

February 19, 2015

RVH approves 5th consecutive balanced budget

Royal Victoria Regional Health Centre's (RVH) Board of Directors has approved the health centre's 2015-'16 operating plan which will enable RVH to achieve its fifth consecutive balanced budget while expanding safe, quality healthcare for the region.

Ontario hospitals must balance their budgets, yet will not receive an increase in base funding for the third consecutive year. RVH's expenses, including drugs, supplies and collective agreement commitments, will jump 2.5 per cent or \$8 million this year, while patient volumes are expected to increase 7 per cent. As a result of these and other pressures, RVH had to find \$10.6 million in cost savings to balance its budget, a target which represents 4 per cent of RVH's \$315 million annual budget.

"RVH is in a privileged position in the province, having experienced tremendous growth over the past few years. However, we must continue to spend every tax dollar wisely and remain highly efficient while maintaining bed capacity, preserving all current patient services and delivering on our commitment to patient-centred care," says Janice Skot, RVH president and CEO. "By leaving no stone unturned in non-clinical efficiencies, RVH is able to minimize the impact on patients, while still making significant investments in the future."

RVH's budget plan comes after six months of comprehensive consultation, benchmarking with other hospitals and analysis of healthcare trends. This plan will enable RVH to perform 400 additional surgeries and increase laboratory testing, while continuing to develop specialized services not currently offered in Simcoe Muskoka, such as advanced cardiac and child and youth mental health.

The budget strategy also ensures RVH's nurses can work to their full scope of practice and focus on the specialized tasks for which they were trained. This will be accomplished by introducing skilled, non-regulated health professionals on some units where patients are more stable and their outcomes more predictable. This strategy will ensure patients receive the right care from the right professional, always guided by safety and standards.

RVH's operating plan will mean the net loss of approximately 15 full-time equivalent positions. The health centre will minimize the impact on staff by taking advantage of numerous current vacancies, early retirements and regular turnover.

"Any changes that impact people are extremely difficult and are determined only after all other options are exhausted," says Skot. "Healthcare faces many challenges, including an aging population, high incidence of chronic disease, increasing costs of care and limited financial resources. But RVH, through its **MY CARE** strategy, along with the provincial government's Patients First: Action Plan for Health Care, is committed to safety, quality and affordability, while always putting patients and families at the centre of all we do."

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About RVH:

RVH is a regional health centre in Barrie, Ontario, located 80 kilometres north of Toronto. As the largest hospital in the region of Simcoe Muskoka, RVH's team of over 350 physicians, 2,500 employees and 850 volunteers provides exceptional care and specialty services to almost half a million residents, including cancer care, stroke services, orthopedics, intensive care, mental health and interventional radiology. RVH is focused on delivering safe, high quality care that puts patients and their families first. For more information visit www.rvh.on.ca