

Community Report

June 2013



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Corporate Message

At Horizon Health Network (Horizon), we are making considerable efforts to increase the effectiveness and accountability of the system, simplify its administration, and introduce health innovations while continuing to provide safe, quality patient care. At the same time, we recognize how important it is for all New Brunswickers to work together to address the province's health-care challenges and re-build personal health.

One of our goals is to ensure that New Brunswickers have the information they need to play a part in improving health-care for themselves and their families. This is why we are proud to present this issue of our Report to the Community.

While it outlines some of the vital issues we currently face and how we are addressing them, we understand that rebuilding a better health care system requires more. It needs thoughtful and well-planned strategies, and it needs the ideas and innovation that everyday New Brunswickers are known for. As you consider this report, we encourage you to share your thoughts and ideas on how to best confront the very real challenges that lie ahead.

Among these challenges is the rising cost of health care. We are committed to reduce health-care spending to meet the nations' average cost per capita by 2017, a target of \$22 million in savings. To do that we must take a hard look at a new approach to health-care delivery, a patient-first philosophy that will ensure patients receive the best possible care in New Brunswick.

Despite these challenges, we are optimistic about what lies ahead as we continue to grow together in the practice and delivery of innovative, effective, and resourceful health care. We continue to work closely with our partners and collaborate with physicians and staff to provide a sustainable health-care system for the future.

Working together, we are confident that we will create a better health-care system for our province and future generations.

John McGarry
President and CEO

W. David Ferguson
Board Chair

Board of Directors



W. David Ferguson
Board Chair



Linda Aitken
Upper Kingsclear



François M. Beaulieu
Saint John



Mike Coster
Miramichi



Jo-Ann Fellows
Fredericton



Linda G. Forestell
Saint John



Dr. Erik Klein
Hampton



Michael McCoombs
Miramichi



John B. McKay
Miramichi



Kathleen McMullen
Sackville



Jane Mitton-MacLean
Moncton



Chief Candice Paul
Saint Mary's First Nation



Luigi Rocca
Moncton



Mary Louise Schryer
Quispamsis



Kay Simonds
Woodstock

Benchmarking Overview

Andrea Seymour, Chief Operating Officer Corporate Resources

Last spring, the Government of New Brunswick created the Office of Health System Renewal (OHSR). Its two-year mandate is to encourage and assist health system partners and the New Brunswick health system to improve its performance. The OHSR's mandate comes from the Minister of Health under the direct authority of the Premier. The CEO's of both regional health authorities, John McGarry (Horizon Health Network) and Rino Volpe (Vitalité Health Network), work together in the capacity of co-presidents for the OHSR.

In consultation with the OHSR, Government established a goal to achieve per capital healthcare cost equal to the Canadian average by fiscal 2016-2017. This currently equates to a reduction of approximately \$250 million for the New Brunswick health-care system.

It is imperative that New Brunswickers work together to address the province's health-care challenges and re-build personal health. We must be ready to take a hard look at a new approach to health-care delivery, a patient-first philosophy that will ensure patients receive the best possible care in New Brunswick.

In order to meet this fiscal challenge, the OHSR developed an action plan that included a benchmarking exercise to compare New Brunswick's health-care expenditure against Canadian peers; to understand the reason for variation; and to identify and implement best practice.

The consulting firm of Raymond Chabot Grant Thornton was hired to carry out the benchmarking project. Its mandate was broken down into three phases. The first phase was to identify and quantify clinical, operational and financial performance gaps. At the completion of this phase, the firm found that there is the potential for significant hospital performance improvement from three different functional areas:

- Productivity improvement
- Reduction in length of stay, mainly for atypical and alternate level of care (ALC) cases
- Reduction in hospital utilization

According to their findings, there may be a combined savings from these initiatives of \$295.4 million in the province's health-care system as a whole. The report is not a blueprint on how this can be done. It is not an operational plan. It is a comparison of dollars – New Brunswick against its peers.

As we enter the second phase, Horizon has identified eight teams who are beginning to analyze the data from the report, and determine specific opportunities for savings within our regional health authority. Those teams are made up of Horizon staff members. Each team will have a business owner to represent a regional perspective, a process improvement facilitator, and a few additional members representing various sites and/or areas of expertise. The teams will be supported by Raymond Chabot Grant Thornton as required.

The teams will look at and review the following potential areas for savings:

- Medical Surgical Nursing Units
- Long Term Nursing Care
- Specialty Clinics/Special Day Night Care
- OR and Recovery
- Medical Imaging
- Clinical Lab
- Plant Maintenance and Operations
- Administration

Horizon's teams will develop action plans, which will be implemented as part of the third phase of the benchmarking project, starting later this summer. This process' success depends on working collaboratively with staff to identify realistic and achievable targets and related actions.

The executive team at Horizon realize that this activity may introduce additional stress to staff. We will try to minimize that through ongoing communication with both the staff and the public, with regard to milestones, outcomes and implementation plans.

We are optimistic and confident that together, a new sustainable health-care system can be created that will ensure safe, quality care in New Brunswick.

Fredericton Needs Assessment

Prepared by Verlé Harrop, PHD

In January 2012, Horizon Health Network (Horizon) initiated a community health and well-being needs assessment for Fredericton and Surrounding Area (F&SA). The purpose of the needs assessment was to gauge the strengths and limitations of the primary health-care services delivery network and to provide an opportunity for diverse individuals in F&SA to dialogue on health and wellness issues.

In early February, a representative advisory committee was struck and tasked with overseeing the needs assessment process, which used the same foundational pieces as most community-based needs assessments -- a population health approach, a determinants of health framework and a health disparities lens. What differentiated the F&SA needs assessment from other needs assessments was a clear rationale for focusing on prevention and health, community engagement and partnerships with community organizations and the business sector.

A mixed methods methodology was used in the assessment, which means both qualitative and quantitative data were collected and analyzed. From this analysis, seven priority populations were profiled: homeless; vulnerably-housed and working poor; First Nations peoples; newcomers (immigrants and refugees); persons with disabilities; rural-urban populations; seniors; and children and youth (parents' perspective).

The data analysis also identified health and well-being challenges common among the populations, including the lack of a communication system that sets out what is available and where to find it, no existing simple means of accessing systems and community-based care for persons living with complex needs, inadequate discharge processes for vulnerable populations, and the lack of commitment to make prevention and health a priority. In an effort to address these challenges, the needs assessment recommends ten action items:

- Center primary health care on prevention and health;
- Establish a community health centre in downtown Fredericton;
- Take health services into F&SA communities and to the people who need them the most;
- Improve access to information on available community-based and systems-based health and well-being services and programs;
- Leverage “Under One Sky Head Start” into an urban (off-reserve) Aboriginal Family Resource Centre;

- Campaign for a more systematic approach to healthy eating and active living in F&SA;
- Provide access to a full spectrum of health services in both official languages;
- Update the public and health professionals on recent changes to the delivery of mental health and addictions services and engage the public regarding mental resiliency;
- Identify and collect local data which highlights disparities; and
- Better connect tertiary and community-based care to facilitate hospital admissions and discharges.

Horizon will take the lead on addressing these overarching recommendations, but to be successful it needs the support of other government departments, community-based agencies and the business community. The measure of true success will reside in a whole-of-society response wherein we invest in health, equity, well-being and quality of life.

Committees of the Board Reports

Report of the Finance and Audit Committee

Michael McCoombs, Treasurer and Committee Chair

The Finance and Audit Committee met on May 23, 2013. The following is a summary of our discussions at that meeting.

Equipment being purchased by Foundations for Horizon: The Committee reviewed a list of the major capital equipment funded by the major foundations in Horizon since 2008, which totalled \$17,260,333. This list represents the equipment purchases over \$100,000. The Foundations also contribute 'regular' equipment (under \$100,000), which totals approximately \$1 million annually.

2013-14 budget: Financial Services continues to work through the budget requirements for the current fiscal year.

Preliminary results show that the organization will end the 2012-13 year, completed at March 31, in a surplus position. It is possible that any surplus could be used towards the \$12.5 million undefined reduction for 2013-14.

Financial Statements at February 28, 2013: Mr. Keenan, Corporate Director, Financial Services, provided an overview of the Financial Statements for eleven months ending February 28, 2013. Overall the organization continues to track well against budget and slightly below prior year spending. Sick and overtime is down, and there were significant reductions to full-time equivalencies (FTE's) when compared to 2012.

The financial overview showed that year-to-date financial results for the eleven-month period ending February 28, 2013 continue as a surplus of less than one percent of expenditures. The year-to-date surplus of \$4.1 million at the end of January was decreased by approximately \$3.1 million during the month of February. This followed a deficit of \$2.0 million for the previous month.

Executive Management Team continues to look at each vacancy in the organization to ensure that it is absolutely necessary to be filled.

March 2013 year-end preliminary results: Staff is completing the year-end work and results are running favourable to budget. A surplus in the range of \$2.5 million on operations is expected for fiscal 2012-13.

Mr. Ferguson commended the management team for its continuing excellent work.

Revisions to signing authorities: With the recent changes to the senior corporate structure of Horizon Health Network it is necessary to reflect the new position titles and to incorporate appropriate levels of signing for the Chief Operating Officer and Corporate Director, Financial Services.

Horizon Health Network

STATEMENT OF OPERATIONS

Year ended March 31	Budget 2013 \$	Actual 2013 \$	Actual 2012 \$
	(Note 4)		(as restated) (note 3)
Revenues			
Department of Health	1,070,739,651	1,056,853,414	1,062,283,918
Government of Canada	16,549,180	15,699,833	15,810,089
Patient recoveries	34,602,763	36,989,889	33,979,882
Other recoveries and sales	22,772,456	23,584,233	15,486,900
Board generated (note 19)	-	-	12,876,219
	1,144,664,050	1,133,127,369	1,140,437,008
Expenses			
Nursing inpatient services	337,165,130	332,685,652	326,637,995
Non-inpatient services	135,290,526	134,872,773	132,352,967
Diagnostic and therapeutic services	187,327,965	186,090,885	187,488,614
Community services	103,244,657	100,884,284	100,278,894
Medicare	168,802,240	168,858,618	167,414,438
Research and education	16,330,698	14,560,718	14,241,576
Support services	158,721,807	156,633,306	167,855,767
Administrative services	23,428,175	23,320,753	22,119,930
Ancillary services	15,397,825	12,759,683	2,105,568
Board sponsored (note 19)	-	-	12,231,930
	1,145,709,023	1,130,666,672	1,132,727,679
Surplus (deficit) from operations before undernoted	(1,044,973)	2,460,697	7,709,329
Amortization of capital funding (note 3)	32,182,830	-	-
Capital grants (note 12)	-	22,020,633	63,490,792
Amortization of tangible capital assets	(32,971,155)	(33,863,853)	(34,031,787)
Sick pay obligation adjustment (note 11)	(1,401,700)	(2,323,100)	(938,400)
	(3,234,998)	(11,705,623)	36,229,934

See accompanying notes to financial statements

Recommendation:

The Finance and Audit Committee recommends revised signing authority limits be sent to the Board for approval.

| Was passed by the Board. |

Update on management reporting project (Cognos): Horizon's current financial reporting and budgeting system, Meditech, operates as a stand-alone system within the four areas. The systems are not connected therefore information cannot be combined for integrated, cross-area reports to senior managers. The operation of each of the area systems is not consistent across Horizon and a significant amount of manual intervention is required to provide department managers and senior managers with the financial and budget reports required to manage their areas of responsibility.

To counter these inconsistencies and difficulties, Financial Services is implementing a reporting mechanism, Cognos, to provide consistent reporting to all areas. Cognos is web-based and all reports will be available electronically to all managers with budget responsibilities.

Report of the Governance, Nominating and Planning Committee

Jane Mitton-MacLean, Chair

The Governance, Nominating and Planning Committee met on May 23, 2013.

Performance Excellence Process update: The committee received an update on GNB 4th Quarter Review (January 1 - March 31). Horizon is very pleased with its overall results as an organization. Recent media stories regarding Horizon's process improvement projects were well received and provided positive recognition for Horizon staff.

There was discussion on Horizon's capacity for initiating process improvement projects with limited resource availability. The senior team reviews the projects on a monthly basis to determine priority level of projects. Benchmarking is Horizon's number one priority at this time. The Benchmarking exercise will identify a number of projects ready to roll out as others are completed.

Accreditation 2013 update: The organization continues to prepare for the on-site survey by Accreditation Canada, September 22 through 27, 2013.

Governance quality performance roadmap working group: The working group chaired by Ms. McMullen provided a proposed, structured, "Action Plan" for addressing the issues outlined in the Roadmap. The action plan will form part of the Committee's work plan for the upcoming board year with regular status reports.

Recommendation:

The Governance, Nominating, and Planning Committee recommends that the Action Plan be approved by the Board of Directors and work begin as soon as possible on the action items.

| Was passed by the Board. |

Facility Naming Policy: Linda Saunders, Director of Development, provided a "Naming of Facilities and Features" policy, drafted jointly by Regional Foundation staff in Horizon. Foundations raise a significant amount of money for health care in New Brunswick and providing appropriate donor recognition is an important component to the success of fundraising programs. This recognition could include the offer of naming opportunities.

Recommendation:

The Governance, Nominating, and Planning Committee recommends "Naming of Facilities and Features Policy" to the Board of Directors for approval.

| Was passed by the Board. |

Most of the foundations have a policy on fundraising and receiving gifts from Foundations/Auxiliaries and others, and members agreed that it would be beneficial for Horizon to adopt such a policy as well. Committee members will research policies/procedures in like organizations and will provide information to the committee at the next meeting.

Health System Roles and Responsibilities: Members received a copy of the Department of Health document “Health System Roles and Responsibilities”, developed jointly by the Department of Health and the Office of Health System Renewal, in consultation with the Vitalité Health Network, Horizon Health Network, FacilicorpNB and the NB Health Council. The purpose of the document is to clarify expectations for the health system partners based on defined roles and responsibilities. It will also serve as a basis for monitoring performance in respect of these stated expectations.

Saint John Regional Hospital Auxiliary By-laws: In September 2012, the Board of Directors of the Saint John Regional Hospital Auxiliary held a planning session to restructure its organization. This led to significant revisions to the Auxiliary and its by-laws. The auxiliary membership ratified the changes to the by-laws at its recent annual general meeting. Major changes relate to the definition of who will be an active member of the organization. Only those individuals who are active on a committee or actively doing the work of the Auxiliary will now qualify for membership in the Auxiliary. The other significant change is to the committee structure, where the number of committees has been reduced from eleven to six.

Horizon Health Network by-laws outline that by-laws of each auxiliary are subject to review and approval by the Health Authority Board.

Recommendation:

The Governance, Nominating, and Planning Committee recommends the revised by-laws of the Saint John Regional Hospital to the Board of Directors for approval.

| Was passed by the Board. |

Nominating Committee: Part of our role is to submit nominations to the board’s annual meeting for the various officers, committee chairs, and committee members. Deliberations from this portion of our May 23 and June 7 meetings will be reported at the annual meeting.

Report of the Human Resources Committee

Kay Simonds, Chair

The Human Resources Committee met on May 23, 2013.

The following is a summary of discussions at that time.

Kronos - update: Kronos is a staff scheduling system crossing many aspects of the organization. Kronos licences have been purchased for all staff and a project is underway to identify how the Kronos project should run and the resources required for the 14-week implementation. We have not yet identified a reporting structure and an executive sponsor for the project.

Collective Bargaining update - CUPE: CUPE collective agreement was recently ratified by its membership and is expected to be signed in the near future.

Balanced Scorecard Indicators: The committee discussed the balanced scorecard indicators for fiscal 2013-14.

The following four objectives were highlighted:

- Positions reduced and savings achieved through attrition
- Percentage of employee performance reviews completed
- Average number paid sick-leave days
- Percentage of leaders who met target of 3/6 in the leadership index

The organization's performance review system has been standardized from the four former systems and performance reviews are now due for completion on April 1 each year. Last year 54% were completed, with a target of 70% for the current fiscal year - which will be a challenge for the organization.

Paid sick-leave days continue to drop, with the organization's overall objective being a 20% reduction over three fiscal years. Unions have been supportive, contributing to Horizon's success with this indicator.

Leadership Index objective is a new indicator for Horizon, and one of the challenges we had on the Balanced Scorecard is how to measure alignment of leadership competencies with Horizon strategy.

Attendance Management - Year 1 Results: Paid sick hours, by fiscal year, were reduced by about 100,000 hours; a reduction of approximately 7.8 hours per employee. There are parts of the Kronos system and Cognos financials that may assist managers; however, the Kronos Project will take approximately two years to implement.

Health Human Resources Planning: Members received copies of the Health Human Resource Plan 2011-2014, approved by the Board in April 2012. The plan provides direction by defining the focus for strategic objectives and initiatives/actions, and is aligned with Horizon's Strategic Plan.

Workforce Planning - Addition to Health Human Resources Plan: The Health Human Resources Plan is continually being updated, but the Framework document will not change until 2014. Strategic workforce planning is one component of Human Resource management that is carried out under the auspices of the plan.

Members discussed how the Plan needs to accommodate the constant workforce adjustments in the organization and how Horizon can continue to have a consistent, high performing organization in the current downsizing environment.

Currently 8% of the workforce is 60 years of age and over (an increase over last year). There is a need for a solid workforce plan, along with a succession and leadership plan.

Recognition Policy - Phase 1: Also provided for information was an update on the work underway to develop a standardized employee recognition (years of service and retirement) program for the organization. By the end of the current fiscal year we expect that a strategic recognition program and strategy will be complete.

Report of the Regional Professional Advisory Committee (RPAC)

Danica Wallace, Chair

Professional Credentialing: This committee is responsible for ensuring the annual credentialing of all regulated health-care professionals other than physicians and surgeons. Gary Foley, Vice President Professional Services, reported 100% compliance with renewal of credentials of the groups whose registrations expired on April 1. These included Occupational Therapists, Registered Dietitians, Recreational Therapists, Social Workers, and Registered Respiratory Therapists.

Stakeholder feedback: We invited a Policy Analyst for Horizon to join the meeting to address the lack of clarity around the development and oversight of policies/procedures/standards of practice, etc., as well as assigning stakeholder review tasks within the organization. The Policy Analysts facilitate and help the policy owners navigate the process. The policy owner determines the need for the policy and, in conjunction with the policy analysts, the stakeholders. The policy approver, often a vice president, is ultimately responsible for making sure the consultation has taken place.

The RPAC is not a policy-approving body; however, it is considered a key stakeholder regarding interdisciplinary policies. The committee will advise the policy analyst of the types of policies it feels RPAC should be consulted on.

There was a discussion on standard operating practices, procedures, operating guidelines, policies, etc., and the confusion that exists throughout the organization on when certain types of documents are to be used, and how to make such a determination.

Clinical Network reports: Under the committee's terms of reference, one function of the RPAC is to 'provide advice and input on recommendations from the Clinical Networks and Professional Councils'. Four of the 15 clinical networks reported to this meeting : Ambulatory Care, Women & Children's Health, Emergency, and Health & Aging. The Committee was very impressed with the progress made by each of the networks, along with the level of participation throughout the organization.

Report from the Patient Safety and Quality Improvement Committee

Linda Forestell, Chair

The Patient Safety and Quality Improvement Committee met on May 22, 2013. The first part of the meeting included the committee members and additional board members and representatives as well as representatives from the Departments of Social Development and Health to discuss Alternate Level of Care (ALC) patients. The second part dealt with regular agenda items.

The committee felt we had a very good discussion with government representatives regarding the Alternate Level of Care patients and the initiatives under review by Social Development to improve service delivery. The Department of Social Development's HOMEFIRST initiative is looking at what can be done to assist and support seniors to stay in their own homes as long as possible instead of moving into a special-care or nursing home.

The committee will prepare a follow-up letter from the Board Chair to the Deputy Minister of Social Development to outline Horizon's comments and the need to revitalize the working group convened following Horizon's 2010 ALC action plan to continue discussions on this important topic.

Quality and Safety Committee Portfolio reports: VP portfolio reports from the May 2 Horizon Quality and Safety Committee meeting included the Family Medicine Network, Palliative Care Network, Regional Stroke Network, Therapeutic Services, Emergency Management, Risk Management, Quality, Patient Safety and Infection Prevention and Control Services, and the Chief Privacy Officer.

The members discussed how this committee and the board could best use the information that is contained in the portfolio reports that the committee receives on a regular basis. There are so many good news stories contained throughout that should be shared with the public. Key Performance Indicators being developed will provide the opportunity for the board members to know if the organization is meeting its targets in different areas. Members will create a dashboard to share with the board.

Fredericton and Area Community Needs Assessment: In January 2012, Horizon initiated a community health and well-being Needs Assessment for Fredericton and Surrounding Area. An advisory committee will oversee the needs assessment process.

The report from the Needs Assessment recommends:

- Focus more on prevention and health
- Establish a Community Health Centre in downtown Fredericton with UNB and the Chamber of Commerce
- Take health services out to the people who need them the most
- Improve access to information on health and well-being services
- Leverage 'Under One Sky' Head Start into an urban Aboriginal Family Resource Centre
- Develop a more systematic approach to healthy eating and active living
- Create a full spectrum of health services in both official languages
- Improve access and mental resiliency to Mental Health
- Improve connection between tertiary and community-based care

The committee also reviewed an update on the actions taken from the Oromocto and Surrounding Area study carried out and noted that other Needs Assessments have been announced for Petitcodiac, St. Stephen, Moncton/ Dieppe/Riverview, and Saint John.

Recommendation:

The Patient Safety and Quality Improvement recommends the Fredericton and Area Community Needs Assessment to the Board of Directors for approval.

| Was passed by the Board. |

First Nations Liaison Committee update: We also received an update on the work being carried out by the First Nations Liaison Committee. The committee was established in 2009 to provide assistance to Horizon Health Network's Board, management, and health-care personnel in obtaining a good understanding of the particular health-care needs, concerns and interests of the First Nations. The committee includes representation from the 12 First Nations communities in Horizon, and meets three to four times per year.

The Committee's successes/challenges to date were outlined, and it was noted that the committee is also a networking opportunity for the First Nations communities to share common interests and information. Chief Paul agreed that the committee has made great strides under the guidance and leadership of Dean Cummings, Committee Chair.

The Committee recommended that the presentation be shared with the Board at this time.

Risk Indicators: John McGarry, Horizon President and CEO, noted that Horizon would be posting risk indicators for the public on its website in the near future.

Report from the Regional Medical Advisory Committee (RMAC)

Tom Barry, MD FCFP, Chief of Staff

The Regional Medical Advisory Committee (RMAC) of Horizon Health Network met on June 4, 2013 in Fredericton. The RMAC had another all-day meeting with a full agenda; the following are highlights from the meeting:

- The RMAC is developing a structure for a Medical Quality Improvement Committee and its mandate. This will ensure we meet standards for quality patient safety, will offer protection for physicians performing quality improvement activities, and ensure they follow Right to Information and Privacy Acts.
- A subcommittee of the RMAC on Quality Care Efficiencies is working diligently on several initiatives that involve laboratory and diagnostic testing and will result in cost saving measures.
- The RMAC, in conjunction with Public Health, is working on a process in each area of Horizon that will provide antimicrobial prophylaxis to health-care workers of Horizon Health Network and patient's families who have been in contact with a person with a high-risk communicable disease.
- The RMAC will be working on developing a standard policy for physicians and laboratory services on the notification and action of critical laboratory and diagnostic values.
- The RMAC reviewed and approved several policies.
- The committee passed several motions in relation to medical staff appointments.
- The RMAC reviewed, approved and recommended to the Board the annual list of physician reappointments (approx. 1,000).
- Members of Senior Management including ex-officio members; Chairperson of the Professional Advisory Committee, Medical Officer of Health and Mr. David Ferguson, Board Chair attended the meeting and provided reports.

