



NIAGARA HEALTH SYSTEM  
SYSTÈME DE SANTÉ DE NIAGARA

# Hospital Efficiency Measures 2013

Our plan for financial sustainability & high-quality care

January 17, 2013



## Principles for the Budget Process

- We exist to provide the best possible patient care
- Our people are our most important resource
- Our system must be financially sustainable, especially in light of our economic downturn and a 0% increase in funding for hospitals, despite inflation
- **In response, have identified potential savings of up to \$ 13 million through a benchmarking process**
- **Ontario hospitals are engaged in similar processes**



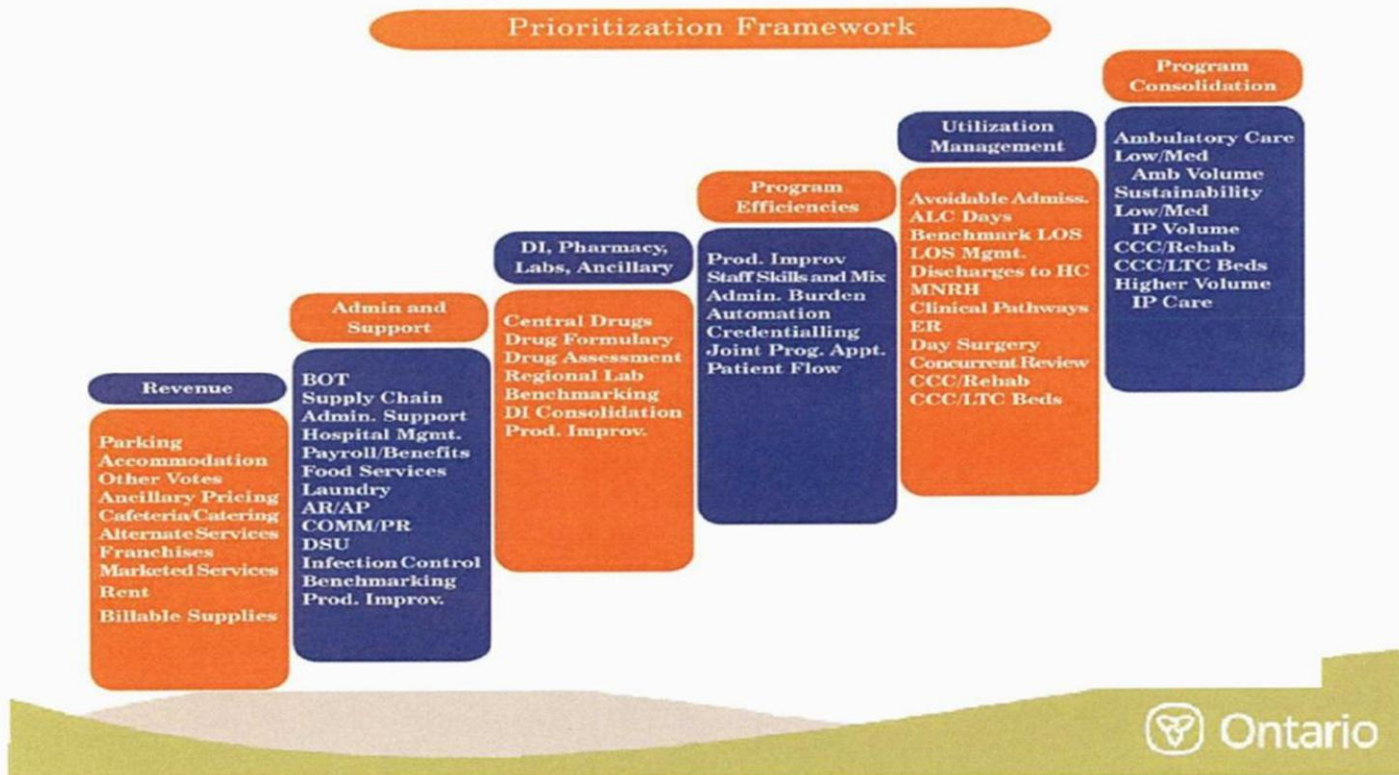
## Recent Actions to Achieve Efficiency

- We are currently below the 25th percentile for administrative and support expenses – i.e. one of the most efficient hospitals in Ontario
- We have removed administrative support, managerial, and executive positions in the last year
- We engaged staff in a bright ideas initiative to help find savings – this project will continue



# Decision-Making Process

## Hospital Annual Planning Submission (HAPS) Revenue and Expenditure Improvement





## Actions Underway

- The following slides detail the actions underway
- We do not know the final number of individuals who will leave the organization, but we will try to minimize the impact
- **We feel deeply empathetic to any and all who may be impacted by these changes**



# Actions Underway

Initiative	Savings
Decentralize Nursing Scheduling Office	\$1.0M
Centralized Food Services Delivery Model	\$0.5M
Parking Revenue – increase staff and visitor rates	\$0.5M
6 week OR closure at three sites	\$0.5M
OR Product Standardization	\$1.0M
Mental Health Consolidation to St. Catharines	\$1.0M
Lab efficiencies	\$0.5 M
Administrative and Support reductions	\$1.0M
Other cost saving initiatives	\$2.2M
Clinical Efficiencies and Consolidations	\$ 1.8 M
<b>Total Initiatives</b>	<b>\$ 10 M</b>



## Additional \$ 3 million working with staff

- We are challenging our staff to help us find \$ 3 million, in addition to the \$ 10 million saved through these initiatives
- Areas of focus will be:

Sick Time and Overtime – meeting the provincial benchmark

Infection Control – preventing outbreaks through hand hygiene, antibiotic stewardship, and cleaning



## Parking Changes and Rate Increased

- Parking will soon be gated at Niagara Falls, Niagara-On-The-Lake, Welland, and the new St. Catharines Site; Port and Fort to remain pay & display.
- New Parking Rates are as follows:

- \$2.00 per ½ hour
- \$4.00 per 1 hour
- \$8 maximum per 12 hours
- \$40.00 per 1 week (7 days)
- \$80.00 per month (31 days)
- Staff - \$22.00 bi-weekly





## Working with our Unions

- Our goal is to work with our Unions to minimize the number of actual layoffs
- For example, in 2009 we worked successfully with our unions; the result was less than 5 individuals were laid off
- To this end, our planning will include:
  - Cancelling some vacant positions (12 full time positions)
  - Reduce and redistribute hours for part-time staff
  - Reassign to other existing vacancies
  - Provide selected early retirement or voluntary exit options



## Vacancies Today at NHS

- Today there are approximately 120 permanent vacancies at NHS – 50% are full time
- In Nursing, there are 66 permanent vacancies, 31 of which are full time; we do not anticipate any nurses will be laid off
- We will still have many vacancies after these initiatives



- We have not finalized our Budget for 2013/14
- In light of current economic conditions, we will face challenges for the next 3-5 fiscal years
- We will continue to work creatively to minimize the impact of efficiency measures on those we care for and our staff.

## Comments or Questions?