



**Rouge Valley**  
HEALTH SYSTEM

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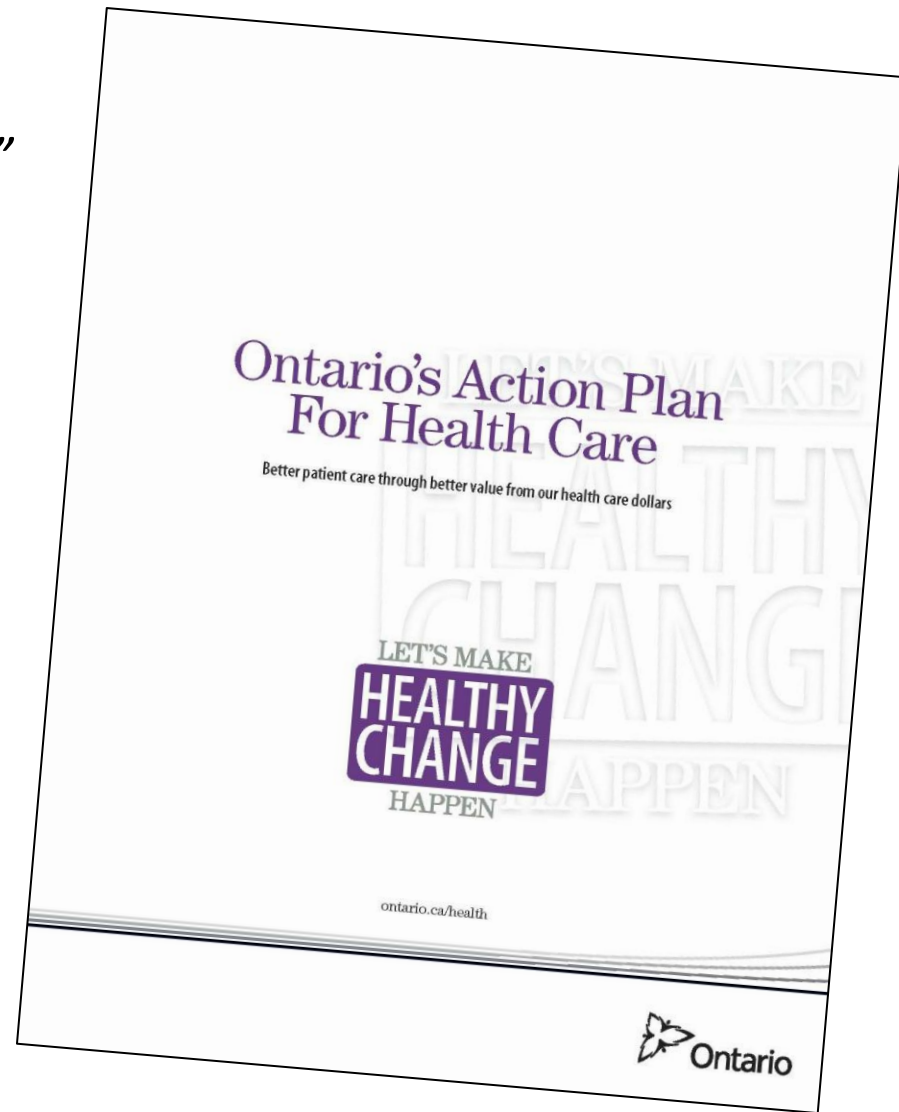
# ***Leading for Patients*** **Preferred Integration Plan**

A Facilitated Integration by the  
Central East Local Health Integration Network

Scarborough Community Council  
November 19, 2013

# Our Imperatives

- “*Ontario’s Action Plan for Health Care*” guides **health care reform** in our province and community.
- The plan is patient focused, with emphasis on delivering:
  - ✓ Better access
  - ✓ Better quality
  - ✓ Better value
- ***“We’re going to have to make tough trade-offs and shift spending to where we get the best value for the dollar.”*** (p. 6)



# Our Collective Commitments

All of our hospital sites will continue to be **relevant, viable and essential parts** of our local health care system

- No hospital will close as a result of a merger
- The Emergency Departments will stay open at all hospital sites
- Patient care services currently delivered at the Rouge Valley Ajax and Pickering site will continue to be delivered at that site

**28-Mar-13**

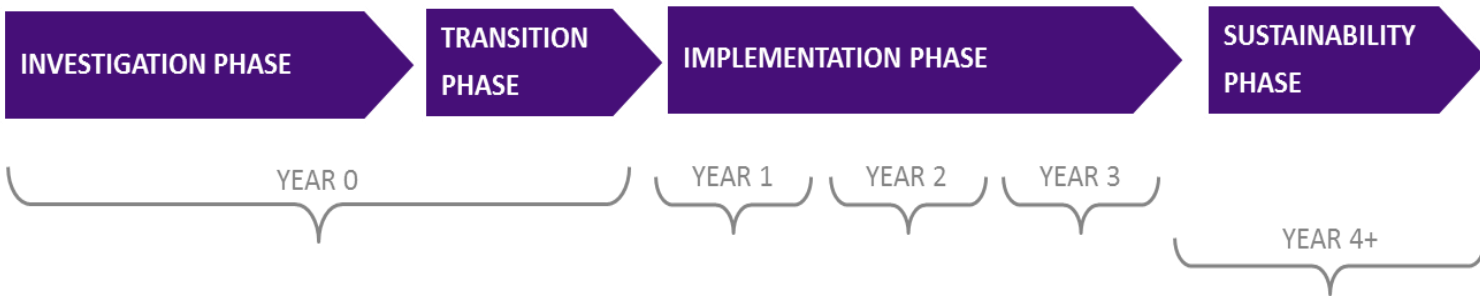
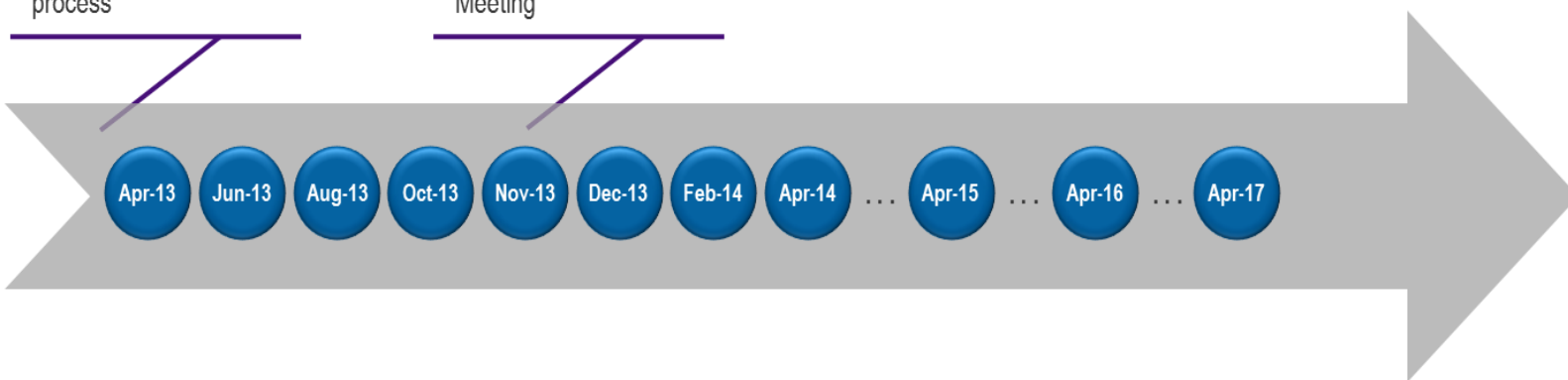
- Central East LHIN Board Meeting motion directing hospitals to participate in facilitated integration process

**12-Nov-13**

- RVHS Board Meeting
- TSH Board Meeting

**27-Nov-13**

- Central East LHIN Board Meeting



# Status Quo is Not an Option

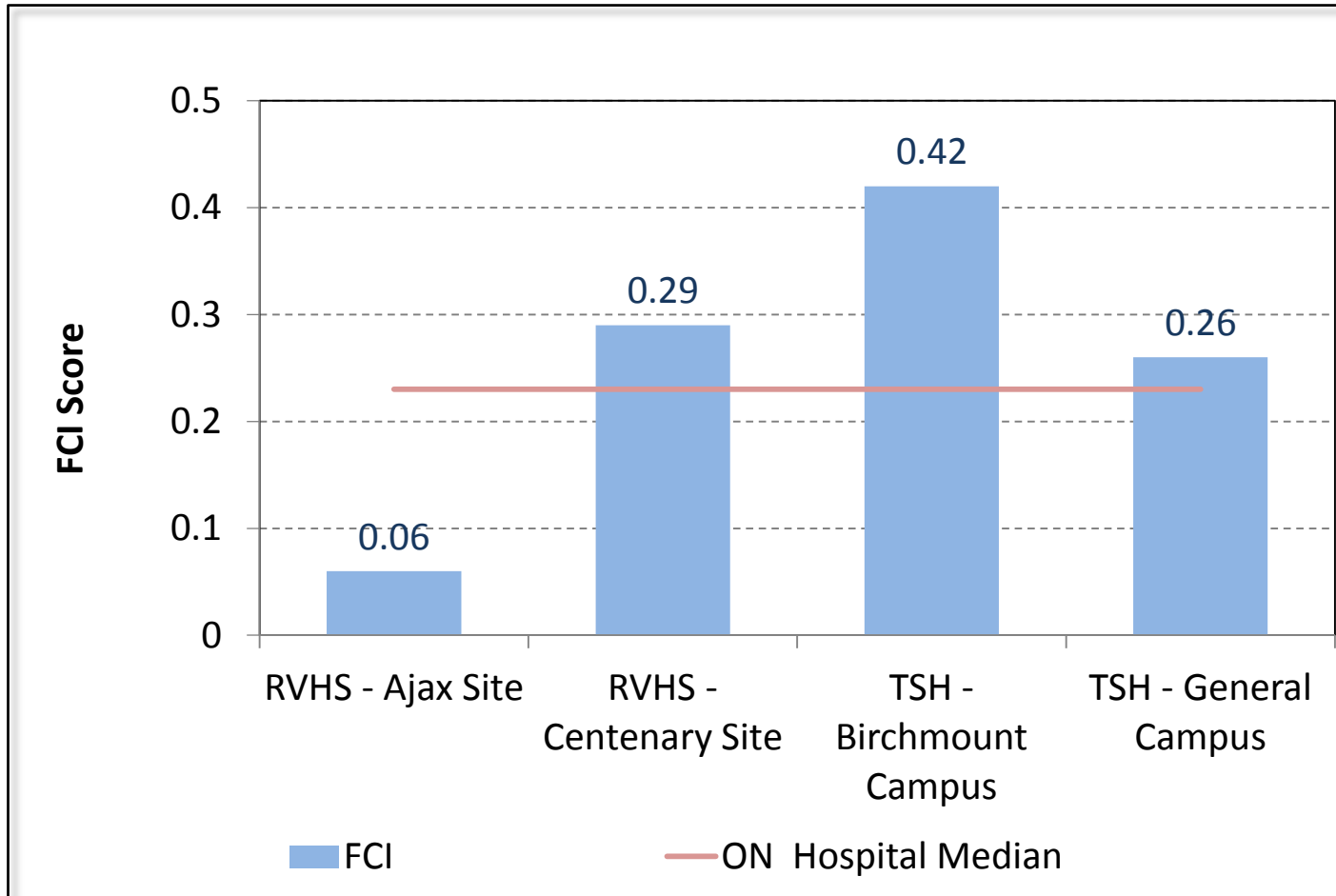
- Financial pressures
- Facilities and equipment needs
- Impact of demographics and diversity



# Financial Pressures

- 3%-5% annual inflation cost pressures
- Weak balance sheet with significant debt load
- Limited financial capacity to invest in our dated facilities and clinical equipment
- Flat or negative provincial funding
- Requirement through our Accountability Agreement to balance our operating budget an annual basis.

# Inadequate Facilities



# Demographics and Diversity

- Population growth forecasted to be 17% from 2011 to 2021
- Baby boomers...in the next 20 years the senior population will double to about 25% of the population
- Significant growth in specialized medical and surgical care
- Today, we're not adequately meeting the needs of our immediate community
  - Market share opportunities
  - Culturally-sensitive care

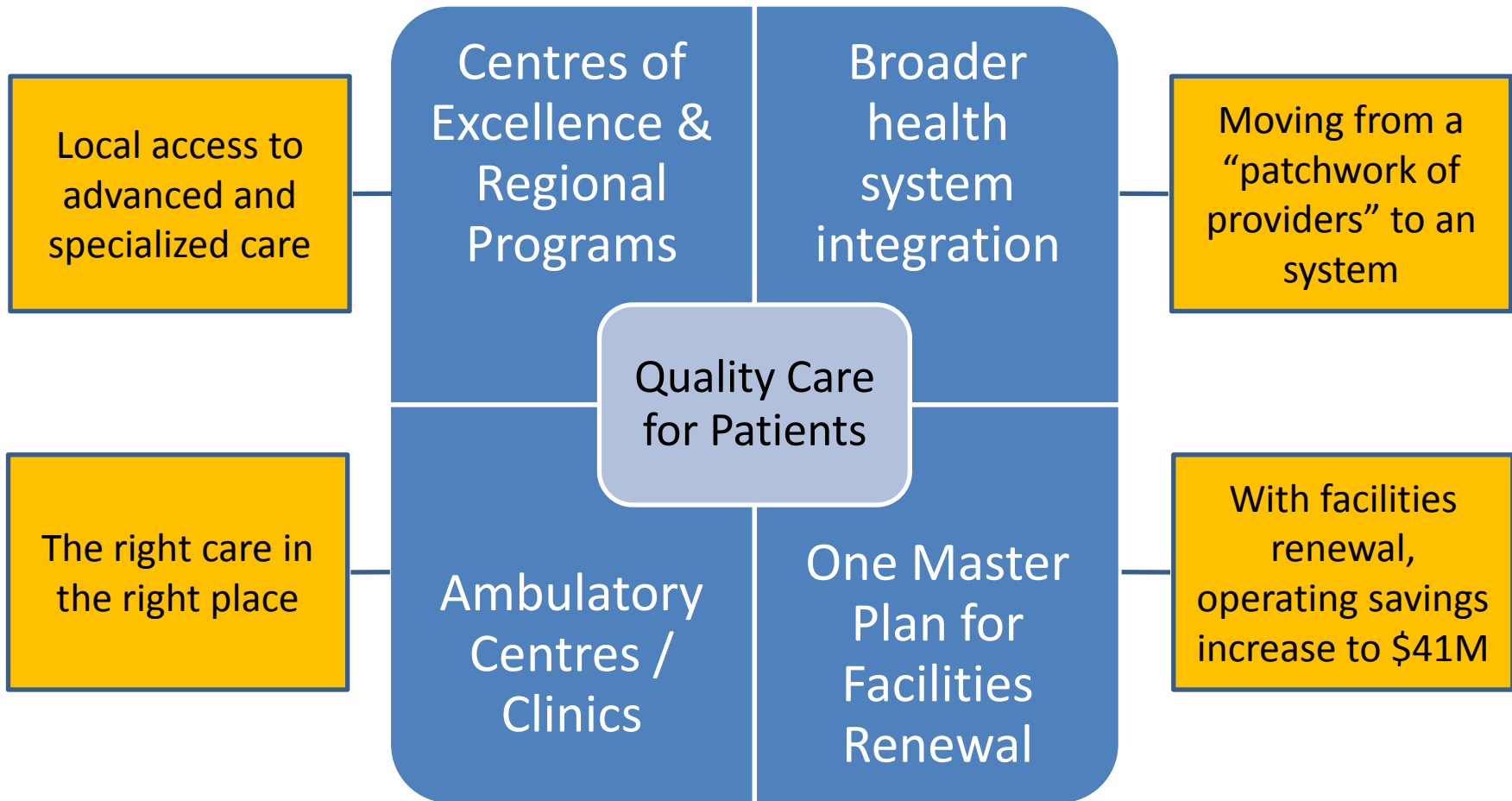


# Short-Term Benefits for Patients



*It's all about the patient and improving their experience*

# Long-Term Benefits for Patients



# Profile of a Merged Hospital

- Rank 1<sup>st</sup> in day surgical cases: 75,000
- Rank 2<sup>nd</sup> in emergency visits: 235,000
- Rank 2<sup>nd</sup> in acute separations: 57,000
- Rank in the top ten for intensive care days (25,000), ambulatory care visits (728,000) and average beds staffed and in operation (1,046)
- Rank in the top 25 for inpatient days for Mental Health (32,000), Rehabilitation (18,000) and Complex Continuing Care (26,000)

*Together...*

**\$680M** Budget

**1,046** Beds

**4,743** FTEs

Physicians: **1,159**

# Value Proposition

*Value proposition of this merger is not in the shorter term, but rather in the longer term as the hospitals position themselves to better serve their communities, create a shared vision for a transformed local health care system, address fiscal challenges together, and take advantage of the fast changing health care environment.*

# In Summary

Our hospitals under one accountability structure (one Board and one CEO) would be better positioned to:

- Establish a **long-term shared vision** for hospital services
- Position us to be **more competitive** for both operating funding and capital grants for facility renewal
- Maintain or improve **access** to services at the local level and maintain or improve **quality** of patient care
- Respond more effectively to our **financial** challenges
- Ready our hospitals for system **integration and coordination** of services with our partners, like family doctors and community agencies.

# Board of Directors Resolution (p. 1)

WHEREAS Rouge Valley Health System and The Scarborough Hospital entered into a facilitated integration initiated by the Central East Local Health Integration Network (Central East LHIN) on March 27, 2013;

AND WHEREAS an Integration Leadership Committee (“ILC”) was formed to oversee the development and implementation of an Integration Plan;

AND WHEREAS the Directors have received the report unanimously approved by the ILC entitled “Leading for Patients” (the “Report”);

AND WHEREAS the Report recommends the merger of The Scarborough Hospital and Rouge Valley Health System (the “Integration”).

# Board of Directors Resolution (p. 2)

BE IT RESOLVED THAT:

1. The Integration is approved in principle, subject to reimbursement by the Central East LHIN of \$1.3 million of Integration Planning costs to-date and confirmation of funding for financial and legal due diligence up to a maximum of \$2.5 million, and subject to the satisfaction of the conditions in section 2 of this resolution;

# Board of Directors Resolution (p. 3)

2. Implementation of the Integration will be subject to further approval by the Board and the members of the Corporation consistent with its By-law and to satisfaction of the following conditions:
  - completion of financial and legal due diligence satisfactory to the Boards of each hospital;
  - preparation of the necessary legal documents required to implement an amalgamation including documents to be submitted to the Central East LHIN and the Ministry of Health and Long-Term Care;
  - Central East LHIN and/or Ministry of Health and Long-Term Care support to address unavoidable one-time costs and ongoing operating costs associated with Integration activities;
  - required government approvals including pursuant to section 4 of the *Public Hospitals Act*; and
  - given that the full benefits of a merger can only be achieved if the capital infrastructure issues at the Scarborough and west Durham sites are resolved, grants to commence the feasibility, planning and design for two facility projects (one for the Scarborough community and one for the west Durham community) are requested.



# Board of Directors Resolution (p. 4)

3. A Joint Steering Committee be established with equal representatives from Rouge Valley Health System and from The Scarborough Hospital for the purposes of overseeing and implementing a work plan to implement the Integration;
4. The Scarborough Hospital members of the Joint Steering Committee shall be appointed by the Chair; and,
5. Board of Directors delegates the authority to the Board Chair and CEO to prepare, at the appropriate time, a letter to the Central East LHIN notifying them of the intention of The Scarborough Hospital and Rouge Valley Health System to amalgamate the corporations in accordance with the Local Health System Integration Act.

# LEADING FOR PATIENTS