OHC Austerity Index

Health care cuts and deficits across Ontario

Austerity ***noun*** *(aw-ster-i-tee)*

Definition: severity
Synonyms: acerbity, asperity, astringence, coldness, exactingness, exactness, formality, formalness, gravity, grimness, hardness, harshness, inclemency, inflexibility, obduracy, rigidity, rigor, seriousness, solemnity, sternness, stiffness, strictness, stringency

Definition: grimness, barrenness
Synonyms: baldness, bareness, dourness, economy, plainness, primitiveness, rusticism, severity, simplicity, spareness, spartanism, starkness, unadornment

Definition: saving, frugality
Synonyms: abridgement, ***austerity****, care, carefulness, caution, curtailment, cutback, decrease, deduction, direction, discretion, husbandry, layoff, meanness, miserliness, moratorium, niggardliness, parcity, parsimony, providence, prudence, recession, reduction, regulation, restraint, retrenchment, rollback, scrimping, shrinkage, skimping, sparingness, stinginess, supervision, thrift, thriftiness*

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Mission and Mandate

Our primary goal is to protect and improve our public health care system. We work to honour and strengthen the principles of the Canada Health Act. We are led by our shared commitment to core values of equality, democracy, social inclusion and social justice; and by the five principles of the Act: universality; comprehensiveness; portability; accessibility and public administration. We are a non-profit, non-partisan public interest activist coalition and network.

To this end, we empower the members of our constituent organizations to become actively engaged in the making of public policy on matters related to our public health care system and healthy communities. We seek to provide to member organizations and the broader public ongoing information about our health care system and its programs and services, and to protect our public health system from threats such as cuts, delisting and privatization. Through public education and support for public debate, we contribute to the maintenance and extension of a system of checks and balances that is essential to good decision-making. We are an extremely collaborative organization, actively working with others to share resources and information.

Who We Are

The Ontario Health Coalition is comprised of a board of directors; committees, as approved in the Coalition's annual action plan; local coalitions; member organizations and individual members. Currently the Ontario Health Coalition represents more than 400 member organizations and a network of local health coalitions, student health coalitions, and individual members. Our members include: seniors' groups; patients' organizations; unions; nurses and health professionals' organizations; physicians and physician organizations that support the public health system; non-profit community agencies; student groups; ethnic and cultural organizations; residents' and family councils; retirees; poverty and equality-seeking groups; women's organizations, and others.

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Introduction & Background

After four years of hospital restructuring and cuts by stealth, we have now moved into a period of outright "austerity" (meaning a particularly harsh approach of budget cuts, public service cuts and labour force restructuring). The health care budget in Ontario – which is already nearly the lowest per capita in the county -- is undergoing more than $3 billion in cost curtailment.

There has been no public consultation and no proper legislative process to launch and govern health care restructuring. There has been no White Paper or discussion paper, no legislation, no public hearings and no normal democratic parliamentary process to guide planning. In fact, without any requirement to plan health services to meet population need, underfunding is being used as a mechanism to force ad hoc cuts and restructuring. Services are being cut based on proposals by local hospitals and CCACs, without any proper assessment of the system-wide impacts of the cuts. The provider (including for-profit) lobby groups have been given unprecedented powers in health policy planning and decision making while Ontario residents have almost totally been cut out.

In June 2011 Ontario's Auditor General warned that the government's health care funding projections were based on a 50% reduction in annual health funding increases over the next three years. He warned that these targets were "aggressive".

In the 2012 Ontario Budget, the government reduced health funding increases far more dramatically than the serious situation previously reported to the Auditor. The "Austerity" Budget of 2012 will result in unprecedented cuts to public health care services.

Already the cuts and deficits are becoming evident all across Ontario. As this year progresses, the situation will worsen unless the government adopts a more balanced fiscal plan.

Global budgets for hospitals are now set at 0%, far less than the rate of inflation and population growth/aging. As a result, hospitals are reporting that they are under pressure to "jettison" services. At the same time, the hospital funding formula has been changed, cutting hospital global budgets in some locations to less than 0%, in order to shift money to other locations. The government is also implementing a controversial fee-for-service style of funding for hospitals in a bid to centralize services into fewer locations and force patients to travel further for care.

As we have been researching and writing this report, some of the LHINs have been announcing the home care funding for their regions. Since the Ministry of Health no longer releases province-wide funding information for homecare -- leaving it to individual LHINs to reveal -- and since they have not provided us details on home care funding that we repeatedly requested since the provincial budget was passed last spring, it has become harder than ever to track actual levels of home care funding. Finally, during the month of November – seven months into the fiscal year – 12 out of 14 LHINs publicly released funding information on home care for this year.

In the budget the government promised a 4% increase for home care and community care annually for a total of $526 million per year by 2014/15. However, the government did not define what it means by" home care and community care" in the budget. According to funding announcements made so far, $106.1 million has been allocated by 12 LHINs. While the total seems to be in the range of 4%, this funding is not only allocated to home care services. Instead, it covers a whole range of community agencies, mental health and housing as well as CCACs. What is abundantly

clear from CCAC deficits, wait times and cuts to clients, is that funding for home care -- home support and nursing -- is set at levels far too low to meet the existing waiting lists and new need from hospital offloading of more complex patients.

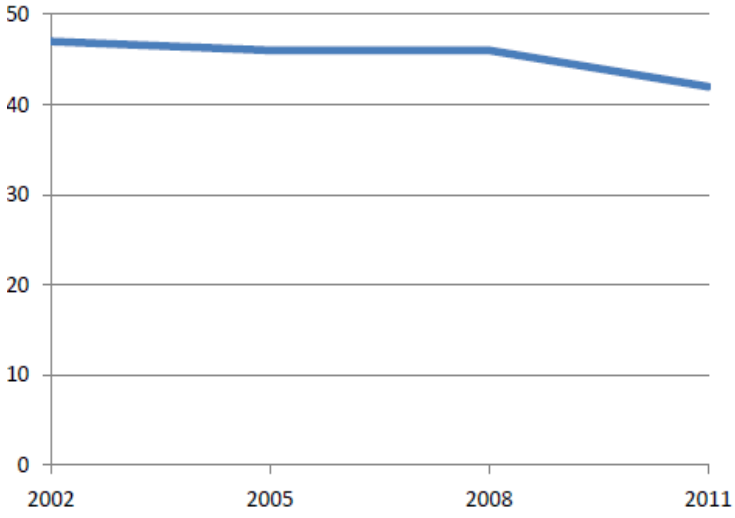
The results of this year's cuts are just becoming evident. Ontario is poised at the brink of an aggressive systematic dismantling of public hospital care – rivalling that which we experienced under the Harris government's cuts on the 1990s. Across the continuum of care we see accelerated downloading and offloading of patients. Public health care coverage is shrinking. Needed clinical services are being axed. Access to publicly-covered long-term care and home care is severely rationed. Outpatient care and primary care are being privatized. Services are being centralized out of local communities to fewer sites forcing patients to travel further. All of the dismantling, privatization and cuts are now occurring at an accelerated rate.

After the second quarter of this fiscal year (end of September), hospitals and Community Care Access Centres (CCACs) are reporting significant deficits and, consequentially, are being required to undertake very significant cuts. Outpatient clinics are closing and their services are cut or being privatized all across Ontario. CCACs are forced into a new level of severity in rationing the available care among ever growing demand, as patients are offloaded in attempts to get them out of hospital faster. The complexity of patients requiring home care through the CCACs is increasing, but home care budgets are simply insufficient to meet need.

Health cuts are too frequently couched in terms of necessity. But the Health Minister's and the McGuinty government's claims regarding health care funding are disingenuous. Despite the proclamations about health spending careening out-of-control and "eating the provincial budget", the evidence shows the opposite. Health care is *shrinking*, not growing as a percentage of the provincial budget. (See chart on page 7.) Ontario spends less on health care than most other provinces, ranking 8th out of 10 provinces in health funding according to the Canadian Institute for Health Information (National Health Expenditures Database 2012). In fact, the Ontario government spends the least amount per capita of any Canadian province on all government-funded programs and services for its residents. User fees for education and health care in Ontario are the highest in the country as a result.

The evidence shows, in fact, that tax cuts have reduced Ontario's budget capacity to fund programs and services by $15 billion per year. It is tax cuts – that have mainly benefitted the wealthy and corporations -- which are "eating up" the provincial budget, not health care.

Health Funding is Shrinking as a Proportion of the Provincial Budget



Health care funding as a percentage of all Ontario program spending.
Source: Ontario Ministry of Finance, Ontario Budgets 2002, 2005, 2008, 2011.

This report focuses on hospital and home care deficits and cuts. At the time this report was researched and written, details about OHIP and physician cuts were not public. We will review these in an upcoming update to the Austerity Index. Long-term care homes, though facing funding constraints, are generally not closing beds, with the exception of the closure of more than 50 long-term care beds in Thunder Bay, which we have included in the index.

It is a fundamental tenet of our coalition that health care policy belongs in the public domain. We believe that public information and debate are essential to a sound public policy process. We have been deeply disturbed by the "smoke and mirrors" campaign by the Minister of Health to disguise serious service cuts as a positive system transformation. We have been equally disturbed by the lack of public consultation and the total abrogation of parliamentary process as these cuts, privatization and restructuring have been rolled out across Ontario.

As part of our efforts to address these concerns, we will update the OHC Austerity Index regularly and release it across Ontario to update our networks and the media about health care service cuts.

Hospital Funding

The provincial government is using underfunding as a mechanism to force hospital cuts, privatization and restructuring. For the last four years, global hospital funding increases have been set at less than the rate of inflation. Each year they have been declining. This year, hospitals are facing a 1.6% rate of inflation[1], plus population growth and aging pressures, but hospital funding increases are set at 0%. For each hospital this means millions of dollars in funding shortfall– in real (inflation adjusted) dollars. Consequentially, hospitals all across Ontario are faced with deficits and forced to cut services to meet legislative requirements to eliminate those deficits. September marked the end of the second financial quarter of the year. Already hospitals are reporting very significant deficits and plans for very significant cuts as a result of this planned underfunding.

Ontario's hospitals have faced a steep decline in funding as a proportion of health care spending for 30 years, down from 50% in 1981 to 34% in 2010.

18,500 hospital beds have been closed since 1990. Hospital overcrowding rates have skyrocketed.

By a large margin, Ontario now has the fewest hospital beds per capita of any province in Canada. It also has the worst overcrowding of any jurisdiction we could find in the industrialized world.

The heightened rhetoric of the current Health Minister implies that the Ontario government is undertaking a "system transformation" of moving care out of hospitals into home care. But this shift has already happened. Ontario's governments have been moving health care funding away from hospitals for three decades. But home care funding has never kept pace with the hospital cuts: funding per home care client is significantly lower today than it was a decade ago. The truth is that the scope of public health care is being cut. The result is accelerating privatization and poor access to care.

Ontario Hospital Funding Gap[2]

Fiscal Year	Hospital Global Funding Increase	Inflation (1.6%)+ Population Growth (1.1%[3])+ Aging (est. 1%)	Funding Gap
2012/13	0%	3.7%	3.7%

Changes to the hospital funding formula

At the same time as it is imposing aggressive funding curtailments, the government is imposing a new funding formula on hospitals. There are 2 elements to the new funding formula.

[1] Ontario Ministry of Finance, Fall Economic Statement estimates at: http://www.fin.gov.on.ca/en/budget/fallstatement/2012/chapter2.html
[2] Hospital global funding increase figures are from Ontario Ministry of Finance, Budget 2012.
[3] Ontario Ministry of Finance, Ontario Fact Sheet, November 2012.

I. As of April 2012, 40% of hospital budgets are calculated by a new "Health Based Allocation Model" (HBAM). This model is being used to shift funding between hospitals. It means that some hospitals have less than the 0% funding increase this year. Some hospitals are facing millions of dollars in cuts to their operating budgets and are required to cut services to eliminate deficits. While HBAM is supportable in theory, in the context of inadequate funding, it means severe cuts to needed care in some hospitals.

II. Starting in April 2012 the government is phasing in a type of fee-for-service funding for a portion of hospital budgets. Euphemistically called "Quality-Based Procedures" this fee-for-service system will reward hospitals that focus on providing high volumes of certain services at low prices. Hospitals that cannot meet the target price will drop that service. This system is designed to force hospitals to narrow the scope of services they provide. Patients will have to travel further for services. This system is administratively costly and can be used to very quickly usher in for-profit privatization of our hospital care.

All of these funding changes could have grave impacts on small and rural hospitals, in particular. The government has said that these hospitals will be protected from some of the changes, but it has not provided details publicly about which services will be affected and which will not. Moreover, it is not clear if the pool of funding available to small and rural hospitals will shrink as a result of the redirection of funding.

There has been no public consultation on these changes.

Changes to the Hospital Funding Formula

Type of Funding	April 2011	Phase I April 2012	Phase II April 2013	Phase III April 2014
Fee-for-Service Procedures	0%	6%	15%	30%
Health-Based Allocation Model (HBAM)	1.5%	40%	40%	40%
Global Budgets	98.5%	54%	45%	30%

Myth Buster

Q. In the new hospital funding formula, does funding "follow the patient"?

A. No. The new funding system funds hospitals for services based on volume and price. Smaller hospitals and hospitals that are not able to meet volume and price requirements cannot access this funding and are cutting services as a result. Their patients have to travel to other communities to access these services. In fact, the patients are required to chase the funding, rather than funding being allotted according to community need.

Home Care Funding

In the 2012 Ontario Budget, the government promised a 4% increase for home care and community care. It did not define the services to which it was referring. We have repeatedly asked the Ministry of Health and the Ministry of Finance for a more detailed explanation of the budget announcement but have not been able to obtain this.

In fact, the Ministry of Health and Long-Term Care has ceased to release province-wide information on actual funding levels. In November 2012 – seven months into the fiscal year – several Local Health Integration Networks began to release details of their "home care" funding for this year. At the time of printing this report, 12 of 14 LHINs have announced funding in media releases. The total allocated to date is $106.1 million out of $128 million announced provincial funding. The funding has been allocated to a range of community health care in addition to home care: CCACs, community support services and mental health & addictions community services. Thus, funding described as home care funding now appears to cover a range of community services and housing. It also appears that the specific Aging at Home strategy funding has ceased.

There is no publicly-available measurement of unmet need in home care. However, the Auditor General found a wait list of 10,000 people for home care in his most recent report on this sector. (This is a conservative number, since many CCACs do not track all patients/clients who have need for their services and there is no clear right for anyone to access home care in Ontario. Only those who get onto the wait list for services are actually counted. Thousands more are denied services, referred to agencies that might meet part but not all of their needs, or they are forced to pay out-of-pocket or go without.)

An example of the unmet need is described in a briefing note of the Central LHIN dated November 27, 2012:

> "Central Community Care Access Centre (CCAC), with its hospital partners, has been working diligently to improve the flow of patients to community care as soon as is safely possible. The success of this initiative, along with an increase in other referral sources, has resulted in a significant increase in overall client demand. The CCAC has seen a notable increase in both the number of clients and utilization compared to both 2012/13 budget and 2011/12 actual results....Due to these service pressures, the CCAC has implemented mitigation strategies which include the referral of low and moderate needs clients to community sector agencies and waitlisting of certain high-need, or chronic, client populations.
>
> Given the CCAC's strategy to waitlist certain client populations, waitlists for clients with high needs has started to grow. In August the wait list included 306 high need clients (224 Personal Support, 43 Speech Therapy, 14 Physiotherapy and 23 Occupational Therapy). Clients wait listed for Therapy Services (particularly Speech, Occupational Therapy and Physiotherapy) with a service priority of low and moderate continue to grow reaching 863 in August for Speech Therapy, 73 for Physiotherapy and 331 for Occupational Therapy."[4]

[4] Central LHIN, Central LHIN Board of Directors Briefing Note In-Year Reallocation and Patient-Based Funding Allocation Central Community Care Access Centre, November 27, 2012.

There are two publicly-available credible estimates of CCAC funding need; one from the Ontario Hospital Association and the other from the Ontario Auditor General. They both indicate that current funding is far too low to meet need for care.

Estimated Ontario CCAC Funding Gap

Fiscal Year	CCAC Funding Increase	Funding Needed to Offset Hospital Cuts - according to OHA report	Funding Needed to Meet Trend of Last 7 Years - according to Provincial Auditor	Funding Gap
2012/13	<4%	5.5%[5]	7.2%[6]	1.5% – 3.2%

[5] This figure is from the Ontario Hospital Association, OHA Position Statement on Funding and Capacity Planning for Ontario's Health System and Hospitals, October 2010. The Ontario Ministry of Health does not do system-wide capacity planning any more and any calculations from the Ministry of Health that may exist are not publicly released.

[6] This is a conservative figure, reflecting the Auditor General's reporting of the average annual increase 2003 – 2011. The auditor notes that the attempt to download ALC patients and cut hospital funding will result in even higher need in the 2012/13 period and going forward. See: Office of the Auditor General of Ontario, The Auditor General's Review of the 2011 Pre-Election Report on Ontario's Finances, June 28, 2011.

Quick Stats

Ontario Ranks 8th of 10 Provinces in Health Care Funding

Ontario Public Health Care Spending Per Person 2012 Compared to Other Provinces (Current $)	
Newfoundland	$ 5,399
Saskatchewan	$ 4,952
Alberta	$ 4,896
Manitoba	$ 4,816
PEI	$ 4,663
Nova Scotia	$ 4,463
New Brunswick	$ 4,377
Ontario	**$ 3,963**
British Columbia	$ 3,937
Quebec	$ 3,792
Average Other Provinces	$ 4,588
Difference Between Ontario and Average of Other Provinces	**- $ 635 per person x 13,529,000 people = $8.6 billion less**

Ontario Public Health Care Spending As a Percentage of Provincial GDP Compared to Other Provinces 2012	
PEI	12.79 %
Nova Scotia	10.97 %
New Brunswick	10.63 %
Manitoba	10.14 %
Newfoundland	8.97 %
Quebec	8.77 %
British Columbia	8.16 %
Ontario	**8.07 %**
Saskatchewan	7.30 %
Alberta	6.21 %

Ontario Ranks Last in Hospital Funding

Ontario Public Hospital Spending Per Person 2012 Compared to Other Provinces (Current $)	
Newfoundland	$ 2,519
Alberta	$ 2,194
New Brunswick	$ 1,962
Manitoba	$ 1,843
PEI	$ 1,831
Saskatchewan	$ 1,784
Nova Scotia	$ 1,762
British Columbia	$ 1,557
Quebec	$ 1,381
Ontario	**$ 1,372**
Average Other Provinces	$ 1,870
Difference Between Ontario and Average of Other Provinces	**- $ 498 per person x 13,529,000 people = $6.7 billion less**

Source: all per capita spending data is from the Canadian Institute for Health Information (CIHI), National Health Expenditures Database, 2012. Percentages of GDP calculated using CIHI GDP figures from the National Health Expenditures Database, 2012.

The Index

List of Cuts and Deficits by Health Region

Cuts are listed by Local Health Integration Network (LHIN)

Erie St. Clair LHIN

Community Care Access Centre (CCAC- Home Care)

The Erie St. Clair CCAC projected a budget deficit of between $8 and $10 on its $117 million 2012-2013 budget.[7]

The Local Health Integration Network (LHIN) refused to give the Community Care Access Centre a waiver to run a $5.2 million deficit.[8] But after news of the cuts caused public opposition, the LHIN revealed it would provide one time funding to alleviate (but not eradicate) the deficit, as long as cuts are made.[9]

The CCAC says the overall increase in home care patients is rising by 1,000 to 1,500 per year in Erie St. Clair, and coming out of hospital sooner, these patients are more costly to serve. The cost of the CCACs end-of-life program is rising by 11% per year.[10]

The CCAC is also facing more demand because of a delay in building of a planned 256 bed long-term care home at St. Clair College. They say that delay is costing them $3million annually.[11]

Cutting $8 to $10 million will be a big blow to existing services: it represents between 6.8% to 8.5% of the CCACs budget.[12]

Bluewater Health (Sarnia and Petrolia Hospitals)

Alternate Level of Care (ALC) rates at Bluewater Health were 19% as of August 9, according to the Erie-St. Clair LHIN's website; up from 9% in March. [13]

Bluewater Health has a $1 million operating deficit as of the end of August.[14]

Chatham-Kent Health Alliance (CKHA) (Chatham and Wallaceburg Hospitals)

The Chatham-Kent Health Alliance has nearly a $1 million ($948,709.91) deficit for the current fiscal year.[15] It is facing an operational deficit of approximately $2.6 million for the 2013-2014 fiscal year. As a result, the hospital is planning to close 22 beds and cut 23.5 full-time equivalent staff.[16]

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[7] Boughner, Bob. "CCAC running big deficit, health cuts expected" theobserver.ca, August 16, 2012, and; Janisse, Dan. "Local CCAC faces $8-million deficit, wait lists loom". The Windsor Star. August 7, 2012.
[8] "CCACs not given sufficient resources to deal with "home first" initiative". OPSEU Diablogue. December 15, 2011
[9] Blackburn News, ``CCAC gets funding boost``. Blackburn News September 26, 2012.
[10] Diablogue. December 15, 2011.
[11] Diablogue. December 15, 2011.
[12] Allan, Doug. Canadian Union of Public Employees/Ontario Council of Hospital Unions, interview August 13, 2012.
[13] Kula, Tyler. "Deficit means less home care for patients". Sarnia Observer. August 17, 2012.
[14] J.D. "Bluewater Health continues to provide more services without knowing now much provincial funding it will get". LambtonShield.com October 25, 2012.
[15] Boughner, Bob. "CKHA planned for deficit". Chatham Daily News September 19, 2012.
[16] Robinet, Don. "Hospital cuts said to be necessary, but critics call it a sad state of affairs". Chatham This Week. August 9, 2012.

These cuts include: [17]

- 7 medical beds in Chatham.
- 2 surgical beds in Chatham.
- 3 pediatric beds in Chatham.
- 10 complex continuing care beds at the Sydenham campus in Wallaceburg.

Chatham-Kent health care alliance currently reports that it has 300 beds so a cut of 22 beds amounts to a 7% reduction.[18]

With the cuts, there will still be a deficit, but it's expected to be $1.3 million.[19]

The CKHA is introducing point of care lab testing at the Wallacebrug emergency department. The point-of-care devices will be introduced in two stages, with the first beginning at the Sydenham campus in Wallaceburg, which will be operated by nurses in the ER. When the point of lab testing is made available, it will result in the cut of 2.8 FTE technicians at SDH.[20]

Hotel Dieu Grace Hospital (Windsor)

There is a $3.5 million operating deficit at Hotel Dieu Grace[21] on the hospital's $200 million budget.[22]

Hotel-Dieu Grace is faced with a number of operating pressures that led to the deficit. Most of the service it deliver is "highly acute" for the sickest patients. In fact, on the acute severity index which ranks Ontario hospital based on their level of care needs, Hotel Dieu Grace is 11th highest, above some teaching hospitals. The hospital reports that its most acute services cost an average of $16,488 per case. That cost per case for tertiary and highly specialized quaternary care is actually 14% lower than the Ministry's benchmark cost.[23]

Windsor Regional Hospital

Windsor Regional Hospital is contemplating cutting services in the face of a new provincial funding formula that will cut the hospital's budget by $1.6 million this year. [24]

[17] Robinet, Don. "Hospital cuts said to be necessary, but critics call it a sad state of affairs". Chatham This Week. August 9, 2012.
[18] Allan, Doug. Canadian Union of Public Employees/Ontario Council of Hospital Unions. August 13, 2012.
[19] Robinet, Don. August 9, 2012.
[20] Gough, David. "Bed closing expected". The London Free Press. July 31, 2012.
[21] Cross, Brian. "Hotel-Dieu Grace facing $3.5M deficit". The Windsor Star. September 17, 2012.
[22] Cross, Brian. September 17, 2012.
[23] Cross, Brian. September 17, 2012.
[24] Sachell, Sarah. "Hospital considers cuts to services". The Windsor Star. October 5, 2012.

South West LHIN

Collingwood General & Marine Hospital

Collingwood General and Marine Hospital is projecting a $2.7 budget deficit this year.[25]

London Hospitals

Nearly $40 million will be cut from hospital budgets in London this year, as below and under St. Joseph's Health Care on the next page:[26]

London Health Sciences Centre (LHSC)

The London Health Sciences Centre (LHSC) target cut is $30 million. They are facing a $47 million shortfall, but saving from the previous year means that they have to cut $30 million.

The London Health Sciences Centre reports its financial standing as follows:

- LHSC had $1.07 billion budget last year, including $895 million from the Ontario government. (The rest is raised by the hospital through parking fees and other.)
- Funding is estimated to be $5 million less this year.
- There is a $47 million gap this year due largely to inflation.
- A $17 million surplus from last year reduces gap this year to $30 million.
- The planned cuts include $18 million cuts in so-called "non-clinical" areas[27] with an additional $12 million more in cuts remaining to be identified.

The hospital plans to discharge patients sooner.[28]

South Bruce Grey Health Centre (SBGHC)

The new funding formula introduced this year for hospitals in Ontario is hitting the South Bruce Grey Health Centre hard. This corporation is made up of hospitals in Durham, Walkerton, Chesley and Kincardine.

The SBGHC is in a catch-22 situation and does not qualify for new funding for volume-based surgeries because it runs 4 small community hospitals. But it does not qualify for exemptions for small and rural hospitals because it is an amalgation of 4 hospitals. [29]

The SBGHC is expecting a funding reduction of $215,000. As a result of this, the SBGHC is projecting a deficit of about $125,000 by the end of the fiscal year in March. If any exemption or bailout does not come next year, SBGHC could take a $622,000 hit.[30]

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[25] Edwards, John. "Collingwood hospital faces $2.7 million shortfall", Simcoe.com. June 14, 2012.
[26] Sher, Jonathan. "Big cuts in works for London hospitals". The London Free Press. June 7, 2012.
[27] We are not supportive of the use of this term. Services that are referred to as non-clinical can be intrinsic to patient care, despite the term that is used to describe them. They often include hospital cleaning, food, security, records and an array of other support services needed by patients, and without these a hospital cannot function.
[28] Sher, Jonathan. June 7, 2012
[29] Richardson, Tracey. "Hospital network hit by new formula". The Kincardine News. November 27, 2012.
[30] Richardson, Tracey. November 27, 2012.

The redevelopment of the Kincardine Hospital and Wingham Hospital were cancelled as part of the austerity budget measures announced in the spring.

St. Joseph's Health Care, London

This year St. Joseph's is facing an $8 million shortfall. St. Joseph's had a $325 million budget last year reduced to $263 million as perinatal and some mental health wards moved out. On its $263 million budget, it amounts to 3% of its budget.[31]

The hospital plans to discharge patients sooner and they are planning on privatizing transcription services, which is a threat to quality and timelines of these vital records and cutting 28 FTEs.[32]

[31] Sher, Jonathan. "Big cuts in works for London hospitals". The London Free Press. June 7, 2012
[32] Sher, Jonathan. June 7, 2012

Hamilton Niagara Haldimand Brant LHIN

Brant Community Healthcare System (BCHS – Brantford and Paris Hospitals)

Brant Community Healthcare System (BCHS) is reducing the ranks of full-time RNs in the Complex Care Integrated Program from 12 to 4, the Medical Unit is cutting 13 full-time RNs down to 9 and reducing 15 full-time RN position in its Surgical Unit down to 9.[33]

The 55 bed Complex Care Integrated Program consists of Palliative Care and Medical Complex Care, which requires close patient monitoring. Currently, 4 RNs cover those combined units per shift but that will decrease to just one RN covering the entire program per shift, amounting to a drop of 75% of RN nursing hours. Specifically the 36-bed Surgical unit will see the number of RNs decrease from 5 during the day and four at night to three and 2 respectively.[34]

Hamilton Hospitals

Approximately $25 million in cuts have been planned for Hamilton area hospital this year, as below and listed under St. Joseph's hospital on the next page:[35]

Hamilton Health Sciences

In January 2012, Hamilton Health Sciences warned that it would have to cut costs by $15 to $22 million.[36]

- The hospital expects about 140 jobs will be impacted.

In July 2012, Hamilton Health Sciences reported it is cutting $15 million, including:[37]

- $1 million in service cuts to operating rooms, the West-End Urgent Care Center and musculoskeletal outpatient physiotherapy.
- $2.9 million shaved from administration and support.
- $0.8 million from pharmacy, lab and allied health, including reducing social work hours.
- $4.9 million by limiting sick time and overtime.
- $0.2 million in improving how hospital beds are used.
- $0.1 million in amalgamating services such as the library.
- $1.8 million in finding ways to generate more revenue in services such as retail pharmacy.
- $2.3 million in other strategies (unnamed).

Joseph Brant Hospital

Joseph Brant hospital in Burlington is looking to cut $2.2 million.[38]

[33] Ontario Nurses Association. "Nurses Fear for Patient Safety in Brantford: Brant community Healthcare System spinning facts to public on RN cuts". June 15, 2012.
[34] Ontario Nurses Association. June 15, 2012.
[35] Allan, Doug. "$24.7 million in cuts to Hamilton area hospitals". Defending Public Healthcare. July 27, 2012.
[36] Allan, Doug. "$15 to $22 million in hospital cuts forecast". Defending Public Healthcare. January 26, 2012.
[37] Allan, Doug. July 27, 2012.
[38] Allan, Doug. July 27, 2012.

Niagara Health System (St. Catharines, Welland Country General Hospital, Niagara-On-The-Lake, Niagara Falls, Port Colborne Hospitals)

The Niagara Health System ended up with $19 million surplus at the end of March after cutting 30 beds last fall and another 39 this spring.[39]

The NHS is in the midst of implementing its so-called "Hospital Improvement Plan", which has seen the closure of emergency departments and operating rooms at hospitals in Fort Erie and Port Colborne and calls for the closure of maternity and pediatric wards in Niagara Falls this coming spring.[40] This spring the Welland Country General Hospital is slated to lose in-patient mental health services, children's health, maternity services and in-patient women's health issues.[41]

Most recently, government appointed hospital supervisor, Kevin Smith has recommended the total closure of 5 community hospitals – in Niagara-On-the-Lake, Niagara Falls, Port Colborne, Welland, and Fort Erie – with the possible eventual development of one new hospital to replace them.

Bed closures and service cuts in Niagara have taken their toll. Niagara is plagued by long ambulance offload delays due to a shortage of hospital beds to move patients into. For the period April 2010 through January 2011, a total number of non-emergency surgeries scheduled were 23,500. Of that number, 758 were postponed or cancelled -- 60 of the 758 because of what are called bed pressures.[42]

St. Joseph's Healthcare Hamilton

St. Joseph's is looking to cut $7.5 million.[43]

West Lincoln Memorial Hospital

The redevelopment plan for this hospital was cancelled as part of the austerity budget measures announced in the spring.

[39] Babbage, Maria. August 23, 2012.
[40] Robbins, John. "Chronic surgery cancellations emphasizes need for review of Niagara hospital restructuring, NDP leader says". Niagara News Now April 18, 2011.
[41] Robbins, John. "MPP accuses province of allowing Welland hospital to suffer death by a thousand cuts". Niagara News Now. October 4, 2012.
[42] Robbins, John. April 18, 2011.
[43] Allan, Doug. "$24.7 million in cuts to Hamilton area hospitals". Defending Public Healthcare. July 27, 2012.

Toronto Central LHIN

Centre for Addition and Mental Health (CAMH)
In August, it was made public that CAMH closed their in- and outpatient physiotherapy services.[44]

Holland Bloorview Kids Rehabilitation Hospital
Holland Bloorview Kids Rehabilitation Hospital posted a $1.1 million deficit this spring. [45]

Toronto Rehabilitation Institute
Toronto Rehabilitation Institute posted a deficit of just under $1 million this spring.[46]

St. Joseph's Health Centre
St. Joseph's Health Centre in west-end Toronto has closed its after-hours, pain, cardiac rehabilitation and audiology clinics.[47]

Toronto East General
Toronto East General has closed its physiotherapy clinics.[48]

York Central
York Central reduced services in its outpatient mental health program earlier this year.[49]

[44] Rogers, Kaleigh. "CAMH closes physiotherapy services in keeping with province-wide trend". The Toronto Star. August 27, 2012.
[45] Babbage, Maria. "More than one-third of Ontario hospitals bleeding red ink for 2nd year running". The Globe and Mail. August 23, 2012.
[46] Ibid.
[47] Rogers, Kaleigh. August 27, 2012.
[48] Rogers, Kaleigh. August 27, 2012.
[49] Rogers, Kaleigh. August 27, 2012.

Central East LHIN

Peterborough Regional Health Centre

Although the hospital is projecting a modest surplus in its operational budget this year, it has a $90 million capital deficit, according to hospital executives. The hospital is seeking provincial funding.[50]

Scarborough Hospital

In February 2012, the Ontario Nurses' Union revealed the hospital's plan to cut 4% of its nursing staff (amounting to 50 full-time and 10 part-time nurses). The Scarborough Hospital announced 3.5% budget reductions across the organization this spring.[51]

Rouge Valley Hospital

The Rouge Valley Hospital will close its ophthalmology department because it couldn't deliver the volume to win provincial funding for the service. Now patients have to go to Scarborough or Bowmanville for cataract treatments.[52]

The hospital reported that it made its decision as a result of the new provincial funding formula for hospitals:

> "During the summer, the Central East Local Health Integration Network (CE LHIN) coordinated a planning process for future cataract service delivery based on the new patient-based funding approach being rolled out across Ontario. Rouge Valley Health System (RVHS) was an active participant in this process along with the other CE LHIN service providers. As a result of this process, RVHS concluded that it is not well positioned to compete with the other service providers based on a number of the established decision making criteria, including volume of procedures, wait times, and cost."[53]

[50] Gordon, Kennedy. "Peterborough Regional Health Centre hoping to qualify for provincial relief funding for $90M legacy debt", The Peterborough Examiner. September 17, 2012.
[51] Scarborough Hospital Newsletter at http://www.tsh.to/img/AtIssue_March2012_EMAIL.pdf
[52] Gordon, Kennedy, September 27, 2012.
[53] http://www.rougevalley.ca/hospital-stories/cataract-services-in-scarborough

South East LHIN

Community Care Access Centre (CCAC – Home Care)

In June 2012, the CCAC Finance Committee reported a higher-than-expected year-to-date deficit of almost $300,000.[54]

Brockville General Hospital (BGH) and Perth and Smiths Fall District Hospital

South East LHIN chief operating officer Sherry Kennedy previously reported BGH ran its first deficit of $1.6 million at the end of the 2011-2012 fiscal year and is projecting a bigger shortfall of $2.2 million for the current fiscal year.[55]

Perth Smith Falls District Hospital

Perth Smith Falls District Hospital is projecting a deficit of $7 million as of March 31, 2012 and current operational deficit of $2.7 million.[56] They are planning to close 12 beds at the hospital.[57]

$2.5 million of the cuts to the Perth and Smiths Falls District Hospital include (note: FTE means a Full-Time Equivalent staff position and PT means Part Time staff. These include nurses, health professionals and support staff):[58]

- Sexual assault and domestic violence position abolished: 0.6 FTE.
- Clinical nutrition, dietician: reduction of 0.2 FTE (1day/wk).
- Health records: reduction of 0.4 FTE.
- Diagnostic imaging: reduction of 1 FTE.
- Physiotherapy: reduction 3.1 FTEs.
- D/C coordinator reduced by 0.5 FTE.
- Emergency Room: reduction of 4hrs/day on each site, Perth and Smith Falls.
- Med-Surge floor: reduction 1FTE.
- Obstetric: reduction 2FTE.
- Patient registration reduction from 7.5hrs to 6hrs/day.
- Communication/switch board, reduced by 0.5 FTE.
- SDP reduced by 12 to 18hrs/week.
- Med-surge floor in Perth, reduction of 2.0 FTE RPN.
- Med-surge floor in Smith Falls: reduction of 4.0 FTE RPN.
- Rehabilitation/Medicine floor: reduction of 2.0 FTE RPN and 5 PT PRN reduction (=2.2 FTE).
- Day hospital cut from 5 to3 days/week.
- Pulmonary rehabilitation program to be eliminated.
- OCC health: reduction of 2 days/week.
- Health record, reduction of 1.0 FTE.
- Purchasing, reduction of 1 FTE.
- Housekeeping, reduction by 1 FTE.
- Food service reduction by 0.4 FTE.

[54] SE CCAC, Board Minutes. June 27, 2012.
[55] Burke, Megan. September 26, 2012.
[56] Sachell, Sarah. "Hospital considers cuts to services". The Windsor Star. October 5, 2012.
[57] Email from Janson, Rick, Campaign Officer, OPSEU, November 2012.
[58] Ibid.

Quinte Health Care (QHC)

The new provincial funding formula is having a negative impact on QHC. This year, QHC is impacted by a 1% reduction or $1 million, and another $1.5 million in "savings" must be found by March 31. In following years, the gap will widen. The hospital CEO said estimates start at $8 million but "it's probably going to be $15 million". This is about 15% of QHC's annual budget.[59]

[59] Hendry, Luke. "Short-term pain, long-term gain". The Belleville Intelligencer. November 26, 2012.

Champlain LHIN

Community Care Access Centre (CCAC – Home Care)

The Champlain CCAC ended the 2011-12 fiscal year with a $1.47-million deficit on a budget of $198 million. The LHIN agreed to cover the CCAC's losses, but only if the agency looks for "savings" to ensure a balanced budget for 2012-13.

The CCAC has identified a number of service reductions and cuts, including:[60]

- A freeze on hiring, technology, travel and administrative spending at least for the first quarter, saving $1 million.
- Changing scheduling practices for savings of $546,000.
- Cuts to home visits for wound care and IV therapy. Up to 200 clients will have to travel to clinics for wound care and intravenous therapy instead of scheduling in-home nursing visits, saving $334,000.
- Referring patients/clients to other community services.
- Delaying the start of service for "moderate needs" seniors living in retirement homes who need extra in-home support, thereby lengthening waits for patients/clients, saving up to $3.9 million.

The CCAC reports that it faces an increase in patients/clients and will have to reduce its services to lower needs clients in order to meet budget targets.

Montfort Hospital

Montfort Hospital is looking for $1.2 million of savings to balance its budget after having its funding cut under the new hospital funding model.[61]

Ottawa Hospital

Another 10 beds at the Ottawa Hospital have been closed because of provincial funding for them has run out.[62] Their elimination brings to 16 the total number of beds that have been closed to date as the hospital scrambles to find $23 million in savings and balance its $1.03 billion budget.[63]

In addition, the Ottawa Hospital is cutting 96 jobs.[64]

- Among the hardest hit will be the 66 support staff, many of whom work in the hospital's medical records department and transcribing doctors' notes for patient charts.
- Another 4 nursing jobs and 24 therapist and technologist positions could also be eliminated.

[60] Tam, Pauline. "Ontario funding cuts mean fewer will qualify for home nursing as demand grows", Ottawa Citizen. June 1, 2012.
[61] Tam, Pauline. "New payment model forces Montfont to find $1.2M in cuts; No layoffs planned as facility seeks savings in administrative coats. Ottawa Citizen May 5, 2012.
[62] Tam, Pauline. "Ottawa Hospital blames funding cuts for more closed beds". Ottawa Citizen. September 27, 2012.
[63] Tam, Pauline. September 27, 2012.
[64] Tam, Pauline. "Ottawa Hospital to cut 96 jobs". Ottawa Citizen. May 12, 2012.

Under a best-case scenario, The Ottawa Hospital is anticipating a total budget of $1.4 billion, of which $779 million would come from the provincial health ministry.[65]

- That is an increase of 0.6%, or $4.7 million, which is not enough to keep the pace with the hospital's costs.

In order to save about $1 million, the Ottawa Hospital is closing the endoscopy clinic at its Riverside campus in 2013. The number of colonoscopies and endoscopies performed at its three Ottawa campuses will be cut by a third. The Riverside clinic has performed about 6,000 procedures per year of the 17,000 total at The Ottawa Hospital.[66] Hospital executives claim that the community has enough resources to manage the less acute cases outside of hospitals. However, the community clinic disputes this, stating that they already have six-week waits for appointments.[67]

Queensway Carleton

Earlier this year, the Queensway Carleton Hospital, which has a $175 million budget, reported that would face a $1.7 million gap if provincial hospital funding had been increased by 1 percent.[68] However, funding has been frozen at 0 percent, leaving this hospital with a >$2 billion shortfall this year.

[65] Tam, Pauline. "Ottawa Hospital to cut 96 jobs". Ottawa Citizen. May 12, 2012.
[66] CBC News. "Riverside Hospital endoscopy clinic closing". CBC News. November 21, 2012.
[67] CBC News. November 21, 2012.
[68] Tam, Pauline. "Hospitals confused about funding changes". Ottawa Citizen. March 6, 2012.

North Simcoe Muskoka LHIN

Community Care Access Centre (CCAC – Home Care)

The CCAC reported that it had an $8 million funding gap for existing services. When waitlists are taken into account, that gap almost doubled to $15.9 million.[69]

A preliminary analysis has identified less than $700,000 in "savings". The CCAC implemented wait list strategies to reduce spending on Personal Support Services in June 2011. As a result, wait lists for Personal Support Services have grown significantly. To address the funding shortfall, the CCAC plans to cut therapies, review its acquired brain injury program, refer clients to other community services, and other measures.

The CCAC reports that it is facing increasing acuity (higher needs and more complex patients/clients) and funding is inadequate to meet the need.

Muskoka Algonquin Healthcare (MAHC)

MAHC owes the bank $6 million dollars and the bank has refused more loans. Last year the deficit was $2.3 million and this year it will grow to $4.1 million.[70] MAHC is projecting an $803,000 budget shortfall for 2012-2013.[71]

Muskoka Algonquin Healthcare, which manages the Bracebridge and Hunsville hospital sites, was anticipating a funding cut much as other hospital were, but the final figure was worse than expected. The decrease was 0.8% or $423,000.[72]

Orillia Soldier's Memorial Hospital (OSMH)

In August, the OSMH board approved a plan to cut adult chemotherapy services.[73] The cut is currently being described as "temporary" for 3 years while the OSMH becomes a satellite clinic of the Barrie Hospital. Patients will be forced to travel to Barrie for care. The hospital has a $1.3 million projected deficit for 2012-2013.[74]

The hospital is looking at a 6% increase in costs this year on its $120 million budget but provincial government funding to the hospital will not be increasing.[75]

West Parry Sound Health Centre (WPSHC)

The West Parry Sound Health Centre (WPSHC) budget allocation will be reduced by 0.8%, a decrease of $263,082.[76]

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[69] NSM CCAC "Sustainability Plan" Fiscal 2012-13.
[70] Harris, David. "Deficit Recovery Plan". October 2, 2011
[71] Brownlee, Alison. "Muskoka Algonquin Healthcare's budget tightens with funding constraints". Huntsville Forester. July 4, 2012.
[72] Brownlee, Alison. July 4, 2012.
[73] McInroy, Ian. "Oncology services temporarily leaving Soldiers", News Local. August 2, 2012.
[74] "Orillia hospital threatens to move chemotherapy to Barrie", CottageCountryNow.ca. July 18, 2012.
[75] McInroy, Ian. August 2, 2012.
[76] Johnson, Stephanie. "Health centre's books balanced for 2012-2013". CottageCountryNow.ca. June 29, 2012.

North East LHIN

The largest shortfalls among northern hospitals were North Bay General Hospital and Sudbury Regional Hospital, which reported a $4.8 million deficit.[77]

Health Science North

Health Science North ended the fiscal year on March 31, about $3.5 million in the red on $428 million operating budget.[78] Most of the deficit attributed to costs to care for ALC patients.[79] Earlier this year, the hospital was forced to cut 30 beds. The government is expected to require the hospital to cut another 30 beds next March.[80] Thirty, out of 60 beds in the Functional Assessment and Outcome Unit at the Sudbury Outpatient Centre, formerly Memorial Hospital, will close on March 31. The remaining 30 will close on March 31, 2013.[81]

The Sudbury hospital had already announced the elimination of 96 other jobs to help it deal with its $23 million budget shortfall.[82]

North Bay Regional Health Care

The North Bay Regional Health Care posted a $5.5 million deficit in March. This facility has an overall budget of $250 million.[83]

[77] Babbage, Maria. "More than one-third of Ontario hospitals bleeding red ink for 2nd year running". The Globe and Mail. August 23, 2012.
[78] Mulligan, Carol. "Hospital posts $3.5M deficit". Sudbury Star. June 22, 2012.
[79] Mulligan, Carol. "MPP wants home care reviewed" Sudbury Star. July 12, 2012.
[80] Allan, Doug. "Health care cutbacks across Ontario". Defending Public Healthcare. September 23, 2012.
[81] Mulligan, Carol. "60 beds to close at Memorial". The Sudbury Star. February 3, 2012.
[82] September 23, 2012.
[83] Hamilton-McCharles, Jennifer. "Hospital to Balance books by March '13". September 13, 2012

North West LHIN

Revera Long Term Care and St. Joseph's Care Group

The closure of Revera the 65-bed interim long-term care facility in Thunder Bay comes on the heels of St. Joseph's announced plan to close 28 geriatric (long-term care) beds at Lakehead Psychiatric Hospital (LPH). This means that 93 long-term care beds will be closed in Thunder Bay before the end of this year.

There will be 20 new long term care beds created during Phase I and 18 new beds in Phase II of a planned new "Centre for Excellence" in long-term care. This is a total gain of 38 beds. However, this project is delayed and will be ready by 2015-2016. Even including the gain of 38 new beds, the community will still lose a net total of 55 long term care beds.

According to LHIN documents and Ministry of Health and Long-Term Care data, the Northwest LHIN has the longest wait times for long-term care beds in Ontario.