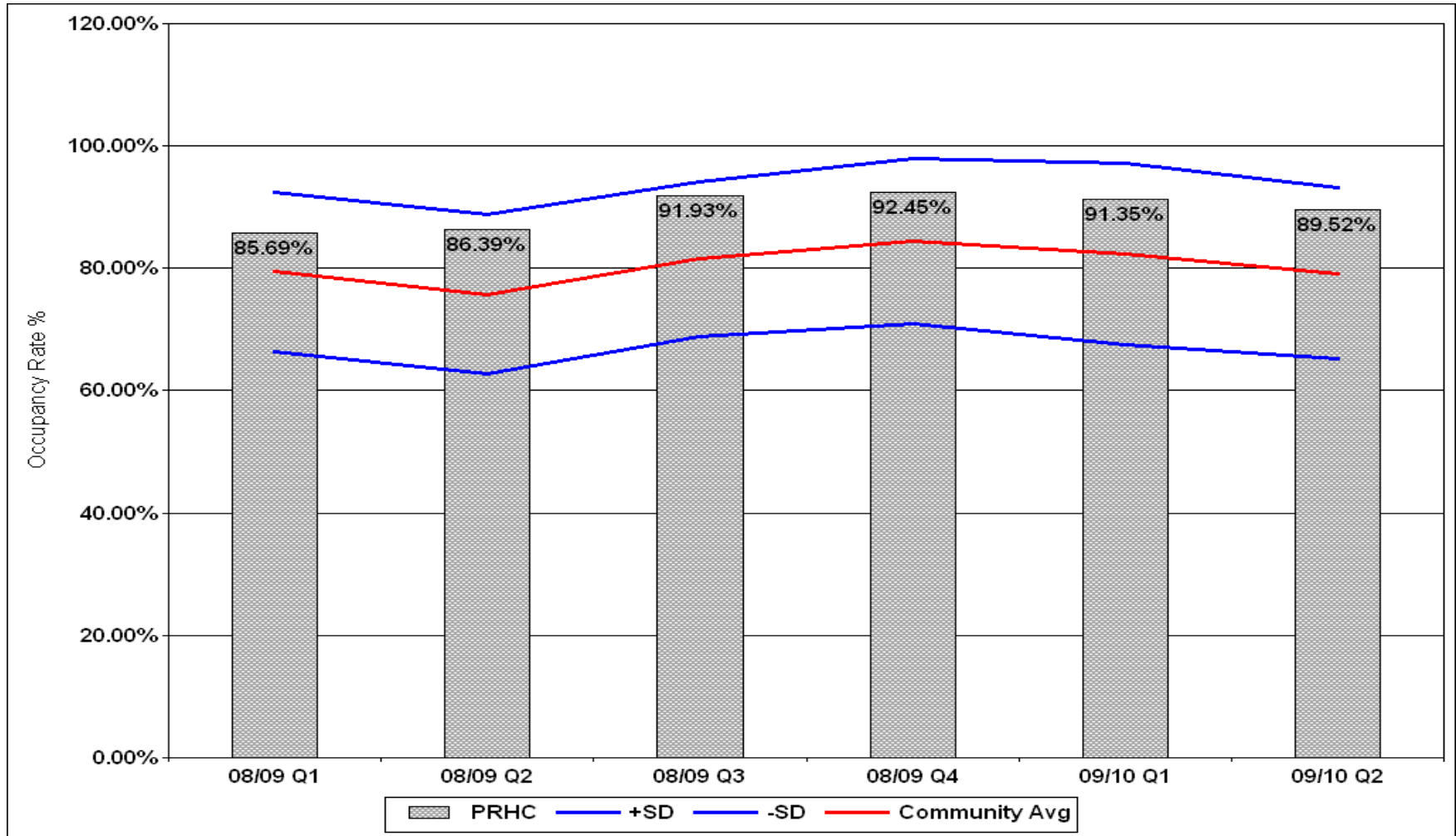
Source: Emergency Department Reporting System (EDRS)

ER Wait Time Non-Admitted Patients



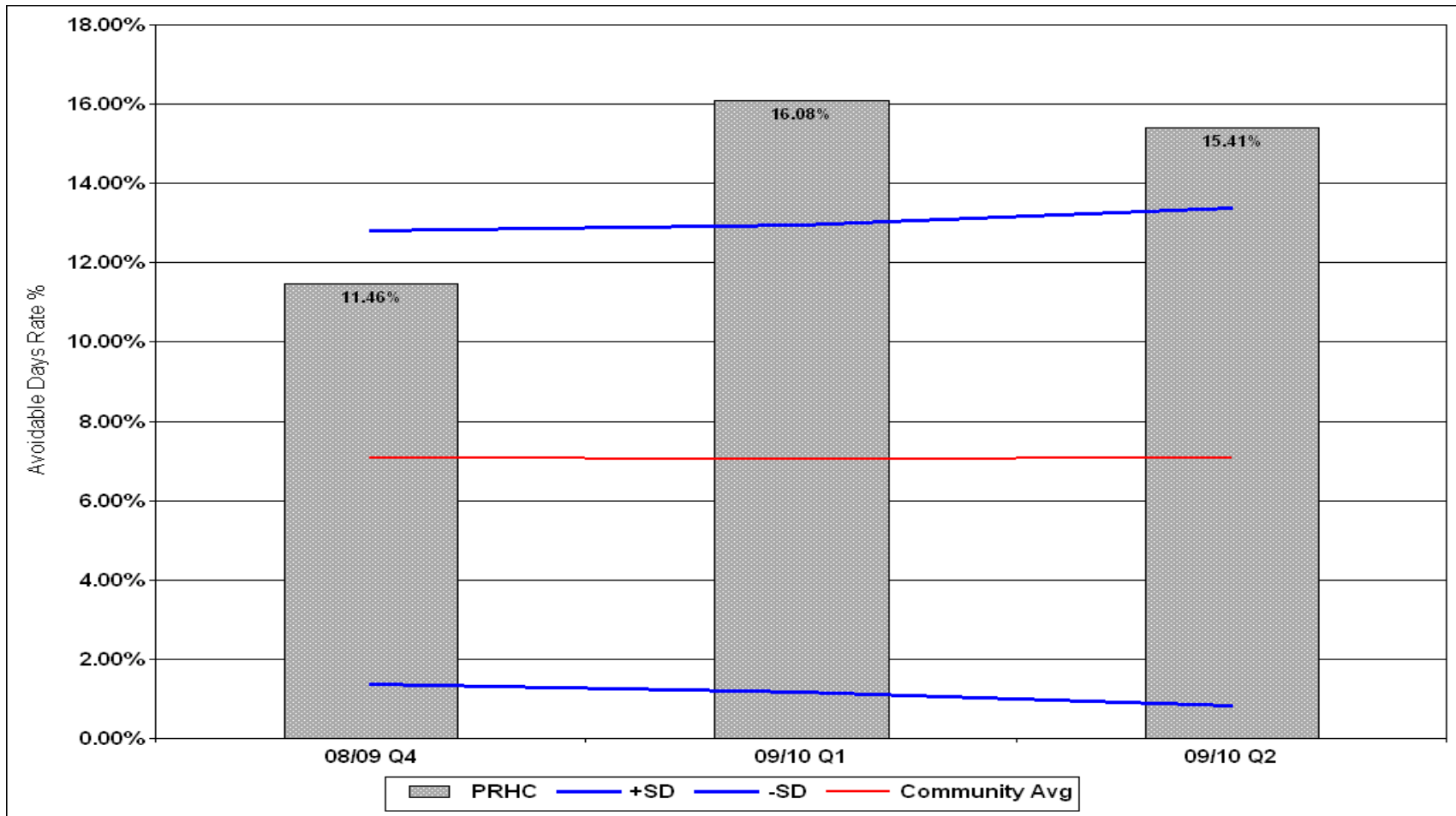
Source: Emergency Department Reporting System (EDRS)

ICU Occupancy Rate



ICU Avoidable Days Rate (%)

Data for avoidable days is only available for comparison from 08/09 Q4 forward due to a version change with CCIS.



Financial Performance

	2006/2007	2007/2008	2008/2009	2009/2010 <u>Q2 Actual</u>	2009/2010 <u>FRCST</u>
Revenue	179,909,000	193,130,000	226,540,000	111,365,000	228,129,000
Operating expenses	185,249,000	199,658,000	229,374,000	117,583,000	242,085,000
Net Surplus (Deficit) from operations	(5,340,000)	(6,528,000)	(2,834,000)	(6,218,000)	(13,956,000)
Short term Borrowing	2,203,000	2,229,000	0	5,314,000	15,674,000
Long Term Debt	0	0	47,312,000	46,006,000	44,665,000
Current Ratio	0.72	0.41	0.27	0.18	0.18

Financial Actions taken by PRHC 2005/06 to 2009/10

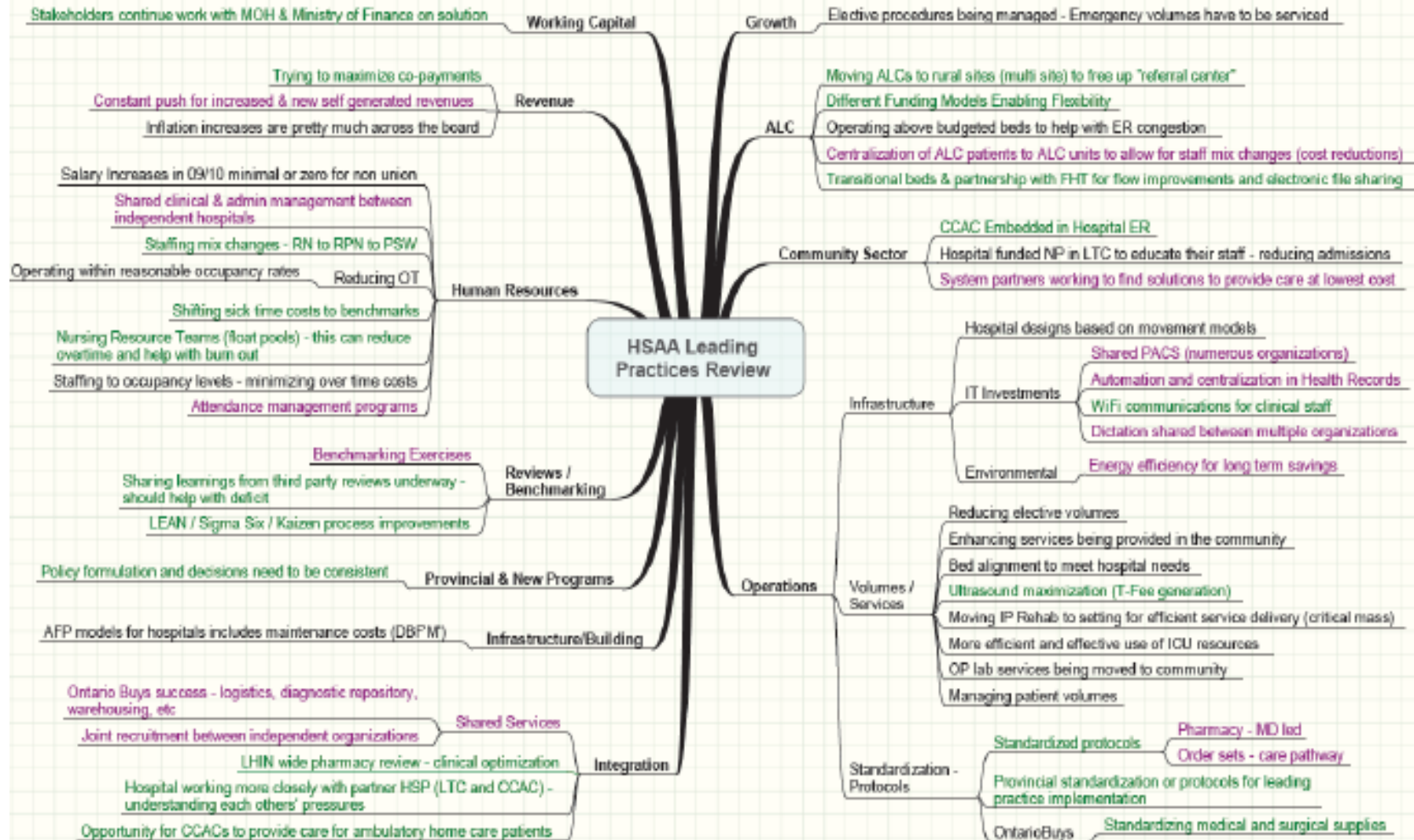
- Changing nursing staff and mix ratios (\$2.9M)
- Clustering of ALC patients on a single unit (\$203K)
- Outsourcing cafeteria services (\$199K)
- Use of technology to create efficiencies – PACS, voice activated dictation (\$377K)
- Negotiating contract savings (\$616K)
- Creating economies of scale with growth and other benchmarking initiatives (\$5.5M)
- Utilization improvements (\$2M)
- Revenue generation and administrative efficiencies (\$2.3M)
- Placing patients into community settings (\$2.2M)
- **Total revenue enhancements/efficiencies = \$16.3M**

Financial Actions taken by PRHC

Working with partners & focusing on core business

- Outsourced laundry services (Booth)
- Outsourced retail food services (Compass)
- PACS and HDIRS
- Integrated supply chain management provided by outsourced agency (COHPA)
- Explored outsourcing Human Resources

Leading Practices & Pressure Relief

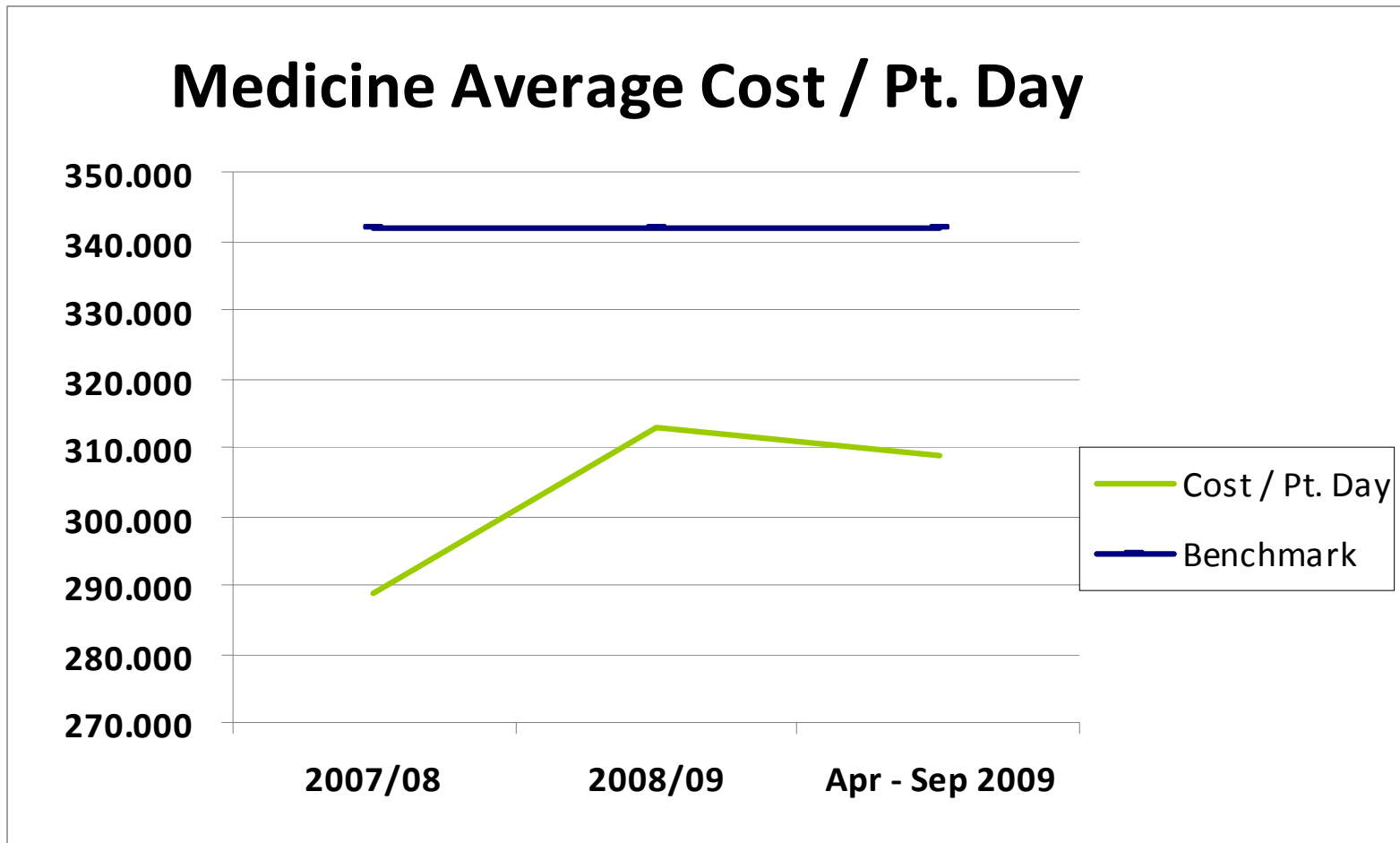


Purple = Leading Practices Green = Opportunities Black = Pressure Relief

Benchmarking Review

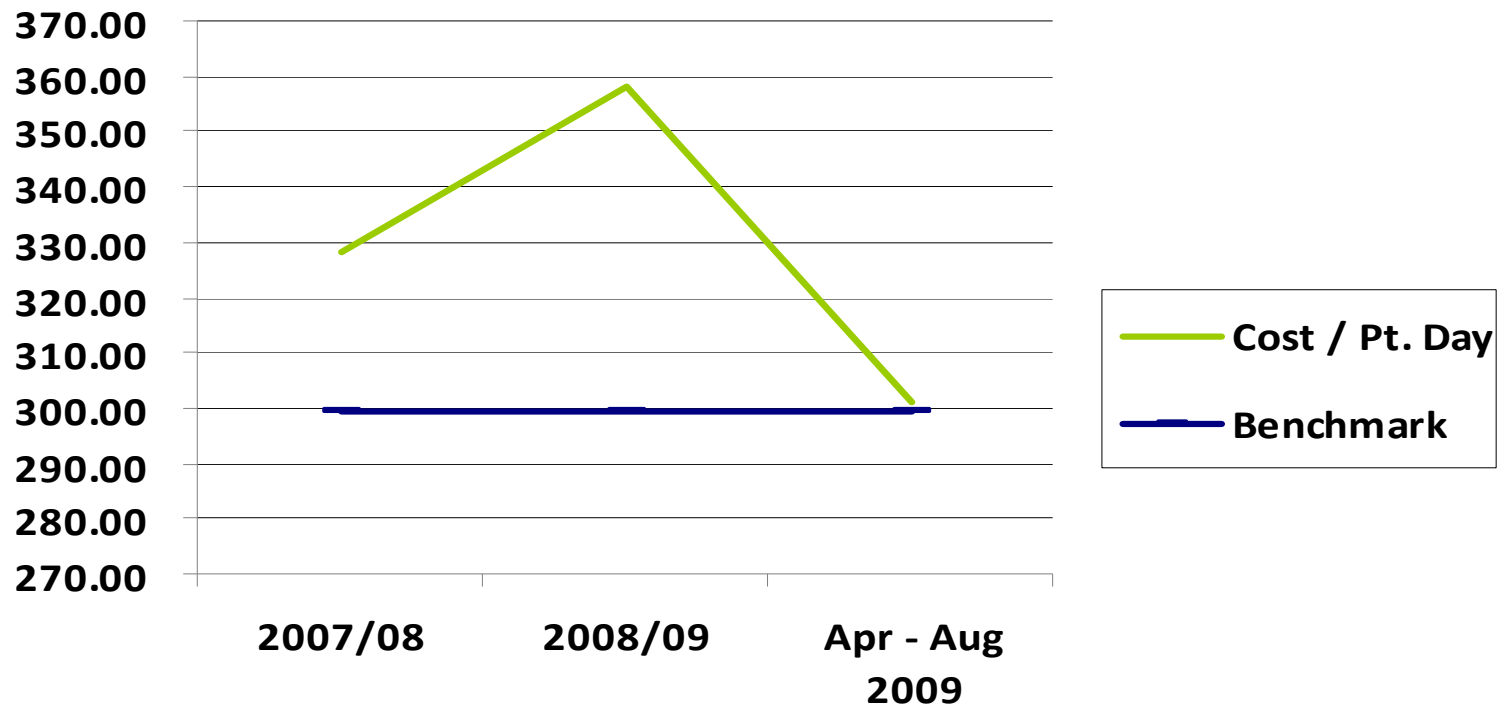
- PRHC and the CE LHIN have been involved in benchmarking results
- Some of the results are highlighted in the next slides
- Areas to focus on include sick and overtime
- Efficiencies already planned will improve the results
- EC Murphy review will lead to further financial improvements, planning underway

- **Review of Cost / Day - Medicine**



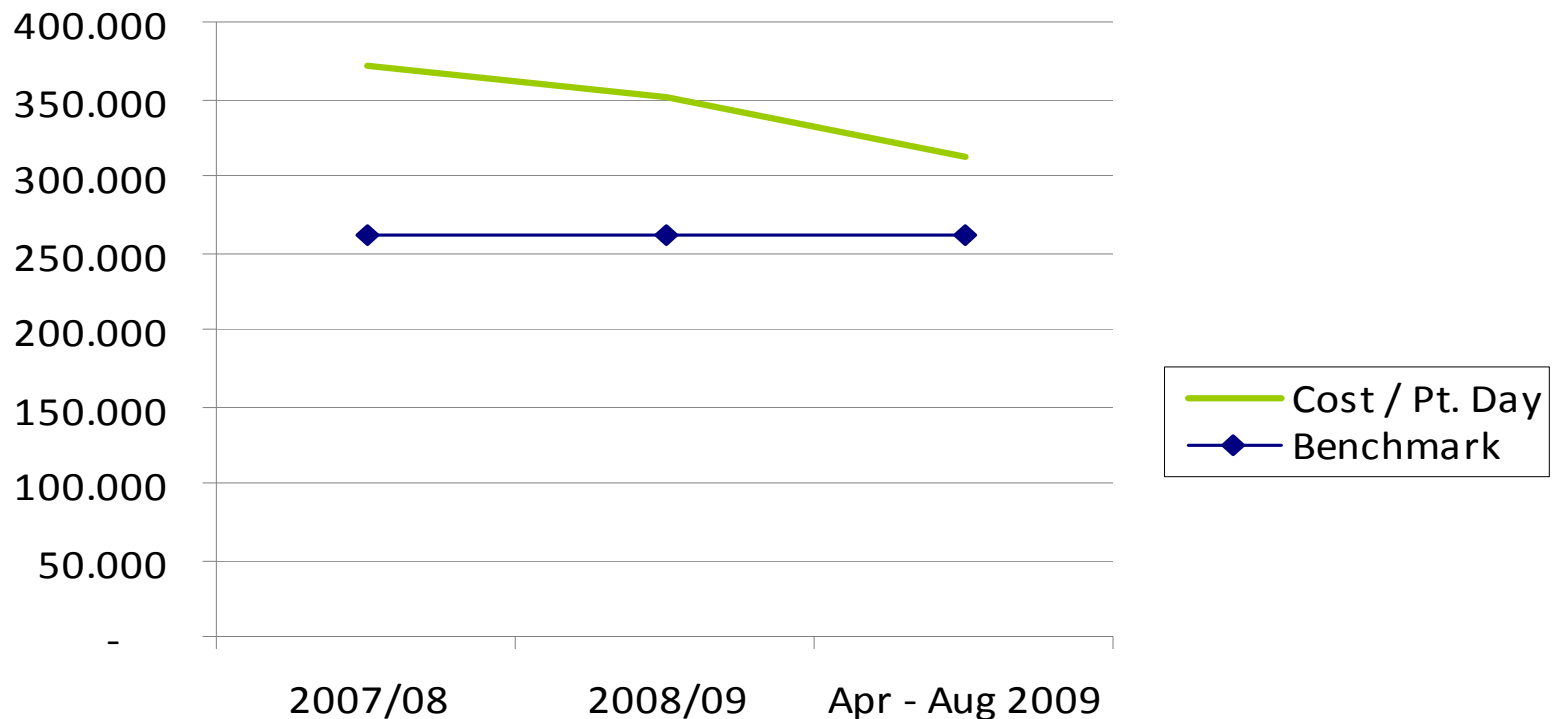
Review of Cost / Day - MH

Mental Health Average Cost per Pt. Day



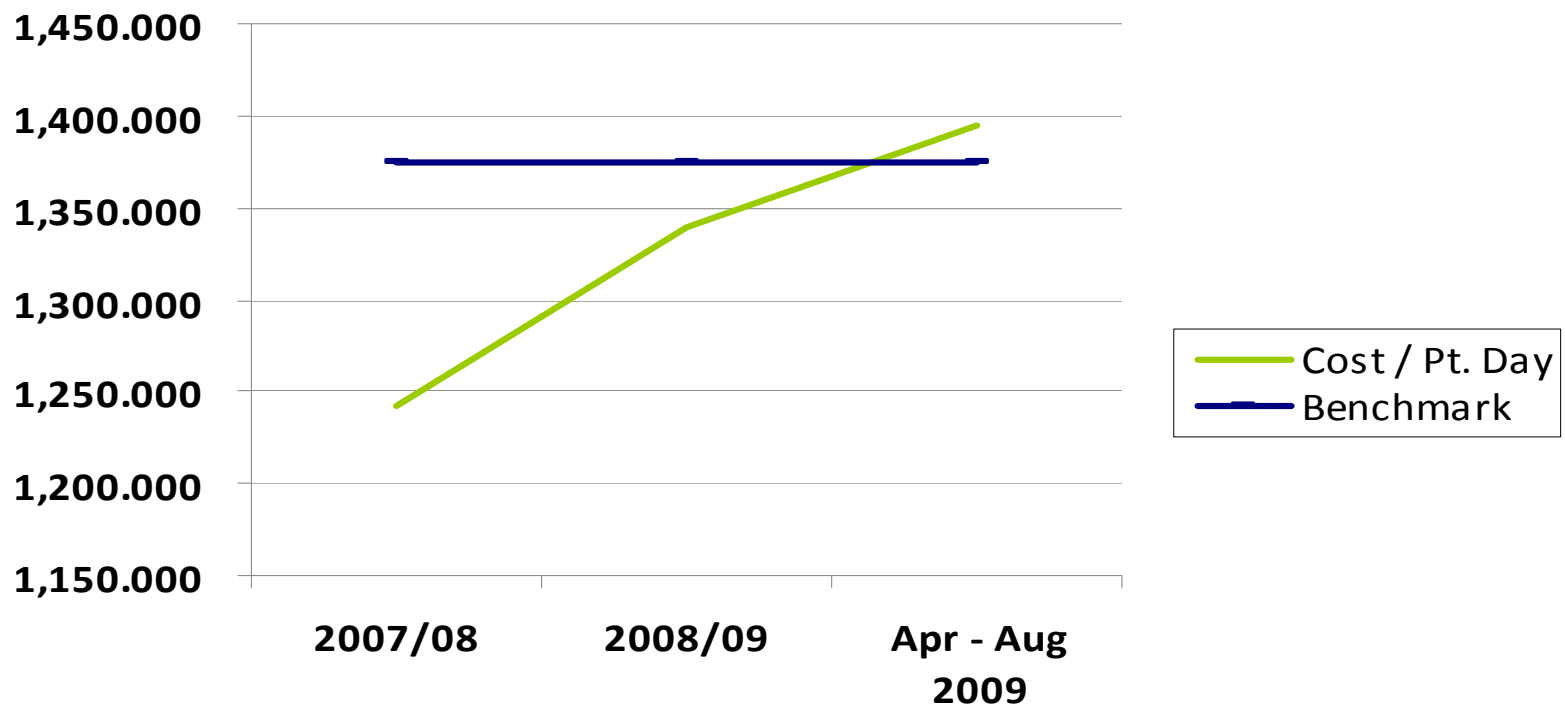
Review of Cost / Day - Rehab

Rehab Average Cost / Pt. Day



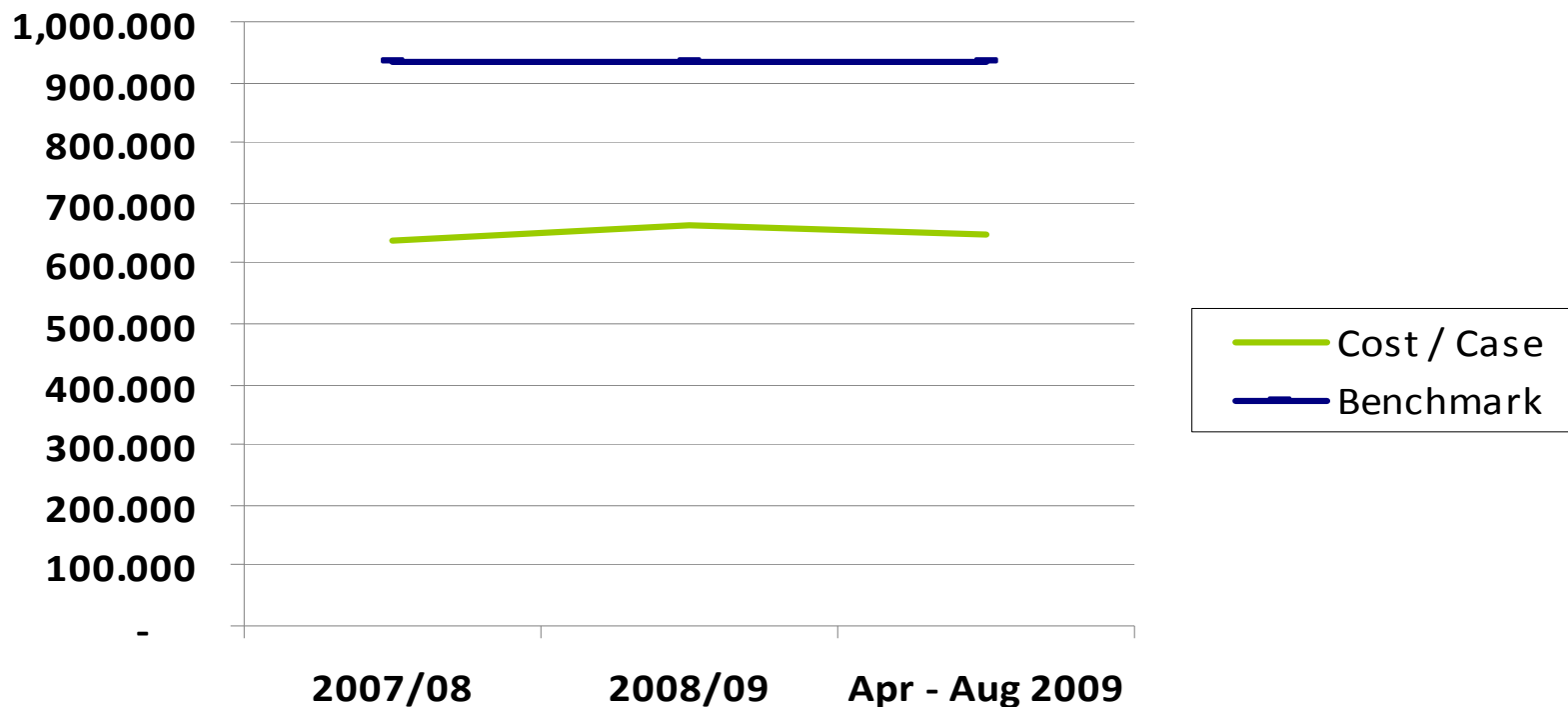
Review of Cost / Day - ICU

ICU Average Cost / Pt. Day

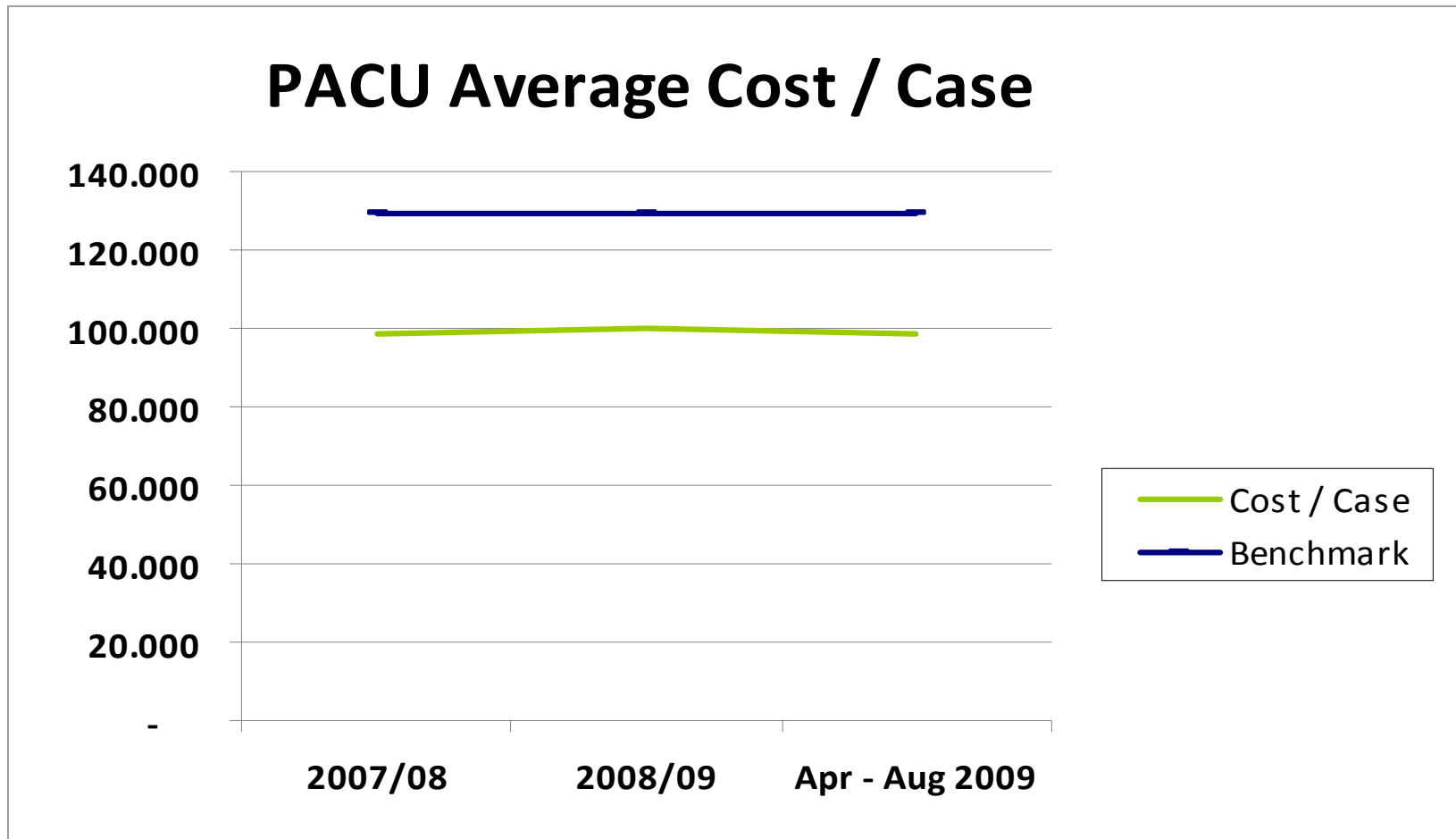


Review of Cost / Case – Operating Room

OR Average Cost / Case

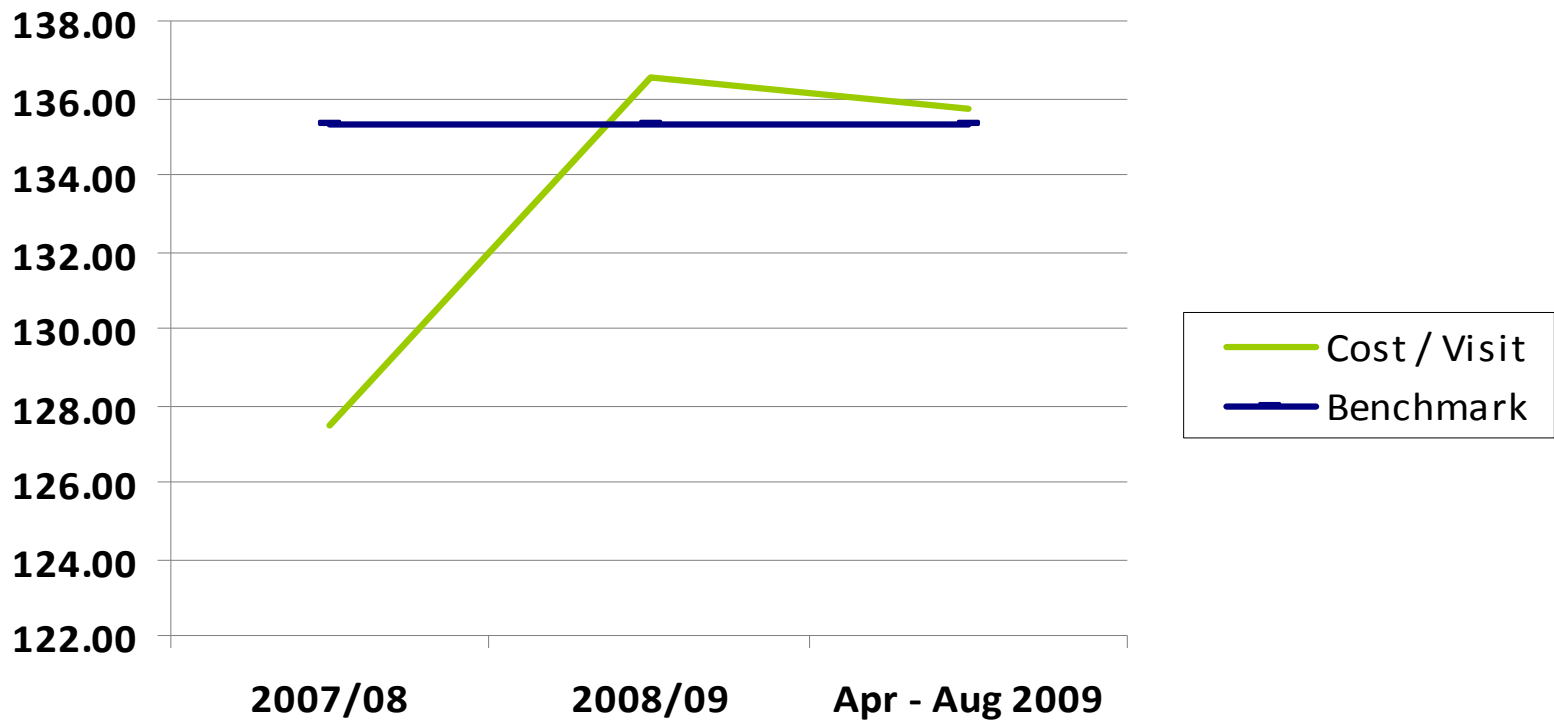


Review of Cost / Case - PACU

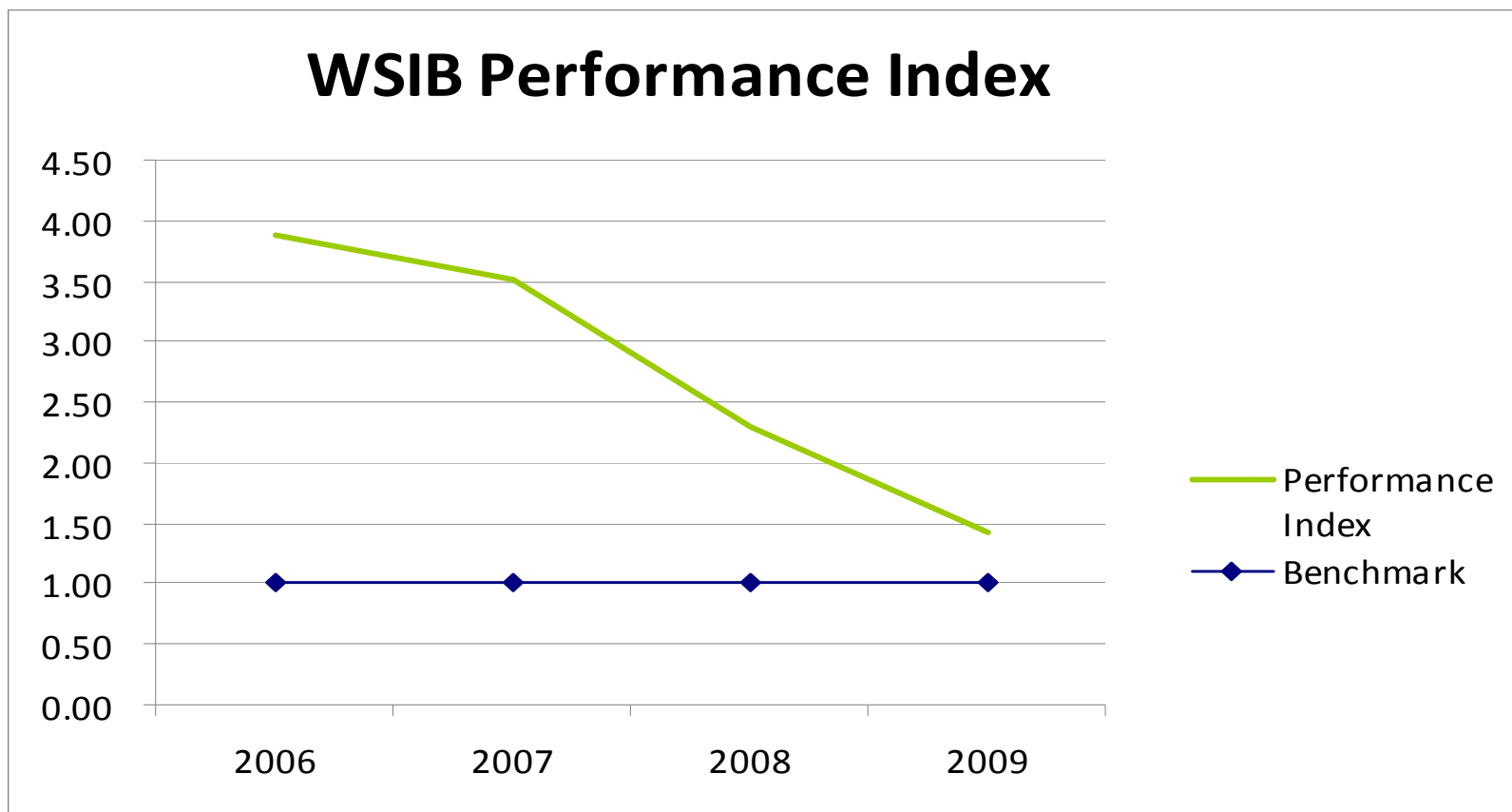


Review of Cost / Visit – Emergency Department

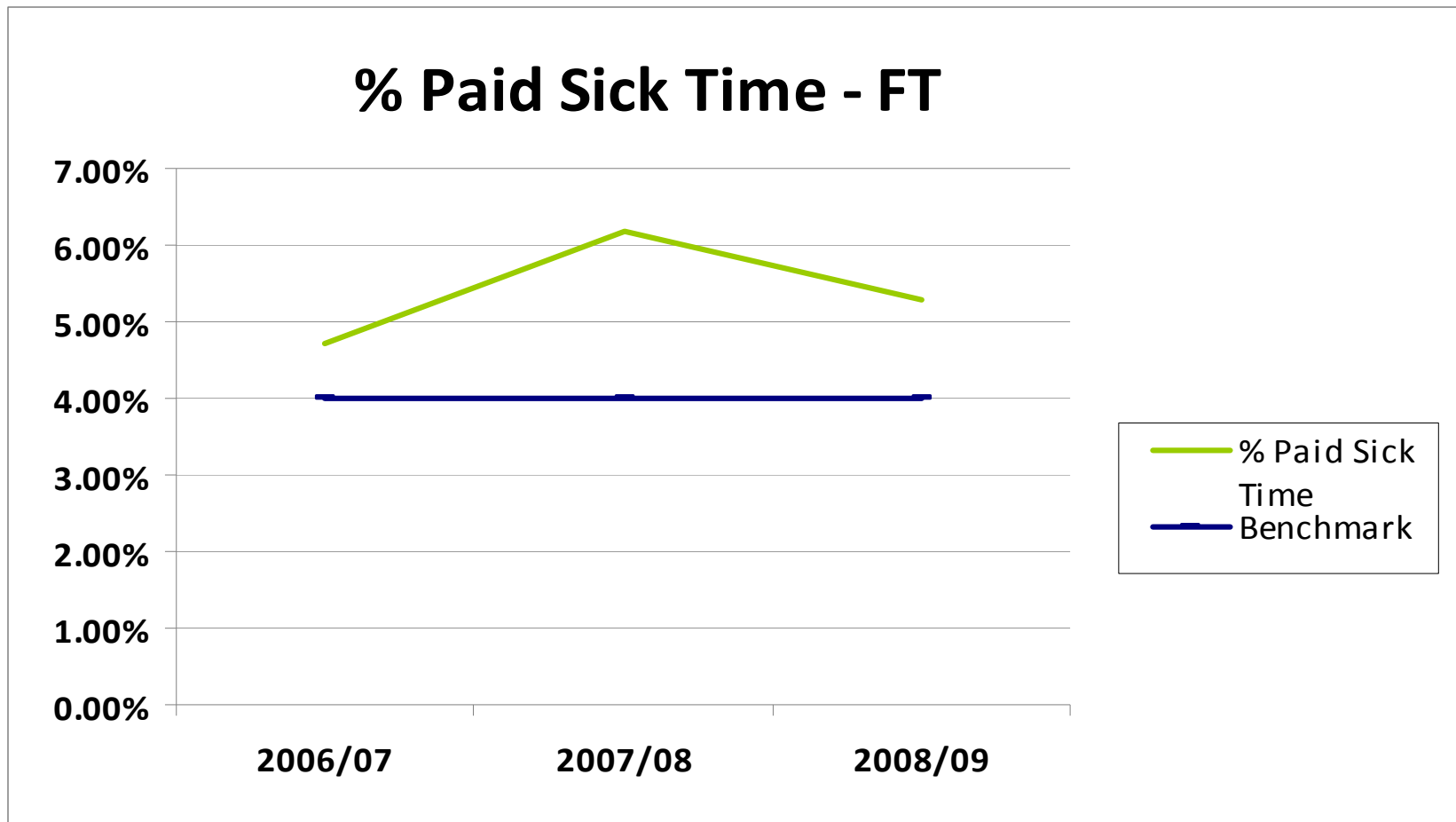
ER Average Cost / Visit



Lost Time Injuries Benchmarking Results



Sick Time Benchmarking Results



Overtime Benchmarking Results

% Paid Overtime - FT & PT



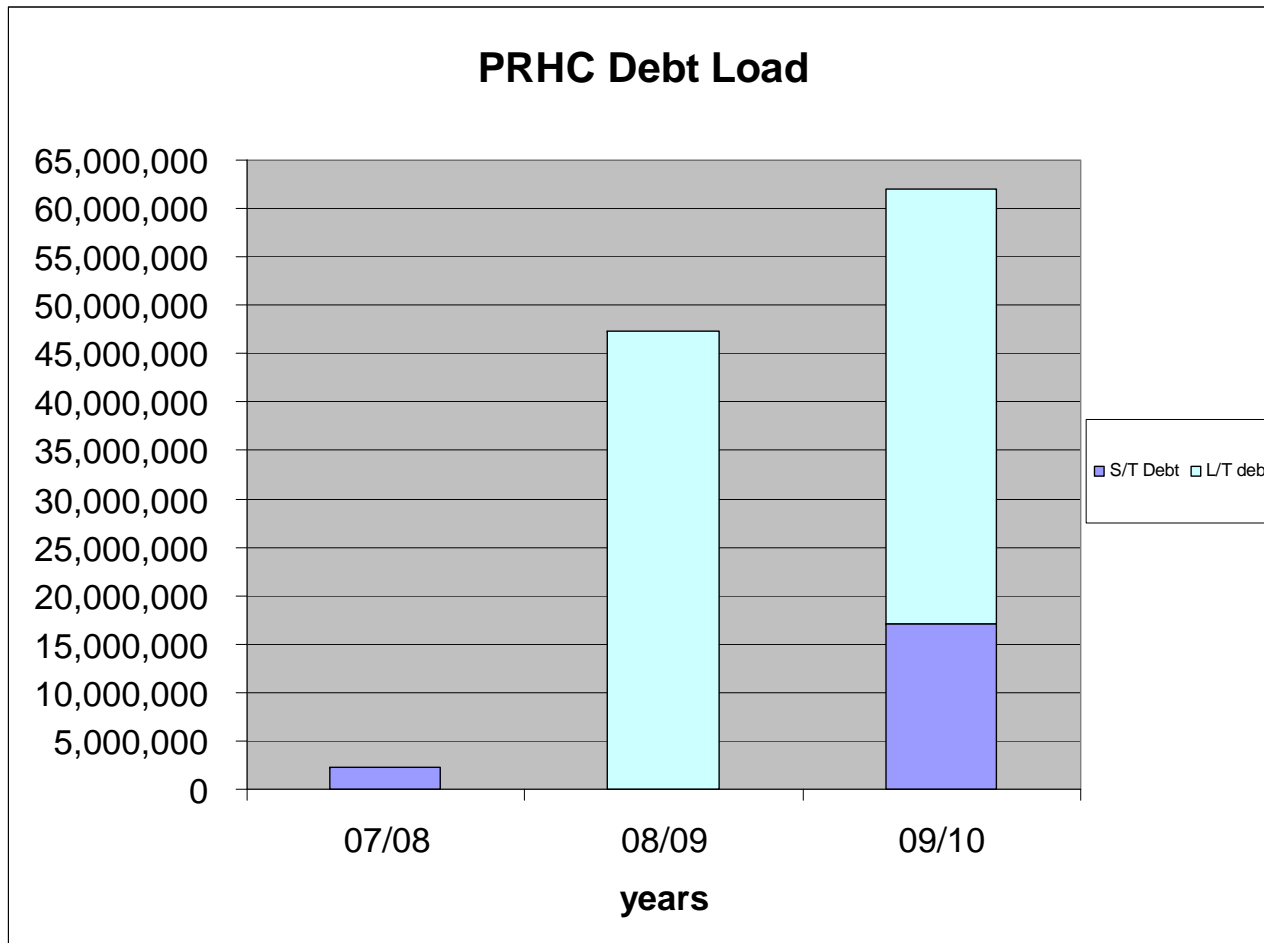
PRHC's Financial Position Today

- PRHC is forecasting a deficit of \$13.956 million in 2009/10 (\$13.251 million before one time expenses)
- Financing of the operating deficit has been accomplished by short term borrowings (\$6M MOHLTC cash advance and \$16M line of credit)
- Inflation and interest costs will add another \$11.774 million to the deficit in 2010/11

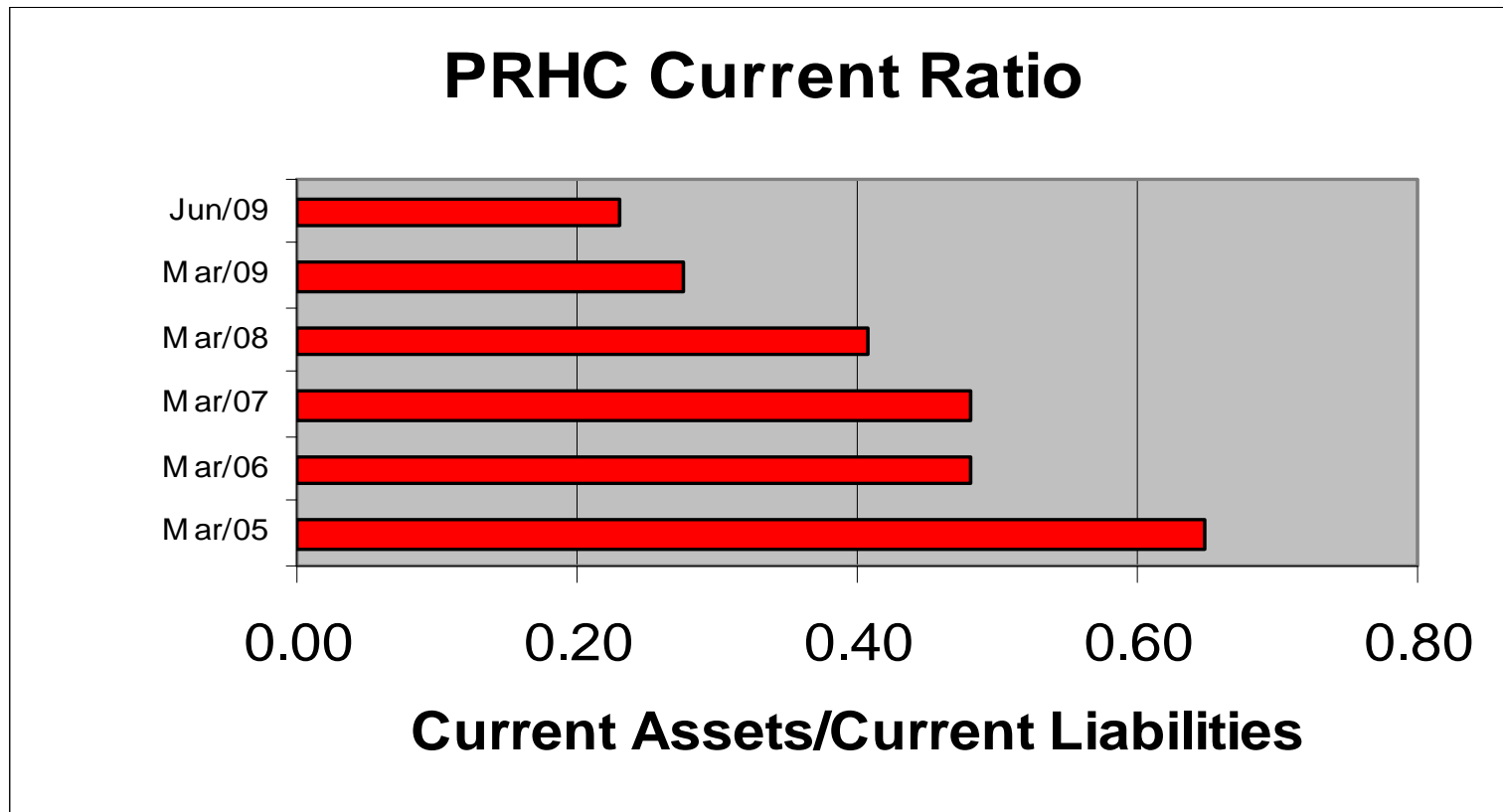
Review of Debt Obligations

- PRHC's debt obligations increased dramatically based on the approved construction of a new facility
- Efficiencies gained in the new facility were to be used to meet debt repayment obligations
- Efficiencies are being used to partially offset the difference between inflation and changes in funding
- PRHC has no working capital to reinvest in the organization
- The hospital will exceed its current \$16 million line of credit within the fiscal year and will not meet payroll and debt payment obligations

Review of Debt Obligations



Review of Debt Obligations



Efficiencies Initiated in 2009/10

- Increase billing rates – parking, supplies (\$150K)
- Enhancing efficiencies in NM with the use of new technology (\$65K)
- Savings from IV pump conversion (\$185K)
- Integrated supply chain management (\$144K – yr 1, \$482K – yr 2)
- Lab staffing mix changes (\$154K)
- Clustering of ALC patients (\$640K)
- Centralized staff scheduling (\$226K annualized)
- OHIP revenue improvements (\$300K)
- Targeted sick and overtime reductions (\$2M annualized)
- Targeted reductions in lost time injuries (\$348K annualized)
- Other benchmarking targeted savings (\$500K annualized)
- **Total revenue enhancements/efficiencies = approx. \$5M**

Recommendations and Next Steps

- Execute planned and targeted savings (\$5.15M annualized)
- Secure \$10M MOHLTC holdback related to new hospital immediately
- Exclude \$20.6M in one time transitional cost and SWAP from total cost.
- With CE LHIN Board's support work with the MOHLTC to secure a base funding adjustment.

Questions?