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South West LHIN Board and Strathroy Middlesex General Hospital Receive Final External Review Report

Review team identifies \$2.6 million in savings and revenue generation; Hospital has undertaken majority of the recommendations.

LONDON and STRATHROY -- The South West LHIN Board of Directors and Strathroy Middlesex General Hospital (SMGH) Board of Directors have received the Final External Review Report on SMGH's financial situation. The external review was commissioned by the South West LHIN with full participation by SMGH to develop a recovery plan in response to the hospital's financial challenges. The review was conducted by Michael O'Keefe, a former hospital executive.

SMGH was facing a projected deficit of \$2.2 million in fiscal 2008/09 and \$2.6 million in 2009/10. The recommendations in the report comprise \$2.6 million in cost reductions and revenue generation opportunities. SMGH has already started to implement the majority of the recommendations in the recovery plan.

The external review team identified concerns around the viability of Obstetric services at SMGH. To ensure the full engagement of health system partners and the local community, SMGH will proceed through a formal Voluntary Integration process, as required by the Local Health System Integration Act, prior to any changes to this service being implemented.

QUOTES

"The recommendations in the report represent a lot of hard work by hospital staff," said Michael Barrett, CEO of the South West LHIN. "We recognize some of these decisions are difficult and we will work with the hospital closely."

"We are pleased with the full participation of hospital leadership in the process," said Norm Gamble, Chair of the South West LHIN Board of Directors. "We look forward to SMGH being able to complete a final service accountability agreement with the LHIN."

"The Middlesex Hospital Alliance (MHA) Board of Directors sincerely appreciates the collaborative efforts of the External Review Team, South West LHIN and MHA Administrative Team toward the goal of a balanced budget while maintaining health care services at SMGH. Key to this objective has been the valuable input and support from staff and physicians in implementing the costs saving initiatives since March 2008," said MHA Board Chair Ineke Haan. "This has been a challenging year; however, the transformation process has positioned our hospital to meet the changing healthcare needs of our community."

For more information please contact

South West LHIN: Matthew Clarke, Communications Specialist 519-640-2566 or 1-866-294-5446 ext 2566 matthew.clarke@lhins.on.ca		Strathroy Middlesex General Hospital Mike Mazza, CEO, Middlesex Hospital Alliance 519-245-5295 ext 5592 mike.mazza@mha.tvh.ca
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