



# ***A SUMMARY***

of the  
**WLMH Operations and Role Review Report**  
**with Board Chair Comments**  
**relating to the New Hospital Building**

**June 29, 2009**

## **A Summary of the WLMH Operations and Role Review Report with Board Chair Comments relating to the New Hospital Building**

*West Lincoln Memorial Hospital (WLMH) community is excited as the time draws closer to realizing its new hospital building. Pending LHIN and Ministry approvals, and successful initial planning and design phases with Infrastructure Ontario, the WLMH's community will see the first shovel in the ground for the building initiative in July 2011.*

*The **WLMH Operations and Role Review Report**, completed by **Nan Brooks** of Consulting Cadre International Inc. has provided further perspective on the direction and decisions made in the WLMH's Functional and Master Programs. This summary contains commentary from the Hospital Board Chair on some significant points from the Brooks document that relate to the WLMH's new hospital building.*

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**About the Report's Author** -- *Nan Brooks is an independent consultant with considerable experience in hospital and medical administration, Ontario Ministry of Health consulting, restructuring projects, project management and legal counsel. Ms. Brooks developed and directed the Hospital Report team during the creation and initial publication of the "Hospital Report", which was the first voluntary report card for the Ontario hospitals. She then managed the Funding Formula at the JPPC, and contributed significantly to the hospital field's understanding of the funding of Ontario hospitals. Ms. Brooks has been involved in many significant healthcare projects – from restructuring and merger initiatives, to legal analysis re union negotiations and for the "Krever Commission", to numerous visioning projects. Nan Brooks has a legal degree (1985) and a Master's in Health Administration degree (1988) from Dalhousie University and is a Certified Health Executive.*

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**On the WLMH's efficiency:**

***“As a large community hospital, the WLMH provides exceptional services in a most cost-effective manner. In fact, the Hospital is a model of efficiency and was the third lowest cost hospital among all hospitals in the Province – even with its current, aged facility. We are confident that with the new building, we can achieve the same high level of efficiency – and we will be able to provide the highest quality healthcare in a much better environment.”– WLMH Board Chair***

*Findings from Nan Brooks' Operations and Role Review:*

- WLMH is a very efficient hospital in terms of overall costs; the hospital is one of the three most efficient hospitals in the Province. In each of the past 5 years WLMH's cost per case (unit cost) when compared to other all other (not just peer) hospitals in Ontario has been fully 19% below the expected cost per weighted case.
- In dollar terms, this efficiency means that WLMH was providing care at an average of \$1,162 below the expected cost of \$4,926. Had the hospital spent the expected cost per weighted case, it would have spent \$3.5 M more.
- Financial efficiency is driven, in part by clinical efficiency and WLMH is noted as also being very clinically efficient. WLMH experiences low conservable days, meaning that it admits those who need hospitalization and works hard with its healthcare partners to provide community supports to patients for whom hospitalization is avoidable.
- The hospital's low administrative costs are in part due to innovative partnerships with Hamilton Health Sciences and West Haldimand General Hospital, which enhance the integration of services and the overall quality of care provided.

**On the financial realities:**

***“The Hospital Board is managing its budgetary pressures in the face of increased patient volumes in ER and Obstetrics and ever-rising healthcare costs. We also do so with the reality that not only has WLMH's share of funding from our LHIN decreased, but so has the HNHB LHIN's share of provincial healthcare dollars.***

***“The Board views the increasing funding gaps caused by the under-funding of its programs like obstetrics as, in effect, penalizing the hospital for its efficiency and the popularity and success of its health services. On one hand, the new hospital will allow our staff to achieve new efficiencies that we cannot realize in the current facility. However, given that a new hospital building will likely further increase the popularity of our programs and services, we will need to give serious thought to new means of revenue and seek a restoration of our fair share of provincial funding.” – WLMH Board Chair***

*Findings from Nan Brooks' Operations and Role Review:*

- Report notes the percentage of funding received by WLMH has decreased relative to other hospitals in the HNHB LHIN, and the LHIN itself has lost its share of provincial funding relative to other LHINs.

- WLMH has maintained a year-end balanced budget for the past 12 years. In 2008/09 the hospital sustained a deficit, covered by working capital from past years' savings.
- Report notes current major cost drivers are:
  1. Increase in medical cases
  2. Increase in chronic care cases
  3. Increased ALC patients (note - strategies currently in place to deal with this)
  4. Increase in obstetrical cases (note - application denied by the LHIN for additional funding)
- The Hospital is very efficient and has a low percentage of the budget spent on corporate services, as a result of innovative partnerships.
- WLMH have low avoidable costs – sick days and overtime.
- The percentage of non-MOHLTC revenue has decreased over the last 5 years.
- The margin of the hospital has been decreasing, increasing future risk for the acquisition of necessary capital equipment, despite a vibrant Foundation.

***On the sustainability of WLMH's services:***

***“We are proud of our hospital, its excellent staff and the quality healthcare delivered at WLMH. We have a culture at the WLMH which fosters a best practice environment that maximizes the family physicians role in primary care and in hospital care. We believe the new hospital will not only provide a better facility for the delivery of healthcare, it will become even a greater draw for physicians, specialists and family doctors.” – WLMH Board Chair***

***Findings from Nan Brooks' Operations and Role Review:***

- WLMH is a magnet hospital for staff. There are no recruitment issues with respect to Hospital staff – clinical, administrative or medical.
- In terms of physicians, WLMH has a very stable medical staff and maintains 24/7 coverage in anaesthesia, internal medicine, general surgery, obstetrics and the ER
- There are no issues in recruiting ER physicians or specialists and WLMH continues to successfully recruit Family Practitioners into the area.
- WLMH has a very strong relationship with McMaster's Faculty of Health Sciences and has used its 20+ year history of teaching as a vehicle to recruit nurses, doctors and other professionals.
- WLMH has established a role of providing exemplary primary and secondary care. With its strong affiliation with Hamilton Health Sciences, WLMH is comfortable in referring patients who have higher acuity needs out to teaching hospitals and repatriating those who continue to require hospital care back to west Niagara.
- There is a high level of alignment between medical staff, administration and foundation. WLMH is a very stable organization.
- The WLMH has good succession planning with a good mix of age and skill across disciplines.

### **On Obstetrics at WLMH:**

***“The high and increasing numbers of families coming from outside the hospital’s catchment area to have their babies delivered at WLMH is a testament to the obstetrics staff and to our multi-disciplinary model of care. Our obstetrics program is a tremendous contributor to the health system, for it provides exemplar ‘level 1’ birthing care, while lessening pressures and costs on tertiary centres in Hamilton and St. Catharines that deal with more complicated births. In fact, if our program were operated on an average cost per case basis with the 788 births last year, this LHIN would have spent roughly \$1M more to provide the care. So, ours is a model obstetrics program in a most cost-effective manner and we see great value in evolving and expanding it in the years to come in the new hospital.”***

**– WLMH Board Chair**

#### **Findings from Nan Brooks’ Operations and Role Review:**

- WLMH has a well-established (50 year history), sustainable, innovative low risk obstetrics program. It is a model program as defined by the Executive Report of the Ontario Maternity Care Expert Panel - *Emerging Crisis, Emerging Solutions* (Sept. 2006).
- The hospital maintains an innovative, fully-staffed obstetrics department that is fully integrated with primary care and provides 24/7 anaesthesia and obstetrician on-call coverage. It has 2 full-time obstetricians (with locum support), 6 midwives and 8 family practitioners who deliver babies.
- The WLMH maximizes a full scope of practice for all health practitioners.
- There has been a 37% increase in number of deliveries in the past 3 years with much of that influx coming from other parts of Niagara and Hamilton because of WLMH’s reputation for innovative programs and quality care.
- There are high levels of patient satisfaction as measured by the Hospital Report – lead the Province for 3 out of 4 quarters for highest patient satisfaction while undergoing a substantial increase in volume.
- WLMH is a training ground for family physicians who want to provide obstetrical care in their future practices, for midwives and obstetrical nursing staff.
- There is a sustainable number of nursing staff with a mixture of career stages to ensure continuity into the future.
- The WLMH obstetrics program naturally complements the program to be delivered at NHS when the new site is completed. WLMH is Level 1 Obstetrics; NHS is Level 2.

### **On Complex Continuing Care at WLMH:**

***“We are a leader in understanding end of life care with our integrated palliative care program. This unique program, provided through WLMH and McNally House, is being held as the provincial model for other hospitals and LHINs to adopt. With respect to services in the hospital, the WLMH contributes in a substantial way by repatriating patients from tertiary centres and providing efficient care closer to home. The WLMH takes the pressure from larger hospitals in Hamilton and St. Catharines and ensures their specialized services are available to patients who most need them.***

***“It comes down to our understanding of working closely with community healthcare providers to ensure seniors are receiving the right care at the right place. Our campus approach with a hospital, long-term care and hospice all on one property is a tremendous example of integrated palliative care. And in our new 91-bed facility, we will be better able to serve our community as well as the greater health care system of Hamilton Health Sciences and the Niagara Region.”***

***– WLMH Board Chair***

*Findings from Nan Brooks’ Operations and Role Review:*

- CCC patients are identified in the Report as one of the main cost drivers for the hospital. WLMH often is at 100% occupancy in the past, with a waiting list for transfer from medical beds.
- Allowing ALC and palliative patients to be admitted to CCC beds has enabled WLMH to keep medical/surgical beds free. This allows WLMH to have very few cancelled surgeries and to keep ER admission times low.
- More recently (during and after the Report was produced) the Hospital has successfully worked with HNHB CCAC and the LHIN to provide additional supports, so many of the ALC patients may wait in other settings instead of the CCC unit of the Hospital.
- There is an opportunity to implement alternative models of care to those who traditionally have occupied CCC beds, particularly convalescent/ rehabilitation phase of care (with appropriate funding, more cases could be repatriated to WLMH from tertiary centres).

***On the Hospital’s community support:***

***“The WLMH community has pulled together with 100% focus and commitment to seeing our building initiative through to its fruition. Our Foundation has experienced a ground-swell of community support, raising \$24 M since 2002 – that figure equates to approximately \$370 per every resident in the WLMH catchment area. This includes the Foundation’s capital campaign which raised over \$13 M to cover the local share of money required by the Province for the building of the new hospital.***

***“The new hospital with its dedicated out-patient care centre will ensure the WLMH is positioned to meet the evolving needs of our community. Certainly, the approval by the LHIN of WLMH’s Functional Program and Master Program will be a strong boost to a community who for the past 8 years have been donating toward and planning for our new hospital.” – WLMH Board Chair***

*Findings from Nan Brooks’ Operations and Role Review:*

- WLMH has a very strong Foundation which taps into a community that has a long history of passionate support for the Hospital.
- The Foundation surpassed original targets for previous campaigns and actively raising funds for equipment for the new hospital (local share).
- There is a very active and involved volunteer base in the Auxiliary, with many programs to assist patients in the Hospital and to raise funds for equipment/local share. Auxiliary recruitment programs are successful in enrolling more volunteers to the organization.