

## CEO Update June 2014

### Hospital Financial Position

The past few months have been marked by major changes in government approaches to healthcare funding and policy. The upcoming election will give us each an opportunity to express our feelings about what is being proposed for future directions in health services. Don't miss the opportunity to make your views known. Be sure to vote on June 12.

It is also time for us to prepare now for whatever the future may hold. The following is a summary of our hospital financial position.

We prepared a Hospital Improvement Plan (HIP) in the fall of 2011. The HIP included a number of changes in our operations that, once implemented, would achieve a balanced operating budget for the fiscal years of 2012/13 and 2013/14. Your help with the HIP resulted in the Hospital finishing the 2012/13 fiscal year with a surplus of \$1.8M in 2012/13. For the 2013/14 fiscal year, which ended on March 31, 2014, we incurred an operating deficit of \$2.7M. Unfortunately, the HIP initiatives for 2013/14 were not able to be fully implemented due to an increased need for Hospital-based ALC services. As we begin 2014/15, we continue to experience funding levels that are frozen and spending levels that continue to rise due to inflationary and other cost increases. Our operating deficit is increasing above 2013/14 levels and we must again find new ways to increase revenues and reduce costs.

To address this situation, TADH is undertaking an **operational assessment**. We have engaged KPMG and PSG, two highly qualified and specialized consulting firms, to conduct the assessment. The assessment will use the same approach as the Auditor General of Canada. ***The assessment will evaluate the hospital's performance from the perspectives of economy, efficiency and effectiveness.*** Recommendations will be aimed at ensuring the hospital's sustainable development and continued ability to meet the health-care needs of Timmins and the District communities. The Board and Senior Management Team at TADH appreciate the efforts of the Health Care Team members in assisting with the assessment, and with continuing to serve our community with passion and dedication.

The assessment will get underway later this week. It is expected that a final plan will be completed in early September. Regular updates will be provided to our Health Care Team members in a variety of ways while the assessment is in progress. During the assessment, you may be asked to participate in discussions with the consultants or management regarding ideas for performance improvement. I encourage you to get involved in the assessment whenever and wherever you can. Questions, comments and concerns about the operational assessment can be forwarded to Quinn Thomson at [qthomson@tadh.com](mailto:qthomson@tadh.com).

This operational assessment will be an important activity that will lay the foundation for the future direction of our Hospital for many years to come.

A Quick Note: Thanks to everyone who has joined in on the Employee Campaign. Congratulations to Randy Godmaire (Environmental Services) who won the early bird draw and to Christine Clements (Sleep Lab) who won the Porter trip for two! And yes, the draws are over, but you can still contribute.

Roger Walker,  
President and CEO

**Quality Care with Pride!**

**~Improve the Patient Experience ~Invest in People**

**~Ensure Value ~Build Strong Partnerships**