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

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**INVESTIGATION PHASE**  
YEAR 0

**TRANSITION PHASE**  
YEAR 1

**IMPLEMENTATION PHASE**  
YEAR 2

**SUSTAINABILITY PHASE**  
YEAR 3

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[The Scarborough Hospital]  
[Rouge Valley Health System]  
[LEADING FOR PATIENTS]
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

<table>
<thead>
<tr>
<th>Location</th>
<th>FCI Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>RVHS - Ajax Site</td>
<td>0.06</td>
</tr>
<tr>
<td>RVHS - Centenary Site</td>
<td>0.29</td>
</tr>
<tr>
<td>TSH - Birchmount Campus</td>
<td>0.42</td>
</tr>
<tr>
<td>TSH - General Campus</td>
<td>0.26</td>
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</tbody>
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FCI Score (relative to ON Hospital Median)
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

Improving Access to Care
Sharing Clinical Expertise
Enhancing the Patient Experience
Improving Coordination & Transitions of Care

It’s all about the patient and improving their experience
Long-Term Benefits for Patients

Centres of Excellence & Regional Programs

Broader health system integration

Quality Care for Patients

Ambulatory Centres / Clinics

One Master Plan for Facilities Renewal

Local access to advanced and specialized care

Moving from a “patchwork of providers” to an system

The right care in the right place

With facilities renewal, operating savings increase to $41M
Profile of a Merged Hospital

- Rank 1st in day surgical cases: 75,000
- Rank 2nd in emergency visits: 235,000
- Rank 2nd 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
Doctors: 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.
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”).
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;
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.
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